

Thematic: Negeri Sembilan (Part 2)

The Next Smart Frontier: An After Event Report

KEY INVESTMENT HIGHLIGHTS

- Negeri Sembilan is positioning itself as Malaysia's next high-tech and sustainable investment hub through the Malaysia Vision Valley 2.0 (MVV 2.0) initiative. Also, Negeri Sembilan targets 8.1% GDP growth CAGR through 2045.
- The state attracted FDI from South Korea, France, Singapore, China, and Taiwan. The Fast Lane initiative aims to cut project approval times to 14 months. Key sectors include semiconductors, aerospace, halal food, biotech, and DCs.
- Major developers like Sime Darby, Matrix Concepts, and Eco World are active in MVV-linked projects. Utilities and infrastructure are being scaled up, including a 1,400MW power plant and solar initiatives.
- Companies mentioned in this report: Sime Darby Property (Non-rated), Matrix Concepts (BUY, TP: RM1.59), Eco World Development (BUY, TP: RM2.05), F&N's (BUY, TP: RM32.68), Dutch Lady (Non-rated), Farm Fresh (Non-rated), Gamuda (BUY, TP: RM5.42), Sunway Construction (BUY, TP: RM6.44), IJM Corp (BUY, TP: RM3.74), Malayan Cement (BUY, TP: RM7.49), Pekat (BUY, TP: RM1.86), Samaiden (BUY, TP: RM1.59), Sunview (BUY, TP: RM0.54), Solarvest (Non-rated), TNB (BUY, TP: RM15.13), Malakoff (Non-rated), SDG (BUY, TP: RM5.43), KLK (NEUTRAL, TP: RM20.00), IOI Corp (BUY, TP: RM4.42), GENP (BUY, TP: RM6.26), FGVH (Accept Offer, TP: RM1.30), Tanco Holdings Berhad (Non-rated), Westports Holdings Berhad (NEUTRAL, TP: RM4.43), Tasco Berhad (BUY, TP: RM0.68) and Swift Haulage Berhad (BUY, TP: RM0.43)

BACKGROUND

Following from our thematic report on Negeri Sembilan dated 29 May 2025, "[Uncovering A Hidden Gem](#)", we hosted the YAB Menteri Besar of Negeri Sembilan, Dato' Seri Utama Haji Aminuddin Bin Harun on 3 June 2025. The luncheon talk, which was themed "Negeri Sembilan – The Next Smart Frontier," was an exclusive discussion on Negeri Sembilan's economic trajectory.

The session provided a strategic platform to explore the state's potential as Malaysia's next high-technology, sustainable investment hub. Negeri Sembilan is firmly on course to become a leading investment centre anchored on technology and sustainability. Key highlights included presentations on the state's development plans, exploration of investment opportunities in priority sectors, and dedicated networking with agencies such as the Economic Planning Unit (EPU), Invest NS, and NS Corp.

One of the highlights mentioned is the Malaysia Vision Valley 2.0 (MVV 2.0) initiative, which is one of the cornerstones of the state's developmental plans. Spanning over 153,000 hectares across Seremban and Port Dickson, MVV 2.0 aims to transform the state into a high-tech, sustainable economic corridor. It includes key projects such as the Negeri Sembilan High Tech Industrial Park, Aerospace Valley, and the Port Dickson Free Zone. These developments are designed to attract high-value industries, including semiconductors, aerospace, maritime logistics, and smart manufacturing. This report discusses the key highlights of the presentation by the YAB Menteri Besar and the potential impact and beneficiaries.

**Luncheon talk with YAB
Menteri Besar of Negeri
Sembilan**

**Exploring the prospects of
Negeri Sembilan**

**MVV2.0 aims to transform
the state**

ECONOMICS & POLICY

Negeri Sembilan remains the 9th largest state in Malaysia, with the size of its nominal GDP having grown to RM63.3b in 2023 (2015: RM40.2b) after growing at a CAGR of +5.8%p.a. since 2015. The state’s economy grew slightly more robust than the national economy as the CAGR for Negeri Sembilan’s nominal GDP was marginally higher than the CAGR of +5.6%p.a. for national nominal GDP in the same 8-year period. Despite the stronger growth, Negeri Sembilan accounted for 3.5% of Malaysia’s nominal GDP (2015: 3.4%). After deflating the price change, Negeri Sembilan’s real GDP grew by a CAGR of +3.2%p.a. in 2015-2023, slightly slower than +3.7%p.a. in the national real GDP. In 2022-2023, Negeri Sembilan’s real GDP expanded on average by +4.2% as the economy reopened coming out from the COVID-19 pandemic. This, however, was relatively slower than the +4.6% average growth in 2016-2019. The state's real GDP growth recovery was not as robust as the average +6.2% at the national level in 2022-2023 (average 2016-2019: +4.9%), which was driven more by the relatively stronger growth in Selangor, Pulau Pinang and Pahang. This perhaps explains why the government decided to slightly lower the target growth for Negeri Sembilan’s GDP to +4.8% (from +5.0% previously) for the period of 2021-2025 as documented in the Mid-Term Review of the 12th Malaysia Plan (MTR-12MP). For the state to reach the targeted real GDP of RM58.6b for this year as projected in the MTR-12MP, Negeri Sembilan will have to catch up and record stronger growth at CAGR +6.3%p.a. against the level 2 years ago.

The 9th largest economy in Malaysia

Negeri Sembilan has proven to be an attractive destination for foreign investment, drawing significant capital from various nations. At the top of the list, South Korea is one of the largest foreign investors in Negeri Sembilan with a total investment reaching RM7.49b, demonstrating strong confidence from South Korean investors in Negeri Sembilan’s potential and stability, driven by strategic location, good infrastructure, and conducive investment policies. Following closely, which contributed at RM5.06b, followed by the Netherlands and Singapore, both at RM2.38b. Also, Japan’s investments in Negeri Sembilan were in total RM1.66b. Some of the notable high tech FDI projects was the Safran Landing Systems expansion project from France worth RM650m; the new F&N project from Singapore worth RM1.80b; Bartu Antmed Malaysia from China worth RM700m; Mynafco Malaysia from Taiwan worth RM300m; and the Shin Heung Sec expansion project from South Korea RM100m.

Strong Foreign Direct Investment (FDI) into Negeri Sembilan between 2019 to 2024

The NSVV or also known as Malaysia Vision Valley 2.0 (MVV 2.0), is a large-scale economic development corridor located in the state of Negeri Sembilan, Malaysia. It encompasses the districts of Seremban and Port Dickson. The NSVV is a long-term development spanning 1,534 km², roughly twice the size of Singapore. It is envisioned to be a world-class metropolis that is competitive, inclusive, and environmentally clean. It is considered strategically located as it leverages its close proximity to heavily developed Klang Valley and KLIA, aiming to gain from the spillover effects of Greater KL’s rapid development. We believe the development of NSVV will play a crucial role in attracting more investment and driving the state’s economic growth over the medium to long term

Negeri Sembilan Vision Valley (NSVV) is a major development corridor

Table 4: Key development plans of NSVV

Parcel	Key focus	Location
Parcel A - Negeri Sembilan High Tech Industrial Park	To position Negeri Sembilan as a leader in technological advancement. To focus on building high-tech technology clusters.	Hamilton, New Labu, Labu, and Kirby
Parcel B - Smart County (MVV City)	This area will become Seremban's new city centre, featuring modern, sustainably designed business parks, residential townships, mixed commercial spaces, a medical tourism and wellness centre, and a smart industrial zone. Will have High Speed Rail (HSR)	Seremban

Parcel	Key focus	Location
Parcel C - Negeri Sembilan Aerospace Valley (NSAV) / Integrated Industrial Hub	The proposed development provides a solution for sustainable growth and low total operating cost, which includes, aerospace manufacturing area, a logistics hub, waste-to-resource, and a bulk gas terminal. The integrated industrial hub is located strategically near KLIA, which integrates the high-tech industrial sector with a logistics hub, which supports global supply chain needs.	Bukit Pelanduk, Lukut, Bandar Springhill.
Parcel D – Integrated Maritime Hub & Waterfront Corridor	Catalyst for a New Economic Zone for the maritime and tourism industries. It is to provide cost-effective international standards for terminal services, and to uplift Port Dickson as an international tourist destination, which includes MVV maritime gateway, tourism waterfront, maritime quay, and reverine tourism.	Port Dickson
Parcel E – Port Dickson Free Zone and Midport Smart AI Container Port	Transformative project within the Port Dickson Free Zone. It is envisioned as Malaysia's first smart Artificial Intelligence (AI) container port.	Port Dickson
Parcel F - Negeri Sembilan Semiconductor Valley (NSSV)	Envisioned to be a high-performing industrial park for multinational semiconductor industries	Senawang, Seremban

Source: NS Corp, MIDFR

Other state government initiatives and developments.

Negeri Sembilan is engaging with prospective Chinese investors to develop a 400-acre biotechnology hub in Bandar Enstek, in collaboration with an unnamed China-based group. This initiative is part of the state’s broader strategy to grow high-impact sectors under the Malaysia Vision Valley (MVV) 2.0 framework and aligns with the federal New Industrial Master Plan 2030, which prioritises health technology and biomanufacturing as key future growth industries. The biotechnology hub has promising prospects to meet demand in regional and global markets. To advance this initiative, Negeri Sembilan is actively exploring potential incentives and support from MIDA to assist the state government in attracting more biotech investors and fostering active engagement in this high-impact sector. We believe that this initiative represents a strategic move to position Negeri Sembilan at the forefront of high-value industrial growth, which will drive economic diversification and create high-skilled employment opportunities in the state. Moreover, the biotech hub’s scale and strategic partnership will strengthen Malaysia’s position in the global biotechnology landscape.

Advancing biotech in Negeri Sembilan

In line with the New Industrial Master Plan (NIMP) 2030 to enhance the region’s attractiveness to both foreign and domestic investors, the National Investment Council approved the ‘Pembangunan Kluster Industri Wilayah Tengah’ initiative, involving several states, including Negeri Sembilan, Selangor, Melaka, and the Federal Territory of Kuala Lumpur. This initiative aims to establish a distinct industrial cluster identity in the manufacturing sector through interstate collaboration and joint ventures to attract targeted investments. The cluster focuses on four key industries: electrical & electronics/semiconductors, pharmaceutical & medical devices, food technology, and aerospace. For Negeri Sembilan, we believe this initiative offers a unique opportunity to leverage spillover benefits from the more industrially mature states of Selangor and Kuala Lumpur, particularly in infrastructure, talent, and investor interest. Also, the state is well-positioned to capture supply chain expansions, support service opportunities, and the relocation of core or non-core operations. This regional synergy is expected to accelerate industrial growth in Negeri Sembilan and strengthen the state’s position within the broader regional development momentum.

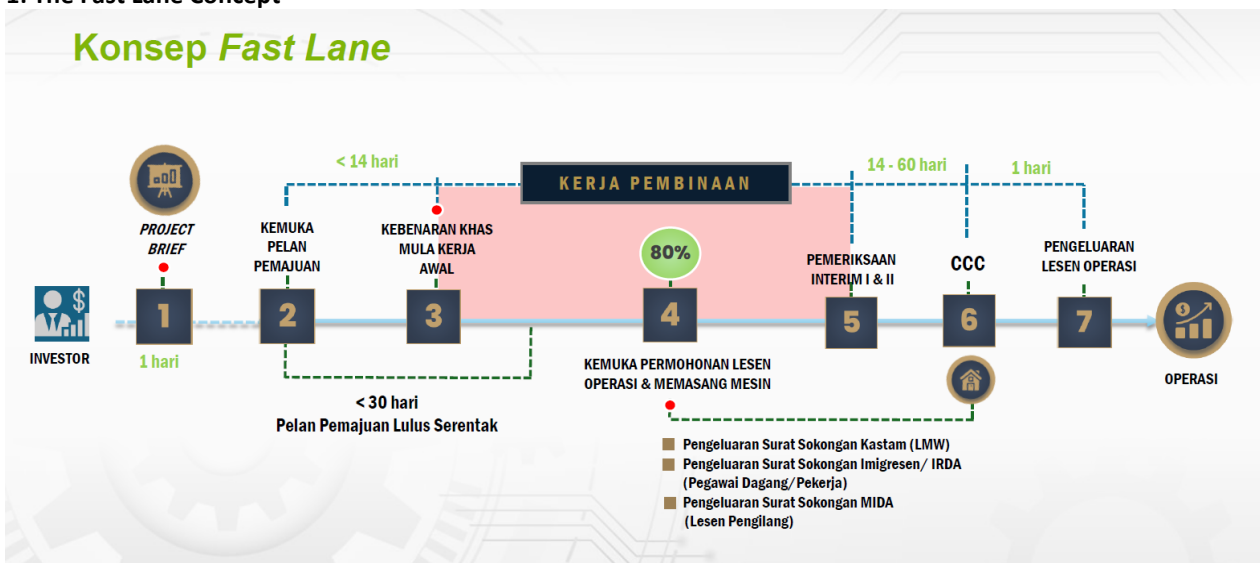
Leveraging regional synergy

To better coordinate and facilitate investments in Negeri Sembilan, the state government has introduced the Negeri Sembilan Fast Lane initiative. This program is designed to accelerate

Fast-tracking investments

approval processes and enhance support facilities for investors and entrepreneurs undertaking projects in the state. In line with efforts to improve public service efficiency, the Fast Lane offers a streamlined process from plan approval to building completion and operating license, enabling faster project implementation. The government plans to expand this initiative to all local councils, aiming to shorten project approval timelines from 24 months to just 14 months. This effort mirrors the establishment of the Investment Malaysia Facilitation Centre – Johor (IMFC-J), created to expedite investment approvals within the Johor-Singapore Special Economic Zone (JS-SEZ). We believe that Negeri Sembilan’s strong commitment to enhancing administrative efficiency will significantly improve market access, attract higher levels of foreign direct investment (FDI), and strengthen the state’s position as a strategic economic hub in the region.

Figure 1: The Fast Lane Concept



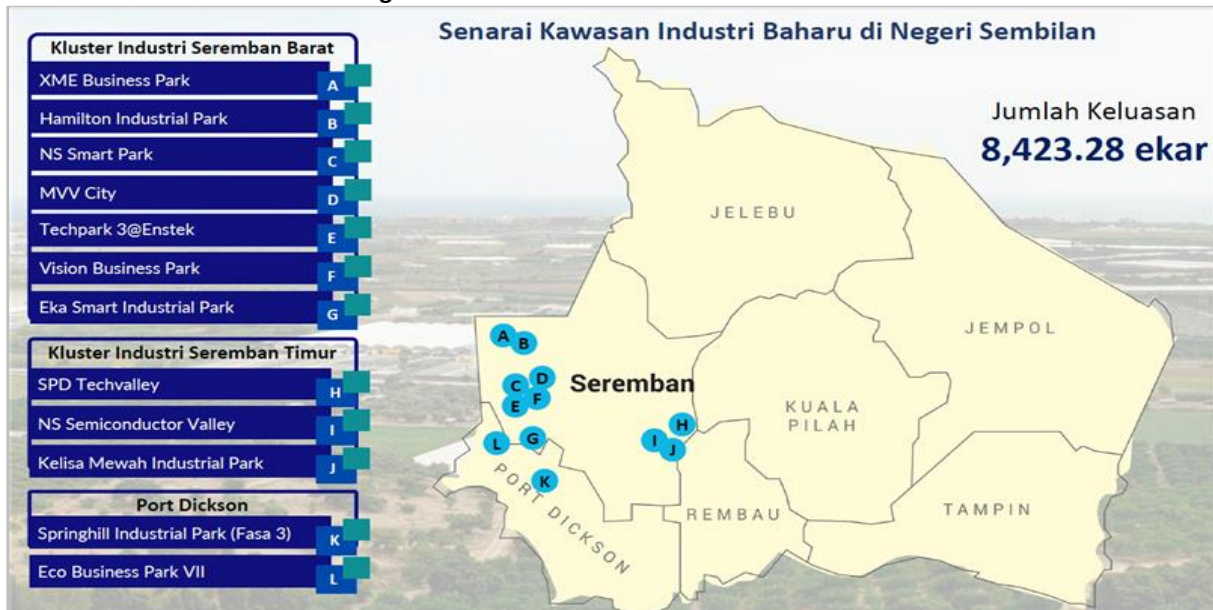
Source: Negeri Sembilan State Government, MIDFR

As a state actively attracting FDI, Negeri Sembilan's government profoundly understands that a skilled and capable workforce is paramount for sustained economic growth. A robust human capital development strategy is therefore a cornerstone of its investment attraction efforts. The state leverages its strong educational infrastructure, including reputable private institutions like Nilai University and INTI International University, alongside public institutions such as Universiti Teknologi MARA (UiTM) and polytechnics, with a focused emphasis on Technical and Vocational Education and Training (TVET). This focus is not just academic; the state actively facilitates collaboration between foreign investors and these TVET institutions, linking companies directly with education providers to cultivate the precise talent they require. For instance, the Negeri Sembilan government has successfully linked electric vehicle (EV) assembly companies with UiTM to develop specialised skills, while semiconductor companies have forged partnerships with Negeri Sembilan’s polytechnics, ensuring a pipeline of industry-ready graduates. Furthermore, the state provides opportunities for these companies to offer pre-graduation training, allowing students practical exposure and tailoring their skills to immediate industry needs. This proactive approach is built upon a strong educational foundation, evidenced by Negeri Sembilan's consistent high ranking in SPM results, notably, securing second place nationally against Putrajaya. This early emphasis on STEM (Science, Technology, Engineering, and Mathematics) education ensures a steady supply of highly capable and talented human capital, creating a robust ecosystem that is highly attractive to foreign companies. The state's adaptability is further demonstrated by its latest initiative to develop talent for the pharmaceutical sector through a joint venture with

Focuses on human capital development

Universiti Sains Islam Malaysia (USIM), which focuses on halal development, showcasing a continuous evolution to meet new industry demands.

Figure 2: List of New Industrial Areas in Negeri Sembilan



Source: Negeri Sembilan State Government, MIDFR

Negeri Sembilan Key Development Plans Going Forward.

The Negeri Sembilan Development Plan 2021–2025 is a medium-term strategy aimed at driving the state towards becoming a progressive, prosperous, and sustainable region. Anchored on the vision of Negeri Sembilan Maju 2045 and aligned with national frameworks such as the Sustainable Development Goals (SDGs), the plan outlines three main themes: economic sustainability, social well-being, and environmental resilience. Key initiatives include boosting state GDP growth to 4.5% annually, narrowing the urban-rural development gap, expanding digital public services, and promoting green and inclusive development. The plan also places strong emphasis on the Malaysia Vision Valley 2.0 (MVV 2.0) as a long-term economic driver, aiming to attract investment, create high-quality jobs, and transform Negeri Sembilan into a competitive and liveable state.

Medium-term plan in the NSDP2021- 2025

On the longer-term development, Negeri Sembilan Maju 2045 is the state’s long-term vision charting a path for sustainable prosperity, inclusiveness, and resilience by the year 2045. The vision aspires to transform Negeri Sembilan into a developed and competitive state with a high quality of life, strong economic fundamentals, and balanced growth across all districts. It emphasises people-centric development, innovation, good governance, and preservation of cultural heritage and the environment. The vision outlines several strategic pillars, including building a knowledge-based economy, enhancing infrastructure and connectivity, strengthening social well-being, and promoting green growth. It also stresses equitable development to ensure that rural communities and traditionally underserved areas benefit from progress. Negeri Sembilan Maju 2045 serves as a guiding framework for all medium-term development plans, including the 2021–2025 roadmap, ensuring consistency in policy direction over the long term. Key developments to achieve its goals include Malaysia Vision Valley (MVV) and Agropolis (NS Smart Agro), among others.

Development in the next 2 decades to be guided by Negeri Sembilan Maju 2045

Over the forecast period (2023–2045), Negeri Sembilan’s GDP is projected to grow strongly at a CAGR of +8.1%, more than double the +3.4% pace recorded during 2015–2022 ([refer to Chart 26](#)). This sharp acceleration reflects the state’s ambitious development agenda and strong investment pipeline, including the rollout of Malaysia Vision Valley 2.0 — a major growth corridor spanning 153,000 hectares across Seremban and Port Dickson. Population growth is also expected to rise significantly, with a projected CAGR of +4.1% (2015–2022: +1.5%), pointing to increased urbanisation and migration as business activity and job creation accelerate. However, GDP per capita growth is expected to moderate to +3.0% (from +4.4%), suggesting that income gains may lag headline economic and population growth, underscoring the importance of robust and inclusive economic development strategies.

Robust GDP and population growth forecast for Negeri Sembilan in 2045

The Negeri Sembilan Digital Economy Blueprint 2027 is a strategic initiative aimed at transforming the state into a digitally empowered economy by 2027. Building upon earlier efforts, the blueprint focuses on enhancing digital infrastructure, promoting industry digitalisation, and fostering a digitally literate society. Key projects include the development of smart agriculture practices in Gemas, the establishment of high-tech industrial parks like Techpark @ Enstek and Sg Gadut Industrial Park, and the creation of a new digital centre in Seremban 3. These initiatives aim to attract investments in sectors such as electric vehicles, semiconductors, aerospace, and halal industries. In addition to these, the blueprint outlines a plan for the establishment of Sendayan Tech Valley, envisioned as a hub for high-tech manufacturing and innovation. The state is also focusing on enhancing digital governance through initiatives like N9PAY, a digital payment gateway facilitating cashless transactions for government services. Furthermore, there is an emphasis on digital literacy programs, including collaborations with institutions like UITM and the implementation of the MCMC-Microsoft AI TEACH program. Collectively, these efforts are poised to position Negeri Sembilan as a competitive, inclusive, and sustainable digital economy by 2027. Ultimately, the digital economy blueprint is a strategic roadmap to integrate digital technology into the economy to achieve the Negeri Sembilan Maju 2045 vision.

Supporting digital development in Negeri Sembilan

SECTORAL VIEW

PROPERTY SECTOR (Maintain POSITIVE)

Industrial property development in Negeri Sembilan is growing on the back of investment from MNCs. Total investment in Negeri Sembilan stood at RM7.25b in 2024. The investment in various sectors in Negeri Sembilan supported demand for industrial property in Negeri Sembilan. The top five sectors that saw investment from MNCs are logistics, assembly of machinery and equipment, food tech, E&E and Chemistry Products.

Industrial property development in Negeri Sembilan is growing

Under Malaysia Vision Valley 2.0, with a total area of 38,558 acres, Parcel A with a total size of 2,838 acres are earmarked for Tech Park development, Parcel B with 8,796 acres for Smart County development, while Parcel C with a total size of 15,373 acres is earmarked for Integrated Industrial Hub. The zoning of the area under MVV 2.0 for industrial development bodes well for developers who have exposure to industrial development.

MVV 2.0 bodes well for developers who have exposure to industrial development

A property company that has exposure to Parcel A – Tech Park of MVV 2.0 is **Sime Darby Property (Non-rated)**, as Sime Darby Property introduced Hamilton Nilai City in 2021, which is its first planned industrial township in MVV 2.0

Sime Darby Property in Parcel A

A property company that has exposure to Parcel B – Smart County is **Matrix Concepts (BUY, TP: RM1.59)** with a total land size of 2,382 acres in MVV 2.0. The estimated GDV of projects from the land is RM15b. Matrix Concepts planned to have industrial development on 1,000

Matrix Concepts in Parcel B

acres of land, while the remaining landbank is planned for commercial and residential projects. **Sime Property (Non-rated)** also has exposure to Parcel B – Smart County with Vision Business Park, which spans across 760 acres of land for purpose-planned industrial and commercial projects, featuring 80% industrial and 20% commercial components.

Eco World Development (BUY, TP: RM2.05) made a foray into Negeri Sembilan to establish Eco Business Park VII in Port Dickson. The land is under Parcel C – Integrated Industrial Hub. Eco World is partnering with NS Corporation and SD Guthrie for the development. The business park is on 1,195 acres of land, while the target sector is high-tech, small, medium and heavy industry.

CONSUMER SECTOR (Maintain POSITIVE)

Negeri Sembilan's economic strategy under MVV2.0 places strong emphasis on agriculture, halal food production, and high-tech industrial development. With over 8,400 acres of new industrial zones being developed—including agrifood-focused sites in Enstek and Gemas—the state is actively positioning itself as a national food security and halal manufacturing hub. These themes directly benefit the consumer sector, especially companies involved in food and beverage production, distribution, and retail.

Ongoing infrastructure expansion, such as Techpark 3 @ Enstek and planned cold chain facilities, is designed to strengthen logistics and support certified halal manufacturing. These enhancements reduce reliance on imports, lower input costs, and create a more resilient supply chain for FMCG players. Negeri Sembilan's proximity to KLIA and Port Klang further reinforces its appeal as a strategic production and export base.

One of the largest private agricultural investments in Malaysia, **F&N's (BUY, TP: RM32.68)** RM1.8b AgriValley project spans 2,726 hectares in Gemas. The farm will house up to 20,000 dairy cattle and is expected to produce 200m litres of fresh milk annually at full capacity. Phase 1 targets 100m litres per year, with commercial milking set to commence by mid-2025. The project is also planting 400 hectares of corn silage to support feed self-sufficiency, enhancing margin control. F&N's investment will generate ~600 jobs, including skilled labour in veterinary, logistics, and operations.

Negeri Sembilan is already home to several leading consumer names such as **Dutch Lady (Non-rated), Coca-Cola, Farm Fresh (Non-rated), Yakult, Mahsuri, and Tyson Foods**—many of which operate within or near the Techpark @ Enstek halal zone. This cluster is anchored by certified facilities and supported by institutions like MyHAC and JAKIM, reinforcing its role as Malaysia's premier halal industrial zone. These firms are expected to benefit from expanded infrastructure and regulatory facilitation under the Negeri Sembilan Fast Lane programme.

In our view, Negeri Sembilan provides dual structural tailwinds for the consumer sector: (i) access to scalable, integrated production hubs and (ii) rising domestic demand from urbanisation in Nilai, Sendayan, and Seremban. The state's commitment to food security and halal excellence provides long-term relevance for companies expanding capacity or localising inputs. *F&N stands out as the clearest proxy*, though we see further upside potential for listed consumer producers and logistics providers aligned with the state's evolving economic ecosystem.

Eco World in Parcel C

State vision anchored in agrifood and industrial growth

Enabling ecosystem for Halal and dairy supply chains

F&N's AgriValley – flagship dairy investment in Gemas

Multinational consumer presence is already established

Strong structural tailwinds for consumer players

CONSTRUCTION SECTOR (Maintain POSITIVE)

We maintain a **POSITIVE** view on the construction sector, underpinned by the state's ambitious infrastructure development agenda and its positioning within the Malaysia Vision Valley (MVV) 2.0 corridor. One of the biggest beneficiaries of these long-cycle development plans is likely to be IJM Corporation, given its well-established presence in the region. IJM has already delivered several key infrastructure and township projects in Negeri Sembilan, most notably Seremban 2, a flagship township development that has transformed into a thriving urban hub over the past two decades. With the MVV expected to generate fresh demand for industrial infrastructure, road access, water systems, and mixed-use development zones, IJM is strategically positioned to capture both civil engineering and property development opportunities. The group's diversified capabilities in construction, infrastructure concessions, and property development give it a natural advantage in bidding for MVV-related work, especially if the KL-SG High-Speed Rail (HSR) project, long considered a catalyst for MVV, resumes under renewed Federal focus.

IJM Corp is well established in the region, with notable developments such as Seremban 2

Negeri Sembilan's readiness to become a regional hub for data centres, with two data centres being developed - a green data centre in Nilai and an AI data centre in Port Dickson. The Menteri Besar highlighted that water and energy infrastructure were being proactively scaled up to meet hyperscale demand, including a 67 m-litre-per-day off-river storage (ORS) water plant. Recall that Gamuda, has recently flipped four plots of freehold land measuring 389 acres earlier this month for RM455.2m to Google-linked Pearl Computing Malaysia Sdn Bhd, was awarded a RM1.01b external infrastructure contract (EIC) to undertake enabling works for the development of data centres, which includes earthworks (completion by 3QCY25), a new water treatment plant with a total production capacity of 65m litres per day (completion by 2QCY27) and an off-river storage to ensure sufficient water yield during the low season and mitigate against any pollution (completion by 4QCY28). These are all part of Gamuda's latest data centre strategy, with an integrated offering of land, water and power. Based on the land size, we have previously estimated that it could cater for about 500MW to 600MW of data centre developments, which may translate to a construction size of RM15.0b to RM18.0b, which underpins the order book replenishment prospects for **Gamuda (BUY, TP: RM5.42)**.

Readiness as a regional hub for data centres

With talks of other hyperscalers eyeing the possibility of setting up shop in Negeri Sembilan, we can expect other major builders such as **Sunway Construction (BUY, TP: RM6.44)** and **IJM Corp (BUY, TP: RM3.74)**, apart from Gamuda to benefit should Negeri Sembilan emerge as a new data centre hotspot after Johor. SunCon has already established itself as a leading player in the data centre contracting space, while IJM Corp also possesses the technical depth and financial scale to bid for such large-scale builds and has been actively involved in the DC segment over the past year, with three DCs in the works. SunCon and IJM's expertise in civil works, earthworks, utility interfacing, and industrial builds positions it well to take on data centre infrastructure in the MVV catchment. A direct beneficiary would be **Malayan Cement (BUY, TP: RM7.49)**, through the supply of cement and ready-mixed concrete.

Gamuda, SunCon, IJM Corp and MCement expected to be among beneficiaries

UTILITIES SECTOR (Maintain POSITIVE)

With great developments come great power. To ensure that the industrial areas in the state will enjoy clean energy, it was revealed that Malakoff Corp will be developing a 1,400MW gas turbine power plant in Lukut, Port Dickson. We have previously highlighted that Malakoff will be developing a new combined cycle gas turbine (CCGT) plant in Port Dickson, at the same site as its decommissioned open cycle gas turbine (OCGT) plant that was demolished in Jul-24. Its PPA expired in 2019 and previously had a capacity of 440MW.

Malakoff to develop 1,400 gas turbine power plant

The state government is also encouraging all the industries in Negeri Sembilan to adopt green energy or install rooftop solar panels at their premises. We can expect solar EPCC players such as **Pekat (BUY, TP: RM1.86)**, **Samaiden (BUY, TP: RM1.59)** and **Sunview (BUY, TP: RM0.54)** to benefit from this. Meanwhile, Pekat also owns a 60% stake in Nilai-based switchgear manufacturer EPE Switchgear Sdn Bhd, which stands to benefit from the supply of switchgears, circuit breakers and other equipment. There are also at least two solar farms under the Corporate Green Power Programme (CGPP) being developed in Negeri Sembilan. **Solarvest (non-rated)** is undertaking the EPCC works for LBS Bina Group's 43MW solar farm in Senawang while developing a 10MW solar farm for Bahau Power Sdn Bhd in Bahau.

Industries encouraged to install rooftop solar

Negeri Sembilan is home to some of the largest power plants, which are significant contributors to the peninsula's power generation capacity. Among these are Tenaga Nasional's Tuanku Jaafar PD1 (703MW) and PD2 (708MW), both of which are gas-fired. The utility giant also runs a coal-fired Jimah East Power Plant with a capacity of 2,000MW. There is also another 1,400MW coal-fired power plant - the Jimah Power Station - owned by Edra Energy. Apart from meeting the local energy demands, the power plants above also supply electricity to the broader power grid in the peninsula. We can expect electricity demand in Negeri Sembilan to grow moving forward, driven by industrial growth and data centre developments. The Energy Commission (ST) recently issued a request for proposal (RFP) for new generation capacity from 2025 to 2029, a rather timely programme that may see a hive of activities in Negeri Sembilan. This will be undertaken via two categories, which is the extension of the concession period for existing gas-fired power plants with expiring or expired existing power purchase agreements (PPAs) and through the development of new gas-fired power plants. We expect **TNB (BUY, TP: RM15.13)** and **Malakoff (Non-rated)** to be among the main beneficiaries under this new bidding programme. TNB's PD1 and PD2 have PPAs expiring in Aug-28 and Jan-30, respectively. We do not deny the possibility of proposals being submitted for these two plants to have their concession period extended. Based on market talks, we gathered that the latest RFP seeks to add about 8,000MW of capacity from both categories, as the ST's main aim is to ensure the stability of electricity supply and to maintain the electricity reserve margin in Peninsular Malaysia at an optimal level.

Negeri Sembilan is home to some of the largest power plants

PLANTATION SECTOR (Maintain NEUTRAL)

With the expansion of the Klang Valley now extending into Negeri Sembilan (NS) under the Malaysian Vision Valley 2.0 (MVV 2.0) initiative, the development will encompass the Seremban and Port Dickson districts, covering approximately 153,000 hectares. This large-scale initiative is aimed at supporting the establishment of several strategic economic zones, including a high technology and industrial park (2,838 acres), an integrated transport district (8,796 acres), an aerospace valley (approximately 16,000 acres), a maritime hub (3,960 acres), and a tourism zone (approximately 2,910 acres). As land demand intensifies to accommodate these developments, plantation companies with landbank exposure in NS may stand to benefit from potential land monetisation opportunities, especially in areas that align with MVV 2.0's infrastructure and growth plans.

Expansion of the greater Klang Valley to Negeri Sembilan

Based on our coverage, we have identified that **SDG (BUY, TP: RM5.43)**, **KLK (NEUTRAL, TP: RM20.00)**, **IOI Corp (BUY, TP: RM4.42)**, **GENP (BUY, TP: RM6.26)**, and **FGVH (Accept Offer, TP: RM1.30)** hold plantation landbank exposure within NS. SDG commands the largest presence with approximately 36,128 ha of oil palm estates in the state. This is followed by FGVH with an estimated 12,927 ha, KLK with 10,152 ha, IOI Corp with 5,523 ha, and Genting Plantations with 2,997 ha. Among these 5 companies, we foresee that SDG is uniquely positioned to benefit from the MVV 2.0 development. This is thanks to the strategic location

SDG commands the largest presence with approximately 36,128 ha of oil palm estates in the state

of its landbank within the western region of NS, aligning closely with the designated MVV 2.0 development corridor. In contrast, the landbanks of the other companies are generally situated outside the core MVV 2.0 zone, limiting their potential direct upside from the ongoing infrastructure and economic developments in the area.

Table 5: Company Landbank in Negeri Sembilan

Company	Total land in Negeri Sembilan 'ha	NBV (RM 'm)
SD Guthrie	36,128	810.0
FGVH	12,927	25.3
KLK	10,152	200.0
IOI Corp	5,523	413.9
Genting Plantations*	2,997	63.7

Source: Annual Report 2024, *Including Melaka hectares

With increasing expressways and economic zones under the MVV 2.0 initiative, this presents a timely opportunity for landowners, particularly those with strategically located estates, to unlock and monetise the underlying value of their landbank. In December, Gamuda acquired a 389-acre parcel from SDG for RM424m, translating to approximately RM25.00/sf. Separately, in January 2025, GENP entered into an SPA with Scientex to divest 528.49 acres of freehold agricultural land in Paya Rumput, Melaka, for a total cash consideration of RM334m. It is worth noting that the price differential between SDG and GENP land disposals reflects location premium, land category, with SDG's proximity to Klang Valley driving higher valuation.

An opportune time to monetise land value

Based on conservative market valuation of RM180,00/Ha for landbank in NS, we estimate SDG's 36,128 ha could be worth RM6.5b or RM0.94/share (refer to table 2). In contrast, landbanks held by other planters are likely to carry lower implied RM/ha valuations, given their locations outside the core MVV 2.0 development zone, limiting potential upside from the initiative. Should any of the companies proceed with land disposals, we foresee such transactions yielding substantial windfall gains. The proceeds could enhance shareholder value through special dividends or reinvestment into new potential brownfield estates.

Table 6: Potential landbank value in Negeri Sembilan

Company	Ha	Ascribed RM/ha	RNAV (RM' m)	Share Out 'million	RNAV/share (RM/share)
SD Guthrie	36,128	180,000	6,503.6	6,915.7	0.94
FGVH	12,927	150,000	1,939.1	3,648.2	0.53
KLK	10,152	150,000	1,522.8	1,096.4	1.39
IOI Corp	5,523	150,000	828.5	6,203.7	0.13
GENP	2,997	150,000	449.6	895.6	0.50

Source: MIDFR Estimates

TECHNOLOGY SECTOR (Maintain NEUTRAL)

The Electrical and electronic (E&E) sub-sector has been earmarked as one of the five focus points in Negeri Sembilan. In the immediately preceding five years from 2019 to 2024, the state has attracted E&E investment amounting to RM2.75b. Moving forward, the focus for the E&E sector will be enshrined in the Malaysia Vision Valley 2.0 (MVV 2.0). Under MVV 2.0, 841 acres of land have been allocated for the E&E sector. Dubbed the NS Semiconductor Valley, which is situated in Senawang, the location has attracted the interest of strategic investors, including Samsung SDI Energy Malaysia Sdn Bhd, which is involved in the manufacturing and sales of rechargeable batteries as well as the manufacturing of automotive batteries for

Getting a slice of the Global Semiconductor Industry's supply chain

electric vehicles. Such accomplishment reinforced Negri Sembilan as one of the leading states to play a vital role in the supply chain of the Global semiconductor industry. This is also in line with the implementation of the National Semiconductor Strategy.

TRANSPORTATION SECTOR (Maintain NEUTRAL)

Malaysia Vision Valley (MVV 2.0) is a long-term development master plan that aims to position Negeri Sembilan, particularly Port Dickson, as a key logistics and maritime hub. Three major zones under this plan are Parcel C (Integrated Industrial Hub), Parcel D (Integrated Maritime Hub & Waterfront Corridor), and Parcel E (Port Dickson Free Zone & AI Smart Container Port). These initiatives are backed by both state and federal support and designed to enhance connectivity, attract high-impact industries, and ease congestion at Port Klang.

Tanco Holdings Berhad (Non-rated), traditionally a property developer, is the private-sector driver behind Parcel E. Through its 79%-owned unit, Midpoints Holdings Sdn Bhd, Tanco will build, own, and operate the new port. The Group has secured federal approvals from the Ministry of Transport and has formed key MoUs with China's CCCC Dredging Group and COSCO Shipping Ports Limited (COSCO). These partnerships bring technical expertise and potential traffic inflows to the new port. The port, designed with deepwater berths and AI-driven automation, aims to handle large vessels with high efficiency, positioning it as a viable alternative to Port Klang. Adjacent to this, the PDFZ will serve as a logistics and light industrial zone, offering customs facilitation and free zone benefits that appeal to international investors.

Westports Holdings Berhad (NEUTRAL, TP: RM4.43) has long benefited from its dominant position at Port Klang (>80% market share). The emergence of a new deep-water port in Port Dickson has direct competitive implications for Westports and the broader Port Klang cluster. The Negeri Sembilan government explicitly pitches the PD Smart Port as an alternative to relieve Port Klang's congestion. For context, Westports is currently operating at around 80% utilisation, which is considered optimal as it allows for flexibility to manage fluctuations in demand. COSCO's potential involvement is notable if it were to take an equity or operational stake in the new port, as it might channel more of its ships to Port Dickson. This could divert transshipment volumes from Westports over time, since currently Port Klang is a hub for the Ocean Alliance (which includes COSCO).

In the near-to-medium term, the threat is likely limited. Westports has an entrenched position with long-term contracts, and it is undergoing a massive expansion of its own. The Westports 2 project, adding new terminals CT10-CT17, will double its capacity by 2040. We noted that the PD Smart Port is still in early stages, targeting operational readiness in a few years, and will need to build connectivity and a track record. While it introduces a credible alternative that could gradually reshape cargo flows in the Straits of Malacca, the real inflexion point may come once the new port reaches later phases and if it secures a major shipping alliance as an anchor.

Tasco Berhad (BUY, TP: RM0.68) operates extensive warehousing, freight forwarding, and cold-chain services. As manufacturers set up in MVV's industrial parks and utilise the PDFZ, Tasco can capture new business in handling imports/exports, ocean freight forwarding, and warehouse management. More broadly, MVV's aim of attracting high-value industries aligns with sectors that require sophisticated logistics (i.e. cold chain for biotech, just-in-time delivery for electronics), potentially increasing demand for Tasco's specialised services. An

Overview of MVV 2.0

Emerging port developer

Resilient port operator with alliance backbone

Integrated logistics partner for a growing industrial cluster

uptick in regional trade through the new port could also boost Tasco's international freight volumes.

Swift Haulage Berhad (BUY, TP: RM0.43), being a key player in container haulage and land transportation, stands to gain from any new container traffic and inland logistics needs. If the PD Smart Port ramps up, there will be significant demand for the transport of containers to/from customer facilities. With its large fleet, Swift can capitalise on this. Swift has been expanding its inland container depots and trucking fleet in anticipation of growing demand. It could similarly invest in a logistics centre or haulage yard near Port Dickson to serve the MVV cluster. The planned direct road links from MVV to key highways will facilitate trucking operations. Moreover, the presence of a free zone means more customs facilitation for shipments, which plays into Swift's strength in offering cross-border logistics.

**Land transport provider
ready to scale**

**MIDF RESEARCH is part of MIDF Amanah Investment Bank Berhad
197501002077 (24878-X).**

(Bank Pelaburan) (A Participating Organisation of Bursa Malaysia Securities Berhad)

DISCLOSURES AND DISCLAIMER

This report has been prepared by MIDF AMANAH INVESTMENT BANK BERHAD 197501002077 (24878-X).

It is for distribution only under such circumstances as may be permitted by applicable law. Readers should be fully aware that this report is for information purposes only. The opinions contained in this report are based on information obtained or derived from sources that we believe are reliable. MIDF AMANAH INVESTMENT BANK BERHAD makes no representation or warranty, expressed or implied, as to the accuracy, completeness or reliability of the information contained therein and it should not be relied upon as such. This report is not, and should not be construed as, an offer to buy or sell any securities or other financial instruments. The analysis contained herein is based on numerous assumptions. Different assumptions could result in materially different results. All opinions and estimates are subject to change without notice. The research analysts will initiate, update and cease coverage solely at the discretion of MIDF AMANAH INVESTMENT BANK BERHAD. The directors, employees and representatives of MIDF AMANAH INVESTMENT BANK BERHAD may have interest in any of the securities mentioned and may benefit from the information herein. Members of the MIDF Group and their affiliates may provide services to any company and affiliates of such companies whose securities are mentioned herein. This document may not be reproduced, distributed or published in any form or for any purpose.

MIDF AMANAH INVESTMENT BANK: GUIDE TO RECOMMENDATIONS

STOCK RECOMMENDATIONS

BUY	Total return is expected to be >10% over the next 12 months.
TRADING BUY	The stock price is expected to rise by >10% within 3 months after a Trading Buy rating has been assigned due to positive news flow.
NEUTRAL	Total return is expected to be between -10% and +10% over the next 12 months.
SELL	Total return is expected to be <-10% over the next 12 months.
TRADING SELL	The stock price is expected to fall by >10% within 3 months after a Trading Sell rating has been assigned due to negative news flow.

SECTOR RECOMMENDATIONS

POSITIVE	The sector is expected to outperform the overall market over the next 12 months.
NEUTRAL	The sector is to perform in line with the overall market over the next 12 months.
NEGATIVE	The sector is expected to underperform the overall market over the next 12 months.

ESG RECOMMENDATIONS* - source Bursa Malaysia and FTSE Russell

☆☆☆☆	Top 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆☆	Top 26-50% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆	Top 51%- 75% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆	Bottom 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell

* ESG Ratings of PLCs in FBM EMAS that have been assessed by FTSE Russell in accordance with FTSE Russell ESG Ratings Methodology