

【Press Release – For Immediate Release】



勵晶太平洋集團有限公司
Regent Pacific Group Limited
(Stock Code : 0575.HK)

Announces 2020 Annual Results

**Significant Milestones Achieved on the Commercialisation of Fortacin™ and
Business Expansion**

(30 March 2021, Hong Kong) – **Regent Pacific Group Limited** (“**Regent Pacific**” or the “**Company**” and together with its subsidiaries, the “**Group**”; stock code: 0575.HK), a specialist healthcare, wellness and life sciences investment group is pleased to announce the annual results for the year ended 31 December 2020 (“**Reviewing Year**”).

Key Financial Highlights

- Loss attributable to shareholders during the Reviewing Year was approximately US\$24.40 million, decreased by 63.06 % from approximately US\$66.05 million in 2019.
- Shareholders’ equity amounted to approximately US\$50.31 million, a decrease of approximately 19.52% as compared with the same period in 2019.

Financial Performance

The Group recorded a loss attributable to the shareholders of the Company of approximately US\$24.40 million in 2020 (2019: approximately US\$66.05 million). This was largely due to: (i) an annual amortisation charge of approximately US\$19.41 million from Fortacin™, the intangible asset, a non-cash item; (ii) an impairment loss on goodwill arising from the acquisition of Deep Longevity, Inc (“**Deep Longevity**” or “**DLI**”), an intangible asset, of approximately US\$5.70 million, a non-cash item; and (iii) the Group’s operating expenses of approximately US\$7.62 million, while being offset somewhat by: (iv) a reversal of impairment loss of Fortacin™, the intangible asset, of approximately US\$6.13 million; and (v) the unrealized marked-to-market gain in respect of the Company’s equity portfolio of financial assets at fair value through profit or loss of approximately US\$0.46 million.

Shareholders' equity of approximately US\$50.31 million, a decrease of approximately 19.52% as compared with the same period in 2019, which mainly attributable to the loss attributable to shareholders of the Company, while being somewhat offset against the benefit of the issuance of 422,687,680 shares on the closing of the acquisition of DLI and the issuance of 139,482,353 shares pursuant to the conversion of certain convertible notes.

The milestone and royalty income increased by 656.25% to approximately US\$1.21 million for the year ended 31 December 2020 from approximately US\$0.16 million for the year ended 31 December 2019. The main reason was that other than the royalty income, the Company recorded milestone income of US\$0.80 million from Wanbang Biopharmaceutical and US\$0.30 million from Orient EuroPharma for the year ended 31 December 2020 (2019: N/A).

Significant Progress in Healthcare and Life Sciences Businesses

The Group's healthcare and life sciences investments remain its core focus, and the Group believes that investments in this sector will create substantial returns for its shareholders in the medium to longer term. The Group has strengthened its relationships with key commercial partners and stakeholders and made significant progress:

Recordati S.p.A. ("**Recordati**"), the Group's European marketing and distribution partner for Fortacin™ obtained approval from the European Commission that the marketing authorisation for Fortacin™ be changed to "Over-the-Counter" ("**OTC**") status from prescription (Rx), a move designed to significantly increase sales and consequently uplift the royalty payments to the Group. Recordati has commenced the OTC launch in Germany before the end of 2020 and mentioned that it would look to continue the roll out in its reference markets in 2021, subject to obtaining the requisite national approvals, if any.

The Group received US\$0.72 million (net of 10% PRC withholding tax) from Wanbang Biopharmaceutical Group Co., Ltd. ("**Wanbang Biopharmaceutical**"), the Company's commercial strategic partner for China, on 29 December 2020. The National Medical Products Administration (NMPA) has approved Senstend™ (the marketing name for Fortacin™ in China), and a payment of US\$3.20 million before deduction of PRC withholding tax (or US\$2.88 million net of PRC withholding tax) has been triggered and is due by the end of Q1 2021.

With respect to The Food and Drug Administration of the United States (the “**FDA**”) approval process, the Group has continued to make steady progression with regards to its Phase II validation study of Fortacin™ and has targeted to submit the study to the FDA during the first half of 2021, with the New Drug Application submission possible in late 2022, giving a Prescription Drug User Fee Act date at the end of 2023.

Orient EuroPharma Co., Ltd. (“**Orient EuroPharma**”), the Group’s commercial strategic partner for Taiwan, Hong Kong, Macau and other South East Asia countries has received marketing authorization approval for Taiwan from The Taiwan Food and Drug Administration (TFDA), which triggered a payment of US\$270,000 to the Group. Orient EuroPharma has launched Fortacin™ in Hong Kong in January 2021 and expected to launch in Macau and Taiwan in March 2021 and April 2021 respectively.

In 2020, Regent Pacific continued to look closely at a number of acquisition and investment opportunities in the healthcare, life sciences and wellness sectors and had successfully acquired DLI, a company specialising in developing artificial intelligence to track human aging and extend productive longevity in December 2020, which will serve as a key platform for the Group’s expansion into the health and wellness sector.

Jamie Gibson, CEO of Regent Pacific said, “2020 was an unprecedentedly challenging year for the Group as well as the global economy due to the COVID-19 pandemic, which had adverse impacts on economic activities worldwide. However, the healthcare, wellness and life sciences investments are far less sensitive to macroeconomic fundamentals and fluctuations. The Group had strong performance in the second half of 2020 with a number of significant milestones, including the acquisition of Deep Longevity and key progresses for its lead product, Fortacin™. With the commercialisation of DLI’s Young.AI mobile App and official website, together with the cooperation with clinics, laboratories, and insurance companies by offering its AgeMetric™ reports and access to its online platform, as well as the ongoing commercialisation of Fortacin™ across targeted markets, our progress with the NMPA and the FDA and ongoing discussions with other possible commercial partners, we remain tremendously excited about the future prospects for the Group.”

Proposed change of company name

In order to reflect the evolution of the Group’s business and increasing focus on healthcare, life sciences and wellness since its public offering in 1997, and to reflect its current and anticipated investment focus and business, the Group decided to change the company name from “Regent Pacific Group Limited” to “Endurance RP

Limited” (Chinese name from “勵晶太平洋集團有限公司” to “壽康集團有限公司”), with “Endurance Longevity” to be the brand name. The new name can convey the current and future direction of the Group’s business more accurately with a more appropriate corporate image and identity that would benefit the Company’s business development.

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About Regent Pacific (Stock code: 0575.HK)

Regent Pacific is a diversified investment group based in Hong Kong currently holding various corporate and strategic investments focusing on the healthcare, wellness and life sciences sectors. The Group has a strong track record of investments and has returned approximately US\$298 million to shareholders in the 23 years of financial reporting since its initial public offering in May 1997.

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