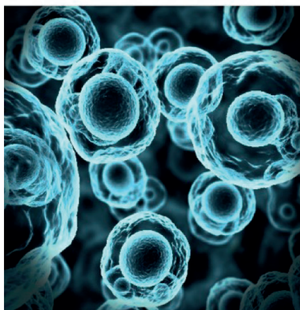
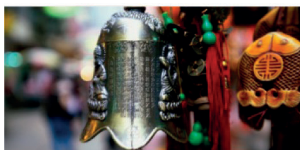
REGENT PACIFIC GROUP LIMITED





(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 0575 — 30 August 2016

ANNOUNCEMENT

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UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2016

PERFORMANCE OVERVIEW

- A profit attributable to shareholders of the Company of US$15.96 million, which was mainly attributable to: (i) the bargain purchase on the acquisition of Plethora Solutions Holdings plc ("**Plethora**") of US$31.69 million; and (ii) a marked-to-market gain of US$2.95 million in respect of the Company's equity portfolio of financial assets at fair value through profit or loss ("**FAFVPL**"), while being offset somewhat by the following non-cash items: (iii) the loss on the deemed disposal of Plethora of US$5.81 million and an amortisation charge of US$8.75 million on the intangible asset, being PSD502®.

- Shareholders' equity of US$200.32 million or net asset value ("**NAV**") per share of Hong Kong cents 89.47 (US cents 11.53), an increase of 412.55% and 2.85% respectively as compared at 31 December 2015, with the increase in shareholders' equity being mainly attributable to the acquisition of Plethora by issuing 13,886,781,298 new Regent shares as consideration with a market value of approximately US$143.07 million.

- As has been publicly announced, all requisite approvals for the acquisition of Plethora were duly obtained and the scheme of arrangement became effective on 9 March 2016, rendering Plethora a wholly-owned subsidiary of the Company as of that date.

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- At an operating level, the major developments of Plethora for the period was the completion of the development activities relating to the reduced dose can whereby the variation application was approved by the European Medicines Agency ("**EMA**") on 17 May 2016 for a reduced dose can (not less than 12 doses) version of PSD502®, a prescription treatment for premature ejaculation. The approval enabled the Group to commence manufacturing activities with its partner Pharmaserve North West Limited ("**PSNW**") in early August 2016, paving the way for Recordati S.p.A. ("**Recordati**") to undertake a full scale commercial launch of the reduced dose can in the United Kingdom around November 2016, with continental Europe to follow in April 2017.

- The successful disposal of its entire interest in Endeavour Mining Corporation ("**Endeavour**") on market for an aggregate consideration of approximately US$2.80 million in cash, thereby realising a gain on disposal of approximately US$0.32 million during the period concerned.

- The successful disposal of the Group's remaining interest in Binary Limited ("**Binary**"), for a consideration of US$1.15 million in cash. The disposal was a discloseable transaction of the Group, which successfully closed on 13 June 2016.

- The investment of approximately GBP 1 million (or approximately US$1.45 million) for 43,478 new ordinary shares and 21,739 fundraising warrants under Tranche 1 of an agreement in The Diabetic Boot Company Limited ("**Diabetic Boot**") representing approximately 7.18% of the enlarged share capital of Diabetic Boot as at 30 June 2016, raising our equity stake to 22%. After the successful completion and acquisition of the aforementioned shares and warrants in Diabetic Boot on 11 May 2016 ("**Acquisition Date**"), the agreement effectively gives the Group the right to acquire a further 86,956 shares in Diabetic Boot for a consideration of approximately GBP 2 million and a further 43,478 fundraising warrants exercisable at GBP 26.45 each. Should the Group exercise this right, it would hold approximately 31.80% of the enlarged share capital of Diabetic Boot, which remains subject to the satisfaction or waiver of certain conditions. Under the terms of the agreement with Diabetic Boot, the Group is entitled to nominate two persons to Diabetic Boot's board of directors. Together with its equity interest in Diabetic Boot, the Group believes it has significant influence over the company, and has accordingly equity accounted for its interest in this company as an associate as of the Acquisition Date.

- Maintaining and actively monitoring its existing and significant investment in Condor Gold plc ("**Condor**"), representing approximately 7.53% of the share capital of the company.

- Maintaining and actively monitoring its existing and strategic investment in Venturex Resources Limited ("**Venturex**"), representing approximately 33.63% of the share capital of the company.

- Implementing changes to the capital structure of the Group by way of a share consolidation conducted on a 10 for 1 basis, duly approved by shareholders at the extraordinary general meeting held on 8 June 2016 and taking effect on 10 June 2016, together with the announcement of a capital reduction that, having been approved by shareholders at the extraordinary general meeting held on 19 August 2016 but still subject to the approval by the Grand Court of the Cayman Islands, will result in the reduction of the par value of the issued and unissued shares of the Company from US$0.10 each to US$0.01 each and therefore the Company's authorised and issued share capital by 90 per cent.

- Strong financial position with no debt, with over US$12.11 million in cash, listed and unlisted securities.

Going forward, the Group will: (i) focus on integrating Plethora into the Group; (ii) pursue the successful commercialisation of PSD502® as quickly as possible, not only in Europe with Recordati, but also in the remaining key markets of North America, Latin America, Middle East and Asia Pacific regions; and (iii) continue with its existing strategy of pursuing strategic and value-led investments in the healthcare and life sciences sectors.

RESULTS

The directors (the "**Directors**" or the "**Board**") of Regent Pacific Group Limited (the "**Company**" or "**Regent**" and collectively with its subsidiaries, the "**Group**") announce the unaudited results of the Group for the six months ended 30 June 2016, together with comparative figures for the six months ended 30 June 2015, as follows:

Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2016

		(Unaudited) For the six months ended	
	Notes	30 June 2016 US$'000	30 June 2015 US$'000
Revenue	3		
Corporate investment income		(194)	38
Other income		50	149
		(144)	187
Fair value gain/(loss) on financial instruments	4	3,675	(1,379)
Total income less fair value loss on financial instruments		3,531	(1,192)
Expenses:			
Employee benefit expenses		(2,038)	(4,022)
Rental and office expenses		(371)	(359)
Information and technology expenses		(166)	(88)
Marketing costs and commissions		(57)	(8)
Professional and consulting fees		(2,068)	(642)
Research and development expenses		(1,548)	—
Amortisation of the intangible asset (PSD502®)		(8,748)	—
Other operating expenses		(676)	(209)
Operating loss before impairment loss	4	(12,141)	(6,520)
Impairment loss on available-for-sale financial assets	4	—	(148)
Reversal of impairment on loan receivables	4	100	728
Operating loss	4	(12,041)	(5,940)
Gain on disposal of an associate	7(vi)	—	8,938
Loss on deemed disposal of associates	7(iii)	(5,805)	(3,560)
Gain from bargain purchase of a subsidiary	11	31,686	—
Gain from bargain purchase of an associate	7(iv)	1,356	—
Share of results of associates		(102)	685
Profit before taxation		15,094	123
Tax credit	5	868	—
Profit for the period		15,962	123

	Notes	(Unaudited) For the six months ended 30 June 2016 US$'000	30 June 2015 US$'000
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Change in fair value of available-for-sale financial assets		9	184
Deferral by Day One Gain on derivative financial instruments	7(iv)	526	—
Reclassification adjustment on impairment on available-for-sale financial assets		—	148
Exchange gain/(loss) on translation of financial statements of foreign operations		345	(10)
Share of other comprehensive income of associates		(629)	199
Reclassification to profit or loss on deemed disposal of an associate	7(iii)	3,127	—
Reclassification to profit or loss on disposal of available-for-sale financial assets		(1,169)	(164)
Other comprehensive income for the period		2,209	357
Total comprehensive income for the period		18,171	480
Profit for the period attributable to:			
Shareholders of the Company		15,964	126
Non-controlling interests		(2)	(3)
		15,962	123
Total comprehensive income attributable to:			
Shareholders of the Company		18,173	483
Non-controlling interests		(2)	(3)
		18,171	480
Earnings per share attributable to shareholders of the Company during the period	6	US cent	US cent (Re-stated)
–Basic and Diluted		1.310	0.036
		HK cent	HK cent (Re-stated)
– Basic and Diluted		10.1648	0.2791

Consolidated Statement of Financial Position
As at 30 June 2016

	Notes	(Unaudited) As at 30 June 2016 US$'000	(Audited) As at 31 December 2015 US$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		107	48
Intangible asset		207,317	3,441
Interests in associates	7	3,857	17,295
Available-for-sale financial assets		1,760	5,367
		213,041	26,151
Current assets			
Cash and bank balances		1,738	5,474
Financial assets at fair value through profit or loss		8,611	8,146
Loan receivables		—	75
Prepayments, deposits and other receivables		1,139	2,505
Derivative financial instruments		1,174	484
		12,662	16,684
Current liabilities			
Trade payables, deposits received, accruals and other payables	8	(4,497)	(3,623)
Derivative financial instruments		(191)	(167)
		(4,688)	(3,790)
Net current assets		7,974	12,894
Total assets less current liabilities		221,015	39,045
Non-current liabilities			
Deferred tax liabilities		(20,732)	—
NET ASSETS		200,283	39,045
EQUITY			
Capital and reserves attributable to shareholders of the Company			
Share capital		173,725	34,857
Reserves		26,599	4,227
Equity attributable to shareholders of the Company		200,324	39,084
Non-controlling interests		(41)	(39)
TOTAL EQUITY		200,283	39,045

Notes:

1. General information and basis of preparation

The Company was incorporated in the Cayman Islands with limited liability. Its registered office is at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, 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 Open market (Freiverkehr) of the Frankfurt Stock Exchange.

The Company's principal activity is investment holding, and the principal activities of the Group consist of investments in biopharma companies and other corporate investments.

The interim financial report has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to The Rules Governing the Listing of Securities on the HK Stock Exchange (the "**HK Listing Rules**") and Hong Kong Accounting Standard ("**HKASs**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

The accounting policies used in the preparation of the interim financial report are consistent with those used in the annual financial statements for the year ended 31 December 2015, except for the adoption of the new and revised Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include individual Hong Kong Financial Reporting Standards, HKASs and Interpretations) as disclosed in note 2 to the interim financial report set out in this announcement and the inclusion of the following additional accounting policy of "Business combinations" as adopted by the Group:

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that the deferred tax assets or liabilities are recognised and measured in accordance with HKAS 12 "Income Taxes".

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

The interim financial report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2015.

2. Adoption of new or revised HKFRSs

In the current period, 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 2016:

HKFRSs (Amendments)	Annual Improvements 2012-2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 27	Equity Method in Separate Financial Statements

The adoption of these new HKFRSs had no material impact on how the financial performance and financial position for the current and prior periods have been prepared and presented.

At the date of authorisation of these financial statements, certain new HKFRSs, that are potentially relevant to the Group's operation, have been published but are not yet effective and have not been adopted early by the Group:

		Effective for accounting period beginning on or after
Amendments to HKAS 7	Disclosure Initiative	1 January 2017
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to HKFRS 15	Clarifications to HKFRS 15 Revenue from Contracts with Customers	1 January 2018
HKFRS 9 (2014)	Financial Instruments	1 January 2018
HKFRS 15	Revenue from Contracts with Customers	1 January 2018
HKFRS 16	Leases	1 January 2019

HKFRS 9 (2014) – Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income ("**FVTOCI**") if the objective of the entity's business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at financial assets at fair value through profit or loss ("**FAFVPL**").

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FAFVPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FAFVPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

HKFRS 15 – Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 "Revenue", HKAS 11 "Construction Contracts" and related interpretations.

HKFRS 15 requires the application of a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to each performance obligation

Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

HKFRS 16 – Leases

HKFRS 16 supersedes HKAS 17 "Leases", HK(IFRIC) – Int 4 "Determining Whether an Arrangement Contains a Lease", HK(SIC)–Int 15 "Operating Lease–Incentives" and HK(SIC)–Int 27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease".

HKFRS 16 eliminates the classification by a lessee of leases as either operating or finance. Instead all leases are treated in a similar way to finance leases in accordance with HKAS 17 "Leases". Under HKFRS 16, leases are recorded on the statement of financial position by recognising a liability for the present value of its obligation to make future lease payments with an asset (comprised the amount of lease liability plus certain other amounts) either being disclosed separately in the statement of financial position (within right-of-use assets) or together with property, plant and equipment. The most significant effect of the new requirements will be an increase in recognised lease assets and financial liabilities.

There are some exemptions. HKFRS 16 contains options which do not require a lessee to recognise assets and liabilities for (a) short term leases (i.e. lease of 12 months or less, including the effect of any extension options) and (b) leases of low value assets (for example, a lease of a personal computer).

HKFRS 16 substantially carries forward the lessor's accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. In classifying a sublease, an intermediate lessor shall classify the sublease as a finance lease or an operating lease as follows: (a) if the head lease is a short-term lease that the entity, as a lessee, has accounted for applying paragraph 6 of HKFRS 16, the sublease shall be reclassified as an operating lease; (b) otherwise, the sublease shall be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset.

HKFRS 16 clarifies that a lessee separates lease components and service components of a contract, and applies the lease accounting requirements only to the lease components.

The Directors are in the process of making an assessment of the expected impact of these amendments or new standards and interpretations in the period of initial application. Presently, the Directors are of the opinion that these amendments are unlikely to have a significant impact on the Group's financial performance and financial position.

3. Revenue and segment information

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the Chief Executive Officer ("**CEO**") for his decision about resources allocation to the Group's business components and for his review of the performance of those components. The business components in the internal financial information reported to the CEO are determined following the Group's major product and service lines.

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

Biopharma	:	Research, development, manufacturing, marketing and sale of pharmaceutical products
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 were no sales between the reportable segments.

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs, except that:

- finance costs;
- income tax;
- impairment loss on available-for-sale financial assets;
- reversal of impairment on loan receivables;
- corporate income and expenses which are not directly attributable to the business activities of any operating segment; and
- share of results of associates accounted for using the equity method, gain from bargain purchase of a subsidiary and an associate, loss on deemed disposal of an associate and a gain on disposal of an associate

are not included in arriving at the operating results of the operating segment.

Segment assets include all assets except for interests in associates and available-for-sale ("**AFS**") financial assets.

Segment liabilities exclude deferred tax liabilities and corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment.

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

For the six months ended 30 June 2016

	(Unaudited)		
		Corporate	
	Biopharma	Investment	Total
	US$'000	US$'000	US$'000
Revenue from external customers	2	(146)	(144)
Segment results	(10,946)	(1,195)	(12,141)
Reversal of impairment on loan receivables	—	100	100
Loss on deemed disposal of an associate	(5,805)	—	(5,805)
Gain from bargain purchase of a subsidiary	31,686	—	31,686
Gain from bargain purchase of an associate	1,356	—	1,356
Share of results of associates	(102)	—	(102)
Consolidated profit/(loss) before tax credit	16,189	(1,095)	15,094

As at 30 June 2016

	(Unaudited)		
		Corporate	
	Biopharma	Investment	Total
	US$'000	US$'000	US$'000
Segment assets	208,189	11,897	220,086
Interests in associates	3,856	1	3,857
Available-for-sale financial assets	—	1,760	1,760
Total assets	212,045	13,658	225,703
Segment liabilities	1,355	3,333	4,688
Deferred tax liabilities	20,732	—	20,732
Total liabilities	22,087	3,333	25,420

For the six months ended 30 June 2015

	(Unaudited)		
	Biopharma US$'000	Corporate Investment US$'000	Total US$'000
Revenue from external customers	—	187	187
Segment results	—	(6,520)	(6,520)
Impairment loss on available-for-sale financial assets	—	(148)	(148)
Reversal of impairment on loan receivables	—	728	728
Gain on disposal of an associate	—	8,938	8,938
Loss on deemed disposal of an associate	(3,560)	—	(3,560)
Share of results of associates	(772)	1,457	685
Consolidated (loss)/profit before tax credit	(4,332)	4,455	123

As at 31 December 2015

	(Audited and restated)		
	Biopharma US$'000	Corporate Investment US$'000	Total US$'000
Segment assets	3,441	16,732	20,173
Interests in associates	17,294	1	17,295
Available-for-sale financial assets	—	5,367	5,367
Total assets	20,735	22,100	42,835
Segment liabilities	—	3,790	3,790
Total liabilities	—	3,790	3,790

Certain comparative amounts in the segment information have been reclassified to conform to the current year's presentation. The Directors of the Company consider that such reclassification allows a more appropriate presentation of the Group's segment information.

4. Operating loss

	(Unaudited)	
	For the six months ended	
	30 June 2016	30 June 2015
	US$'000	US$'000
Operating loss is arrived at after charging:		
Auditors' remuneration		
– audit services	—	19
– review services	56	35
– other services	62	—
Depreciation of property, plant and equipment	36	40
Amortisation of intangible asset	8,748	27
Operating lease charges on property and equipment	323	312
Impairment loss on available-for-sale financial assets	—	148
Realised loss on disposal of financial assets at fair value through profit or loss@(1)	—	16
Realised loss on disposal of available-for-sale financial assets@	—	5
Unrealised loss on financial assets at fair value through profit or loss@ (1)	—	1,521
Unrealised loss on derivative financial instruments@(2)	314	45
Foreign exchange losses, net	240	—
and crediting:		
Interest income on bank deposits and loan receivables*	2	1
Other interest income*	32	18
Foreign exchange gain, net*	—	994
Dividend income from listed equities*	11	18
Realised gain on disposal of financial assets at fair value through profit or loss@(1)	327	—
Realised gain on disposal of available-for-sale financial assets@	545	—
Unrealised gain on financial assets at fair value through profit or loss@ (1)	2,950	—
Realised gain on derivative financial instruments@(2)	167	208
Reversal of impairment on loan receivables#	100	728

@ These amounts constitute the fair value gain on financial instruments of US$3,675,000 (2015: loss of US$1,379,000) in the consolidated statement of comprehensive income.

(1) During the period ended 30 June 2016, net gains on financial assets at fair value through profit or loss amounted to US$3,277,000 (2015: net losses of US$1,537,000), of which a net unrealised gain of US$2,950,000 (2015: net unrealised loss of US$1,521,000) was incurred.

(2) During the period ended 30 June 2016, net losses on derivative financial instruments amounted to US$147,000 (2015: net gains of US$163,000).

* Included in revenue.

During the period ended 30 June 2016, an impairment on loan receivables of US$100,000 (2015: US$728,000) from Blue Pacific Coal Pte. Ltd. ("**Blue Pacific**") has been reversed as an amount of US$100,000 (2015: US$728,000) has been recovered during the period.

5. Tax credit

No provision for profits tax has been made in the interim financial report as all the Group's companies which are subject to such tax have sustained losses for taxation purposes for the periods ended 30 June 2016 and 2015. Overseas tax is calculated at the rates applicable in the respective jurisdiction.

A tax credit of US$868,000 (2015: nil) for the period ended 30 June 2016 represents the deferred tax credit arising on an amortisation charge for the period relating to the intangible asset of the patent PSD502®.

Share of associates' tax credit for the six months ended 30 June 2016 of US$48,000 (2015: US$59,000) is included in the consolidated statement of comprehensive income as share of results of associates.

6. Earnings per share

The calculation of basic earnings per share is based on the profit attributable to shareholders for the period ended 30 June 2016 of US$15,964,000 (2015: US$126,000) and on the weighted average number of ordinary shares of 1,218,404,408 (restated in 2015: 348,573,052) in issue during the period. The comparative figure for the basic earnings per share is restated to take into effect of the Company's share consolidation completed during the period retrospectively as if it had taken place since the beginning of the comparative period.

As the exercise prices of the Company's share options were higher than the average market price of the Company's shares for the periods ended 30 June 2016 and 2015, the conversion of such share options is not assumed in the computation of diluted earnings per share for the periods ended 30 June 2016 and 2015.

Subsequent to the period ended 30 June 2016 and prior to the date of this announcement, no ordinary shares were issued and allotted.

7. Interests in associates

(i) At the reporting date, the Group's associates and their carrying value comprised the following:

	(Unaudited) As at 30 June 2016 US$'000	(Audited) As at 31 December 2015 US$'000
The Diabetic Boot Company Limited	3,856	—
West China Coking & Gas Company Limited (“**West China Coke**”)	1	1
Plethora Solutions Holdings plc*	—	17,294
	3,857	17,295

Share of associates' tax credit for the six months ended 30 June 2016 of US$48,000 (2015: US$59,000) is included in the consolidated statement of comprehensive income as share of results of associates.

* *During the period, the Group acquired all the remaining shares it did not already own in Plethora by way of a scheme of arrangement on 9 March 2016. Thereafter Plethora became a wholly owned subsidiary of the Group. Further details of the acquisition are set out in note 11.*

Particulars of the associates as at 30 June 2016 are as follows:

Name of associate	Country of incorporation/ continuation/ operation	Type of legal entity	Issued and fully paid share capital held in associate	Percentage of equity interest attributable to the Company		Principal activities
				Direct	Indirect	
West China Coke	The People's Republic of China	Sino-foreign Joint Venture Company	Injected capital of RMB79,910,000	—	25%	Production, processing and sale of coal, coke, gas and coal chemicals
Diabetic Boot	United Kingdom	UK Limited Liability Company	Ordinary shares of GBP 133.23	22%	—	Design, promote and production of medical products

(ii) Movement in interests in associates is summarised in the table below:

	(Unaudited) As at 30 June 2016 US$'000	(Audited) As at 31 December 2015 US$'000
As at 1 January 2016/2015	17,295	30,206
Loss on deemed disposal of Plethora (iii) and (v)	(2,678)	(3,560)
Reclassification of the interest in Plethora to subsidiary (iii) (note 11)	(14,046)	—
Reclassification of interest in Diabetic Boot from available-for-sale financial assets (iv)	2,661	—
Gain from bargain purchase of Diabetic Boot (iv)	1,356	—
Disposal of 98% interest in Binary (vi)	—	(6,755)
Unrealised fair value gain on retained 2% interest in Binary (vi)	—	529
Reclassify remaining interest in Binary to available-for-sale financial assets (vi)	—	(943)
Share of results of associates	(102)	(1,193)
Exchange loss on translation of financial statements of associates	(629)	(989)
As at 30 June/31 December	3,857	17,295

	(Unaudited) As at 30 June 2016 US$'000	(Audited) As at 31 December 2015 US$'000
Share of net assets – unlisted (net of accumulated impairment losses)	3,857	1
Share of net assets – listed	—	17,294
	3,857	17,295

(iii) Loss on deemed disposal of an associate arising from Plethora reclassified as a subsidiary as of 9 March 2016

As explained in more detail in note 11 the Company acquired all of Plethora's issued and to be issued ordinary share capital that if did not already own by way of a scheme of arrangement on 9 March 2016. Plethora subsequently became a wholly owned subsidiary of the Group. Under HKFRS 3 "Business Combinations", the Group is required to re-measure its previously held equity interest in Plethora (amounting to 86,799,490 shares) at its acquisition date fair value and recognise the resulting gain or loss in profit or loss.

	US$'000
Carrying value of interest in Plethora at 1 January 2016	17,294
Add: Share of Plethora's profit to 9 March 2016	17
Less: Share of current period exchange reserve movement	(587)
Carrying value of interest in Plethora at 9 March 2016	16,724
Less: Fair value of equity interest in Plethora at 9 March 2016	(14,046)
Loss on deemed disposal	2,678
Add: Release of foreign currency exchange reserve related to interest in Plethora	3,127
Loss on deemed disposal of an associate (Plethora) recognised in profit and loss	5,805

(iv) Diabetic Boot reclassified as an associate from AFS financial assets as of 11 May 2016

Diabetic Boot is a private limited company incorporated in the United Kingdom. It is essentially a single product medical device company focused on the treatment of diabetic foot ulcers ("**DFUs**"), which are a comorbidity of diabetes mellitus. Currently, the treatment options available for DFUs are very narrow and have limited efficacy. Diabetic Boot has a unique and patented technology offering to treat DFUs under the trade name "PulseFlowDF". This cutting–edge technology combines two proven treatment strategies – offloading and intermittent pneumatic compression, in an innovative Class II medical device. The device features a biomechanically active but unobtrusive design and state-of-the–art construction materials to simultaneously increase blood flow, offload the wound and protect the foot from further injury.

The Company first acquired an interest in Diabetic Boot in 2015, purchasing 89,753 shares for a consideration of US$1,842,000. This investment represented an interest of 16.79% of Diabetic Boot's then issued share capital, and was accounted for as an AFS financial assets in the Group's consolidated statement of financial position at 31 December 2015.

During the period, on 19 April 2016 the Company entered into a binding term sheet (the "**Agreement**") with Diabetic Boot to potentially acquire a further 130,434 new Diabetic Boot shares at GBP 23 per share (US$32.84 per share) in cash and 65,217 warrants each exercisable at GBP 26.45 per share (or approximately US$37.76 per share) for an aggregate consideration of GBP 2,999,982 (or approximately US$4,283,074). The Agreement provided for these additional shares to be acquired and paid over three equal tranches. The three tranches had latest exercise dates of 31 May 2016, 30 September 2016 and 31 December 2016, and each tranche had certain conditions/performance obligations Diabetic Boot had to fulfill. Critically, once Diabetic Boot had fulfilled its obligations under Tranche 1, the Company essentially had a right (option) to acquire Tranche 2 and 3 shares and warrants irrespective of whether Diabetic Boot was able to fulfill its performance obligations set under the Agreement. Diabetic Boot fulfilled the performance obligations of Tranche 1 on 11 May 2016, and the Company accordingly acquired the Tranche 1 shares and warrants and de facto acquired a right to acquire further shares/warrants under Tranche 2 and 3 as of that date. At 11 May 2016, the Company's interest in Diabetic Boot increased to approximately 23%, which was subsequently diluted to 22% by way of a further placement of shares to third parties on 2 June 2016. Further details of the terms and conditions in the Agreement are set out in the Company's announcement to shareholders dated 20 April 2016.

Under the Agreement, upon the purchase of Tranche 1 shares, the Company also acquired the right to nominate two persons to Diabetic Boot's board of directors. Under HKAS 28 "Investments in Associates and Joint Ventures" ("**HKAS 28**"), an investor equity accounts for its interest in an investee as an associate when it has significant influence. As the Company holds more than a 20% equity interest in Diabetic Boot and has the ability to influence Diabetic Boot's policies and operations via its ability to nominate persons to its board of directors, the Group considers it now has significant influence and has accordingly equity accounted for its interest in Diabetic Boot as an associate as of 11 May 2016.

Under HKAS 28 and the Group's accounting policies, when Diabetic Boot is first accounted for as an associate: (i) the Group is required to calculate goodwill based on the consideration paid and the share of fair value of net assets acquired. If the sum of this consideration is lower than the fair value of the net assets acquired, the difference is recognised in profit or loss as a gain from bargain purchase; (ii) a critical component of the fair value of Diabetic Boot's assets and liabilities on the date it became an associate is the fair value of its "PulseFlowDF" patented technology, which Diabetic Boot does not reflect in its financial statements. To assist the Directors to fair value this intangible asset, the Company engaged an independent expert valuation firm, Grant Sherman Appraisal Limited ("**Grant Sherman**"), to determine the fair value of that asset. Key assumptions underlying that valuation, which the Directors have reviewed and adopted, are set out below; and (iii) in respect of the previously held interest in Diabetic Boot which was accounted for as an AFS financial assets, under HKAS 28/HKFRS 3 it is treated as if it was disposed of and reacquired at fair value at the acquisition date.

Fair value of Diabetic Boot's assets and liabilities as of 11 May 2016:

	Fair value US$'000	Carrying value US$'000
Property, plant and equipment	80	80
Intangible asset - PulseFlowDF*	19,405	—
Inventories	427	427
Trade and other receivables	467	467
Cash and cash equivalents	1,011	1,011
Trade and other payables	(447)	(447)
Income tax payable	(16)	(16)
Deferred tax liability (arising from the intangible asset)	(3,493)	—
	17,434	1,522

* *The valuation of PulseFlowDF was based on the "Relief-from-Royalty method", whereby the value of patent is based on the present worth of future economic benefits to be derived from the projected royalty income. This method is widely accepted and commonly used valuation method to value intangible assets, including patents and trademarks. Key assumptions underlying the valuation were Diabetic Boot's market penetration rate, the rate at which the diabetic population would grow, a discount rate of 31.81%, a royalty rate and life of the patent. A corresponding deferred tax liability of US$3,493,000 was determined based on the valuation of the patent using the expected corporate tax rate at which the royalty income from this intangible asset will be taxed.*

Calculation of bargain purchase gain on Diabetic Boot's interest as of 11 May 2016:

	US$'000
Carrying value of previously held interest in Diabetic Boot carried forward at 1 January 2016	1,842
Add: Attributable costs of additional 43,478 shares acquired in Diabetic Boot under Tranche 1	819
Total cost	2,661
Less: Attributable shares of Diabetic's net assets at fair value (23.04% of US$17,434,000)	4,017
Bargain purchase gain on Diabetic Boot's interest	1,356

Day One Gain arising from Diabetic Boot derivative financial instruments

As mentioned above, in addition to the Tranche 1 shares, under the Agreement the Company also acquired certain warrants under Tranche 1 as well as the right to acquire further shares and warrants under Tranche 2 and 3. These warrants and economic rights constitute derivative financial instruments and are accounted for separately from the Tranche 1 shares. Under HKFRS 13 "Fair Value Measurement", on the acquisition date, these derivative financial instruments are measured at fair value, with any gain or loss over their attributable cost being recognised in profit or loss ("**Day One Gain/Loss**"). However, under HKAS 39 "Financial Instruments: Recognition and Measurement", where the fair value of the derivative financial instruments is determined based on valuation assumptions/data which is not from observable market information, then any Day One Gain/Loss should not be recognised but deferred until such market observable data/a change in factor (including time) that market participants would consider in setting a price becomes available.

From the table below, the Day One Gain arising from the derivative financial instruments on acquisition date amounted to approximately US$526,000. This has not been recognised in profit and loss and has been reflected in the movement in investment revaluation reserve for the current period.

	Fair value US$'000	Attributable cost US$'000	Fair value gain US$'000
Tranche 1- 21,739 fundraising warrants	342	186	156
Tranche 2- 43,478 Diabetic Boot shares and 21,739 fundraising warrants	405	220	185
Tranche 3- 43,478 Diabetic Boot shares and 21,739 fundraising warrants	406	221	185
	1,153	627	526

The Directors have determined the fair value of derivative financial instruments and their attributable cost with reference to a preliminary valuation report prepared by Grant Sherman, an independent expert valuation firm on Diabetic Boot's intangible asset and these derivative financial instruments. Given that this acquisition/transaction was only completed very recently on 11 May 2016, Grant Sherman has not had sufficient time to finalise their valuation report as at the date of these interim results. Should there be any material changes in Grant Sherman's final valuation report, these will be accounted for in the Group's Annual Report for the year ended 31 December 2016.

(v) Loss on deemed disposal of interest in Plethora for the year ended 31 December 2015

On 8 April 2015, Plethora announced that a notice was received from the convertible loan notes holders to convert convertible loan notes with principal amount of GBP 1,629,595 with interest accrued and redemption premiums of GBP 1,216,124 into 142,285,957 ordinary shares of Plethora, which diluted the Group's ownership from 12.75% to 10.54% and gave rise to a loss on deemed disposal of an associate of US$3,560,000 which was recognised in the consolidated statement of comprehensive income for the six months ended 30 June 2015.

(vi) Disposal of interest in Binary

As at 31 December 2014, the Group held a 49.90% equity interest in Binary, which is principally engaged in the business of online options trading platform and accounted for the investment as an associate. On 8 April 2015, the Group disposed of 98% of its holding amounting to 938,978 ordinary shares in Binary for an aggregate consideration of US$15,000,000. As part of this transaction, 165,197 Binary shares were sold to two related parties of the Group. The Group has accounted for the remaining approximately 2% equity interest as an AFS financial assets, whose fair value the Directors estimated to be approximately US$943,000 at the date of disposal (fair value gain of US$529,000). This transaction resulted in the recognition of a gain on disposal of an associate of US$8,938,000 for the six months period ended 30 June 2015 as set out below:

	2015 US$'000
Aggregate consideration	15,000
Carrying amount of the Company's interest in Binary disposed of	
(approximately 98% interest) (ii)	(6,755)
Reclassification adjustment resulting from disposal of 98% interest:	
– foreign currency exchange reserve	2
– share-based payment reserve	162
Unrealised fair value gain on retained 2% interest (ii)	529
Gain on disposal of an associate	8,938

Further details of Binary and the sale of Binary shares are set out in the Company's circular dated 16 March 2015 and announcement dated 8 April 2015.

8. Trade payables, deposit received, accruals and other payables

As at 30 June 2016 and 31 December 2015, the ageing analysis of the trade payables, based on their invoice date, was as follows:

	(Unaudited) As at 30 June 2016 US$'000	(Audited) As at 31 December 2015 US$'000
Due within 1 month or on demand	529	—
Due after 3 months but within 6 months	227	—
More than 6 months	106	99
	862	99

9. Dividends

No interim dividend has been declared or paid in respect of the six months ended 30 June 2016 (2015: nil).

10. Charge on assets

As announced by the Company on 28 January 2013, 18 April 2013 and 23 August 2013 and as further explained under the sub-heading "Australian Tax" under the section headed "Review and Prospects" in this announcement, the Company received orders from the Federal Court of Australia in relation to an assessment issued by the Commissioner of Taxation (the "**COT**") in the amount of A$12.78 million following completion of the sale of its securities in BC Iron Limited ("**BCI**") for gross proceeds of A$81.61 million (the "**Assessment**" referred to below). The amount of potential Capital Gain Tax ("**CGT**") assessed was due and payable on 2 December 2013.

Following consultation with the COT and pursuant to the terms of the Settlement Deed (as defined in the announcement dated 18 April 2013), the Company agreed to grant The Commonwealth of Australia, represented by the COT, a specific security deed (as amended by way of a deed of amendment dated 27 November 2013) (together, the "**Specific Security Deed**") in respect of certain of the Company's holding of 518,103,930 shares in Venturex, 10,854,568 shares in Bannerman Resources Limited and 12,700,000 shares in Tigers Realm Coal Limited, of which the aggregate market value (as at 30 June 2016) is approximately A$4.24 million (or approximately US$3.16 million), as security against the Assessment, in consideration of which the COT stayed recovery action in respect of the Assessment until the matter is resolved within the time provided for in any relevant law following the Final Determination of Objection (as defined in the announcement dated 18 April 2013).

None of the Group's other assets was pledged as at 30 June 2016 (2015: Nil).

11. Business combination

On 9 March 2016, the Group acquired the entire issued and to be issued ordinary share capital of Plethora (other than Plethora's shares held by the Group) by means of a scheme of arrangement, Plethora is a UK-based specialty pharmaceutical company dedicated to the development and marketing of products for the treatment and management of urological disorders. The acquisition was made to pursue strategic and value-led investments in the healthcare and life sciences sectors.

The fair value of identifiable assets and liabilities of Plethora as at the date of acquisition were as follows:

	US$'000	US$'000
Net assets acquired:		
Intangible asset (PSD502®)	216,000	
Deferred tax liabilities	(21,600)	
Property, plant and equipment	85	
Cash and bank balances	564	
Prepayments and other receivables	742	
Accounts payable, accruals and other payables	(3,276)	
		192,515
Satisfied by:		
Fair value of consideration shares issued	(143,067)	
Fair value of 86,799,490 Plethora shares originally held by the Group (note 7(iii))	(14,046)	
Intangible assets - Sharwood economic rights	(3,376)	
Derivative financial instruments (Plethora fundraising warrants)	(340)	
		(160,829)
Gain from bargain purchase recognised in the consolidated statement of comprehensive income		31,686
Net cash inflow arising on acquisition:		
Cash and bank balances acquired		564

The Group has measured Plethora's intangible asset (PSD502®) at the acquisition date fair value, which has been estimated with reference to a valuation report prepared by Grant Sherman, an independent expert valuation firm. The fair value was determined by applying an income approach technique known as a discounted cash flow method with an assumed discount rate of between 15% and 18%. Other key assumptions underlying the valuation were the premature ejaculation prevalence rates in Plethora's target markets (estimated at 25% or 1:4 men) and the growth rates and royalty rates in each of the five major geographic regions/markets that PSD502® will marketed and sold in. The income approach is the conversion of expected periodic benefits of ownership into an indication of value. It is based on the principle that an informed buyer would pay no more for the asset than an amount equal to the present worth of anticipated future benefits (income) from the same or equivalent asset with similar risk.

The fair value of the consideration shares issued was determined by reference to the Company's share price of HK$0.08 per share at 9 March 2016. Under the scheme of arrangement, each registered Plethora shareholder received 15.7076 Regent shares in exchange for each share they held as at 9 March 2016 (the acquisition date). In aggregate, the Company issued 13,886,781,298 new Regent shares to effect the scheme of arrangement, rendering Plethora a wholly-owned subsidiary of the Group.

At the date of this announcement, Plethora has not finalised its accounts as at 9 March 2016, the acquisition date at which it became a wholly-owned subsidiary of the Group. In particular, certain tax-related entries related to the long term incentive plan (which also include tax valuation issues) have still to be finalised. Plethora is in discussions with its independent tax advisors to finalise these matters. For the purposes of this announcement, preliminary figures at 9 March 2016 have been used to determine the Group's share of profits of Plethora up to that date as an associate and thereafter to 30 June 2016 as a subsidiary. The same information has been used to determine the deemed disposal of associate and bargain purchase gain of a subsidiary as set out in note 7(iii) above and this note 11. The Directors expect the final adjustments to Plethora's accounts at 9 March 2016, if any, will be determined before 31 December 2016 and if material, will be incorporated in the Group's Annual Report for the year ended 31 December 2016.

The acquisition-related costs of approximately US$2 million have been expensed and are mainly included in professional and consulting fees for the six months ended 30 June 2016.

The acquired business contributed revenue of approximately nil and the loss after taxation of approximately US$10,073,000 to the Group for the period from 9 March 2016 to 30 June 2016.

Had the acquisition occurred on 1 January 2016, the Group's revenue and profit after taxation would have been approximately US$(144,000) and US$13,659,000 respectively for the six months ended 30 June 2016.

This pro forma information is for illustrative purpose and is not necessarily an indication of revenue and the results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2016, nor is it intended to be a projection of future results.

REVIEW AND PROSPECTS

MAIN ACTIVITIES

The Group's principal activities during the period were:

- As has been publicly announced, all requisite approvals for the acquisition of Plethora were duly obtained and the scheme of arrangement became effective on 9 March 2016, rendering Plethora a wholly-owned subsidiary of the Company as of that date.

- The completion of the development activities relating to the reduced dose can whereby the variation application was approved by the EMA on 17 May 2016 for a reduced dose can (not less than 12 doses) version of PSD502®, a prescription treatment for premature ejaculation. The approval enabled the Group to commence manufacturing activities with PSNW in early August 2016, paving the way for Recordati to undertake a full scale commercial launch of the reduced dose can in the United Kingdom in November 2016, with continental Europe to follow in April 2017.

- The successful disposal of its entire interest in Endeavour on market for an aggregate consideration of approximately US$2.80 million in cash, thereby realising a gain on disposal of approximately US$0.32 million during the period concerned.

- The successful disposal of the Group's remaining interest in Binary, for a consideration of US$1.15 million in cash. The disposal was a discloseable transaction of the Group, which successfully closed on 13 June 2016.

- The investment of approximately GBP 1 million (or approximately US$1.45 million) for 43,478 new ordinary shares and 21,739 fundraising warrants under Tranche 1 of an agreement in Diabetic Boot representing approximately 7.18% of the enlarged share capital of Diabetic Boot as at 30 June 2016. After the successful completion and acquisition of the aforementioned shares and warrants in Diabetic Boot on 11 May 2016, the agreement effectively gives the Group the right to acquire a further 86,956 shares in Diabetic Boot for a consideration of approximately GBP 2 million and a further 43,478 fundraising warrants exercisable at GBP 26.45 each. Should the Group exercise this right, it would hold approximately 31.80% of the enlarged share capital of Diabetic Boot, which remains subject to the satisfaction or waiver of certain conditions. Under the terms of the agreement with Diabetic Boot, the Group is entitled to nominate two persons to Diabetic Boot's board of directors. Together with its equity interest in Diabetic Boot, the Group believes it has significant influence over the company, and has accordingly equity accounted for its interest in this company as an associate as of 11 May 2016.

- Maintaining and actively monitoring its existing and significant investment in Condor, representing approximately 7.53% of the share capital of the company.

- Maintaining and actively monitoring its existing and strategic investment in Venturex, representing approximately 33.63% of the share capital of the company.

- Implementing changes to the capital structure of the Group by way of a share consolidation conducted on a 10 for 1 basis, duly approved by shareholders at the extraordinary general meeting held on 8 June 2016 and taking effect on 10 June 2016, together with the announcement of a capital reduction that, having been approved by shareholders at the extraordinary general meeting held on 19 August 2016 but still subject to the approval by the Grand Court of the Cayman Islands, will result in the reduction of the par value of the issued and unissued shares of the Company from US$0.10 each to US$0.01 each and therefore the Company's authorised and issued share capital by 90 per cent.

- Strong financial position with no debt, with over US$12.11 million in cash, listed and unlisted securities.

- Production of coke and related by-products at West China Coke chemical plant in Yunnan Province, China, a Sino-foreign joint venture of which the Group holds an indirect 25% interest.

- Continuing to evaluate existing investments around their natural life cycle with a view to continuing to execute our stated and successful strategy of divesting non-core assets and investments.

- Evaluation of other investment and business development opportunities across the healthcare and life sciences sectors, in Asia and elsewhere.

FINANCIAL RESULTS

The Group reported a profit attributable to the shareholders of the Company for the six months ended 30 June 2016 of US$15.96 million (2015: US$0.13 million).

Shareholders' equity increased by 412.55% to US$200.32 million as at 30 June 2016 from US$39.08 million as at 31 December 2015 mainly as result of the Company's acquisition of Plethora.

We are in a strong financial position with no debt, having cash, listed and unlisted securities of US$12.11 million as at 30 June 2016.

Divestments

During the period, the Group has continued to evaluate existing investments around their natural life cycle with a view to further executing our stated and successful strategy of divesting non-core assets and investments.

In particular, the Company successfully disposed of its remaining interest in Binary for a consideration of US$1.15 million in cash. The disposal was a discloseable transaction of the Group, which successfully closed on 13 June 2016.

In addition, the Group successfully disposed of its entire interest in Endeavour on market for an aggregate consideration of approximately US$2.80 million in cash, thereby realising a gain on disposal of approximately US$0.32 million during the period concerned.

The Company will continue with its stated and successful strategy of divesting non-core assets and investments and the market will be informed of any significant divestments as and when they arise.

Plethora Solutions Holdings plc

Highlights

- On 15 December 2015, Plethora announced that Michael Wyllie, its independent director, had agreed the terms of a recommended share-for-share takeover offer, pursuant to which the Company announced that it would seek to acquire the entire issued and to be issued ordinary share capital of Plethora not already directly or indirectly owned by the Company. The Company and Plethora made a joint announcement in the United Kingdom by way of a firm offer announcement pursuant to Rule 2.7 of the UK Takeover Code and also the Company made its announcement in Hong Kong by way of a very substantial and connected acquisition announcement. It was proposed that the transaction be effected by means of a scheme of arrangement of Plethora in the UK under Part 26 of the Companies Act (although the Company reserved the right to effect the transaction by way of a traditional takeover offer). As has been publicly announced, all requisite approvals for the transaction were obtained and the scheme of arrangement became effective on 9 March 2016, rendering Plethora a wholly-owned subsidiary of the Company as of that date.

- The completion of the development activities relating to the reduced dose can (not less than 12 doses).

- Approval of the variation application by EMA on 17 May 2016 for a reduced dose can (not less than 12 doses) version of PSD502®. The approval enabled the Group to commence manufacturing activities with PSNW in early August 2016, paving the way for Recordati to undertake a full scale commercial launch of the reduced dose can in the United Kingdom in November 2016, with continental Europe to follow in April 2017.

- Preparations for the filing of the New Drug Application ("**NDA**") with the US Food and Drug Administration ("**FDA**").

- Discussions with new potential licensing partners for PSD502® in other geographical regions at an advanced stage.

- For the six months ended 30 June 2016, Plethora made a loss of GBP 3.20 million (2015: GBP 0.49 million), excluding the amortisation cost of an intangible asset (PSD502®) and the tax credit in respect of the deferred tax liability.

Introduction

Plethora continues to be focused on the commercialisation of its principal pharmaceutical product PSD502®, which is believed to have significant potential value based on the prevalence of premature ejaculation and the lack of a widely available effective prescription treatment. The first six months of this financial year has seen Plethora make further progress in three important areas:

1. The completion of the redesign and manufacture of a reduced fill can (not less than 12 doses) in preparation for its commercial launch by Recordati in the UK in November 2016 and continental Europe in April 2017;

2. Preparations for the filing of the NDA with the FDA; and

3. Discussions with new potential commercial partners with regards to"out-licensing" PSD502® in the regions of Asia Pacific, Middle East, Latin America, North America and sub-Sahara Africa.

Operations Update

During the period, the development work with PSNW on the reduced fill can (not less than 12 doses) was completed, which allowed Plethora to submit a Type IB variation to EMA. On 17 May 2016, EMA approved the Type IB variation for a reduced dose can version of PSD502®. The variation approval also includes the addition of PSNW as a European Union ("**EU**") located manufacturer of the reduced dose PSD502® spray.

The approval enabled the Group to commence manufacturing activities with its partner PSNW in early August 2016, paving the way for Recordati to undertake a full scale commercial launch of the reduced dose can in the United Kingdom in November 2016, with continental Europe to follow in April 2017.

The Group continues to focus on 'out-licensing' in other major territories and on the submission for approval of the NDA by the FDA.

Trading Update for the Six Months to 30 June 2016

Plethora recorded an operating loss of GBP 3.20 million for the six months ended 30 June 2016 (2015: GBP 0.49 million), excluding the amortisation cost of an intangible asset (PSD502®) and the tax credit in respect of the deferred tax liability.

The operating loss for the six months ended 30 June 2016 included R&D costs related to the regulatory development of PSD502® of GBP 1.63 million (2015: GBP 1.49 million,) and administrative expenses of GBP 2.38 million (2015: GBP 1.19 million).

Underlying R&D costs and administrative expenses for the six months ended 30 June 2016 were broadly lower than the Board's expectations, before adjustments being made to account for non-cash related share option costs. R&D costs are currently being driven by the project to establish a manufacturing line with the Company's manufacturing partners PSNW and Catalent (RTP). Manufacturing set up costs are expected to fall significantly following the year ended 31 December 2016, but the overall level of R&D expenditure is expected to be maintained as the FDA approval process begins to gather pace following the issue of the first good manufactured practice batches.

A net finance income of GBP 0.81 million (2015: GBP 2.19 million) was recognised in the interim results for the six months ended 30 June 2016. This credit was generated as a result of fair valuing the company's warrant instruments as at 9 March 2016 (GBP 0.85 million credit) offset by the net interest charge to the company's borrowings (GBP 36,000).

On the basis that all R&D expenditure is expensed, there were no significant balance sheet movements to comment upon during the six months ended 30 June 2016. As at 30 June 2016, Plethora had cash resources of GBP 0.29 million (31 December 2015: GBP 93,000).

The Offer

On 15 December 2015 the Company announced that it had reached agreement with the Michael G Wyllie, the independent Plethora director, on the terms of a recommended share-for-share takeover offer, pursuant to which the Company announced that it would seek to acquire the entire issued and to be issued ordinary share capital of Plethora not already owned by the Company. The Company made an announcement in Hong Kong by way of a very substantial and connected acquisition announcement as well as jointly with Plethora in the United Kingdom by way of a firm offer announcement pursuant to Rule 2.7 of the UK Takeover Code (collectively the "**Firm Offer Announcements**"). It was proposed that the transaction be effected by means of a scheme of arrangement of Plethora in the UK under Part 26 of the Companies Act (although the Company reserved the right to effect the transaction by way of a traditional takeover offer). The transaction constituted a very substantial and connected acquisition of the Company under Chapters 14 and 14A of the HK Listing Rules and required approval of the independent shareholders of the Company in general meeting. Following on from the Firm Offer Announcements, on 4 February 2016 the Company dispatched its very substantial and connected acquisition circular in respect of the transaction to its shareholders and, on the same date, Plethora dispatched its scheme document in the UK to its shareholders. As has been publicly announced, all requisite approvals for the transaction were obtained and the scheme of arrangement became effective on 9 March 2016, rendering Plethora now a wholly-owned subsidiary of the Company.

Outlook

Now that the development work on the reduced fill can is behind us, we are devoting our efforts with Recordati for a successful commercial launch starting in the UK in November 2016 followed by continental Europe in April 2017, filing our NDA with the FDA and bringing PSD502® to market through other new strategic commercial partners.

The Phase III clinical study for the NDA is anticipated to start in Q4 2016. It is therefore expected that the NDA will be filed with the FDA in Q2 2017 and in accordance with mandates set forth by the Prescription Drug User Fee Act (PDUFA date), the FDA will be required to respond to the dossier within a 10 month timescale, which would facilitate approval in the US by Q2 2018 and a commercial launch shortly thereafter.

Negotiations with new potential licensing partners covering other geographies outside of those included in the agreement with Recordati continue at an advanced stage.

The Diabetic Boot Company Limited

During the six months ended 30 June 2016, the Company made a commitment to increase its strategic position in Diabetic Boot in three tranches. The first tranche closed in the period, which increased the Company's interest to approximately 23.04% of the issued share capital. The Second Tranche and Third Tranche remain subject to and conditional upon the satisfaction by Diabetic Boot of various operational and commercial milestones as detailed in the Company's announcement on 20 April 2016.

During the period, Diabetic Boot made considerable progress which included:

1. Completion of a funding round lead by the Company
2. De-risking of its supply chain
3. Commencement of commercial manufacturing
4. Shipping of first commercial product
5. Establishing its US operations including a sales force
6. Receiving Durable Medical Equipment, Prosthetics, Orthotics and Supplies accreditation (or an exemption) in all 50 US states, and the District of Columbia

Diabetic Boot intends to deliver value to its shareholders by commercialising its key product "PulseFlowDF" for the treatment of diabetic foot ulcers. In the US this will be done through a wholly-owned subsidiary and through distributors in other jurisdictions. The value of the Company's investment in Diabetic Boot could increase substantially if it is able to address a small percentage of diabetic foot ulcers patients for which there is a major unmet clinical need.

Venturex Resources Limited

The Company actively monitored and maintained its strategic position in Venturex, representing approximately 33.63% of its issued share capital, which for the six months ended 30 June 2016 has registered a marked to market gain of approximately 43.02%.

During the period, Venturex reported considerable progress on a range of projects which included:

1. Increasing and extending the income stream from the copper cathode produced at Whim Creek under its Access Agreement with Blackrock Metals Pty Ltd for treating heap leachable resources.

2. Identifying opportunities for near term production from the existing sulphide copper zinc Resources at Whim Creek.

3. Ensuring that the Sulphur Springs Copper Zinc Project is fully optimised, permitted and ready for development in order to take advantage of the forecast uplift in commodity prices.

4. Signing of a MOU with Macarthur Minerals to enter into a FJVA (Farm-in and Joint Venture Agreement) to explore for and develop lithium at Venturex's Sulphur Springs Copper-Zinc Project in Western Australia.

Venturex intends to deliver value to its shareholders by expanding the cash flow from its partnership with Blackrock on their heap leach plant at Whim Creek and maximizing the potential value of its two advanced copper zinc projects which are located close to Port Hedland in the Pilbara region of Western Australia. The Company's investment in Venturex could represent substantial value in the event of increasing copper and zinc prices through the remainder of 2016 and into 2017.

Condor Gold plc

The Company actively monitored and maintained its strategic position in Condor representing approximately 7.53% of its issued share capital, which for the six months ended 30 June 2016 has a marked to market gain of approximately 152.55%.

Condor's concession holdings in Nicaragua currently contain an attributable (NI43-101) compliant resource base of 2.33 million ounces of gold at 3.9 g/t with a 1.14 million ounce high grade (3.1 g/t) open-pittable resource and an underground resource of 238k ounces at 5.1 g/t.

Among the activities undertaken by Condor during the first half of 2016 were:

- Follow up field work on 33 exploration targets identified in a structural geology study and 13 exploration targets identified by the on-going soil survey as at the end of 2015;

- Identification of a 12.5 km mineralised corridor 9 km north of the main La India open pit resource with high grade rock chip of 53.9 g/t gold;

- An expanded soil survey to cover the remaining 242 km² of La India Project to delineate further prospects and demonstrate the district scale gold potential; and
- Fast tracking of updated and detailed geological, stratigraphic and structural mapping of La India Project

Additionally, in January 2016, Condor announced results of an independent optimization study that has added 20-25% to the estimated annual production that can be achieved at the La India project. The study confirmed that a combination of open pit and underground mine development should allow for very favorable project economics including:

- A project Internal Rate of Return of 30%;
- A Net Present Value of US$196 million;
- Very low average All-in Sustaining Costs of US$700 per oz gold throughout the life of the project;
- Low initial capital requirement of US$110 million (including contingency);
- 1.3 – 1.5 million oz of gold produced over 9 years Life of Mine; and
- Average annual production of a minimum of 91,000 oz of gold over the first 5 years of the project;

Along with these positive corporate developments, increased spot gold prices (which have risen from US$1,060 per oz. at year-end 2015 to over US$1,300 per oz. presently) have helped Condor achieve significant share price gains through the first half of 2016.

AUSTRALIAN TAX

As has been previously disclosed, the Company is currently in dispute with the Australian tax authorities in connection with a disposal by the Group of an investment in BC Iron Limited, a company listed on the Australian Securities Exchange. The Australian Taxation Office considered that capital gains tax was payable in the amount of approximately A$12.78 million, which excludes interest that has accrued on this amount since 2 December 2013 (which, as at 1 July 2016, was approximately A$3.53 million). On 24 January 2013, the Company received orders from the Federal Court of Australia in relation to a notice of assessment issued by the Australian Taxation Office (the "**Assessment**"), which stated that the tax was due and payable on 2 December 2013 and provided that the Company could not remove from Australia or dispose of, deal with or diminish the value of its assets in Australia up to the unencumbered value of the amount assessed.

Following orders from the Federal Court of Australia, the Company has granted a specific security deed to the Commonwealth of Australia in respect of certain of the Company's holding of 518,103,930 shares in Venturex Resources Limited, 10,854,568 shares in Bannerman Resources Limited and 12,700,000 shares in Tigers Realm Coal Limited, of which the aggregate market value (as at 30 June 2016) is approximately US$3.16 million as security against the Assessment. In consideration for granting this security, the Commissioner of Taxation stayed recovery action in respect of the Assessment until the matter is resolved.

The Company has received independent tax advice that, based on a valuation of BC Iron Limited's real property (including mining tenements) and non-real property assets, the Company has a basis for challenging the assessment in its entirety and, accordingly, there is no longer a provision in the Company's financial statements relating to this dispute. The Company has shared its independent tax advice with the Commissioner of Taxation. The Company has received a copy of a report produced by an external consultant for the Commissioner of Taxation and understands that there are a number of matters of material disagreement, or on which a materially different view is held, between the Commissioner of Taxation's external consultant and the Company and its Australian tax advisers.

As previously disclosed, the Company had envisaged entering into a formal dispute resolution process with the Commissioner of Taxation. This process remains ongoing, and to date the parties have been unable to reach agreement as to an appropriate way in which to resolve the matter, which may culminate in the Commissioner of Taxation determining the Company's previously lodged objection against it. The Company's position has not changed and it remains resolute in that it will continue to challenge the assessment in its entirety, consistent with expert and independent Australian advice received throughout, and the Company will lodge an appeal should the Commissioner of Taxation determinate the Company's objection against it. The Company is taking advice as to the next appropriate steps required to resolve the matter, including bringing the matter before the Australian court system should that course of action be required. The aforementioned security over the above mentioned Australian securities held by the Company, previously granted to the Commissioner of Taxation, remains.

INTERIM DIVIDEND

The Directors have resolved not to declare an interim dividend in respect of the six months ended 30 June 2016.

OUTLOOK

The Company's strategic objective is the pursuit of strategic and value-led investments in the healthcare and life sciences sectors. As part of its extensive review of possible investment opportunities in the healthcare and life sciences sectors, the Company embarked upon the acquisition of Plethora, which the Company successfully completed on 9 March 2016.

These are exciting times for the Company and its shareholders, as we have better fortified our position in and control of Plethora while, at the same time, strengthening our foothold in the healthcare and life sciences sectors.

A single aligned management team, with deep knowledge of the industry and product, has been created by the acquisition of Plethora. Led by Jamie Gibson, the enlarged the management team will continue to focus on the successful commercialisation of PSD502® as quickly as possible, in particular in the remaining key markets of North America, Latin America, Middle East and Asia Pacific regions. The Company believes that Asia Pacific is likely to become a key component to the eventual marketing and distribution strategy for PSD502® and the Company's Hong Kong office will provide an excellent base from which to manage the controlled launch of the product following receipt of relevant regulatory approvals. PSD502® will be launched in the UK in November 2016 followed by continental Europe in April 2017 as it has already secured the variation approval for the reduced dose can from EMA in May 2016.

Earlier in 2016, the Company disposed of its remaining interest in Binary and, where possible and practicable, intends to sell its remaining non-healthcare and life sciences assets in the near future and focus all its attentions on its new healthcare and life sciences strategy. In this respect, the Company has sold its entire interest in Endeavour on market for total gross proceeds of approximately US$2.80 million and realised a gain on disposal of approximately US$0.32 million during the period ended 30 June 2016.

Looking at the Group's existing and legacy investments in natural resources (which are non-core and are the focus of its existing divestment programme), energy related investments are continuing to suffer through a, well reported, weaker commodity price environment, although the Group's exposure to gold and other precious metals is currently reflecting renewed enthusiasm in the space, helped, in part, by ongoing uncertainty around global economic conditions. While we expect commodity markets to remain volatile, we remain confident that on a fundamental basis, demand will be underpinned by urbanisation of emerging and recovery of developed economies globally.

Unlike the Group's legacy investments in natural resources (which are non-core and are the focus of its divestment programme), fortunately, the Group's healthcare and life sciences investments, including its investment in Plethora, remain its core focus as evidenced by the acquisition of Plethora and the further investment into Diabetic Boot and are far less sensitive to macroeconomic fundamentals and fluctuations. The Group remains excited about the prospects of these investments.

Going forward, the Group will: (i) focus on integrating Plethora into the Group; (ii) pursue the successful commercialisation of PSD502® as quickly as possible, not only in Europe, but also in the remaining key markets of North America, Latin America, Middle East and Asia Pacific regions; and (iii) continue with its existing strategy of pursuing strategic and value-led investments in the healthcare and life sciences sectors.

TRADING RECORD OVER LAST FIVE YEARS

	Six months ended 30 June	Year ended 31 December				
	2016	2015	2014	2013	2012	2011
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Total income	3,531	(5,685)	(11,007)	(16,024)	(885)	(24,615)
Income less expenses before impairment losses and provision	(12,141)	(14,715)	(17,738)	(29,930)	(20,895)	(45,212)
Reversal of impairment	100	1,386	250	—	—	—
Impairment losses	—	(194)	(267)	(1,710)	(16,024)	(4,863)
Write down	—	—	—	—	—	(4,345)
Operating loss	(12,041)	(13,523)	(17,755)	(31,640)	(36,919)	(54,420)
Gain on disposal of the Ji Ri Ga Lang Coal Project	—	—	—	—	4,409	—
Gain on disposal of the Yinzishan Mining Project	—	—	—	—	—	2,401
Gain on disposal of an associate	—	8,938	—	—	—	—
Loss on deemed disposal of associate(s)	(5,805)	(3,560)	(6,017)	—	—	—
Gain from bargain purchase of an associate	1,356	—	25,809	—	—	—
Gain from bargain purchase of a subsidiary	31,686	—	—	—	—	—
Share of results of associates	(102)	(1,193)	(10,604)	(420)	(1,430)	1,705
Profit/(Loss) before taxation	15,094	(9,338)	(8,567)	(32,060)	(33,940)	(50,314)
Tax credit/(expense)	868	—	—	6,334	(11,084)	—
Profit/(Loss) for the period/year	15,962	(9,338)	(8,567)	(25,726)	(45,024)	(50,314)
Non-controlling interests	2	5	4	90	170	1,787
Profit/(Loss) attributable to shareholders of the Company	15,964	(9,333)	(8,563)	(25,636)	(44,854)	(48,527)

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

Revenue and Profit

The Group recorded a profit attributable to the shareholders of the Company of US$15.96 million for the six months ended 30 June 2016 (2015: US$0.13 million).

The corporate division (revenue and fair value gain on financial instruments) recorded a profit of US$3.53 million for the six months ended 30 June 2016 (2015: loss of US$1.19 million).

The Group's associate, Plethora, contributed a share of profit of US$17,000 to the Group for the period ended 9 March 2016. In addition, the Group's associate, Diabetic Boot, contributed a share of loss of US$119,000 for the month of June 2016.

The main elements of the profit are analysed as follows:

	US$ (million)
Gain from bargain purchase of a subsidiary, Plethora	31.69
Gain from bargain purchase of an associate, Diabetic Boot	1.36
Loss on deemed disposal of an associate, Plethora	(5.81)
Amortisation of an intangible asset (PSD502®)	(8.75)
Research and development expenditure incurred by Plethora	(1.55)
Fair value gain on financial instruments	3.68
Other/Office general and administrative expenses	(4.66)
Total profit attributable to shareholders of the Company	15.96

Financial Position

Shareholders' equity increased by 412.55% to US$200.32 million as at 30 June 2016 from US$39.08 million as at 31 December 2015. The increase was mainly due to: (i) the increase of share capital and share premium of US$143.07 million by issuing consideration shares for the acquisition of Plethora; (ii) the net profit attributable to shareholders of the Company of US$15.96 million for the six months ended 30 June 2016; and (iii) the increase of foreign currency exchange reserve of US$2.84 million, which was mainly due to the release of exchange loss from the reserve to profit of loss.

The investment in Diabetic Boot of US$3.86 million accounted for 1.93% of the Group's shareholders' equity. The Group's assets also comprised: (i) cash of US$1.74 million; (ii) listed and unlisted investments of US$10.37 million; (iii) an intangible asset (PSD502®) of US$207.32 million; (iv) derivative financial instruments of US$1.17 million; and (v) other assets and receivables of US$1.25 million.

The Group's liabilities comprised deferred tax liabilities of US$20.73 million; payables and accruals of US$4.50 million and derivative financial instruments of US$0.20 million.

Strategic Plan

The Board and the Company's senior management play an active role in the Company's strategy development and planning process. The Chief Executive Officer regularly interacts with the Board in respect of the strategic plan and direction of the Company, during which meetings the Chief Executive Officer seeks and is provided input in respect of the proposed priorities and initiatives previously discussed and agreed with senior management, aiming at developing an agreed approach for the Company to generate and preserve its long-term value, while agreeing shorter term priorities and objectives. In addition, the risks associated with the current operations and strategy of the Company are currently being tested by way of an internal audit process conducted through an independent service provider, with the aim of identifying ways in which the Company can better identify and manage its risks.

In order to generate or preserve value over the longer term, the Group is committed to:

- divesting of non-core assets and investments to enable the Company to pursue growth and opportunistic investments in the life sciences sector;
- leverage off our expert international and local teams to tackle difficult markets, deliver results and achieve global recognition; and
- utilise the Company's Hong Kong listing through strong liquidity and access to international capital markets, together with maintaining our corporate governance and social responsibility standards in line with the policies set down by the HK Stock Exchange and best practice.

The Company is committed to creating shareholder value and returns through accretive acquisitions and returning surplus capital to shareholders by way of an effective dividend policy and share repurchase programme.

Funding

As at 30 June 2016, the Group held cash of US$1.74 million and margin deposits of US$0.07 million with the Group's brokers for trading of derivatives, representing 0.87% and 0.03%, respectively, of shareholders' equity. The cash and margin deposit amounts do not take into account the Group's holding of securities of financial assets at fair value through profit or loss that amounted to US$8.61 million as valued at 30 June 2016.

The Company's subsidiaries and associates may require funding as their businesses develop. It is expected that bulk of such funding will be obtained from the Group's own assets.

Gearing Ratio

No gearing ratio (being long term debts over total equity and long term debts) is calculated as there was no long term debt as at 30 June 2016 and 31 December 2015.

Management of Risk

The most significant risks affecting the profitability and viability in respect of the Group are the performance of its investment portfolio and to a lesser extent the Group's interest in Plethora.

Charge on Assets

Save as those disclosed in note 10 and as further explained under the sub-heading "Australian Tax" under the section headed "Review and Prospects" in this announcement, the Group had no other charges on assets at 30 June 2016.

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 terms of the total operations of the Group, activities of this nature are not significant.

Contingent Liabilities

Save as those disclosed in note 10 to the financial statements and the paragraph headed "Australian Tax" under "Review and Prospects", the Group had no other material contingent liabilities at 30 June 2016.

Employees

The Group, including subsidiaries but excluding associates, employed approximately 20 employees at 30 June 2016. The remuneration policy is to reward key employees by a combination of salaries, profit related discretionary bonuses and share options and share awards, 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 (the "**Remuneration Committee**"). In all cases, profit related discretionary bonuses and grants of share rewards will be agreed by the Remuneration Committee of the Board. During the period ended 30 June 2016 and up to the date of this announcement, no discretionary bonuses were paid or share options were granted by the Remuneration Committee.

INTERIM DIVIDEND

The Directors have resolved not to declare an interim dividend in respect of the six months ended 30 June 2016.

THE CORPORATE GOVERNANCE CODE

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 Corporate Governance Code (the "**CG Code**") in a manner consistent with best practices of a listed issuer. The primary responsibility for performing the corporate governance functions for the Company, as referred to in the terms of reference set out in Code Provision D.3.1 of the CG Code, 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 CG Code during the six months ended 30 June 2016 and prior to the date of this announcement.

In compliance with Code Provision A.3.2 of the CG Code, details of the composition of the various committees of the Board are available from the "List of Directors" on the websites of the Company (*www.regentpac.com*) and the HK Stock Exchange (*www.hkexnews.hk*).

REVIEW BY THE AUDIT COMMITTEE

The interim financial report of the Company for the six months ended 30 June 2016 has been reviewed by the audit committee of the Company (the "**Audit Committee**").

The Audit Committee was established on 11 March 1999 with its specific written terms of reference which deal with its authority and duties. Its terms of reference were subsequently amended in order to incorporate the amendments made from time to time to the relevant code provisions of the former Code on Corporate Governance Practices and were recently amended on 17 April 2015 in order to comply with the code provisions in the CG Code relevant to risk management and internal control systems, which were designated to take effect on 1 January 2016. The committee's purpose is to assist the Board in:

(i) providing an independent review of the effectiveness of the Company's financial reporting process;

(ii) evaluating and determining the nature and extent of the risks the Board is willing to take in achieving the Company's strategic objectives and ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems; and

(iii) overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

In compliance with 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, who has the appropriate professional qualifications and accounting and related financial management expertise required under Rule 3.10(2).

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

In compliance with Code Provision C.3.4 of the CG Code, the terms of reference of the Audit Committee are available on the websites of the Company (*www.regentpac.com*) and the HK Stock Exchange (*www.hkexnews.hk*).

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

A general mandate was granted to the Directors at the Company's annual general meeting held on 4 June 2015 to repurchase, on the HK Stock Exchange, shares up to a maximum of 348,573,052 shares (the "**2015 Repurchase Mandate**"). Since 4 June 2015, no shares were repurchased by the Company on the HK Stock Exchange pursuant to the 2015 Repurchase Mandate.

The 2015 Repurchase Mandate expired upon close of the Company's annual general meeting held on 8 June 2016, at which a new general mandate was granted to the Directors to repurchase, on the HK Stock Exchange, shares up to a maximum of 1,737,251,182 shares (the "**2016 Repurchase Mandate**"). Upon the 10 for 1 share consolidation taking effect on 10 June 2016 (as noted above), the 2016 Repurchase Mandate was adjusted so that it authorises the Directors to repurchase up to 173,725,118 ordinary shares in the Company.

Since 8 June 2016 and prior to the date of this announcement, no shares were repurchased by the Company on the HK Stock Exchange pursuant to the 2016 Repurchase Mandate.

Save for the above, the Company or its subsidiaries did not purchase, sell or redeem any of their listed securities, whether on the HK Stock Exchange or otherwise, during the six months ended 30 June 2016 or subsequent to the period 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 INTERIM REPORT

The interim report containing full details of the Company's unaudited results for the six months ended 30 June 2016 will be despatched to all its shareholders and be published on the aforesaid websites before 30 September 2016.

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)*
David Comba#
Julie Oates#
Mark Searle#
Jayne Sutcliffe*

* *non-executive Directors*
\# *independent non-executive Directors*

Hong Kong, 30 August 2016