

PAN HONG HOLDINGS GROUP LIMITED

(Incorporated in Bermuda)

(Registration Number: 37749)



Incorporation of a subsidiary

The Board of Directors (the “**Board**”) of Pan Hong Holdings Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce the incorporation of a subsidiary, Guangxi Gangrun Bio Technology Limited (廣西港潤生物技術有限公司) (“**Guangxi Gangrun**”), which is held by the Company’s subsidiary, Zhejiang Sino Harbour Bio Technology Limited (浙江漢港生物技術有限公司) (“**Zhejiang SH**”), Zhejiang Gene Stem Cell Biotech Company Limited (浙江金時代生物技術有限公司) (“**Zhejiang GSCB**”) and an independent third party, Mr. Mao Jianfeng (“**Mr. Mao**”).

The shareholdings held by Zhejiang SH, Zhejiang GSCB and Mr. Mao are 60%, 30% and 10% respectively. Zhejiang SH is a wholly and indirectly owned subsidiary of Sino Harbour Holdings Group Limited (“**Sino Harbour**”), which is listed on the Main Board of The Stock Exchange of Hong Kong Limited and approximately 73.05% owned by the Company. The Company holds 10% equity interest in Zhejiang GSCB and the said investment is classified as an available-for-sale investment.

Guangxi Gangrun was incorporated in the People’s Republic of China (the “**PRC**”) with a registered capital of RMB10.0 million. Its principal activities include but not limited to the storage of biological resources; genetic testing technology services; development, transfer and consultation services of cell and genetic products; development of transgenic biotechnology products, cell culture reagents, biological tissue products, biological diagnostic testing reagents and related consumables; development of other biological products and medical equipment as well as production and sale of cell products, cell extracts, cell culture reagents and diagnostic reagents.

Guangxi Gangrun was incorporated consequent to the entering into of a technology cooperation framework agreement (the “**Framework Agreement**”) between Jiangxi Sino Harbour Technology Limited (江西漢港科技有限公司) (“**Jiangxi SH**”), The Maternal and Child Health Hospital of Guangxi Zhuang Autonomous Region (廣西壯族自治區婦幼保健院) (“**Guangxi M&C Hospital**”) and Zhejiang GSCB. Zhejiang SH is wholly and directly owned by Jiangxi SH, which is also a wholly and indirectly owned subsidiary of Sino Harbour.

Based on the Framework Agreement, all contracting parties will leverage on their respective expertise and resources to participate in the stem cells industry (the “**Cooperation**”). A new company shall be set up by Jiangxi SH and Zhejiang GSCB in the Guangxi Zhuang Autonomous Region, the PRC, for such Cooperation purposes. The shareholding structure of the new company shall be further determined by Jiangxi SH and Zhejiang GSCB. Details of the Framework Agreement and Cooperation are disclosed in the Overseas Regulatory Announcement by Sino Harbour released to the SGX-ST via the SGXNET in a separate attachment today.

None of the directors or substantial shareholders of the Company have any interest, direct or indirect (other than through their direct or indirect shareholdings in the Company), in Guangxi Gangrun, Guangxi M&C Hospital and Zhejiang GSCB.

The Company will make further announcement(s) to keep shareholders informed, as and when there are further updates pertaining to the above matters or if there are any material developments.

CAUTIONARY STATEMENT

Shareholders and potential investors should exercise caution when trading in the shares of the Company, as the Framework Agreement is non-binding and there is no certainty or assurance as at the date of this announcement that the parties will progress with signing the definitive agreement(s). In the event of any doubt as to the action they should take, shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers.

By Order of the Board

Wong Lam Ping
Executive Chairman

20 January 2017