

APEX-PAL INTERNATIONAL LTD.

INCORPORATION OF SUBSIDIARY IN UNITED STATES OF AMERICA

The Board of Directors of Apex-Pal International Ltd. (the "Company") is pleased to announce the incorporation of a wholly-owned subsidiary in United States of America known as "Apex-Pal (USA), Inc". The new subsidiary is wholly-owned by Apex-Pal Investment Pte. Ltd..

Apex-Pal (USA), Inc is principally engaged in the operation of restaurants, kiosks and cafes.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above-mentioned transaction.

By Order of the Board of Directors

Douglas Foo Peow Yong
Director
17 January 2007