



INVESTMENT IN SUBSIDIARY

The Board of Directors (the “**Board**”) of Regal International Group Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that pursuant to an investment agreement dated 11 January 2017 entered into between its wholly-owned subsidiary, Temasek Regal Capital Sdn Bhd (“**TRC**”), and Koperasi Jayadiri Malaysia Berhad, (the “**Investor**”) (the “**Investment Agreement**”), the Investor has subscribed for RM15,000,000 in cumulative redeemable preference shares (the “**RPS**”) in TRC (the “**Investment**”). The Investment is to provide funding for on-going and incoming development and constructions projects under TRC.

The issuance and allotment of the RPS in Temasek Regal is expected to be completed by 31 January 2017.

The salient terms of the RPS are as follows:

- Investment amount : RM15,000,000
- Investment period : 3.5 years
- Issue price : RM1.00 per RPS
- : The RPS shall be redeemed by TRC in three (3) tranches in 6-month intervals beginning from the 30th month from the date of the issuance of the RPS.
- TRC shall have the option to redeem the RPS in full at any time before the maturity date in the event that the Investor unreasonably withholds its approval for the proposed variation of rights attaching to the RPS.
- Dividends : 8% per annum payable bi-annually
- Voting rights : save for certain statutory provisions provided under Malaysian law, the RPS carry no voting rights in TRC

In connection with the Investment and to secure TRC’s obligations under the Investment Agreement, TRC has executed a deed of assignment over parcels of condominium units at “72 Residences” property project, and two Executive Directors of the Company has each provided a personal guarantee, in favour of the Investor.

Save as disclosed above, none of the Directors or substantial shareholders of the Company has any interest, whether direct or indirect, in the Investment.

The Company shall provide further updates on the Investment and will disseminate any such information to shareholders of the Company at the relevant time in accordance with the listing rules of the Singapore Exchange Securities Trading Limited.

By Order of the Board
REGAL INTERNATIONAL GROUP LTD.

Su Chung Jye
Executive Chairman and Chief Executive Officer
12 January 2017