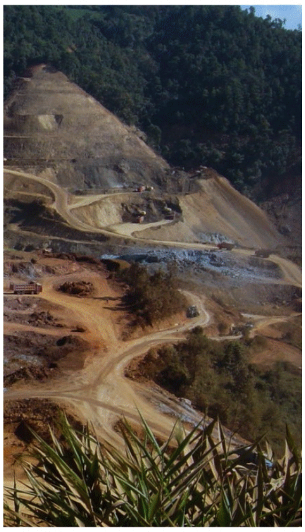
Regent Pacific Group Limited



(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 0575

13 January 2012

ANNOUNCEMENT

PROFIT WARNING AND SHARE REPURCHASES

SUMMARY

This announcement is made by the Company pursuant to Rule 13.09 of the HK Listing Rules.

The Directors wish to inform the shareholders of the Company and potential investors that they expect that the Company will record a loss attributable to the equity holders of the Company for the year ended 31 December 2011, as compared to the profit of the last financial year ended 31 December 2010.

The Company is still in the process of finalizing the Group's annual results for the year ended 31 December 2011. The information contained in this announcement is only an initial assessment by the Directors based on a preliminary review of the currently available and unaudited management accounts.

As declared and announced on 30 December 2011, a special interim dividend of HK$0.03 per share will be paid on 29 February 2012.

Regent Pacific Group Limited
8th Floor, Henley Building
5 Queen's Road Central
Hong Kong

Tel: (852) 2514 6111
Fax: (852) 2810 4792 | (852) 2509 0827
Email: info@regentpac.com
Website: www.regentpac.com

In light of the significant premium of the unaudited net asset value per share to the current price of Regent shares on the Exchange, the Company intends to seek approval from its shareholders for a mandate to acquire or repurchase up to a further 10 per cent. of its current issued share capital.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Regent Pacific Group Limited (the "**Company**" or "**Regent**" and collectively with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**HK Listing Rules**").

Unaudited Financial Performance for 2011

The directors (the "**Directors**" or the "**Board**") of the Company wish to inform the shareholders of the Company and potential investors that they expect that the Company will record a loss attributable to the equity holders of the Company for the year ended 31 December 2011, as compared to the profit of the last financial year ended 31 December 2010.

The main causes for the loss were attributable to non-operational items, principally: (i) the write off of approximately US$5.49 million (or approximately HK$42.82 million) of costs associated with the terminated offer to acquire BC Iron Limited; and (ii) the marked-to-market loss in respect of the Company's listed equity portfolio of investments of approximately US$43.45 million (or approximately HK$338.91 million), in respect of the financial year ended 31 December 2011.

Save in respect of exceptional items, ongoing expenditure for the year to 31 December 2011 was contained and on par with expenditure for the year to 31 December 2010.

The unaudited total unrealised and realised losses in respect of the Company's listed and unlisted equity portfolio of investments is approximately US$33.36 million (or approximately HK$260.21 million), in respect of the financial year ended 31 December 2011.

As at 31 December 2011, the unaudited total value of our listed and unlisted equity portfolio, together with the Company's cash position, was approximately US$151.72 million (or approximately HK$1,183.42 million), down from approximately US$244.92 million (or approximately HK$1,910.38 million) as at 31 December 2010, resulting from marked-to-market fluctuations, investments, share repurchases and the dividend made, declared or paid during the period.

The Company's unaudited net asset value per share was approximately US 5.68 cents (or approximately Hong Kong 44.30 cents), a 70 per cent. premium to the closing price of the Company's shares on 31 December 2011.

As at 31 December 2011, the Company was debt free, which remains the case.

As declared and announced on 30 December 2011, a special interim dividend of HK$0.03 per share will be paid on 29 February 2012.

The aggregate value of the Company's existing investment portfolio of listed and unlisted securities, while fluctuating daily with the markets as they are being marked-to-market or stated at fair value, has not suffered any material and adverse impact over and above the performance of the major global resource indices against which the performance of our resource-based investments are broadly measured.

The following table benchmarks the performance of the Company's mining and resource investment portfolio of listed securities to the major mining and resource indices for the financial year ended 31 December 2011:

Exchange	ASX	TSX
Reference Indices	ASX 300 Resources Index	Metals and Mining Index
Regent's returns : marked to market	-30.0%	-18.8%
Resource Market Indices Performance	-26.5%	-20.9%
Regent's Relative Performance	-3.5%	2.1%

As is evident from the above table, the Company's mining and resource investment portfolio of listed securities, which comprises in excess of 85 per cent. of the aggregate value of the Company's listed equity portfolio, has closely tracked the most relevant global mining and resource indices from the ASX (Australian Stock Exchange) and TSX (Toronto Stock Exchange) for the financial year ended 31 December 2011.

Current Financial Position, Share Repurchases and Prospects

As has been widely covered across the local and international financial media, global financial markets are continuing to experience significant levels of volatility, driven largely from the increased risk of a renewed recession in Europe, macro economic imbalances stemming from a worsening sovereign debt crisis in Europe, which, in turn, has put further pressure on banks and exacerbated concerns in respect of a hard landing in China. The possibility of a recession in

Europe is proving to be a negative for equities in general and, more specifically, mining resource equities and commodities.

In light of the Company's significant investments in listed and unlisted securities of companies engaged in the mining sector, the Company is continuing to closely monitor the markets and manage its investments as it does in the ordinary discharge of its business.

Despite enduring a difficult year, the Company continues to have a healthy, mobile balance sheet and no debt, with cash and listed/unlisted securities of approximately US$156.98 million (or approximately HK$1,224.44 million) as at 6 January 2012, an increase of US$5.26 million (or approximately HK$41.03 million) from 31 December 2011, resulting from more favourable market conditions at the start of 2012.

Consequently, the Company is carefully analysing global equity markets for potential acquisition opportunities, where mining related equities have been, in the Company's opinion, oversold when viewed against the strength of its underlying commodity(ies).

In light of the significant premium of the unaudited net asset value per share to the current price of Regent shares on The Stock Exchange of Hong Kong Limited (the **Exchange**"), the Company intends to seek approval from its shareholders for a mandate to acquire or repurchase up to a further 10 per cent. of its current issued share capital.

Shareholders and potential investors are reminded that the Company does regularly disclose and update its more significant investments and equity portfolio positions on its web site www.regentpac.com, the performance of which can be tracked against the relevant exchanges on which such investments are quoted (with such relevant exchanges, together with the stock codes and relevant company web sites also disclosed for ease of reference).

The Company is still in the process of finalizing its annual results for the year ended 31 December 2011. The information contained in this announcement is only an initial assessment by the Directors based on a preliminary review of the currently available and unaudited management accounts. The Company will publish its audited annual results for the year ended 31 December 2011 as soon as practicable, but not later than 31 March 2012.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

On behalf of the Board of
Regent Pacific Group Limited

Jamie Gibson
Director

Directors of the Company:
James Mellon *(Co-Chairman)**
Stephen Dattels *(Co-Chairman)**
Jamie Gibson (*Chief Executive Officer*)
David Comba#
Julie Oates#
Mark Searle#
Jayne Sutcliffe*

* *Non-Executive Directors*
\# *Independent Non-Executive Directors*

Hong Kong, 13 January 2012