



ASIAN MICRO HOLDINGS LIMITED

CONDITIONAL PLACEMENT OF 68,000,000 NEW ORDINARY SHARES (THE "PLACEMENT SHARES") IN THE CAPITAL OF ASIAN MICRO HOLDINGS LIMITED (THE "COMPANY") AT S\$0.052 FOR EACH PLACEMENT SHARE TO LEE SIEW NOI ("LSN")

The Directors of the Company are pleased to announce that the Company has on 29 May 2008 entered into a subscription agreement (the "**Subscription Agreement**") with Lee Siew Noi ("LSN"), pursuant to which LSN has agreed to subscribe for 68,000,000 new ordinary shares (the "**Placement Shares**") in three tranches of 22,000,000 shares, 22,000,000 shares and 24,000,000 shares at the price of S\$0.052 for each Placement Share ("the "**Placement Price**"), for an aggregate subscription price for all three tranches of S\$3,536,000.00, on the terms and subject to the conditions of the Subscription Agreement.

The Placement Price represents a discount of approximately nine per cent (9%) to the weighted average price for trades done for the Company's ordinary shares on Catalist of S\$0.05683 on 28 May 2008, being the day preceding the date of the signing of the Subscription Agreement. The Placement Shares represent approximately 19.72% of the current issued ordinary share capital of the Company.

The Company will be making an application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Placement Shares.

The Placement Shares, when allotted and issued, will rank *pari passu* in all respects with the existing ordinary shares of the Company. The Placement is conditional, inter alia, upon the approval in-principle from the SGX-ST for the listing and quotation of the Placement Shares on Catalist.

At the Annual General Meeting of the Company held on 23 October 2007, approval was obtained from the shareholders of the Company to authorise the Directors pursuant to Section 161 of the Companies Act (Cap. 50) and the Listing Manual of the SGX-ST, to allot and issue new shares in the Company at any time and upon such terms and conditions and for such purposes, as the Directors may, at their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to the resolution does not exceed 50% of the issued share capital of the Company for the time being, of which the aggregate number of such shares to be allotted and issued other than on a pro-rata basis to all shareholders shall not exceed 20% of the issued share capital of the Company for the time being, and that, unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

The net proceeds from the Placement, after deducting expenses pertaining to the Placement, is estimated at S\$3,516,000, all of which will be utilized to meet working capital requirements of the Company and to finance the following expansion plan for :

- I. the Compressed Natural Gas("CNG") Vehicle Conversion business and to start Dual Diesel Fuel CNG conversion for Diesel Vehicles in Malaysia and potentially in Singapore in view of the ever increasing diesel prices in Asia region;
- II. Making in-roads towards Liquefied natural Gas related business.

As at the date of this Announcement, the issued and paid up capital of the Company was S\$36,176,024 divided into 344,795,487 ordinary shares (the "**Shares**"). When completed, the Placement will increase the existing issued and paid up share capital of the Company to S\$39,692,024 divided into 412,795,487 Shares and the Placement Shares will represent approximately 16.47% of the enlarged issued share capital of the Company. Based on the audited financial statements of the Group as at 30 June 2007, the consolidated net tangible asset of the Group, after adjusting for the issue of the Placement Shares, will increase from 3.74 cents to 3.97 cents.

None of the placement shares will be placed with the Directors or substantial shareholders of the Company or any of their related parties.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect in the Placement.

The Company will make the necessary announcement once the approval for the listing and quotation of the Placement Shares has been obtained.

On behalf of the Board
Victor Lim
Group Managing Director

Submitted by Leow Wei Chieh, Financial Controller to the SGX on 30 May 2008.