



Investors' Dialogue

- ❖ 28 July 2016, Thurs
- ❖ Suntec City Convention Center
Room 323 , SINGAPORE

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■ Corporate Information

BOARD OF DIRECTORS

Su Chung Jye	<i>Executive Chairman and CEO</i>
Wong Pak Kiong	<i>Executive Director</i>
Low Yew Shen	<i>Non-Executive Director</i>
Goon Kok Loon	<i>Lead Independent Director</i>
Chong Weng Hoe	<i>Independent Director</i>
Francis Hwang Huat	<i>Kuong Independent Director</i>

AUDIT COMMITTEE

Goon Kok Loon	<i>Chairman</i>
Chong Weng Hoe	
Francis Hwang Huat Kuong	

REMUNERATION COMMITTEE

Chong Weng Hoe	<i>Chairman</i>
Goon Kok Loon	
Francis Hwang Huat Kuong	
Su Chung Jye	

NOMINATING COMMITTEE

Goon Kok Loon	<i>Chairman</i>
Chong Weng Hoe	
Francis Hwang Huat Kuong	
Su Chung Jye	

COMPANY SECRETARY

Shirley Tan Sey Liy (ACIS)

REGISTERED OFFICE

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Singapore 059301
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Website: www.regalinternational.com.sg

COMPANY REGISTRATION NUMBER

200508585R

REGISTRAR AND SHARE TRANSFER OFFICE

RHT Corporate Advisory Pte. Ltd.

OFFICIAL WEBSITE

www.regalinternational.com.sg

MARKET CAPITALISATION

No. of Issued Shares : 200.11 m
Market Capitalisation: S\$ 23.6 m
(as at 21 Jul 2016)

■ Corporate Profile

Dual-listed on the mainboard of Singapore Exchange – Securities Trading Limited (“**SGX**”) (Stock code: UV1.SI) and as Taiwan Depository Receipts (TDR) on Taiwan Stock Exchange (“**TWSE**”) (Stock code: 911619.TW), Regal International Group Ltd. (“**RIG**” or the “**Group**”) is a diversified international business group.

As one of the first Sarawak-based companies to list on the mainboard of the SGX, RIG’s vision is to be an international gateway for partners and investors to emerging business opportunities from East Malaysia.



■ Corporate Profile

Regal International Group, has been involved in a full spectrum of activities in property development, investment, construction and other related business activities in East Malaysia for over a decade.

The Group has achieved an impressive track record and is one of the trusted major builder developers in Sarawak. Our diverse property portfolio includes shop houses, terrace houses, landed properties, service apartments, condominiums, malls, commercial and industrial units.



MISSION

To create genuine sustainable value for our stakeholders.

VISION

To be an internationally formidable player in property development through continuous enhancement of our core businesses.

■ Property Value Estimates

- Currently 24 projects with **total GDV of >RM 1.7 billion ***
- Estimated **net development value “amount to RM254.11m” ***
- “RNAV works out to about **RM319.60m** or S\$0.532 per share or S\$0.350 after discount”*
- Average GP margin 25-30%

Figure 1: List of Major Projects

Project	Location	Description	GDV (RM m)	Completion	Total no of units	% Unsold
Regal Corporate Park	Kuching	Detached and semi-detached light industry units	377.6	2022	384	84%
Airtrollis	Nilai	Apartments, shophouses and mall	362.2	2019	1040	65%
Tropics City	Kuching	SOHO, apartments and mall	315.5	2019	603	6%
Treetops@Kemena	Bintulu	Apartments	202.2	2018	585	100%
72 Residences	Kuching	Condominium	65.8	2017	72	44%
Tondong Heights	Kuching	Terrace houses	66.8	2017	228	30%
18x other projects	Sarawak	Landed properties and shophouses	306.4			
Total GDV			1,696.4			

Source: Company, NRA Capital

* From NRA Capital Research report dated 14 July 2016

■ Market Challenges

- Slowdown in Malaysian economy
- Introduction of Malaysia GST in 2015
- Depreciation of Ringgit against major currencies
- Higher mortgage rates and tighter bank loan approval processes



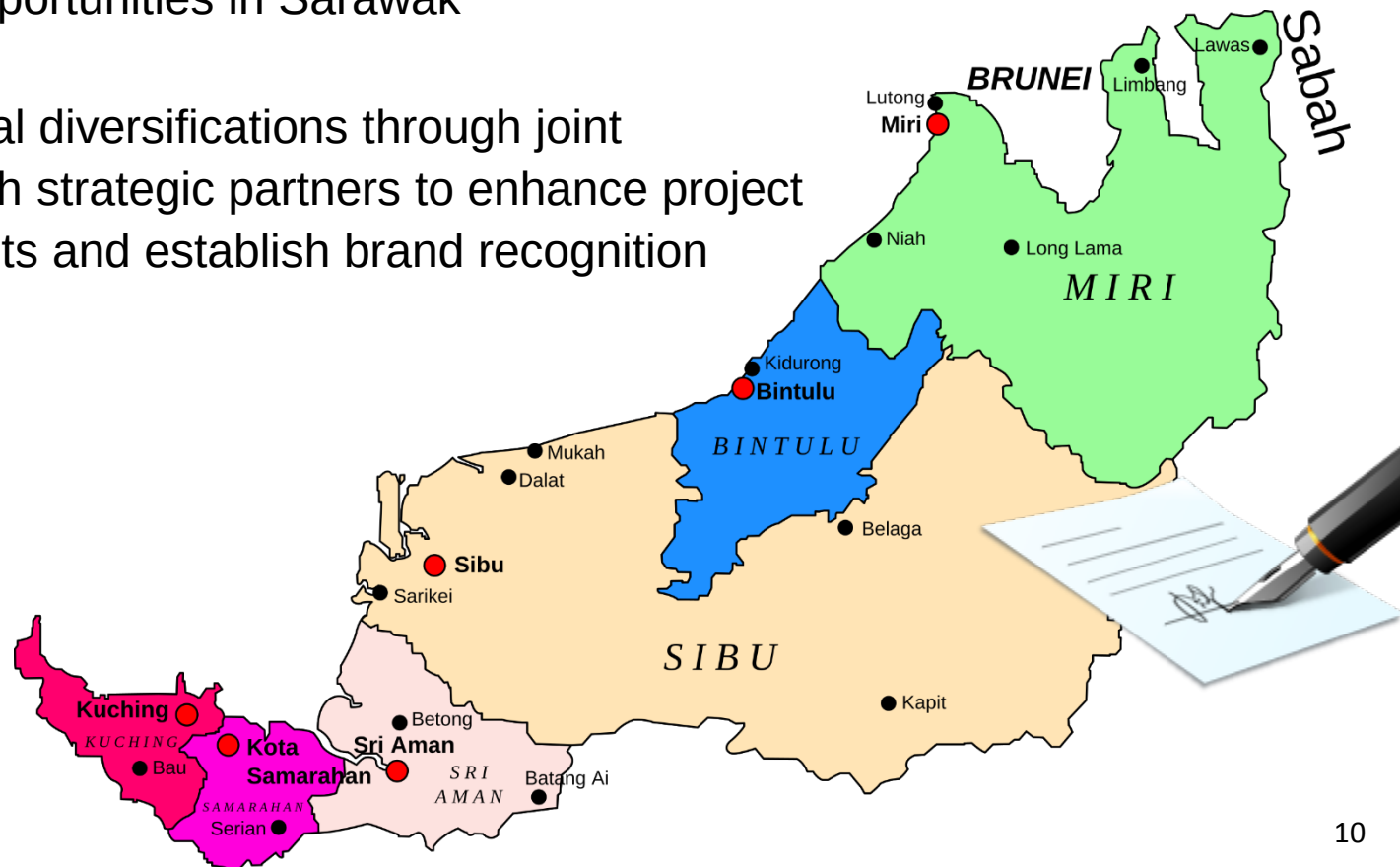
■ Strategic Counters

- Strong pipeline of projects into 2019 - capture growth in volatile market through “Variety of Products Offering”
- Fine-tuning of residential product segmentation, targeted at affordability and aspirations of home buyers
- Competitive pricing enhances agility to changes in economic conditions and market expectations
- Better quality and cost control through joint venture into production of raw building materials



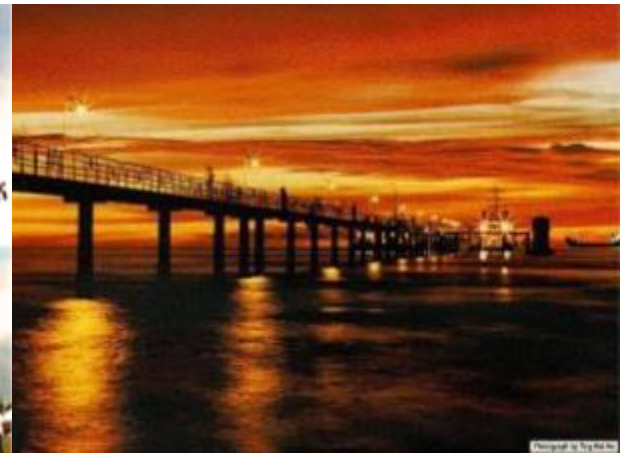
■ Strategic Counters

- Strengthening position as a gateway for international investors to tap into the abundant business opportunities in Sarawak
- Geographical diversifications through joint ventures with strategic partners to enhance project developments and establish brand recognition



■ Recent Developments

- Disposal of Precision Business - focus on property development and related businesses
- MOU with Malaysian Innovation Hub (MIH) to jointly explore opportunities to develop and commercialise innovations identified by MIH
- MOU with Hangzhou Ego Group Co Ltd to explore and implement the highly successful “Beautiful Village” model in Malaysia



Abundant Opportunities In Sarawak, East Malaysia



Bani hasyim

■ Sarawak



Capital	Kuching
Area	124,450 square kilometres (37.5% of Malaysia's total land mass)
Population	2,636,000 (Department of Information, Ministry of Communications and Multimedia, Malaysia. 2015)
GDP per capita	RM44,437 in 2014
Major Exports	Liquefied Natural Gas Crude Petroleum Timber Agricultural products

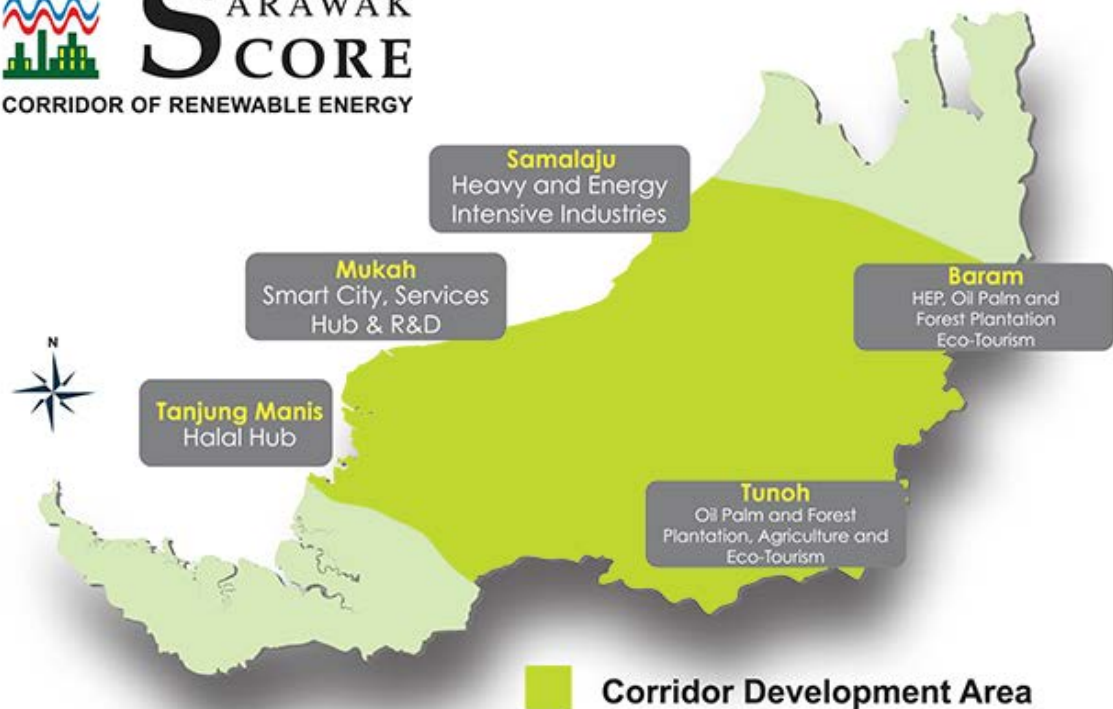
■ Sarawak's Economy

- **3rd in GDP** among Malaysia's states and federal territories, just after Selangor & Kuala Lumpur
- As a large but sparsely populated state with a varied geography, Sarawak ***capitalise on its natural resources to spur economic growth***
 - Primary sectors such as mining, agriculture, and forestry accounted for 32.8% of the state economy in 2013
- **Strongly export-oriented**
 - one of the world's largest exporters of tropical hardwood timber
- **Tourism plays a major role**; contributing 9.3% of state's GDP in 2015
 - visitors mostly from Brunei, Indonesia, Philippines, Singapore, and China



■ Key Industries in Sarawak: Energy

- The **Sarawak Corridor of Renewable Energy (SCORE)** is one of Malaysia's five economic corridors and is the second largest of the corridors
- SCORE focuses on developing the energy sector and targets 10 high impact priority industries such as timber, oil-based industries & tourism



■ Key Industries in Sarawak: Energy



- **Samalaju Industrial Park (SIP)** in Bintulu, Sarawak, the biggest single industrial park in Malaysia, has attracted initial investment of RM28 billion
- Completed in 2014, Samalaju Port holds key to success of SCORE by facilitating imports of raw materials and exports of finished goods to the world

■ Key Industries in Sarawak: Agriculture

- One of the state's key engines, providing jobs to $\frac{1}{4}$ of the population
- Agriculture contributes 11.4% to Sarawak's economy
- Sarawak government has allocated RM5.3 billion in 2016 Budget to modernize the agriculture sector
- Global fish farm industry is projected to increase by 89% from US\$89 billion in 2011 to US\$168 billion by 2016

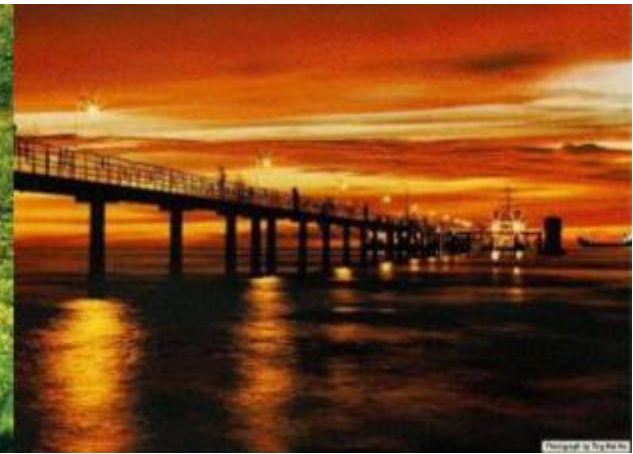


- **Key Industries in Sarawak: Timber**
 - The eight major destinations of logs export by Sarawak are Japan, South Korea, Taiwan, Hong Kong, China, India, Thailand and Singapore
 - Prices of timber products have been on the rise since 2013
 - Falling demand in timber due to uncertain conditions in major markets, total exports fell by 3.5% in Q1 2016



■ Key Industries in Sarawak: Tourism

- Tourist arrivals into Sarawak have grown 8.1% from 2014 to 2015
- A weaker ringgit has encouraged more tourists numbers and spending, with most coming from Singapore, China and Brunei
- Low cost carriers have also been adding more flights from Japan, Korea, and China to Sarawak
- Sarawak, as part of East Asia Inter-Regional Tourism Forum, signed a joint declaration to enhance collaboration in promoting eco-tourism amongst partner provinces



- **Eco-tourism in Sarawak: The Next Frontier**
- Sarawak is promoting itself as a major eco-tourism destination, with a focus on its natural attractions
 - **Bako National Park** already earmarked for coastal tourism
- Eco-tourism is being emphasized as it aligns with Sarawak's increased focus on conserving and preserving its natural resources
- Completion of the **Pan-Borneo Highway** will also boost connectivity and convenience for tourists



Regal's Forward Strategy



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FORWARD LOOKING

Gateway to Sarawak



Kuching City Center

- Regal has a strong pipeline of property projects; recently made inroads into Bintulu, a key oil and gas hub in Sarawak
- Regal's Singapore base offers a sizeable investor network to tap on
- On the constant look out for international investors to partner on projects such as destination development
- A strong focus on innovating around the idea of real estate development

■ Investment and Business Opportunities in Sarawak

- Lowered national interest rates
- Proposed 2,000 acre Township/Urban & Industrial hub in the works
- Demand of condos on the rise
 - Over 6,500 units coming into market
 - Condos seeing 60% take ups in Q1
- Sturdy pace of construction deals and activity
 - 8.2% clip in 2015
 - Fastest growing segment of domestic economy
 - GDP growth for the construction sector expanded at 7.9% in Q1 2016



Projects Portfolio Highlights

*A glimpse into what we have built and
what we are going to build...*

AWARDS AND RECOGNITION



Group

- Year 2011 to 2015 - Singapore 1000 Public Listed Companies Award



SME 100
Awards 2014
FAST MOVING COMPANIES™
EAST MALAYSIA

- Temasek Regal Capital Sdn Bhd received SME 100 Awards (East Malaysia Edition): Malaysia's Fast Moving Companies 2014 from Business Media International in 2014



- Midas Residences Sdn Bhd was given the Merit award for Low Rise Residential for The Tropics Condominiums in Kuching by the Sarawak Housing and Real Estate Developers' Association (SHEDA) at its Excellence Awards in November 2014.



■ Affordable Home



Budget housing to cater to lower income group - fulfils home ownership dream

- Total 3 phases; 228 units of single and double storey terrace houses
- Floor area per unit: 548 – 938 sqft
- Est. completion of phase 1 & 3 in 2016; phase 2 in 2018

■ Resort Living

Experience quality living with exclusive use of essential amenities and facilities everyday



- 72 units of condominium
- Floor area per unit: 1600 – 2000 sqft
- Est. completion in 2017

72 | SEVENTY TWO
r e s i d e n c e s

■ Resort Living

Community/condominium living with families enjoying security, convenience and value as key features in resort-like environment



- 120 units of condominiums
- Floor area per unit: 1900 – 2320 sqft
- Completed in 2015

The Orchard
residences

■ Mini Township



- Total 3 phases; 1104 units of apartments, shophouses & mall in Negri Sembilan
- Floor area per unit: 820 – 930 sqft (phase 1 residential)
- Est. completion of phase 1 in 2016



■ Mini Township



- 604 units of SOHO, apartments & mall
- Floor area per unit: 470 – 1544 sqft
- Est. completion in 2018

■ Mini Township



Kemena Heights

- Total >600 units of apartments, shophouses, petrol station & supermarket in Bintulu
- Est. completion in 2019

■ Industrial Park



- Total 3 phases; 384 units of double storey light industrial units at Bandar Baru Semariang, Kuching
- Floor area per unit: 1830 – 2090 sqft
- Est. completion of phase 1 in 2018



FORWARD LOOKING

Builder Developer

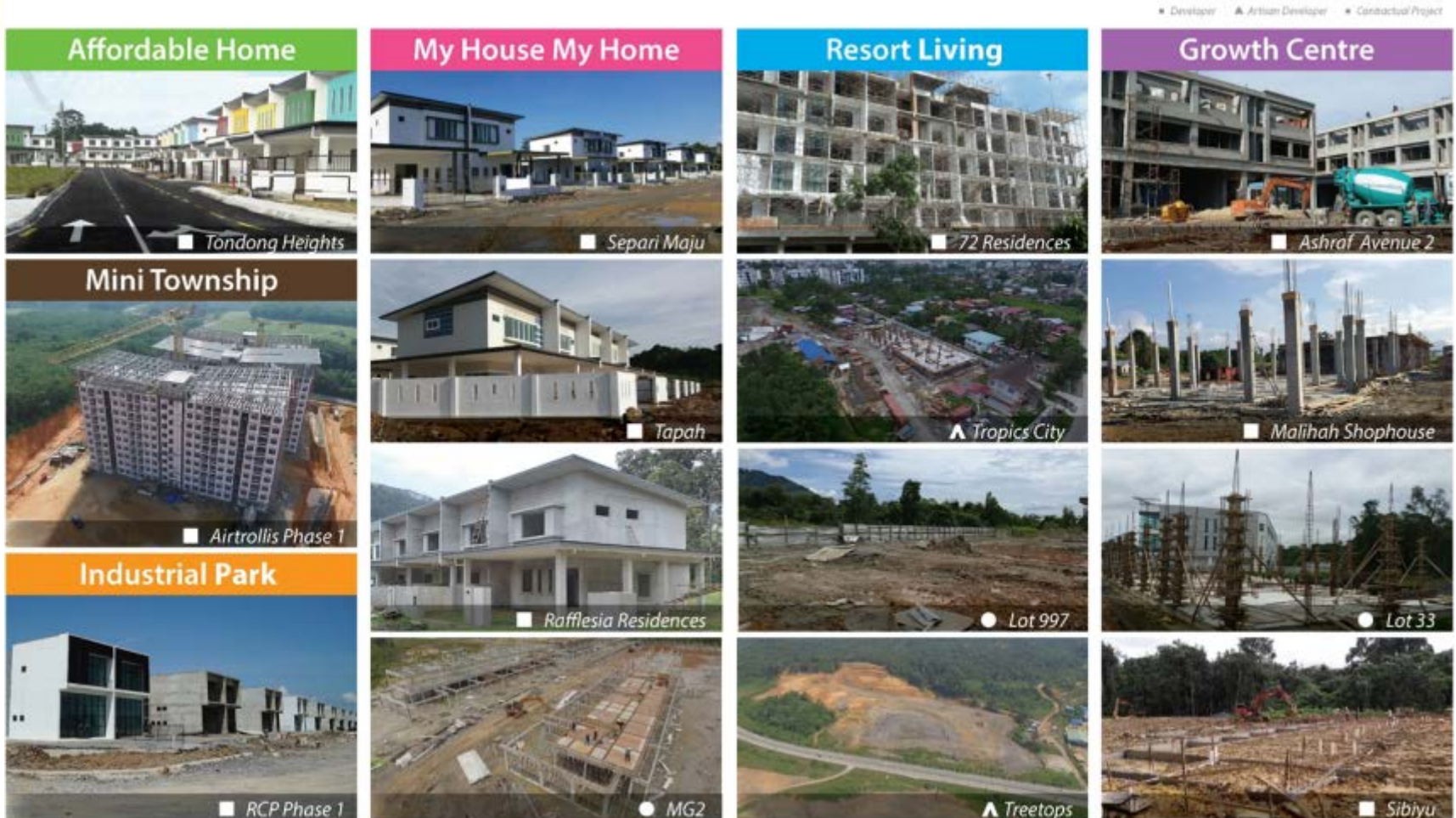


Future Projects



■ Developer ▲ Artisan Developer ★ Contractual Project ★ Proposed Artisan Development

Current Projects



Thank You



■ Financial Highlights

3 Months Ended 31 March 2016

(RM in millions)	1Q2015	1Q2016
Revenue	37.8	81.3
Gross Profit	11.1	14.2
Profit before Tax	4.1	0.3
Net Profit	3.5	0.3
Basic EPS (sens)	1.76	0.03
Shareholders' Equity	80.5	78.9
Total Debt	46.9	53.0
Cash and Cash Equivalents	22.5	17.3

1

The increase in Group revenue was due to the comparative increase in revenue contributed by the **Property Division**

2

Lower gross margin in 1Q2016 vs 1Q2015 was due to higher contribution of sales from affordable housing projects in 1Q2016

3

Higher marketing cost contributed solely by the Precision Division + the translation losses (to Ringgit) from the precision business resulted in a Net loss of RM1.9 million in 1Q2016