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Country: Malaysia

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Report Highlights:

The Malaysian food retail market is valued at US\$ 27.5 billion in 2025, a robust figure driven by a competitive market landscape of retailers, and targeted strategies across multiple store formats including e-commerce. Malaysia constantly seeks international flavors, proving that geopolitical conflicts are not in any way a deterrent to the local tastebuds. The halal requirements for imported goods in Malaysia are stringent, providing confidence to Muslims, both local and international, when purchasing halal-certified goods.

Market Fact Sheet: Malaysia

Executive Summary:

Malaysia is classified by the World Bank as an upper-middle-income country nearing the threshold of a high-income country. In 2025, Malaysia’s total trade amounted to US\$749.6 billion, a 6.3 per cent year-on-year (y-o-y) increase. Malaysia’s trade and regulatory policies are relatively open and provide opportunities for a broad range of imported foods and beverages, provided the relevant products comply to the country’s stringent halal requirements. Malaysia’s total agricultural related product imports in 2025 reached almost US\$31 billion, roughly four percent of which was sourced from the United States.

Imports of U.S. Consumer-Oriented Products

In 2025, the United States was Malaysia’s eighth largest supplier of consumer-oriented food and beverage products, with total sales reaching US\$601 million for the year. Top U.S. products in the market include dairy, processed vegetable, tree nuts, fresh fruits, pork & pork products.

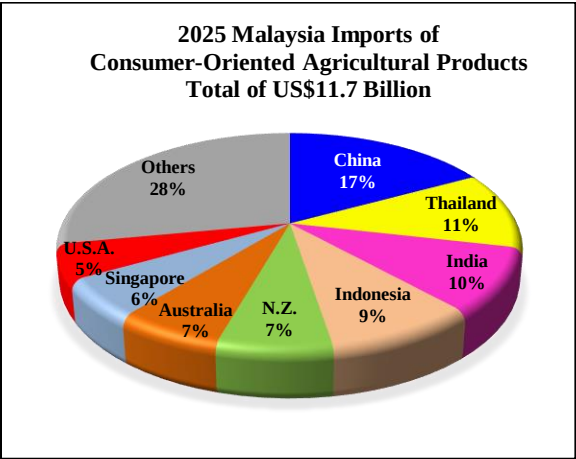


Chart 1: Malaysia Imports of Consumer-Oriented Agricultural Products | Source: Trade Data Monitor

Food Retail Industry

Food retail is well-established and evolving rapidly. Delivery-optimized business models and cloud kitchen concepts are gaining the most ground, offering operators a cost-effective alternative to high space rental costs. E-commerce platforms and third-party delivery services are also integrating with, and acquiring, equity stakes in supermarkets. Meanwhile, consumer demand is driving growth in health and wellness products, convenience foods, and sustainable food and packaging.

Food Processing Industry

The food processing industry accounts for approximately seven percent of the total manufacturing sector and expects steady growth in 2026. Several multinational food companies have regional production facilities in and around Kuala Lumpur. Malaysia's internationally recognized halal certification gives food processors a competitive edge in Muslim-majority markets, making Malaysia one of the world's leading halal food hubs.

Hotel, Restaurant and Institutional (HRI)

The industry is benefiting from a steady increase in tourism, as well as strong domestic restaurant patronage. International hotel chains continue to invest in Malaysian properties.

Quick Facts CY 2025

Imports of Consumer-Oriented Products: \$11.7 billion

List of Top 10 Growth U.S. Products in Malaysia

1) Tree Nuts	2) Fruit & Vegetables Juices
3) Wine & Related Products	4) Fresh Fruit
5) Dairy Products	6) Bakery goods, Cereals & Pasta
7) Fresh Vegetables	8) Tea
9) Soup & Other Food Prep	10) Chocolate & Cocoa Products

Food Industry by Channels (U.S. billion)

Retail Food Industry	\$27.5 (in 2025)
Food Service – HRI	\$14.75 (in 2025)
Food Processing	\$172 (in 2025)
Food and Agriculture Exports	\$43 (in 2025)

Top 10 Retailers in Malaysia (in no order)

1) AEON	2) Jaya Grocer
3) Village Grocer	4) QRA
5) Giant	6) Lotus’s
7) BIG	8) Mercato/Cold Storage
9) NSK	10) The Food Merchant

GDP/Population (CY 2025)

Population (millions): 34.2
GDP (billions USD): 472.2
GDP per capita (USD): 13,124.6

(Sources: Malaysia Department of Statistics (DOSM), Investment Development Authority, Euromonitor, Trade Data Monitor, World Bank)

Opportunities and Challenges for U.S. Exporters	
Strengths	Weaknesses
- Well established market with modern distribution channels.	- Halal certification is required or requested for better consumer acceptance. - Competitive market, even within its local brands/ products - Bureaucratic registration processes for certain products
Opportunities	Challenges
- Growing food processing, HRI, and retail sectors require a wide range of imported products. - Increasing tourism and rising disposable income	- Manufacturers require technical and marketing support for new products. - FTAs with regional competitors - Recent disruption to shipping logistics

SECTION I. MARKET SUMMARY

At the end of 2025, Malaysia’s retail trade recorded a 6.9 percent year-on-year growth.¹ The Malaysian food retail industry remains a booming and competitive market landscape comprised of various store formats, including large supermarket/hypermarkets, convenience stores, provision shops or traditional stores, and specialty retailers. Growth in premium supermarkets indicates rising consumer demand for high-quality imported food and beverage products. Despite geopolitical conflicts and trade barriers, many consumers still seek out new international flavors. Halal certification is a key market driver, shaping food production and distribution to meet the needs of the country's Muslim population.

Retailers have continued to expand the number of value grocers, also known as mini-markets such as 99Speedmart and KK Mart, located in strategic locations in densely populated neighborhoods. These ubiquitous stores address impulse buys and grocery needs, often offering a wider range of products compared to traditional provision shops within the same area.

By January 2025, 35 million Malaysians had access to internet, making e-commerce a lucrative channel for retailers to tap into.² Many local vendors, importers and distributors are now able to directly sell their products to consumers by using popular e-commerce apps, broadening their sales avenues. Key players in online apps in the e-commerce landscape such as Shopee, Grab and FoodPanda accelerate their growth through collaborations with retail F&B stores and leading Malaysian supermarket chains. Technological innovation also drives efficiency in physical retail, seen at major supermarket retailers such as AEON, Lotus’s and Jaya Grocer, offering smart trolleys and self-checkout systems for customers to enjoy a time-saving shopping experience.

The food retail sector in Malaysia provides multiple options for exporters to consider based on price points, reflecting the respective retailers’ target market accordingly. Full-range supermarkets and hypermarkets remain the clearest modern-retail route for a broad grocery assortment. [Lotus's](#), [AEON](#), [MYDIN](#), [Giant](#), and [HeroMarket](#) serve different combinations of planned baskets, fresh food, household stock-up and value shopping. [Jaya Grocer](#), [Qra Foods](#), [Ben's Independent Grocer](#), [The Food Merchant](#), [Village Grocer](#) and [Mercato/Cold Storage](#) can suit imported, gourmet, health-led and specialty products.

Table 1: Advantages and Potential Challenges for U.S. Exporters

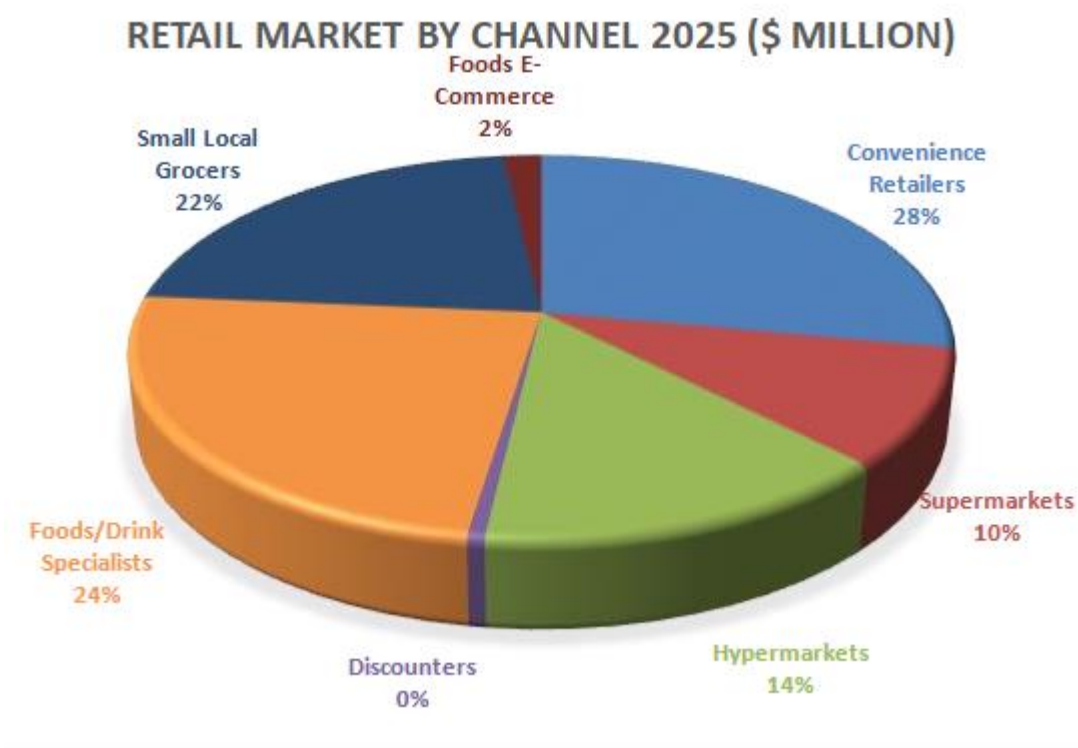
Advantages	Challenges
Malaysians are familiar with western foods, menus, and U.S. food service franchises operations, increasing the demand for new products.	The market and consumers are generally price sensitive, and even more so with recent inflationary pressures.
Local food and beverage manufacturers seek to expand exports using imported ingredients.	Neighboring supply countries enjoy logistic advantages.
The high-end segment maintains high	Certain foods have mandatory halal

¹ Performance of Wholesale, Retail & Trade Malaysia December 2025 | Department of Statistics Malaysia

² Retail in Malaysia 2025 Report | Euromonitor

standards of quality and hygiene, aligned with U.S. food products.	requirements (beef, lamb, poultry, and dairy products). Halal certification for HRI and the food processing sector is often requested.
Restaurant and food service offer more niche products to appeal to consumers with higher incomes by offering premium products.	Strong international competition and reactive market to U.S. products and brands during heightened geopolitical tensions.

Chart 2: Retail Market in Malaysia by Channel 2025 | Source: Euromonitor



SECTION II. ROAD MAP FOR MARKET ENTRY



Figure 1: Roadmap for U.S. exporters entering the Malaysian market

U.S. exporters of food and agricultural products should consider the following when planning to enter the Malaysian market:

- Analyze Malaysian food laws, packaging and labeling requirements, and importer criteria for entry into the market. Detailed information on Malaysian regulations and requirements can be found by accessing the latest [FAS/Malaysia Food and Agricultural Import Regulations & Standards \(FAIRS\) Country Report](#) and [Exporter Guide](#).
- Review the types of U.S. food products that can be readily targeted in the retail market. Consider the price competitiveness of U.S. products compared to similar products available in Malaysia.
- Participate in regional trade shows and trade missions from the updated FAS [list of USDA-endorsed trade shows](#).
- Tap into the resources offered by [State and Regional Trade Groups \(SRTG\)](#) and research USDA cooperators, as they work closely with USDA to support food and agricultural companies further their export objectives.
- Develop links with local importers that target the major retailers. U.S. exporters are advised to appoint local distributors or at least a local representative to help guide them through the requirements of Malaysian food regulations and local trading practices.
- After establishing links with importers, strive to educate them on the qualities of your product/s and supply chain.
- After establishing agreements with local importers, conduct market visits, product promotional activities and provide technical assistance (e.g. handling techniques and product formulations) to end-users.
- Maintain strong communication with your local importer to ensure all certificates and import permits are valid and up to date.

Table 2: Top Retailers in Malaysia (2025)

Retailers	Retail Format	Total Outlets as of 2025
CP Group	• Retail brand owned by CP Group in Thailand • Procures from consolidators, distributors, local importers, direct from exporters and has Lotus's private labelling products	• 70 Lotus's Stores
AEON Group	• One of the largest retail companies in Asia with headquarters in Japan • AEON operates chain of supermarkets, hypermarkets and shopping malls in Malaysia • Procures from distributors, local importers, and direct from exporters	• 28 AEON Malls • 35 AEON Stores • 22 AEON BiG hypermarkets • 6 AEON MaxValu/MaxValu Prime stores • 64 AEON Wellness outlets • 39 Daiso stores
Grab Holdings Ltd	• Premium food retailer owned by e-commerce giant Grab • Procures from consolidators, distributors, local importers, and direct from exporters	• 54 Jaya Grocer Stores • 1 Jaya Grocer Signature
Village Grocer	• A popular premium retail chain in Malaysia	• 33 Village Grocer

Holdings	(supermarkets) • Procures from consolidators, distributors, local importers, and direct from exporters	• 7 Ben Independent Grocer (B.I.G) Stores • 7 The Food Merchant • 1 BSC Fine Foods Store
Mydin Mohamed Holdings	• Procures from consolidators, distributors, local importers, and direct from exporters	• 71 MYDIN Branches • 2 Sam's Groceria Stores
Qra Foods	• First store opened in 2021 by the co-founder of B.I.G., David Tseng • Procures from distributors, local importers, and direct from exporters	• 4 Qra Stores
Everrise	• Established in 1993, stores are spread across Sabah and Sarawak in East Malaysia • Acquired by Grab Holdings in 2025 • Procures from distributors, local importers, and direct from exporters	• 20 Everrise Outlets (in East Malaysia)
Hero Market	• Founded in 2005 by the Teng Family • Procures from distributors, local importers, and direct from exporters	• 36 Hero Market Stores
Macrovalue	• Operated by GCH Retail (Malaysia), acquired by Macrovalue • Procures from consolidators, distributors, local importers, direct from exporters and has Giant's private labelling products	• 46 Giant Supermarkets • 12 Mercato Stores • 2 Cold Storages • 3 TMC

Sector Trends

- Premium supermarkets are situated in strategic upmarket spots in the Kuala Lumpur metropolitan area, attracting upper-middle income urban consumers and expatriates alike and increasing demand for imported food and beverage products.
- Healthy and sustainable foods continue to be popular. Health priorities often influence supermarket purchases, supported by advertising, in-store campaigns and promotions to help remind and educate existing and new customers about the products' health benefits.
- Frozen and hot ready meals have seen a steady increase in sales. Many local food manufacturers are producing local and international options of instant meals to appease the busy, yet discerning consumers' palates.
- Strong e-commerce marketplace growth includes a wide range of supermarkets offering online services as a convenience to their customers.
- Malaysians are increasingly using AI to guide purchases and are growing more willing to transact directly through AI-powered platforms. This trend will push e-commerce players to accelerate adoption of AI and social selling features, delivering more personalized, frictionless shopping experiences.

SECTION III. COMPETITION

Table 3: U.S. Competition for Top Consumer-Oriented Products Imported from the World

Product Category (2025)	Major Supply Sources (2025)	Foreign Supplier Situation	Local Supplier Situation
Dairy Products Net Imports: US\$2 billion	New Zealand: 34% Australia: 10% Thailand: 9.6% U.S.A.: 8%	Milk and cream are main imports due to high consumption in Malaysia.	Local production of milk is not self-sufficient yet.
Beef and Beef Products Net Imports: US\$910 million	India: 74% Australia: 12% Brazil: 7% Argentina: 3% U.S.A.: 0.0%	Major foreign suppliers have a significant portion of their beef industry halal certified for export to Malaysia. Beef from India (carabeef) is very cheap and serves the low-end outlets. Australia dominates the higher-end market.	Inadequate supply of local beef.
Fresh Fruits Net Imports: US\$789 million	China: 38% South Africa: 20% Thailand: 8% Egypt: 6% U.S.A.: 4%	Highly competitive market due to price points and all-year round availability of fruits.	Malaysia does not grow non-tropical fruits.
Tree Nuts Net Imports: US\$349 million	Indonesia: 37% U.S.A.: 29% China: 10%	Imported nuts are in strong demand for use in the retail and bakery industries. This is in tandem with a growing health-conscious population.	Very limited local production.
Processed Fruits Net Imports: US\$287 million	China: 30% Thailand: 13% Saudi Arabia: 6% U.S.A.: 6%	Groundnuts is a popular commodity from China, and dates from Saudi Arabia. The U.S. still holds its position as the larger dried fruit exporter in Malaysia.	Limited local production
Pork and Pork Products	Spain: 35% Denmark: 25%	The European Union is a historical competitor	Local production faces challenges such as

Net Imports: US\$269 million	Netherlands: 13% Canada: 9% Belgium: 6% U.S.A.: 6%	in the pork market, though Malaysia imports from a variety of suppliers depending on price.	religious constraints, regional bans on pig farming, disease outbreaks and high capital costs for farm modernizations.
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Source: Trade Data Monitor

SECTION IV: BEST PRODUCT PROSPECTS

Top Consumer-Oriented Products Imported from the World

Dairy Products: Malaysians are historically exposed to imported dairy products, especially milk and cheeses. Competitive pricing is not the only influencing factor, as knowledge, trust and accessibility also play a role as key purchasing drivers.

Fresh Vegetables: Malaysia is technically self-sufficient in terms of certain fresh vegetable production. However, Malaysian consumers seek variety, taste and texture in different cooking styles.

Beef & Beef Products: As a Muslim country, halal meat is essential for Malaysian consumers. Beef is the next best alternative to poultry meat and is popular in Malay cooking. The top imported beef is carabeef from India, which is a cheaper alternative to high-quality cow meat.

Top Consumer-Oriented Products Imported from the United States

Tree Nuts: The United States is the second largest exporter of tree nuts into Malaysia, dominating close to 30 percent of the market share. The consumer landscape is starting to see a change in health and wellness mindset, with over 50 percent of Malaysians adopting a more conscious decision around food choices.³

Corn: Imports from the United States recorded an over two-fold increase in 2025, at US\$15 million (from US\$7 million in 2024). Malaysia is reliant on imports for corn and other grains.

Products Present in the Market which have Good Sales Potential

Cheese: There is an extended retail option of cheeses in supermarkets, currently dominated by European and Australian cheeses, Consumers have adopted an international palate and are looking for new flavors. Dairy products, including cheese, must be registered through the Department of Veterinary Services (DVS) and certified halal by a Department of Islamic Development Malaysia (JAKIM)-accredited certifier.

Pork Products: The non-halal segment welcomes new processed pork products such as meatballs, sausages and meat patties from the United States, as most non-halal products are dominated by China due to logistical ease. West Malaysia, particularly, is looking for new pork products but is also facing significant supply issues after African Swine Fever (ASF) challenges abroad and domestically.

³ Consumer Lifestyles in Malaysia 2025 | Euromonitor

Products Not Present in Significant Quantities but which have Good Sales Potential

Beef & Beef Products: Due to stringent halal and facility-approval requirements in Malaysia, the market access to U.S. beef has been severely constrained. Imported beef is required to be halal-certified by a Malaysian-approved foreign halal certification body, and U.S. slaughter and processing plant has to undergo inspection involving Malaysia's Department of Veterinary Services (DVS) and the Department of Islamic Development Malaysia (JAKIM). There are currently no U.S. beef plants approved to export to Malaysia.

Seafood Products: Seafood exports to Malaysia increased 37 percent year-over-year, with a steady increase of Alaska pollock since 2021 and live oyster imports from the United States neared US\$ 1 million in 2025.

Products Not Present Because They Face Significant Barriers

Beef & Beef Products: Excellent opportunities for U.S. beef exist in the market, though exporters must first obtain required halal certification and other plant approvals.

Poultry and Eggs: Malaysia imposed restrictions on U.S. poultry and poultry products in 2022 following outbreaks of the highly pathogenic avian influenza (HPAI) in the United States. There is currently no regionalized system at county level for poultry and eggs, making it a blanket prohibition for the United States.

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

A) USDA Foreign Agricultural Service Malaysia

Office of the Agricultural Affairs
Embassy of the United States of America
376, Jalan Tun Razak
Kuala Lumpur, Malaysia 50400
Tel: (603) 2168-5082
E-mail: AgKualaLumpur@state.gov

B) U.S. Dairy Export Council

U.S. Center for Dairy Excellence
20 Martin Road
Seng Kee Building, #08-01
Singapore 239070
Tel: (65) 6230 8550
Contacts: Dalilah Ghazalay, Regional Director, SEA Marketing & Operations
Email: dali@dairyconnect.biz

C) U.S. Grains and Bioproducts Council

50 Jalan Dungun Damansara Heights
Kuala Lumpur, Malaysia
Tel: (60) 3 2093 6826
Contact: Caleb Wurth, Regional Director, South & Southeast Asia
Email: sea@grains.org

D) U.S. Meat Export Federation

627 A Aljunied Road
#04-04 Biztech Centre
Singapore
Tel: (65) 6733 4255
Contact: Tanya Teng, Deputy Regional Director
Email: singapore@usmef.com.sg

E) USA Poultry and Egg Export Council

541 Orchard Road
#15-04 Liat Towers
Singapore
Tel: (65) 6737 1726
Contact: Thomas Tan, ASEAN Consultant
Email: usapeec_sing@pacific.net.sg

F) Raisin Administrative Committee, Food Export-Midwest, Food Export-Northeast and the Western United States Agricultural Trade Association

48 Toh Guan Road East
#02-129 Enterprise Hub
Singapore
Tel: (65) 6515 6113
Contact: Richard Lieu and Chuah Siew Keat
Emails: richardlieu@lieumktg.com.sg; siewkeat@lieumktg.com.sg

G) U.S. Soybean Export Council

541 Orchard Road
#11-03 Liat Towers
Singapore
Tel: (65) 6737 6233
Fax: (65) 67375849
Contact: Timothy Loh, Regional Director
Email: TLoh@ct.ussec.org

H) U.S. Wheat Associates

541 Orchard Road
#15-02 Liat Towers
Singapore

Tel: (65) 6737 4311

Contact: Joe Sowers, Regional Vice President for South and Southeast Asia

Email: InfoSingapore@uswheat.org

I) Malaysia Government Websites:

Ministry of Health Food Safety and Quality Division: <http://fsq.moh.gov.my/v6/xs/index.php>

Ministry of Agriculture Department of Veterinary Services: www.dvs.gov.my

Ministry of Finance Customs Headquarters: <http://www.customs.gov.my>

Food Standards and Regulations

[Malaysia's Food Act 1983](#) and the [Food Regulations of 1985](#) govern food import and export regulations/procedures. The Food Safety and Quality Division (FSQD) of the Malaysian Ministry of Health (MOH) along with several other government agencies are charged with implementing and enforcing these laws, including routine compliance, sampling, inspection, import control and regulation. Among the many regulations and required procedures related to shipping food and agricultural products to the country, of particular note are Malaysia's halal certification and dairy facility registration requirements.

Halal Certification

Beef, poultry, and dairy products require halal certification in order to enter the country. Malaysian customers may require that other imported products also obtain halal certification for commercial reasons. The Islamic Development Foundation of Malaysia (JAKIM) is the halal authority in Malaysia. In the United States, JAKIM has appointed three Islamic institutions to inspect and halal certify food and beverage products for export to Malaysia: the Islamic Food and Nutrition Council of America (IFANCA), Islamic Services of America (ISA), and the American Halal Foundation (AHF).

Table 4: JAKIM-recognized U.S. Halal Certification Bodies (HCB)

Organization & Address	Contacts	Halal Logo
Islamic Food and Nutrition Council of America (IFANCA) 5901 N. Cicero Ave, Suite 309 Chicago, Illinois 60646 IFANCA Halal Research Center 777 Busse Highway Park Ridge, Illinois 60068	Dr. Muhammad Munir Chaudry President Tel: +17732833708 Fax: +17732833973 Tel: +1 847 993 0034 EX 203 Fax: +1 847 993 0038 Mobile: +1 773 447 3415	
Islamic Services of America (ISA) P.O Box 8268 Cedar Rapids, IOWA 52408 USA Physical Address: 4362 16th Avenue SW Cedar Rapids, IA 52404 USA	Mr. Jalel Aosseay President Tel: (319) 362-0480 Fax: (319) 366-4369 Email: Jaosseay@isahalal.com isa@isahalal.com Website: www.isahalal.com	
American Halal Foundation (AHF) 10347-C Heritage Isles Golf & Country Club Plantation Bay Dr Tampa, Florida-33647 USA	Mr. Mohammad Mazhar Hussaini (President) Tel: (+630) 759-4981 Fax: (+603) 310-8532 Email: mmhussaini@halafoundation.org Website: www.halalfoundation.org	

Source: JAKIM - The Recognized Foreign Halal Certification Bodies & Authorities

For further details on halal requirements in Malaysia market, please refer to [Malaysia: Halal Country Report](#)

Dairy Facility Registration

Malaysia requires foreign producers and exporters of dairy products to apply for registration with the Malaysian Government. The Malaysian Government implemented this facility registration measure to improve the traceability of imported dairy products and to ensure imported dairy products were certified halal. To register, dairy product producers must submit documentation to Malaysia's Department of Veterinary Services (DVS). For further details on the dairy product registration process, please see FAS Malaysia's [related GAIN report](#). For further details on the dairy product registration process, please see FAS Malaysia's [related GAIN report](#).

Attachments:

No Attachments