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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)**

### **PROPOSED ADOPTION OF SHARE OPTION SCHEME AND PROPOSED MANDATE TO THE BOARD AND/OR AUTHORISED PERSON TO HANDLE MATTERS PERTAINING TO THE SHARE OPTION SCHEME**

The Board announces that on 6 May 2026, the Board resolved to adopt the Share Option Scheme in accordance with Chapter 17 of the Listing Rules to, amongst others, provide incentives or rewards to the Participants for their contribution or potential contribution to the growth and development of the Group.

The key terms of the Share Option Scheme are summarized below:

#### **1. Purpose**

The purpose of the Share Option Scheme is to (i) establish a medium-to-long-term incentive and constraint mechanism for the Grantees, aligning the interests of the Grantees closely with shareholder value, ensuring that the conduct of the Grantees remains consistent with the strategic objectives of the Company, and promoting the sustainable development of the Company; (ii) attract, retain, and motivate the talents required for achieving the Company's strategic objectives through the introduction of the Share Incentive Scheme; and (iii) foster a corporate culture and the philosophy of continuous shared development between the Grantees and the Company.

#### **2. Conditions**

The Share Option Scheme is conditional on:

- (a) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any Shares which may fall to be allotted and issued pursuant to the exercise of any Options;

- (b) the passing of the resolution(s) by the Shareholders at the AGM to approve and adopt the Share Option Scheme;
- (c) the Board grants the company's chairman or the General Manager authorized by the Chairman to formulate, implement, and terminate this Share Option Scheme; and
- (d) The company's chairman or the general manager authorized by the chairman shall be the executive manager of this Share Option Scheme, responsible for the grant plan of each phase of rewards, and determine the basis of eligibility of any of the Participants and the grant date of each phase of rewards. They shall review from time to time on the basis of each participant's contribution or potential contribution to the development and growth of the Group based on the vesting schedule and performance conditions.

### **3. Duration**

Subject to the fulfilment of the conditions above and the termination provisions in the Share Option Scheme, the Share Option Scheme shall be valid and effective until close of business on the date which falls 10 years after the Adoption Date, after which period no further Options shall be granted but the provisions of the Share Option Scheme shall in all other respects remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme and Options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with the Share Option Scheme.

### **4. The source and administration of the equity**

The source of this Share Option Scheme shall be the Shares of the Company as specifically approved by the Shareholders at the general meeting and in compliance with the relevant disclosure and other requirements under the Listing Rules, including but not limited to:

- (a) new Shares to be allotted and issued by the Company to the Trustee (including Shares to be allotted and issued under the general mandate or specific mandate granted by the Shareholders at the general meeting);
- (b) existing Shares repurchased and purchased by the Company on the market; and
- (c) treasury Shares held by the Company in accordance with relevant regulatory requirements.

The Company will, based on the actual circumstances at the time of the specific grant, ensure that the Trustee holds sufficient Shares for vesting by way of replenishing the share pool.

The Company shall appoint an independent professional institution to act as the Trustee. Irrespective of the source of the Shares, all underlying Shares shall be held by the Trustee under the Trust Deed before they are vested in the Selected Participants. The Authorized Person has the power to issue instructions to the Trustee on behalf of the Company to execute the purchase, receipt, vesting, recovery, cancellation, or disposal of the Shares.

## 5. Participants

According to “the Company Law of PRC” and other relevant laws, regulations, normative documents, and “the Articles of Association of the Company”, combined with the Company’s actual situation, In this Share Option Scheme the incentive targets will be determined basis on who will contribute or have contributed to the Company:

- (a) directors and employees of the Company or any of its subsidiaries, who must be in office during the implementation period of the Scheme;
- (b) directors and employees of the holding companies, fellow subsidiaries, or associated companies of the Company, who must be in office during the implementation period of the Share Option Scheme; and
- (c) persons (including but not limited to independent consultants and key business advisers) who have consistently and continuously provide services beneficial to the long-term development of the Company in its daily operations. The eligibility criteria for incentives and the number of grants for such service providers shall be determined by the Board at its absolute discretion, taking into account factors such as their substantial contributions to the Company’s core business development (for example, successfully advancing key pipeline research and development, achieving important business milestones, providing irreplaceable professional technical guidance, etc.).

## 6. Restrictions on granting Options

No Offer shall be made after an inside information (as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)) event has occurred or an inside information matter has been the subject of a decision or inside information has come to the Company’s knowledge, until (and including) the trading day after such inside information has been published. In particular, during the period commencing 30 days immediately preceding the earlier of (i) the date of the meeting of the Board (as such date is first notified by the Company to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to publish an announcement of its results for any year or half year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of actual publication of the results announcement, no Option may be granted. The period during which no Option may be granted will cover any period of delay in the publication of results announcement. An Offer may not be made to a Participant who is subject to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) during the periods or times in which such Participant is prohibited from dealing in the Shares pursuant to the Model Code, or any corresponding code or securities dealing restrictions adopted by the Company.

## **7. Lapse of Options**

An Option shall lapse automatically and shall not be exercisable (to the extent not already exercised) on the earliest of the occurrence of any of the following events:

- (a) any breach of laws, regulations, the Articles of Association or internal management rules of the Company by the Grantee;
- (b) any involvement in bribery, corruption, theft or disclosure of the Group's confidential information or trade secrets;
- (c) the Grantee being convicted of any criminal offense; or
- (d) any other conduct which, in the opinion of the Board, has a material adverse effect on the interests or reputation of the Group.

## **8. Clawback Mechanism**

If any of the events as set out in the section headed "Lapse of Options" occurs, or if there is a material misstatement in the financial statements of the Company, or if the Board considers that the Grantee's misconduct has caused damage to the Company's reputation, the Board and Authorised Person shall have the right to exercise a clawback against the relevant Grantee.

The Board and Authorised Person may, at its absolute discretion, to:

- (a) require the Grantee to repay all or part of the net proceeds (after tax) realized from the exercise of any Options;
- (b) instruct the Trustee to compulsorily recover, cancel, or dispose of any unexercised or unvested incentive shares under the name of the Grantee, with any proceeds therefrom belonging to the Company; and/or
- (c) cancel all or part of the outstanding Options (whether vested or unvested) granted to such Grantee.

## **9. Subscription price**

The Subscription Price shall be at least the higher of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a Business Day; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) Business Days immediately preceding the date of grant of the Options; and (c) the nominal value (or par value) of a Share; provided that in the event of fractional prices, the Subscription Price per Share shall be rounded upwards to the nearest whole cent.

## 10. Maximum Number of H Shares Available

- (a) **Scheme Mandate Limit:** The total number of Shares which may be issued in respect of all Options to be granted under this Scheme shall not exceed 10% of the total number of issued H Shares (excluding treasury shares) of the Company as at the Adoption Date (the “**Scheme Mandate Limit**”).
- (b) **Employee Sublimit:** The total number of shares involved in awards granted or to be granted to a qualified participant (including exercised, cancelled, and unexercised awards) shall not exceed 10% of the issued share capital of the company.
- (c) **Service Provider Sublimit:** The total number of Shares which may be issued in respect of all Options to be granted to the Service Providers under this Scheme shall not exceed 2% of the Scheme Mandate Limit.
- (d) **Individual Limit:** The total number of H Shares issued and to be issued in respect of all Options granted to any employee participant in any 12-month period shall not exceed 1% of the issued share capital of the Company.
  - (i) **For Employee Participants:** Not to exceed 1% of the total issued share capital of the Company in any 12-month period.
  - (ii) **For Service Providers:** Not to exceed 0.2% of the total issued share capital of the Company in any 12-month period.
- (e) **Refreshment of Mandate:** During the term of the Scheme, the Company may seek Shareholders’ approval to refresh the Scheme Mandate Limit when such limit has been fully utilized or is near exhaustion, provided that the refreshed limit shall not exceed 10% of the total number of issued Shares (excluding treasury shares) as at the date of the Shareholders’ approval of the refreshment. Any Options previously granted but not yet exercised shall not be counted for the purpose of the refreshed limit.
- (f) **Calculation Note:** For the avoidance of doubt, Shares underlying any Options which have lapsed or been cancelled shall not be counted towards the calculation of the above limits.

## 11. Performance Targets

The exercise of Options may be subject to certain performance targets. Such performance targets are determined based on the Company’s performance indicators (such as revenue growth rate, profit targets, return on net assets, and progress in the project pipeline) or individual performance evaluations. The proportion of Options that may be exercised by a Participant shall be determined by their semi-annual or annual individual or team performance appraisal results as follows:

- (a) **Grade A:** 100% of the annual or semi-annual portion of the Options shall be exercisable;
- (b) **Grade B:** 50% of the annual or semi-annual portion of the Options shall be exercisable; and

(c) **Grade C or below:** No portion of the annual or semi-annual Options shall be exercisable.

## 12. Time of exercise of options

An Option may be exercised during a period to be determined and notified to the Grantee, which period shall commence on the Offer Date and expire in any event not later than the last day of the 10-year period after the Offer Date (subject to the provisions for early termination in the Share Option Scheme).

## 13. Vesting period

**Standard Vesting Period:** Pursuant to the Scheme, the Options granted to the Grantees shall be subject to a vesting period of no less than 12 months (i.e., the Grantee must hold the Options for at least 12 months before they become vested and exercisable).

**Vesting Schedule:** The Options granted are generally divided into three batches for vesting over a three-year period, following a uniform vesting schedule for every 12-month period.

**Vesting Conditions:** The vesting of the Options is subject to the Grantee remaining in employment or service with the Group and the achievement of specific performance targets as set out in the performance appraisal under Article 4.5 of the Share Option Scheme.

**Exceptions for Shorter Vesting Period:** Notwithstanding the 12-month minimum requirement, the Board or the Authorized Person may, at its/his absolute discretion, determine a shorter vesting period under the specific circumstances set out in Article 4.3(c) of the Share Option Scheme, including:

- (a) “make-whole” grants to new joiners to replace forfeited awards from their previous employers;
- (b) grants made in batches within one year due to administrative or compliance delays;
- (c) awards with mixed or accelerated vesting arrangements (e.g., uniform vesting within 12 months); and
- (d) awards with performance-based vesting conditions instead of time-based vesting.

**Accelerated Vesting:** In the event of a change of control of the Company or other special circumstances (such as death or disability), the Board may exercise its discretion to accelerate the vesting of all or part of the unvested Options in accordance with Article 5.6 of the Scheme.

## 14. Rights attached to Options

The Shares to be allotted upon the exercise of an Option shall not carry voting rights or any right of a Shareholder in respect of Shares until completion of the registration of the Grantee (or such other person nominated by the Grantee) as the holder thereof.

## 15. Alteration

The Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (a) any alteration to the provisions of the Share Option Scheme which are of a material nature; and
- (b) any alteration to the provisions of the Share Option Scheme relating to the matters governed by Rule 17.03 of the Listing Rules to the advantage of the Grantees;

must be approved by a resolution of the Shareholders in general meeting.

### **PROPOSED MANDATE TO THE BOARD AND/OR AUTHORISED PERSON TO HANDLE MATTERS PERTAINING TO THE SHARE OPTION SCHEME**

The Board proposes to seek a mandate from the Shareholders at the AGM to authorize the Board and/or the Authorized Person to handle all matters pertaining to the Share Option Scheme with full authority.

Such mandate includes, but is not limited to, interpreting the Share Option Scheme rules, determining the Participants and terms of Options, establishing the trust and instructing the Trustee, applying for the listing of new Shares, and making necessary amendments to the Articles of Association. The mandate shall remain valid for as long as the Share Option Scheme is in effect.

### **GENERAL**

Application will be made to the Stock Exchange for approval of the listing of, and permission to deal in, the Shares to be issued or transferred (including any repurchase of Shares and transfer of treasury shares) pursuant to the exercise of any Option which may be granted under the Share Option Scheme.

The proposed adoption of the Share Option Scheme and proposed mandate to the Board and/or Authorised Person to handle matters pertaining to the Share Option Scheme is subject to the approval of the Shareholders by way of an ordinary resolution at the AGM. A circular containing, among other things, details of the Share Option Scheme (including the principal terms of the Share Option Scheme) and the proposed mandate, and the notice of the AGM will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.biostar-pharm.com](http://www.biostar-pharm.com)) in due course pursuant to the Listing Rules.

**As at the date of this announcement, the proposed adoption of the Share Option Scheme is subject to the approval of the Shareholders. Shareholders and potential investors of the Company are advised 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.

“Adoption Date”	the date on which the Share Incentive Scheme is approved and adopted by the Shareholders at the AGM
“Articles of Association”	the articles of association of the Company (as amended and modified from time to time)
“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.
“Authorised Person”	chairman of the Board or general manager authorized by the Chairman
“Board”	the board of directors of the Company
“Business Day”	any day on which securities are traded on the Stock Exchange
“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)
“Director(s)”	the director(s) of the Company
“Grantee”	any Participant who accepts an Offer in accordance with the terms of the Share Option Scheme or (where the context so permits) his personal representative(s)
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Offer”	means an offer of the grant of an Option
“Offer Date”	the date on which an Offer is made to a Participant, which must be a Business Day

“Option(s)”	option(s) to subscribe for Shares granted pursuant to the Share Option Scheme
“Participant(s)”	any directors and employees of the Company or its subsidiaries (including persons who are granted Options under the Share Option Scheme as an inducement to enter into employment contracts with the Group) who, in the sole opinion of the Board, will contribute or have contributed to the Group
“Remuneration Committee”	the remuneration committee of the Board
“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
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Share Option Scheme”	the period during which the Restricted Stock granted to the Scheme Participants under the Scheme may be conditionally transferred
“Subscription Price”	the price at which each Share subject to an Option may be subscribed for on the exercise of that Option
“subsidiary(s)”	a subsidiary (within the meaning of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong) of the Company for the time being
“treasury share(s)”	has the meaning ascribed to it under the Listing Rules. For the purposes of the Share Option Scheme, new Shares include treasury shares and the issue/subscription of new Shares includes the transfer of treasury shares
“Trustee(s)”	any other trustee(s) from time to time appointed by the Company under the Trust Deed to manage the Share Option Scheme, or any additional or substitute trustee(s)

“Trust Deed” a trust deed to be entered into between the Company and the Trustee  
(as restated, supplemented and amended from time to time)

“%” 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.*