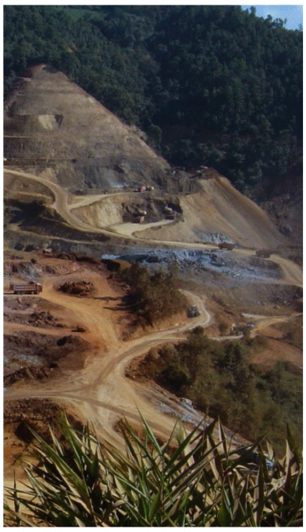
Regent Pacific Group Limited



(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 0575 8 April 2010

ANNOUNCEMENT

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AUDITED FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

KEY HIGHLIGHTS

Finance

- Net profit of US$11.1 million. Earnings reflect operating strength, notably in the second half
- Strong profit generated from our associates with Dapingzhang contributing US$9 million and US$2 million coming from West China Coking & Gas Company Limited ("**West China Coke**")
- Results were impacted by a one off write-off of US$6.4 million from the termination of the Indonesian transaction
- Outlook for current year remains positive and financial position is impeccable, with no debt and strong cash balance
- Acquisition of strategic equity stakes in BC Iron Limited, Kalahari Minerals plc, Polo Resources Limited, and Bannerman Resources Limited

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- Cash, listed securities and cash receivables of US$78.9 million or HK$0.155 (US$0.020) equivalent per share
- Repurchased for cash US$3.5 million of the remaining redeemable convertible preference shares
- Shareholders' equity of US$224 million or net asset value per share of HK$0.44 (US$0.057)
- Proposed final dividend of HK$0.01 per share, subject to approval by the shareholders at the annual general meeting to be held on 10 June 2010

Operations

- Dapingzhang (40%) produced 7,261 tonnes copper metal and 9,020 tonnes zinc metal in 2009
- Dapingzhang lies in the first quartile of the cash cost curve for copper producers globally. The mine had a cash cost of US$0.64/lb of copper and zinc metal
- Production capacity increased to 1.5Mtpa from 1Mtpa in early 2010
- Dapingzhang received approval from the Yunnan Department of Land and Resources in December 2009 for its updated mineral resource and basic reserve, which resulted in an overall increase in mineable basic reserve of 19 per cent. to **18.9Mt** from **15.9Mt** (net of 2008/2009 depletion)
- Dapingzhang's contained copper and zinc metal in resource now stands at **266kt** and **113kt** respectively, inclusive of basic reserves
- Dapingzhang's life of mine plan has increased to 15 years based on current mill capacity
- Revenue at Dapingzhang was RMB 319.7 million (US$46.8 million) and net profit after tax of RMB 155.3 million (US$22.7 million), adjusted for Hong Kong Financial Reporting Standards ("**HKFRSs**")
- West China Coke (25%) produced 910,465 tonnes of coke, 85,666 tonnes of methanol and other by-products
- West China Coke's revenue was RMB 1,296 million (US$190 million) and net profit was RMB 55 million (US$8 million) (HKFRSs adjusted)
- Total coal resources of 3Bt, with Zhun Dong producing a maiden 332 resource of 266Mt of thermal coal and confirmation of 2.9Bt of coal at Zhun Dong
- Signed agreement to sell Zhun Dong for approximately US$67.3 million and hopeful that transaction will conclude in mid 2010

RESULTS

The directors (the "**Directors**" or the "**Board**") of Regent Pacific Group Limited (the "**Company**" or "**Regent**" and collectively with its subsidiaries, the "**Group**") are pleased to announce the audited results of the Group for the year ended 31 December 2009, together with comparative figures for the year ended 31 December 2008, as follows:

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2009

	Notes	2009 US$'000	2008 US$'000
Revenue/Turnover:	4		
Corporate investment income		254	4,953
Other income		673	1,470
		927	6,423
Fair value gain/(loss)		19,626	(281)
Total income		20,553	6,142
Expenses:			
Employee benefit expenses	6	(10,063)	(9,829)
Rental and office expenses		(479)	(692)
Information and technology expenses		(363)	(425)
Marketing costs and commissions		(14)	(37)
Professional and consulting fees		(3,305)	(5,392)
Finance costs	7	(170)	(854)
Write off of loan receivables		-	(1,346)
Other operating expenses		(1,117)	(2,333)
Operating profit/(loss) before impairment loss and provision		5,042	(14,766)
Write down for termination of Indonesian transaction		(6,384)	-
Impairment loss on goodwill		-	(143,054)
Impairment loss on exploration and evaluation assets		-	(912)
Impairment loss on available-for-sale financial assets		-	(10,730)
Operating loss	5	(1,342)	(169,462)
Share of profits of associates		3,447	403
Share of profit of a jointly controlled entity		9,092	7,701
Profit/(Loss) before income tax		11,197	(161,358)
Taxation	8	-	(324)
Profit/(Loss) for the year		11,197	(161,682)
Other comprehensive income			
Available-for-sale financial assets		750	-
Exchange gain/(loss) on translation of financial statements of foreign operations		6	(282)
Share of other comprehensive income of associates		2	897
Share of other comprehensive (loss)/income of a jointly controlled entity		(127)	1,638
Other comprehensive income for the year, net of tax		631	2,253
Total comprehensive income/(loss) for the year		11,828	(159,429)

	Notes	2009 US$'000	2008 US$'000
Profit/(Loss) for the year attributable to:			
Owners of the Company		11,052	(160,943)
Minority interests		145	(739)
		11,197	(161,682)
Total comprehensive income/(loss) attributable to:			
Owners of the Company		11,658	(158,634)
Minority interests		170	(795)
		11,828	(159,429)
Earnings/(Loss) per share for profit/(loss) attributable to the owners of the Company during the year:	11	US cent	US cent
-Basic		0.28	(3.72)
-Diluted		N/A	N/A

Consolidated Statement of Financial Position
As at 31 December 2009

	Notes	2009 US$'000	2008 US$'000
Non-current assets:			
Goodwill		14,132	52,137
Exploration and evaluation assets		8,187	31,391
Property, plant and equipment		983	1,195
Interests in associates		19,508	17,363
Interest in a jointly controlled entity		36,889	34,295
Available-for-sale financial assets		1,597	7,386
		81,296	143,767
Current assets:			
Cash and bank balances		3,085	57,399
Financial assets at fair value through profit and loss		26,368	-
Trade receivables	12	43	51
Loan receivables		4,345	2,888
Prepayments, deposits and other receivables		52,749	19,569
Derivative financial instruments		38	-
Assets classified as held for sale		65,305	-
		151,933	79,907
Current liabilities:			
Trade payables, deposit received, accruals and other payables	13	(6,102)	(2,508)
Amounts due to minority shareholders		(44)	(38)
Deferred tax liability		(324)	(324)
Borrowings		(27)	(27)
Liabilities directly associated with assets classified as held for sale		(63)	-
		(6,560)	(2,897)
Net current assets		145,373	77,010
Total assets less current liabilities		226,669	220,777
Non-current liabilities:			
Borrowings		(8)	(5,257)
Net assets		226,661	215,520
Equity			
Share capital		39,486	38,948
Reserves		184,529	174,096
Equity attributable to Company's owners		224,015	213,044
Minority interests		2,646	2,476
Total equity		226,661	215,520

Notes:

1. General Information

The Company was incorporated in the Cayman Islands with limited liability. Its registered office is at PO Box 309, Ugland House, Grand Cayman, KY 1-1104, Cayman Islands. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "**HK Stock Exchange**") and are also traded on the OTC market (Freiverkehr) of the Frankfurt Stock Exchange.

The consolidated financial statements are presented in United States Dollars ("**US$**"), which is also the functional currency of the Company and all values are rounded to the nearest thousand ("**US$'000**") except when otherwise indicated.

The Company is engaged in investment holding, and the principal activities of the Company and the Group consist of exploration and mining of natural resources, and corporate investments.

The financial statements for the year ended 31 December 2009 were approved for issue by the Board on 8 April 2010.

2. Basis of Preparation

The financial statements have been prepared in accordance with HKFRSs which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKAS**") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the HK Stock Exchange (the "**HK Listing Rules**").

3. Adoption of New or Amended HKFRSs

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations (the "**new HKFRSs**") issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2009:

HKAS 1 (Revised 2007)	Presentation of financial statements
HKAS 23 (Revised 2007)	Borrowing costs
HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or an associate
HKFRS 2 (Amendments)	Share-based payment: vesting conditions and cancellations
HKFRS 7 (Amendments)	Improving disclosures about financial instruments
HKFRS 8	Operating segments
Various	Annual improvements to HKFRSs 2008

Other than as noted below, the adoption of these new HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

HKAS 1 (Revised 2007) - Presentation of financial statements

The adoption of HKAS 1 (Revised 2007) makes certain changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. It also gives rise to additional disclosures. The measurement and recognition of the Group's assets, liabilities, income and expenses is unchanged. However, some items that were recognised directly in equity are now recognised in other comprehensive income, for example revaluation of property, plant and equipment. HKAS 1 affects the presentation of owner changes in equity and introduces a 'statement of comprehensive income'. Comparatives have been restated to conform with the revised standard. The Group has applied changes to its accounting polices on presentation of financial statements and segment reporting retrospectively. However, the changes to the comparatives have not affected the consolidated or parent company statement of financial position at 1 January 2008 and accordingly this statement is not presented.

HKAS 27 (Amendments) – Cost of an investment in a subsidiary, jointly controlled entity or an associate

The amendment requires the investor to recognise dividends from a subsidiary, jointly controlled entity or associate in profit or loss irrespective the distributions are out of the investee's pre-acquisition or post-acquisition reserves. In prior years, the Company recognised dividends out of pre-acquisition reserves as a recovery of its investment in the subsidiaries, jointly controlled entity or associates (i.e. a reduction of the cost of investment). Only dividends out of post-acquisition reserves were recognised as income in profit or loss.

Under the new accounting policy, if the dividend distribution is excessive, the investment would be tested for impairment according to the Company's accounting policy on impairment of non-financial assets.

The new accounting policy has been applied prospectively as required by these amendments to HKAS 27 and therefore no comparatives have been restated.

There is no effect of the application of the amendments at 31 December 2009 in the separate statement of financial position.

HKFRS 7 (Amendments) – Improving disclosures about financial instruments

The amendments require additional disclosures for financial instruments which are measured at fair value in the statement of financial position. These fair value measurements are categorised into a three-level fair value hierachy, which reflects the extent of observable market data used in making the measurements. In addition, the maturity analysis for derivative financial liabilities is disclosed separately and should show remaining contractual maturities for those derivatives where this information is essential for an understanding of the timing of the cash flows. The Group has taken advantage of the transitional provisions in the amendments and has not provided comparative information in respect of the new requirements.

HKFRS 8 - Operating segments

The adoption of HKFRS 8 has not affected the identified and reportable operating segments for the Group. However, reported segment information is now based on internal management reporting information that is regularly reviewed by the chief operating decision maker. In the previous annual financial statements, segments were identified by reference to the dominant source and nature of the Group's risks and returns. Comparatives have been restated on a basis consistent with the new standard.

Annual improvements to HKFRSs 2008

In October 2008, the HKICPA issued its first *Annual improvements to HKFRSs* which set out amendments to a number of HKFRSs. There are separate transitional provisions for each standard. Of these, the amendment to HKAS 28 *Investments in Associates* has changed the Group's accounting policies on allocation of impairment losses but did not have any impact of the current period results and financial position.

Impairment of investments in associates and jointly controlled entities accounted for under the equity method

The amendment clarifies that an investment in associate accounted for under the equity method is a single asset for the purposes of impairment testing. Any impairment loss recognised by the investor after applying the equity method is not allocated to individual assets including goodwill included in the investment balance. Accordingly, any reversal of such impairment losses in a subsequent period is recognised to the extent that the recoverable amount of the associate has increased.

In prior years, the Group allocated the impairment loss initially to goodwill included as part of the investment balance. According to the Group's accounting policies on goodwill, no reversals of impairment losses attributed to the carrying amount of goodwill would have been recognised in subsequent periods.

The new policy also applies to the Group's investment in the jointly controlled entity, which is accounted for under the equity method in the consolidated financial statements.

For the current period, there were no impairment losses recognised and no reversals of impairment losses recognised in prior periods on investments in associates and jointly controlled entities. The adoption of this new policy has no impact on the current period results and financial position therefore. The new accounting policy has been applied prospectively as permitted by the amendment and comparatives have not been restated.

At the date of authorisation of these financial statements, certain new HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

The Directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new HKFRSs that are expected to have impact on the Group's accounting policies is provided below. Certain other new HKFRSs have been issued but are not expected to have a material impact of the Group's financial statements.

HKFRS 3 Business combinations (Revised 2008)

The standard is applicable in reporting periods beginning on or after 1 July 2009 and will be applied prospectively. The new standard still requires the use of the purchase method (now renamed the acquisition method) but introduces material changes to the recognition and measurement of consideration transferred and the acquiree's identifiable assets and liabilities, and the measurement of non-controlling interests (previously known as minority interest) in the acquiree. The new standard is expected to have a significant effect on business combinations occurring in reporting periods beginning on or after 1 July 2009.

HKFRS 9 Financial instruments

The standard is effective for accounting periods beginning on or after 1 January 2013 and addresses the classification and measurement of financial assets. The new standard reduces the number of measurement categories of financial assets and all financial assets will be measured at either amortised cost or fair value based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Fair value gains and losses will be recognised in profit or loss except for those on certain equity investments which will be presented in other comprehensive income. The Directors are currently assessing the possible impact of the new standard on the Group's results and financial position in the first year of application.

HKAS 27 Consolidated and separate financial statements (Revised 2008)

The revised standard is effective for accounting periods beginning on or after 1 July 2009 and introduces changes to the accounting requirements for the loss of control of a subsidiary and for changes in the Group's interest in subsidiaries. Total comprehensive income must be attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. The Directors do not expect the standard to have a material effect on the Group's financial statements.

Annual improvements 2009

The HKICPA has issued *Improvements to Hong Kong Financial Reporting Standards 2009*. Most of the amendments become effective for annual periods beginning on or after 1 January 2010. The Group expects the amendment to HKAS 17 *Leases* to be relevant to the Group's accounting policies. Prior to the amendment, HKAS 17 generally required a lease of land to be classified as an operating lease. The amendment requires a lease of land to be classified as an operating or finance lease in accordance with the general principles in HKAS 17. The Group will need to reassess the classification of its unexpired leases of land at 1 January 2010 on the basis of information existing at the inception of those leases in accordance with the transitional provisions for the amendment. The amendment will apply retrospectively except where the necessary information is not available. In that situation, the leases will be assessed on the date when the amendment is adopted. The Directors are currently assessing the possible impact of the amendment on the Group's results and financial position in the first year of application.

4. Segment Information

The Directors have identified the Group's four product and service lines as operating segments as follows:

Coal Mining	:	Exploration and mining of coal resources
Coking Coal	:	Production of coking coal
Metals Mining	:	Exploration and mining of metals resources
Corporate Investment	:	Investment in corporate entities, both listed and unlisted

These operating segments are monitored and strategic decisions are made on the basis of segment operating results. There are no sales between the reportable segments.

Information regarding the Group's reportable segments is set out below:

For the year ended 31 December 2009

	Coal Mining US$'000	Coking Coal US$'000	Metals Mining US$'000	Corporate Investment US$'000	Total US$'000
Revenue from external customers	-	-	-	927	927
Segment results	(2,472)	(45)	(3,643)	4,988	(1,172)
Share of profits of associates	-	2,009	-	1,438	3,447
Share of profit of a jointly controlled entity	-	-	9,092	-	9,092
Total segment results	(2,472)	1,964	5,449	6,426	11,367
Finance costs					(170)
Taxation					-
Profit for the year					11,197

As at 31 December 2009

	Coal Mining US$'000	Coking Coal US$'000	Metals Mining US$'000	Corporate Investment US$'000	Unallocated US$'000	Total US$'000
Segment assets	83,066	4,891	15,372	71,906	-	175,235
Available-for-sale financial assets	-	-	-	1,597	-	1,597
Interests in associates	-	16,623	-	2,885	-	19,508
Interest in a jointly controlled entity	-	-	36,889	-	-	36,889
Total assets	83,066	21,514	52,261	76,388	-	233,229
Segment liabilities	3,717	-	330	2,486	-	6,533
Borrowings	-	-	-	-	35	35
Total liabilities	3,717	-	330	2,486	35	6,568

For the year ended 31 December 2009

	Coal Mining US$'000	Coking Coal US$'000	Metals Mining US$'000	Corporate Investment US$'000	Total US$'000
Interest income on bank deposits and loan receivables	-	-	-	374	374
Depreciation	(108)	-	(54)	(93)	(255)
Share-based payments	(25)	-	-	(1,603)	(1,628)
Write down for termination of Indonesian transaction	-	-	-	(6,384)	(6,384)
Fair value gain on available-for-sale financial assets	-	-	-	15,842	15,842
Fair value gain on financial assets at fair value through profit and loss	-	-	-	4,822	4,822
Fair value loss on derivative financial instruments	-	-	-	(1,037)	(1,037)
Capital expenditure	(1,973)	-	-	(11)	(1,984)

For the year ended 31 December 2008

	Coal Mining US$'000	Coking Coal US$'000	Metals Mining US$'000	Corporate Investment US$'000	Total US$'000
Revenue from external customers	-	-	-	6,423	6,423
Segment results	(137,771)	(10,426)	(7,245)	(13,166)	(168,608)
Share of loss/profit of associates	-	(456)	-	859	403
Share of profit of a jointly controlled entity	-	-	7,701	-	7,701
Total segment results	(137,771)	(10,882)	456	(12,307)	(160,504)
Finance costs					(854)
Taxation					(324)
Loss for the year					(161,682)

As at 31 December 2008

	Coal Mining US$'000	Coking Coal US$'000	Metals Mining US$'000	Corporate Investment US$'000	Unallocated US$'000	Total US$'000
Segment assets	80,936	4,908	9,507	69,279	-	164,630
Available-for-sale financial assets	-	-	-	7,386	-	7,386
Interests in associates	-	14,937	-	2,426	-	17,363
Interest in a jointly controlled entity	-	-	34,295	-	-	34,295
Total assets	80,936	19,845	43,802	79,091	-	223,674
Segment liabilities	666	3	735	1,466	-	2,870
Borrowings	-	-	-	-	5,284	5,284
Total liabilities	666	3	735	1,466	5,284	8,154

For the year ended 31 December 2008

	Coal Mining US$'000	Coking Coal US$'000	Metals Mining US$'000	Corporate Investment US$'000	Total US$'000
Interest income on bank deposits and loan receivables	-	-	-	2,498	2,498
Depreciation	(132)	-	(41)	(100)	(273)
Share-based payments	-	-	-	(1,924)	(1,924)
Impairment loss on goodwill	(131,469)	(10,408)	(1,177)	-	(143,054)
Impairment loss on exploration and evaluation assets	-	-	(912)	-	(912)
Impairment loss on available-for-sale financial assets	-	-	-	(10,730)	(10,730)
Fair value loss on financial assets at fair value through profit and loss	-	-	-	(898)	(898)
Write off of loan receivables	(1,346)	-	-	-	(1,346)
Capital expenditure	(7,334)	-	(2,118)	(33)	(9,485)

The Group's revenues from external customers and its non-current assets (other than financial instruments and deferred tax assets) are divided into the following geographical areas:

	Revenue from external customers		Non-current assets	
	2009	2008	2009	2008
	US$'000	US$'000	US$'000	US$'000
Hong Kong (domicile)	-	438	82	164
PRC	(80)	3,708	76,731	133,792
United States	524	1,820	-	-
Europe[1]	166	207	2,886	2,425
South East Asia[2]	317	250	-	-
	927	6,423	79,699	136,381

1 Europe includes the United Kingdom and Bahamas

2 South East Asia includes Singapore

The geographical location of customers is based on the location of the Group's investments. The geographical location of the non-current assets is based on the physical location of the assets.

5. Operating Loss

	2009 US$'000	2008 US$'000
Operating loss is arrived at after charging:		
Auditors' remuneration		
- charge for the year	423	480
- under provision in prior year	48	43
Write off of loan receivables	-	1,346
Depreciation of owned property, plant and equipment	255	273
Operating lease charges on property and equipment^	510	859
Loss on disposal of property, plant and equipment	1	13
Write down for termination of Indonesian transaction	6,384	-
Impairment loss on goodwill	-	143,054
Impairment loss on exploration and evaluation assets	-	912
Impairment loss on available-for-sale financial assets	-	10,730
Unrealised loss on financial assets at fair value through profit and loss	-	1,513
Realised loss on derivative financial instruments	1,075	-
Net foreign exchange loss*	702	-
Write back of repurchased share options	1,067	-
Share-based payments (equity and cash settled)#	1,627	1,924
and crediting:		
Interest income on bank deposits and loan receivables*	374	2,498
Net foreign exchange gain*	-	755
Realised gain on disposal of financial assets at fair value through profit and loss	1,069	615
Unrealised gain on financial assets at fair value through profit and loss	3,753	-
Unrealised gain on derivative financial instruments	38	-
Realised gain on disposal of available-for-sale financial assets	15,842	1
Dividend income from available-for-sale financial assets*	582	354

^ Included in operating lease charges on property and equipment were Director's accommodation expenses of US$131,000 (2008: US$372,000) that was included in "employee benefit expenses" on the face of the consolidated statement of comprehensive income.

Included in share-based payments were (i) employee share-based payment of US$475,000 (2008: US$1,522,000) in relation to share options granted to Directors and employees, (ii) non-employee share-based payment of US$178,000 (2008: US$402,000) in relation to share options granted to the Group's consultants, and (iii) cash and equity settled employee share-based payment of US$790,000 and US$184,000, respectively (2008: nil and nil, respectively) in relation to share awards granted to Directors and employees.

* Included in revenue

6. Employee Benefit Expenses (Including Directors' Emoluments)

	2009 US$'000	2008 US$'000
Wages and salaries and benefits in kind	5,835	7,282
Discretionary bonuses	2,760	1,006
Pension costs – defined contribution plans	19	19
Share options granted to Directors and employees	475	1,522
Share awards granted to Directors and employees	974	-
	10,063	9,829

7. Finance Costs

	2009 US$'000	2008 US$'000
Interest on hire purchase	3	5
Interest on convertible bonds	-	292
Interest on redeemable convertible preference shares	167	557
	170	854

8. Taxation

	2009 US$'000	2008 US$'000
Deferred tax		
PRC withholding income tax	-	324

No provision for Hong Kong or overseas profits tax has been made in these financial statements as all the Group companies which are subject to such tax have sustained losses for taxation purposes for the year ended 31 December 2009.

Share of associates' tax payment for the year ended 31 December 2009 of US$203,000 (2008: tax credit of US$160,000) and share of a jointly controlled entity's tax payment of US$934,000 (2008: US$564,000) are included in the consolidated statement of comprehensive income as share of profits of associates and share of profit of a jointly controlled entity respectively.

The Hong Kong SAR Government enacted a reduction in the Profits Tax Rate from 17.5% to 16.5% with effect from the year of assessment 2008/2009. Accordingly, the current tax and deferred tax liabilities have been calculated using the new rates. In March 2007, the government of the PRC enacted the new enterprise income tax rate for domestic and foreign enterprises in the PRC at 25% with effect from 1 January 2008.

At 31 December 2009, the Group has unrecognised tax losses of US$12,835,000 (2008: US$10,950,000) to carry forward against future taxable income. However, no deferred tax assets have been recognised as it is uncertain whether sufficient future taxable profits will be available for utilising the accumulated tax losses. The tax loss has no expiry date.

Under the new PRC tax law, 5% withholding tax is levied on the foreign investor in respect of dividend distributions arising from a foreign investment enterprise's profit earned after 1 January 2008. Pursuant to the grandfathering treatments of the new PRC tax law, dividends receivable by the Group from its PRC jointly controlled entity in respect of its undistributed retained earnings prior to 31 December 2007 are exempted from the withholding tax.

At 31 December 2009, the Group has deferred tax liabilities of approximately US$256,000 (2008: US$81,000) in respect of the aggregate amount of temporary differences associated with undistributed earnings of its associates and jointly controlled entity. No deferred tax liabilities have been recognised in respect of these differences because the Group's management believes that it is probable that such differences will not be reversed in the foreseeable future.

9. Profit/(Loss) Attributable to the Owners of the Company

The profit attributable to the owners of the Company dealt with in the financial statements of the Company amounted to US$10,639,000 (2008: loss of US$151,828,000).

10. Dividends

	2009 US$'000	2008 US$'000
Paid interim dividend of HK$0.005 per share (2008: nil)	2,547	-
Proposed final dividend of HK$0.01 per share (2008: nil)	5,095	-
	7,642	-

11. Earnings/(Loss) Per Share

The calculation of basic earnings/(loss) per share is based on the profit/(loss) attributable to the owners of the Company for the year of US$11,052,000 (2008: loss of US$160,943,000) and on the weighted average of 3,919,757,830 (2008: 4,325,725,223) ordinary shares in issue during the year.

Diluted earnings/(loss) per share for the year ended 31 December 2009 and 2008 were not presented because the impact of the exercise of the share options and redeemable convertible preference shares were anti-dilutive.

Subsequent to the year end date and prior to the date of this announcement, no ordinary shares were issued and allotted.

12. Trade Receivables

As at 31 December 2009 and 2008, the ageing analysis of trade receivables was as follows:

	2009 US$'000	2008 US$'000
1 to 3 months old	-	8
More than 12 months old	43	43
	43	51

The Group applies credit policies appropriate to the particular business circumstances concerned but generally requires outstanding amounts to be paid within 30 days of invoice. The fair value of the trade receivables was the same as illustrated above.

13. Trade Payables

Included in trade payables, deposit received, accruals and other payables are trade payables with the following ageing analysis as at 31 December 2009 and 2008:

	2009 US$'000	2008 US$'000
Due within 1 month or on demand	-	663
More than 6 months	109	95
	109	758

CHAIRMAN'S STATEMENT

With respect to the global crisis, we believe that the worst is behind us with the Group recording a net profit of US$11.1 million for 2009. We witnessed a strong second half to the year during which most metals and minerals prices rose substantially following macroeconomic stimulus measures. For example the average spot price for copper was up 54 per cent. in the second half of 2009 compared with the first half. The bottoming out of the global economy and cutbacks in production have also influenced commodity prices.

In general, we are now more positive on the commodity outlook for 2010. We expect that strong demand from China, mainly flowing from its large public infrastructure spending package and expansionary loans policy, will continue to grow at over 8 per cent. per annum. The measures put in place by governments across the various key markets to secure the stability of the global financial system appear to be working, with market participants now sharing increased confidence of a sustained recovery going forward. The emergence of the OECD from recession will provide further support to the recovery of the global economy, as will the commodity production cutbacks (prevalent in the first half of 2009) coupled with the reduction in the availability of project finance. These developments have impeded near and medium term commodity supply growth. We believe these factors will support potential strength in the commodity markets in 2010.

As disclosed previously, we have signed an agreement to sell the Zhun Dong coal project for approximately US$67.3 million and we are hopeful that this transaction will conclude in mid 2010. The realisation of this asset will give us the opportunity to focus on growth through disciplined investment in acquiring projects.

The Board has proposed a final dividend of HK$0.01 per share, subject to approval by the shareholders at the annual general meeting to be held on 10 June 2010. This reflects the Group's strong operating performance and our positive outlook. We expect to pay dividends each year at progressively higher rates.

The Group has approximately US$78.9 million in cash, listed securities and cash receivables, with no external debt.

Outlook

Regent's Co-Chairman Jim Mellon said "looking forward, we believe that the factors that drove profitability in 2009 will continue into this year. The outlook for Regent with its strong financial position and Asian mining focus is good."

On behalf of the Board, I want to thank our senior management team for their efforts this year.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE GROUP'S PERFORMANCE

Revenue and Profits

The Company recorded a net profit of US$11.05 million, including a one off write-down of US$6.38 million for the termination of the Indonesian transaction. This compared with a net loss of US$160.94 million for 2008.

Revenue from the corporate division was exceptionally strong at US$20.55 million.

The jointly controlled entity and the associate of the Group, Yunnan Simao Shanshui Copper Company Limited ("**YSSCCL**"), West China Coke and Regent Markets Holdings Limited ("**Regent Markets**"), contributed a share of profit of US$9.09 million, US$2 million and US$1.44 million respectively to the Group.

The fair value gain from investments which represented the realised and unrealised profit from trading of listed securities and derivatives for the year ended 31 December 2009 was US$19.63 million.

The redeemable convertible preference shares were redeemed for cash in the amount of US$3.5 million on 25 June 2009 and consequently no further interest payments are due.

The Group continued to monitor its operating costs closely. The finance costs represented the interest expense of the redeemable convertible preference shares and hire purchase amounting to US$0.17 million for the year ended 31 December 2009.

The main elements of the profit are analysed as follows:

	US$ million
Share of profit from YSSCCL	9.09
Share of profit from West China Coke	2.00
Share of profit from Regent Markets	1.44
Corporate investment	11.13
Coal mining & coking coal	(2.42)
Metals mining	(3.64)
Write down for termination of Indonesian transaction	(6.38)
Finance costs	(0.17)
Total profit attributable to shareholders	11.05

Financial Position

Shareholders' equity increased by 5.1% to US$224.02 million as at 31 December 2009 from US$213.04 million as at 31 December 2008. The increase was mainly due to (i) the conversion of US$2 million redeemable convertible preference shares resulting in a total increase of share capital and share premium of US$1.97 million, (ii) the fair value gain of US$0.75 million on investments mainly due to the marked-to-market increase in the shares, (iii) the unrealised loss of US$0.14 million on foreign currency translation, (iv) purchase of shares of US$0.46 million held for the share award scheme, (v) the payment of an interim dividend, which reduced the share premium by US$2.55 million, and (vi) the profit of US$11.05 million for the year ended 31 December 2009.

The investments in YSSCCL of US$36.89 million, Regent Markets of US$2.89 million and West China Coke of US$16.62 million accounted for 16.47%, 1.29% and 7.42% of the shareholders' equity respectively. The Group's assets comprised: (i) goodwill of US$14.13 million, (ii) exploration and evaluation assets of US$8.19 million, (iii) cash of US$3.09 million, (iv) listed and unlisted investments of US$27.97 million, (v) assets classified as held for sale of US$65.31 million, and (vi) other assets and receivables of US$58.16 million.

The Group's liabilities comprised payables and accruals of US$6.56 million.

Funding

As at 31 December 2009, the Group had US$3.09 million cash and US$34.12 million of margin deposits held with the Group's brokers for trading of Contract for Difference ("**CFDs**") and other derivatives which represented 1.38% and 15.23% of its total shareholders' equity respectively. This does not take into account the Group's holding of listed securities that amounted to US$26.51 million.

The Board has announced a final dividend of HK$0.01 per share or US$5.1 million, subject to approval by the shareholders at the annual general meeting to be held on 10 June 2010. This reflects the Group's strong operating performance and our positive outlook. We expect to pay dividends each year at progressively higher rates.

Management of Risk

In 2009, the most significant risk affecting the profitability and viability in respect of the Group is the continued success and revenue derived from its 40% interest in YSSCCL, a Sino-foreign equity joint venture enterprise that produces a copper concentrate and a zinc concentrate with gold and silver credits. There are also risks affecting the Group's profitability and viability in 2009 in respect of the Group's interest in Abagaqi Changjiang Mining Limited ("**ACMC**" or the "**Ji Ri Ga Lang Coal Project**"), Xin Jiang Regent Coal Limited ("**XJ Regent**" or the "**Zhun Dong Coal Project**") and West China Coke. Risks relating to the Group's interests include:

Price Risk

The profitability of any mining operation in which the Group has an interest is significantly affected by the market prices of commodities.

The fluctuations in commodity prices are influenced by numerous factors beyond the control of the Group and YSSCCL. Exchange rates, interest rates, inflation, and the world's supply and demand for commodities can each cause significant fluctuations in commodity prices. Such external economic factors are, in turn, influenced by changes in international economic growth patterns and political developments. In addition, commodity prices in the People's Republic of China (the "**PRC**" or "**China**") are highly influenced by fluctuations in international commodity prices, which is beyond the control of both the Group and YSSCCL.

Co-operation of the Joint Venture Partners

Certain of the Group's mining operations, including YSSCCL, ACMC and West China Coke, together with other assets in which the Group may become interested in are or will be joint venture companies. If a dispute arises between any of the joint venture partners in connection with the performance of the party's obligations or the scope of a party's responsibilities under the relevant joint venture agreements, the parties may not be able to resolve their differences through negotiation or arbitration. In the event such a material dispute cannot be resolved in a timely manner, the business and operations of the relevant joint venture company may suffer, and the joint venture agreement may even be terminated by mutual consent of the parties or as a result of a material breach by one of them.

There is no guarantee that any of the joint venture partners will agree on management matters due to possible conflicts of interest, and any disagreement may result in a dispute between us and the relevant joint venture partner. In the event of a deadlock at a board meeting of such joint venture company, if the partners cannot resolve the disagreement in a timely manner through negotiation or dispute resolution mechanisms, such deadlock may cause the board of directors of the relevant joint venture company to fail to make, or delay in making, an important decision, which may adversely affect the financial condition and results of operations of that joint venture company.

Any of the foregoing events could have a material adverse effect on the Group's or the relevant joint ventures' financial condition and results of operations.

The smooth operation of YSSCCL, ACMC and West China Coke is dependent upon the co-operation of all joint venture parties.

Operational Risks

The Group's and YSSCCL's interests in the operation of certain mines are generally subject to a number of risks and hazards, including industrial accidents, unusual or unexpected geological conditions, technical failure, inclement weather and other natural phenomena such as excessive rain and earthquakes. Such occurrences could result in damage to, or destruction of, mining properties or production facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liabilities.

Uncertainties Related to Exploration

Exploration of mineral resources is speculative in nature, so substantial expenses may be incurred from initial drilling to production. There is also no assurance that exploration can lead to the discovery of economically feasible reserves. If reserves are discovered, it may take a number of years and substantial expenditure from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. In addition, there is a risk that the resources are less than envisaged.

Licence Period of Exploration and Mining Rights

The Group and/or YSSCCL may obtain mining rights for conducting mining activities in a specific mining area during the licence period. There can be no assurance that the Group and/or YSSCCL will be able to exploit the entire mineral resources of its mine during the initial licence period. If the Group and/or YSSCCL fails to renew its exploration and mining licences upon expiry or it cannot effectively utilise the resources within a licence period specified in such licence, the operation and performance of the Group and/or YSSCCL may be adversely affected.

Capital Requirements and Funding Sources

The exploration and mining of mineral resources require substantial capital investments. The ability of the Group and YSSCCL to obtain future financing involves a number of uncertainties including their future operational results, financial condition and cash flow. If the Group and YSSCCL fail to obtain adequate funds to satisfy their operations or development plans, this may affect their businesses, the efficiency of their operations and their operating results.

Potential Cost Overruns on Expansion

It is not uncommon for mining operations to experience, cost overruns due to a number of factors, including fluctuations in the cost of raw materials. The Group and YSSCCL will expand its current mining operations. There is a risk that the costs could exceed the forecasts.

Operational Costs

The mining and exploration business requires timely supply of various raw materials and electricity. There is no assurance that interruptions or shortage of such supplies will not occur in the future. In addition, an increase in the price of such raw materials and/or electricity may have an adverse impact on the operation of the Group's or YSSCCL's projects.

Government Regulations

Mining operations in the PRC are subject to extensive laws and regulations governing exploration, development, production, exports, taxes, labour standards, occupational health and safety, waste disposal, monitoring, protection, and remediation of the environment, reclamation, mine safety, toxic substances and other matters. Changes in such laws and regulations may be significant and could delay the progress of, cause interruptions to, and increase the costs associated with the operations of the Group and YSSCCL.

Political and Economic Considerations

The PRC government has been making efforts to promote reforms of the economic system. These reforms have brought about marked economic growth and social progress. However, revisions or amendments may be made to these policies and measures from time to time, and the Company is not in a position to predict whether any change in the political, economic or social conditions may adversely affect the operating results of the Group or YSSCCL.

Legal Considerations

The PRC legal system is a statutory law system. Unlike the common law system, decided legal cases have little significance for guidance, and rulings by the court can only be used as reference with little value as precedents. Since 1979, the PRC government has established a commercial law system, and significant progress has been made in promulgating laws and regulations relating to economic affairs. However, as these regulations are relatively new and the availability of public cases as well as the judicial interpretation of them are limited in number, both the implementation and interpretation of these regulations are uncertain in many areas.

Competition for Resources

The mining business depends on one's ability to discover new resources. The Group and YSSCCL will face competition from other mining enterprises in discovering and acquiring resources.

Foreign Exchange Risk

The Company operates using US dollars. As such the Company is exposed to foreign currency fluctuations arising from operations of its subsidiaries, associates and jointly controlled entity. This exposure relates mainly to the translation between US dollars and non-US dollar currencies. Currency fluctuations may affect the revenues which the Company realises from its subsidiaries and associates and, in particular, its interest in YSSCCL, ACMC, XJ Regent and West China Coke. This exposes the Company to increased volatility in earnings as reported in US dollars due to fluctuations in foreign exchange rates. While foreign currencies are generally convertible into US dollars, there is no guarantee that they will continue to be so convertible or that fluctuations in the value of such currencies will not have an adverse effect on the Company.

Credit Risk

YSSCCL is subject to credit risk through trade receivables. YSSCCL has two customers for its concentrates. Credit risk is mitigated through the use of provisional payment arrangements whereby 100% is paid within five business days after the issuance of the monthly provisional delivery notice.

The Company does not have any significant customers as its revenue is generated from (i) the realisation of investments, or (ii) earnings from its subsidiaries and associates, including YSSCCL, and West China Coke. Credit risk also relates to derivative contracts arising from the possibility that a counterparty to an instrument in which the Company has an unrealised gain fails to perform. The Company transacts through Saxo Bank and does not consider the credit risk associated with these financial instruments to be significant.

Interest Rate Risk

The Company does not have any operating lines of credit or bank facilities. Therefore, the Company was not exposed to interest rate risk in the financial year concerned.

Environmental Risk

Mining companies in the PRC are subject to extensive and increasingly stringent environmental protection laws and regulations that impose fees for discharge of waste substances, require the establishment of reserves for reclamation and rehabilitation, and impose fines for serious environmental offences. The PRC government may shut down any facility that fails to comply with orders requiring it to correct or cease operations that raise environmental concerns. Failure to comply with existing or future environmental laws and regulations could have a material adverse effect on the Group's, YSSCCL's or West China Coke's business, operations, financial condition and results of operations.

Environmental risks relate to every mining company. The tailings storage facility where the tailings are discharged is usually the most important potential area of risk to consider. Spilling a tailings storage facility can be enormously damaging to the environment and expensive to clean up.

Currently YSSCCL's environmental and health and safety standards are far below international requirements. Management of YSSCCL has implemented recommendations for strengthening the tailings dam for seismic stability (as the mine is located in an active seismic region), designing a stable waste dump and sediment control from the existing and future waste dumps to minimise the impact on the downstream rivers and compiling a comprehensive environmental management system. The comprehensive environmental management system requires the support and "buy in" of the Chinese joint venture partners, management and the operating personnel of YSSCCL.

The approach for health and safety will be similar to the environmental plan. Since April 2006 there has only been one lost time injury at Dapingzhang. The focus is on training the workforce in appropriate safety procedures.

The Company's focus is on working with its joint venture partners and the management of YSSCCL for developing and operating the mine in a manner that controls and minimises pollution and takes into account the local cultural sensitivities and community expectations.

At the mine site, community initiatives are centered on land compensation and training locals in the skills required for employment at the mine. Land compensation will be integral to building trust with the local communities.

Accidents and Insufficient Insurance Coverage

The Group's, YSSCCL's and West China Coke's operations involve significant risks and occupational hazards that are inherent in such activities and may not be completely eliminated through the implementation of preventative measures. There is no guarantee that safety-related accidents will not occur due to adverse operating conditions and the consequences resulting from them may not be covered adequately, or at all, by the Group's, YSSCCL's or West China Coke's insurance policies, if any. Losses incurred or payments that may be required may have a material adverse effect on the Group's, YSSCCL's or West China Coke's financial condition and results of operations to the extent that such losses or payments are not insured or the insured amount is not adequate.

Ji Ri Ga Lang Coal Project and Zhun Dong Coal Project - Conversion of Exploration Licences into Mining Licences

The Group, acting through Regent Coal (BVI) Limited ("**Regent Coal (BVI)**"), completed the acquisition of a 51% equity interest in ACMC in December 2007 and shall acquire the remaining 49% equity interest on the issuance of the mining licence and the completion of certain other conditions precedent.

The Group, acting through Regent Coal (BVI), completed the acquisition of XJ Regent in March 2008. XJ Regent Coal, in turn, holds four exploration licences for it to explore the coal resources over the permitted area on an exclusive basis in respect of the Zhun Dong Coal Project. These exploration licences are the only major assets of XJ Regent.

The only major assets of ACMC and XJ Regent (besides cash) are the above referenced exploration licences for ACMC and XJ Regent to explore the coal resources over the permitted area on an exclusive basis. Both ACMC and XJ Regent will require a mining licence or licences to exploit and mine the coal resources and both are currently in the process of applying for such mining licence. The Directors understand that an exploration licence can be converted into a mining licence provided that, upon application, all relevant documents are filed with the approving authorities, including but not limited to an approved geological exploration and reserves report together with relevant documents such as their qualifications certificate, proposal for development and use of mineral resources and environmental impact assessment report, among others. Due to the uncertainties in the relevant PRC laws and regulations regarding the procurement of mining rights, there is no assurance that either ACMC or XJ Regent will be successful in procuring the necessary mining right permits. Failure to procure the mining rights in respect of these tenements could reduce, impede or limit the potential economic upside in these assets for the Group's business and the results of its operations.

West China Coke

We understand that West China Coke continues to operate without all the requisite land use rights, building ownership certificates and planning/construction permits, the absence of which may materially impair the likely success of any subsequent application to be made for building ownership certificates in respect of such buildings. As the land use rights and buildings are West China Coke's main assets and operating facilities, its operating rights and production in connection with such lands or facilities may be adversely impacted due to the above mentioned issues. There can be no assurance that no material difficulties will arise in resolving such issues. If any such issues cannot be resolved, the operating and financial condition of West China Coke could be materially and adversely affected. In addition, there can be no assurance that West China Coke will not become subject to administrative penalties for violation of land administration/planning/construction requirements under the PRC law due to the above mentioned issues.

West China Coke has not completed the requisite environmental impact assessment in respect of one of its three operating coke ovens (built in 2004). Should the relevant local authority view all three of West China Coke's coke ovens as one coke production business, the failure to conduct the environmental impact assessment and obtain the environmental protection authority's confirmation of the results of the assessment may delay the acceptance of the auxiliary environmental protection facilities of all three coke ovens operated by West China Coke. Such delay itself may have adverse knock-on consequences for West China Coke, including delays to: (i) the acceptance of the main body of the construction (i.e. the coke ovens); (ii) the issuance of a pollutant release permit; and (iii) the approval of any application for title certificates for real properties constructed in respect of West China Coke. The Company understands that the environmental protection authority has the right to require West China Coke to suspend its production and to take certain remedial steps.

Cyclical Nature of Coal Markets and Fluctuations in Coal Prices

The business and results of operations of the Group's coal projects are expected to be substantially dependent on the domestic supply of and demand for coal. Historically, the domestic markets for coal and coal-related products have at times experienced alternating periods of increased demand and excess supply. The fluctuations in supply and demand are caused by numerous factors beyond the Group's and the coal projects' control, which include, but are not limited to:

- domestic economic and political conditions and competition from other energy sources;
- the rate of growth and expansion in industries with high coal demand, such as the power and steel industries; and
- the indirect influence on domestic coal prices by the PRC government through its regulation of on-grid tariffs and the allocation of transportation capacity on the national rail system.

There can be no assurance that the domestic demand for coal and coal-related products will continue to grow, or that the domestic market for coal and coal-related products will not experience excess supply. A significant decline in demand for, or an over-supply of, coal and coal-related products may have a material adverse effect on the Group's and the coal projects' business, results of operations and financial condition.

Maximum Foreign Equity Holding Permitted in Coal Exploration and Mining

The Ministry of Commerce and the State Development and Reform Commission of the PRC have updated and re-published the State Catalogue for the Guidance of Foreign Invested Industries (the "**Catalogue**"). All industries, according to the Catalogue, are divided into four categories (i.e. encouraged, permitted, restricted and prohibited) representing the policies of the State toward foreign investment in different industries. According to the Catalogue, the "exploration and development of coal resources" have been removed from the encouraged category. Under the restricted category of the Catalogue, there is a requirement for a Chinese party to hold a majority equity interest in "exploration and mining of special and scarce coals". The existing PRC law offers no clear guidance as to what coals shall be considered as "special and scarce". As advised by the Company's PRC legal adviser, after consultation with several experts in the PRC mining industry and an official of the Ministry of Land and Resources on a no-name basis, the Company understands that the view widely held in the industry is that "special and scarce coals" shall primarily include hard coking coals and high-quality low-ash coals. Based upon this understanding, this restriction on "special and scarce coals" is very unlikely to adversely affect the Ji Ri Ga Lang Coal Project and the Zhun Dong project. However, given the apparent tightening of State policies toward foreign investment in the mining industry as reflected in the Catalogue, there is a possibility that the PRC authorities may adopt a broader interpretation of "special and scarce coals" which may cover the coal resources involved in the Ji Ri Ga Lang Coal Project and the Zhun Dong project. As a consequence, the PRC authorities may require the foreign majority equity interests in ACMC and the foreign invested company incorporated in Xinjiang be reduced to a minority interest.

Change in Regulations to Exploitation of Resources by the State Investment Catalogue

The Catalogue has also imposed an express ban on foreign investment in the exploration and mining of certain rare or non-renewable mineral resources. Specifically, the exploration and exploitation of tungsten, tin, antimony, molybdenum and fluorite have now been categorised as "prohibited". Shareholders shall note that the exploration of thermal coal and related resources and the exploration of copper, lead and zinc and aluminium are now in the permitted category after being removed from the encouraged category. Further changes in regulations could have a material adverse effect on the ability of the Group to conduct its exploration and mining operations in China.

Financial Instruments

The Group will operate both equity market and currency hedges from time to time. Investment is carefully controlled, in accordance with parameters set by the Board, in short term situations where physical assets may be inappropriate. There is strict segregation between the investment management and settlement functions.

In the course of the Group's normal operations, margin deposits of varying amounts of cash are held by the Group's brokers. As at 31 December 2009, the amount of these margin deposits was US$34,118,000 (2008: US$704,000). Since year end these margin deposits of US$32,899,000 have been transferred into listed securities of US$32,899,000.

In terms of the total operations of the Group, activities of this nature are of limited materiality.

Employees

The Group, including subsidiaries but excluding associates and a jointly controlled entity, employed approximately 30 employees at 31 December 2009. The remuneration policy is to reward key employees by a combination of salaries, profit related bonuses and share options, where appropriate. For employees below Board level, remuneration will be determined by the Director(s) responsible for the division whilst, for Directors, remuneration is determined by the remuneration committee of the Board. In all cases, grants of share rewards will be agreed by the remuneration committee of the Board. During the year and up to the date of this announcement, 150,125,000 share awards were granted to eligible participants.

FINAL DIVIDEND

The Directors have proposed, subject to approval by the shareholders at the forthcoming annual general meeting to be held on 10 June 2010, a final dividend in respect of the year ended 31 December 2009 of HK$0.01 per share (2008: nil), payable on **Friday, 9 July 2010** in cash, either in Hong Kong dollars or in United States dollars at the exchange rate quoted by Citibank NA, Hong Kong at **4:00 pm (Hong Kong time) on Thursday, 10 June 2010**, to those shareholders whose names are recorded on the Principal or Branch Register of Members of the Company on **Thursday, 10 June 2010**.

CLOSURE OF REGISTER OF MEMBERS

The Registers of Members of the Company will be closed from **Monday, 7 June 2010 to Thursday, 10 June 2010, both days inclusive**, during which period no transfers of shares will be effected. In order for shareholders to qualify for the final dividend, all completed and stamped transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's Branch Share Registrars in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration **not later than 4:30 pm (Hong Kong time) on Friday, 4 June 2010**.

ELECTION BY SHAREHOLDERS

It is expected that an election form (the "**Election Form(s)**") will be despatched to shareholders on **Friday, 11 June 2010** for them to elect the currency (Hong Kong dollars or United States dollars) in which they wish to receive their dividend. In order for their election to be applicable to the final dividend, shareholders are required to return their Election Forms to Tricor Tengis Limited at the above address **not later than 4:00 pm (Hong Kong time) on Monday, 5 July 2010**.

Those shareholders who do not have their Election Form properly completed and returned to Tricor Tengis Limited by the designated time will only be entitled to receive their final dividend in the currency indicated in the last election form they returned to Tricor Tengis Limited or, if no form was ever returned, in the currency in which their last dividend was paid. New shareholders registered after the collection of the election form in respect of the last dividend paid by the Company who do not return the Election Form will receive the final dividend in Hong Kong dollars (if they have a Hong Kong registered address on the Company's Registers of Members) or in United States dollars (if they have an overseas registered address on the Company's Registers of Members).

Dividend cheques in relation to the final dividend are expected to be despatched at the risk of those entitled thereto on or about **Friday, 9 July 2010**.

THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Code on Corporate Governance Practices (the "**Code on CG Practices**") was introduced to Appendix 14 to the HK Listing Rules in November 2004 to take effect on 1 January 2005 (and applicable to accounting periods commencing on or after 1 January 2005), with an exception in respect of the provisions on internal controls, which took effect on 1 July 2005 (and applicable to accounting periods commencing on or after 1 July 2005). Appropriate actions were duly taken by the Directors for ensuring that the Company was in compliance of all code provisions in the Code on CG Practices.

The Company is committed to a high standard of corporate governance, for which the Directors are accountable to the Company, and has applied the principles of the Code on CG Practices since their adoption on 1 January 2005 as mentioned above in a manner consistent with best practices of a listed issuer. The primary responsibility for ensuring that the Code on CG Practices is complied with rests with the Board with the full support of the Company's secretary and its executive management.

The Company continues to monitor developments in this area of corporate governance as they relate to listed issuers in Hong Kong.

As far as the Directors are aware, the Company has complied with the code provisions set out in the Code on CG Practices during the year ended 31 December 2009.

REVIEW BY THE AUDIT COMMITTEE

The audited financial statements of the Company for the year ended 31 December 2009 have been reviewed by the audit committee of the Company (the "**Audit Committee**").

The Audit Committee was established on 11 March 1999, with written terms of reference amended on 18 March 2005, in compliance of the code provisions in C.3 of the Code on CG Practices, and further revised on 5 January 2007 to incorporate issues relating to internal controls. The committee's purpose is to assist the Board in providing an independent review of the effectiveness of the financial reporting process and the internal control and risk management systems of the Company, overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

In compliance of Rule 3.21 of the HK Listing Rules, the Audit Committee currently comprises the Non-Executive Co-Chairman of the Board (James Mellon) and two independent non-executive Directors, namely Julie Oates and Mark Searle. The committee is chaired by Julie Oates. The Audit Committee is in compliance of Rule 3.21 of the HK Listing Rules.

The Audit Committee discharged their duties in accordance with their terms of reference with no exceptions reported.

Terms of reference of the Audit Committee are available at the Company's website: www.regentpac.com.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

The Company announced on 21 December 2009 that subject to market conditions and the Directors' absolute discretion, the Company intended to use up to HK$78 million (approximately US$10 million) for undertaking an on-market share repurchase plan pursuant to the exercise of the repurchase mandate granted at the annual general meeting held on 12 June 2009 (which authorised the repurchase of up to 394,869,052 shares). The funds used for such plan will be financed from the Company's internal and existing cash reserves.

During the year ended 31 December 2009, neither the Company nor its subsidiaries purchased, sold or redeemed any of their listed securities, whether on the HK Stock Exchange or otherwise, save that during the period from 29 February 2009 to 5 March 2009, the Company, through its trustee, acquired from the market and on the HK Stock Exchange an aggregate of 29,625,000 shares at the range of prices of HK$0.109 to HK$0.127 per share, for a total consideration of HK$3,525,984 (approximately US$452,049), which are to be vested to the respective eligible participants under the Company's Long Term Incentive Plan 2007 in accordance with the vesting schedule of the units granted.

Subsequent to the year end date, the Company repurchased an aggregate of 37,700,000 shares on the HK Stock Exchange at a total consideration of HK$8,914,110 (approximately US$1,142,835), details of which are set out below:

Month	Number of shares repurchased during the month	Highest price paid per share (HK$)	Lowest price paid per share (HK$)	Total amount paid (HK$)
January 2010	24,960,000	0.250	0.237	6,131,920
February 2010	12,740,000	0.224	0.207	2,782,190
	37,700,000			8,914,110

Save for the above, the Company or its subsidiaries did not purchase, sell or redeem any of their listed securities during the year ended 31 December 2009 or subsequent to the year end date and prior to the date of this announcement.

PUBLICATION ON WEBSITES

This announcement is published on the websites of the Company (www.regentpac.com) and the HK Stock Exchange (www.hkexnews.hk).

DESPATCH OF ANNUAL REPORT

The annual report containing full details of the Company's audited final results for year ended 31 December 2009 will be despatched to all its shareholders and be published on the aforesaid websites before 30 April 2010.

On Behalf of the Board of
Regent Pacific Group Limited

James Mellon
Co-Chairman

Directors of the Company:

James Mellon *(Co-Chairman)**
Stephen Dattels *(Co-Chairman)**
Jamie Gibson *(Chief Executive Officer)*
Clara Cheung
David Comba#
Julie Oates#
Mark Searle#
Jayne Sutcliffe*

**non-executive Directors*
independent non-executive Directors

Hong Kong, 8 April 2010