

Asep Medical signs Joint Venture agreement with Sansure Biotech in China

22 November 2023 | News

Addressing the growing burden of sepsis in China using PCR-based diagnostic assays

Canada-based Asep Medical Holdings Inc., through its subsidiary Sepset Biosciences Inc., has signed a definitive joint venture agreement (JV) with leading Chinese medical diagnostic company, Sansure Biotech Inc., through its subsidiary, Hunan Xiang Jiang Sansure Biotech Fund, L.P. Sansure Fund is an investment fund formed by Sansure, Changsha Sanway Spring Venture Capital and certain other investors.

Under the JV agreement, the registered capital of the joint venture entity, Hunan Sanway SepSMART, which will be based in Changsha, China, will be RMB 50,000,000 with (a) the Sansure Fund subscribing for RMB 37,500,000.00 (~CAD\$ 7 million) thereof, representing seventy-five percent (75%) of the Total Registered Capital and (b) Sepset deemed to be subscribing for RMB 12,500,000 (~CAD\$ 2.4 million) thereof, representing twenty-five percent (25%) thereof through the contribution of certain patent rights to Sepset's first generation rapid sepsis test, Sepse^{ER}, pursuant to a technology license and collaboration agreement concurrently entered between Sepset and SepSMART.

Formal registration of SepSMART with the applicable regulatory body in China is a condition precedent of the JV agreement. The License Agreement grants SepSMART the exclusive right to commercialise Sepse^{ER} in Mainland China, the Hong Kong Special Administrative Region, the Macao Special Administrative Region and the Taiwan area for a period of eight years and requires SepSMART to pay periodic royalty payments to Sepset on a performance basis.