



Regent Pacific Group Limited



(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 0575

16 January 2015



ANNOUNCEMENT

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



**MAJOR AND
CONNECTED TRANSACTION:
DISPOSAL OF SHARES IN
BINARY HOLDINGS LTD.
(FORMERLY KNOWN AS
“REGENT MARKETS HOLDINGS LTD.”),
A 49.90 PER CENT OWNED ASSOCIATED COMPANY**



SUMMARY

This announcement is made by the Company in compliance with the disclosure requirements under Rule 13.09 and Chapters 14 and 14A of the HK Listing Rules and the Inside Information Provisions (as defined in the HK Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).





The Company announces that it is to dispose of up to 938,978 Binary Shares, being a majority of its shareholding in Binary (currently a 49.90 per cent owned associated company of the Company), by way of the First Sale and the Third Parties Sale (collectively the “**Disposal**”), for an aggregate consideration of US\$15 million (or approximately HK\$117 million) in cash, before interest, representing a realised “cash-on-cash” return of 12.92 times the Company’s original cash investment of approximately US\$1,881,719 (or approximately HK\$14,677,408), which is a remarkable result achieved in a period of approximately 15 years, inclusive of dividends received.

For the purposes of valuing Binary, the Company used an implied valuation of Binary Limited (a 93.35 per cent owned subsidiary of Binary) of US\$50.50 million, which is arrived at based on price earnings ratio of 8.84 x Binary Limited’s 2013 earnings. Based on Binary’s shareholding in Binary Limited of 93.35 per cent, Binary (which sole activity is holding shares of Binary Limited) is therefore valued at approximately US\$47.14 million.

As part of the Disposal, on 16 January 2015 (after market close in Hong Kong), the Company entered into the First Sale Agreement, pursuant to which the Company has agreed to sell, and the other parties (including James Mellon and Anderson Whamond, both connected persons of the Group) have agreed to purchase, 708,584 Binary Shares for an aggregate consideration of US\$11,319,498.46 (or approximately HK\$88,292,087.99) in cash, before interest, as detailed in this announcement. The First Sale Long Stop Date is six (6) months from the date of the First Sale Agreement or, in any event, such other date as may be agreed among the parties thereto.

Separate from and in addition to the First Sale, as part of the Disposal, it is the intention of the Company to dispose of a further 230,394 Binary Shares to third parties pursuant to the Third Parties Sale Agreement(s) (on exactly the same terms in respect of price and otherwise on substantially similar terms and conditions as set out in the First Sale Agreement), for an aggregate consideration of US\$3,680,501.57 (or approximately HK\$28,707,912.25) in cash, before interest (if any) on or prior to the First Sale Long Stop Date.



The Company has agreed that in the event that the Third Parties Sale Agreement(s) have not been entered into by the Company with third parties in respect of the Third Parties Sale Shares (being 230,394 Binary Shares) on or prior to the First Sale Long Stop Date, each of the Purchasers named in the First Sale Agreement shall have the right to acquire his/its pro rata share (calculated by dividing the number of Sale Shares allocated to each Purchaser in the First Sale Agreement by the total number of Sale Shares) of the unsold Third Parties Sale Shares on exactly the same terms in respect of price and otherwise on substantially similar terms and conditions as set out in the First Sale Agreement, within five Business Days of the First Sale Long Stop Date, unless otherwise agreed between the parties. Should any Third Parties Sale Shares remain unsold thereafter, such unsold Third Parties Sale Shares shall remain in the property of the Company, to be held legally and beneficially by it and kept in its possession.

While the Third Parties Sale may or may not complete at the same time as the First Sale, it will not be inter-conditional on the First Sale.

Prior to entering into the First Sale Agreement and before the Third Parties Sale, the Company held 998,000 Binary Shares, representing 49.90 per cent of the existing issued share capital of Binary, which were acquired in two equal tranches in November 1999 and February 2000 for an aggregate amount of cash consideration of US\$2 million (or approximately HK\$15.60 million). The remaining 50.10 per cent (represented by 1,002,000 Binary Shares) of the existing issued share capital of Binary is held by JYS (BVI) Ltd.

As at the First Sale Closing (and assuming completion of the further subscription of new Binary Shares by JYS (BVI) Ltd., but before the Third Parties Sale), the Company will continue to hold 289,416 Binary Shares, representing approximately 9.81 per cent of the enlarged share capital of Binary. The remaining interests will be held by JYS (BVI) Ltd. as to 78.91 per cent, Jean-Yves Sireau as to 6.36 per cent, James Mellon as to 4.24 per cent and CINL (as the nominee for Anderson Whamond) as to 0.68 per cent.

At completion of all of the First Sale, the further subscription of new Binary Shares by JYS (BVI) Ltd. and the Third Parties Sale (assuming all Third Parties Sale Shares are to be taken up by third parties), the Company will continue to hold 59,022 Binary Shares, representing approximately 2.00 per cent of the enlarged share capital of Binary. The remaining interests will be held by JYS (BVI) Ltd. as to 78.91 per cent, Jean-Yves Sireau as to 6.36 per cent, James Mellon as to 4.24 per cent, CINL (as the nominee for Anderson Whamond) as to 0.68 per cent and third parties as to 7.81 per cent.



The Disposal will provide the Company with total proceeds (before expenses) of US\$15 million (or approximately HK\$117 million), before the interest receivable in respect of the deferred consideration, and a net realised gain of approximately US\$10.26 million (or approximately HK\$80.03 million) for the period ended 30 November 2014.

The Company expects to recognise in its income statement a gain different from that disclosed above, principally by reference to the carrying value of 938,978 Sale Shares of Binary as recorded in the Company's accounts. The difference between the two calculations arises and is mainly derived from: (i) the shared result of Binary for the period from 1 December 2014 to the date of completion; and (ii) the Third Parties Sale Shares may not be sold in full to third parties.

Taken as a whole, the Disposal will provide the Group with an overall investment return of approximately US\$22.43 million (or approximately HK\$174.95 million) comprising sales proceeds (before expenses and excluding the interest receivable in respect of the deferred consideration) of approximately US\$15 million (or approximately HK\$117 million) of 938,978 Sale Shares disposed of by the Company pursuant to the First Sale and the Third Parties Sale, the accumulated dividend received of US\$9.31 million (or approximately HK\$72.62 million), net of investment costs of approximately US\$1.88 million (or approximately HK\$14.66 million), representing a "cash-on-cash" return of 12.92 times the Group's original cash investment, which will be an outstanding result on an overall return basis.

The Disposal (including the financial assistance (as referred to in the paragraph titled "Financial assistance")) constitutes a major and connected transaction of the Company under Chapters 14 and 14A of the HK Listing Rules and requires approval of the Independent Shareholders in general meeting of the Company. The Company proposes to seek from the Independent Shareholders at the Extraordinary General Meeting an approval for the First Sale and the Third Parties Sale.

As completion of the Disposal is subject to a number of conditions, including approval from the Independent Shareholders, and the entering into of the Third Parties Sale Agreement(s), the disposal of the Sale Shares (in all or in part) may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares.



This announcement is made by the Company in compliance with the disclosure requirements under Rule 13.09 and Chapters 14 and 14A of the HK Listing Rules and the Inside Information Provisions (as defined in the HK Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company announces that it is to dispose of up to 938,978 Binary Shares, being a majority of its shareholding in Binary (currently a 49.90 per cent owned associated company of the Company), by way of the First Sale and the Third Parties Sale (collectively the “**Disposal**”), for an aggregate consideration of US\$15 million (or approximately HK\$117 million) in cash, before interest, details of which are set out in this announcement.

The First Sale

As part of the Disposal, on 16 January 2015 (after market close in Hong Kong), the Company entered into the First Sale Agreement, pursuant to which the Company has agreed to sell, and the other parties have agreed to purchase, 708,584 Binary Shares for an aggregate consideration of US\$11,319,498.46 (or approximately HK\$88,292,087.99) in cash, before interest. Further details of the First Sale Agreement are set out below.

(a) **Date**

16 January 2015

(b) **Parties**

The Company and:

- (i) JYS (BVI) Ltd.;
- (ii) Jean-Yves Sireau;
- (iii) Binary;
- (iv) James Mellon; and
- (v) CINL (as the nominee for Anderson Whamond)

(c) **First Sale Shares to be disposed of by the Company**

708,584 Binary Shares, in aggregate, to:

- (i) Jean-Yves Sireau (187,796 Binary Shares, by way of a share transfer);
- (ii) Binary (375,591 Binary Shares, by way of a selective share buy-back, as referred to in sub-paragraph (f) titled “Selective share buy-back by Binary” below);
- (iii) James Mellon (125,197 Binary Shares, by way of a share transfer); and
- (iv) CINL (as the nominee for Anderson Whamond) (20,000 Binary Shares, by way of a share transfer)

(collectively the “**Purchaser(s)**”)



(d) **Consideration**

US\$15.9748152 (or approximately HK\$124.60) per Sale Share, or an aggregate consideration of US\$11,319,498.46 (or approximately HK\$88,292,087.99) (before interest), payable in cash by the Purchasers (in the amounts relative to the numbers of Sale Shares acquired by the respective Purchasers) to the Company in the following manner:

- (i) an amount equal to US\$5,659,749.23 (or approximately HK\$44,146,043.99) shall be payable and must be paid in cash (in US\$) by 5:00 p.m. on the date of the First Sale Closing; and
- (ii) an amount equal to US\$5,659,749.23 (or approximately HK\$44,146,043.99), together with any interest at the rate of 8 per cent per annum to be calculated and accrue daily in respect of any and all unpaid sums from (and including) the date of the First Sale Closing (“**deferred consideration**”), shall be payable and must be paid in cash (in US\$) within 18 months of the date of the First Sale Closing.

(e) **Conditions precedent**

Completion of the First Sale Agreement is conditional upon:

- (i) if, and to the extent, required under the HK Listing Rules or otherwise by the HK Stock Exchange, the Shareholders of the Company, including (where applicable) independent shareholders of the Company, having passed a resolution or resolutions approving: (i) the disposal of the First Sale Shares to the Purchasers; and (ii) the entry into and performance of any other transactions or agreements contemplated in the First Sale Agreement;
- (ii) the execution, adoption, perfection and/or approval, as the case may require, of the First Sale Agreement, together with:
 - any and all documents required under the applicable law to effect the selective share buy-back by Binary from the Company of 375,591 Binary Shares (as referred to in sub-paragraph (f) titled “Selective share buy-back by Binary” below);
 - the replacement or amended Articles of Association of Binary;
 - the Termination Agreement which terminates the Shareholders’ Agreement; and



- any and all board and shareholders' resolutions and circulars, in respect of any of the parties, as may be required to effect the transactions contemplated in therein,

to the reasonable satisfaction of each of the parties thereto;

- (iii) each of the Company, on the one hand, and the Purchasers, on the other, as applicable, having performed or complied with in all material respects (save for the payment or settlement of the amount referred to in sub-paragraph (d)(i) under "Consideration" above, which the Purchasers must pay or settle in full at the First Sale Closing) all other obligations, undertakings and covenants required to be performed or complied with by it/them on or prior to First Sale Closing;
- (iv) obtaining of all necessary approvals and documents required under the laws of Cayman Islands, Isle of Man, Malta, the United Kingdom and Malaysia for the effective transfer of the First Sale Shares to the Purchasers; and
- (v) the warranties remaining true, accurate and not misleading in all material respects as given at the date of the First Sale Agreement and at the First Sale Closing as if made on and as of the date of the First Sale Closing.

(f) **Selective share buy-back by Binary**

The 375,591 Binary Shares to be disposed of by the Company to Binary (as referred to in sub-paragraph (c) titled "First Sale Shares to be disposed of by the Company" above) are to be cancelled by Binary upon completion of the selective share buy-back.

(g) **Further subscription of new Binary Shares by JYS (BVI) Ltd.**

Consistent with the Shareholders' Agreement and as a consequence of the valuation attributable to Binary as a result of the contemplated Disposal, within 14 days of completion of the sale of not less than: (i) 375,591 Binary Shares from the Company to Binary by way of a selective share buy-back; and (ii) 187,796 Binary Shares from the Company to Jean-Yves Sireau by way of a share transfer, and, in each case, the receipt by the Company of any and all consideration and deferred consideration in respect thereof and, where applicable, interest, in cash and in full, JYS (BVI) Ltd. is entitled to subscribe for 1,326,667 new Binary Shares at an aggregate subscription price of US\$398,000 (or approximately HK\$3,104,400).

The parties will enter into the Termination Agreement, which shall terminate the Shareholders' Agreement with effect at the First Sale Closing. Notwithstanding the termination of the Shareholders' Agreement, at the First Sale Closing, the parties



acknowledge and agree that the entitlement of JYS (BVI) Ltd. for further subscription of new Binary Shares (as referred to in the foregoing paragraph) shall survive thereafter on the terms stated in the First Sale Agreement.

(h) First Sale Closing

The First Sale Closing shall take place on the first Business Day following (but not including) the day on which the last of the conditions set out in the First Sale Agreement has been satisfied or, where capable of being waived, waived or on such other date as may be agreed between the parties.

(i) Termination

The First Sale Agreement may be terminated at any time:

- (i) by mutual written consent of the parties thereto;
- (ii) by either the Purchasers or the Company, if the First Sale Closing shall not have taken place on or before the First Sale Long Stop Date;
- (iii) if each of the Purchasers has complied with its or his material obligations under the First Sale Agreement, by the Purchasers, by giving written notice to the Company, if the Company shall have breached or failed to perform any of its representations, warranties, undertakings or obligations thereunder, which breach or failure to perform:
 - would give rise to the failure of a condition (as referred to in sub-paragraph (e) titled “Conditions precedent” above); and
 - is incapable of cure or has not been cured within ten (10) Business Days following the giving of written notice of such breach to the Company; or
- (iv) if the Company has complied with its material obligations First Sale Agreement, by the Company, by giving written notice to the Purchaser(s), if the Purchaser(s) shall have breached or failed to perform any of its representations, warranties, undertakings or obligations thereunder, which breach or failure to perform:
 - would give rise to the failure of a condition (as referred to in sub-paragraph (e) titled “Conditions precedent” above); and
 - is incapable of cure or has not been cured within ten (10) Business Days following the giving of written notice of such breach to the Purchaser.



The Third Parties Sale

Separate from and in addition to the First Sale, as part of the Disposal, it is the intention of the Company to dispose of up to 230,394 Binary Shares to third parties pursuant to the Third Parties Sale Agreement(s) (on exactly the same terms in respect of price and otherwise on substantially similar terms and conditions as set out in the First Sale Agreement), for an aggregate consideration of US\$3,680,501.57 (or approximately HK\$28,707,912.25) in cash, before interest (if any) on or before the First Sale Long Stop Date.

The Company has agreed that in the event that the Third Parties Sale Agreement(s) have not been entered into by the Company with third parties in respect of the Third Parties Sale Shares (being 230,394 Binary Shares) on or prior to the First Sale Long Stop Date, each of the Purchasers named in the First Sale Agreement shall have the right to acquire his/its pro rata share (calculated by dividing the number of Sale Shares allocated to each Purchaser in the First Sale Agreement by the total number of Sale Shares) of the unsold Third Parties Sale Shares on exactly the same terms in respect of price and otherwise on substantially similar terms and conditions as set out in the First Sale Agreement, within five Business Days of the First Sale Long Stop Date, unless otherwise agreed between the parties. Should any Third Parties Sale Shares remain unsold thereafter, such unsold Third Parties Sale Shares shall remain in the property of the Company, to be held legally and beneficially by it and kept in its possession.

While the Third Parties Sale may or may not complete at the same time as the First Sale, it will not be inter-conditional on the First Sale.

The Disposal

Prior to entering into the First Sale Agreement and before the Third Parties Sale, the Company held 998,000 Binary Shares, representing 49.90 per cent of the existing issued share capital of Binary, which were acquired in two equal tranches in November 1999 and February 2000 for an aggregate amount of cash consideration of US\$2 million (or approximately HK\$15.60 million). The remaining 50.10 per cent (represented by 1,002,000 Binary Shares) of the existing issued share capital of Binary is held by JYS (BVI) Ltd.

For the purposes of valuing Binary, the Company used an implied valuation of Binary Limited (a 93.35 per cent owned subsidiary of Binary) of US\$50.50 million, which is arrived at based on price earnings ratio of 8.84 x Binary Limited's 2013 earnings. Based on Binary's shareholding in Binary Limited of 93.35 per cent, Binary (which sole activity is holding shares of Binary Limited) is therefore valued at approximately US\$47.14 million.



As at the First Sale Closing (and assuming completion of the further subscription of new Binary Shares by JYS (BVI) Ltd. (as referred to in sub-paragraph (g) titled “Further subscription of new Binary Shares by JYS (BVI) Ltd.” under “The First Sale” above), but before the Third Parties Sale), the Company will continue to hold 289,416 Binary Shares, representing approximately 9.81 per cent of the enlarged share capital of Binary. The remaining interests will be held by JYS (BVI) Ltd. as to 78.91 per cent, Jean-Yves Sireau as to 6.36 per cent, James Mellon as to 4.24 per cent and CINL (as the nominee for Anderson Whamond) as to 0.68 per cent.

At completion of all of the First Sale, the further subscription of new Binary Shares by JYS (BVI) Ltd. (as referred to in sub-paragraph (g) titled “Further subscription of new Binary Shares by JYS (BVI) Ltd.” under “The First Sale” above) and the Third Parties Sale (assuming all Third Parties Sale Shares are to be taken up by third parties), the Company will continue to hold 59,022 Binary Shares, representing approximately 2.00 per cent of the enlarged share capital of Binary. The remaining interests will be held by JYS (BVI) Ltd. as to 78.91 per cent, Jean-Yves Sireau as to 6.36 per cent, James Mellon as to 4.24 per cent, CINL (as the nominee for Anderson Whamond) as to 0.68 per cent and third parties as to 7.81 per cent.

In respect of the acquisition of 938,978 Binary Shares, which are the subject of the First Sale and the Third Parties Sale, the average price paid by the Company was approximately US\$2.004 (or approximately HK\$15.63) per Binary Share, for an aggregate cash consideration of approximately US\$1,881,719 (or approximately HK\$14,677,408).

The Disposal will provide the Company with total proceeds (before expenses) of US\$15 million (or approximately HK\$117 million), before the interest receivable in respect of the deferred consideration, and a net realised gain of approximately US\$10.26 million (or approximately HK\$80.03 million) for the period ended 30 November 2014.

The Company expects to recognise in its income statement a gain different from that disclosed above, principally by reference to the carrying value of 938,978 Sale Shares of Binary as recorded in the Company’s accounts. The difference between the two calculations arises and is mainly derived from: (i) the shared result of Binary for the period from 1 December 2014 to the date of completion; and (ii) the Third Parties Sale Shares may not be sold in full to third parties.

Taken as a whole, the Disposal will provide the Group with an overall investment return of approximately US\$22.43 million (or approximately HK\$174.95 million) comprising sales proceeds (before expenses and excluding the interest receivable in respect of the deferred consideration) of approximately US\$15 million (or approximately HK\$117 million) of 938,978 Sale Shares disposed of by the Company pursuant to the First Sale and the Third Parties Sale, the accumulated dividend received of US\$9.31 million (or approximately HK\$72.62 million), net of investment costs of approximately US\$1.88 million (or approximately HK\$14.66 million),



representing a “cash-on-cash” return of 12.92 times the Group’s original cash investment, which will be an outstanding result on an overall return basis.

The Disposal (including the financial assistance (as referred to in the paragraph titled “Financial assistance” below)) constitutes a major and connected transaction of the Company under Chapters 14 and 14A of the HK Listing Rules and requires approval of the Independent Shareholders in general meeting of the Company. The Company proposes to seek from the Independent Shareholders at the Extraordinary General Meeting an approval for the First Sale and the Third Parties Sale.

Basis of consideration

The consideration for the Disposal was determined on the basis of normal commercial terms and arm’s length negotiations.

The Directors consider the Disposal (including the financial assistance (as referred to in the paragraph titled “Financial assistance” below)) to be on normal commercial terms and in the ordinary and usual course of business of the Company. They believe that the terms of the Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

In respect of the Company’s interest in Binary (being 46.95 per cent disposed of):

- the Company’s attributable share of Binary’s: (i) net profit for the financial year ended 31 December 2013 from continued operations is US\$2.69 million (or approximately HK\$20.98 million); and (ii) net profit for the financial year ended 31 December 2012 from continued operations is US\$1.48 million (or approximately HK\$11.54 million), before taxation; and
- the Company’s attributable share of Binary’s: (i) net profit for the financial year ended 31 December 2013 from continued operations is US\$2.68 million (or approximately HK\$20.90 million); and (ii) net profit for the financial year ended 31 December 2012 from continued operations is US\$1.48 million (or approximately HK\$11.54 million), after taxation.

The net asset value of Binary was US\$10.89 million (or approximately HK\$84.94 million) as at 30 November 2014, as reported in Binary’s latest unaudited financial statements ended 30 November 2014.



Use of proceeds

It is the intention of the Company, consistent with its stated business strategy, to use the proceeds of the Disposal, together with the existing cash and liquid cash reserves of the Group, to continue to pursue opportunistic, strategic and value-led investments in the healthcare and life sciences sectors, in order to enhance Shareholders' value.

As a Hong Kong listed company, the Company aims to serve as a platform for growth and a cultivator of high quality, accretive assets across Asia-Pacific and elsewhere.

Reasons for and financial effects of the Disposal on the Group

The Company has held its investment in Binary since 1999 and has enjoyed strong returns throughout where it has received US\$9.31 million (or approximately HK\$72.62 million) in cash dividends from its investment. Binary options, the focus of Binary, is not and has not been a core investment focus of the Group to date and when an opportunity arose to monetize most of its investment at highly attractive returns, the Directors considered this opportunity to be something not to be ignored and was prudent in light of the other investment focus and strategies of the Group.

As noted from the Company's interim report for the six months ended 30 June 2014, the Company continued to believe that there was hidden value within Binary, where on a successful sale of Binary, significant value could be "unlocked". And the Company believes that by achieving an implied valuation of the underlying business (Binary Limited, a 93.35 per cent owned subsidiary of Binary) of US\$50.50 million based on price earnings ratio of 8.84 x Binary Limited's 2013 earnings for the sale of its stake in Binary, the Company has delivered on its ability to unlock hidden value pursuant to its stated divestment program.

The carrying value of the Company's investment in Binary in the Company's balance sheet as at 30 June 2014 was US\$6.15 million. The Disposal will provide the Company with total proceeds (before expenses) of US\$15 million (or approximately HK\$117 million), before the interest receivable in respect of the deferred consideration.

The Disposal will generate a net realised gain of approximately US\$10.26 million (or approximately HK\$80.03 million) for the period ended 30 November 2014. Taken as a whole, the Disposal will provide the Group with an overall investment return of approximately US\$22.43 million (or approximately HK\$174.95 million) comprising sales proceeds (before expenses and excluding the interest receivable in respect of the deferred consideration) of approximately US\$15 million (or approximately HK\$117 million) of 938,978 Sale Shares disposed of by the Company pursuant to the First Sale and the Third Parties Sale, the accumulated dividend received of US\$9.31 million (or approximately HK\$72.62 million), net of investment costs of approximately US\$1.88 million (or approximately HK\$14.66 million),



representing a “cash-on-cash” return of 12.92 times the Group’s original cash investment, which will be an outstanding result on an overall return basis.

Consequently, the contemplated Disposal together with the cash dividends represents a highly attractive return to the Company, a tremendous result achieved over its investment life.

The Directors (including the Independent Non-Executive Directors) are of the view that the Disposal represents an excellent opportunity to increase Company’s cash position thereby allowing the Company to take advantage of any investment opportunities should they arise. The Directors (including the independent non-executive Directors) are also of the view that the Disposal (including the financial assistance (as referred to in the paragraph titled “Financial assistance” below)) to be on normal commercial terms and in the ordinary and usual course of business of the Company. They believe that the terms of the Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Major and connected transaction

In view of the fact that the aggregate amount of cash consideration to be received by the Company in respect of the: (i) Disposal, being US\$15 million (before interest) (or approximately HK\$117 million); or (ii) the First Sale only, being US\$11,319,498.46 (before interest) (or approximately HK\$88,292,087.99) exceeds 25 per cent, but is less than 75 per cent, of the Company’s market capitalisation, either the Disposal (in its entirety) or simply the First Sale will constitute a major transaction of the Company and is therefore subject to announcement, reporting and shareholders’ approval requirements under Chapter 14 of the HK Listing Rules.

Further, the dividends received by the Company in respect of the Sale Shares or the First Sale Shares, which are the subject of the Disposal, for the year ended 31 December 2013 (irrespective of whether the Disposal (in its entirety) closes, or just the First Sale) also exceeds 25 per cent, but is less than 75 per cent, of the Company’s revenue for the relevant year, thereby reconfirming either the Disposal and/or the First Sale as a major transaction of the Company.

Given that James Mellon (Non-Executive Co-Chairman of the Company currently holding, by himself and his associates, 15.23 per cent of the total issued share capital of the Company) and Anderson Whamond (formerly a Non-Executive Director of the Company during the period from January 1999 to February 2008 and currently a director of Interman Limited, a wholly owned subsidiary of the Company, holding, by himself and his associates, 0.40 per cent of the total issued share capital of the Company), both Purchasers named in the First Sale Agreement, are connected persons of the Company, the First Sale (being part of the Disposal), together with any purchase by them of any shortfall in the Third Parties Sale Shares not otherwise disposed of, will also constitute connected transactions of the Group under Chapter 14A of the HK Listing



Rules and are therefore subject to reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the HK Listing Rules.

Save for the above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each counterparty to the First Sale (being part of the Disposal) and their respective beneficial owner(s) and associate(s) is a third party independent of the Company and is not a connected person of the Group. However, in the event that any purchaser of the Third Parties Sale Shares is a connected person of the Company (save as otherwise contemplated herein), the Company will strictly comply with the announcement, reporting and independent shareholders' approval requirements under Chapter 14A of the HK Listing Rules.

As noted above, the completion of the Disposal is conditional upon, *inter alia*, the passing of an ordinary resolution or resolutions by the the Independent Shareholders approving such transaction(s) pursuant to the HK Listing Rules at the Extraordinary General Meeting.

The purpose of this announcement is to provide the Shareholders with information on the details of the Disposal in accordance with the HK Listing Rules. The Company will issue the Circular containing further details of the Disposal for Shareholders' information.

Financial assistance

The deferred consideration payable in respect of the First Sale (as referred to in sub-paragraph (d)(ii) titled "Consideration" under "The First Sale" above), and any deferred consideration payable in respect of the Third Parties Sale (if the Third Parties Sale Agreement(s) are to be executed on the same terms as the First Sale Agreement), attracting daily interest at the rate of 8 per cent per annum until maturity (being 18 months from the date of the closing) would, in the cases of James Mellon and Anderson Whamond, constitute financial assistance under Chapter 14A of the HK Listing Rules and would, in other cases, constitute financial assistance to other purchasers under Chapter 14 of the HK Listing Rules.

Extraordinary General Meeting

An extraordinary general meeting will be convened by the Company inviting disinterested Shareholders to consider and, if thought fit, approve the First Sale and the Third Parties Sale (together, the Disposal and including the financial assistance (as referred to in the paragraph titled "Financial assistance" above)).

Given their interests held in the First Sale (being part of the Disposal), James Mellon, Anderson Whamond and Jean-Yves Sireau (and their respective associates) will be required to abstain from voting in respect of the resolutions to be presented at the Extraordinary General Meeting.



No other shareholders shall be required to abstain from voting in respect of any of the resolutions.

Independent Board Committee and Independent Financial Adviser

An independent board committee will be established by the Company, comprising the Company's three Independent Non-Executive Directors, namely David Comba, Julie Oates and Mark Searle, who will advise the Independent Shareholders on the Disposal.

Altus Capital Limited has been appointed by the Company as its independent financial adviser to advise the Independent Board Committee on the Disposal. A letter from the Independent Financial Adviser setting out their advice and recommendations to the Independent Shareholders will be included in the Circular.

Indicative timetable

16 January 2015	Announcement of the Disposal
On or before 6 February 2015	Despatch of the Circular setting out further details of the Disposal
Before the end of February 2015	Extraordinary General Meeting

This timetable is indicative only and is subject to change due to various factors, including regulatory approvals. The Company will notify Shareholders of any material change to the expected timetable if and when appropriate.

Principal business activities of Binary

The Company currently has a 49.90 per cent interest in Binary that offers binary options via its flagship website www.binary.com.

Fully licensed and regulated, the Binary.com service (formerly known as BetOnMarkets.com) has been providing financial trading to a worldwide audience of over 500,000 registered clients since 1999.

More information on Binary is available on Binary's website: www.binary.com.



Background on JYS (BVI) Ltd.

JYS (BVI) Ltd. is a limited liability company incorporated in the British Virgin Islands and wholly owned by Jean-Yves Sireau (a French national), who holds approximately 0.027 per cent in the total issued share capital of the Company.

Background on Anderson Whamond

Anderson Whamond (a national of the Isle of Man) was formerly a Non-Executive Director of the Company during the period from January 1999 to February 2008 and a director of certain subsidiaries of the Group some time during the same period, and is currently a director of Interman Limited, a wholly owned subsidiary of the Company, holding, by himself and his associates, 0.40 per cent of the total issued share capital of the Company.

Principal business activities of the Company

The Company is a limited liability company incorporated under the laws of the Cayman Islands whose Shares are listed on the HK Stock Exchange and are also traded on the OTC market (Freiverkehr) of the Frankfurt Stock Exchange. The Company is a diversified investment group holding various corporate and strategic investments across the natural resources sector (including both mining and oil and gas), as well as in the healthcare and life science sectors, its current core focus.

General

The Circular containing, among other things, further details of the Disposal and the information required under the HK Listing Rules (to the extent applicable), together with the notice of Extraordinary General Meeting for approving the Disposal, will be despatched to the Shareholders as soon as practicable.

As completion of the Disposal is subject to a number of conditions, including approval from the Independent Shareholders, and the entering into of the Third Parties Sale Agreement(s), the disposal of the Sale Shares (in all or in part) may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares.



Definitions

In this announcement, the following expressions have the following meanings unless the context require otherwise:

“associate(s)”	shall have the meaning defined in the HK Listing Rules
“Binary”	Binary Holdings Ltd. (formerly known as “Regent Markets Holdings Ltd.”), a limited liability company incorporated in the British Virgin Islands and continued in the Cayman Islands and currently a 49.90 per cent owned associated company of the Company
“Binary Share(s)”	the fully paid ordinary shares of US\$0.10 each in the capital of Binary
“Board”	the board of directors of the Company
“Business Day”	a day which is not a Saturday, Sunday or a public holiday in Hong Kong or Beijing
“China”	Peoples’ Republic of China
“CINL ”	Capital International (Nominees) Limited, being the nominee for a pension fund, of which Anderson Whamond is the sole beneficiary
“Circular”	the Shareholders’ circular to be issued by the Company in relation to the Disposal pursuant to the HK Listing Rules
“Company”	Regent Pacific Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the HK Stock Exchange and are also traded on the OTC market (Freiverkehr) of the Frankfurt Stock Exchange
“connected person(s)”	shall have the meaning defined in Chapter 14A of the HK Listing Rules
“Director(s)”	the directors of the Company



“Disposal”	the First Sale and the Third Parties Sale, being the disposal by the Company of, in aggregate, 938,978 Binary Shares for an aggregate cash consideration of US\$15 million (or approximately HK\$117 million), before interest
“Extraordinary General Meeting”	an extraordinary general meeting to be held by the Company to consider and approve the Disposal (in its entirety), the details of which will be set out in the Circular
“First Sale”	the disposal by the Company of, in aggregate, 708,584 Binary Shares to: (i) Jean-Yves Sireau (187,796 Binary Shares, by way of a share transfer); (ii) Binary (375,591 Binary Shares, by way of a selective share buy-back); (iii) James Mellon (125,197 Binary Shares, by way of a share transfer); and (iv) CINL (as the nominee for Anderson Whamond) (20,000 Binary Shares, by way of a share transfer) for US\$15.9748152 (or approximately HK\$124.60) per Binary Share, or an aggregate consideration of US\$11,319,498.46 (or approximately HK\$88,292,087.99), in cash, before interest, pursuant to the First Sale Agreement
“First Sale Agreement”	the sale and purchase agreement dated 16 January 2015 (after market close in Hong Kong) entered into by the Company with: (i) JYS (BVI) Ltd.; (ii) Jean-Yves Sireau; (iii) Binary; (iv) James Mellon; and (v) CINL (as the nominee for Anderson Whamond) in respect of the First Sale
“First Sale Closing”	the closing of the First Sale
“First Sale Long Stop Date”	six (6) months from the date of the First Sale Agreement or, in any event, such other date as may be agreed among the parties thereto
“First Sale Shares”	708,584 Binary Shares
“Group”	the Company and its subsidiaries
“HK Listing Rules”	The Rules Governing the Listing of Securities on the HK Stock Exchange, as amended from time to time



“HK Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong
“Independent Board Committee”	the independent board committee to be established by the Company, comprising the Independent Non-Executive Directors of the Company, to advise the Independent Shareholders on the Disposal
“Independent Financial Adviser”	Altus Capital Limited, being the independent financial adviser appointed by the Company to advise the Independent Board Committee on the Disposal
“Independent Shareholders”	the Shareholders excluding James Mellon, Anderson Whamond and Jean-Yves Sireau (and their respective associates)
“Purchaser(s)”	the purchasers named in the First Sale Agreement, being: (i) Jean-Yves Sireau; (ii) Binary; (iii) James Mellon; and (iv) CINL (as the nominee for Anderson Whamond)
“Sale Share(s)”	the First Sale Shares and the Third Parties Sale Shares, being, in aggregate, 938,978 Binary Shares
“Shareholder(s)”	the holders of the Shares
“Shareholders’ Agreement”	the shareholders’ agreement dated 7 October 1999 relating to Binary entered into between: (i) the Company; (ii) JYS Ltd. (a company incorporated in Mauritius and wholly owned by Jean-Yves Sireau); and (iii) Jean-Yves Sireau (as amended by various supplemental agreements), which was further amended by the deed of novation dated 26 September 2011, pursuant to which JYS (BVI) Ltd. (a company incorporated in the British Virgin Islands and wholly owned by Jean-Yves Sireau) became a party thereto in respect of JYS Ltd. and assumed all rights and obligations of JYS Ltd. thereunder



“Share(s)”	the ordinary shares, with voting rights, of US\$0.01 each in the capital of the Company, which are listed on the HK Stock Exchange and are also traded on the OTC market (Freiverkehr) of the Frankfurt Stock Exchange
“Termination Agreement”	the agreement to be entered into between: (i) the Company; (ii) JYS (BVI) Ltd.; and (iii) Jean-Yves Sireau at the First Sale Closing to terminate the Shareholders’ Agreement
“Third Parties Sale”	the intended disposal by the Company of, in aggregate, 230,394 Binary Shares, each by way of a share transfer, to third parties for US\$15.9748152 (or approximately HK\$124.60) per Binary Share, or an aggregate consideration of US\$3,680,501.57 (or approximately HK\$28,707,912.25), in cash, before interest (if any), pursuant to the Third Parties Sale Agreement(s)
“Third Parties Sale Agreement(s)”	the sale and purchase agreement(s) to be entered into by the Company with third parties in respect of the Third Parties Sale
“Third Parties Sale Shares”	230,394 Binary Shares
“US\$”	United States dollars, the lawful currency in the United States

Note: Unless otherwise specified herein, amounts dominated in US\$ have been translated, for the purpose of illustration only, into HK\$ using the exchange rate of US\$1.00 = HK\$7.80.

On Behalf of the Board of
Regent Pacific Group Limited

Jamie Gibson
Director



Directors of the Company:

James Mellon (*Co-Chairman*)^{*}

Stephen Dattels (*Co-Chairman*)^{*}

Jamie Gibson (*Chief Executive Officer*)

David Comba[#]

Julie Oates[#]

Mark Searle[#]

Jayne Sutcliffe^{*}

^{*} *Non-Executive Directors*

[#] *Independent Non-Executive Directors*

Hong Kong, 16 January 2015