



ENTRY INTO MEMORANDUM OF UNDERSTANDING

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).

The Board of Directors of Regal International Group Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that Regal Lands Sdn. Bhd. ("**Regal Lands**"), a wholly-owned subsidiary of the Company, has on 19 April 2016 entered into a memorandum of understanding ("**MOU**") with Malaysia Innovation Hub ("**MIH**").

MIH engages in commercialisation cooperation with a view to creating new industries and new job opportunities, as well as the commercialisation of product research and development for both Malaysian and international markets (the "**Commercialisation Industries**").

In connection with the MOU, the Group and MIH intend to explore forming business relations to develop business opportunities with the intention of jointly developing and collaborating to develop the Commercialisation Industries and related business ventures. The parties will discuss the transactions relating to the MOU in further detail in due course.

As at the date of this announcement, the MOU is not expected to have any 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 or controlling shareholders (other than in their respective capacities as a director and/or shareholder of the Company) has any interest, direct or indirect, in the MOU.

The Company will provide updates as and when there are material developments in relation to the MOU.

As the MOU may or may not lead to the entry into any formalised agreements, shareholders and potential investors should exercise caution when trading in the Company's shares. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

By Order of the Board

Su Chung Jye
Executive Chairman and Chief Executive Officer
19 April 2016