



ASIAN MICRO HOLDINGS LIMITED

COMPANY REGISTRATION No: 199701052K

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- (I) RECEIPT OF LISTING AND QUOTATION NOTICE;
 - (II) ACQUISITION OF PROPERTIES; AND
 - (III) ISSUE OF SHARES
-

1. INTRODUCTION

- 1.1 The Board of Directors (“**Board**”) of Asian Micro Holdings Limited (“**AMH**” or “**Company**”, and together with its subsidiaries, “**Group**”) refers to the Company’s announcement on 21 November 2017 (“**Announcement**”) in respect of the assignment agreement in relation to the proposed acquisition of properties (“**Acquisition**”).
- 1.2 The Board would like to provide shareholders with an update on the Acquisition as set out in paragraphs 2, 3 and 4 below.
- 1.3 Unless otherwise defined herein, all capitalised terms used herein shall have the same meaning ascribed to them in the Announcement.

2. RECEIPT OF LISTING AND QUOTATION NOTICE

The Board is pleased to announce that the SGX-ST has, by way of a listing and quotation notice (“**Notice**”) dated 7 December 2017, granted its approval for the listing and quotation of the Assignment Shares on the Catalist Board of SGX-ST.

The listing and quotation of the Assignment Shares is subject to compliance with the SGX-ST’s listing requirements.

The issue of the Notice by the SGX-ST is not to be taken as an indication of the merits of the Acquisition, the Assignment Shares, the Company, its subsidiaries and their securities.

3. ACQUISITION OF PROPERTIES

Separately, the Board wishes to announce that its subsidiary, Asian Micro Capital Sdn. Bhd. has on 7 December 2017 entered into SPAs with the Owners for the purchase of the Properties at the Purchase Consideration.

3.1 *Information on the Properties*

The Properties are freehold properties located at (i) No. 18-30-C, Gurney Tower, Persiaran Gurney; (ii) No. 18-30-D, Gurney Tower, Persiaran Gurney; (iii) No. 18-26-A3, Gurney Tower, Persiaran Gurney; and (iv) No.18-23-D, Gurney Tower, Persiaran Gurney. The legal possession of the Properties shall be delivered to Asian Micro Capital Sdn. Bhd. upon the completion of the Acquisition.

3.2 *Rationale for the Acquisition*

The Acquisition are in the best interest of the Group for the following reasons:

- (a) The Acquisition is in line with the Company's new core business and expansion strategy by creating new source of income through rental. The Properties will be able to consolidate the operations of the Group's rapidly growing business in Malaysia in a single centralised location.
- (b) The Acquisition will enable the Company to provide Shareholders with diversified returns through rental income and long-term growth.

3.3 *Purchase Consideration and Source of Funds*

The Purchase Consideration for the Acquisition was arrived on a willing buyer willing seller basis after arm's length negotiations and after taking into consideration various commercial factors including the location of the Properties and the recent transacted prices for comparable properties in the vicinity.

The Purchase Consideration has been / is to be paid in the following manner:

- (i) The prepayment being 1% of the Purchase Consideration was paid for each of the four Properties upon accepting the offer to purchase.
- (ii) The balance 10% of the Purchase Consideration less the prepayment being 1% having been paid as at the date of this announcement for each of the four Properties.
- (iii) The balance 90% of the Purchase Consideration shall be paid on completion of the sale and purchase of each of the four Properties.

Additionally, in accordance with the terms of the Agreement and as disclosed in the Announcement:

- (i) In consideration of the Assignment, the Company has agreed to pay to the Assignor a fixed fee agreed between the Company and the Assignor in respect of each Property. The aggregate fixed fee payable for the Properties is Ringgit Malaysia Two Hundred Two Thousand and Five Hundred (RM202,500) (or S\$65,672.13).
- (ii) In respect of each Property, the Company has agreed to reimburse the Assignor, the property agency fees paid by the Assignor in respect of such Property. The aggregate agency fee payable to the Assignor is Ringgit Malaysia Sixteen Thousand and Seventy Five (RM16,075).

(Collectively, together with the Purchase Consideration, "**Total Purchase Consideration**")

The Acquisition will be funded by bank borrowings with an established local Malaysian Bank and the Company's internal resources. The Board considers the Total Purchase Consideration to be reasonably within market expectation and the Acquisition is not expected to have any material impact on the financial resources of the Company.

3.4 *Principal Terms of the SPAs*

The Acquisition is subject to, *inter alia*, the following terms and conditions:-

- (a) the Owner shall deduce a registrable and marketable title to the said Property;
- (b) any defect in the title shall be perfected by and at the cost and expense of the Owner;

- (c) the said Property being free from all encumbrances and charges but subject to all conditions and restrictions expressed or implied in the issue document of title;
- (d) the benefit of any car park (if any) allocated to the Owner;
- (e) the Owner shall deliver legal possession of the said Property to the Asian Micro Capital Sdn. Bhd.;
- (f) the Owner producing the receipts for payment of the current quit rent, assessment, maintenance/service charges, sinking fund, sewerage charges and other outgoings (if any) due and payable in respect of the said Property and the current master fire insurance certificate or policy (if any);
- (g) the Owner shall give a statutory declaration confirming that he/they is/are not a bankrupt or in lieu a bankruptcy search to be conducted with the Malaysia Department of Insolvency and given to Asian Micro Capital Sdn. Bhd.'s solicitors;
- (h) that there is no pending suit, legal proceedings or claim against the Owner which may affect in any way the rights of the Owner to dispose of the said Property; and
- (i) that there is no outstanding notices, requirements or schemes from any federal, state, local government authority or statutory board of Malaysia which have been served on the Owner and which will or may prejudicially or adversely affect the present or continued use and enjoyment by the Owner or Asian Micro Capital Sdn. Bhd. or their heirs personal representatives successors in title or to any onerous charge or liability.

3.5 *Financial Effects of the Acquisition*

The effects of the Acquisition on the Group's earnings per share ("**EPS**") and net tangible assets ("**NTA**") per share prepared based on the latest audited consolidated financial statements of the Group for the financial year ended 30 June 2017 are set out below.

For the purpose of illustrating the financial effects of the Acquisition, the following pro-forma financial effects are based on the assumptions that the Acquisition had been completed on 1 July 2016 for illustrating the financial effects on the EPS of the Group; and on 30 June 2017 for illustrating the financial effects on the NTA per share of the Group.

3.5.1 NTA per Share

	Before the Acquisition	After the Acquisition
NTA (S\$'000)	1,963	2,081
Number of issued shares in the capital of the Company ("Shares")('000)	627,383	637,200
NTA per Share (S\$ cents)	0.31	0.33

3.5.2 EPS

	Before the Acquisition	After the Acquisition
Net loss after tax (S\$'000)	(539)	(549)
Weighted average number of issued Shares ('000)	627,383	637,200
Loss per Share (S\$ cents)	(0.09)	(0.09)

3.6 *Relative Figures under Rule 1006 of the SGX-ST Listing Manual Section B: Rules of Catalist (“Catalist Rules”)*

Based on the latest audited consolidated financial statements of the Group for the financial year ended 30 June 2017 announced by the Company on 3 October 2017, the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:-

Rule 1006	Bases	Relative Figures (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group’s net asset value.	Not applicable
(b)	The net profits attributable to the assets acquired, compared with the Group’s net profits.	Not applicable ⁽¹⁾
(c)	The aggregate value of the consideration given or received, compared with the Company’s market capitalisation based on the total number of issued shares excluding treasury shares.	8.58% ⁽²⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	1.56% ⁽³⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group’s proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable

Notes:

- (1) Not applicable as there are no profits attributable to the Properties.
- (2) The Total Purchase Consideration of RM1,826,075 for the Acquisition is 8.58% of the Company’s market capitalisation as at 6 December 2017. The market capitalisation of the Company is based on the total number of shares excluding treasury shares of 627,383,061 multiplied by the volume weighted average price of S\$0.011 on 6 December 2017 being the last traded market day preceding the date of this announcement.
- (3) The Assignment Shares of 9,817,035 new Shares represent approximately 1.56% of the Company’s issued share capital of 627,383,061 Shares as at the date of this announcement.

As the relative figures under Catalist Rule 1006(c) are more than 5% but less than 75%, the Acquisition constitutes a discloseable transaction.

3.7 *Further Information*

None of the directors or the controlling shareholder of the Company has any interest, direct or indirect, in the Acquisition.

No person is proposed to be a director of the Company in connection with the Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

3.8 *Documents Available for Inspection*

The SPAs are available for inspection during normal business hours at the Company's registered office at 63 Hillview Avenue, #08-01 Lam Soon Industrial Building, Singapore 669569 for three months from the date of this announcement.

4. **ISSUE OF SHARES**

In accordance with the terms of the Agreement, the Company shall be required to issue 4,344,359 Shares to the Assignor, which is equivalent to the prepayments made by the Assignor to the Owners of the Properties, within seven (7) days from the date of execution of the SPAs.

The Company will make a further announcement to update shareholders when the issuance and allotment of the 4,344,359 Shares has been completed.

5. **RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries that to the best of their knowledge and belief, the announcement constitutes full and true disclosure of all material facts about the Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

6. **CAUTIONARY STATEMENT**

Shareholders should note that there is no certainty or assurance as at the date of this announcement that Assignment or the acquisition of any or all of the Properties will be completed, or that no changes will be made to the terms thereof. Accordingly, Shareholders are advised to exercise caution when trading in the Shares. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

By Order of the Board

Lim Kee Liew @ Victor Lim
Executive Chairman, Chief Executive Officer and Group Managing Director
7 December 2017

*The announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), RHT Capital Pte.Ltd. for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of the Announcement including the correctness of any of the figures used, statements or opinions made.*

The announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of the Announcement including the correctness of any of the statements or opinions made or reports contained in the announcement.

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