



**REGENT PACIFIC  
GROUP LIMITED**



**Regent Pacific Group Limited**

COMPANY OVERVIEW NOVEMBER 2016

- THIS DOCUMENT IS CONFIDENTIAL
- This document has been prepared and issued by and is the sole responsibility of Regent Pacific (the “Company”) and its subsidiaries for selected recipients. By accepting a copy of this document, you agree to be bound by the following conditions and will be taken to have represented, warranted and undertaken that you have agreed to the following conditions. This document is strictly confidential and may not be copied, published, distributed or transmitted. If you do not accept these conditions, you should immediately destroy, delete or return this document.
- The document is being supplied to you solely for your information. It is not an offer or invitation to subscribe for or purchase any securities and nothing contained herein shall form the basis of any contract or commitment whatsoever. This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in the Company in any jurisdiction nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract commitment or investment decision in relation thereto nor does it constitute a recommendation regarding the securities of the Company. This document is for informational purposes only and may not be used for any other purposes.
- The distribution of this document in jurisdictions other than Hong Kong may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of securities laws of any such jurisdictions.
- This document and any materials distributed in connection with this document may include certain forward-looking statements, beliefs or opinions, including, without limitation, statements with respect to the Company’s business, financial condition, results of operations, plans, objectives and estimates. These statements, which contain the words “anticipate”, “believe”, “intend”, “estimate”, “expect” and words of similar meaning, reflect the Directors’ beliefs and expectations and involve a number of risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. No representation is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved. There are a number of known and unknown risks, uncertainties and other factors that could cause actual results, performance and developments of the Company or industry results to differ materially from those expressed or implied by such forward looking statements, therefore, undue reliance should not be placed on forward looking statements. Past performance of the Company cannot be relied on as a guide to future performance. Forward-looking statements speak only as at the date of this document and the Company expressly disclaims any obligations or undertaking to release any update of, or revisions to, any forward-looking statements in this document, whether as a result of new information or future events. No statement in this document is intended to be a profit forecast or should be interpreted to mean that future earnings per share of the Company will necessarily match or exceed its historical published earnings per share. As a result, you are cautioned not to place any undue reliance on such forward-looking statements.
- Certain data in this document was obtained from various external data sources, and the Company has not verified such data with independent sources. Accordingly, no representation or warranty, express or implied, is made and no reliance should be placed, on the fairness, accuracy, correctness, completeness or reliability of that data, and such data involves risks and uncertainties and is subject to change based on various factors.
- No reliance may be placed for any purposes whatsoever on the information contained in this document or on its completeness. The Company and its members, directors, officers and employees are under no obligation to update or keep current information contained in this document, to correct any inaccuracies which may become apparent, or to publicly announce the result of any revision to the statements made herein except where they would be required to do so under applicable law, and any opinions expressed in them are subject to change without notice, whether as a result of new information or future events. No representation or warranty, express or implied, is given by the Company or any of its subsidiaries undertakings or affiliates or directors, officers or any other person as to the fairness, accuracy, correctness, completeness or reliability of the information or opinions contained in this document, nor have they independently verified such information, and any reliance you place thereon will be at your sole risk. Without prejudice to the foregoing, no liability whatsoever (in negligence or otherwise) for any loss howsoever arising, directly or indirectly, from any use of this document or its contents or otherwise arising in connection therewith is accepted by any such person in relation to such information.

# Our Strengths & Ambitions

- A focussed healthcare investment vehicle listed on the main board of the Hong Kong Stock Exchange
- Strong opportunistic management team and proven transaction track record having returned over US\$298 million to shareholders since listing in May 1997
- Average cash returns generated over the term of investment of nearly two times on material investment disposals over the last 6.5 years from mid 2009 to 2015
- Our stated strategy is to transform our portfolio to healthcare by being acquisitive with the Plethora take-over being the first
- Our core product is Fortacin™, a European approved treatment for Premature Ejaculation that has the potential to be the next Viagra, with market potential of up to US\$3 billion per annum
- Hong Kong listing has us ideally placed to capitalise on the healthcare boom in China
- We have a proven track record of completing M&A and ECM transactions and have a stated ambition to continue to expand into healthcare

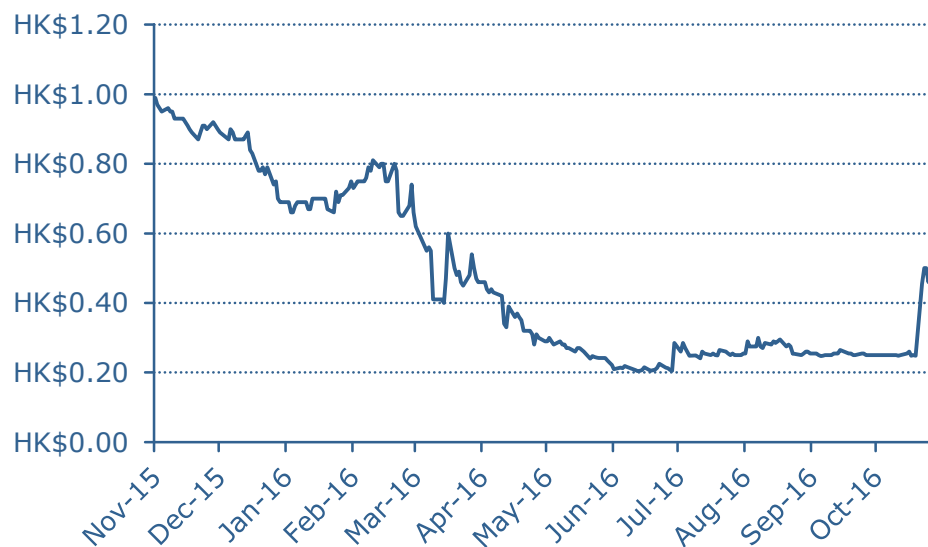
HK Stock Code 0575 HK

Strong shareholder base, supported by Chairman James Mellon and CEO Jamie Gibson, who collectively own 26.27%\*

## REGENT CAPITALISATION

Share price*	HK\$0.64
52 week high – low*	HK\$0.99 – HK\$0.204
Total issued share capital*	1,737 million
Market cap*	HK\$1,112 million (US\$143 million)
Cash and listed securities**	US\$10.3 million
Debt**	Nil

## LTM SHARE PRICE PERFORMANCE\*



\*as at 24<sup>th</sup> November 2016

\*\*based on our interim results for the six months ended 30<sup>th</sup> June 2016

## **JAMES MELLON**

Non-Executive Chairman

- Specialist in the development and restructuring of international investment vehicles with over 20 years' investment experience in Asia
- Well known and respected global healthcare investor

## **JAMIE GIBSON**

Chief Executive Officer

- Specialist in corporate finance, direct equity investments and structuring emerging market investment products

## **JAYNE SUTCLIFFE**

Non-Executive Director

- Spent most of her professional career in the fund management industry specialising in sales and marketing

## **MARK SEARLE**

Independent Non-Executive Director

- Over 30 years' experience in the investment management industry

## **DAVID COMBA**

Independent Non-Executive Director

- Geologist who served on or led mineral exploration teams that have made eleven significant discoveries of base and precious metals

## **JULIE OATES**

Independent Non-Executive Director

- Chartered accountant with experience in accounting and business assurance as well as offshore corporate and trust administration

# Creating a HK Listed Healthcare Business

- Vision to create a healthcare company serving the dynamic global healthcare market
- Regent has the management and track record to build a strong healthcare portfolio
- 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<sup>1</sup>
- Spending on healthcare in China is projected to grow from US\$357 billion in 2011 to US\$1 trillion in 2020<sup>2</sup>
- Favourable demographic trends, continuing urbanisation, an increasing disease burden, the overall economy's healthy expansion, and income growth are driving the increase in healthcare spend<sup>2</sup>
- The sector has a highly fragmented structure with the top players in each subsector occupying only a small market share, indicating that the market is still in the early stages of development<sup>3</sup>
- There are 47 pharma/biotech companies listed in HK with a combined market cap of US\$45 billion compared to 66 in London with a combined market cap of US\$228 billion<sup>4</sup>
- 43 of the companies in London have a market cap between US\$30 million and US\$750 million, compared to 31 in Hong Kong<sup>4</sup>
- A shortage of investible companies on the Hong Kong market, combined with high Chinese domestic interest in healthcare, influences valuations for companies in this sector

Healthcare  
Market

China

Scarcity

High quality assets, tapping into Chinese interest in the healthcare market and strong execution will drive value



# Plethora Solutions

## Transaction

- Regent Pacific acquired 100% of Plethora in March 2016 in a share-for-share deal that valued Plethora at US\$157 million on a fully diluted basis
- 13.9 billion shares issued as consideration on 9 March 2016
- Dr. Michael G Wyllie, the scientist behind Viagra and Fortacin™, joins Regent Pacific management as Chief Scientific Officer of Plethora and will join the board as an executive director at a later date

## Fortacin™

- Plethora's lead asset is Fortacin™, a novel Rx topical treatment for premature ejaculation, with potential to capture a global market
- Focus is on bringing Fortacin™ to market through strategic commercial partners
- Marketing approval obtained from the European Medicines Agency (EMA) in November 2013
- Fortacin™ is out-licensed to Recordati (REC IM) for Europe, Russia, CIS, Turkey and certain countries of North Africa
- Fortacin™ now available on commercial sale in the UK by way of prescription and, from 2017, expect Fortacin™ to be available in Europe through our commercial partner Recordati
- NDA filing process commenced with FDA, with approval targeted in Q4 '19





“A male sexual dysfunction” characterized by: ejaculation that always or nearly always occurs prior to or within about one minute of vaginal penetration; the inability to delay ejaculation on all or nearly all vaginal penetrations; and negative personal consequences such as distress, bother, frustration and/or the avoidance of sexual intimacy



## Primary Efficacy Measure Intravaginal Ejaculatory Time (IELT):

- Normal 4-7 minutes. ISSM definition of PE <1 minute

Premature ejaculation is possibly the most prevalent sexual dysfunction affecting 1 in 4 men

- Estimated to be greater than erectile dysfunction
- Estimated at 30-45m men in EU and 50m in USA

No properly effective treatment is approved widely for this condition

- Off-label use of antidepressants, topical anesthetic creams, monograph
- Priligy (SSRi) associated with 90% discontinuation; only approved in limited EU territories\*



## Therapeutic

- Topical aerosol formulation of Lidocaine 7.5mg + Prilocaine 2.5mg
- Restores ejaculatory reflex from 32-34 seconds pre-treatment to 3-4 minutes (normal) almost immediately and effects are maintained on long term treatment



## Commercialisation

- Out licensed Fortacin™ to Recordati, a European pharmaceutical group, to commercialise Fortacin™ in Europe, Russia, CIS, Turkey and certain countries of North Africa
- Fortacin™ is now on commercial sale by way of prescription in the UK and thereafter, from 2017, Fortacin™ will be available in Europe through our commercial partner Recordati



## Regulatory

- EMA approval received in November 2013 – the first topical Rx approved in the EU for PE
- USA FDA filing process commenced with aim of submitting NDA during Q1/2 '19, followed by 10 month PDUFA with approval expected in Q4 '19



## Partnership

- Appointment of Pharmaserve as our manufacturing partner



## Market Potential

- Potential significant market opportunity, of up to US\$3 billion per annum peak sales for US and EU (based on internal modelling), Rx only
- Currently the only approved competitor in Europe is Priligy- SSRI, with significant profile disadvantages as compared to Fortacin™
- Commercial marketing partners are to gain support from KOLs for Fortacin™ to become 1st line on treatment guidelines where applicable

## Two large pivotal trials show highly significant and clinically meaningful effect

- Mean IELT\* at baseline was 0.5 minutes rising to 3.2 minutes at week 12
- 87% of patients considered as responders
- Excellent tolerability in ~ 23,500 doses delivered with no significant safety issues
- Can be used with and without condom

## Strong Efficacy Data

- Restoration of ejaculatory reflex from 32-34 seconds pre-treatment to 3-4 minutes (normal) almost immediately
- Excellent patient and partner responses on measures of distress, control, satisfaction & interpersonal relationship
- Effect durable long term

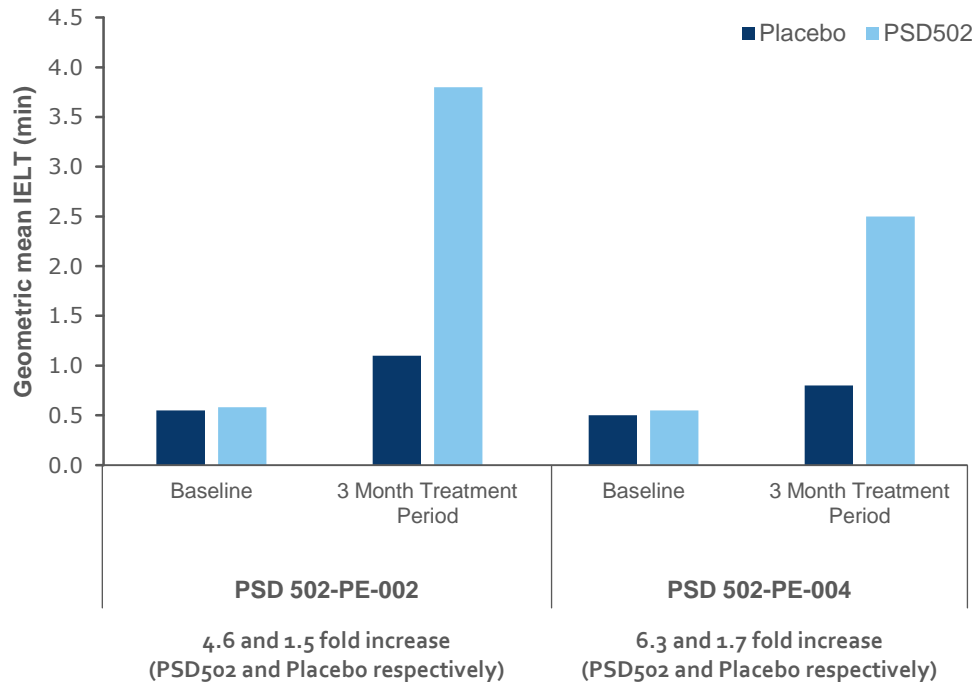
## Eutectic mixture

- Prevents crystallisation to facilitate absorption
- Formulation does not penetrate keratinized skin maintaining sexual sensation for man
- Does not anaesthetise the foreskin



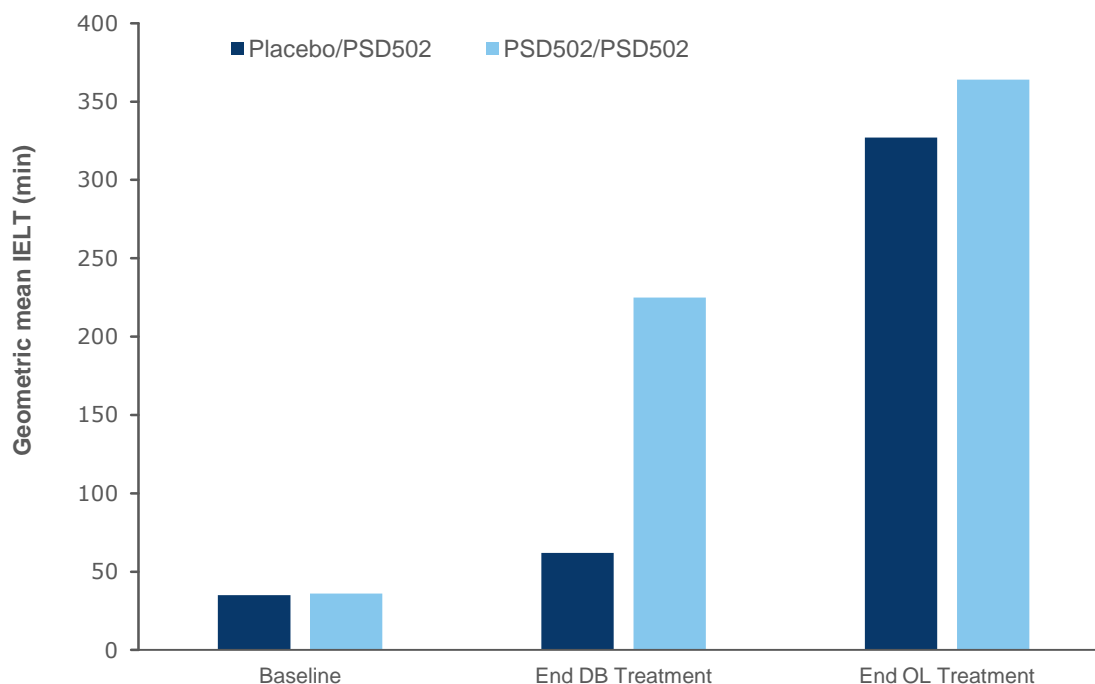
\*Intravaginal Ejaculation Latency Time

## Significant increase in ejaculatory latency obtained with Fortacin™ over placebo



	Geometric mean IELT (minutes) PSD502-PE-002		Geometric mean IELT (minutes) PSD502-PE-004	
	Placebo	PSD 502	Placebo	PSD 502
<b>Baseline</b>	0.53	0.56	0.58	0.60
<b>3 Months Rx</b>	0.80	2.61	1.07	3.85

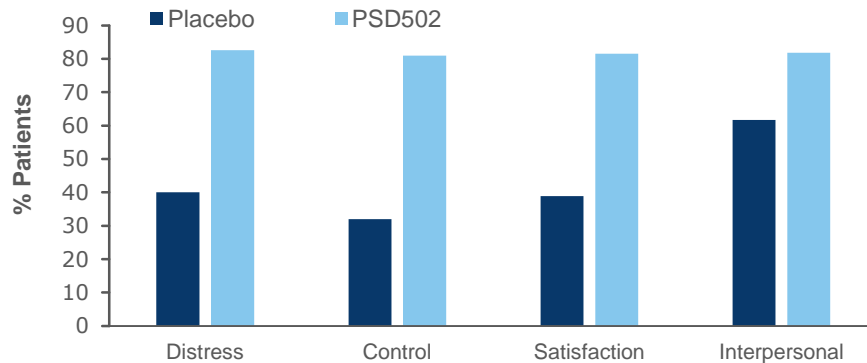
## Significant increase in ejaculatory latency obtained with Fortacin™ over placebo



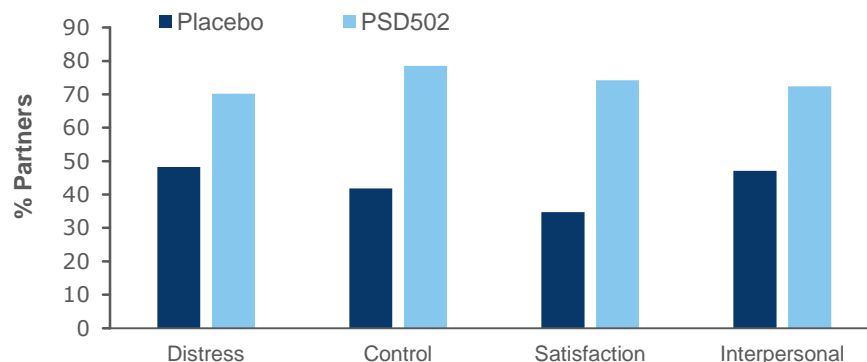
- 3 month double-blind phase: Patients randomised to receive either Fortacin™ or placebo
- 9 month open-label phase: All patients on Fortacin™ treatment
- DB Placebo/ OL Fortacin™ group geometric mean IELT values were shown to gradually increase towards the values of the DB Fortacin™ / OL Fortacin™ group

Patients & sexual partners report improvement of  $\geq 1$  point in each PEP domain at the end of month 3

## Patients



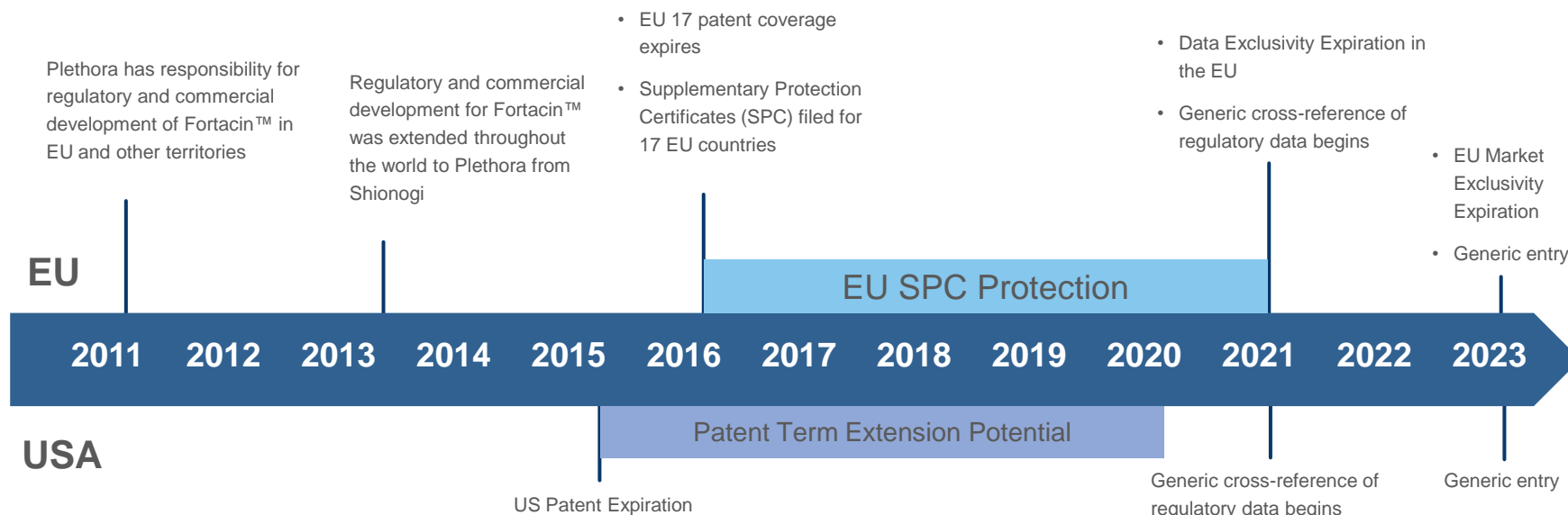
## Partners



- 4 item questionnaire validated in subjects with PE\*
- Separate patient and partner questionnaires
- Each question answered on a 5-point scale
  - Personal distress related to ejaculation
  - Perceived control over ejaculation
  - Satisfaction with sexual intercourse
  - Interpersonal difficulty related to ejaculation

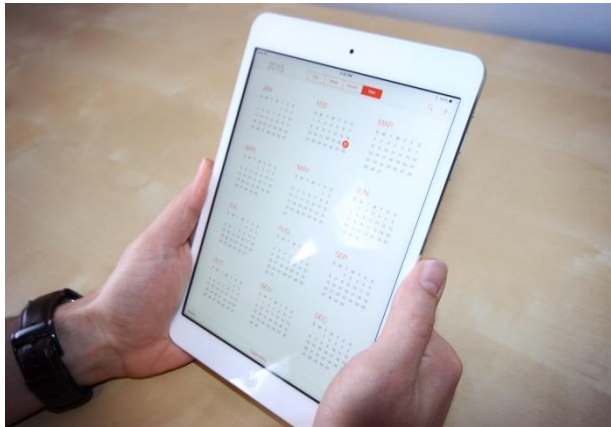
More patients and partners using **Fortacin™** reported improvements of at least one point in each of the PEP domains compared to those using placebo ( $P < 0.001$  for all between-treatment comparisons)

Treatment advantage was also seen at the end of months 1 and 2 for all domains



- In September 2014, Plethora acquired the remaining rights to Fortacin™ for US\$25 million resulting in Plethora owning 100% of the rights to Fortacin™ on a global basis
- European patent covers the formulation of any or all mixtures of local anaesthetics in hydrofluorocarbon propellants (e.g. non CFC propellants)
- Regulatory exclusivity protecting Plethora’s data is expected to run for at least 3 years from the date of FDA approval for Fortacin™ in the US, though it could be 5 years if the FDA treats Fortacin™ as a new chemical entity
- Indication from the FDA that topical use will require full Phase III non-inferiority study (rather than bio-equivalence) to demonstrate equivalence – a substantial barrier against generic entrants
- Seeking new manufacturing IP protection for US

Pharmaserve North West (PSNW) has been secured as the supply chain and manufacturing development partner for the new reduced dose canister



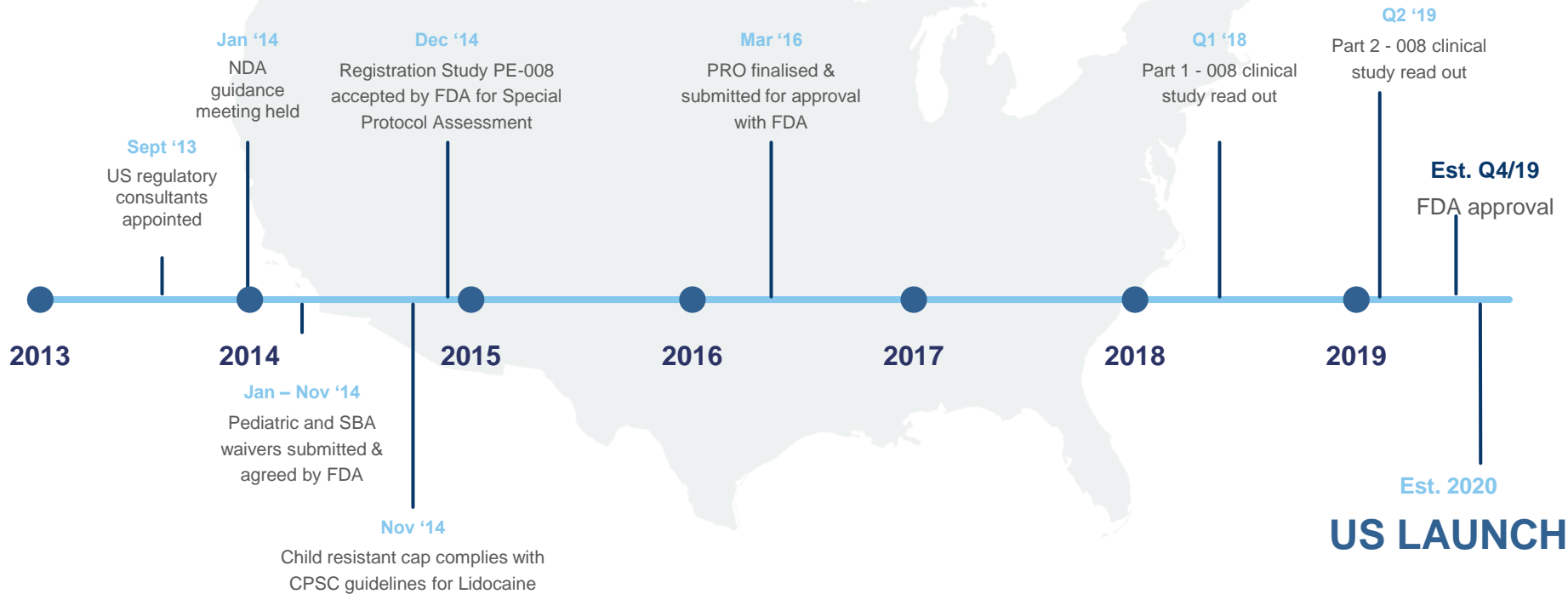
## Experience

- PSNW is a leading contract development and manufacturing organisation (CDMO) specialising in the development and manufacture of metered dose inhalers (MDIs), dry powder inhalers (DPIs) and other pharmaceutical aerosols.
- MHRA approved in the EU and PSNW is in the process of obtaining GMP certification from the United States Food and Drug Administration





## US Regulatory Process



## Key Considerations

- Priligy not approved by US FDA, but old monographs used
- Clinical studies conducted under Investigational New Drug (IND) programme and in full consultation with FDA
- Strong Key Opinion Leader (KOL) support for product
- Need to satisfy drug combination rules; use eutectic properties to meet
- Multiple clinical endpoints IELT and patient reported outcome (PRO) measures all demonstrate clinical and statistical significance

## Competitive Market

AVAILABLE PE TREATMENTS	FORTACIN™	PRILIGY	MONOGRAPH PRODUCTS	OFF LABEL PRODUCTS
<b>Product</b>	Topical aerosol formulation of Lidocaine 7.5mg + Prilocaine 2.5mg	Orally-administered dapoxetine	Lidocaine spray products (Promescent, Stud-100)	SSRIs (must almost always be used with condom)
<b>Regulatory Approval</b>	Approved in EU and pending FDA approval	Approved in EU	N/A	N/A
<b>Onset Time</b>	Almost immediately	1-3 hours	10 – 60 minutes	20-30 minutes
<b>Side Effects</b>	Excessive numbing (only 4.5% patients)	Nausea, diarrhea, loss of libido, contraindicated with alcohol	Excessive numbing leading to loss of sensitivity and erection, skin irritation, burning	High risk of numbing leading to loss of sensitivity and erection

## Comparative Market

US RETAIL SALES ED MARKET	2012*	2013*	2014**	2015**
<b># of Rx Scripts</b>	19 million	18 million	16 million	14.8 million
<b>Cialis</b>	US\$1,259,928,704	US\$1,517,928,576	US\$1,762,138,240	US\$2,134,897,408
<b>Viagra</b>	US\$1,419,078,784	US\$1,604,324,864	US\$1,691,691,648	US\$1,907,254,016
<b>Levitra</b>	US\$351,986,272	US\$290,867,648	US\$224,803,952	US\$210,830,416
<b>TOTAL</b>	US\$3,030,993,760	US\$3,413,121,088	US\$3,678,633,840	US\$4,252,981,840
<b>YoY growth</b>		12.6%	7.8%	15.6%

\*Source: MME, April 2016, \*\*MME, March 2016

# Pricing Considerations

Therapeutic	US\$ Price per usage	US\$ Price per script
Fortacin™ US market#	\$20.83 (3 sprays=1 dose)	\$250 (12 doses)
Fortacin™ EU5 market*	\$6.66 to \$10 (3 sprays=1 dose)	\$80 to \$120 (12 doses)
ED Competitors <sup>1</sup>	US: \$34 to \$48 (per dose) EU4 (ex-factory): \$3 to \$14 (per dose) France (public price): \$12 to \$18	US: \$409 to \$620 (12 doses) EU4 (ex-factory): \$36 to \$168 (12 doses) France (public price): \$144 to \$216
Priligy <sup>®2</sup>	EU3 Ex-Factory (Germany, Italy & Spain): \$4 to \$7 France public price \$24 to \$28	EU3 Ex-Factory (Germany, Italy & Spain): \$48 to \$84 France public price: \$288 to \$336

- Price corridor for ED drugs is fairly wide amongst EU4 (average ranges from US\$36 to US\$168)<sup>▼</sup>
- Germany is 4% to 21% above the EU4 average for most of the ED drugs
- UK and Italy are commonly (2% to 40%) below the EU4 average
- Plethora expect healthcare authorities will not reimburse Fortacin™ in the major markets, so largely a cash market and seen as a lifestyle drug
- Key for Plethora's commercial marketing partners is to gain support from KOLs for Fortacin™ to become 1st line on treatment guidelines where applicable

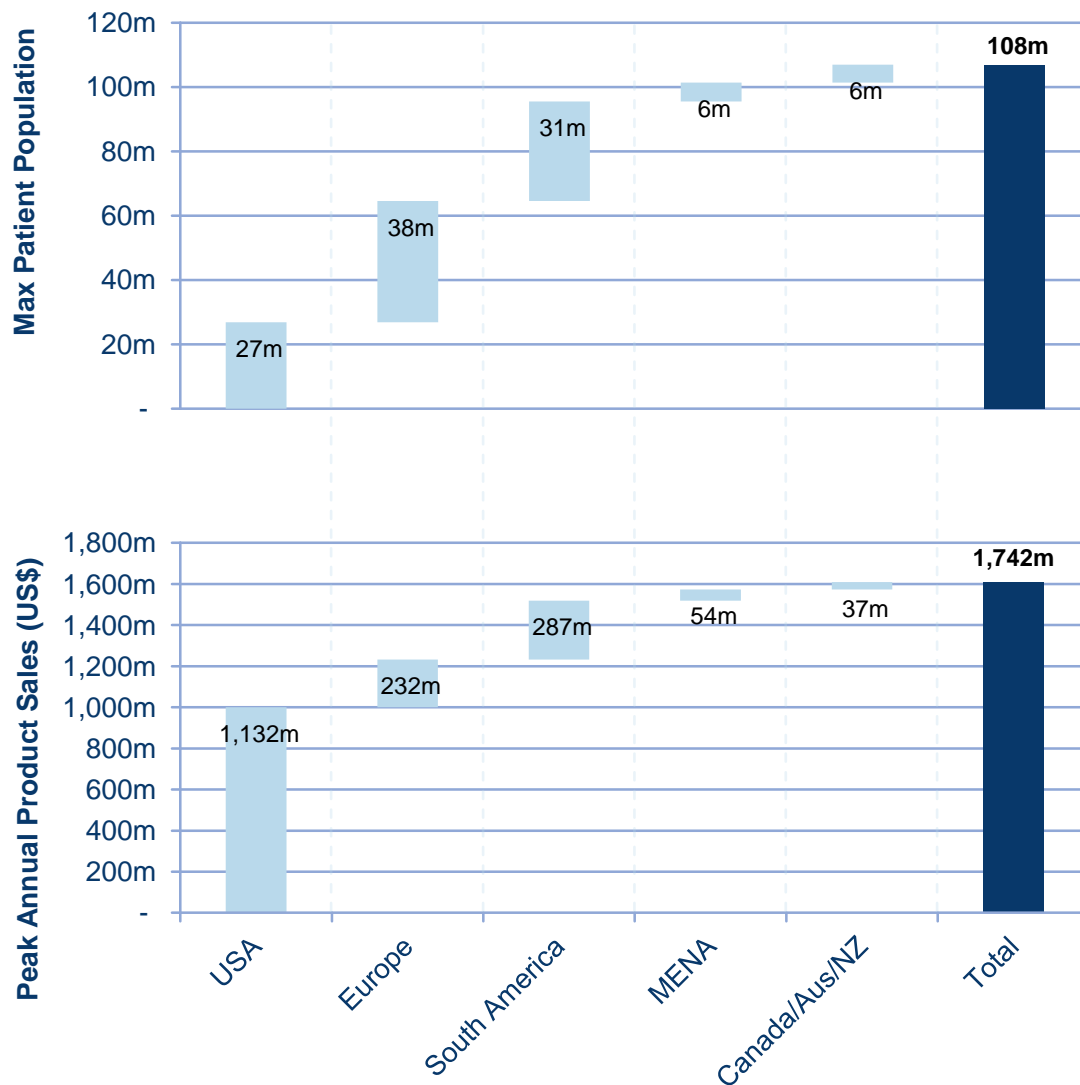
#Source: MME, April 2016, \*Source: MME, April 2014, ▼EU4 average does not include France due to availability of public prices only

<sup>1</sup>Includes Viagra, Cialis, Levitra and Sildenafil/Stendra. <sup>2</sup>Pricing as of June 2016

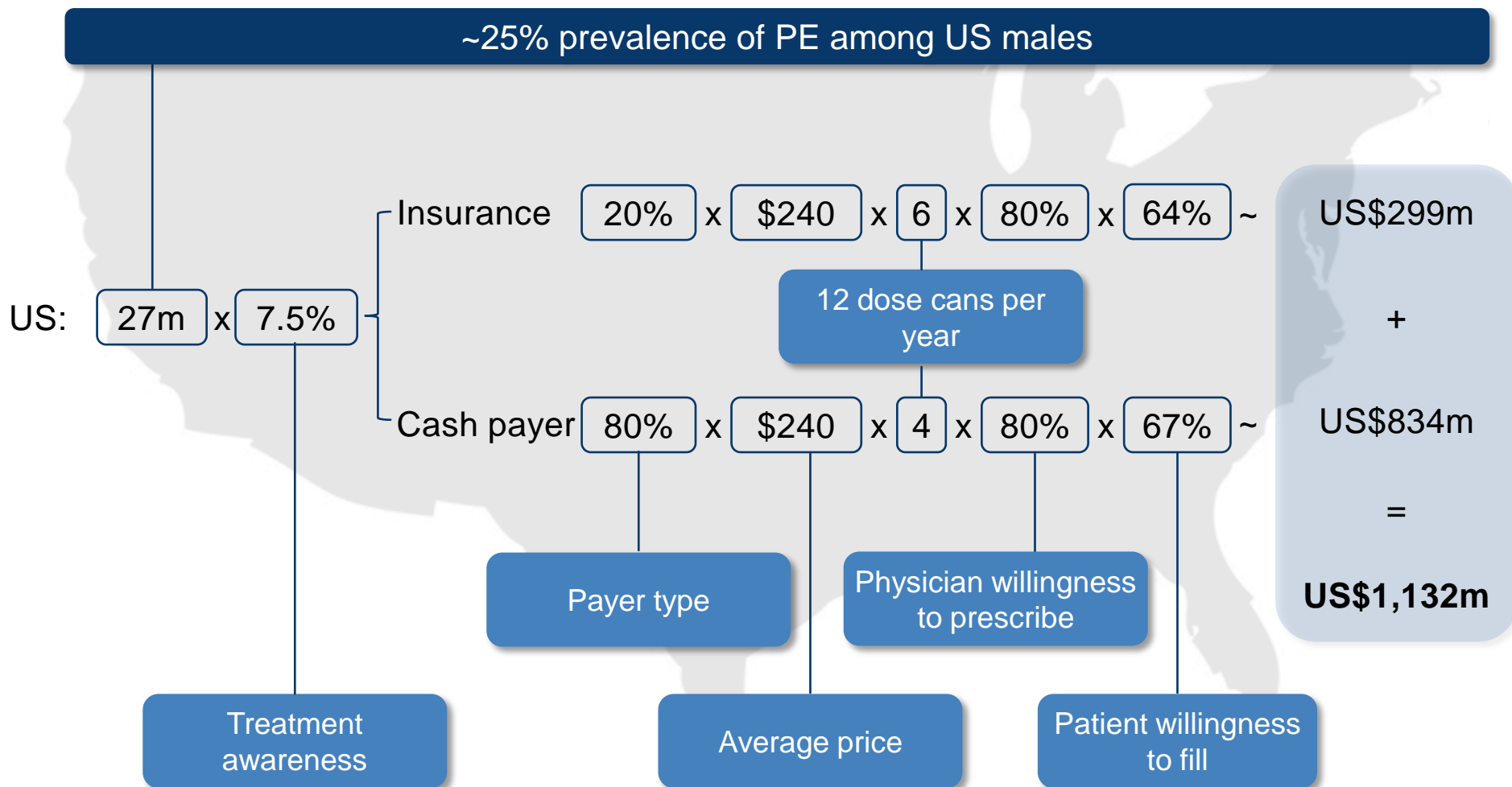
Exchange Rate: Apr - Jun 2016: €1 = \$1.12; £1=\$1.42

## Global PE market

- There are **no** FDA approved therapies in the US for the treatment of PE
  - Fortacin™ will shortly commence clinical trials in the US in order to seek FDA approval
- There is one approved therapy for PE in addition to Fortacin™ in Europe
- Global addressable patient population of approximately 108 million
- Estimated peak annual sales of US\$1.7 billion
- Licensing agreement signed with Recordati for Europe, Russia, CIS, Turkey and certain countries of N. Africa
- Licensing agreements in late stage negotiation for RoW, including North America, LATAM, Asia Pacific region, Middle East and Sub-Saharan Africa



## Attractive pricing and sales potential in the US



## Partnering provides the potential to earn significant milestones & royalty income stream...



- Mid-size, public (circa €5.3 billion market cap with over €1 billion in revenue), fully integrated specialty pharmaceutical company with a strong specialism in men's health
- Focus: urology diseases, cardiovascular and in treatments for orphan/rare diseases
- Sales force: dedicated field force of specialised medical representatives in the urogenital therapeutic area, allowing it to 'plug-and-play' Fortacin™ into its sales machine
- Milestones: up to €46 million
- Royalties: mid teens to mid twenties range
- Territories: Europe, Russia, CIS, Turkey and certain countries of N. Africa



# Other Investments

Regent Pacific has a 22% stake in DBC having invested £2.2 million (US\$2.75 million), excluding Tranche II and III



- In 2015 there were 415 million diabetics globally and this is expected to grow to 642 million by 2040\*
- 15%-25% of all diabetics will suffer from a diabetic foot ulcer at some point in their lifetime#
- The Diabetic Boot Company has developed a patent protected and novel Class 2a medical device that is CE marked in Europe and has FDA 510(k) approval in the US (“PulseFlowDF”)
- PulseFlowDF is currently being sold to the Veterans Administration in the US which covers ~22 million lives with a budget in excess of US\$70 billion in 2017
- PulseFlowDF offers distinct advantages over current standard therapy by using intermittent plantar compression
- Improves blood flow and oxygenation in the foot to allow the wound to heal faster
- Takes pressure, shear, and friction forces away from the healing ulcer and looks like normal footwear to remove social stigma
- Proximity sensor to monitor patient compliance
- Supplied as a pair to give balanced gait
- Post therapy shoes with good pressure distribution provide added value by helping to prevent future ulcers
- PulseFlowDF® will be sold B2B, into targeted markets across the globe, through networks of specialist stocking distributors, in approximately 40 target countries, and sold directly in the US via a wholly owned subsidiary

\*International Diabetes Federation/idf.org,

#GE Rieber et al; Epidemiology of diabetic foot ulcers and amputations. The evidence for diabetes care London John Wiley & Sons 2002



# Conclusion



- A focussed healthcare investment vehicle listed on the main board of the Hong Kong Stock Exchange
- Unique opportunity to participate in a high growth story with the defensive quality of a healthcare investment in a volatile global equity market
- Core product Fortacin™ is a European approved treatment for Premature Ejaculation and it has the potential to be the next Viagra in a market that could be worth up to US\$3 billion per annum
- Now available for sale in the UK by way of prescription and expected to launch in Europe in 2017 by Recordati S.p.A tapping into a PE market which affects 1 in 4 men
- Michael G Wyllie, the scientist behind Viagra and Fortacin™ will continue to provide scientific oversight and input on the development of Fortacin™ and valuate/identify other exciting 'late stage' investments
- Regent Pacific has a strong track record
- Average cash returns generated over the term of investment of nearly two times on material investment disposals over the last 6.5 years from mid 2009 to 2015
- In the 17.5 years of financial reporting since IPO, returned US\$298 million to shareholders (US\$239.3 million in dividends and US\$59.6 million in share buy-backs)

**Regent will continue to pursue strategic and value-led investments, and seek to build a late-stage development portfolio in the healthcare and life sciences sector.**