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)

ANNOUNCEMENT ON THE RESOLUTION OF THE BOARD OF DIRECTORS

(1) CHANGES IN PRICING METHOD OF INVENTORIES

(2) ADOPTION OF THE CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

This announcement is made by the board (the "**Board**") of directors (the "**Directors**") of Beijing Biostar Pharmaceuticals Co., Ltd. (the "**Company**") pursuant to Rule 13.09 of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

To better reflect the Company's financial position and operating results, enhance the relevance and reliability of financial information, accommodate the business development needs of the Company and comply with the latest regulatory requirements, on 16 July 2025, the Board convened its seventh meeting of the second session of the Board and reviewed and approved, among other things, (1) changes in pricing method of inventories; and (2) adoption of the China Accounting Standards for Business Enterprises ("**CASBE**").

(1) CHANGES IN PRICING METHOD OF INVENTORIES

In order to reflect the cost fluctuations of inventory more objectively and timely and better align with the current business operation model, enhance the accuracy and comparability of cost accounting, thereby facilitating the management decision-making, subject to the approval by the Directors, the pricing method for issue of raw materials was amended from the original method of first-in-first-out to weighted average method with effect from 1 January 2025.

(2) ADOPTION OF THE CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

The Company has been preparing its financial statements in accordance with both CASBE and International Financial Reporting Standards ("**IFRS**") since the date on which the H Shares became listed on the Stock Exchange.

According to the "Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong (《有關接受在香港上市的內地註冊成立公司採用內地的會計及審計準則以及聘用內地會計師事務所的諮詢總結》)" issued by the Stock Exchange in December 2010, Mainland China incorporated issuers listed in Hong Kong are allowed to prepare their financial statements using CASBE, and accounting firms in Mainland China recognized by the Ministry of Finance of the People's Republic of China (the "**PRC**") and the China Securities Regulatory Commission (the "**CSRC**") are permitted to provide services using the PRC Certified Public Accountants Auditing Standards for those issuers.

In order to unify the financial disclosure standards between the PRC and Hong Kong two markets, subject to the approval by the Directors, the Company will adopt the CASBE with effect from 1 January 2025.

The Board is of the view that the changes in pricing method of inventories and adoption of the CASBE is in the interests of the Company and the Shareholders as a whole.

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
Chairperson and Executive Director

Beijing, the PRC, 16 July 2025

As at the date of this notice, 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) Dr. Meng Songdong, Mr. Shiu Shu Ming and Dr. Ye Chengang as independent non-executive Directors.