



ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED

(Company Reg. No. 200609901H)

Financial Statements And Dividend Announcement for the Third Quarter Ended 31 March 2010

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	3rd Qtr Ended 31 March		Increase/ (decrease) %	9 Months Ended 31 March		Increase/ (decrease) %
		2010 RM'000	2009 RM'000		2010 RM'000	2009 RM'000	
Revenue		4,347	4,864	(10.6)	16,818	16,367	2.8
Cost of sales		<u>(1,746)</u>	<u>(1,890)</u>	(7.6)	<u>(7,343)</u>	<u>(6,372)</u>	15.2
Gross profit		2,601	2,974	(12.5)	9,475	9,995	(5.2)
Other income		22	95	n.m.	336	288	n.m.
Expenses							
- Selling and distribution		(430)	(1,076)	(60.0)	(1,475)	(2,530)	(41.7)
- General and administrative		(3,890)	(4,615)	(15.7)	(11,582)	(12,266)	(5.6)
- Other		(200)	(1)	n.m.	(201)	(1)	n.m.
- Financial		<u>(296)</u>	<u>(250)</u>	18.4	<u>(907)</u>	<u>(897)</u>	1.1
Loss before income tax	A	(2,193)	(2,873)	(23.7)	(4,354)	(5,411)	(19.5)
Income tax expense	B	<u>(291)</u>	<u>(122)</u>	138.5	<u>(559)</u>	<u>(275)</u>	103.3
Net loss		<u>(2,484)</u>	<u>(2,995)</u>	(17.1)	<u>(4,913)</u>	<u>(5,686)</u>	(13.6)
Other comprehensive income:							
- Foreign currency translation		<u>(217)</u>	<u>(19)</u>	n.m.	<u>(205)</u>	<u>39</u>	n.m.
Other comprehensive income, net of tax		<u>(217)</u>	<u>(19)</u>	n.m.	<u>(205)</u>	<u>39</u>	n.m.
Total comprehensive income		<u>(2,701)</u>	<u>(3,014)</u>	(10.4)	<u>(5,118)</u>	<u>(5,647)</u>	(9.4)

Note	3rd Qtr Ended 31 March			9 Months Ended 31 March		
	2010 RM'000	2009 RM'000	Increase/ (decrease) %	2010 RM'000	2009 RM'000	Increase/ (decrease) %
Loss attributable to:						
Owner of the parent	(2,583)	(2,727)	(5.3)	(5,005)	(5,204)	(3.8)
Minority interests	<u>99</u>	<u>(268)</u>	n.m.	<u>92</u>	<u>(482)</u>	n.m.
	<u>(2,484)</u>	<u>(2,995)</u>	(17.1)	<u>(4,913)</u>	<u>(5,686)</u>	(13.6)
Total comprehensive income attributable to:						
Owner of the parent	(2,708)	(2,739)	(1.1)	(5,128)	(5,181)	(1.0)
Minority interests	<u>7</u>	<u>(275)</u>	n.m.	<u>10</u>	<u>(466)</u>	n.m.
	<u>(2,701)</u>	<u>(3,014)</u>	(10.4)	<u>(5,118)</u>	<u>(5,647)</u>	(9.4)

*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 following:

	3rd Qtr Ended 31 March			9 Months Ended 31 March		
	2010 RM'000	2009 RM'000	Increase/ (decrease) %	2010 RM'000	2009 RM'000	Increase/ (decrease) %
Interest income:						
- Bank balances	(52)	(48)	8.3	(197)	(204)	(3.4)
- Adjustment of trade receivables to amortised cost	(5)	(63)	n.m.	(68)	(1)	n.m.
Interest expenses:						
- Finance leases	6	10	(40.0)	22	33	(33.3)
- Adjustment of other payable to amortised cost	178	179	-	535	536	-
- Bank guarantee	48	34	41.2	142	103	37.9
- Bank overdraft	12	4	200.0	36	20	80.0
- Term loan	52	85	(38.8)	172	205	(16.1)
Depreciation of property, plant and equipment	119	141	(15.6)	363	407	(10.8)
Foreign exchange (gain)/loss	253	(10)	n.m.	196	(14)	n.m.
Operating lease expenses	377	454	(17.0)	1,128	1,330	(15.2)

B. Income tax expense

	3rd Qtr Ended			9 Months Ended		
	31 March		Increase/ (decrease) %	31 March		Increase/ (decrease) %
	2010	2009		2010	2009	
	RM'000	RM'000		RM'000	RM'000	
Income tax expense						
- Current period	281	122	130.3	549	255	115.3
- Underprovision in respect of prior year	<u>10</u>	<u>-</u>	n.m.	<u>10</u>	<u>20</u>	(50.0)
	<u>291</u>	<u>122</u>	138.5	<u>559</u>	<u>275</u>	103.3

A provision of RM549,000 was made for income tax expense in the nine months ended 31 March 2010 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 the 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	
	31/03/2010	30/06/2009	31/03/2010	30/06/2009
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Current assets				
Cash and bank balances	20,262	29,049	4,658	12,931
Trade and other receivables	38,383	36,999	34,598	27,022
Inventories and development expenditure	48,507	46,185	-	-
Other current assets	3,076	3,031	2,124	2,020
	<u>110,228</u>	<u>115,264</u>	<u>41,380</u>	<u>41,973</u>
Non-current assets				
Trade and other receivables	383	1,033	-	-
Investment in subsidiaries	-	-	229,087	229,087
Property, plant and equipment	1,963	2,203	282	317
Intangible assets	7,838	7,838	-	-
	<u>10,184</u>	<u>11,074</u>	<u>229,369</u>	<u>229,404</u>
Total assets	<u>120,412</u>	<u>126,338</u>	<u>270,749</u>	<u>271,377</u>
LIABILITIES				
Current liabilities				
Trade and other payables	24,226	24,569	178	235
Borrowings	1,966	2,426	-	-
Current income tax liabilities	447	208	32	34
	<u>26,639</u>	<u>27,203</u>	<u>210</u>	<u>269</u>
Non-current liabilities				
Other payable	12,226	11,691	-	-
Borrowings	2,209	3,019	-	-
Deferred income tax liabilities	103	103	-	-
	<u>14,538</u>	<u>14,813</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>41,177</u>	<u>42,016</u>	<u>210</u>	<u>269</u>
Net assets	<u>79,235</u>	<u>84,322</u>	<u>270,539</u>	<u>271,108</u>

	Group		Company	
	31/03/2010 RM'000	30/06/2009 RM'000	31/03/2010 RM'000	30/06/2009 RM'000
EQUITY				
Equity attributable to equity holders of the Company				
Share capital	258,850	258,843	258,850	258,843
Restructuring reserve	(201,554)	(201,554)	-	-
Warrant reserve	13,507	13,507	13,507	13,507
Foreign currency translation reserve	(42)	81	-	-
Retained earnings/ (accumulated losses)	<u>5,728</u>	<u>10,733</u>	<u>(1,818)</u>	<u>(1,242)</u>
Minority interests	<u>76,489</u> <u>2,746</u>	<u>81,610</u> <u>2,712</u>	<u>270,539</u> <u>-</u>	<u>271,108</u> <u>-</u>
Total equity	<u>79,235</u>	<u>84,322</u>	<u>270,539</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 31/03/2010		As at 30/06/2009	
	Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
Finance leases	135	-	150	-
Bank borrowings:				
Bank overdraft	668	-	982	-
Term loans	1,163	-	1,294	-

Amount repayable after one year

	As at 31/03/2010		As at 30/06/2009	
	Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
Finance leases	350	-	462	-
Bank borrowings:				
Term loans	1,859	-	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 RM6,950,000 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.

	3rd Qtr Ended 31 March		9 Months Ended 31 March	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash flows from operating activities				
Net loss	(2,484)	(2,995)	(4,913)	(5,686)
Adjustments:				
Depreciation of property, plant and equipment	119	141	363	407
Property, plant and equipment written off	4	1	5	1
Gain on disposal of property, plant and equipment	-	-	(11)	-
Gain on disposal of financial asset, at fair value through profit and loss	-	-	(2)	-
Interest expense	296	312	907	897
Income tax expense	291	122	559	275
Interest income	(57)	(111)	(265)	(205)
Exchange difference arising from consolidation	(217)	(19)	(205)	39
	<u>(2,048)</u>	<u>(2,549)</u>	<u>(3,562)</u>	<u>(4,272)</u>
Change in working capital, net of effects from acquisition of subsidiaries				
Trade and other receivables	1,460	(846)	(664)	4,615
Inventories and development expenditure	(1,132)	(2,966)	(2,322)	(14,310)
Other current assets	(180)	1,342	(45)	(5,318)
Trade and other payables	(648)	(905)	(343)	(3,494)
	<u>(2,548)</u>	<u>(5,924)</u>	<u>(6,936)</u>	<u>(22,779)</u>
Cash used in operations	<u>(2,548)</u>	<u>(5,924)</u>	<u>(6,936)</u>	<u>(22,779)</u>
Income tax paid	(236)	(82)	(320)	(1,574)
Interest expense paid	(118)	(133)	(372)	(361)
Interest income received	52	48	197	204
	<u>(2,850)</u>	<u>(6,091)</u>	<u>(7,431)</u>	<u>(24,510)</u>
Net cash used in operating activities	<u>(2,850)</u>	<u>(6,091)</u>	<u>(7,431)</u>	<u>(24,510)</u>
Cash flows from investing activities				
Purchase of property, plant and equipment	(82)	(104)	(159)	(455)
Proceed from disposal of property, plant and equipment	-	-	41	-
Proceed from disposal of financial asset	-	-	2	-
Acquisition of subsidiaries, net of cash acquired	-	-	-	(1,745)
	<u>(82)</u>	<u>(104)</u>	<u>(116)</u>	<u>(2,200)</u>
Net cash used in investing activities	<u>(82)</u>	<u>(104)</u>	<u>(116)</u>	<u>(2,200)</u>

	3rd Qtr Ended		9 Months Ended	
	31 March		31 March	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities				
Net proceeds from issuance of shares to minority shareholders	-	72	24	2,457
Proceeds from exercise of warrants	1	-	7	-
Proceeds from issuance of new ordinary shares pursuant to share placement exercise	-	-	-	17,264
Share placement expenses paid	-	-	-	(40)
Drawdown of term loan	-	-	-	4,000
Repayment of term loan	(282)	(260)	(829)	(664)
Increase in fixed deposits pledged	(20)	-	(63)	(600)
Repayment of finance lease obligations	(32)	(35)	(127)	(101)
Net cash used in financing activities	(333)	(223)	(988)	22,316
Net decrease in cash and cash equivalents	(3,265)	(6,418)	(8,535)	(4,394)
Cash and cash equivalents at the beginning of period	15,287	14,587	20,557	12,563
Cash and cash equivalents and the end of period	12,022	8,169	12,022	8,169

Note to statement of cash flows

Cash and cash equivalents

	31/3/2010	31/3/2009
	RM'000	RM'000
Cash and bank balances	20,262	16,433
Less: Bank overdraft	(668)	(776)
Less: Short-term bank deposits pledged	(7,572)	(7,488)
Cash and cash equivalents	12,022	8,169

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 9 months ended 31 March 2010								
Beginning of financial period	258,843	(201,554)	13,507	81	10,733	81,610	2,712	84,322
Total comprehensive income	-	-	-	(123)	(5,005)	(5,128)	10	(5,118)
Issuance of new ordinary shares pursuant to exercise of warrants	7	-	-*	-	-	7	-	7
Issuance of new ordinary shares to minority interests	-	-	-	-	-	-	24	24
End of financial period	<u>258,850</u>	<u>(201,554)</u>	<u>13,507</u>	<u>(42)</u>	<u>5,728</u>	<u>76,489</u>	<u>2,746</u>	<u>79,235</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
9 months ended 31 March 2009							
Beginning of financial period	241,618	(201,554)	12	18,861	58,937	666	59,603
Total comprehensive income	-	-	23	(5,204)	(5,181)	(466)	(5,647)
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	-	-	-	-	-	2,457	2,457
Arising from acquisition of subsidiaries	-	-	-	-	-	295	295
End of financial period	<u>258,842</u>	<u>(201,554)</u>	<u>35</u>	<u>13,657</u>	<u>70,980</u>	<u>2,952</u>	<u>73,932</u>

	Share capital RM'000	Warrant reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Company				
9 months ended 31 March 2010				
Beginning of financial period	258,843	13,507	(1,242)	271,108
Total comprehensive income	-	-	(576)	(576)
Issuance of new ordinary shares pursuant to exercise of warrants	7	-*	-	7
End of financial period	<u>258,850</u>	<u>13,507</u>	<u>(1,818)</u>	<u>270,539</u>
9 months ended 31 March 2009				
Beginning of financial period	241,618	-	(516)	241,102
Total comprehensive income	-	-	(380)	(380)
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>(896)</u>	<u>257,946</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.

The movement of the Company's share capital is detailed below:

	Number of issued shares
Balance at 1 January 2010	590,017,721
Issuance of new shares pursuant to exercise of warrants on 26 January 2010	<u>3,733</u>
Balance at 31 March 2010	<u>590,021,454</u>

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 follows:

	31/3/2010	31/3/2009
Total number of shares that may be issued on conversion of the Company's outstanding warrants	<u>589,978,546</u>	<u>-</u>

There were no outstanding treasury shares as at 31 March 2010.

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.

	31/3/2010	30/06/2009
Total number of issued shares excluding treasury shares	<u>590,021,454</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.**

	3rd Qtr Ended 31 March		9 Months Ended 31 March	
	2010	2009	2010	2009
Net loss for the period attributable to owner of the parent (RM)	(2,583,000)	(2,727,000)	(5,005,000)	(5,204,000)
Weighted average number of shares (No.)	590,020,396	590,000,000	590,018,100	588,918,102
Basic loss per share (RM cents)	<u>(0.44)</u>	<u>(0.46)</u>	<u>(0.85)</u>	<u>(0.88)</u>

The Company’s dilutive potential ordinary shares are the warrants. However, no diluted loss per share was presented for financial period ended 31 March 2010 as the exercise of the dilutive warrants will result in anti-dilution of loss per share.

Dilutive earnings per share have not been presented for the financial period ended 31 March 2009 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	
	31/3/2010	30/06/2009	31/3/2010	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

Third Quarter Ended 31 March 2010 (“3Q FY10”) vs. Third Quarter Ended 31 March 2009 (“3Q FY09”)

Revenue decreased by RM517,000 in 3Q FY10 as compared with levels in 3Q FY09. This was attributed mainly to lower sales of burial plots and columbaria, which decreased by RM952,000 and RM112,000 respectively. However, the lower sales in 3Q FY10 were partly offset by higher sales from tomb construction, which increased by RM419,000.

As a result of the lower revenue, the Group's gross profit in 3Q FY10 was lower than in 3Q FY09 by RM373,000 and stood at RM2.6 million. The gross profit margin dropped marginally by 1 percentage point to 60% in 3Q FY10.

The Group recorded a loss before income tax of RM2.2 million, RM680,000 less than the loss recorded in 3Q FY09. Tight cost control measures implemented by the Group since the beginning of the financial period continued to result in lower operating expenses, which dropped by RM1.1 million.

Nine Months Ended 31 March 2010 (“9M FY10”) vs. Nine Months Ended 31 March 2009 (“9M FY09”)

Group revenue in 9M FY10 stood at RM16.8 million, RM451,000 higher than in 9M FY09. Revenue from tomb construction continued to contribute to Group revenue and recorded an increase of RM1.6 million as compared with levels in 9M FY09. However, the increase was offset by the lower sales of burial plots.

The Group's gross profit in 9M FY10 decreased by RM520,000 to RM9.5 million as compared with levels in 9M FY09. The gross profit margin was also lower, at 56% in 9M FY10 as compared with 61% in 9M FY09. This was attributed mainly to a higher cost of inventory for burial plots sold in 9M FY10 and higher sales for lower-margin ancillary products and services, which caused the gross profit margin to decrease by 5%. The cost of inventory for burial plots was higher in 9M FY10 than in 9M FY09 because development works in the memorial parks reached a higher stage of completion.

A lower loss before income tax of RM4.4 million was recorded for the Group in 9M FY10. The cost control strategy carried out by the Group since the beginning of the financial period has resulted in operating expenses being reduced by RM1.5 million.

B. Review of Financial Position

There were no major variances in the Group's balance sheet as at 31 March 2010 compared with 30 June 2009 except for lower cash and bank balances of RM8.8 million. This decrease was due largely to utilisation of funds on operating activities during the period.

C. Review of Cash Flow

In 9M FY10, the Group recorded a decrease in cash and cash equivalents of RM8.5 million. This decrease was attributable primarily to an operating loss before working capital changes of RM3.6 million as well as a net decrease in working capital of RM3.4 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 there is no significant change in the competitive landscape for the sector. The Group will continue with its strategy to develop high-end memorial parks and to provide quality bereavement care services as well. This will enable the Group to stay competitive against other operators.

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 March 2010.

- 13. Utilisation of Proceeds**

As at 31 March 2010, the status of utilisation of proceeds from the issuance of warrants completed on 18 May 2009 was as follows:

Purposes of utilisation	Proposed utilisation S\$'000	Actual utilisation S\$'000	As a percentage of gross proceeds %
Working capital	5,600	2,416	40.9
Placement expenses	<u>300</u>	<u>289</u>	<u>4.9</u>
Total	<u>5,900</u>	<u>2,705</u>	<u>45.8</u>

BY ORDER OF THE BOARD

**Lee Keng Mun
Chief Financial Officer
12 May 2010**



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

CONFIRMATION BY THE BOARD

We, Dato' Dr. Choo Yeow Ming and Michael Chu Siu Yin, 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 that might render the financial results for the third quarter ended 31 March 2010 false or misleading.

BY ORDER OF THE BOARD

(SIGNED)

Dato' Dr. Choo Yeow Ming
Chairman

12 May 2010

(SIGNED)

Michael Chu Siu Yin
Executive Director