MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY

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MALAYSIA'S RM285.2 BILLION APPROVED INVESTMENTS IN 9M 2025 UP 13.2% Y-O-Y, DEFIES GLOBAL HEADWINDS, CREATES OVER 150,000 JOBS

- Malaysia attracted **RM285.2 billion** in approved investments for the first nine months of 2025 (9M 2025), marking a **13.2% year-on-year (y-o-y)** increase compared to the same period in 2024. The **services sector** dominated with **RM187.9 billion (65.9%)**, followed by **manufacturing** at **RM93.8 billion (32.9%)**, and the primary sector at **RM3.5 billion (1.2%)**.
- **Foreign Investments (FI)** accounted for **52.9% or RM150.8 billion** of total approved investments, while **Domestic Investments (DI)** contributed **47.1% or RM134.4 billion**.
- The **services sector's** share recorded **RM187.9 billion** in approved investments, showing a significant **19.8% y-o-y** increase from RM156.8 billion in 9M 2024.
- **Manufacturing sector's approvals** reached **RM93.8 billion**, representing strong **5.6% y-o-y growth**. This was contributed by a **9.2% increase in FI** and a **25.2% increase** in **new jobs**.
- **Singapore** emerged as the **leading source of FI** with **RM52.7 billion**, followed by **People's Republic of China (RM35.8 billion)**, **the United States of America (RM11.3 billion)**, the **British Virgin Islands (RM6.6 billion)**, and **Japan (RM4.8 billion)**.
- **Johor** led all states with **RM91.1 billion** in approved investments, followed by **Selangor (RM51.9 billion), W.P. Kuala Lumpur (RM45.9 billion), Penang (RM23.7 billion), and Kedah (RM17.5 billion)**.
- Between **2021 to September 2025, 85.0% of manufacturing projects have been implemented**, which includes full-scale production, factory construction, and machinery installation.

KUALA LUMPUR, **18 November 2025** – Malaysia's investment performance has proved remarkably resilient in a turbulent global environment. The country attracted **RM285.2 billion in approved investments** during the **first nine months of 2025 (9M 2025)**, a **13.2% increase** from the previous year. This strong showing comes at a time when geopolitical and trade tensions, supply chain disruptions, and tighter monetary conditions have dampened investment flows in many other markets, underscoring Malaysia's enduring appeal as an investment destination.

The **4,874 approved projects** span **manufacturing, services,** and **primary sectors**. The approvals cover a projected **employment creation** of **152,766 new jobs**, reflecting the scale and sectoral breadth of investors' interests in Malaysia's economy.

Foreign Investment Accelerates

Foreign Investments (FI) surged 47.5% year-on-year, with gains across all three (3) sectors: **services climbed 122.0%, manufacturing advanced 9.2%** and **primary industries grew 56.6%**. The strong performance reflects **Malaysia's competitive fundamentals** and the **industrial clusters being developed** under the **New Industrial Master Plan 2030**. It also demonstrates the **government's success** in **fostering public-private collaboration** and **positioning** the **country** as a **regional hub** for **advanced manufacturing** and **sustainable industries**.

For approved investments based on **foreign sources**[1], **Singapore** accounted for the largest share of FI at RM**52.7 billion**, followed by the **People's Republic of China (RM35.8 billion)**, **the United States of America (RM11.3 billion), the British Virgin Islands[2] (RM6.6 billion),** and **Japan (RM4.8 billion)**. The composition reflects Malaysia's strategic position between major economies, its role in supply-chain diversification efforts, and deepening market integration within ASEAN.

Johor Leads the Pack

Johor recorded the **highest value of approved investments (RM91.1 billion)**, followed by **Selangor (RM51.9 billion)**, **W.P. Kuala Lumpur (RM45.9 billion)**, **Pulau Pinang (RM23.7 billion)** and **Kedah (RM17.5 billion).**

Johor's dominance is largely attributed to the **Johor-Singapore Special Economic Zone (JS-SEZ)** and its proximity to one of Asia's most advanced economies. Two states under the **Central Corridor region**, **Selangor** and **Kuala Lumpur**, continue to benefit from **established infrastructure** and their role as **Malaysia's commercial** and **financial nerve centre. Penang's** strength lies in its **mature electronics ecosystem**, while **Kedah** is emerging as a **beneficiary** of **northern corridor development initiatives.**

National Investment Aspirations (NIA) - Driving Malaysia's Long-Term Growth

Focus sectors under the **National Investment Aspirations (NIA) framework** attracted

[1] Compilation of foreign investments is based on the ultimate source. The ultimate source refers to the home country of the foreign investor that holds control over the decision-making process and investment management, even if the investment flows through several intermediary sources.

[2] Based on declaration by the applicant company in its submission to MIDA and relevant Ministries/Agencies.

RM137.9 billion, representing **48.4% of total approved investments**. These **676 projects** are expected to generate **49,488 jobs**, demonstrating **alignment between investment strategy** and **national development objectives.**

Projects under the purview of the **Ministry of Investment, Trade and Industry (MITI)** and **MIDA accounted** for **RM159.1 billion,** or **55.8%**. This includes **1,838 projects** projected to create **75,068 jobs.**

Senator Tengku Datuk Seri Utama Zafrul Aziz, Minister of Investment, Trade and Industry, described the performance as proof that Malaysia's economic strategy is working. "RM285.2 billion in nine months is exceptional by any measure. While global capital flows are contracting elsewhere, Malaysia continues to attract quality investments at scale. This reflects the confidence investors have in our political stability and economic vision. When global investors look at Southeast Asia, they are increasingly choosing Malaysia. We are not just competing within ASEAN—we are setting the benchmark. Our focused execution of key missions under the New Industrial Master Plan 2030 is attracting investments, while delivering jobs and upskilling opportunities to power up our transition towards a high-value, knowledge-based economy."

Services Sector Powers Ahead

The **services sector** secured **RM187.9 billion** in **approved investments**, representing **65.9%** of the total across **3,969 projects.** This marked an increase of **19.8% y-o-y**, with an estimated **80,066 jobs** to be created. The sector's dominance reflects Malaysia's growing importance as a regional hub for data centres, digital infrastructure, and corporate headquarters, as well as the continuing expansion of its financial services and logistics capabilities.

DI contributed **RM111.8 billion (59.5%)** while **FI** contributed **RM76.1 billion (40.5%).** This healthy balance reflects foreign and domestic investors' continued confidence and the sector's broad-based appeal.

Leading sub-sectors included:

- **Information and Communications: RM99.8 billion**
- **Real Estate: RM56.6 billion**
- **Utilities: RM9.7 billion**
- **Distributive Trade: RM7.2 billion**
- **Support Services: RM7.0 billion**

An example of a notable project elevating Malaysia's services sector is **MF Solar Tronoh Sdn. Bhd.** which is investing **RM123 million** in a renewable energy generation facility in

Tronoh, Perak. The project will generate clean electricity through solar power technology, contributing to Malaysia's green energy transition.

Manufacturing Attracts Quality Investments

The **manufacturing sector** attracted **RM93.8 billion** or **32.9%** of total approved investments across **885 projects** expected to generate **72,672 jobs**. **FI dominated** at **77.9% (RM73.1 billion**), with **DI** contributing **RM20.7 billion (or 22.1%).**

The share of **higher-skilled roles** continues to rise: the **managerial, professionals/technical and supervisory (MTS) index** reached **45.0%**. This suggests **a steady progress in moving up the value chain**, a shift that will hinge on the continued upskilling of local talent and accelerating technology adoption.

Top Performing Industries

- **Electrical and Electronics (E&E): RM22.0 billion**
- **Chemical and Chemical Products: RM17.5 billion**
- **Transport Equipment: RM12.7 billion**
- **Basic Metal Products: RM9.9 billion**
- **Non-metallic Mineral Products: RM7.5 billion**

Notable Projects in the Manufacturing Sector

- A **RM3.51 billion advanced semiconductor facility** is being developed at Kulim High Tech Industrial Park in Kedah. The plant will produce system-in-package (SIP) systems or modules, microelectromechanical systems (MEMS), and sensors, positioning Malaysia at the forefront of advanced semiconductor packaging and sensor technology manufacturing.

- **JXR Manufacturing Sdn. Bhd.:** JXR is investing **RM5.76 billion** in an advanced mineral processing facility in Kemaman, Terengganu. The plant will produce alumina, positioning Malaysia as a key player in critical minerals processing for advanced manufacturing and green technology applications.

- **Perusahaan Otomobil Nasional Sdn Bhd & PROTON Tanjung Malim Sdn Bhd (PROTON):** The national carmaker is investing **RM1.29 billion** to expand its manufacturing complex in Tanjong Malim, Perak. The investment will establish production capabilities for new energy vehicles and their components, transmission and its components, alongside expanded capacity for passenger cars, multi-purpose vehicles, casting components, and metal stamping parts. The project positions Malaysia's automotive sector for the transition to electric mobility while strengthening the country's manufacturing ecosystem.

- **Ferrotec Silicon Materials Malaysia Sdn. Bhd.:** Ferrotec is investing **RM256 million** to expand its facility in Pasir Gudang, Johor. The plant will produce silicon products and components for semiconductor chips fabrication, supporting the precision manufacturing ecosystem that underpins Malaysia's semiconductor industry.

- **Vitrox Technologies Sdn. Bhd.:** The Malaysian technology firm is investing **RM250 million** in an advanced manufacturing facility in Penang. The investment reinforces the state's position as a critical node in global technology supply chains and strengthens Malaysia's homegrown capabilities in semiconductor inspection and testing equipment.

- **T Hasegawa** is investing **RM185 million** in a food technology facility at Techpark@Enstek in Negeri Sembilan. The plant will produce liquid flavors, flavor powders and mixed seasoning powders for the food and beverage industry.

- **URC Snack Foods (Malaysia) Sdn. Bhd.** is undertaking a **RM100 million** expansion in Pasir Gudang, Johor, to increase its production capacity for chocolate and confectionery products, strengthening Malaysia's role as a regional hub for snack food.

Primary Sector Maintains Stability

The **primary sector** secured **RM3.5 billion in approved investments** across **20 projects,** mainly in mining activities. The approved investments are dominated by **domestic sources** with **RM1.9 billion (53.1%)**, while **foreign sources** contributed **RM1.6 billion (46.9%).**

Strong Project Pipelines and Leads Ahead

From **January to September 2025**, MITI and MIDA undertook nine **(9) missions, including five (5) Trade and Investment Missions (TIMs)** and **four (4) official visits led by Prime Minister Dato' Seri Anwar Ibrahim**. These engagements covered the **United Arab Emirates, United Kingdom, Switzerland, India, Russia, Saudi Arabia, Singapore, the United States of America (USA), Italy, France, China, and the Netherlands**.

The missions secured investment commitments, deepened bilateral economic ties, and gave Malaysian officials direct access to decision-makers at major multinationals.

Malaysia's **pipeline of projects** remains robust. As at **9 November 2025**, MIDA is facilitating **192** potential projects valued at **RM39.0 billion.** The **services sector leads** with **119 projects** worth **RM24.4 billion,** while **manufacturing accounts** for **73 projects valued** at **RM14.6 billion.**

MIDA is also in discussions regarding **an additional RM39.4 billion** in **high-impact investment leads**—signaling sustained investor interest and confidence in Malaysia's pro-business policies and long-term economic direction.

Datuk Sikh Shamsul Ibrahim Sikh Abdul Majid, Chief Executive Officer of MIDA, said the **strong pipeline projects and investment leads reflect a shift in how investors view Malaysia**. **"We are no longer just an option in investors' diversification strategies—we are increasingly the preferred choice. What distinguishes this momentum is the quality of investments we are securing: technology-driven projects in digital infrastructure and advanced manufacturing that position Malaysia deeper into regional supply chains. Through the Invest Malaysia Facilitation Centre (IMFC), we have compressed decision-making timelines and removed bureaucratic friction. The RM39.0 billion pipeline we are actively facilitating, plus another RM39.4 billion in advanced discussions, demonstrates that investors' confidence remains robust despite external challenges. Notably, reinvestments by global multinationals signal sustained conviction in Malaysia's long-term fundamentals. What sets us apart is our ability to move swiftly from interest to implementation, ensuring that every commitment translates into real economic activity."**

<u>From Approvals to Implementation</u>

Between **2021 to September 2025**, the National Committee on Investment approved **4,378** manufacturing projects. Of these:

- **85.0% of projects (3,724)** have been implemented, which includes full-scale production, factory construction, and machinery installation.
- **12.0%** remain in the planning phase, focusing on critical activities such as site selection and developer consultations.
- **3.0%** of projects were not implemented due to a change of commercial direction by the investor(s).

Implementation rates for specific periods reinforce this credibility:

- **Over 90%** of manufacturing projects approved in **2021 until 2024** have been implemented.
- **87.2% of 2024's and 58.7% of January – September 2025's** projects are already progressing, a commendable rate given that the manufacturing project was just recently approved and the average lead time of 18 to 24 months typical for such developments.

Examples of implemented projects are provided in **Appendix I**.

The consistently high implementation rates reflect investor confidence, policy stability, efficient investor support services, and effective inter-agency coordination. The MADANI Government's strategic reforms, crystal-clear focus on high-impact sectors, and streamlined investor facilitation are ensuring that each project creates quality employment, builds capacity, and contributes to a sustainable, high-value economy. This whole-of-government approach positions Malaysia as a preferred destination for quality investment for generations to come.

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About MIDA
The Malaysian Investment Development Authority (MIDA) is the Government's principal investment promotion and development agency under the Ministry of Investment, Trade and Industry (MITI) to oversee and drive investments into the manufacturing and services sectors in Malaysia. Headquartered in Kuala Lumpur Sentral, MIDA has 12 regional and 21 overseas offices. MIDA continues to be the strategic partner to businesses in seizing the opportunities arising from the technology revolution of this era. For more information, please visit www.mida.gov.my and follow us on X, Instagram, Facebook, LinkedIn, TikTok and YouTube channel.

Explainer: DOSM's FDI and MIDA's approved Foreign Investment (FI)

There has been some confusion on the term Foreign Direct Investment (FDI) as reported by the Department of Statistics Malaysia (DOSM), and the approved Foreign Investment (FI) data as captured by MIDA. To clarify, the Government has determined the use of these terms since December 2023, as follows:

- **MIDA reports on approved Foreign Investments (FI)** – These represent proposed investment projects with foreign equity participation that have been granted licenses, incentives, permits, grants, soft loans, etc., by relevant Ministries and Agencies. They are measured based on CAPEX and OPEX, such as land, building, and resources. Approved FI reflects potential investments into the country which will be realised into actual inflows over a specified period, usually across multiple years. On average, 18-24 months is the typical duration to complete the required regulatory steps between approval and implementation, before projects get off the ground. The release of approved FI data serves as a forward-looking indicator of investor's confidence, the strength of Malaysia's investment prospects, and the key sectors attracting foreign investors.

- **DOSM reports on Foreign Direct Investment (FDI)** – This figure refers to investments by non-residents via transactions of financial instruments, including equity, reinvestment of earnings and debt instruments (such as inter-company loans and advances, trade credits, etc.). For instance, if a foreign investor buys shares in a Malaysian company, this would be captured by DOSM's FDI data. FDI statistics for Malaysia are compiled as part of the balance of payments, which is compiled based on the IMF's BPM6 guidelines.

For further information, please refer to https://www.mida.gov.my/why-malaysia/investment-statistics/

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