

Regent Pacific Announces 2016 Annual Financial Results Commits to Global Fortacin™ Rollout and Continued Healthcare Investments

HIGHLIGHTS

Key financial results

- Strong balance sheet, with cash balances and securities of FAFVPL at approximately US\$7.68 million
- Shareholders' equity amounted to US\$181.37 million, up 364% year-on-year
- Profit attributable to equity holders of US\$15.96 million was recorded for 2016 1H; versus a loss of US\$2.46 million for the full year

Key developments

- Major milestones achieved with the successful acquisition of Plethora and launch of the landmark premature ejaculation product Fortacin™ in the UK in November 2016, to be closely followed by the European launch in late 2017
- The Group continues to pursue the commercialisation of Fortacin™ in additional key markets in Asia Pacific, North America and Latin America
- The Group remains focused on implementing its strategy of seeking value-led investments in the healthcare and life sciences sector

(29 March 2017, Hong Kong) – Regent Pacific Group Limited (“**Regent Pacific**” or the “**Company**” and together with its subsidiaries, the “**Group**”; Hong Kong stock code: 00575), a specialist healthcare and life sciences investment group today announced financial results for the full year ended 31 December 2016.

The Group’s balance sheet remains strong, with cash balances and securities of financial assets at fair value through profit or loss (“**FAFVPL**”) of approximately US\$7.68 million, with no external debt. Net asset value per share was US cents 10.44 (HK cents 81.01) at the end of 2016.

The Group had a profit attributable to equity holders of US\$15.96 million for the first half of 2016, while a loss attributable to equity holders of US\$2.46 million was recorded for the year ended 31 December 2016. This was largely due to: (i) an amortisation charge of US\$22.89 million on the intangible asset, mainly being Fortacin™, a non-cash item; (ii) operating expenses of US\$12.45 million; (iii) the loss on deemed disposal of Plethora Solutions Holdings plc (“**Plethora**”) of US\$5.81 million. This loss was offset in part by: (iv) a bargain purchase on the acquisition of Plethora of US\$31.69 million; and (v) a marked-to-market gain of US\$2.87 million in respect of the Company’s equity portfolio of FAFVPL.

Shareholders’ equity was US\$181.37 million as at 31 December 2016, an increase of 364% when compared to 31 December 2015, with the increase mainly attributable to the acquisition of Plethora by issuing approximately 13.89 billion new Regent shares with a market value of approximately US\$143.07 million.

The Group’s healthcare and life sciences investments remain its core focus. Regent Pacific’s goal is to bring its landmark product Fortacin™ to men across the world through its commercial strategic partners and, in doing so, create substantial returns for its shareholders. The Group celebrated its latest major milestone with the commercial launch of Fortacin™ in the United Kingdom in November 2016. Regent Pacific aims to roll-out additional commercialisation of Fortacin™ across Europe in late 2017 and thereafter in Asia Pacific, North America and Latin America. The Company has also formally approached the Hong Kong Department of Health and indicated its intention to apply to register Fortacin™ for sale as a pharmaceutical product in Hong Kong.

Jamie Gibson, CEO of Regent Pacific said, *“2016 was a milestone year for Regent Pacific. The acquisition of Plethora and the maiden launch of its landmark product Fortacin™ in the United Kingdom were remarkable successes and important steps in the shift of our investment focus to healthcare and life sciences. We’re now targeting investments that genuinely enhance patient quality of life.”*

The Group’s out-licencing agreement with commercial partner Recordati S.p.A.(“**Recordati**”), which will support the commercial roll-out of Fortacin™ in Europe, looks set to create a steady stream of income through royalty payments for Regent Pacific in the years to come. Looking ahead, Regent Pacific will continue to work diligently with its existing and future partners under a similar business model, with a view to optimising Group profits.

In the healthcare and life sciences sector, the Group also increased its strategic position in The Diabetic Boot Company Limited (“**Diabetic Boot**”) by investing GBP 1 million (or approximately US\$1.45 million) for 43,478 new ordinary shares and 21,739 fundraising warrants in 2016, growing the Group’s interest in Diabetic Boot to approximately 23.04%. The shareholding was then diluted to 22% following the subsequent issue of new ordinary shares by way of a further placement to third parties by Diabetic Boot.

“Regent Pacific is well positioned to forge ahead with its healthcare strategy this year, seeking to build a late stage value-led portfolio that taps into exciting growth markets and creates real value for shareholders.

“The global commercialisation of Fortacin™ will also continue to progress as swiftly as possible across Europe, North America, Latin America and Asia Pacific, generating long-term recurring royalty revenues from our commercial sales partners and fuelling the Group’s future growth.” **Jamie Gibson** concluded.

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About Regent Pacific

Regent Pacific is a diversified investment group based in Hong Kong currently holding various corporate and strategic investments focusing on the healthcare and life sciences sectors. Its wholly-owned subsidiary, Plethora Solutions Holdings plc, is a specialty pharmaceutical company whose core product Fortacin™ is the first EU approved topical prescription treatment for Premature Ejaculation that does not act on the central nervous system, launched in the UK in November 2016 and subsequently in Italy, Spain, France, Germany, Portugal, Czech Republic, Slovakia, Poland, Ireland, Romania and Greece, the rest of Europe, Russia, CIS and certain countries of North Africa. The Group has a strong track record of investments and has returned approximately US\$298 million to shareholders in the 19 years of financial reporting since its initial public offering.

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