

Licence Agreement with Wanbang Pharmaceutical Marketing and Distribution Co., Ltd. to Launch Fortacin™, a Breakthrough Premature Ejaculation Treatment in China

- *Regent Pacific to receive up to \$13 million in upfront licence payments and upon launch of first commercial sales*
- *Regent Pacific to receive up to \$25 million in sales milestones, together with royalties ranging from low to high-teens*
- *Fortacin™ has the potential to help an initial target market of approximately 9 million patients in China in its first year of launch, rising to over 170 million patients by its tenth year*
- *Regent Pacific retains full commercial rights to Fortacin™ in all unlicensed countries, including the USA*

(3 December 2018, 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, has entered into a licence agreement (the “Licence Agreement”) with Wanbang Pharmaceutical Marketing and Distribution Co., Ltd. (“Wanbang Pharma”), to commercialise Fortacin™ (by way of sale and distribution) in the People’s Republic of China (“PRC”), excluding Taiwan, Hong Kong and Macau. Wanbang Pharma is a wholly controlled company of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.

Fortacin™ is the first EU approved prescription treatment for premature ejaculation that does not act on the central nervous system and has been available in key European Union countries from February 2018. The treatment is a topical spray containing low doses of lidocaine and prilocaine that take effect almost immediately upon application, giving users more control without reducing pleasure.

Jamie Gibson, Chief Executive Officer of Regent Pacific, said, *“Estimates show that Fortacin™ has the potential to help an initial target market of approximately 9 million patients in China in its first year of launch, growing to over 170 million patients by its tenth year. We have a strong partner in Wanbang Pharma, who benefits from being part of the Fosun network, and has the marketing expertise, established e-commerce platforms and an unrivalled national distribution network of hospitals, clinics and pharmacies to help ensure the commercial success of Fortacin™ in China.”*

Regent Pacific will be eligible to receive payments of up to US\$38 million (or approximately HK\$296.4 million) excluding royalties after hitting certain milestones related to the PRC roll-out.

Under the terms of the Licence Agreement, Regent Pacific will receive:

- a payment of US\$1 million (or approximately HK\$7.8 million) following the date of execution of the Licence Agreement;
- a payment of US\$4 million (or approximately HK\$31.2 million) upon obtaining approval from the NMPA to conduct a human clinical trial of a licensed product or written NMPA acceptance as sufficient of provided data without need for conducting a further clinical trial, which, in either case, is expected within 6 months from NMPA approval to submit the investigational new drug (IND) application for human clinical trial of a licensed product at NMPA;
- a payment of up to US\$6 million (or approximately HK\$46.8 million) as a registration milestone upon receipt from NMPA of the approval of an import drug licence in respect of a licensed product;
- a payment of up to US\$2 million (or approximately HK\$15.6 million) in total upon first commercial sales of Fortacin™ in the PRC;
- up to US\$25 million (or approximately HK\$195 million) in aggregate in sales-based milestones; and
- tiered percentage royalties on net sales, ranging from the low to high-teens to be paid on all sales within the PRC.

In limited circumstances, certain percentages of the signature and milestone payments may be refunded back to Wanbang Pharma dependent upon the regulatory progress made with NMPA in the successful commercialisation of Fortacin™.

Under the License Agreement, Wanbang Pharma will assume responsibility for commercialisation activities in China, with an expected approval timeline of 35 - 60 months from the time of document submission. Wanbang Pharma will fund all costs associated with the sales and marketing programmes; and any human clinical trials and regulatory filings. The License Agreement is for an indefinite period and contains customary provisions in respect of termination.

In Asia, the Group has already received approval from the Hong Kong Drug Office for the distribution and sale of Fortacin™ in Hong Kong. This registration, together with the import licence already obtained in Macau from the Macau Health Authority, will allow Fortacin™ to be sold, offered for sale and distributed in these regions. The Company is in discussions with possible marketing and distribution partners to help facilitate the Hong Kong and Macau roll-out, which is expected in 2019. It remains in active discussions with possible commercial partners for the sale and distribution of Fortacin™ in the remaining key markets of North America, Latin America and the rest of the Asia Pacific region.

Wanbang Pharma has also entered into a manufacturing and supply agreement with Pharmaserve (North West) Limited for the manufacture and supply of Fortacin™. The agreement is for an initial period of 5 years but will continue thereafter unless terminated.

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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 in the key European Union countries from February 2018 respectively. It is to be launched subsequently in 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 21 years of financial reporting since its initial public offering.

Forward Looking Statements

This announcement, including any information included or incorporated by reference in this announcement, contains statements about Regent Pacific that are or may be forward looking statements. Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statement. Much of the risk and uncertainty relates to factors that are beyond Regent Pacific's abilities to control or estimate precisely, such as future market conditions and the

behaviours of other market participants, and therefore undue reliance should not be placed on such statements. Neither Regent Pacific nor any of its associates or directors, officers, employees, managers, agents, representatives, partners, members, consultants or advisers: (i) provide any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statement will actually occur; nor (ii) assume any obligation to, and do not intend to, revise or update these forward looking statements, except as required pursuant to applicable law, the HK Listing Rules or other applicable regulation. Regent Pacific disclaims any obligation to update any forward looking or other statements contained herein, except as required by applicable law, the HK Listing Rules or other applicable regulation.

No Profit Forecasts or Estimates

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Regent Pacific for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Regent Pacific. Regent Pacific does not undertake to update information contained in this announcement, except as required by applicable law, the HK Listing Rules or other applicable regulation.