

Your Preferred Investment Destination

SABAH, MALAYSIA

Q4 2026

—
Gateway to
ASEAN & EAST ASIA

- Manufacturing
- Agribusiness
- Tourism
& Hospitality
- Logistics
- Energy



Promoted Sectors for
Foreign & Domestic
Investment

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WHY SABAH

Sabah at a Glance

A stable, resource-rich, English-speaking common-law jurisdiction at the crossroads of ASEAN
- with the incentives, land and market access to back it.

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3.76M

POPULATION

Malaysia's **3rd largest state** by population and 2nd largest by land area (73,631 km²), is home to a young, multilingual population (median age 28) spanning 33 ethnic groups, with English widely spoken.

RM105.5B

TOTAL TRADE, 2025

Delivered a **RM9.9B surplus**, with Peninsular Malaysia leading overall trade (RM49.6B / 47.1%). Key global partners included China (RM10.4B), Thailand (RM4.4B), South Korea (RM4.2B), and Japan (RM4.0B), while the Philippines (RM3.9B) anchored regional ASEAN demand.

RM88.8B

STATE GDP, 2025

Anchored by **services, mining and agriculture** - the state's three largest contributing sectors.

1,400 km

OF COASTLINE

More than double Peninsular Malaysia's equivalent stretch, **opening deepwater ports, blue economy and marine tourism**.

3.79M

ARRIVALS

Sabah captured **3.79 million visitors** and RM8.74 billion in tourism receipts in 2025, primarily entering via KKIA. In response to surging traffic, a RM442.3 million Terminal 1 expansion is underway to raise handling capacity and enhance the passenger experience.

8

PORTS

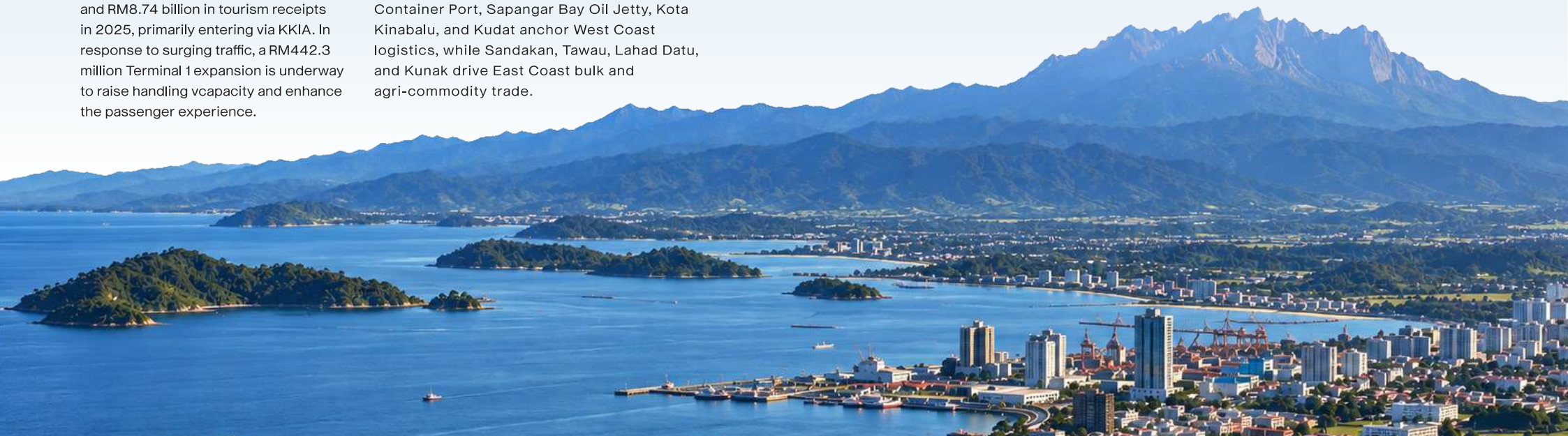
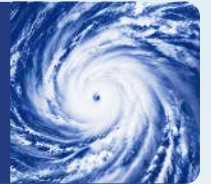
Sabah operates **8 key ports**: Sapangar Bay Container Port, Sapangar Bay Oil Jetty, Kota Kinabalu, and Kudat anchor West Coast logistics, while Sandakan, Tawau, Lahad Datu, and Kunak drive East Coast bulk and agri-commodity trade.

10 yrs

Full tax exemption available

0

Typhoon landfalls on record



ABOUT US

Who We Are

**Kota Kinabalu,
Sabah**

—
On Malaysia's
Borneo
Coastline



The State Investment Promotion Agency

As Sabah's mandated Investment Promotion Agency, Invest Sabah Berhad serves as the principal gateway for establishing and expanding ventures, providing full-lifecycle support to anchor capital across key industrial corridors. Given Sabah's autonomous authority over land, labor, licensing, and immigration, the agency unifies state and federal regulatory processes into a single, transparent pipeline to expedite statutory approvals and ensure long-term operational success.

Established

2020

Mandate

**Chief Minister
Dept.**

Role

**First Point of
Contact**

WHAT WE DO



Advisory Service

Market intelligence on high impact sectors, industry trends and current economic indicators and government policy.



Site Selection

Matching projects to industrial parks, land and infrastructure across Sabah's five economic corridors.



Partnership Building

Introductions to local supply chains, joint-venture partners and strategic anchor investors.



Regulatory Facilitation

One coordinated channel across federal, state and sectoral approvals - licences, permits and incentives.



Aftercare

Ongoing support once operational - expansion, reinvestment and long-term relationship management.

ENABLER

Connectivity & Infrastructure

A strategically connected gateway to ASEAN and East Asia, with port, road and air capacity being built out together.

Strategic Location

Gateway to ASEAN and East Asia, with direct connectivity by sea and air - every major East Asian capital sits within a five-hour flight of Kota Kinabalu.



Maritime Strength

With an ongoing expansion that will more than double its annual capacity from 500,000 to 1.25 million TEUs, Sapangar Bay Container Port (SBCP) is set to serve as a vital transshipment hub for the wider region.



Land Connectivity

Pan Borneo Highway Sabah is the state's flagship road infrastructure mega-project, designed to upgrade Sabah's primary arterial corridors into a four-lane, toll-free dual carriageway. Spanning 706 km across Phase 1, it connects Sindumin at the Sarawak border to Tawau in the southeast via Kota Kinabalu and Sandakan.



Air Logistics Advantage

Kota Kinabalu International Airport (KKIA), Malaysia's second busiest, is a vital cargo hub with direct international routes supporting e-commerce, seafood exports and pharmaceuticals.

04

INDUSTRIAL PARKS

Sabah's key industrial hubs

01. Kota Kinabalu Industrial Park (KKIP)
02. Sawit Kinabalu Sandakan Industrial Park
03. POIC Lahad Datu
04. Sipitang Oil & Gas Industrial Park (SOGIP)

Provide fully serviced land with complete utilities and direct connectivity to major port and highway corridors.

ENABLER

Energy

Guided by SE-RAMP 2040 - a published state roadmap to more than 50% renewable capacity by 2035 and carbon neutrality by 2050.

THE INVESTMENT CASE

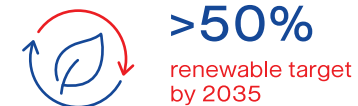
A published roadmap, a defined pipeline, and a partner on the ground.

Sabah's energy development is guided by the Sabah Energy Roadmap and Master Plan 2040 (SE-RAMP 2040), led by the Energy Commission of Sabah (ECoS). Sabah runs its own grid — peak demand reached 1,260 MW in May 2026 against 1,512.75 MW of dependable capacity, a 20% reserve margin. Generation today is gas-led, with a 275 kV backbone linking the west coast to Sandakan and Tawau. For investors, the opportunity is the build-out itself — new renewable capacity, storage, transmission and the gas value chain all sit inside a published, target-driven plan.

Building the capacity behind Sabah's next phase of growth.



Key Figures ↘



Investment Opportunities ↘

Utility-Scale Solar

Large-scale solar within the grid's intermittency headroom, plus hybrid solar-plus-storage projects.



Battery Storage & Grid Services

BESS already at 50 MW in the mix - storage, ancillary services and pumped hydro underpin every later transition phase.



Bioenergy, Hydropower & Geothermal

800 MW bioenergy potential from palm residue, 1,500+ MW hydro (incl. Upper Padas), and a 100MW Tawau geothermal resource.



THE FOUR INDUSTRIES

From primary resources and production to tourism experiences and regional distribution, Sabah connects opportunity across the value chain.

MANUFACTURING

> RM 40 bn

Committed since 2021

Solar glass, battery-grade materials, green steel and oleochemicals, heavy industry built around low-carbon power.

TOURISM

9 TERRESTRIAL & MARINE PARKS

Low-impact resorts, wellness and coastal infrastructure across UNESCO-designated sites and primary rainforest.

AGRICULTURE

2.1M Ha

of Cultivation Land

Commercial crops, integrated plantations and downstream processing, grown, processed and branded in-state.

LOGISTICS

1.25 mTEU+

Sepanggar Bay Capacity / YR

Container transshipment, air cargo, MRO and cold-chain on the BIMP-EAGA lanes.

SECTOR

Manufacturing

Palm oil, gas, timber, biomass and minerals produced in-state — no import exposure on your primary input.

THE INVESTMENT CASE

**A Century Exporting Raw Materials.
The Future is Made in Sabah, by Sabahans.**

Manufacturing converts Sabah's vast natural resources into higher-value products. The current established base spans refining, food processing, wood products and petrochemicals, while future growth lies in renewable energy components, EV supply chains and the green industry. Investors are welcomed with ready-built facilities, gazetted industrial zones, an expanding infrastructure buildout, and a huge regional market inside BIMP-EAGA and ASEAN.

From
Raw
Materials to
**Higher-Value
Products**



Key Investment Highlights ↘

25.4%

national palm oil output

40%

national crude oil

Raw Resources at Scale

No import exposure on your primary input
- gas at 20% of national production.



15,000 ac

gazetted industrial land

04

major industrial parks

Prepared Industrial Zones

Serviced estates with utilities and port access
already in place - not greenfield paperwork.



>80M

BIMP-EAGA consumers

680M

ASEAN consumers

Inside the Regional Market

Every major East Asian capital is within
a five-hour flight of Kota Kinabalu.



1.25M TEU

Sepanggar Bay capacity

1,500 MW

installed generation

Expanding in Infrastructure

State and federal capital into power, water,
roads, ports and airports.



97.6% MSPO

certified smallholders

RM35.49B

minerals export

ESG-compliant, Resource-backed Exports

Minerals, crude oil and natural gas exports, on top
of 1.51M ha of palm oil and 1.70M m³ of timber output
- Dept. of Statistics, 2022.



SECTOR

Tourism & Hospitality

3.8 million visitors a year. 5,700 quality rooms.
The arithmetic is the opportunity.

THE INVESTMENT CASE

The Visitors already Come. Sabah needs the Places for Them to Stay.

Sabah drew 3.8 million arrivals and RM 8.74 billion in tourism receipts in 2025 - both up more than 20% on the year - and the first half of 2026 added another 8.2%. The assets behind that cannot be replicated: Mount Kinabalu - a UNESCO Triple Crown Site, one of only three globally - ancient lowland rainforest, the Kinabatangan wildlife corridor, Coral Triangle reefs and living indigenous cultures. What is missing is supply: quality rooms sit concentrated in the capital, premium lodges are scarce next to the very assets visitors travel for, and professionally managed operators are thin.

Strategic
Location
Connecting
Borneo, Asean
& East Asia



THE GAP - ROOMS BUILT AGAINST ROOMS THE ARRIVALS IMPLY



3.8M

arrivals,
2025
(+20.5%)



> 5,500

rooms across
29 four/
five-star hotels



17

Direct
international
flights



01

of only three locations
globally to hold the prestigious
UNESCO 'Triple Crown'

Sabah receives 3.8 million arrivals against 5,723 rooms in its 29 four and five-star hotels - roughly 1.5 quality rooms per thousand annual visitors. Of 26,822 rooms statewide, only one in five is rated four-star or above. Five-star occupancy hit 66.7% in Jan-Mar 2026, against 40.8% for two-star and below - the shortfall is not a forecast, it is an abstraction.

Four Propositions to Build

Premium Nature Lodges

beside the marine and rainforest
parks visitors already travel for



Secondary Hubs

Mid-scale and branded hotels in secondary
hubs- Sandakan, Tawau, Semporna

Dive and Eco-Tourism

resorts along the
Coral Triangle reef systems



Highland and Interior Stays

serving the still
domestic-weighted market

RM 2,303

spend per visitor, Jan - Jun 2026

Growing faster than arrivals.
Domestic volume carries the base;
international visitors carry the margin.

SECTOR

Agribusiness

Cultivated land, an established grower base and titled agricultural tenure - not frontier acreage.

THE INVESTMENT CASE

Sabah Grows at World Scale. The Margin Sits in What Happens after Harvest.

Agriculture works 2.1 million hectares of Sabah and contributes around 13.9% of state GDP — oil palm, rubber, cocoa, rice, tropical fruit, livestock and aquaculture across coastal, lowland and highland zones. Sabah is Malaysia's largest palm oil producer, with 128 mills already built. Most output still leaves the state barely processed - state policy is now pointed squarely at downstream conversion and certified sustainable production, and that is where land, facilitation and priority sit.

Established
Production.
Untapped
Downstream
Potential.



Key Investment Highlights ↘

2.1M ha
land under cultivation

13.9%
of state GDP

Land at Scale

An established grower base and titled agricultural tenure - 1.48M ha planted to oil palm alone, 2025.



128
palm oil mills operating

34.7M t
FFB capacity / year

A Processing Spine to Plug into

Mills, crushing, cold chain and export packing already running - co-locate rather than build from zero.



97%
MSPO-certified
smallholders

25.4%
national palm
oil output

Certified before you arrive

A verified sustainability position European and East Asian buyers already accept - Chief Minister's statement, Apr 2025.



03
climate zones

07
sub-sectors beyond palm

More than Palm

Cocoa, rubber, rice, tropical fruit, vegetables, livestock and aquaculture, each with its own catchment.



RM22.1B **38.3%**
agriculture exports, 2025 of Sabah's total exports

A Leading, Resilient Export Sector

Second only to mining among Sabah's exports, out of RM105.5B in total 2025 trade - Dept. of Statistics Malaysia, 2026 release.



SECTOR

Maritime & Aviation Logistics

A cornerstone of Sabah's growth, positioned inside the BIMP-EAGA corridor with access to nearly 80 million people.

THE INVESTMENT CASE

Strategically Positioned, Ready to Become a Regional Logistics Hub.

Sabah's logistics sector is a cornerstone of its economic growth - positioned within the BIMP-EAGA corridor and supported by expanding maritime, land and air infrastructure. Positioned at the heart of BIMP-EAGA and supported by Sapangar Bay Container Port and the Pan Borneo Highway, Sabah offers opportunities in cold-chain logistics, warehousing and smart supply-chain solutions, with Invest Sabah Berhad ensuring seamless facilitation from inquiry to implementation.

A
Gateway to
80 Million
People in
BIMP-EAGA



80M

people reachable
across BIMP-EAGA



No.2

busiest airport in
Malaysia (KKIA)



706 km

Pan Borneo Highway



500K-1.25M

TEU, Sepang Bay expansion

Investment Opportunities ▾

Warehousing, Distribution & Smart Logistics

Modern storage and fulfilment centres with automation for e-commerce and regional supply chains.



Cold-Chain Logistics

Multi-temperature warehousing catering to seafood, agricultural produce, pharmaceuticals and FMCGs.



Air Cargo & Freight / MRO

Leveraging KKIA's connectivity for high-value, time-sensitive goods, plus line, base and component aircraft maintenance.



Digital supply chain: operators are adopting blockchain for chain-of-custody, IoT for cargo tracking, and AI-driven predictive analytics for demand and route planning - an opening for platform capability in a market whose trade volumes are already substantial and growing.

THE INDUSTRIAL PARKS

FOUR SITES,
TWO COASTS

Sabah's flagship industrial parks - from West Coast manufacturing to East Coast palm and energy clusters.

KKIP

Kota Kinabalu
Industrial Park

West Coast 4,711 ac • 7 km to port

Sabah's largest multi-sector park with 240+ companies operating; 7 km to Sepanggar Bay Container Port, 28 km to KKIA.

- Electrical & electronics
- Food & beverage processing
- Rubber & plastic products
- Wood-based manufacturing
- Renewable energy
- Logistics & warehousing



SIP Sandakan

Sawit Kinabalu
Sandakan Industrial Park

East Coast 2,810 ac • 15.1 km to port

Palm oil downstream and waste-valorising hub with a permanent jetty for 30,000 DWT vessels; developed by Sawit Kinabalu Group.

- Oleochemicals
- Bulk liquid storage
- Palm oil downstream
- Waste valorisation & biomass
- Logistics & warehousing

SOGIP

Sipitang Oil & Gas
Industrial Park

West Coast 5,539 ac • On site

Heavy-industry and petrochemical estate anchored by Petronas' USD 1.9b SAMUR complex, built around the Sabah Oil & Gas Terminal.

- Petrochemicals
- Steel manufacturing
- Energy & industrial processing
- Bulk storage
- Industrial support
- 3. SIP Sandakan - East Coast



POIC Lahad Datu

Sawit Kinabalu
Sandakan Industrial Park

East Coast 4,727 ac • On site

Export-oriented downstream palm cluster with its own deep-water port, inside Sabah's largest palm catchment.

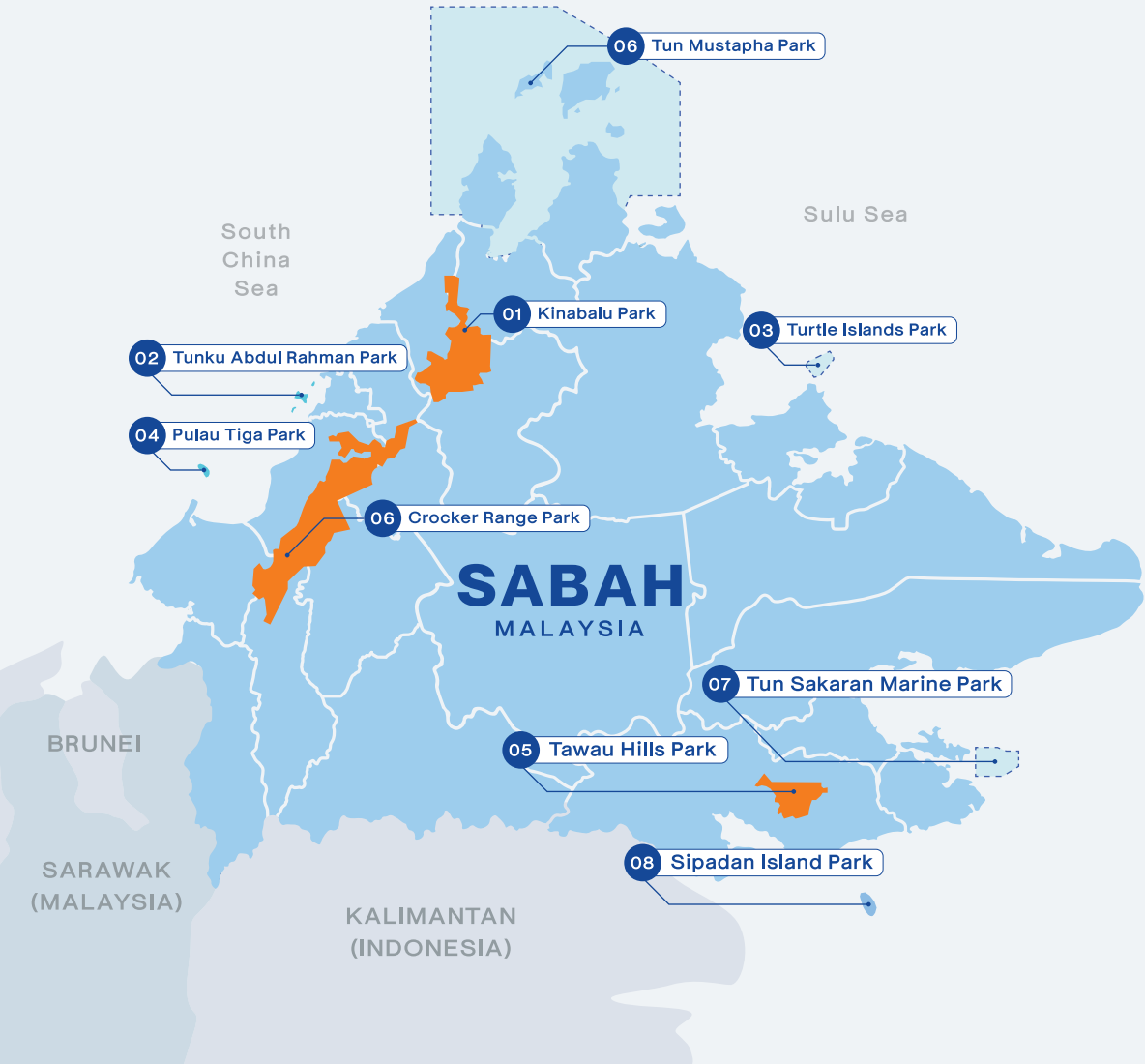
- Oleochemicals
- Biofuels & SAF
- Palm oil downstream
- Halal manufacturing
- Logistics & warehousing



SABAH PARKS — EST. 1964

Nine Natural Treasures, Mapped

From the summit of Mt Kinabalu to the coral gardens of Sipadan, Sabah Parks safeguards three terrestrial and six marine parks across the state.



09

GAZETTED
PARKS

03

TERRESTRIAL

06

MARINE

THE NINE PARKS AT A GLANCE

01	Kinabalu Park	Terrestrial	1964 • 75,370 ha
02	Tunku Abdul Rahman Park	Marine	1974 • 4,929 ha
03	Turtle Islands Park	Marine	1977 • 1,740 ha
04	Pulau Tiga Park	Marine	1978 • 15,864 ha
05	Tawau Hills Park	Terrestrial	1979 • 27,972 ha
06	Crocker Range Park	Terrestrial	1984 • 139,919 ha
07	Tun Sakaran Marine Park	Marine	2004 • 35,000 ha
08	Sipadan Island Park	Marine	2009 • 16,860 ha
09	Tun Mustapha Park	Marine	2016 • 898,763 ha

INVESTING

Doing Business in Sabah

Federal registers the company, the state licenses the premises, the regulator licenses the activity - three layers of approval, running partly in parallel.

01 HOW LICENSING WORKS

LAYER 1 - FEDERAL

THE COMPANY EXISTS

SSM incorporation, tax file, EPF and SOCSO. Nothing else can start until this is done.

LAYER 2 - STATE & LOCAL

THE PREMISES MAY TRADE

Trade and signboard licences from DBKK or your municipal/district council, with fire, health and planning clearances behind them.

LAYER 3 — SECTORAL

THE ACTIVITY IS LICENSED

MIDA, MITI, MOTAC, CIDB, MOH and their Sabah counterparts license what you actually do inside the premises.

Sabah's own instrument: the Trades Licensing Ordinance 1948 (Cap. 144) is the parent law behind every trading licence in the state - no person may carry on a trade or business in Sabah without a licence issued under it. Federal SSM registration alone does not entitle a company to trade here.



02 WORKING IN SABAH — WORK PASS & EMPLOYMENT PASS

Sabah controls its own immigration - a federal pass alone does not permit work here. A local sponsor, state labour approval, and a pass from the Sabah State Immigration Department are required.



01. EMPLOYER FIRST

Prospective employer holds a valid licence to employ non-resident workers (JTK Sabah / eNORES).



02. FILED BY EMPLOYER

The Work Pass or Temporary Employment Pass (PLKS) is filed with Sabah State Immigration - not Putrajaya.



03. DOCUMENTS

Passport (6+ months validity), signed contract, academic certificates, security and health bonds.



04. WITHIN 30 DAYS

Medical screening through FOMEMA within 30 days of arrival, before the pass is finalised.

Let's Build in Sabah



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SCAN FOR WEBSITE



Talk to an investment officer about setting up in Sabah.
Our team responds directly - no ticket queue.