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REGENT PACIFIC GROUP LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 0575)

**Announcement of significant developments
relating to Bridge Securities Co., Ltd**

On 24 May 2004, the directors of Bridge approved a mandatory share buy-back of 150 million Bridge shares at KRW1,000 (circa US\$0.85 or HK\$6.63) per Bridge share, which will amount to KRW150 billion (circa US\$127.4 million or HK\$993.1 million) or 41% of Bridge's net asset value as at 31 December 2003. This mandatory share buy-back will be put to Bridge shareholders for approval at its annual general meeting on 15 June 2004. The BIH directors intend to vote in favour of approving this share buy-back. Assuming that the resolution is passed and no creditors object, the BIH Group will receive approximately US\$94.8 million (circa HK\$739 million) or the equivalent of US\$2.16 (circa HK\$16.84) per share net of taxes on or around 15 August 2004. It is also the intention of the BIH directors to distribute these proceeds in full to BIH shareholders upon receipt. On that premise, the Directors expect the Company to receive approximately US\$38.1 million (circa HK\$297 million) from BIH.

It is the intention of your Directors that the Company will distribute a significant majority of the proceeds of US\$38.1 million (circa HK\$297 million) received from BIH. Your Directors will of course consider the amount of the distribution that the Company will make to all shareholders nearer the time the proceeds are paid to BIH shareholders and an appropriate announcement will be made to shareholders in the usual manner.

At the request of the Company, trading of the shares in the Company on the HK Stock Exchange was suspended at 9:30 a.m. on Tuesday, 25 May 2004 pending the release of this announcement. Trading is expected to resume at **9:30 a.m. on Friday, 28 May 2004.** **Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

The directors (the "**Directors**" or the "**Board**") of Regent Pacific Group Limited (the "**Company**") are pleased to announce that Bridge Investment Holding Limited ("**BIH**" and collectively with its subsidiaries, the "**BIH Group**"), a 40.2% associate of the Company, has made good progress on several fronts concerning the realisation of BIH's 79.32% interest in Bridge Securities Co., Ltd ("**Bridge**"), a company whose shares are listed on the Korean Stock Exchange. The more significant developments are set out below.

On 24 May 2004, the directors of Bridge approved the following resolutions:

- (i) A mandatory share buy-back of 150 million Bridge shares at KRW1,000 (circa US\$0.85 or HK\$6.63) per Bridge share, which will amount to KRW150 billion (circa US\$127.4 million or HK\$993.1 million) or 41% of Bridge's net asset value as at 31 December 2003. This mandatory share buy-back will be put to Bridge shareholders for approval at its annual general meeting on 15 June 2004. The BIH directors intend to vote in favour of approving this share buy-back. Assuming that the resolution is passed and no creditors object, the BIH Group will receive approximately US\$94.8 million (circa HK\$739 million) or the equivalent of US\$2.16 (circa HK\$16.84) per share net of taxes on or around 15 August 2004. It is also the intention of the BIH directors to distribute these proceeds in full to BIH shareholders upon receipt. On that premise, the Directors expect the Company to receive approximately US\$38.1 million (circa HK\$297 million) from BIH. It is the intention of your Directors that the Company will distribute a significant majority of the proceeds of US\$38.1 million (circa HK\$297 million) received from BIH. Your Directors will of course consider the amount of the distribution that the Company will make to all shareholders nearer the time the proceeds are paid to BIH shareholders and an appropriate announcement will be made to shareholders in the usual manner; and
- (ii) The disposal of 5.5 million Treasury Shares through the market in order to maintain the listing of Bridge shares on the Korean Stock Exchange. Assuming that the disposal is completed in its entirety, BIH's interest in Bridge will reduce to 77.36% from 79.32%.

BIH is an investment holding company that was incorporated in the Cayman Islands on 14 September 1999 with limited liability. The Company holds 40.2% of the issued share capital of BIH and State of Wisconsin Investment Board ("**SWIB**") owns 26.8% of the issued share capital of BIH. Third parties hold the remaining interests in the issued share capital of BIH.

The BIH Group owns 79.32% of the issued share capital of Bridge, a company incorporated in Korea and whose shares are listed on the Korean Stock Exchange. SWIB owns directly 8.39% of the issued share capital of Bridge. Third parties hold the remaining interests in the issued share capital of Bridge. Bridge's principal business activities consist of stock broking, corporate investment and financing services.

At the request of the Company, trading of the shares in the Company on The Stock Exchange of Hong Kong Limited (the "**HK Stock Exchange**") was suspended at 9:30 a.m. on Tuesday, 25 May 2004 pending the release of this announcement. Trading is expected to resume at **9:30 a.m. on Friday, 28 May 2004. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

On Behalf of the Board of
Regent Pacific Group Limited

Jamie Gibson
Director

Directors of the Company:

Anthony Baillieu (*Chairman*)*

Jamie Gibson (*Chief Executive Officer*)

Clara Cheung

James Mellon*

Mark Searle*#

Jayne Sutcliffe*

Anderson Whamond*

Robert Whiting*#

* *Non-Executive Directors*

Independent Directors

In this announcement, for reference only and unless otherwise specified, the conversion of KRW into US\$ is calculated at the exchange rate of KRW 1,177 to US\$1.00 and the conversion of US\$ into HK\$ is calculated at the exchange rate of US\$1.00 to HK\$7.7952.

Hong Kong, 27 May 2004

Please also refer to the published version of this announcement in *The Standard*.