
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.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.



REGENT PACIFIC GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0575)

**RE-ELECTION OF DIRECTORS;
GENERAL MANDATE TO ISSUE NEW SHARES;
GENERAL MANDATE TO REPURCHASE THE COMPANY'S OWN SHARES;
ESTABLISHMENT OF LONG TERM INCENTIVE PLAN 2007;
AND ANNUAL GENERAL MEETING FOR YEAR 2007**

A notice convening the annual general meeting of Regent Pacific Group Limited for Year 2007 is set out in Page 24 of this document. 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 as soon as possible but in any event not later than 11:00 am on Monday, 27 August 2007. 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.

30 July 2007

TABLE OF CONTENTS

	<i>Page</i>
Definitions	1
 Letter from the Chairman	
1. Introduction	4
2. Audited Financial Statements 2006-2007	5
3. Re-election of Directors	5
4. Re-appointment of Auditors	11
5. Share Issue Mandate	11
6. Repurchase Mandate	12
7. Extension of Share Issue Mandate	16
8. Establishment of the Long Term Incentive Plan 2007	16
9. The 2007 Annual General Meeting	19
10. Directors' recommendation	20
 Appendix — Principal terms of the Long Term Incentive Plan 2007	 21
 Notice of Annual General Meeting	 24

DEFINITIONS

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

“2007 AGM Notice”	the notice convening the 2007 Annual General Meeting as set out in Page 24 of this document
“2007 Annual General Meeting”	the annual general meeting of the Company for Year 2007 convened to be held on Wednesday, 29 August 2007, the notice of which is set out in Page 24 of this document
“Annual Report 2006-2007”	the annual report of the Company for the year ended 31 March 2007, which accompanies this document
“Articles of Association”	the articles of association of the Company
“Audited Financial Statements 2006-2007”	the audited financial statements of the Company for the year ended 31 March 2007 as set out in the Annual Report 2006-2007, which accompanies this document
“Auditors”	Grant Thornton, being the auditors of the Company
“Board”	the board of Directors
“Chairman”	the chairman of the Board, who is a Director
“Company”	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 the Frankfurt Stock Exchange
“connected person(s)”	shall have the meaning defined in Chapter 14A of the HK Listing Rules
“Convertible Bonds”	the US\$20 million 12 per cent guaranteed convertible bonds due 2009 issued by the Company on 31 March 2006 pursuant to the purchase agreement dated 30 March 2006
“Deferred Share(s)”	the non-voting convertible deferred share(s) of US\$0.01 each in the capital of the Company, which are not listed on any stock exchange
“Director(s)”	the director(s) of the Company
“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

DEFINITIONS

“HK Takeovers Code”	The Hong Kong Code on Takeovers and Mergers issued by the Hong Kong Securities and Futures Commission, as amended from time to time
“HK\$”	Hong Kong dollar(s), the lawful currency in Hong Kong
“Latest Practicable Date”	Friday, 20 July 2007, being the latest practicable date prior to the printing of this document for ascertaining certain information for inclusion in this document
“Long Term Incentive Plan 2007”	the long term incentive plan named the “Long Term Incentive Plan 2007” to be established by the Company
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company, as amended from time to time
“Option(s)”	the option(s) granted and exercisable under the Share Option Scheme (2002)
“Performance Bonus Plan”	the performance bonus plan of the Group established on 18 October 2002
“PRC”	the People’s Republic of China
“Redeemable Convertible Preference Shares”	the dividend bearing non-voting redeemable convertible preference shares of US\$0.01 each issued and allotted by the Company on 30 November 2006 pursuant to the subscription agreement dated 11 October 2006
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	an unconditional general mandate to be granted to the Directors, authorising them to repurchase, on the HK Stock Exchange, up to a maximum of 10 per cent of the fully paid voting Shares in issue as at the date of the 2007 Annual General Meeting or otherwise as at the date when the relevant resolution is passed
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	the ordinary share(s), with voting rights, of US\$0.01 each in the capital of the Company, which are listed on the HK Stock Exchange and the Frankfurt Stock Exchange

DEFINITIONS

“Share Issue Mandate”	an unconditional general mandate to be granted to the Directors, authorising them to issue, allot and otherwise deal with additional Shares up to a maximum of 20 per cent of the issued voting share capital of the Company as at the date of the 2007 Annual General Meeting or otherwise as at the date when the relevant resolution is passed
“Share Option Scheme (2002)”	the share option scheme of the Company named the “Share Option Scheme (2002)” established on 15 November 2002
“US\$”	United States dollar(s), the lawful currency in the United States
“YSSCCL”	Yunnan Simao Shanshui Copper Company Limited, the Sino-foreign equity joint venture enterprise established for the Dapingzhang Copper Mine and is a 40% owned associate of the Company

LETTER FROM THE CHAIRMAN



REGENT PACIFIC GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0575)

Executive Directors:

Jamie Gibson (*Chief Executive Officer*)

Clara Cheung

Non-Executive Directors:

James Mellon (*Chairman*)

David Comba[#]

Julie Oates[#]

Patrick Reid[#]

Mark Searle[#]

John Stalker

Jayne Sutcliffe

Dr Youzhi Wei

Anderson Whamond

Registered office:

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

British West Indies

Principal place of business in Hong Kong:

Suite 1401

Henley Building

5 Queen's Road Central

Hong Kong

[#] *Independent Non-Executive Directors*

30 July 2007

To the shareholders of Regent Pacific Group Limited

Dear Sir or Madam

**RE-ELECTION OF DIRECTORS;
GENERAL MANDATE TO ISSUE NEW SHARES;
GENERAL MANDATE TO REPURCHASE THE COMPANY'S OWN SHARES;
ESTABLISHMENT OF LONG TERM INCENTIVE PLAN 2007;
AND ANNUAL GENERAL MEETING FOR YEAR 2007**

1 INTRODUCTION

This document 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 following resolutions proposed at the 2007 Annual General Meeting, as set out in detail in the 2007 AGM Notice:

- a. To receive the Audited Financial Statements 2006-2007 and the relevant reports of the Directors and Auditors.

LETTER FROM THE CHAIRMAN

- b. To re-elect the Directors who will retire at the 2007 Annual General Meeting pursuant to the Articles of Association.
- c. To re-appoint the retiring Auditors.
- d. To approve the Share Issue Mandate.
- e. To approve the Repurchase Mandate.
- f. To approve the extension of the Share Issue Mandate.
- g. To approve the establishment of the Long Term Incentive Plan 2007.

2 AUDITED FINANCIAL STATEMENTS 2006-2007

The Audited Financial Statements 2006-2007 and the relevant reports of the Directors and the Auditors to be received under Resolution numbered 1 at the 2007 Annual General Meeting are set out in the Annual Report 2006-2007, which accompanies this document.

3 RE-ELECTION OF DIRECTORS

In accordance with Article 86(3) of the Articles of Association, any Director appointed after the close of the last annual general meeting of the Company shall retire at the next annual general meeting of the Company but shall then be eligible for re-election. Any Director who so retires shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

In accordance with Article 87, at each annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one-third), who have been longest in office since their last re-election or appointment, shall retire from office by rotation. A retiring Director shall be eligible for re-election.

Accordingly, John Stalker and Dr Youzhi Wei, who were appointed as Directors on 15 May 2007, will retire pursuant to Article 86(3) while Clara Cheung, Jayne Sutcliffe and Anderson Whamond will retire by rotation pursuant to Article 87 at the 2007 Annual General Meeting. All of them, being eligible, offer themselves for re-election under Resolution numbered 2 at the 2007 Annual General Meeting.

Biographical details of the retiring Directors are as follows:

- a. *John Ian Stalker*, aged 55, British, was appointed as a non-executive Director on 15 May 2007. Mr Stalker is an international mining executive with over thirty years of mining experience in Europe, Africa and Australia. He is CEO of UraMin Inc, which is developing mineral deposits, predominantly uranium, throughout the world. UraMin has a market capitalization of over US\$2 billion and has offices in London, United Kingdom and in

LETTER FROM THE CHAIRMAN

Johannesburg, South Africa. Prior to joining UraMin, Mr Stalker was at Gold Fields Ltd, the world's fourth largest gold producer. At Gold Fields, he managed the company's PGE project in Finland starting in 2001 and eventually became a vice president and responsible for all of the company's main project activities in Australia and Europe in 2004. Prior to Gold Fields, he worked at Lycopodium, an engineering, mining, and metallurgical consultancy company, where he was responsible for new business in Africa and acted as project manager on select projects worldwide.

From 1998 to 2000, Mr Stalker worked as a consultant on various projects located in Africa, including the Langer Heinrich Uranium project in Namibia. He also worked as a managing director at Ashanti Goldfield Company Limited from 1996 to 1998, where he was responsible for implementation of all the company's large scale projects in Africa. Mr Stalker has also been employed by Caledonia Mining Corporation (1995 to 1996), AGC Ltd (1987 to 1995) and Zambia Consolidated Copper Mines Ltd (1974 to 1987). He holds a BSc. in chemical engineering.

According to the Register of Directors' and Chief Executive's Interests and Short Positions required to be kept by the Company under Part XV of the SFO, as at the Latest Practicable Date, Mr Stalker did not have any interests in the Shares. However, he held, under the Share Option Scheme (2002), an Option, which was granted on 15 May 2007, entitling him to subscribe for an aggregate of 12,000,000 Shares at the exercise price of HK\$0.780 per Share. The Option entitles Mr Stalker to exercise one-third of the Option at each of the first, second and third anniversary dates after the date of grant. Any entitlements unexercised in any prior period may be carried forward to the following periods but, in any event, must be exercised within 10 years from the date of grant. All entitlements then remain unexercised will lapse.

Pursuant to his letter of appointment, Mr Stalker receives an annual fee of US\$20,000 (equivalent to HK\$156,000 at the exchange rate of HK\$7.80 to US\$1.00) from the Company in respect of his position as a non-executive Director, which is the same amount paid by the Company to its existing non-executive Directors. In addition, he is also entitled to participate in the Performance Bonus Plan. In respect of each financial year, a maximum of 20 per cent of the Group's consolidated operating profits before tax for the relevant year shall be retained as the bonus pool. However, the determination of a discretionary bonus award may be subject to performance targets as set by the committee that oversees the administration of the Performance Bonus Plan. Mr Stalker's letter of appointment does not specify a term of his appointment. However, his appointment may be terminated by either party giving 30 calendar days' notice, and he is also subject to the directors' retirement provisions as set out in the Articles of Association.

- b. ***Dr Youzhi Wei***, aged 44, Chinese, is an Australian citizen and lives in Sydney, Australia. Dr Wei was appointed as a non-executive Director on 15 May 2007. He is a qualified professional mining engineer with over 16 years of experience and knowledge of the mining industry, with particular experience of the Chinese mining industry and mineral projects. He has considerable experience in evaluating Chinese mining assets and/or projects.

LETTER FROM THE CHAIRMAN

Since early 2004, Dr Wei has been the founding chairman and chief consultant of the China Mining Business Solutions which provides independent technical, financial and policy advice to global mining companies, Chinese mining companies, financial institutions, private investors and government departments. Some of the companies that Dr Wei has advised include Placer Dome Group, Lingbao Gold Company Limited (HK Stock Code: 3330), Zhaojin Mining Industry Company Limited (HK Stock Code: 1818), CVRD, Alcoa, Redox Diamond Limited, and South China Resources Limited. Dr Wei is currently independent principal advisor to the Zhaojin Mining Industry Company Limited.

From 2001 to end of 2003, Dr Wei was the founding managing director of the SRK Consulting China Practice and was involved in a number of key projects as part of the SRK Consulting team as coordinator or principal consultant. In his role, Dr Wei:

- Undertook due diligence review and preparation of the SRK Independent Technical Report which was included in the prospectus for the IPO of the Fujian Zijin Mining Industry Company Limited (HK Stock Code: 2899) on the HK Stock Exchange in December 2003; and
- Undertook due diligence review and preparation of the SRK Independent Technical Report which was included in the prospectus for the dual listing of the China Aluminum Corporation Limited (HK Stock Code: 2600) on the New York Stock Exchange and the HK Stock Exchange in 2001.

From 1995 to 2000, Dr Wei worked for the Australia CSIRO Exploration and Mining as principal research engineer and leader of the mine environment and geomechanics group. Prior to joining CSIRO, Dr Wei worked for the Rio Tinto's Western Australia research and technology group (formerly CRA ATD) in Perth as Senior Research Engineer for three years.

Dr Wei is a Fellow and Chartered Professional Engineering in Mining of the Australasia Institute of Mining and Metallurgy. He obtained a BSc degree in Mining (1983) from South China University of Metallurgy, MSc in Mine Engineering (1986) and PhD in Geotechnical Engineering (1990) from China University of Mining and Technology. From June 2000 to end of 2001, he conducted his Post Doctoral Research in Maryland, USA.

According to the Register of Directors' and Chief Executive's Interests and Short Positions required to be kept by the Company under Part XV of the SFO, as at the Latest Practicable Date, Dr Wei did not have any interests in the Shares. However, he held, under the Share Option Scheme (2002), an Option, which was granted on 15 May 2007, entitling him to subscribe for an aggregate of 12,000,000 Shares at the exercise price of HK\$0.780 per Share. The Option entitles Dr Wei to exercise one-third of the Option at each of the first, second and third anniversary dates after the date of grant. Any entitlements unexercised in any prior period may be carried forward to the following periods but, in any event, must be exercised within 10 years from the date of grant. All entitlements then remain unexercised will lapse.

LETTER FROM THE CHAIRMAN

Pursuant to his letter of appointment, Dr Wei receives an annual fee of US\$20,000 (equivalent to HK\$156,000 at the exchange rate of HK\$7.80 to US\$1.00) from the Company in respect of his position as a non-executive Director, which is the same amount paid by the Company to its existing non-executive Directors. In addition, he is also entitled to participate in the Performance Bonus Plan (details as set out in sub-paragraph (a) above). Dr Wei's letter of appointment does not specify a term of his appointment. However, his appointment may be terminated by either party giving 30 calendar days' notice, and he is also subject to the directors' retirement provisions as set out in the Articles of Association.

- c. ***Cheung Mei Chu, Clara***, aged 33, Chinese, joined Regent Pacific Group in March 2002 and was appointed as the Finance Director of the Company in January 2004. Ms Cheung is a Certified Public Accountant of The Hong Kong Institute of Certified Public Accountants and a Fellow Member of The Association of Chartered Certified Accountants in the United Kingdom. She has a Master's degree in Business Administration from The Hong Kong University of Science and Technology. Prior to joining the Company, she has gained extensive experience in auditing and accounting with Deloitte Touche Tohmatsu. She is also a director of certain subsidiaries of Regent Pacific Group and Yunnan Simao Shanshui Copper Company Limited which is the Sino-foreign equity joint venture enterprise established for the Dapingzhang Copper Mine and is a 40% owned associate of the Company.

According to the Register of Directors' and Chief Executive's Interests and Short Positions required to be kept by the Company under Part XV of the SFO, as at the Latest Practicable Date, Ms Cheung did not have any interests in the Shares. However, she held, under the Share Option Scheme (2002), (i) an outstanding Option, which was granted on 9 September 2004, entitling her to subscribe for an aggregate of 1,200,000 Shares at the exercise price of HK\$0.266 per Share; (ii) an Option, which was granted on 4 April 2006, entitling her to subscribe for an aggregate of 8,000,000 Shares at the exercise price of HK\$0.300 per Share; and (iii) an Option, which was granted on 14 December 2006, entitling her to subscribe for an aggregate of 6,000,000 Shares at the exercise price of HK\$0.325 per Share. The Options entitle Ms Cheung to exercise one-third of the Option at each of the first, second and third anniversary dates after the date of grant. Any entitlements unexercised in any prior period may be carried forward to the following periods but, in any event, must be exercised within 10 years from the date of grant. All entitlements then remain unexercised will lapse.

Pursuant to her service contract, Ms Cheung received a basic salary of US\$172,000 (equivalent to HK\$1,341,600 at the exchange rate of HK\$7.80 to US\$1.00) from the Company during the year ended 31 March 2007 in respect of her position as Finance Director. The Company determined the amount of salary payable to Ms Cheung on what it believes a comparable company would pay to its finance director. In addition, she is also entitled to participate in the Performance Bonus Plan (details as set out in sub-paragraph (a) above). During the year ended 31 March 2007, the Company paid in aggregate US\$54,000 (equivalent to HK\$421,200 at the exchange rate of HK\$7.80 to US\$1.00) in respect of a discretionary bonus to Ms Cheung. Ms Cheung's service contract does not

LETTER FROM THE CHAIRMAN

specify a term for her appointment. However, either the Company or Ms Cheung may terminate her service contract by giving not less than three months' written notice to the other, and she is also subject to the directors' retirement provisions as set out in the Articles of Association.

- d. **Jayne Allison Sutcliffe**, aged 43, British, was appointed as the Group Corporate Finance Director in August 1991. Upon completion of a restructuring scheme of Regent Pacific Group and the Group's divestment in Charlemagne Capital Limited (formerly known as Regent Europe Limited) in June 2000 (the "**Restructuring Scheme**"), Mrs Sutcliffe became a non-executive Director of the Company. Since then, she has been the Chief Executive of Charlemagne Capital Limited, which is currently listed on the AIM (UK). Mrs Sutcliffe has spent most of her professional career in the fund management industry specialising in sales and marketing initially at Thornton Management and then at Tyndall Holdings Plc. Mrs Sutcliffe co-founded Regent Pacific Group in 1990 where she established, and was responsible for, the Group's corporate finance activities. She has a Master's degree in Theology from Oxford University.

According to the Register of Directors' and Chief Executive's Interests and Short Positions required to be kept by the Company under Part XV of the SFO, as at the Latest Practicable Date, Mrs Sutcliffe held personal interests in (1) 17,160,465 Shares, being 1.04 per cent of the Company's existing issued voting share capital; and (2) 250 Redeemable Convertible Preference Shares, which may be convertible into 6,724,138 Shares. Further, through a discretionary trust under which she and members of her family may become beneficiaries, she was interested in 27,965,226 Shares, being 1.69 per cent of the Company's existing issued voting share capital.

In addition, Mrs Sutcliffe also held (i) personally, 150,000 shares in the capital of AstroEast.com Limited (a 51 per cent owned subsidiary of the Company), being 0.54 per cent of its existing issued share capital; and (ii) through the aforesaid discretionary trust, 350,000 shares in the capital of bigsave Holdings plc (a 64.3 per cent d subsidiary of the Company), being 0.88 per cent of its existing issued share capital.

Pursuant to her letter of appointment, Mrs Sutcliffe receives an annual fee of US\$20,000 (equivalent to HK\$156,000 at the exchange rate of HK\$7.80 to US\$1.00) from the Company in respect of her position as a non-executive Director. The Company determined the amount of fee payable to Mrs Sutcliffe on what it believes a comparable company would pay to a non-executive director. In addition, she is also entitled to participate in the Performance Bonus Plan (details as set out in sub-paragraph (a) above). During the year ended 31 March 2007, the Company did not pay any discretionary bonus to Mrs Sutcliffe. Mrs Sutcliffe's letter of appointment does not specify a term for her appointment. However, her appointment may be terminated by either party giving 30 calendar days' notice, and she is also subject to the directors' retirement provisions as set out in the Articles of Association.

- e. **Alexander Anderson Whamond**, aged 47, British, was appointed as an executive Director of the Company in January 1999. Upon completion of the Restructuring Scheme (as defined above), Mr Whamond became a non-executive Director of the Company. He commenced his

LETTER FROM THE CHAIRMAN

career in 1982 with White Weld Securities Limited. Subsequently, he worked at both Salomon Brothers and Morgan Stanley International in London. Prior to joining Regent Pacific Group in March 1998 as the head of the Group's head of Corporate Investments, Mr Whamond was a Managing Director of Peregrine Securities International Limited and a member of the executive committee of Peregrine Investment Holdings Limited. Mr Whamond is currently director of the following companies which are listed on the AIM (UK): Charlemagne Capital Limited, European Convergence Property Company Plc, European Convergence Development Company Plc and Naya Bharat Property Company Plc. He is also director of certain subsidiaries of Regent Pacific Group and a private equity fund managed by the Group.

According to the Register of Directors' and Chief Executive's Interests and Short Positions required to be kept by the Company under Part XV of the SFO, as at the Latest Practicable Date, Mr Whamond held personal interests in 7,500,000 Shares, being 0.45 per cent of the Company's existing issued voting share capital. Further, through a pension fund, of which he is the sole beneficiary, he was interested in (1) 5,826,088 Shares, being 0.35 per cent of the Company's existing issued voting share capital; and (2) 250 Redeemable Convertible Preference Shares, which may be convertible into 6,724,138 Shares. Moreover, Mr Whamond was interested, by way of family interests, in 1,000,000 Shares, being 0.06 per cent of the Company's existing issued voting share capital.

Mr Whamond also held personal interests in (i) 150,000 shares in the capital of AstroEast.com Limited (a 51 per cent owned subsidiary of the Company), being 0.54 per cent of its existing issued share capital; and (ii) 350,000 shares in the capital of bigsave Holdings plc (a 64.3 per cent owned subsidiary of the Company), being 0.88 per cent of its existing issued share capital.

Pursuant to his letter of appointment, Mr Whamond receives an annual fee of US\$20,000 (equivalent to HK\$156,000 at the exchange rate of HK\$7.80 to US\$1.00) from the Company in respect of his position as a non-executive Director and an annual fee of US\$5,000 (equivalent to HK\$39,000 at the exchange rate of HK\$7.80 to US\$1.00) from a subsidiary of the Company. The Company determined the amount of fee payable to Mr Whamond on what it believes a comparable company would pay to a non-executive director. In addition, he is also entitled to participate in the Performance Bonus Plan (details as set out in sub-paragraph (a) above). During the year ended 31 March 2007, the Company did not pay any discretionary bonus to Mr Whamond. Mr Whamond's letter of appointment does not specify a term for his appointment. However, his appointment may be terminated by either party giving 30 calendar days' notice, and he is also subject to the directors' retirement provisions as set out in the Articles of Association.

Save for disclosed above, none of the retiring Directors:

- (1) holds any directorships in any listed company;

LETTER FROM THE CHAIRMAN

(2) has any relationships (either financial or business or family or other material/relevant relationship(s)) with any other Directors, senior management or substantial or controlling shareholders of the Company; or

(3) has to disclose any issues under Rule 13.51(2)(h) to 2(v) of the HK Listing Rules.

There are no other matters, to the best knowledge of the Directors, that need to be brought to the attention of the holders of securities of the Company.

Shareholders have noted from the announcement issued by the Company on 15 May 2007 in respect of the appointment of John Stalker and Dr Youzhi Wei that Mr Stalker will be involved in advising management on the development of the Company's mining investments and, in particular, the proposed expansion at the Dapingzhang mine, which the Company has a 40% equity interest in, and Dr Wei will be tasked with bringing new mining projects for management to review. In the Board's opinion, these appointments bring a wealth of mining experience and importantly Dr Wei's mining contacts and knowledge to the Board.

In addition, Rule 3.24 of the HK Listing Rules requires that every listed company must ensure that, at all times, it employs a qualified accountant on a full-time basis. The responsibility of such individual must include oversight of the company and its subsidiaries in connection with its financial reporting procedures and internal controls and compliance with the requirements under the HK Listing Rules with regard to financial reporting and other accounting-related issues. This individual must be a member of the senior management of the listed company (preferably an executive director). Shareholders will note that the appointment of Clara Cheung to the Board complies with the requirement under Rule 3.24.

4 RE-APPOINTMENT OF AUDITORS

Grant Thornton will retire at the 2007 Annual General Meeting and, being eligible, offer themselves for re-appointment under Resolution numbered 3.

5 SHARE ISSUE MANDATE

The general mandate granted to the Directors at the Company's last annual general meeting held on 31 August 2006 to issue, allot and otherwise deal with additional Shares up to a maximum of 20 per cent of the Company's then issued voting share capital will expire at the conclusion of the 2007 Annual General Meeting provided that it is not revoked or varied by a shareholders' resolution before then. Accordingly, the Directors have proposed Ordinary Resolution numbered 4 at the 2007 Annual General Meeting to renew the share issue mandate.

The proposed Ordinary Resolution numbered 4 set out in the 2007 AGM Notice will, if passed, grant the Share Issue Mandate to the Directors authorising them to issue, allot and otherwise deal with additional Shares up to a maximum of 20 per cent of the issued voting share capital of the Company as at the date when the relevant resolution is passed. The Share Issue Mandate, if approved at the 2007 Annual General Meeting, will expire at the conclusion of the next annual general meeting of the Company unless it is revoked or varied by a shareholders' resolution before then.

LETTER FROM THE CHAIRMAN

As at the Latest Practicable Date, there were 1,650,488,495 voting Shares in issue. Accordingly, on the assumption that prior to the date of the 2007 Annual General Meeting, (i) no Convertible Bonds will be converted into Shares; (ii) no Redeemable Convertible Preference Shares will be converted into Shares; (iii) no additional Shares will be issued either upon exercise of any Options or otherwise; and (iv) no Shares will be repurchased by the Company, exercise in full of the Share Issue Mandate would result in up to 330,097,699 Shares being issued by the Company during the Relevant Period (as defined in the proposed Ordinary Resolution numbered 4 in the 2007 AGM Notice). Approval has been obtained from the HK Stock Exchange for the listing of and permission to deal in the new Shares to be issued upon conversion of the Convertible Bonds and Redeemable Convertible Preference Shares and upon exercise of the Options. Any other issue of new Shares is subject to approval from the HK Stock Exchange for the listing of and permission to deal in such new Shares.

6 REPURCHASE MANDATE

The general mandate granted to the Directors at the Company's last annual general meeting held on 31 August 2006 to repurchase, on the HK Stock Exchange, Shares up to a maximum of 10 per cent of the Company's then issued and fully paid voting share capital will expire at the conclusion of the 2007 Annual General Meeting provided that it is not revoked or varied before then. Accordingly, the Directors have proposed Ordinary Resolution numbered 5 at the 2007 Annual General Meeting to renew the repurchase mandate.

The proposed Ordinary Resolution numbered 5 set out in the 2007 AGM Notice will, if passed, grant the Repurchase Mandate to the Directors authorising them to repurchase, on the HK Stock Exchange, up to a maximum of 10 per cent of the fully paid voting Shares in issue as at the date when the relevant resolution is passed. The Repurchase Mandate, if approved at the 2007 Annual General Meeting, will expire at the conclusion of the next annual general meeting of the Company unless it is revoked or varied by a shareholders' resolution before then.

As at the Latest Practicable Date, there were 1,650,488,495 voting Shares in issue. Accordingly, on the same assumptions set out in (i) to (iv) of Paragraph 5 above, exercise in full of the Repurchase Mandate would result in up to 165,048,849 Shares being repurchased by the Company during the Relevant Period (as defined in the proposed Ordinary Resolution numbered 5 in the 2007 AGM Notice).

The Directors have undertaken to the HK Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the HK Listing Rules and the laws of the Cayman Islands.

(a) Reasons for repurchases

The Directors believe that it is in the best interests of the Company and its shareholders for the Directors to have a general authority from shareholders to enable the Company to

LETTER FROM THE CHAIRMAN

repurchase its Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

(b) **Funding of repurchases**

In repurchasing Shares, the Company may only apply funds legally available for such purposes in accordance with its Memorandum and Articles of Association and the laws of the Cayman Islands. Such funds may include capital paid up on the purchased Shares, profits otherwise available for dividends or the proceeds of a new issue of Shares.

If the Repurchase Mandate were exercised in full, there could be a material adverse impact on the Group's working capital position or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Group (as compared with the position disclosed in the Audited Financial Statements 2006-2007). The Directors therefore do not propose to exercise the Repurchase Mandate to such an extent unless the Directors determine that such repurchases are, taking account of all relevant factors, in the best interests of the Group.

(c) **Dealing restrictions**

The Company shall not purchase its Shares on the HK Stock Exchange if the purchase price is higher by 5 per cent or more than the average closing market price for the five preceding trading days on which its Shares were traded on the HK Stock Exchange. In addition, the Company shall not purchase its Shares on the HK Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the HK Stock Exchange from time to time.

The Company shall not purchase its Shares on the HK Stock Exchange at any time after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information is made publicly available. In particular, unless the circumstances are exceptional, the Company may not purchase its Shares on the HK Stock Exchange during the period of one month immediately preceding the earlier of:

- (i) the date of the Board meeting of the Company (as such date is first notified to the HK Stock Exchange in accordance with the HK Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the HK Listing Rules); and
- (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the HK Listing Rules, or quarterly or any other interim period (whether or not required under the HK Listing Rules),

LETTER FROM THE CHAIRMAN

and ending on the date of the results announcement.

The Company may not purchase its Shares on HK Stock Exchange if that purchase would result in the number of its Shares in the hands of the public being reduced to less than 25 per cent of the Shares then in issue. Exercise of the Repurchase Mandate in full will not, however, result in the Company's public float being reduced to less than the requirement prescribed in the HK Listing Rules for the Company.

The Company shall not knowingly purchase its Shares from a connected person and a connected person shall not knowingly sell his Shares to the Company, on the HK Stock Exchange. None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates has a present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such mandate is approved by shareholders. No other connected persons have notified the Company that they intend to sell Shares to the Company. However, none of the Directors (or any of their associates) or other connected persons has undertaken to the Company not to do so, in the event that the Repurchase Mandate is approved by shareholders.

(d) **Status of repurchased securities**

The listing of all securities repurchased by a listed company (whether on the HK Stock Exchange or otherwise) shall be automatically cancelled upon repurchase and the corresponding certificates will be cancelled and destroyed as soon as reasonably practicable following the settlement of any such purchases. Under the Cayman Islands law, the Shares so repurchased will be treated as having been cancelled.

Repurchase of Shares will not cause any change in the authorised share capital of the Company.

(e) **Repurchase of Shares**

During the six months immediately preceding the Latest Practicable Date, no Shares were repurchased by the Company or any of its subsidiaries, either on the HK Stock Exchange or otherwise.

LETTER FROM THE CHAIRMAN

(f) **Market prices**

The highest and lowest prices at which the Shares were traded on the HK Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

Month	Highest traded price per Share (HK\$)	Lowest traded price per Share (HK\$)
2006		
July	0.375	0.320
August	0.365	0.275
September	0.440	0.305
October	0.385	0.325
November	0.380	0.325
December	0.335	0.290
2007		
January	0.480	0.280
February	0.460	0.380
March	0.450	0.360
April	0.800	0.415
May	0.950	0.680
June	0.950	0.730
July (up to the Latest Practicable Date)	1.100	0.840

(g) **HK Takeovers Code**

If, as a result of a share repurchase by the Company, a shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purpose of the HK Takeovers Code. Accordingly, a shareholder, or groups of shareholders acting in concert, could, depending upon the level of increase in shareholding interest(s), obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rule 26 of the HK Takeovers Code. As at the Latest Practicable Date, according to the Register of Interests in Shares and Short Positions of Substantial Shareholders being kept by the Company pursuant to Part XV of the SFO, James Mellon (and his associates) held a 25.09 per cent interest in the total issued voting share capital of the Company. In addition, according to the Register of Directors' and Chief Executive's Interests and Short Positions being kept by the Company pursuant to Part XV of the SFO, Jayne Sutcliffe and Anderson Whamond, both being Directors, held a 2.73 per cent and a 0.87 per cent interest respectively in the total issued voting share capital of the Company. James Mellon, Jayne Sutcliffe and Anderson Whamond (the "**Concert Party Group**") have registered their aggregate holding as at 19 October 2001 pursuant to Rule 26.6 of the HK Takeovers Code. However, even if the Repurchase Mandate were exercised in full, the Concert Party Group would not hold more than 35 per cent of the Company's total issued voting share capital and become obliged to make a mandatory general offer under the HK Takeovers Code.

LETTER FROM THE CHAIRMAN

7 EXTENSION OF SHARE ISSUE MANDATE

The proposed Ordinary Resolution numbered 6 set out in the 2007 AGM Notice will, if passed, extend the Share Issue Mandate to include the aggregate number of Shares which may from time to time be repurchased by the Company pursuant to, and in accordance with, the Repurchase Mandate.

If the Repurchase Mandate is exercised in full, the Directors would, under the extended Share Issue Mandate and on the basis of the assumptions set out in (i) to (iv) of Paragraph 5 above in respect of the total issued voting share capital of the Company as at the date of the 2007 Annual General Meeting, be authorised to issue up to 495,146,548 Shares during the Relevant Period (as defined in the proposed Ordinary Resolution numbered 4 in the 2007 AGM Notice).

8 ESTABLISHMENT OF THE LONG TERM INCENTIVE PLAN 2007

The Company operates in a local market where it competes for a limited resource of talented executives. It recognises that to achieve its business objectives, the Company needs high quality, committed people. The Company has therefore designed an executive remuneration policy to support its business goals by enabling it to attract, retain and appropriately reward executives of the calibre necessary to produce very high levels of performance. This policy is regularly reviewed to take account of changing market, industry and economic circumstances, as well as developing Company requirements.

The main principles of the Company's remuneration policy are:

- To provide total remuneration which is competitive in structure and quantum with comparable companies;
- To achieve clear alignment between total remuneration and delivered business and personal performance with particular emphasis on creation of shareholder value;
- To link remuneration with clearly defined performance criteria that are consistent with the best interests of the Company and shareholders over the short, medium and long term; and
- To provide an appropriate balance between fixed, variable and deferred remuneration.

The Company's remuneration components are:

a. Basic salary

Basic salaries are reviewed annually and adjusted as necessary, taking into account the performance of an employee and the Company.

LETTER FROM THE CHAIRMAN

Remuneration is rewarded through the following arrangements:

b. Short term bonus scheme

Eligible employees (including employees and executive Directors and non-executive Directors of any company of the Group but excluding independent non-executive Directors of any company of the Group) participate in the Company's cash bonus plan that is designed to support overall remuneration policy by focussing participants on achieving semi-annual performance goals which contribute to sustainable shareholder value.

The Remuneration Committee reviews and approves cash awards for participants semi-annually. Bonus payments are linked to the Company's financial performance and personal performance.

c. Long term incentives

Each year the Remuneration Committee considers whether a grant of options should be made under the Share Option Scheme (2002) and if so at what level. In arriving at a decision, the Remuneration Committee will take into consideration the personal performance of each participant. The Remuneration Committee may also award share options during the year for new participants who join the Company. The Directors ultimately consider and if thought fit approve the Remuneration Committee's recommendations. The purpose of the scheme is to provide the Company with a flexible means of either retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to eligible participants or such other purposes as the Directors may approve from time to time. Option holder is entitled to exercise one-third of the option granted at each of the first, second and third anniversary dates after the date of grant. Any entitlements unexercised in any prior period may be carried forward to the following periods but, in any event, must be exercised within 10 years from the date of grant. The Directors may specify that any exercisable date of any options be subject to certain performance targets being achieved by the Company. Accordingly, in view of the basis of fixing the exercise price, the option holder will anticipate a price appreciation in the Shares in order for them to benefit from the results of the Company. The Share Option Scheme (2002) will serve as an incentive scheme for awarding long service participants.

As at the Latest Practicable Date, there were outstanding options under the Share Option Scheme (2002), entitling the holders to subscribe, in stages in accordance with their respective vesting schedules, for an aggregate of 142,604,000 Shares at the exercise prices ranging from HK\$0.266 to HK\$0.780 per Share.

Shareholders please note from sub-paragraph (d) below that no further options under the Share Option Scheme (2002) will be granted upon adoption of the Long Term Incentive Plan 2007.

LETTER FROM THE CHAIRMAN

d. New long term incentive plan

The Remuneration Committee and the Directors have approved a restricted share scheme called the “Long Term Incentive Plan 2007” for executives. The new plan is designed to support the Company’s ability to attract and retain key staff in an increasingly tight and competitive labour market. Under the new plan, eligible employees may receive a conditional award of shares which will vest, wholly or partly, when certain trigger events happen, including but not limited to, performance conditions laid down by the Remuneration Committee at the time of the award have been satisfied or the sale of the Company’s interest in YSSCCL. The plan will expire on the tenth anniversary of the adoption date.

Pursuant to the scheme rules, the Board shall nominate selected employees and determine the number of Shares to be awarded. To the extent that the vesting conditions of the award specified by the Remuneration Committee at the time of making the award and the vesting conditions set out in the scheme rules have been satisfied, the relevant number of Shares subject to the award will be transferred to that employee at no cost. No new Shares can be issued under the new plan.

The Long Term Incentive Plan 2007 is different from the Share Option Scheme (2002). Under the Long Term Incentive Plan 2007, a trustee appointed by the Company will acquire Shares from the market at the cost of the Company and employees are granted conditional rights to free shares over the vesting period. Unlike the Share Option Scheme (2002), employees are not required to pay any consideration for granting of the rights or to pay any exercise price for the vesting of the rights and the transfer of the Shares. For the avoidance of doubt, the establishment and operation of the Long Term Incentive Plan 2007 are not subject to Chapter 17 of the HK Listing Rules. Upon adoption of the Long Term Incentive Plan 2007, no further options under the Share Option Scheme (2002) (as referred to in sub-paragraph (c) above) will be granted.

For sake of good corporate governance practice, the Directors have proposed Ordinary Resolution numbered 7 at the 2007 Annual General Meeting to seek shareholders’ approval for the establishment of the Long Term Incentive Plan 2007, which will enable the Company to grant, as incentives, conditional rights to eligible persons to acquire Shares.

Principal terms of the Long Term Incentive Plan 2007 are set out in the appendix to this document.

As at the Latest Practicable Date, there were 1,650,488,495 voting Shares in issue. Accordingly, on the same assumptions set out in (i) to (iv) of Paragraph 5 above, and if the Long Term Incentive Plan 2007 is adopted at the 2007 Annual General Meeting:

- (1) the total number of Shares which may be transferred on vesting of all awards granted under the plan is limited to 10 per cent of the Company’s issued ordinary share capital on the date of adoption, which will be 165,048,849 Shares; and

LETTER FROM THE CHAIRMAN

- (2) the total number of Shares subject to a unit or units granted to an individual eligible person is limited to 3 per cent of the Company's issued ordinary share capital on the date of adoption, which will be 49,514,654 Shares.

9 The 2007 Annual General Meeting

The 2007 AGM Notice is set out in Page 24 of this document. 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 as soon as possible but in any event not later than 11:00 am on Monday, 27 August 2007. 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.

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.

A resolution put to the vote of a meeting shall be decided on a show of hands unless a poll is required under the HK Listing Rules or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- a. by the chairman of such meeting; or
- b. by at least three members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- c. by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or

LETTER FROM THE CHAIRMAN

- d. by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and holding Shares in the Company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal not less than one-tenth of the total sum paid up on all Shares conferring that right.

A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a member.

10 DIRECTORS' RECOMMENDATION

Shareholders are encouraged to study the information contained in this document and the Annual Report 2006-2007 relevant to the resolutions proposed at the 2007 Annual General Meeting so as to make decision as to whether to vote in favour of the resolutions.

The Directors consider that the re-election of the retiring Directors, the Share Issue Mandate, the Repurchase Mandate, the extension of the Share Issue Mandate and the establishment of the Long Term Incentive Plan 2007 are in the best interests of the Group. Accordingly, the Directors recommend that all shareholders vote in favour of Ordinary Resolutions numbered 2, 4, 5, 6 and 7 proposed at the 2007 Annual General Meeting.

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

James Mellon
Chairman

The principal terms of the Long Term Incentive Plan 2007 are as follows:

1. **Operation of the plan**

The Long Term Incentive Plan 2007 (the “**Plan**”) will expire on the tenth anniversary of the adoption date, being the date when it is adopted by the shareholders of the Company at a general meeting (the “**Adoption Date**”). The Plan will expire on the tenth anniversary of the Adoption Date.

2. **Eligible persons**

All employees (including executive Directors) or non-executive Directors of the Company or any subsidiary of the Company or any other company which is associated with the Company and is designated by the Board as a member of the Group (each being a “**Member of the Group**”) may be selected by the Board to be an eligible person (“**Eligible Person(s)**”) for participation in the Plan.

3. **Grant of units**

The Board may grant to an Eligible Person (“**Grantee(s)**”) a unit (“**Unit(s)**”), being a conditional right to acquire Shares, under Plan. The grant of a Unit, and the terms of that Unit, must be approved in advance by the Board. When granting Units, the Board will impose such conditions (if any) (“**Performance Target**”) as the Remuneration Committee may direct on their vesting. A Grantee is not required to pay for the grant of any Unit.

A Grantee shall not be entitled to vote or receive dividends in respect of the Shares subject to a Unit until the Shares have been transferred to him in accordance with the provisions of the Plan.

Unless being a transmission of a Unit on the death of a Grantee to his personal representative or an assignment with the prior consent of the Board, a Unit or any rights in respect of it is non-transferable until the Unit has been vested.

4. **Vesting of units**

All Units granted to a participant on any one occasion will vest in full upon the occurrence of any of the following event (the “**Trigger Event**”):

- a. a bona fide sale of ordinary shares in the capital of Yunnan Simao Shanshui Copper Company Limited from time to time in an underwritten (firm commitment) public offering, resulting in the listing of the ordinary shares of YSSCCL on a recognised investment exchange; or

- b. a transaction or series of transactions (including by way of merger, consolidation, recapitalisation, reorganisation, issuance of securities or sale of securities) that results in a change of control of YSSCCL; or
- c. the sale of 100 per cent of the Company's shareholding or registered interest in YSSCCL; or
- d. a change of control of the Company pursuant to the HK Takeovers Code; or
- e. unless the terms of any Performance Target specify otherwise, on the Board determining that any Performance Target has been satisfied.

Where the Trigger Event is the determination by the Board that a Performance Target has been satisfied, 33 per cent of the Units granted to that participant on that occasion will vest on the occurrence of the Trigger Event. The balance will vest:

- i. as to 50 per cent of the balance, on the second anniversary of the offer date; and
- ii. as to the other 50 per cent of the balance, on the third anniversary of the offer date.

But if the Trigger Event occurs on or after either or both of these dates, the relevant percentage of the Units will vest on the date of the Trigger Event.

For the avoidance of doubt, if any other Trigger Event occurs before either of these dates, the Units will vest on the date of that other Trigger Event.

Within 30 days of vesting of a Unit, the Company will procure the payment to or to the order of the Grantee of an amount equal to the total amount of all dividends paid on the number of Shares subject to a Unit from the offer date until the date of vesting plus accrued interest.

The Grantee may not transfer 50 per cent of the Shares in respect of which a Unit is vested on any one occasion for six months following the date of transfer of the Shares to the Grantee and, during that period, those Shares shall be subject to compulsory transfer by the Company.

5. **Lapse and cancellation of Units**

A Unit will lapse (to the extent it has not been vested) on the date the Grantee ceases to be an employee of a Member of the Group, unless the Board determines otherwise in its sole discretion.

The Board may cancel any Unit. Unless the Grantee otherwise agrees, the Board may only cancel a Unit if, at the election of the Board, the Company pays to the Grantee an amount equal to the fair market value of the Shares underlying the Unit at the date of cancellation as determined by the Board, after consultation with the Auditors or an independent financial adviser appointed by the Board, or the Board makes such arrangements as the Grantee may agree to compensate him or her for the cancellation of the Unit.

6. Reorganisation of capital structure

If the Company undertakes a rights issue, pays a special dividend (but not a dividend in the ordinary course) or if there is a demerger affecting any Member of the Group or there is any alteration in the capital structure of the Company, whether by way of a capitalisation of profits or reserves, open offer, consolidation or sub-division of shares or reduction of the share capital of the Company, such corresponding adjustments (if any) shall be made to the number of Shares subject to the Unit as the Auditors or independent financial adviser appointed by the Board shall certify in writing to the Board to be in their opinion fair and reasonable.

7. Limits

The total number of Shares which may be transferred upon vesting of all Units to be granted under the Plan must not in aggregate exceed 10 per cent of the issued ordinary share capital of the Company on the Adoption Date.

The total number of Shares subject to a Unit or Units granted to an individual Eligible Person is limited to 3 per cent of the issued ordinary share capital of the Company on the Adoption Date.

For the reference of the shareholders, as at the Latest Practicable Date, there were 1,650,488,495 voting Shares in issue. Accordingly, on the assumption that prior to the date of the 2007 Annual General Meeting, (i) no Convertible Bonds will be converted into Shares; (ii) no Redeemable Convertible Preference Shares will be converted into Shares; (iii) no additional Shares will be issued either upon exercise of any Options or otherwise; and (iv) no Shares will be repurchased by the Company, and if the Plan is adopted at the 2007 Annual General Meeting:

- a. the total number of Shares which may be transferred on vesting of all awards granted under the Plan is limited to 165,048,849 Shares; and
- b. the total number of Shares subject to a Unit or Units granted to an individual Eligible Person is limited to 49,514,654 Shares.

8. No further share options

No further options under the Share Option Scheme (2002) will be granted upon adoption of the Plan.

NOTICE OF ANNUAL GENERAL MEETING



REGENT PACIFIC GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0575)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Company for Year 2007 will be held at The Lagoon Ballroom, The Landmark Macau*, 555 Avenida de Amizade, Macau on Wednesday, 29 August 2007 at 11:00 am for the following purposes (*Shuttle buses of The Landmark Macau will depart from the New Macau Maritime Ferry Terminal at 10:15 am and 10:45 am):

1. To receive and consider the audited financial statements of the Company and the reports of the directors and auditors for the year ended 31 March 2007.
2. To re-elect directors of the Company and to confirm their remuneration.
3. To re-appoint auditors of the Company and to authorise the directors of the Company to fix their remuneration.
4. As special business, to consider and, if thought fit, pass (with or without amendments) the following resolution

AS AN ORDINARY RESOLUTION

“**THAT** there be granted to the directors of the Company (the “**Directors**”) an unconditional general mandate to issue, allot and otherwise deal with additional shares of US\$0.01 each in the capital of the Company (“**Shares**”) and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:

- (a) such mandate shall not extend beyond the Relevant Period save that the Directors may, during the Relevant Period, make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (b) the aggregate number of Shares to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to this Resolution, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of rights of subscription or conversion under the terms of any warrants or any other securities issued by the Company carrying rights to subscribe for or purchase or convert into Shares; or (iii) the exercise of share options under any employee share option scheme or similar arrangement for the time being adopted for

NOTICE OF ANNUAL GENERAL MEETING

the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares, shall not exceed 20 per cent of the issued voting share capital of the Company as at the date of the passing of this Resolution; and

- (c) for the purposes of this Resolution:

“**Relevant Period**” means the period from the date of the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; and
- (iii) the revocation or variation of this Resolution by an ordinary resolution of the shareholders of the Company at a general meeting.

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer (open for a period fixed by the Directors) made to holders of the Shares or any class thereof on the Register of Members of the Company on a fixed record date pro rata to their then holdings of such Shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in, or in any territory outside, Hong Kong).”

5. As special business, to consider and, if thought fit, pass (with or without amendments) the following resolution

AS AN ORDINARY RESOLUTION

“**THAT** there be granted to the directors of the Company (the “**Directors**”) an unconditional general mandate to repurchase, on The Stock Exchange of Hong Kong Limited, the shares of US\$0.01 each in the capital of the Company (“**Shares**”), subject to and in accordance with all applicable laws, rules and regulations and the following conditions:

- (a) such mandate shall not extend beyond the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (b) such mandate shall authorise the Directors to procure the Company to repurchase Shares at such prices as the Directors may at their discretion determine;
 - (c) the aggregate number of Shares to be repurchased by the Company pursuant to this Resolution during the Relevant Period shall not exceed 10 per cent of the issued voting share capital of the Company as at the date of the passing of this Resolution; and
 - (d) for the purposes of this Resolution, “**Relevant Period**” means the period from the date of the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; and
 - (iii) the revocation or variation of this Resolution by an ordinary resolution of the shareholders of the Company at a general meeting.”
6. As special business, to consider and, if thought fit, pass (with or without amendments) the following resolution

AS AN ORDINARY RESOLUTION

“**THAT**, conditional upon the passing of Ordinary Resolutions numbered 4 and 5 above, the aggregate number of Shares which may from time to time be repurchased by the Company pursuant to, and in accordance with, the general mandate granted under Ordinary Resolution numbered 5 shall be added to the aggregate number of Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to, and in accordance with, the general mandate granted under Ordinary Resolution numbered 4.”

NOTICE OF ANNUAL GENERAL MEETING

7. As special business, to consider and, if thought fit, pass (with or without amendments) the following resolution

AS AN ORDINARY RESOLUTION

“**THAT** a long term incentive plan named the “Long Term Incentive Plan 2007” (a copy of the rules of which has been produced at the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification) be and is hereby adopted.”

By Order of the Board of
Regent Pacific Group Limited

Stella Fung
Company Secretary

Directors of the Company:

James Mellon (*Chairman*)*
Jamie Gibson (*Chief Executive Officer*)
Clara Cheung
David Comba#
Julie Oates#
Patrick Reid#
Mark Searle#
John Stalker*
Jayne Sutcliffe*
Dr Youzhi Wei*
Anderson Whamond*

* *Non-Executive Directors*

Independent Non-Executive Directors

Hong Kong, 30 July 2007

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. The audited financial statements of the Company and the reports of the directors and auditors for the year ended 31 March 2007 are set out in the Company's annual report.
2. The directors standing for re-election under Resolution numbered 2 are John Stalker, Dr Youzhi Wei, Clara Cheung, Jayne Sutcliffe and Anderson Whamond. Biographical details of the retiring Directors are set out in the shareholders' circular dated 30 July 2007 issued by the Company (the "**Circular**"), which accompanies the Company's annual report for the year ended 31 March 2007.
3. Grant Thornton will retire at the Company's annual general meeting for Year 2007 being convened by this notice (the "**2007 Annual General Meeting**") and, being eligible, offer themselves for re-appointment under Resolution numbered 3.
4. The general mandate granted to the Directors of the Company at its last annual general meeting held on 31 August 2006 (the "**2006 Annual General Meeting**") to issue, allot and otherwise deal with additional shares up to a maximum of 20 per cent of the Company's then issued voting share capital will expire at the conclusion of the 2007 Annual General Meeting. Accordingly, the Directors propose Ordinary Resolution numbered 4 to renew the share issue mandate.

The share issue mandate, if approved at the 2007 Annual General Meeting, will expire at the conclusion of the next annual general meeting of the Company unless it is revoked or varied by a shareholders' resolution before then. Shareholders are recommended to read the Circular, which contains important information concerning Ordinary Resolution numbered 4 in respect of the share issue mandate.

5. The general mandate granted to the Directors of the Company at the 2006 Annual General Meeting to repurchase, on The Stock Exchange of Hong Kong Limited, the Company's shares up to a maximum of 10 per cent of the Company's then issued and fully paid voting share capital will expire at the conclusion of the 2007 Annual General Meeting. Accordingly, the Directors propose Ordinary Resolution numbered 5 to renew the repurchase mandate.

The repurchase mandate, if approved at the 2007 Annual General Meeting, will expire at the conclusion of the next annual general meeting of the Company unless it is revoked or varied by a shareholders' resolution before then. Shareholders are recommended to read the Circular, which contains important information concerning Ordinary Resolution numbered 5 in respect of the repurchase mandate.

6. The proposed Ordinary Resolution numbered 6 is to seek shareholders' approval to extend the share issue mandate to be granted under Ordinary Resolution numbered 4 to include the shares from time to time repurchased by the Company under the repurchase mandate pursuant to the repurchase mandate to be granted under Ordinary Resolution numbered 5.

NOTICE OF ANNUAL GENERAL MEETING

7. The proposed Ordinary Resolution numbered 7 is to seek shareholders' approval for the establishment of a long term incentive plan for the Company named the "Long Term Incentive Plan 2007". Shareholders are recommended to check the details of the proposed plan, including its principal terms, set out in the Circular.
8. 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.
9. 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 Suite 1401, Henley Building, 5 Queen's Road Central, Hong Kong not less than 48 hours before the time appointed for the meeting or its adjourned meeting.
10. 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.
11. In the case of a conflict between the English text of this notice and its Chinese translation, the English text will prevail.