



**ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No. 200609901H)

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**PROPOSED PLACEMENT OF 50,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED AT S\$0.18 PER PLACEMENT SHARE**

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**1. INTRODUCTION**

The Board of Directors of Asia-Pacific Strategic Investments Limited (the “**Company**”) wishes to announce that the Company has, on 27 May 2008, entered into a placement agreement (the “**Agreement**”) with Au-Yeung Ho Sum, China Leap Limited, Trimount Pte Ltd, Tan Joon Yang and Chew Pei Fang (collectively the “**Subscribers**” and each a “**Subscriber**”), pursuant to which the Subscribers have agreed to subscribe for, and the Company has agreed to allot and issue, 50,000,000 new ordinary shares in the capital of the Company (the “**Placement Shares**”) at an issue price of S\$0.18 per Placement Share (the “**Issue Price**”), making an aggregate consideration of S\$9,000,000 (the “**Placement**”).

**2. SALIENT TERMS OF THE PLACEMENT**

(a) Placement Shares

The Subscribers propose to subscribe for, and the Company proposes to allot and issue, 50,000,000 new ordinary shares in the capital of the Company at an issue price of S\$0.18 per Placement Share, making an aggregate consideration of S\$9,000,000.

The Subscribers propose to subscribe for the Placement Shares in the following proportion:

| <b>Name of Subscriber</b> | <b>Number of Shares</b> | <b>Consideration<br/>(S\$'000)</b> |
|---------------------------|-------------------------|------------------------------------|
| Au-Yeung Ho Sum           | 23,750,000              | 4,275                              |
| China Leap Limited        | 10,000,000              | 1,800                              |
| Trimount Pte Ltd          | 10,000,000              | 1,800                              |
| Tan Joon Yang             | 5,000,000               | 900                                |
| Chew Pei Fang             | 1,250,000               | 225                                |
| <b>Total</b>              | <b>50,000,000</b>       | <b>9,000</b>                       |

The Placement Shares, when issued and fully paid, shall rank *pari passu* in all respects with and carry all rights similar to existing shares of the Company except that they will not rank for any dividend, right, allotment or other distributions (if any), the record date for which falls on or before the date of completion of the Placement Agreement (“**Completion Date**”).

(b) Issue Price

The issue price of each Placement Share is S\$0.18 (the "**Issue Price**") and the weighted average price for trades carried out on 23 May 2008 is S\$0.195.

The Issue Price represents a discount of approximately S\$0.015 or approximately 7.69% discount to the weighted average price of S\$0.195 based on trades done on the SGX-ST on 23 May 2008, being the preceding market day on which trades were carried out before the Placement Agreement was signed.

(c) Conditions Precedent

Completion of the Placement ("**Completion**") is conditional upon, *inter alia*, the following conditions precedent being satisfied and fulfilled:-

- (i) approval in-principle for the listing and quotation of the Placement Shares on the Official List of the SGX-SESDAQ being obtained from the SGX-ST and not revoked or amended and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Company and the Subscribers and, to the extent that any conditions for the listing and quotation of the Placement Shares on the Official List of the SGX-SESDAQ are required to be fulfilled on or before the Completion Date, they are so fulfilled;
- (ii) the issue and placement of the Placement Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company; and
- (iii) there having been, as at Completion Date, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any respect any of the warranties contained in the Agreement if they were repeated on and as of the Completion Date.

### 3. **PLACEMENT SHARES AND EFFECT ON SHAREHOLDING**

As at the date of this Announcement, the Company has 550,000,000 ordinary shares. The Placement Shares, when allotted and issued, will represent 9.1% of the Company's existing issued and paid-up share capital as at the date of this Announcement, or 8.3% of the enlarged issued and paid-up share capital of the Company upon completion of the Placement ("**Completion**").

The Placement Shares will be issued pursuant to the general mandate obtained at the annual general meeting held on 27 August 2007, which authorises the Directors, pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, to allot and issue new shares not exceeding 20% of the Company's issued share capital in the case where Shares are issued other than on a pro-rata basis to existing shareholders.

### 4. **USE OF NET PROCEEDS**

The net proceeds to be raised pursuant to the Placement, after deducting expenses relating to the Placement payable by the Company, are estimated to be approximately S\$8,964,000 (the "**Net Proceeds**").

The Company intends to utilise the Net Proceeds for working capital purposes and business expansion. Pending the deployment of the Net Proceeds, such Net Proceeds may be placed as deposits with financial institution or invested in short term money markets or debt instruments or for any other purposes on a short term basis as the directors of the Company may deem fit.

## 5. FINANCIAL EFFECTS OF THE PLACEMENT

For illustration purposes, the financial effects of the Placement on the share capital, net tangible asset ("NTA") and earnings per share ("EPS") of the Company are based on the audited financial statements of the Company for the year ended 30 June 2007.

For the avoidance of doubt, there is no material financial effect on the gearing of the Company.

The assumptions for the financial effects of the Placement on the Company are as follows:

- (i) the placement of 50,000,000 new ordinary shares of the Company which was completed on 26 March 2008 (the "**March Placement**"), being completed on 30 June 2007 for the purpose of computing the financial effects on the NTA and gearing of the Company;
- (ii) the March Placement being completed on 1 July 2006 for the purpose of computing the financial effects on the EPS of the Company;
- (iii) the Placement being completed on 30 June 2007 for the purpose of computing the financial effects on the NTA and gearing of the Company; and
- (iv) the Placement being completed on 1 July 2006 for the purpose of computing the financial effects on the EPS of the Company.

Upon Completion, the financial effects of the Placement are as follows:

### A. Share Capital

The issued and paid-up capital of the Company will increase by 9.1% from 550,000,000 shares to 600,000,000 shares.

### B. Net Tangible Asset

Based on the audited accounts of the Company and its subsidiaries (the "**Group**") for the financial year ended 30 June 2007 and after taking into account the March Placement, the Placement will increase the NTA per share of the Company from 4.68 cents to 5.78 cents.

### C. Earnings per Share

Based on the audited accounts of the Company and its subsidiaries (the "**Group**") for the financial year ended 30 June 2007 and after taking into account the March Placement, the Placement will decrease the EPS of the Company from 0.63 cents to 0.58 cents.

The financial effects stated above are neither indicative of the actual financial affects of the Placement on the NTA, gearing and EPS of the Company, nor are they indicative of the future financial performance of the Company.

## 6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors (other than in his capacity as a director or shareholder of the Company) or the controlling shareholders of the Company has any interest, direct or indirect, in the Placement.

## 7. GENERAL

None of the Placement Shares will be placed with any person or groups of persons set out under Rule 812 of the Listing Manual of the SGX –ST.

The Company will be submitting an application to the SGX-ST for the listing and quotation of the Placement Shares in due course.

## **8. DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

BY ORDER OF THE BOARD  
**ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED**  
Dato' Dr Choo Yeow Ming  
**Chairman and Chief Executive Officer**

Date : 27 May 2008

*The introduction of the Company on the SGX-Sesdaq was sponsored by Genesis Capital Pte. Ltd..*