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)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of Beijing Biostar Pharmaceuticals Co., Ltd. (the "**Company**") dated 7 May 2026 (the "**Announcement**") in relation to, among others, the Subscription. Unless the context otherwise requires, capitalised terms used herein shall have the same meaning as defined in the Announcement.

SUBSCRIPTION PRICE

The Company further discloses that:

(a) the Subscription Price was determined after arm's length negotiations between the Company and the Subscriber with reference to the prevailing market price of the Shares. The terms of the Subscription were fixed on 6 May 2026 on which the closing price of the Shares was HK$4.50 per Share.

(b) for the purpose of rule 13.36(5) of the Listing Rules, the benchmarked price is HK$4.50 per Share, which is the higher of:

  (i) the closing price of HK$4.50 per Share as quoted on the Stock Exchange on 6 May 2026 (the date on which the Subscription Price was fixed); and

  (ii) the average closing price of HK$4.45 per Share as quoted on the Stock Exchange for the five (5) consecutive business days immediately preceding the date on which the Subscription Price was fixed (from 28 April 2026 to 30 April 2026 and from 4 May 2026 to 5 May 2026).

Accordingly, the Subscription Price of HK$4.00 represents:

(a) a discount of approximately 11.11% to the closing price of HK$4.50 per Share on 6 May 2026 (the date on which the Subscription Price was fixed); and

(b) a discount of approximately 10.11% to the average closing price of HK$4.45 per Share as quoted on the Stock Exchange for the five (5) consecutive business days immediately preceding the date on which the Subscription Price was fixed (from 28 April 2026 to 30 April 2026 and from 4 May 2026 to 5 May 2026).

CLARIFICATION REGARDING THE SUBSCRIPTION

Date of the Subscription Agreement

It was stated in the Announcement that the Subscription Agreement was dated 7 May 2026. The Company clarifies that the correct date of the Subscription Agreement is 6 May 2026.

The terms of the Subscription Agreement (including the Subscription Price and the Long Stop Date) were finalized and approved by the Board after trading hours on 6 May 2026, and the Subscriber executed the agreement on the same day. The Subscription Agreement was subsequently executed by the Company before trading hours on 7 May 2026.

As the terms were fixed on 6 May 2026 and the execution was completed before the commencement of the morning trading session on 7 May 2026, the benchmarked price and the five-day average closing price as disclosed in the Announcement (which were calculated based on the trading data up to and including 6 May 2026) remain correct and unchanged in accordance with Rule 13.36(5).

Shareholders' Approval and General Mandate

The Subscription Shares will be issued under the General Mandate to be granted by the Shareholders at the AGM to be held on 26 June 2026. Apart from the passing of the resolution to grant the General Mandate at the AGM, the Subscription and the transactions contemplated under the Subscription Agreement do not require separate or specific Shareholders' approval, as the number of Subscription Shares falls within the limit of the General Mandate.

The Long Stop Date

The Company clarifies that there was a clerical error in the Announcement regarding the Long Stop Date. Pursuant to the terms of the Subscription Agreement, the Long Stop Date is defined as the 20th business day after 26 June 2026 (i.e. approximately 24 July 2026) or such other date as may be agreed by the parties thereto in writing.

The reference to the Long Stop Date as "one month after the date of the Subscription Agreement" in the Announcement was an inadvertent error. As the correct Long Stop Date is subsequent to the date of the AGM, the conditions precedent (including the grant of the General Mandate) are expected to be fulfilled on or before the Long Stop Date.

Fulfillment of Conditions Precedent and Benchmarked Price

For the avoidance of doubt, since the correct Long Stop Date remains as per the Subscription Agreement, no supplemental agreement is required to be entered into. Accordingly, there is no requirement to re-calculate the benchmarked price under Rule 13.36(5), and the benchmarked price and the discount as disclosed in the Announcement (calculated as at the date on which the Subscription Price was fixed, 6 May 2026) remain unchanged and applicable.

USE OF PROCEEDS

The Board wishes to provide supplemental information in relation intends to utilize the use of proceeds regarding the following purposes:

Research and Development of ADC Products and Platforms

The Group will allocate funds to accelerate the development of its Antibody-Drug Conjugate (ADC) technology, specifically for:

(a) In-licensing of high-potential antibodies;

(b) Process optimization and technical scale-up; and

(c) IND-enabling studies, including toxicology (Tox) reports, Chemistry, Manufacturing, and Controls (CMC), and the manufacturing of clinical trial batches.

Commercialization and Market Expansion

To further strengthen the Group's market presence in oncology, proceeds will be used for:

(a) Enhancing marketing and promotional activities for Utidelone Injection; and

(b) Commencing strategic market entrance preparations for the Utidelone Capsule, which is currently in Phase III clinical trials, to ensure rapid market penetration upon approval.

Medical Innovation and Achievement Transformation

The Group plans to leverage the proceeds for the sourcing and transformation of new innovative projects, including:

(a) Early-stage R&D and IND-enabling studies for newly introduced projects; and

(b) Pipeline Milestones: The Company aims to advance one to two (1–2) early-stage projects to the IND-enabling stage in 2027, with the objective of completing Phase I clinical studies within the subsequent two years.

General Working Capital and Daily Operations

The remaining use of proceeds will be used to support the Group's routine operating expenses to ensure stable ongoing development, including:

(a) *Staff Costs:* Salaries, bonuses, social insurance, housing funds, and professional training for the administrative and operational teams.

(b) *Administrative Expenses:* Office rental, property management, utilities, communication, and business travel/reception expenses.

(c) *General Corporate Overheads:* Professional service fees (including audit, legal, and consulting services), information system maintenance, and other costs necessary for corporate governance.

(d) *Liquidity Support:* Supplementing general working capital to ensure sufficient cash flow for daily business turnover and operational stability.

Management's Commitment

All funds allocated to daily operations will be utilized strictly in accordance with the actual operational needs of the Group. The Company will maintain prudent financial management and stringent internal control procedures to ensure the reasonable and effective use of the Net Proceeds.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The Board believes that the Subscription represents a significant milestone in the strategic partnership between the Company and the Subscriber. The key reasons and benefits are set out below:

Advancing the Proprietary ADC Platform and Drug Development

The Company is currently developing a proprietary Antibody-Drug Conjugate (ADC) platform with independent intellectual property rights. This platform innovatively utilizes Utidelone and its derivatives as payloads, combined with Topoisomerase I (Topo I) inhibitors, to develop next-generation dual-payload and multi-payload ADC drugs.

Leveraging Utidelone's potent anti-tumor activity, its ability to overcome multi-drug resistance, and its favorable safety profile, the Group's ADC pipeline demonstrates a differentiated competitive advantage in the global oncology market. The Subscription provides the necessary financial stability to accelerate the R&D and clinical progression of these innovative ADC candidates.

Synergistic Integration of Clinical R&D and Incubation Capabilities

The Company possesses extensive experience in clinical development, which creates a powerful synergy with the Subscriber's innovation achievement incubation platform. The Subscription will facilitate a deep complementarity of resources, significantly enhancing the efficiency of early-stage project transformation and clinical development. This collaboration is expected to accelerate the Group's internationalization process, bringing its innovative products to the global market more effectively.

Strengthening Commercialization Prospects and Market Performance

The Subscriber has held the exclusive marketing and promotion rights for the Group's core product, Utidelone Injection, in PRC since late 2024. This ongoing cooperation has established a solid foundation for commercial success.

The Subscription reflects the Subscriber's continued confidence in the Company's commercialization prospects. By utilizing the proceeds to further enhance the marketing and promotion of Utidelone Injection, both parties anticipate a significant increase in sales volume, creating substantial mutual value and driving the Group's revenue growth.

Conclusion

The Directors (including the independent non-executive Directors) are of the view that the terms of the Subscription Agreement are fair and reasonable, on normal commercial terms, and are in the interests of the Company and the Shareholders as a whole. The Subscription will inject new momentum into the growth of both companies and build a win-win industrial ecosystem based on shared strategic advantages.

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, 21 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.