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## ENTRY INTO MEMORANDUM OF UNDERSTANDING

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*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 International Investments Pte. Ltd. ("**Regal International Investments**"), a wholly-owned subsidiary of the Company, has on 25 November 2015 entered into a non-binding memorandum of understanding ("**MOU**") with Longrunn Int'l (Korea) Limited ("**LRI Korea**").

LRI Korea is a company incorporated under the laws of the British Virgin Islands and has its address at 263 Central-ro, Yeonsu-gu, Incheon, Republic of Korea. As at the date of the MOU, LRI Korea has informed the Group that it is entitled to a right to acquire and develop certain land parcel lots located in Midan City within the Incheon Free Economic Zone of Korea (the "**Land Lots**") and that it is intended for the Land Lots to be developed into a residential, commercial and tourism complex (the "**Project**").

In connection with the MOU, the Group and LRI Korea intend to explore entering into a strategic cooperation wherein the Group will participate in the Project. The MOU allows the Group to work with LRI Korea to gain access to and achieve synergies in respect of the intended development of the Project. The parties will discuss and enter into definitive agreement(s) in respect of the abovementioned transaction in due course. The term of the MOU is for a period of three months from the date of the MOU.

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 2015.

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 is non-binding and 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  
25 November 2015