

CIRCULAR DATED 7 OCTOBER 2022

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

This Circular has been made available on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> and the Company's website at the following URL: <http://asianmicro.listedcompany.com/>. **A printed copy of this Circular will NOT be despatched to Shareholders.**

If you have sold or transferred your shares ("**Shares**") in the capital of ASIAN MICRO HOLDINGS LIMITED ("**Company**") you need not forward this Circular, the enclosed Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer of Shares was effected as this Circular, the Notice of Extraordinary General Meeting and the accompanying Proxy Form may be accessed at the available on SGXNet and the Company's website. If you have sold or transferred all your Shares represented by physical share certificate(s), you should immediately inform the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer of Shares was effected, that this Circular, the Notice of EGM and the accompanying Proxy Form may be accessed at the available on SGXNet and the Company's website.

The contents of this Circular have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The contact person for the Sponsor is Ms Bao Qing, Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com.

The Company will submit an application for a Listing and Quotation Notice (as defined herein) through the Sponsor, and will make the necessary announcement upon receipt of the approval from the SGX-ST of the Listing and Quotation Notice. The Listing and Quotation Notice (as defined herein), if and when received from the SGX-ST, is not to be taken as an indication of the merits of the Conversion Shares (as defined herein), the Employee Bonus Shares (as defined herein), the Proposed Debt Capitalisation (as defined herein), the Proposed Employee Share Issue (as defined herein), the Company, its subsidiaries and their securities.

This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this document.



ASIAN MICRO HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199701052K)

CIRCULAR TO SHAREHOLDERS

in relation to

- (I) THE PROPOSED CONVERSION OF PARTICIPATING DEBTS INTO NEW SHARES OF THE COMPANY AT THE ISSUE PRICE OF S\$0.0061 PER SHARE AND THE ISSUE OF AN AGGREGATE 40,349,506 NEW SHARES TO THE PARTICIPATING CREDITORS, BEING DIRECTORS AND/OR CONTROLLING SHAREHOLDERS (THE "PROPOSED DEBT CAPITALISATION"); AND**
- (II) THE PROPOSED ALLOTMENT AND ISSUANCE OF 7,965,720 NEW SHARES AT AN ISSUE PRICE OF S\$0.0061 PER SHARE IN SETTLEMENT OF BONUS TO BE GRANTED TO RELEVANT EMPLOYEES (THE "PROPOSED EMPLOYEE SHARE ISSUE")**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	23 October 2022 at 10.30 a.m.
Date and time of EGM	:	25 October 2022 at 10.30 a.m. (or as soon as practicable following the conclusion or adjournment of the Company's Annual General Meeting to be held on the same day at 10.00 a.m.)
Place of EGM	:	Orchid Country Club, Sapphire III & IV 1 Orchid Club Road, Singapore 769162

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context requires otherwise or unless otherwise stated:

- “ACI Industries”** : Has the meaning ascribed to it in Section 1.1.1
- “ACI Salary”** : Has the meaning ascribed to it in Section 2.1(b)
- “AM NGV”** : Has the meaning ascribed to it in Section 1.1.1
- “AM NGV Salary”** : Has the meaning ascribed to it in Section 2.1(c)
- “American Converters”** : American Converters Industries Pte Ltd, a company jointly owned by Mr Victor Lim and Mdm Leong
- “Associates”** : (a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its Subsidiary or holding company or is a Subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more
- "Board"** : The board of Directors of the Company as at the date of this Circular or from time to time, as the case may be
- “Bonus Conversion Price”** : Has the meaning ascribed to it in Section 1.1.2

DEFINITIONS

“Catalist Board”	:	The sponsor-supervised listing platform of the SGX-ST
“Catalist Rules”	:	Section B: Catalist Rules of the Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Chairman of the EGM”	:	The chairman of the EGM
“Circular”	:	This circular dated 7 October 2022
“Code”	:	The Singapore Code on Take-overs and Mergers
“Companies Act”	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
“Company”	:	Asian Micro Holdings Limited
“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly 15.0% or more of the nominal amount of all voting Shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over the Company
“Conversion Share”	:	An aggregate 40,349,506 new Shares, fully paid, to be allotted and issued to the Participating Creditors and/or their respective nominees pursuant to the conversion of the Participating Debts subject to and in accordance with the Debt Capitalisation Agreement
“Debt Capitalisation Announcement”	:	Means the Company’s announcement dated 14 March 2022 relating to the Proposed Debt Capitalisation, details of which are set out in Section 1.1.1
“Debt Capitalisation Agreement”	:	Has the meaning ascribed to it in Section 1.1.1

DEFINITIONS

“Debt Conversion Price”	:	Has the meaning ascribed to it in Section 1.1.1
“Director”	:	A director of the Company as at the date of this Circular or from time to time, as the case may be
“EGM”	:	The extraordinary general meeting of the Company to be convened and held, notice of which is set out in this Circular
“Employee Bonus Shares”	:	Has the meaning ascribed to it in Section 1.1.2
“Enlarged Share Capital”	:	The issued and paid-up capital of the Company as recorded in the Company’s accounting books upon completion of the Proposed Debt Capitalisation and the Proposed Employee Share Issue of S\$47,404,400 comprising of 1,606,560,021 Shares
“Existing Share Capital”	:	The issued and paid-up share capital of the Company as recorded in the Company’s accounting books at the Latest Practicable Date of S\$47,109,700 comprising 1,558,244,795 Shares
“FY2022”	:	The financial year ended 30 June 2022
“Group”	:	The Company and its subsidiaries collectively
“Latest Practicable Date”	:	6 October 2022, being the latest practicable date prior to the issue of this Circular
“Listing and Quotation Notice”	:	A listing and quotation notice to be issued by the SGX-ST pursuant to the Catalist Rules in connection with the listing and quotation of the Conversion Shares and/or the Employee Bonus Shares, as the case may be
“LKL Salary”	:	Has the meaning ascribed to it in Section 2.1(a)
“LPS”	:	Loss per Share
“Market Day”	:	A day on which the SGX-ST is open for securities trading
“Mdm Leong”	:	Has the meaning ascribed to it in Section 1.1.1
“Mr Ng”	:	Has the meaning ascribed to it in Section 1.1.1

DEFINITIONS

“Mr Victor Lim”	:	Has the meaning ascribed to it in Section 1.1.1
“NCW Bonus”	:	Has the meaning ascribed to it in Section 2.1(d)
“Notice of EGM”	:	The notice of EGM which is set out on page N-1 of this Circular
“Novation”	:	Has the meaning ascribed to it in Section 2.2.1
“NTA”	:	Net tangible asset
“Ordinary Resolutions”	:	The ordinary resolutions in relation to the Proposed Debt Capitalisation and/or the Proposed Employee Share Issue, as the case may be
“Participating Creditors”	:	Has the meaning ascribed to it in Section 1.1.1
“Participating Debts”	:	Has the meaning ascribed to it in Section 2.1
“Proposed Debt Capitalisation”	:	Has the meaning ascribed to it in Section 1.1.1
“Proposed Employee Share Issue”	:	The proposed allotment and issuance of the Employee Bonus Shares as described in Section 1.1.2
“Proxy Form”	:	The proxy form in respect of the EGM set out in this Circular
“Register of Members”	:	The register of members of the Company
“Relevant Employees”	:	Has the meaning ascribed to it in Section 1.1.2
“Restricted Persons”	:	Has the meaning ascribed to it in Section 1.2.1
“S\$” and “cents”	:	Singapore dollars and cents, the official currency of Singapore
“Securities Account”	:	A securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
“Securities and Futures Act”	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time

DEFINITIONS

“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shares”	:	Ordinary shares in the capital of the Company
“Shareholders”	:	Registered holders of the Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP whose Securities Accounts are credited with those Shares
“Sponsor”	:	The continuing sponsor of the Company, RHT Capital Pte. Ltd.
“Substantial Shareholder”	:	A person who has an interest or interests in one or more voting shares in the Company, and the total votes attached to that share, or those shares, is not less than 5.0% of the total votes attached to all the voting shares of the Company
“Supplemental Deed”	:	Has the meaning ascribed to it in Section 1.1.3
“Ultraline”	:	Ultraline Technology (S) Pte Ltd, a company jointly owned by Mr Victor Lim and Mdm Leong
“VWAP”	:	The total value of transactions in Shares (for each transaction, the price multiplied by volume) for a Market Day divided by the volume transacted for that Market Day.

Any term defined under the Companies Act, the Securities and Futures Act or the Catalist Rules, or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the Securities and Futures Act or the Catalist Rules, or such modification thereof, as the case may be, unless otherwise provided. Without limiting the generality of the foregoing:

- The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the respective meanings ascribed to them in Section 81SF of the Securities and Futures Act.
- The term **“subsidiary”** shall have the meaning ascribed to it in the Companies Act.
- The terms **“entity at risk”**, **“interested person”**, **“interested person transaction”** and **“transaction”** shall have the meaning ascribed to it in Rule 904 of the Catalist Rules.

DEFINITIONS

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Save where the context otherwise permits, any reference in this Circular to “**Rule**” or “**Chapter**” is a reference to the relevant rule or chapter in the Catalist Rules.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

References to persons shall, where applicable, include corporations.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated. Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any discrepancies in figures included in this Circular between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

ASIAN MICRO HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199701052K)

Directors

Cheah Wee Teong (Independent Non-Executive Chairman)
Lim Kee Liew @ Victor Lim (Chief Executive Officer and Group Managing Director)
Ng Chee Wee (Executive Director and Chief Financial Officer)
Chue Wai Tat (Lead Independent Director)
Lee Teck Meng Stanley (Independent Director)

Registered Office

63 Hillview Avenue
#08-01
Lam Soon Industrial Building
Singapore 669569

7 October 2022

To: The Shareholders of Asian Micro Holdings Limited

Dear Sir / Madam,

- (I) **THE PROPOSED CONVERSION OF PARTICIPATING DEBTS INTO NEW SHARES OF THE COMPANY AT THE ISSUE PRICE OF S\$0.0061 PER SHARE AND THE ISSUE OF AN AGGREGATE 40,349,506 NEW SHARES TO THE PARTICIPATING CREDITORS, BEING DIRECTORS AND/OR CONTROLLING SHAREHOLDERS (THE “PROPOSED DEBT CAPITALISATION”); AND**
- (II) **THE PROPOSED ALLOTMENT AND ISSUANCE OF 7,965,720 NEW SHARES AT AN ISSUE PRICE OF S\$0.0061 PER SHARE IN SETTLEMENT OF BONUS TO BE GRANTED TO RELEVANT EMPLOYEES (THE “PROPOSED EMPLOYEE SHARE ISSUE”)**

1. **INTRODUCTION**

1.1 **Background of the Proposed Debt Capitalisation and the Proposed Employee Share Issue**

- 1.1.1 On 14 March 2022, the Company announced that it had entered into a conditional novation and debt capitalisation agreement (“**Debt Capitalisation Agreement**”) with ACI Industries Pte Ltd (“**ACI Industries**”), AM NGV (S) Pte Ltd (“**AM NGV**”), Mr Lim Kee Liew @ Victor Lim (“**Mr Victor Lim**”), Mdm Leong Lai Heng (“**Mdm Leong**”) and Mr Ng Chee Wee (“**Mr Ng**”) (Mr Victor Lim, Mdm Leong and Mr Ng being collectively referred to as the “**Participating Creditors**”) for, *inter alia*, the proposed capitalisation and conversion of the Participating Debts into 40,349,506 new Shares (“**Conversion Shares**”) at the conversion price of S\$0.0061 per Conversion Share (“**Debt Conversion Price**”), such Conversion Shares to be issued and allotted to the Participating Creditors (“**Proposed Debt Capitalisation**”).

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- 1.1.2 Separately, in the same announcement referred to in Section 1.1.1 above, the Company stated that the Company intends to pay bonuses to certain employees (“**Relevant Employees**”), which will be settled by way of issuance of Shares. Following the said announcement, the Company intends to pay bonuses aggregating S\$48,591 to the Relevant Employees, such bonus to be settled by way of issuance of an aggregate 7,965,720 new Shares (“**Employee Bonus Shares**”) at an issue price of S\$0.0061 per Employee Bonus Share (“**Bonus Conversion Price**”).
- 1.1.3 On 13 September 2022, the Company, ACI Industries, AM NGV and the Participating Creditors entered into a supplemental deed (“**Supplemental Deed**”) pursuant to which the long stop date for the fulfilment of the conditions precedent to the Proposed Debt Capitalisation under the Debt Capitalisation Agreement was extended to 31 December 2022. For more details on the conditions precedent, please refer to Section 2.2.4 of this Circular.

1.2 EGM

1.2.1 Restriction on issuance of Shares to Restricted Persons

Under Rule 812(1) of the Catalist Rules, an issue of shares must not be placed to:

- (a) an issuer’s directors and substantial shareholders;
- (b) immediate family members of the directors and substantial shareholders;
- (c) substantial shareholders, related companies (as defined in Section 6 of the Companies Act), associated companies and sister companies of the issuer’s substantial shareholders; and
- (d) corporations in whose shares the issuer’s directors and substantial shareholders have an aggregate interest of at least 10.0%, unless specific shareholders’ approval for such an issue is obtained,

(collectively, the “**Restricted Persons**”).

As at the Latest Practicable Date, and as at the date of the Debt Capitalisation Agreement:

- (i) each of Mr Victor Lim and Mdm Leong is a Substantial Shareholder of the Company; and
- (ii) each of Mr Victor Lim and Mr Ng is a Director of the Company.

Accordingly, Shareholders’ approval is required for the issue and allotment of the Conversion Shares as per Rule 812(1) of the Catalist Rules.

None of the Relevant Employees is a Restricted Person under Rule 812(1) of the Catalist Rules.

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1.2.2 The Proposed Debt Capitalisation as an interested person transaction

Pursuant to Rule 915(8) of the Catalist Rules, interested person transactions relating to director's fees and remuneration and employment remuneration are not required to comply with, *inter alia*, Rule 906 of the Catalist Rules. As such, the LKL Salary, the ACI Salary, AM NGV Salary and NCW Bonus payable to the Participating Creditors, and the capitalisation thereof pursuant to the Proposed Debt Capitalisation, do not require approval of Shareholders as interested person transactions.

1.2.3 In view of paragraph 1.2.1, the Directors propose to convene the EGM at Orchid Country Club, Sapphire III & IV, 1 Orchid Club Road, Singapore 769162, on 25 October 2022 at 10.30 a.m. (or as soon as practicable following the conclusion or adjournment of the Company's Annual General Meeting to be held on the same day at 10.00 a.m.) to seek Shareholders' approval for the Proposed Debt Capitalisation. In conjunction with the approval sought for the Proposed Debt Capitalisation, the Directors also propose to convene the EGM to seek Shareholders' approval for the Proposed Employee Share Issue.

1.3 **Purpose of this Circular**

The purpose of this Circular is to explain the rationale for, and to provide Shareholders with the relevant information in connection with the Ordinary Resolutions to be tabled at the EGM, and to seek Shareholders' approval for the resolution relating to the same. This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than the Shareholders) or for any other purpose.

The SGX-ST assumes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.

1.4 **Legal Adviser**

Donaldson & Burkinshaw LLP is the legal adviser to the Company as to Singapore law in relation to the Proposed Debt Capitalisation and the Proposed Employee Share Issue.

2. **THE PROPOSED DEBT CAPITALISATION**

2.1 **The Participating Debts**

As at the date of the Debt Capitalisation Agreement, an aggregate amount of S\$246,132 comprising the following is owed to the Participating Creditors:

- (a) S\$79,568 as salary due from the Company to Mr Lim ("**LKL Salary**");
- (b) S\$57,282 as salary due from ACI Industries to Mdm Leong ("**ACI Salary**");
- (c) S\$75,282 as salary due from AM NGV to Mdm Leong ("**AM NGV Salary**"); and

LETTER TO SHAREHOLDERS

- (d) S\$34,000 as bonus declared by and due from the Company to Mr Ng ("**NCW Bonus**"),
(collectively referred to herein as the "**Participating Debts**").

2.2 Principal terms of the Debt Capitalisation Agreement

2.2.1 Novation

Pursuant to the terms of the Debt Capitalisation Agreement, the ACI Salary and the AM NGV Salary owed by ACI Industries and AM NGV, respectively, shall be novated to the Company, and the Company shall be substituted in the place of ACI Industries and AM NGV as debtor in respect of the ACI Salary and the AM NGV Salary ("**Novation**").

2.2.2 Conversion

The Participating Debts owed by the Company to each Participating Creditor shall be convertible (in whole but not in part) into a relevant number of Conversion Shares at the Conversion Price. Following Novation, based on the relevant Participating Debt owed to each Participating Creditor by the Company, the number of Conversion Shares to be issued and allotted to each Participating Creditor shall be as follows:

- (i) 13,043,934 Conversion Shares to Mr Victor Lim;
- (ii) 21,731,802 Conversion Shares to Mdm Leong; and
- (iii) 5,573,770 Conversion Shares to Mr Ng.

The Conversion Shares represents approximately 2.59% of the Existing Share Capital. After the completion of the Proposed Debt Capitalisation and the Proposed Employee Share Issue, the Conversion Shares will represent approximately 2.51% of the Enlarged Share Capital.

For more information on the shareholding of the Participating Creditors following completion of the Proposed Debt Capitalisation, please refer to Section 7 of this Circular.

The Conversion Shares shall be issued unencumbered and free from any security interests, claims (including pre-emptive rights) or liens and will be freely transferable and shall rank *pari passu* in all respects with all other then existing Shares, except that such Conversion Shares shall not be entitled to any dividends, rights, allotments or other distributions, the record date of which is before the date of allotment of the Conversion Shares, and will be admitted to listing on Catalist Board.

2.2.3 Conversion Price

The Conversion Price is S\$0.0061 which represents the VWAP for trades done for Shares on the Catalist Board on 14 March 2022, being the last trading day Shares were traded on the Catalist Board and the date of the Debt Capitalisation Agreement.

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The Conversion Price was agreed upon between the Company and the Participating Creditors based on arms' length negotiations and taking into consideration the financial performance and condition and cash flow generation abilities of the Group and the desire of the Group to alleviate its debt burden as well as the support of the Participating Creditors for the Group's future development.

2.2.4 Conditions Precedent

The obligations of the parties under the Debt Capitalisation Agreement are subject to the fulfilment of the following conditions precedent:

- (a) the Company obtaining Shareholders' approval at an extraordinary general meeting for the allotment and issue of the Conversion Shares pursuant to the terms of the Debt Capitalisation Agreement;
- (b) the Company obtaining approval from the SGX-ST for the listing and quotation of the Conversion Shares on Catalist, such approval not being revoked or amended, and if any conditions are attached to the approval, such conditions having been fulfilled on or before that date to the satisfaction of the SGX-ST or waived by the SGX-ST;
- (c) the allotment, issue, listing and quotation of the Conversion Shares not being prohibited by any applicable laws or regulations; and
- (d) the warranties contained in the Debt Capitalisation Agreement being true, complete and accurate in all respects.

The Company shall use its reasonable endeavours to procure the fulfilment of all the conditions precedent referred to above. The long stop date for the fulfilment of the conditions precedent set out in the Debt Capitalisation Agreement (and as varied by the Supplemental Deed) is 31 December 2022.

The Company will submit an application for a Listing and Quotation Notice for the Conversion Shares through the Sponsor, and will make the necessary announcement upon receipt of the approval from the SGX-ST of the Listing and Quotation Notice. The Listing and Quotation Notice, if and when received from the SGX-ST, is not to be taken as an indication of the merits of the Proposed Debt Conversion, the Conversion Shares, the Company, its subsidiaries and their securities.

2.2.5 Directors' confirmation

The Proposed Debt Capitalisation will not result in any new cash proceeds for the Company. The Directors are of the opinion that, after taking into consideration the present bank facilities, internal resources and operating cashflow, the working capital available to the Group is sufficient to meet its present requirements.

LETTER TO SHAREHOLDERS

2.2.6 Rule 14 of the Code

The Participating Creditors and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Code if, as a result of the Proposed Debt Capitalisation, the voting rights of the Participating Creditors and their persons acting in concert with them (as further elaborated under the Code) would increase to 30.0% or more, or, in the event that such Participating Creditors and their concert parties hold between 30.0% and 50.0% of the Company's voting rights, the voting rights of such Participating Creditors and their concert parties would increase by more than 1.0% in any period of six (6) months.

As at the Latest Practicable Date, Mr Victor Lim, Mdm Leong and parties acting in concert with them, namely American Converters and Ultraline (each a company jointly owned by Mr Victor Lim and Mdm Leong), Ms Lin Meijuan Sophia, Mr Lin Xianglong Winchester, Ms Lin Meiyu Dina and Ms Lin Meiyi Sophie (children of Mr Victor Lim and Mdm Leong) hold, directly or indirectly, in aggregate of more than 50.0% of the Existing Share Capital. Accordingly, the Proposed Debt Capitalisation will not result in any of Mr Victor Lim and Mdm Leong and parties acting in concert with them incurring an obligation to make a mandatory take-over offer under Rule 14 of the Code.

3. THE PROPOSED EMPLOYEE SHARE ISSUE

3.1 **The Employee Bonus Shares**

The Company intends to pay bonuses aggregating S\$48,591 to the Relevant Employees, such bonus to be settled by way of issuance of an aggregate 7,965,720 Employee Bonus Shares at the Bonus Conversion Price of S\$0.0061 per Employee Bonus Share.

The Employee Bonus Shares represents approximately 0.51% of the Existing Share Capital. After the completion of the Proposed Debt Capitalisation and Proposed Employee Bonus Issue, the Employee Bonus Shares will represent approximately 0.50% of the Enlarged Share Capital.

3.2 **Bonus Conversion Price**

The Bonus Conversion Price is S\$0.0061 which represents the VWAP for trades done for Shares on the Catalist Board on 14 March 2022 ("**Relevant VWAP**"), being the last trading day Shares were traded on the Catalist Board and the date of the Relevant Employees were issued the letters setting out their bonus entitlement.

3.3 **Ranking**

The Employee Bonus Shares shall be issued unencumbered and free from any security interests, claims (including pre-emptive rights) or liens and will be freely transferable and shall rank *pari passu* in all respects with all other then existing Shares, except that such Employee Bonus Shares shall not be entitled to any dividends, rights, allotments or other distributions, the record date of which is before the date of allotment of the Employee Bonus Shares, and will be admitted to listing on the Catalist Board.

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3.4 Listing and Quotation

The Company will submit an application for a Listing and Quotation Notice for the Employee Bonus Shares through the Sponsor, and will make the necessary announcement upon receipt of the approval from the SGX-ST of the Listing and Quotation Notice. The Listing and Quotation Notice, if and when received from the SGX-ST, is not to be taken as an indication of the merits of the Proposed Employee Bonus Issue, the Employee Bonus Shares, the Company, its subsidiaries and their securities.

3.5 Directors' confirmation

The Proposed Employee Share Issue will not result in any new cash proceeds for the Company. The Directors are of the opinion that, after taking into consideration the present bank facilities, internal resources and operating cashflow, the working capital available to the Group is sufficient to meet its present requirements.

4. RATIONALE FOR THE PROPOSED DEBT CAPITALISATION AND THE PROPOSED EMPLOYEE BONUS ISSUE

As at 30 June 2022, the Group has Shareholders' funds amounting to approximately S\$2,325,000 and total borrowings (including salaries and bonuses) of approximately S\$350,000 and a working capital of approximately S\$1,893,000.

The Group's financial announcement for the six months and full year ended 30 June 2022 released to the SGX-ST on 18 August 2022 provided that the Group expects the operating business environment in the next 12 months to remain challenging due to global economic uncertainties arising from COVID-19 and outbreak of war between Russia and Ukraine. In the same financial announcement, the Group stated that it continues its focus on operational efficiency, cost control, cash conservation and ensuring sustainability of its existing businesses.

In view of the foregoing, the Board is of the opinion that the allotment and issuance of the Conversion Shares and the Employee Bonus Shares would be in the interest of the Group, as it would allow the Group to maintain its financial position and free the Group's cash flow, so that the Group's cash can be used for other purpose and contingencies.

The Board is also of the opinion that the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue would allow the Group to apply more of its cash flow towards its ongoing operations or other opportunities instead of being committed towards debt servicing and repayment.

The Proposed Debt Capitalisation is also a show of confidence by the Participating Creditors in the future plans, viability and anticipated performance of the Group. On the other hand, the monetary value of the Employee Bonus Shares (based on the Bonus Conversion Price) is equivalent to a 13th month annual wage supplement to each Relevant Employee. The Group's Remuneration Committee is of the view that the Proposed Employee Bonus Issue is in line with market and industry practice of granting annual wage supplements, and that it is in the interest of the Group to pay out such bonus to retain and incentivise the Relevant Employees.

LETTER TO SHAREHOLDERS

5. PRO FORMA FINANCIAL EFFECTS

5.1 **Basis and assumptions**

The financial effects of the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue on the Group are for illustrative purposes only and do not reflect either the actual financial effects of the Proposed Debt Capitalisation and/or the Proposed Employee Bonus Issue on the Group or the future financial performance and/or position of the Group immediately following the completion of the Proposed Debt Capitalisation and/or the Proposed Employee Bonus Issue.

For illustrative purposes only, the financial effects of the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue have been prepared based on the Group's latest audited financial statements for FY2022, and based on the following assumptions:

- (a) the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue had been completed on 30 June 2022 for the purposes of illustrating the financial effects on NTA per share of the Group;
- (b) the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue had been completed on 1 July 2021 for the purposes of illustrating the financial effects on the LPS of the Group; and
- (c) the NTA per Share and LPS before and after the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue are computed based on ordinary shares in issue of 1,558,244,795 Shares and the weighted average number of ordinary shares in issue of 1,558,244,795 Shares, as at the Latest Practicable Date.

5.2 **Capital**

As at the Latest Practicable Date, the Existing Share Capital of the Company is S\$47,109,700 comprising 1,558,244,795 Shares. Upon completion of the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue, the issued and paid-up share capital of the Company (before deducting capitalisation costs and as recorded in the Company's accounting books) will be increased to S\$47,404,400, comprising 1,606,560,021 Shares.

5.3 **NTA**

	Before the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue	After the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue
NTA (S\$'000)	2,325	2,620
NTA per Share (Singapore cents)	0.15	0.16

LETTER TO SHAREHOLDERS

5.4 LPS

	Before the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue	After the Proposed Debt Capitalisation and the Proposed Employee Bonus Issue
Loss after tax attributable to shareholders of the Company (S\$'000)	(173)	(173)
LPS (Singapore cents)	(0.011)	(0.011)

6. **AUTHORITY TO ALLOT AND ISSUE THE CONVERSION SHARES AND THE EMPLOYEE BONUS SHARES**

6.1 **The Conversion Shares**

6.1.1 Allotment and Issuance of Shares to Restricted Persons

Pursuant to Rules 812(1) and (2) of the Catalist Rules, an issuer shall not place shares to Restricted Persons, including (a) the issuer's directors and substantial shareholders; and (b) immediate family members of the directors and substantial shareholders. Immediate family members include the spouse and child of the director and substantial shareholder.

6.1.2 **Details of Restricted Persons**

Mr Victor Lim is the Group's Chief Executive Officer and Group Managing Director. Mdm Leong is Mr Victor Lim's spouse. Each of Mr Victor Lim and Mdm Leong holds direct and deemed interest in 895,838,823 Shares, representing approximately 57.49% of the total issued share capital of the Company, and each of them is a Substantial Shareholder.

Separately, Mr Ng is the Group's Executive Director and Chief Financial Officer.

In view of the foregoing, each Participating Creditor is deemed a Restricted Person under Rule 812 of the Catalist Rules.

6.1.3 Shareholders' approval

In view of Rules 812(1) and 812(2) of the Catalist Rules, the allotment and issuance of the Conversion Shares pursuant to the Proposed Debt Capitalisation is subject to the approval of the Shareholders at the EGM. Accordingly, the Conversion Shares will be allotted and issued pursuant to the authority granted by shareholders of the Company by way of the Ordinary Resolutions 1 to 4 at the EGM.

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6.2 The Employee Bonus Shares

The allotment and issuance the Employee Bonus Shares will be allotted and issued pursuant to the authority to be sought from Shareholders at the EGM under Ordinary Resolution 5.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders, as at the Latest Practicable Date, the shareholding interests of the Directors and the Substantial Shareholders before and after completion of the Proposed Debt Capitalisation are set out below:

Directors	Before the Proposed Debt Capitalisation and the Proposed Employee Share Issue				After the Proposed Debt Capitalisation and the Proposed Employee Share Issue			
	Direct Interest (No. of Shares)	Deemed Interest (No. of Shares)	Total Interest		Direct Interest (No. of Shares)	Deemed Interest (No. of Shares)	Total Interest	
			No. of Shares	% of Existing Share Capital ⁽¹⁾			No. of Shares	% of Enlarged Share Capital ⁽²⁾
Mr Victor Lim ⁽³⁾	576,451,068	319,387,755	895,838,823	57.49	589,495,002	341,119,557	930,614,559	57.93
Mr Ng	28,477,586	-	28,477,586	1.83	34,051,356	-	34,051,356	2.12
Chue Wai Tat	-	-	-	-	-	-	-	-
Cheah Wee Teong	-	-	-	-	-	-	-	-
Lee Teck Meng Stanley ⁽⁴⁾	-	300,000	300,000	0.02	-	300,000	300,000	0.02
Substantial Shareholders								
Mdm Leong ⁽⁵⁾	319,387,674	576,451,149	895,838,823	57.49	341,119,476	589,495,083	930,614,559	57.93

Notes:

- (1) Based on 1,558,244,795 Shares in the capital of the Company as at the Latest Practicable Date.
- (2) Based on 1,606,560,021 Shares in the Company immediately following issuance and allotment of the Conversion Shares and the Employee Bonus Shares.
- (3) Mr Victor Lim is also a substantial shareholder. His deemed interest arose through 5 Shares held by Ultraline and 76 Shares held by American Converters. He is also deemed to have an interest in the Shares held by his spouse, Mdm Leong.
- (4) Mr Lee Teck Meng Stanley deemed interest arose through Shares held by Maybank Kim Eng Securities Pte Ltd.
- (5) Mdm Leong's deemed interest arose through 5 Shares held by Ultraline and 76 Shares held by American Converters. She is also deemed to have an interest in the Shares held by her spouse, Mr Victor Lim.

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8. **DIRECTORS' RECOMMENDATIONS**

8.1 **The Proposed Debt Capitalisation**

Having considered the terms and the rationale for the Proposed Debt Capitalisation, the Directors (save for Mr Victor Lim and Mr Ng) are of the opinion that the Proposed Debt Capitalisation is in the interests of the Company. Accordingly, the Directors (save for Mr Victor Lim and Mr Ng) recommend that Shareholders vote in favour of Ordinary Resolutions 1, 2, 3 and 4 relating to the Proposed Debt Capitalisation.

8.2 **The Proposed Employee Share Issue**

Having considered the terms and the rationale for the Proposed Employee Share Issue, the Directors are of the opinion that the Proposed Employee Share Issue is in the interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of Ordinary Resolution 5 relating to the Proposed Employee Share Issue.

9. **ABSTENTION FROM VOTING**

Mr Victor Lim and Mdm Leong and each of their Associates will abstain from voting on Ordinary Resolutions 1, 2 and 3 in relation to the Proposed Debt Capitalisation. Mr Ng and his Associates will abstain from voting on Ordinary Resolutions 1 and 4. The Company will disregard any votes cast by Mr Victor Lim, Mdm Leong, Mr Ng and each of their Associates on the Ordinary Resolutions which they are required to abstain in respect of the Proposed Debt Capitalisation.

10. **EXTRAORDINARY GENERAL MEETING**

The EGM, notice of which is set out on page N-1 of this Circular, will be held at Orchid Country Club, Sapphire III & IV, 1 Orchid Club Road, Singapore 769162, on 25 October 2022 at 10.30 a.m. (or as soon as practicable following the conclusion or adjournment of the Company's Annual General Meeting to be held on the same day at 10.00 a.m.) for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolutions relating to the Proposed Debt Capitalisation and the Proposed Employee Share Issue.

11. **ACTIONS TO BE TAKEN BY SHAREHOLDERS**

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote (by way of poll) on their behalf will find attached to this Circular a proxy form which they are requested to complete, sign and submit to the Company not less than forty-eight (48) hours before the EGM in the following manner:

- (a) by depositing a hard copy by post at the registered office of the Company at 63 Hillview Avenue #08-01 Lam Soon Industrial Building Singapore 669569; or
- (b) by sending a scanned PDF copy by email to agm_egm@asianmicro.com.sg,

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in either case, no later than 10.30 a.m. on 23 October 2022.

The completion and return of a proxy form by a Shareholder does not preclude him from attending and voting in person at the EGM if he wishes so, in place of his proxy. A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote (by way of poll) thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by the CDP, at least 72 hours before the time fixed for the EGM.

12. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Debt Capitalisation and the Proposed Employee Share Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular 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 the Circular in its proper form and context.

13. **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents may be inspected at the registered office of the Company at 63 Hillview Avenue, #08-01, Lam Soon Industrial Building, Singapore 669569, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Constitution;
- (b) the Debt Capitalisation Agreement; and
- (c) the Supplemental Deed.

Yours faithfully,

Cheah Wee Teong
Independent Non-Executive Chairman

For and on behalf of
The Board of Directors of
ASIAN MICRO HOLDINGS LIMITED

NOTICE OF EXTRAORDINARY GENERAL MEETING



ASIAN MICRO HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 199701052K)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the "**EGM**") of Asian Micro Holdings Limited (the "**Company**") will be convened and held at Orchid Country Club, Sapphire III & IV, 1 Orchid Club Road, Singapore 769162 on Tuesday, 25 October 2022 at 10.30 a.m. (or as soon as practicable following the conclusion or adjournment of the Company's Annual General Meeting to be held on the same day at 10.00 a.m.) for the purpose of considering and, if thought fit, passing with or without any modifications, the following Ordinary Resolutions:

All capitalised terms used in this notice of EGM which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 7 October 2022 (the "**Circular**") in relation to the Proposed Debt Capitalisation and the Proposed Employee Share Issue.

ORDINARY RESOLUTION 1: THE PROPOSED DEBT CAPITALISATION

That:

- (a) the transactions contemplated under the Debt Capitalisation Agreement, including but not limited to the Proposed Debt Capitalisation, be and is hereby approved, confirmed and ratified; and
- (b) the Directors of the Company and each of them be and is hereby authorised to complete and do all such acts and things, including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents as they may consider necessary, desirable or expedient to give full effect to the Debt Capitalisation Agreement and this Ordinary Resolution.

ORDINARY RESOLUTION 2: APPROVAL OF ISSUE OF 13,043,934 NEW SHARES TO LIM KEE LIEW @ VICTOR LIM (AND/OR HIS NOMINEES)

That:

- (a) subject to and contingent upon the passing of Ordinary Resolution 1 above, and for the purpose of Section 161 of the Companies Act and Rule 812 of the Catalist Rules, approval be and is hereby given for the allotment and issuance of 13,043,934 new Shares to Lim Kee Liew @ Victor Lim (and/or his nominees), at the issue price of S\$0.0061 per Share, on the terms and subject to the conditions of the Debt Capitalisation Agreement; and
- (b) the Directors of the Company and each of them be and is hereby authorised to complete and do all such acts and things, including without limitation, to execute all such documents and to

NOTICE OF EXTRAORDINARY GENERAL MEETING

approve any amendments, alteration or modification to any documents as they may consider necessary, desirable or expedient to give full effect to this Ordinary Resolution.

ORDINARY RESOLUTION 3: APPROVAL OF ISSUE OF 21,731,802 NEW SHARES TO LEONG LAI HENG (AND/OR HER NOMINEES)

That:

- (a) subject to and contingent upon the passing of Ordinary Resolution 1 above, and for the purpose of Section 161 of the Companies Act and Rule 812 of the Catalist Rules, approval be and is hereby given for the allotment and issuance of 21,731,802 new Shares to Leong Lai Heng (and/or her nominees), at the issue price of S\$0.0061 per Share, on the terms and subject to the conditions of the Debt Capitalisation Agreement; and
- (b) the Directors of the Company and each of them be and is hereby authorised to complete and do all such acts and things, including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents as they may consider necessary, desirable or expedient to give full effect to this Ordinary Resolution.

ORDINARY RESOLUTION 4: APPROVAL OF ISSUE OF 5,573,770 NEW SHARES TO NG CHEE WEE (AND/OR HIS NOMINEES)

THAT:

- (a) subject to and contingent upon the passing of Ordinary Resolution 1 above, and for the purpose of Section 161 of the Companies Act and Rule 812 of the Catalist Rules, approval be and is hereby given for the allotment and issuance of 5,573,770 new Shares to Ng Chee Wee (and/or his nominees), at the issue price of S\$0.0061 per Share, on the terms and subject to the conditions of the Debt Capitalisation Agreement; and
- (b) the Directors of the Company and each of them be and is hereby authorised to complete and do all such acts and things, including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents as they may consider necessary, desirable or expedient to give full effect to this Ordinary Resolution.

ORDINARY RESOLUTION 5: THE PROPOSED EMPLOYEE SHARE ISSUE

That:

- (a) the Proposed Employee Share Issue involving the payment of bonuses aggregating S\$48,591 to the Relevant Employees and the settlement of such bonus by way of the allotment and issuance of an aggregate 7,965,720 new Shares at an issue price of S\$0.0061 per Share, be and is hereby approved, confirmed and ratified; and
- (b) the Directors of the Company and each of them be and is hereby authorised to complete and do all such acts and things, including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents as they may consider

NOTICE OF EXTRAORDINARY GENERAL MEETING

necessary, desirable or expedient to give full effect to the Proposed Employee Share Issue and this Ordinary Resolution.

BY ORDER OF THE BOARD

Toh Li Ping, Angela
Joint Company Secretary
7 October 2022

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

General

1. The EGM of the Company will be held at Orchid Country Club, Sapphire III & IV, 1 Orchid Club Road, Singapore 769162 ("**Physical Meeting**"). Shareholders and other attendees who are feeling unwell on the date of the EGM are advised not to attend the Physical Meeting.
2. Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended from time to time), there will be no despatch of printed copies and this Notice of EGM together with the following documents are made available to Shareholders on **7 October 2022** via SGXNet at the following URL: <https://www.sgx.com/securities/company-announcements> and the Company's website at the following URL: <http://asianmicro.listedcompany.com/>:
 - (a) Circular; and
 - (b) Proxy Form in relation to the EGM.
3. Authenticated Shareholders and proxy(ies) will be able to ask questions in person at the Physical Meeting. Arrangements have also been put in place to permit Shareholders to submit their questions ahead of the Physical Meeting. Please refer to Notes 12 and 13 below for further details.
4. Live voting by poll will be conducted during the Physical Meeting for Shareholders and proxy(ies) attending the Physical Meeting.

Voting by proxy

5. A Shareholder who is not a relevant intermediary, is entitled to appoint one or two proxies to attend and vote at the Physical Meeting.
6. A Shareholder who is a relevant intermediary, is entitled to appoint more than two proxies to attend and vote at the Physical Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholders.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.
7. A proxy need not be a Shareholder of the Company.
8. The instrument appointing a proxy ("**Proxy Form**") must be submitted to the Company not less than forty-eight (48) hours before the time appointed for holding the Physical Meeting in the following manner:
 - (a) by depositing a hard copy by post at the registered office of the Company at 63 Hillview Avenue #08-01 Lam Soon Industrial Building Singapore 669569; or
 - (b) by sending a scanned PDF copy by email to agm_egm@asianmicro.com.sg,

in either case, no later than **10.30 a.m. on 23 October 2022** ("**Proxy Deadline**").

A Shareholder who wishes to submit a Proxy Form must first **download, complete and sign the proxy form**, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

9. The Proxy Form must be signed by the appointer or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

NOTICE OF EXTRAORDINARY GENERAL MEETING

10. A Shareholder who holds the Shares through a relevant intermediary, including Central Provident Fund (“CPF”) and Supplementary Retirement Scheme (“SRS”) Investment Account Holders, should not use the Proxy Form and should instead approach their respective relevant intermediary as soon as possible to specify voting instructions, submit questions ahead of the Physical Meeting and/or participate in the Physical Meeting.
11. In the case of a Shareholders whose Shares are entered against his/her name in the depository register (as defined in Section 81SF of the Securities and Futures Act 2001), the Company may reject any Proxy Form lodged if such Shareholders is not shown to have Shares entered against his/her/its name in the depository register as at 72 hours before the time appointed for the Physical Meeting, as certified by The Central Depository (Pte) Limited to the Company. The Company shall also be entitled to reject the Proxy Form if it is incomplete, improperly completed, illegible (such as in the case where the appointor submits more than one Proxy Form).

Submission of Questions prior to the Physical Meeting

12. A Shareholder may submit questions relating to the resolutions to be tabled for approval at the Physical Meeting or the Company’s businesses and operations ahead of the Physical Meeting. To do so, all questions must be submitted by **10.00 a.m. on 17 October 2022** through any of the following means:
 - (a) if submitted by email, be received by the Company at agm_egm@asianmicro.com.sg; or
 - (b) if submitted by post, be deposited at the registered office of the Company at 63 Hillview Avenue #08-01 Lam Soon Industrial Building Singapore 669569.

If the questions are submitted by post, be deposited at the registered office of the Company or sent via email, and in either case not accompanied by the completed and executed Proxy Form, the following details must be included with the submitted questions: (i) the Shareholder’s full name; and (ii) his/her/its identification/registration number for verification purposes, failing which the submission will be treated as invalid.

13. The Company will address all substantial and relevant questions relating to the resolutions to be tabled for approval at the Physical Meeting or the Company’s businesses and operations by publishing its responses to such questions, if any, on the Company’s corporate website at the following URL: <http://asianmicro.listedcompany.com/> and on SGXNET at the following URL: <https://www.sgx.com/securities/company-announcements> at least 48 hours prior to the deadline for submission of Proxy Forms. Should there be subsequent clarification sought, or follow-up questions after the deadline of the submission of questions, the Company will address those substantial and relevant questions prior to the Physical Meeting through publication on SGXNET, or at the Physical Meeting.

Personal Data Privacy:

By submitting a Proxy Form appointing any person(s) as proxy(ies) and/or representative(s) to attend and vote at the Physical Meeting and/or any adjournment thereof, a Shareholder consents to the collection, use and disclosure of the Shareholder’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of the proxies and representatives appointed for the Physical Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Physical Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”); (ii) warrants that where the Shareholder discloses the personal data of the Shareholder’s proxy(ies) and/or representative(s) to the Company (or its agents), the Shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder’s breach of warranty

PROXY FORM

ASIAN MICRO HOLDINGS LIMITED

(Company Registration No. 199701052K)
(Incorporated in the Republic of Singapore)

PROXY FORM

This form of proxy has been made available on SGXNet at the following URL:
<https://www.sgx.com/securities/company-announcements>
and the Company's website at the following URL:
<http://asianmicro.listedcompany.com/>

IMPORTANT:

1. A relevant intermediary may appoint more than two proxies to attend the Meeting and vote (please see note 4 for the definition of "relevant intermediary").
2. For investors who have used their CPF monies to buy the Company's shares, this Circular is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
3. The Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, NRIC/Passport/Co. Reg No.

of (Address)

being a registered shareholder/shareholders* in the Register of Members and/or the Depository Register ("Shareholder") of Asian Micro Holdings Limited (the "Company") hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholding	
		Number of Shares	%
Address			

and/or*

Name	NRIC/Passport Number	Proportion of Shareholding	
		Number of Shares	%
Address			

or failing him/her, the Chairman of the Extraordinary General Meeting ("Meeting") of the Company as my/our proxy to vote for me/us on my/our behalf at the Meeting to be held at Orchid Country Club, Sapphire III & IV, 1 Orchid Club Road, Singapore 769162 on Tuesday, 25 October 2022 at 10.30 a.m. (or as soon as practicable following the conclusion or adjournment of the Company's Annual General Meeting to be held on the same day at 10.00 a.m.).

I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the Meeting and at any adjournment thereof.

No.	Ordinary Resolution	Number of votes for ⁽¹⁾	Number of votes against ⁽¹⁾	Abstain ⁽¹⁾
1	To approve the Proposed Debt Capitalisation			
2	To approve the issue of 13,043,934 new Shares to Lim Kee Liew @ Victor Lim (and/or his nominees)			
3	To approve the issue of 21,731,802 new Shares to Leong Lai Heng (and/or her nominees)			
4	To approve the issue of 5,573,770 new Shares to Ng Chee Wee (and/or his nominees)			
5	To approve the Proposed Employee Share Issue			

⁽¹⁾ If you wish to abstain or exercise all your votes "For" or "Against", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this day of 2022

Signature(s) of Shareholder(s) or,
Common Seal of Corporate Shareholder

* Delete where inapplicable

Total Number of Shares in:	No. of Shares
(i) CDP Register	
(ii) Register of Members	
Total	

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A Shareholder entitled to attend and vote at the Meeting of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Shareholder of the Company.
3. Where a Shareholder appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A Shareholder who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two (2) proxies to attend and vote instead of the Shareholder, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder appoints more than two (2) proxies, the appointments shall be invalid unless the Shareholder specifies the number of Shares in relation to which each proxy has been appointed.

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
5. The completed and signed copy of this Proxy Form must be submitted to the Company in the following manner:
 - (a) by depositing (whether in person or by post) a physical copy at the registered office of the Company at 63 Hillview Avenue #08-01 Lam Soon Industrial Building Singapore 669569; or
 - (b) by sending a scanned PDF copy by email to agm_egm@asianmicro.com.sg.

in either case, no later than **10.30 a.m. on 23 October 2022, and failing which, this Proxy Form will not be treated as valid.**

6. A Shareholder who wishes to submit an instrument of proxy must first **download, complete and sign the proxy form**, before submitting it by depositing to the address provided above, or scanning and sending it by email to the email address provided above.
7. Completion and return of this instrument appointing a proxy shall not preclude a Shareholder from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Shareholder attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
8. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an attorney or duly authorised officer. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument appointing a proxy or proxies.
9. A corporation which is a Shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act 1967 of Singapore

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing the Chairman of the Meeting as proxy). In addition, in the case of Shareholders whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged if such Shareholders are not shown to have shares entered against their names in the Depository Register as at 72 hours before the time appointed for the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Shareholder accepts and agrees to the personal data privacy terms set out in the Notice of Meeting dated **7 October 2022**.