

Overview

Our company was incorporated in Singapore on 6 July 2006 under the Act as a public company limited by shares under the name of Asia-Pacific Strategic Investments Limited (Company Registration Number 200609901H). Our wholly-owned subsidiary, HMSC, was incorporated in Kuala Lumpur, Malaysia, in March 1997 and SMH Sdn Bhd, being wholly-owned subsidiary of HMSC, was incorporated in Kuala Lumpur, Malaysia, in October 2006..

Business

HMSC's bereavement care business began in 2004 when the directors of Pribena approached Ir.Heng Aik Koon and Dato' Choo to assist them in developing and marketing a private non-Muslim cemetery. In November 2005, HMSC entered into the Management Co-operation Agreement with Pribena to fund, develop, market, operate, manage and maintain SMH, in order to cater to the non-Muslim population. Currently, SMH is undergoing major development works to convert it into a memorial park on a 100-acre plot of land owned by Pribena in Selangor, Malaysia.

As at the latest Practicable Date, key infrastructure works relating to road alignment, terracing and earth works to selected priority areas and the construction of a site villa have been completed. Works relation to the development of the feature lake and other access facilities are on-going. The development works are in accordance with the planned timeline to commence interment in end -2007. The development and construction works are still on-going on the site and will be carried out in several phases, which we expect to complete in five to eight years.

HMSC's core business is to operate memorial parks and columbariums in Asia, and is principally engaged in the provision of professional and integrated bereavement services such as funeral arrangements, funeral and disposition services. These include:

- Provision of burial plots;
- Provision of (internal and external) columbarium niches;
- Provision of burial niches;
- Provision of funeral services;
- Construction of tombs; and
- Provision of ancestral tablets

Additionally, we intend to develop SMH into a centre for learning and training of professional bereavement care providers

SMH Sdn Bhd was incorporated to engage in and carry out the sale and marketing aspect of the business.

Competitive Strengths

Experienced and professional management team

HMSC has an experienced management team in each of the key areas of execution such as corporate finance, engineering and development, marketing, sales, human resource development and funeral services.

In addition, HMSC has engaged Mr. Wu Wen Long, who has 18 years of experience in the bereavement care industry and has been involved in the planning, design, implementation and management of the major memorial parks, cemeteries and temples in Taiwan, Malaysia and Singapore. He also has a strong network of suppliers, expert and service providers in Malaysia.

HMSC has also engaged a part-time consultant, Mr. Paul Yang, to advise the management of HMSC on bereavement services (including funeral and memorial services, religion systems of beliefs and rituals performed). Mr. Paul Yang has over 30 years of experience in the bereavement care industry in Taiwan. He is currently a director of the Funeral Education Society in Taiwan, as well as an executive director of Fu Yong Corporation Ltd, an operator of a bereavement centre in Taiwan.

In order to transport HMSC's business model into Indonesia, we have also engaged Mr. Kenneth Lian as a consultant to the Company. Mr. Lian sources for and negotiates on HMSC's behalf to acquire suitable sites for use as cemeteries in line with HMSC's bereavement care business. In addition, Mr. Lian's role is to negotiate for and advise HMSC on any purchase or application for land acquisition with relevant authorities in Indonesia. He will also advise the board of HMSC on strategies for business expansion into Indonesia.

Focused strategy on the development of high-end memorial parks and provision of quality bereavement care services

HMSC is focused on the development of professional and high-end memorial parks targeted at the high income segments of the non-Muslim population. HMSC's design and planning concepts are carefully catered to meet the needs of our target customers, and are novel and innovative. The emphasis in the development of SMH is on quality workmanship and integrated landscaping, in accordance with classical yin Feng Shui principles which capitalizes on the existing individual undulating terrain of water features on the land, creating a peaceful and desirable environment as well as being auspicious for the future generations. HMSC believes that this approach will enable it to market its memorial park at a premium. In addition, HMSC intends to provide a full range of professional and quality bereavement care services to its customers.

Competition

The bereavement care services industry is capital intensive and requires specialized industry knowledge. We believe that our major competitors are other private operators of memorial parks in Malaysia who engage in the development of memorial parks and the provision of bereavement care services in and around Kuala Lumpur. The principal competitive factors influencing the bereavement care services sector in Malaysia include the pricing scheme and marketing strategies adopted by the private operators.

HMSC believes that its closest competitors are:

- (i) NV Multi Corporation Berhad which operates the Nirvana Memorial Park located in Semenyih, Selangor
- (ii) The Xiao En Group which operates Nilai Memorial Park located in Nilai, Negeri Sembilan.

Prospects

We believe that the improving economic climate in Malaysia, the increasingly affluent and sophisticated population coupled with congested public cemeteries in major city centres in Malaysia will lead to continuing growth for the bereavement care industry in Malaysia. In addition, we believe that the main driver of growth for the bereavement care industry over and above the mortality rates will be the fast growing demand for the pre-need products and services. Additionally, the under-developed state of the local bereavement care industry holds potential for significant growth opportunities over and above the normal mortality rate.

Business Strategy and Future Plans

Our goal is to become the leading private operator of memorial parks. We intend to continue our development of high-end memorial parks and to provide quality bereavement care services in the Asia Pacific region.

Continued focus on the development of high-end memorial parks and provision of quality bereavement care services

We intend to maintain our focus on the development and management of high-end memorial parks and provision of quality bereavement care services in Malaysia. We will also continue to use innovative concepts and designs while emphasizing on quality workmanship and integrated landscaping to meet the demands of our target customers.

Prudently expand into other parts of Malaysia and Asian markets such as Singapore, the PRC and Indonesia.

Our strategy is to be one of the first players in the professional bereavement services industries around the region. Currently, we have already entered into negotiations to acquire or collaborate with an Indonesian party to develop a memorial park in Jakarta and have engaged a consultant to facilitate the same. We have similar plans for expansion into the PRC.

Where to find us

Our principal office is located at 1 Scotts Road, #20-07 Shaw Centre, Singapore 228208. Our telephone number is (+65) 6735 4118 and our facsimile number is (+65) 6735 6443.