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**New Horizon Health Limited**  
**諾輝健康**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 6606)**

**DISCLOSEABLE TRANSACTION**  
**INVESTMENT IN THE FUND**

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Reference is made to the announcement of the Company dated June 11, 2021, in relation to, among others, the proposed investment in the Fund.

The Board is pleased to announce that, on August 20, 2021, NHH Ventures Holding Limited, a wholly-owned subsidiary of the Company, entered into the Subscription Agreement with the Fund and NHH Ventures pursuant to which the Company agreed to (i) subscribe for a limited partnership interest in the Fund for a capital commitment in the amount of US\$30 million and (ii) become a Limited Partner of the Fund pursuant to the terms and conditions of the Limited Partnership Agreement.

On the same day, the Limited Partnership Agreement was entered into by NHH Ventures (in its capacity as the General Partner), Dr. Ethan Hu (in his capacity as the initial Limited Partner of the Fund) and NHH Ventures (as attorney-in-fact and agent for each Limited Partner of the Fund from time to time), to govern the relationship among the Partners and regulate the management of the Fund. As NHH Ventures Holding Limited has become the Limited Partner of the Fund, it will be subject to the terms of the Limited Partnership Agreement.

The Fund primarily focuses on investing in the areas of molecular diagnostic technology used for disease screening and early detection in the field of cancer and other major disease categories.

**LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratios (as defined in the Listing Rules) in respect of the Company's aggregate capital contribution under the Transaction (i.e. US\$30 million) is higher than 5% but less than 25%, the Transaction contemplated under the Limited Partnership Agreement and the Subscription Agreement constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **SUBSCRIPTION OF INTERESTS IN THE FUND**

Reference is made to the announcement of the Company dated June 11, 2021, in relation to, among others, the proposed investment in the Fund.

The Board is pleased to announce that, on August 20, 2021, NHH Ventures Holding Limited, a wholly-owned subsidiary of the Company, entered into the Subscription Agreement with the Fund and NHH Ventures pursuant to which the Company agreed to (i) subscribe for a limited partnership interest in the Fund for a capital commitment in the amount of US\$30 million and (ii) become a Limited Partner of the Fund pursuant to the terms and conditions of the Limited Partnership Agreement.

On the same day, the Limited Partnership Agreement was entered into by NHH Ventures (in its capacity as the General Partner), Dr. Ethan Hu (in his capacity as the initial Limited Partner of the Fund) and NHH Ventures (in its capacity as the attorney-in-fact and agent for each limited partner of the Fund from time to time), to govern the relationship among the Partners and regulate the management of the Fund.

## **THE LIMITED PARTNERSHIP AGREEMENT**

The principal terms of the Fund as set out in the Limited Partnership Agreement are as follows:

Date:	August 20, 2021
Parties:	NHH Ventures (in its capacity as the General Partner);  Dr. Ethan Hu (in his capacity as the initial Limited Partner of the Fund) and who ceased to be a Limited Partner of the Fund on the First Closing Date); and  NHH Ventures (in its capacity as the attorney-in-fact and agent for each Limited Partner of the Fund from time to time).
Name of the Partnership:	NHH Venture Fund, L.P.
Term of the Fund:	From June 28, 2021 until the expiry of eight (8) years from the First Closing Date provided however that the life of the Fund may be extended after the expiry of such eight (8) years for up to two (2) additional one-year periods at the sole discretion of the General Partner, and any further extension thereafter shall be subject to approval of the advisory committee.
Objective of the Fund:	The Fund primarily focuses on investing in the areas of molecular diagnostic technology used for disease screening and early detection in the field of cancer and other major disease categories, through investments in shares, debentures, convertible loan stock, options or warrants or other securities and loans (whether secured or unsecured) made to any body corporate or other entity and interests or participations or commitments in a limited partnership or other collective investment scheme.

Capital Commitments of the Partners:	<p>Pursuant to the Subscription Agreement, NHH Ventures Holding Limited agreed to provide a capital commitment in the amount of US\$30 million to the Fund. As of the date of this announcement, no other current Partners have made capital commitments to the Fund.</p> <p>Subsequent to the First Closing Date and until the Final Closing Date, more limited partners may be admitted to the Fund.</p> <p>The capital commitment by NHH Ventures Holding Limited was determined after arm's length negotiations between the Partners with reference to the proposed capital requirements of the Fund.</p> <p>The capital commitments of NHH Ventures Holding Limited will be financed by the internal resources of our Group and will not affect the fund raised from the Company's initial public offering.</p>
Target Commitments to the Fund:	<p>The Fund intends to raise total commitments of US\$100 million on or prior to the Final Closing Date.</p> <p>In relation to each Limited Partner, the minimum commitment shall be US\$5 million or such other amount as the General Partner may, in its absolute discretion, determine.</p>
Capital Contribution:	<p>Each Limited Partner shall be required to contribute to the Fund on an as-needed basis from time to time up to an aggregate amount equals to its commitment and may be required to re-contribute as an increase to or to create an Outstanding Commitment.</p>
Investment Committee:	<p>The investment committee of the General Partner will be constituted from time to time to make recommendations regarding decisions on investment plan and specific investments of the Fund.</p>
Management Fee:	<p>2% per annum of a Limited Partner's capital commitments from the First Closing Date until the end of the investment period of the Fund; thereafter until the dissolution of the Partnership, 2% per annum of a Limited Partner's capital commitments which have been drawn down in relation to the acquisition costs of investments then held by the Partnership.</p>

Advisory Committee:	The advisory committee, which will be responsible for approving certain matters in relation to the Fund, will consist of up to 5 representatives of certain limited partners. The General Partner, in its absolute discretion, shall have power to determine the membership of the advisory committee.
Distributions of Proceeds:	Prior to the termination of the Fund, the Fund may make distributions in cash or in species. All proceeds in relation to an investment, after payment of the expenses and liabilities of the Fund, shall be first apportioned to each Partner in proportion to its sharing percentage. The amount preliminarily apportioned to the General Partner shall be distributed to the General Partner. The amount so apportioned to a limited partner shall be distributed in order of priority as provided in the Limited Partnership Agreement.
Restrictions on Transfer of Interests:	No sale, assignment, transfer, exchange, pledge, hypothecation, encumbrance or other disposition of all or any part of any interest of a Limited Partner shall be valid or effective, except with the prior written consent of the General Partner which consent can be given or withheld in its sole and absolute discretion.

## INFORMATION ON THE COMPANY, THE FUND AND THE PARTNERS

The Company is a commercial stage biotech company principally engaged in developing and commercializing innovative cancer screening products to address significant unmet medical needs in the cancer screening industry in China.

NHH Ventures Holding Limited is an exempted company incorporated in the Cayman Islands with limited liability and a wholly-owned subsidiary of the Company. It is an investment holding company incorporated for the purpose of the Transaction.

The Fund is a limited partnership with a primary focus of investing in the areas of molecular diagnostic technology used for disease screening and early detection in the field of cancer and other major disease categories.

The general partner of the Fund is NHH Ventures, an investment holding company incorporated in the Cayman Islands, whose ultimate beneficial owner is Dr. Ethan Hu. Dr. Ethan Hu is also the initial Limited Partner of the Fund and he ceased to be a Limited Partner of the Fund on the First Closing Date. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, each of NHH Ventures and Dr. Ethan Hu is an Independent Third Party.

Dr. Ethan Hu has over 20 years of experience in medical research and healthcare investment. Prior to joining NHH Ventures, he was the vice president and head of business development of Biosensors International Group, Ltd ("**Biosensors Group**"), a wholly-owned subsidiary of Blue Sail Medical (a company listed on Shenzhen Stock Exchange with stock code 002382 and a global interventional cardiology company). Prior to joining Biosensors Group, he had served with various senior roles at Frankenman Group, CITIC PE, Lilly Asian Ventures, and Novartis AG (a company listed on Six Swiss Exchange with stock code NOVN). Previously, he also worked as a research fellow in Cancer Genetics at Memorial Sloan Kettering Cancer Center. Dr. Ethan Hu has a Doctor of Philosophy in Molecular and Cell Biology from University of Maryland in the United States and a Bachelor of Science in Biology from Peking University in the PRC. He also obtained a master's degree in business administration from the University of Chicago in the United States.

## REASONS FOR AND BENEFITS OF THE TRANSACTION

As the Company is a biotech company with a focus on developing and commercializing innovative cancer screening products, the Company has been constantly seeking investment opportunities in this area, and the investment in the Fund is in line with this business strategy and represents a valuable investment by the Company. Furthermore, through the investment in the Fund, the Company will be able to leverage the expertise and resources of the fund manager and other partners of the Fund to identify potential investment targets in the market. The Directors believe that such strategic development will complement the Company's strategic layout in relation to investment in the innovative cancer screening industries.

The Directors (including the independent non-executive Directors) consider that the Transaction is on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole. None of the Directors have any material interest in the Transaction.

## LISTING RULES IMPLICATIONS

As the highest applicable percentage ratios (as defined in the Listing Rules) in respect of the Company's aggregate capital contribution under the Transaction (i.e. US\$30 million) is higher than 5% but less than 25%, the Transaction contemplated under the Limited Partnership Agreement and the Subscription Agreement constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

"Board"	the board of directors of the Company
"Company"	New Horizon Health Limited (諾輝健康), an exempted company with limited liability incorporated under the laws of the Cayman Islands, whose shares are listed on the Main Board of the Stock Exchange
"Director(s)"	director(s) of the Company
"Final Closing Date"	the date upon which the last Limited Partner is admitted to the Partnership or the last date on which an existing Limited Partner increases the amount of its commitment, at the absolute discretion of the General Partner
"First Closing Date"	August 20, 2021, the date upon which the first Limited Partner (other than the General Partner or the initial Limited Partner) is admitted to the Partnership
"Fund" or "Partnership"	NHH Venture Fund, L.P., an exempted limited partnership established under the laws of the Cayman Islands
"Group"	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any entity(ies) or person(s) who is not a connected person of the Company within the meaning of the Listing Rules
“Limited Partner(s)”	the limited partner(s) of the Partnership from time to time
“Limited Partnership Agreement”	the limited partnership agreement dated August 20, 2021 and entered into among NHH Ventures (in its capacity as the General Partner), Dr. Ethan Hu (in his capacity as the initial Limited Partner of the Fund) and NHH Ventures (in its capacity as the attorney-in-fact and agent for each Limited Partner of the Fund from time to time) in relation to the Transaction and the rights and obligations of the Partners
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NHH Ventures” or “General Partner”	NHH Ventures GP, Ltd, a limited partnership established in the Cayman Islands and the General Partner of the Fund
“Outstanding Commitment”	in relation to a Limited Partner, the amount of its commitment which, at the relevant time, has been drawn down and has not been distributed (or deemed to be distributed)
“Partner(s)”	the partner(s) of the Fund, including the General Partner and the Limited Partner(s)
“PRC”	the People’s Republic of China (for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement dated August 20, 2021 entered into among the Fund, NHH Ventures and NHH Ventures Holding Limited

“Transaction”	the transaction contemplated under the Limited Partnership Agreement and the Subscription Agreement
“US\$”	the US dollars the lawful currency of USA
“%”	per cent.

By order of the Board  
**New Horizon Health Limited**  
**Dr. Yiyou CHEN**  
*Chairman*

Hong Kong, August 20, 2021

*As at the date of this announcement, the Board comprises Dr. Yiyou CHEN as Chairman and executive Director, Mr. Yeqing ZHU as executive Director, Mr. Naxin YAO and Ms. Nisa Bernice Wing-Yu LEUNG as non-executive Directors, and Mr. Danke YU, Prof. Hong WU and Dr. Kwok Tung LI, Donald as independent non-executive Directors.*