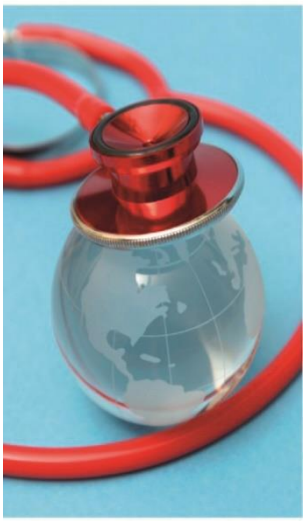
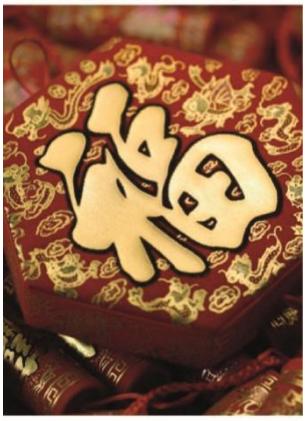
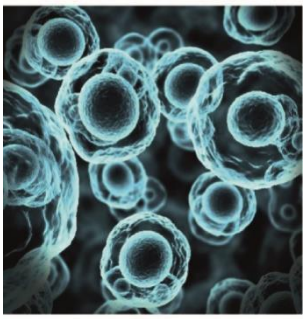
REGENT PACIFIC GROUP LIMITED







(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 0575 18 July 2019

ANNOUNCEMENT

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UPDATE ON THE POSSIBLE ACQUISITION OF ENTERTAINMENT DIRECT ASIA LTD ("YOOYA") AND OPERATIONS UPDATE

SUMMARY

This announcement is made by the Company in compliance with the disclosure requirements under Rule 13.09 of the HK Listing Rules and the Inside Information Provisions (as defined under the HK Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Possible Acquisition of Yooya

The Board refers to the announcement made by the Company on 29 May 2019 in respect of the non-legally binding, indicative offer entered into with Yooya in respect of its possible acquisition by the Company for approximately US$15 million (or approximately HK$117 million), to be satisfied by way of the issuance of new Shares.

The Board would like to inform Shareholders that discussions in respect of such possible acquisition have now terminated, effective as of 17 July 2019, on account of all the relevant parties being unable to reach agreement on the key terms of the acquisition.

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Importantly and while in discussions with Yooya, the management of the Company has been presented with a much more exciting, concrete and appropriate opportunity to enter into the hemp sector in China, with a particular focus on hemp CBD infused products that will involve a licence for hemp cultivation and a licence for processing, together with the roll out of a hemp processing facility in China. This prospective acquisition, the Board believes, will be highly beneficial for Shareholders in terms of long-term value creation and less dilutive for shareholders than the Yooya transaction. If and when an agreement is reached an announcement will be made in the normal manner in compliance with the HK Listing Rules.

Operations Update: Fortacin™

The Board is also pleased to report that the Phase II validation study of Fortacin™ in respect of the FDA approval process in the US is now estimated to complete by the end of 2019.

On the assumption that the trial is sufficient to convince the FDA that the PEBEQ serves as an appropriate measure for support of a label claim, pivotal Phase III work could commence in Q1 of 2020, with NDA submission possible in the second half of 2020, giving a PDUFA date in 2021. These dates are the most recent guidance received and update all previous estimates on the FDA process set out by the Company in its announcements, annual and interim reports and investor presentations.

In addition, the Board is pleased to report that Wanbang Pharmaceutical, a wholly-controlled company of Shanghai Fosun Pharmaceutical, has informed the Company that it is on course for submitting the investigational new drug (IND) application for clinical trial approval (CTA) in October 2019, to commence clinical trials in China. The IND review is expected to take approximately 60 working days. On the assumption that the IND can be filed per this timeframe, the CTA could be obtained as early as January 2020. As per the terms of the licence agreement executed with Wanbang Pharmaceutical, and announced on 3 December 2018, a payment of US$4,000,000 (or approximately HK$31,200,000) is payable to the Group upon obtaining Chinese regulatory approval to conduct a human clinical trial of a licensed product.

The Company will keep Shareholders and potential investors informed of any significant developments as and when they occur, in respect of both operational updates, as well as any progress made in respect of any possible investment or acquisition.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

This announcement is made by Regent Pacific Group Limited (the "**Company**" and collectively with its subsidiaries, the "**Group**") in compliance with the disclosure requirements under Rule 13.09 of The Rules (the "**HK Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Exchange**") and the Inside Information Provisions (as defined under the HK Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Possible Acquisition of Yooya

The directors (the "**Directors**" or the "**Board**") of Regent Pacific Group Limited (the "**Company**" or "**Regent Pacific**") refer to the announcement made by the Company on 29 May 2019 in respect of the non-legally binding, indicative offer entered into with Yooya in respect of its possible acquisition by the Company for approximately US$15 million (or approximately HK$117 million), to be satisfied by way of the issuance of new ordinary shares in the Company ("**Shares**").

The Board would like to inform shareholders of the Company (the "**Shareholders**") that discussions in respect of such possible acquisition have now terminated, effective as of 17 July 2019, on account of all the relevant parties being unable to reach agreement on the key terms of the acquisition.

Importantly and while in discussions with Yooya, the management of the Company has been presented with a much more exciting, concrete and appropriate opportunity to enter into the hemp sector in China, with a particular focus on hemp CBD infused products that will involve a licence for hemp cultivation and a licence for processing, together with the roll out of a hemp processing facility in China. This prospective acquisition, the Board believes, will be highly beneficial for Shareholders in terms of long-term value creation and less dilutive for shareholders than the Yooya transaction. However, it is not possible to determine with accuracy the timing of completion of such investment or acquisition opportunity and no assurance can be given that negotiations will lead to a binding agreement in respect of the same as described above or at all. The Company hopes to be able to make further announcements during the course of 2019 relating to its targetted hemp investment strategy, which forms part of its broader wellness and life sciences sector focus. If and when an agreement is reached an announcement will be made in the normal manner in compliance with the HK Listing Rules.

Operations Update: Fortacin™

The Board is also pleased to report that the Phase II validation study of Fortacin™ in respect of The Food and Drug Administration of the United States (the "**US**") Department of Health and

Human Services ("**FDA**") approval process in the US is now estimated to complete by the end of 2019.

On the assumption that the trial is sufficient to convince the FDA that the Premature Ejaculation Bothersome Evaluation Questionnaire ("**PEBEQ**") serves as an appropriate measure for support of a label claim, pivotal Phase III work could commence in Q1 of 2020, with New Drug Application ("**NDA**") submission possible in the second half of 2020, giving a Prescription Drug User Fee Act ("**PDUFA**") date in 2021. These dates are the most recent guidance received and update all previous estimates on the FDA process set out by the Company in its announcements, annual and interim reports and investor presentations

In addition, the Board is pleased to report that Wanbang Pharmaceutical Marketing and Distribution Co., Ltd. ("**Wanbang Pharmaceutical**"), a wholly-controlled company of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. ("**Shanghai Fosun Pharmaceutical**"), has informed the Company that it is on course for submitting the investigational new drug (IND) application for clinical trial approval (CTA) in October 2019, to commence clinical trials in China. The IND review is expected to take approximately 60 working days. On the assumption that the IND can be filed per this timeframe, the CTA could be obtained as early as January 2020. As per the terms of the licence agreement executed with Wanbang Pharmaceutical, and announced on 3 December 2018, a payment of US$4,000,000 (or approximately HK$31,200,000) is payable to the Group upon obtaining Chinese regulatory approval to conduct a human clinical trial of a licensed product.

The Company will keep Shareholders and potential investors informed of any significant developments as and when they occur, in respect of both operational updates, as well as any progress made in respect of any possible investment or acquisition.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Note: Unless otherwise specified herein, amounts dominated 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 *(Chairman)*[*]
Jamie Gibson *(Chief Executive Officer)*
David Comba[#]
Julie Oates[#]
Mark Searle[#]
Jayne Sutcliffe[*]

[*] *Non-Executive Directors*
[#] *Independent Non-Executive Directors*

Hong Kong, 18 July 2019