



C.straits Cafe Announces the Closing of US\$30 million Investment

Zhejiang C.Straits Food Chain Co. Ltd. (“C.straits Cafe” or “the Company”) made an announcement today (April 10) in relation to the closing of US\$30 million investment from the Goldman Sachs Group, an international investment bank and one of the top 500 enterprises in the world, and Whitesun Equity Partners. C.straits Cafe would invite representatives from these two strategic investors to join the Company’s Board of directors. Working closely with these two investors, C.straits Cafe aims to achieve the goal of opening 1,000 stores in China in the near future.

“C.straits Cafe” is already a famous brand of western cuisine and cafe chain in China and the Company currently operates a total of 400 direct own and franchised stores. The Company has also entered into a strategic alliance with the Kai Yuan Hotel Group (“Kai Yuan”), a premium hotel operator in China. C.straits Cafe and Kai Yuan plans to jointly expand their market position in the PRC and open high-end hotels equipped with western style cuisine and teppanyaki services provided by C.straits Cafe.

C.straits Cafe’s President, Ms. Jin Mei-Yang, said, “Goldman Sachs Group and Whitesun’s investment is a great recognition for the brand and people of C.straits Cafe. The Company will continue to focus on strengthening the brand value of C.straits Cafe and providing its customers with high quality cuisine and catering service”. Ms. Jin believes that the strategic investors can help

enhance C.straits Cafe's corporate governance and improve the Company's management practices in the long run.

David Chou, Managing Director of the Goldman Sachs Group, stated, "Catering industry in China has huge growth potential given Chinese consumers' increasing per capita income. Among many different restaurant chains in China, C.straits Cafe has proved its unique positioning and execution capability. We will help the Company keep expanding its footprint in China and increase the number of restaurants with the aim to go public in the near future."

David Lin, Managing General Partner of Whitesun Equity Partners, said, "C.straits Cafe's excellent products and services are tailored towards white-collars and business people in China. With the booming Chinese economy and rapid accumulation of personal wealth, the high-end catering industry in China will see robust growth in the coming years."

Kai Yuan currently operates more than 20 high-end hotels in China. Kai Yuan's Director, Mr. Chen Miaolin, stated, "Kai Yuan looks forward to work more closely with C. straits Cafe to open new stores in the future. Both companies have worked very well together in the past and aims to strengthen the level of cooperation going forward."

According to Ms. Jin, C.straits Cafe will divide its expansion strategy into four major regions of China, including Eastern China, Central China, Northern China and Western China, with Hangzhou, Wuhan, Tianjin and Chongqing as the centers of each region. The Company will simultaneously set up central kitchen, logistic distribution, training schools and coffee bean factory in these regions in order to provide consistent product quality, just-in-time delivery, and frequent employee training. Ms. Jin believes that with Goldman Sachs and Whitesun's help, the C.straits Cafe will see more rapid development in the future and the Company's brand will become a symbol of quality western style dining in China.

About C.straits Cafe: C.straits Cafe is a sino-foreign joint venture company in China and it operates a nationwide chain of restaurants focusing on western style cuisine and cafe. The Company was founded by a female entrepreneur, Ms. Jin Mei-Yang, in Zhejiang province with the aim to providing quality food and service to consumers in China.

C.straits Cafe strives to provide an elegant and comfortable environment for its customers to carry out business activities and enjoy personal leisure time or other social activities. C.straits Cafe has become a renowned brand of western style cuisine and teppanyaki with over 400 nationwide restaurants. Both the President, Jin Mei-Yang, and the Chairman, Yang Jin-Fa, wish to foster a home-grown quality brand of western style cuisine in China.

About Goldman Sachs: Goldman Sachs is a leading global investment banking, securities and investment management firm that provides a wide range of services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high net worth individuals. Founded in 1869, it is one of the oldest and largest investment banking firms. The firm is headquartered in New York and maintains offices in London, Frankfurt, Tokyo, Hong Kong and other major financial centers around the world.

About Whitesun Equity Partners: Whitesun Equity Partners is an international private equity fund and its majority shareholders include renowned enterprises, banks and life insurance companies. Whitesun typically invests in enterprises that have top quality management teams and high growth potential.