

ANNUAL REPORT



**SUSTAINABLE GROWTH
WITH EQUITY
AND SOCIAL INCLUSION**

2024

About this Report

The Sabah Economic Development and Investment Authority (SEDIA) Annual Report 2024 encompasses reports both financial and non-financial for the year ending 31 December 2024. The aim of this report is to provide information on the financial position of SEDIA, the performance and progress in regard to the implementation of the Sabah Development Corridor (SDC) programme, and future direction of SEDIA that takes into account the initiatives and priorities of the State and Federal Governments.

SEDIA, as a State statutory body, is committed towards increasing value-add to the process of planning, implementing, monitoring and evaluation performance of all the functions that have been mandated to us, in line with national and state development plans.

Scope and Boundaries

The SEDIA Annual Report is issued and published annually, covering the period from 1 January until 31 December of the given year unless stated otherwise. The report covers all the operations, activities, current performance and financial statements of SEDIA.

Assurances

The financial information contained in this report has been extracted from the Audited Financial Statements for the year ended 31 December 2024 by MNZWAJA which had been appointed by the National Audit Department.

Point of Contact

As part of our continuous efforts to improve the quality and preparation of our reports, SEDIA welcomes any suggestions and enquiries from our readers and stakeholders. For any feedback, please reach out to us at:

Corporate Communication Section

Sabah Economic Development and Investment Authority (SEDIA)

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***Sustainable Growth with Equity
and Social Inclusion***

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31 DECEMBER 2024



SABAH DRONE OPEN DAY 2024

29 - 30 OCTOBER 2024
TUESDAY & WEDNESDAY
8:00 - 16:00

KINABATANGAN HALL 1-3
SABAH INTERNATIONAL
CONVENTION CENTRE (SICC)

DRONE VIDEOGRAPHY COMPETITION



SABAH



**DEAR
STAKEHOLDERS,**

**IT GIVES ME
GREAT PLEASURE
TO PRESENT TO
YOU THE SABAH
ECONOMIC
DEVELOPMENT
AND INVESTMENT
AUTHORITY (SEDIA)
ANNUAL REPORT
FOR THE YEAR
2024.**

THE RIGHT HONOURABLE DATUK SERI PANGLIMA
HAJI HAJIJI BIN HAJI NOOR

Chief Minister of Sabah

CHAIRMAN'S STATEMENT

It is with great pride that I present "SEDIA's 2024 Annual Report; a reflection of Sabah's steadfast commitment to economic transformation, sustainable development, and inclusive growth". As we reflect on the year, Sabah stands at a pivotal moment in its development journey. Despite a global environment marked by uncertainty and disruption, our state has demonstrated resilience, adaptability, and forward-looking leadership.

The global economy in 2024 has remained fragile. According to the International Monetary Fund (IMF), global GDP growth is estimated at 3.2 percent in 2024, slightly lower than the 3.3 percent recorded in 2023, amid ongoing geopolitical tensions, volatile commodity prices, and persistent inflationary pressures. The Russia-Ukraine conflict and heightened instability in the Middle East have significantly affected global energy markets. Meanwhile, China's uneven post-pandemic recovery continues to disrupt regional supply chains.

In the face of global uncertainties, Malaysia demonstrated strong economic resilience. The national economy expanded by 5.1 percent in 2024, improving from 3.6 percent growth in 2023, supported by robust domestic demand, investment expansion, and strong performance in the services and manufacturing sectors. This positive national momentum has helped sustain Sabah's development trajectory under the Sabah Maju Jaya Development Plan and the Sabah Development Corridor initiatives.

A Year of Resilient Progress

The past year tested economies worldwide, yet Sabah demonstrated encouraging recovery. The state's economy grew from RM83.4 billion in 2023 to RM84.3 billion in 2024, reflecting continued progress despite global uncertainties. This performance builds on the 1.1 percent growth recorded in 2024 and was supported by strategic initiatives under the Sabah Maju Jaya development plan and SDC Blueprint 2.0.

While traditional commodities such as palm oil and petroleum remain vital pillars of Sabah's economy, the state's growing manufacturing base and green technology investments are emerging as important drivers of diversification and resilience. Notably, cumulative investments of approximately RM9 billion in early 2023, including RM1.3 billion in manufacturing, reinforced Sabah's position as an increasingly attractive investment destination.

Leading the Green Transition

As stewards of one of the world's most biodiverse regions, Sabah continues to advance its commitment to sustainable development. Building on the foundation laid by the Sabah Energy Roadmap and Master Plan 2040 (SE-RAMP 2040) launched in late 2023, the year 2024 marked important progress toward our goal of achieving 35 to 40 percent renewable energy capacity by 2030.

These environmental milestones directly support our economic strategy. With growing global demand for sustainable products, low-carbon technologies, and ecotourism, Sabah is strategically positioning itself as a hub for green manufacturing and responsible tourism. Our natural capital, forests, marine ecosystems, and cultural heritage, remains central to this transformation. By aligning environmental stewardship with economic opportunity, Sabah is not only safeguarding its ecological assets but also securing long-term prosperity for its people.

A Collective Responsibility

Sabah's progress is built on strong partnerships. We acknowledge the continued support of the federal government, including the RM300 million allocation under Budget 2024 to support development initiatives in Sabah, and salute the resilience of our communities who remain the true drivers of our development. As we enter the final year of the Sabah Maju Jaya Development Plan, we remain focused on addressing challenges with pragmatism and ambition, working together to secure a resilient and sustainable future.

Moving Forward Together

In closing, my heartfelt appreciation goes to all who have contributed to Sabah's progress including government partners, industry stakeholders, SEDIA staff, and the people of Sabah. Your dedication continues to strengthen our mission. As the economy advances, we must remain fiscally disciplined and strategic in our investments to build long term resilience particularly in agriculture, tourism, and green energy. The journey ahead calls for unity, innovation, and sustainability. Together, we can shape a thriving and inclusive Sabah for generations to come.

Together, we are writing Sabah's next great chapter.

CHIEF EXECUTIVE'S STRATEGIC REVIEW



Foreword

The year 2024 marked a pivotal phase in Sabah's development trajectory, defined by economic recovery, institutional resilience, and renewed momentum towards sustainable growth. As the driving force of the Sabah Development Corridor (SDC), SEDIA remains resolute in advancing inclusive socio-economic transformation in alignment with the Sabah Maju Jaya (SMJ) Development Plan and Malaysia MADANI agenda. Against a backdrop of global economic uncertainties and evolving challenges, we have demonstrated organisational agility, strengthened strategic collaborations, and delivered measurable outcomes across priority sectors.

SEDIA undertook proactive and targeted measures to enhance industry readiness and overall competitiveness. Through sector-specific facilitation and strategic engagements, SEDIA has been supporting the advancement of key development pillars encompassing the agriculture, industrial, and tourism sectors; the strengthening of human capital and community well-being; as well as the promotion of integrated infrastructure networks and green sustainability initiatives.

Financial Highlights

For the financial year ending 31 December 2024, SEDIA was allocated by the Federal Government an operating grant of RM16 million, compared to RM16.5 million during the previous year. In the same financial year, SEDIA also recorded other income

amounting to RM13,343,131.00 compared to RM7,237,824.00 in 2023. SEDIA's total operating expenses for the current financial year were recorded at RM24,935,709.00, compared to RM18,895,433.00 in 2023. For the financial year ending 31 December 2024, SEDIA recorded an after-tax surplus income of RM5,329,737.00, which is an increase compared to RM5,139,778.00 for 2023.

During the year ended 31 December 2024, the Federal Government channelled allocations for SDC Development grants amounting to RM63,100,000.00, compared to RM210,000,000.00 for 2023. The total SDC Development expenditure paid for the current financial year is RM75,993,695.00 versus RM64,457,363.00 the previous year. The total SDC Development expenditure is expected to increase in 2025, based on the progress of implementation of SDC projects, especially the Sapangar Bay Container Port expansion project.

SDC Projects and Studies Performances

In 2024, SEDIA continued to drive the SDC agenda, focusing on enhancing project readiness, strengthening inter-agency coordination, and ensuring alignment with SMJ and Malaysia MADANI strategic priorities. Key initiatives under the SDC included both strategic studies and physical infrastructure projects, designed to unlock regional growth potential and improve connectivity across Sabah.

Completed studies such as the **Master Plan and Business Plan for POIC Sandakan**, as well as the **Master Plan and Business Plan for the Free Economic Zone, Logistics Hub, and Cold Storage Depot at POIC Lahad Datu, Sabah Border Economic Study** have strengthened the pipeline of investable projects and provided essential policy insights to guide future development. Ongoing studies, including the **Food Valley Master Plan Study in the Interior of Sabah** (expected completion in March 2025), continue to inform long-term regional planning and investment decisions.

On the infrastructure front, SEDIA advanced several physical projects, with expected completion in 2025. These include **the upgrading of the Atkinson Clock Tower Area and Australian Place, the construction of a pedestrian and bicycle bridge as part of the walkway and cycleway from Tanjung Aru to UMS, Upgrading the Access Road to the Proposed ICQS Site in Serudong, Kalabakan, and preliminary works for the reconstruction of the bridge linking Tuaran township across Damit river, Tamparuli**. Collectively, these projects improve urban functionality, strengthen regional connectivity, and support Sabah's socio-economic development. Through this integrated approach to studies and



infrastructure, SEDIA continues to enhance Sabah's development readiness, expand the investable project pipeline, and position the state for sustainable, inclusive, and strategic economic growth.

Investment

In 2024, Sabah made significant strides in attracting high-value investments and advancing sustainable development, supported by stronger regulatory and energy autonomy through the establishment of the Energy Commission of Sabah (ECoS) and key legislative reforms. Under the SDC, the state realised RM3.28 billion in investments across the manufacturing, tourism, logistics, and real estate sectors, while major energy projects — including the Oriole and Upper Padas Hydroelectric Power Plants — advance Sabah's long-term electricity security.

Strategic initiatives such as the RM20 billion green steel project, Petronas's floating LNG facility, and innovative waste management hubs demonstrate Sabah's leadership in low-carbon and green technology adoption. Complementing these efforts, infrastructure progress on the Pan Borneo Highway enhances connectivity and regional competitiveness.

These investments also generated substantial employment opportunities, with 4,865 jobs realised against 2,073 initially committed, reflecting Sabah's commitment to inclusive economic growth. Together, these initiatives position Sabah for sustainable, inclusive, and future-ready economic growth.

Socio-Economic Programmes

In 2024, SEDIA strengthened its people-centric development agenda through targeted socio-economic programmes aimed at uplifting vulnerable and underserved communities across Sabah. A total of 39 initiatives under the Hardcore Poverty Eradication Programme (BMT) were implemented, supporting 252 heads of households and contributing directly to income stabilisation and livelihood sustainability.

Under the People's Income Initiative (IPR), the Agricultural Entrepreneur module (INTAN) benefited 230 participants, while the Food Entrepreneur module (INSAN) was rolled out across 12 hospitals with the installation of 18 vending machine units,

thus creating accessible income opportunities for small entrepreneurs. Complementing these efforts, 21 projects were completed under the People's Facilities Initiative (IKR), improving basic facilities and quality of life at the community level.

Collectively, these interventions enhanced income opportunities, strengthened workforce readiness, and reinforced community resilience, underscoring SEDIA's commitment to ensuring that economic growth delivers tangible and inclusive benefits for the people of Sabah.

Governance and Integrity

In 2024, SEDIA continued to strengthen its governance framework in response to heightened expectations for accountability, transparency, and organisational performance. Governance enhancements focused on reinforcing oversight structures, strengthening internal controls, and embedding a culture of integrity and performance excellence across the organisation. Environmental, Social, and Governance (ESG) principles remained central to decision-making and programme implementation, ensuring that sustainability, risk management, and responsible development considerations are systematically integrated into SEDIA's operations. These efforts reinforce institutional credibility and support the delivery of development outcomes in a disciplined, transparent, and sustainable manner.

Robust internal controls, strengthened financial governance, and enhanced reporting mechanisms contributed to a high level of transparency and accountability. These efforts were reflected in the attainment of the Clean Bill for SEDIA's Audited Financial Statements for the year ended 31 December 2024, affirming the integrity of SEDIA's financial management practices and reinforcing stakeholder confidence in the organisation's stewardship of public funds.

Acknowledgements

I would like to extend my sincere appreciation to the Federal and State Governments for their continued trust in SEDIA's role. I also thank our partners across ministries, agencies, the private sector, and community-based organisations whose collaboration was key to our successes. To the SEDIA Members of Authority, management, and staff; your dedication, professionalism, and unwavering spirit have been instrumental in driving our shared vision forward. As we look ahead, we remain committed to catalysing sustainable and inclusive development for the people of Sabah.

DATUK SERI PANGLIMA HAJI HASHIM BIN PAIJAN
Chief Executive of SEDIA



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THE SABAH ECONOMIC DEVELOPMENT AND INVESTMENT AUTHORITY

The Sabah Economic Development and Investment Authority (SEDIA) is entrusted as the One-Stop Authority to drive the Sabah Development Corridor (SDC), with the primary responsibility to plan, co-ordinate, promote and accelerate the development of the SDC.

In order to expedite the implementation of the SDC, the Sabah State Legislative Assembly had approved the instrument for the establishment of SEDIA via the adoption of the Sabah Economic Development and Investment Authority Enactment 2009 on 15 January 2009. The Enactment was assented by *Tuan Yang Terutama Yang Di-Pertua Negeri Sabah* on 23 February 2009, and gazetted on 26 February 2009.

OUR OBJECTIVES

The objectives of SEDIA are:

- To promote and accelerate the development of the Sabah Development Corridor into a leading economic region and a choice destination for investment, work and living; and
- To ensure that social development and sustainable development are kept as priorities whilst driving economic growth in the Sabah Development Corridor.

OUR FUNCTIONS

Under Section 7 of the Sabah Economic Development and Investment Authority Enactment 2009, the Authority shall perform the following functions:

- To recommend to the Government or the Federal Government on all projects of potential economic growth and opportunities to be included in the Sabah Development Corridor;
- To disburse funds received from the Government or the Federal Government for the Sabah Development Corridor to the relevant implementing Government Entities;
- To co-ordinate the expeditious implementation of all projects in the Sabah Development Corridor by performing the functions of a one-stop centre;
- To monitor and report to the Government and the Federal Government the status of all projects in the Sabah Development Corridor;
- To promote and market the Sabah Development Corridor as an attractive business and investment location;
- To recommend to the Government and the Federal Government incentives for the Sabah Development Corridor;
- To recommend to the Government or the Federal Government on policy reforms and other initiatives for the Sabah Development Corridor;
- To source funds for the Sabah Development Corridor; and
- To do all things as are expedient, advantageous or necessary for, or incidental, supplemental or consequential to, the performance of the functions of the Authority and the better carrying out of the purposes of the Sabah Economic Development and Investment Authority enactment.

OUR CORPORATE VISION

Our corporate vision is to be a responsive, effective, efficient and accountable One-Stop Authority to realise the objectives of the SDC, in active partnerships with key stakeholders.

OUR MISSION

- a) To provide strategic direction, roadmap, planning integration, implementation co-ordination, monitoring and evaluation on the implementation of the SDC;
- b) To promote the SDC as a preferred investment destination for business, culture and nature;
- c) To ensure that the SDC initiatives reach the target groups, especially the poor and disadvantaged, alleviate regional imbalance, enhance the quality of life, and promote economic growth and sustainable development;
- d) To facilitate and serve as a solution provider and partner to realise the objectives of the SDC; and
- e) To enhance stakeholders' value propositions, confidence and acceptance through optimum engagement, information dissemination and accountability.

OUR STRATEGIES

- a) Attract investments and business initiatives in targeted areas to unlock SDC's regional value creation potential through road shows and trade fairs, and by offering business support to fast-track approvals and customised incentives;
- b) Develop innovative business models and pioneering initiatives to drive long-term, sustainable value creation for SDC, especially in innovative and strategic industries such as in Information Communications Technology (ICT), biotech and nanotechnology;
- c) Create strategic development areas comprising green field clusters in tourism, agriculture and manufacturing driver by creativity, knowledge convergence and eco-sensitive lifestyle;
- d) Enhance capacity building for Small and Medium Enterprises (SMEs), the poor and disadvantaged groups to benefit from the SDC initiatives;
- e) Strengthen growth centres, as well as sub-regional and inter-sectoral linkages to provide optimum cluster synergy, enhancing supply chain competitiveness and transmitting stronger development impulses to the lagging areas;
- f) Promote active tripartite partnership involving the government, the private sector and the civil society to eradicate poverty, enhance the quality of life, promote economic growth, and ensuring balanced, equitable and sustainable development; and
- g) Respond rapidly to opportunities and challenges to support the SDC initiatives.

We will carry out the corporate strategies through the various committees, operating sections within SEDIA. In view of the fact that the SEDIA committees are primarily decision-making body to assist SEDIA, the main day-to-day operations shall be principally carried out by the various operating sectors, sections and units under the overall supervision of the Chief Executive.

OUR ROLE TO ENSURE EFFECTIVE DELIVERY

1 STRATEGISE AND SYNERGISE

Direction for SDC to ensure achievement of balanced development aspirations, and that all SDC initiatives are aligned with National and State development policies;

2 ENGAGE AND FACILITATE

Stakeholders across the public and private sectors to ensure effective collaboration towards implementation of SDC initiatives;

3 DEVELOP AND PROMOTE

Investment opportunities and the investment ecosystem to attract a diversified range of investors, and increase realised investment rates;

4 INITIATIVE AND EXECUTE

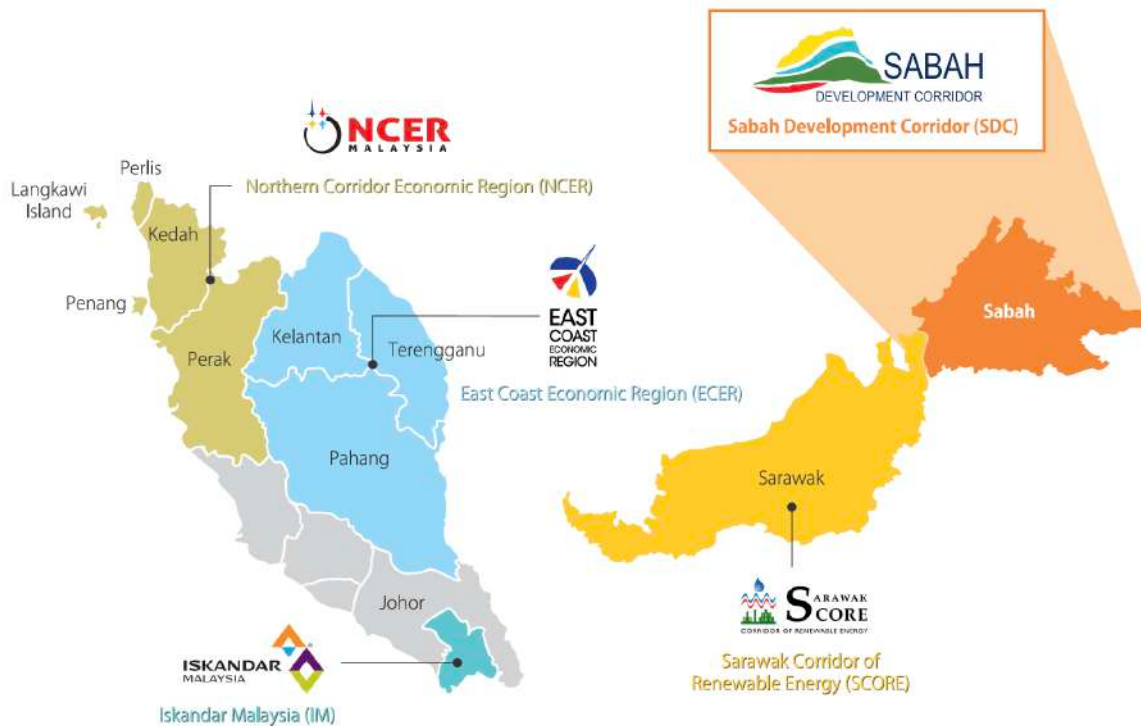
High impact programmes to deliver tangible outcomes through transformative projects; and

5 ADVISE ON, AND MONITOR

Implementation of the SDC Blueprint 2.0 to ensure not just timely completion but also that desired outcomes are delivered.



OUR PRESENCE IN MALAYSIA



SDC is one of five Economic Corridors in Malaysia, which include the likes of the Sarawak Corridor of Renewable Energy (SCORE), Iskandar Malaysia, Northern Corridor Economic Region (NCER), and East Coast Economic Region (ECER).

For SDC, the focus is on development programmes as based on the SDC Blueprint 2.0, in order to close the development gap between the regions of Peninsular Malaysia, Sabah and Sarawak as well as strengthen investment promotion through SDC.



OUR CORPORATE PROFILE

SABAH ECONOMIC DEVELOPMENT AND INVESTMENT AUTHORITY (SEDIA)

REGISTERED AND CORPORATE OFFICE

Block M1 & M2,
Aeropod Commercial Square,
Jalan Kepayan,
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Telegram/Whatsapp: +6019 6753214

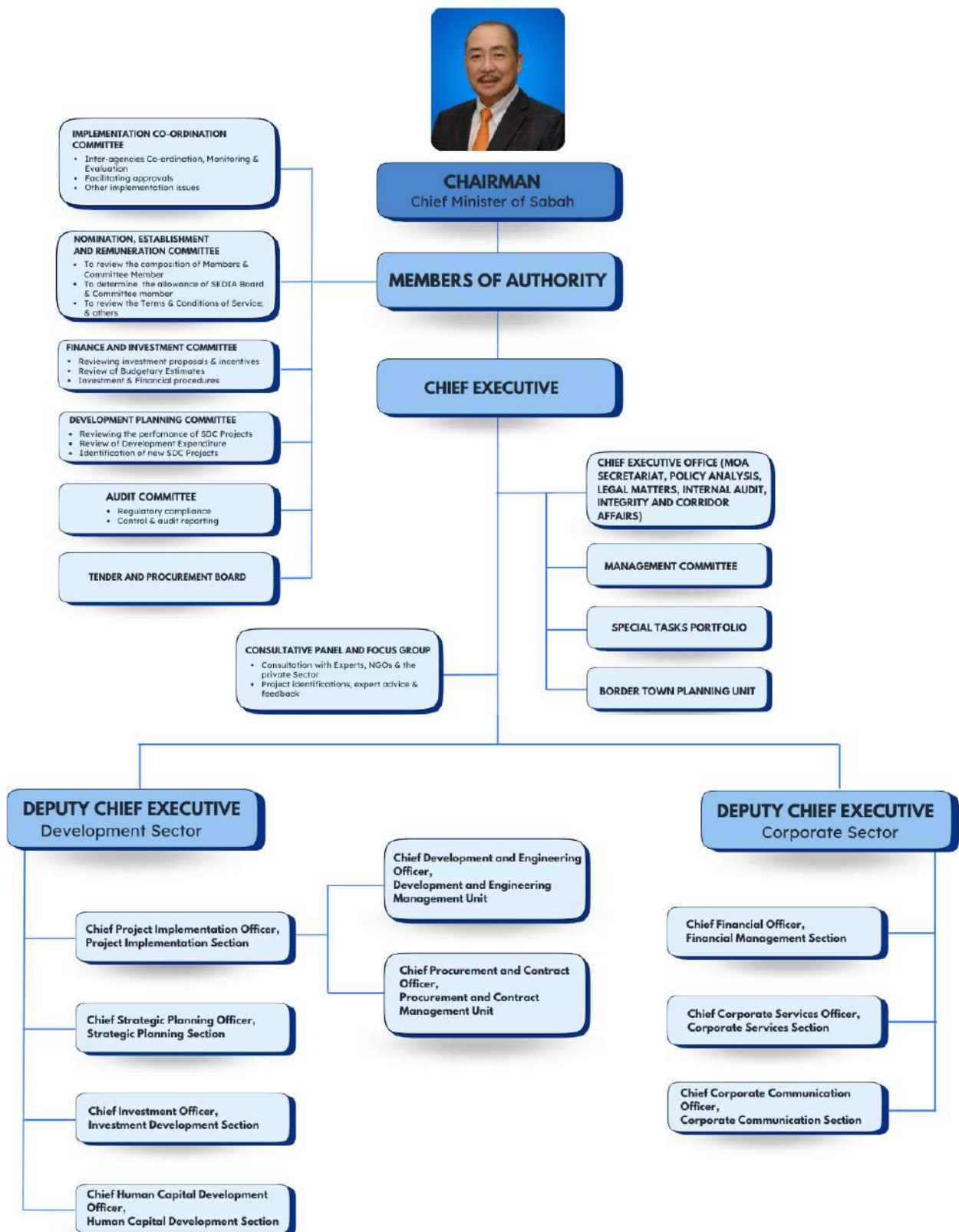
MAILING ADDRESS

Sabah Economic Development and
Investment Authority (SEDIA),
P.O. Box 17251,
88873, Kota Kinabalu, Sabah

AUDITORS

MNZWAJA,
Chartered Accountant,
No. F-2-4, Lot 34, Blok F,
Lorong Plaza Alamesra,
88400 Kota Kinabalu, Sabah

SEDIA ORGANISATIONAL STRUCTURE



GOVERNANCE OF SEDIA

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- 22 Committees of the Authority
- 25 The Chief Executive
- 26 The Management Committee
- 27 Sabah Economic Development and Investment Authority Fund





MEMBERS OF THE AUTHORITY

The Sabah Economic Development and Investment Authority Enactment 2009 under Section 8 stipulates that:

1. The Authority shall consist of the following members:
 - a) a Chairman, who shall be the Chief Minister;
 - b) two Deputy Chairmen, who shall be appointed by the Minister;
 - c) State Secretary;
 - d) Secretary General of the Federal Ministry of Finance or his representative;
 - e) Permanent Secretary of the State Ministry of Finance;
 - f) Director General of the Federal Economic Planning Unit or his representative;
 - g) Director of the State Economic Planning Unit; and
 - h) not more than five other members to be appointed by the Minister;
2. The Chief Executive shall be the Secretary to the Authority;
3. The provisions of the First Schedule shall apply to the Authority; and
4. The Authority may, from time to time, by order published in the Gazette, amend the First Schedule.

The Members of Authority had convened for one meeting in 2024, as follows:

38th Meeting of the Member of Authority

28 March 2024



Members of the Authority during the 38th Meeting of the Members of Authority held on 28 March 2024.

MEMBERS OF AUTHORITY



CHAIRMAN
THE RIGHT HONOURABLE
DATUK SERI PANGLIMA HAJI HAJI BIN HAJI NOOR
Chief Minister



DEPUTY CHAIRMAN
THE HONOURABLE
DATUK SERI PANGLIMA DR. JOACHIM GUNSALAM
Deputy Chief Minister II cum
Minister of Local Government and Housing

MEMBERS



THE HONOURABLE
DATUK SERI PANGLIMA
SR. HAJI SAFAR BIN UNTONG
Sabah State Secretary



DATO'
NOR AZMIE BIN DIRON
Secretary General, Ministry of Economy



DATUK
NOR ASIAH BINTI MOHD YUSOF
Legal Adviser to the Chief Minister



DATUK
TEO GECK CHOO @ JASMINE
Director,
State Economic Planning Unit (UPEN)



NORALI @ AG NOR ALI
BIN AG DAMIT
Officer of the Federal Treasury,
Sabah



DATUK
MOHD SOFIAN ALFIAN NAIR
Permanent Secretary,
Ministry of Finance, Sabah

SECRETARY



DATUK SR.
BERNARD LIEW CHAU MIN
Director,
State Department of Land and Survey



DATUK SERI PANGLIMA
HAJI HASHIM PAJJAN
Chief Executive of SEDIA

COMMITTEES OF THE AUTHORITY

Under Section 9 of the Sabah Economic Development and Investment Authority (SEDIA) the Authority may establish committees deemed necessary subject to the following provisions:

1. The Authority may, from time to time, establish such committees on such terms as it considers necessary or expedient to assist the Authority in the performance of its functions and duties under this Enactment;
2. The Authority may elect any of its members to be the chairman of any committee;
3. The Authority may appoint any person to be a member of any committee;
4. Membership of a committee established under subsection (1) may include one or more individuals from the private sector;
5. The provisions of the Second Schedule shall apply to a committee; and
6. The Authority may, from time to time, by order published in the Gazette, amend the Second Schedule relating to a committee.

SEDIA COMMITTEES

IMPLEMENTATION CO-ORDINATION COMMITTEE

CHAIRMAN:

The Honourable Datuk Seri Panglima Sr. Haji Safar bin Untong, JP
Sabah State Secretary

MEMBERS:

Dato' Makhzan bin Mahyuddin
Sabah Federal Secretary

Datuk Seri Panglima Haji Hashim Paijan
Chief Executive of SEDIA

Norali @Ag Norali bin Ag Damit,
Representing the Secretary General of the Treasury,
Ministry of Finance, Malaysia

Datuk Thomas Logijin
Permanent Secretary, Ministry of Industrial
Development, Sabah

Datuk Norlijah binti Haji Danin
Permanent Secretary, Ministry of Rural
Development, Sabah

Datuk Robert Stidi
Permanent Secretary, Ministry of Agriculture,
Fisheries and Food Industry, Sabah

Datuk Sr. Haji Mohd Yusrie Abdullah,
Permanent Secretary, Ministry of Tourism, Culture
and Environment, Sabah

Datuk Dr. Jamili Nais
Permanent Secretary; Ministry of Local Government
and Housing, Sabah

Datuk Teo Geck Choo @ Jasmine
Director, State Economic Planning Unit (UPEN)

Datuk Sr. Bernard Liew Chau Min
Director, State Department of Land and Survey

August Tamaning
Director, State Department of Urban and Regional
Planning

Datuk Ir. Haji Ali Ahmad Hamid
Director, State Department of Public Works

Datuk Noorliza Awang Alip
Mayor, Kota Kinabalu City Hall

Prof. Madya Datuk Ts. Dr. Ramzah Dambul
Chief Executive Officer, Institute for Development
Studies, Sabah (IDS)

SEDIA COMMITTEES

FINANCE AND INVESTMENT COMMITTEE

CHAIRMAN:

The Honourable Datuk Seri Panglima Dr. Joachim Gunsalam
Deputy Chief Minister II cum Minister of Local Government and Housing

MEMBERS:

Dato' Makhzan bin Mahyuddin
Sabah Federal Secretary

Datuk Seri Panglima Haji Hashim Paijan
Chief Executive of SEDIA

Norali @Ag Norali bin Ag Damit
Representing the Secretary General of the Treasury,
Ministry of Finance, Malaysia

Datuk Mohd Sofian Alfian Nair
Permanent Secretary, Ministry of Finance, Sabah

Datuk Robert Stidi
Permanent Secretary, Ministry of Agriculture and
Food Industry, Sabah

Datuk Sr. Haji Mohd Yusrie Abdullah
Permanent Secretary, Ministry of Tourism, Culture
and Environment, Sabah

Datuk Thomas Logijin
Permanent Secretary, Ministry of Industrial
Development, Sabah

Datuk Teo Geck Choo @ Jasmine
Director, State Economic Planning Unit (UPEN)

Joseph Benjamin
Director, Malaysia Investment Development
Authority, Sabah

Prof. Madya Datuk Ts. Dr. Ramzah Dambul
Chief Executive Officer, Institute for Development
Studies, Sabah (IDS)

DEVELOPMENT PLANNING COMMITTEE

CHAIRMAN:

Dato' Nor Azmie bin Diron
Secretary General, Ministry of Economy

MEMBERS:

Dato' Makhzan bin Mahyuddin
Sabah Federal Secretary

Datuk Seri Panglima Haji Hashim Paijan
Chief Executive of SEDIA

Norali @Ag Norali bin Ag Damit
Representing the Secretary General of the Treasury,
Ministry of Finance, Malaysia

Dr. Haji Mohd Shahrin bin Umar
Director of Regional Development, Ministry of Economy

Datuk Thomas Logijin
Permanent Secretary, Ministry of Industrial Development,
Sabah

Datuk Robert Stidi,
Permanent Secretary, Ministry of Agriculture and Food
Industry, Sabah

Datuk Dr. Jamili Nais
Permanent Secretary; Ministry of Local Government and
Housing, Sabah

Datuk Norlijah binti Haji Danin
Permanent Secretary, Ministry of Rural Development,
Sabah

Datuk Teo Geck Choo @ Jasmine
Director, State Economic Planning Unit (UPEN)

Prof. Madya Datuk Ts. Dr. Ramzah Dambul
Chief Executive Officer, Institute for Development
Studies, Sabah (IDS)

SEDIA COMMITTEES

NOMINATION, ESTABLISHMENT AND REMUNERATION COMMITTEE

CHAIRMAN:

Datuk Sr. Bernard Liew Chau Min
Director, State Department of Land and Survey

MEMBERS:

Datuk Seri Panglima Haji Hashim Paijan
Chief Executive of SEDIA

Norali @Ag Norali bin Ag Damit,
Representing the Secretary General of the Treasury,
Ministry of Finance, Malaysia

Datuk Mohd Sofian Alfian Nair
Permanent Secretary, Ministry of Finance, Sabah

Dr. Mohd Shaharin Umar,
Director, Regional Division, Ministry of Economy

AUDIT COMMITTEE

CHAIRMAN:

Datuk Mohd Sofian Alfian Nair
Permanent Secretary, Ministry of Finance, Sabah

MEMBERS:

Datuk Seri Panglima Haji Hashim Paijan
Chief Executive of SEDIA

Norali @Ag Norali bin Ag Damit,
Representing the Secretary General of the Treasury,
Ministry of Finance, Malaysia

Datuk Teo Geck Choo @ Jasmine
Director, State Economic Planning Unit (UPEN)

Datuk Mary Angela Sipaun
Sabah State Treasurer, State Treasury Department,
Ministry of Finance, Sabah

MEMBERS OF COMMITTEE MEETINGS

Implementation Co-ordination Committee meetings

22nd Meeting of the Implementation Co-ordination Committee	12 June 2024
23rd Meeting of the Implementation Co-ordination Committee	12 November 2024

Finance and Investment Committee meetings

35th Meeting of the Finance and Investment Committee	11 March 2024
36th Meeting of the Finance and Investment Committee	5 December 2024

Development Planning Committee meetings

26th Meeting of the Development Planning Committee	12 March 2024
27th Meeting of the Development Planning Committee	29 November 2024

Nomination, Establishment and Remuneration Committee meetings

20th Meeting of the Nomination, Establishment and Remuneration Committee	22 March 2024
21st Meeting of the Nomination, Establishment and Remuneration Committee	12 November 2024

Audit Committee meetings

33rd Meeting of the Audit Committee	26 March 2024
34th Meeting of the Audit Committee	26 September 2024

THE CHIEF EXECUTIVE



**DATUK SERI PANGLIMA
HAJI HASHIM BIN PAIJAN**

Chief Executive of SEDIA

The Chief Executive is appointed by the Authority, and has been entrusted with the following responsibilities:

- 1) The general conduct, administration and management of the functions, activities and day-to-day affairs of the Authority;
- 2) The performance of such functions and exercise of such duties as delegated by the Authority; and
- 3) The carrying out of the decisions of the Authority.

The Chief Executive shall also perform such other duties as the Authority may, from time to time, direct and shall act under the general direction of the Authority in discharging his duties. The Chief Executive shall have general control of the officers and staff of the Authority.

THE MANAGEMENT COMMITTEE



**DATUK SERI PANGLIMA
HAJI HASHIM BIN PALJAN**

Chief Executive of SEDIA



IR. DR. CHONG YUN LEONG

Deputy Chief Executive
(Development Sector)
cum
Chief Project Implementation Officer



YUNUS GASTOM

Deputy Chief Executive
(Corporate Sector)
cum
Chief Financial Officer



MARY SINTOH

Senior Vice President
Special Tasks Portfolio



IWAN HERMAWAN BIN MASRUL

Chief Strategic Planning Officer
Strategic Planning Section



YONG SIEW PING @ VANESSA

Chief Procurement and Contract Officer
Procurement and Contract
Management Unit



KEVIN GEORGE UKANG

Chief Investment Officer
Investment Development Section



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Chief Human Capital
Development Officer
Human Capital Development Section



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Chief Development and Engineering Officer
Development and Engineering
Management Unit



RUSLAN BIN ISMAIL

Chief Corporate Services Officer
Corporate Services Section



SHEILA RADIN

Chief Corporate Communication Officer
Corporate Communication Section

SABAH ECONOMIC DEVELOPMENT AND INVESTMENT AUTHORITY FUND

The authority to commit any financial obligation or otherwise, solely, partially or directly on the account of the Authority lies wholly with the Authority subject to policies, procedures and guidelines approved by the Authority, the Sabah State and the Federal Government.

Section 14 (1) of the Sabah Economic Development and Investment Authority Enactment 2009 provides for the establishment of a fund to be known as the "Sabah Economic Development and Investment Authority Fund" to be administered and controlled by the Authority.

Section 15 of the Enactment specifies that the Fund shall be expended for the following purposes:

- Disbursing funds received from the Government or the Federal Government to the relevant implementing Government Entities for Sabah Development Corridor;
- Performing or discharging the functions and duties of the Authority;
- Paying for the remuneration, allowances or other expenses of members, the Chief Executive, officers and servants of the Authority;
- Undertaking approved and lawful investments, and acquisition of shares or interests in companies or property movable or immovable for the purposes of the Enactment; and
- Paying any other expenses lawfully incurred in the discharged or performances of its functions and duties under this Enactment.





ABOUT THE SABAH DEVELOPMENT CORRIDOR (SDC)

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INTRODUCTION TO THE SABAH DEVELOPMENT CORRIDOR

The Sabah Development Corridor (SDC) was launched on 29 January 2008 to enhance the quality of life of the people, by accelerating the growth of Sabah's economy, promoting regional balance, and bridging the rural-urban divide, while ensuring sustainable management of the state's resources. It is part of the five economic corridors inspired by former Prime Minister Tun Abdullah bin Haji Ahmad Badawi, and had been in line with the key thrusts and objectives of the *Halatuhu Pembangunan dan Kemajuan Negeri Sabah*, launched in 2004 by the then-Chief Minister of Sabah Tan Sri Musa Haji Aman, which outlined the direction of the state's development.

During the year 2021, SEDIA had commissioned a study for the review of the SDC Blueprint and thus published the SDC Blueprint 2.0 (2021–2030). The publication of this Blueprint is timely to ensure alignment with the Federal Government's Shared Prosperity Vision 2030 (SPV2030), as well as the State Government's Sabah Maju Jaya Plan (*Pelan Pembangunan SMJ 1.0: 2021–2025*) by the Right Honourable Datuk Seri Panglima Haji Hajiji bin Haji Noor, the current Chief Minister of Sabah. In line with Malaysia's commitments as a responsible global community, the SDC Blueprint 2.0 also provides an opportunity to connect Sabah's development priorities with the United Nations Sustainable Development Goals (SDGs).

The theme for the SDC Blueprint 2.0 is **Sustainable Growth with Equity and Social Inclusion**, which is also in line with the Malaysia MADANI concept introduced by the Right Honourable Datuk Seri Anwar bin Ibrahim, the current Prime Minister. MADANI represents a convergence of Malaysia's varied cultures and experiences, combining existing practices with new methods in order to address new issues and uncertainties. MADANI comprises six core values, namely sustainability, prosperity, innovation, respect, trust and compassion, which articulate a closely related and integrated framework of policies and philosophies, with each reinforcing the others. MADANI was inspired by the concept of willingness to accept change, taking into account the suggestions of all levels of society with the desire for recovery through substantive reforms for the sake of a more advanced and prosperous Malaysia.



THE SABAH DEVELOPMENT CORRIDOR BLUEPRINT 2.0 FRAMEWORK

The SDC Blueprint 2.0 (2021–2030) was formulated following an extensive review of the SDC Blueprint implementation, and considering the SDC' key strengths and implications from mega trends to 2030. The process involved extensive desk research and analysis, as well as engagement with a number of stakeholders within and outside Sabah. Reference was also made to other corridor development plans, state and national -level policies, and sector-specific development plans.

VISION AND ASPIRATIONS

A renewed Vision for the SDC that builds on the 2008 vision statement while reinforcing three priorities:

"A Competitive, Inclusive and Sustainable Corridor by 2030"

COMPETITIVENESS

Positioning SDC as an attractive destination for manufacturing, agriculture, tourism, and logistics. Leveraging on its strength to make Sabah more attractive for high-value investors and top talents, and to create better jobs for locals;

INCLUSIVENESS

Creating opportunities for everyone to advance skills and capabilities, engage in high-value economic activities, and actively participate in community life; and

SUSTAINABILITY

Conserving Sabah's unique natural heritage for current and future generations, and ensuring resilience in the face of economic or environmental challenges.

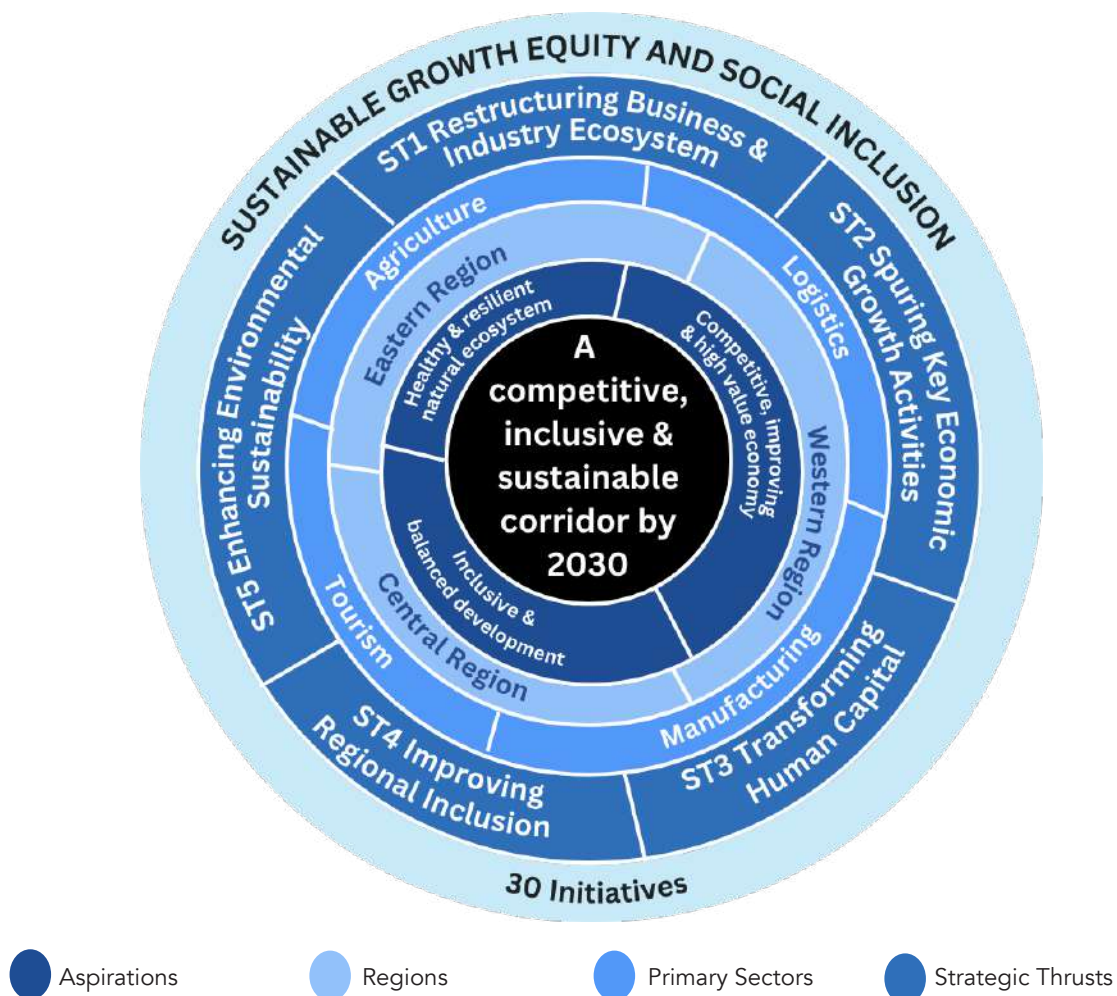
Three mutually reinforcing **Aspirations** will help to realise the Vision, reflecting the desired outcomes for Sabah by the end of the SDC Blueprint 2.0 period as synthesised in the theme for the Blueprint 2.0:

"Sustainable Growth with Equity and Social Inclusion"

VISION AND ASPIRATIONS (CONTINUED)

ECONOMIC (Competitiveness)	Competitive, innovative and high-value economy;
EQUITABLE (Inclusiveness)	Inclusive and balanced development; and
ENVIRONMENTAL (Sustainability)	Foster a healthy and resilient natural ecosystem.

The SDC Blueprint 2.0 Framework



STRATEGIC THRUSTS AND INITIATIVES

The Five Strategic Thrusts (STs)

RESTRUCTURING THE BUSINESS AND INDUSTRY ECOSYSTEM

ST1

Building a more competitive ecosystem that meets the needs of investors and businesses through digitalisation, entrepreneur and supply chain development, and strengthening knowledge hubs to promote application of new technologies for increased productivity and value-creation. subheading

SPURRING KEY ECONOMIC GROWTH AREAS

ST2

Strengthening economic development by focusing on seven Key Economic Growth Areas (KEGAs) that maximise Sabah's strengths:

- KEGA 1 (K1) - Food & Agriculture
- KEGA 2 (K2) - Commodities & Downstream Manufacturing
- KEGA 3 (K3) - Logistics
- KEGA 4 (K4) - Coastal and Maritime Economy
- KEGA 5 (K5) - Renewable Energy & Green Economy
- KEGA 6 (K6) - Advanced and Modern Services
- KEGA 7 (K7) - Tourism

TRANSFORMING HUMAN CAPITAL

ST3

Building a more competitive ecosystem that meets the needs of investors and businesses through digitalisation, entrepreneur and supply chain development, and strengthening knowledge hubs to promote application of new technologies for increased productivity and value-creation. subheading

IMPROVING REGIONAL INCLUSION

ST4

Balancing development across regions with targeted efforts aimed at maximising each region's strengths, and creating locally-based economic opportunities through infrastructure development, entrepreneurship and skills-training and agricultural extension programmes.

ENHANCING ENVIRONMENTAL SUSTAINABILITY

ST5

Ensuring protection of natural capital through conservation, environmental management and climate resilience efforts.

30 SDC INITIATIVES TO 2030

30 SDC Initiatives to 2030 have been prioritised for implementation across the five STs. These SDC Initiatives are expected to have a catalytic effect on SDC's overall socio-economic development, while ensuring balanced growth across the Corridor. Each initiative is mapped to a single ST (the Primary ST) and interlinked with other STs (Related STs). Each region's development agenda is planned - based on its comparative advantage, unique strengths & opportunities for future growth.

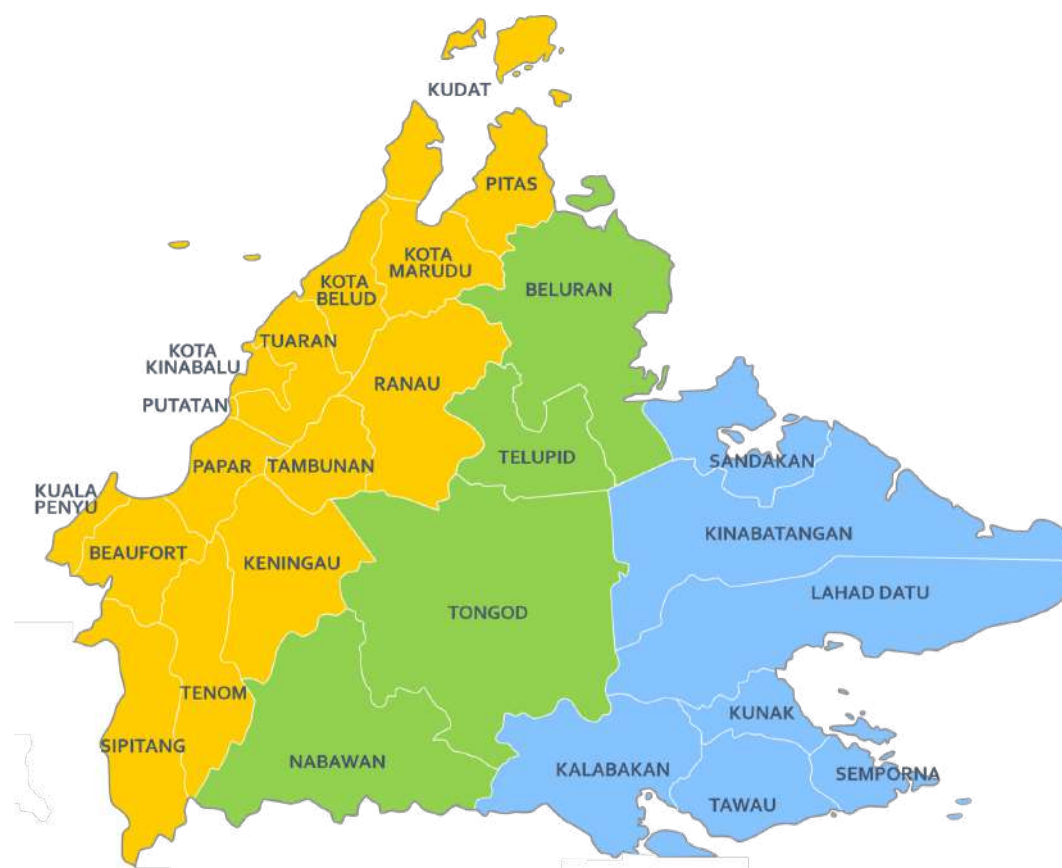


A REGIONAL DEVELOPMENT APPROACH FOR THE SDC BLUEPRINT 2.0

Defining the whole of Sabah as an economic corridor means that a coherent strategy is needed to achieve balanced development across the entire corridor. Balanced development does not mean equal development. It involves optimising potential based on strengths, and sharing the benefits of overall economic growth across SDC to ensure that no one is left behind, in line with national and state plans, as well as the United Nations Sustainable Development Goals.

Balanced regional development can help to reduce rural-urban migration, create jobs in-community where people have a social network and family support, and improve accessibility to basic amenities and to markets. A regional development approach will help to balance disparities across SDC based on the strengths and needs of each region.

With these in mind, three regions are defined for the purposes of the SDC Blueprint 2.0:



- Western Region — 14 districts from Kudat in the North to Sipitang in the South
- Central Region — 4 districts from Beluran in the North to Nabawan in the South
- Eastern Region — 7 districts from Sandakan in the North to Kalabakan and Tawau in the South

INVESTMENT AND OUTCOME TARGETS

The 30 SDC initiatives require RM23 billion in government funding and RM95 billion in private investments during 2021–2030 over two phases, corresponding to the Twelfth and Thirteenth Malaysia Plan periods. The proposed phasing of the investment for the initiatives is shown below:

OUTCOMES	PHASE 1 (2021-2025)	PHASE 2 (2026-2030)	TOTAL (2021-2030)
Total Investment (RM Million)	50,300	67,700	118,000
Government Funding (RM Million)	9,000	14,000	23,000
Private Investment (RM Million)	41,300	53,700	95,000
GDP Contribution (RM Million)	8,200	11,800	20,000
Jobs Created	31,700	38,300	70,000

The outcomes are contingent upon the time and successful implementation of the 30 SDC initiatives, and must be balanced with two of the three aspirations for SDC, i.e., social well-being and environmental sustainability.

SDC 2025 AND 2030 TARGETS

The successful implementation of the 30 SDC initiatives will contribute towards achieving national and state development plans. 14 indicators and targets have been defined to track outcomes delivered during 2021–2030 as below.

14 Indicators and Targets to track SDC's anticipated outcomes for 2025 and 2030

	GDP	GDP Per Capita	Mean Monthly Household Income	Mean B40 Monthly Household Income	Poverty Rate %	Skilled Workforce %	Unemployment Rate %	Sustainability (Oil Palm Plantation Certification)	Tourism Receipts	Manufacturing GDP Share %	Palm Oil Downstream Share %	Food Exports	Jobs Created*	Private Investments*
2020	RM81 billion	RM20,900	RM5,400	RM2,343 (2019)	19.5% (2019)	17%	8.0%	n.a	RM8.5 billion (2019)	8% (2019)	10%	RM1.6 billion (2019)	43,900 (2008-2019)	RM84.9 billion (2008-2019)
2025	RM108 billion	RM26,000	RM7,000	RM3,500	15%	22%	4.8%	95%	RM11 billion	9%	15%	RM2.0 billion	31,700 (2021-2025)	RM41.3 billion (2021-2025)
2030	RM140 billion	RM32,000	RM8,600	RM5,800	5%	30%	3.2%	100%	RM15 billion	14%	30%	RM2.5 billion	70,000 (2021-2030)	RM95 billion (2021-2030)



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SDC ALLOCATION AND EXPENDITURE PERFORMANCE FOR THE YEAR 2024

SDC Projects Financial Performance under The Malaysia Plans (MPs) as at 17 December, 2024

Malaysia Plan (MP)	Allocations (RM)	Expenditure (RM)	Completion Rate
9MP	919,000,000	919,000,000	100%
10MP	970,179,492	932,779,510	96.15%
11MP	723,768,847	645,405,877	89.17%
12MP	421,850,100	182,632,769	43.29%
Total	3,034,798,439	2,679,818,157	88.30%

Source: Project Implementation Section, 2024

As at 31 December 2024, a total of ten (10) projects were implemented under the Sabah Development Corridor (SDC) with allocations from the Twelfth Malaysia Plan (12MP), comprising six (6) physical projects and four (4) studies. The 2024 portfolio reflects a strong emphasis on execution readiness, disciplined delivery, and strategic spatial impact across priority growth areas in Sabah.

Of the six (6) physical projects, four (4) projects commenced implementation during the year, one (1) project carried forward from the previous year continued under implementation, while one (1) project remained at the pre-implementation stage. These physical projects are strategically located within the Kota Kinabalu area, Kalabakan, Tuaran, and Kota Kinabalu Industrial Park (KKIP), focusing on improving connectivity, enhancing infrastructure capacity, and supporting regional economic activity.

Meanwhile, the four (4) SDC studies demonstrated solid progress in 2024, with three (3) studies successfully completed and one (1) study under implementation. The completed and ongoing studies cover a wide geographical scope, including Sandakan, Lahad Datu, Sipitang, Nabawan, Kalabakan, Tawau, Keningau, Tenom, Tongod, and Tambunan. These studies provide critical planning, policy, and investment intelligence to strengthen the pipeline of bankable projects and guide long-term regional development strategies under the SDC.

Overall, the 2024 SDC allocation and expenditure performance underscores SEDIA's continued focus on effective project sequencing, timely execution, and outcome-oriented delivery, reinforcing the SDC as a key instrument in advancing balanced and sustainable development across Sabah.

FOCUSED PROJECTS AND PROGRAMMES FOR THE YEAR 2024

SDC PHYSICAL PROJECTS

BIL.	PROJECT NAME	ORIGINAL PROJECT DURATION	START DATE	COMPLETION DATE	STATUS
1	SDC — Expansion of Sapangar Container Port	53 Months	1 September 2021	23 February 2026	In Progress
2	SDC — Upgrading of the Industrial Link Road from FEZ KKIP to Sapangar Bay Container Port, Sabah	24 Months	13 January 2025	12 January 2027	Pre-Implementation
3	SDC — Kota Kinabalu City Beautification Package 3 — Physical Upgrading of the Atkinson Clock Tower and Australian Place	22 Months	1 September 2024	7 July 2025	In Progress
4	SDC — Kota Kinabalu City Beautification — Pedestrian Walkway and Cycleway from Tanjung Aru to UMS (Parcel 4) — Construction of Bridge	15 Months	29 April 2024	28 July 2025	In Progress
5	SDC — Sabah Border Project – Upgrading of Access Road to the Proposed ICQS Site in Serudong, Kalabakan, Sabah	8 Months	1 August 2024	1 April 2025	In Progress
6	SDC — Preliminary Works for the Reconstruction of Pekan Tuaran Bridge (Sungai Damit), Tamparuli, Sabah	5 Months	5 November 2024	5 April 2025	In Progress

1) SAPANGAR BAY CONTAINER PORT EXPANSION

The Sapangar Bay Container Port Expansion project aims to increase the port's capacity to 0.875 million TEUs per year. The construction is scheduled to take 42 months, with a total investment of RM899,814,373.76.

This project is overseen by the Sabah Economic Development and Investment Authority (SEDIA), with support from an appointed team of consultants. The main contractor, WCT-CCCC Joint Venture, is currently executing various on-site works, including:

- i. Installation of steel components on the existing jetty
- ii. Installation of doors and windows in the Ancillary Building Area and Berth & Planning Office

- iii. Delivery of mechanical & electrical (M&E) equipment
- iv. Sea sand extraction at location S8 and sand filling at Section S1
- v. Planting of prefabricated vertical drains (PVD) in Section S2
- vi. Dredging operations in the Outer Berth Area

As of 31 December 2024, the project's overall progress stands at 16.68%, with RM186,082,520.62 spent to date. Additionally, the contractor is in the process of recruiting more qualified divers to expedite structural reinforcement work on the existing jetty.



Expansion Progress of the Sapangar Bay Container Port.

2) SDC — UPGRADING OF THE INDUSTRIAL LINK ROAD FROM FEZ KKIP TO SAPANGAR BAY CONTAINER PORT, SABAH



Location map of the Industrial Link Road upgrading project from FEZ KKIP to Sapangar Bay Container Port, Sabah

The Industrial Link Road Upgrading Project from the Free Economic Zone (FEZ) in Kota Kinabalu Industrial Park (KKIP) to Sapangar Bay Container Port (SBCP) is a vital infrastructure initiative aimed at improving connectivity, facilitating logistics, and enhancing Sabah's industrial development. This project plays a crucial role in ensuring efficient cargo movement between industrial zones and the key shipping terminal at Sapangar Bay.

The Sabah Public Works Department (JKR Sabah) has been appointed as the Implementing Agency for this project. Following a competitive tender process, the contract was awarded to Lestari LTC Sdn. Bhd., with the Letter of Acceptance (SST) issued on December 9, 2024. The project will be carried out over a period of 24 months, with a total cost of RM31,177,888.00.

Project Scope and Key Components

The project consists of three main components:

1. Widening of EOIZ Phase 1 KKIP Road – Upgrading a 1.4 km stretch from a single carriageway to a dual carriageway to accommodate increasing traffic flow and industrial activities.

2. Resurfacing of Jalan Kayu Madang A – Improving 240 meters of road surface to enhance access and reduce wear and tear caused by industrial transport.
3. Upgrading of Jalan Sapangar Bay – Enhancing 650 meters of road, particularly at the entrance to Sapangar Bay Container Port (SBCP), to improve accessibility and ease congestion.

Expected Benefits

Once completed, this project will:

- Enhance transport efficiency by reducing congestion and improving road quality.
- Strengthen Sabah's industrial ecosystem by providing better connectivity between manufacturing hubs and port facilities.
- Improve logistics and supply chain operations, ensuring smooth movement of goods and raw materials.

This infrastructure upgrade is expected to bolster economic growth, attract more investments, and reinforce Sabah's position as a regional logistics and trade hub in line with the state's long-term development goals.

3) SDC — KOTA KINABALU CITY BEAUTIFICATION PACKAGE 3 — PHYSICAL UPGRADING OF THE ATKINSON CLOCK TOWER AND AUSTRALIAN PLACE



This project is being carried out by Pembangunan Eco-Bumi Sdn. Bhd., the appointed contractor under the Kota Kinabalu City Hall (DBKK). With a project cost of RM11,088,888.00, construction began on 1 September 2024, and is expected to be completed within 18 months.

The project consists of three main components:

1. Atkinson Clock Tower Area
2. Restoration of the Observation Tower – Completed on 25 December 2024
3. Treetop Walkway



Current Progress

- i. Component 1: Atkinson Clock Tower Area
 - Construction of the ticketing office at the Upper Level is underway.
 - Handrails for the ramp and walkway have been successfully installed.
 - Concrete works for the drainage system, roof beam, and staircase at the Information Centre (Lower Level) are ongoing.
- ii. Component 3: Treetop Walkway
 - Steel framework for the Treetop Walkway and Boardwalk is being installed.
 - Concrete pathways leading to the Boardwalk are currently under construction.

Supervised by DBKK and supported by a newly appointed consulting team, the project is progressing well. The project is expected to be fully completed by July 2025.



Progress in Upgrading of Atkinson Clock Tower Area and Australian Place.

4) SDC — KOTA KINABALU CITY BEAUTIFICATION — PEDESTRIAN WALKWAY AND CYCLEWAY FROM TANJUNG ARU TO UMS (PARCEL 4) — CONSTRUCTION OF BRIDGE

The Kota Kinabalu City Hall (DBKK) has appointed Gammerlite Sdn. Bhd. as the contractor for this project, with a total cost of RM2,088,425.28 and a construction period of 15 months. As of 31 December 2024, the project has achieved 13.65% completion, with RM1,106,727.75 spent to date.

Project Scope & Site Division

The project site is divided into two key sections:

- Site A – Located near Kampung Likas.
- Site B – Situated across the river, adjacent to Menara Kinabalu.

Current Progress

- Site A:
 - o Spun pile installation is in progress.
 - o Precast beam preparation is underway.
 - o Structural integrity tests, including Pile Driving Analyser, Pile Integrity Test, and Maintained Load Test, have been

conducted on the piles for the bridge construction.

- Site B:
 - o Consultants are finalising updated construction drawings to align with the latest on-site conditions.

This bridge will serve as a safe, accessible, and sustainable transportation link for pedestrians and cyclists, enhancing urban mobility while supporting eco-friendly travel in Kota Kinabalu.



Progress of foundation works through spun pile installation



Technical drawings for bridge construction

Technical drawings for bridge construction

5) SDC - SABAH BORDER PROJECT — UPGRADING THE ACCESS ROAD TO THE PROPOSED ICQS SITE IN SERUDONG, KALABAKAN, SABAH



Location map of Sabah Border Project – Access road upgrading to the proposed ICQS site, Serudong, Kalabakan.

SEDIA has appointed Beta Maju Sdn. Bhd. as the contractor for this project, with a total cost of RM7,559,645.00 and a construction period of eight months. The project aims to upgrade the access road from KM20 to KM35 near Kem Pos Luis in Serudong, Kalabakan, ensuring smoother and safer access to the proposed Immigration, Customs, Quarantine, and Security (ICQS) facility. The upgraded road will be designed to accommodate heavy vehicles, facilitating future cross-border trade and security operations.

Current Progress (as of 31 December 2024):

- i. Overall completion: 55.47%

- ii. Amount spent: RM3,164,698.00

- iii. Ongoing works:

- Road formation preparation from Ch. 4+200 to Ch. 7+000
- Compaction and grading from Ch. 7+000 to Ch. 8+000
- Excavation of earth drains from Ch. 12+000 to Ch. 12+500

The project is expected to be fully completed by 1 April 2025. Once completed, it will significantly enhance connectivity, improve logistics, and support the long-term development of Sabah's border infrastructure.



Road upgrading in progress – KM20 to KM35.

6) SDC — PRELIMINARY WORKS FOR THE RECONSTRUCTION OF PEKAN TUARAN BRIDGE (SUNGAI DAMIT), TAMPARULI, SABAH

The reconstruction of Pekan Tuaran Bridge (Sg. Damit) in Tamparuli, Sabah is a crucial infrastructure project aimed at enhancing connectivity for pedestrians and motorcyclists. The project involves the construction of a suspension bridge, ensuring a safe and reliable crossing for the local community. Given the significance of this bridge in facilitating daily transportation, the project is designed to improve accessibility while prioritising safety and durability.

The project is being implemented by the Sabah Public Works Department (JKR), which has appointed Kurnia Agung Group as the main contractor. With a total budget of RM850,700.00, the construction is set to be completed within five months. The scope of work includes the installation of a suspension bridge structure, foundation works, approach construction, and riverbank reinforcement to ensure long-term stability.

Current Progress (as of December 31, 2024)

- Overall Completion: 8.52%
- Total Expenditure: RM158,010.00
- Ongoing Works:
 1. Site clearing
 2. Formwork and reinforcement installation for the bridge approach
 3. Riverbank protection using armour rocks

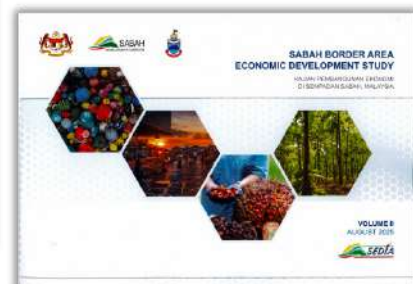
The project is expected to enhance connectivity and improve mobility for the surrounding communities, ensuring a safer and more resilient infrastructure for pedestrians and motorcyclists.



Installation of formwork and reinforcement for the bridge approach.

SDC STUDIES

BIL.	STUDY NAME	ORIGINAL STUDY DURATION	START DATE	COMPLETION DATE	STATUS
1	SDC — Economic Masterplan and Business Plan Study for POIC Sandakan	9 Months	17 July 2023	17 April 2024	COMPLETED
2	SDC — Master Plan and Business Plan Study for a Free Economic Zone, Logistics Hub and Cold Storage Depot in POIC Lahad Datu	9 Months	17 July 2024	17 April 2024	COMPLETED
3	SDC — The Sabah Border Economic Development Study	18 Months	25 August 2022	12 July 2024	COMPLETED
4	SDC — Master Plan Study for the Food Valley in the Interior of Sabah	9 Months	19 June 2024	10 Mac 2025	In Progress



1) ECONOMIC MASTERPLAN AND BUSINESS PLAN STUDY FOR POIC SANDAKAN

Following the completion of the Economic Masterplan and Business Plan Study for POIC Sandakan in April 2024, the study now serves as a key strategic reference in guiding the next phase of economic planning and industrial development in the region. The findings provide a comprehensive framework for identifying growth opportunities, assessing critical infrastructure needs, and unlocking viable investment prospects across several priority sectors.

The development of POIC Sandakan forms part of a broader commitment by the Federal and State Governments, with RM1.71 billion allocated to support the establishment of the palm oil industrial cluster and its supporting infrastructure. The study outlines a clear development pathway through targeted strategies, high-impact project proposals, and implementation approaches that integrate Environmental, Social and Governance (ESG) considerations to support sustainable and resilient development.

Based on the strategic assessment undertaken, three core industries have been identified as the primary drivers of growth for POIC Sandakan, namely:

- i) Palm Oil & Biomass
- ii) Fisheries & Aquaculture
- iii) Renewable Energy

These sectors leverage Sabah's strong natural resource base and existing industrial ecosystem, while offering significant potential for downstream value creation and investment attraction.

Building on the recommendations and priorities identified in the study, SEDIA has initiated proactive efforts to advance the implementation of the proposed initiatives through close collaboration with relevant Federal and State Government agencies, regulatory authorities, investors, and other key stakeholders. Through coordinated planning and implementation, these initiatives are expected to strengthen POIC Sandakan's role as a competitive industrial hub and contribute to sustainable economic growth in Sabah.



2) MASTER PLAN AND BUSINESS PLAN STUDY FOR A FREE ECONOMIC ZONE, LOGISTICS HUB AND COLD STORAGE DEPOT AT POIC LAHAD DATU



The completion of the Master Plan and Business Plan Study for the Free Economic Zone, Logistics Hub and Cold Storage Depot at POIC Lahad Datu in April 2024 represents an important milestone in strengthening the strategic role of Lahad Datu as a regional industrial and logistics gateway. The study provides a comprehensive framework to guide the long-term development of POIC Lahad Datu, reinforcing its potential to serve as a key logistics and trade hub within the Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA).

Through detailed assessments of market demand, infrastructure requirements and regional trade dynamics, the study outlines a structured development strategy centred on three key components:

- i) Free Economic Zone
- ii) Logistics Hub
- iii) Cold Storage Depot

These components are designed to enhance the efficiency of supply chains, facilitate export-oriented activities, and strengthen value-added processing within the region.

The study also identifies several priority industries with strong growth potential, including:

- i) Fisheries & Aquaculture
- ii) Biomass
- iii) Biofuels

- iv) Edible Oils
- v) Oleochemicals

These sectors are expected to leverage existing industrial linkages and the availability of natural resources in Sabah, while creating opportunities for new investments and industrial diversification.

Building on the findings and strategic recommendations of the study, SEDIA will continue to work closely with relevant government agencies, industry players and investors to facilitate the phased implementation of the proposed initiatives. This collaborative approach aims to translate the study's recommendations into actionable development projects that will strengthen POIC Lahad Datu's competitiveness, stimulate regional economic activities, and contribute to Sabah's broader economic growth agenda.



3) THE SABAH BORDER ECONOMIC DEVELOPMENT STUDY

Spanning across four districts in Sabah — Sipitang, Nabawan, Kalabakan, and Tawau — the 568km land border plays a crucial role in supporting Sabah's economic growth. However, the region is at a critical juncture, requiring revitalisation to remain competitive. Sabah faces increasing competition for talent and investment, particularly from neighboring Sarawak and Kalimantan, Indonesia, prompting the need to rethink its economic development strategy. Indonesia's ambitious plan to relocate its capital to East Kalimantan has further reshaped Sabah's economic trajectory, highlighting the urgency for strategic adjustments to capitalise on emerging opportunities.

The Sabah Border Economic Development Study provides a timely opportunity to develop a comprehensive strategy for Sabah's land border, aligning with the Sabah Development Corridor (SDC) Vision 2030 of becoming "a competitive, inclusive, and sustainable corridor by 2030."

Scope of the Study

To assess the opportunities within the "Border Region," the study defines a 10km-wide focus area along both:

- 1) The 418km Sabah-Kalimantan Border
- 2) The 150km Sabah-Sarawak Border

This results in a total study area of approximately 4,380 km².

Objectives & Key Focus Areas

The study serves as a roadmap for economic growth within the SDC, particularly in the border region. It explores opportunities arising from:

- 1) The development of Indonesia's new capital city
- 2) The Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA)

The study establishes a clear vision and objectives for the border region, ensuring alignment with SDC's broader regional integration goals. Key components include:

- 1) Enhancing border security through improved management strategies.
- 2) Identifying key industry sectors as economic growth drivers.
- 3) Outlining high-impact economic projects to attract investment.
- 4) Promoting inclusiveness and equity for border communities.
- 5) Developing integrated land use and strategic development plans to ensure sustainable growth.

Catalytic Projects

To kick-start border development, four Catalytic Projects have been identified:

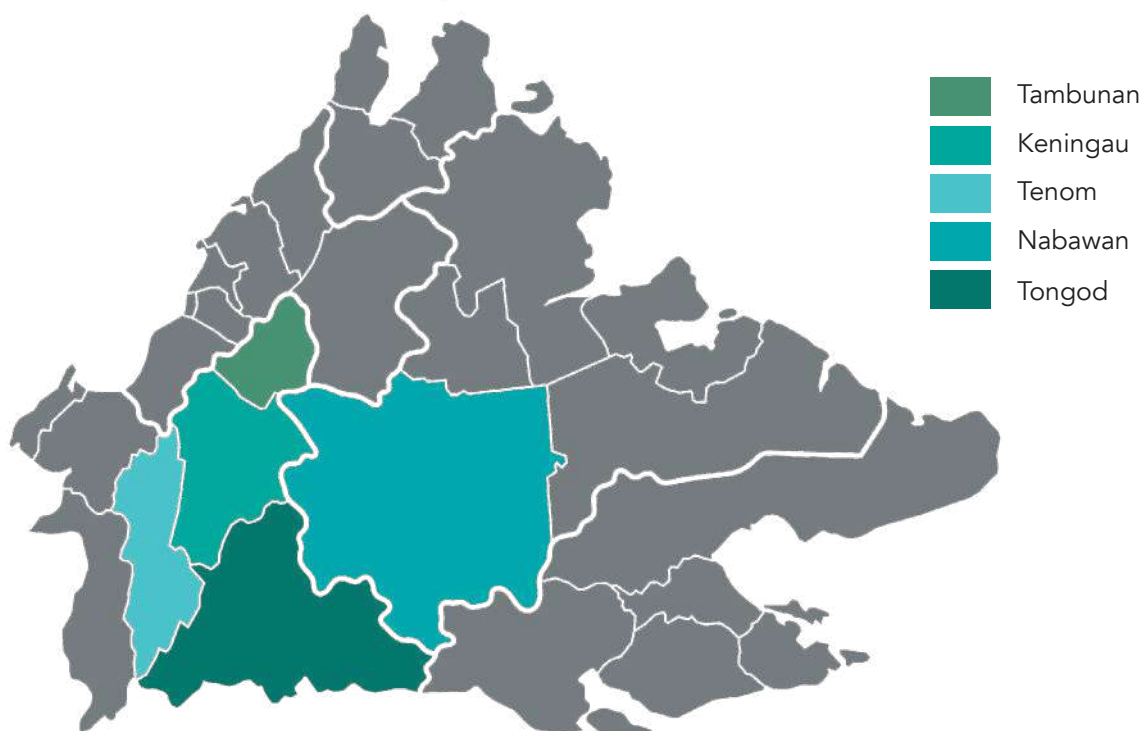
- 1) Living Borneo Institute – A research and innovation hub for sustainable development.
- 2) Strengthening the Heart of Borneo Tourism Ecosystem – Enhancing eco-tourism potential.
- 3) Kalabakan Industrial Park – A key industrial and logistics hub.
- 4) Cowie Bay Blue Economic Zone – A marine-based economic development initiative.

Stakeholder Engagement & Completion

A total of 58 departments and agencies contributed to shaping the study through the Coordination Committee, Technical Committee, and the Steering Committee, chaired by the State Secretary and Federal Secretary. The final report was successfully completed in July 2024.



4) MASTER PLAN STUDY FOR A FOOD VALLEY IN THE INTERIOR OF SABAH



Sabah's geographical landscape and fertile soil make it highly suitable for agricultural activities, offering significant potential to enhance local food production. However, food security remains a pressing issue due to several challenges, including limited arable land, heavy dependence on food imports, unpredictable climate patterns, and socio-economic disparities that hinder food accessibility for certain communities. Food security is not only about food availability but also encompasses affordability, nutritional value, and supply stability.

This study aims to identify suitable locations in the districts of Keningau, Tenom, Nabawan, Tongod, and Tambunan for agro-food production in Sabah's interior. The key objectives of the Food Valley Master Plan Study include:

- i. Implementing cost-effective and sustainable modern agricultural practices.
- ii. Enhancing productivity and optimising economies of scale within the industry.
- iii. Strengthening long-term national food security while facilitating access to higher-value markets.

The study is currently ongoing and being conducted by Grant Thornton Consulting Sdn. Bhd. — the appointed consultant by SEDIA — over a period of nine months with a total study cost of RM1,650,938.95 and expected to be completed by the first quarter of 2025.

The scope of the study covers the following key areas:

- a. Development Plan and Action Plan
- b. Market Analysis and Community Engagement
- c. Policy Alignment, Regulations, and Implementation Agencies
- d. Economic Analysis and Business Model Development
- e. Infrastructure, Land Use Planning, and Environmental Assessment
- f. Focus on Agriculture and Specific Land Use Patterns
- g. Incentives and Attraction of Agricultural Sector Players
- h. Sustainable Development and Environmental Protection

As of 31 December 2024, the SEDIA Steering Committee Meeting has been scheduled for 13 January 2025, to review and endorse the study's Interim Report.

SOCIO-ECONOMIC PROGRAMMES PERFORMANCE

1) HARDCORE POVERTY ERADICATION PROGRAMME (BMT)

Efforts behind the BMT programme continue to focus on eradicating hardcore poverty in Sabah by equipping communities with essential economic tools, training, and motivational courses. With ongoing support from the Ministry of Economy through SEDIA, significant strides were made through the BMT programme during 2024, advancing its mission to reduce poverty and enhance the quality of life for the state's most vulnerable populations.

Total Value Achieved as of 2024

No	Locality, Districts	No. of Approved Programmes	No. of Heads of Household (KIR)	Total Approved Funds (RM)
1	Kg. Penimbawan, Tuaran	3	23	598,888
2	Kg. Pelakat, Sipitang	1	24	387,750
3	Kg. Binsulok, Membakut	5	32	429,175
4	Kg. Bongkol, Pitas	11	39	753,680
5	Kg. Kaingaran, Ranau	14	35	759,077
6	Kg. Lima, Nabawan	2	38	582,800
7	Kg. Penangah, Tongod	2	42	940,800
8	Kg. Tetabuan, Beluran	1	19	395,390
TOTAL		39	252	4,847,560

Source: IPR/BMT Unit, Chief Executive's Office, 2024



Participants of the chili bara cultivation project in Kg. Pelakat, Sipitang, alongside SEDIA officers working towards sustainable income through agriculture.

Total Value Achieved as of 2024

No	Locality, Districts	No. of Approved Programmes	No. of Heads of Household (KIR)
1	Kg. Penimbawan, Tuaran	-	-
2	Kg. Pelakat, Sipitang	-	-
3	Kg. Binsulok, Membakut	-	-
4	Kg. Bongkol, Pitas	3	4
5	Kg. Kaingaran, Ranau	5	10
6	Kg. Lima, Nabawan	-	-
7	Kg. Penangah, Tongod	-	-
8	Kg. Tetabuan, Beluran	1	19
TOTAL		9	33

Source: IPR/BMT Unit, Chief Executive's Office, 2024

In 2024, an additional nine programmes were approved, benefiting 33 KIR. This brings the total to 39 programmes supporting 252 KIR, compared to 2023, which had 30 programmes benefiting 219 KIR.

One of BMT's key successes has been the significant improvement in participants' income levels. The majority have experienced increased earnings, allowing them to be removed from the eKasih list, which tracks low-income households in Malaysia. This achievement highlights BMT's positive impact in lifting families out of poverty and fostering economic empowerment.



Assistance for a fish-selling project benefiting three KIR in Kg. Bongkol, Pitas, providing economic opportunities through the sale of salted fish and anchovies.



Grocery Store Project in Kg. Binsulok, Membakut.

2) PEOPLE-CENTRIC PROJECTS

Progress of People-centric Projects

Year	No. of Approved Projects	No. of Completed Projects	Completion Progress (%)	Project Costs (RM)	Project Expenditure (RM)	Expenditure Progress (%)
2020	704	704	100.00%	29,481,100	29,387,302.85	99.68%
2021	287	284	98.95%	29,383,000	27,733,862.52	94.39%
2022	48	47	97.92%	6,000,000	5,683,178.90	94.72%
2023	87	87	100.00%	14,730,420	14,687,266.00	99.71%
Total	1,126	1,122	99.65%	79,594,520	77,491,610.27	97.36%

Source: Project Implementation Section, 2024

In line with the Twelfth Malaysia Plan (12MP), people-centric development initiatives in 2024 continued to prioritise inclusive growth and improves quality of life in Sabah through targeted, community-focused interventions. These efforts were strategically designed to address socio-economic disparities, strengthen grassroots infrastructure, and deliver tangible benefits to local communities.

SEDIA maintains its role as a key facilitator and coordinator, working closely with Federal and State agencies as well as district offices to ensure that project identification and implementation remains responsive to local needs. The district-based approach adopted since 2021 continues to enhance delivery effectiveness by aligning development interventions with on-the-ground priorities.

In 2024, people-centric projects focused on improving access to basic infrastructure, enhancing socio-economic opportunities, and strengthening community resilience, particularly for underserved and vulnerable groups. More importantly, implementation momentum was sustained throughout the year, reflecting SEDIA's commitment to timely execution, accountability, and outcome-oriented delivery.

Through continued inter-agency collaboration and disciplined project oversight, SEDIA remains focused on ensuring that people-centric initiatives translate into meaningful, inclusive, and sustainable development outcomes for communities across Sabah.

Table: Total People-centric Projects Completed in 2024

No.	District	Name of Projects
1	Kalabakan (3 Projects)	Balai Adat Suku Kaum Tidung di Kg. Sungai Tuda, Kalabakan Projek Pemasangan Bekalan Air ke Kiosk dan Dewan Terbuka Daerah Kalabakan Balai Adat Suku Kaum Murut di Kg. Murut, Kalabakan
2	Kota Kinabalu (1 Project)	Cadangan Mengecat Bangunan Masjid Nur Iman, Likas
3	Tamparuli (1 Project)	Naiktaraf 'Low Level Crossing' ke Jambatan I-Beam Di Kg. Poturidung Kiulu, Tamparuli
4	Membakut (1 Project)	Membina Jalan Konkrit Kg. Dungun, Membakut Berukuran 100mx3m
5	Sipitang (1 Project)	Membina Baru Parit Konkrit dan Kerja Berkaitan di Kg. Guruh-Guruh, Sipitang

3) PEOPLE'S INCOME INITIATIVE (IPR)

IPR is an empowerment programme under the 2024 Budget, provided by the Ministry of Economy to support B40 and extremely poor groups by increasing household income. Focused on poverty eradication, IPR enhances economic opportunities through agriculture, food businesses, and service operations.

The programme is divided into three key categories:

- Agricultural Entrepreneur module (IPR-INTAN)
- Food Entrepreneur module (IPR-INSAN)
- Service Operator module (IPR-IKHSAN)

The aim behind the IPR initiatives is to create sustainable income sources and uplift low-income communities, as facilitated by SEDIA, and with the following initiatives approved in 2024:

IPR-INTAN

Table: List of projects under the IPR-INTAN.

INITIATIVE	PROJECTS	APPROVAL DATE	STRATEGIC PARTNER
IPR-INTAN	Ginger Cultivation Project in Merotai, Tawau, Sabah	6 Jun 2024	Pertubuhan Peladang Kawasan Kalabakan (PPK)
	Maize and Soybean Cultivation Project in Six Districts of Sabah	3 October 2024	Koperasi Wawasan Rakyat Sabah Berhad (KOWR)

Source: IPR/BMT Unit, Chief Executive's Office, 2024

GINGER CULTIVATION PROJECT IN MEROTAI, TAWAU, SABAH

Approved Funding	RM5,367,200.00
Project Start Date	02 July 2024
Strategic Partner	Pertubuhan Peladang Kawasan (PPK) Kalabakan
Average Income	RM2,488.99

Total Land Area

2 ACRES

Total Number of Participants

80 PARTICIPANTS



The SEDIA Chief Executive as well as the Director of the Agriculture Division, Ministry of Economy delivered their respective messages in conjunction with the signing ceremony.

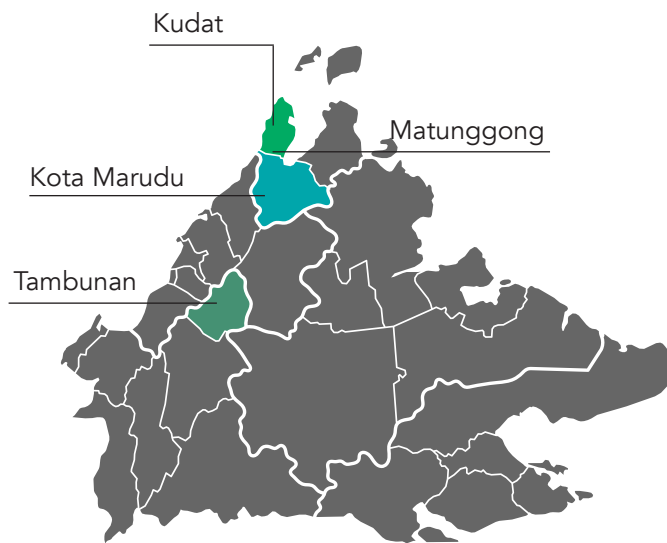


The signing ceremony for Ginger Cultivation project under the Agricultural Entrepreneur module of the People's Income Initiative Programme (IPR-INTAN) between Pertubuhan Peladang Kawasan Kalabakan (PPK) and SEDIA on 25 July 2024.



Site visit to the Ginger Cultivation Project by Dato' Haji Mohd Yusof Apdal, Deputy Minister of Science, Technology, and Innovation (MOSTI); Datuk Seri Panglima Haji Hashim bin Paijan, Chief Executive of SEDIA; and Datin Zaeidah Mohamed Esa, Director of the Agriculture Division, Ministry of Economy.

MAIZE AND SOYBEAN CULTIVATION PROJECT IN FOUR DISTRICTS OF SABAH



Approved Funding	RM3,500,400.00
Project Start Date	10 October 2023
Strategic Partner	Koperasi Wawasan Rakyat Sabag Berhad (KOWR)
Average Income	RM1,255.45

Table: IPR-INTAN Grain Corn and Soybean Cultivation Project in Four Districts of Sabah

DISTRICTS	NO. OF PARTICIPANTS	AREA (ACRE)	YIELD (KILOGRAM)	SALES REVENUE
MATUNGGONG (Revival Site)	26	46.5	76,698	RM69,028
KUDAT (Kg Tinutudan)	8	12.8	16,567	RM14,910
TAMBUNAN (Site Tambunan 1,2 & 3)	75	100.3	223,983	RM335,975
KOTA MARUDU (Site Kota Marudu 1 & 2)	41	77.3	161,156	RM145,040
TOTAL	150	236.9	478,404	RM564,953

Source: IPR/BMT Unit, Chief Executive's Office, 2024

KUDAT, SABAH PLANTING SITE



TAMBUNAN, SABAH PLANTING SITE



IPR-INSAN

Table: Distribution of Vending Machines across Hospitals under IPR-INSAN

Bil	Locality (Hospital)	Quantity Vending Machine (Unit)	Start Date
1.	Tuaran	1	13 November 2024
2.	Kota Belud	1	13 November 2024
3.	Kota Marudu	2	10 November 2024
4.	Kudat	2	10 November 2024
5.	Pitas	2	9 November 2024
6.	Ranau	2	10 November 2024
7.	Keningau	2	10 & 16 November 2024
8.	Tambunan	1	10 November 2024
9.	Papar	1	15 November 2024
10.	Kuala Penyu	2	15 & 17 November 2024
11.	Beaufort	1	25 November 2024
12.	Sipitang	1	21 November 2024
TOTAL 12 Hospitals		18 Vending Machine Units	

Source: IPR/BMT Unit, Chief Executive's Office, 2024



4) INISIATIF KEMUDAHAN RAKYAT (IKR)

Table: Progress of IKR Projects

YEAR	NO. OF APPROVED PROJECTS	NO. OF COMPLETED PROJECTS	COMPLETION PROGRESS (%)	PROJECT COSTS (RM)	PROJECT EXPENDITURE (RM)	EXPENDITURE PROGRESS (%)
2023	19	19	100.00%	3,041,980.00	2,611,268.00	85.84%
2024	2	2	100.00%	320,000.00	199,962.00	62.49%
Total	21	21	100.00%	3,361,980.00	2,811,230.00	83.62%

Source: Project Implementation Section, 2024

Table: Details of IKR Projects in Kota Belud, Sabah

Project 1: Upgrade of the Drainage System in Kg. Kulambai Dundau, Kota Belud

Scope of the project	Upgrading 300 meters of drainage system to improve drainage and water flow to the paddy fields.
Implementing Office	Kota Belud District Office
Contractor	Dudu Maju Kontraktor
Cost of the project	RM199,990.00
Start Date	4 January 2024
Completion Date	1 February 2024



Project 2: Installation of Solar Lights in Kg. Kuala Abai, Port Usukan Road, Kota Belud

Scope of the project	Installing 100 solar lamp posts around the village area.
Implementing Office	Kota Belud District Office
Contractor	Cahaya Elektrikal
Cost of the project	RM199,990.00
Start Date	4 January 2024
Completion Date	1 February 2024

Source: Project Implementation Section, 2024



4) FIELDWORK SURVEY OF AGRICULTURAL RESOURCES IN THE DISTRICTS OF SABAH

The fieldwork survey was conducted by SEDIA officers under the Special Tasks Portfolio of the Chief Executive's Office serving as enumerators. The survey was carried out from January 2024 to March 2024 across 14 districts in Sabah. The primary objective was to assess agro-food and non-food resources among agricultural smallholders in the region. The findings will support strategic planning and decision-making at the SEDIA level, aligning with the development initiatives outlined in the SDC Blueprint 2.0 (2021–2030).

A total of 208 agricultural smallholders participated in the survey, providing responses to questionnaires and feedback. The results reaffirmed previously identified challenges, as detailed below:

Key Findings

1. Declining Interest in Agriculture Among Youth
 - 63% of respondents are middle-aged farmers, aged between 37 and 58.
 - 78% have not received any government aid, grants, or funding.
2. High Involvement of Foreign Workers in Agriculture
 - 72% of farmers surveyed are non-citizens.
 - 24% of these foreign farmers lease agricultural land from locals.
3. Traditional Farming Practices Still Prevail
 - 66% of smallholders engage in subsistence farming.
 - 76% rely on small-scale farms as their primary source of income.
 - Only 32% have received training or attended agricultural courses.
4. Limited On-Farm Post-Harvest Facilities
 - 99% of respondents lack essential collection and storage facilities, such as cold rooms.

These insights highlight critical areas for intervention to enhance agricultural productivity and sustainability in Sabah.



Pictures: SEDIA officers are conducting a Fieldwork Survey of Agricultural Resources in Sabah districts.

INVESTMENT AND PROMOTION PERFORMANCE FOR THE YEAR 2024

Table: SDC Cumulative Committed and Realised Investment (2008–2024)

Malaysian Plan (MP)	Total Committed Investment (RM Billion)	Total Realised Investment (RM Billion)
9MP (2008–2010)	41.36	5.95
10MP (2011–2015)	112.09	49.37
11MP (2016–2020)	37.43	30.36
12MP (2021–2024)	23.54	12.22
Cumulative Total	214.42	97.90
Year 2024	1.72	3.28

Source: Investment Development Section, 2024

During 2024, the State Government through close collaboration with the Federal Government had taken significant steps to strengthen infrastructure stability and drive green energy initiatives. A key focus for the State Government is improving the electricity infrastructure, as evidenced by the establishment of the Energy Commission of Sabah (ECoS). This initiative marks a pivotal move toward greater energy autonomy.

Sabah took back full regulatory authority over its power supply and renewable energy following the passing of three Bills at a special session of the Sabah state assembly on 3 January 2024: the Sabah Energy Commission Enactment 2024 (Amendment 2024), the Electricity Supply Enactment Bill 2024, and the Sabah Renewable Energy Enactment Bill 2024.

With the enactment of these Bills, the State Government will be able to enact laws and set policies for electricity and renewable energy in line with its long-term development plan for Sabah. The State Government has also announced plans to take full control of Sabah Electricity Sdn Bhd (SESB) by 2030, with a rebranding to “Sabah Electricity” already underway.

This year Sabah realised RM3.28 billion investment under the SDC mostly in the manufacturing, tourism, logistics, and real estate sectors. Apart from that, there are several upcoming major projects in the energy sector i.e. Project Oriole Hydroelectric Power Plant and Upper Padas Hydroelectric Power Plants. Both projects are part of Sabah’s long-term plan to address its electricity needs outlined in the Sabah Energy Road Map and Master Plan (RAMP) 2040.

The RM2.8 billion Oriole Hydroelectric Power Plant will utilise a run-of-the-river system along the Malingan and Padas rivers in Sipitang, producing 170 MW of power. Similarly, the Upper Padas Hydroelectric Power Plant in Tenom, a joint venture involving Gamuda Bhd, Sabah Energy Corporation, and Kerjaya Kagum Hitech, is expected to generate 187.5 MW at a projected cost of RM4 billion.

Apart from that, four projects situated at the Sipitang Oil and Gas Industrial Park (SOGIP) are expected to begin operations by 2026 and 2027. These investments comprise of Esteel's green steel plant, Petronas' floating LNG facility, and two waste management ventures by E-Concern Sdn Bhd. and Tex Evolusi Waste Management respectively.

Sabah is well on its way to fully adopting the green technology revolution, with the RM20 billion green steel project to be developed over three phases. The heads of agreement (HoA) signed between Sabah Energy Corporation Sdn Bhd (SEC), and Esteel Enterprise Sabah Sdn Bhd (subsidiary of Singapore's Green Esteel Pte Ltd) is for the supply of 150 million standard cubic feet per day (mmscfd) of natural gas. The project will utilise natural gas as a reducing agent instead of coke and coal, thus reducing carbon emissions by 70% and making it low carbon, efficient and environmentally friendly. The first phase, valued at US\$1.93 billion (approximately RM8.97 billion), is expected to be completed by 2026, providing almost 2,800 job opportunities.

Another notable development is Sabah's first and largest near-shore floating liquefied natural gas (LNG) facility, a collaboration between Petroliaam Nasional Berhad (Petronas) and the Sabah Oil & Gas Development Corporation (SOGDC). The RM8.8 billion ZLNG project will unlock potential future businesses such as tank regional distribution and bunkering as well as expanding the LNG virtual pipeline system (VPS). This will extend gas use within the state especially in the East Coast region.

Waste management is also a priority. The RM200 million E-Concern (Borneo) Sdn Bhd will serve as a hub for waste management, while Tex Evolusi Waste Management Sdn Bhd operates as a one-stop waste management centre with an investment of RM70 million. Both projects are expected to be in operation by second quarter of 2027.

In terms of road infrastructure, a milestone was also achieved in the construction of the Pan Borneo Highway. Phase 1A is now 78% completion and expected to be complete by 2026. This phase comprises of 16 work packages, of which four packages are already completed, namely WP05: Donggongan to Papar, WP27: Kinabatangan to Sandakan, WP15: Tawau to Semporna, and WP21: Lahad Datu Bypass. The remaining packages are in the construction stage and slated for completion by March 2026. The work packages under observation are WP01: Sindumin-Kampung Melalia which is at 65% completion, WP02: Kampung Melalia-Beaufort at 50%, and WP06: Putatan-Inanam at 87%. Phase 1B (19 packages) has progressed to 2.4% with completion set for 2029.

Overall, Sabah is positioning itself as a leader in sustainable development, embracing renewable energy, waste management, and green technologies. These initiatives are not only aligned with the United Nation's Sustainable Development Goals (SDG) but also tap into a growing market for eco-friendly solutions, setting the stage for a more sustainable and prosperous future for the state.

SDC TAX INCENTIVE PACKAGE

SEDIA's Investment Development Section continued its pivotal role in facilitating the study to Prepare for New Incentives for the Sabah Development Corridor (SDC), which is spearheaded by appointed consultant Ernst & Young (EY). The study aims to address emerging challenges while capitalising on economic and investment opportunities in Sabah.

A key milestone was achieved on 16 January 2024, when the final syndication session was convened in Kuala Lumpur with the Ministry of International Trade and Industry (MITI). The session, chaired by the Secretary General of MITI, Dato' Hairil Yahri Yaacob, saw EY presenting a comprehensive new incentive package and the innovative "Scoring Model Dashboard," designed to revolutionise evaluation methodologies. This session mirrored earlier engagements with the Ministry of Finance Malaysia (MoF) and the Malaysian Investment Development Authority (MIDA), Ministry of Finance Sabah, Ministry of Industrial Development and Entrepreneurship (MIDE) Sabah particularly, thus ensuring stakeholder alignment.

The journey progressed further on 8 February 2024, as the Steering Committee deliberated on the Final Report and reached a unanimous consensus to approve its recommendations. Following minor refinements based on feedback from the committee, the proposed incentive package for the SDC Blueprint 2.0 was officially submitted to MoF on 30 April 2024.

Simultaneously, on the national stage, Malaysia advanced its broader investment landscape through the introduction of the National Investment Aspiration (NIA) Framework. Spearheaded by the MoF in collaboration with Bank Negara Malaysia (BNM), the framework is set to streamline incentive policies nationwide, aligning with the nation's Budget 2025 priorities. SEDIA, alongside other investment promotion agencies, actively participated in shaping this transformative initiative.

Notable contributions included SEDIA's involvement in a specialised briefing by MoF's Tax Division on 24 October 2024, followed by

participation in the NIA Scorecard and Trial Run Workshop on 9 December 2024 in Putrajaya. The workshop provided a platform to simulate real-world applications using the newly developed scorecard, which is poised to replace the existing Cost-Benefit Analysis (CBA) for incentive approvals under the National Committee on Investment (NCI). This framework is set to roll out in the third quarter of 2025 upon the approval of the National Investment Council, chaired by the Prime Minister.

While SEDIA remains eager for MoF's consideration of the enhanced SDC incentive package, the implementation of the NIA Framework signals a paradigm shift for Malaysia's investment climate. It promises to position the nation as a competitive and forward-thinking destination for global investors, creating an exciting new chapter in economic development in both national and state levels.



The session, chaired by the Secretary General of MITI, Dato' Hairil Yahri Yaacob, saw EY presenting a comprehensive new incentive package and the innovative "Scoring Model Dashboard," designed to revolutionise evaluation methodologies.

DRIVING INVESTMENT TO SABAH: UNLOCKING NEW OPPORTUNITIES



SEDIA is committed to promoting Sabah as a preferred destination for both domestic and international investors. Guided by a strategic vision, SEDIA is committed to showcasing Sabah's vast potential while fostering an ecosystem that supports sustainable economic growth and innovation.

PROMOTING SABAH ON THE GLOBAL STAGE

SEDIA is actively positioning Sabah as a competitive investment hub by participating in international trade expos, global business summits, and targeted investment missions. SEDIA's efforts focus on highlighting Sabah's strategic advantages, such as its abundant natural resources, proximity to regional markets, and investor-friendly policies.

Through collaborations with the Federal and State Government agencies and international entities, SEDIA ensures Sabah is visible to key investors in industries ranging from renewable energy and tourism to agriculture and manufacturing.



A briefing on Public-Private Partnerships (PPP) and the Public-Private Partnership Master Plan 2030 (PIKAS 2030) covered the definition, new classifications, goals, objectives, and project models of PPPs. It also highlighted UKAS's expertise in managing PPP projects as a guide for SEDIA in advancing the SDC. Discussions explored potential UKAS-SEDIA collaboration on capacity building for SEDIA officers and enhancing PPP-based development projects to drive Sabah's economic growth and well-being.

FACILITATING BUSINESS GROWTH

SEDIA acts as a gateway for investors to access Sabah's vibrant economy. SEDIA is dedicated to simplifying investment processes by offering personalised advisory services, assisting with approvals, and ensuring seamless coordination with relevant agencies. Additionally, SEDIA provides comprehensive market insights, facilitates site visits, and supports investors in identifying strategic opportunities aligned with Sabah's key growth sectors.

On 18 March 2024, SEDIA embarked on a collaborative journey with the Korea Institute of Civil Engineering and Building Technology (KICT). The initial efforts focused on identifying a suitable location to host their innovative Membrane Capacitive Deionization (MCDI) System. Fast forward to 29 August 2024, SEDIA is proudly facilitating KICT in their pursuit of SIRIM certification for their MCDI System. SEDIA paved the way for a groundbreaking partnership between Shangri-La Rasa Ria and O2&B Environmental Engineering. Today, Sabah stands on the brink of a historic milestone, set to become the first ASEAN nation to embrace KICT's revolutionary water treatment technology.

Through partnerships with local and international stakeholders, SEDIA promotes collaboration, innovation, and sustainable development. This hands-on approach ensures a smooth and efficient journey for all investors while fostering long-term business success in Sabah.



SEDIA and MIDA working together to support Sinyi Realty Group, Taiwan's largest real estate company, in navigating and resolving on-the-ground issues during the implementation of their investment in Sabah.



SEDIA and MIDA Sabah made a site visit to Club Med Kuala Penyu as part of ongoing support, guidance, and reassurance to supported investors throughout their investment journey.



On 18 March 2024, we embarked on a collaborative journey with the Korea Institute of Civil Engineering and Building Technology (KICT). The initial efforts focused on identifying a suitable location to host a crucial site visit for their innovative Membrane Capacitive Deionization (MCDI) System. Fast forward to 29 August 2024, the progress made since that initial collaboration. SEDIAIP is proudly facilitating KICT in their pursuit of SIRIM certification for their MCDI System. SEDIAIP paved the way for a groundbreaking partnership between Shangri-La Rasa Ria and O2&B Environmental Engineering. Today, Sabah stands on the brink of a historic milestone, set to become the first ASEAN nation to embrace KICT's revolutionary water treatment technology.

BUILDING COLLABORATIVE PARTNERSHIPS

To strengthen investor confidence, we are creating opportunities for collaboration through business matching events, site visits, and industry roundtables. These platforms foster meaningful partnerships between investors, government agencies, and local stakeholders, ensuring alignment with Sabah's development goals.

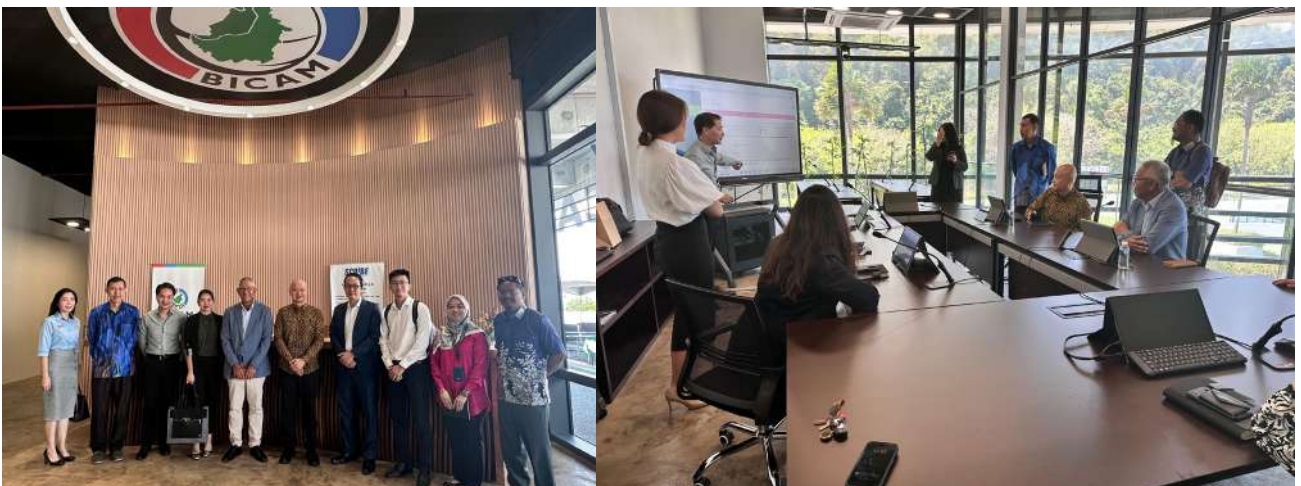
Additionally, we are strengthening partnerships with key stakeholders, including government agencies, industry leaders, and trade organisations, to ensure

seamless investor support and address challenges promptly.

SEDIA envisions Sabah as a destination of choice for investors seeking untapped potential, a thriving business environment, and a government that is committed to partnership and progress. With ongoing efforts to enhance infrastructure, attract high-value projects, and drive innovation, we are paving the way for Sabah to emerge as a powerhouse of economic development in Malaysia and the region.



A conference specially catering to Malaysian industry players within the palm oil, cocoa, pepper, and wood sectors titled, "Bridging Nations, Simplifying Trade & Compliance" was organised by EY Strategy and Consulting Co. Ltd (Japan) and Mitsubishi UFJ Financial group Inc on the 27 February supported by SEDIA and MDEC. This comprehensive event introduces the new digital partnership in trade and navigating compliance and certifications between Malaysia and Japan.



SEDIA collaborated with BICAM to expand insights into arbitration and mediation. Much knowledge was attained in regards to BICAM's rules, procedures, and effective drafting strategies. This exercise will empower future investors with the knowledge to navigate disputes seamlessly, thus ensuring smoother transactions and safeguarding interests. BICAM has enabled Sabah to have its own arbitration and mediation centre, allowing investors to access support without having to travel to Kuala Lumpur.



THINKLAB Workshop: Enhancing the Tourism Investment Climate in Sabah. An initiative by the Ministry of Tourism, Culture and Environment Sabah (KePKAS) and SEDIA aimed at refining the flow process and Standard Operating Procedures (SOP) to boost investment in Sabah's tourism sector. This workshop is a crucial step in streamlining efforts to attract and facilitate tourism investments. It was a successful programme attended by relevant stakeholders in Sabah.



Strengthening Partnerships for Investment: SEDIA met with the Sabah Department of Veterinary Services to explore collaborative opportunities for attracting investors to the region. Together, we aim to create a conducive environment for investment in Sabah's agricultural sectors, driving economic growth and development.



Exploring new horizons: SEDIA held productive discussions with Knight Frank Malaysia and Azmi & Co. to share valuable insights on the Sabah real estate market.



SEDIA joins hands with BIMB Securities and their partners to facilitate their visit to Sabah, exploring the state's vast potential and exciting investment opportunities. The visit includes stops at UPEN Sabah, as well as insightful meetings with POIC Sabah Sdn Bhd, SMJ Energy Sdn Bhd, SESB, and ECoS, paving the way for sustainable growth and impactful partnerships.

SDC COMMITTED AND REALISED JOB CREATION FROM YEAR 2021 TO 2024

YEAR	JOB CREATION	
	Committed	Realised
2021	3,781	2,337
2022	4,880	3,264
2023	11,420	4,566
2024	2,073	4,865
Total	22,154	15,032

2024 EVENT HIGHLIGHTS

- 74 The Malaysia Sustainable Development Goals (SDG) Summit 2024 Sabah Region
- 76 Economic Support Initiative: Financial Assistance for Small Traders and Hawkers, Tuaran, Sabah 2024
- 77 'Future Talent Connect' Sharing Session Series 1.0
- 78 **SEDIA-PINTAR**
 - Collaboration between SEDIA and MTDC to Drive Research and Development of Technology and Innovation in Sabah towards Commercialisation
 - Road2Growth Sabah 2024
- 81 Integrity Social Responsibility (ISR) Programme in Conjunction with the Chief Minister's Department Integrity Week, SMK Tansau, Putatan
- 82 The *Bakti Madani* Kudat 2024 Programme (PBMK 2024)
- 84 *Program Pemerkasaan Desa*, Kiulu: Rural Empowerment Programme Empowers Kiulu Community
- 85 Visiting *Tamu* Programme: Uncovering the Market Potential of Local Produce
- 86 Sabah Drone Open Day 2024
- 88 Workshop on AI-Powered Data Analytics for Sustainable Growth
- 89 Semarak Kasih Ramadan Ceremony with the Chief Minister of Sabah, Chairman, and Committee of Mosques & Surau in Tuaran District 2024
- 90 SEDIA Sports Day 2024
- 92 SEDIA 2023 Excellent Service Award (APC) Ceremony



THE MALAYSIA SUSTAINABLE DEVELOPMENT GOALS (SDG) SUMMIT 2024 SABAH REGION

SEDIA successfully organised the Malaysia Sustainable Development Goals (SDG) Summit 2024 for the Sabah Region on 25 January 2024 at the Sabah International Convention Centre. The event served as a key platform for discussions on the current efforts to integrate the SDGs into economic development activities carried out by both the government and the private sectors. With various stakeholders in attendance, the summit facilitated valuable exchanges of ideas and strategies aimed at advancing sustainable development in Sabah. Introduced by the UN in 2015, the SDGs consist of 17 goals and 169 targets aimed at addressing global social and economic challenges, with the ultimate objective of “Transforming our World: the 2030 Agenda for Sustainable Development.”

More than 2,000 people attended the event as conference delegates, participants of the YouthJoy event, exhibition visitors, and job seekers. The summit featured various engaging events, including an exhibition, forum, plenary sessions with expert speakers from diverse sectors, the YouthJoy Expo, and a career carnival. The involvement included 40 booths, showcasing collaboration between State and Federal Government agencies, GLCs, NGOs, local entrepreneurs, and the private sector. These activities provided participants with opportunities to share ideas, strategies, and innovations on key issues such as sustainable growth, inclusive development, biodiversity preservation, food security, and access to quality education.

This important event also highlighted the ongoing collaboration between the public and private sectors in advancing sustainable development initiatives for Sabah, ensuring that all efforts are aligned with the SDGs. The summit was a significant step towards fostering a more sustainable, inclusive, and prosperous future for Sabah’s economy and socio-economic landscape.

As part of the summit, the YouthJoy programme was introduced with the objective of raising awareness among youth, especially teenagers and young adults on the role of the SDGs in improving development in Sabah. The activity included pocket talks by stakeholders involved in development, environmental protection, and rural community empowerment. YouthJoy also featured interactive segments such as a Meet & Greet with several players from the state football squad, games and quizzes, fashion show, as well as traditional and cultural performances.

This entire event formed part of the broader Malaysia SDG Summit 2024–2024 series, a nationwide initiative by the Ministry of Economy covering five regions across Malaysia. Each regional summit is coordinated by the respective Economic Corridor Authorities in collaboration with State Governments and local authorities. The successful hosting of the Sabah Region summit marked an important milestone in advancing local SDG initiatives and fostering inclusive, sustainable development for the state.





ECONOMIC SUPPORT INITIATIVE: FINANCIAL ASSISTANCE FOR SMALL TRADERS AND HAWKERS, TUARAN, SABAH 2024

The Chief Minister of Sabah, the Right Honourable Datuk Seri Panglima Haji Hajiji Haji Noor, presented financial assistance to 50 rural small traders and hawkers during a ceremony at the Bajau Sama Cultural Centre, Tuaran.

The programme, implemented by the State Government and channelled through the Sabah Economic Development and Investment Authority (SEDIA), aims to help improve income and living standards in rural communities by funding business equipment purchases and stall refurbishments. In his remarks, the Chief Minister underscored that

the initiative reflects the government's commitment to supporting small traders and hawkers as key contributors to Sabah's grassroots economy.

Also in attendance were Datuk Seri Panglima Haji Hashim bin Paijan (Chief Executive of SEDIA), Datuk Abdul Kassim Jali (Chief Political Secretary to the Chief Minister), Tuan Hazlan bin Haji Jablee (Tuaran District Officer), and ASP Darmansah bin Roslan (Head of District Management Division, IPD Tuaran, representing Tuaran OCPD Superintendent Noraidin bin Ag Maidin).



'FUTURE TALENT CONNECT' SHARING SESSION SERIES 1.0

On 7 May 2024, the 'Future Talent Connect' Sharing Session Series 1.0, organised by SEDIA, was held at the Azman Hashim Gallery, Universiti Malaysia Sabah (UMS). The session was attended by a total of 125 participants, comprising prospective graduates, alumni, and academics from various institutions of higher learning.

The session was held with several key objectives:

1. To inspire and spark interest among the target group — mainly youth and young adults — towards career pathways related to the sharing topic;
2. To inspire and spark interest among the target group — mainly youth and young adults — towards career pathways related to the sharing topic;
3. To collect and translate relevant data and information for future use in agendas aligned with human capital development.

With the theme Agro-Technology and Bioeconomy, the programme focused on the future workforce through the transition from conventional to modern systems in the agriculture and food industries. The use of technology such as smart farming methods, integrated systems, and agricultural drones is becoming increasingly widespread. This shift not only boosts crop yield but also encourages sustainable production practices within the context of the bioeconomy. The advancement of operational technologies today plays a significant role in easing farming activities that were once done manually, offering new opportunities for efficiency and innovation in agriculture.



SEDIA-PINTAR

COLLABORATION BETWEEN SEDIA AND MTDC TO DRIVE RESEARCH AND DEVELOPMENT OF TECHNOLOGY AND INNOVATION IN SABAH TOWARDS COMMERCIALISATION



SEDIA collaborated with the Malaysian Technology Development Corporation (MTDC) to launch the Programme for Innovation and Technology Accelerator (SEDIA-PINTAR). The initiative aims to strengthen the Research, Development, Commercialisation, and Innovation (R&D&C&I) ecosystem in Sabah and accelerate the commercialisation of local research outputs.

Held at the Sabah International Convention Centre (SICC), the launch comprised the **SEDIA Roundtable Session** and the **SEDIA-MTDC Strategic Partners Meeting**, which gathered representatives from academia, government, and industry. The

collaboration aligns with the Chief Minister's call for local research institutions to contribute more actively to innovation and economic growth.

Through SEDIA-PINTAR, SEDIA and MTDC aim to connect researchers and innovators with commercialisation opportunities, culminating in the **Sabah Road2Growth (R2G)** event. This partnership also supports the SDC 2.0 Blueprint, particularly initiatives on Knowledge Hubs and Career and Talent Sabah, reflecting SEDIA's commitment to advancing innovation-led development and fostering a sustainable, competitive economy for Sabah.



ROAD2GROWTH SABAH 2024

As part of its ongoing commitment to fostering innovation and economic growth, SEDIA and MTDC organised Road2Growth (R2G) Sabah as a continuation of their efforts in SEDIA-PINTAR. The event served as a strategic platform to promote technology-driven entrepreneurship and capacity building in Sabah.

A key highlight of the programme was the opening ceremony, which featured the signing of a Memorandum of Understanding (MoU) between SEDIA and MTDC. This partnership signifies a strengthened collaboration aimed at enhancing the ecosystem for innovation, technology development, and investment opportunities in the region.



Among the key objectives of organising the Road2Growth (R2G) Sabah programme in collaboration with SEDIA were:

1. **To raise awareness and highlight the role of key stakeholders** — particularly government agencies — in supporting the technology development ecosystem. This includes providing advisory services, guidance, and consultations on areas such as funding opportunities, ecosystem collaboration, business and technology consulting (including human capital development), and the adoption of Industry 4.0 technologies;
2. **To showcase innovations, products, and services** to target groups comprising researchers, innovators, companies, and individuals, thereby creating exposure and attracting investor interest for potential collaborations;



3. **To establish effective collaborative relationships** among ecosystem players, fostering strategic partnerships aimed at promoting innovative products and expanding market reach; and
4. **To encourage active participation in research and development (R&D)** among researchers, innovators, companies, and private entities, with the goal of nurturing local talent and contributing to the economic advancement of Sabah.

These objectives reflect the shared commitment of SEDIA and MTDC in driving innovation-led growth and strengthening Sabah's position within the national technology and innovation landscape.



Chief Minister cum SEDIA Chairman the Right Honourable Datuk Seri Panglima Haji Hajiji bin Haji Noor (fourth from left) witnessing the signing of the memorandums of understanding between MTDC (represented by Chief Executive Officer YBrs. Ts. Hj. Mohammad Hazani Hj. Hassan, seated middle) with SEDIA (represented by Chief Executive Datuk Seri Panglima Haji Hashim bin Pajjan, seated right) and the Malaysia Cocoa Board (represented by Director General Datuk Dr. Ramle Hj Kasin, seated left), together with (left to right) Dato' Haji Mohammad Yusof bin Apdal (Deputy Minister of Science, Technology and Innovation), Datuk Jahid Jahim (Sabah Rural Development Minister), Datuk Haji Mohd Ariffin bin Haji Mohd Arif (Minister of Science, Technology and Innovation), the Honourable Datuk Seri Panglima Sr. Haji Safar bin Untong (Sabah State Secretary), and Datuk Abidin Madingkir (Assistant Minister to the Chief Minister).

INTEGRITY SOCIAL RESPONSIBILITY (ISR) PROGRAMME IN CONJUNCTION WITH THE CHIEF MINISTER'S DEPARTMENT INTEGRITY WEEK, SMK TANSAU, PUTATAN



In conjunction with the Chief Minister's Department Integrity Week, themed "Integrity Determines Legacy," the Integrity Social Responsibility (ISR) programme was held on 8 August 2024 at the Tansau Secondary School in the Putatan district.

The ISR programme was a joint initiative by several agencies under the Chief Minister's Department, including the Sabah Economic Development and Investment Authority (SEDIA), Department of Lands and Surveys (JTU), Sabah Public Service Commission (SPANS), Sabah Land Development Board (SLDB), and Kota Kinabalu City Hall (DBKK). The event aimed to instill awareness and appreciation of excellent governance, integrity, and anti-corruption practices among students and educators. A total of 500 students participated in the programme.

The programme featured briefings and sharing sessions by the Malaysian Anti-Corruption Commission (MACC), DBKK, and the Sabah Creative Economy and Innovation Centre (SCENIC). Exhibitions of recycled products by SCENIC and engaging quizzes were also among the highlights of the event.



THE *BAKTI MADANI* KUDAT 2024 PROGRAMME (PBMK 2024)



Sabah Chief Minister cum SEDIA Chairman, the Right Honourable Datuk Seri Panglima Haji Hajiji bin Haji Noor, presenting a lucky draw prize to a local youth, accompanied on stage by SEDIA Chief Executive, Datuk Seri Panglima Haji Hashim bin Pajjan.



The *Bakti Madani* Kudat 2024 Programme (PBMK 2024), organised by SEDIA, was successfully held at Tomborungus Square, Kudat from 23 to 25 August 2024. Co-organised with the Performance Acceleration Coordination Unit (PACU) of the Prime Minister's Department, the event carried the theme "Perkhidmatan untuk Rakyat" (Service for the People), embracing the spirit and duty of public service to serve the nation with trust, integrity, and a strong focus on the people's welfare.

PBMK 2024 recorded an impressive crowd of over 100,000 attendees throughout the three-day event, drawing participants from the Kudat community and surrounding areas including Matunggung, Pitas, Kota Marudu, and other nearby districts.

A total of 67 government agencies set up informational and service booths during the event. Also featured was a dedicated booth for local entrepreneurs under the Sabah Department of Industrial Development and Research. The Career Carnival @ MyFutureJobs attracted 324 job seekers, with 168 candidates successfully participating in on-site job interviews with employers. Additionally, up to 100 stalls offered a variety of local products, food, and beverages.



Overall, PBMK 2024 made a significant economic contribution, generating an estimated RM3 million in economic impact for Kudat through sales, services, accommodations, and other related activities.

The programme aimed to positively support the goals of the **MADANI Economy**, while deepening public understanding of the **MADANI Malaysia** concept within targeted communities. Initiatives like PBMK 2024 help foster continuous engagement between the Government and the rakyat, strengthening national unity and cooperation in building a more prosperous Malaysia under the **Malaysia MADANI** agenda.

In conjunction with the programme, a Land Grant Presentation Ceremony was held, where a total of 444 native land titles covering 1,130.09 hectares were officially handed over to residents from three

state constituencies in the Kudat District. The event reflects the State Government's ongoing commitment to ensuring equitable land ownership and promoting socio-economic inclusion among local communities. The Chief Minister highlighted that the distribution of land titles not only provides security of tenure but also enables residents to utilise their land productively to improve livelihoods.

In his remarks, the Right Honourable Datuk Seri Panglima Hajiji also announced plans for the development of a new industrial park in Kudat, underscoring the government's focus on diversifying the district's economy and creating new employment opportunities. PBMK 2024 forms part of the Sabah Maju Jaya (SMJ) development framework, designed to enhance rural development, strengthen community resilience, and ensure balanced growth across the state.



Ahmad Jefry bin Aziz @ Adan, Executive Director of PACU, presenting a memento to Sabah Chief Minister cum SEDIA Chairman, the Right Honourable Datuk Seri Panglima Haji Hajiji bin Haji Noor, witnessed by Datuk Seri Panglima Haji Hashim bin Paijan, Chief Executive of SEDIA



PROGRAM PEMERKASAAN DESA, KIULU: RURAL EMPOWERMENT PROGRAMME EMPOWERS KIULU COMMUNITY



On 1 October 2024, SEDIA launched the transformative Rural Empowerment Programme in Kiulu, Sabah, aimed at uplifting rural communities through sustainable agricultural practices, enhanced economic opportunities, and improved quality of life. This initiative, which aligns with the SDC 2.0 Blueprint and the Sustainable Development Goals (SDGs), attracted 145 participants and showcased SEDIA's commitment to rural development.

The Program *Pemeriksaan Desa* had clear and impactful objectives:

- **Increase Awareness:** Highlight the economic potential of local fruit and vegetable production.
- **Skill Development:** Provide hands-on training in sustainable agricultural practices, with a focus on grafting techniques.
- **Community Engagement:** Encourage collaboration and knowledge sharing through a traditional cooking competition.
- **Inspiration and Action:** Motivate participants to initiate their own agricultural ventures.

The Rural Empowerment Programme offered a well-rounded agenda designed to inspire and equip the local community. The event featured a Pocket Talk highlighting the economic potential of local fruit and vegetable production, offering insights into lucrative



agricultural ventures. A demonstration on grafting techniques provided participants with practical skills to boost productivity in plant cultivation. The Traditional Cooking Competition was a vibrant display of local culinary heritage, promoting community engagement and knowledge sharing. Additionally, the distribution of agricultural kits equipped participants with essential tools to kickstart their sustainable agriculture journeys.

This programme not only strengthened community spirit but also laid a solid foundation for sustainable agricultural growth in Kiulu. By empowering locals with knowledge and resources, SEDIA has contributed to building a resilient and self-sustaining rural economy.

VISITING TAMU PROGRAMME: UNCOVERING THE MARKET POTENTIAL OF LOCAL PRODUCE

As part of a comprehensive market research initiative, SEDIA has launched the Visiting Tamu Programme to assess the potential of local vegetables and fruits across Sabah. This program involved visits to 25 tamu (traditional open-air markets) in the Kudat Division, West Coast Division, and Interior Division, offering valuable insights into the local agricultural landscape.

The Visiting Tamu Programme had three primary objectives:

- **Identify Potential Local Fruits and Vegetables:** The program aimed to pinpoint fruit and vegetable varieties with high market demand and potential for commercialisation, helping local producers tap into new economic opportunities.
- **Promote Sustainable Agriculture Practices:** By engaging directly with local farmers, the programme advocated for sustainable farming methods that reduce environmental impact and support long-term soil health and productivity.
- **Support Small-Scale Farmers:** Through technical assistance, training, and facilitating market access, the programme sought to empower small-scale farmers to boost their productivity and enhance their income streams.

This initiative not only provided critical market insights but also strengthened relationships with local communities, promoting sustainable development and economic resilience in rural areas. By connecting small-scale farmers with broader markets, SEDIA is not only enhancing market access but also driving sustainable agriculture and empowering rural communities in Sabah.



SABAH DRONE OPEN DAY 2024



Sabah Drone Open Day 2024, held from 29 to 30 October and organised by the Sabah Economic Development and Investment Authority (SEDIA), served as a platform to showcase the latest applications of drone technology across key economic sectors in Sabah. The event featured a dynamic lineup of activities, including Expert Talks, live demonstrations, a drone soccer tournament among local TVET institutions, business matching sessions, and an exhibition by major industry stakeholders.

Building on the success of the 2023 edition, this year's programme strengthened community engagement and fostered collaboration between industry players, government agencies, and the public. It provided a valuable opportunity for the exchange of knowledge and innovation while further advancing the integration of drone technology in sectors such as agriculture, infrastructure, tourism, and environmental monitoring.

In the opening speech, delivered by the State Minister of Industrial Development and Entrepreneurship, Datuk Ginger Phoong Jin Zhe, the Chief Minister of Sabah, the Right Honourable Datuk Seri Panglima Haji Hajiji bin Haji Noor, emphasised the importance of drone technology in enhancing productivity and addressing challenges such as labour shortages in agriculture. He also noted its vital role in preserving Sabah's rich ecosystem for future generations.

Through this event, SEDIA continues to raise public awareness of drone technology's socio-economic

potential while promoting its role in generating new career opportunities. As technology rapidly evolves, the need for a skilled workforce grows —making such platforms essential in preparing Sabah's youth and communities for emerging job markets.

Under the SDC Blueprint 2.0 framework, SEDIA supports investments in agriculture, infrastructure, and green technology — key sectors that contribute to Sabah's long-term competitiveness. Drone technology, in particular, has proven instrumental in enhancing operational efficiency in land use planning and environmental monitoring, supporting more effective and responsible development efforts across the state.

SEDIA operates under a robust institutional framework as a Federal Government agency working closely with the State Government, local authorities, and the private sector. In his welcoming address, SEDIA Chief Executive Datuk Seri Panglima Haji Hashim bin Paijan expressed his hope that the event would inspire participants — especially the youth, local communities, and industry players — to apply the knowledge gained within their respective fields. He reaffirmed SEDIA's commitment to fostering innovation and collaboration as key drivers in positioning Sabah as a centre of excellence in technology and agriculture.



WORKSHOP ON AI-POWERED DATA ANALYTICS FOR SUSTAINABLE GROWTH

As part of its continuous effort to strengthen data-driven planning and support targeted socioeconomic programmes, SEDIA in collaboration with the Malaysian Technology Development Corporation (MTDC) organised a two-day workshop titled “AI-Powered Data Analytics for Sustainable Growth” from 25 to 26 November 2024 at N°5 Hotel, Kota Kinabalu.

The workshop was organised in support of the pilot project for data collection and analysis under the People’s Income Initiative (IPR) and Poverty Eradication Programme (BMT) programmes. It involves field officers stationed in eight districts across Sabah, along with officers from SEDIA. Key focus areas of the workshop included:

- The application of AI and data analytics in poverty eradication and income enhancement initiatives
- Tools and methodologies for effective data gathering in rural and urban communities
- Case studies and simulation exercises related to socioeconomic impact measurement
- Capacity-building to enhance field-level data interpretation and policy feedback mechanisms

This initiative aligns with the Sabah Development Corridor (SDC) Blueprint 2.0 objectives of promoting sustainable growth with equity and social inclusion. It also reinforces SEDIA’s role in supporting national development agendas through innovation and collaborative implementation.

The workshop was instrumental in equipping field officers with practical skills to improve project monitoring, ensuring that data collected contributes meaningfully to planning and decision-making. Ultimately, it demonstrated the potential of AI-powered analytics in transforming community-level interventions into measurable, impactful outcomes for Sabah.



Picture: Representatives from MTDC alongside officers from SEDIA during the Pilot Project Workshop held in support of data collection and analysis initiatives under the People’s Income Initiative (IPR) and Poverty Eradication Programme (BMT) programmes.



SEMARAK KASIH RAMADAN CEREMONY WITH THE CHIEF MINISTER OF SABAH ALONGSIDE THE CHAIRMAN AND COMMITTEES OF MOSQUES AND SURAU IN TUARAN DISTRICT 2024

In conjunction with the Ramadan and Hari Raya season, the Right Honourable Datuk Seri Panglima Haji Hajiji bin Haji Noor, Chief Minister of Sabah and Chairman of the Sabah Economic Development and Investment Authority (SEDIA), officiated the *Semarak Kasih Ramadan* ceremony organised by SEDIA at the Pusat Kebudayaan Rumpun Bajau Sama Sabah, Kg. Lok Batik, Tuaran.

During the ceremony, financial aid was distributed to representatives of 37 mosques and 54 surau throughout the Tuaran district. The initiative aimed to support the management and community activities of local mosques and surau, which play an integral role not only as centres of worship but also as focal points for education, unity, and community development.

This programme reflects SEDIA's continuous commitment to its Corporate Social Responsibility (CSR) agenda in fostering community well-being and strengthening social ties. It also aligns with the Malaysia Madani policy framework, particularly the value of *Ihsan*—promoting compassion, care, and social empowerment within the community.

With the theme “Tradisi Menyantuni Rakyat” (“A Tradition of Caring for the People”), the event underscores SEDIA's dedication to building closer relations between state leadership and the local community while enhancing public awareness of its role as the implementing agency for the Sabah Development Corridor (SDC).



SEDIA SPORTS DAY 2024

The annual SEDIA Sports Day for the year 2024 was successfully organised with great enthusiasm and sportsmanship, involving the active participation of SEDIA staff from various sections and designations. This programme was organised as a platform to strengthen friendships, foster teamwork and encourage healthy lifestyle practices among SEDIA staff.

SEDIA staff competed in various sports and games throughout the programme, which not only challenged their physical capabilities but also tested cooperation, strategy and communication between participants. A cheerful and harmonious atmosphere was evident as SEDIA staff cooperated to support their respective teammates.

The organisation of this annual Sports Day also promotes a balance between work demands and recreational needs, thus helping to reduce work stress and increase staff motivation and productivity.

The objectives behind organising the annual SEDIA Sports Day for 2024 are to:

1. Strengthening friendships — Foster a spirit of belonging, cooperation and unity among SEDIA employees, regardless of position or unit.
2. Promoting a healthy lifestyle — Raise awareness about the importance of physical activity and healthy lifestyle practices among employees.
3. Improve the culture of teamwork — Through sports activities and group games, participants can build more effective trust, communication and cooperation.
4. Creating work-life balance — Providing space for staff to take a break from their work routine, thus reducing stress.
5. Increase motivation and productivity — Fun activities can increase morale, job satisfaction and subsequently employee productivity.
6. Foster a positive work culture — Creating a harmonious, cheerful and mutually supportive work environment.

Overall, the annual Sports Day achieved its organising objectives and enacted positive impact towards the formation of a healthy, harmonious and competitive work culture in line with SEDIA's aspirations.





SEDIA 2023 EXCELLENT SERVICE AWARD (APC) CEREMONY



The SEDIA Excellent Service Awards Ceremony (Majlis Anugerah Perkhidmatan Cemerlang, or APC Ceremony) represents SEDIA's efforts to recognise its staff that have provided excellent service, in addition to recognising high quality service rendered based on measured performance.

The core objectives for APC is to:

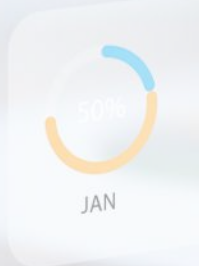
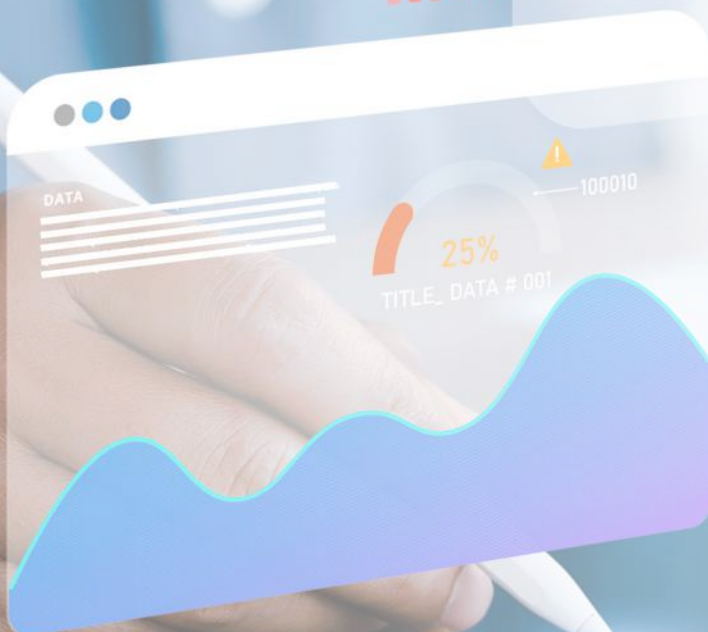
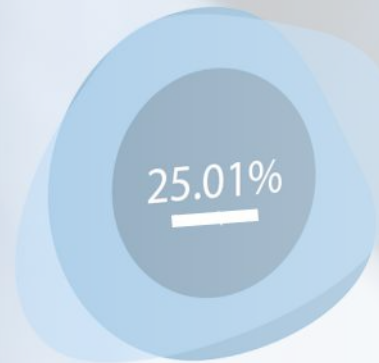
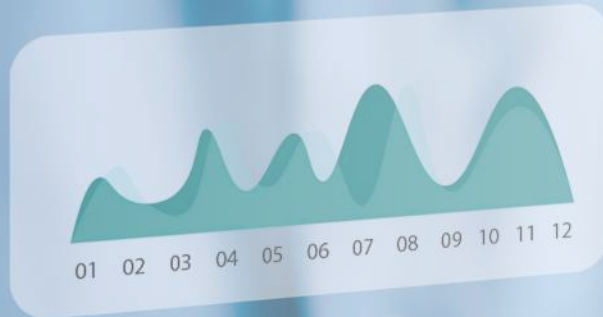
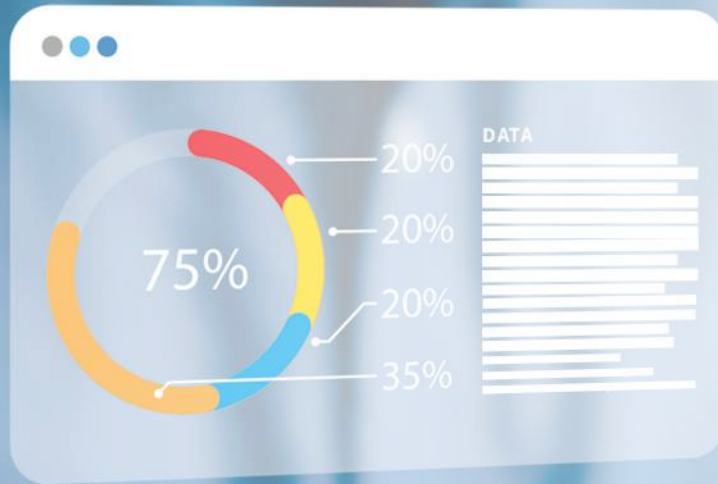
1. Give recognition to exceptional excellence in both official and off-duty activities;
2. Give recognition to contributions resulting from staff's creativity and innovation;

3. Encourage participation in volunteering, community, sports, cultural activities, etc.; and
4. Increase motivation to cultivate excellence in various areas of official duties as well as outside of official duties.

The SEDIA APC Ceremony for the year ending 2023 was held on 16 February 2024, in Ballroom 1 & 2, Level 7, Hotel Marriot Kota Kinabalu.







FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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AUDITOR GENERAL'S REPORT



SIJIL KETUA AUDIT NEGARA MENGENAI PENYATA KEWANGAN PIHAK BERKUASA PEMBANGUNAN EKONOMI DAN PELABURAN SABAH BAGI TAHUN BERAKHIR 31 DISEMBER 2024

Sijil Mengenai Pengauditan Penyata Kewangan

Pendapat

Saya telah memberikan kuasa kepada firma audit swasta di bawah Subsekyen 7 (3) Akta Audit 1957 [Akta 62] untuk mengaudit Penyata Kewangan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah. Penyata kewangan tersebut merangkumi Penyata Kedudukan Kewangan pada 31 Disember 2024 Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah dan Penyata Pendapatan Komprehensif, Penyata Perubahan Dalam Ekuiti serta Penyata Aliran Tunai bagi tahun berakhir pada tarikh tersebut dan nota kepada penyata kewangan termasuklah ringkasan polisi perakaunan yang signifikan seperti yang dinyatakan pada muka surat 11 hingga 33.

Pada pendapat saya, penyata kewangan ini memberikan gambaran yang benar dan saksama mengenai kedudukan kewangan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah pada 31 Disember 2024 dan prestasi kewangan serta aliran tunai bagi tahun berakhir pada tarikh tersebut selaras dengan Akta Tatacara Kewangan 1957 [Akta 61] Piawaian Pelaporan Entiti Persendirian Malaysia (MPERS) dan keperluan Enakmen Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah Tahun 2009.

Asas Kepada Pendapat

Pengauditan telah dilaksanakan berdasarkan Akta Audit 1957 dan International Standards of Supreme Audit Institutions. Tanggungjawab saya diuraikan selanjutnya di perenggan Tanggungjawab Juruaudit Terhadap Pengauditan Penyata Kewangan dalam sijil ini. Saya percaya bahawa bukti audit yang diperoleh adalah mencukupi dan bersesuaian untuk dijadikan asas kepada pendapat saya.

Kebebasan dan Tanggungjawab Etika Lain

Saya adalah bebas daripada Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah dan telah memenuhi tanggungjawab etika lain berdasarkan International Standards of Supreme Audit Institutions.

Maklumat Lain Selain Daripada Penyata Kewangan dan Sijil Juruaudit Mengenainya

Anggota Pihak Berkuasa, Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah bertanggungjawab terhadap maklumat lain dalam Laporan Tahunan. Pendapat saya terhadap Penyata Kewangan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah tidak meliputi maklumat lain selain daripada Penyata Kewangan dan Sijil Juruaudit mengenainya dan saya tidak menyatakan sebarang bentuk kesimpulan jaminan mengenainya.

Tanggungjawab Anggota Pihak Berkuasa Terhadap Penyata Kewangan

Anggota Pihak Berkuasa bertanggungjawab terhadap penyediaan Penyata Kewangan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah yang memberi gambaran benar dan saksama selaras dengan Akta Tatacara Kewangan 1957 (Akta 61) Piawaian Pelaporan Entiti Persendirian Malaysia (MPERS) dan keperluan Enakmen Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah Tahun 2009. Anggota Pihak Berkuasa juga bertanggungjawab terhadap penetapan kawalan dalaman yang perlu bagi membolehkan penyediaan Penyata Kewangan Pihak Berkuasa Ekonomi dan Pelaburan Sabah yang bebas daripada salah nyata yang ketara, sama ada disebabkan fraud atau kesilapan.

Semasa penyediaan Penyata Kewangan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah, Anggota Pihak Berkuasa bertanggungjawab untuk menilai keupayaan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah untuk beroperasi sebagai satu usaha berterusan, mendedahkannya jika berkaitan serta menggunakannya sebagai asas perakaunan.

Tanggungjawab Juruaudit Terhadap Pengauditan Penyata Kewangan

Objektif saya adalah untuk memperoleh keyakinan yang munasabah sama ada Penyata Kewangan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah secara keseluruhannya adalah bebas daripada salah nyata yang ketara, sama ada disebabkan fraud atau kesilapan, dan mengeluarkan Sijil Juruaudit yang merangkumi pendapat saya. Jaminan yang munasabah adalah satu tahap jaminan yang tinggi, tetapi bukan satu jaminan bahawa audit yang dijalankan mengikut International Standards of Supreme Audit Institutions akan sentiasa mengesan salah nyata yang ketara apabila ia wujud. Salah nyata boleh wujud daripada fraud atau kesilapan dan dianggap ketara sama ada secara individu atau agregat sekiranya boleh dijangkakan dengan munasabah untuk mempengaruhi keputusan ekonomi yang dibuat oleh pengguna berdasarkan penyata kewangan ini.

Sebagai sebahagian daripada pengauditan mengikut International Standards of Supreme Audit Institutions, saya menggunakan pertimbangan profesional dan mengekalkan keraguan profesional sepanjang pengauditan. Saya juga:

- a. mengenal pasti dan menilai risiko salah nyata ketara dalam Penyata Kewangan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah, sama ada disebabkan fraud atau kesilapan, merangka dan melaksanakan prosedur audit yang responsif terhadap risiko berkenaan serta mendapatkan bukti audit yang mencukupi dan bersesuaian untuk memberikan asas kepada pendapat saya. Risiko untuk tidak mengesan salah nyata ketara akibat daripada fraud adalah lebih tinggi daripada kesilapan kerana fraud mungkin melibatkan pakatan, pemalsuan, ketinggalan yang disengajakan, representasi yang salah, atau mengatasi kawalan dalaman;
- b. memahami kawalan dalaman yang relevan untuk merangka prosedur audit yang bersesuaian tetapi bukan untuk menyatakan pendapat mengenai keberkesanan kawalan dalaman Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah SEDIA;
- c. menilai kesesuaian dasar perakaunan yang diguna pakai, kemunasabahan anggaran perakaunan dan pendedahan yang berkaitan oleh Anggota Pihak Berkuasa.
- d. membuat kesimpulan terhadap kesesuaian penggunaan asas perakaunan untuk usaha berterusan oleh Anggota Pihak Berkuasa dan berdasarkan bukti audit yang diperoleh, sama ada wujudnya ketidakpastian ketara yang berkaitan dengan peristiwa atau keadaan yang mungkin menimbulkan keraguan yang signifikan terhadap keupayaan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah sebagai satu usaha berterusan. Jika saya membuat kesimpulan bahawa ketidakpastian ketara wujud, saya perlu melaporkan dalam Sijil Juruaudit terhadap pendedahan yang berkaitan dalam Penyata Kewangan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah atau, jika pendedahan tersebut tidak mencukupi, pendapat saya akan diubah. Kesimpulan saya dibuat berdasarkan bukti audit yang diperoleh sehingga tarikh Sijil Juruaudit. Bagaimanapun, peristiwa atau keadaan pada masa hadapan berkemungkinan menyebabkan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah tidak lagi berupaya meneruskan operasi secara usaha berterusan; dan
- e. menilai persembahan secara keseluruhan, struktur dan kandungan Penyata Kewangan Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah, termasuk pendedahannya, dan sama ada Penyata Kewangan tersebut telah melaporkan asas-asas urus niaga dan peristiwa-peristiwa yang memberikan gambaran saksama.

Anggota Pihak Berkuasa telah dimaklumkan, antaranya mengenai skop dan tempoh pengauditan yang dirancang serta penemuan audit yang signifikan termasuk kelemahan kawalan dalaman yang dikenal pasti semasa pengauditan.

Hal-hal Lain

Pihak Berkuasa Pembangunan Ekonomi Dan Pelaburan Sabah perlu mengambil perhatian terhadap perkara berikut:

- a. Mengakunkan transaksi kewangan dengan betul betul serta memastikan semua daftar dan rekod yang menyokong lejar dikemas kini mengikut polisi perakauan dan transaksi sebenar agar pelaporan penyata kewangan adalah tepat.
- b. Mengambil tindakan penyelesaian segera terhadap Lain-lain Pemiutang dan Deposit yang tidak bergerak melebihi 5 tahun serta membuat pelarasan sewajarnya mengikut peraturan yang berkuatkuasa.

Sijil ini dibuat untuk Anggota Pihak Berkuasa, Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah berdasarkan keperluan Enakmen Pihak Berkuasa Pembangunan Ekonomi dan Pelaburan Sabah Tahun 2009 dan bukan tujuan lain. Saya tidak bertanggungjawab terhadap pihak lain kandungan sijil ini.



(DATO' SERI WAN SURAYA WAN MOHD RADZI)
KETUA AUDIT NEGARA
MALAYSIA

PUTRAJAYA
7 OGOS 2025



STATEMENT OF CORPORATE GOVERNANCE

The Statement of Corporate Governance sets out the framework and process through which Members of Sabah Economic Development and Investment Authority ("The Authority") and the Management of Sabah Economic Development and Investment Authority ("SEDIA Management") ensure that the operational policies and procedures are in accordance with the prevailing laws, rules, regulations and best practices.

Sabah Economic Development and Investment Authority ("SEDIA") is entrusted as a One-Stop Authority to drive the Sabah Development Corridor ("SDC"), with the primary responsibility to plan, co-ordinate, promote and accelerate the development of SDC.

Section 4, the Sabah Economic Development and Investment Authority Enactment 2009 ("SEDIA Enactment") stipulates that the Yang Di-Pertua Negeri may, from time to time, determine by notification in the gazette, the project or projects over which, the Authority shall perform its function under this Enactment and such projects shall be collectively known as the "Sabah Development Corridor".

THE AUTHORITY

The Authority is the highest decision-making body of SEDIA. It is governed by its Members under the Chairmanship of the Chief Minister of Sabah.

Members of the Authority during the year are:

1. The Right Honourable Datuk Seri Panglima Haji Hajiji bin Haji Noor
Chairman
(Chief Minister of Sabah)
2. The Honourable Datuk Seri Panglima Dr. Joachim Gunsalam
Deputy Chairman
(Deputy Chief Minister of Sabahcum Minister of Housing and Local Government)
3. The Honourable Datuk Seri Panglima Haji Sr. Safar bin Untong
Member
(State Secretary of Sabah)
4. Tan Sri Dato Seri Mohd Zuki bin Ali
Member
(Chief Secretary to the Government of Malaysia, retired on 13 June 2024)
5. Dato' Nor Azmie bin Diron
Member
(Secretary General, Ministry of Economy, Malaysia)
6. Rafidah Binti Datu Derin
Member
(Representative to the Secretary General of Treasury, Ministry of Finance, Malaysia, retired on 28 March 2024)

7. Nor Ali @ Ag Norali Bin Ag Damit
Member
(Representative to the Secretary General of Treasury, Ministry of Finance Malaysia, appointed on 24 June 2024)
8. Datuk Mohd Sofian Alfian Nair
Member
(Permanent Secretary, Ministry of Finance, Sabah)
9. Datuk Teo Geck Choo @ Jasmine
Member
(Director, Sabah State Economic Planning Unit)
10. Datuk Sr. Bernard Liew Chau Min
Member
(Director, Sabah Lands and Surveys Department)
11. Datuk Nor Asiah Binti Mohd Yusuf
Member
(Legal Advisor to the Chief Minister of Sabah)

Datuk Seri Panglima Haji Hashim bin Paijan is the Secretary to the Authority cum Chief Executive of the Authority.

The Authority is committed to ensure SEDIA practices the highest standards of corporate governance, in keeping with the Malaysian Code of Corporate Governance. The Authority provides strategic directions, reviews and approves policies and decisions for the development and promotion of the Sabah Development Corridor, ensuring proper financial administration and administrative support as well as oversees the overall management of SEDIA.

AUTHORITY MEETINGS

In the financial year ended 31st December 2024, the Authority met a total of one (1) times. The Authority Meetings were held on 28 Mac 2024. The agenda and full set of papers for deliberation were distributed in a timely manner before each meeting. This was to ensure that the Members had sufficient notices and thus, were well prepared for each meeting. The meetings included the consideration of the Authority's long-term strategy, plan, budget, monitoring of SEDIA Management and the Authority's performance review. All issues were deliberated and decisions made were accordingly minuted.

SEDIA COMMITTEES

To assist the Authority in the performance of its functions and duties, under section 9 of SEDIA Enactment, the following SEDIA Committees have been established:

1. Implementation Co-ordination Committee;
2. Nomination, Establishment and Remuneration Committee;
3. Finance and Investment Committee;
4. Audit Committee;
5. Development Planning Committee;
6. Consultative Panel and Focus Group; and
7. Tender and Procurement Board.

ACCOUNTING AND AUDIT

The Authority is committed to ensure that it provides a clear, comprehensive, true and fair view of SEDIA's financial management and performance in the financial year, primarily through the financial statements and annual report. The financial statement was internally prepared and audited by the private Audit Firm (external auditor), under statutory purview of the National Audit Department within the provisions of Audit Act 1957 [Act 62] and in line with provisions under the Sabah Economic Development and Investment Authority Enactment 2009.

INTERNAL CONTROLS AND COMPLIANCE - MANAGEMENT, OPERATIONAL AND FINANCIAL

MANAGEMENT

In the day-to-day operations, SEDIA is managed by the Chief Executive. In furtherance of the objectives and effective performance of the functions of SEDIA, the Chief Executive is assisted by the Management Members. The Chief Executive, appointed by the Authority, has management control over all the officers and staff of SEDIA. All official management decisions, operational and financial transactions are deliberated, prepared and verified by the officers and require the Chief Executive's approval prior to being executed and allowed for publications and distributions.

OPERATIONAL AND FINANCIAL

For all its administrations and financial procurements and approvals, SEDIA is guided by an internal guideline as laid down under A Summary of Operating Procedures Governing the Limits of Administrative and Financial Authority for Members, Committees, Chief Executive and Management Members of SEDIA ("SEDIA LOA"). Also, for service and work procurements and approvals of development projects of the Sabah Development Corridor, SEDIA is guided by the provisions of the Treasury Instructions and decided by Tender and Procurement Board of SEDIA ("SEDIA TPB"), and Quotation Certificate (JKSH SEDIA).

In addition, SEDIA is also subjected to the Financial Procedure Act 1957 [Act 61] and all other financial procedures as laid down from time to time by the State of Sabah, Federal Ministry of Finance and the Ministry of Economy.

The internal and external control system is provided to safeguard SEDIA from fraud, loss or failure in its functions and operations.

ANNUAL FINANCIAL REVIEW

STATEMENT OF COMPREHENSIVE INCOME

Within the financial year, SEDIA received operating grants from the Federal Government to finance its operations and commitments. Operating grant received for the year ended 31st December 2024 amounted to RM16,000,000 (2023: RM16,500,000). SEDIA also received other income comprises of profits generated from deposits in licensed banks in Malaysia amounting to RM13,343,131 (2023: RM7,237,824) as well as tender fees and others income that totalled up to RM1,920,276 (2023: RM401,888).

For the year ended of 31st December 2024, SEDIA recorded a surplus after tax of RM5,329,737 compared to RM5,139,778 for the financial year 2023. The increase in surplus of RM189,959 was contributed by the increase in interest received and operating grants received in the current year.

OPERATING EXPENSES

Operating expenses for the year ended December 31, 2024 are as follows:

- Staff costs were recorded as RM16,068,195 (2023: RM13,620,252). Included in the staff costs are salaries, contributions to EPF and SOCSO, provision for employment benefit obligations for year 2024. In current year financial period, staff costs were increased by RM2,447,943. This increase of RM2,329,099 is due to the recognition of provision for employment benefit obligations for the period financial year 2024 to 2026.

The other main components of the operating costs are as follows:

- Promotion costs in 2024 were recorded as RM2,406,810 compared to RM531,223 from the previous year. Promotion activities consisted of Strategic Media Campaigns, Conferences and Seminars, Domestic Trade Expos and Exhibitions and other promotional and awareness events and sponsorship. The increase is attributed to various events organized during the year such as the Bakti Madani Kudat 2024 Program, Sustainable Development Goals (SDG) Program, Sabah Drone Open Day 2.0, and Engagement Sessions (SLU) with the Ministry of Economy.
- In 2024 financial year, administration and other operation costs were increased by RM1,703,055 to RM6,460,704 (2023: RM4,734,958). This increase was contributed by increased depreciation of property, plant and equipment and transportation expenses for outstation trips.

STATEMENT OF FINANCIAL POSITION

The main components of the Statement of Financial Position are as follows:

- I. In the year 2024, SEDIA spent RM5,495,374 (2023: RM 18,050,826) for the acquisition of buildings, computers, and office equipment. This significant increase is due to renovation in SEDIA office building at Enbloc M-1 & M-2, Aeropod Phase 3A at a cost of RM4,917,577.
- II. Other receivables, deposits and prepayments balance as at year ended, 31 December 2024 were recorded RM521,532 as compared to RM496,813 in the year 2023. The increase is due to deposits paid for the renovation of the SEDIA building at Aeropod.
- III. Cash and bank balances for the financial year ended 31 December 2024 amounted to RM446,719,061 (2023: RM483,363,003) and is reserved for its contractual obligations under the Tenth, Eleventh and Twelfth Malaysian Plan development and operation expenses.
- IV. SDC's fund for development expenditure as of December 31, 2024 amounted to RM376,485,052 (2023: RM389,378,747) which mostly devoted to contractual obligations projects under the Tenth, Eleventh and Twelfth Malaysian Plan.
- V. Special programme grant's cash balance as at December 31, 2024 amounted to RM47,858,681 (2023: RM73,857,415) for Bumiputera Entrepreneur Development Fund Program, Economic Development Grant between Sabah and North Kalimantan Region Study, People Centric Grant, SDC-Skill & Talent Enhancement Programme (SSTEP), Solar System Installation Project at Sabah State Government Building, People's Income Initiative (IPR), People's Facilities Initiative (IKR) and Investment Promotion Programme (PGP).
- VI. Other payables and accruals as at December 31, 2024 were recorded at RM793,136 (2023: RM649,508) consist of contractual obligations under the operating grant to be settled after the year end.

During the financial year, SEDIA continued to intensify its activities and programmes, pursuant to its objectives to promote the Sabah Development Corridor (SDC) and to further enhance its operational capacity, capability and competency. Strategic fund management and placement of its consolidated funds had been initiated as stipulated under section 5, section 7, section 14 and section 15 of SEDIA Enactment 2009.

STATEMENT BY THE MEMBERS**SABAH ECONOMIC DEVELOPMENT AND INVESTMENT AUTHORITY**

We, **Datuk Seri Panglima Haji Hajiji bin Haji Noor** and **Datuk Mohd Sofian Alfian Nair** being two of the Members of **SABAH ECONOMIC DEVELOPMENT AND INVESTMENT AUTHORITY** state that, in the opinion of the Members of the Authority, the financial statements which comprise of statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements give a true and fair view of the financial position of **SABAH ECONOMIC DEVELOPMENT AND INVESTMENT AUTHORITY** as at 31 December 2024 and of its operating results and cash flows for the year ended on that date.

On behalf of the members,

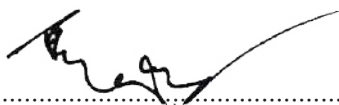
.....
Name : DATUK SERI PANGLIMA HAJI HAJIJI BIN HAJI NOOR
 Position : Chairman
 Date : 21 March 2025
 Place : Kota Kinabalu

.....
Name : DATUK MOHD SOFIAN ALFIAN NAIR
 Position : Member
 Date : 21 March 2025
 Place : Kota Kinabalu

STATUTORY DECLARATION BY THE OFFICERS PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF SABAH ECONOMIC DEVELOPMENT AND INVESTMENT AUTHORITY

We, **Datuk Seri Panglima Hashim bin Paijan** and **Yunus Gastom Abdullah**, the officers primarily responsible for the financial management of **SABAH ECONOMIC DEVELOPMENT AND INVESTMENT AUTHORITY**, do solemnly and sincerely declare that the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, to the best of our knowledge and belief, are correct and we make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named at KOTA KINABALU, Sabah this day 21 March 2025.



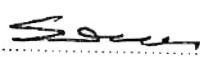
Datuk Seri Panglima Haji Hashim bin Paijan



Yunus Gastom Abdullah

Before me,




 DATUK SAMAN BIN GULAM
 460829-12-5081

TEL: 088-210 086...

H/P: 012-825 2974

Resuruhjaya Sumban
 No. 16, Jalan Haji Yaakub, Kg Air,
 88000 Kota Kinabalu, Sabah

21 MAR 2025

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	2024 RM	Restated 2023 RM
NON-CURRENT ASSETS			
Property, plant and equipment	3	22,824,540	18,572,103
		22,824,540	18,572,103
CURRENT ASSETS			
Other receivables, deposits and prepayments	4	521,532	496,813
Cash and cash equivalents	5	446,719,061	483,363,003
		447,240,593	483,859,816
TOTAL ASSETS		470,065,133	502,431,919
EQUITY			
Operating fund		31,521,439	26,191,702
		31,521,439	26,191,702
NON-CURRENT LIABILITIES			
SDC development fund	6	376,485,052	389,378,747
Special programme grant	7	47,858,681	73,857,415
Loan	8	7,983,280	9,564,961
Employment benefit obligations	9	3,929,825	2,229,483
		436,256,838	475,030,606
CURRENT LIABILITIES			
Loan	8	1,008,360	435,039
Employment benefit obligations	9	407,906	47,610
Taxation payable	10	77,454	77,454
Other payables and accruals	11	793,136	649,508
		2,286,856	1,209,611
TOTAL LIABILITIES		438,543,694	476,240,217
TOTAL EQUITY AND LIABILITIES		470,065,133	502,431,919

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 RM	Restated 2023 RM
Revenue			
Operating grants received		16,000,000	16,500,000
Other income	12	15,263,407	7,639,712
		31,263,407	24,139,712
Expenses			
Operating expenses	13	(24,935,709)	(18,895,433)
Surplus from operation		6,327,698	5,244,279
Interest expense		(484,903)	(43,570)
Surplus before taxation		5,842,795	5,200,709
Taxation	10	(513,058)	(60,931)
Surplus after taxation		5,329,737	5,139,778

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Operating funds RM
As at January 1, 2023	21,051,924
Surplus for the year	5,126,087
Prior year adjustment (Note 17)	13,691
As at 31 December 2023	26,191,702
As at January 1, 2024	26,191,702
Surplus after Taxation	5,329,737
As at 31 December 2024	31,521,439

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 RM	Restated 2023 RM
OPERATING ACTIVITIES			
Surplus for the financial year		5,842,795	5,200,709
Adjustment for:			
Depreciation of property, plant and equipment		1,230,315	444,054
Employment benefit obligations		2,329,265	324,430
Interest expense		484,903	43,570
Interest income		(13,343,131)	(7,237,824)
Surplus/[Deficit] before working capital changes		(3,455,853)	(1,225,061)
[DECREASE]/INCREASE IN:			
Other receivables, deposits and prepayments		(24,719)	44,729
Other payables and accruals		143,628	(300,954)
Taxation		-	(16,523)
Cash used in operating activities		(3,336,944)	(1,497,809)
Employee benefit plan payments		(268,627)	(366,880)
Tax expense		(513,058)	(60,931)
Net cash used in operating activities		(4,118,629)	(1,925,620)
INVESTING ACTIVITIES			
Interest received		13,343,131	7,237,824
Purchase of property, plant and equipment		(5,495,374)	(18,050,826)
Disposal of fixed asset		12,622	6
Net cash received/(used) from investing activities		7,860,379	(10,812,996)
FINANCING ACTIVITIES			
Loan Drawdown		-	10,000,000
Interest payment		(484,903)	(43,570)
Loan payment		(1,008,360)	-
Net SDC development fund received		(12,893,695)	145,542,637
Net special project grant received/[utilised]		(25,998,734)	30,178,946
Net cash (used)/ received from financing activities		(40,385,692)	185,678,013
Net changes in cash and cash equivalents		(36,643,942)	172,939,397
Cash and cash equivalents at the beginning of year		483,363,003	310,423,606
Cash and cash equivalents at the end of year	5	446,719,061	483,363,003

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

SABAH ECONOMIC DEVELOPMENT AND INVESTMENT AUTHORITY ("SEDIA") was established under the Sabah Economic Development and Investment Authority Enactment 2009. The Sabah State Legislative Assembly had approved the instrument for the establishment of SEDIA via the adoption of Sabah Economic Development and Investment Authority Enactment 2009 on January 15, 2009.

The Enactment was assented by Tuan Yang Terutama Negeri Sabah on February 23, 2009 and gazetted on February 26, 2009, thereafter officially commenced operations on March 2, 2009.

The main activities of SEDIA are to act as the single authority empowered to:

- a) Promote and accelerate the development of the Sabah Development Corridor ("SDC") into a leading economic region and choice destination for investment, work and living and
- b) Ensure that social development and sustainable development are kept as priorities whilst driving economic growth in the Sabah Development Corridor.

The total number of employees as at 31 December 2024 was 103 persons (2023: 105).

The registered office and the principal place are located at:

**Blok M1 & M2,
Aeropod Commercial Square,
Jalan Kepayan,
88200 KOTA KINABALU
SABAH, MALAYSIA.**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Sabah Economics Development Investment Authority (SEDIA) have been prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS") issued by the Malaysian Accounting Standard Board ("MASB") and the requirements of the Companies Act, 2016 (Act 777) in Malaysia. The following accounting policies applied by SEDIA and in accordance with the Sabah Economic Development and Investment Authority Enactment 2009.

Application of the Financial Reporting Framework to MPERS

In October 2015, MASB issued amendments to the MPERS corresponding to the 2015 IASB Amendments to IFRS for small and medium sized businesses. Through this issuance, the accounting requirements for income tax have been align. This amendment is effective for annual periods beginning on or after 1 January 2016. SEDIA has initially applied the amendment for the financial year ended 31st December 2016.

(a) Basis of accounting

The financial statements of SEDIA are prepared based on the historical cost except as disclosed in the notes to the financial statements and in compliance with the provisions of the Sabah Economic Development and Investment Authority Enactment 2009 and applicable approved accounting standards for private entities in Malaysia.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Upon the disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and the net carrying amount is recognised in the statement of comprehensive income.

Purchases of property, plant, and equipment costing RM2,000 or below are charged directly to the statement of comprehensive income in the same financial period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Property, plant and equipment (continued)

Depreciation

Depreciation of the property, plant and equipment is provided for on a straight-line basis to write-off the cost of each asset to its residual value over the estimated useful life at the following annual rates:

Building	2%
Motor Vehicles	25%
Computers, Printers and Software	33 $\frac{1}{3}$ %
Furniture, Fittings, Office Equipment and Renovation	20%

Residual values, useful lives and depreciation methods of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Impairment of assets

At each balance sheet date, the Authority reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, the impairment is measured by comparing the recoverable amount with the carrying amount of an asset and when the latter amount is higher, the asset is written down to the recoverable amount. The recoverable amount of an asset is the higher of its net selling price and its value in use, which is measured by reference to discounted future cash flows.

An impairment loss is charged to the comprehensive income statement immediately, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset. Should the impairment loss of an asset exceed its revaluation surplus, the remaining impairment loss is charged to the comprehensive income statement.

Subsequent increase in the recoverable amount of an asset if carried at cost, is treated as a reversal of the accumulated impairment loss previously recognised in the comprehensive income statement but the reversal is limited to the accumulated impairment loss previously recognized, and if carried at revalued amount, is credited directly to revaluation surplus.

(c) Other receivables, deposits and prepayments

Other receivables, deposits and prepayments are carried at anticipated realisable values. Bad debts are written off in the financial year in which they are identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at the end of the financial year.

(d) Other payables and accruals

Other payables and accruals are stated at the amounts, which the Authority is contracted or obligated to settle plus any incidental legal expenses.

(e) SDC development fund

Development fund is managed on behalf of, and funded by the Federal Government under the Ninth Malaysia Plan (9MP), Tenth Malaysia Plan (10MP), Eleventh Malaysia Plan (11MP) and Twelfth Malaysia Plan (12MP) for various projects, and used for Sabah Development Corridor Programmes in Sabah. The fund will be recognised as a liability in the balance sheet when the rights to receive the funds are approved and the funds have been received.

All receipts will be credited and all expenditures will be debited to this fund. Unutilised fund as of the balance sheet is shown as balance of the fund.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Special programme grant

This grant received under the Special Programme Fund comprises grants other than development funds received during the financial year. These grants are recognised as liabilities in the statement of financial position when the rights to receive the grants have been approved and the grants have been received.

All receipts will be credited and all expenditures will be debited to this fund. Unutilised fund as of the balance sheet is shown as balance of the fund.

(g) Interest from development fund and special project grant

Interest income generated from development fund, special project grant and special programme grant is recognised as addition to the fund on time apportion basis.

(h) Income

(i) Operating grant

Operating grant is recognised in the comprehensive income statement when the rights to receive the grants are approved and the grants have been received.

(ii) Interest income

Interest income generated from operating fund is accrued on a time apportion basis, by reference to the principal outstanding and at the interest rate applicable.

Interest income transferred to development fund is recognised in the comprehensive income statement when there is approval obtained from Members of Authority.

(iii) Other income

Other income mainly represents sale of tender documents that is recognised when transfer of risks and rewards has been completed.

(i) Interest expense

All interest and other costs incurred in connection with borrowings are expensed as incurred.

(j) Employee benefits

(i) Short-term benefits

Wages, salaries, allowances, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of SEDIA. Short-term accumulating compensated absences such as paid annual leaves are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave are recognised when the absence occur.

(ii) Defined contribution plan

SEDIA is required by law to make monthly contributions to the Employees Provident Fund ("EPF"), a statutory defined contribution plan for all its eligible employees based on certain prescribed rates of the employees' salaries. SEDIA contributions to EPF are disclosed separately. The employee's contributions to EPF are included in salaries and wages. The said contributions are recognised as an expense when employees have rendered service entitling them to the contributions. SEDIA has no further payment obligations once these contributions have been paid.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

iii) Defined benefit plans (Retirement Gratuity Scheme)

SEDIA operates an unfunded defined benefit plan for qualifying all its employees, both permanent and under contract. Under the plans, the employees are entitled to retirement benefits of one (1) month final salary for each year of service on attainment of the mandatory retirement age of 60 or early retirement on medical grounds or passed away before attaining the retirement age however must have worked for at least 10 years in SEDIA or have completed the duration specified in their employment contracts.

(k) Taxation

All income is subject to the Income Tax Act 1967. It is measured using tax rates that have been enacted or substantially by partially been enacted by the Inland Revenue Board (IRB) at the statement of financial position date.

(l) Lease

(i) Finance Lease

A lease in which SEDIA assumes substantially all the risks and rewards incidental to ownership of the leased asset is classified as a finance lease. At the commencement of the lease term, the leased asset is recorded at the lower of its fair value or the present value of the minimum lease payments. After initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset category.

Minimum lease payments made under finance leases are apportioned between finance costs and the reduction of the outstanding lease liability. Finance costs are allocated over the lease term to produce a constant periodic rate of return on the remaining balance of the liability. Contingent lease payments, if any, are accounted for by revising the minimum lease payments over the remaining lease term when the lease adjustment is confirmed.

Leased land which in substance is a finance lease is classified as property, plant and equipment, or as investment property if it is held to earn rental income, for capital appreciation, or both.

Property, plant and equipment acquired under finance leases are capitalised and depreciated in the same manner as other similar assets owned by SEDIA, with the corresponding principal repayment obligation recorded as a liability. The depreciation rates for leased assets are as follows:

Building	2%
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(ii) Operation Lease

Leases where SEDIA does not substantially all the risks and rewards of ownership are classified as operating leases and, except for properties held under operating leases, the leased assets are not recognised in the statement of financial position. Properties held under operating leases, for the purpose of earning rental income or capital appreciation or both, are classified as investment properties and measured at fair value.

Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term. Lease incentives received are recognised in the income statement as part of the overall lease expense over the period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Cash flow statement

SEDIA adopts the indirect method in the preparation of the cash flow statement. Cash equivalents are short-term in nature, highly liquid investment that is readily convertible to cash with insignificant risk of changes in value.

(n) Financial instruments

Initial recognition and measurement

A financial asset or a financial liability (including derivative instruments) is recognised only when the SEDIA becomes a party to the contractual provisions of the instrument.

On initial recognition, financial assets are measured at the transaction price, including transaction costs for financial assets not measured at fair value through profit or loss, unless the arrangement effectively constitutes, in substance, a financing transaction for the counterparty to the arrangement.

Subsequent to initial recognition, financial assets are classified into one of the following three categories, that is financial assets measured at fair value through profit or loss, financial assets that are debt instruments measured at amortised cost, and financial assets that are equity instruments measured at cost less impairment.

(i) Financial Assets are Measured at Fair Value Through Profit or Loss

Financial asset is classified as fair value through profit or loss when the financial asset is publicly traded or its fair value cannot be measured reliably without unjustified cost or effort. Different in fair value are recognized in profit or loss.

If an absolute measurement of fair value is no longer available for an equity instrument that is not publicly traded but is measured at fair value through profit or loss therefore the fair value at the instrument's definitively assessable end date is treated as instrument cost, and it is measured at cost amount. This is deducted for impairment until an absolute measure of fair value is available.

(ii) Subsequent measurement

After early recognition, Debt instruments are measured at amortised cost using the effective interest method. Debt instruments that are classified as current assets or current liabilities are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, unless the arrangement constitutes, in effect, a financing transaction.

Effective interest method is a method to calculate amortized cost of financial assets and allocate interest income over the relevant period. Effective interest method is a discount rate estimated the future cash interest payment with accurate life financial asset or when appropriate, a shorter period, within the default amount of financial asset.

(iii) Financial Assets are Equity Instruments Measured at Cost Less Impairment

Investments in non-convertible preference shares and non-puttable ordinary or preference shares, that are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort, are measured at fair value with changes in fair value recognised in comprehensive income statement. All other such investments are measured at cost less impairment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(iv) Impairment

At the end of each reporting period, SEDIA evaluate whether there is any objective evidence that a financial asset measured at cost or cost is amortised, has been depreciated.

Objective evidence included: -

- Significant financial difficulties by the issuer.
- Void contract.
- The lender gives the borrower a concession that the lender will not consider.
- Possibility the borrower become bankrupt or other financial restructuring.
- Observation data can indicate that there had been measurement decline in estimated future cash flow from financial asset since initial recognition.

For certain financial assets categories, i.e. trade receivables, it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether material or not, the asset belongs to a group with similar risk characteristics and is collectively assessed for impairment value.

Impairment losses, in respect of financial assets measured at amortized cost, are measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the actual asset's effective interest rate.

If there is objective evidence that impairment loss has been incurred on the financial asset measured at cost minus impairment value, the amount of impairment loss is measured as the difference between the asset's carrying amount and estimated best amount that SEDIA can accept for asset if sold at reporting date.

The carrying amount of financial asset reduced directly, except carrying amount of trade receivables which reduced through the use of allowance accounts. Any impairment loss is recognized in profit or loss immediately. If, in a subsequent period, any impairment amount loss decreases, the previously recognized impairment loss is reversed directly, excepts for amount relating to trade receivables that are reversed to re – enter the amount previously provided for the allowance account. These reversals are recognized in profit or loss immediately.

(v) Derecognition

A financial asset is derecognised only when (i) the contractual rights to receive the cash flows from the financial asset expire or are settled; or (ii) SEDIA transfers to another party substantially all of the risks and rewards of ownership of the financial asset, including circumstances when the entity acts only as a collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Liability

A financial liability is recognised in financial statement when SEDIA become the party to allocation instrument contract.

In the initial recognition, financial liability is measured at transaction price, included transaction cost for financial liabilities not at fair value through profit and loss, unless the agreement constitutes, in where, a financing transaction for SEDIA to arrangement.

After initial recognition, financial liability classified to one of the three categories: financial liability measured at fair value through profit or loss, financial liability measured at amortized cost, or loan commitments are measured at cost less impairment.

(i) Liability Measured at Fair Value Through Profit or Loss

Financial liability is classified as fair value through profit or loss when financial liability or if financial liability is publicly traded or its fair value cannot be measured reliably without undue cost or effort.

If a definitive measure of fair value is no longer available for an equity instrument that is not publicly traded but is measured at fair value through profit or loss, the fair value at the instrument's definitively assessable end date is treated as the cost of the instrument, and it is measured at the amount these costs are deducted for impairment until a definitive measure of fair value is available.

(ii) Financial Liability Measured at Amortized Cost

After initial recognition, financial liability other than financial liabilities are measure at fair value through profit and loss are measure at amortized cost using effective interest method. Profit or losses are recognised at profit or loss when financial liability derecognised or impaired.

The effective interest method is a method to calculate the amortised cost of financial liabilities and to allocate interest expense over the relevant period. An effective interest rate is an estimated discount rate of accurate future cash payments through the shelf life of a financial liability or, when appropriate, a shorter period, with the carrying amount of the financial liability.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

3. PROPERTY, PLANT AND EQUIPMENT

	Building RM	Motor Vehicles RM	Computers, Printers and Software RM	Furniture, Fittings, Office Equipment and Renovation RM	Total RM
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COST

At the beginning of year 2023

- Stated in prior year	17,967,216	649,574	1,078,731	428,758	20,124,279
- Prior year adjustment	-	-	16,955	-	16,955
(Refer to Note 17)	17,967,216	649,574	1,095,686	428,758	20,141,234
Additions		336,349	241,448	4,917,577	5,495,374
Disposals	-	-	(56,191)	(56,422)	(112,613)
At the end of year	17,967,216	985,923	1,280,943	5,289,913	25,523,995

ACCUMULATED DEPRECIATION

At the beginning of year 2023

- Stated in prior year	59,891	609,505	577,920	318,551	1,565,867
- Prior year adjustment	-	-	3,264	-	3,264
Restated balance	59,891	609,505	581,184	318,551	1,569,131
Charge for the year	359,344	81,120	341,134	448,717	1,230,315
Disposals	-	-	(51,070)	(48,921)	(99,991)
At the end of year 2024	419,235	609,625	871,248	718,347	2,699,455

NET CARRYING AMOUNT

At 31 December 2024	17,547,981	295,298	409,695	4,571,566	22,824,540
At 31 December 2023	17,907,325	40,069	514,502	110,207	18,572,103
Depreciation charge for the year ended 31 December 2023	59,891	40,064	303,952	40,147	444,054

Included in property, plant and equipment is a building with a book value of RM17,547,981 (2023:RM17,907,325) which was acquired with part of its cost financed by a loan for 10 years.

Included in property, plant and equipment are fully depreciated assets that are still in use, with a cost amounting to RM790,672 (2023: RM852,635).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

4. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2024 RM	2023 RM
Deposits	515,539	482,139
Other receivables and prepayments	2,044	11,017
Advances	3,949	3,657
Balance as at 31 December	521,532	496,813

5. CASH AND CASH EQUIVALENTS

	2024 RM	2023 RM
Cash in banks	446,716,061	483,360,003
Cash at hand	3,000	3,000
Balance as at 31 December	446,719,061	483,363,003

On 26 September 2023, cash deposits in banks amounting to RM253,900 in licensed banks were made as a debt service reserve for the loan financing of the purchase of Enbloc M-1 and M-2 buildings, Aeropod Phase 3A.

6. SDC DEVELOPMENT FUND

	2024 RM	2023 RM
At the beginning of year	389,378,747	243,836,110
Add : Development fund received from Federal Government	63,100,000	210,000,000
	452,478,747	453,836,110
Add : Interest income	13,294,308	7,106,522
	465,773,055	460,942,632
Less: Utilisation of development fund for the year	(75,993,695)	(64,457,363)
Less: Interest income recognised in the statement of comprehensive income in the current year.	(13,294,308)	(7,106,522)
Balance as at 31 December	376,485,052	389,378,747

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

7. SPECIAL PROGRAMME GRANT

	2024 RM	2023 RM
At the beginning of year	73,857,415	43,678,469
Add : Prople Centric Grant	-	14,730,420
SDC – Skill & Talent Enhancement Programme	-	-
People's Income Initiative (IPR)	45,000	18,500,400
Solar Installation Project	-	17,000,000
People's Facilities Initiative (IPR)	320,000	3,041,980
Investment Promotion Programme (PGP)	70,000	-
	74,292,415	96,951,269
Add : Interest received	3,653	5,592
	74,296,068	96,956,861
Less: Utilisation of special programme grant for the year	(26,437,387)	(23,099,446)
Balance as at 31 December	47,858,681	73,857,415

Special project grants consist of seven (8) funds namely Sabah Entrepreneur Development Program Fund, Study for Economic Development between Sabah and North Kalimantan Region Grant (SEEDS), People Centric Grant, SDC – Skill & Talent Enhancement Programme (SSTEP), People's Income Initiative (IPR), Solar System Installation Project at Sabah State Government Building, People's Facilities Initiative (IPR) and Investment Promotion Programme (PGP).

8. LOAN

	2024 RM	2023 RM
CURRENT LIABILITY		
Bank loan	1,008,360	435,039
NON-CURRENT LIABILITY		
Bank loan	7,983,280	9,564,961
LOAN MATURITY		
Within 1 year	1,008,360	924,330
More than 1 year and less than 2 years	1,008,360	1,008,360
More than 2 years and less than 5 years	3,025,080	2,016,720
More than 5 years	3,949,840	6,050,590
Balance as at 31 December	8,991,640	10,000,000

The effective interest rate at the statement of financial position date is 5.31% (2023:5.31%) per annum. The loan maturity period is 10 years and repayment is on a monthly basis.

Loan Collateral:

- The loan is to finance the purchase of Enbloc M-1 & M-2 buildings, Aeropod Phase 3A. To obtain the loan, the building was pledged to the bank.
- Minimum advance of 2 months of grant payment as debt service reserve.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

9. PROVISION FOR EMPLOYMENT BENEFIT OBLIGATIONS

This represents provision for retirement gratuity schemes for employees:

	2024 RM	2023 RM
Provision for:		
Retirement gratuity scheme	4,337,731	2,277,093
The maturity structure of the provisions is as follows:		
Within one year	407,906	47,610
Within 2-5 years	3,929,825	2,229,483
	4,337,731	2,277,093
The amount included in the balance sheet arising from the entity's obligation in respect of its retirement gratuity scheme is as follows:		
Present value of defined benefit obligations	4,337,731	2,277,093
Amount recognised in the income statement in respect of the retirement gratuity scheme is as follows:		
Current service costs	2,329,099	324,430
Movement in the present value of the retirement gratuity scheme in the current year are as follows:		
At beginning of the year	2,277,093	2,319,543
Adjustment	1,680,574	-
Additions	648,691	324,430
Payments	(268,627)	(366,880)
At the end of the year	4,337,731	2,277,093

The most recent actuarial valuation of employee benefit liabilities or contingent was conducted on 29th February 2021 by Actuarial Partners Consulting Sdn. Bhd. The present value of employee benefit obligations and related current service cost is measured using the projected unit credit method. The principal assumptions used for the purposes of the valuation are as follows:

	2024 %	2023 %
Discount rate: Corporate Bond worth AA	4.40	4.20
Expected rate of salary increases	5.00	5.00

The mortality rate is based on the experience of assured lives in Malaysia from 1999 to 2003. The Standard MO9903 announced as used in the insurance industry. The defect rate is 10% of the death rate. Turnover rate corresponding to the average staff turnover rate is about 2% per year for permanent staff, while contract staff considered no withdrawal.

The management uses the best estimate of expected salary workers, the remaining years of service of the appropriate discount rate from 1 January 2024 (2023: 1 January 2023) to determine current service cost. All staff has been included in the estimated cost of the current cost.

SEDIA operate unfunded retirement gratuity scheme and provision is made for benefits that eligible employee has earned in return for their service in the current and prior periods. Under this scheme, eligible employees are

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (Continued)****9. PROVISION FOR EMPLOYMENT BENEFIT OBLIGATIONS (continued)**

entitled to retirement benefits of one month salary each year of services on attainment of the retirement age of 60 or early retirement on medical grounds or passed away before attaining the retirement age given that the said employee has provided service to the Authority of 10 years. The amounts recognised in the balance sheet are determined based on the present value of amount due.

Provision for employment benefits is recognised initially on the financial year ended 31 December 2024 to take into account the amount of SEDIA commitment when services are rendered by employees during the year. Provision is calculated based on the expectation that all staff providing services until the retirement age of 60 years. Rating actual expectations may change each year based on the highest salary achievable for the current position held and discount rates. The discount rate used is 4.4 %, the yield of Corporate Bonds worth AA produce within 3 to 15 mature years. During the financial year ended 31 December 2024, the number of employees included in the obligation for employee benefits totalled 103 persons.

10. INCOME TAX

SEDIA has obtained tax exemption under Section 127 (3) of the Income Tax Act, 1967. All income, except for dividend income is exempted from tax beginning from year assessments 2010 until 2019.

Beginning the year of assessment 2020, the exemption under this section has expired and all SEDIA income will be subject to taxation. Below is the corporate tax that has been charged in the current and previous years.

	2024 RM	2023 RM
Current year tax	77,454	77,454
Underprovision / (Overprovision) of prior year taxation	435,604	(16,523)
Total	513,058	60,931

11. OTHER PAYABLES AND ACCRUALS

	2024 RM	2023 RM
Other payables	472,665	318,647
Accruals	320,471	330,861
Balanced as at 31 December	793,136	649,508

12. OTHER INCOME

	2024 RM	2023 RM
Interest income from SDC development fund	13,294,308	7,126,522
Interest income from operation fund	48,823	111,302
Other income	1,920,276	401,888
Total	15,263,407	7,639,712

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

13. OPERATING EXPENSES

The details of operating expenses are as follows:

	2024 RM	2023 RM	Adjustment RM	2023 (restated) RM
Auditors' Remuneration	28,520	26,700	-	26,700
Allowances for Members and Committees of the Authority	484,889	492,343	-	492,343
Salaries, Allowances and Benefits	14,681,945	12,319,772	-	12,319,772
KWSP and PERKESO	1,386,250	1,300,480	-	1,300,480
Rental Expenses	792,263	903,341	-	903,341
Utilities Charges	232,586	235,647	-	235,647
Printing and Stationeries	102,704	73,198	-	73,198
Medical and Clinical Charges	369,453	281,162	-	281,162
Insurance	40,034	12,947	-	12,947
Entertainment and Hospitality	12,579	11,247	-	11,247
Training and Human Capital Development	333,522	295,343	-	295,343
Trade Missions and Investment Promotions	64,439	88,586	-	88,586
Exhibitions and Road Shows	232,120	36,578	-	36,578
Conference and Seminars	1,524,366	92,433	-	92,433
Corporate Branding and Marketing	281,251	166,832	-	166,832
Sponsorships	304,634	146,794	-	146,794
In-House Meeting Expenses	212,363	215,373	-	215,373
Publications, Multimedia and Advertisements	34,499	10,883	-	10,883
Postage and Courier Charges	2,468	2,975	-	2,975
Transportation, Leasing and Vehicle Maintenance	660,884	634,290	-	634,290
Airfares and Outstation Transport Charges	516,294	348,134	-	348,134
Subsistence Allowances	125,468	83,368	-	83,368
Lodging and Accommodations	178,303	94,480	-	94,480
Disposal of fixed asset	12,622	6	-	6
Upkeep Of Office Equipment, Premise and Services	610,922	341,952	-	341,952
Depreciation	1,230,315	440,790	3,264	444,054
Subscription Fees and ICT Expenses	135,118	121,045	(16,955)	104,090
Legal, Professional, Research and Consultancy Charges	246,103	56,044	-	56,044
License, Registration and Assessment Fees	39,339	27,969	-	27,969
Bank Charges and Commission	4,474	26,238	-	26,238
Miscellaneous Expenses	54,982	22,174	-	22,174
TOTAL	24,935,709	18,909,124	(13,691)	18,895,433

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)****14. STAFF COSTS**

	2024 RM	2023 RM
<u>Operating Fund:</u>		
Staff costs	12,352,680	11,995,342
EPF and SOCSO	1,386,250	1,300,480
Employment benefit obligations	2,329,265	324,430
Total	16,068,195	13,620,252

15. OPERATING LEASE COMMITMENT

SEDIA leases certain assets such as premise and office equipment. These leases are non-cancellable and expire on various dates till 2028. Future minimum annual lease payments are as follows:-

	Future Minimum Lease Payments	
	2024 RM	2023 RM
As of December 31:		
2024	-	1,182,871
2025	217,464	1,075,124
2026	87,780	561,132
2027	19,342	3,672
2028	8,118	-
Total	332,704	2,822,799

16. PROJECT DEVELOPMENT COMMITMENT

During the year, total allocation approved and received under the Twelfth Malaysia Plan (12MP) for SDC projects amounted to RM63,100,000 compared to RM210,000,000 in the previous year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

17. PRIOR YEAR ADJUSTMENT

In the year 2023, property, plant and equipment were understated by RM16,955 with depreciation of RM3,264 (net book value of RM13,691). The restatement has been made in the financial statements for the year ended 31 December 2024.

The following figures have been restated to reflect changes in presentation and prior year adjustments as explained in Note 17.

	As Previously Reported RM	Prior Year Adjustment RM	Restated RM
Statement of Financial Position			
Property, Plant and Equipment	18,558,412	13,691	18,572,103
Operating Fund	26,178,011	13,691	26,191,702
Statement of Comprehensive Income			
Depreciation	18,558,412	3,264	444,054
Subscription fees and ICT Expenses	26,178,011	(16,955)	104,090



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