

For Immediate Release

**REGAL INTERNATIONAL GROUP SHARPENS FOCUS
ON PROPERTY DEVELOPMENT & RELATED INVESTMENT
WITH PROPOSED DISPOSAL OF PRECISION BUSINESS**

- *Regal International Group has entered into a sale and purchase agreement for the proposed sale of its wholly owned precision business division under Hisaka International Holdings, for the cash consideration of S\$7.0 million plus nett proceeds from the sale of its industrial property building*
 - *Disposal of the non-core assets allows the Group to re-align its corporate strategy and focus exclusively on its property development business*
 - *Re-positioning for Regal International Group as a property builder developer and investment gateway for Malaysia (especially Sarawak), after disposing mismatched legacy business*
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Singapore, 2 June 2016 – Regal International Group Ltd. (**“RIG”** or the **“Group”**) a Singapore Stock Exchange (SGX) and Taiwan Stock Exchange (TWSE) Mainboard listed group today announced that it has entered into a sale and purchase agreement (**“SPA”**) for the disposal of RIG’s entire interest in its wholly owned subsidiary, Hisaka International Holdings Pte Ltd (**“HIHPL”**).

Explaining the rationale for the disposal, Mr Dominic Su, Chairman and Chief Executive Officer of RIG remarked, **“The divestment of our precision business is a strategic move to streamline our business and transform ourselves into a focused builder-developer. This will allow us to fully channel our financial resources towards growing and strengthening our property and property-related businesses which offer significant growth prospects.”**

The Group’s precision business, which is held through HIHPL, has been buffeted by weak market demands and challenging global economic climate since 2015. In view of the anticipated challenges ahead for the precision business, RIG believes the proposed disposal of HIHPL allows the Group to rationalise its resources and sharpen its focus on its property development business.

The divestment also sees RIG re-align its corporate strategy with its core expertise, marking a new chapter for the Group as it focuses exclusively on building up its property development and related investment gateway business. In line with the Group's priority to secure greater long-term value for its shareholders, the divestment also opens up opportunities for growth and expansion, as RIG embarks on projects in Malaysia (especially Sarawak) and beyond.

Sharpening Focus on New Growth Opportunities

Underscoring the Group's commitment to become a well-established brand name amongst homebuyers in East Malaysia, the Group has made headway in strengthening its property portfolio not just in Kuching and Negeri Sembilan, but also Bintulu and Sibul.

“Regal is well-poised as a gateway for investors into Sarawak. Over the past decade, we established solid track records in designing and developing lifestyle experiences. We have captured the evolving aspirations of our property buyers and have demonstrated that we are not just a builder of homes but a creator of unique experiences and sustainable values.” Mr Dominic Su remarked.



Regal's latest mixed development project in Kuching, Sarawak – Tropics City. Estimated completion in 2018 with 604 units of SOHO, apartments and shopping mall.

With its robust track record, collective expertise and entrepreneurial spirit, the Group actively seeks opportunities into other spheres of innovation and enterprise. RIG constantly and actively pursues superior business prospects and alternatives where the Group could fully exercise its potentials and expertise.

In April, RIG signed a Memorandum of Understanding (“**MOU**”) with Malaysia Innovation Hub (“**MIH**”) to jointly explore opportunities to develop and commercialise innovations identified by MIH. By leveraging its expertise in real estate development, RIG aims to create conducive environments for research and innovation, and be a gateway for Malaysian researchers and innovators who seek access to the international capital markets, especially in Singapore.

Divestment of HIHPL

According to the SPA, HIHPL purchase consideration will be payable in two tranches: cash payment of S\$7.0 million upon completion of the proposed disposal; and the nett proceeds from the sale of the existing industrial property along Sungei Kadut Loop, which is valued at S\$5.5 million.

The total proceeds from the sale of HIHPL will be used to pay down the indebtedness of the Group, towards expanding the business under the property division and/or as general working capital. Subsequently, subjected to the sale of the industrial property, the Group’s cash positions and liquidity are anticipated to experience a slight lift.



Existing industrial property along Sungei Kadut Loop is for sale after disposal of Hisaka International Holdings.

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Issued on behalf of **Regal International Group Ltd.**
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About Regal International Group Ltd. (UV1.SI / 911619.TW)

Dual-listed on the mainboard of Singapore Exchange – Securities Trading Limited (“SGX”) (Stock code: UV1.SI) and as Taiwan Depository Receipts (TDR) on Taiwan Stock Exchange (“TWSE”) (Stock code: 911619.TW), Regal International Group Ltd. (“RIG” or the “Group”) is a diversified international business group comprising two core divisions. As one of the first Sarawak-based companies to list on the mainboard of the SGX, RIG’s vision is to be an international gateway for partners and investors to emerging business opportunities from East Malaysia.

Please visit our website at www.regalinternational.com.sg for more information.