

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of TURBO-MECH BERHAD (the “Company”) will be 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, 21 May 2018 at 9:00 a.m. for the following purposes:-

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2017 together with the Reports of the Directors and Auditors thereon.
(Note 7)
2. To approve a final single-tier dividend of 1.0 sen per ordinary share for the financial year ended 31 December 2017.
(Ordinary Resolution 1)
3. To re-elect Ms Chan Bee Eie who retires by rotation in accordance with the Articles of Association of the Company.
(Ordinary Resolution 2)
4. To re-elect Encik Azhar Bin Mohamad who retires by rotation in accordance with the Articles of Association of the Company.
(Ordinary Resolution 3)
5. To approve the payment of Directors’ fees and benefits payable to Directors totalling RM127,000/- for the financial year ended 31 December 2017.
(Ordinary Resolution 4)
6. To approve the Directors’ fees and benefits payable of up to RM160,000/- to Directors for the financial year ending 31 December 2018 and up to the date of the next Annual General Meeting, to be paid monthly in arrears.
(Ordinary Resolution 5)
7. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration.
(Ordinary Resolution 6)

As Special Business

To consider and, if thought fit, with or without any modification, to pass the following resolutions:-

8. Authority to Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

“THAT pursuant to Sections 75 and 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 7)

9. Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (“Proposed Renewal of Shareholders’ Mandate”)

“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 20 April 2018 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 Proposed Renewal of 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 Ninth Annual General Meeting of the Company at which the Proposed Renewal of 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 earliest.

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 Proposed Renewal of Shareholders’ Mandate, as the Directors of the Company, in their absolute discretion, shall deem fit.”

(Ordinary Resolution 8)

10. Proposed Adoption of New Constitution of the Company

“THAT the proposed adoption of a new Constitution of the Company, details as set out in Part B of the Circular to Shareholders dated 20 April 2018, be and is hereby approved in substitution for and to the exclusion of the whole of the existing Memorandum and Articles of Association of the Company thereof.”
(Special Resolution)

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT a final single-tier dividend of 1.0 sen per ordinary share for the financial year ended 31 December 2017, if approved, will be paid on 27 June 2018. The entitlement date for the payment is 6 June 2018.

A depositor shall qualify for entitlement only in respect of:-

- a. Shares transferred into the Depositor’s Securities Accounts before 4.00 p.m. on 6 June 2018 in respect of transfer; and
- b. Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

Tai Yit Chan (MAICSA 7009143)
Chan Yoke Peng (MAICSA 7053966)

Company Secretaries

Selangor Darul Ehsan
Date: 20 April 2018

NOTES:-

1. A member entitled to attend and vote is entitled to appoint not more than two (2) proxies. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment shall be invalid.
2. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account (“omnibus account”) as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
3. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
4. The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power or authority shall be deposited at the Company’s Share Registrar’s office at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. Any termination of a person’s authority to act as a proxy shall be notified in writing and received by the Company at the Registered Office before the commencement of this Meeting.
5. In respect of deposited securities, only members whose names appear on the record of Depositors on 11 May 2018 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his behalf.
6. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the Ninth Annual General Meeting will be put to vote by way of poll.
7. **To receive the Audited Financial Statements**
Agenda item no. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 (“the Act”) does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

EXPLANATORY NOTES ON SPECIAL BUSINESS

8. Ordinary Resolution 7 - Authority to Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Company had, during its Eighth Annual General Meeting (“AGM”) held on 22 May 2017, obtained its shareholders’ approval for the general mandate for issuance of shares pursuant to Section 76 of the Companies Act 2016 (“the Act”). The Company did not issue any shares pursuant to this mandate obtained.

Ordinary Resolution 7 proposed under item 8 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 10% of the total number of issued shares (excluding treasury shares, if any) of the Company for such purposes as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding investment project(s), working capital and/or acquisitions.

9. Ordinary Resolution 8 - Proposed Renewal of Shareholders’ Mandate

For further information on Ordinary Resolution 8, please refer to the Circular to Shareholders dated 20 April 2018 accompanying the Company’s Annual Report for the financial year ended 31 December 2017.

10. Special Resolution - Proposed Adoption of New Constitution of the Company

The proposed Special Resolution, if passed, will align the Constitution of the Company with the Companies Act 2016 which came into force on 31 January 2017, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and prevailing statutory and regulatory requirements as well as to enhance administrative efficiency and provide greater clarity and consistency throughout.

Details of which as set out in the Part B of the Circular to Shareholders dated 20 April 2018.