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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 575)

Profit Warning

This announcement is made by Regent Pacific Group Limited (the “**Company**” and collectively with its subsidiaries, the “**Group**”) in compliance with the disclosure requirements under Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders and potential investors of the Company that based on the preliminary assessment of the unaudited consolidated management accounts of the Group and the information currently available, the Group expects to record a loss attributable to the equity holders of the Company for the year ended 31 December 2023 (the “**Reporting Period**”) of between approximately US\$22 million (or approximately HK\$171.60 million) to approximately US\$25 million (or approximately HK\$195 million), which represents a substantial decrease in the loss as compared to a loss attributable to the equity holders of the Company of approximately US\$36.43 million (or approximately HK\$284.15 million) for the year ended 31 December 2022 (the “**Corresponding Period**”).

The above-mentioned change in the unaudited consolidated final results for the Reporting Period as compared to the Corresponding Period is mainly attributable to:

- (i) The Group recorded an amortisation of intangible assets of approximately US\$22.18 million (or approximately HK\$173 million) for the Reporting Period (Corresponding Period: approximately US\$24.95 million (or approximately HK\$194.61 million)). The decrease was mainly due to that the Patent (Fortacin™) was fully amortised on 19 November 2023 and, going forward, there will no longer be an amortisation charge relating to the Patent (Fortacin™);

- (ii) The Group recorded a realised gain and an unrealised marked-to-market loss on financial assets at fair value through profit or loss (“**FAFVPL**”) of approximately US\$91,000 (or approximately HK\$0.71 million) and approximately US\$38,000 (or approximately HK\$0.30 million) respectively for the Reporting Period (Corresponding Period: a realised and an unrealised marked-to-market loss on FAFVPL of approximately US\$3.78 million (or approximately HK\$29.48 million) and US\$0.35 million (or approximately HK\$2.73 million) respectively), which resulted from the mild fluctuation in the share price of DEVELOP Global Limited (“**DVP**”) during the year when comparing with the significant drop in the share price of DVP in 2022;
- (iii) The finance costs decreased by 92.08% to approximately US\$0.08 million (or approximately HK\$0.62 million) for the Reporting Period from approximately US\$1.01 million (or approximately HK\$7.88 million) for the Corresponding Period, which was mainly due to the full settlement of both the convertible notes in August 2022 and the shareholders’ loans in January 2023; and
- (iv) The Group recorded an income tax credit of approximately US\$5.20 million (or approximately HK\$40.56 million) for the Reporting Period when comparing with the income tax payment of approximately US\$0.42 million (or approximately HK\$3.28 million) for the Corresponding Period. This was mainly because the Group recorded a deferred tax payment and liability of approximately US\$3.05 million (or approximately HK\$23.79 million) due to the change of Patent Box tax rate for the Corresponding Period, which was fully amortised in 2023.

All other items making up the loss for the Reporting Period were similar to those for the Corresponding Period.

The Company is in the process of finalising the final results of the Group for the Reporting Period. The information contained in this announcement is only based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the Reporting Period and the information currently available, which has not yet been finalised nor reviewed by the Company’s auditors or the Audit Committee of the Company, and therefore may be subject to adjustments. Shareholders and potential investors of the Company are advised to refer to the announcement of the audited consolidated final results of the Group for the Reporting Period, which is expected to be published by the end of March 2024.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

By Order of the Board
Regent Pacific Group Limited
Jamie Gibson
Executive Director

Hong Kong, 20 February 2024

As at the date of this announcement, the Board comprises six Directors:

Executive Director:

Jamie Gibson (*Chief Executive Officer*)

Non-Executive Directors:

James Mellon (*Chairman*)

Jayne Sutcliffe

Independent Non-Executive Directors:

Mark Searle

Adrian Chan

Ihsan Al Chalabi