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News Release
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APEX-PAL TO GAIN FROM SALE OF ONE IRVING ROAD

- Shareholders approve intention to sell building for \$12 million
- Proceeds of sale will reduce debt and increase working capital
- New building will meet additional space requirements and be in time for next wave of economic growth

Singapore, 17 December 2008 – Apex-Pal International Ltd (hereafter known as “Apex-Pal” or “The Group”), the company behind the global chain of Sakae Sushi restaurants, is pleased to announce that shareholders approved the sale and leaseback of the Group’s headquarters (Apex-Pal Building) at One Irving Road at an Extraordinary General Meeting held today.

2. The value of the transaction is \$12 Million, with a leaseback of the entire building for a period of 3 years immediately upon completion of the Proposed Sale and an option for renewal for the lease. The Company is expected to record a gain on disposal of approximately S\$5.8 million over the net book value of the building. The net proceeds of the sale of about S\$11.5 million will be used as working capital and to repay bank borrowings.

3. The purchaser, KPM Holdings Pte. Ltd., is wholly owned by the CEO and Director of Apex-Pal International Ltd., Douglas Foo and his spouse, Ms Koh Yen Khoon. The sale of property constitutes an Interested Person Transaction and Major Transaction under Chapter 9 and 10 of the Singapore Exchange Securities Trading Limited Listing Manual.

4. The Group and the purchaser have exercised all due diligence in completing all prerequisite legal issues and getting applicable regulatory approval. Advice was also sought from the Board of Directors as well as the Group’s appointed Independent Valuer – Savills (Singapore) Pte Ltd and Independent Financial Adviser – KPMG Corporate Finance Pte Ltd. The proposed transaction is expected to be completed in January 2009.

New Building part of Plan to Gear up for Next Wave of Growth

5. The new building is part of a bigger plan to meet future space requirements and provide adequate support for its local and overseas outlets. The Group's current headquarters, Apex-Pal Building, is located at the junction of Irving Road and Playfair Road. Sitting on a land area of about 1,400 square metre, the seven-storey light industrial building with a basement car park and a gross floor area is 4,300 sqm is used by the Company as offices, general warehousing and storage space, kitchen and training facilities. Apex-Pal bought the building in 2006 at a price of S\$5.6 million as rentals in the Central Business District where it was located was soaring. Within a year, the Group had run out of space due to rapid expansion locally and abroad.

6. In May this year, the Group entered into an agreement to lease a land from the Jurong Town Corporation to build a new headquarters. The lease period is 30 years with an option to renew for another 30 years. The lease terms are approximately \$20,000 per month. Construction for new building, estimated at a cost of about \$20 million, has already commenced. Situated near the upcoming Tai Seng MRT station at Tai Seng Street, the new 20,000 square metre building will feature hot and cold central kitchens, cold room, warehousing facilities, laboratory and research and development centre, as well as office space planned for its corporate support functions. The TOP for the new building is expected to take place in June next year. Once the new building is ready for occupancy, the Company will shift its operations in phases. The lease agreement for the existing building at One Irving Road will be pre-terminated after the shift is completed.

7. "The new building will help meet the new infrastructural needs of the Group. By then, we'll be ready to scale new heights just as the economy rides out of the recession and jump on the next wave of growth," concluded Mr Douglas Foo, Chairman and CEO of Apex-Pal.

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 Teppanyaki, Sakae@Campus, Sakae Izakaya, Sakae Pizza, Hei Sushi, Hibiki, The Pasta Shop, Senjyu, Kohi Ten and Crepes & Cream. 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 Mainboard of the Singapore Exchange, Apex-Pal manages more than 90 outlets in seven countries covering 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, Vietnam, Hungary and Mongolia. In FY 2007, Apex-Pal achieved a profit before tax of S\$3.5million on the back of a strong turnover of S\$83.8millions.

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