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REGENT PACIFIC GROUP LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 0575)

**UPDATE ON THE DISPOSAL OF SHARES IN BRIDGE SECURITIES CO., LTD
AND ITS MERGER WITH LEADING INVESTMENT AND SECURITIES CO., LTD**

Further to the announcement dated 15 February 2005 by the Company with respect to the Acquisition Agreement, the first tranche of the consideration, amounting to KRW 2 billion (US\$1.95 million or HK\$15.2 million), was duly received by the Sellers in early March.

The announcement dated 15 February 2005 referred to a number of conditions that must be satisfied in order for the Acquisition Agreement to complete, one of which being the execution and completion of the Merger Agreement between Bridge and Leading. In this regard, the Directors have been advised by the BIH directors that the Merger Agreement was signed on 31 March 2005. The Merger Agreement will not take effect until completion of the Acquisition Agreement. Furthermore, completion of the Merger Agreement is conditional upon, inter alia, (1) granting of approval by the FSC to the Acquisition and the Merger; and (2) approval of the Merger by the shareholders of both of Bridge and Leading.

Hanaanjin Deloitte, appointed jointly by Bridge and Leading as an independent appraiser, have reported that the Merger Ratio of one common share in Leading in exchange for 0.519 common share in Bridge, as agreed between Bridge and Leading, is in their opinion reasonable, such ratio being subject to adjustment prior to completion of the Merger Agreement upon any material change in the financial conditions of either party as evidenced by the latest financial statements to be provided by the parties thereto. The Merger Ratio is irrelevant to the determination and payment of the consideration of the Acquisition.

The board of Bridge has resolved to convene an extraordinary general meeting of Bridge to be held on or about 27 May 2005, at which shareholders of Bridge will be asked to consider and, if thought appropriate, approve the Merger Agreement by a special resolution of a two-thirds majority. Pursuant to Korean law, dissenting creditors and shareholders of both Bridge and Leading will have the opportunity to file any objections with the relevant company before 9 June 2005.

Subject to satisfaction of the various conditions to both the Acquisition Agreement and the Merger Agreement (including obtaining necessary regulatory approvals), the Directors understand that the Merger may complete by 28 June 2005, with applications being filed by Bridge and Leading for registration of the Merger with the Corporate Registry Office of Competent Court of Korea shortly thereafter. After the Merger, Bridge will remain as the surviving entity with its shares listed on the Korea Exchange.

While the Acquisition Agreement and the Merger Agreement have been signed, there can be no assurance, however, that the conditions to the Acquisition and the Merger will be satisfied and that the agreements will result in a successful realisation of the Sellers' respective interests in Bridge.

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:30 a.m. on Thursday, 31 March 2005 pending release of this announcement. Application has been made for trading to resume at **9:30 a.m. on Monday, 4 April 2005. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made pursuant to Rule 13.09 of The Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The directors (the “**Directors**” or the “**Board**”) of Regent Pacific Group Limited (the “**Company**” and collectively with its subsidiaries, the “**Group**”) refer to the announcement dated 15 February 2005 by the Company with respect to the acquisition agreement dated 14 February 2005 (the “**Acquisition Agreement**”) between (a) three wholly owned subsidiaries of Bridge Investment Holding Limited (“**BIH**”, a 40.2% owned associate of the Company, and collectively with its subsidiaries, the “**BIH Group**”); (b) RPCA (L) Limited (“**RPCA**”), a wholly owned subsidiary of the Company; and (c) the State of Wisconsin Investment Board (“**SWIB**”), collectively as sellers (the “**Sellers**”); and (d) Leading Investment and Securities Co., Ltd (“**Leading**”) as buyer in relation to the acquisition (the “**Acquisition**”) by Leading of, in aggregate, 62,341,329 common shares of Bridge Securities Co., Ltd (“**Bridge**”) at a cash consideration of KRW 131 billion (US\$127.8 million or HK\$996.8 million).

The Directors are pleased to announce that the first tranche of the consideration, amounting to KRW 2 billion (US\$1.95 million or HK\$15.2 million), was duly received by the Sellers in early March. Payment of the deferred consideration of KRW 129 billion (US\$125.9 million or HK\$982 million) is subject to a number of conditions, including, but not limited to, the execution of a merger agreement and completion of the merger between Bridge and Leading. In this regard, the Directors have been advised by the BIH directors that a merger agreement

(the “**Merger Agreement**”) was entered into between Bridge and Leading on 31 March 2005 (Korean time). The Merger Agreement will not take effect until completion of the Acquisition Agreement. Furthermore, completion of the Merger Agreement is conditional upon, inter alia, the following:

1. Granting of approval by the Financial Supervisory Commission of Korea (the “**FSC**”) to (a) the Acquisition and (b) the statutory merger (the “**Merger**”) of Bridge and Leading in accordance with the Act on the Structural Improvement of the Financial Industry of Korea; and
2. Approval of the Merger by the shareholders of both of Bridge and Leading.

The Directors have also been advised by the BIH directors that Hanaanjin Deloitte have been jointly appointed by Bridge and Leading for the purposes of providing an independent appraisal report of the merger ratio (the “**Merger Ratio**”). It is noted that Hanaanjin Deloitte have reported that the Merger Ratio of one common share in Leading in exchange for 0.519 common share in Bridge, as calculated and agreed between Bridge and Leading in accordance with the Presidential Decree of the Securities Exchange Law of Korea and the relevant regulations, has been properly calculated in accordance with such law and regulations and is in their opinion reasonable. The Merger Ratio is subject to adjustment prior to completion of the Merger Agreement upon any material change in the financial conditions of either party as evidenced by the latest financial statements to be provided by the parties thereto. Should any such amendment be sought, an amendment application is required to be filed with the FSC for its approval of the Merger. The Merger Ratio is irrelevant to the determination and payment of the consideration of the Acquisition as referred to above.

Upon completion of the Acquisition and the subsequent Merger, certain security arrangements will be put in place in favour of the Sellers, to serve as security for the payment of the KRW 129 billion deferred consideration.

The Directors have also been advised that the board of Bridge has resolved to convene an extraordinary general meeting of Bridge to be held on or about 27 May 2005, at which shareholders of Bridge will be asked to consider and, if thought appropriate, approve the Merger Agreement by a special resolution of a two-thirds majority. Upon obtaining shareholders’ approval, pursuant to Korean law, dissenting creditors of both Bridge and Leading will have the opportunity to file any objections with the relevant company before 9 June 2005. In addition, in accordance with the Korean Commercial Code, dissenting shareholders as of the record date (9 May 2005) may exercise their appraisal right by writing to the relevant company before 9 June 2005. The Korean Commercial Code provides that Bridge must buy out holdings of the dissenting shareholders at their request prior to the completion of the Merger, at a price determined by a formula, being the average market price of Bridge’s shares over the previous two months, one month and one week.

Subject to satisfaction of the various conditions to both the Acquisition Agreement and the Merger Agreement (including obtaining necessary regulatory approvals), the Directors understand that the Merger may complete by 28 June 2005, with applications being filed by Bridge and Leading for registration of the Merger with the Corporate Registry Office of Competent Court of Korea shortly thereafter. After the Merger, Bridge will remain as the surviving entity with its shares listed on the Korea Exchange.

The Directors understand that in accordance with the International Financial Reporting Standards, the gain or loss on the disposal of Bridge in BIH's financial statements shall represent the difference between the proceeds of the disposal and BIH Group's share of Bridge's net assets together with any unamortised goodwill or negative goodwill as at the date of sale. Although the Acquisition and the Merger are expected to be completed on 28 June 2005, it has not been determined as to whether the gain or loss on the disposal will be recognised in BIH's consolidated financial statements for the current financial year ended 31 March 2005 or for the next financial year, which will depend on the extent to which the conditions are satisfied. Accordingly, it is not practicable for BIH to accurately quantify the gain or loss on the disposal and consequently the Company cannot quantify the financial impact that the Acquisition and the Merger would have on the Group's financial statements. Further announcements will be made as and when appropriate. The BIH Group had contributed a loss of US\$13.5 million (HK\$105 million) to the Group's loss of US\$14.3 million (HK\$111.2 million) for the six-month period ended 30 September 2004 and it had contributed a profit of US\$6.7 million (HK\$52.1 million) to the Group's profit of US\$5.1 million (HK\$39.6 million) for the financial year ended 31 March 2004.

While the Acquisition Agreement and the Merger Agreement have been signed, there can be no assurance, however, that the conditions to the Acquisition and the Merger will be satisfied and that the agreements will result in a successful realisation of the Sellers' respective interests in Bridge.

Leading and its controlling shareholder are independent third parties.

BIH is an investment holding company that was incorporated in the Cayman Islands on 14 September 1999 with limited liability. The Company holds 40.2% of the issued share capital of BIH and SWIB owns 26.8% of the issued share capital of BIH. Third parties hold the remaining interests in the issued share capital of BIH. SWIB currently holds 7.46% of the total issued voting share capital of the Company. It is the Directors' understanding that after the disposal BIH will (i) cease its activities as an investment holding company; (ii) distribute its surplus assets to its shareholders; and (iii) wind up its affairs in an orderly manner.

The BIH Group owns 77.75% of the issued share capital of Bridge, a company incorporated in Korea and whose shares are listed on the Korea Exchange. SWIB and RPCA own directly 8.64% and 0.47% of the issued share capital of Bridge respectively. Third parties hold the remaining interests in the issued share capital of Bridge. Bridge's principal business activities consist of stock broking, corporate investment and financing services.

In the event that the BIH Group successfully realises its interest in Bridge and distributes the realisation proceeds to its shareholders, including the Company, the Group's remaining activities, as at the date of this announcement, will consist of fund management and corporate investment. Shareholders should note that it is still the Directors' current intention that 90% of the proceeds received from the realisation by BIH of its indirect interest in Bridge will be distributed to all shareholders, subject to the Group retaining sufficient working capital. It is intended that remaining funds will be applied to the Group's existing businesses, and thus the Directors consider that the Company will continue to carry out, directly and indirectly, a sufficient level of operations and have tangible assets of sufficient value as required in Rule 13.24 of the Listing Rules to warrant the continued listing of the Company's shares on the Stock Exchange. Shareholders should, however, note that there might be a possibility that the Company might fail to comply with Rule 13.24.

Further announcements will be made as and when appropriate.

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On Behalf of the Board of
Regent Pacific Group Limited

Jamie Gibson
Director

Directors of the Company:

Anthony Baillieu (*Chairman*)*
Jamie Gibson (*Chief Executive Officer*)
Clara Cheung
James Mellon*
Julie Oates#
Mark Searle#
Jayne Sutcliffe*
Anderson Whamond*
Robert Whiting#

* *Non-Executive Directors*

Independent Non-Executive Directors

Hong Kong, 1 April 2005

Please also refer to the published version of this announcement in The Standard.