

CIRCULAR DATED 16 APRIL 2018

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

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.

If you have sold or transferred all your shares in the issued share capital of Asian Micro Holdings Limited ("**Company**"), you should immediately send 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 agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"). The Sponsor has not independently verified the contents of this Circular including the correctness of any of the figures used, statements or opinions made. The contact person for the Sponsor is Mr Khong Choun Mun, Registered Professional, RHT Capital Pte. Ltd. at 9 Raffles Place, #29-01 Republic Plaza Tower 1, Singapore 048619, telephone: 6381 6757.

The Listing and Quotation Notice (as defined herein) has been obtained from the SGX-ST for the listing and quotation of the Settlement Shares on Catalist, subject to certain conditions. The Listing and Quotation Notice (as defined herein) received from the SGX-ST is not to be taken as an indication of the merits of the Settlement Shares (as defined herein), the Proposed Transactions (as defined herein), the Company, its subsidiaries and their securities.

This Circular has not been examined or approved by the SGX-ST. The Sponsor 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 Circular.



ASIAN MICRO HOLDINGS LIMITED

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

CIRCULAR TO SHAREHOLDERS

in relation to

- (1) **THE PROPOSED CONVERSION OF THE PARTICIPATING DEBTS (AS DEFINED BELOW) INTO NEW SHARES OF THE COMPANY AT THE ISSUE PRICE OF S\$0.01 PER SHARE**
- (2) **THE PROPOSED ISSUE OF 39,515,100 NEW SHARES TO THE PARTICIPATING CREDITORS (AS DEFINED BELOW), BEING DIRECTORS AND/OR CONTROLLING SHAREHOLDERS PURSUANT TO THE CONVERSION OF THE PARTICIPATING DEBTS**
- (3) **THE PROPOSED ISSUE OF 5,718,600 NEW SHARES TO A DIRECTOR AND CONTROLLING SHAREHOLDER PURSUANT TO THE SETTLEMENT OF THE BALANCE INSTALMENT (AS DEFINED BELOW)**

Important dates and times

Last date and time for lodgement of Proxy Form : 30 April 2018 at 10.00 a.m.

Date and time of Extraordinary General Meeting : 2 May 2018 at 10.00 a.m.

Place of Extraordinary General Meeting : Orchid Country Club, Emerald Suite
1 Orchid Club Road
Singapore 769162

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DEFINITIONS

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

- “Audit Committee”** : The audit committee of the Company, comprising Chue Wai Tat as Chairman, Teo Kio Choon@Chang Chiaw Choon, Cheah Wee Teong and Lee Teck Meng Stanley as members, as at the date of this Circular
- “Balance Instalment”** : The balance amount payable under the Hire Purchase Agreement, being RM170,197 (S\$57,186)
- “Board” or “Board of Directors”** : The board of Directors of the Company, as at the date of this Circular
- “Catalist”** : The sponsor-supervised listing platform of the SGX-ST
- “Catalist Rules”** : The Listing Manual (Section B: Rules of Catalist) of the SGX-ST, as amended, supplemented or modified from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 16 April 2018
- “Code”** : The Singapore Code on Take-overs and Mergers
- “Company”** : Asian Micro Holdings Limited
- “Companies Act”** : The Companies Act, Chapter 50 of Singapore, as amended, supplemented or modified from time to time
- “Constitution”** : The constitution of the Company as at the date of this Circular
- “Conversion Price”** : The price of S\$0.01 per Conversion Share and/or Vehicle Instalment Settlement Share
- “Conversion Shares”** : The 39,515,100 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 DCA
- “CY”** : Calendar year
- “DCA”** : Has the meaning ascribed to it in Section 1 of this Circular
- “Director(s)”** : The director(s) of the Company as at the date of this Circular
- “EGM” or “Extraordinary General Meeting”** : The extraordinary general meeting of the Company to be held on 2 May 2018, notice of which is set out on pages N-1 to N-3 of this Circular (or any adjournment thereof)
- “Existing Share Capital”** : The existing issued and paid up share capital of the Company as at the Latest Practicable Date of S\$42,914,248 comprising 631,727,420 Shares
- “FY”** : Financial year ended 30 June
- “Group”** : The Company and its subsidiaries collectively, as at the Latest Practicable Date

DEFINITIONS

“Hire Purchase Agreement”	: The hire purchase agreement dated 4 August 2017 entered into between Lim Kee Liew @ Victor Lim with Mercedes-Benz Services Malaysia Sdn Bhd for the hire purchase of a motor vehicle bearing registration number PCW1 pursuant to the car benefits that he is entitled to under his service agreement with the Company
“Latest Practicable Date”	: 6 April 2018, being the latest practicable date prior to the printing of this Circular
“Listing and Quotation Notice”	: Has the meaning ascribed to it in Section 2.4 of this Circular.
“NTA”	: Net tangible assets
“Notice of EGM”	: The Notice of EGM as set out on pages N-1 to N-3 of this Circular
“Ordinary Resolution(s)”	: The ordinary resolution(s) set out in the Notice of EGM to be proposed to the Shareholders at the EGM
“Participating Creditors”	: Lim Kee Liew @ Victor Lim, Leong Lai Heng and Ng Chee Wee
“Participating Debts”	: The aggregate amount of S\$395,151 owing by the Group to the Participating Creditors, as more particularly set out in Section 2.1 of this Circular
“Proposed Debt Conversion”	: The proposed conversion of the Participating Debts (in full and not in part) into new Conversion Shares at the Conversion Price
“Proposed Issue of Vehicle Instalment Settlement Shares”	: The proposed issue of the Vehicle Instalment Settlement Shares to Lim Kee Liew @ Victor Lim at the Conversion Price
“Proposed Transactions”	: The Proposed Debt Conversion and the Proposed Issue of Vehicle Instalment Settlement Shares
“Register of Members”	: Register of members of the Company
“RM”	: Malaysian Ringgit
“Securities Account”	: A securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
“Settlement Shares”	: The Conversion Shares and the Vehicle Instalment Settlement Shares
“SFA” or “Securities and Futures Act”	: Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shares”	: Ordinary shares in the capital of the Company and each a “Share”

DEFINITIONS

“Shareholder(s)”	: Registered holders of 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 so admits, mean the Depositors in the Depository Register maintained by the CDP and whose Securities Accounts are credited with those Shares. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
“Sponsor”	: RHT Capital Pte. Ltd.
“Substantial Shareholder”	: A person (including a corporation) who holds directly or indirectly 5% or more of the total issued voting Shares
“Vehicle Instalment Settlement Shares”	: The 5,718,600 new Shares to be issued to Lim Kee Liew @ Victor Lim in consideration of Lim Kee Liew @ Victor Lim agreeing to assume, settle and pay the Balance Instalment on behalf of Asian Micro Sdn. Bhd., subject to and in accordance with the DCA
“S\$” and “cents”	: Singapore dollars and cents, respectively
“%”	: Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

The expressions “**associate**”, “**subsidiary**” and “**controlling shareholder**” shall have the meaning ascribed to them respectively in the Companies Act and the Catalist Rules.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference to a time of day and to dates in this Circular shall be a reference to Singapore time unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA 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 SFA or the Catalist Rules, or such modification thereof, as the case may be, unless otherwise provided.

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

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

Where a Participating Debt is denominated in RM, the S\$ equivalent was calculated based on the exchange rate of S\$1.00: RM2.9762 as at 13 March 2018.

LETTER TO SHAREHOLDERS

ASIAN MICRO HOLDINGS LIMITED

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

Directors

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

Registered Office

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

16 April 2018

To: The Shareholders of Asian Micro Holdings Limited

Dear Sir/Madam

1. INTRODUCTION

On 14 March 2018, the Company announced that it had entered into a conditional debt capitalisation agreement dated 14 March 2018 (“**DCA**”) with Asian Micro Sdn. Bhd., Leverage Income Sdn Bhd, ACI Industries Pte Ltd, AM NGV (S) Pte Ltd and the Participating Creditors, namely Lim Kee Liew @ Victor Lim, Leong Lai Heng and Ng Chee Wee, for: (i) the proposed capitalisation and conversion (“**Proposed Debt Conversion**”) of the Participating Debts into new ordinary shares (“**Conversion Shares**”) at the conversion price of S\$0.01 per Conversion Share (“**Conversion Price**”); and (ii) the proposed issuance of the Vehicle Instalment Settlement Shares at the Conversion Price per Vehicle Instalment Settlement Share to Lim Kee Liew @ Victor Lim in consideration of Lim Kee Liew @ Victor Lim agreeing to assume, settle and pay the Balance Instalment on behalf of Asian Micro Sdn. Bhd. (collectively, “**Proposed Transactions**”).

Rule 812(1) of the Catalist Rules states that an issue must not be placed to an issuer’s directors and substantial shareholders unless specific shareholder approval for such an issue is obtained. Accordingly, Shareholders’ approval is required for the proposed issue of (i) 31,515,100 Conversion Shares to Lim Kee Liew @ Victor Lim, (ii) 3,750,000 Conversion Shares to Leong Lai Heng, (iii) 4,250,000 Conversion Shares to Ng Chee Wee, and (iv) 5,718,600 Vehicle Instalment Settlement Shares to Lim Kee Liew @ Victor Lim, pursuant to the Proposed Transactions (collectively, “**Settlement Shares**”).

The Directors propose to convene an extraordinary general meeting of the Company to be held on 2 May 2018 to seek Shareholders’ approval for the Proposed Debt Conversion and the issue of new Shares to certain Directors and Controlling Shareholders. Please refer to the Notice of EGM set out on pages N-1 to N-3 of this Circular.

The Sponsor and the SGX-ST assume no responsibility for the accuracy, completeness or correctness of any of the statements made, reports contained or opinions expressed in this Circular. Shareholders are advised to read this Circular carefully and to consult their legal, financial, tax or other professional adviser, if necessary.

LETTER TO SHAREHOLDERS

2. PROPOSED TRANSACTIONS

2.1. Overview

Under the DCA, the total amount of the Participating Debts owing to the Participating Creditors as at the date of the DCA is S\$395,151 comprising:

- (a) RM222,181 (S\$74,652) being deposits and instalments paid by Lim Kee Liew @ Victor Lim on behalf of the Company's subsidiary, Asian Micro Sdn. Bhd., under the Hire Purchase Agreement.

As at the date of the DCA, Lim Kee Liew @ Victor Lim had paid deposits and instalments amounting to RM222,181 (S\$74,652) under the Hire Purchase Agreement, and the balance amount payable under the Hire Purchase Agreement is RM170,197 (S\$57,186) ("**Balance Instalment**");

- (b) RM500,000 (S\$167,999) being the partial principal loan granted by Lim Kee Liew @ Victor Lim to the Company's subsidiary, Leverage Income Sdn Bhd pursuant to a loan agreement dated 28 June 2017 of principal loan RM2,600,000 (S\$873,597).

As at the Latest Practicable Date, RM1,475,500 (S\$495,766) of the principal loan is outstanding and unpaid, of which RM500,000 (S\$167,999) will be capitalised;

- (c) S\$18,750 being the bonus declared and payable by the Company's subsidiary, ACI Industries Pte Ltd to Leong Lai Heng in respect of CY2017;
- (d) S\$18,750 being the bonus declared and payable by the Company's subsidiary, AM NGV (S) Pte Ltd to Leong Lai Heng in respect of CY2017;
- (e) S\$72,500 being the bonus declared and payable by the Company to Lim Kee Liew @ Victor Lim in respect of CY2017; and
- (f) S\$42,500 being the bonus declared and payable by the Company to Ng Chee Wee in respect of CY2017.

(collectively, "**Participating Debts**").

Where a Participating Debt is denominated in RM, the S\$ equivalent was calculated based on the exchange rate of S\$1.00: RM2.9762 as at 13 March 2018.

Under the terms of the DCA, each amount (in whole and not in part) owing by the Group to a Participating Creditor shall be converted into Conversion Shares at the Conversion Price.

Further, under the terms of the DCA, in consideration of Lim Kee Liew @ Victor Lim agreeing to assume, settle and pay the Balance Instalment, the Company proposes to issue and allot the Vehicle Instalment Settlement Shares to Lim Kee Liew @ Victor Lim at the Conversion Price.

The Conversion Price of S\$0.01 represents a premium of 5.3% of S\$0.0095, which is the weighted average price for trades done for the Shares on Catalist on 14 March 2018, being the last trading day Shares were traded on Catalist and the date of the DCA.

Upon the conversion of the Participating Debts into Conversion Shares at the Conversion Price, as well as the issuance and allotment of the Vehicle Instalment Settlement Shares at the Conversion Price, a total of 45,233,700 Settlement Shares will be issued and allotted to the Participating Creditors. This represents approximately 7.16% of the Existing Share Capital and approximately 6.68% of the Company's enlarged share capital after issuance and allotment of the Settlement Shares.

LETTER TO SHAREHOLDERS

The allotment and issue of the Settlement Shares will not inject new funds into the Group as there is no fresh cash payable by each of the Participating Creditors for the allotment and issue of relevant number of Settlement Shares to them. The debts owing by the Company to each Participating Creditors will be applied to set off against the aggregate Conversion Price for the Conversion Shares payable by that Participating Creditor. Likewise, the debts owing by a subsidiary of the Company to each Participating Creditor shall be discharged and set off against the aggregate Conversion Price for the Conversion Shares payable by the Participating Creditor under the DCA.

Separately, the Company intends to pay bonus to employees, which will be settled by way of issuance of Shares pursuant to the general share issue mandate approved by shareholders at the annual general meeting convened by the Company on 20 October 2017.

2.2. Rationale

As at 31 December 2017, the Group has Shareholders' funds amounting to approximately S\$1,358,000 and total borrowings (hire purchase and directors' loan) of approximately S\$750,000 and a working capital of approximately S\$1,368,000. As at 31 December 2017, the Company has working capital of approximately S\$255,000.

In view of the debt burden of the Group, the Company commenced discussions with the Participating Creditors on the Proposed Debt Conversion to augment its capital base by converting the Participating Debts into equity of the Company. The issue of Settlement Shares would be in the interest of the Group, as it would relieve them from the pressure of having to meet their short-term debt obligations. It would significantly strengthen the Group's balance sheet and improve its debt-equity position.

Consequently, this will improve the Group's financial position and provide/improve opportunities for the Group to raise funds from the public and financial institutions in future because of the Group's improved balance sheet. Likewise, it would free the Group's cash flow as the obligation to repay the Participating Debts and the Balance Instalment via cash will be settled via the issuance of Settlement Shares, so that the Group's cash can be used for other purposes.

The Board is of the opinion that the successful completion of the Proposed Debt Conversion and the issue of the Vehicle Instalment Settlement Shares 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 Transactions are also a show of confidence by the Participating Creditors in the future plans, viability and anticipated performance of the Group.

Upon completion of the Proposed Debt Conversion, the aggregate amount owing by the Group to the Participating Creditors will reduce from approximately S\$1,109,300 as at the Latest Practicable Date to approximately S\$714,200. This would help in the Group's efforts to raise new funds from investors, as well as the Group's efforts in seeking opportunities, options and/or funding to further improve the prospects of the Group.

Separately, the Group has decided to award bonus to employees and the Participating Creditors for the purpose of retaining and motivating these individuals who have made invaluable contributions to the Group. The payment of bonus in the form of issuance of new Shares would align the employee's and Participating Creditors' interests with that of the Group, as they would be motivated to optimise their performance standard and strive to maintain a high level of contribution to the Group.

LETTER TO SHAREHOLDERS

2.3. Salient Terms

The salient terms of the DCA and allotment and issue of the Settlement Shares are as follows:

- (a) **Novation:** The debts owed by the respective subsidiaries of the Company shall be novated to the Company, and the Company shall be substituted in the place of the respective subsidiaries as debtor in respect of the respective Participating Debts.
- (b) **Number of Conversion Shares:** Based on the relevant Participating Debt owed to each Participating Creditor, the number of Conversion Shares to be issued and allotted to each Participating Creditor shall be as follows:
 - (i) in respect of Lim Kee Liew @ Victor Lim, 31,515,100 Conversion Shares;
 - (ii) in respect of Leong Lai Heng, 3,750,000 Conversion Shares; and
 - (iii) in respect of Ng Chee Wee, 4,250,000 Conversion Shares.
- (c) **Number of Vehicle Instalment Settlement Shares:** Based on the Balance Instalment, the number of Vehicle Instalment Settlement Shares to be issued and allotted to Lim Kee Liew @ Victor Lim is 5,718,600 Shares.
- (d) **Conversion:** The debt 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.
- (e) **Conversion Price:** The Conversion Price of S\$0.01 represents a premium of 5.3% of S\$0.0095, which is the weighted average price for trades done for the Shares on Catalist on 14 March 2018, being the last trading day Shares were traded on Catalist and the date of the DCA.

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.

- (f) **Ranking of Settlement Shares:** The Settlement 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 Settlement 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 Settlement Shares, and will be admitted to listing on Catalist.

2.4. Conditions Precedent

The obligations of the Parties under the DCA 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 new ordinary shares, namely the Settlement Shares, pursuant to the terms of the DCA;
- (b) the Company obtaining approval from the SGX-ST for the listing and quotation of the Settlement Shares on Catalist, such approval not being revoked or amended, and if any conditions are attached to the approval ("**Listing Conditions**"), such Listing Conditions having been fulfilled on or before that date to the satisfaction of the SGX-ST or waived by the SGX-ST;

LETTER TO SHAREHOLDERS

- (c) the allotment, issue, listing and quotation of the Settlement Shares not being prohibited by any applicable laws or regulations; and
- (d) the warranties contained in the DCA 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 DCA is six (6) months from the date of DCA.

The Company had, on 2 April 2018, received the listing and quotation notice (“**Listing and Quotation Notice**”) from the SGX-ST for the listing and quotation of the Settlement Shares on Catalist, subject to compliance with the following conditions:

- (a) compliance with the SGX-ST’s listing requirements; and
- (b) Shareholders’ approval to be obtained at a general meeting to be convened.

The Listing and Quotation Notice is not to be taken as an indication of the merits of the Settlement Shares, the Proposed Transactions, the Company, its subsidiaries and their securities.

2.5. Changes in shareholding interests in the Company

Following the completion of the Proposed Transactions, the interests of the Participating Creditors in the Company based on the Existing Share Capital as at the Latest Practicable Date is set out as follows:

	Before Proposed Transactions			After Proposed Transactions		
	Direct Interest	Deemed Interest	Total % ⁽¹⁾	Direct Interest	Deemed Interest	Total % ⁽²⁾
Lim Kee Liew @ Victor Lim	148,224,769	155,729,855 ⁽³⁾	48.11	185,458,469	159,479,855 ⁽⁵⁾	50.95
Leong Lai Heng	137,184,174	166,770,450 ⁽⁴⁾	48.11	140,934,174	204,004,150 ⁽⁶⁾	50.95
Ng Chee Wee	9,027,586	–	1.43	13,277,586	–	1.96

Notes:

- (1) The percentage is calculated based on the total issued and paid-up share capital of 631,727,420 Shares as at the Latest Practicable Date.
- (2) The percentage is calculated based on the total issued and paid-up share capital of 676,961,120 Shares after issuance and allotment of the Settlement Shares.
- (3) Lim Kee Liew @ Victor Lim’s deemed interest arose through (i) 496,000 Shares held by DBS Nominees (Private) Limited; (ii) 11,699,105 Shares held by Ultraline Technology (Singapore) Pte Ltd; and (iii) 5,590,576 Shares held by American Converters Industries Pte Ltd. He is also deemed to have interest in the 137,944,174 Shares held by his spouse, Mdm Leong Lai Heng.
- (4) Leong Lai Heng’s deemed interest arose through (i) 760,000 Shares held by UOB Nominees (Private) Limited; (ii) 11,699,105 Shares held by Ultraline Technology (Singapore) Pte Ltd; and (iii) 5,590,576 Shares held by American Converters Industries Pte Ltd. She is also deemed to have interest in the 148,720,769 Shares held by her spouse, Mr Lim Kee Liew @ Victor Lim.
- (5) Lim Kee Liew @ Victor Lim’s deemed interest arose through (i) 496,000 Shares held by DBS Nominees (Private) Limited; (ii) 11,699,105 Shares held by Ultraline Technology (Singapore) Pte Ltd; and (iii) 5,590,576 Shares held by American Converters Industries Pte Ltd. He is also deemed to have interest in the 141,694,174 Shares held by his spouse, Mdm Leong Lai Heng.
- (6) Leong Lai Heng’s deemed interest arose through (i) 760,000 Shares held by UOB Nominees (Private) Limited; (ii) 11,699,105 Shares held by Ultraline Technology (Singapore) Pte Ltd; and (iii) 5,590,576 Shares held by American Converters Industries Pte Ltd. She is also deemed to have interest in the 185,954,469 Shares held by her spouse, Mr Lim Kee Liew @ Victor Lim.

LETTER TO SHAREHOLDERS

3. 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 Transactions, 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% or more, or, in the event that such Participating Creditors and their concert parties hold between 30% and 50% of the Company's voting rights, the voting rights of such Participating Creditors and their concert parties would increase by more than 1% in any period of six (6) months.

As at the Latest Practicable Date, Lim Kee Liew @ Victor Lim, Leong Lai Heng (“**Mr Lim and Mdm Leong**”) and parties acting in concert with them, namely American Converters Industries Pte Ltd and Ultraline Technology (S) Pte Ltd (each a company jointly owned by Mr Lim and Mdm Leong), Lin Meijuan Sophia (daughter of Mr Lim and Mdm Leong) and Lin Xianglong Winchester (son of Mr Lim and Mdm Leong) hold, directly or indirectly, in aggregate of more than 50% of the total number of issued Shares. Since Mr Lim and Mdm Leong and parties acting in concert with them already collectively hold more than 50% of the total number of issued Shares, the Proposed Transactions will not result in any of Mr 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.

Following the completion of the Proposed Transactions, the interests of Mr Lim and Mdm Leong and parties acting in concert with them is set out as follows:

	Before Proposed Transactions			After Proposed Transactions		
	Direct Interest	Deemed Interest	Total % ⁽¹⁾	Direct Interest	Deemed Interest	Total % ⁽²⁾
Lim Kee Liew @ Victor Lim	148,224,769	155,729,855 ⁽³⁾	48.11	185,458,469	159,479,855 ⁽⁵⁾	50.95
Leong Lai Heng	137,184,174	166,770,450 ⁽⁴⁾	48.11	140,934,174	204,004,150 ⁽⁶⁾	50.95
American Converters Industries Pte Ltd	5,590,576	–	0.88	5,590,576	–	0.83
Ultraline Technology (S) Pte Ltd	11,699,105	–	1.85	11,699,105	–	1.73
Lin Meijuan Sophia	2,068,000	–	0.33	2,068,000	–	0.31
Lin Xianglong Winchester	21,537,483	–	3.41	21,537,483	–	3.18

Notes:

- (1) The percentage is calculated based on the total issued and paid-up share capital of 631,727,420 Shares as at the Latest Practicable Date.
- (2) The percentage is calculated based on the total issued and paid-up share capital of 676,961,120 Shares after issuance and allotment of the Settlement Shares.
- (3) Lim Kee Liew @ Victor Lim's deemed interest arose through (i) 496,000 Shares held by DBS Nominees (Private) Limited; (ii) 11,699,105 Shares held by Ultraline Technology (Singapore) Pte Ltd; and (iii) 5,590,576 Shares held by American Converters Industries Pte Ltd. He is also deemed to have interest in the 137,944,174 Shares held by his spouse, Mdm Leong Lai Heng.
- (4) Leong Lai Heng's deemed interest arose through (i) 760,000 Shares held by UOB Nominees (Private) Limited; (ii) 11,699,105 Shares held by Ultraline Technology (Singapore) Pte Ltd; and (iii) 5,590,576 Shares held by American Converters Industries Pte Ltd. She is also deemed to have interest in the 148,720,769 Shares held by her spouse, Mr Lim Kee Liew @ Victor Lim.
- (5) Lim Kee Liew @ Victor Lim's deemed interest arose through (i) 496,000 Shares held by DBS Nominees (Private) Limited; (ii) 11,699,105 Shares held by Ultraline Technology (Singapore) Pte Ltd; and (iii) 5,590,576 Shares held by American Converters Industries Pte Ltd. He is also deemed to have interest in the 141,694,174 Shares held by his spouse, Mdm Leong Lai Heng.

LETTER TO SHAREHOLDERS

- (6) Leong Lai Heng's deemed interest arose through (i) 760,000 Shares held by UOB Nominees (Private) Limited; (ii) 11,699,105 Shares held by Ultraline Technology (Singapore) Pte Ltd; and (iii) 5,590,576 Shares held by American Converters Industries Pte Ltd. She is also deemed to have interest in the 185,954,469 Shares held by her spouse, Mr Lim Kee Liew @ Victor Lim.

4. INTERESTED PERSON TRANSACTIONS

4.1. Interested Persons under Chapter 9 of the Catalyst Rules

Lim Kee Liew @ Victor Lim is the Executive Chairman, Chief Executive Officer and Group Managing Director, holding 303,954,624 Shares (inclusive of both direct and deemed interests) as at the Latest Practicable Date. Leong Lai Heng is a substantial shareholder of the Company, holding 303,954,624 Shares (inclusive of both direct and deemed interests) as at the Latest Practicable Date. Ng Chee Wee is an Executive Director and Chief Financial Officer of the Company, holding 9,027,586 Shares as at the Latest Practicable Date.

As such, the Participating Creditors are deemed to be interested persons under Chapter 9 of the Catalyst Rules and the Proposed Transactions constitute interested persons transactions ("IPTs").

Pursuant to Rule 915(8) of the Catalyst Rules, an interested person transaction relating to director's fees and remuneration and employment remuneration is not required to comply with Rule 905, 906 and 907 of the Catalyst Rules. As such, the bonus declared and payable to the Participating Creditors is not required to comply with Rule 905, 906 and 907 of the Catalyst Rules.

4.2. Thresholds under Chapter 9 of the Catalyst Rules

Under Chapter 9 of the Catalyst Rules, where the value of a transaction with an interested person singly or in aggregation with the values of the other transactions conducted with the same interested person in the same financial year equals or exceeds 5% of the Group's latest NTA, that transaction shall be subject to Shareholders' approval.

Based on the audited financial statements of the Group for FY2017, the NTA of the Group is approximately S\$1,962,700.

4.3. Value of the IPT with Lim Kee Liew @ Victor Lim

As the Company intends to repay Lim Kee Liew @ Victor Lim by way of issue of Settlement Shares, the value of the interested person transaction (being the amount at risk to the Company and excluding the bonus declared and payable to Lim Kee Liew @ Victor Lim) is the aggregate amount of S\$299,837, representing approximately 15.3% of the NTA of the Group for FY2017. As such, Shareholders' approval is required for the proposed issue of the Settlement Shares to Lim Kee Liew @ Victor Lim pursuant to Rule 906(1)(a) of the Catalyst Rules.

4.4. Total interested person transactions

The Group had also entered into the following transactions with the following Participating Creditors for the current financial year:

- (a) Rental expense of S\$62,750 paid to ACI Technology (S) Pte Ltd, pursuant to a lease agreement entered into between the Company and ACI Technology (S) Pte Ltd for the lease of office premise and a lease agreement entered into between ACI Industries Pte Ltd and ACI Technology (S) Pte Ltd for the lease of factory space. ACI Technology (S) Pte Ltd is jointly owned by Lim Kee Liew @ Victor Lim and Leong Lai Heng;
- (b) Principal loan of RM2,600,000 (S\$873,597) granted by Lim Kee Liew @ Victor Lim to the Company's subsidiary, Leverage Income Sdn Bhd pursuant to a loan agreement dated 28 June 2017. As at the Latest Practicable Date, RM1,475,500 (S\$495,766) of the principal loan is outstanding and unpaid, of which RM500,000 (S\$167,999) will be capitalised pursuant to the terms and conditions of the DCA; and

LETTER TO SHAREHOLDERS

- (c) Principal loan of RM1,150,000 (S\$386,398) granted by Lim Kee Liew @ Victor Lim to the Company's subsidiary, Asian Micro Capital Sdn. Bhd. pursuant to a loan agreement dated 24 January 2018. As at the Latest Practicable Date, the principal loan remains unpaid.

Save as disclosed in this Circular, the Company has not entered into any other interested person transactions with each of the Participating Creditors as at the Latest Practicable Date.

5. ISSUANCE OF SHARES TO DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

5.1. Rules in relation to issuance of shares to Directors and Substantial Shareholders

Rule 804 of the Catalist Rules provides that except in the case of an issue to shareholders made on a *pro rata* basis, no directors or associate of a director may participate in an issue of equity securities unless shareholders have approved such specific allotment. Rules 812(1) and (2) of the Catalist Rules provides that an issue must not be placed to, *inter alia*, the issuer's directors and substantial shareholders, the immediate family members of the directors and substantial shareholders, and corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10%, unless specific shareholders' approval is obtained for such placement and the directors and substantial shareholders abstain from voting on the resolution approving the placement.

5.2. Approval for issuance of Settlement Shares

As each of the Participating Creditors is a person falling within the restrictions of Rule 812(1) of the Catalist Rules (please see Section 5.1 above for further details), Shareholders' approval for the Proposed Transactions would also be required under Rules 804, 812(1) and 812(2) of the Catalist Rules.

6. FINANCIAL EFFECTS OF THE PROPOSED ISSUE OF SETTLEMENT SHARES

The pro forma financial effects of the Proposed Transactions on the Company are set out below based on the unaudited financial statements of the Company as at 31 December 2017. The objective of the financial effects analysis is to illustrate what the historical information of the Company or the Group might have been had such transactions been completed at an earlier date. **It is not intended to be a projection of the financial position or performance of the Company or the Group after the completion of the Proposed Transactions.**

6.1. Capital

As at the Latest Practicable Date, the Existing Share Capital of the Company is S\$42,914,248 comprising 631,727,420 Shares. Upon completion of the Proposed Transactions, the issued and paid-up share capital of the Company will be increased to S\$43,366,585, comprising 676,961,120 Shares.

6.2. Loss per Share

	Before Proposed Transactions	After Proposed Transactions
Loss after tax attributable to Shareholders (S\$'000)	(391)	(391)
Loss per Share attributable to Shareholders (S\$ cents)	(0.06)	(0.06)

LETTER TO SHAREHOLDERS

6.3. Net tangible assets

	Before Proposed Transactions	After Proposed Transactions
NTA attributable to Shareholders (S\$'000)	1,513	1,965
Number of issued Shares	631,727,420	676,961,120
NTA attributable to Shareholders per Share (S\$ cents)	0.24	0.29

6.4. Gearing

	Before Proposed Transactions	After Proposed Transactions
Total borrowings (S\$'000)	750	450
Total Equity (S\$'000)	1,513	1,965
Gearing ratio (times)	0.50	0.23

7. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests (both direct and indirect) of the Directors and Substantial Shareholders in the issued share capital of the Company as at the Latest Practicable Date are as follows:

	DIRECT INTEREST		DEEMED INTEREST		TOTAL INTEREST	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors						
Lim Kee Liew @ Victor Lim	148,224,769	23.46	155,729,855 ⁽¹⁾	24.65	303,954,624	48.11
Ng Chee Wee	9,027,586	1.43	–	–	9,027,586	1.43
Chue Wai Tat	–	–	–	–	–	–
Teo Kio Choon @ Chang Chiaw Choon	3,500,000	0.55	–	–	3,500,000	0.55
Cheah Wee Teong	–	–	–	–	–	–
Lee Teck Meng Stanley	–	–	300,000 ⁽²⁾	0.05	300,000	0.05
Substantial Shareholders (other than Directors)						
Leong Lai Heng	137,184,174	21.72	166,770,450 ⁽³⁾	26.39	303,954,624	48.11

Notes:

- (1) Lim Kee Liew @ Victor Lim's deemed interest arose through (i) 496,000 Shares held by DBS Nominees (Private) Limited; (ii) 11,699,105 Shares held by Ultraline Technology (Singapore) Pte Ltd; and (iii) 5,590,576 Shares held by American Converters Industries Pte Ltd. He is also deemed to have interest in the 137,944,174 Shares held by his spouse, Mdm Leong Lai Heng.
- (2) Lee Teck Meng Stanley deemed interest arose through Shares held by Maybank Kim Eng Securities Pte Ltd.
- (3) Leong Lai Heng's deemed interest arose through (i) 760,000 Shares held by UOB Nominees (Private) Limited; (ii) 11,699,105 Shares held by Ultraline Technology (Singapore) Pte Ltd; and (iii) 5,590,576 Shares held by American Converters Industries Pte Ltd. She is also deemed to have interest in the 148,720,769 Shares held by her spouse, Mr Lim Kee Liew @ Victor Lim.

Save as disclosed above, the Directors and Substantial Shareholders do not have any interest, whether direct or indirect, in the Company.

LETTER TO SHAREHOLDERS

8. INDEPENDENT FINANCIAL ADVISER AND AUDIT COMMITTEE STATEMENT

8.1 Independent Financial Adviser

Pursuant to Rule 921(4)(b)(i) of the Catalist Rules and in view of the Audit Committee's statement as provided under Paragraph 8.2 below, the Company is not required to appoint an independent financial adviser to advise the independent Directors as to whether the Proposed Transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

8.2 Audit Committee Statement

The Audit Committee, having reviewed the terms and conditions of the DCA, the rationale for the proposed issue of Settlement Shares, the Conversion Price and the financial effects of the proposed issue of Settlement Shares, is of the opinion that the terms of the DCA and the proposed issue of Settlement Shares are on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-3 of this Circular, will be held at Orchid Country Club, Emerald Suite, 1 Orchid Club Road, Singapore 769162 on 2 May 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the ordinary resolutions set out in the Notice of EGM ("**Ordinary Resolutions**").

10. ACTION 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 return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company at 63 Hillview Avenue, #08-01, Lam Soon Industrial Building, Singapore 669569 not less than 48 hours before the time fixed for the EGM. 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.

11. ABSTENTIONS FROM VOTING

Lim Kee Liew @ Victor Lim, Leong Lai Heng, and each of their Associates will abstain from voting on Ordinary Resolutions 1, 2 and 3, and they will also not accept nominations to act as proxy, corporate representative or attorney unless that Shareholder appointing them indicates clearly how votes are to be cast in respect of such resolutions.

Ng Chee Wee and his Associates will abstain from voting on Ordinary Resolutions 1 and 4, and they will also not accept nominations to act as proxy, corporate representative or attorney unless that Shareholder appointing them indicates clearly how votes are to be cast in respect of such resolutions.

12. DIRECTORS' CONFIRMATION

The Proposed Transactions 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

13. DIRECTORS' RECOMMENDATION

Having considered the terms and the rationale for the DCA and the Proposed Transactions, the Directors (save for Lim Kee Liew @ Victor Lim and Ng Chee Wee) are of the opinion that the DCA and the Proposed Transactions are in the interests of the Company. Accordingly, the Directors (save for Lim Kee Liew @ Victor Lim and Ng Chee Wee) recommend that Shareholders vote in favour of Ordinary Resolutions to be proposed at the EGM as stated in the Notice of EGM on pages N-1 to N-3 of this Circular.

14. 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 DCA and the Proposed Transactions, the issuer 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.

15. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection 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 of the Company; and
- (b) the DCA.

Yours faithfully
For and on behalf of the Board of Directors of
Asian Micro Holdings Limited

Victor Lim
Executive Chairman, Chief Executive Officer and Group Managing Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

ASIAN MICRO HOLDINGS LIMITED

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

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Asian Micro Holdings Limited (the “**Company**”) will be held at Orchid Country Club, Emerald Suite, 1 Orchid Club Road, Singapore 769162 on 2 May 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing (with or without amendments) the following ordinary resolutions:-

All capitalised terms used in this Notice of Extraordinary General Meeting which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Circular to the Shareholders of the Company dated 16 April 2018.

ORDINARY RESOLUTION 1

APPROVAL OF THE CONDITIONAL DEBT CONVERSION AGREEMENT AND PROPOSED TRANSACTIONS

THAT:

- (a) the execution of the conditional debt conversion agreement entered into between the Company, Asian Micro Sdn. Bhd., Leverage Income Sdn Bhd, ACI Industries Pte Ltd, AM NGV (S) Pte Ltd, Lim Kee Liew @ Victor Lim, Leong Lai Heng and Ng Chee Wee dated 14 March 2018 (“**DCA**”) be and is hereby approved, confirmed and ratified;
- (b) the transactions contemplated under the DCA, including but not limited to the Proposed Debt Conversion and the Proposed Issue of Vehicle Instalment Settlement Shares be and are hereby approved, confirmed and ratified;
- (c) 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 DCA and this Resolution.

ORDINARY RESOLUTION 2

APPROVAL OF ISSUE OF 37,233,700 NEW SHARES TO LIM KEE LIEW @ VICTOR LIM

THAT:

- (a) subject to and contingent upon the passing of Ordinary Resolution 1 above, the Directors be and are hereby authorised to allot and issue 37,233,700 new Shares to Lim Kee Liew @ Victor Lim, at the issue price of S\$0.01 per Share, on the terms and subject to the conditions of the DCA;
- (b) pursuant to Rule 812 of the Catalist Rules, approval be and is hereby given for the allotment and issuance of 37,233,700 new Shares to Lim Kee Liew @ Victor Lim, a director and controlling shareholder of the Company;
- (c) pursuant to Rule 906(1)(a) of the Catalist Rules, approval be and is hereby given for Proposed Debt Conversion and issuance of Vehicle Instalment Settlement Shares, being an interested person transaction; and
- (d) 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 Resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ORDINARY RESOLUTION 3

APPROVAL OF ISSUE OF 3,750,000 NEW SHARES TO LEONG LAI HENG

THAT:

- (a) subject to and contingent upon the passing of Ordinary Resolution 1 above, the Directors be and are hereby authorised to allot and issue 3,750,000 new Shares to Leong Lai Heng, at the issue price of S\$0.01 per Share, on the terms and subject to the conditions of the DCA;
- (b) pursuant to Rule 812 of the Catalist Rules, approval be and is hereby given for the allotment and issuance of 3,750,000 new Shares to Leong Lai Heng, a controlling shareholder of the Company; and
- (c) 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 Resolution.

ORDINARY RESOLUTION 4

APPROVAL OF ISSUE OF 4,250,000 NEW SHARES TO NG CHEE WEE

THAT:

- (a) subject to and contingent upon the passing of Ordinary Resolution 1 above, the Directors be and are hereby authorised to allot and issue 4,250,000 new Shares to Ng Chee Wee, at the issue price of S\$0.01 per Share, on the terms and subject to the conditions of the DCA;
- (b) pursuant to Rule 812 of the Catalist Rules, approval be and is hereby given for the allotment and issuance of 4,250,000 new Shares to Ng Chee Wee, a director of the Company; and
- (c) 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 Resolution.

BY ORDER OF THE BOARD

Toh Li Ping, Angela
Company Secretary

Singapore
16 April 2018

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) A member of the Company who is not a relevant intermediary, is entitled to attend and vote at the Extraordinary General Meeting of the Company, and may appoint not more than two (2) proxies to attend and vote in his stead. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.
- (2) A member who is a relevant intermediary, is entitled to appoint more than two (2) proxies to attend and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member.

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act, Cap. 50.
- (3) Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100 per cent of the shareholding and any second named proxy as an alternate to the first named.
- (4) If a proxy is to be appointed, the instrument appointing a proxy must be duly deposited at the Company's registered office at 63 Hillview Avenue, #08-01, Lam Soon Industrial Building, Singapore 669569 not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting.
- (5) The instrument appointing a proxy must be signed by the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument of proxy, failing which the instrument may be treated as invalid.
- (6) A Depositor's name must appear on the Depository Register maintained by CDP not less than 72 hours before the time fixed for holding the Extraordinary General Meeting in order for the Depositor to be entitled to attend and vote at the Extraordinary General Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General 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 member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member 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 member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

ASIAN MICRO HOLDINGS LIMITED
(Company Registration No. 199701052K)
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. A relevant intermediary may appoint more than two proxies to attend the Extraordinary General 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.

PROXY FORM

(Please see notes overleaf before completing the Proxy Form)

I/We*, _____ (Name) NRIC/Passport No.* _____

of _____

being a member/members* of Asian Micro Holdings Limited (the "Company"), hereby appoint:

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

and/or*

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

or failing him/her*, the Chairman of the Extraordinary General Meeting ("**Meeting**") as my/our* proxy/proxies* to vote for me/us on my/our* behalf at the Extraordinary General Meeting of the Company to be held at Orchid Country Club, Emerald Suite, 1 Orchid Club Road, Singapore 769162 on 2 May 2018 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 relating to:	Number of Votes For**	Number of Votes Against**
1	Approval of the Conditional Debt Conversion Agreement and Proposed Transactions		
2	Approval of Issue of 37,233,700 new Shares to Lim Kee Liew @ Victor Lim		
3	Approval of Issue of 3,750,000 new Shares to Leong Lai Heng		
4	Approval of Issue of 4,250,000 new Shares to Ng Chee Wee		

* Delete accordingly.

** If you wish to 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 _____ 2018.

Total No. of Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

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

*Delete where inapplicable



PROXY 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, Chapter 289 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 member of the Company 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 member of the Company.
3. Where a member 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 member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member 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 (Cap. 19) 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 (Cap. 289) and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), 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. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member 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.
 6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 63 Hillview Avenue, #08-01, Lam Soon Industrial Building, Singapore 669569 not less than 48 hours before the time appointed for the holding the Meeting.
 7. 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.
 8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 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 a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding 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 member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 16 April 2018.