
ENTRY INTO DEVELOPMENT AGREEMENT

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

The Company wishes to announce that Harbour Venture Sdn Bhd (“**HVSB**”), a subsidiary of the Company, has entered into Development Agreement (the “**DA**”) on 16 January 2023 with the landowners of all that parcel of land situate at Seduan, Sibü, containing an approximate area of 3,278 square metres, and described as Lot 188 Block 16 Seduan Land District, and another parcel of land situate at Bukit Resak, Ilir Salim, Sibü, containing an approximate area of 1,510 square metres, and described as Lot 973 Block 16 Seduan Land District (collectively the “**said Lands**”).

Pursuant to the agreement with the landowners, the said Land will be developed into residential units of properties, subject to the fulfilment of conditions precedent and HVSB securing all the necessary approvals, licenses and permits from the relevant government and regulatory authorities. Further, an irrevocable power of attorney has been granted by the landowners of the said Land to HVSB to authorize HVSB to exercise such rights of a land owner as necessary for the development of the said Land, including the right to make all necessary applications to the relevant authorities for the various approvals required to develop the said Land. In return for the development rights on the said Land, the considerations to the respective landowners are in the form of provision of sub-divided units upon completion of the project.

The DA is not expected to have a material impact on the net tangible assets and earnings per share of the Company for the financial year ending 30 June 2023. The outlay costs upon the execution of the agreements will be minimal.

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 DA, save for their respective shareholdings in the Company.

The Company will make further announcements of material updates in relation to the DA, as and when necessary and/or appropriate.

By Order of the Board of
Regal International Group Ltd

Su Chung Jye
Executive Chairman and Chief Executive Officer
16 January 2023