



ASIAN MICRO HOLDINGS LIMITED

COMPANY REGISTRATION No: 199701052K

PROPOSED DISPOSAL OF THE ISSUED AND PAID-UP SHARE CAPITAL OF ASIAN MICRO NGV AUTO SALES (THAILAND) CO., LTD

1. INTRODUCTION

The board of directors (“**Board**”) of Asian Micro Holdings Limited (“**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 29 March 2017 entered into a sale and purchase agreement (“**SPA**”) with Mr. Paramee Songsittichoke (“**Purchaser**”), pursuant to which the Company has agreed to sell to the Purchaser 19,600 ordinary shares (“**Sale Shares**”), representing 49% of the issued and paid-up share capital of Asian Micro NGV Auto Sales (Thailand) Co., Ltd (“**AMA**”) on the terms and subject to the conditions of the SPA (“**Proposed Disposal**”).

As the Sale Shares represent the entire interest of the Company in AMA, the Company will cease to have any interest in AMA following the completion of the Proposed Disposal.

The Proposed Disposal constitutes a “Disclosable Transaction” under Chapter 10 of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”). Please refer to paragraph 8 of this announcement for further details.

2. INFORMATION ON AMA

AMA is a company incorporated in Thailand with its registered address at 129 Moo 3, Factory Land, Tambol Wangchula, Amphur Wangnoi, Ayutthaya 13170 Thailand and is involved in the trading of natural gas vehicles supplies.

The Company holds the Sale Shares, which represents 49% of the issued and paid-up share capital of AMA. While the Group holds 49% of issued share capital in AMA, it has control over the financial and operational policies via the majority representation on the board of directors of AMA. Accordingly, AMA is accounted for as a subsidiary of the Group.

3. INFORMATION ON THE PURCHASER

The Purchaser is Mr. Paramee Songsittichoke, a private investor and boutique hotel owner.

There is no relationship between the Purchaser and the Company, its Directors, its controlling shareholders, or their respective associates.

4. CONSIDERATION

The aggregate consideration for the Sale Shares shall be S\$120,000 (“**Consideration**”) to be payable in cash. Additionally, pursuant to the terms of the SPA, the Purchaser will pay to the Company the amount of Excluded Debt (as defined below) upon completion of the Proposed Disposal.

The Consideration was agreed at after arm’s length negotiations between the Company and the Purchaser and was based on a willing-buyer willing-seller basis, after taking into account the business prospects and net tangible liabilities of AMA.

5. RATIONALE FOR THE PROPOSED DISPOSAL

The Proposed Disposal would allow the Company to re-strategise its financial and capital resources. The disposed business has been facing challenging market conditions such as declining demand for compressed natural gas vehicles, rising operational costs and uncertainty of political situation in Thailand, and would require capital injection for growth and development.

The Group has diversified its existing businesses to include property business and with the Proposed Disposal, the Group will be able to focus more on its new property business operations. The Board is of the view that the Proposed Disposal is an opportunity to completely cease its investment in Thailand as the disposed business no longer makes significant contributions to the Group.

6. USE OF PROCEEDS

The estimated net proceeds from the Proposed Disposal (“**Net Proceeds**”), based on the Consideration and the Excluded Debt and after deducting the estimated costs and expenses to be incurred in connection with the Proposed Disposal, are approximately S\$172,000.

The Company intends to use the Net Proceeds for working capital purposes for the operations of its property business.

7. SALIENT TERMS OF THE SPA

7.1 Conditions Precedent

The Completion is conditional upon the following conditions precedent (“**Conditions**”):

- (a) all consents and approvals required under any and all applicable laws for sale of the Sale Shares being obtained, on terms reasonably satisfactory to both parties, and not withdrawn or amended, on or before the completion date (or such later date as the parties may agree in writing);
- (b) the vendor’s warranties contained in clause 6.1 of the SPA being true and accurate in all material respects as at the completion date; and
- (c) the Purchaser’s warranties contained in clause 6.2 of the SPA being true and accurate in all material respects as at the completion date.

7.2 Completion

Completion of the sale and purchase of the Sale Shares shall take place on the third business day from the day on which all the Conditions have been satisfied, or such other date as the Parties may agree in writing.

7.3 Long Stop Date

The Long Stop Date is the date following three (3) months from the date of the signing of the SPA or such other period as the parties may agree in writing.

Unless specifically waived in accordance with clause 4.3 of the SPA, if any of the Conditions shall not be fulfilled on or before the Long Stop Date or such other date as the parties may agree in writing, the SPA shall *ipso facto* cease and determine and neither party shall have any claim against the other for costs, damages, compensation or otherwise, save for any claim by any party against the other party arising from antecedent breach of the terms of the SPA.

7.4 Discharge and waiver of outstanding debts

Upon completion, the Company and the Purchaser shall execute a deed of release and discharge waiving all rights and claims to all amounts owing and/or owed between the Group and AMA, save for certain outstanding debts due and owing by AMA to the Company arising from invoices paid for and on behalf of AMA by the Company amounting to US\$42,922 (or approximately S\$60,000 based on the exchange rate of US\$1 : S\$1.39788) (“**Excluded Debt**”).

8. RELATIVE FIGURES UNDER RULE 1006

Based on the latest announced unaudited financial statements of the Company for the six (6) months financial period ended 31 December 2016 (“1H2017”), the relative figures of the Proposed Disposal computed on the bases set out in Rule 1006(a) to (e) of the Catalyst Rules are as follows:

1.	Rule 1006(a)	
	Net liability value of AMA	(S\$182,000) ⁽¹⁾
	Net asset value of the Group	S\$1,853,000
	Relative figure	(9.82)%
2.	Rule 1006(b)	
	Net profits of AMA for 1H2017	S\$92,000
	Net profits of the Group for 1H2017	S\$597,000
	Relative figure	15.41%
3.	Rule 1006(c)	
	Aggregate value of consideration received	S\$180,000 ⁽²⁾
	Market capitalisation of the Company as at 28 March 2017, being the market day preceding the date of the SPA	S\$6,901,000 ⁽³⁾
	Relative figure	2.61%
4.	Rule 1006(d)	
	Number of shares to be issued by the Company as consideration for an acquisition	Not applicable to the Proposed Disposal
	Number of shares in issue of the Company	
	Relative figure	
5.	Rule 1006(e)	
	Aggregate volume or amount of proved and probable reserves to be disposed of	Not applicable to the Proposed Disposal
	Aggregate of the group’s proved and probable reserves	
	Relative figure	

Notes:

- (1) After waiving all rights and claims to all amounts owing and/or owed between the Group and AMA, save for certain outstanding debts due and owing by AMA.
- (2) Inclusive of the amount of Excluded Debt to be paid to the Company upon completion of the Proposed Disposal.
- (3) The market capitalization of the Company of S\$6,901,000 is determined by multiplying the number of shares in issue of the Company (“Shares”) (of 627,383,061 Shares) by the weighted average price of S\$0.011 of such Shares transacted on 28 March 2017, being the market day preceding the date of the SPA.

In accordance with Rule 1007(1) of the Catalist Rules, as the relative figure computed under Rule 1006(a) of the Catalist Rules is a negative figure, the Company had, through its Sponsor, RHT Capital Pte. Ltd., consulted the SGX-ST and obtained confirmation from SGX-ST that the Proposed Disposal constitutes a “disclosable transaction” under Chapter 10 of the Catalist Rules and shareholders’ approval is not required for the Proposed Disposal.

9. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The financial effects of the Proposed Disposal on the Group are prepared based on the Group’s audited consolidated financial statements for the financial year ended 30 June 2016. For the purpose of computing the earnings per share (“EPS”) of the Group after the Proposed Disposal, it is assumed that the Proposed Disposal was completed on 1 July 2015. For the purpose of computing the net tangible assets (“NTA”) per share of the Group, it is assumed that the Proposed Disposal was completed on 30 June 2016.

It should be noted that the financial effects set out below are for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the company and the Group after the completion of the Proposed Disposal.

9.1 Share capital

As at the date of this announcement, the issued and paid-up share capital of the Company is S\$42,862,000 comprising 627,383,061 Shares. The Proposed Disposal will have no impact on the issued and paid-up share capital of the Company.

9.2 NTA per Share

	Before the Proposed Disposal	After the Proposed Disposal
NTA (S\$'000)	2,065	2,396
Numbers of Shares ('000)	627,383	627,383
NTA per Share (S\$ cents)	0.33	0.38

9.3 EPS

	Before the Proposed Disposal	After the Proposed Disposal
(Net loss) / Net profit (S\$'000)	(37)	84
Weighted average number of Shares ('000)	627,383	627,383
(Loss per Share) / EPS (S\$ cents)	(0.01)	0.01

10. BOOK VALUE

There is no open market value for the Sale Shares as they are not publicly traded. The unaudited proforma net liabilities value of AMA, after waiving all rights and claims to all amounts owing and/or owed between the Group and AMA, save for certain debts due and owing by AMA as at 31 December 2016 was approximately S\$182,000. The Consideration represents an excess of 166% to the said unaudited proforma net liabilities value of AMA which will be recognised as a gain on disposal.

11. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors, controlling shareholders of the Company or their associates has any interest, direct or indirect, in the Proposed Disposal (other than through their shareholdings in the Company).

12. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a Director in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any person.

13. 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, this announcement constitutes full and true disclosure of all material facts about the SPA, the Proposed Disposal, 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 the announcement in its proper form and context.

14. DOCUMENTS FOR INSPECTION

A copy of the SPA is available for inspection during normal business hours at the registered office of the Company at 63 Hillview Avenue #08-01 Lam Soon Industrial Building Singapore 669569 for a period of three (3) months from the date of this announcement.

15. CAUTIONARY STATEMENT

Shareholders should note that there is no certainty or assurance as at the date of this announcement that the Proposed Disposal 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

Victor Lim
Executive Chairman, CEO and Group Managing Director
29 March 2017

*This 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 this announcement including the correctness of any of the figures used, statements or opinions made.*

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

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