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漢港控股
SINO HARBOUR HOLDINGS

SINO HARBOUR HOLDINGS GROUP LIMITED

漢港控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1663)

**VOLUNTARY ANNOUNCEMENT
BUSINESS UPDATE
ENTERING INTO A STEM CELL TECHNOLOGY
COOPERATION AGREEMENT**

This announcement is made by Sino Harbour Holdings Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform its shareholders and potential investors of the latest information about the Group.

The board of directors of the Company (the “**Directors**” and the “**Board**”, respectively) is pleased to announce that Guangxi Gangrun Bio Technology Limited (廣西港潤生物技術有限公司) (“**Guangxi Gangrun**”), an indirect non-wholly owned subsidiary of the Company, has entered into a stem cell technology cooperation agreement (the “**Cooperation Agreement**”) with The Second Affiliated Hospital of Guilin Medical University (Lingui Clinical Medical College) (桂林醫學院第二附屬醫院(臨桂臨床醫學院)) (“**Guilin Second Affiliated Hospital**”) on 19 December 2017.

According to the Cooperation Agreement, both parties will leverage on their respective expertise and resources to carry out perinatal stem cells storage and stem cells technical research projects (the “**Cooperation**”).

PRINCIPAL TERMS OF THE COOPERATION AGREEMENT

A summary of the salient terms of the Cooperation Agreement is set out as follows:

- (a) In so far as permitted by and in compliance with the applicable laws and regulations, both parties will carry out the Cooperation including but not limited to (i) carry out perinatal stem cells storage projects; (ii) carry out stem cells clinical trial projects; (iii) jointly set up a stem cells research laboratory; and (iv) carry out international and domestic academic conferences and academic exchange activities, report on relevant national and provincial scientific research, and follow, research and study the leading edge of the international science on regenerative medicine, precision medicine and cell therapy technology etc.
- (b) Guangxi Gangrun will be responsible for providing consultation services relating to perinatal stem cells technology to Guilin Second Affiliated Hospital and clinical training relating to perinatal stem cells samples collection to the medical staff of Guilin Second Affiliated Hospital. Guangxi Gangrun will also be responsible for providing consultation services relating to stem cells to the depositors.
- (c) Guangxi Gangrun will be responsible for assisting Guilin Second Affiliated Hospital in reporting and recording the perinatal stem cells clinical research projects, coordinating with regulatory authorities on the relevant inspection and acceptance check of such projects and providing perinatal stem cells therapy technical support to Guilin Second Affiliated Hospital.
- (d) With its own resources and technical advantages, Guilin Second Affiliated Hospital will actively assist Guangxi Gangrun in carrying out perinatal stem cells storage business on site.
- (e) Guilin Second Affiliated Hospital will assist and cooperate with Guangxi Gangrun in the dissemination of perinatal stem cells science and relevant training and promotion activities, including the provision of a consultation services platform to Guangxi Gangrun for disseminating the science and knowledge of stem cells and stem cells storage.
- (f) The Cooperation Agreement will expire three years immediately after the date of the signing of the Cooperation Agreement and will be automatically renewed for another three years upon its expiration from time to time unless either party giving the other party a written termination notice two months prior to the date of the relevant expiration.

BACKGROUND OF GUILIN SECOND AFFILIATED HOSPITAL

Guilin Second Affiliated Hospital is a directly affiliated hospital of Guilin Medical University (桂林醫學院). It is located at Lingui District, Guilin City, Guangxi Zhuang Autonomous Region (“**Guangxi**”), the People’s Republic of China (the “**PRC**”) (中國廣西壯族自治區桂林市臨桂區). Its predecessor was the Lingui Branch Hospital of affiliated hospital of Guilin Medical University (桂林醫學院附屬醫院臨桂分院). It was established in December 2014 based on its predecessor and according to the “Approval of Establishment of the Second Affiliated Hospital of Guilin Medical University” (Gui Series No. [2014]74) (《關於成立桂林醫學院第二附屬醫院的批復》) (桂編[2014]74號) of Guangxi Zhuang Autonomous Region Organization Establishment Committee (廣西壯族自治區機構編制委員會). Guilin Second Affiliated Hospital is a sizeable and modern Class III national general hospital comprising the functions of medical treatment, education, scientific research, prevention of diseases, general healthcare, rehabilitation and emergency treatment.

Guilin Second Affiliated Hospital covers an area of 66,039 square meters. It currently has 853 beds and 1,283 employees. The average of the annual number of births in it is over 4,000. Guilin Second Affiliated Hospital is one of the most fast-growing hospitals in Guilin City and is currently applying for a Class III Grade A (三級甲等) qualification.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, Guilin Second Affiliated Hospital is independent of and not connected with the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on the Stock Exchange).

REASONS FOR THE COOPERATION

The Group is principally engaged in property development in the PRC and has gradually entered into the stem cell and pharmaceutical inspection industries since 2016.

Guangxi Gangrun was incorporated following the entering into of a cooperation framework agreement dated 28 October 2016 between Jiangxi Sino Harbour Technology Limited (江西漢港科技有限公司), a subsidiary of the Company, 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 Gene Stem Cell Biotech Company Limited (浙江金時代生物技術有限公司), for the Group’s entering into the stem cell industry in Guangxi. As its first business development in Guangxi, the Group has begun the stem cells storage business and set up information desks at Guangxi M&C Hospital since June 2017. Due to the rapid formation of a mature business model, the Board believes that the Cooperation will speed up the Group’s penetration of stem cell market in Guangxi and is a highlight of the Group’s abilities and determination to expand its stem cell business in Guangxi.

Meanwhile, driven by favorable local policies and operational statistics, the Board expects that the stem cell industry will continue its rapid growth in the PRC. In addition, the relaxation of the one-child policy by the PRC government and the increase of elderly population will continue to drive the demand for biomedical technology. The Board believes that the stem cell industry will be in a long-term growth cycle. Therefore, the Group will continue to seek cooperation opportunities with hospitals in order to develop its stem cell business and grasp the demand of the stem cell market in Guangxi.

The Board considers that the terms of the Cooperation Agreement are fair and reasonable and the Cooperation is in the best interest of the Company and its shareholders as a whole. The Company will provide further updates as and when appropriate.

By order of the Board
Sino Harbour Holdings Group Limited
SHI Feng
Deputy Chairman and Executive Director

Hong Kong, 19 December 2017

As at the date of this announcement, the Board comprises seven Directors, including three executive Directors, namely Mr. SHI Feng (Deputy Chairman and Chief Executive Officer), Mr. WONG Lui and Ms. GAO Lan; one non-executive Director, namely Ms. CHAN Heung Ling (Chairlady); and three independent non-executive Directors, namely Mr. XIE Gang, Mr. LEE Man To and Ms. ZHANG Juan.