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TATA Health International Holdings Limited

TATA 健康國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1255)

DISCLOSEABLE TRANSACTION

DISCLOSEABLE TRANSACTION

(1) THE INVESTMENT AND SHAREHOLDERS AGREEMENT

The Board is pleased to announce that on 29 June 2021, Shang Ying, a wholly-owned subsidiary of the Company, entered into the Investment and Shareholders Agreement with the Co-investors, the Co-lenders, Promethera Biosciences and Promethera Therapeutics, pursuant to which Shang Ying will subscribe for new shares representing 37.61% of the total issued share capital of Promethera Therapeutics immediately on completion of the Investment and Shareholders Agreement.

(2) THE SHARE PURCHASE AGREEMENT

On 29 June 2021, Shang Ying, a wholly-owned subsidiary of the Company, entered into the Share Purchase Agreement with Promethera Biosciences and Promethera Therapeutics, pursuant to which Shang Ying will acquire 40% of the total issued share capital of the JV Company.

(3) THE SUB-LICENSING AGREEMENT TERM SHEET

On 29 June 2021, Promethera Therapeutics entered into the Sub-License Agreement Term Sheet with binding effect with the JV Company, pursuant to which Promethera Therapeutics agrees to grant to the JV Company an exclusive sub-license of Licensed IP.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Investment exceed 5% but are all less than 25%, the Investment constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is only subject to the reporting and announcement requirements but exempt from the shareholder approval requirement under Chapter 14 of the Listing Rules.

Completion is subject to the fulfillment of the conditions precedent set out under the Investment and Shareholders Agreement, the Share Purchase Agreement and the Sub-Licensing Agreement Term Sheet and the Investment may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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Date

29 June 2021

Parties

- (1) Shang Ying, a subsidiary of the Company (as investor and lender);
- (2) the Company (as guarantor);
- (3) the Co-investors (as investors);
- (4) the Co-lenders (as lenders);
- (5) Promethera Biosciences (as shareholder); and
- (6) Promethera Therapeutics (as company).

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Co-investors, the Co-lenders, Promethera Biosciences, Promethera Therapeutics and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Subject Matter

Pursuant to the Investment and Shareholders Agreement, among other things, the Investors and Lenders have conditionally agreed to make an investment for a total amount of EUR19,994,711.80 in Promethera Therapeutics and Promethera Therapeutics has conditionally agreed to issue new shares to the Investors and take out loans from the Lenders. The investment consists of (1) a share subscription in the amount of EUR13,994,711.80 in return for 372,894 new PTX Shares at the Subscription Price of EUR37.53 per PTX Share and (2) a loan in the principal of EUR6,000,000 to be advanced to Promethera Therapeutics in return for warrants entitling the Lenders to convert its pro rata portion of the loan into shares of Promethera Therapeutics.

Shang Ying has conditionally agreed (1) to subscribe for 186,516 new shares to be issued by Promethera Therapeutics for EUR6,999,945.48 and (2) to lend a loan in the principal amount of EUR3,000,000 in return for a warrant entitling Shang Ying to convert the loan into shares of Promethera Therapeutics. Upon completion of the Investment and Shareholders Agreement, Shang Ying, the Co-investors and Promethera Biosciences will hold 37.61%, 37.59%, and 24.80%, respectively, of the enlarged issued share capital of Promethera Therapeutics.

Consideration

The total consideration of EUR19,994,711.80 is divided into a share subscription of an aggregate amount of EUR13,994,711.80 and a loan for a total amount of EUR6,000,000. Shang Ying's total payment obligations under the Investment and Shareholders Agreement is EUR9,999,945.48, with EUR6,999,945.48 payable for the share subscription and EUR3,000,000 payable for the loan. Shang Ying's payment obligations are several but not joint with the Co-investors and Co-lenders.

The consideration is payable by the Investors and Lenders to Promethera Therapeutics in cash in the following manner:

(i) Share Subscription

The share subscription of EUR13,994,711.82 shall be paid in two instalments. The first instalment of EUR6,997,355.91 shall be paid within five business days following the date of satisfaction of all the conditions precedent (the "**Closing Date**") (the "**First Instalment**"), out of which EUR3,499,972.74 shall be paid by Shang Ying and EUR3,497,383.17 shall be paid by the Co-investors. The second instalment of EUR6,997,355.91 shall be paid within twenty business days from

the date on which the achievement of the Milestone has been communicated to the Investors by the board of directors of Promethera Therapeutics and provided that the Second Condition Precedent has been completed (the “**Second Instalment**”), out of which EUR3,499,972.74 shall be paid by Shang Ying and EUR3,497,383.17 shall be paid by the Co-investors.

(ii) Loan

A loan of EUR6,000,000 shall be paid in two tranches. The first tranche of EUR3,000,000 shall be paid on the Closing Date at the same time and subject to completion of the First Instalment (the “**First Loan Tranche**”), out of which EUR1,500,000 shall be paid by Shang Ying and EUR1,500,000 shall be paid by the Co-lenders. The second tranche of EUR3,000,000 shall be paid within twenty business days from the date on which the achievement of the Milestone and the satisfaction of the Second Condition Precedent are communicated to the Investors by the board of directors of Promethera Therapeutics (whichever is later), at the same time and subject to completion of the Second Instalment (the “**Second Loan Tranche**”), out of which EUR1,500,000 shall be paid by Shang Ying and EUR1,500,000 shall be paid by the Co-lenders.

(iii) Cash Advance

The Investors and Lenders shall make a cash advance of a total of EUR1,001,000 to Promethera Therapeutics on the date of the Investment and Shareholders Agreement, out of which Shang Ying shall pay EUR500,000 and the Co-investors and Co-lenders shall pay an aggregate of EUR501,000. If the conditions precedent are not met by the Long Stop Date, the cash advance shall be returned by Promethera Therapeutics to the Investors and Lenders by 31 December 2021. If the conditions precedent are met on or before the Long Stop Date, the cash advance shall be deducted from the amounts to be paid by Investors under the First Instalment and the amounts to be paid by Co-lenders under the First Loan Tranche.

The consideration was arrived at after arm’s length negotiations between the parties with reference to the funding arrangement endorsed in the PRJ Plan, which attributed EUR20 million to a 75.2% equity stake in Promethera Therapeutics based on the expected costs of the clinical trials for proof of concept in the next two years.

The consideration for the investment in Promethera Therapeutics will be financed by internal resources of the Group, the Net Proceeds from the Placing and other debt financing options.

Guarantee by the Company

The Company, as Shang Ying's parent, provided a guarantee to Promethera Therapeutics for the payment obligations of Shang Ying under the Investment and Shareholders Agreement.

Conditions Precedent to First Completion

Completion of the First Instalment and the First Loan Tranche is conditional upon fulfillment of the following conditions precedent:

- (i) neither the Stock Exchange nor the SFC having raised any material objection to the transactions contemplated under the Investment and Shareholders Agreement; and
- (ii) the Share Purchase Agreement having become unconditional as to completion and completion thereof taking place simultaneously with completion of the Investment and Shareholders Agreement as to the First Instalment and the First Loan Tranche.

If the conditions precedent remain unsatisfied on the Long Stop Date and have not been waived before such date by Shang Ying, or become impossible to be satisfied on or before the Long Stop Date, each party shall be entitled to notify termination of the Investment and Shareholders Agreement and as from the date of the notification of termination, no party shall have any further obligation towards the other parties pursuant to the Investment and Shareholders Agreement.

Condition Precedent to and Milestone Requirement of Second Completion

Completion for the Second Instalment and the Second Loan Tranche is subject to the achievement of the Milestone and the Second Condition Precedent. The Milestone and the Second Condition Precedent must be achieved within 12 months as from the Closing Date (the "**Final Milestone Date**" or the "**Second Long Stop Date**").

If (1) the Milestone is not met by the Final Milestone Date and the Second Condition Precedent has been satisfied at an earlier date, or (2) the Second Condition Precedent is not met by the Second Long Stop Date and the Milestone has been achieved by the Final Milestone Date, the Investors holding jointly not less than 75% of the shares in Promethera Therapeutics may nevertheless decide for all Investors to proceed to the Second Instalment. Any decision to proceed to the Second Instalment must be taken within two months as from the Final Milestone Date or the Second Long Stop Date and shall be binding upon each of the parties to the Investment and Shareholders Agreement, i.e. the Investors who vote against the acceleration of the Second Instalment shall be obliged to invest their share in the Second Instalment.

If, after a period of 12 months starting as from the Closing Date, either the Milestone or the Second Condition Precedent is not met (or neither is met) and the Investors have not decided to accelerate the Second Instalment, each Investor shall be free to decide to exercise its contribution right and to fully pay up its part of the Second Instalment, on the same terms and conditions as the First Instalment.

If either the Milestone or the Second Condition Precedent is not met (or neither is met) by the Final Milestone Date or the Second Long Stop Date, Lenders shall be free to decide whether to exercise its contribution right and to fully pay up its part of the Second Loan Tranche.

The Second Long Stop Date may be extended until the end of the 18th month from the Closing Date, if the delay in fulfilling the Second Condition Precedent by Promethera Therapeutics is due to administrative or technical reasons, which shall be supported by a legal opinion.

Completion

The completion of the First Instalment and First Loan Tranche shall take place within five business days following the date of satisfaction of all conditions precedent or such other date as the parties shall agree and no later than on the Long Stop Date.

The completion of the Second Instalment and Second Loan Tranche shall take place within twenty business days from the date on which the achievement of the Milestone or the satisfaction of the Second Condition Precedent (whichever is later) is communicated to the Investors by the board of directors of Promethera Therapeutics.

Undertaking to Negotiate Exclusively with Shang Ying Regarding the JV Company

If the conditions precedent are not satisfied by the Long Stop Date, for a period of three calendar months from the Long Stop Date, Promethera Therapeutics and Promethera Biosciences will negotiate exclusively with Shang Ying regarding the potential sale of the shares held by Promethera Biosciences in the JV Company.

Stock Option Plan

Promethera Therapeutics will implement a pool of stock options for PTX Shares representing 10% of the aggregate number of (i) PTX Shares in issue as at the date of this Announcement, (ii) PTX Shares issued on first and second completions of the Investment and Shareholder's Agreement and (iii) PTX Shares issued upon conversion of loans, on a fully diluted basis (the "**Stock Options Reference Share Capital**").

The stock option pool will consist of two stock option plans. Options under the first stock option plan will be granted to the historical founder and CEO of Promethera Biosciences, representing up to 5% of the Stock Options Reference Share Capital. Options under the second stock option plan will be granted to the management of Promethera Therapeutics, representing up to 5% of the Stock Options Reference Share Capital. Options to be granted under both stock option plans will be subject to vesting conditions.

Shareholders' Rights

Shareholders of Promethera Therapeutics have the following rights, among other things:

(i) Investors' Rights

Each Investor is granted the right to subscribe for additional shares in Promethera Therapeutics (up to the number of shares in Promethera Therapeutics such Investor subscribes for under the Investment and Shareholders Agreement) at the Subscription Price for one time within five years from the Closing Date, exercisable in June or December of any year.

Each Investor is granted the full-ratchet anti-dilution right, which allows the Investor to subscribe for more PTX Shares at EUR0.01 per PTX Share to offset any dilutive effect on the Investor arising from any new PTX Shares issued to subsequent investors at a price lower than the Subscription Price. Each Investor may exercise such anti-dilution right up to ten times.

(ii) Promethera Biosciences' Rights

According to the PRJ Plan, Promethera Biosciences is entitled to maintain, until (a) the valuation of Promethera Therapeutics reaches a threshold of EUR500,000,000 or (b) the end of five years from the Closing Date (whichever is earlier), a fixed shareholding of 24.8% in Promethera Therapeutics. As such, Promethera Biosciences is granted the anti-dilution right for subscribing for additional PTX Shares at EUR0.01 per PTX Share to the extent that its fixed shareholding is maintained.

(iii) Other Rights Regarding Transfer of Shares

In addition, the shareholders of Promethera Therapeutics are granted customary pre-emption rights on new issues of PTX Shares, right of first refusal, tag-along rights and drag-along rights.

Board Composition

Promethera Therapeutics shall be managed by a board of directors composed of minimum six members and maximum seven members. Two directors shall be appointed by Shang Ying. Two directors shall be appointed by SOFIPOLE and the Co-lenders. One director shall be appointed by FUND + NV. One director shall be appointed by Prof. Etienne Sokal, founder of Promethera Biosciences. Promethera Biosciences shall be entitled to propose candidates for one permanent observer to the Board.

The quorum for board meetings requires the presence of at least half of the directors, which must include at least one director appointed by Shang Ying and at least one director appointed by SOFIPOLE and the Co-lenders.

For so long as Shang Ying or any of its affiliates holds more than 25% of the total PTX Shares or the Co-investors jointly hold more than 25% of the total PTX Shares, resolutions on board reserved matters shall be passed by a simple majority of the directors, including the positive vote of at least one of the directors appointed by Shang Ying and at least one of the directors appointed by SOFIPOLE and the Co-lenders, i.e., Shang Ying will have a veto right on board reserved matters.

Shareholders Meetings

Resolutions on shareholders reserved matters shall be passed by a simple majority of the shareholders of Promethera Therapeutics, including the positive vote of Shang Ying and the positive vote of at least 75% of the shares held by the Co-investors. The quorum for shareholders' meetings requires the presence of shareholders representing at least 75% of total PTX Shares and the presence of Shang Ying.

Lenders' Rights

Each Lender is entitled to a quarterly interest payment calculated at 5% per annum. Each loan has a term of eight years, with principal becoming repayable from the fifth year. Each loan is secured by an all assets pledge provided by Promethera Therapeutics, shared by the Lenders on a pro rata basis with a maximum total secured amount of EUR2,000,000. As such, Shang Ying is entitled to a secured amount of EUR1,000,000.

Each Lender is granted the right to convert the principal into PTX Shares at the Subscription Price in part or in whole within the first four years of the term, exercisable in June and December of each year. Each loan ranks senior to all existing and future loans to Promethera Therapeutics (including shareholders' loans).

(2) THE SHARE PURCHASE AGREEMENT

On 29 June 2021, Shang Ying, a wholly-owned subsidiary of the Company, entered into the Share Purchase Agreement with Promethera Biosciences and Promethera Therapeutics, pursuant to which Shang Ying will acquire 40% of the total issued share capital of the JV Company. Details of the Share Purchase Agreement are set out below:

Date

29 June 2021

Parties

- (1) Shang Ying, a subsidiary of the Company (as the purchaser);
- (2) Promethera Biosciences (as one of the sellers); and
- (3) Promethera Therapeutics (as one of the sellers).

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of Promethera Biosciences, Promethera Therapeutics and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Subject Matter

Pursuant to the Share Purchase Agreement, among other things, Shang Ying has conditionally agreed to purchase and Promethera Biosciences and Promethera Therapeutics have conditionally agreed to sell the Sale Shares. Promethera Biosciences is the registered holder of the Sale Shares. As a result of the entry into of the Asset Purchase Agreement, Promethera Therapeutics is the sole beneficial owner of the Sale Shares.

Consideration

The consideration for the Sale Shares is EUR1, which was arrived at after arm's length negotiations between Shang Ying and Promethera Biosciences and Promethera Therapeutics on normal commercial terms by taking into account terms of the Investment and Shareholders Agreement and the deal structure that the JV Company is primarily a marketing and distribution vehicle for the Products in the Territories which will only accrue in value when it is revenue-generating.

Conditions Precedent

Completion of the Share Purchase Agreement is conditional upon fulfillment of the following conditions precedent:

- (i) Promethera Therapeutics having assumed all rights and obligations of Promethera Biosciences under the IP Contribution Agreement in a form that is reasonably satisfactory to Shang Ying;
- (ii) a termination agreement in a form that is reasonably satisfactory to Promethera Biosciences and Promethera Therapeutics having been executed, pursuant to which the joint venture agreement between Promethera Biosciences and Aceso Life Science dated 13 July 2020 regarding the JV Company, will terminate without liability for Promethera Biosciences and Promethera Therapeutics;
- (iii) the passing at a duly convened board meetings of each of Promethera Biosciences and Promethera Therapeutics of such resolution(s) as may be necessary to approve, implement and effect the transactions contemplated by the Share Purchase Agreement;
- (iv) Promethera Therapeutics and the JV Company having entered into the Sub-License Agreement on terms satisfactory to Shang Ying, Promethera Biosciences and Promethera Therapeutics based on a binding term sheet entered into by Promethera Therapeutics and the JV Company on the date of the Share Purchase Agreement;
- (v) the Investment and Shareholders Agreement having become unconditional as to completion;
- (vi) neither the Enterprise Court nor any other competent court having jurisdiction over Promethera Biosciences or Promethera Therapeutics in respect of the PRJ Plan having raised any objection to the entry into of the Share Purchase Agreement by Promethera Therapeutics and Promethera Biosciences or the transactions contemplated under the Share Purchase Agreement;
- (vii) Promethera Biosciences and Promethera Therapeutics having obtained (i) an approval/confirmation from Sopartec SA concerning the assignment of certain head license agreement from Promethera Biosciences to Promethera Therapeutics; and (ii) a new approval letter issued by Sopartec SA as head licensor to Promethera Therapeutics; and
- (viii) neither the Stock Exchange nor the SFC having raised any material objection to the proposed transactions contemplated under the Share Purchase Agreement.

Shang Ying may waive any of the conditions in (i) to (viii) above in whole or in part at any time by notice to Promethera Biosciences and Promethera Therapeutics. Promethera Biosciences and Promethera Therapeutics may waive (ii) above.

If the conditions are not fulfilled or waived on or before the Long Stop Date, the provisions of the Share Purchase Agreement shall cease to have effect and no party shall have any liability under the Share Purchase Agreement except for any rights or liabilities that have already accrued under the Share Purchase Agreement and certain provisions of the Share Purchase Agreement.

Completion

Completion shall take place, subject to the fulfilment or waiver of all of the conditions, on a business day on which completion of the Investment and Shareholders Agreement takes place (and subject to effective completion thereof on the same date, including the completion of the First Instalment) or such other date as may be agreed in writing by the parties to the Share Purchase Agreement.

Board Observer

Shang Ying shall use reasonable effort to procure the JV Company, subject to the consent of the other shareholders of the JV Company, to appoint a person nominated by Promethera Therapeutics, namely, Prof. Etienne Sokal, as board observer to attend board meetings of the JV Company, for as long as the Sub-License Agreement or the IP Contribution Agreement is not terminated.

Other provisions

The Share Purchase Agreement also contains covenants (including non-compete and non-solicitation restrictive covenants given by Promethera Therapeutics and right of first offer for new business opportunities in favour of the JV Company) and representations and warranties in relation to the JV Company provided to Shang Ying by Promethera Biosciences and Promethera Therapeutics which the Directors believe are usual and customary for a transaction of similar nature and scale as the proposed acquisition of Sale Shares under the Share Purchase Agreement.

(3) THE SUB-LICENSING AGREEMENT TERM SHEET

On 29 June 2021, Promethera Therapeutics entered into the Sub-License Agreement Term Sheet with binding effect with the JV Company, pursuant to which Promethera Therapeutics agrees to grant to the JV Company an exclusive sub-license of Licensed IP. Details of the Sub-License Agreement Term Sheet are set out below:

Date

29 June 2021

Parties

(1) Promethera Therapeutics; and

(2) JV Company.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of Promethera Therapeutics, JV Company and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Sub-license of Licensed IP

Promethera Therapeutics agrees to grant to the JV Company an exclusive sub-license under the Licensed IP to use, develop, distribute, commercialize, manufacture, promote, sell, offer for sale, import and export the relevant Products in the Territories in all uses in humans, the detailed terms of which shall be substantially the same as those under the sub-license agreement between Promethera Biosciences and the JV Company executed on 28 July 2020. The Sub-License Agreement Term Sheet sets out key additional commercial terms to be incorporated into a definitive Sub-License Agreement. The definitive Sub-License Agreement is subject to the conditions that the investment under the Investment and Shareholders Agreement is completed by the Long Stop Date and the shares owned by Promethera Therapeutics in the JV Company being transferred to Shang Ying by the Long Stop Date.

Manufacturing and Supply

Upon request by the JV Company, Promethera Therapeutics shall supply quantities of the relevant Products in finished product form sufficient for clinical trials at cost. Within 6 months of the execution of the Sub-License Agreement, Promethera Therapeutics shall conduct a technology transfer of clinical and commercial scale manufacturing processes and related know-how to the JV Company, or to a GMP manufacturer determined by the JV Company. If there is any intellectual property owned or controlled by Promethera Therapeutics that are necessary or reasonably useful for manufacturing the Products in the Territories (“**Manufacturing IP**”), Promethera Therapeutics shall grant the JV Company an exclusive, royalty free and sub-licensable through multiple tiers license under the Manufacturing IP to use, develop, manufacture and commercialize the Products in the Territories in all uses in humans. Reasonable out-of-pocket costs in connection with the technology transfer shall be borne by the JV Company. The JV Company shall then have two years to build up manufacturing capacity before assuming responsibilities for the manufacturing of the Products. Promethera Therapeutics further agrees to provide ongoing reasonable technical support if requested by the JV Company.

Royalties and Proceeds

During the royalty term, in the event that the JV Company or any of its subsidiaries develops and commercializes on its own the Products in the Territory, the JV Company shall pay to Promethera Therapeutics royalties at 8% of the net sales of the Products.

In the event that the JV Company sub-sublicenses the Licensed IP to a third party for such third party to develop and commercialize the Products in a country, the JV Company agrees to pay to Promethera Therapeutics 20% of the proceeds it receives from the relevant sub-sublicensee (the “**Proceeds**”).

In the event that the JV Company or any of its subsidiaries initially develops and commercializes on its own the Products in a country (the “**Initial Stage**”), but decides to sub-sublicense the Licensed IP to a third party at certain stage so that the third party will complete the development and commercialization of the Products in that country, the JV Company agrees to pay to Promethera Therapeutics 20% of the Proceeds it receives after deduction of 20% of the costs and expenses that the JV Company incurred during the Initial Stage.

If Shang Ying fails to fulfill its obligations under the Investment and Shareholders’ Agreement, the royalties shall be increased to 9%. If Shang Ying makes a claim for breach of warranties pursuant to the Share Purchase Agreement, Promethera Therapeutics agrees that the JV Company may deduct the entire amount of damages from all payments which Promethera Therapeutics may receive under the Sub-License Agreement, pursuant to the terms and conditions set forth in the Share Purchase Agreement.

Termination

If a definitive Sub-License Agreement is not signed by the Long Stop Date, the Sub-License Agreement Term Sheet shall terminate automatically.

The consideration of the Sub-License Agreement Term Sheet was arrived at after arm’s length negotiations between Promethera Therapeutics and Shang Ying with reference to, including but not limited to the usual price range of sub-license on the market, the estimated cost and time for Promethera Therapeutics’ product research and development in the Territories, the cost of production in the Territories, the potential approval requirements, etc.

INFORMATION ON THE TARGET COMPANIES

Promethera Therapeutics

Promethera Therapeutics is a company incorporated in Belgium on 25 February 2021 and as at the date of this announcement, it is wholly owned by Promethera Biosciences. Promethera Biosciences entered into a judicial reorganization procedure before the Enterprise Court on 14 December 2020 and the PRJ Plan was submitted and approved by the creditors and the Enterprise Court on 15 March 2021. As part of the PRJ Plan, Promethera Biosciences and Promethera Therapeutics entered into the Asset Purchase Agreement pursuant to which Promethera Therapeutics acquired all of the assets owned by Promethera Biosciences. Following such acquisition, Promethera Therapeutics is engaged in the business activities such as the discovery, research, development,

manufacturing and commercialization of HepaStem and H2Stem as well as advance medicinal therapy products to treat liver diseases in an innovative way, using allogeneic stem cells from healthy human livers.

According to the pro forma management accounts of Promethera Therapeutics (assuming the assets of Promethera Biosciences had been transferred to Promethera Therapeutics as at 31 May 2021), its net loss (both before and after taxation and extraordinary items) for the period from 25 February 2021 (its date of incorporation) to 31 May 2021 were EUR634,006. The unaudited net liability value of Promethera Therapeutics as at 31 May 2021 was EUR572,506.

JV Company

JV Company is a company incorporated in Hong Kong and as at the date of this announcement, it is owned as to 40% by Promethera Biosciences and 60% by Aceso Life Science. It is principally engaged in the development and commercialisation of the Products in the Territories, including the conduct of clinical development and regulatory affairs, appointment of clinical marketing partner and appropriate clinical research organisation and/or site management organisation to clinical trial(s) respect of the Products in the Territories.

JV Company was incorporated on 17 July 2020. No actual business has been commenced. Therefore, no net profits (before and after taxation) of JV Company for two financial years immediately preceding the Investment is available. According to the management account of JV Company as at 31 March 2021, the net asset value of JV Company is HK\$1,000.

INFORMATION ON THE PARTIES TO THE TRANSACTION

The Group

The principal activity of the Company is investment holding, whilst its major operating subsidiaries are engaged in the trading of footwear products and healthcare products and the provision of financial services and online medical services.

Promethera Biosciences

Promethera Biosciences is a company incorporated in Belgium and is principally engaged in biotechnology business with a focus on cell therapy. Its top four shareholders are Vesalius Biocapital SICAR, Fund+ NV, Itochu Corporation and New Life Science I Investments Limited Partnership, holding 8.4%, 6.81%, 5.88% and 5.88%, respectively.

Aceso Life Science

Aceso Life Science, 60% owner of the JV Company, is a limited company incorporated in the British Virgin Islands and is principally engaged in the development, manufacture, sale and distribution of therapeutic and diagnostic assets in the Greater China and South

East Asia. It is owned as to 51% by Aceso Life Science Group Limited, the shares of which are listed on the Stock Exchange (stock code: 00474), and as to 49% by Co-High Investment Management Limited, which is in turn owned as to 60% and 40% by Ms. Liu Yang and Mr. Dong Zimeng, respectively.

Co-investors

- (1) SOFIPOLE is a public limited liability company incorporated in Belgium and is principally engaged in the investment of infrastructure and other sectors. It is a regional state-owned company.
- (2) FUND+ NV is a limited liability company incorporated in Belgium and is principally engaged in the investment of companies in the life sciences industry. It is owned as to 29.76% by DESIRE COLLEN STICHTING, and its ultimate beneficial owners include Chris Buyse, Désiré Collen and Louisa Reniers. The other shareholders each holds less than 25% in FUND+ NV.
- (3) SMS INVESTMENTS SA is a company incorporated in Luxembourg and is principally engaged in investment holding. It is ultimately owned as to 38.14% by Dr. Heinrich Weiss. The other shareholders each holds less than 25% in SMS INVESTMENTS SA.
- (4) SOPARTEC SA is a limited liability company incorporated in Belgium. It is ultimately owned by the Catholic University of Louvain and acts the technology transfer vehicle of the university.
- (5) FINANCIERE H2O SA is a limited liability company incorporated in Belgium and is principally engaged in investment holding. It is ultimately owned as to 50% by Hubert Bonnet.
- (6) VESALIUS BIOCAPITAL I S.A. SICAR is a limited liability company incorporated in Luxembourg and is an investment fund in the field of life sciences and is controlled by Stéphane Verdood, Alain Parthoens, Christian Schneider and Gaston Matthyssens. The general manager of the fund, acting in the capacity as its liquidator, is Vesalius Biocapital Partners SARL.
- (7) VESALIUS BIOCAPITAL ARKIV NV SA is a limited liability company incorporated in Belgium and is an investment fund in the field of life sciences, controlled by Stéphane Verdood. The general manager of the fund, acting in the capacity as its liquidator, is Vesalius Biocapital Partners SARL.
- (8) EXPERT SERVICE & ADVICE IN HEALTHCARE SRL is a company incorporated in Belgium and is principally engaged in services and provision of advice in the field of drugs and innovative therapy. It is ultimately owned as to 50% by Prof. Etienne Sokal and as to 50% by Annie Hubert.
- (9) Mr. Pierre Drion is an individual domiciled in Belgium.

- (10) Mr. François Henriët is an individual domiciled in Belgium.
- (11) Mr. Jean-Claude Deschamps is an individual domiciled in Luxembourg.
- (12) Mr. Marc Speeckaert is an individual domiciled in Belgium.
- (13) Prof. Etienne Sokal is an individual domiciled in Belgium and is founder of Promethera Biosciences.
- (14) Mr. Albert Kessle is an individual domiciled in Belgium.
- (15) Mr. Olivier van der Rest is an individual domiciled in Belgium.
- (16) Mr. Antonio Fonseca is an individual domiciled in Belgium.

Co-lenders

- (1) INVEST BW SA is a limited liability company incorporated in Belgium and is principally engaged in regional investments. It is a regional state-owned company.
- (2) 6K Venture Capital SA is a limited liability company incorporated in Belgium and is principally engaged in regional investments. It is a regional state-owned company.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each Co-investor and each Co-lender is a third party independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE INVESTMENT

The Company has been actively pursuing acquisition and investment opportunities in the medical and healthcare sectors, including expansion into the bioscience industry. Promethera Therapeutics and its predecessor, namely Promethera Biosciences, are pioneers in the field of liver cell treatment with leading position in the treatment of terminal liver diseases. HepaStem, its main product, is under Phase 2B clinical research. Since liver diseases are prevalent in China, and the cell and regenerative medicine industry is gradually maturing and supported by the state, the Company's investment in Promethera Therapeutics and acquisition of 40% equity interest in the JV Company are mutually beneficial to the Company and Promethera Therapeutics. Leveraging on Promethera Therapeutics' technical expertise in liver cell treatment, coupled with the Group's development and resources in respect of the domestic medical and health industries, it is expected that the JV Company will be strongly competitive in the development, clinical research and commercialization of liver cell treatment in China. Life science research is a subsector in the healthcare industry. Investment and participation in life science research are also in line with the Company's plan to deepen and expand its development in the medical and healthcare industry, thereby enhancing the interests of the Company and its shareholders as a whole.

The Directors (excluding Mr. Lin Zheming, Mr. Chu Chun Ho, Dominic and Mr. Chen Anhua) believe that the terms of the Investment and Shareholders Agreement, the Share Purchase Agreement and the Sub-Licensing Agreement Term Sheet are fair and reasonable and in the best interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Investment exceed 5% but are all less than 25%, the Investment constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is only subject to the reporting and announcement requirements but exempt from the shareholder approval requirement under Chapter 14 of the Listing Rules.

Completion is subject to the fulfillment of the conditions precedent set out under the Investment and Shareholders Agreement, the Share Purchase Agreement and the Sub-Licensing Agreement Term Sheet and the Investment may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Aceso Life Science”	Aceso Life Science Holding Limited, a limited company incorporated in the British Virgin Islands and a non-wholly owned subsidiary of Aceso Life Science Group Limited, the shares of which are listed on the Stock Exchange (stock code: 00474)
“Asset Purchase Agreement”	the asset purchase agreement dated 19 March 2021 between Promethera Biosciences and Promethera Therapeutics, pursuant to which Promethera Therapeutics acquired all of the assets owned by Promethera Biosciences
“associate”	has the meaning ascribed to it in Chapter 14A of the Listing Rules
“Board”	the board of Directors
“Circular”	the circular of the Company dated 28 April 2021 in relation to the Placing

“Co-investors”	collectively, SOFIPOLE, FUND+ NV, SMS INVESTMENTS SA, SOPARTEC SA, FINANCIERE H2O SA, VESALIUS BIOCAPITAL I S.A. SICAR, VESALIUS BIOCAPITAL ARKIV NV, EXPERT SERVICE & ADVICE IN HEALTHCARE SRL, Mr. Pierre Drion, Mr. François Henriet, Mr. Jean-Claude Deschamps, Mr. Marc Speeckaert, Prof. Etienne Sokal, Mr. Albert Kessler, Mr. Olivier van der Rest and Mr. Antonio Fonseca, each an investor under the Investment and Shareholders Agreement
“Co-lenders”	collectively, INVEST BW SA and 6K Venture Capital SA, each a lender under the Investment and Shareholders Agreement
“Company”	TATA Health International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it in the Listing Rules
“Directors”	directors of the Company
“Enterprise Court”	the Enterprise Court of Brabant Wallon (Nivelles)
“EUR”	Euros, the lawful currency of the European Union Member States
“GMP”	all applicable good manufacturing practices standards
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Investment”	the transactions contemplated under the Investment and Shareholders Agreement, the Share Purchase Agreement and the Sub-Licensing Agreement Term Sheet
“Investment and Shareholders Agreement”	the investment and shareholders agreement dated 29 June 2021 entered into between Shang Ying, the Company, Co-investors, Co-lenders, Promethera Biosciences and Promethera Therapeutics in relation to the investment in Promethera Therapeutics
“Investors”	collectively, Shang Ying and Co-investors, each an investor under the Investment and Shareholders Agreement

“IP Contribution Agreement”	the intellectual property contribution agreement entered into among Promethera Biosciences, Balipharm AG and JV Company on 24 July 2020
“JV Company”	Aceso-Promethera Asia Company Limited, a limited liability company incorporated in Hong Kong
“Lenders”	collectively, Shang Ying and Co-lenders, each a lender under the Investment and Shareholders Agreement
“Licensed IP”	all intellectual property licensed to Promethera Therapeutics by the head licensor pursuant to the head license
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	10 August 2021
“Milestone”	within the Voluntary Harmonized Procedure (VHP), the official information received via REF-NCA (FAMHP) that the requested revised documentation is acceptable and that the revised CTA is considered approvable, followed by approval of the amendment by the national competent authorities of each country participating to the VHP
“Net Proceeds”	net proceeds amounting to approximately HK\$74,497,000 from the Placing
“Placing”	the subscription for 28,845,000 Shares by certain investors, raising net proceeds of approximately HK\$74,497,000 for the Company, details of which are set out in the Circular
“PRC”	The People’s Republic of China
“PRJ Plan”	the reorganization plan in relation to Promethera Biosciences which was approved by the creditors and the Enterprise Court on 15 March 2021
“Products”	any product that incorporates, uses or implements intellectual property of JV Company for the treatment of treatment of Urea Cycle Disorder, Acute-on-chronic Liver Failure, Nonalcoholic Steatohepatitis and Coronavirus Disease 2019 in the Territories, which shall be an allogeneic “off-the-shelf” liver derived cell therapy (HepaStem and H2Stem)

“Promethera Biosciences”	Promethera Biosciences SA, a company incorporated under the laws of Belgium
“Promethera Therapeutics”	Promethera Therapeutics SA, a company incorporated under the laws of Belgium
“PTX Share(s)”	share(s) in Promethera Therapeutics
“Sale Shares”	400 ordinary shares in the JV Company, representing 40% of the total issued share capital of the JV Company
“Second Condition Precedent”	completion of the local transfer registration formalities of intellectual property rights, as provided in the Asset Purchase Agreement, in the UK, France, Germany and Italy
“SFC”	the Securities and Futures Commission of Hong Kong
“Shang Ying”	Shang Ying International Trade Holdings Limited, a company incorporated in the British Virgin Islands and a direct wholly-owned subsidiary of the Company
“Share(s)”	the ordinary share(s) of the Company, each with a par value of HK\$0.01
“Shareholder(s)”	holder(s) of the Share(s)
“Share Purchase Agreement”	the share purchase deed dated 29 June 2021 entered into between Shang Ying, Promethera Biosciences and Promethera Therapeutics in relation to the Sale Shares
“SOFIPOLE”	SOCIETE WALLONNE POUR LE FINANCEMENT DES INFRASTRUCTURES DES POLES DE COMPETITIVITE SA
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-License Agreement”	certain sub-license agreement(s) to be entered into between JV Company and Promethera Therapeutics on or about the date of completion of the Share Purchase Agreement regarding the sub-licensing of certain intellectual property rights licensed by Promethera Therapeutics to the JV Company for the development and commercialization of the Products in the Territories
“Subscription Price”	EUR37.53 per PTX Share

“Territories” certain jurisdictions in Asia as set out in the Share Purchase Agreement, which includes, but is not limited to, the mainland of the PRC, Hong Kong, and the Macau Special Administrative Region of the PRC

“%” per cent

By order of the Board
TATA Health International Holdings Limited
Yang Jun
Chairman

Hong Kong, 29 June 2021

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Yang Jun and Mr. Lai Wenjing; four non-executive Directors, namely, Mr. Lin Zheming, Mr. Lin Jun, Mr. Chu Chun Ho, Dominic and Mr. Chen Anhua and three independent non-executive Directors, namely, Mr. Xie Rongxing, Prof. Yan Haifeng and Ms. Tan Yuying.