



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Fifth Annual General Meeting of Brem Holding Berhad ("Brem" or "the Company") will be held at Crown Hall, 1st Floor, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan on Monday, 29 August 2016, at 10.30 a.m. for the transaction of the following businesses:-

- To receive the Audited Financial Statements for the year ended 31 March 2016 together with the Reports of the Directors and the Auditors thereon.
(Refer Note 6(a))
- To declare a final dividend in respect of the year ended 31 March 2016 by way of share dividend on the basis of one (1) treasury share for every twenty-five (25) existing shares of RM0.50 each held in the Company, fractions of treasury shares to be disregarded.
(Resolution 1)
- To approve the payment of Directors' fees of RM105,000/- (2015: RM105,000/-) in respect of the year ended 31 March 2016.
(Resolution 2)
- To re-elect the following Directors who retire pursuant to the Company's Articles of Association and being eligible, offer themselves for re-election:-
 - Mr Sri Dato' Khoo Chai Kaa (Article 80) **(Resolution 3)**
b. Tan Wong Miow Song (Article 80) **(Resolution 4)**
- To consider and, if thought fit, pass the following resolution pursuant to Section 129 of the Companies Act, 1965:-
"That Dato' Hj. Abu Sujak bin Hj. Mahmud, retiring pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting."
(Resolution 5)
- To re-appoint Messrs. Baker Tilly Monteiro Heng as Auditors of the Company and to authorise the Directors to fix their remuneration.
(Resolution 6)
- As Special Business:-
To consider and, if thought fit, to pass the following Ordinary resolutions:-

a. Ordinary Resolution 1 (Resolution 7)
Authority To Allot Shares Pursuant To Section 132D Of The Companies Act, 1965

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company from time to time 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 percent (10%) of the issued share capital of the Company for the time being, subject always to the approvals of all the relevant regulatory bodies obtained for such allotment and issue and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

b. Ordinary Resolution 2 (Resolution 8)
Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT, subject to the Companies Act 1965 ("the Act"), the Memorandum and Articles of Association of the Company and Bursa Malaysia Securities Berhad Main Market Listing Requirements, a shareholder's mandate be and is hereby granted to the Company and/or its subsidiary companies to enter into and give effect to Recurrent Related Party Transactions of a revenue or trading nature with specified class of the Related Parties as stated in Part A - Section 2.4(a) of the Circular to Shareholders dated 29 July 2016 ("Circular") subject to the following:-

- the transactions are necessary for the Group's day-to-day operations and they are carried out in the ordinary course of business made on an arm's length basis and on normal commercial terms; and
- are on terms that are not more favourable to the Related Parties than those generally available to the public and not detrimental to minority shareholders of the Company;

AND THAT the authority conferred by this resolution shall continue to be in force until:-

- the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the AGM, the authority is renewed; or
- the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier, and disclosure will be made in the annual report of the aggregate value on the transactions conducted during the financial year pursuant to the shareholders' mandate;

AND FURTHER THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to this resolution."

c. Ordinary Resolution 3 (Resolution 9)
Proposed Renewal of Authority for Share Buy-Back

"THAT subject to the Companies Act, 1965 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares of RM0.50 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company PROVIDED THAT:-

- the aggregate number of ordinary shares of RM0.50 each in the Company which may be purchased and/or held by the Company shall not exceed ten per cent (10%) of the issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase, subject to a restriction that the issued and paid-up share capital of the Company does not fall below the applicable minimum share capital requirements of the Listing Requirements of Bursa Securities;
- the maximum funds to be allocated by the Company for the purpose of purchasing the shares shall not exceed the Company's latest audited retained profits and/or share premium account;
- the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:-
 - the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which this resolution was passed, at which time it shall lapse, unless by an ordinary resolution passed at the AGM, the authority is renewed, either unconditionally or subject to conditions; or
 - the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
 - revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first;

AND THAT the Directors of the Company be and are hereby authorised to cancel all the shares or any part thereof so purchased or to retain all the shares so purchased as treasury shares (of which may be distributed as dividends to shareholders and/or resold on Bursa Securities and/or subsequently cancelled), or to retain part of the shares so purchased as treasury shares and cancel the remainder, and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the aforesaid share buy-back with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company."

d. Ordinary Resolution 4 (Resolution 10)
Continuing In Office As Independent Non-Executive Director

"THAT approval be and is hereby given to Mr. Wong Miow Song who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

e. Ordinary Resolution 5 (Resolution 11)
Continuing In Office As Independent Non-Executive Director

"THAT subject to passing of Resolution No.5, approval be and is hereby given to Dato' Hj. Abu Sujak bin Hj. Mahmud who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

- To transact any other business for which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN that, subject to the approval of the shareholders at the Thirty-Fifth Annual General Meeting, the Share Dividend will be credited into the depositors' securities account on 17 October 2016 to depositors registered in the Record of Depositors on 30 September 2016.

A depositor shall qualify for entitlement to the final dividend only in respect of:-

- Shares transferred to the depositor's securities account before 4.00 p.m. on 30 September 2016 in respect of transfers; and
- Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board,

ANDREA HUONG JIA MEI (MIA 36347)
Company Secretary

Kuala Lumpur
29 July 2016

Notes:

- A member of the Company entitled to attend and vote at this meeting is entitled to appoint up to two proxies to attend, speak and vote instead of him/her. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. There shall be no restriction as to the qualification of the proxy.
- Where a member is an Exempt Authorised Nominee ("EAN") which holds ordinary 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 EAN may appoint in respect of each omnibus account it holds.
- 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 the officer or attorney duly authorised.
- The Form of Proxy must be deposited at the Company's Registered Office at 3rd Floor, BREM House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor not less than 48 hours before the time set for the meeting or any adjournment thereof.
- In respect of deposited securities, only members whose names appear on the Record of Depositors on 22 August 2016 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and vote on his behalf.
- Explanatory Notes on Ordinary and Special Business:-

a. Audited Financial Statements for financial year ended 31 March 2016

The audited financial statements are for discussion only under Agenda 1, as it does not require shareholders' approval under the provisions of Section 169(1) and (3) of the Companies Act, 1965. Hence, it will not be put for voting.

b. Resolution pursuant to Section 132D of the Companies Act, 1965

Resolution No. 7 proposed under item 7(a) is to seek a renewal of the general mandate for the issue of new ordinary shares pursuant to Section 132D of the Companies Act, 1965.

As at the date of this notice, no new shares in the Company were issued pursuant to the general mandate granted to the Directors at the last AGM held on 28 September 2015.

The proposed Resolution No. 7, if passed, will empower the Directors of the Company to issue and allot new shares in the Company at any time and for such purposes as the Directors considered would be in the interests of the Company up to an aggregate not exceeding 10% of the issued share capital of the Company without convening a general meeting. This authority unless revoked or varied at a general meeting will expire at the next AGM.

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

c. Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature

Resolution No. 8 proposed under item 7(b), if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions with related parties in the ordinary course of business which are necessary for the Group's day-to-day operations and are on terms not more favourable to the related parties than those generally available to the public and shall lapse at the conclusion of the next AGM unless authority for its renewal is obtained from the shareholders of the Company at a General Meeting. For further information, please refer to Part B of the Circular to Shareholders dated 29 July 2016, which is circulated together with this Annual Report.

d. Resolution No. 9 pursuant to Proposed Share Buy-Back

Resolution No. 9 proposed under item 7(c), if passed, will empower the Company to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company. This authority will, unless revoked or varied by the Company in General Meeting, expire at the next AGM. For further information, please refer to Part B of the Circular to Shareholders dated 29 July 2016, which is circulated together with this Annual Report.

e. Resolution No. 10 and 11

In line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, the Nomination Committee has assessed the independence of Mr. Wong Miow Song and Dato' Hj. Abu Sujak bin Hj. Mahmud, who have served as an Independent Non-Executive Directors of the Company for a cumulative term of more than nine years, and upon its recommendation, the Board of Directors has recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-

- Mr. Wong Miow Song and Dato' Hj. Abu Sujak bin Hj. Mahmud have fulfilled the criteria under the definition of Independent Director as stated in the Listing Requirements of Bursa Securities, and hence, they would be able to provide an element of objectivity, independent judgment and balance to the Board.
- Mr. Wong Miow Song's vast experience in the building construction and housing development works would enable him to provide the Board with relevant expertise, knowledge and independent judgment to properly evaluate corporate performance and contribute to the effective decision making of the Board. Being the Chairman of the Audit Committee, he has demonstrated that he has the qualities and competencies to enable him to ensure the effectiveness of the Audit Committee in providing independent, objective and effective oversight to the Board.
- Dato' Hj. Abu Sujak bin Hj. Mahmud, by virtue of his past experiences in corporate and administrative works in both private and government sectors, he helps to foster better relations with the local authorities and enhance the image of the company. Being a chairman of the Remuneration Committee, he has demonstrated his qualities and competencies to ensure the effectiveness of the Remuneration Committee.
- Both of them, having been with the Company for more than nine years, are familiar with the Group's business operations and have devoted sufficient time and attention to their professional obligations for informed and balanced decision making.
- Both have exercised due care during their tenure as Independent Non-Executive Directors of the Company and have carried out their professional duties in the interest of the Company and shareholders.

Resolution No. 10 proposed under item 7(d), if passed, will authorise Mr. Wong Miow Song to continue in office as an Independent Non-Executive Director of the Company.

Resolution No. 11 proposed under item 7(e), if passed, will authorise Dato' Hj. Abu Sujak bin Hj. Mahmud to continue in office as an Independent Non-Executive Director of the Company.