

## Unaudited Financial Statements and Related Announcement for the First Quarter Ended 31 March 2016

### PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Comprehensive Income	Group		Change %
	1Q2016 RM'000	1Q2015 RM'000	
Revenue	81,296	37,838	115%
Cost of sales	(67,142)	(26,689)	152%
<b>Gross profit</b>	<b>14,154</b>	<b>11,149</b>	<b>27%</b>
Interest income	9	25	-64%
Other gains	557	1,632	-66%
Marketing and distribution costs	(1,930)	(1,729)	12%
Administrative expenses	(10,926)	(6,836)	60%
Other losses	(1,468)	-	N.M.
Finance costs	(630)	(471)	34%
Share of profit from equity-accounted associates	566	298	90%
<b>Profit before tax</b>	<b>332</b>	<b>4,068</b>	<b>N.M.</b>
Income tax expenses	(71)	(596)	-88%
<b>Profit, net of tax</b>	<b>261</b>	<b>3,472</b>	<b>N.M.</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange difference on translating foreign operations, net of tax (Note)	(2,205)	1,350	N.M.
<b>Other comprehensive (loss) income for the period, net of tax</b>	<b>(2,205)</b>	<b>1,350</b>	<b>N.M.</b>
<b>Total comprehensive (loss) income for the period</b>	<b>(1,944)</b>	<b>4,822</b>	<b>N.M.</b>
Profit attributable to equity holders of parent, net of tax	51	3,522	N.M.
Profit (Loss) attributable to non-controlling interest, net of tax	210	(50)	N.M.
<b>Profit, net of tax</b>	<b>261</b>	<b>3,472</b>	<b>N.M.</b>
Total comprehensive (loss) income attributable to equity holders of the parent	(2,154)	4,872	N.M.
Total comprehensive income (loss) attributable to non-controlling interests	210	(50)	N.M.
<b>Total comprehensive (loss) income for the period</b>	<b>(1,944)</b>	<b>4,822</b>	<b>N.M.</b>

Note: Mainly due to translation of the precision business arm to Ringgit.

N.M. – Not meaningful

## REGAL International Group Ltd.

(Company Registration No. 200508585R)

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### 1(a)(ii) Notes to statement of comprehensive income

Profit (Loss) before tax is stated after (charging)/crediting:

	Group		
	1Q2016 RM'000	1Q2015 RM'000	Change %
Depreciation of property, plant and equipment	(1,372)	(679)	102.1%
Interest income	9	25	-64.0%
Interest expense	(630)	(471)	33.8%
Allowance for impairment on inventories - reversal	-	420	N.M.
Allowance for impairment on inventories	(1,321)	-	N.M.
Allowance for impairment of trade receivables - reversal	-	106	N.M.
Allowance for impairment of trade receivables	(148)	-	N.M.
Foreign exchange adjustment net gain	145	919	-84.2%

N.M. - Not meaningful

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position	Group		Company	
	As at	As at	As at	As at
	31.03.2016	31.12.2015	31.03.2016	31.12.2015
	RM'000	RM'000	RM'000	RM'000
<b>ASSETS</b>				
<b><u>Non-current assets</u></b>				
Property, plant and equipment	22,979	22,700	99	109
Available-for-sale financial assets	1,523	1,523	1,523	1,523
Investment in subsidiaries	-	-	386,308	386,308
Investment in associates	5,662	8,565	-	-
Deferred tax assets	1,096	1,345	-	59
Other assets	6,476	6,282	-	-
<b>Total non-current assets</b>	<b>37,736</b>	<b>40,415</b>	<b>387,930</b>	<b>387,999</b>
<b><u>Current assets</u></b>				
Development properties	100,913	108,235	-	-
Inventories	40,489	36,729	-	-
Trade and other receivables	96,302	73,565	22,363	23,324
Other assets	3,379	5,308	160	127
Cash and cash equivalents	17,347	22,484	5,124	3,602
<b>Total current assets</b>	<b>258,430</b>	<b>246,321</b>	<b>27,647</b>	<b>27,053</b>
<b>Total assets</b>	<b>296,166</b>	<b>286,736</b>	<b>415,577</b>	<b>415,052</b>
<b>EQUITY AND LIABILITIES</b>				
<b><u>Equity attributable to owners of the parents</u></b>				
Share capital	133,052	133,052	369,551	369,551
Accumulated losses	(66,830)	(66,881)	(40,994)	(38,750)
Share option reserve	2,105	1,631	2,105	1,631
Foreign currency translation reserve	7,364	9,569	61,841	62,092
Merger reserve	3,178	3,178	-	-
<b>Equity, attributable to owners of the parent</b>	<b>78,869</b>	<b>80,549</b>	<b>392,503</b>	<b>394,524</b>
Non-controlling interests	575	365	-	-
<b>Total equity</b>	<b>79,444</b>	<b>80,914</b>	<b>392,503</b>	<b>394,524</b>
<b><u>Non-current liabilities</u></b>				
Deferred tax liabilities	1,218	1,253	-	-
Other financial liabilities	21,251	15,684	-	-
<b>Total non-current liabilities</b>	<b>22,469</b>	<b>16,937</b>	<b>-</b>	<b>-</b>
<b><u>Current liabilities</u></b>				
Income tax payable	14,533	15,256	5	5
Trade and other payables	80,508	61,132	23,069	20,523
Other liabilities	4,297	4,217	-	-
Progress billings	63,130	77,024	-	-
Other financial liabilities	31,785	31,256	-	-
<b>Total current liabilities</b>	<b>194,253</b>	<b>188,885</b>	<b>23,074</b>	<b>20,528</b>
<b>Total liabilities</b>	<b>216,722</b>	<b>205,822</b>	<b>23,074</b>	<b>20,528</b>
<b>Total equity and liabilities</b>	<b>296,166</b>	<b>286,736</b>	<b>415,577</b>	<b>415,052</b>

## REGAL International Group Ltd.

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1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

BORROWINGS AND DEBT SECURITIES	Group	
	As at 31.03.2016	As at 31.12.2015
	RM'000	RM'000
<u>Amount repayable in one year or less, or on demand</u>		
- secured	31,785	31,256
	<b>31,785</b>	<b>31,256</b>
<u>Amount repayable after one year</u>		
- secured	21,251	15,684
	<b>21,251</b>	<b>15,684</b>

### Details of any collateral:

The banking facilities of the Enlarged Group comprised of bank overdraft, term loans, finance leases and trade lines.

The bank overdrafts are covered by: -

1. Pledge of the fixed deposits with licensed banks of certain subsidiaries;
2. Joint and several guarantees of certain directors of the Company;
3. Assignment over the rights, title and interest to the properties held for sale;
4. Corporate guarantees provided by certain subsidiaries of the Company; and/or
5. First party charge and first/second legal charges on some of the subsidiaries' projects land and properties held for sale.

The term loans are covered by the following:-

1. Upfront fixed deposit of RM260,000 and interest;
2. Joint and several guarantee by certain directors of the Company;
3. Yearly fixed deposits of RM30,000 to commence 6 months after initial release of facilities;
4. Joint and several guarantee by ex-director of one of the subsidiaries of the Company;
5. Corporate guarantees provided by certain subsidiaries of the Company;
6. First party charge and first/second legal charges on some of the subsidiaries' projects land and properties held for sale and leasehold property;
7. Assignment over the rights, titles and interest to the properties held for sale;
8. Legal assignment of life policy to be executed by the subsidiary in respect of certain directors; and/or
9. Corporate guarantees provided by the Company.

# REGAL International Group Ltd.

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- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows	Group	
	1Q2016 RM'000	1Q2015 RM'000
<b><u>Cash flows from operating activities</u></b>		
Profit before tax	332	4,068
Adjustments for:		
Depreciation of property, plant and equipment	1,372	679
Interest expense	630	471
Interest income	(9)	(25)
Gain on disposal of plant and equipment	(22)	-
Dividends from associates	3,469	-
Share-based payments	474	-
Share of profit from equity-accounted associates	(566)	(298)
<b>Operating cash flows before changes in working capital</b>	<b>5,680</b>	<b>4,895</b>
Development properties	7,323	(26,164)
Inventories	(4,570)	(3,378)
Trade and other receivables	(24,346)	(9,201)
Other assets, current	1,871	(130)
Trade and other payables	18,926	17,697
Progress billings	(13,893)	8,545
Other liabilities	81	(261)
Net cash flows used in operations before tax	(8,928)	(7,997)
Income paid	(614)	(909)
<b>Net cash flows used in operating activities</b>	<b>(9,542)</b>	<b>(8,906)</b>
<b><u>Cash flows from investing activities</u></b>		
Purchase of property, plant and equipment	(663)	(90)
Proceeds from sale of property, plant and equipment	216	-
Other assets, non-current	(195)	903
Interest received	9	25
<b>Net cash flows (used in) from investing activities</b>	<b>(633)</b>	<b>838</b>
<b><u>Cash flows from financing activities</u></b>		
Other payables/receivables - directors	860	99
Other payables/receivables - shareholders	28	-
Proceeds from borrowings	5,252	-
Repayment of borrowings	-	(5,499)
Cash restricted in use	(52)	(5)
Interest paid	(630)	(471)
<b>Net cash flows from (used in) financing activities</b>	<b>5,458</b>	<b>(5,876)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(4,717)</b>	<b>(13,944)</b>
Cash and cash equivalents, statement of cash flows, beginning balance	13,363	22,921
Effect of exchange rate changes on cash and cash equivalents	(606)	1,286
<b>Cash and cash equivalents, statement of cash flows, ending balance</b>	<b>8,040</b>	<b>10,263</b>
<b>Cash and cash equivalents comprised of :</b>		
Cash and bank balances	17,347	17,129
Bank overdraft	(6,986)	(6,567)
Cash restricted in use	(2,321)	(299)
	<b>8,040</b>	<b>10,263</b>

# REGAL International Group Ltd.

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- Unaudited Financial Statements and Related Announcement for the first quarter ended 31 March 2016

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Note : The Foreign Exchange Reserve and Merger Reserve are not available for distribution as cash dividends.

Statements of Changes in Equity	(Accumulated							
	Total equity	Attributable to parent	Share capital	losses) Retained earnings	Foreign exchange reserve	Merger reserve	Share option reserve	Non-controlling interests
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>								
<b>Current year:</b>								
Opening balance at 1 January 2016	80,914	80,549	133,052	(66,881)	9,569	3,178	1,631	365
<b>Movement in equity:</b>								
Total comprehensive (loss) income for the period	(1,944)	(2,154)	-	51	(2,205)	-	-	210
Share-based payments	474	474	-	-	-	-	474	-
<b>Closing balance at 31 March 2016</b>	<b>79,444</b>	<b>78,869</b>	<b>133,052</b>	<b>(66,830)</b>	<b>7,364</b>	<b>3,178</b>	<b>2,105</b>	<b>575</b>
<b>Previous year:</b>								
Opening balance at 1 January 2015	143,751	143,617	133,052	5,522	1,865	3,178	-	134
<b>Movement in equity:</b>								
Total comprehensive income (loss) for the period	4,822	4,872	-	3,522	1,350	-	-	(50)
<b>Closing balance at 31 March 2015</b>	<b>148,573</b>	<b>148,489</b>	<b>133,052</b>	<b>9,044</b>	<b>3,215</b>	<b>3,178</b>	<b>-</b>	<b>84</b>

	Total equity	Share capital	Accumulated losses	Foreign exchange reserve	Share option reserve
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Company</b>					
<b>Current year:</b>					
Opening balance at 1 January 2016	394,524	369,551	(38,750)	62,092	1,631
<b>Movement in equity:</b>					
Total comprehensive loss for the period	(2,495)	-	(2,244)	(251)	-
Share-based payments	474	-	-	-	474
<b>Closing balance at 31 March 2016</b>	<b>392,503</b>	<b>369,551</b>	<b>(40,994)</b>	<b>61,841</b>	<b>2,105</b>
<b>Previous year:</b>					
Opening balance at 1 January 2015	361,779	369,551	(17,403)	9,631	-
<b>Movement in equity:</b>					
Total comprehensive (loss) income for the period	(2,768)	-	(10,407)	7,639	-
<b>Closing balance at 31 March 2015</b>	<b>359,011</b>	<b>369,551</b>	<b>(27,810)</b>	<b>17,270</b>	<b>-</b>

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(Company Registration No. 200508585R)

- Unaudited Financial Statements and Related Announcement for the first quarter ended 31 March 2016

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1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There have been no changes in the Company's share capital and treasury shares since the end of the previous period reported on.

As at 31 March 2016 and 31 March 2015, the Company did not hold any treasury shares.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31 Mar 2016	As at 31 Mar 2015
Total number of issued shares excluding treasury shares	<u>200,114,059</u>	<u>200,114,059</u>

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

None.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to its audited financial statements as at 31 December 2015, except for the adoption of Financial Reporting Standards ("FRSs") which are relevant to the Group's operations and took effect from 1 January 2016.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to item 4 above. The adoption of the new and revised FRSs had no material effect on the Group's accounting policies and had no significant impact on the Group's financial statements.

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6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

(a) Based on the weighted average number of ordinary shares on issue;

EARNINGS PER SHARE (EPS)	Group	
	1QFY16	1QFY15
Profit attributable to the equity holders of the parent during the financial period (RM'000)	51	3,522
Weighted average number of ordinary shares on issue	200,114,059	200,114,059
<b>Basic earnings per share for profit attributable to equity holders of the parent during the financial period (sens)</b>	<b>0.03</b>	<b>1.76</b>

(b) On a fully diluted basis (detailing any adjustments made to the earnings).

Diluted earnings per share is not presented as there is no potential dilutive ordinary share existing during the relevant financial periods presented.

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: -

(a) current financial period reported on; and

(b) immediately preceding financial year.

NET ASSET VALUE	Group		Company	
	As at 31.03.2016	As at 31.12.2015	As at 31.03.2016	As at 31.12.2015
Net asset value (RM'000)	78,869	80,549	392,503	394,524
Number of issued shares excluding treasury shares	200,114,059	200,114,059	200,114,059	200,114,059
<b>Net asset value per ordinary share (sens)</b>	<b>39.41</b>	<b>40.25</b>	<b>196.14</b>	<b>197.15</b>



- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

### **Statement of Comprehensive Income**

The Group's revenue increased by RM43.5 million or 115% from RM37.8 million in 1Q2015 to RM81.3 million in 1Q2016.

#### **(a) Revenue**

The increase in revenue was mainly due to comparative increase in the revenue contributed by the property business arm in 1Q2016, from RM10.3 million in 1Q2015 to RM57.5 million in 1Q2016. The increase was set off by a slight decrease from the precision business arm from RM27.5 million in 1Q2015 to RM23.8 million in 1Q2016. The increase recorded in 1Q2016 by the property business arm was largely attributed to more sold units and completion of development projects as compared to 1Q2015. Furthermore, 1Q2016 also saw more contribution in revenue from the sale of construction materials and construction project. The decrease in revenue from the precision business industry was mainly due to weakening of the manufacturing and semiconductor industry in 2016.

#### **(b) Profitability**

Overall, the Group recorded gross profit margins of 17% for 1Q2016 compared to 29% for 1Q2015. The lower gross profit margin was mainly attributed to the higher sales of affordable housing sold in 1Q2016 compared to 1Q2015. In addition, a higher proportion of revenue was contributed by the sale of construction materials as well as construction project which also yielded lower profit margins.

Without the incurrence of the exchange rate translation losses, the Group recorded a profit after tax of RM0.3 million in 1Q2016 compared to a profit after tax of RM3.5 million in 1Q2015. The property business arm contributed a profit after tax of RM3.8 million in the first quarter of 2016 and this was offset by loss after tax of RM1.3 million recorded by the precision business arm and increase in administrative expenses at the holding company.

In terms of operating expenses, the Group's marketing and distribution costs, which were solely incurred by the precision business arm, rose 12% in 1Q2016 compared to 1Q2015.

The Group's administrative expenses reflected an increase from RM6.8 million in 1Q2015 to RM10.9 million in 1Q2016. The comparative increase was due to a couple of reasons. There were higher employee benefits expenses in 1Q2016 largely owing to share option expenses recognised in 1Q2016 for options granted in June 2015 and there was none in 1Q2015. In addition, there were additional professional and advisory expenses incurred in 1Q2016 in exploring new business ventures.

Other gains decreased from RM1.6 million in 1Q2015 to RM0.6 million in 1Q2016. The higher other gain in 1Q2015 was largely due to a reversal of allowance for impairment of inventories. There was none in 1Q2016.

Other losses in 1Q2016 were mainly attributed by impairment in inventories and trade receivables from the precision business arm.

Finance costs increased from RM0.5 million in 1Q2015 to RM0.6 million in 1Q2016 due to increase in the Group's borrowings.

The share of profit from equity-accounted associates was mainly from the recognition of profits in the Group's associate, Tiya Development Sdn Bhd, for both 1Q2016 and 1Q2015. The increase in share of profit from the associate was due to more completed units sold in 1Q2016.

Income tax decreased mainly due to the decrease of taxable profits.

Overall, the Group incurred a net loss of RM1.9 million after taking into account the additional RM2.2 million in losses arising mainly from the exchange rate translation of precision business arm's result to Ringgit.

### **Statement of Financial Position**

Non-current assets of the Group decreased by RM2.7 million from RM40.4 million as at FY2015 to RM37.7 million as at 1Q2016 mainly due to the decrease in investment in associate, Tiya Development Sdn Bhd, resulting from a dividend distribution made by the associate in 1Q2016.

The current assets of the Group increased by RM12.1 million from RM246.3 million as at FY2015 to RM258.4 million as at 1Q2016. The increase was due to an increase in inventories by RM3.8 million and an increase in trade and other receivables by RM22.7 million owing largely to the increased property development activities of the property business arm. The increase is partially offset by a decrease in development properties of RM7.3 million and cash and cash equivalents of RM5.1 million.

Non-current liabilities increased by RM5.6 million from RM16.9 million as at FY2015 to RM22.5 million as at 1Q2016. The increase was due mainly due to the increase in bank borrowings by the property business for its property development activities.

Current liabilities of the Group increased by RM5.4 million from RM188.9 million as at FY2015 to RM194.3 million as at 1Q2016. The increase was mainly due to an increase in trade and other payables of RM19.4 million, partially offset by a decrease in progress billings of RM13.9 million on the Group's projects.

Overall, the Group's net tangible asset stood at RM 79.4 million as at 31 March 2016 compared to RM80.9 million as at FY2015.

### **Company**

The movements in trade and other receivables and trade and other payables were mainly due to movements in inter-companies' balances.

### **Statement of Cash flows**

Net cash and cash equivalents held by the Group decreased from RM10.3 million in FY2015 to RM8.0 million in 1Q2016. This was mainly due to cash outflow from the operating activities and investing activities.

- 9 [Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.](#)

Not applicable. No forecast or prospect statement have been previously disclosed.

- 10 [A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.](#)

In the next 12 months, the Group maintains a cautious outlook for both its property and precision businesses. A summary of our outlook and strategies are as follows:

### **Property Division**

The overall property market for Sarawak is expected to remain stable especially for those developments in the prime locations. Affordable housing will continue to witness good demand.

The Group is adjusting its development and pricing strategies towards more affordable residential developments. For instance, in Bintulu, a fast growing industrial city in Sarawak, the Group is aligning its new project plans towards meeting buyers' price expectations.

Nonetheless, the Group is committed to a diversified property portfolio across a wide range of locations, product offerings and pricing levels. Regal's portfolio range from affordable to high-end properties and to commercial and industrial developments. Geographically, the Group has development projects in both East and West Malaysia.

Towards its long term goal of sustainable growth, Regal is in constant search for new prospects for expansion. In April 2016, the Group entered into a Memorandum of Understanding (MOU) with Malaysia Innovation Hub (MIH) which will leverage its strengths in real estate development to help create conducive environments for research and innovation. Furthermore, the Group is sourcing for projects near to or similar to our current successful projects.

### **Precision Business Division**

The Group's precision business is expected to face continued challenges in terms of slower growth. As a supplier of precision components and related services to customers in the semiconductor industry, the precision business continues to be impacted by weaker global economic climate this year.

In view of the anticipated challenges faced by the precision business in the years ahead, the Group intends to explore options to minimise its impact on the Group as a whole.

### **Conclusion**

Overall, the Group is cautiously confident that it will be able to counter the headwinds with continual emphasis on cautious and sustainable management through adaptive strategies in: a) growing beyond Kuching; b) improving cost competitiveness and control; c) positioning Regal as the gateway into East Malaysia; and d) fostering timely strategies to answer ever changing market needs and demands.

## **11 Dividend**

### **(a) Current Financial Period Reported On**

*Any dividend recommended for the current financial period reported on?*

Nil

### **(b) Corresponding Period of the Immediately Preceding Financial Year**

*Any dividend recommended for the corresponding period of the immediately preceding financial year?*

Nil

### **(c) Date Payable**

Not applicable.

### **(d) Books Closure Date**

Not applicable.

## **12 If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

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- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

- 14 Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

The board of Directors of the Company confirms to the best of its knowledge that nothing has come to its attention which may render the first quarter results ended 31 March 2016 to be false or misleading in any material aspect.

- 15 Undertaking Confirmation Statement from all its directors and executive officers under Rule 720(1)

The Company has procured undertakings from all its directors and executive officer (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

### BY ORDER OF THE BOARD

Su Chung Jye  
Chairman and Chief Executive Officer

Wong Pak Kiong  
Executive Director

13 May 2016