



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 19 May 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 RM10,000,000 in cumulative redeemable preference shares (the “**RPS**”) in TRC (the “**Investment**”). The Investment is to provide funding for on-going and incoming development and construction projects under TRC.

The issuance and allotment of the RPS in TRC is expected to be completed by 26 May 2017.

The salient terms of the RPS are as follows:

Investment amount	:	RM10,000,000
Investment period	:	3.5 years
Issue price	:	RM1.00 per RPS
Redemption	:	The RPS shall be redeemed by TRC in two (2) tranches in 6-month intervals beginning from the 36 th 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, a deed of assignment over parcels of condominium units at “72 Residences” property project has been executed, and two Executive Directors of the Company has each provided a personal guarantee, all 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
22 May 2017