

TURBO-MECH BERHAD
(Company No. 863263-D)

MINUTES OF THE EIGHTH ANNUAL GENERAL MEETING (“AGM”) OF TURBO-MECH BERHAD (“THE COMPANY” OR “TURBO”) HELD AT TIARA RINI BALLROOM, THE ROYALE BINTANG THE CURVE HOTEL, 6 JALAN PJU 7/3, MUTIARA DAMANSARA, 47800 PETALING JAYA, SELANGOR DARUL EHSAN, MALAYSIA ON MONDAY, 22 MAY 2017 AT 1.00 P.M.

PRESENT:-

DIRECTORS

Mr Gan Kok Ten (Chairman of the Meeting) - Also a Shareholder
Encik Nasaruddin Bin Mohamed Ali - Also a Shareholder
Encik Omar Bin Mohamed Said
Ms Chan Bee Eie
Encik Azhar Bin Mohamad
Mr Tam Juat Hong

SHAREHOLDERS

As per Attendance List

PROXIES

As per Attendance List

IN ATTENDANCE

Ms Chan Yoke Peng - Company Secretary

BY INVITATION

Mr Tay Wee Bon - Finance Manager
Mr Jeffrey Gan - Messrs Ernst & Young
Ms Liew See See - Boardroom Corporate Services
(KL) Sdn Bhd
Mr Lee Xiang Yee - Boardroom Corporate Services
(KL) Sdn Bhd

CHAIRMAN

The Chairman, Mr Gan Kok Ten welcomed all members and invitees to the Meeting. The Chairman thereafter introduced the other Board members present and the Secretary.

QUORUM

The Secretary confirmed that a quorum was present. With the requisite quorum being present, the Chairman called the Meeting to order.

NOTICE

With the consent of the members present, the Notice of the Meeting having been circulated for the prescribed period was taken as read.

SUMMARY OF PROXIES RECEIVED

The Chairman informed the shareholders and proxies of their right to participate, speak and vote at the AGM.

As part of good corporate governance, the Secretary reported that there were 4 proxy forms for the AGM received from the shareholders of the Company for a total of 528,400 ordinary shares representing 0.49% of the total number of issued shares of the Company.

The Chairman then proceeded with the business on the agenda.

DISCUSSION ITEM

- AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

The Audited Financial Statements of the Company for the financial year ended 31 December 2016 together with the Reports of the Directors and Auditors thereon were tabled to the meeting. The Chairman informed that this item was meant for discussion and would not be put to vote as approval from the shareholders was not required.

The Chairman then invited questions from the floor and took cognizance of the following enquiries and/or comments by the members during the Meeting:-

Key Matters Discussed

(i) Sustainability of oil and gas business of the Company

In response to questions on the sustainability of oil & gas business of the Company and diversification of the business, Encik Nasaruddin Bin Mohamed Ali, the Chief Executive Officer of the Company replied that the Company would remain focus on oil and gas industry and has no intention to diversify its business as the Company does not have knowledge and expertise in other industry.

(ii) Realised foreign exchange loss

In response to an enquiry on realised foreign exchange loss, the Chairman replied that the loss was mainly due to the weakening of Ringgit Malaysia and the Management has taken necessary precautions to mitigate the loss.

(iii) Contribution of subsidiaries of the Company

The Chairman explained that the Company is not solely relying on the contribution from Singapore subsidiary. The subsidiaries in Indonesia and Thailand have also contributed to the Group positively. Management is confident with the business in Indonesia and Thailand as both the countries have potential business opportunities could be explored.

(iv) Dividend

In response to an enquiry on declaration of dividend, the Chairman replied that the Company would consider declaring dividend when the financial position of the Company improved.

After addressing all the questions raised, it was recorded that the Audited Financial Statements of the Company for the financial year ended 31 December 2016 had been duly received by the shareholders.

RESOLUTIONS TO BE VOTED BY POLL

At this juncture, the Chairman informed the Meeting that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the AGM must be voted by poll. Pursuant to Article 51 of the Company's Articles of Association, the Chairman then demanded for a poll to be taken for all the resolutions set forth in the Notice of the AGM. The Chairman also informed the Meeting that Symphony Share Registrars Sdn Bhd has been appointed as the Poll Administrator and Messrs SJ & Co. as the Independent Scrutineers to facilitate the polling process.

The Chairman further informed that the Meeting shall go through all the motions and proceed with the polling process after the last motion has been tabled. The Chairman then requested the Poll Administrator to brief on the polling procedure.

After the briefing on the polling procedure by the Poll Administrator, the Chairman then proceeded with the resolutions set out in the Agenda.

1. ORDINARY RESOLUTION 1

RE-ELECTION OF ENCIK NASARUDDIN BIN MOHAMED ALI

The Chairman informed that the first Ordinary Resolution on the Agenda was the re-election of Encik Nasaruddin Bin Mohamed Ali as a Director retiring pursuant to Articles of Association of the Company and being eligible, offered himself for re-election.

Mr Ooi Kok Ming proposed and Mr Lew Tuck Wai seconded that the retiring Director, Encik Nasaruddin Bin Mohamed Ali be re-elected as Director of the Company.

The shareholders and proxies were requested to indicate their votes on the polling forms in respect of the Ordinary Resolution 1 and retain the form for the next resolution.

2. ORDINARY RESOLUTION 2
RE-ELECTION OF ENCIK OMAR BIN MOHAMED SAID

The second Ordinary Resolution on the Agenda was the re-election of Encik Omar Bin Mohamed Said as a Director retiring pursuant to the Articles of Association of the Company and being eligible, offered himself for re-election.

Mr Ooi Kok Ming proposed and Mr Lew Tuck Wai seconded that the retiring Director, Encik Omar Bin Mohamed Said be re-elected as Director of the Company.

The shareholders and proxies were requested to indicate their votes on the polling forms in respect of the Ordinary Resolution 2 and retain the form for the next resolution.

3. ORDINARY RESOLUTION 3
DIRECTORS' FEES

Mr Lim Jack Son proposed and Mr Lew Tuck Wai seconded that the Directors' Fees of Ringgit Malaysia One Hundred and Fifty-Two Thousand (RM152,000) only for the financial year ended 31st December 2016 be approved for payment to the Directors.

The shareholders and proxies were requested to indicate their votes on the polling forms in respect of the Ordinary Resolution 3 and retain the form for the next resolution.

4. ORDINARY RESOLUTION 4
RE-APPOINTMENT OF AUDITORS

- Minutes of the Eighth Annual General Meeting of the Company held on 22 May 2017

Mr Leong Khai Cheong proposed and Mr Gan Chin Huat seconded that the retiring Auditors, Messrs Ernst & Young, having indicated their willingness to continue in office, be re-appointed as the Auditors of the Company and that the Directors be authorised to fix their remuneration.

The shareholders and proxies were requested to indicate their votes on the polling forms in respect of the Ordinary Resolution 4 and retain the form for the next resolution.

5. ORDINARY RESOLUTION 5
AUTHORITY UNDER SECTION 76 OF THE COMPANIES ACT 2016
FOR THE DIRECTORS TO ISSUE SHARES

Mr Lew Tuck Wai proposed and Mr Lim Jack Son seconded that pursuant to Section 76 of the Companies Act 2016, the Directors be empowered to allot and issue shares in the share capital of the Company at any time 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 to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at the time of issue, subject to the Articles of Association of the Company and approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and other relevant bodies where such approval is necessary.

The shareholders and proxies were requested to indicate their votes on the polling forms in respect of the Ordinary Resolution 5 and retain the form for the next resolution.

6. ORDINARY RESOLUTION 6
RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE
OR TRADING NATURE ("SHAREHOLDERS' MANDATE")

Mr Ooi Kok Ming proposed and Mr Lew Tuck Wai seconded that subject always to the Companies Act 2016, the Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be hereby given to the Company and its subsidiaries, to enter and give effect to the recurrent related party transactions of a revenue or trading nature (hereinafter to be referred to as "Recurrent Transactions") with the Related Parties as stated in Section 2.3 of the Circular to Shareholders dated 28 April 2017 which are necessary for the day-to-day operations of the Company and its subsidiaries subject further to the following:-

- (i) the Recurrent Transactions contemplated are in the ordinary course of business and on normal commercial terms which are not more

favourable to the related parties than those generally available to the public, and are not to the detriment of the minority shareholders of the Company; and

- (ii) disclosure will be made in the Annual Report of the breakdown of the aggregate value of the Recurrent Transactions conducted pursuant to the Shareholders' Mandate during the financial year on the type of Recurrent Transactions made, the names of the related parties involved in each type of Recurrent Transactions and their relationships with the Company.

AND THAT the approval is subject to annual renewal and shall only continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting of the Company following the Eighth Annual General Meeting of the Company at which the Shareholders' Mandate will be tabled;
- (b) the expiration of the period within which the next Annual General Meeting of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND FURTHER THAT the Directors of the Company be authorised to do all acts and things to give full effect to the Recurrent Transactions contemplated and/or authorised by this resolution, as the Directors of the Company, in their absolute discretion, shall deem fit.

The shareholders and proxies were requested to indicate their votes on the polling forms in respect of the Ordinary Resolution 6.

POLLING PROCESS

After all the resolutions have been tabled to the Meeting, the Chairman directed for the closing of the registration of the shareholders and proxies for the Meeting. The Chairman then requested the Secretary to brief on the polling process. The Secretary informed all the members and proxies to complete the polling form correctly and to sign on the polling form. The polling form was to be deposited into the ballot boxes. As it would take some time to tabulate the results of the poll, the Chairman adjourned the Meeting at 1.30 p.m. for the Scrutineers to tabulate the results of the poll. The Meeting resumed at 1.45 p.m. for the declaration of the results of the poll.

ANNOUNCEMENT OF POLL RESULTS FOR RESOLUTIONS

The Chairman read the results of the poll as follows:-

Ordinary Resolution 1	Vote For		Vote Against	
	No. of Shares	%	No. of Shares	%
To re-elect Encik Nasaruddin Bin Mohamed Ali as Director.	65,830,733	100	-	-

The Chairman declared that Ordinary Resolution 1 was carried. Accordingly, it was unanimously RESOLVED:-

“That the retiring Director, Encik Nasaruddin Bin Mohamed Ali be and is hereby re-elected as Director of the Company.”

Ordinary Resolution 2	Vote For		Vote Against	
	No. of Shares	%	No. of Shares	%
To re-elect Encik Omar Bin Mohamed Said as Director.	66,771,609	100	-	-

The Chairman declared that Ordinary Resolution 2 was carried. Accordingly, it was unanimously RESOLVED:-

“That the retiring Director, Encik Omar Bin Mohamed Said be and is hereby re-elected as Director of the Company.”

Ordinary Resolution 3	Vote For		Vote Against	
	No. of Shares	%	No. of Shares	%
To approve the payment of Directors' fees for the financial year ended 31 December 2016.	66,771,609	100	-	-

The Chairman declared that Ordinary Resolution 3 was carried. Accordingly, it was unanimously RESOLVED:-

- Minutes of the Eighth Annual General Meeting of the Company held on 22 May 2017

“That the Directors’ Fees totalling Ringgit Malaysia One Hundred and Fifty-Two Thousand (RM152,000) only for the financial year ended 31st December 2016 be and is hereby approved for payment to the Directors.”

Ordinary Resolution 4	Vote For		Vote Against	
	No. of Shares	%	No. of Shares	%
To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration	66,771,609	100	-	-

The Chairman declared that Ordinary Resolution 4 was carried. Accordingly, it was unanimously RESOLVED:-

“That the retiring Auditors, Messrs Ernst & Young, having indicated their willingness to continue in office, be and are hereby re-appointed as the Auditors of the Company and that the Directors be and are hereby authorised to fix their remuneration.”

Ordinary Resolution 5	Vote For		Vote Against	
	No. of Shares	%	No. of Shares	%
Authority to Allot Shares pursuant to Section 76 of the Companies Act 2016.	66,771,609	100	-	-

The Chairman declared that Ordinary Resolution 5 was carried. Accordingly, it was unanimously RESOLVED:-

“THAT pursuant to Section 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the share capital of the Company at any time 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 to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at the time of issue, subject to the Articles of Association of the Company and approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and other relevant bodies where such approval is necessary.”

Ordinary Resolution 6	Vote For		Vote Against	
	No. of Shares	%	No. of Shares	%

Proposed Shareholders' Mandate for Recurrent Related Party Transactions.	66,771,609	100	-	-
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The Chairman declared that Ordinary Resolution 6 was carried. Accordingly, it was unanimously RESOLVED:-

“THAT subject always to the Companies Act 2016, the Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries, to enter and give effect to the recurrent related party transactions of a revenue or trading nature (hereinafter to be referred to as “Recurrent Transactions”) with the Related Parties as stated in Section 2.3 of the Circular to Shareholders dated 28 April 2017 which are necessary for the day-to-day operations of the Company and its subsidiaries subject further to the following:-

- (iii) the Recurrent Transactions contemplated are in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public, and are not to the detriment of the minority shareholders of the Company; and
- (iv) disclosure will be made in the Annual Report of the breakdown of the aggregate value of the Recurrent Transactions conducted pursuant to the Shareholders' Mandate during the financial year on the type of Recurrent Transactions made, the names of the related parties involved in each type of Recurrent Transactions and their relationships with the Company.

AND THAT the approval is subject to annual renewal and shall only continue to be in force until:-

- (d) the conclusion of the next Annual General Meeting of the Company following the Eighth Annual General Meeting of the Company at which the Shareholders' Mandate will be tabled;
- (e) the expiration of the period within which the next Annual General Meeting of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (f) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts and things to give full effect to the Recurrent Transactions contemplated

and/or authorised by this resolution, as the Directors of the Company, in their absolute discretion, shall deem fit.”

CONCLUSION

There being no other business to be transacted, the Meeting concluded at 1.50 p.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

CHAIRMAN