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## **Immunotech Biopharm Ltd**

**永泰生物製藥有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6978)**

### **PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE AND CALL OPTION DEED BY A SUBSTANTIAL SHAREHOLDER**

#### **ISSUE OF CONVERTIBLE BONDS**

On 28 October 2022 (after trading hours), the Company, the Investor, the Individuals and the Obligors entered into the Subscription Agreement, pursuant to which the Company has conditionally agreed to issue and the Investor has conditionally agreed to subscribe for the Convertible Bonds in the principal amount of RMB300 million at the initial conversion price at HK\$4.81 per Conversion Share, equivalent to RMB4.38 per Conversion Share (based on the exchange rate of RMB1 to HK\$1.09849 which is the average mid-point daily exchange rate of RMB to HK\$ published by the People's Bank of China for five business days prior to and excluding the date of the Subscription Agreement).

Based on the initial Conversion Price of HK\$4.81 (i.e. RMB4.38) per Conversion Share, a maximum of 68,493,150 Shares will be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds in full, which represent approximately 13.31% of the existing issued share capital of the Company and approximately 11.75% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares.

The estimated net proceeds from the issue of the Convertible Bonds of approximately RMB300 million are intended to be applied by the Company to satisfy operational fees, costs or expenses arising from or relating to the business, or to finance any investment in, acquisition or share subscription of shares or equity interest of companies, as a result of which such companies shall be accounted as subsidiaries of the Company in relation to the business.

No application will be made for the listing of, and permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

The Conversion Shares upon exercise of the conversion rights attached to the Convertible Bonds are to be issued under the General Mandate.

The Convertible Bonds will have the benefit of the security constituted by the Security Documents for all amounts payable under the Transaction Documents.

### **CALL OPTION DEED BY A SUBSTANTIAL SHAREHOLDER**

The Company has been informed by Mr Jung that, on 28 October 2022, he and his wholly owned company, Evodevo Ltd have entered into a call option deed (the “**Deed**”), pursuant to which, Mr Jung granted an option to the Investor that the Investor is entitled to request Evodevo Ltd to sell 90,128,571 existing Shares owned by Evodevo Ltd with a consideration of approximately RMB395 million, representing 17.51% of total issued Shares, from the date of the Deed up to 31 March 2023. If the Investor does not exercise the option before 31 March 2023, Evodevo Ltd shall request the Investor to acquire all the Option Shares from Evodevo Ltd.

**As the Subscription Agreement may or may not complete, and the Convertible Bonds and/or the Conversion Shares may or may not be issued, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

On 28 October 2022 (after trading hours), the Company, the Investor, the Individuals and the Obligors entered into the Subscription Agreement, pursuant to which the Company has conditionally agreed to issue and the Investor has conditionally agreed to subscribe for the Convertible Bonds in the aggregate principal amount of RMB300 million.

Details of the Subscription Agreement, the terms and conditions of the Convertible Bonds are set out below.

## **THE SUBSCRIPTION AGREEMENT**

The principal terms of the Subscription Agreement are as follows:

### **Date**

28 October 2022 (after trading hours)

### **Parties**

- (1) the Company, as issuer;
- (2) the Investor, as subscriber;
- (3) the Individuals, as sole shareholders of the respective obligors; and
- (4) the Obligors, as obligors.

### **Principal Amount of the Convertible Bonds**

Pursuant to the Subscription Agreement and subject to the satisfaction or waiver of the conditions precedent set out below, the Investor will subscribe for the Convertible Bonds in the principal amount of RMB300 million.

### **Conditions Precedent for the Convertible Bonds**

Completion in respect of the Convertible Bonds shall be subject to and conditional upon the following conditions precedent being satisfied (or, if applicable, waived by the Investor):

- (1) the granting of the approval by the Stock Exchange for the listing of and permission to deal in, the Conversion Shares not having been revoked;
- (2) where required, the approval by the independent Shareholders and the transactions contemplated under the Transaction Documents and the Security Documents and all other consents and acts required under the Listing Rules being obtained and completed or, as the case may be, the relevant waiver from compliance with any of such rules being obtained from the Stock Exchange;
- (3) the Board approving and authorising the transactions contemplated under the Transaction Documents and the Assets Mortgage;
- (4) none of the issuer warranties or the obligors warranties having been breached in any material respect (or, if capable of being remedied, has not been remedied) or is misleading or untrue in any material respect;

- (5) all necessary regulatory filings with, notifications to and approvals of the relevant Government Authorities (if any) to enter into the Transaction Documents and the Security Documents and perform the Obligors' obligations thereunder having been made and obtained, and such filings, notifications and approvals remaining valid and effective, and no Government Authority having taken or initiated any action which would prohibit the transactions contemplated under the Transaction Documents or any of the Security Documents;
- (6) after the date of the Subscription Agreement up to and at the Closing Date, there shall not have occurred any Material Adverse Change;
- (7) signing of any documents and undertaking any action, including filing or registration procedures for the perfection of security (other than the Security Documents) to the satisfaction of the Investor;
- (8) there have been delivered to the Investor a certificate in form and substance satisfactory to the Investor, dated as of the Closing Date, of a duly authorised officer of the Company;
- (9) the Investor and/or its associated company has passed the board resolutions for entering into the Transaction Documents and Security Documents and the transaction contemplated hereunder has been approved by the securities regulatory authority(ies) and the stock exchange(s); and has completed and obtained the overseas direct investment ("ODI") approval;
- (10) on or before the Closing Date, there have been delivered to the Investor opinions in respect of the legality, validity and enforceability of the obligations of the Company under the Transaction Documents and the Security Documents, in form and substance satisfactory to the Investor;
- (11) on or before the Closing Date, there have been delivered to the Investor opinions in respect of the legality, validity and enforceability of the obligations of the Obligors under the Transaction Documents and the Security Documents, in form and substance satisfactory to the Investor, dated the Closing Date, of a Hong Kong law firm and an offshore law firm as to Cayman Islands law in respect of the relevant documents governed by Hong Kong law and Cayman Islands law, respectively;
- (12) on or before the Closing Date, there have been delivered to the Investor opinions in respect of the legality, validity and enforceability of the obligations of Pharos Vaccine Inc. under the letter of confirmation and undertaking signed by it on 5 March 2020, in form and substance satisfactory to the Investor, dated the Closing date, of a PRC law firm as to PRC law; and
- (13) the Investor having performed and obtained all necessary external, internal and corporate approvals under all applicable Laws and listing rules regarding the Transaction Documents and the Security Documents, and such approvals remain valid and have not been revoked until the Closing Date.

If any of the conditions precedent of the Subscription Agreement have not been satisfied or waived on or before the 90 days from the date of the Subscription Agreement or such later date as the Company and the Investor may agree, the Subscription Agreement shall automatically terminate and no party will have any claim against the other for costs, damages, compensation or otherwise (save for provisions relating to, among others, survival of representations and obligations, confidentiality, costs, and governing law and dispute resolution).

## **Completion**

Completion will take place on the Closing Date subject to the satisfaction (or waiver) of the conditions precedent set out above.

## **PRINCIPAL TERMS OF THE CONVERTIBLE BONDS**

The principal terms and conditions of the Convertible Bonds are summarised as follows:

<b>Issuer</b>	:	The Company
<b>Principal Amount</b>	:	RMB300 million
<b>Maturity Date</b>	:	3 years of the date of issue of the Convertible Bonds (the “ <b>Maturity Date</b> ”)
<b>Interest</b>	:	Simple interest rate of 6% per annum on the outstanding principal amount of the Convertible Bonds. Such interest shall accrue on a daily basis and shall be payable in arrears by the Company on the first anniversary, second anniversary and the Maturity Date.
<b>Security</b>	:	The Convertible Bonds will be secured by the security for the Company’s payment obligations and the performance of Company’s obligations in respect of the Convertible Bonds. The security includes the Assets Mortgage and the Share Mortgages.
<b>Initial Conversion Price</b>	:	The initial conversion price shall be 90% to the average closing price of the shares as quoted on the Stock Exchange for the last five consecutive trading day prior to and excluding the date of execution of the Subscription Agreement.

The initial conversion price is subject to adjustment option the occurrence of certain prescribed events:

- (1) an alteration to the nominal value of the shares as a result of consolidation or subdivision of shares;
- (2) an issue (including scrip dividend) by the Company of its shares credited as fully paid to the shareholders by way of capitalisation of profits or reserves;
- (3) a capital distribution being made by the Company, whether as dividend in cash or on a reduction of capital or otherwise, or grant to such shareholders rights to acquire for cash assets of the Company or any of its subsidiaries;
- (4) an issue wholly for cash by the Company of its shares at a price per share less than 80% of the current market price;
- (5) an issue wholly for cash by the Company of its shares at a price per share less than the Conversion Price;
- (6) an issue to all shareholders as a class by way of rights or issue or grant to all shareholders as a class by way of rights, options, warrants carrying rights of subscription for new shares, if in any case the total effective consideration per share initially receivable for such securities is less than 80% of the current market price;
- (7) an issue to all shareholders as a class by way of rights or issue or grant to all shareholders as a class by way of rights, options, warrants carrying rights of subscription for new shares, if in any case the total effective consideration per share initially receivable for such securities is less than the Conversion Price;
- (8) an issue wholly for cash by the Company or its subsidiaries of securities convertible into or exchangeable for or carrying rights of subscription for new shares, if in any case the total effective consideration per share initially receivable for such securities is less than the current market price;
- (9) the terms of any such rights of conversion or exchange or subscription attached to any such securities mentioned in item (8) above being modified so that the said total effective consideration per share initially receivable for such securities is less than the current market price;

- (10) an issue wholly for cash by the Company or its subsidiaries of securities convertible into or exchangeable for or carrying rights of subscription for new shares, if in any case the total effective consideration per share initially receivable for such securities is less than the Conversion Price; and
- (11) the terms of any such rights of conversion or exchange or subscription attached to any such securities mentioned in item (10) above being modified so that the said total effective consideration per share initially receivable for such securities is less than the Conversion Price.

- Conversion Period** : Convertible into the shares of the Company at the option of the applicant at any time commencing from six months after the issue date up the business day immediately prior to the Maturity Date (“**Conversion Period**”).
- Ranking of the Conversion Shares** : Conversion Shares shall rank pari passu in all aspects with the ordinary shares in the Company in issue on the conversion date and shall be entitled to all dividends and other distributions the record date for which falls on a date on or after the conversion date.
- Redemption Price at Maturity** : The aggregate outstanding principal amount of such relevant Convertible Bonds plus an amount that would make up an aggregate return on the relevant principal amount of the Convertible Bonds of 8% per annum calculated from and including the issue date until and excluding the Maturity Date.
- Redemption at Event of Default** : The Investor shall have the right to require the Company to redeem all or part of the outstanding Convertible Bonds it holds at the time when the event of defaults occurs and such relevant amount of Convertible Bonds shall immediately become due and repayable at the redemption price, which is the aggregate principal amount of the outstanding Convertible Bonds held by the Investor at that time, plus an amount that would make up an aggregate return on the relevant principal amount of such outstanding Convertible Bonds of 10% per annum calculated from and including the issue date until and excluding the date on which the outstanding amount of the redemption price is fully paid by the Company.

- Transferability** : The applicant shall not transfer its Convertible Bonds to any person (other than its affiliate) unless with the written consent of the Company.
- Assets Coverage** : If the assets coverage percentage fails to maintain at or above 130%, the Company shall within seven business days inform the Investor and if the asset coverage percentage fails to maintain at such prescribed percentage, for 30 consecutive days or longer, the Investor shall be entitled to seek further security from the Company and the Company shall, within 21 business days, provide the duly effected security to the Investor. Upon any exercise of conversion rights by the Investor, the Company shall be, subject to the consensus reached with the Investor as to which security to be discharged, entitled to request for the partial discharge of security from the Investor and the Investor shall, within 21 business days, duly effected the partial discharge of security.
- Public Float** : The Company shall maintain the minimum public float requirement as stipulated in the Listing Rules before the Maturity Date. In case the Company fails to maintain the percentage level upon exercise of any conversion rights, the Company shall resume the minimum public float as soon as practicable (through issue of new Shares or any other means), or in case waiver has been granted by the Stock Exchange, within the timeframe stipulated in such waiver.
- Listing** : No application will be made for the listing of, and permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

## **GENERAL MANDATE**

By a resolution of the Shareholders passed at the annual general meeting of the Company held on 20 May 2022, the General Mandate was granted to the Directors to allot, issue and deal with the Shares, not exceeding the aggregate of 20% of the then total issued Shares as at the date of such annual general meeting, which amounted to 102,916,800 Shares. Based on the Conversion Price of HK\$4.81 per Conversion Share, equivalent to RMB4.38 per Conversion Share (based on the exchange rate of RMB1 to HK\$1.09849 which is the average mid-point daily exchange rate of RMB to HK\$ published by the People's Bank of China for five business days prior to and excluding the date of the Subscription Agreement), up to 68,493,150 new Shares will be allotted and issued under the General Mandate upon full conversion of the Convertible Bonds. As at the date of this announcement, as no Shares have been issued under the General Mandate, the Company is entitled to issue up to 102,916,800 Shares under the General Mandate without further approval from the Shareholders.

## **CHARGE OF SHARES AND GUARANTEE PROVIDED BY THE CONTROLLING SHAREHOLDERS**

The Convertible Bonds will have the benefit of the security constituted by the Security Documents on a *pari passu* basis for all amounts payable on the Convertible Bonds by the Obligors under the Transaction Documents.

The Security Documents shall become immediately enforceable if an event of default occurs and is continuing, following which the Investor (or its appointee) may, but shall not be bound, to take such proceedings or other action as it shall, in its discretion, think fit to enforce. Pursuant to the Share Mortgages, the Obligors shall charge in favour of the Investor by way of first fixed charge all rights, title and interest including all benefits and advantages, present and future, actual and contingent accruing, deriving or incidental to any of the charged Shares, excluding the voting rights but including:

- (a) any dividend or other distributions, interest and other income paid or payable in relation to any charged Shares;
- (b) all shares, securities, rights, monies or other property accruing, offered or issued at any time by way of redemption, conversion, repurchase, substitution, exchange, bonus issue or preference, option or otherwise in respect of any charged Shares (including but not limited to proceeds of sale); and
- (c) all certificates or other evidence of title to any of the charged Shares now and from time to time hereafter deposited with the chargee.

## **APPLICATION FOR LISTING**

No application will be made for the listing of, and permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

## **REASONS FOR THE ISSUE OF THE CONVERTIBLE BONDS AND USE OF PROCEEDS**

The Directors consider the issue of the Convertible Bonds to raise funds will provide an opportunity for the Company to enhance its working capital and financial position and support the business development of the Group. They also consider that the issue of the Convertible Bonds is an appropriate means of raising additional capital for the Company since it will not have an immediate dilution effect on the shareholding of the existing Shareholders.

The Directors consider that the terms of the Subscription Agreement, which were arrived at after arm's length negotiations between the Company and the Investor, are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The estimated net proceeds from the issue of the Convertible Bonds of approximately RMB300 million are intended to be applied by the Company to satisfy operational fees, costs or expenses arising from or relating to the business, or to finance any investment in, acquisition or share subscription of shares or equity interest of companies, as a result of which such companies shall be accounted as subsidiaries of the Company in relation to the business.

## CHANGES IN SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) as at the date of this announcement and (ii) for illustration purpose only, immediately after the allotment and issue of the Conversion Shares in full upon exercise of the conversion rights under the Convertible Bonds (on the assumptions that the Conversion Price being HK\$4.81, equivalent to RMB4.38 per Conversion Share (based on the exchange rate of RMB1 to HK\$1.09849 which is the average mid-point daily exchange rate of RMB to HK\$ published by the People's Bank of China for five business days prior to and excluding the date of the Subscription Agreement) and there is no further allotment of Shares from the date of this announcement other than the Conversion Shares) is as follows:

	As at the date of this announcement		Immediately after the allotment and issue of the Conversion Shares in full upon exercise of the conversion rights under the Convertible Bonds (Note 2)	
	Number of Shares	Approximate % of shareholding	Number of Shares	Approximate % of shareholding
Mr Tan and parties acting in concert (Note 1)	180,480,000	35.07%	180,480,000	30.95%
The Investor	6,974,000	1.36%	75,467,150	12.95%
Other Shareholders	327,130,000	63.57%	327,130,000	56.10%
<b>Total</b>	<b>514,584,000</b>	<b>100.00%</b>	<b>583,077,150</b>	<b>100.00%</b>

### Notes:

- Pursuant to the Proxy Agreement, the Passive Minority Shareholders have irrevocably entrusted their voting rights at any general meeting of the Company to Tan Zheng Ltd, such that it may exercise such voting rights with absolute discretion and hence it is deemed to be interested in the Shares held by the Passive Minority Shareholders. As at the date of this announcement, Mr Tan is deemed to be interested in an aggregate of 180,480,000 Shares, which comprised of (i) voting rights of 142,080,000 Shares, entrusted to Tan Zheng Ltd by the Passive Minority Shareholders pursuant to the Proxy Agreement; and (ii) 38,400,000 Shares directly owned and held by Tan Zheng Ltd.
- The figures in this column are for illustrating the full dilution effect on the shareholding of the existing Shareholders and are arrived on based on the assumption that all the Convertible Bonds are converted at the initial Conversion Price.

## **FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

The Company did not conduct any fundraising activities by way of issue of equity securities in the past 12 months immediately prior to the date of this announcement.

## **INFORMATION OF THE GROUP AND THE INVESTOR**

### **Information about the Group**

The Group is a leading cellular immunotherapy biopharmaceutical company in China focusing on the research, development, and commercialisation of T cell immunotherapy for almost 16 years. Since its establishment in 2006, it has focused on research and development and clinical applications of cellular immunotherapy drugs for cancers and other major diseases, by applying advanced theories in immunology, cell biology, and genetics for the production of EAL<sup>®</sup> cells.

Its product pipeline features major classes of cellular immunotherapy products, including both non-genetically-modified and genetically-modified products, as well as both multi-target and single-target products. Other than EAL<sup>®</sup>, its main product candidates include the CAR-T cell series and the TCR-T cell series.

### **Information about the Investor**

The Investor is a company incorporated in Hong Kong and a wholly owned subsidiary of Tasly Pharmaceutical. Tasly Pharmaceutical is principally engaged in the research and development, manufacture and distribution of Chinese and chemical medicinal products and is one of the leading companies in modernized traditional Chinese medicine development. Through its subsidiaries, Tasly Pharmaceutical is also engaged in biopharmaceutical business in the PRC with a bench-to-bedside biologics commercialization platform which vertically integrates the research and development, manufacturing, and sales and marketing of proprietary biologic products.

The Investor was one of the cornerstone investors of the Company at the time of its Listing and was allotted with 6,974,000 Shares, which amounted to approximately 1.36% of the total issued share capital of the Company, pursuant to the relevant cornerstone agreement.

## **CALL OPTION DEED BY A SUBSTANTIAL SHAREHOLDER**

The Company has been informed by Mr Jung that, on 28 October 2022, Mr Jung and his wholly owned company, Evodevo Ltd have entered into a call option deed (the “**Deed**”), pursuant to which, Evodevo Ltd granted an option to the Investor that the Investor is entitled to request Evodevo Ltd to sell 90,128,571 existing Shares owned by Evodevo Ltd with a consideration of approximately RMB395 million, representing 17.51% of total issued Shares, from the date of the Deed up to 31 March 2023. If the Investor does not exercise the option before 31 March 2023, Evodevo Ltd shall request the Investor to acquire all the Option Shares from Evodevo Ltd.

## GENERAL

**As the Subscription Agreement may or may not complete, and the Convertible Bonds and/or the Conversion Shares may or may not be issued, 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 words and expressions shall have the meanings ascribed to them below:

“Assets Mortgage”	the mortgage of the land use right and other pledged assets under the Subscription Agreement
“Board”	the Board of Directors
“Closing Date”	the date which is the fifth business day after, and excluding, the date upon which the last of the closing conditions under the Subscription Agreement has been satisfied or waived, or such other date as the parties may agree in writing
“Company”	Immunotech Biopharm Ltd (永泰生物製藥有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	the completion of the issuance and subscription of the Convertible Bonds contemplated under the Subscription Agreement
“Conversion Price”	the conversion price of the Convertible Bonds, initially being HK\$4.81 per Conversion Share, equivalent to RMB4.38 per Conversion Share (based on the exchange rate of RMB1 to HK\$1.09849 which is the average mid-point daily exchange rate of RMB to HK\$ published by the People’s Bank of China for five business days prior to and excluding the date of the Subscription Agreement) (subject to adjustments)
“Conversion Shares”	the Shares falling to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds
“Convertible Bonds”	the 11.75% secured convertible bonds due in 2025 in the aggregate principal amount of RMB300 million to be issued by the Company to the Investor pursuant to the Subscription Agreement
“Director(s)”	the director(s) of the Company

“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 20 May 2022 to allot, issue and deal with up to 102,916,800 Shares, representing 20% of the total issued Shares as at the date of such annual general meeting
“Government Authority”	any national, provincial, municipal, city or local government or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled, through share or capital ownership or otherwise, by any of the foregoing
“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
“Individual(s)”	Mr Tan, Mr Tan Xiao Yang and Ms Tan Yue Yue (collectively as the “Individuals”, and each an “Individual”)
“Investor”	Tasly (Hong Kong) Pharmaceutical Investment Limited
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange on 10 July 2020
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Material Adverse Change”	any material adverse change in, or any change in circumstances that has a material adverse effect on, the business, operations, financial position, earnings, condition or prospects of the Group taken as a whole
“Mr Jung”	Mr Jung Hyun Chul, the executive Director and the chief strategy officer of the Company
“Mr Tan”	Mr Tan Zheng, the executive Director and chairman of the Company
“Obligors”	Tan Zheng Ltd, Tan Xiao Yang Ltd and Tan Yue Yue Ltd (collectively as the “Obligors”, and each an “Obligor”)
“Option Shares”	90,128,571 Shares held by Evodevo Ltd

“Passive Minority Shareholders”	in respect of the first irrevocable trust agreement dated 30 June 2016, Tan Xiaoyang, Zhang Junzheng, Ma Xiaoou, Ke Shaobin, Song Aiping, and Li Lei; in respect of the second irrevocable trust agreement dated 1 March 2018, Tan Xiaoyang, Zhang Junzheng, Ma Xiaoou, Song Aiping, Li Lei, Ke Shaobin, Wang Shuhui, Li Yunhui, Tan Yueyue, and Wang Yuning; and in respect of the Proxy Agreement, Tan Xiaoyang, Zhang Junzheng, Song Aiping, Ke Shaobin, Ma Xiaoou, Wang Yuning, Wang Shuhui, Li Yunhui, Tan Yueyue, and their respective investment holding companies, which are corporate Shareholders (as the case may be)
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proxy Agreement”	the proxy agreement dated 29 August 2019 entered into among Mr Tan, Tan Xiaoyang, Zhang Junzheng, Ma Xiaoou, Song Aiping, Ke Shaobin, Wang Shuhui, Li Yunhui, Tan Yueyue, Wang Yuning and their respective investment holding companies, whereby Tan Zheng Ltd was irrevocably entrusted with the other shareholders’ (and their respective investment holding companies’) voting rights at any general meeting of our Company since its incorporation such that Tan Zheng Ltd may exercise such voting rights with absolute discretion
“RMB”	Renminbi, the lawful currency of the PRC
“Security Documents”	the Assets Mortgage and Share Mortgages and any other documents evidencing or creating or expressed to evidence or create security interest over any asset to secure any obligation of any Obligor to the Investor under any of the Transaction Documents
“Share(s)”	the ordinary share of USD0.001 each in the share capital of the Company
“Share Mortgages”	the Shares charged by the chargors under the Transaction Documents, which amounts to 24,685,714 ordinary Shares held by Tan Zheng Ltd, 46,080,000 ordinary Shares held by Tan Xiao Yang Ltd and 6,714,286 ordinary Shares held by Tan Yue Yue Ltd
“Shareholder(s)”	means holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement dated 28 October 2022, entered into among the Company, the Investor, the Individuals and the Obligor in relation to the subscription of the Convertible Bonds

“Tasly Pharmaceutical”	Tasly Pharmaceutical Group Co., Ltd (天士力醫藥集團股份有限公司), a company established in the PRC and listed on the Shanghai Stock Exchange since 2002 (stock code: 600535.SH)
“Transaction Documents”	the Subscription Agreement and the Convertible Bonds instrument, in each case as amended, varied and/or restated from time to time, or any other document designated in writing as such by the Investor at any time
“USD”	United States dollar(s), the lawful currency in the Unites States
“%”	per cent

By order of the Board  
**Immunotech Biopharm Ltd**  
**Tan Zheng**  
*Chairman and executive Director*

Hong Kong, 30 October 2022

*As at the date of this announcement, the Board of the Company comprises Mr Tan Zheng as Chairman and executive Director, Dr Wang Yu and Mr Jung Hyun Chul as executive Directors, Mr Si Xiaobing, Mr Lu Yuan and Mr Tao Ran as non-executive Directors, and Professor Wang Yingdian, Mr Ng Chi Kit and Ms Peng Sujiu as independent non-executive Directors.*