

October 9, 2025

The Board of Directors

Fujian Haixi Pharmaceuticals Co., Ltd. (福建海西新藥創制股份有限公司)

Floor 3 & 4, Block B, No. 177 Jinda Road, Jianxin Town,

Cangshan District, Fuzhou, Fujian Province, the PRC

Dear Sirs/Madams,

INSTRUCTIONS

In accordance with the instructions of Fujian Haixi Pharmaceuticals Co., Ltd. (福建海西新藥創制股份有限公司) (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) for us to carry out the valuation of the property interests (the “**Property**”) located in the People’s Republic of China (the “**PRC**”) held by the Group, we confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property as at August 31, 2025 (the “**Valuation Date**”).

BASIS OF VALUATION AND VALUATION STANDARDS

Our valuation is carried out on a market value basis, which is defined by the Royal Institution of Chartered Surveyors as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

In valuing the Property, we have complied with all the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the RICS Valuation – Global Standards 2024 published by the Royal Institution of Chartered Surveyors (“**RICS**”) and the International Valuation Standards published from time to time by the International Valuation Standards Council.

VALUATION ASSUMPTIONS

Our valuation of the Property excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of special value or costs of sale and purchase or offset for any associated taxes.

No allowance has been made in our report for any charges, mortgages or amounts owing on any of the Property valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In the course of our valuation of the Property in the PRC, we have relied on the advice given by the Group and its legal advisors, being Jingtian & Gongcheng (北京市競天公誠律師事務所, “Jingtian & Gongcheng”) and Beijing DeHeng Law Offices (北京德恒律師事務所, “DeHeng”) (hereinafter together referred to as the “PRC Legal Advisors”), regarding the title to the Property.

In valuing the Property, we have relied on a legal opinion regarding the Property provided by the PRC Legal Advisors dated October 9, 2025 (the “PRC Legal Opinion”). Unless otherwise stated, the Group has legally obtained the land use rights of the Property.

No environmental impact study has been ordered or made. Full compliance with applicable national, provincial and local environmental regulations and laws is assumed.

VALUATION METHODOLOGY

In valuing the Property, where the corresponding property was under construction as at the Valuation Date, we have assumed that it will be developed and completed in accordance with the latest development proposals provided to us by the Group. We have assumed that approvals for the proposals have been obtained. In arriving at our opinion of values, we have adopted the comparison approach by making references to land comparable sales evidence as available in the relevant market and have also taken into account the accrued construction cost and professional fees relevant to the stage of construction as at the Valuation Date and the remainder of the cost and fees expected to be incurred for completing the developments. We have relied on the accrued construction cost and professional fees information provided by the Group for the different stages of construction of the subject property as at the Valuation Date, and we did not find any material inconsistency from those of other similar developments.

TITLE INVESTIGATION

We have been provided with copies of documents in relation to the title of the Property in the PRC. Where possible, we have examined the original documents to verify the existing title to the Property in the PRC and any material encumbrance that might be attached to the Property or any tenancy amendment. All documents have been used for reference only and all dimensions, measurements and areas are approximate. In the course of our valuation, we have relied considerably on the PRC Legal Opinion given by the PRC Legal Advisors, concerning the validity of the title of the Property in the PRC.

SITE INVESTIGATION

We have inspected the exteriors and, where possible, the interior of the subject property. The site inspection was carried out on November 13, 2024 by Bobby Chan (Assistant Manager). He is a chartered surveyor and has more than 5 years' experience in valuation of properties in the PRC.

In the course of our inspection, we did not note any serious defects. However, we have not carried out an investigation on site to determine the suitability of ground conditions and services for any development thereon, nor have we conducted structural surveys to ascertain whether the property is free of rot, infestation, or any other structural defects. Additionally, no tests have been carried out on any of the utility services. Our valuation has been prepared on the assumption that these aspects are satisfactory. We have further assumed that there is no significant pollution or contamination in the locality which may affect any future developments.

SOURCE OF INFORMATION

Unless otherwise stated, we shall rely to a considerable extent on the information provided to us by the Group or the PRC Legal Advisors or other professional advisors on such matters as statutory notices, planning approvals, zoning, easements, tenures, completion date of buildings, development proposal, identification of the property, particulars of occupation, site areas, floor areas, matters relating to tenure, tenancies and all other relevant matters.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view and we have no reason to suspect that any material information has been withheld.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the property but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

LIMITING CONDITION

Wherever the content of this report is extracted and translated from the relevant documents supplied in Chinese context and there are discrepancies in wordings, those parts of the original documents will take prevalent.

CURRENCY

Unless otherwise stated, all monetary amounts stated in this report are in Renminbi (RMB).

Our valuations are summarized below and the valuation certificates are attached.

Yours faithfully,
For and on behalf of
AVISTA Valuation Advisory Limited



Vincent C B Pang
MRICS CFA FCPA FCPA Australia
RICS Registered Valuer
Managing Partner

Note: Mr. Vincent C B Pang is a member of Royal Institution of Chartered Surveyors (RICS) and a registered valuer of RICS. He has over 10 years' experience in valuation of properties including Hong Kong, the PRC, the U.S., and East and Southeast Asia.

SUMMARY OF VALUES

Property interests held for development by the Company in the PRC

No.	Property	Market value in existing state as at August 31, 2025 RMB	Interest Attributable to the Company	Market value Attributable to the Company as at August 31, 2025 RMB
1.	South Side of Jinbin Road, East Side of Zezhu Road, Changle District, Fuzhou City, Fujian Province, the PRC (中國福建省福州市長樂區 金濱路南側、澤竹路東側)	225,580,000	100%	225,580,000

VALUATION CERTIFICATE

Property interests held for development by the Company in PRC

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at August 31, 2025 RMB
1.	South Side of Jinbin Road, East Side of Zezhu Road, Changle District, Fuzhou City, Fujian Province, the PRC (中國福建省福州市長樂區金濱路南側、澤竹路東側)	<p>The property comprises a parcel of land with a site area of approximately 56,352.00 sq.m. which is being developed into an industrial development with a total planned gross floor area of approximately 90,102.11 sq.m.</p> <p>As at the Valuation Date, portions of the property were under development and were scheduled to be completed in September 2025 (the "Phase 1 Development"). Upon completion, the Phase 1 Development will have a total planned gross floor area of approximately 51,552.56 sq.m.</p> <p>As advised by the Group, the total construction cost of the Phase 1 Development was estimated to be approximately RMB205,090,285 of which RMB203,929,866 had been paid as at the Valuation Date.</p> <p>The remaining portions of the property were a parcel of vacant land held for future development (the "Development Land"). Upon completion, the Development Land will have a total planned gross floor area of approximately 38,549.55 sq.m. As at the Valuation Date, no construction works have been commenced on the Development Land.</p> <p>The property is located in Changle District, Fuzhou City, with approximately 7.3 km to Changle East Railway Station and 16.4 km to Fuzhou Changle International Airport.</p> <p>The land use rights of the property have been granted for a term expiring on January 15, 2073 for industrial use.</p>	<p>As at the Valuation Date, the Phase 1 Development was under construction, and the Development Land was vacant land held for future development.</p>	<p>225,580,000 (100% interest attributable to the Company: 225,580,000)</p>

Notes:

1. Pursuant to a Land Use Rights Grant Contract – No. 35018220221027G023 dated October 27, 2022 between Fuzhou Bureau of Natural Resources and Planning (福州市長樂區自然資源和規劃局) and Haixi New Drug Creation (Fuzhou) Co., Ltd. (海西新藥創制(福州)有限公司, “Haixi New Drug”), in which the Company holds a direct ownership stake of 100%, the land use rights of a parcel of land with a site area of approximately 56,352.00 sq.m. have been granted to Haixi New Drug for a term of 50 years for industrial use at a total land premium of approximately RMB26,100,000.

As revealed from the aforesaid contract, the property is subject to the following material development conditions:

Permitted Use	:	Industrial
Plot Ratio	:	≥ 1.3 and ≤ 2.0
Height Restriction	:	≤ 50m
Greening Rate	:	≥ 15% and ≤ 20%

2. Pursuant to a Real Estate Ownership Certificate (for land) – Min (2023) Chang Le Qu Bu Dong Chan Quan Di No. 0002778 issued by the Fuzhou Bureau of Natural Resources and Planning, the land use rights of the property with a total site area of approximately 56,352.00 sq.m. have been granted to Haixi New Drug, for a term expiring on January 15, 2073 for industrial use.
3. Pursuant to a Construction Land Planning Permit – Di Zi Di No. 350182202300004, permission for the planning of a land parcel with a total site area of approximately 56,352.00 sq.m. has been granted to Haixi New Drug.
4. Pursuant to a Construction Works Planning Permit – Jian Zi Di No. 350182202300077 in favour of Haixi New Drug, the construction work of the portion of the Development with a total gross floor area of approximately 61,713.13 sq.m. has been approved for construction.

As confirmed by the Group, the property comprises a portion of the abovementioned permit.

5. Pursuant to a Construction Work Commencement Permit – No. 350112202306160101, in favour of Haixi New Drug, permission has been given by the relevant local authority to commence the construction work of the portion of the Development with a total gross floor area of approximately 61,713.13 sq.m.

As confirmed by the Group, the property comprises a portion of the abovementioned permit.

6. We have been provided with the PRC Legal Opinion, which contains, inter alia, the following: –
 - a. Haixi New Drug has fully settled all land premium and legally and validly obtained the land use rights of the property under the terms of the Real Estate Ownership Certificate (for land); and
 - b. The land use rights of the property have not been pledged, mortgaged or seized.
7. Our valuation has been made on the following basis and analysis:

In our valuation of the land use rights, we have considered and analyzed 4 land sale comparables in the vicinity. The site values of the land sales range from RMB525 to RMB528 per sq.m. for industrial use. The unit rate adopted in the valuation is consistent with the unit rates of the relevant comparables after due adjustments in terms of location, time and size, etc.

Regarding the building portion, the current replacement cost of the building is assessed by determining the construction cost of a modern substitute building with the same service capacity as the building which is being valued. The adjusted replacement cost for industrial buildings ranges from RMB2,680 per sq.m. to RMB4,790 per sq.m. The replacement cost adopted in the valuation is consistent with the findings of our research.