



---

## ACQUISITION OF NEW SUBSIDIARY – MILLION SUNRAY SDN BHD

---

*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).*

Pursuant to Rule 704(17)(c) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Directors of Regal International Group Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its wholly owned subsidiary, Temasek Regal Capital Sdn Bhd ("**Temasek Regal Capital**"), has acquired 550 ordinary shares (the "**Purchased Shares**") in Million Sunray Sdn Bhd ("**Million Sunray**"). Such Purchased Shares comprise 55% of the total issued and paid up share capital of Million Sunray. Accordingly, Million Sunray has become a 55%-owned subsidiary of the Group. The remainder of the 45% of the shares in the share capital of Million Sunray are held by an independent third party.

Million Sunray was incorporated in Malaysia on 3 August 2016 and is currently a dormant company. It has a total issued and paid up share capital of RM1,000. The Group intends to utilise Million Sunray to engage in principal activities including (amongst others) property investment, development and construction. The Group currently intends to utilise Million Sunray as a vehicle to explore opportunities and potential collaborations for projects in China.

Temasek Regal Capital had purchased the Purchased Shares from an independent third party service provider for an aggregate consideration of RM2,800. The consideration was arrived at on a willing-buyer, willing-seller basis, taking into account various factors such as the existing dormant nature of Million Sunray and the cost of incorporation of Million Sunray. The consideration was satisfied wholly in cash and funded through the Company's internal resources. As Million Sunray was recent incorporated and is currently a dormant company, the book value, net tangible asset value and market value of the Purchase Shares are negligible.

The acquisition of the Purchased Shares is not expected have a material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2016.

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 acquisition of the Purchased Shares, save for their respective shareholdings in the Company and their directorships in Million Sunray as disclosed above.

By Order of the Board

Su Chung Jye  
Executive Chairman and Chief Executive Officer  
9 September 2016