



ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED

(Company Reg. No. 200609901H)

Financial Statements And Related Announcement for the First Quarter Ended 30 September 2012

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	1st Qtr Ended 30/09/2012 RM'000	30/09/2011 RM'000	Increase/ (decrease) %
<u>Continuing operations</u>				
Revenue		40	39	2.6
Cost of sales		-	-	n.m.
Gross profit		40	39	2.6
Other (losses)/gains - net		(4)	101	n.m.
Expenses				
- Selling and distribution		(6)	(14)	(57.1)
- General and administrative		(1,101)	(1,217)	(9.5)
Loss before income tax		(1,071)	(1,091)	(1.8)
Income tax		-	-	n.m.
Loss from continuing operations		(1,071)	(1,091)	(1.8)
<u>Discontinued operations</u>				
Profit/(loss) from discontinued operations	A	828	(473)	n.m.
Total loss and total comprehensive loss	B	(243)	(1,564)	(84.5)
Loss and total comprehensive loss attributable to:				
Equity holders of the Company		(224)	(1,308)	(82.9)
Non-controlling interests		(19)	(256)	(92.6)
		(243)	(1,564)	(84.5)

n.m. = Not meaningful.

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor had not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Ng Joo Khin.
Telephone number: 6389 3000. Email: jookhin.ng@stamfordlaw.com.sg

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

A. Discontinued operations and disposal group classified as held for sale

On 17 April 2012, the Company entered into a conditional sale and purchase agreement (“SPA”) with Bright Eagle Enterprises Group Limited (“BEEGL”) whereby the Company will acquire the entire issued and paid-up share capital of BEEGL Khalid Limited (“BEEGL-K”) and BEEGL Saad Limited (“BEEGL-S”) from BEEGL (“Proposed Acquisition”). Pursuant to the SPA, the entire issued and paid-up share capital of HMSC Capital Sdn Bhd (“HMSC”), a wholly owned subsidiary of the Company, consisting of 5,000,000 ordinary shares and valued at S\$60,726,295, will be transferred to BEEGL upon completion of the Proposed Acquisition. The details of the Proposed Acquisition were announced on 17 April 2012.

As at 30 September 2012, the assets and liabilities related to HMSC and its subsidiaries (collectively “HMSC Group”) have been presented in the balance sheet under current assets as “Assets of disposal group classified as held-for-sale” and under current liabilities as “Liabilities directly associated with disposal group classified as held-for-sale”, and its results have been presented separately in the statement of comprehensive income as “Profit/(loss) from discontinued operations”.

The results of the discontinued operations for the period ended 30 September 2012, and the re-measurement of the disposal group are as follows:

	1st Quarter Ended		Increase/
	30/09/2012	30/09/2011	(decrease)
	RM’000	RM’000	%
Revenue	2,351	2,447	(3.9)
Cost of sales	<u>(1,140)</u>	<u>(1,441)</u>	(20.9)
Gross profit	1,211	1,006	20.4
Other gains, net	1,771	1,445	22.6
Expenses			
- Selling and distribution	(331)	(569)	(41.8)
- General and administration	(1,776)	(2,080)	(14.6)
- Finance	<u>(47)</u>	<u>(258)</u>	(81.8)
Profit/(loss) before tax from discontinued operations	828	(456)	n.m.
Income tax	<u>-</u>	<u>(17)</u>	n.m.
Profit/(loss) from discontinued operations	<u>828</u>	<u>(473)</u>	n.m.
Loss attributable to equity holders of the Company relates to:			
- Loss from continuing operations	(1,071)	(1,091)	(1.8)
- Loss from discontinued operations	<u>847</u>	<u>(217)</u>	n.m.
Total	<u>(224)</u>	<u>(1,308)</u>	(82.9)

n.m. = Not meaningful.

B. The net loss is determined after charging/(crediting) the following:

	Note	1st Qtr Ended 30/09/2012 RM'000	30/09/2011 RM'000	Increase/ (decrease) %
Gain on disposal of subsidiaries	(i)	(1,692)	-	n.m.
Interest income:				
- Bank balances		(63)	(60)	5.0
Reversal of allowance for impairment of trade and other receivables	(ii)	(83)	(1,533)	(94.6)
Interest expenses:	(iii)			
- Bank borrowings		47	93	(49.5)
- Adjustment of other payable to amortised cost		-	165	n.m.
Depreciation of property, plant and equipment		125	140	(10.7)
Operating lease expenses	(iv)	226	264	(14.4)
Goodwill written-off		196	-	n.m.

n.m. = Not meaningful.

Note (i)

On 30 July 2012, the Group completed the disposal of its entire equity interest in 175,000 shares of U&U Memorial Corporation (M) Sdn Bhd ("UUMC"), which represented 70% of the issued and paid up share capital of UUMC, for a cash consideration of RM4,400,000 ("UUMC Disposal"). The UUMC Disposal has resulted in a gain of RM1,692,000 for the Group.

Note (ii)

Lower reversal of allowance for impairment of trade and other receivables in 1QFY13 was due mainly to lower collection from doubtful accounts as compared to 1QFY12.

Note (iii)

Lower interest expenses in 1QFY13 were attributable mainly to no adjustment of other payable to amortised cost. This other payable was stated to its settlement value as at 30 June 2012 and no further adjustment to amortised cost is required.

Note (iv)

Lower operating lease expenses were mainly due to one month lease expenses of UUMC was included in the Group's Profit and Loss as a result of the completion of UUMC Disposal on 30 July 2012. Full quarter lease expenses were consolidated in the Group's Profit and Loss in 1QFY12.

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	
	30/09/2012 RM'000	30/06/2012 RM'000	30/09/2012 RM'000	30/06/2012 RM'000
ASSETS				
Current assets				
Cash and bank balances	5,771	7,039	5,771	7,039
Trade and other receivables	-	-	43,269	42,903
Other current assets	299	274	299	274
	<u>6,070</u>	<u>7,313</u>	<u>49,339</u>	<u>50,216</u>
Asset of disposal group classified as held-for-sale (Note (v))	69,454	85,914	-	-
	<u>75,524</u>	<u>93,227</u>	<u>49,339</u>	<u>50,216</u>
Non-current assets				
Investment in subsidiaries	-	-	109,169	109,169
Property, plant and equipment	166	178	166	178
	<u>166</u>	<u>178</u>	<u>109,335</u>	<u>109,347</u>
Total assets	<u>75,690</u>	<u>93,405</u>	<u>158,674</u>	<u>159,563</u>
LIABILITIES				
Current liabilities				
Other payables	554	744	554	744
Current income tax liabilities	13	17	13	17
	<u>567</u>	<u>761</u>	<u>567</u>	<u>761</u>
Liabilities directly associated with disposal group classified as held-for-sale (Note (v))	23,373	41,318	-	-
Total liabilities	<u>23,940</u>	<u>42,079</u>	<u>567</u>	<u>761</u>
Net assets	<u>51,750</u>	<u>51,326</u>	<u>158,107</u>	<u>158,802</u>

	Group		Company	
	30/09/2012	30/06/2012	30/09/2012	30/06/2012
	RM'000	RM'000	RM'000	RM'000
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	269,860	269,860	269,860	269,860
Restructuring reserve	(201,554)	(201,554)	-	-
Warrant reserve	13,429	13,429	13,429	13,429
Foreign currency translation reserve	6	6	-	-
Accumulated losses	(29,991)	(29,767)	(125,182)	(124,487)
	<u>51,750</u>	<u>51,974</u>	<u>158,107</u>	<u>158,802</u>
Non-controlling interests	-	(648)	-	-
	<u>-</u>	<u>(648)</u>	<u>-</u>	<u>-</u>
Total equity	<u>51,750</u>	<u>51,326</u>	<u>158,107</u>	<u>158,802</u>

Note (v)

The major classes of assets and liabilities of the disposal group classified as held-for-sale as at 30 September 2012 are as follows:

	Group	
	30/09/2012	30/06/2012
	RM'000	RM'000
Assets:		
Cash and bank balances	13,906	14,665
Trade and other receivables	8,949	9,473
Inventories and development expenditure	45,218	51,338
Other current assets	257	886
Property, plant and equipment	1,124	1,714
Intangible asset	-	7,838
	<u>69,454</u>	<u>85,914</u>
Assets of disposal group classified as held-for-sale	<u>69,454</u>	<u>85,914</u>
Liabilities:		
Trade and other payables	9,257	26,371
Borrowings	249	1,069
Other payable – non-current	13,775	13,775
Deferred income tax liabilities	92	103
	<u>23,373</u>	<u>41,318</u>
Liabilities directly associated with disposal group classified as held-for-sale	<u>23,373</u>	<u>41,318</u>
Net assets directly associated with disposal group classified as held-for-sale	<u>46,081</u>	<u>44,596</u>

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

Amount repayable in one year or less, or on demand:

	As at 30/09/2012		As at 30/06/2012	
	Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
Finance lease liabilities	91	-	157	-
Bank borrowings:				
Bank overdraft	-	-	404	-
Term loan	-	-	96	-

Amount repayable after one year:

	As at 30/09/2012		As at 30/06/2012	
	Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
Finance lease liabilities	158	-	412	-

Details of any collateral

Finance lease liabilities

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

Bank borrowings

The subsidiary, HMS Capital Sdn Bhd, was granted the following financing facilities:

- (i) Bank guarantees of up to RM13,775,000; and
- (ii) An overdraft facility of up to RM500,000 from a licensed bank.

The banking facilities are secured by fixed deposits of RM7,711,000 and a corporate guarantee from the Company.

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.

	1st Qtr Ended	
	30/09/2012	30/09/2011
	RM'000	RM'000
Cash flows from operating activities		
Total loss	(243)	(1,564)
Adjustments for:		
Depreciation of property, plant and equipment	125	140
Interest expense	47	258
Income tax expense	-	17
Gain on disposal of property, plant and equipment	-	(15)
Gain on disposal of subsidiaries	(1,691)	-
Interest income	(63)	(60)
Goodwill written-off	196	-
	<u>(1,629)</u>	<u>(1,224)</u>
Changes in working capital		
Inventories and development expenditure	50	(1,159)
Trade and other receivables	25	1,082
Other current assets	17	99
Trade and other payables	(303)	253
	<u>(1,840)</u>	<u>(949)</u>
Cash used in operations	(1,840)	(949)
Income tax refunded/(paid), net	19	(72)
Interest received	63	60
	<u>(1,758)</u>	<u>(961)</u>
Net cash used in operating activities	<u>(1,758)</u>	<u>(961)</u>
Cash flows from investing activities		
Additions to property, plant and equipment	(15)	(90)
Proceeds from disposal of property, plant and equipment	-	22
Acquisition of non-controlling interests	(40)	-
Cash flow from disposal of subsidiaries	369	-
	<u>314</u>	<u>(68)</u>
Net cash from/(used in) investing activities	<u>314</u>	<u>(68)</u>
Cash flows from financing activities		
Repayment of borrowings	(96)	(263)
Increase in bank deposits pledged	(50)	(47)
Repayment of finance lease liabilities, net	(36)	(34)
Interest paid	(47)	(93)
	<u>(229)</u>	<u>(437)</u>
Net cash used in financing activities	<u>(229)</u>	<u>(437)</u>
Net decrease in cash and cash equivalents	(1,673)	(1,466)
Cash and cash equivalents at beginning of period	<u>13,639</u>	<u>7,438</u>
Cash and cash equivalents at end of period	<u>11,966</u>	<u>5,972</u>

Note to statement of cash flows

A. Cash and cash equivalents

	30/09/2012 RM'000	30/09/2011 RM'000
Continuing operations:		
Cash and bank balances	5,771	14,022
Less: Bank overdrafts	-	(653)
Less: Bank deposits pledged	-	(7,397)
	<u>5,771</u>	<u>5,972</u>
Discontinued operations:		
Cash and bank balances	13,906	-
Less: Bank deposits pledged	(7,711)	-
	<u>6,195</u>	<u>-</u>
Cash and cash equivalents	<u>11,966</u>	<u>5,972</u>

B. Cash flow attributable to discontinued operations

The impact of the discontinued operations on the cash flows of the Group is as follows:

	1st Qtr Ended	
	30/09/2012 RM'000	30/09/2011 RM'000
Operating cash outflows	(537)	(519)
Investing cash inflows/(outflows)	314	(68)
Financing cash outflows	<u>(182)</u>	<u>(344)</u>
Net cash outflows	<u>(405)</u>	<u>(931)</u>

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 →							
	Share capital RM'000	Restructuring reserve RM'000	Warrant reserve RM'000	Foreign currency translation reserve RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Group								
3 months ended 30 September 2012								
Beginning of financial period	269,860	(201,554)	13,429	6	(29,767)	51,974	(648)	51,326
Total comprehensive loss	-	-	-	-	(224)	(224)	(19)	(243)
Disposal of subsidiaries	-	-	-	-	-	-	511	511
Acquisition of non-controlling interests	-	-	-	-	-	-	156	156
End of financial period	<u>269,860</u>	<u>(201,554)</u>	<u>13,429</u>	<u>6</u>	<u>(29,991)</u>	<u>51,750</u>	<u>-</u>	<u>51,750</u>
3 months ended 30 September 2011								
Beginning of financial period	260,122	(201,554)	13,429	6	(13,786)	58,217	(880)	57,337
Total comprehensive loss	-	-	-	-	(1,308)	(1,308)	(256)	(1,564)
End of financial period	<u>260,122</u>	<u>(201,554)</u>	<u>13,429</u>	<u>6</u>	<u>(15,094)</u>	<u>56,909</u>	<u>(1,136)</u>	<u>55,773</u>

	Share capital RM'000	Warrant reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Company				
3 months ended 30 September 2012				
Beginning of financial period	269,860	13,429	(124,487)	158,802
Total comprehensive loss	-	-	(695)	(695)
End of financial period	<u>269,860</u>	<u>13,429</u>	<u>(125,182)</u>	<u>158,107</u>
3 months ended 30 September 2011				
Beginning of financial period	260,122	13,429	(4,289)	269,262
Total comprehensive loss	-	-	(719)	(719)
End of financial period	<u>260,122</u>	<u>13,429</u>	<u>(5,008)</u>	<u>268,543</u>

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

The Company does not have any treasury shares as at 30 September 2012.

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

	30/09/2012	30/09/2011
Total number of shares that may be issued on conversion of the Company's outstanding warrants	<u>58,657,027</u>	<u>58,657,027</u>

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.

	30/09/2012	30/06/2012
Total number of issued shares excluding treasury shares	<u>69,340,895</u>	<u>69,340,895</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 in the audited financial statements for the financial year ended 30 June 2012, 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 July 2012. 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.**

a) Basic loss per share

1st Qtr Ended	<u>Continuing operations</u>		<u>Discontinued operations</u>		<u>Total</u>	
	30/09/2012	30/09/2011	30/09/2012	30/09/2011	30/09/2012	30/09/2011
Net loss attributable to equity holders of the Company (RM'000)	(1,071)	(1,091)	847	(217)	(224)	(1,308)
Weighted average number of ordinary shares outstanding for basic loss per share ('000)	69,341	59,341	69,341	59,341	69,341	59,341
Basic (loss)/earnings per share (RM cents per share)	<u>(1.5)</u>	<u>(1.8)</u>	<u>1.2</u>	<u>(0.4)</u>	<u>(0.3)</u>	<u>(2.2)</u>

b) Diluted loss per share

The Company's dilutive potential ordinary shares are the warrants. However, no diluted loss per share was presented as the exercise of the warrants would result in anti-dilution of loss per share.

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

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

	Group		Company	
	30/09/2012	30/06/2012	30/09/2012	30/06/2012
Net asset value per ordinary share	<u>RM0.75</u>	<u>RM0.74</u>	<u>RM2.28</u>	<u>RM2.29</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**

First Quarter Ended 30 September 2012 ("1QFY13") vs First Quarter Ended 30 September 2011 ("1QFY12")

Continuing operations

Revenue increased marginally by 2.6% to RM40,000 for 1QFY13 as compared with 1QFY12.

The Group continued with its cost-cutting initiatives, which lower its operating expenses by RM124,000. The lower operating expenses together with net other losses in 1QFY13 resulted in a net loss of RM1.1 million, which is comparable to the level posted in 1QFY12.

Discontinued operations

Revenue in 1QFY13 fell marginally by RM96,000 to RM2.4 million as compared with 1QFY12. The decrease was attributable mainly to a RM252,000 drop in sales of burial niches which was offset partly by higher maintenance fee income, which increased by RM169,000, and higher sales of columbaria, which increased by RM122,000. Despite the lower revenue, gross profit increased by RM205,000. This increase was the result of higher maintenance fee income which provided a higher gross profit margin.

Continued efforts to control costs resulted in lower operating expenses of RM2.1 million as compared with RM2.6 million in 1QFY12. The Group also recorded a one-off gain on disposal of UUMC amounting to RM1.7 million, which resulted in a net profit of RM828,000 in 1QFY13 as compared with a net loss of RM473,000 in 1QFY12.

Overall group

The net loss recorded by the Group was RM243,000, lower than the net loss of RM1.6 million seen in 1QFY12.

B. Review of Financial Position

There was no material variance noted in the statement of financial position of the Group as at 30 September 2012 as compared with 30 June 2012 except for decrease in assets of disposal group classified as held-for-sale and liabilities directly associated with disposal group classified as held-for-sale. These decreases were in line with the deconsolidation of UUMC's balance sheet from the Group's statement of financial position upon completion of UUMC Disposal.

C. Review of Cash Flow

In 1QFY13, the Group recorded a decrease of RM1.7 million in cash and cash equivalents. The decrease was attributed mainly to an operating loss, excluding gain on disposal of UUMC, of RM1.6 million as well as negative working capital of RM211,000. These negative cash flows from operating activities were partly offset by net cash inflow from disposal of UUMC amounting to RM369,000.

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.

A. Bereavement care business

With the completion of the UUMC Disposal, we will utilise our resources to develop Semenyih Memorial Hills and augment the range of products and services available for the premium markets. We believe that these efforts will enable us to maintain our standing as the premier brand in Malaysia's bereavement care industry.

As announced on 24 September 2012, the Group leased 5.2 acres of land from Ulu Langat Hokkein Association. To-date, the Group has obtained vacant possession of the land and completed the basic infrastructure works. It is expected that the first phase of a multi-level funeral parlour will be ready by the end of this financial year.

B. Proposed Acquisition of BEEGK-K and BEEGK-S

As mentioned in Paragraph 1(a)(ii), the Company has entered into a Sale and Purchase Agreement ("SPA") to acquire 100% equity interest in BEEGL-K and BEEGL-S from Bright Eagle Enterprises Group Limited ("BEEGL"). BEEGL has secured two joint development agreements ("JDAs") for the conversion of up to seven fuel oil-based power generation units into coal-based power generators in Pakistan. BEEGL-K and BEEGL-S are two special purpose vehicles incorporated by BEEGL to carry out the rights and obligations of the JDAs. Pursuant to the SPA, the remaining bereavement care business of the Group will be transferred to BEEGL.

The Proposed Acquisition will change the Group's core business from bereavement care to the provision of engineering solutions in the power generation industry. As announced on 16 August 2012, the Company has extended the Long Stop Date (as defined in the SPA) by another four months to 16 December 2012.

The Proposed Acquisition is expected to take more than six months to complete and is not expected to have any significant impact on the Group in the next reporting period.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Book closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to the effect.

No dividend has been declared for the quarter ended 30 September 2012.

13. If the Group has obtained a general mandate from shareholders for interested person transactions (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained for the quarter ended 30 September 2012.

14. Utilisation of Proceeds

On 18 May 2012, the Company completed the issuance of 10,000,000 new ordinary shares at \$0.40 per share. The proceeds from the issuance of new shares were initially to be utilised as follows:

Use of Proceeds	Percentage Allocation (%)
i. To fund part of the Cash Consideration as defined in the Company’s announcement dated 17 April 2012 (the “ April Announcement ”), being one of the many components of First Consideration to be satisfied by the Company and as provided under paragraph 3.2 of the April Announcement	50 - 70
ii. To pay for the some of the expenses incurred by the Company in connection with the Proposed Acquisition as defined in the April Announcement	10 - 30
iii. General working capital of the Company	10 - 30

As announced on 31 July 2012, the Company revised the intended use of proceeds and as at 30 September 2012, the status in terms of utilisation was as follows:

Use of Proceeds	Actual utilisation S\$'000	As a percentage of gross proceeds %	Proposed utilisation ratio %
General working capital	1,574	39.3	30-60*
Expenses in relation to the Proposed Acquisition	146	3.7	30-60*
Share issue expense	25	0.6	^
Total	1,745	43.6	

Note:

* Proposed utilisation ratio as a percentage of net proceeds, after deducting all share issue expenses.

^ Share issue expense is estimated to be S\$30,000.

With respect to the S\$1,574,000 used for general working capital, the breakdown was as follows:

General working capital – Purpose of utilisation	Percentage Utilised (%)
Payment of employee compensation and directors' fee	52.5
Payment of office overheads	25.7
Payment of professional fees and other compliance costs	11.3
Payment to suppliers	10.5
Total	100.0

The use of proceeds is in accordance with the stated use.

BY ORDER OF THE BOARD

Lee Keng Mun
Chief Financial Officer
14 November 2012



ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED

(Company Reg. No. 200609901H)

CONFIRMATION BY THE BOARD

We, Dato' Dr. Choo Yeow Ming and Hano Maeloa, 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 first quarter ended 30 September 2012 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

SIGNED

Dato' Dr. Choo Yeow Ming
Director

14 November 2012

SIGNED

Hano Maeloa
Director