
**INCORPORATION OF A SUBSIDIARY COMPANY
– HJ LAI CONCRETE CEMENT SDN. BHD.**

The Board of Directors of Regal International Group Ltd (“the Company”) and together with its subsidiaries, (the “Group”) wishes to announce that its indirect wholly-owned subsidiary, Regal Lands Sdn. Bhd. (“Regal Lands”) has incorporated a 51% owned subsidiary on 11 December 2014:

- | | | |
|--------------------------------|---|--|
| (1) Name of subsidiary | : | HJ Lai Concrete Cement Sdn. Bhd. |
| (2) Issued and Paid-up capital | : | RM240,000 respectively |
| (3) Shares now held | : | 51% owned held by the Group by way of
subscription of 122,400 ordinary shares of RM1.00 per share.

49% owned by third party unrelated to the Group |
| (4) Principal activities | : | Development, Construction and Trading of
Construction Materials |

The rationale for the investment is to set up a concrete batching company to supply concrete to the Group’s projects.

This investment is funded by internal resources and is not expected to have any material impact on the consolidated net tangible assets per share or earnings per share of the Company for the financial year ending 31 December 2014.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect in the above transaction.

By Order of the Board

Su Chung Jye
Executive Chairman and Chief Executive Officer
Date: 12 December 2014