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REGENT PACIFIC GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0575)

MANDATORY CAPITAL REDUCTION OF BRIDGE SECURITIES CO., LTD

Further to the announcements by the Company on 4 and 13 July 2005, the Directors are pleased to announce that the KRW 100 billion mandatory capital reduction of Bridge has been approved at its extraordinary general meeting held on 4 August 2005. Subject to creditors' objection (if any) to be presented before 5 September 2005, the Mandatory Capital Reduction is expected to complete on or around 20 September 2005.

While (a) the Mandatory Capital Reduction has been approved by the shareholders of Bridge, and (b) the Share Sale Option Agreement has been signed, there can be no assurance that either (i) the Mandatory Capital Reduction will complete, or (ii) the conditions for the share sale under the Share Sale Option Agreement will be satisfied. Accordingly, shareholders and potential shareholders are advised to exercise extreme caution when dealing in the shares of the Company. Further, shareholders and potential shareholders should note that the amounts expressed in this announcement and the announcements and circular referred to herein relating to the proceeds to be received and the potential distributions to be made by the Company are merely indicative and not definitive. Your Directors will consider the amount of the distribution(s) that the Company will make to all shareholders nearer the time the proceeds are paid to BIH shareholders and an appropriate announcement will be made to shareholders in the usual manner. The Directors understand from the BIH directors that they hope that BIH will make the distributions by 31 October 2005.

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

The directors (the "**Directors**" or the "**Board**") of Regent Pacific Group Limited (the "**Company**") refer to the announcements made by the Company on 4 and 13 July 2005 with respect to, inter alia, a KRW 100 billion mandatory capital reduction (the "**Mandatory Capital Reduction**") of Bridge Securities Co., Ltd ("**Bridge**", a 77.75% owned subsidiary of Bridge Investment Holding Limited ("**BIH**"), which is in turn a 40.2% owned associate of the Company), representing approximately 52.1% of Bridge's net asset value as at 31 March 2005. Pursuant to the Mandatory Capital Reduction, 41.2231177% of Bridge shares will be repurchased by Bridge mandatorily at KRW 3,380 (US\$3.34 or HK\$26.05) per share, which is expected to complete on or around 20 September 2005.

The Directors are pleased to announce that the resolution approving the Mandatory Capital Reduction has been passed unanimously at the extraordinary general meeting of Bridge held on 4 August 2005.

As noted from the announcement dated 4 July 2005, as part of the Mandatory Capital Reduction, creditors of Bridge are allowed to present their objection, if any, before 5 September 2005. Assuming that no creditors object, it is expected that BIH, through certain of its subsidiaries, will receive approximately US\$73.36 million (HK\$572.21 million) and RPCA (L) Limited (a wholly owned subsidiary of the Company) will receive approximately US\$0.40 million (HK\$3.12 million), net of estimated Korean taxes.

The Mandatory Capital Reduction and the Share Sale Option Agreement (as referred to in the announcement dated 13 July 2005), in aggregate, constitute a discloseable transaction of the Company under Rule 14.06 of the Listing Rules. A circular containing, inter alia, details of the Mandatory Capital Reduction and the Share Sale Option Agreement was despatched to all shareholders of the Company on 25 July 2005.

While (a) the Mandatory Capital Reduction has been approved by the shareholders of Bridge, and (b) the Share Sale Option Agreement has been signed, there can be no assurance that either (i) the Mandatory Capital Reduction will complete, or (ii) the conditions for the share sale under the Share Sale Option Agreement will be satisfied. Accordingly, shareholders and potential shareholders are advised to exercise extreme caution when dealing in the shares of the Company. Further, shareholders and potential shareholders should note that the amounts expressed in this announcement and the announcements and circular referred to herein relating to the proceeds to be received and the potential distributions to be made by the Company are merely indicative and not definitive. Your Directors will consider the amount of the distribution(s) that the Company will make to all shareholders nearer the time the proceeds are paid to BIH shareholders and an appropriate announcement will be made to shareholders in the usual manner. The Directors understand from the BIH directors that they hope that BIH will make the distributions by 31 October 2005.

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, 4 August 2005

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