Regent Pacific Announces 2017 Interim Financial Results
Committed to Global Commercialisation of Fortacin™

HIGHLIGHTS

Key financial results

- A loss attributable to shareholders of US$19.02 million for the six months ended 30 June 2017
- Shareholders' equity totaled US$167.20 million as at 30 June, a decrease of 7.81% compared with 31 December 2016
- Debt free, with over US$6.22 million in cash, listed and unlisted securities

Key developments

- Successfully undertook a placing and top-up subscription, raising net proceeds of HK$38.48 million
- Fortacin™ expected to launch in Europe in early 2018
- Fortacin™ can now be prescribed in the UK from a physician either in person or online via an online consultation, with prescriptions to be filled by Chemist 4 U
- Three good manufactured practice batches of the Fortacin™ 12 dose product received approval from the European Medicines Agency ("EMA") on 23 March 2017, enabling the commercial manufacture and release of Fortacin™ in the European Union by early 2018
- In April 2017, an additional good manufacturing process development at Pharmaserve commenced with the goal of increasing the commercial batch size of Fortacin™ by approximately threefold
- Maintained and actively monitored existing strategic investment in Diabetic Boot
- Realised US$2.51 million in cash from the disposal of its remaining interest in Condor Gold. The Group continues to seek new strategic and value-led investments in the healthcare and life sciences sectors

(25 August 2017, Hong Kong) – Regent Pacific Group Limited ("**Regent Pacific**" or the "**Company**" and together with its subsidiaries, the "**Group**"; HKSE stock code: 00575), a specialist healthcare and life sciences investment group today announces unaudited financial results for the six months ended 30 June 2017 ("**the period**").

A loss attributable to shareholders of US$19.02 million was recorded for the period. This was mainly attributable to: (i) an amortisation charge of US$13.91 million on the intangible asset, Fortacin™, a non-cash item; (ii) operating expenses of US$4.43 million; and (iii) a marked-to-market loss of US$1.31 million in respect of the Company's equity portfolio of financial assets at fair value through profit or loss.

Shareholders' equity was US$167.20 million as at 30 June 2017, a decrease of approximately 7.81% as compared to 31 December 2016, with the decrease predominantly due to the losses attributable to shareholders of the Company of US$19.02 million. This was partially offset by the issue of 100,000,000 new Regent ordinary shares with net proceeds of US$4.95 million under the placing and top-up subscription.

The Group's healthcare and life sciences investments remain its core focus and its goal is to bring Fortacin™ to men across the world through its commercial strategic partners and, in doing so, create substantial and long-term value for shareholders. The Group is encouraged by the great progress made on various fronts during the period and aims to roll-out additional commercialisation of Fortacin™ across Europe by the Recordati Group ("**Recordati**") in early 2018 and thereafter in Asia Pacific, North America and Latin America.

As at 30 June 2017, the Company had no debt, having cash, listed and unlisted securities of US$6.22 million.

Jamie Gibson, CEO of Regent Pacific, said: *"Regent's ongoing efforts to commercialise Fortacin™ incurred costs that inevitably weighed down profits for the first half of the year. However, the Group's out-licencing agreement with its commercial partner Recordati, who will support the commercial roll-out of Fortacin™ in Europe, looks set to create a steady stream of income through royalty payments for Regent in the years to come.*

Looking ahead, we will continue to work diligently with our existing and future partners under a similar business model, with a view to optimising the Group's profits."

Encouraging progress in healthcare portfolio building and product commercialization

As announced on 29 March 2017, the Company successfully undertook a placing and top-up subscription with BOCI, as placing agent, and James Mellon, as vendor, raising approximately HK$40.5 million, gross proceeds, and HK$38.48 million, net proceeds. The net proceeds would be used to: (i) fund the NDA process with the FDA, together with the continued commercial manufacturing scale up of Fortacin™; (ii) fund the build out of the Group's healthcare and life sciences platform by investing in further identified and unidentified investments in the sector; and (iii) in respect of the balance, provide general working capital for the Group.

Plethora Solutions

Following its UK launch in November 2016, Fortacin™ can now be prescribed from a physician either in person or online via an online consultation, with prescriptions to be filled by Chemist 4 U (https://www.chemist-4-u.com/). Three good manufactured practice batches of the Fortacin™ 12 dose product – previously manufactured by Pharmaserve, together with a further variation application to widen the moisture levels permitted in the product during shelf life – received approval from the EMA on 23 March 2017. This, enabled the commercial manufacture and release of Fortacin™ in the EU, planned by Recordati for early 2018.

Furthermore, from April 2017, an additional good manufacturing process development at Pharmaserve has been undertaken with the goal of increasing the commercial batch size of Fortacin™ by approximately threefold. This is with a view to lower the unit price and meet the anticipated increase in demand following the EU commercial launch in early 2018.

Diabetic Boot

During the period ending 30 June 2017, **Diabetic Boot** commenced commercialisation of its key product PulseFlowDF directly in the US and through distributors in a number of other countries. The product has been well received by doctors and proven to be reliable. In clinical outcomes, patient response has been overwhelmingly positive. However, failing to attain a CMS reimbursement code in the US has meant rapid market penetration for PulseFlowDF has proved challenging.

The company is currently undertaking a strategic review of the distribution channels in order to determine the most appropriate path forward to increase market penetration and sales volumes to drive the company towards profitability.

Active disposal of legacy investments to refocus in healthcare and life sciences

During the period, the Group has continued to evaluate existing investments around their natural life cycle with a view to further execute its stated and successful strategy of divesting non-core assets and investments.

In particular, the Group successfully disposed of its entire interest in Condor for an aggregate consideration of approximately US$2.51 million in cash, which was a disclosable transaction of the Group, thereby realising a loss on disposal of approximately US$18,000 for the six months ended 30 June 2017.

For resource investments currently on hold, Regent Pacific has actively monitored and maintained its existing strategic investment in Venturex Resources Limited, representing approximately 22.48% of share capital in the company as at 30 June 2017, which was subsequently reduced to 17.39% post the recent fund raising by Venturex in August 2017.

Outlook

Jamie Gibson concluded: "*Thanks to our strong balance sheet and core focus, we are well positioned to fully deliver on our strategy. The Group remains focused on pursuing strategic and value-led investments in the health care and life sciences sectors. With a targeted approach and a sensible capital structure, the Group is excited and optimistic about its future prospects. With this in mind, it will continue to progress the global commercialisation of Fortacin™ as swiftly as possible across Europe, North America, Latin America and Asia Pacific*."

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REGENT PACIFIC GROUP LIMITED

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 to be launched 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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