REGENT PACIFIC GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0575)

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2006

RESULTS

The directors (the "**Directors**" or the "**Board**") of Regent Pacific Group Limited (the "**Company**" and collectively with its subsidiaries, the "**Group**") announce the **unaudited** results of the Group for the six months ended 30 September 2006, together with comparative figures for the corresponding period ended 30 September 2005, as follows:

Condensed Consolidated Income Statement
For the six months ended 30 September 2006

	Note	(Unaudited) For the six months ended 30 September 2006 *US$'000*	2005 (restated) *US$'000*
Revenue:	3		
Asset management and corporate finance income		212	244
Corporate investment income		162	54
Other income		76	—
Fair value gain		2,776	1,966
		3,226	2,264
Expenses:			
Employee benefit expenses		(1,697)	(3,725)
Rental and office expenses		(93)	(85)
Information and technology expenses		(107)	(84)
Marketing costs and commissions		(43)	(49)
Professional fees		(504)	(335)
Investment advisory fee		(78)	(109)
Finance costs	5	(1,291)	—
Other operating expenses		(356)	(188)
Operating loss	4	(943)	(2,311)
Share of profits of associates		888	13,175
Share of profit of a jointly controlled entity		2,942	—

	Note	2006 US$'000	2005 (restated) US$'000
		(Unaudited) For the six months ended 30 September	
Profit before taxation		2,887	10,864
Taxation	6	—	—
Profit for the period		2,887	10,864
Attributable to:			
Equity holders of the Company		2,525	11,003
Minority interests		362	(139)
		2,887	10,864
Dividend	7	—	33,872
Earnings per share (US cent)	8		
- Basic		0.18	0.92
- Diluted		0.15	0.92

Condensed Consolidated Balance Sheet
As at 30 September 2006

	(Unaudited) As at 30 September 2006 US$'000	(Audited) As at 31 March 2006 (restated) US$'000
Non-current assets:		
Intangible asset	1,876	1,876
Property, plant and equipment	34	34
Interests in associates	2,475	1,587
Interest in a jointly controlled entity	23,184	—
Available-for-sale financial assets	620	620
	28,189	4,117
Current assets:		
Cash and bank balances	1,928	22,067
Financial assets at fair value through profit and loss	6,444	5,267
Trade receivables	134	175
Prepayments, deposits and other receivables	1,568	4,275
	10,074	31,784
Current liabilities:		
Derivative financial instruments	(35)	(27)
Trade payables, accruals and other payables	(1,363)	(3,916)
	(1,398)	(3,943)
Net current assets	8,676	27,841
Total assets less current liabilities	36,865	31,958
Non-current liability		
Borrowing	(16,707)	(18,352)
Net assets	20,158	13,606
Equity		
Equity attributable to the Company's equity holders		
Share capital	14,677	13,726
Reserves	4,666	(573)
	19,343	13,153
Minority interests	815	453
Total equity	20,158	13,606

Notes to Condensed Interim Financial Statements

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, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "**HK Stock Exchange**") and Frankfurt Stock Exchange.

The Company's principal activity is investment holding, and the Group's principal activities consist of asset management; provision of investment advisory services; corporate finance and advisory services; and corporate investment.

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

The condensed interim financial statements should be read in conjunction with the Company's financial statements for the year ended 31 March 2006.

The accounting policies used in the preparation of this condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 March 2006 except that the Group has changed certain of its accounting policies following its adoption of revised Hong Kong Financial Reporting Standards and HKASs ("**new HKFRS**") which are effective for accounting periods commencing on or after 1 January 2006. The change to the Group's accounting policies and the effect of adopting these new policies are set out in note 2 below.

2. **Adoption of new HKFRS**

In the current interim period, the Group has adopted, for the first time, a number of new HKFRS which are relevant to its operations.

All the standards have been applied retrospectively except where specific transitional provisions require a different treatment and accordingly the 2005 financial statements and their presentation have been amended in accordance with HKAS 8. Due to the change in accounting policies, the 2005 comparatives contained in these financial statements differ from those published in the financial statements for the year ended 31 March 2006.

Significant effects on current, prior or future periods arising from the first-time application of the new HKFRS in respect of presentation, recognition and measurement of accounts are described in the following notes.

2.1 **Adoption of Amendment to HKAS 39 Financial Instruments: Recognition and Measurement — The Fair Value Option ("Amendment to HKAS 39")**

Prior to the adoption of Amendment to HKAS 39, the Group has classified all its investments to financial assets at fair value through profit and loss. Any changes in fair value were recognised in the income statement as they arise.

On the adoption of Amendment to HKAS 39, the Group re-designated its investments to (i) financial assets at fair value through profit and loss and (ii) available-for-sale financial assets. The changes in fair value of financial assets at fair value through profit and loss are recognised in the income statement while changes in fair value of available-for-sale financial assets are recognised in reserve.

The effect on adoption of Amendment to HKAS 39 to the financial statements is laid out in notes 2.3 to 2.5.

2.2 **Other standards adopted**

The adoption of other revised standards did not result in significant changes to the Group's accounting policies. The specific transitional provisions contained in some of these standards were considered. The adoption of these other standards did not result in any changes to the amounts or disclosures in these financial statements.

2.3 **The effect of change in the accounting policies on the consolidated income statement is summarised below:**

	Effect of adopting Amendment to HKAS 39 *US$'000*
Period ended 30 September 2005	
Decrease in unrealised gain on financial assets at fair value through profit and loss	(453)
Decrease in profit for the period	(453)
	US cent
Decrease in basic earnings per share	(0.04)

2.4 **The effect of change in the accounting policies on the consolidated balance sheet is summarised below:**

	Effect of adopting Amendment to HKAS 39 *US$'000*
At 31 March 2006	
Increase in available-for-sale financial assets	620
Decrease in financial assets at fair value through profit and loss	(620)
Change in balance sheet	—

2.5 **The effect of change in the accounting policies on the change in reserves is summarised below:**

	Effect of adopting Amendment to HKSA 39 *US$'000*
At 31 March 2006	
Decrease in retained earnings	(453)
Increase in investment revaluation reserve	453
Change in reserves	—

2.6 **New standards that have been issued but not yet effective**

The Group has not early adopted the following new HKFRSs that have been issued but are not yet effective. The Directors of the Company anticipate that the following standards will have no material impact on the financial statements of the Group.

HKAS 1 (Amendment) : Capital Disclosures[1]

HKFRS 7 : Financial Instruments — Disclosures[1]

[1]Effective for annual periods beginning on or after 1 January 2007

3. **Segmented information**

Primary reporting format — business segments

The Group comprises three business segments as follows:

Asset management : management of assets entrusted by the shareholders of various mutual funds

Corporate finance : provision of investment advisory services to associates

Corporate investment : investment in corporate entities, both listed and unlisted

Inter-segment revenues arising from inter-segment transactions are conducted at competitive market prices charged to external customers. Those revenues are eliminated on consolidation.

For the six months ended 30 September 2006

	(Unaudited)					
	Asset management *US$'000*	**Corporate finance** *US$'000*	**Corporate investment** *US$'000*	**Inter-segment elimination** *US$'000*	**Others** *US$'000*	**Total** *US$'000*
Revenue from external customers	288	—	162	—	—	450
Inter-segment revenue	—	—	—	—	—	—
	288	—	162	—	—	450
Segment results	(579)	(1,229)	2,156	—	—	348
Unallocated operating expenses						—
Finance costs						(1,291)
Operating loss						(943)
Share of profits of associates						888
Share of profit of a jointly controlled entity						2,942
Taxation						—
Profit for the period						2,887

For the six months ended 30 September 2005

	(Unaudited and restated)						
	Asset management	**Corporate finance**	**Corporate investment**	**Internet retailing**	**Inter-segment elimination**	**Others**	**Total**
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Revenue from external customers	244	—	54	—	—	—	298
Inter-segment revenue	1	—	2	—	(3)	—	—
	245	—	56	—	(3)	—	298
Segment results	(1,870)	(880)	442	(3)	—	—	(2,311)
Unallocated operating expenses							—
Operating loss							(2,311)
Share of profits of associates							13,175
Taxation							—
Profit for the period							10,864

The segment assets and liabilities at 30 September 2006 and capital expenditure for the six months then ended are as follows:

	(Unaudited)				
	Asset management	**Corporate finance**	**Corporate investment**	**Others**	**Total**
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Segment assets	474	16	7,492	4,622	12,604
Interests in associates	—	—	—	2,475	2,475
Interest in a jointly controlled entity	—	—	—	23,184	23,184
Total assets	474	16	7,492	30,281	38,263
Segment liabilities	135	—	37	17,933	18,105
Depreciation and amortisation	8	—	—	—	8
Capital expenditure	19,940	—	—	—	19,940

The segment assets and liabilities at 31 March 2006 and capital expenditure for the year then ended are as follows:

	(Audited)				
	Asset management	**Corporate finance**	**Corporate investment**	**Others**	**Total**
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Segment assets	747	15	6,455	27,097	34,314
Investment in associates	—	—	—	1,587	1,587
Total assets	747	15	6,455	28,684	35,901
Segment liabilities	527	702	48	21,018	22,295
Depreciation and amortisation	18	—	—	—	18
Other non-cash expense	—	—	—	216	216
Capital expenditure	5	—	—	—	5

Secondary reporting format — geographical segments

The Group's business is managed on a world-wide basis. Asia Pacific is a major market for its asset management business and its corporate investments.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers, investing funds or corporate investment.

There are no sales between the geographical segments.

For the period ended 30 September 2006

	North America	**Asia Pacific**	**Western Europe**	**Total**
	US$'000	*US$'000*	*US$'000*	*US$'000*
Revenue from external customers	88	281	81	450
Capital expenditure incurred during the period	—	19,940	—	19,940

For the period ended 30 September 2005

	North America	**Asia Pacific**	**Western Europe**	**Total**
	US$'000	*US$'000*	*US$'000*	*US$'000*
Revenue from external customers	22	243	33	298
Capital expenditure incurred during the period	—	3	—	3

4. **Operating loss**

	(Unaudited) For the six months ended 30 September 2006 US$'000	2005 (restated) US$'000
After charging:		
Auditors' remuneration	68	27
Bad debts written off	117	—
Depreciation on owned fixed assets	8	9
Operating lease rental on property	46	43
After crediting:		
Interest income on bank deposits*	47	8
Dividend income from available-for-sale financial assets*	71	46

* Included in revenue

5. **Finance costs**

	(Unaudited) For the six months ended 30 September 2006 US$'000	2005 US$'000
Interest on convertible bonds	1,291	—

6. **Taxation**

No provision for Hong Kong or overseas profits tax has been made in these financial statements as all the Group companies which are subject to such tax have sustained losses for taxation purposes for the period.

Share of associates' taxation for the six months ended 30 September 2006 of US$14,000 (2005: US$1,224,000) is included in the income statement as share of profits of associates. Pursuant to a notice dated 30 June 2006 issued by the Simao Provincial Tax Bureau, the Company's jointly controlled entity is exempt from income tax from year 2006 to year 2007 and is subject to a reduced income tax rate of 15% for a period of three years from 2008 to 2010.

7. **Dividend**

	(Unaudited) For the six months ended 30 September 2006 US$'000	2005 US$'000
Special interim, paid, of Nil (2005: 2.837 US cents) per share	—	33,872

8. **Earnings per share**

a. The calculation of basic earnings per share is based on the profit attributable to equity holders of the Company for the period of US$2,525,000 (2005: US$11,003,000 (as adjusted)) and on the weighted average of 1,439,107,391 (2005: 1,193,640,706) shares of the Company in issue during the period.

b. The diluted earnings per share for the period ended 30 September 2006 is calculated based on the profit attributable to equity holders of the Company for the period of US$3,033,000 (2005: US$11,003,000 (as adjusted)) and on 2,084,998,131 (2005: 1,196,507,068) shares, which was the sum of the weighted average number of shares in issue during the period of 1,439,107,391 (2005: 1,193,640,706) shares plus the weighted average number of 645,890,740 (2005: 2,866,362) shares, of which 623,536,527 (2005: Nil) shares are deemed to be converted at a consideration of HK$0.2615 per share if all the Company's outstanding convertible bonds have been converted and 5,372,722 (2005: 2,866,362) shares and 16,981,491 (2005: Nil) shares are deemed to be issued at HK$0.266 and HK$0.30 respectively as if all the Company's share options have been exercised.

REVIEW AND PROSPECTS

The Group recorded a profit attributable to shareholders of US$2.53 million (2005: US$11.00 million) for the six-month period ended 30 September 2006, representing earnings per share of 0.18 US cent (2005: 0.92 US cent). The profit was mainly attributable to the Group's share of profit after tax of US$2.94 million and US$0.89 million from its associates, Yunnan Simao Shanshui Copper Company Limited ("**YSSCCL**") and Regent Markets Holdings Limited ("**Regent Markets**"), respectively. YSSCCL recorded a profit of RMB 58.77 million (approximately US$7.35 million) from 1 April 2006 (date of incorporation) to 30 September 2006.

The revenue of the corporate investment business division, including the fair value gain, increased significantly to US$2.94 million (2005: US$2.02 million), which was mainly due to the marked-to-market increase in the shares of Red Dragon Resources Corporation. The revenue of the asset management business division was US$0.29 million (2005: US$0.24 million).

The majority of the Group's operating expenses represented the inclusion of a full six months interest of the US$20 million Convertible Bonds which was issued on 31 March 2006. This amounted to US$1.29 million for the six-month period ended 30 September 2006.

The shareholders' equity increased by 47.06% to US$19.34 million as at 30 September 2006 from US$13.15 million as at 31 March 2006. The increase was mainly due to (i) conversion of US$3.1 million of convertible bonds resulting in a total increase of share capital and share premium of US$2.93 million, and (ii) profit of US$2.53 million for the period concerned.

I set out below a brief summary of the main elements of the profit attributable to shareholders as follows:

	US$ million
Share of profit from YSSCCL	2.94
Share of profit from Regent Markets	0.89
Asset management	(1.81)
Corporate investment	1.80
Finance cost	(1.29)
Total profit attributable to shareholders	2.53

On 30 November 2006, the Group successfully issued US$6.25 million 8.5% Redeemable Convertible Preference Shares due November 2011.

As at the date of this report, the Company's issued share capital consists of 1,467,687,324 shares and on a fully diluted basis it consists of 2,246,839,023 shares.

Yunnan Simao Shanshui Copper Company Limited (YSSCCL)

The Group has a 40% interest in YSSCCL, which is a producing mine with recoverable copper, zinc, lead, gold and silver. YSSCCL is located in South-west Yunnan Province in the PRC, some 310 kilometers from Kunming, the provincial capital of Yunnan.

Safety

There were no lost time injuries since YSSCCL's incorporation to 30 September 2006.

Environment

There were no reportable environmental incidents in the reporting period. YSSCCL has appointed Environmental Resources Management for the purposes of developing a comprehensive mine wide environmental, health and safety plan, including the provision of training, among others.

Community Relations

On 31 August 2006, YSSCCL and Cuiyun county government entered into an agreement whereby YSSCCL paid RMB 11.36 million (approximately US$1.42 million) for relocating the farm residents located at Dapingzhang and Dawaz. Pursuant to this agreement, it is Cuiyin county government's responsibility to relocate the hamlets and it is expected that Dapingzhang hamlet will be relocated by March 2007 and the Dawaz hamlet by 31 August 2007.

Mining, Production and Costs

Set out below are the mining, production and operating costs for the six months to 30 September 2006.

Table 1 - Six months Copper Production to 30 September 2006

	Units	Half year to September 2006
Ore mined	t	452,419
Grade	%	0.9
Waste stripped	m^3	681,615
Ore milled	t	339,809
Copper grade	%	0.841
Copper recoveries	%	92.9
Production		
Copper concentrate	t	12,642
Copper concentrate sold	t	10,773
Contained metal in concentrates sold*		
Cu	t	2,109
Au	oz	1,878
Ag	oz	28,751

* Where there are payable terms

Table 2 - Operating Costs for six months to 30 September 2006

All in US$'000 (HKFRS adjusted)	**Half year to September 2006**
Operating costs[1]	3,916
Administrative costs[2]	512
Selling costs[2]	47
Transportation costs	351
By-product credit[3]	(1,039)
Total Cash Cost	3,787
Depreciation and amortisation[4]	475
Total Production Cost[5]	4,262
Cash Operating Costs/lb	0.136

1 Exploration and resource drilling expenditures are not included in mine site cash costs
2 Directly attributable to the mine operations
3 Revenue from gold and silver
4 Includes amortisation of mine assets and exploration & mining licences
5 Includes cost of goods sold and inventory costs of finished goods

The mining was mainly focussed on the disseminated ore (V2) from section 10 to section 16. Ore throughput was reduced in October 2006 because the pumphouse for Mill #4 was flooded due to heavy rains. As a result, YSSCCL management have revised production for 2006 to 7 million pounds copper from 9 million pounds copper. Ore throughput will be reduced from early December 2006 while the pilot plant testwork is being completed on the massive sulphide ore (V1). Completion of the pilot plant testwork for the production of separate Copper concentrate and Zinc concentrate is scheduled for the end of the first quarter of 2007.

Cube Consulting Pty Ltd* completed its preliminary mine plan based on the first estimate of mineral resources in December 2006. A summary of the preliminary mine production schedule for 2007 is set out below:

Destination	**2007**
Total Ore Tonnes	**1,236,154**
Cu %	0.78
Zn %	1.63
Total Waste Tonnes	**23,959,763#**
Total Tonnes	**25,196,277**
Strip Ratio (w:o tonnes)	19.4:1

* Cube Consulting Pty Ltd's preliminary mine plan is just that, preliminary, and was based on a number of assumptions and forecasts that, while presented with numerical specificity and considered reasonable by us, are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control, and upon assumptions with respect to future business decisions which are subject to change and, in many respects, also outside of our control. The data contained in such preliminary mine plan (including the production schedule) may vary materially from actual results. Accordingly, we cannot provide any assurance that the data contained in the preliminary mine plan will be realised. While the Company undertakes no obligation to update this preliminary mine plan, it is possible that a revised plan will be available towards the middle of 2007.

\# In 2007 most of the stripped waste will consist of highly weathered rock which should be free-digging or require minimal blasting.

It is anticipated that this preliminary mine plan will be updated in May 2007.

Total cash costs for the six months ended were US$0.136/lb. It is anticipated that the mine operating costs will increase next financial year due to reduced throughput capacity while the pilot plant testwork is completed and the increased waste stripping is being carried out.

The average copper price received in the six months ended 30 September 2006 was RMB 51,033/tonne (approximately US$6,456/tonne).

Exploration

YSSCCL produced its first estimate of minerals resources in September 2006 (a copy can be obtained from the Company's website at www.regentpac.com). A summary of the estimate is set out below:

Total	**Volume**	**Tonnes**	**Copper %**	**Metal (kt)**
Indicated	6,328,000	18,551,000	0.7	138
Inferred	2,633,000	7,924,000	1.0	79
TOTAL	8,961,000	26,475,000	0.8	217

The information in this estimate of mineral resources is based on and accurately reflects reports prepared by Mr Kai Qiang Fan and Mr Patrick Adams, who are Members of the Australasian Institute of Mining and Metallurgy and they have the necessary experience relevant to the style of mineralisation, the type of deposit and the activity undertaken to qualify as a Competent Person under the JORC Code for Reporting of Mineral Resources and Ore Reserves (2004 Edition). Each of the Competent Persons has given their consent to the inclusion of the material in the form and context in which it appears. Mr Kai Qiang Fan is the Chief Geologist and Head of Exploration of Yunnan Simao Shanshui Copper Company Limited. Mr Patrick Adams is an employee of consultants Cube Consulting Pty Ltd. Figures are rounded according to JORC Code guidelines.

An updated estimate of the mineral resources is scheduled for March 2007 and YSSCCL's first ore reserve is planned for middle of 2007.

As at 30 November 2006, the in-filling drilling program is utilising ten diamond drill rigs and had completed 47,617.78 meters from 217 holes. A total of 60,000 meters is planned for completion by end of January 2007. An additional 20,000 meters of in-fill drilling is planned for completion over the mining licence area with the primary focus on testing known stratigraphy by June 2007.

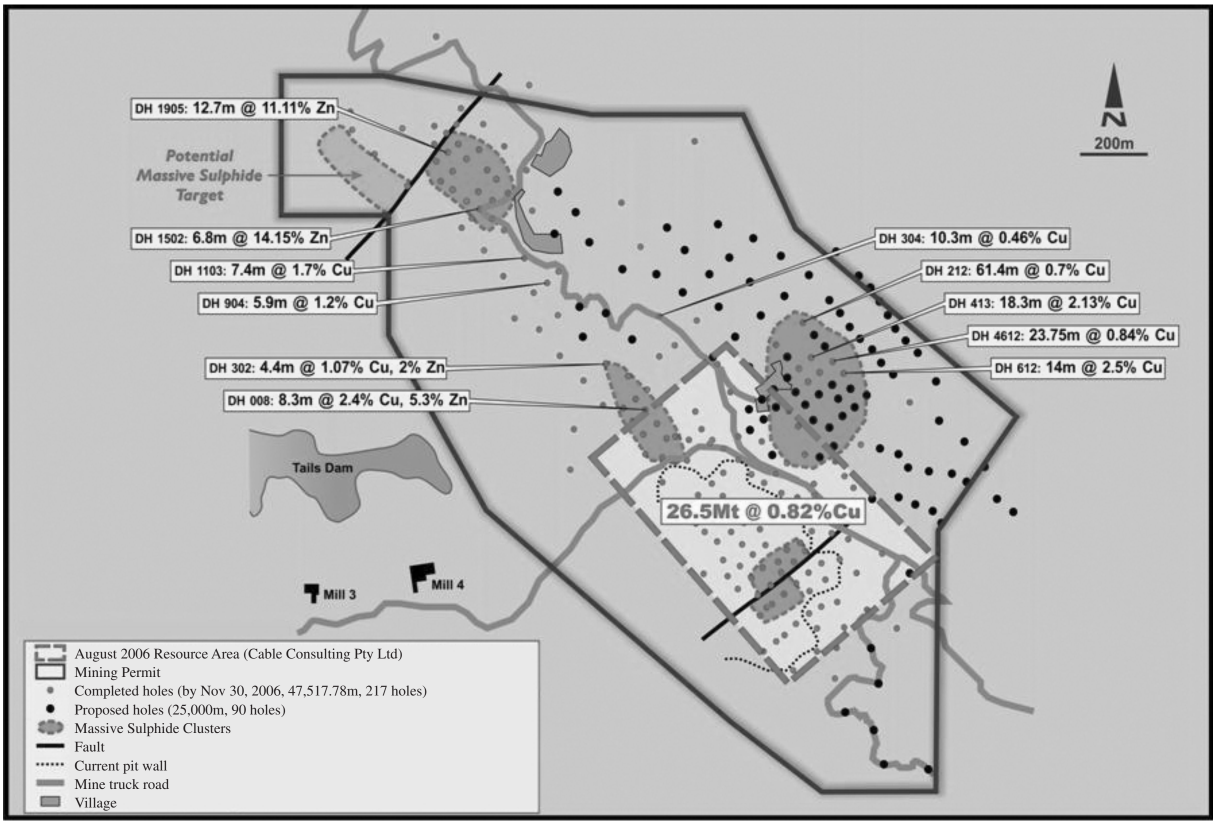
In-fill drilling in the mining licence area returned a number of significant massive sulphide (V1) intercepts, including DH6810, 17.08 meters at 4.94% copper and 2.52% zinc at **Dapingzhang** and DH1905, 12.7 meters at 0.42% copper and 11.11% zinc at **Dawaz** (see table 3 below). Exploration of near mine prospects continues to confirm the potential for significant additional copper and zinc resources.

Table 3 - YSSCCL Drilling Results Highlights

Drill Hole	From (m)	Interval (m)	Copper (%)	Zinc (%)	Gold (g/t)	Silver (g/t)
Dapingzhang						
DH6810	168.61	17.08	4.94	2.52	1.12	26.41
DH021	102.94	15.06	2.30	6.90	1.00	67.60
DH241	91.50	23.90	1.69	2.00	1.45	50.76
DH009	97.64	8.56	1.15	7.14	0.89	65.81
DH687	182.90	20.55	6.40	0.01	0.18	7.90
DH206	95.20	26.60	1.60	6.06	0.90	65.16
DH606	123.34	27.60	1.00	3.25	0.16	14.76
DH808	160.10	28.12	1.54	1.35	0.50	24.36
Dawaz						
DH1905	86.1	12.70	0.42	11.11	0.37	49.76
DH1502	17	6.80	1.14	14.15	1.40	90.68

YSSCCL management believe that the recent drilling results have great potential to add significant resources and to extend the mine life beyond seven years. An update estimate of the minerals resources is anticipated for publication in March 2007, which will be in accordance with the JORC Code (see Figure 1 below).

Figure 1 — Dapingzhang Plan — Mineralization with potential to add significant resources and to extend mine life



Copper Plant Expansion Study

YSSCCL engaged Kunming Design Institute for the purposes of preparing a feasibility study for the concentrator expansion. Targeted concentrator expansion is 5,000 ~ 8,000 tonnes per day. Completion of the feasibility study is scheduled for December 2006.

Infrastructure Studies

YSSCCL has engaged SRK in conjunction with ENFI for the purposes of (i) undertaking a detailed review of the existing tailings dam facility, including the provision of an updated design for meeting international standards, (ii) preparing a tailings storage facility monitoring plan, (iii) designing waste dump(s), and (iv) preparing operating and post closure reclamation and closure plans for the tailings dam facility, among others.

Construction has commenced on the return water system, the central crushing plant and upgrading the mine access road. Design work has started on the central filter plant and mine camp.

Yinzishan Mine

A fieldwork program involving geological mapping of the underground workings and collection of rock samples for geotechnical examination was completed during the period. Geophysical surveys of a 2.5 square kilometre area started on 19 November 2006 to identify and prioritise drill targets. Completion is scheduled for early January 2007 and if the results are positive, an exploration drilling program will be commenced.

New Projects

The Group reviewed a number of new projects in China during the period. Currently the Group is assessing two base metal projects and joint offers in Yunnan province.

Regent Markets Group

Regent Markets has enjoyed a successful year, with turnover for 2006 projected at US$100 million, and net profits for the period to October 2006 of US$2.5 million. The Regent Markets Group offers fixed-odds financial betting via its flagship websites www.betonmarkets.com and www.betonmarkets.co.uk and is the market leader in its industry. The Regent Markets Group is celebrating its 7th year in business with record profits and turnover, low expenses, and a strong balance sheet.

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

Revenue and Profits

The Group recorded a profit after tax and minority interests of US$2.53 million for the six-month period ended 30 September 2006.

The associates of the Group, Yunnan Simao Shanshui Copper Company Limited and Regent Markets Holdings Limited contributed a share of profit of US$2.94 million and US$0.89 million respectively to the Group for the six-month period ended 30 September 2006. YSSCCL recorded a profit of RMB 58.77 million (equivalent to US$7.35 million) for the period from its incorporation to 30 September 2006.

The fair value gain from investments increased significantly to US$2.78 million due mainly to the marked-to market increase in the shares of Red Dragon Resources Corporation. The revenue for the corporate investment division increased slightly to US$0.16 million (2005: US$54,000), while the revenue of the asset management division was reduced to US$0.29 million (2005: US$0.24 million) for the six-month period.

The Group continued to monitor its operating costs closely. The majority of the operating expenses were the interest expense of the convertible bonds amounting to US$1.29 million for the six-month period ended 30 September 2006.

The main elements of the profit are analysed as follows:

	US$ million
Share of profit from YSSCCL	2.94
Share of profit from Regent Markets	0.89
Asset management	(1.81)
Corporate investment	1.80
Finance cost	(1.29)
Total profit attributable to shareholders	2.53

Balance Sheet

The shareholders' equity increased significantly by 47.06% to US$19.34 million as at 30 September 2006 from US$13.15 million as at 31 March 2006. The increase was mainly due to (i) the conversion of the US$3.1m convertible bonds resulting in a total increase of share capital and share premium of US$2.93 million and (ii) the profit of US$2.53 million for the six-month period ended 30 September 2006.

The investments in YSSCCL of US$23.19 million and Regent Markets of US$2.48 million accounted for 120% and 12.8% of the shareholders' equity respectively. The Group's other assets comprised: (i) cash of US$1.93 million, (ii) listed and unlisted investments of US$7.06 million, (iii) goodwill of US$1.88 million and (iv) other assets and receivables of US$1.74 million.

The Group's liabilities comprised: (i) convertible bonds (liability portion) of US$16.71 million and (ii) payables and accruals of US$1.40 million.

Future Funding

As at 30 September 2006, the Group had US$1.93 million net cash or 9.97% of its total shareholders' equity, which does not take account of the Group's holding of listed securities that amounts to US$5.54 million.

The Company's subsidiaries and associates may require funding as their businesses develop. It is expected that the bulk of such funding will be obtained from external sources but, dependent upon the amount and the duration, funding will also be made available by the Group from its internal resources.

Management of Risk

The most significant risk affecting the profitability and viability of the Company is its 40% interest in YSSCCL, a sino-foreign equity joint venture enterprise that produces copper, zinc and lead with gold and silver credits. It is expected that the Company's main earnings and cash flow will be contributed by YSSCCL over the next two to three years.

Contingent Liabilities

The Group has no material contingent liabilities as at 30 September 2006.

INTERIM DIVIDEND

The Directors have resolved not to declare an interim dividend in respect of the six months ended 30 September 2006 (2005: special interim dividend of US$33,872,000).

THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Code on Corporate Governance Practices (the "**Code on CG Practices**") was introduced to Appendix 14 to the HK Listing Rules in November 2004 to take effect on 1 January 2005 (and applicable to accounting periods commencing on or after 1 January 2005), with an exception in respect of the provisions on internal controls, which took effect on 1 July 2005 (and applicable to accounting periods commencing on or after 1 July 2005). Appropriate actions were duly taken by the Directors for ensuring that the Company was in compliance of all code provisions in the Code on CG Practices.

The Company has applied the principles of the Code on CG Practices since their adoption on 1 January 2005 as mentioned above in a manner consistent with best practices of a listed issuer. The primary responsibility for ensuring that the Code on CG Practices is complied with rests with the Directors with the full support of the Company's secretary and its executive management.

As far as the Directors are aware, the Company has complied with the code provisions set out in the Code on CG Practices during the six-month period ended 30 September 2006.

REVIEW BY THE AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established on 11 March 1999, with written terms of reference amended on 18 March 2005, in compliance of the code provisions in C.3 of the Code on CG Practices. The committee's purpose is to assist the Board in providing an independent review of the effectiveness of the financial reporting process and the internal control and risk management systems of the Company, overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

In compliance of Rule 3.21 of the HK Listing Rules, the Audit Committee currently comprises the non-executive 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. The Audit Committee is in compliance of Rule 3.21 of the HK Listing Rules.

The Audit Committee discharged their duties in accordance with their terms of reference with no exceptions reported. Terms of reference of the Audit Committee are available on request.

The interim financial statements of the Company for the six months ended 30 September 2006 have been reviewed by the Audit Committee.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

No shares in the Company were purchased or sold by the Company or any of its subsidiaries during the six months ended 30 September 2006, whether on the HK Stock Exchange or otherwise. The Company has not redeemed any of its securities during the period.

PUBLICATION ON WEBSITES

This announcement is published on the websites of the Company (www.regentpac.com) and the HK Stock Exchange (www.hkex.com.hk).

DESPATCH OF INTERIM REPORT

The interim report containing full details of the Company's unaudited interim results for the six months ended 30 September 2006 will be despatched to all its shareholders and be published on the aforesaid websites before 31 December 2006.

It is possible that this document could or may contain forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as anticipate, target, expect, estimate, intend, plan, goal, believe, will, may, should, would, could or other words of similar meaning. Undue reliance should not be placed on any such statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and the Group's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward looking statements. Among the factors that could cause actual results to differ materially from those described in the forward looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

The Group undertakes no obligation to revise or update any forward looking statement contained within this document, regardless of whether those statements are affected as a result of new information, future events or otherwise.

On behalf of the Board of
REGENT PACIFIC GROUP LIMITED

James Mellon
Chairman

Directors of the Company:
James Mellon (*Chairman*)*
Jamie Gibson (*Chief Executive Officer*)
Clara Cheung
David Comba#
Julie Oates#
Patrick Reid#
Mark Searle#
Jayne Sutcliffe*
Anderson Whamond*

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

Hong Kong, 13 December 2006

Please also refer to the published version of this announcement in The Standard.