Immunotech Biopharm Ltd
永泰生物製藥有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6978)

DISCLOSEABLE TRANSACTION
EXCLUSIVE LICENSE AGREEMENT WITH T-CURE

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The Board announces that, the Company, entered into the License Agreement with T-Cure as confirmed by NIH on 11 January 2021, pursuant to which T-Cure agreed to grant an exclusive license to the Company to use T-Cure IP for the development, manufacturing and commercialisation of Licensed Products in the Territory in the field of retroviral-based T-cell receptor based immunotherapy for renal cell carcinoma, and in consideration of which, the Company agreed to pay the upfront payment of US$2 million, the milestone payment of US$10 million and royalties based on the net annual sales of Licensed Products, in accordance with the terms of the License Agreement.

LISTING RULE IMPLICATIONS

As the highest applicable percentage ratio under Chapter 14 of the Listing Rules for the transactions contemplated under the License Agreement is more than 5% but less than 25%, the entering into of the License Agreement and the transactions contemplated thereunder constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board announces that, the Company, entered into the License Agreement with T-Cure as confirmed by NIH on 11 January 2021, pursuant to which T-Cure agreed to grant an exclusive license to the Company to use T-Cure IP for the development, manufacturing and commercialisation of Licensed Products in the Territory in the field of retroviral-based T-cell receptor based immunotherapy for renal cell carcinoma, and in consideration of which, the Company agreed to pay the upfront payment of US$2 million, the milestone payment of US$10 million and royalties based on the net annual sales of Licensed Products, in accordance with the terms of the License Agreement.

EXCLUSIVE LICENSE AGREEMENT WITH T-CURE

The principal terms of the License Agreement are summarised below:

Effective Date	11 January 2021
Parties	(1) T-Cure, as the licensor; and (2) the Company, as the licensee.
Subject matter	T-Cure has agreed to grant exclusive license to the Company to use T-Cure IP for the development, manufacturing and commercialisation of Licensed Products in the Territory
License Fees	The license fees are payable by the Company in the following manner in cash: (1) **Upfront payment:** US$2 million is payable within 10 days of the execution of the License Agreement. (2) **Development and regulatory milestone payments:** • US$1 million, payable upon the completion of the disclosure and transfer of certain know-how and materials relating to T-Cure for the Company's development and commercialisation activities; • US$1 million, payable upon receiving the approval of the Investigational New Drug application of the Licensed Product by the NMPA; and • US$8 million, payable upon receiving the Marketing Approval of the License Product in the PRC or the Territory.

The corresponding milestone payment shall be paid to T-Cure within 45 days after the occurrence of the applicable milestone event.

(3) **Royalties:** Royalties is payable on annual net sales of License Products, based on the following rates:

- a royalty of 5% on the annual net sales amount that is less than US$150 million;
- a royalty of 6% on the annual net sales amount that is more than US$150 million but less than US$500 million; and
- a royalty of 7% on the annual net sales amount that is more than US$500 million.

Note: The annual royalty payment, including 2020 (payable upfront), is subject to a minimum of US$15,000 payable on the anniversary of execution of the License Agreement to reimburse T-Cure for annual minimum royalty payments due from T-Cure to the NIH under the NIH Agreement.

Sublicenses	Subject to the prior written consent of T-Cure, the Company has the right to grant sublicenses to its affiliates and to third parties.
Term	The term shall commence from the date of the License Agreement until the earlier occurrence of (i) termination of the NIH Agreement; and (ii) early termination of the License Agreement pursuant to its terms for breach of agreement or either party giving a 30-day notice upon occurrence of a certain specified events.

The license fees payable under the License Agreement were determined after arm's length negotiation between the Company and T-Cure with reference to various factors, including the costs of development of the intellectual property rights under the Licensed Product, expected prospects of the development of the Licensed Products in the Territory and the reasons for and benefits of the transactions contemplated under the License Agreement.

The license fees will be financed by internal resources, including proceeds from the initial public offering of the Company, and/or revenue from the sales of the Licensed Products.

INFORMATION ON T-CURE AND THE LICENSED PRODUCT

T-Cure, a biotechnology company incorporated in Delaware, U.S., principally engages in the development of TCR-based immunotherapies for the treatment of solid tumours. T-Cure holds an exclusive license from NIH to use the patent entitled "HERV-E Reactive T-Cell Receptors And Methods Of Use" for development and commercialisation of a retroviral vectored TCR-based immunotherapy for renal cell carcinoma in HLA A11-restricted human patients worldwide.

The Licensed Product is currently undergoing phase I clinical trial at the NIH for the treatment of renal cell carcinoma.

To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, T-Cure and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE LICENSE AGREEMENT

The Group is a leading cellular immunotherapy biopharmaceutical company in the PRC focusing on the research, development, and commercialisation of T cell immunotherapy. The Group had entered into collaborations and may form or seek collaborations or strategic alliances or enter into licensing arrangements in the future. The Group has developed a systematic and highly integrated T cell immunotherapy drugs R&D platform encompassing early research, research on production process and quality, pre-clinical pharmacological and toxicological studies, and drug clinical trials, and such R&D platform enables the Group to operate a systematic, standardised, and modular process for the R&D of new products.

The Group explores potential collaborations and may form or seek collaborations or strategic alliances or enter into licensing arrangements from time to time. The Company plans to use the T-Cure IP for the development and commercialisation of a retroviral-vectored TCR-based immunotherapy for renal cell carcinoma in HLA A-11 restricted human patients in the Territory. The potential market size for the treatment of renal cell carcinoma indication in the PRC is over approximately RMB2 billion. Considering that HERV-E tumour antigens are "first-in-class" for TCR-based immunotherapy, the Company is of the view that the in-licensing arrangement under the License Agreement would give the Company the advantage of being first in the market to develop and commercialisation a retroviral-vectored TCR-based immunotherapy for renal cell carcinoma. NIH will also be involved in the R&D of Licensed Product. Furthermore, T-Cure, who is also principally engaged in the R&D of TCR-based immunotherapy, may be the Group's long-term partner in the future when the Group's pipeline products are commercialised and globalised. Based on the aforementioned reasons, the Company considers that it is a good opportunity for the Group to engage in the licensing arrangement with T-Cure.

The Board (including the independent non-executive Directors) is of the view that the terms of the License Agreement are negotiated at arm's length and on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio under Chapter 14 of the Listing Rules for the transactions contemplated under the License Agreement is more than 5% but less than 25%, the entering into of the License Agreement and the transactions contemplated thereunder constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"Board"	the board of Directors
"Company"	Immunotech Biopharm Ltd, incorporated in the Cayman Islands with limited liability, with its shares listed on the Main Board of the Stock Exchange (stock code: 6978)
"Director(s)"	directors of the Company
"Group"	the Company together with its subsidiaries
"Hong Kong	Hong Kong Special Administrative Region of the PRC
"License Agreement"	the license agreement dated 30 December 2020 made between the Company and T-Cure in relation to the grant exclusive license to the Company to use T-Cure IP for the development, manufacturing and commercialisation of Licensed Products in the Territory pursuant to the terms of the License Agreement
"Licensed Patent Rights"	licensed patent rights of 800TCR, which is a T cell receptor (TCR) encoded by a retrovirus (including lentivirus) recognising the HERVE-E tumour antigen
"Licensed Process(es)"	processes which are within the scope of the Licensed Patent Rights
"Licensed Product(s)"	tangible materials within the scope of one or more claims of the Licensed Patent Rights

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Marketing Approval"	approval of a regulatory authority for first commercial sale of the Licensed Product or a Licensed Process by the Company, Affiliates or sublicences in the PRC or the Territory
"NIH"	the U.S. Department of Health and Human Services, as represented by the National Heart, Lung, and Blood Institute, an institute or center of the National Institutes of Health
"NIH Agreement"	the exclusive patent license agreement between the NIH and T-Cure
"NMPA"	National Medical Products Administration, or any successor agency thereto
"PRC"	means the People's Republic of China, excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this announcement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"T-Cure"	T-Cure Bioscience, Inc.
"T-Cure IP"	the know-hows, patent rights and processes that are controlled or owned by T-Cure necessary or useful to develop, manufacture or commercialise the Licensed Products
"T-Cure Transfer Plan"	T-Cure's plan to disclose and transfer to the Company the relevant know-hows, materials and associated documents and information required under the License Agreement
"TCR"	T cell receptor
"Territory"	the Republic of Korea, PRC, including Hong Kong and Macau, but (for the purpose of this transaction) excluding Taiwan
"U.S."	The United States of America

"US$"	United States dollars, the lawful currency of the United States of America
"%"	Per cent

Cautionary Statement required by Rule 18A.05 of the Listing Rules: The Group cannot guarantee that its pipeline products or the Licensed Products will ultimately be successfully developed and marketed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 12 January 2021

In this announcement, the terms "associate(s)", "connected person(s)", "percentage ratio(s)" and "subsidiary(ies)" have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

As at the date of this announcement, the Board 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. Li Yuezhong as non-executive Directors, and Mr. Wang Yingdian, Mr. Ng Chi Kit and Ms. Peng Sujiu as independent non-executive Directors.