

NOTICE IS HEREBY GIVEN THAT the Thirtieth Annual General Meeting of the Company will be held at Sabah Ports Sdn. Bhd.'s Training Centre, 1st Floor, Headquarters & Operation Building, Sapangar Bay Container Port, Sapangar Bay, Kota Kinabalu, Sabah, on Thursday, 27 June 2013 at 11.00 am for the following purposes:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statement for the financial year ended 31 December 2012 together with the Reports of the Directors and Auditors thereon. (Ordinary Resolution 1)
2. To re-elect the following Directors who retire by rotation pursuant to Article 89 of the Company's Articles of Association.
Datuk Dr. Mohd. Yaakub Bin Hj. Johari, J.P.
Datuk Mohd. Hasnol Bin Ayub
Datuk Hj. Ramlée Bin Marahaban (Ordinary Resolution 2)
(Ordinary Resolution 3)
(Ordinary Resolution 4)
3. To re-elect the following Directors who retire pursuant to Article 93 of the Company's Articles of Association.
Datuk Hj. Faysal Bin Datuk Yusof Hamdain Diego
Datuk Madius Bin Tangau, J.P. (Ordinary Resolution 5)
(Ordinary Resolution 6)
4. To approve the payment of Directors' Fees amounting to RM345,750.00 for the financial year ended 31 December 2012. (Ordinary Resolution 7)
5. To approve the final tax exempt dividend of 3.15% (3.15 sen per ordinary share), in respect of the financial year ended 31 December 2012. (Ordinary Resolution 8)
6. To re-appoint Messrs. Ernst & Young as Auditors of the Company and authorise the Directors to determine their remuneration. (Ordinary Resolution 9)

As Special Business

7. To consider and, if thought fit, to pass the following resolutions:
 - 7.1 To consider and, if thought fit, to pass the following resolution with or without modifications:
"THAT Datuk Anthony Lai Vai Ming @ Lai Kheng Ming, J.P. retiring in accordance with Section 129 of the Companies Act, 1965, and who has served as an Independent Director of the Company for more than nine (9) years be and is hereby re-appointed as an Independent Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company." (Ordinary Resolution 10)
 - 7.2 AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE SHARES UNDER SECTION 132D OF THE COMPANIES ACT, 1965 (Ordinary Resolution 11)
"THAT, pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such issue price, until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares does not exceed ten per centum (10%) of the issued capital of the Company at the time of issue **AND THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued, subject to the Act, the Articles of Association of the Company and approval from the Bursa Malaysia Securities Berhad and other relevant bodies where such approval is necessary."
 - 7.3 AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES REPRESENTING UP TO 10% OF ITS ISSUED AND PAID-UP SHARE CAPITAL ("PROPOSED SHARE BUYBACK") (Ordinary Resolution 12)
"THAT, subject always to the compliance with the Companies Act, 1965, the Articles of Association of the Company, the Listings Requirements of Bursa Malaysia Securities Berhad or any other regulatory authorities and all other applicable rules, regulations, guidelines or approval for the time being in force or as may be amended from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, PROVIDED THAT:
 - a. the aggregate number of the ordinary shares which may be purchased and/or held by the Company as treasury shall not exceed ten per centum (10%) of the total issued and paid-up ordinary share capital of the Company at any point in time of the said purchase(s);
 - b. the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings and share premium of the Company at the time of the said purchase(s); and
 - c. the authority conferred by this resolution shall commence immediately upon the passing of this ordinary resolution and shall continue to be in force until:
 - i. the conclusion of the next Annual General Meeting of the Company following the general meeting at which such resolution was passed at which time shall lapse unless by ordinary resolution passed at that meeting, the time is renewed, either unconditionally or subject to conditions;
 - ii. the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
 - iii. revoke or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier;

AND THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be and hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:

- (aa) cancel all the shares so purchased; and/or
- (bb) retain the shares so purchased in treasury for distribution as dividend to the shareholders or resell on the market of Bursa Malaysia Securities Berhad; and/or
- (cc) retain part thereof as treasury shares and cancel the remainder;

and in other manner as prescribed by the Act, rules and regulations made pursuant to the Act and the Listing Requirements of Bursa Malaysia Securities Berhad and any other relevant authorities for the time being in force;

AND THAT, authority be and is hereby given to the Directors of the Company and/or any one of them to complete and do all such acts and things as they may consider necessary or expedient in the best interest of the Company, including executing all such documents as may be required or necessary and with full powers to assent to any modifications, variations and/or amendments as the Directors in their discretion deem fit and expedient to give effect to the aforesaid purchase(s) contemplated and/or authorised by this Ordinary Resolution."

Special Resolution

8. To consider and, if thought fit, to pass the following resolution:
To propose amendments to the Articles of Association of the Company. (Special Resolution)
"THAT the proposed amendments to the Articles of Association of the Company as set out in this Annual Report are hereby approved and in consequences thereof, the new set of Articles of Association incorporating the amendments be adopted AND THAT the Directors and Secretary be hereby authorised to carry out the necessary steps to give effect to the amendments."
9. To transact any other business for which due notice shall have been given in accordance with the Companies Act, 1965.

NOTICE OF BOOK CLOSURE AND DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that the final tax exempt dividend of 3.15% (3.15 sen per ordinary share) in respect of the financial year ended 31 December 2012, if approved, will be paid on 31 July 2013.

The entitlement date shall be fixed on 15 July 2013 and a Depositor shall qualify for entitlement only in respect of:

- (a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 15 July 2013 in respect of transfers.
- (b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order Of The Board.

SURYANI BINTI MOHD. SAIDI (LS. 0005574)

Company Secretary

Dated on this 5 day of June 2013

Kota Kinabalu, Sabah

Explanatory Notes:

1. Resolution 10 - Section 129 of the Companies Act, 1965, Malaysia
Pursuant to Section 129 of the Companies Act, 1965, Malaysia the proposed Resolution 10 is to seek shareholders' approval on the re-appointment of Datuk Anthony Lai Vai Ming @ Lai Kheng Ming, J.P. as a Director who is over the age of seventy (70) and has served as an independent director for more than nine (9) years. Please refer to the Statement of Corporate Governance of the Annual Report on page 39 for further information.
2. Resolution 11 - Ordinary Resolution pursuant to Section 132D of the Companies Act, 1965 for the Directors to allot share
As the date of this Notice, no new shares in the Company were issued as the Company did not seek for the mandate during the 29th Annual General Meeting of the Company held on the 8 May 2012.
The proposed Ordinary Resolution 11, if passed, would, subject to the Main Listings Requirements of Bursa Malaysia Securities Berhad, enable the Directors to issue up to a maximum of ten per centum (10%) of the total issued and paid up share capital of the Company of the date of such issuance for such purpose as the Directors consider would be in the best interest of the Company. The Company is seeking the approval from shareholders on the above mandate for the purpose of possible fund raising exercise(s) including but not limited to the further placement of shares to fund future investments, acquisitions and/or meet working capital requirements.
3. Resolution 12 - Ordinary Resolution to provide mandate for the Company to buy back its own shares
The proposed Ordinary Resolution if passed, will give the Directors of the Company authority to take all such steps as are necessary or expedient to implement, finalise, complete and/or to effect the purchase(s) of Shares by the Company as the Directors may deem fit and expedient in the best interest of the Company. The authority will, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which of the next Annual General Meeting of the Company following the Thirtieth Annual General Meeting is required by law to be held.
4. Special Resolution - Proposed Amendment of the Articles of Association of the Company by inserting a new Article 75A
New Article 75A - Appointment of multiple proxies
Whereas a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple business owners in one securities account (omnibus account), there is no limit to the numbers of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance from the provisions of subsection 25A(1) of the Central Depositories Act, 1991.

Rationale

Bursa Malaysia Securities Berhad had per letter dated 22 September 2011 required public listed companies to amend their Articles of Association so as to allow a member who is an exempt authorised nominee to appoint multiple proxies for each omnibus account it holds. The amendments to the Articles of Association to cater for this must be made by the public listed companies latest by 31 December 2013.

NOTES:

1. A member of the Company entitled to attend and vote at this Meeting is entitled to appoint up to two (2) proxies to attend and vote instead of him/her. A proxy may but need not be a member of the Company.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his/her shareholdings to be represented by each proxy.
3. In the case of a corporate body, the proxy appointed must be in accordance with the Memorandum and Articles of Association, and the instrument appointing a proxy shall be given under the Company's Common Seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy shall be deposited at the Registered Office of the Company at 1st & 2nd Floor, Menara Jubili, No. 53, Jalan Gaya, 88000 Kota Kinabalu at least forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.