



ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED

(Company Reg. No. 200609901H)

Financial Statements And Dividend Announcement for the Half Year And Second Quarter Ended 31 December 2009

PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	2nd Qtr Ended 31 December		Increase/ (decrease) %	Half Year Ended 31 December		Increase/ (decrease) %
		2009 RM'000	2008 RM'000		2009 RM'000	2008 RM'000	
Revenue		5,533	6,310	(12.3)	12,471	11,503	8.4
Cost of sales		<u>(2,487)</u>	<u>(2,780)</u>	(10.5)	<u>(5,597)</u>	<u>(4,482)</u>	24.9
Gross profit		3,046	3,530	(13.7)	6,874	7,021	(2.1)
Other income		14	(231)	n.m.	314	193	(62.7)
Expenses							
- Selling and distribution		(505)	(846)	(40.3)	(1,045)	(1,454)	(28.1)
- General and administrative		(4,052)	(3,988)	1.6	(7,692)	(7,651)	0.5
- Other		(1)	42	n.m.	(1)	-	n.m.
- Financial		<u>(302)</u>	<u>(370)</u>	(18.4)	<u>(611)</u>	<u>(647)</u>	(5.6)
Loss before income tax	A	(1,800)	(1,863)	(3.4)	(2,161)	(2,538)	(14.9)
Income tax (expense)/credit	B	<u>(22)</u>	104	n.m.	<u>(268)</u>	<u>(153)</u>	75.2
Net loss		<u>(1,822)</u>	<u>(1,759)</u>	3.6	<u>(2,429)</u>	<u>(2,691)</u>	(9.7)
Other comprehensive income:							
- Foreign currency translation		<u>(54)</u>	<u>(26)</u>	107.7	<u>12</u>	<u>58</u>	(79.3)
Other comprehensive income, net of tax		<u>(54)</u>	<u>(26)</u>	107.7	<u>12</u>	<u>58</u>	(79.3)
Total comprehensive income		<u>(1,876)</u>	<u>(1,785)</u>	5.1	<u>(2,417)</u>	<u>(2,633)</u>	(8.2)

Note	2nd Qtr Ended 31 December			Half Year Ended 31 December		
	2009 RM'000	2008 RM'000	Increase/ (decrease) %	2009 RM'000	2008 RM'000	Increase/ (decrease) %
Loss attributable to:						
Owner of the parent	(1,864)	(1,643)	13.5	(2,422)	(2,477)	(2.2)
Minority interests	<u>42</u>	<u>(116)</u>	n.m.	<u>(7)</u>	<u>(214)</u>	(96.7)
	<u>(1,822)</u>	<u>(1,759)</u>	3.6	<u>(2,429)</u>	<u>(2,691)</u>	(9.7)
Total comprehensive income attributable to:						
Owner of the parent	(1,901)	(1,659)	14.6	(2,420)	(2,442)	(0.9)
Minority interests	<u>25</u>	<u>(126)</u>	n.m.	<u>3</u>	<u>(191)</u>	n.m.
	<u>(1,876)</u>	<u>(1,785)</u>	5.1	<u>(2,417)</u>	<u>(2,633)</u>	(8.2)

*n.m. = not meaningful.

1(a)(ii) Notes to statement of comprehensive income

A. The loss before income tax is determined after charging/(crediting) the followings:

	2nd Qtr Ended 31 December			Half Year Ended 31 December		
	2009 RM'000	2008 RM'000	Increase/ (decrease) %	2009 RM'000	2008 RM'000	Increase/ (decrease) %
Interest income:						
- Bank balances	(36)	(60)	(40.0)	(145)	(156)	(7.1)
- Adjustment of trade receivables to amortised cost	(7)	-	n.m.	(63)	-	n.m.
Interest expenses:						
- Finance leases	8	16	(50.0)	16	23	(34.8)
- Adjustment of other payable to amortised cost	178	178	-	357	357	-
- Adjustment of trade receivables to amortised cost	-	363	n.m.	-	62	n.m.
- Bank guarantee	47	35	34.3	94	69	36.2
- Bank overdraft	12	7	71.4	24	16	50.0
- Term loan	57	72	(20.8)	120	120	-
Depreciation of property, plant and equipment	121	162	(25.3)	244	266	(8.3)
Foreign exchange (gain)/loss	62	(46)	n.m.	(57)	(4)	n.m.
Operating lease expenses	373	453	(17.7)	751	876	(14.3)
Gain on disposal of financial assets, at fair value through profit and loss	(2)	-	n.m.	(2)	-	n.m.

B. Income tax expense/(credit)

	2nd Qtr Ended			Half Year Ended		
	31 December		Increase/ (decrease) %	31 December		Increase/ (decrease) %
	2009	2008		2009	2008	
	RM'000	RM'000		RM'000	RM'000	
Income tax expense/(credit)						
- Current period	22	(108)	n.m.	268	133	101.5
- Underprovision in respect of prior year	-	4	n.m.	-	20	n.m.
	<u>22</u>	<u>(104)</u>	n.m.	<u>268</u>	<u>153</u>	75.2

A provision of RM268,000 was made for income tax expense in the 6 months ended 31 December 2009 even though the Group had recorded a loss before tax. This was because the loss incurred by the Company cannot be used to claim group relief to offset against chargeable income of subsidiaries in Malaysia.

1(b)(i) A statement of financial position (for the issuer and the group), together with a comparative statement as at the end of the immediate preceding financial year.

	Group		Company	
	31/12/2009	30/06/2009	31/12/2009	30/06/2009
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Current assets				
Cash and bank balances	23,699	29,049	7,307	12,931
Trade and other receivables	40,000	36,999	30,196	27,022
Inventories and development expenditure	47,375	46,185	-	-
Other current assets	2,896	3,031	2,101	2,020
	<u>113,970</u>	<u>115,264</u>	<u>39,604</u>	<u>41,973</u>
Non-current assets				
Trade and other receivables	219	1,033	-	-
Investment in subsidiaries	-	-	229,087	229,087
Property, plant and equipment	2,005	2,203	295	317
Intangible assets	7,838	7,838	-	-
	<u>10,062</u>	<u>11,074</u>	<u>229,382</u>	<u>229,404</u>
Total assets	<u>124,032</u>	<u>126,338</u>	<u>268,986</u>	<u>271,377</u>
LIABILITIES				
Current liabilities				
Trade and other payables	24,874	24,569	190	235
Borrowings	2,136	2,426	-	-
Current income tax liabilities	392	208	13	34
	<u>27,402</u>	<u>27,203</u>	<u>203</u>	<u>269</u>
Non-current liabilities				
Other payable	12,048	11,691	-	-
Borrowings	2,544	3,019	-	-
Deferred income tax liabilities	103	103	-	-
	<u>14,695</u>	<u>14,813</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>42,097</u>	<u>42,016</u>	<u>203</u>	<u>269</u>
Net assets	<u>81,935</u>	<u>84,322</u>	<u>268,783</u>	<u>271,108</u>

	Group		Company	
	31/12/2009 RM'000	30/06/2009 RM'000	31/12/2009 RM'000	30/06/2009 RM'000
EQUITY				
Equity attributable to equity holders of the Company				
Share capital	258,849	258,843	258,849	258,843
Restructuring reserve	(201,554)	(201,554)	-	-
Warrant reserve	13,507	13,507	13,507	13,507
Foreign currency translation reserve	83	81	-	-
Retained earnings/ (accumulated losses)	8,311	10,733	(3,573)	(1,242)
	<u>79,196</u>	<u>81,610</u>	<u>268,783</u>	<u>271,108</u>
Minority interests	2,739	2,712	-	-
Total equity	<u>81,935</u>	<u>84,322</u>	<u>268,783</u>	<u>271,108</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

	As at 31/12/2009		As at 30/06/2009	
	Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
Finance leases	133	-	150	-
Bank borrowings:				
Bank overdraft	859	-	982	-
Term loans	1,144	-	1,294	-

Amount repayable after one year

	As at 31/12/2009		As at 30/06/2009	
	Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
Finance leases	384	-	462	-
Bank borrowings:				
Term loans	2,160	-	2,557	-

Details of any collateral

Finance leases

Finance leases are for motor vehicles and are secured by way of legal mortgages on the underlying lease assets.

Bank borrowings

- (a) The subsidiary, HMS Capital Sdn Bhd, was granted a facility comprising bank guarantees of up to RM13,775,000, a term loan of up to RM4,000,000 and a bank overdraft of up to RM500,000 from a licensed bank. The term loan is repayable in 48 monthly instalments, the first of which commenced in August 2008. The recurring monthly instalments have thus far been duly repaid. The banking facility is secured by bank deposits of RM6,931,000 and a corporate guarantee from the Company.
- (b) The subsidiary, U&U Memorial Development (S.P.) Sdn Bhd (“UUMD”), was granted a facility comprising bank guarantees of up to RM500,000, a term loan of up to RM800,000 and a bank overdraft of up to RM700,000 from a licensed bank. The term loan is repayable in 60 monthly instalments, the first of which commenced in August 2008. The recurring monthly instalments have thus far been duly repaid. The banking facility is secured by bank deposits of RM622,000, a corporate guarantee from Credit Guarantee Corporation (M) Berhad, a corporate guarantee from U&U Memorial Corporation (M) Sdn Bhd and personal guarantees from certain directors/managers of UUMD.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	2nd Qtr Ended 31 December		Half Year Ended 31 December	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash flows from operating activities				
Net loss	(1,822)	(1,759)	(2,429)	(2,691)
Adjustments:				
Depreciation of property, plant and equipment	120	162	244	266
Property, plant and equipment written off	1	-	1	-
Gain on disposal of property, plant and equipment	(11)	-	(11)	-
Gain on disposal of financial asset, at fair value through profit and loss	(2)	-	(2)	-
Interest expense	302	370	611	647
Income tax expense	22	(104)	268	153
Interest income	(43)	241	(208)	(156)
Exchange difference arising from consolidation	(54)	(26)	12	58
	<u>(1,487)</u>	<u>(1,116)</u>	<u>(1,514)</u>	<u>(1,723)</u>
Change in working capital, net of effects from acquisition of subsidiaries				
Financial assets, at fair value through profit and loss	1,177	-	-	-
Trade and other receivables	(363)	3,255	(2,124)	5,461
Inventories and development expenditure	(698)	(6,079)	(1,190)	(11,344)
Other current assets	(35)	(1,316)	135	(6,660)
Trade and other payables	605	538	305	(2,589)
	<u>(801)</u>	<u>(4,718)</u>	<u>(4,388)</u>	<u>(16,855)</u>
Cash used in operations	(801)	(4,718)	(4,388)	(16,855)
Income tax paid	(59)	(842)	(84)	(1,492)
Interest expense paid	(124)	(130)	(254)	(228)
Interest income received	36	61	145	156
	<u>(948)</u>	<u>(5,629)</u>	<u>(4,581)</u>	<u>(18,419)</u>
Cash flows from investing activities				
Purchase of property, plant and equipment	(41)	(142)	(77)	(351)
Proceed from disposal of property, plant and equipment	41	-	41	-
Proceed from disposal of financial asset	2	-	2	-
Acquisition of subsidiaries, net of cash acquired	-	(48)	-	(1,745)
	<u>2</u>	<u>(190)</u>	<u>(34)</u>	<u>(2,096)</u>
Net cash used in investing activities	2	(190)	(34)	(2,096)

	2nd Qtr Ended 31 December		Half Year Ended 31 December	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash flows from financing activities				
Net proceeds from issuance of shares to minority shareholders	-	-	24	2,385
Proceeds from exercise of warrants	-	-	6	-
Proceeds from issuance of new ordinary shares pursuant to share placement exercise	-	-	-	17,264
Share placement expenses paid	-	(7)	-	(40)
Drawdown of term loan	-	-	-	4,000
Repayment of term loan	(277)	(237)	(547)	(404)
Increase in fixed deposits pledged	(43)	-	(43)	(600)
Repayment of finance lease obligations	(57)	(37)	(95)	(66)
Net cash used in financing activities	(377)	(281)	(655)	22,539
Net (decrease)/increase in cash and cash equivalents	(1,323)	(6,100)	(5,270)	2,024
Cash and cash equivalents at the beginning of period	16,610	20,687	20,557	12,563
Cash and cash equivalents and the end of period	15,287	14,587	15,287	14,587

Note to statement of cash flows

Cash and cash equivalent

	31/12/2009 RM'000	31/12/2008 RM'000
Cash and bank balances	23,699	22,822
Less: Bank overdraft	(859)	(747)
Less: Short term bank deposits pledged	(7,553)	(7,488)
Cash and cash equivalents	15,287	14,587

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalising issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	← Attributable to equity holders of the Company →						Minority interests RM'000	Total equity RM'000
	Share capital RM'000	Restructuring reserve RM'000	Warrant reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000		
Group								
6 months ended								
31 December 2009								
Beginning of financial period	258,843	(201,554)	13,507	81	10,733	81,610	2,712	84,322
Total comprehensive income	-	-	-	2	(2,422)	(2,420)	3	(2,417)
Issuance of new ordinary shares pursuant to exercise of warrants	6	-	- *	-	-	6	-	6
Issuance of new ordinary shares to minority interests	-	-	-	-	-	-	24	24
End of financial period	<u>258,849</u>	<u>(201,554)</u>	<u>13,507</u>	<u>83</u>	<u>8,311</u>	<u>79,196</u>	<u>2,739</u>	<u>81,935</u>

* Less than RM1,000.

	← Attributable to equity holders of the Company →						
	Share capital RM'000	Restructuring reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
6 months ended 31 December 2008							
Beginning of financial period	241,618	(201,554)	12	18,861	58,937	666	59,603
Total comprehensive income	-	-	35	(2,477)	(2,442)	(191)	(2,633)
Issuance of new ordinary shares pursuant to share placement exercise	17,264	-	-	-	17,264	-	17,264
Share placement expense	(40)	-	-	-	(40)	-	(40)
Issuance of new ordinary shares to minority interests	-	-	-	-	-	2,385	2,385
Arising from acquisition of subsidiaries	-	-	-	-	-	213	213
End of financial period	<u>258,842</u>	<u>(201,554)</u>	<u>47</u>	<u>16,384</u>	<u>73,719</u>	<u>3,073</u>	<u>76,792</u>

	Share capital RM'000	Warrant reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Company				
6 months ended				
31 December 2009				
Beginning of financial period	258,843	13,507	(1,242)	271,108
Total comprehensive income	-	-	(2,331)	(2,331)
Issuance of new ordinary shares pursuant to exercise of warrants	6	- *	-	6
End of financial period	<u>258,849</u>	<u>13,507</u>	<u>(3,573)</u>	<u>268,783</u>
6 months ended				
31 December 2008				
Beginning of financial period	241,618	-	(516)	241,102
Total comprehensive income	-	-	(450)	(450)
Issuance of new ordinary shares pursuant to share placement exercise	17,264	-	-	17,264
Share placement expense	(40)	-	-	(40)
End of financial period	<u>258,842</u>	<u>-</u>	<u>(966)</u>	<u>257,876</u>

* Less than RM1,000.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company's share capital since the end of the previous period reported on.

The number of shares that may be issued on conversion of the Company's outstanding warrants as at the end of financial period is as follow:

	31/12/2009	31/12/2008
Total number of shares that may be issued on conversion of the Company's outstanding warrants	<u>589,982,279</u>	<u>-</u>

There were no outstanding treasury shares as at 31 December 2009.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding financial year.

	31/12/2009	30/06/2009
Total number of issued shares excluding treasury shares	<u>590,017,721</u>	<u>590,002,721</u>

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation are consistent with those applied to the audited financial statements for the financial year ended 30 June 2009, except as disclosed in paragraph 5 below.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all the new and revised Financial Reporting Standards (“FRS”) and Interpretation of FRS (“INT FRS”) that are relevant to its operations and effective from annual periods beginning on or after 1 January 2009. The adoption of the new/revised FRS and INT FRS did not result in changes to the Group’s or the Company’s accounting policies and had no material impact on the results under review. Where applicable, the presentation of the financial information has been amended to comply with these standards.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	2nd Qtr Ended 31 December		Half Year Ended 31 December	
	2009	2008	2009	2008
Net loss for the period attributable to owner of the parent (RM)	(1,864,000)	(1,643,000)	(2,422,000)	(2,477,000)
Weighted average number of shares (No.)	590,017,721	590,000,000	590,016,987	588,478,261
Basic loss per share (RM cents)	<u>(0.32)</u>	<u>(0.28)</u>	<u>(0.41)</u>	<u>(0.42)</u>

The Company’s dilutive potential ordinary shares are the warrants. However, no diluted loss per share was presented for financial period ended 31 December 2009 as the exercise of the dilutive warrants will result in anti-dilution of loss per share.

Dilutive earnings per share is not presented for the financial period ended 31 December 2008 as there were no potential dilutive ordinary shares existing during the financial period.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the :-**

- (a) **current financial period reported on; and**
 (b) **immediately preceding financial year.**

	Group		Company	
	31/12/2009	30/06/2009	31/12/2009	30/06/2009
Net asset value per ordinary share	<u>RM0.13</u>	<u>RM0.14</u>	<u>RM0.46</u>	<u>RM0.46</u>

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following :-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

A. Review of Financial Performance

Second Quarter Ended 31 December 2009 (“2Q FY10”) vs Second Quarter Ended 31 December 2008 (“2Q FY09”)

Revenue decreased by RM777,000 in 2Q FY10 as compared to 2Q FY09. This was mainly attributed to lower sales of burial plots by RM1.6 million. However, the decrease was partly mitigated by the higher sales of columbarium and tomb construction, which increased by RM498,000 and RM649,000 respectively.

In line with the lower revenue, the Group's gross profit stood at RM3.0 million in 2Q FY10, RM484,000 lower as compared to 2Q FY09. Gross profit margin dropped marginally by 1% to 55% in 2Q FY10.

Despite the decrease in gross profit, the Group recorded a lower loss before income tax of RM1.8 million, which was approximately RM63,000 less than the loss seen in 2Q FY09. This was mainly attributable to tight costs control measures implemented by the Group during the financial period, which reduced operating expenses by RM302,000.

Half Year Ended 31 December 2009 (“1H FY10”) vs Half Year Ended 31 December 2008 (“1H FY09”)

Group revenue in 1H FY10 stood at RM12.5 million, RM1 million higher as compared to 1H FY09. Tomb construction continued its positive contribution and posted RM1.6 million into the Group 1H FY10 revenue, an increase of RM1.2 million as compared to 1H FY09. In addition, sales of columbarium also improved by RM308,000 as compared to 1H FY09. However, these increases were partly offset by the lower sales of burial plots.

Despite the higher revenue in 1H FY10, the Group's gross profit decreased marginally by RM147,000 to RM6.9 million as compared to 1H FY09. The Group experienced lower gross profit margin of 55% in 1H FY10 as compared to 61% in 1H FY09. This was mainly attributable to higher cost of inventory for burial plots sold in 1H FY10, as well as lower-margin ancillary products and services accounting for a higher proportion of sales. The Group's higher cost of inventory for burial plots in 1H FY10 resulted from a higher stage of completion of the development works in the memorial parks as compared to 1H FY09.

The Group recorded a lower loss before income tax of RM2.2 million in 1H FY10. This was mainly attributable to the costs control strategy carried out by the Group during the financial period, which reduced operating expenses by RM403,000.

B. Review of Financial Position

There were no major variances in the Group's balance sheet as at 31 December 2009 compared to 30 June 2009 with the exception of the following:

1. An increase of RM3.0 million in trade receivables and other receivables as a result of an increase in credit sales during the period.
2. Lower cash and bank balances of RM5.3 million mainly due to utilisation of funds in operating activities during the period.

C. Review of Cash Flow

The Group recorded a decrease in cash and cash equivalents of RM5.3 million in 1H FY10. This decrease was primarily attributable to an operating loss before working capital changes of RM1.5 million as well as a net decrease in working capital of RM3 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The bereavement care services industry is capital intensive and requires specialised industry knowledge. The barriers to entry for this industry are thus high and the competitive landscape in the industry is not expected to change significantly. The Group will continue with its strategy to develop high end memorial parks and to also provide quality bereavement care services. This will enable the Group to stay competitive against other operators.

The Group expects to experience seasonally lower business levels in the first three months of the 2010 calendar year. This is mainly because of lower pre-need sales activities before and after the Lunar Chinese New Year, as consumers view it a cultural taboo to be involved in bereavement activities during the auspicious period. As a result, the directors expect trading conditions, especially for pre-need sales, to be difficult in the next quarter.

11. If a decision regarding dividend has been made:

(a) Whether an interim(final) ordinary dividend has been declared (recommended); and

(b) (i) Amount per share cents

(ii) Previous corresponding period cents

None.

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net tax, state the tax rate and the country where dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) **The date the dividend is payable.**

Not applicable.

- (e) **The date on which Registrable Transfers received by the company up to 5.00 pm will be registered before entitlements to the dividend determined.**

Not applicable.

- 12. If no dividend has been declared (recommended), a statement to the effect.**

No dividend has been declared for the quarter ended 31 December 2009.

BY ORDER OF THE BOARD

**Lee Keng Mun
Chief Financial Officer
4 February 2010**



ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED
(Company Reg. No. 200609901H)

CONFIRMATION BY THE BOARD

We, Dato' Dr. Choo Yeow Ming and Heng Aik Koon, being two of the directors of Asia-Pacific Strategic Investments Limited (the "Company"), do hereby confirm on behalf of the board of directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results for the half year ended 31 December 2009 to be false or misleading.

BY ORDER OF THE BOARD

(SIGNED)

Dato' Dr. Choo Yeow Ming
Chairman

4 February 2010

(SIGNED)

Heng Aik Koon
Executive Director