

For Immediate Release

REGAL INTERNATIONAL GROUP SHAREHOLDERS APPROVE DISPOSAL OF LEGACY PRECISION BUSINESS

- *Regal International Group received shareholders' approval for the sale of its wholly owned precision business division under Hisaka International Holdings*
 - *Disposal of the legacy precision business in line with the Group's strategy to focus on its property development business*
 - *The Group will receive a first tranche cash payment of S\$7.0 million following the completion of the sale. Net proceeds from the sale of its existing industrial property as the second payment tranche*
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Singapore, 15 December 2016 – Regal International Group Ltd. (“**RIG**” or the “**Group**”) a Singapore Stock Exchange (SGX) and Taiwan Stock Exchange (TWSE) Mainboard listed group today announced that it has received shareholders' approval for the disposal of its entire interest in its wholly owned subsidiary, Hisaka International Holdings Pte Ltd (“**HIHPL**”).

The Group had announced the proposed disposal of its precision business on 2 June 2016. Under the terms of the transaction, the purchase consideration for HIHPL will be payable in two tranches. Following the completion of the disposal, the Group will receive a first tranche cash payment of S\$7.0 million. Net proceeds from the sale of its existing industrial property along Sungei Kadut Loop, currently valued at S\$5.5 million, will form the second tranche of payment. Alternatively, RIG might exercise its right of assignment to have the industrial property transferred to the Group.

The divestment of the legacy precision business marks a new chapter for RIG as it refocuses on building up its property development and related investment gateway business.

“With our shareholders’ approval to dispose the precision business, RIG can now singularly focus on our property and property-related businesses – the core expertise of the Group. As we gear up for growth in 2017, we will now be able to fully channel our

resources towards strengthening our property portfolio and building up the new business ventures we have embarked on earlier this year,” Mr Dominic Su, Chairman and Chief Executive Officer of RIG remarked.

The total proceeds from the sale of HIHPL will be used to pay down the indebtedness of the Group as well as for general working capital purposes.

Focus Fixed On Future Growth

Nonetheless, the divestment enables the Group to better focus its resources on the growth of its property division.

To recap, Regal’s core property division has seen a recent upswing in revenue and gross profit. It delivered a 233% year-on-year increase in revenue to RM37.2 million for the three months ended 30 September 2016 (“**3QFY2016**”). On the back of more higher-yielding property development units sold during the quarter, the Group also registered gross profit of RM8.3 million, up from RM1.3 million for the same period a year ago. Correspondingly, gross profit margin improved to 22% from 11% in 3QFY2016.

With property sales momentum gathering strength, the Group is also seeking opportunities complementary to its core property development business. Recent business ventures have included the signing of a Memorandum of Understanding with asset management SINAD Sports Pte Ltd to establish an asset management business arm; a Heads of Agreement with China-Malaysia Qinzhou Industrial Park Administrative Committee to develop a Halal Industry Zone within the China-Malaysia Qinzhou Industry Park; the establishment of a logistics arm in October 2016; and the incorporation of a real estate agency in November 2016 to market international investment properties.

“With our corporate strategies to include products innovation and value-chain creation to ultimately heighten new demands and broaden customer base, we have witnessed healthy sales at several of our property launches. Together with our pipeline of new business ventures and initiatives, the Group is well positioned for success and will continue to deliver on our reputation as a trusted builder-developer.” Mr Su concluded.

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Issued on behalf of **Regal International Group Limited**
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About Regal International Group Ltd. (UV1.SI / 911619.TW)

Dual-listed on the mainboard of Singapore Exchange – Securities Trading Limited (“SGX”) (UV1.SI) and as Taiwan Depository Receipts (TDR) on Taiwan Stock Exchange (“TWSE”) (911619.TW), Regal International Group Ltd. (“RIG” or the “Group”) is 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, connecting them to emerging business opportunities from East Malaysia.

Please visit our website at www.regalinternational.com.sg for more information.