

2 December 2025

The Board of Directors

Shanghai Bao Pharmaceuticals Co., Ltd. (上海寶濟藥業股份有限公司)

No. 28 Luoxin Road, Baoshan District

Shanghai, PRC

Dear Sirs/Madams,

INSTRUCTIONS

In accordance with the instructions of Shanghai Bao Pharmaceuticals Co., Ltd. (上海寶濟藥業股份有限公司) (the “Company”) and its subsidiaries (hereinafter together referred to as the “Group”) for us to carry out the valuation of the property interests (the “Properties”) located in the People’s Republic of China (the “PRC”) held by the Company, 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 Properties as at 30 September 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 Properties, 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 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.

CATEGORISATION OF PROPERTY INTERESTS

In the course of our valuation, the appraised Properties have been categorized according firstly to type of interests held by the Company, which in turn being classified into the following groups:

Group I — Property interests held for owner occupation by the Company in the PRC

Group II — Property interests held for development by the Company in the PRC

VALUATION ASSUMPTIONS

Our valuation of the Properties 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 Properties valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In the course of our valuation of the Properties in the PRC, we have relied on the advice given by the Group and its legal advisor, being Beijing DeHeng Law Offices (北京德恒律師事務所) (the “PRC Legal Advisor”), regarding the titles to the Properties.

In valuing the Properties, we have relied on a legal opinion regarding the Properties provided by the PRC Legal Advisor dated 26 November 2025 (the “PRC Legal Opinion”). Unless otherwise stated, the Company has legally obtained the land use rights of the Properties.

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 interests in Group I, due to the nature of the buildings and structures of the subject property, there are no market sales comparables readily available. We have valued the property interests on the basis of their depreciated replacement cost. Depreciated replacement cost is defined as “*the current cost of replacing an asset with its modern equivalent asset less deduction for physical deterioration and all relevant forms of obsolescence and optimization*”. It is based on an estimation of the market value for the existing use of the land, plus the current cost of replacement (reproduction) of the building, including the improvements, less deductions for physical deterioration and all relevant forms of obsolescence and optimization.

In valuing the property interests in Group II, 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 properties 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 Properties in the PRC. Where possible, we have examined the original documents to verify the existing title to the Properties in the PRC and any material encumbrance that might be attached to the Properties 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 Advisor, concerning the validity of the title of the Properties in the PRC.

SITE INVESTIGATION

We have inspected the exteriors and, where possible, the interior of the subject properties. The site inspection was carried out on 10 December 2024 by Turman Cheung (Manager) and Yerna Liu (Senior Analyst). They have more than 3 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 subject properties are 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 Advisor or other professional advisers on such matters as statutory notices, planning approvals, zoning, easements, tenures, completion date of buildings, development proposal, identification of the properties, 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 properties 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

Group I — Property interests held for owner occupation by the Company in the PRC

No.	Property	Market value in existing state as at 30 September 2025 <i>RMB</i>	Interest Attributable to the Company	Market value Attributable to the Company as at 30 September 2025 <i>RMB</i>
1.	No. 28 and 50 Luoxin Road Baoshan District Shanghai City the PRC (中國上海市寶山區羅新 路28及50號)	191,010,000	100%	191,010,000
Sub-total:		191,010,000		191,010,000

Group II — Property interests held for development by the Company in the PRC

No.	Property	Market value in existing state as at 30 September 2025 <i>RMB</i>	Interest Attributable to the Company	Market value Attributable to the Company as at 30 September 2025 <i>RMB</i>
2.	No. 555 Luoxin Road (East) Baoshan District Shanghai City the PRC (中國上海市寶山區羅新 東路555號)	412,440,000	100%	412,440,000
Sub-total:		412,440,000		412,440,000
Grand-total:		603,450,000		603,450,000

VALUATION CERTIFICATE

Group I — Property interests held for owner occupation by the Company in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2025
				RMB
1.	No. 28 and 50 Luoxin Road Baoshan District Shanghai City the PRC (中國上海市寶山區羅新路28及50號)	<p>The property comprises seven 1- to 3-storey industrial buildings, with a total gross floor area of approximately 23,974.13 sq.m.</p> <p>The property was held for owner occupation as at the Valuation Date.</p> <p>As advised by the Group, the property was completed in 2007.</p> <p>The classification, usage and area details are set out in Note 3.</p> <p>The property is located at Luoxin Road in Baoshan District of Shanghai City, with approximately 5 km to Meilan Lake Station of Shanghai Metro and 35 km to Shanghai Hongqiao International Airport.</p> <p>The land use rights of the property have been granted for a term expiring on 13 December 2055 for industrial use.</p>	<p>The property was occupied by the Group as at the Valuation Date for biopharmaceutical purpose.</p>	<p>191,010,000</p> <p>(100% interest attributable to the Company: 191,010,000)</p>

Notes:

- Pursuant to a sale and purchase agreement dated 6 September 2021 (the "S&P") between Shanghai Jingfeng Pharmaceutical Co., Ltd. (上海景峰製藥有限公司, "Shanghai Jingfeng") and Shanghai Bao Pharmaceuticals Co., Ltd. (上海寶濟藥業股份有限公司, formerly known as 上海寶濟藥業有限公司, the "Company"), the property was contracted to be purchased by the Company at a total consideration of RMB203,000,000.
- Pursuant to a Real Estate Ownership Certificate — Hu (2023) Bao Zi Bu Dong Chan Quan Di No. 038465 issued by the Shanghai Bureau of Natural Resources Title Confirmation and Registration (上海市自然資源確權登記局), the land use rights of the property with a total site area of approximately 62,777.10 sq.m. for a term expiring on 13 December 2055 for industrial use and the building ownership of the property with a total gross floor area of approximately 23,974.13 sq.m. for industrial use have been vested in the Company.

3. As advised by the Group, the details of the property are set out as below:

Classification	Usage	Gross Floor Area (sq.m.)
Group I — Property interests held for owner occupation by the Company in the PRC	Industrial	22,634.62
	Ancillary Facilities	1,339.51
	Total:	23,974.13

4. We have been provided with the PRC Legal Opinion, which contains, inter alia, the following:—

- a. The Company has obtained the land use rights and the building ownership of the property under the terms of the Real Estate Ownership Certificate;
- b. In addition to the building with a total gross floor area of approximately 23,974.13 sq.m., there are three unfinished buildings (the “Construction-in-progress”) and temporary structures with a total gross floor area of approximately 500 sq.m. (the “Temporary Structures”) on the site for which proper ownership certificates have not been issued.

- i. According to the S&P, buildings without proper ownership certificates were excluded from the transaction. As per the relevant construction permits, the Construction-in-progress was constructed by Shanghai Jingfeng. The Company was neither involved in the construction process, occupation or use of the Construction-in-progress, nor the owner of the Construction-in-progress. In the event of any administrative penalties related to the Construction-in-progress, the liable parties would be Shanghai Jingfeng and the construction works contractor, as confirmed by local governmental authorities.

As of the Latest Practicable Date, the Company has not received any rectification instructions, or been investigated or penalized in related to breaches of laws. The risk of administrative penalties is deemed low, with no significant adverse impact foreseen on the Company’s production and operations; and

- ii. The Temporary Structures are not utilized for major production or operational activities. The Company has not been penalized in related to the Temporary Structures. No significant adverse impact is foreseen on the Company’s production and operations.

- c. The property has been pledged to Baoshan Branch of Shanghai Pudong Development Bank Co., Ltd. (上海浦東發展銀行股份有限公司寶山支行).

5. In the course of our valuation, we assume that the property is transferable without legal impediment.

6. 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 adjusted site values of the land sales range from RMB1,520 to RMB2,420 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 costs range from RMB4,270 per sq.m. to RMB5,230 per sq.m. for fully fitted industrial buildings based on our research of the local construction costs. The replacement cost adopted in the valuation is consistent with the findings of our research.

VALUATION CERTIFICATE

Group II — Property interests held for development by the Company in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2025
				RMB
2.	No. 555 Luoxin Road (East) Baoshan District Shanghai City the PRC (中國上海市寶山區 羅新東路555號)	<p>The property comprises a parcel of land with a site area of approximately 36,860.50 sq.m. which is being developed into an industrial development.</p> <p>As at the Valuation Date, the property was under development and was scheduled to be completed and operational in Q2 2026. Upon completion, the property will have a total planned gross floor area of approximately 73,836.10 sq.m.</p> <p>As advised by the Group, the total construction cost of the property was estimated to be approximately RMB432,492,300 of which RMB356,043,809 had been paid as at the Valuation Date.</p> <p>The classification, usage and area details are set out in Note 6.</p> <p>The property is located at Luoxin Road (East) in Baoshan District of Shanghai City, with approximately 5 km to Meilan Lake Station of Shanghai Metro and 35 km to Shanghai Hongqiao International Airport.</p> <p>The land use rights of the property have been granted for a term expiring on 16 August 2070 for industrial use.</p>	As at the Valuation Date, the property was under construction.	<p>412,440,000</p> <p>(100% interest attributable to the Company: 412,440,000)</p>

Notes:

- Pursuant to a Land Use Rights Grant Contract — Hu Bao Gui Hua Zi Yuan (2020) Chu Rang He Tong Di No. 28 dated 6 August 2020 between the Shanghai Baoshan Municipal Bureau of Planning and Natural Resources (上海市寶山區規劃和自然資源局) and Shanghai Bao Pharmaceuticals Co., Ltd. (上海寶濟藥業股份有限公司, formerly known as 上海寶濟藥業有限公司, the “Company”), the land use rights of a parcel of land with a site area of approximately 36,860.50 sq.m. have been granted to the Company for a term of 50 years for industrial use at a total land premium of approximately RMB55,300,000.

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

Permitted Use	:	Industrial
Plot Ratio	:	2.0
Maximum Permitted Gross Floor Area	:	74,507.61 sq.m.
Height Restriction	:	≤30m
Minimum Site Coverage of Greenery	:	20%
Other Material Restrictions	:	The Company is prohibited from constructing buildings for non-production purposes, such as houses, residential flats or hostels.

2. Pursuant to a Real Estate Ownership Certificate — Hu (2025) Bao Zi Bu Dong Chan Quan Di No. 037958 issued by the Shanghai Bureau of Natural Resources Title Confirmation and Registration (上海市自然資源確權登記局), the land use rights of the property with a total site area of approximately 36,860.50 sq.m. for a term expiring on 16 August 2070 for industrial use and the building ownership of the property with a total gross floor area of approximately 73,836.10 sq.m. for industrial use have been vested in the Company.
3. Pursuant to a Construction Land Planning Permit — Hu Bao Di (2020) No. EA310113202000636, permission for the planning of a land parcel with a total site area of approximately 36,860.50 sq.m. has been granted to the Company.
4. Pursuant to a Construction Works Planning Permit — Hu Bao Jian (2021) No. FA310113202100559 in favour of the Company, the construction work of the property with a total gross floor area of approximately 74,507.61 sq.m. has been approved for construction.

Further pursuant to a legal document — Hu Bao Gui Hua Zi Yuan Xu Jian Bian [2023] No. 68, the Shanghai Baoshan Municipal Bureau of Planning and Natural Resources (上海市寶山區規劃和自然資源局) has approved the application of the Company to relax the maximum permitted gross floor area from approximately 74,507.61 sq.m. to approximately 74,723.21 sq.m.

5. Pursuant to a Construction Work Commencement Permit — No. 310113202404080101 in favour of the Company, permission has been given by the relevant local authority to commence the construction work of the property with a total gross floor area of approximately 74,723.21 sq.m.
6. Pursuant to a Land and Building Title Investigation Report — Fang-Bao Ce-25-7901 issued by the Real Estate Trade Center of Baoshan District (上海市寶山區房地產交易中心), the total gross floor area of the property was surveyed to be approximately 73,836.10 sq.m.
7. As advised by the Group, the details of the property are set out as below:

Classification	Usage	Gross Floor Area (sq.m.)
Group II — Property interests held for development by the Company in the PRC	Industrial	56,976.72
	Ancillary Facilities	11,684.08
	Carpark	5,175.30
	Total:	73,836.10

8. We have been provided with the PRC Legal Opinion, which contains, inter alia, the following:—
 - a. The Company has obtained the land use rights of the property under the terms of the Real Estate Ownership Certificate;
 - b. The Company has obtained the necessary approvals and permissions for the corresponding stages of the construction of the property; and
 - c. The property has been pledged to Shanghai Rural Commercial Bank Co., Ltd. (Branch in Songjiang) (上海農村商業銀行股份有限公司松江支行).

9. In the course of our valuation, we assume that the property is transferable without legal impediment.

10. 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 adjusted site values of the land sales range from RMB1,780 to RMB2,830 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 costs range from RMB4,800 per sq.m. to RMB5,630 per sq.m. for fully fitted industrial buildings and from RMB6,710 per sq.m. to RMB7,980 per sq.m. for basement based on our research of the local construction costs. The replacement cost adopted in the valuation is consistent with the findings of our research.