

REGENT PACIFIC ANNOUNCES 2018 INTERIM FINANCIAL RESULTS
Commercialisation of Fortacin™ in Europe continues; significant progress in Macau and Hong Kong

(24 August 2018, Hong Kong) – Regent Pacific Group Limited (“**Regent Pacific**” or the “**Company**” and, together with its subsidiaries, the “**Group**”; Hong Kong stock code: 00575), a specialist healthcare and life sciences investment group, announces unaudited financial results for the six months ended 30 June 2018 (the “**period**”).

Jamie Gibson, CEO of Regent Pacific said, “*Over the first half of the year, Recordati successfully launched Fortacin™ in Italy, France, Spain, Germany and Portugal, we acquired a valid import licence to allow for the sale of Fortacin™ in Macau, with the Hong Kong licence now only subject to public gazetting before its release, and we remain in active discussions with partners for subsequent global launches, including in China. We continue to make strong progress on our transformation strategy as our efforts to commercialise Fortacin™ look set to generate long-term recurring royalty revenues from our commercial sales partners. While the amortisation charge on the Fortacin™ asset and costs related to the global commercialisation of Fortacin™ have impacted profitability, we remain well-positioned financially and on track to deliver on our growth strategy.*”

KEY FINANCIAL HIGHLIGHTS

- Loss attributable to shareholders of US\$14.29 million was recorded for the period as a result of an amortisation charge on *Fortacin™* and costs related to its European launch; offset by the milestone and royalty income from Recordati.
- Shareholders’ equity amounted to US\$143.34 million, down 9.75% as compared at 31 December 2017.
- Strong balance sheet, with no debt and cash balances, listed and unlisted securities of US\$9.73 million as at 30 June 2018.

KEY BUSINESS HIGHLIGHTS

- The Group remains focused on implementing its strategy of seeking value-led investments in the healthcare and life sciences sector.
- Commercial sales of landmark PE product *Fortacin™* by Recordati commenced, with the Group continuing to pursue commercialisation partnerships in the remaining key markets of China, North America, Latin America and the Asia Pacific region.
- The Group has now acquired a valid import licence to allow for the sale of *Fortacin™* in Macau, with the Hong Kong licence now only subject to public gazetting before its release.
- Maintaining and actively monitoring existing and strategic investments in Diabetic Boot and Venturex.

Financial Performance

The Group's balance sheet remains strong and nimble, with cash balances and listed and unlisted securities of approximately US\$9.73 million, with no external debt.

The Group recorded a loss attributable to shareholders of US\$14.29 million for the period. This was largely due to: (i) an amortisation charge of US\$13.91 million on the intangible asset, being *Fortacin*TM a non-cash item; and (ii) the operating expenses of US\$3.84 million; (iii) a marked-to-market loss of US\$2.73 million in respect of the Company's equity portfolio of financial assets at fair value through profit or loss; while being offset somewhat by the milestone and royalty income from Recordati S.p.A. ("**Recordati**") of US\$4.97 million.

Shareholders' equity of US\$143.34 million, a decrease of approximately 9.75% as compared at 31 December 2017, with the decrease being mainly attributable to the loss attributable to shareholders of the Company.

Healthcare and Life Sciences Focus

The Group's healthcare and life sciences investments remain its core focus and the Group believes that investments in this sector will create substantial returns for our shareholders in the medium to long term.

Recordati, the Group's commercial partner for Europe, officially launched *Fortacin*TM in Italy on 9 February 2018, in France and Spain on 16 and 19 February 2018, respectively, and thereafter in Germany and Portugal from March 2018. A total of EUR 4 million (or approximately US\$4.91 million or HK\$38.30 million) was duly received by the Group from Recordati during the period of 5 March 2018 to 23 March 2018. While sales uptake was lower than expected for the period, each launch country is undertaking various marketing activities to increase patient awareness and highlight that there is a new treatment for Premature Ejaculation ("**PE**").

Further launches have been scheduled in Greece, Romania, Czech Republic, Slovak Republic and Poland in the second half of 2018, with commercialisation planned in the rest of Europe, Russia, the Commonwealth of Independent States (CIS) and selected countries of North Africa in the coming years.

The Group is pleased to report that it has made significant progress with the Hong Kong Department of Health Drug Office and the Macau Government Health Bureau and has now acquired a valid import licence to allow for the sale of *Fortacin*TM in Macau, with the Hong Kong licence now only subject to public gazetting before its release. The Company is in discussions with possible marketing and distribution partners to help facilitate the Macau and Hong Kong roll-out.

Regent Pacific has further progressed the preparation of the New Drug Application (NDA) to the US Food and Drug Administration (FDA). The Group remains in advanced active discussions with a possible commercial partner for the sale of *Fortacin*TM in China and is in discussions for the other remaining key markets of North America, Latin America and the Asia Pacific regions. However, it is not possible to determine with accuracy the timing of completion of any such agreement and no assurance can be given that negotiations will lead to a binding licensing agreement(s) in respect of China or elsewhere or at all.

The Company is maintaining and actively monitoring its existing and strategic investments in The Diabetic Boot Company Limited (“**Diabetic Boot**”) and Venturex Resources Limited (“**Venturex**”)

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About Regent Pacific

Regent Pacific is a diversified investment group based in Hong Kong currently holding various corporate and strategic investments focusing on the healthcare and life sciences sectors. Its wholly-owned subsidiary, Plethora Solutions Holdings plc, is a specialty pharmaceutical company whose core product Fortacin™ is the first EU approved topical prescription treatment for Premature Ejaculation that does not act on the central nervous system, launched in the UK in November 2016 and in Italy, France, Germany, Portugal and Spain from February 2018 respectively. It is to be launched subsequently in the Czech Republic, Slovakia, Poland, Romania and Greece, the rest of Europe, Russia, CIS and certain countries of North Africa. The Group has a strong track record of investments and has returned approximately US\$298 million to shareholders in the 20 years of financial reporting since its initial public offering.

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