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

MEMORANDUM OF UNDERSTANDING IN RELATION TO THE POSSIBLE COOPERATION

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

The Board is pleased to announce that on 6 May 2025 (after trading hours of the Stock Exchange), the Company has entered into the MOU with Conflux on the intention of the Company in carrying out an in-depth cooperation with Conflux on the infrastructure and common key technologies related to the Conflux blockchain, including but not limited to the research and development of innovative technologies and exploration of application scenarios with possible equity cooperation.

The Possible Cooperation is subject to the entering into of the Formal Agreement by the Company and Conflux. The Possible Cooperation 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

Reference is made to the announcement of the Company dated 25 April 2025 in relation to the Company's intention to expand its business into blockchain technology.

The Board is pleased to announce that on 6 May 2025 (after trading hours of the Stock Exchange), the Company has entered into the MOU with Conflux on the intention of the Company in carrying out an in-depth cooperation with Conflux on the infrastructure and common key technologies related to the Conflux blockchain, including but not limited to the research and development of innovative technologies and exploration of application scenarios with possible equity cooperation.

THE MOU

The principal terms of the MOU are as follows:

The Possible Cooperation

The Company intends to carry out an in-depth cooperation with Conflux on the infrastructure and common key technologies related to the Conflux blockchain, including but not limited to the research and development of innovative technologies and exploration of application scenarios with possible equity cooperation.

The due diligence

The Company shall conduct a due diligence investigation on technologies related to Conflux and the Conflux blockchain and subsidiaries of Conflux holding the related technologies, including but not limited to the business, financial and structural conditions of the relevant companies.

Formal Agreement

The parties to the MOU shall endeavour to discuss in good faith of the relevant terms of the Formal Agreement to be signed by both parties within 6 months after the date of the MOU.

Exclusivity

The parties to the MOU shall not negotiate or enter into any agreement with any third parties (except for the Company and its subsidiaries) regarding the cooperation within the scope of the MOU (a) within 12 months from the date of the MOU; or (b) until date of which the Formal Agreement is entered into, whichever the earlier.

Within 1 year from this announcement, Conflux undertakes not to make any major changes, including those which would affect 1/3 or more of the resources input, voting rights, foundation composition or related special purpose companies of the infrastructure and foundation and not to negotiate with any other parties on these matters of a major nature. The ecological support and technological innovation for the public chain in the daily operations are not within this restriction if the impact does not reach the above level.

Termination

The MOU shall be terminated on the earlier of (a) 12 months from the date of the MOU (or such other period as the parties to the MOU may agree in writing); or (b) the date on which the Formal Agreement is entered into by the parties.

Legal effect

Save for the clauses in relation to confidentiality, expenses, exclusivity, termination and governing laws and jurisdiction contained in the MOU, the MOU is not legally binding or enforceable.

INFORMATION OF CONFLUX

Conflux is a company incorporated in Hong Kong with limited liability and is principally engaged in the development of blockchain technology.

As at the date of this announcement, the executive Director, Dr. Wu Ming, is also the director of Conflux and the executive Directors, Dr. Long Fan and Dr. Wu Ming, are the ultimate beneficial owners of Conflux.

REASONS AND BENEFITS FOR THE POSSIBLE COOPERATION

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.

As disclosed by the announcement of the Company dated 25 April 2025, the Company is actively exploring new business opportunities, diversifying its revenue streams, and implementing strategic initiatives to enhance performance and the Company intends to expand its business into blockchain technology to mark its entry into the digital innovation sector. The entering into of the MOU represents an effort of the Company to tap into the digital innovation sector through the Possible Cooperation with Conflux in developing this new business section. The Company envisages a long-term collaboration with Conflux, which will not only diversify the Group's business but to bring new profit growth drivers to the Group.

Taking into account of the above, the Board (including the independent non-executive Directors) considers that the terms of the MOU are fair and reasonable and are entered into on normal commercial terms and the Possible Cooperation is in the interests of the Group and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

It is contemplated that the Possible Cooperation, if materialises, may constitute a notifiable transaction on the part of the Company pursuant to the Listing Rules. The Company will comply with the reporting, announcement and/or shareholders' approval requirements (if applicable) under the Listing Rules as and when appropriate.

Dr. Long Fan and Dr. Wu Ming are the executive Directors and therefore connected person of the Company. Accordingly, the Possible Cooperation, if materialises, constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Each of Dr. Long Fan and Dr. Wu Ming has a material interest in the Possible Cooperation, if materialises, and shall abstain from voting on the relevant resolutions in the Board meeting for approving the Possible Cooperation, if materialises. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

GENERAL

The Possible Cooperation is subject to the entering into of the Formal Agreement by the Company and Conflux. The Possible Cooperation 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)

"Conflux"	Conflux Hong Kong Management Limited, a company incorporated in Hong Kong with limited liability
"Director(s)"	directors of the Company
"Formal Agreement"	the formal agreement for the Possible Cooperation to be entered into between Conflux and the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"MOU"	a memorandum of understanding dated 6 May 2025 entered into between the Company and Conflux in relation to the Possible Cooperation
"Possible Cooperation"	the possible cooperation between the Company and Conflux on the infrastructure and common key technologies related to the Conflux blockchain
"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

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

By order of the Board
Innovative Pharmaceutical Biotech Limited
Yeung Yung
Chairman

Hong Kong, 6 May 2025

As at the date of this announcement, the Board comprises, Dr. Yeung Yung (Chairman and executive Director), Mr. Gao Yuan Xing (executive Director), Mr. Tang Rong (executive Director), Ms. Qi Shujuan (executive Director), Dr. Long Fan (executive Director), Dr. Wu Ming (executive Director), Mr. Zhang Shen (executive Director), Mr. Zhang Yi (non-executive Director), Ms. Chen Weijun (independent non-executive Director), Mr. Wang Rongliang (independent non-executive Director) Mr. Chen Jinzhong (independent non-executive Director), Dr. Xia Tingkang, Tim (independent non-executive Director) and Ms. Sun Sizheng (independent non-executive Director).