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Beijing Biostar Pharmaceuticals Co., Ltd.

北京華昊中天生物醫藥股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2563)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

On 7, May 2026 (before trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for 25,000,000 Subscription Shares at the Subscription Price of HK\$4.00 per Subscription Share. The principal terms of the Subscription Agreement are set out below:

THE SUBSCRIPTION AGREEMENT

Date 7, May 2026 (before trading hours)

Parties to the Subscription Agreement

- (1) The Company
- (2) The Subscriber

Information on the Subscriber

The Subscriber is a limited company incorporated in Hong Kong and a wholly-owned subsidiary of Qingdao Baheal Pharmaceutical Co., Ltd. (青島百洋醫藥股份有限公司).

About Baheal Pharmaceutical

Founded in 2005 and listed on the Shenzhen Stock Exchange (stock code: 301015), Baheal Pharmaceutical serves as an industrialization platform for medical innovation. The company focuses on the development, manufacturing, and commercialization of innovative medical achievements to optimize healthcare scenarios through technology. Key highlights include:

- **Manufacturing Platforms:** The company has established three major platforms: Natural Medicine R&D and Modification, Large-scale Chemical Drug Production, and Intelligent Radiotherapy Equipment Manufacturing.
- **Product Portfolio:** It maintains a diverse product matrix across therapeutic areas such as bone health, organ fibrosis, and brain tumors, featuring multiple proprietary innovative products and category-leading brands.
- **Ownership:** As at the date of this announcement, approximately 67.22% of Baheal Pharmaceutical is held by Baheal Pharmaceutical Group Co., Ltd., which is ultimately controlled by Mr. Fu Gang, the Chairman and President of Baheal Pharmaceutical.

Strategic Relationship and Cooperation

The Company and Baheal Pharmaceutical maintain a strong strategic partnership. Key milestones include:

- **November 2024:** Signed a marketing service agreement with Beijing Baheal Zhihe Medical Achievement Transformation Service Co., Ltd. (北京百洋智合醫學成果轉化服務有限公司) (a wholly-owned subsidiary of Baheal Pharmaceutical).
- **December 2024:** Entered into a commercial distribution agreement for Utidelone Injection, with ongoing cooperation to date.

Baheal Pharmaceutical remains optimistic about the Company's product pipeline and aims to further strengthen strategic cooperation in R&D, commercialization, and the transformation of medical achievements.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner are third parties independent of and not connected with the Company and its connected persons. As at the date of this announcement, the Subscriber holds 4,170,800 Shares of the Company, representing approximately 1.14% of the Company's issued share capital as at the date of this announcement.

Number of Subscription Shares

Assuming that there will be no change in the number of issued Shares between the date of this announcement and the Closing Date, the number of 25,000,000 Subscription Shares under the Subscription represents approximately 6.86% of the number of existing issued Shares as at the date of

this announcement and approximately 6.42% of the number of issued Shares as enlarged by the allotment and issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares to be allotted and issued will be HK\$100,000,000.00.

Subscription Price

The Subscription Price of HK\$4.00 per Subscription Share represents the average closing price of the Shares as quoted on the Stock Exchange for the five (5) consecutive business days immediately preceding the date of the Subscription Agreement, with a discount of not more than 20%.

The Subscription Price was determined with reference to the market conditions and the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Subscriber. The Directors consider that the Subscription Price and the terms and conditions of the Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Conditions precedent of the Subscription

Closing of the Subscription under the Subscription Agreement shall be conditional upon the following conditions precedent being fulfilled (or, where appropriate, being waived by the relevant party(ies) to the Subscription Agreement (as the case may be)) on or before the Long Stop Date:

- (a) **Shareholders' Approval:** The shareholders of the Company having passed the resolution at the general meeting to approve this Agreement and the transactions contemplated hereunder (including the allotment and issuance of the Subscription Shares), and such approval not having been revoked; any connected persons (if applicable) having abstained from voting on the relevant resolution at the general meeting in accordance with the Listing Rules;
- (b) **Stock Exchange Listing Approval:** the Stock Exchange having granted approval for the listing of, and permission to deal in, the Subscription Shares, and such approval not having been revoked prior to the Closing;
- (c) **General Mandate:** The allotment and issuance of the Subscription Shares falling within the scope of authority under the existing General Mandate of the Company;
- (d) **Board Approval:** The Board of the Company having passed a resolution to approve the signing and performance of this Agreement, as well as the allotment and issuance of the Subscription Shares;
- (e) **Regulatory Approvals:** All necessary approvals, consents, or permits from governments, regulatory authorities, or third parties for the issuance of the Subscription Shares having been obtained, including but not limited to the filing requirements of the China Securities Regulatory Commission (CSRC) regarding overseas issuance and listing;

- (f) **Company Representations and Warranties:** The representations and warranties made by the Company pursuant to this Agreement being true and accurate in all material respects from the date of this Agreement up to the Closing Date;
- (g) **Due Diligence:** The Company having fully cooperated with the Subscriber and/or the professional advisers appointed by the Subscriber to conduct due diligence on the Company, and having provided relevant information timely, completely, truthfully, and without omission as required, and cooperated with on-site interviews and verifications. The Subscriber shall initiate the due diligence process within five (5) business days following the date of Subscription Agreement and shall be completed within thirty (30) days from the date of commencement;
- (h) **Subscriber's Internal Approval:** The Subscriber having obtained all necessary approvals and authorizations for the signing and performance of its obligations under this Agreement in accordance with its internal governance procedures; and
- (i) **Subscriber Representations and Warranties:** The representations and warranties made by the Subscriber pursuant to this Agreement being true and accurate in all material respects from the date of this Agreement up to the Closing Date.

For the avoidance of doubt, conditions precedent under paragraphs (a), (b), (c) and (e) above cannot be waived by any of the parties to the Subscription Agreement.

In the event that any of the above conditions precedent is not fulfilled (or, where appropriate, waived) before the Long Stop Date, the Subscription Agreement shall terminate and shall cease to have any effect on any of the parties to the Subscription Agreement, save for any antecedent breaches thereof.

Closing

Closing shall take place on the fifth business day after the fulfilment (or, where appropriate, waiver) of all the conditions precedent under the Subscription Agreement or such other day as may be agreed by the parties thereto in writing.

RANKING OF THE SUBSCRIPTION SHARES

The Subscription Shares will rank, upon allotment and issue, *pari passu* in all respects with each other, among themselves and with the other Shares in issue on the date of allotment and issue of the Subscription Shares at Closing. The Subscription Shares shall be allotted and issued by the Company free from all liens, charges, security interests, encumbrances or other third party rights together with all rights attaching thereto on and after the date of their allotment, including all dividends which are made or proposed to be made at any time by reference to a record date falling on or after the date of allotment of the Subscription Shares.

GENERAL MANDATE TO ALLOT AND ISSUE THE SUBSCRIPTION SHARES

Shareholders' approval is required for the Subscription and the allotment and issue of the Subscription Shares by the Company, the Subscription Shares will be allotted and issued pursuant to the General Mandate granted to the Board by a resolution of the Shareholders that will be passed at the AGM held on June 26, 2026, under which the Board may allot, issue and deal with new Shares not exceeding 72,917,600 new Shares (representing approximately 20% of the issued Shares as at the date of the passing of the resolution at the AGM).

APPLICATION FOR LISTING OF THE SUBSCRIPTION SHARES

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares on the Stock Exchange. The Subscription is conditional upon, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares.

CSRC FILINGS

The Company shall complete the CSRC Filings in connection with the Subscription.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION AND USE OF PROCEEDS

The gross proceeds of the Subscription will amount to HK\$100,000,000 and the net proceeds receivable by the Company under the Subscription are estimated to be approximately HK\$100,000,000 after deducting the relevant expenses incurred in relation to the Subscription. The net issue price per Subscription Share is HK\$4. The Company intends to use the net proceeds from the Subscription for the following purposes:

Intended use of proceeds	Percentage of net proceeds	Target time for use of proceeds
Development of ADC Products and Platforms	50%	End of 2027
In-depth Commercialization Cooperation	20%	End of 2027
Introduction of New Projects and Achievement Transformation	15%	End of 2027
Group Daily Operations	<u>15%</u>	End of June 2027
Total	<u><u>100%</u></u>	

This Subscription represents a strategic integration of resources and complementary strengths. It signifies a deep alignment between the two parties in the field of oncology. This partnership is expected to:

- (a) inject new momentum into the growth of both companies.
- (b) enable “R&D Innovation + Achievement Transformation + Commercial Implementation” through mutual empowerment.
- (c) build a win-win industrial ecosystem based on shared advantages.

EFFECTS OF THE SUBSCRIPTION ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the number of the total issued Shares of the Company is 364,588,000 Shares. The table below sets out a summary of the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon the Closing (assuming there is no change in the number of issued Shares up to the Closing Date):

	As at the date of this announcement		Immediately upon the Closing (assuming there is no change in the number of issued Shares up to the Closing Date)	
	Number of issued Shares	Approximate percentage in the issued share capital of the Company (%)⁽¹⁾	Number of issued Shares	Approximate percentage in the issued share capital of the Company (%)⁽¹⁾
Shareholders				
Dr. Tang Li	40,505,885 ⁽²⁾			
	20,392,815 ⁽³⁾			
	19,220,863 ⁽⁴⁾			
	14,002,034 ⁽⁵⁾	27.25	99,336,297	25.50
	5,000,724 ⁽⁶⁾			
	213,976 ⁽⁷⁾			
	3,592,932 ⁽⁸⁾	0.99	3,592,932	0.92
	205,585 ⁽⁹⁾	0.06	205,585	0.05
Dr. Qiu Rongguo	102,929,229 ⁽¹⁰⁾	28.23	102,929,229	26.42
	205,585 ⁽¹¹⁾	0.06	205,585	0.05
Subscriber	4,170,800	1.14	29,170,800	7.49
Other Shareholders	257,282,386	70.57	257,282,386	66.04
Total number of Shares	364,588,000	100%	389,588,000	100%

Notes:

- (1) The aggregate of the percentage figures in the table above may not add up to the relevant sub-total or total percentage figures shown due to rounding of the percentage figures to two decimal places.
- (2) Baygen QT Inc. directly held 40,505,885 Shares (representing approximately 11.11% of the issued share capital). As Baygen QT Inc. is controlled by Dr. Li, Dr. Li is deemed to be interested in such Shares under the SFO.
- (3) Zhuhai Jingrong Haoyuan Investment Partnership (Limited Partnership) (珠海京蓉昊緣投資合夥企業(有限合夥)) directly held 20,392,815 Shares (representing approximately 5.59% of the issued share capital). As Zhuhai Jingrong Haoyuan Investment Partnership (Limited Partnership) is controlled by Dr. Li, Dr. Li is deemed to be interested in such Shares under the SFO.
- (4) Zhuhai Huajin Haoyuan Enterprise Management Partnership (Limited Partnership) (珠海華錦昊緣企業管理合夥企業(有限合夥)) directly held 19,220,863 Shares (representing approximately 5.27% of the issued share capital). As Zhuhai Huajin Haoyuan Enterprise Management Partnership (Limited Partnership) is controlled by Dr. Li, Dr. Li is deemed to be interested in such Shares under the SFO.
- (5) Zhuhai Huaxin Haoyuan Commercial Management Partnership (Limited Partnership) (珠海華欣昊緣商業管理合夥企業(有限合夥)) directly held 14,002,034 Shares (representing approximately 3.84% of the issued share capital). As Zhuhai Huaxin Haoyuan Commercial Management Partnership (Limited Partnership) is controlled by Dr. Li, Dr. Li is deemed to be interested in such Shares under the SFO.
- (6) Zhuhai Huarong Haoyuan Enterprise Management Partnership (Limited Partnership) (珠海華蓉昊緣企業管理合夥企業(有限合夥)) directly held 5,000,724 Shares (representing approximately 1.37% of the issued share capital). As Zhuhai Huarong Haoyuan Enterprise Management Partnership (Limited Partnership) is controlled by Dr. Li, Dr. Li is deemed to be interested in such Shares under the SFO.
- (7) Within the corporate interests held by Dr. Li, 213,976 Shares are directly held by Beijing Beijinyuan Technology Co., Ltd. (北京北進緣科技有限公司). As Beijing Beijinyuan is controlled by Dr. Li, she is deemed to be interested in such Shares under the SFO..
- (8) Dr. Li held 3,592,932 Shares as beneficial owner in her personal capacity.
- (9) Dr. Qiu, the spouse of Dr. Li, held 205,585 Shares. By virtue of the SFO, Dr. Li is deemed to be interested in the Shares held by her spouse.
- (10) Dr. Li, the spouse of Dr. Qiu, held 102,929,229 Shares. By virtue of the SFO, Dr. Qiu is deemed to be interested in the Shares held by his spouse.
- (11) Within the corporate interests held by Dr. Qiu, 205,585 Shares are directly held by Beijing Beijinyuan Technology Co., Ltd. (北京北進緣科技有限公司). As Beijing Beijinyuan is controlled by Dr. Li, he is deemed to be interested in such Shares under the SFO.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

Closing is subject to fulfilment (or, where appropriate, waiver) of the conditions precedent under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings.

“AGM”	the annual general meeting of the Company to be held at 1202B, 12/F, Building 3, No. 22 Ronghua Middle Road, Beijing Economic-Technological Development Area, Beijing, PRC on Friday, June 26, 2026 at 3:00 p.m.
“Baheal Pharmaceutical”	Qingdao Baheal Pharmaceutical Co., Ltd.
“Board”	the board of directors of the Company
“business day”	any day on which securities are traded on the Stock Exchange
“Closing”	the closing of the Subscription pursuant to the terms and conditions of the Subscription Agreement
“Closing Date”	the date on which Closing takes place
“Company”	Beijing Biostar Pharmaceuticals Co., Ltd. (北京華昊中天生物醫藥股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (Stock Code: 2563)
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“CSRC”	the China Securities Regulatory Commission
“CSRC Filings”	the CSRC Filing Report (including any amendments, supplements and/or modifications thereof) and any relevant supporting materials

“CSRC Filing Report”	the filing report in relation to the Subscription and any transactions contemplated by the Subscription Agreement to be filed with the CSRC
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted by a resolution passed at the AGM to the Board to allot, issue and deal with new Shares not exceeding approximately 20% of the total number of Share in issue as at the date of passing of the resolution (excluding treasury shares), that is a total of 72,917,600 new Shares
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	6 May 2026, being the last trading day immediately prior to the signing of the Subscription Agreement
“Long Stop Date”	being one month after the date of the Subscription Agreement or such other date as may be agreed by the parties thereto in writing
“PRC”	the People’s Republic of China which, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFO”	Securities and Futures Ordinance
“Share(s)”	ordinary shares in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Share Option Scheme”	the share option scheme proposed for adoption by the Company at the AGM, in its present or any amended form
“Subscriber”	Baheal Wellness Industry International Trading Limited
“Subscription”	the subscription for an aggregate of the Subscription Shares by the Subscriber on the terms and subject to the conditions set out in the respective Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement entered into between the Company and the Subscriber dated 7 May 2026
“Subscription Price”	the price of HK\$4.00 per Subscription Share

“substantial shareholder” has the meaning ascribed to it under the Listing Rules

% percent

By order of the Board
Beijing Biostar Pharmaceuticals Co., Ltd.
北京華昊中天生物醫藥股份有限公司
Dr. Tang Li
Chairman and Executive Director

Beijing, the PRC, 7 May 2026

As at the date of this announcement, the Board comprises (i) Dr. Tang Li, Dr. Qiu Rongguo, Mr. Zhang Cheng and Dr. Guan Jin as executive Directors; (ii) Mr. Tang Jin and Ms. Dai Xuefen as non-executive Directors; and (iii) Mr. Shiu Shu Ming and Dr. Ye Chengang as independent non-executive Directors.