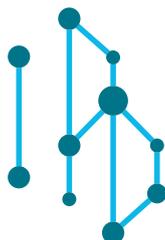


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INNOVATIVE PHARMACEUTICAL BIOTECH LIMITED
領航醫藥及生物科技有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 399)

**AMENDMENT TO THE TERMS AND CONDITIONS OF
THE CONVERTIBLE BONDS**

THIRD DEED OF AMENDMENT

On 28 April 2023 (after trading hours of the Stock Exchange), the Company and the Bondholder entered into the Third Deed of Amendment pursuant to which the Company and the Bondholder have conditionally agreed to amend the terms of the Convertible Bonds (as amended by the First Deed of Amendment and the Second Deed of Amendment) to the effect that: (i) the Maturity Date shall be extended from 28 July 2023 to 28 July 2025; and (ii) the interest rate and interest payment date of the Convertible Bonds (as amended by the First Deed of Amendment and the Second Deed of Amendment) shall be further amended, details of which are set out in the paragraph headed “Principal terms of the Third Amendments” in this announcement.

THIRD DEED OF WAIVER

On 28 April 2023 (after trading hours of the Stock Exchange), the Company and the Bondholder entered into the Third Deed of Waiver pursuant to which the Bondholder granted to the Company a waiver in respect of the obligation of the Company to pay the Outstanding Principal Payment, the Outstanding Annual Interest Payment and the Outstanding Additional Interest Payment on 28 July 2023.

LISTING RULES IMPLICATIONS

According to Rule 28.05 of the Listing Rules, any alterations in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alterations take effect automatically under the existing terms of such convertible debt securities. The Company will apply to the Stock Exchange for approval for the Third Amendments contemplated by the Third Deed of Amendment pursuant to Rule 28.05 of the Listing Rules.

GENERAL

The SGM will be held and convened for the purpose of considering and, if thought fit, approving the Third Deed of Amendment and the transactions contemplated thereunder.

A circular containing, amongst other things, (i) further details of the Third Deed of Amendment and the transactions contemplated thereunder; and (ii) a notice of the SGM is expected to be despatched to the Shareholders on or before 12 June 2023 in accordance with the Listing Rules.

Shareholders and potential investors should note that the Third Deed of Amendment is conditional upon fulfilment of all conditions precedent therein. The transactions contemplated under the Third Deed of Amendment may or may not materialise. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

BACKGROUND

References are made to (i) the 2014 Announcements and the circular of the Company dated 26 June 2014 in relation to the sale and purchase of 51% interest in the share capital of Smart Ascent and issue of the Convertible Bonds by the Company to the Bondholder; (ii) the 2019 Announcements and the circular of the Company dated 13 September 2019 in relation to the first amendment to the terms and conditions of the Convertible Bonds; and (iii) the 2021 Announcements and the circular of the Company dated 14 July 2021 in relation to the second amendment to the terms and conditions of the Convertible Bonds. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

On 17 March 2014, Clear Rich, being a wholly-owned subsidiary of the Company, as the purchaser, and Extrawell BVI, being a wholly-owned subsidiary of the Bondholder, as the vendor, entered into the Acquisition Agreement in relation to the sale and purchase of 51% interest in the share capital of Smart Ascent. On 28 July 2014, the Company issued the Convertible Bonds in the principal amount of HK\$715,000,000 to the Bondholder as part of the consideration of the acquisition of Smart Ascent. The Convertible Bonds was issued at an interest rate of 3.5% per annum and the Original Maturity Date falls on 28 July 2021.

On 26 July 2019, the Company and the Bondholder entered into the First Deed of Amendment pursuant to which the Company and the Bondholder agreed to amend the interest payment terms of the Convertible Bonds to the effect that: (i) the interest payment due dates was amended from payment of interest in arrears annually to payment of interest for the Interest Payment Year 2018, the Interest Payment Year 2019 and the Interest Payment Year 2020 on or before the Original Maturity Date; and (ii) the Company was required to pay to the Bondholder the additional interest in the amount of HK\$11,261,250 on the Original Maturity Date.

On 12 May 2021, the Company and the Bondholder entered into the Second Deed of Amendment pursuant to which the Company and the Bondholder agreed to amend the interest payment terms of the Convertible Bonds to the effect that: (i) the interest payment due dates was amended to payment of interest for the Interest Payment Year 2018, the Interest Payment Year 2019, the Interest Payment Year 2020, the Interest Payment Year 2021 and the Interest Payment Year 2022 on 28 July 2023; (ii) the Company was required to pay to the Bondholder the additional interest in the amount of HK\$3,753,750 for one-year extension for payment of interest for the Interest Payment Year 2021 on 28 July 2023 and (iii) the Company was required to pay the Bondholder the additional interest of HK\$25,900,875 on 28 July 2023.

As at the date of this announcement, none of the conversion rights attached to the Convertible Bonds has been exercised by the Bondholder and the outstanding principal amount of the Convertible Bonds is HK\$715,000,000.

On 28 April 2023 (after trading hours of the Stock Exchange), the Company and the Bondholder entered into the Third Deed of Amendment pursuant to which the Company and the Bondholder have conditionally agreed to amend certain terms and conditions of the Convertible Bonds (as amended by the First Deed of Amendment and the Second Deed of Amendment). Details of the principal terms of the Third Deed of Amendment are set out below:

THIRD DEED OF AMENDMENT

Date: 28 April 2023 (after trading hours of the Stock Exchange)

Parties: (1) the Company, as the issuer

(2) Extrawell Pharmaceutical Holdings Limited, as the bondholder

The Bondholder is a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 858). According to the public information, the Bondholder is an investment company and its subsidiaries are principally engaged in (i) the development, manufacture and sales of pharmaceutical products; (ii) the marketing and distribution of imported pharmaceutical products; and (iii) the commercial exploitation and development of genome related technologies.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) Dr. Mao Yumin, being a substantial shareholder (as defined in the Listing Rules) of the Company holding approximately 22.6% of the issued Shares, is a director of certain subsidiaries of the Bondholder and also holds approximately 7.94% of the issued shares of the Bondholder and (ii) Dr. Xie Yi, through its controlled corporation, is interested in approximately 0.53% of the issued Shares, is an executive director of the Bondholder. Save as disclosed above, the Bondholder and their ultimate beneficial owners are Independent Third Parties.

Principal terms of the Third Amendments

The Company and the Bondholder have conditionally agreed to amend the terms of the Convertible Bonds (as amended by the First Deed of Amendment and the Second Deed of Amendment) to the effect that:

(a) the Maturity Date shall be extended from 28 July 2023 to 28 July 2025;

(b) the interest rate and interest payment date of the Convertible Bonds (as amended by the First Deed of Amendment and the Second Deed of Amendment) shall be further amended and superseded as follows:

(i) the Convertible Bonds shall bear interest on the principal amount thereof in accordance with the following interest rate and payment schedule:

Interest Period	Interest Rate	Payment due dates
28 July 2014 to 27 July 2015	3.5% per annum on the principal amount of the Convertible Bonds	On or before 28 July 2015
28 July 2015 to 27 July 2016	3.5% per annum on the principal amount of the Convertible Bonds	On or before 28 July 2016
28 July 2016 to 27 July 2017	3.5% per annum on the principal amount of the Convertible Bonds	On or before 28 July 2017
28 July 2017 to 27 July 2018	3.5% per annum on the principal amount of the Convertible Bonds	On or before 28 July 2018
28 July 2018 to 27 July 2019	3.5% per annum on the principal amount of the Convertible Bonds	28 July 2025
28 July 2019 to 27 July 2020	3.5% per annum on the principal amount of the Convertible Bonds	28 July 2025
28 July 2020 to 27 July 2021	3.5% per annum on the principal amount of the Convertible Bonds	28 July 2025
28 July 2021 to 27 July 2022	3.5% per annum on the principal amount of the Convertible Bonds	28 July 2025

Interest Period	Interest Rate	Payment due dates
28 July 2022 to 27 July 2023	3.5% per annum on the principal amount of the Convertible Bonds	28 July 2025
28 July 2023 to 27 July 2024	4.5% per annum on the principal amount of the Bonds	28 July 2025
28 July 2024 to 27 July 2025	4.5% per annum on the principal amount of the Bonds	28 July 2025

- (ii) the Company shall pay to the Bondholder a sum of additional interest in the amount of HK\$11,261,250 on 28 July 2025, which was originally due on 28 July 2023 as per the Second Deed of Amendment;
- (iii) the Company shall pay to the Bondholder a sum of additional interest in the amount of HK\$29,654,625 on 28 July 2025, which was originally due on 28 July 2023 as per the Second Deed of Amendment;
- (iv) the Company shall pay to the Bondholder a sum of additional interest in the amount of HK\$4,826,250 on 28 July 2025, representing the additional interest for one-year extension for payment of interest for the period from 28 July 2023 to 27 July 2024 at 15% per annum on the annual interest payment under the Convertible Bonds;
- (v) the Company shall pay to the Bondholder a sum of additional interest in the amount of HK\$49,812,263 on 28 July 2025, representing 15% per annum on the aggregate amount of interest up to 28 July 2023 multiplied by 2; and
- (vi) for the avoidance of doubt, the Company and the Bondholder agreed and confirmed that (i) pursuant to the Second Deed of Amendment, the total interest due from the Company to the Bondholder for the period from 28 July 2018 to 27 July 2023 is HK\$166,040,875 and (ii) pursuant to the Third Amendments, the total interest due from the Company to the Bondholder for the period from 28 July 2018 to 27 July 2025 is HK\$285,029,388.

Save for the Third Amendments, the terms and conditions of the Convertible Bonds remain intact and unchanged.

An application will be made by the Company to the Stock Exchange for the approval of the Third Amendments pursuant to Rule 28.05 of the Listing Rules.

Conditions precedent

The Third Amendments shall be conditional upon and subject to:

- (a) the approval having been obtained from the Stock Exchange in respect of the Third Amendments;
- (b) all necessary consents and approvals required to be obtained on the part of the Company and the Bondholder in respect of the Third Amendments having been obtained and remained in full force and effect;
- (c) the passing of the necessary resolution(s) by the shareholders of each of the Company and the Bondholder at a special general meeting of each of the Company and the Bondholder to be convened and held to approve the Third Deed of Amendment and the transactions contemplated thereunder; and
- (d) (if necessary) the Bondholder having passed a written resolution of the bondholder meeting to approve the Third Deed of Amendment and the transactions contemplated thereunder.

The Third Amendments shall take effect on the next Business Day when all the conditions above are fulfilled. None of the above conditions can be waived. If any of the above conditions is not fulfilled on or before 28 June 2023 (or such other date as the Company and the Bondholder may agree) (the “**Third Amendments Long Stop Date**”), the Third Deed of Amendment shall automatically lapse and be of no further effect and the Company and the Bondholder shall be released from all obligations under the Third Deed of Amendment.

The Third Deed of Waiver

On 28 April 2023 (after trading hours of the Stock Exchange), the Company and the Bondholder entered into the Third Deed of Waiver pursuant to which the Bondholder granted to the Company a waiver in respect of the obligation of the Company to (i) redeem the Convertible Bonds which remains outstanding on the Maturity Date at 100% of the principal amount of the Convertible Bonds, being the Outstanding Principal Payment; (ii) pay the interest on the Convertible Bonds for the Outstanding Annual Interest Payment and the Outstanding Additional Interest Payment; and (iii) not to take any steps to enforce or make demand for the Outstanding Principal Payment, the Outstanding Annual Interest Payment and the Outstanding Additional Interest Payment to the extent necessary and solely to effect the Third Amendments.

Pursuant to the Third Deed of Amendment, if any of the condition precedent under the Third Deed of Amendment has not been fulfilled on the Third Amendments Long Stop Date, the Third Deed of Amendment shall automatically lapse and be of no further effect and the Company and the Bondholder shall be released from all obligations under the Third Deed of Amendment. In such circumstances, the Company and the Bondholder agree that the Company shall within 30 Business Days from the Third Amendments Long Stop Date pay to the Bondholder (i) the Outstanding Principal Payment, the Outstanding Annual Interest Payment and the Outstanding Additional Interest Payment; and (ii) the additional interest calculated at 15% per annum on HK\$881,040,875, being the sum of the Outstanding Principal Payment and the total annual interest due from the Company to the Bondholder for the period from 28 July 2018 to 27 July 2023, accrued from 28 July 2023 to the actual date of payment (both days inclusive) on the basis of a 365-day year.

TERMS OF THE CONVERTIBLE BONDS

Subject to the fulfillment of the conditions precedent to the Third Amendments, the principal terms of the Convertible Bonds (as amended by the First Deed of Amendment, the Second Deed of Amendment and the Third Deed of Amendment) will be as follows:

Principal amount:	An aggregate principal amount of up to HK\$715,000,000
Maturity date:	11th anniversary of the date of issue
Interest rate:	3.5% per annum since the interest period from 28 July 2014 to the Interest Payment Year 2022 and 4.5% per annum for the Interest Payment Year 2023 and the Interest Payment Year 2024.

The interest payment due dates for the Interest Payment Year 2018, the Interest Payment Year 2019, the Interest Payment Year 2020, the Interest Payment Year 2021, the Interest Payment Year 2022, the Interest Payment Year 2023 and the Interest Payment Year 2024 and the Outstanding Additional Interest Payment shall be on 28 July 2025.

The Company shall pay to the Bondholder the Outstanding Additional Interest Payment.

The Company shall pay the Bondholder a sum of additional interest in the amount of HK\$4,826,250 on 28 July 2025 (representing 15% per annum on the annual interest payment under the Convertible Bonds for the Interest Payment Year 2023), being the additional interest for one-year extension for payment of interest for the Interest Payment Year 2023.

The Company shall pay the Bondholder a sum of additional interest in the amount of HK\$49,812,263 on 28 July 2025 (representing 15% per annum on the aggregate amount of interest up to 28 July 2023 multiplied by 2).

The Company and the Bondholder agreed and confirmed that (i) the total interest due from the Company to the Bondholder for the period from 28 July 2018 to 27 July 2023 is HK\$166,040,875 and (ii) the total interest due from the Company to the Bondholder for the period from 28 July 2018 to 27 July 2025 is HK\$285,029,388.

Conversion Price:

The Conversion Price is HK\$2.5 per Conversion Share, subject to adjustments as set out and in accordance with the terms and conditions of the Convertible Bonds.

The Conversion Price of HK\$2.5 per Conversion Share represents:

- (i) a premium of approximately 1,219.51% to the closing price of HK\$0.205 per Share as quoted on the Stock Exchange on the last trading date of signing of the Third Deed of Amendment;
- (ii) a premium of approximately 1,237.62% to the average closing price of HK\$0.202 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of signing of the Third Deed of Amendment; and
- (iii) a premium of approximately 925.93% to the net asset price of approximately HK\$0.27 per Share, calculated based on the audited consolidated net assets of HK\$395,266,000 as at 31 March 2022 and 1,464,193,024 Shares in issue as at the date of the Third Deed of Amendment.

Adjustment events:

The Conversion Price shall from time to time be adjusted upon occurrences of certain events, including but not limited to the followings:

- (i) consolidation or sub-division of Shares;
- (ii) capitalisation of profits;

- (iii) capital distribution;
- (iv) issue of Shares by way of rights, options and warrants;
- (v) issue of any securities if and whenever the Company shall issue wholly for cash which are convertible into, exchangeable for or carry rights of subscription for Shares;
- (vi) modification of rights of conversion or exchange or subscription attaching to any such securities;
- (vii) issue of Shares wholly for cash at more than 20% discount to the market price of such Shares; and
- (viii) issue of Shares for acquisition of asset at more than 20% discount to the market price of such Shares.

Conversion Shares:

Based on the initial Conversion Price of HK\$2.5, a maximum number of 286,000,000 Conversion Shares will be allotted and issued upon exercised in full of the conversion rights attaching to the Convertible Bonds, which represent:

- (i) approximately 19.53% of the total issued share capital of the Company as at the date of this announcement; and
- (ii) approximately 16.34% of the total issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights attaching to Convertible Bonds.

Conversion Restrictions:

Upon exercise of the conversion rights attaching to the Convertible Bonds,

- (i) the holders of Convertible Bonds and their respective associates, together with parties acting in concert (as defined in the Takeovers Code) with them, will not trigger a mandatory offer obligation under Rule 26 of the Takeovers Code; and
- (ii) the public float of the Company will comply with the relevant requirements under the Listing Rules.

Conversion Period: The period commencing from the date of issue of the Convertible Bonds and ending on the day which falls on the 11th anniversary of the date of issue of the Convertible Bonds.

Early Redemption: The Company shall not be entitled to redeem all or part of the outstanding Convertible Bonds prior to the Maturity Date.

The Company or any of its subsidiaries may at any time and from time to time purchase the Convertible Bonds at any price as agreed between the Company or such subsidiary and the relevant holder of the Convertible Bonds.

Furthermore, according to the instrument constituting the Convertible Bonds, the holders of the Convertible Bonds do not have the right to early redemption of all or part of the outstanding Convertible Bonds prior to the Maturity Date.

Ranking: The Conversion Shares shall rank pari passu in all respects among themselves and with all other existing Shares outstanding at the date of conversion and all Conversion Shares shall include rights to participate in all dividends and other distributions.

Transferability: Any transfer of the Convertible Bonds shall be in respect of the whole or any part (in multiples of HK\$35,750,000) of the principal amount of the Convertible Bonds.

Furthermore, according to the instrument constituting the Convertible Bonds, the Convertible Bonds must not be transferred to any person, firm or company which is a connected person (as defined in the Listing Rules) of the Company except in compliance with the applicable requirements under the Listing Rules and the Takeovers Code.

Application for listing: No application will be made by the Company to the Stock Exchange for listing of the Convertible Bonds. Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

Notice of conversion by other bondholders: The Company may, upon request by the holders of the Convertible Bonds in writing, notify the holders of the Convertible Bonds about the conversion of the convertible bonds of the Company by other bondholders within 7 Business Days from the date of receipt of the relevant conversion notice.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table shows the shareholding of the Company (i) as at the date of this announcement; and (ii) immediately after full conversion of the Convertible Bonds (assuming there is no change in the issued share capital of the Company other than the issue of the Conversion Shares):

	As at the date of this announcement		Immediately after full conversion of the Convertible Bonds (assuming there is no change in the issued share capital of the Company other than the issue of the Conversion Shares)	
	<i>Number of Shares</i>	<i>Approx.%</i>	<i>Number of Shares</i>	<i>Approx.%</i>
The Bondholders	—	—	286,000,000	16.34%
Public Shareholders	<u>1,464,193,024</u>	<u>100.00%</u>	<u>1,464,193,024</u>	<u>83.66%</u>
Total	<u><u>1,464,193,024</u></u>	<u><u>100.00%</u></u>	<u><u>1,750,193,024</u></u>	<u><u>100.00%</u></u>

REASONS FOR THE THIRD AMENDMENTS

The Company is an investment holding company. The Group is principally engaged in (i) trading of beauty equipment and products in Hong Kong; and (ii) research and development and commercialisation of the oral insulin products.

Pursuant to the Second Amendments, the Outstanding Principal Payment and the outstanding interest payment for the Interest Payment 2018, the Interest Payment 2019, the Interest Payment 2020, the Interest Payment 2022 and the Outstanding Additional Interest Payment, unless they are extended, will become due on 28 July 2023.

Based on the audited consolidated financial statement of the Group for the year ended 31 March 2022, the Group recorded net current liabilities of approximately HK\$80,822,000. The Third Amendments would ease the immediate financial burden of the Group. In the meantime, the Company will also consider other possible equity fund raising and debt financing activities to strengthen the liquidity and financial position of the Group.

The terms of the Third Amendments were arrived at after arm's length negotiations between the Company and the Bondholder. The additional interest in the total amount of HK\$54,638,513 to be paid by the Company to the Bondholder under the Third Amendments was determined between the parties taking into account (i) the prevailing market rate; (ii) the current financial and cash position of the Group; and (iii) the benefits that the Third Amendments would bring to the Group, which includes providing greater flexibility to the Company's working capital management and the alleviation of the immediate funding needs of the Company to redeem the outstanding principal amount of the Convertible Bonds and to settle the outstanding interest.

In view of the above, the Board considered that the terms of the Third Amendments are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

According to Rule 28.05 of the Listing Rules, any alterations in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alterations take effect automatically under the existing terms of such convertible debt securities. The Company will apply to the Stock Exchange for approval for the Third Amendments contemplated by the Third Deed of Amendment pursuant to Rule 28.05 of the Listing Rules.

GENERAL

The SGM will be held and convened for the purpose of considering and, if thought fit, approving the Third Deed of Amendment and the transactions contemplated thereunder.

A circular containing, amongst other things, (i) further details of the Third Deed of Amendment and the transactions contemplated thereunder; and (ii) a notice of the SGM is expected to be despatched to the Shareholders on or before 12 June 2023 in accordance with the Listing Rules.

Shareholders and potential investors should note that the Third Deed of Amendment is conditional upon fulfilment of all conditions precedent therein. The transactions contemplated under the Third Deed of Amendment may or may not materialize. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

“Acquisition Agreement”	the sale and purchase agreement dated 17 March 2014 and entered into between Clear Rich, as the purchaser, and Extrawell BVI, as the vendor, in relation to the acquisition of an aggregate of 5,100 ordinary shares of HK\$1 each in the issued share capital of Smart Ascent, representing 51% of the total issued capital of Smart Ascent
“Announcements”	collectively, the 2014 Announcements and the 2019 Announcements and the 2021 Announcements
“Board”	board of the Directors
“Bondholder”	Extrawell Pharmaceutical Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 858)
“Clear Rich”	Clear Rich International Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“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)
“Convertible Bonds”	the convertible bonds (as amended by the First Deed of Amendment and the Second Deed of Amendment) in the aggregate principal amount of HK\$715,000,000 issued by the Company to the Bondholder on 28 July 2014
“Conversion Price”	HK\$2.5 per Conversion Share, subject to adjustments in accordance with the terms and conditions of the Convertible Bonds
“Conversion Shares”	new Shares to be issued and allotted by Company upon the exercise of the conversion rights attaching to the Convertible Bonds at the Conversion Price

“Directors”	directors of the Company
“Extrawell BVI”	Extrawell (BVI) Limited, a company incorporated in the British Virgin Islands with limited liability, and a wholly-owned subsidiary of the Bondholder
“First Deed of Amendment”	the deed of amendment dated 26 July 2019 entered into between the Company and the Bondholder in relation to certain amendments to the interest payment terms of the Convertible Bonds
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Interest Payment 2018”	the period from 28 July 2018 to 27 July 2019
“Interest Payment 2019”	the period from 28 July 2019 to 27 July 2020
“Interest Payment 2020”	the period from 28 July 2020 to 27 July 2021
“Interest Payment 2021”	the period from 28 July 2021 to 27 July 2022
“Interest Payment 2022”	the period from 28 July 2022 to 27 July 2023
“Interest Payment 2023”	the period from 28 July 2023 to 27 July 2024
“Interest Payment 2024”	the period from 28 July 2024 to 27 July 2025
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	the maturity date of the Convertible Bonds
“Original Maturity Date”	28 July 2021, being the original maturity date of the Convertible Bonds
“Outstanding Additional Interest Payment”	the aggregate additional interest in the amounts of HK\$11,261,250 and HK\$29,654,625 to be paid by the Company to the Bondholder on the Maturity Date pursuant to the First Deed of Amendment and the Second Deed of Amendment

“Outstanding Annual Interest Payment”	the interest on the Convertible Bonds accrued in the total amount of HK\$125,125,000 for the Interest Payment 2018, the Interest Payment 2019, the Interest Payment 2020, the Interest Payment 2021 and the Interest Payment 2022, which unless extended, will become due on 28 July 2023
“Outstanding Principal Payment”	the Convertible Bonds in the aggregate principal amount of HK\$715,000,000, which unless extended, will become due on the 28 July 2023
“Second Amendments”	the proposed amendments to the terms and conditions of the Convertible Bonds as contemplated under the Second Deed of Amendment
“Second Deed of Amendment”	the deed of amendment dated 12 May 2021 entered into between the Company and the Bondholder in relation to the Second Amendments
“Second Deed of Waiver”	the deed of waiver dated 12 May 2021 entered into between the Company and the Bondholder in relation to the waiver of certain obligations of the Company to effect the Second Amendments
“SGM”	the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, to approve the Third Amendments and the transactions contemplated thereunder
“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)
“Smart Ascent”	Smart Ascent Limited, a company incorporated in Hong Kong with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Amendments”	the proposed amendments to the terms and conditions of the Convertible Bonds as contemplated under the Third Deed of Amendment

“Third Deed of Amendment”	the deed of amendment dated 28 April 2023 entered into between the Company and the Bondholder in relation to the Third Amendments
Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases issued by the Securities and Futures Commission of Hong Kong
“2014 Announcements”	the announcements of the Company dated 18 March 2014 and 28 July 2014 in relation to the Acquisition Agreement and the issue of the Convertible Bonds
“2019 Announcements”	the announcements of the Company dated 28 July 2019 and 28 October 2019 in relation to the First Deed of Amendment
“2021 Announcements”	the announcements of the Company dated 12 May 2021 and 16 August 2021 in relation to the Second Deed of Amendment
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the board of
Innovative Pharmaceutical Biotech Limited
Tang Rong
Executive Director

Hong Kong, 28 April 2023

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), Ms. Xiao Yan (non-executive Director), Ms. Wu Yanmin (non-executive Director), Ms. Chen Weijun (independent non-executive Director), Mr. Chen Jinzhong (independent non-executive Director) and Mr. Wang Rongliang (independent non-executive Director).