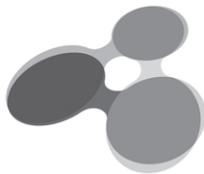

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this document or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in Regent Pacific Group Limited, you should, without delay, hand this document, together with the accompanying proxy form, to the purchaser or to the stockbroker, bank manager or other agent through whom the sale was effected for transmission to the purchaser.

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This document is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities in the Company.



REGENT PACIFIC GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0575)

**Discloseable Transaction:
Acquisition of Deep Longevity, Inc.**

A notice convening the extraordinary general meeting of Regent Pacific Group Limited is set out in Pages 38 to 41 of this circular. Whether or not you are able to attend the meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company Secretary at the Company's principal place of business in Hong Kong or via email at proxy@regentpac.com as soon as possible but in any event not later than 11:00 am on Monday, 7 December 2020. Completion and return of the form of proxy will not prevent you from attending and voting in person at the meeting or any adjourned meeting if you so wish.

In order to ascertain the entitlements to attend and vote at the meeting, members must lodge the relevant transfer document(s) and share certificate(s) at the office of the Company's Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 pm on Thursday, 3 December 2020 for registration.

18 November 2020

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Acquisition”	the conditional acquisition of all of the issued and outstanding securities in DLI pursuant to the Share Purchase Agreements
“Articles of Association”	the articles of association of the Company, copies of which are available on the websites of the HK Stock Exchange and of the Company
“associate(s)”	shall have the meaning defined in Chapter 14A of the HK Listing Rules
“Board”	the board of directors of the Company
“Business Day”	a day which is not a Saturday, a Sunday or a public holiday in Hong Kong
“Closing”	the completion of the sale of the Sale Shares pursuant to the Share Purchase Agreements
“Closing Date”	the date on which Closing takes place
“Company” or “Regent Pacific”	Regent Pacific Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the HK Stock Exchange and are also traded on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange
“connected person(s)”	shall have the meaning defined in Chapter 14A of the HK Listing Rules
“Consideration Share(s)”	422,687,680 ordinary shares of US\$0.01 each in the capital of the Company to be allotted and issued by the Company to the Sellers, credited as fully paid, pursuant to the Share Purchase Agreements
“COVID-19”	the coronavirus disease of 2019
“Declared Concert Party Group”	the group of Shareholders of the Company, comprising: (i) James Mellon; and (ii) Jayne Sutcliffe, both being Directors as at the date of this circular, and (iii) Anderson Whamond (a former Director but not being a Director as at the date of this circular), who are regarded as acting in concert for the purpose of the HK Takeovers Code (as amended) and have registered their aggregate holding as at 19 October 2001 as a “concert party group” pursuant to the transitional provisions in Rule 26.6 of such code

DEFINITIONS

“ Director(s) ”	the directors of the Company
“ DLI ”	Deep Longevity, Inc., an exempted company limited by shares incorporated under the laws of the Cayman Islands
“ DLI 2020 Share Plan ”	DLI’s share incentive plan 2020
“ DLI Constitutional Documents ”	the memorandum and articles of association of DLI adopted on 29 June 2020, together with the investor rights agreement, voting agreement, co-sale ROFR agreement and indemnification agreement each executed and dated 29 June 2020
“ Exchange Ratio ”	111.4286 Consideration Shares for each Sale Share held, giving an intrinsic price of approximately US\$1.00 (or approximately HK\$7.80) per Sale Share using the price of the Company’s Shares of HK\$0.070 per Share, which was agreed on 29 May 2020, being the business day on which a non-legally binding understanding was reached on the respective valuations of each of the Company and DLI, subject to confirmatory due diligence
“ Extraordinary General Meeting ”	the extraordinary general meeting convened to be held on Wednesday, 9 December 2020 to seek Shareholders’ approval for a specific mandate for the issue and allotment of the Consideration Shares, the notice of which is set out in Pages 38 to 41 of this circular
“ Galloway ”	Galloway Limited, which is a private limited liability company indirectly and wholly-owned by James Mellon
“ Group ”	the Company and its subsidiaries
“ HK Listing Rules ”	The Rules Governing the Listing of Securities on the HK Stock Exchange, as amended from time to time
“ HK Stock Exchange ”	The Stock Exchange of Hong Kong Limited
“ HK Takeovers Code ”	The Hong Kong Code on Takeovers and Mergers and Share Buy-backs issued by the Hong Kong Securities and Futures Commission, as amended from time to time
“ HK\$ ”	Hong Kong dollars, the lawful currency in Hong Kong
“ Independent Third Party(ies) ”	third parties independent of and not connected with the Company and its connected persons

DEFINITIONS

“Individual Minority Seller(s)”	Aleksandr Aliper, Michelle Buyanova, Fedor Galkin, Anastasia Georgievskaya, Wei-Wu He, Kirill Kochetov, Daniel Kraft, Kai-Fu Lee, Polina Mamoshina, Alexey Moskalev, Robert Nelsen, Morten Scheibye-Knudsen, Marina Timofeeva, Xiaolong Yang, Aleksandrs Zavoronkovs and Garri Zmudze
“Latest Practicable Date”	Wednesday, 11 November 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Lock Up”	shall have the meaning given to it in sub-paragraph (j) headed “Lock Up” under the “Share Purchase Agreements” in the Letter from the Board
“Long Stop Date”	31 December 2020
“Majority Share Purchase Agreement”	the conditional share purchase agreement entered into (after market close in Hong Kong) on 2 September 2020 between the Company, as purchaser, and the holders of ordinary and Series A preferred shares in DLI, as sellers, as well as DLI, in respect of the sale and purchase of the ordinary shares and Series A preferred shares in DLI
“Material Adverse Effect”	any change or effect which has, or would reasonably be expected to have, a material and adverse effect on the business, assets, properties, prospects or condition (financial or otherwise) of DLI and its subsidiaries, taken as a whole, or which would reasonably be expected to have a significant effect on the price or value of the securities of DLI or its subsidiaries
“Minority Share Purchase Agreement”	the conditional share purchase agreement entered into (after market close in Hong Kong) on 2 September 2020 between the Company, as purchaser, and the holders of restricted share awards in DLI made pursuant to the DLI 2020 Share Plan, as sellers, as well as DLI, in respect of the sale and purchase of the restricted share awards under the DLI 2020 Share Plan
“Sale Share(s)”	(i) 93,850 ordinary shares of no par value; and (ii) 2,574,500 Series A preferred shares; and (iii) 1,125,000 restricted shares, together comprising the total issued and outstanding share capital and restricted share capital of DLI, all of which are to be acquired by the Company for the same consideration per share after applying the Exchange Ratio pursuant to the Share Purchase Agreements

DEFINITIONS

“Seller(s)”	each of the sellers of the Sale Shares pursuant to both Share Purchase Agreements
“Series A Seller(s)”	those Sellers that participated in the Series A financing holding Series A preferred shares in DLI
“Sellers Warrantor”	Insilico Medicine IP Limited, as a founding and major shareholder of DLI, which has provided certain operational representations and warranties under the Majority Share Purchase Agreement
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Shareholder(s)”	the holders of the Shares
“Share Option Scheme (2016)”	the share option scheme of the Company named the “Share Option Scheme (2016)” established on 10 June 2016, with shareholders’ approval at the Company’s extraordinary general meeting held on 8 June 2016, which was followed by the grant by the Listing Committee of the HK Stock Exchange on 10 June 2016 of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the options to be granted under the scheme
“Share Purchase Agreements”	the Majority Share Purchase Agreement and the Minority Share Purchase Agreement
“Share(s)”	the ordinary shares, with voting rights, of US\$0.01 each in the capital of the Company, which are listed on the HK Stock Exchange and are also traded on the Open market (Freiverkehr) of the Frankfurt Stock Exchange
“Termination Deed”	the deed of termination, the agreed form of which is set out and appended to the Share Purchase Agreements, to be entered into between each of the parties to the DLI Constitutional Documents, pursuant to which the DLI Constitutional Documents will be terminated or, in the case of DLI’s memorandum and articles of association, replaced with full force and effect at or prior to Closing
“Transaction Documents”	the Share Purchase Agreements, together with: (i) the Termination Deed; and (ii) any and all board and shareholder resolutions and circulars, in respect of any of the parties, as may be required to effect the transactions contemplated in the Share Purchase Agreements, the agreed form of which are appended to the Share Purchase Agreements

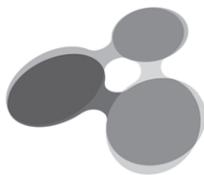
DEFINITIONS

“US” the United States

“US\$” United States dollars, the lawful currency in the United States

Note: Unless otherwise specified herein, amounts denominated in US\$ have been translated, for the purpose of illustration only, into HK\$ using the exchange rate of US\$1.00 = HK\$7.80.

LETTER FROM THE BOARD



REGENT PACIFIC GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0575)

Executive Director:

Jamie Gibson (*Chief Executive Officer*)

Registered office:

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Non-Executive Directors:

James Mellon (*Chairman*)
David Comba[#]
Julie Oates[#]
Mark Searle[#]
Jayne Sutcliffe

Principal place of business in Hong Kong:

8th Floor
Henley Building
5 Queen's Road Central
Hong Kong

[#] *Independent Non-Executive Directors*

18 November 2020

To the shareholders of Regent Pacific Group Limited

Dear Sir or Madam

Discloseable transaction: Acquisition of Deep Longevity, Inc.

1 INTRODUCTION

The Company announced on 2 September 2020 that it had entered into two conditional Share Purchase Agreements with the Sellers, pursuant to which the Sellers have conditionally agreed to sell, and the Company has conditionally agreed to purchase, the Sale Shares. The Majority Share Purchase Agreement was between the Company, as purchaser, and the holders of ordinary and Series A preferred shares in DLI, as sellers, as well as DLI. The Minority Share Purchase Agreement was between the Company, as purchaser, and the holders of awards of restricted shares under the DLI 2020 Share Plan, as sellers, as well as DLI.

The Share Purchase Agreements are inter-conditional upon each other and, together, will facilitate the Acquisition by the Company of all of the issued and outstanding securities in DLI, comprising ordinary shares, Series A preferred shares and restricted shares awarded under the DLI 2020 Share Plan.

LETTER FROM THE BOARD

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules, and therefore no Shareholders' approval is required for the Acquisition and the Share Purchase Agreements. However, the issue and allotment of the Consideration Shares will be carried out pursuant to a specific mandate to be sought and obtained from the Shareholders at the Extraordinary General Meeting.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no Directors or Shareholders have any material interest in the Acquisition and/or Share Purchase Agreements and will be required to abstain from voting on such resolution at the Extraordinary General Meeting.

This circular provides Shareholders with all the information reasonably necessary to enable them to make an informed decision as to whether to vote in favour of the resolution proposed at the Extraordinary General Meeting to approve the special mandate for the issue and allotment of the Consideration Shares pursuant to the Share Purchase Agreements.

2 SHARE PURCHASE AGREEMENTS

On 2 September 2020 (after market close in Hong Kong), the Company entered into two conditional Share Purchase Agreements with the Sellers, pursuant to which the Sellers have conditionally agreed to sell, and the Company has conditionally agreed to purchase, the Sale Shares. The Majority Share Purchase Agreement was between the Company, as purchaser, and the holders of ordinary and Series A preferred shares in DLI, as sellers, as well as DLI. The Minority Share Purchase Agreement was between the Company, as purchaser, and the holders of awards of restricted shares under the DLI 2020 Share Plan, as sellers, as well as DLI.

The Share Purchase Agreements are inter-conditional upon each other and, together, will facilitate the Acquisition by the Company of all of the issued and outstanding securities in DLI, comprising ordinary shares, Series A preferred shares and restricted shares awarded under the DLI 2020 Share Plan.

Set out below are the principal terms of the Share Purchase Agreements:

(a) Date

2 September 2020

(b) Parties

Purchaser: Regent Pacific Group Limited

Sellers: Each of the shareholders of DLI holding ordinary, Series A preferred shares and/or restricted share awards pursuant to the DLI 2020 Share Plan

Sellers' Warrantor: Insilico Medicine IP Limited, as a founding and major shareholder of DLI, has provided certain operational representations and warranties under the Majority Share Purchase Agreement

LETTER FROM THE BOARD

DLI: in respect of certain covenants and obligations imposed on it under the Share Purchase Agreements

(c) **Sellers**

The corporate or institutional entities that are Sellers under and pursuant to the Share Purchase Agreements are the following:

Name of corporate or institutional Seller	Description of Seller
Bold Capital Partners II, LP	Bold Capital Partners II, LP is an accredited venture capital fund and limited partnership organised under the laws of Delaware in the US whose primary purpose is to make venture capital investments, principally by investing in and holding equity and equity-oriented securities of privately held companies in technology related fields. It is controlled by its general partner, Bold Capital Management II, LLC, which in turn is controlled and beneficially owned by Messrs. Neal Bhadkamkar, Teymour Boutros-Ghali, Peter Diamandis and Emilio Diez Barroso, who serve as managing members of Bold Capital Management II, LLC. Except as set forth above, no limited partner, which comprise corporations, family wealth offices, high net worth individuals and fund of funds with the ultimate beneficiaries all being qualified high net worth individuals, controls or beneficially owns 20 per cent. or more of Bold Capital Partners II, LP. The identity of the investors, their ultimate beneficial owners and the nature of their investments are subject to confidentiality obligations owed by and between Bold Capital Partners II, LP to its investors. In light of the confidentiality obligations owed by and between Bold Capital Partners II, LP and its investors and the privacy requests of certain investors, the Company has requested, but been unable to obtain any further information on the investors in Bold Capital Partners II, LP and their ultimate beneficial owners, other than as disclosed herein.
Emerging Technology Partners, LLC	An accredited investor that is a life sciences focused investment fund, resident in the US and controlled and beneficially owned by Wei-Wu He.
Human Longevity and Performance Impact Venture Fund, L.P.	An accredited investor that is a longevity focused early stage venture capital fund, resident in the US and controlled and beneficially owned by Emerging Technology Partners, LLC and therefore ultimately beneficially owned by Wei-Wu He.

LETTER FROM THE BOARD

Name of corporate or institutional Seller	Description of Seller
Human Longevity, Inc. ("HLI")	HLI is an accredited investor, resident in the US which is an innovator in providing data-driven precision health intelligence platforms for physicians and patients. HLI also provides unparalleled, precision health analytics to individuals through the Health Nucleus assessment in La Jolla, CA. The Health Nucleus provides risk analyses for cardiac, cancer, metabolic and cognitive issues. This is provided via integrated looks at the individual's whole genome sequencing, brain and body imaging via MRI, cardiac CAT scan, metabolic tests and more, using machine learning and artificial intelligence("AI"). HLI is owned by a number of shareholders, the two largest of which are ETP Global Fund LP and ETP Longevity Fund LP, together holding greater than 50 per cent. of the voting power, both of whom are controlled and beneficially owned by Wei-Wu He. In light of the confidentiality obligations owed by and between HLI and its investors, the Company has been unable to obtain any further information on the shareholders of HLI and their ultimate beneficial owners, despite having requested such information. Save as disclosed, the identity of the shareholders, their ultimate beneficial owners and the nature of their investments are subject to confidentiality obligations owed by HLI to its shareholders.
InSilico Medicine Cayman SubCo	An accredited investor, formed and registered in the Cayman Islands as an investment holding company focussed on drug discovery and drug development through the deployment of new AI technologies and controlled and beneficially owned entirely by InSilico Medicine Cayman TopCo, also formed and registered in the Cayman Islands in which no shareholder owns or controls 25 per cent. or more of the voting power, further particulars of which are set out below.
Insilico Medicine IP Limited	An accredited investor focussed on drug discovery and drug development through the deployment of new AI technologies, established and resident in Hong Kong and controlled and beneficially owned by InSilico Medicine Cayman TopCo, also formed and registered in the Cayman Islands in which no shareholder owns or controls 25 per cent. or more of the voting power, further particulars of which are set out below.

LETTER FROM THE BOARD

Name of corporate or institutional Seller	Description of Seller
Longevity Vision Fund I, LP	An accredited investor that is a longevity focussed venture fund, resident in Delaware in the US and controlled by its General Partner, Longevity Vision Fund I GP, LLC, which, in turn, is beneficially owned by Sergey Braukhin.
Tabus LLC	An accredited investor, resident in the US and controlled and beneficially owned by The Michael Antonov 2014 Delaware Trust. Michael Antonov is a co-founder of Facebook-owned virtual reality (VR) player Oculus.

InSilico Medicine Cayman TopCo was formed and registered in the Cayman Islands and in which no shareholder owns or controls 25 per cent. or more of the voting power. Shareholders of InSilico Medicine Cayman TopCo holding more than 5 per cent. of its voting power are Deep Knowledge Ventures Limited (whose ultimate beneficial owner is Dmitrii Caminschii), Juvenescence Limited (in which James Mellon is the chairman and a shareholder, together with Galloway, holding approximately 18.59 per cent. of its issued share capital, as further explained below, and other ultimate beneficial owners are Declan Doogan and Gregory Bailey), Qiming Venture Partners VI, L.P. (as detailed below), WuXi PharmaTech Healthcare Fund I L.P. (which is a wholly-owned entity of WuXi AppTec Co., Ltd. (2359.HK), a company listed on the HK Stock Exchange) and Aleksandrs Zavoronkovs.

Qiming Venture Partners VI, L.P. is an exempted limited partnership registered under the laws of the Cayman Islands. It is a venture capital fund that focuses on investments in companies in the Technology, Media, and Telecom (TMT) and healthcare sectors across China.

In light of the confidentiality obligations owed by and between InSilico Medicine Cayman TopCo and its investors, the Company has been unable to obtain any further information on the shareholders and their ultimate beneficial owners, despite having requested such information. Save as disclosed, the identity of the shareholders, their ultimate beneficial owners and the nature of their investments are subject to confidentiality obligations owed by InSilico Medicine Cayman TopCo to its shareholders.

Aleksandrs Zavoronkovs, a director of DLI and InSilico Medicine Cayman TopCo, will hold approximately 3.35 per cent. of the issued share capital of the Company as to be enlarged by the issue and allotment of the Consideration Shares.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, James Mellon is a non-executive director (one of four directors sitting on the board) and direct shareholder of InSilico Medicine Cayman TopCo, holding, together with Galloway, in aggregate approximately 1.66 per cent. of its issued share capital. Juvenescence Limited, in which Mr Mellon is the chairman and a shareholder, together with Galloway, holding approximately 18.59 per cent. of its issued share capital,

LETTER FROM THE BOARD

directly holds approximately 11.63 per cent. of InSilico Medicine Cayman TopCo's issued share capital. InSilico Medicine Cayman TopCo is the parent company of Insilico Medicine IP Limited and InSilico Medicine Cayman SubCo, both of which are shareholders of DLI, holding approximately 13.18 per cent. and approximately 11.53 per cent., respectively, of DLI's issued share capital and Insilico Medicine IP Limited is the Sellers' Warrantor in respect of the operational warranties given under the Majority Share Purchase Agreement. On closing of the Acquisition, James Mellon will step down as a non-executive director of InSilico Medicine Cayman TopCo.

The remaining Sellers not listed above, being the Individual Minority Sellers, are all individuals whom have confirmed their sophisticated, professional, high net worth and/or accredited investor status, as appropriate.

Save as aforementioned in respect of Insilico Medicine IP Limited and InSilico Medicine Cayman SubCo, all Sellers are Independent Third Parties.

(d) Interests to be acquired

The Sale Shares

(e) Total consideration under the Share Purchase Agreements

The total consideration under both Share Purchase Agreements shall be approximately US\$3.79 million (or approximately HK\$29.56 million), to be satisfied by way of the issuance of Consideration Shares pro rata in accordance with the Sellers' respective holdings in DLI, the aggregate number of which was determined pursuant to an Exchange Ratio based on the valuation attributed to DLI and a Share price of HK\$0.070 per Share, which was referable to:

- (i) the closing Share price of HK\$0.067 per Share on 29 May 2020, which was the business day on which a non-legally binding understanding was reached on the respective valuations of each of the Company and DLI, subject to confirmatory due diligence;
- (ii) the 5-day average closing Share price of HK\$0.071 per Share concluding on 29 May 2020; and
- (iii) the 30-day average closing Share price of HK\$0.074 per Share concluding on 29 May 2020, in each case as quoted on the HK Stock Exchange.

The issue price of HK\$0.070 per Consideration Share represents:

- (1) a discount of approximately 43.09 per cent. to the closing price of HK\$0.123 per Share as quoted on the HK Stock Exchange on 2 September 2020, being the date of the Share Purchase Agreements;

LETTER FROM THE BOARD

- (2) a discount of approximately 27.98 per cent. to the average closing price of HK\$0.0972 per Share as quoted on the HK Stock Exchange for the last five consecutive trading days immediately prior to the date of the Share Purchase Agreements; and
- (3) a discount of approximately 23.08 per cent. to the average closing price of HK\$0.091 per Share as quoted on the HK Stock Exchange for the last 30 consecutive trading days immediately prior to the date of the Share Purchase Agreements.

The parties reached non-binding commercial terms on 29 May 2020, where a commercial understanding was reached in respect of the purchase price of US\$3.8 million for DLI, subject to due diligence and documentation, using a valuation of the Company's Shares of HK\$0.07 per Share as being in the Directors opinion fair and reasonable based on the then metrics (as disclosed in the Company's announcement of 2 September 2020). The parties during the course of the negotiations had various discussions as to the purchase price of DLI with the Sellers asking for a purchase price in excess of the amount that was eventually agreed (which is entirely normal in commercial negotiations between a willing selling and a willing buyer). As these negotiations were reaching a non-binding commercial understanding, the parties had to agree the Share price of the Company from a valuation standpoint. Otherwise, no commercial agreement could be reached going forward. Accordingly, when the non-binding commercial terms were reached, the consideration was fixed subject to completion of satisfactory due diligence and documentation. In addition, the Directors noted when non-binding commercial terms were reached, this was based on the 'undisturbed' Share price at the time (being the date of 29 May 2020). It was discussed by the parties that the due diligence exercise would include an independent valuation being procured and provided to the Directors and if such professional independent valuation did not provide a fair value in excess of US\$3.80 million, the parties would then need to discuss whether the Sellers would consider a price adjustment to the consideration.

During the due diligence period, the Share price of the Company had experienced quite significant periods of volatility. This was true in the markets globally and the Company's Share price volatility was perhaps simply aligned with the very recent global macro recovery of sorts from the lows of the COVID-19 economic impact. It is unexplained. Consequently, in the Company's opinion, the increase in Share price during the period from 29 May 2020 through to the date of the announcement on 2 September 2020 was indicative only of the persistent volatility in the global markets, where most recognised stock exchanges saw a marked rebound from their lows in March 2020 and, in the Company's opinion, should not be considered as a key determinant of whether the Company has overpaid (or offered too steep a discount for the Consideration Shares) for the Acquisition. It is important to note that, in the run up to the final negotiations, the Company did seek to negotiate using a higher Share price, but the Sellers insisted that they would not accept any increase whatsoever. Given that the Directors were, and remain, of the view that DLI is an important investment for the Group (for the reasons set out in this circular), the Directors did not want discussions to terminate, so the previous commercial understanding as to terms reached on 29 May 2020 (albeit non-binding and subject to the completion of

LETTER FROM THE BOARD

satisfactory due diligence and documentation) was upheld for the transaction, despite the increase in the Share price in the period following. Moreover, the Directors considered it was fair and reasonable as the Company was acquiring a novel company with strategic investors in an emerging field for the reasons set out in Paragraph 3 headed “Basis of consideration” below.

For the above reasons, the Directors consider it fair and reasonable that the price, after taking into account the latest Share price, remains fair and reasonable, which is supported by the reasons as stated for the basis of the consideration set out above and in the Announcement. Moreover, the Consideration Shares are to be the subject of a specific mandate, so the Company’s Shareholders will determine what they consider to be fair and reasonable. In the Company’s opinion, all material information has been included in the announcement made on 2 September 2020 and in this circular, such that the Shareholders will be able to make a fully informed decision.

On the basis of the Exchange Ratio, the Acquisition would therefore require the issuance of approximately 422.69 million Consideration Shares, representing approximately 23.01 per cent. of the Company’s existing issued share capital and a dilution of approximately 18.70 per cent. of the issued share capital of the Company as to be enlarged by the allotment and issue of the Consideration Shares. All of these figures do not take into account any other issues of Shares that may or may not take place.

In addition and as part of its due diligence on DLI, the Company has had a professional independent valuation performed on DLI, a summary of which is set out in this circular.

(f) Conditions

1. the Shareholders of the Company having passed a resolution or resolutions approving:
(i) a specific mandate to issue up to the maximum number of Consideration Shares; and (ii) if, and to the extent, required under the HK Listing Rules or otherwise by the HK Stock Exchange, the entry into and performance of any other transactions or agreements contemplated in the Share Purchase Agreements;
2. the Listing Committee of the HK Stock Exchange granting the listing of, and permission to deal in, the Consideration Shares;
3. the Sellers’ warranties being true and correct in all material respects, as of the date of the Share Purchase Agreements and at closing, as if made on and as of the Closing Date;
4. the Sellers having performed and complied, in all material respects, with all of the obligations, undertakings and covenants required to be performed or complied with by the Sellers on or prior to Closing;
5. each Seller having obtained and delivered evidence to the Company to demonstrate that they have all required approvals (if any) in place to effect the Acquisition and that all such approvals remain in full force and effect as at the Closing Date;

LETTER FROM THE BOARD

6. from the date of the Share Purchase Agreements to the Closing Date, no event, circumstance or development or combination of events, circumstances or developments having occurred that, individually or in the aggregate, has had or will have a Material Adverse Effect;
7. the fulfilment of the conditions precedent in the other Share Purchase Agreement (subject only to closing) in accordance with its terms;
8. the execution, adoption, perfection and/or approval, as the case may require, of the Transaction Documents to the reasonable satisfaction of each of the parties;
9. obtaining of all necessary approvals and documents required under the laws of the Cayman Islands for the effective transfer of the Sale Shares to the Company; and
10. a certificate of good standing and, separately, a certificate of incumbency in respect of DLI, together with a certificate of continuing registration from the Hong Kong Companies Registry in respect of Deep Longevity Limited, in each case to be provided and dated as of Closing.

Absent any default by either the Sellers or the Company under the Share Purchase Agreements, in the event that any of the conditions remains unsatisfied on the Long Stop Date, either party may terminate the Share Purchase Agreements.

(g) Termination

In certain circumstances, the Share Purchase Agreements provide for either the Company or the Sellers to have the right to terminate before Closing if there has been a material breach of certain warranties, covenants or obligations set out in the Share Purchase Agreements.

(h) Pre-Closing covenants

The Share Purchase Agreements provide that DLI shall not, and the Sellers shall procure that DLI shall not, prior to Closing, engage in any activities outside the ordinary and usual course of business without the Company's prior written consent.

(i) Closing

Closing will take place at the offices of the Company on the second Business Day following fulfilment or waiver of the conditions set out in the Share Purchase Agreements, and in any event by the Long Stop Date, or at such other location, time or date as may be agreed between the Company and the Sellers.

It is expected that Closing will take place before 31 December 2020, being the Long Stop Date.

LETTER FROM THE BOARD

(j) Lock Up

The Share Purchase Agreements provide that:

- (i) all Sellers under the Majority Share Purchase Agreement will not, without the prior written consent of the Board, dispose of or agree to dispose of any of their Consideration Shares that may be issued to them or any interest (as defined in Part XV of the SFO) therein for a period of 6 months from the Closing Date of the Acquisition; and
- (ii) all Sellers under the Minority Share Purchase Agreement will not, without the prior written consent of the Board, dispose of or agree to dispose of any of their Consideration Shares that may be issued to them or any interest (as defined in Part XV of the SFO) therein for a period of 12 months from their date of issue and thereafter may only dispose of up to one third of such Consideration Shares on the one year, two year and three year anniversaries of their date of issue. In addition, where the recipient or an affiliate thereof becomes employed or otherwise engaged by the Company after Closing, such person will also then become subject and must adhere to the Company's internal policies and procedures in respect of dealing in securities.

(k) Sellers' restrictive covenants

The Share Purchase Agreements impose certain obligations on the Sellers not to seek or continue any discussions in respect of alternative and competing transactions prior to Closing, nor to poach personnel or, in the case of Insilico Medicine IP Limited, to engage in competing businesses or similar activities, in each case for prescribed periods post Closing, without the prior written consent of the Company.

3 BASIS OF CONSIDERATION

The total consideration was determined on the basis of normal commercial terms and arm's length negotiations between the Company, the Sellers and DLI with reference to, *inter alia*:

- (a) the previous arm's length external financing round completed by DLI on 29 June 2020, where the Directors believed that the price paid by third party investors who participated in this financing is a reliable indication of fair value and noted that the Company's management was able to negotiate an acquisition price per DLI share equal to the price at which the Series A Sellers participated in the Series A financing, effectively enabling the Company to acquire DLI for the same price per share from the Sellers without having to pay a control premium (which was requested by the Sellers in the negotiations), which is typically required in change of control transactions.

The Series A financing raised US\$2.14 million through the issuance of 2,137,000 Series A preferred shares by way of a private placement to the Series A Sellers at US\$1.00 per share, which completed on 29 June 2020 and valued DLI on a post money basis at US\$3.79 million, calculated by using US\$1.00 per share multiplied by the sum of: (i) 2,574,500 Series A preferred shares; (ii) 93,850 ordinary shares; and (iii) 1,125,000 restricted

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ordinary shares reserved under the DLI 2020 Share Plan. This previous arm's length external financing round, where the Directors believed that the price paid by third party investors who are focused and knowledgeable on longevity and who participated in this financing, is a reliable indication of fair value. In addition, in negotiating the Acquisition, the Company was successful in having each Seller agree to waive any and all rights of pre-emption, rights of first refusal, rights of first offer and any other restrictions on transfer (including drag along and co-sale rights) contained in the DLI Constitutional Documents, so as to effect the Acquisition, with such DLI Constitutional Documents to be terminated at Closing. These impediments to the Acquisition, and their waiver, would also typically have attracted a premium, which the Company successfully negotiated not to pay.

In addition, the Directors considered that the valuation of DLI, being a pre-revenue company, provides several challenges, where discounted cashflow models can produce a wide range of value indications due to uncertainty regarding the timing and amounts of future revenue, income and cashflow and due to the wide range of discount rates reported in studies of required rates of return for early stage investments. Therefore, a prior transaction / fund raising, where new third party investors participated in shares being sold directly by a company on an arms-length basis, is generally, in the Directors opinion, viewed as better indication of value and evidence for establishing fair value estimates. Further, an arm's length investment provides a fair and reasonable valuation (as it involves negotiations between a willing buyer and a willing seller);

- (b) the equity value (which is the measure of a company's total value that is attributable to all equity investors) of DLI, being approximately US\$3.79 million. This is comprised of the fully diluted 3,793,350 issued ordinary shares at the price by which the Series A Sellers participated in the Series A financing at US\$1.00 per share, which is calculated by the enterprise value of approximately US\$1.65 million and adding back the cash balance of approximately US\$2.14 million of DLI. The relatively low enterprise value of DLI represents that the Company can exert a low control premium to acquire a novel company with highly reputable third party investors in an emerging field as more fully described in this circular. Conclusively, the consideration of US\$3.79 million is not only paid for acquiring an AI company, but also a well-established professional team with a rapid growth opportunity which the Directors believe is in the best interest of the Company and its shareholders as a whole (as more fully described in this circular);
- (c) an assessment of the prospects of DLI's targeted business and the potential market size, involving the development of explainable AI systems to track the rate of aging at the molecular, cellular, tissue, organ, system, physiological and psychological levels, enabling physicians to make better decisions on the interventions that may slow down, or reverse the aging processes;
- (d) the benefits to be derived by the Group from the Acquisition as described under Paragraph 8 headed "Reasons for the Acquisition" below; and
- (e) due diligence conducted by the Group, which included legal, commercial, technical, financial and regulatory investigations in the markets in which DLI has its operations, being the US, Hong Kong and the Cayman Islands, together with the independent valuation report commissioned by the Company as part of its due diligence and prepared by an independent professional valuer on DLI.

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As explained in sub-paragraph 2(e) headed “Total consideration under the Share Purchase Agreements” above, while non-binding, the parties reached commercial terms on 29 May 2020, at which time an agreed valuation of the Company’s Shares of HK\$0.070 per Share was fair and reasonable based on the then metrics. As disclosed, the 30-day average closing price of the Company’s Shares concluding on 29 May 2020 was HK\$0.074, which was a significant period of time to assess whether that Share price was somewhat settled and therefore a reasonable base from which to form a valuation opinion on. The very recent appreciation in the Share price of the Company from 30 May 2020 to the date of our announcement on 2 September 2020 has not been referable to any public disclosure or performance of the Company, but rather perhaps simply aligned with a very recent global macro recovery of sorts from the lows of the COVID-19 economic impact. It is unexplained. Consequently, in the Company’s opinion, the recent increase in Share price up to and including the day of the announcement on 2 September 2020 is indicative only of the persistent volatility in the global markets where most recognised stock exchanges have seen a marked rebound from their lows in March 2020 to the present day and, in the Company’s opinion, should not be considered as a key determinant of whether the Company has overpaid (or offered too steep a discount for the Consideration Shares) for the Acquisition. The current Share price is a temporary matter and will continue to change. The non-binding commercial understanding was reached on 29 May 2020 and the Board concluded that the price, after taking into account the latest Share price as at the date of the announcement on 2 September 2020, was and remains fair and reasonable, which is supported by the reasons as stated for the basis of the consideration set out herein, together with the disclosures in sub-paragraph 2(e) headed “Total consideration under the Share Purchase Agreements” above.

In summary, the consideration was determined by the Directors with reference to the market price of the Shares as at 29 May 2020, but also in respect of the prevailing market conditions preceding and including the date of the Announcement. The Directors consider the terms of the Consideration Shares, and the discounts to the relative values as indicated above, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole. While the discount of approximately 43.09 per cent. to the closing price of HK\$0.123 per Share as quoted on the HK Stock Exchange on 2 September 2020 may seem high, the Directors are of the opinion that it is fair and reasonable when taking into consideration all the factors mentioned in this circular, including the prevailing market conditions preceding and including the date of the Announcement and the fact that the Share price has appreciated since the date of the Announcement such that Shareholders have benefited in an appreciation in value of their Shares. Furthermore, the Directors noted that the Company’s share price since the Announcement has not traded down to the Consideration share price of HK\$0.070 (but rather has appreciated), which would typically happen for example in a rights issue where the share price would trade to the ex-rights price given further evidence that the proposed acquisition has not had a negative impact on the Company or its shareholders.

Moreover, the Directors considered that the issue price of the Consideration Shares, when taken together with the previous external financing round to third party investors, the equity value of DLI and the agreed valuation of DLI, was fair and reasonable as the Company was acquiring a novel company with strategic investors in an emerging field for the following reasons:

- The longevity industry is a rapidly growing subset of the pharmaceutical/biotechnology industry, which is expected to continue to grow due to an aging worldwide population and

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the associated increase in chronic and acute diseases. With the Company's proposed acquisition of DLI, the Company is able to enter this novel market where DLI's deep aging clocks are looking to assist and enable physicians and their patients to make better decisions related to interventions designed to slow or reverse the aging process through a subscription service.

- The potential market size is massive with the global wellness economy estimated at US\$4.20 trillion in 2017 and with DLI's plans to offer its deep aging clocks to longevity clinics, preventative medicine organisation, health clubs, insurance companies and aging research institutions the Company is looking to capture a portion of this market.
- DLI is developing explainable AI systems to track the rate of aging at the molecular, cellular, tissue, organ, system, physiological, and psychological levels. It is also developing systems for the emerging field of longevity medicine enabling physicians to make better decisions on the interventions that may slow down or reverse the aging processes.
- DLI has developed Longevity as a Service (LaaS)[®] solution to integrate multiple deep biomarkers of aging dubbed "deep aging clocks" to provide a universal multifactorial measure of human biological age. DLI has first mover advantage in its development of its diverse portfolio of AI-based deep biomarkers of aging and longevity clocks (deep aging clocks) being the original inventor of many technologies and holds several granted patents.

As referred to above, as part of its due diligence on DLI, the Company commissioned a professional independent valuation to be conducted on DLI and its business. The Company is pleased to report that the professional independent valuation concluded that the fair value of the equity of DLI is US\$4.30 million (or approximately HK\$33.54 million), which is in excess of the total consideration that the Company has agreed to pay the Sellers.

The professional independent valuer used the Market Approach, a traditional approach to estimate the fair market value of DLI's equity, through:

- (i) the guideline public company method, which produced an equity value of US\$4.40 million (or approximately HK\$34.32 million);
- (ii) the market transaction method, which produced an equity value of US\$4.10 million (or approximately HK\$31.98 million); and
- (iii) the exit method, which produced a valuation of US\$4.50 million (or approximately HK\$35.10 million).

The professional independent valuer weighted each of the above methods (i) and (ii) at 40% and weighted the exit method at 20%. These weightings result in a weighted average equity value of US\$4.30 million (or approximately HK\$33.54 million) for DLI.

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Accordingly, the professional independent valuation of DLI of US\$4.30 million (or approximately HK\$33.54 million) set out in the independent valuation report is in excess of the total consideration by approximately US\$0.51 million (or approximately HK\$3.98 million) agreed among the parties pursuant to the Share Purchase Agreements.

Further background to the Market Approach, methodologies and assumptions, is set out below.

DLI is pursuing an emerging market with a small number of publicly traded companies. In the guideline public company (“GPC(s)”) method, the professional independent valuer focused its search on health tracking companies attempting to leverage AI. The valuer selected the applied multiples after a review of the growth and profitability of the GPCs. Most of the GPCs were not profitable, similar to DLI but also were not expecting future growth as high as DLI. However, DLI’s higher expected growth is considered risky and multiples at the lower end of the GPC range were applied for extended future results and weighted lower. The valuer noted that Livongo Health may be the best GPC but also has very high revenue multiples, given the high level of historical and projected growth, their stage of development relative to DLI, and the traction they have gained in the health insurance market.

In the market transaction method, it uses guideline transactions of public and/or privately held companies to develop valuation multiples. Once a valuation multiple is derived, it is then applied to a representative level of the company’s financials to determine its equity value. In this case, the valuer estimated the enterprise value of DLI using an estimated sale value of DLI based on merger and acquisition (“M&A”) transactions. The valuer utilised the Capital IQ Transaction database to search for transactions to use as a guideline in determining DLI’s equity value. The valuer searched M&A transactions that involved a greater 50% interest of the target company being acquired, closed within two years prior to 19 August 2020, the valuation date. Additionally, the valuer narrowed these transactions to include ones where the target company leveraged AI technology to find transactions involving target companies that are comparable to DLI. Consequently, the multiples are within 0.67 and 3.11 with a mean and median of 1.62 and 1.08 respectively. The valuer selected a multiple between the mean and the maximum implied Market Value of Invested Capital to last twelve month revenue multiple of 2.00 of the target companies in the guideline M&A transactions to apply to 2022 projected revenues of DLI because DLI’s expected growth was higher than those of the M&A transaction targets, and revenue multiples have been shown to be higher for companies high growth.

In the exit method, the valuer expanded the initial public offerings (“IPO(s)”) search to all recent AI-related software companies, given the few health-related AI IPOs. The valuer reviewed the profitability of the companies at the time of IPO with most unprofitable relative to projected earnings before interest and tax (EBIT) margins for DLI of over 20%, but also took into consideration the slower projected growth for the company in the exit year; the smaller relative size and selected a multiple below the median. While there are some outlying multiples, most of the multiples are within 5.42 to 11.99 with a mean and median of 8.31 and 8.55, respectively, when outliers are removed (above 12 and below 2). A multiple of 8.00 was deemed reasonable given the aforementioned factors.

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The professional independent valuer mentioned that its conclusions are consistent with DLI's stage of development. DLI is a pre-revenue company leveraging its deep aging clocks intellectual property. The valuer considered both DLI's historic and expected future performance and its valuation is consistent with current market trends for similar companies in the marketplace.

The Directors' enquired with the valuer over the selection of the valuation methodologies that were going to be used in the valuation, including the definition of fair market value to ensure that this was consistent between US Generally Accepted Accounting Principles and Hong Kong Financial Reporting Standards. The valuer, after considering the information provided by the Company and DLI, considered that the Market Approach was the most appropriate valuation method because it involved using three methods (rather than one method), being a guideline company multiple, a transaction multiple and an exit value discounted based on IPO multiples which is similar to a venture capital approach. The Directors considered this to be a sensible approach rather than using the method put forward by the Directors, which was the venture capital method.

In addition, the methodologies and key assumptions used and adopted by the valuer in performing its valuation were the result of discussion between the Directors and the valuer, seeking further information from DLI where appropriate. The methodologies and key assumptions ultimately relied upon by the valuer (as disclosed above) were considered to be fair and reasonable by the Directors, given the stage of development of DLI, which makes the development of long-term projections difficult and highly speculative, precluding the completion of a discounted cash flow approach. In addition, DLI is entering an emerging industry, which makes projection of long-term profitability levels very difficult and unreliable (as further explained below).

The Directors and the Company's management were involved in discussions with DLI and the valuer in respect of such items as the understanding of its business and technology, strategy and prospects, its financial model and the inputs and assumptions that went into the financial model, its capital structure and balance sheet. In addition, the Directors and the Company's management sought further information from DLI where appropriate and were involved in the provision of information and the clarification of matters in respect of the performance of the valuation by the independent valuer. Moreover, the Directors did exercise their independent judgment and brought their minds to bear on the issues being considered by the independent valuer. The performance of the valuation was indeed an iterative process between the valuer and the Directors. In particular, the Directors were involved in the provision or sourcing of such items as the business plan, the financial model, share capital structure, financial statements (including information relating to any related party transactions, loans or accounts receivable with any shareholder, stakeholder or supplier), off balance sheet liabilities (including any pending litigation), list of major competitors, list of patents and patents pending, list of major customers and suppliers, list of key risk factors/milestones/strengths/weaknesses, number of employees, market reports detailing the size, growth and trends of the industry, board minutes and articles of association and, in particular, questioned various inputs and assumptions that were used in the financial model and business plan. At all times, the Directors sought further information from DLI and other persons where appropriate, such that all material information was provided to the valuer so that the valuation could take into account the best available information. However, the

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Directors did rely on the expert professional independent valuer to use its expertise, judgement and considerable experience in the selection of peer group comparables, companies that have suitably similar characteristics to DLI. The Directors, upon review, were comfortable with the peers selected for comparison and importantly that the valuer did not select or “cherry pick” inappropriate peers who may have higher trading multiples or, conversely, unrelatable poor performance, so as to impair the fairness and reasonableness of the valuation.

In light of the choice of valuation approach, the methodologies and key assumptions used and adopted by the valuer in performing its valuation, all of which were arrived at following exchanges between the Directors, DLI and the valuer and, as further disclosed in this circular, the Directors consider that the valuation is fair and reasonable. Further, the Directors considered the independent valuation report and noted that the valuer opined that its valuation is consistent with current market trends for similar companies in the marketplace. It should be noted that the longevity industry is a rapidly growing subset of the pharmaceutical / biotechnology industry, which is expected to continue to grow due to an aging worldwide population and the associated increase in chronic and acute diseases, and the Directors noted that the independent valuation analysis reflects all these trends.

Importantly, in determining that the terms of the Acquisition were fair and reasonable including the issuance of the Consideration Shares, the Directors considered the following main factors:

- (i) the previous arm’s length external financing round completed by DLI on 29 June 2020, where the Directors believed that the price paid by third party investors who participated in this financing is a reliable indication of fair value;
- (ii) the equity value (which is the measure of a company’s total value that is attributable to all equity investors) of DLI, being approximately US\$3.79 million; and
- (iii) the independent valuation.

In particular, the Directors believed that the price paid by third party investors who participated in DLI’s recent Series A financing is a reliable indication of fair value and noted that the Company’s management was able to negotiate an acquisition price per DLI share equal to the price at which the Series A Sellers participated in the Series A financing completed on 29 June 2020, effectively enabling the Company to acquire DLI for the same price per share from the Sellers without having to pay a control premium, which is typically required in change of control transaction. Of further comfort was the fact that the Sellers includes some of the most significant and sophisticated investors in the longevity sector, giving further credibility to the valuation of DLI.

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The Directors believe, as mentioned in this circular, that it is relevant to look at the last funding round as one of the bases of consideration in determining DLI's fair value. The International Private Equity and Venture Capital Valuation Guidelines ("IPEV") states that the price of a recent investment is a relevant input that should be considered in the estimation of fair value. The IPEV guidelines set out recommendations, intended to represent current best practice, on the valuation of private capital investments. The term "Private Capital" is used in these IPEV Guidelines in a broad sense to include privately held (i.e. unlisted) investments in early stage ventures, management buy-outs, management buy-ins, infrastructure, credit and similar investments and investments in funds making such investments. The Directors therefore believe that this is one relevant input into determining DLI's fair value (but not the only one) especially given the close proximity of the funding round to the Company's announcement of the Acquisition of DLI (i.e. within approximately 2 months), and as such, the Directors considered that this was one of the relevant factors in determining the basis of the consideration.

Since the completion of the Series A financing, certain key milestones have been completed by DLI's management, being:

- Launch of Young.AI mobile app on the Apple App Store (including the establishment of the payment system on the App) on 29 September 2020;
- Launch of Young.AI website on 29 September 2020;
- Signing of a consultancy agreement with SquareOne Wellness Inc. on 19 October 2020 where DLI has agreed to provide its AgeMetric reports to SquareOne Wellness Inc. for a fee per report issued;
- Signing of a consultancy agreement with My Care Express on 2 October 2020 where DLI has agreed to provide its AgeMetric reports to My Care Express for a fee per report issued;
- Signing of a collaboration agreement with Human Longevity, Inc. effective 19 August 2020 where the parties agreed to undertake collaborative co-marketing and development activities for the purpose of generating age clock reports for HLI's health nucleus clients using DLI's AgeMetric reports and will agree to a preferred fee structure for each successful delivery of an AgeMetric report to a HLI's client; and
- Signing of Norman Williams as director of business development.

As far as the Directors are aware, there have been no other material changes in the execution of DLI's business plan since completion of the Series A financing and up to the Latest Practicable Date.

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Since the completion of the Series A financing and up to 31 October 2020, DLI has issued 1,218,750 ordinary shares in accordance with the DLI 2020 Share Plan (these shares are the subject of the Share Purchase Agreements and are included in Paragraph 5 headed “Effects on Shareholding Structure of the Company” below in the column under “Number of shares held in DLI”). Consequently, DLI’s share capital and share premium increased by US\$1,218,750 (i.e. US\$1.00 per ordinary share), and its share-based payment (being a non-cash item) increased by US\$1,218,750 accordingly. The amounts were netted off and therefore resulted in no change in DLI’s net asset value. DLI has, since 29 June 2020 and up to 31 October 2020, incurred approximately US\$0.28 million in relation to its operating expenses (e.g. salaries, research and development, professional fees, etc.). As at 31 October 2020, the bank balance of DLI was approximately US\$1.90 million.

In addition, the Directors considered that the valuation of DLI being a pre-revenue company provides several challenges, where discounted cashflow models can produce a wide range of value indications due to uncertainty regarding the timing and amounts of future revenue, income and cash flow and due to the wide range of discount rates reported in studies of required rates of return for early stage investments. Therefore, a prior transaction/fund raising where new third party investors participate in shares being sold directly by a company on an arms-length basis are generally, in the Directors opinion, viewed as better evidence for establishing fair value estimates and provides a reasonable basis for valuation.

The Directors considered that the equity valuation methodology would also be a fair and reasonable method for valuing DLI (including its management team, technology, patents and patents pending) at this stage in its development cycle and with an equity valuation of approximately US\$3.79 million considered that this was fair and reasonable.

The Directors, as part of their evaluation of the fairness and reasonableness of the Acquisition, also considered it highly relevant that DLI has first mover advantage in their chosen field with its patented AI-based deep aging clocks, website and mobile applications, including a diverse portfolio of biomarkers of aging and mortality predictors that, when weighed up against the Company doing this from scratch (which would involve hiring its own team, innovating, designing and developing AI aging clocks, website and an application(s)), was a far more cost and time effective solution with a far better chance of success (less risk) and in the best interest of the Company and its shareholders as a whole than going it alone.

In addition, the Directors noted that DLI’s core management and technical team have been together since 2014, with the key personnel possessing the necessary innovation, development and technical experience in inventing and developing deep learning AI-based aging clocks. Since 2014, this team has published and patented multiple deep aging clocks. In the beginning, the team was working on parametric models and applying pathway analysis, but in 2016 it published the first AI-based aging clock, Deep Learned Haematological biomarker of aging. Since then, the team has focused on AI-based aging clocks. Of the DLI team, two of the team members hold doctorates being, Alex Zhavoronkov Ph.D. and Polina Mamoshina, DPhil (which is a version of a Ph.D.). The remaining members of the DLI team hold either a masters or bachelor’s degree, as it is uncommon for engineers to have a Ph.D. However, one of DLI’s research scientists is a Ph.D. candidate and two other managers are Ph.D. candidates whom are due to submit their theses soon. The entire team will continue with DLI after completion of the Acquisition.

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Following completion of the due diligence exercise (referred to above), while the Directors believe that DLI has every chance of being a commercial success, as a venture capital start up in its relative infancy it may or may not succeed as like any investment there are a number of risks that must be considered especially when investing in start-ups. Generally speaking, investments in start-ups are speculative and these companies often fail. Unlike an investment in a mature business where there is a track record of revenue and income, the success of a start-up often relies on the development of a new product or service that may or may not find a market.

From the due diligence conducted, two main material findings / risks were discussed by the Directors, being:

- DLI's ability to successfully commercialise its products in accordance with its business plan; and
- Whether any director and/or employee of DLI tried unlawfully or illegally or chose to resign and compete against DLI in the same line of business. What contractual restrictions were in place in to ensure that DLI, its directors and/or employees would not seek to do this?

In respect of the first identified risk, in the Directors' opinion, this risk was concerned mainly with the success or otherwise of the commercialisation of DLI's products, being the ability to successfully convert on the Business-to-Customer ("**B2C**") and Business-to-Business ("**B2B**") to B2C business models referred to in the description of DLI in Paragraph 7 headed "Deep Longevity, Inc." below. The Directors spent considerable time discussing this risk and believe that after discussing DLI's financial model and business plan that this is a key commercial risk. However, the potential for exceptional growth in the emerging longevity sector with a potential market size estimated in 2017 at US\$4.20 trillion is an opportunity that the Directors believe on balance should not be overlooked. The Directors believe that with DLI's experienced management team, its explainable AI systems to track the rate of aging at the molecular, cellular, tissue, organ, system, physiological, and psychological levels and the launch of its mobile App on the Apple App Store and website, DLI has, on balance, a reasonable chance of being successful. Moreover, management believe that certain internal value events have occurred since the announcement of the Acquisition, being the launch of both the Young.AI mobile App on the Apple App Store and the website Young.AI. The Directors noted that Zoom was created by a Chinese entrepreneur, who turned a US\$2.8 million investment into US\$3 billion, seemingly overnight and now its market cap is US\$140 billion. There have been scores of other Small-to-Medium Enterprises in medical technology, AI, data and analytics, electric vehicles exploding onto the market in recent times as well, powered by massive capital investment. Accordingly, in short, this is an opportunity that the Directors believe, on balance, should not be missed.

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In respect of the second due diligence finding, it was noted that the Share Purchase Agreement contained non-compete provisions that afforded the necessary protection to the Company to prevent such activities from happening, which is a standard contractual provision for these types of transactions.

The Consideration Shares are to be the subject of a specific mandate, so the Shareholders will determine what they consider to be fair and reasonable. In the Company's opinion, all material information has been included in the announcement made on 2 September 2020 and in this circular, such that the Shareholders will be able to make a fully informed decision on whether to approve the specific mandate.

The Directors consider the terms of the Share Purchase Agreements to be on normal commercial terms and in the ordinary and usual course of business of the Company. They believe that the terms of the Share Purchase Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company's attributable share of DLI's net loss for the financial period from 24 June 2019 (date of incorporation) to 30 June 2020 from continued operations was approximately US\$2,000 (or approximately HK\$15,600), both before and after taxation.

The net asset value of DLI was approximately US\$2.57 million (or approximately HK\$20.05 million) as at 30 June 2020, as set out in DLI's latest consolidated management accounts for the financial period from 24 June 2019 (date of incorporation) to 30 June 2020.

4 RIGHTS ATTACHING TO THE CONSIDERATION SHARES

Save in respect of the Lock Up, the Consideration Shares will be issued credited as fully paid up, free from all encumbrances and shall rank *pari passu* in all respects with the other Shares in issue at such time.

The Consideration Shares will be allotted and issued pursuant to a specific mandate to be sought from the Shareholders at the EGM. An application will be made by the Company to the Listing Committee of the HK Stock Exchange for the listing of, and permission to deal in, the Consideration Shares in due course.

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5 EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The changes of the shareholding structure of the Company as at the Latest Practicable Date and upon the Consideration Shares being issued at Closing (assuming no Shares issued or repurchased prior to the issue of the Consideration Shares) are as follows:

Shareholder	As at the Latest Practicable Date				Immediately after the Consideration Shares are issued	
	Number of Shares held (Note 1)	Approximate %	Number of shares held in DLI (Note 2)	Approximate %	Number of Shares held (Note 1)	Approximate %
James Mellon (Notes 3, 4 & 6)	387,816,211	21.11%	—	—	387,816,211	17.16%
Jayne Sutcliffe (Note 4)	1,716,046	0.09%	—	—	1,716,046	0.08%
Anderson Whamond (Note 4)	1,400,000	0.08%	—	—	1,400,000	0.06%
Jamie Gibson	69,208,513	3.77%	—	—	69,208,513	3.06%
Other Directors	4,170,292	0.23%	—	—	4,170,292	0.18%
Aleksandrs Zavoronkovs (Note 5)	—	—	680,000	17.93%	75,771,448	3.35%
InSilico Medicine Cayman SubCo (Note 6)	—	—	500,100	13.18%	55,725,443	2.47%
Insilico Medicine IP Limited (Note 6)	—	—	437,500	11.53%	48,750,013	2.16%
Bold Capital Partners II, LP Emerging Technology Partners, LLC	—	—	250,000	6.59%	27,857,150	1.23%
Human Longevity and Performance Impact Venture Fund, L.P.	—	—	250,000	6.59%	27,857,150	1.23%
Longevity Vision Fund I, LP	—	—	250,000	6.59%	27,857,150	1.23%
Robert Nelsen	—	—	250,000	6.59%	27,857,150	1.23%
Wei-Wu He (Note 5)	—	—	200,000	5.27%	22,285,720	0.99%
Polina Mamoshina	—	—	190,000	5.01%	21,171,434	0.94%
Tubus LLC	—	—	150,000	3.95%	16,714,290	0.74%
Human Longevity, Inc.	—	—	93,750	2.47%	10,446,431	0.46%
Aleksandr Aliper (Note 5)	—	—	75,000	1.98%	8,357,145	0.37%
Kai-Fu Lee	—	—	50,000	1.32%	5,571,430	0.25%
Xiaolong Yang	—	—	37,000	0.98%	4,122,858	0.18%
Fedor Galkin	—	—	20,000	0.53%	2,228,572	0.10%
Anastasia Georgievskaya	—	—	20,000	0.53%	2,228,572	0.10%
Garri Zmudze	—	—	20,000	0.53%	2,228,572	0.10%
Kirill Kochetov	—	—	15,000	0.40%	1,671,429	0.07%
Marina Timofeeva	—	—	15,000	0.40%	1,671,429	0.07%
Michelle Buyanova	—	—	10,000	0.26%	1,114,286	0.05%
Daniel Kraft	—	—	10,000	0.26%	1,114,286	0.05%
Morten Scheibye-Knudsen	—	—	10,000	0.26%	1,114,286	0.05%
Alexey Moskalev	—	—	10,000	0.26%	1,114,286	0.05%
Public Shareholders	1,372,940,120	74.72%	—	—	1,372,940,120	60.76%
	<u>1,837,251,182</u>	<u>100.00%</u>	<u>3,793,350</u>	<u>100.00%</u>	<u>2,259,938,862</u>	<u>100.00%</u>

LETTER FROM THE BOARD

Notes:

1. All shareholdings set out in the above table do not take into account the Shares to be issued and allotted by the Company:
 - (a) pursuant to two subscription agreements entered into on 29 May 2019 as set out in details in the announcements issued by the Company on 29 May 2019 and 23 August 2019 titled “Connected transaction: Proposed issue of convertible notes” and “Update on Connected transaction: Proposed issue of convertible notes” respectively and the relevant Shareholders’ circular dated 11 July 2019; and
 - (b) upon exercise of the options granted on 14 October 2020 under the Share Option Scheme (2016) as set out in details in the announcements issued by the Company on 15 and 20 October 2020, which will not be vested to the optionholders (as to the first one-third of the numbers of shares subject to the options) until 14 October 2021.
2. The number is the sum of: (i) ordinary shares; (ii) Series A preferred shares; and (iii) restricted shares held in DLI.
3. 25,791,905 Shares are held by a private limited company indirectly wholly owned by James Mellon.

The number includes an aggregate of 430,000 Shares held by the parents of James Mellon, whose interests held in the Company are not deemed to be the interests held by James Mellon under the SFO.
4. James Mellon and Jayne Sutcliffe (both Directors), together with Anderson Whamond (a former director of the Company), constitute the Declared Concert Party Group.
5. Aleksandrs Zavoronkovs, Wei-Wu He and Aleksandr Aliper are directors of DLI.
6. The Acquisition does not constitute a connected transaction of the Company under Chapter 14A of the HK Listing Rules.

For information, the interests held by James Mellon and his associate (being Galloway) relating to: (i) InSilico Medicine Cayman SubCo and InSilico Medicine IP Limited; and (ii) the two companies’ parent company, namely InSilico Medicine Cayman TopCo, are set out in sub-paragraph 2(c) headed “Sellers” under the “Share Purchase Agreements” above and in Paragraph 10 headed “Not a Connected Transaction” below.

To the best of the Directors’ knowledge, information and belief and having made reasonable enquiries, none of the Sellers have any intention of entering into any kind of formal or informal arrangement between themselves or with the existing Shareholders (including the Declared Concert Party Group) to actively cooperate to obtain or consolidate control of the Company (i.e. the definition of “acting in concert” under the HK Takeovers Code).

An application will be made by the Company to the HK Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

LETTER FROM THE BOARD

6 SOURCES OF FUNDS

Given that the Acquisition consideration involves only the issuance of Consideration Shares, the Acquisition, save for any transaction fees incurred (which are estimated at US\$0.08 million (or approximately HK\$0.62 million), does not involve the payment of cash consideration.

Structuring the transaction by way of the issue of the Consideration Shares is regarded by the Group as being a sensible and appropriate method of payment for the Acquisition.

7 DEEP LONGEVITY, INC.

DLI is developing explainable and user-friendly AI systems to track the rate of aging at the molecular, cellular, tissue, organ, system, physiological and psychological levels. It is also developing systems for the emerging field of longevity medicine enabling physicians to make better decisions on the interventions that may slow down or reverse the aging processes. DLI has also developed a Longevity as a Service (LaaS)© solution to integrate multiple deep biomarkers of aging dubbed “deep aging clocks” to provide a universal multifactorial measure of human biological age. Originally incubated by InSilico Medicine, DLI started its independent journey in 2020 after closing a Series A financing on 29 June 2020 that included some of the most credible venture capitalists specialising in biotechnology, longevity, and AI. Among these strategic investors are such well-known funds as BOLD Capital Partners, ETP Ventures, Human Longevity and Performance Impact Venture Fund, Longevity Vision Fund, LongeVC, Michael Antonov (co-founder of Facebook-owned Oculus VR) and other expert AI and biotechnology investors. DLI has also established a key research partnership with one of the world’s leading longevity organisations, HLI. Under this arrangement, HLI will provide DLI’s developed haematological aging clocks to a global network of advanced physicians and longevity research specialists and HLI will share the revenue generated from the patients’ test reports with DLI. It is expected that the collaboration between HLI and DLI will expand to other data types. Importantly, HLI will remain invested in DLI through its Consideration Shares in the Company, which the Company believes will only further strengthen the relationship between DLI and HLI.

DLI’s products, including the aging clocks and AgeMetric reports, do not require any licensing or regulatory approvals. The Apple App Store approved the launch of the Young.AI mobile App on 29 September 2020, thereby validating its technology and affording DLI with a huge scaling-up market opportunity. Like any other application or website, this is DLI’s first version of its App and website, and DLI, like other App providers, will provide further updated versions of its App and website by ironing out any bugs and improving and adding products over time. Future investment will mainly come in developing new product launches (more aging clocks), improving existing products, social media/marketing and adding personnel.

The mission of DLI is to become the main developer and provider of a broad range of deep aging clocks, predictors of biological age and health status, aging clock interpretation systems, and recommendation engines for modulation of biological age. DLI aspires to be a leader in the field of machine learning for personalised preventative healthcare and longevity interventions. Utilising advanced deep learning algorithms, DLI develops novel tools for aging research that can be applied in many industries to make people live better, longer, and healthier lives.

LETTER FROM THE BOARD

DLI has developed a broad set of universal and application-specific aging clocks, which define a set of criteria and standards for measuring biological age at the molecular, cellular, tissue, organ, system, and organismal levels using a variety of data types. DLI has developed Young.AI, a system for tracking predicted age at multiple levels over time, and the AgeMetric system for representing the current set of aging clocks for an individual. DLI has been granted two patents; one on its Deep Transcriptome Aging clock and the other on its Deep Haematological Aging clocks. DLI has other patents pending on other aging clocks.

DLI is planning to generate income from two main revenue streams, being:

- (i) B2C through the Young.AI mobile App, which is now available on the Apple App Store and the Young.AI website (being a website-based product) that is an innovative platform that uses AI to keep track of the aging process from the inside out; and
- (ii) through B2B to B2C by partnering with clinics, laboratories, and insurance companies by offering its AgeMetric reports and access to its online platform.

DLI launched the first version of the Young.AI website and its Young.AI mobile App, an application for App Store by Apple Inc., on 29 September 2020 and like any other App providers, DLI will be rolling out future versions as it improves its products. DLI will be looking to generate income based on a monthly subscription fee from its Young.AI mobile App and website-based products. The Young.AI mobile App has a freemium user acquisition model, offering some functionality for free as the main driver of users and additional paid features (being a monthly subscription fee). The Young.AI mobile App allows tracking performance on a daily basis. By tracking physical activity, sleep, heart health, and predicted age over time, the application offers personalised recommendations and well-being trajectories. DLI's innovative health scoring system called AgeMetric incorporates real-time feedback from the body. The Young.AI mobile App complements the Young.AI website and seeks to ensure daily interactions with users. No licencing or regulatory approvals are required to commercialise these products.

In addition to the Young.AI B2C App, DLI is actively working on establishing partnerships with health clinics by providing them access to its AgeMetric reports for a fixed fee per report provided, i.e. DLI will provide doctors with its aging clocks and with tools to follow the progress of their patients. By analysing biological age the health clinicians can track the aging process of their patients and compliment other health tests to access overall health status. Additionally, DLI offers access to recommendation engines to suggest personalised potential therapies, treatment plans and other types of interventions.

After the acquisition, DLI will be operated by Alex Zhavoronkov, who will transition to the Chief Longevity Officer position, and Polina Mamoshina, as a Chief Operating Officer and Chief Scientific Officer. In addition, DLI has a team of seven scientists, engineers, and designers involved in the development of the web application, new aging clocks, and automation of AgeMetric reports. In addition, two managers are responsible for product deployment and marketing. The entire DLI team will remain at DLI after the acquisition with the purpose of executing its business plan. Currently, DLI outsources the App Store application implementation to a third-party supplier, which is a leading mobile application development company.

LETTER FROM THE BOARD

Recently, DLI hired a Business Development Director, who is tasked with seeking partnerships with health clinics and laboratories.

DLI employees and consultants will remain employed by DLI under their existing employment and/or consultancy agreements (that seek to reward and retain their services through salaries and bonuses tied to key performance indicators at the DLI level, where appropriate). Furthermore, and as a means to incentivise and retain their services, the Consideration Shares held by DLI employees and consultants on closing of the Acquisition will be subject to the lock up arrangements for a period of 12 months from their date of issue, and thereafter they may only dispose of up to one-third of such Consideration Shares on the one year, two year and three year anniversaries of their date of issue (as more fully described in sub-paragraph 2(j) headed “Lock Up” under the “Share Purchase Agreements” above). In addition, the Company’s stated policy (which is included in the Company’s 2019 Annual Report and other prior year’s Annual Reports) is to reward key employees and consultants by a combination of salaries, profit related discretionary bonuses and share options, where appropriate. In all cases, profit related discretionary bonuses and grants of share options to employees and consultants will be determined and agreed by the remuneration Committee of the Board. The Directors believe that the lock up period for the Sellers (which include those DLI employees holding restricted ordinary shares in DLI) is appropriate for ensuring the development and execution of DLI’s business plan and, together with the Company’s stated remuneration policy, will seek to incentivise and retain DLI’s employees and consultants post completion. If any of the Series A Sellers dispose of their shares after the 6-month lock up period expires, the Company does not believe that this would have a negative impact on DLI’s ability to execute its business plan, as DLI’s management, employees and consultants are the ones (and not the independent Series A Sellers) who are tasked with the execution and ultimately success of DLI’s business plan.

The Directors believe that DLI’s existing employment and consultancy agreements, together with the incentives that can be offered pursuant to both the DLI 2020 Share Plan and the Company’s Share Option Scheme (2016), will be sufficient to appropriately incentivise and retain the services of DLI’s employees and consultants post Closing of the Acquisition. With that said and following its review of the existing arrangements and discussions with DLI management, the Directors believe that the current remuneration and incentivisation arrangements are appropriate and in the best interest of the Company and its shareholders as a whole. However, as it does in the ordinary discharge of its duties, post Closing of the Acquisition and going forward, the Company’s remuneration committee, under its terms of reference, will continue to review the remuneration packages of the employees and consultants of the enlarged Group to ensure that employees and consultants are appropriately remunerated and incentivised, such that their services are retained.

In addition to the incentive arrangements, the Directors also believe that it is good and prudent planning to ensure that there are adequate provisions in its agreements with employees and consultants for dealing with such items as non-competition, non-solicitation, and the protection of confidential information and intellectual property, know-how, trade secrets and other proprietary information important to the Group to protect the Group and its shareholders’ interests.

LETTER FROM THE BOARD

As part of the Company's due diligence on DLI, it was revealed that DLI was equally concerned to ensure that it had similar protections in place. Accordingly, DLI had counsel consider its concerns and prepare the necessary protective provisions for use in its retention agreements. As a consequence and in addition to their employment and consultancy agreements, DLI employees and consultants have also executed proprietary information and invention assignment agreements, which provide strict protection in respect of DLI's confidential information, company property, use (or non-use) of sensitive information obtained from former employers or third parties, ownership of inventions and the assignment (to DLI) thereof, conflicting employment and non-competition and non-solicitation. In keeping with the current best practice on the enforceability of restrictive covenants in a retention context, these provisions provide, among other things, for up to 12 months post employment or consultancy protection in respect of non-competition with competing businesses and non-solicitation of staff. While consistent with the latest legal thinking in respect of enforceability, the Directors also believe that a period of 12 months is the time reasonably necessary to protect the Group's legitimate business interests. Further, the DLI arrangements with employees and consultants also strictly prohibit the use of any confidential information, trade secrets, know-how, inventions or other proprietary information that he or she may have obtained from DLI during their term of employment/consultancy.

Therefore, following its review of the existing arrangements that DLI has in place in respect of its employees and consultants, the Directors are satisfied that such employees and consultants are sufficiently and appropriately incentivised to remain with the enlarged Group post Closing for the foreseeable future, as well as being sufficiently and appropriately constrained in what they can and cannot do in respect of non-competition, non-solicitation and the protection of confidential information, trade secrets, know-how and other proprietary information, both during the term of their engagement and for a 12-month period following its cessation.

In summary, the Company's plans for DLI do not involve any changes to the continued employment of the management, employees and consultants of DLI nor any material changes in conditions of employment and/or consultancy. Furthermore, the Directors believe that the lock up period of the Sellers (which include those DLI employees holding restricted ordinary shares in DLI) and the protective clauses and restrictive covenants that are contained in their employment, consultancy and proprietary information and invention assignment agreements, together with the Share Purchase Agreements, are sufficient to retain their services to execute the business plan to the best of their abilities.

As at 31 October 2020, DLI's main assets were cash of approximately US\$1.90 million and two patents of approximately US\$0.44 million with no material liabilities.

Further information on DLI can be accessed via its website <https://deeplongevity.com>, or post completion of the Acquisition at <http://www.regentpac.com>. In addition, there is a corporate presentation on the DLI website which provides an overview of the company.

LETTER FROM THE BOARD

Jamie Gibson, Chief Executive Officer of Regent Pacific, said, “Our long-term vision is to transform Regent Pacific into a global end-to-end longevity and wellness biotechnology company dedicated to extending healthy productive lives of billions of people worldwide by developing a longevity ecosystem. It is only logical to start executing on this vision via the acquisition of the most sophisticated AI system designed to track the rate of human aging and evaluate the effectiveness of longevity interventions. This system can be used by the longevity and performance clinics, insurance companies, pharmaceutical companies, and large employers that deeply care about their workforce. DLI is the original inventor of deep aging clocks with granted US patents, high-end clinics as clients, great scientific publications, top AI and longevity scientists, and more than half of the acquisition value being held in cash from expert investors. It is a great asset to serve as a core engine of our longevity ecosystem.”

8 REASONS FOR THE ACQUISITION

The global population is rapidly aging. According to the latest estimates, by 2050 two billion or 22 per cent. of the world’s population will be aged over 60. Targeting aging with the latest advances in AI is not only the most altruistic cause and a way to boost economic growth in the developed countries, but a way to access a trillion-dollar market. By acquiring DLI, the Board believes that the acquisition of DLI will add a high-quality growth asset to the Company, which will serve as a key platform for its expansion into the health and wellness sector, namely the emerging field of longevity medicine.

In essence, DLI’s mission is to extend the healthy productive longevity and increase human performance. DLI provides customers with the most efficient, reliable and useful aging and longevity clocks to address their needs and importantly Deep aging clocks are among the most important breakthroughs in longevity science in the 21st century. DLI aspires to be a leader in the field of machine learning for personalised preventative healthcare and longevity interventions. By utilising advanced deep learning algorithms, DLI has also developed novel tools for aging research that can be applied in the many industries to make people live better, longer and healthier lives.

The acquisition will allow the Group to expand into the global wellness market that was estimated to be over US\$4.20 trillion in 2017. Further, there is an increased interest in the longevity market where DLI is looking to have first mover advantage with its applications including COVID-19 relevance, where epidemiological studies suggest that age is one of the most important factors of COVID-19 illness. DLI’s deep haematological aging clocks can be explored as a predictive tool for analysis of COVID-19 positive patients.

Longevity and performance clinics, hospital networks, insurance companies, pharmaceutical companies and investors alike, can invest in the combined Company, as enlarged by the acquisition of DLI, through the public market platform that the Company’s listing on the HK Stock Exchange provides, and in so doing partner with the Company to help it transform into a longevity company focussed on the health and well-being of humans.

LETTER FROM THE BOARD

Following completion of the Acquisition, DLI will be run by the most credible experts in aging and longevity with James Mellon, the Company's chairman and the author of "Juvenescence" being joined by other noted biotechnology investors and entrepreneurs including Dr. Wei-Wu He, (the chairman of Human Longevity, Inc.) and Alex Zhavoronkov, PhD (the founder of DLI and adjunct professor at the Buck Institute for Research on Aging). Together these individuals will combine their efforts to create a dedicated and focussed longevity company.

The combined company represents a possible hedge against the longevity risk for the many financial institutions that are no longer sustainable. The Group therefore believes there is significant growth potential in acquiring DLI at this stage in its development, and importantly believes the Acquisition to be on attractive terms to Shareholders.

9 DISCLOSEABLE TRANSACTION

Based on the Company's current market capitalisation and issued share capital, together with other relevant metrics as at the date hereof, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the HK Listing Rules by virtue of the consideration ratio and the equity capital ratio, while the issuance of the Consideration Shares will be carried out pursuant to a specific mandate that will need to be sought and obtained from the Shareholders in due course.

The purpose of this circular is to provide the Shareholders with information on the details of the Company's Acquisition in accordance with the HK Listing Rules.

10 NOT A CONNECTED TRANSACTION

As noted above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, James Mellon is a non-executive director (one of four directors sitting on the board) and direct shareholder of InSilico Medicine Cayman TopCo, holding, together with Galloway, in aggregate approximately 1.66 per cent. of its issued share capital. Juvenescence Limited, in which Mr Mellon is the chairman and a shareholder holding, together with Galloway, approximately 18.59 per cent. of its issued share capital, directly holds approximately 11.63 per cent. of InSilico Medicine Cayman TopCo's issued share capital. InSilico Medicine Cayman TopCo is the parent company of InSilico Medicine IP Limited and InSilico Medicine Cayman SubCo, both of which are shareholders of DLI, holding approximately 13.18 per cent. and approximately 11.53 per cent., respectively, of DLI's issued share capital and InSilico Medicine IP Limited is the Sellers' Warrantor in respect of the operational warranties given under the Majority Share Purchase Agreement. On closing of the Acquisition, James Mellon will step down as a non-executive director of InSilico Medicine Cayman TopCo.

The remaining Sellers not listed earlier in this circular, being the Individual Minority Sellers, are all individuals whom have confirmed their sophisticated, professional, high net worth and/or accredited investor status, as appropriate.

Save as aforementioned in respect of InSilico Medicine IP Limited and InSilico Medicine Cayman SubCo, all Sellers are Independent Third Parties.

LETTER FROM THE BOARD

11 ABOUT THE COMPANY

The Group 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 (or approximately HK\$2,324.40 million) to Shareholders in the 21 years of financial reporting since its initial public offering.

As the Acquisition remains subject to the fulfillment of a number of conditions it may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares.

12 THE EXTRAORDINARY GENERAL MEETING

The EGM Notice is set out in Pages 38 to 41 of this circular. Whether or not you are able to attend the meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it, accompanied by the power of attorney (if applicable) or other authority (if any) under which it is signed or a certified copy of that power of attorney, to the Company Secretary at the Company's principal place of business in Hong Kong or via email at proxy@regentpac.com as soon as possible but in any event not later than 11:00 am on Monday, 7 December 2020. Completion and return of the form of proxy will not prevent you from attending and voting in person at the meeting or any adjourned meeting if you so wish.

In order to ascertain the entitlements to attend and vote at the Extraordinary General Meeting, members must lodge the relevant transfer document(s) and share certificate(s) at the office of the Company's Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 pm on Thursday, 3 December 2020 for registration.

Under Article 66 of the Articles of Association, subject to any special rights or restrictions as to voting for the time being attached to any Shares by or in accordance with the Articles of Association, at any general meeting on a show of hands every member present in person (or being a corporation, present by a representative duly authorised) or by proxy shall have one vote and on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every fully paid Share of which he is the holder but so that no amount paid up or credited as paid up on a Share in advance of calls or instalments is treated for the foregoing purposes as paid up on the Share. Where a member is, under the HK Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

LETTER FROM THE BOARD

According to Rule 13.39(4) of the HK Listing Rules, the chairman of the Extraordinary General Meeting will demand a poll on all resolutions proposed at the meeting.

13 RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the HK Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

14 DIRECTORS' RECOMMENDATION

Shareholders are encouraged to study the information contained in this circular relevant to the resolution proposed at the Extraordinary General Meeting so as to make decision as to whether to vote in favour of the resolution.

The Directors consider that the Acquisition on the terms and conditions of related Share Purchase Agreements and by way of the issue and allotment of the Consideration Shares are in the best interests of the Group and the shareholders of the Company as a whole. Accordingly, the Directors recommend that all Shareholders vote in favour of the Ordinary Resolution proposed at the Extraordinary General Meeting.

15 TYPHOON OR BLACK RAINSTORM WARNING ARRANGEMENTS

If at any time after 7:00 am on the date of the Extraordinary General Meeting, Typhoon Signal Number 8 or above remains hoisted or a "Black" Rainstorm Warning Signal is in force, the Extraordinary General Meeting will be postponed to a later date and/or time as determined by the Company. If the Extraordinary General Meeting is so postponed, the Company will post an announcement on the websites of the Company (www.regentpac.com) and the HK Stock Exchange (www.hkexnews.hk) to notify shareholders of the date, time and place of the re-scheduled meeting. At least seven clear days' notice shall be given for the re-scheduled meeting.

LETTER FROM THE BOARD

16 COVID-19

Shareholders are advised to read the “Precautionary Measures for the Extraordinary General Meeting” accompanying the EGM Notice.

Yours faithfully
On behalf of the Board of
Regent Pacific Group Limited

James Mellon
Chairman

LETTER FROM THE BOARD

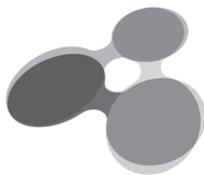
Forward Looking Statements

This circular, including any information included or incorporated by reference in this circular, contains statements about the Company that are or may be forward looking statements. Such forward looking statements involve risks and uncertainties that could significantly affect 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 the Company'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 the Company 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. The Company 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 circular is intended as a profit forecast or estimate for any period and no statement in this circular should be interpreted to mean that earnings or earnings per share for the Company for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for the Company. The Company does not undertake to update information contained in this circular, except as required by applicable law, the HK Listing Rules or other applicable regulation.

NOTICE OF EXTRAORDINARY GENERAL MEETING



REGENT PACIFIC GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0575)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting of the Company will be held at Units 1603-1604, 16th Floor, Causeway Bay Plaza One, 489 Hennessy Road, Causeway Bay, Hong Kong on Wednesday, 9 December 2020 at 11:00 am for considering and, if thought fit, passing (with or without amendments) the following resolution:

As an Ordinary Resolution

“THAT

- (a) upon the Listing Committee of The Stock Exchange of Hong Kong Limited having granted the listing of, and permission to deal in, up to 422,687,680 ordinary shares of US\$0.01 each of the Company, which are to be issued and allotted to the Sellers (as defined in the shareholders’ circular issued by the Company on 18 November 2020 (the “**Circular**”), a copy of which is produced at the meeting and signed by the chairman of the meeting for the purpose of identification) pursuant to two conditional Share Purchase Agreements entered into on 2 September 2020 between the Company and the Sellers (as defined and detailed in the Circular, comprising the Majority Share Purchase Agreement and the Minority Share Purchase Agreement which are inter-conditional upon each other), the issue and allotment of up to 422,687,680 Consideration Shares (as defined in the Circular) be and is hereby approved; and

- (b) any one of the Directors or the Company Secretary or the Chief Financial Officer of the Company be and is hereby authorised to do all such acts and things, including, but not limited to, the execution of all documents, for and on behalf of the Company, which they deem necessary, appropriate or desirable or expedient to implement and give effect to any matters relating to or in connection with the transactions contemplated under the Share Purchase Agreements and/or the issue and allotment of the Consideration Shares thereunder.”

By Order of the Board of
Regent Pacific Group Limited

Jamie Gibson
Executive Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

Directors of the Company:

James Mellon (*Chairman*)*

Jamie Gibson (*Chief Executive Officer*)

David Comba[#]

Julie Oates[#]

Mark Searle[#]

Jayne Sutcliffe*

* *Non-Executive Directors*

[#] *Independent Non-Executive Directors*

Hong Kong, 18 November 2020

Notes:

1. **Members are advised to read the “Precautionary Measures for the Extraordinary General Meeting” accompanying this notice.**
2. Shareholders are encouraged to study the details of the Acquisition and the Share Purchase Agreements set out in the shareholders’ circular dated 18 November 2020 issued by the Company, which are relevant to the resolution proposed at the meeting convened by this notice (the “**Extraordinary General Meeting**”) so as to make decision as to whether to vote in favour of the resolution.
3. A member of the Company entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company. Completion and return of an instrument appointing a proxy will not preclude a member from attending and voting in person at the meeting or any adjourned meeting if he so wishes.
4. In order for it to be valid, the form of proxy, accompanied by the power of attorney (if applicable) or other authority (if any) under which it is signed or a certified copy of that power or authority, must be deposited with the Company Secretary at the Company’s principal place of business in Hong Kong at 8th Floor, Henley Building, 5 Queen’s Road East, Hong Kong or via email at proxy@regentpac.com not later than 11:00 am on Monday, 7 December 2020.
5. In order to ascertain the entitlements to attend and vote at the Extraordinary General Meeting, members must lodge the relevant transfer document(s) and share certificate(s) at the office of the Company’s Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road Central, Hong Kong not later than 4:30 pm on Thursday, 3 December 2020 for registration.
6. In the case of joint registered holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holder(s). For this purpose, seniority shall be determined by the order in which the names of the holders stand in the Register of Members of the Company in respect of such joint holding.
7. According to Rule 13.39(4) of The Rules Governing the Listing of Securities on the HK Stock Exchange, the chairman of the Extraordinary General Meeting will demand a poll on all resolutions proposed at the meeting.
8. In the case of a conflict between the English text of this notice and its Chinese translation, the English text will prevail.
9. If at any time after 7:00 am on the date of the Extraordinary General Meeting, Typhoon Signal Number 8 or above remains hoisted or a “Black” Rainstorm Warning Signal is in force, the Extraordinary General Meeting will be postponed to a later and/or time as determined by the Company. If the Extraordinary General Meeting is so postponed, the Company will post an announcement on the websites of the Company (www.regentpac.com) and the HK Stock Exchange (www.hkexnews.hk) to notify shareholders of the date, time and place of the re-scheduled meeting. At least seven clear days’ notice shall be given of the re-scheduled meeting.

NOTICE OF EXTRAORDINARY GENERAL MEETING

PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING (THE “EXTRAORDINARY GENERAL MEETING” OR THE “MEETING”)

In compliance with: (i) the Hong Kong Government’s directive on social distancing and personal and environmental hygiene; and (ii) the guidelines issued by the Centre for Health Protection of the Department of Health on the prevention of the spread of the novel coronavirus disease 2019 (the “COVID-19”), Regent Pacific Group Limited (the “Company”) will implement additional precautionary measures at the Extraordinary General Meeting in the interests of the health and safety of our Shareholders, investors, Directors, Members of Staff and other participants of the Meeting, which include without limitation:

Before the date of the Meeting

1. In light of the continuing risks posed by the COVID-19 pandemic and in the interests of protecting our Shareholders, the Company strongly:
 - (a) encourages members **NOT to attend the Extraordinary General Meeting in person**; and
 - (b) advises Members to appoint the chairman of the Meeting as their proxy to vote according to their indicated voting instructions.

Before entering the venue of the Meeting

2. All attendees will be required to **wear surgical face masks** before they are permitted to attend the Meeting.
3. There will be **compulsory body temperature screening** for all persons before entering the venue of the Meeting. Any person with a fever symptom will **NOT** be given access to the venue of the Meeting. Denied entry to the venue of the Meeting also means that the person will **NOT** be allowed to attend the Meeting.
4. There will be a **mandatory** health declaration completion (which may be used for close contact tracing, if required), so that attendees may be required to declare as to whether:
 - (a) he/she has travelled outside of Hong Kong within 14 days immediately before the Meeting;
 - (b) he/she is subject to any of the compulsory quarantine or medical surveillance order by the Hong Kong Government — Department of Health under its prescribed quarantine requirements;
 - (c) he/she has any flu-like symptoms (e.g. fever, cough, sore throat, running nose, breathing difficulty, shortness of breath, etc); and

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- (d) he/she has been in close contact with any confirmed case(s) and/or probable case(s) of the COVID-19 patients, or any person subject to the compulsory quarantine or medical surveillance order, or any person with recent travel history.

Any person who responds positively to any of these questions will be **denied** entry into the venue of the Meeting and will **NOT** be allowed to attend the Meeting.

In the Meeting

5. In view of the travelling restrictions and isolation policy currently imposed by the various jurisdictions, including Hong Kong, to prevent the spread of the COVID-19, there may not be any Directors of the Company who are able to come to Hong Kong to attend the Extraordinary General Meeting. In case no Directors are present at the Meeting, the Members present in person or by proxy and entitled to vote shall elect one of their number to be the chairman of the Meeting pursuant to Article 63 of the Company's Articles of Association.
6. Attendees are reminded to observe good personal hygiene at all times and keep on wearing surgical face masks during the process of the Meeting.
7. Appropriate distancing and spacing in line with the guidance from the Hong Kong Government will be maintained and as such, the Company may limit the number of attendees at the Meeting as may be necessary to avoid over-crowding.
8. No refreshments and coffee/tea will be served at the Meeting.

General

9. Subject to the development of the COVID-19, the Company may implement further changes and additional precautionary measures, which will be announced closer to the date of the Extraordinary General Meeting.
10. Health education materials and up-to-date development on the COVID-19 can be viewed on the websites of the Centre of Health Protection (www.chp.gov.hk) and of the Hong Kong Government on the COVID-19 (www.coronavirus.gov.hk).