

## Regal International Group Upholds Profitability in 3QFY2017

### Financial Highlights:

RM (million)	3QFY2017	3QFY2016	% Change
Revenue	35.2	37.2	- 5%
Cost of Sales	25.6	28.9	-12%
Gross profit	9.7	8.3	+16%
Profit before tax	1.1	0.1	+924%
Net profit (loss) after tax	0.3	(0.4)	N.M.
Loss from discontinued operations*	-	(0.4)	N.M.
Exchange difference on foreign operations translation, net of tax	0.2	0.5	-63%
<b>Total comprehensive income (loss) for the period</b>	<b>0.5</b>	<b>(0.3)</b>	<b>N.M.</b>

\*Note: Discontinued Operations refer to Precision Business division which has been disposed of as at 16 December 2016.

- Compared to RM 37.2 million in 3QFY2016, revenue tapered RM 2.0 million or 5% to RM 35.2 million in 3Q2017, mainly due to a marginal dip in progressive and completion revenue recognised for development projects.
- Gross profit margin was higher at 27.5% for 3QFY2017 than the 22.4% recorded in 3QFY2016.
- Compared to 3QFY2016, overall gross profit increased 16% from RM 8.3 million to RM 9.7 million in 3QFY2017.
- The Group's property development business has been recording positive profit before tax and net profit after tax for 3 consecutive quarters since the disposal of its loss-making legacy business unit in December 2016.
- The Group recorded an overall RM0.5 million total comprehensive income for the period 3QFY2017, as compared to the total comprehensive loss of RM0.3 million for the period 3QFY2016, attributed by the loss from the discontinued operations.
- With the completion of the acquisition of Wisma Majuniaga Sdn Bhd on 25 October 2017, and the total number of issued and paid-up shares in the capital of the Company raised to 224,917,251 shares, the Group will be planning to embark on new development projects soon.
- The Group will continue to execute its property development forward strategies in pursuit of continued growth – increase market share and customer base; innovate property contents and values to create and stimulate new demands, and initiate strategic alliances with other complementary trade and industries for enhanced value-creation.
- In addition, the Group believes that there will be spin-off benefits from many Sarawak government initiatives in attracting foreign investments.