



SUPPLEMENTAL AGREEMENT RELATING TO AN EXISTING DEVELOPMENT RIGHTS AGREEMENT

CIMB Bank Berhad, Singapore branch was the financial adviser to the Company for the acquisition of the entire issued and paid up share capital of Regal International Holdings Pte. Ltd. (the "Financial Adviser"). The Financial Adviser (i) assumes no responsibility for; and (ii) does not endorse, the contents of this announcement (or any matter contemplated herein).

The Board of Directors of Regal International Group Ltd. (the "**Company**"), and together with its subsidiaries, the "**Group**") refers the circular issued by the Company and 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.

This announcement pertains to an existing Development Rights Agreement (the "**Matang DA**") relating to land situated near Jalan Matang/Batu Kawa, Kuching, Sarawak, Malaysia comprising a total area of 4,134.6 square metres (the "**Matang Land**"). The Matang DA had been already in effect at the time of the issue of the Circular. Under the Matang DA, the Matang Land will be developed into shophouses.

The Company wishes to announce that Kenyalang Avenue Sdn Bhd ("**Kenyalang**"), a wholly-owned subsidiary of the Company, has entered into a supplemental agreement (the "**Supplemental DA**") in respect of the Matang DA with the owner of the Matang Land on 14 July 2015.

Pursuant to the Supplemental DA, Kenyalang and the owner of the Matang Land had identified the sublots of one (1) unit of a 3-storey corner shophouse and one (1) unit of a 3-storey intermediate shophouse which shall be provided as consideration for the provision of the Matang Land for development in addition to a cash consideration of RM350,000, as provided for in the Matang DA (collectively, the "**Consideration to Landowner**").

The Consideration to Landowner will be reflected in the financial accounts of the Group in accordance with the prevailing accounting treatments described in Section B6.7 of the Circular.

By Order of the Board

Su Chung Jye
Executive Chairman and Chief Executive Officer
14 July 2015