
ENTRY INTO DEVELOPMENT AGREEMENT

The Board of Directors (the “**Board**”) of Regal International Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) refers the circular issued by the Company dated 24 September 2014 relating to, amongst others, the proposed acquisition of the entire issued share capital of Regal International Holdings Pte. Ltd. (the “**Circular**”). Capitalised terms not defined herein shall have the meanings as ascribed to them in the Circular.

In Section B6.7 of the Circular titled “Joint Development Process”, the background description and rationale for the usage of Development Rights Arrangements had been set out. In addition, it was stated in Section B6.7 of the Circular that moving forward, the Company will make an announcement of every Development Rights Agreement that is entered into and such announcement will contain the salient terms of the respective Development Rights Agreement.

The Company wishes to announce that Regal Lands Sdn Bhd (“**RLSB**”), a subsidiary of the Company, has entered into Development Agreement (the “**DA**”) on 22 June 2022 with the landowners of all that the parcel of land situated at Suba, Bau, containing an area of 2.50 hectares, more or less, and described as Lot 200 Block 8 Senggi-Poak Land District (the “**said Land**”).

Pursuant to the agreement with the landowners, the said Land will be developed into residential and/or commercial units of properties, subject to the fulfilment of conditions precedent and RLSB securing all the necessary approvals, licenses and permits from the relevant government and regulatory authorities. Further, an irrevocable power of attorney has been granted by the landowners of the said Land to RLSB to authorize RLSB to exercise such rights of a land owner as necessary for the development of the said Land, including the right to make all necessary applications to the relevant authorities for the various approvals required to develop the said Land. In return for the development rights on the said Land, the considerations to the respective landowners are in the form of cash and sub-divided units.

The DA is not expected to have a material impact on the net tangible assets and earnings per share of the Company for the financial year ending 30 June 2022. The outlay costs upon the execution of the agreements will be minimal.

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

The Company will make further announcements of material updates in relation to the DA, as and when necessary and/or appropriate.

By Order of the Board of
Regal International Group Ltd

Su Chung Jye
Executive Chairman and Chief Executive Officer
22 June 2022