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RAC STRENGTHENS RAILWAY ASSET OPTIMISATION THROUGH STRATEGIC TOD AND LOGISTICS COLLABORATIONS

KUALA LUMPUR, 21 October 2026 - Railway Assets Corporation (RAC) continues to strengthen its efforts to optimise railway assets through two (2) strategic collaborations involving the exploration of Transit-Oriented Development (TOD) in Johor Bahru and potential collaboration opportunities in the rail transport, cargo and logistics sectors.

The first collaboration is a Memorandum of Understanding (MOU) between RAC and JLG Investment Holdings Sdn. Bhd. (JLG) to explore a proposal for a new Larkin Railway Station integrated with Transit-Oriented Development (TOD) at Arena Larkin, Johor Bahru. The second is a Memorandum of Agreement (MOA) between Railway Assets Holding Sdn. Bhd. (RAHSB), a subsidiary of RAC, and Perlis Inland Port Sdn. Bhd. to explore opportunities for collaboration in the rail transport, cargo and logistics sectors.

The exchange of both documents took place today in conjunction with Transport Expo Asia (TXA) 2026 at the Malaysia International Trade and Exhibition Centre (MITEC), Kuala Lumpur.

EXPLORING TRANSIT-ORIENTED DEVELOPMENT AT LARKIN RAILWAY STATION

Through the MOU with JLG, RAC will explore the feasibility of developing a new Larkin Railway Station integrated with TOD at Arena Larkin, Johor Bahru.

The proposed development has the potential to integrate rail transport facilities with mixed-use development and existing urban infrastructure, creating opportunities to optimise the use of railway assets and enhance the commercial value of the surrounding area.

The scope of collaboration includes market studies, the preparation of a development master plan, and assessments of technical, commercial, financial and legal aspects. Both parties will also examine suitable development structures and commercial transaction models to ensure that the proposal is comprehensively assessed in terms of feasibility and long-term viability.

The MOU is effective for two (2) years and serves as a platform for both parties to assess the potential and feasibility of the proposed development. At this stage, the collaboration does not involve any direct financial commitment from RAC.

The MOU document exchange was carried out by YBhg. Dato' Azhar Ahmad, Chief Executive Officer of RAC and YBhg. Datuk Sr. Akmal bin Ahmad, Group Managing Director of JLG. The ceremony was witnessed by YB Loke Siew Fook, Minister of Transport; YB Datuk Haji Hasbi bin Habibollah, Deputy Minister of Transport and YBhg. Dato' Seri Jana Santhiran Muniayan, Secretary-General of the Ministry of Transport and Chairman of the RAC Board of Directors.

STRENGTHENING RAIL AND LOGISTICS CONNECTIVITY

Meanwhile, the exchange of the MOA between RAHSB and Perlis Inland Port Sdn. Bhd. provides a framework for exploring collaboration opportunities in rail transport, cargo handling and value-added logistics services.

This collaboration has the potential to strengthen cross-border cargo movement between Malaysia and Thailand, while enhancing connectivity between the rail network and multimodal logistics facilities. It also creates opportunities to explore asset development and commercialisation initiatives that could improve supply chain efficiency and support the growth of the country's logistics sector.

This initiative complements RAC's efforts to expand the commercial potential of railway assets through various strategic approaches, including the *Rolling Stock Strategy (RSS) Sell and Lease Back*, the development of new cargo hubs and asset development studies.

Any transactions, financial commitments or subsequent arrangements under this collaboration will be subject to the approval of the Ministry of Finance (MOF) and other relevant authorities, as well as compliance with applicable legal, commercial and regulatory requirements.

The MOA document exchange involved YBhg. Dato' Azhar Ahmad, Chief Executive Officer of RAC, representing RAHSB and YBrs. Encik Wan Ahmad Zaheed Wan Mohamad, Managing Director and Chief Executive Officer of Perlis Inland Port Sdn. Bhd. The exchange was witnessed by YB Loke Siew Fook, Minister of Transport; YB Datuk Haji Hasbi bin Habibollah, Deputy Minister of Transport; YBhg. Dato' Seri Jana Santhiran Muniayan, Secretary-General of the Ministry of Transport and Chairman of the RAC Board of Directors and YBhg. Dato' Shabaruddin Ibrahim, Executive Chairman of Mutiara Perlis Sdn. Bhd.

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EXPANDING THE POTENTIAL OF RAILWAY ASSETS

As a statutory body under the Ministry of Transport, RAC continues to explore opportunities for the development and commercialisation of railway assets to enhance asset productivity and create long-term economic value.

These two strategic collaborations reflect RAC's proactive approach to leveraging railway assets by exploring development and commercial opportunities that have the potential to improve public transport connectivity, strengthen the logistics ecosystem and support the country's economic growth.

RAC will continue to expand its network of strategic partnerships with industry players to identify viable opportunities, optimise the value of railway assets and ensure that national assets are utilised productively for the benefit of industry and the nation.

RAILWAY ASSETS CORPORATION
21 OCTOBER 2026

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About RAC:

The Railway Assets Corporation (RAC) is a Federal Statutory Body under the Ministry of Transport. RAC was established under the Railways Act 1991 (Act 463) and began full operations as an organization on 1 August 1992. With the enactment of this Act, all railway assets previously managed by KTM and railway lands previously under the jurisdiction of the Federal Lands Commissioner (PTP) were vested into RAC, while railway service operations were handled by the successor company, Keretapi Tanah Melayu Berhad (KTMB). The corporation functions as the caretaker and business planner for preserving and transforming railway assets into valuable properties capable of generating sustainable income for the Government. For more information please visit www.rac.gov.my.

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