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Immunotech Biopharm Ltd

永泰生物製藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6978)

DISCLOSEABLE TRANSACTION DISPOSAL OF THE CERTIFICATES OF DEPOSITS

DISPOSAL OF THE CERTIFICATES OF DEPOSITS

On 20 July 2023, 20 March 2024 and 20 June 2024, the Group (through its indirect wholly-owned subsidiary, Beijing Yongtai) disposed a total of RMB80.0 million of Certificates of Deposits, through Minsheng Bank, on the market at an aggregate consideration of approximately RMB82.6 million. The total unaudited interest income arising from the Certificates of Deposits amounted to approximately RMB2.6 million.

IMPLICATION UNDER THE LISTING RULES

No single Disposal has an applicable percentage ratio of more than 5%. As the Certificates of Deposits are of similar nature as each other, issued by the same financial institution and disposed by the Company within a 12-month period, the Disposals shall be aggregated as if they were one transaction for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio calculated on an aggregate basis under Chapter 14 of the Listing Rules in respect of the Disposals exceeds 5% but is less than 25%, the Disposals constituted a discloseable transaction of the Company for the purpose of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from Shareholders' approval requirements under Chapter 14 of the Listing Rules.

DISPOSAL OF THE CERTIFICATES OF DEPOSITS

On 20 March 2023 and 20 June 2023, the Group (through its indirect wholly-owned subsidiary, Beijing Yongtai) subscribed for the Certificates of Deposits issued by Minsheng Bank with its idle own funds in the principal amount of RMB110.0 million in aggregate. On 20 July 2023, 20 March 2024 and 20 June 2024, the Group disposed of eight out of the eleven Certificates of Deposits in three instalments by on-market sale through Minsheng Bank at an aggregate consideration of approximately RMB82.6 million. A summary of the Disposals is as follows:

No.	Date of subscription	Name of product	Product issuer	Subscription amount (RMB'000)	Type of product	Term	Disposal date	Disposal amount (RMB'000)	Interest income (RMB'000)
1	20 June 2023	China Minsheng Bank Public Large Certificates of Deposit Products (中國民生銀行對公大額存單產品)	Minsheng Bank	10,000	General deposit	2 years	20 July 2023	10,000	22.5
2	20 March 2023	China Minsheng Bank Public Large Certificates of Deposit Products (中國民生銀行對公大額存單產品)	Minsheng Bank	10,000	General deposit	3 years	20 March 2024	10,000	300
3	20 March 2023	China Minsheng Bank Public Large Certificates of Deposit Products (中國民生銀行對公大額存單產品)	Minsheng Bank	10,000	General deposit	3 years	20 June 2024	10,000	375
4	20 March 2023	China Minsheng Bank Public Large Certificates of Deposit Products (中國民生銀行對公大額存單產品)	Minsheng Bank	10,000	General deposit	3 years	20 June 2024	10,000	375
5	20 March 2023	China Minsheng Bank Public Large Certificates of Deposit Products (中國民生銀行對公大額存單產品)	Minsheng Bank	10,000	General deposit	3 years	20 June 2024	10,000	375
6	20 March 2023	China Minsheng Bank Public Large Certificates of Deposit Products (中國民生銀行對公大額存單產品)	Minsheng Bank	10,000	General deposit	3 years	20 June 2024	10,000	375
7	20 March 2023	China Minsheng Bank Public Large Certificates of Deposit Products (中國民生銀行對公大額存單產品)	Minsheng Bank	10,000	General deposit	3 years	20 June 2024	10,000	375
8	20 March 2023	China Minsheng Bank Public Large Certificates of Deposit Products (中國民生銀行對公大額存單產品)	Minsheng Bank	10,000	General deposit	3 years	20 June 2024	10,000	375
Total				<u>80,000</u>				<u>80,000</u>	<u>2,572.5</u>

The unaudited interest income arising from the Disposals are approximately RMB2.6 million in total, which is calculated based on the annualised interest rate of 2.7% and 3.0%. These proceeds will be used as general working capital and short-term investments (if applicable) of the Group. The Group's gain or loss arising from the Disposals is subject to audit and/or review by the auditors.

As at the date of this announcement, the Group continues to hold three Certificates of Deposits in the total amount of RMB30.0 million.

REASONS FOR AND BENEFITS OF THE DISPOSALS

The Group subscribed for the Certificates of Deposits with idle cash to make full use of its idle funds and improve the rate of return on idle funds while achieving income balance and maintaining high liquidity and low risk. The Directors resolved to proceed with the Disposals after taking into account the market conditions, investment terms, risk level and expected return rate of the Certificates of Deposits, as well as the Company's treasury policy and recent working capital arrangements. Benefiting from the Disposals, the Group obtained unaudited interest income of approximately RMB2.6 million. The Group intends to use the proceeds from the Disposals (including principal and interest income) for general working capital and short-term investments (if applicable).

The Directors believe that the Disposals are on normal commercial terms, fair and reasonable, in line with the treasury policy of the Company and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES

Beijing Yongtai is an indirect wholly-owned subsidiary of the Company. The Group is a leading cellular immunotherapy biopharmaceutical company in China focusing on the research, development, and commercialisation of T cell immunotherapy. Since its establishment in 2006, it has focused on research and development and clinical applications of cellular immunotherapy drugs for cancers and other major diseases, by applying advanced theories in immunology, cell biology, and genetics.

Minsheng Bank is a joint stock company incorporated with limited liability in accordance with the Company Law of the PRC, the H shares and A shares of which are listed on the Main Board of the Stock Exchange (stock code: 1988) and the Shanghai Stock Exchange (stock code: 600016), respectively, on behalf of itself and its affiliates. Minsheng Bank is principally engaged in the provision of banking and other financial services in the PRC.

To the best of the Directors' knowledge, information and belief, after making all reasonable enquiries, Minsheng Bank, the purchaser(s) of the Certificates of Deposits and their ultimate beneficial owners are third parties independent of, and not connected with, the Company and its connected persons.

IMPLICATION UNDER THE LISTING RULES

No single Disposal has an applicable percentage ratio of more than 5%. As the Certificates of Deposits are of similar nature as each other, issued by the same financial institution and disposed by the Company within a 12-month period, the Disposals shall be aggregated as if they were one transaction for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio calculated on an aggregate basis under Chapter 14 of the Listing Rules in respect of the Disposals exceeds 5% but is less than 25%, the Disposals constituted a discloseable transaction of the Company for the purpose of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

None of the Directors is deemed to be interested in the Disposals. Therefore, no Director is required to abstain from voting on the approval of Disposals at the Board meeting.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context otherwise requires:

“Beijing Yongtai”	Immunotech Applied Science Limited* (北京永泰生物製品有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Board”	the board of Directors
“Certificates of Deposits”	the large-denomination certificates of deposits issued by Minsheng Bank and subscribed by the Group under relevant subscription agreement
“Company”	Immunotech Biopharm Ltd, incorporated in the Cayman Islands with limited liability, with its shares listed on the Main Board of the Stock Exchange (stock code: 6978)
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal(s)”	the disposal(s) of the Certificates of Deposits by Beijing Yongtai, through Minsheng Bank, on the market on 20 July 2023, 20 March 2024 and 20 June 2024

“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minsheng Bank”	China Minsheng Banking Corp., Ltd., a joint stock company incorporated with limited liability in accordance with the Company Law of the PRC, the H shares and A shares of which are listed on the Main Board of the Stock Exchange (stock code: 1988) and the Shanghai Stock Exchange (stock code: 600016), respectively
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of PRC
“Share(s)”	ordinary share(s) of US\$0.001 each in the share capital of the Company
“Shareholder(s)”	holders of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“US\$”	United State dollars, the lawful currency in the United State of America
“%”	per cent.

By order of the Board
Immunotech Biopharm Ltd
Tan Zheng
Chairman and Executive Director

Hong Kong, 20 June 2024

As at the date of this announcement, the Board comprises Mr Tan Zheng as Chairman and executive Director, Dr Wang Yu as executive Director, Mr Tao Ran, Mr Wang Ruihua, Mr Yang Fan and Mr Wang Donghu as non-executive Directors, and Professor Wang Yingdian, Mr Ng Chi Kit and Ms Peng Sujiu as independent non-executive Directors.

* *For identification purpose only*