INNOVATIVE PHARMACEUTICAL BIOTECH LIMITED
領航醫藥及生物科技有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 399)

VOLUNTARY ANNOUNCEMENT

TERM SHEET IN RELATION TO THE POSSIBLE INVESTMENT

This announcement is made by the Company on a voluntary basis.

The Board is pleased to announce that on 10 December 2024, the Company4 and the Investor entered into the Term Sheet, pursuant to which Investor proposed to acquire certain percentage of the shares of the Company under top up placing and/or new shares placing through a securities house to be appointed by the Company.

The Possible Investment pursuant to the Term Sheet is subject to execution of the Formal Agreement. Further announcement(s) will be made by the Company when the Formal Agreement is entered into.

The Possible Investment is subject to execution of the Formal Agreement. The Possible Investment therefore may or may not proceed. The Company will publish an announcement in compliance with the Listing Rules as when and appropriate. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

INTRODUCTION

The Board is pleased to announce that on 10 December 2024, the Company and the Investor entered into the Term Sheet, pursuant to which the Investor proposed to acquire certain percentage of the shares of the Company under top up placing and/or new shares placing through a securities house to be appointed by the Company.

The Possible Investment pursuant to the Term Sheet is subject to execution of the Formal Agreement. Further announcement will be made by the Company when the Formal Agreement is entered into.

The principal terms of the Term Sheet are as follows:

Possible Investment Amount

The amount of the Possible Investment, which will be determined with discount to the benchmarked price (as defined in the Listing Rules) of the Shares on the date of the Formal Agreement, will be approximately HK$48 million. The total amount to be raised under the Possible Investment will be set forth in the Formal Agreement.

Exclusivity

Considering the investment of time and effort the Investor will incur for the Possible Investment, until the earlier of (i) the consummation of the Possible Investment; (ii) the Investor's decision and written communication of its desire to cease pursuing the Possible Investment; or (iii) 30 calendar days from the date of the Term Sheet, the Company agrees to refrain from soliciting, accepting or encouraging any other investment proposal with respect to the Possible Investment, other than as set forth in the Term Sheet.

Formal Agreement

The Company will appoint an independent securities house to proceed with the Formal Agreement subject to the principal terms under the Term Sheet and the Investor shall use commercially reasonable effort to acquire the shares under the Possible Investment as quickly as prudently as possible.

The Term Sheet shall expire (i) upon the entering into of the Formal Agreement; (ii) the Investor's decision and written communication of its desire to cease pursuing the Possible lnvestment; or (iii) 30 calendar days from the date of the Term Sheet, whichever is earlier (or such later date to be agreed by the Company and the Investor).

Legal Effects

Save for the terms in relation to exclusivity, expenses, confidentiality and governing law contained in the Term Sheet, the Term Sheet is not legally binding or enforceable.

REASONS FOR AND BENEFITS OF THE POSSIBLE INVESTMENT

The Company is an investment holding company and its subsidiaries are principally engaged in the trading of beauty equipment and products in Hong Kong and research, development and commercialisation of the oral insulin product.

The Board is of the view that the Possible Investment represents an opportunity for the Group to (i) raise additional funds for its business operation and strengthen its financial position; (ii) invite new reputable investor to enhance the shareholder base and market's recognition of the Company; and (iii) invite shareholder(s) which may provide the Group with the financial flexibility necessary for its future business development and the capability to capture any prospective investment opportunity as and when it arises.

The Board (including the independent non-executive Directors) considers that the terms and conditions of the Term Sheet are fair and reasonable and are on normal commercial terms and the Possible Investment is in the interest of the Company and the Shareholders as a whole.

GENERAL

The Possible Investment is subject to the execution of the Formal Agreement. The Possible Investment therefore may or may not proceed. The Company will publish an announcement in compliance with the Listing Rules as when and appropriate. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

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

"Board"	board of the Directors
"Company"	Innovative Pharmaceutical Biotech Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 399)

"Director(s)"	directors of the Company
"Formal Agreement"	the formal agreement for the Possible Investment to be entered into among the Company, the placing agent and/or other relevant parties
"Group"	the Company and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Investor"	a company incorporated in Hong Kong with limited liability and/or its affiliates, and an independent third party
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Possible Investment"	the acquisition of certain percentage of the Shares by the Investor subject to and upon the terms and conditions of the Formal Agreement
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Term Sheet"	a term sheet dated 10 December 2024 entered into between the Company and the Investor in relation to the Possible Investment
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

By order of the board of
Innovative Pharmaceutical Biotech Limited
Gao Yuan Xing
Executive Director

Hong Kong, 11 December 2024

As at the date of this announcement, the Board comprises Ms. Jiang Nian (chairman & non-executive Director), Mr. Gao Yuan Xing (executive Director), Mr. Tang Rong (executive Director), Mr. Cheng Tak Yiu (executive Director) Ms. Xiao Yan (non-executive Director), Ms. Wu Yanmin (non-executive Director), Ms. Chen Weijun (independent non-executive Director), Mr. Wang Rongliang (independent non-executive Director) and Mr. Chen Jinzhong (independent non-executive Director).

Please also refer to the published version of this announcement on the Company's website: www.ipb.asia and www.irasia.com/listco/hk/ipb.