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News Release
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Apex-Pal buys Genki Sushi chain in Malaysia

- **Purchase will place Sakae Sushi in 2nd spot for Japanese fast casual dining**

20 May 2008, Singapore – Apex-Pal International Ltd (“Apex-Pal” or “The Group”), The Innovative Food People, has signed an agreement on 16 May 2008 with Yotei Sdn Bhd, formerly known as Genki Sushi (Malaysia) Sdn Bhd (“Yotei”) to buy over the chain of Genki Sushi outlets in Malaysia. The Group, which manages the global chain of 60 Sakae Sushi restaurants in seven countries covering 12 major cities, is expected to strengthen its foothold in Malaysia, taking it to number two spot for Japanese fast casual dining.

2. The move came about after Yotei ended its franchise agreement with its principal franchisor in Japan. The deal, valued at Malaysia Ringgit 3.88 million (S\$1.64 million), will increase Apex-Pal’s market share to about 20%, up from its current 13% market share. With the purchase, Apex-Pal will take over the four Genki Sushi outlets in Malaysia and convert them into Apex-Pal’s brands of restaurants. The chain is currently profitable and is expected to enhance the earnings and earnings per share of the Group. The deal will be financed internally and through bank borrowings.

3. With operations in seven countries, Malaysia is a fast growing market that Apex-Pal plans to scale up quickly in the coming year. This strategic acquisition will help to achieve this in no small way. It will add approximately another 900 sq m of restaurant space, all of which are in prime locations such as the Twin Tower in Kuala Lumpur. The Group currently owns and operates eight Sakae Sushi restaurants and one Sakae Teppanyaki restaurant in Malaysia after entering Selangor with its first outlet at The Curve in 2005. In less than three years, the Sakae Sushi chain there has chalked up an impressive average annual revenue growth of more than 2.5 times. For the year ending 2007, revenue jumped more than 160% to S\$7.4 million from S\$2.8 million in 2006.

4. “We aim to build Sakae Sushi into a global brand so that when people think of *sushi*, they’ll think ‘Sakae’ and vice versa. Malaysia is one of the fast growing markets that we hope to scale up quickly,” said Mr Douglas Foo, Chairman and CEO for Apex-Pal. “We are not just acquiring profitable entities. This deal also presents us a great opportunity to gain a bigger market share. The Genki Sushi outlets, currently operating in prime locations with excellent traffic flow, will add tremendous value to our Malaysian operations.”

5. Ms Caren Poon, Managing Director of Apex-Pal Malaysia Sdn Bhd concluded, “With the acquisition, we will operate a total of 13 outlets in Malaysia. This will help us to enhance economies of scale, bringing down food and material costs; build greater brand awareness and integrate both systems for greater operational efficiency. More importantly, the Sakae Sushi brand has gained a strong foothold in Malaysia and we are confident that the new stores will accelerate our growth and increase our presence here. ”

About Apex-Pal International Ltd

Apex-Pal is a homegrown leader in providing innovative food and beverage solutions. With more than a decade of experience under its belt, the Group constantly breaks new grounds offering Singapore a taste of international dining through brands including Sakae Sushi, Sakae@Campus, Sakae Teppanyaki, Sakae Izakaya, Sakae Pizza, Hei Sushi, Sho-U, Crepes & Cream and Uma Uma Men. It is supported by Nouvelle Events, the only specialist caterer in Singapore that offers an award winning and unique patented portable *kaiten* (conveyor belt) *sushi* experience. In addition, the Group is involved in franchising its brands, food import and distribution as well as business-to-business supplies.

Listed on the Singapore Exchange since 2003, Apex-Pal manages more than 80 outlets in seven countries cover 12 cities -- Singapore, Jakarta, Chiangmai, Beijing, Chengdu, Hong Kong Shanghai, Manila, Kuala Lumpur, Penang, Selangor, and New York City. The Group remains committed to global growth by exploring new emerging markets such as the Middle East, Hungary, Mongolia and Vietnam. In FY 2007, Apex-Pal achieved a profit before tax of S\$3.5million on the back of a strong turnover of S\$83.8million.

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