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## FURTHER INFORMATION IN RELATION TO ENTRY INTO SALE AND PURCHASE AGREEMENT

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### 1. Introduction

The board of directors (the “**Board**” or “**Directors**”) of Regal International Group Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement dated 29 April 2025 (the “**Previous Announcement**”) and wishes to provide further information in relation to entry into a sale and purchase agreement as required pursuant to Chapter 10 of the Listing Manual of the SGX-ST (the “**Listing Rules**”). Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Previous Announcement.

The Proposed Disposal constitutes a “disclosable transaction” under Chapter 10 of the Listing Rules. Please refer to **Section 8** of this announcement for further details on the relative figures in respect of the Proposed Disposal computed on the bases set out in Rule 1006 of the Listing Rules.

The Company also wishes to clarify that with respect to the second paragraph of the Previous Announcement, no shareholders’ approval is required pursuant to Listing Rule 906 as the Proposed Disposal is not an “interested person transaction” under Chapter 9 of the Listing Manual as set out in the same paragraph.

### 2. Information on the Land

#### 2.1 Information

The parcel of vacant land is situated at Santubaong-Buntal Road, Kuching, containing an area of 1.2279 hectares and described as Lot 640 Block 3 Salak Land District (the “**Land**”).

The Group does not conduct any operations at the Land, the Land is not material to the Group’s business and is a non-core asset of the Group.

#### 2.2 Valuation

In the third paragraph of the Previous Announcement, the Company had stated that a valuation report had been issued by Henry Butcher Malaysia (“**Independent Valuer**”). However, the Company wishes to clarify that the Independent Valuer had only performed a laptop valuation of the Land and no formal valuation report had been issued yet. Further to the said laptop valuation provided by way of email on 14 April 2025, the estimated fair market value of the Land is approximately RM910,242 (equivalent to approximately S\$276,000) as at 14 April 2025. The formal valuation report shall be ready prior to the completion of the Proposed Disposal.

### 3. Information on the Purchasers

The purchasers are independent and unrelated third parties. To the best of the Board’s knowledge, information and belief, having made all reasonable enquiries, the Purchasers are third parties are not related to and are not associates of any Director or controlling shareholders of the Company, and they do not own any shares in the Company.

#### 4. Rationale

The Company believes that the Proposed Disposal is in the best interests of the Group as the Land is currently not used for Group's operations and the Proposed Disposal will enable the Group to realise the value of the Land and to improve and optimise the utilisation of its assets and capital.

#### 5. Consideration Sum

As set out in the Previous Announcement, the consideration sum is RM1,250,000 (equivalent to approximately S\$377,000) (the "**Consideration Sum**") which comprises a deposit and part payment of RM300,000 (equivalent to approximately S\$90,500) and the balance sum of RM950,000.00 (equivalent to approximately S\$286,500) payable in three (3) months' time from the date of the S&P Agreement (with a 15 days grace period). The factors taken into account in arriving at the Consideration Sum are set out in the Previous Announcement.

#### 6. Intended Use of Proceeds

The Consideration Sum arising from the Proposed Disposal represents an estimated gain on disposal of approximately S\$57,000, being an excess over the book value of the Land.

The costs and expenses incurred or to be incurred by the Group are not material and shall be funded through the Group's internal resources.

The Group intends to utilise the sale proceeds towards the settlement of its outstanding balances.

#### 7. Principal Terms of the S&P Agreement

According to the S&P Agreement:

(a) Sale and Purchase of the Land

Subject to the terms and conditions in the S&P Agreement, the Vendor shall sell and transfer to the purchasers and the purchasers shall buy and take from the Vendor the Land on a "as is where is" basis but with vacant possession, free from all encumbrances including charges or any instruments or matters of which by reason of their registration in any register or of which by any rule of law or equity or otherwise the purchasers have or is deemed to have notice but otherwise subject to such restriction in interests and conditions express or implied upon the document of title affecting the said Land as at the date of issue and from time to time added thereon or modified in accordance with the law by any competent governmental body which the purchasers have or is deemed to have notice thereof.

(b) Completion and Consideration

The completion of the Proposed Disposal is expected to take place within three (3) months from the date of the S&P Agreement (with a 15 days grace period). Please refer to **Section 5** of this announcement in relation to the consideration.

(c) Governing Law and Jurisdiction

The S&P Agreement is governed by, and is to be construed in accordance with, the laws of Malaysia applicable to Sarawak.

## 8. Relative Figures computed on the bases set out in Listing Rule 1006

The relative figures computed on the bases set out in Listing Rule 1006 for the Proposed Disposal are as follows:

Rule	Bases	Relative Figures
Listing Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets. <sup>(1)</sup>	5.28% <sup>(2)</sup>
Listing Rule 1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits.	(0.04)% <sup>(3)</sup>
Listing Rule 1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	1.46% <sup>(4)</sup>
Listing Rule 1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable <sup>(5)</sup>
Listing Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not Applicable <sup>(6)</sup>

### Notes:

- (1) Based on the net liabilities value of the Group of RM20,078,000 (approximately S\$6,056,000) as at 31 December 2023 and the net asset value of the Land of RM1,060,500 (approximately S\$320,000) as at 31 December 2023.
- (2) Based on the unaudited consolidated financial statements of the Group for the financial year ended 31 December 2023, the net asset value represented by the Land is approximately RM1,060,500 (approximately S\$320,000) which represents approximately 5.28% of the Group's net liabilities value of RM20,078,000 (approximately S\$6,056,000) as at 31 December 2023.
- (3) Based on the unaudited consolidated financial statements of the Group for the financial year ended 31 December 2023, the gain on disposal of RM189,500 (approximately S\$57,000) which represents approximately (0.04)% of the Group's net losses of approximately RM4,880,000 (approximately S\$1.472,000) as at 31 December 2023.
- (4) The Consideration Sum to be received by the Company in connection with the Proposed Disposal is RM1,250,000 (equivalent to approximately S\$377,000) which represents approximately 1.46% of the Company's market capitalisation of RM85,835,000 (approximately S\$25,888,000) on 29 April 2025, being the last full market day on which trades were done preceding the date of the S&P Agreement. The Company's market capitalisation was determined by multiplying the number of shares in issue (224,917,251 Shares) by the weighted average price of such shares transacted on 29 April 2025 (S\$0.1151).
- (5) The Proposed Disposal is a disposal of assets not an acquisition of assets. No equity securities will be issued by the Company in connection with the Proposed Disposal.

(6) The Company is not a mineral, oil and gas company.

As the relative figure calculated under Rule 1006(a) computed on the bases set out in Listing Rule 1006 exceeds 5% but all relative figures are less than 20%, the Proposed Disposal is classified as a “disclosable transaction” under Listing Rule 1010.

## 9. Financial Effects

The financial effects of the Proposed Disposal on the net tangible asset (“**NTA**”) per share and the earnings per share (“**EPS**”) of the Group have been prepared based on the latest announced unaudited consolidated financial statements of the Group for the financial period ended 30 September 2021.

For the purpose of illustrating the financial effects, the financial effects have been prepared based on, *inter alia*, the following assumptions:

- (a) the financial effects on the NTA per share of the Group are computed assuming that the Proposed Disposal was completed on 30 September 2021; and
- (b) the financial effects on the EPS of the Group are computed assuming that the Proposed Disposal was completed on 1 January 2021.

### Financial Effects on the NTA per share of the Group

	Before Completion of the Proposed Disposal	After Completion of the Proposed Disposal
Net tangible assets (“ <b>NTA</b> ”) (RM'000)	5,552	5741
Number of Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings	224,917,251	224,917,251
NTA per Share (RM sens)	2.4685	2.5525

### Financial Effects on the EPS of the Group

	Before Completion of the Proposed Disposal	After Completion of the Proposed Disposal
Loss after tax attributable to equity holders of the Company (RM'000)	(1,842)	(1,653)
Weighted average number of Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings	224,917,251	224,917,251
EPS of the Group (RM sens)	(0.8190)	(0.7349)

The financial effects presented above are for illustrative purposes only and are not intended to reflect the actual future results and/or financial position of the Company and/or the Group. No representation is made as to the actual future results and/or financial position of the Company and/or the Group.

#### **10. Service Contracts**

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal and no service contracts in relation thereto is proposed to be entered into by the Company.

#### **11. Interests of Directors, Substantial Shareholders and Controlling Shareholders**

None of the directors, substantial shareholders and/or controlling shareholders, or persons connected to the directors, substantial shareholders and/or controlling shareholders of the Company has any interest, whether director or indirect, in the Proposed Disposal, save for their respective shareholdings in the Company.

#### **12. Documents Available for Inspection**

A copy of the S&P Agreement of the Land may be inspected at the registered office of the Company located at Blk 20 Sin Ming Lane, #04-68 Mid View City, Singapore 573968, during normal business hours for three (3) months from the date of this announcement.

#### **13. Directors Responsibility Statement**

The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and the Group, and the directors of the Company are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the directors of the Company has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

#### **14. Cautionary Statement**

**Shareholders and potential investors of the Company should note that there is no certainty or assurance as at the date of this announcement that the Proposed Disposal will be completed. In particular, the S&P Agreement is subject to conditions which may or may not be fulfilled.**

**Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.**

By Order of the Board of  
**Regal International Group Ltd**

Su Chung Jye  
Executive Chairman and Chief Executive Officer  
6 May 2025