

APPENDIX III

PROPERTY VALUATION REPORT

The following is the text of a letter, a summary of values and valuation certificates prepared for the purpose of incorporation in this document received from AVISTA Valuation Advisory Limited, an independent valuer, in connection with its valuation as at [30 April 2026] of the property interests held by the Company.



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[●] 2026

The Board of Directors

Ziyond Pharmaceutical Co., Ltd. (江蘇知原藥業股份有限公司)

No. 35 Jingxin Road, Xibei Town Industrial Park,
Xishan District, Wuxi City, Jiangsu Province,
the PRC

Dear Sirs/Madams,

INSTRUCTIONS

In accordance with the instructions of Ziyond Pharmaceutical Co., Ltd. (江蘇知原藥業股份有限公司) (the “Company”) 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 April 2026] (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 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.

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

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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 Company and its legal advisors, being Zhong Lun Law Firm (北京市中倫律師事務所) (the “PRC Legal Advisors”), regarding the title to the Properties.

In valuing the Properties, we have relied on a legal opinion regarding the Properties provided by the PRC Legal Advisors dated [●] (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 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 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 Company. 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 reference 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 Company 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 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 Advisors, concerning the validity of the title of the Properties in the PRC.

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SITE INVESTIGATION

We have inspected the exteriors and, where possible, the interior of the subject properties. The site inspection was carried out on 05 June 2026 by Arya Lin (Manager) and Zoey Zhuang (Senior Analyst). Arya Lin is a public valuer. They have over 5 years and 3 years of experience, respectively, 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 Company, 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 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 Company. We have also sought confirmation from the Company 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 15 years' experience in valuation of properties including Hong Kong, the PRC, the U.S., and East and Southeast Asia.

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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 April 2026] <i>RMB</i>	Interest Attributable to the Company	Market value Attributable to the Company as at [30 April 2026] <i>RMB</i>
1.	No. 35 Jingxin Road, Xibei Town, Xishan District, Wuxi City, Jiangsu Province, the PRC (中國江蘇省無錫市 錫山區錫北鎮涇新路35號)	[174,880,000]	100%	[174,880,000]
	Sub-total:	<u>[174,880,000]</u>		<u>[174,880,000]</u>

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

No.	Property	Market value in existing state as at [30 April 2026] <i>RMB</i>	Interest Attributable to the Company	Market value Attributable to the Company as at [30 April 2026] <i>RMB</i>
1.	East of Xixin Road, North of Jingxin Road, Xibei Town, Xishan District, Wuxi City, Jiangsu Province, the PRC (中國江蘇省無錫市錫山區錫北鎮西新路 東、涇新路北)	[317,990,000]	100%	[317,990,000]
	Sub-total:	<u>[317,990,000]</u>		<u>[317,990,000]</u>
	Grand-total:	<u>[492,870,000]</u>		<u>[492,870,000]</u>

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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 April 2026] <i>RMB</i>
1.	No. 35 Jingxin Road, Xibei Town, Xishan District, Wuxi City, Jiangsu Province, the PRC (中國江蘇省無錫市錫山區錫北鎮涇新路35號)	<p>The property comprises ten industrial buildings ranging from 1 to 3 storeys, with a total gross floor area of approximately 32,682.05 sq.m.</p> <p>The property was held for owner occupation as at the Valuation Date.</p> <p>As advised by the Company, the property was completed in phases between 2014 and 2023.</p> <p>The property is located on Jingxin Road in Xishan District of Wuxi City, with approximately 12 km from Wuxi East Railway Station and 26 km from Sunan Shuofang International Airport.</p> <p>The land use rights of the property have been granted for a term expiring on 21 March 2062 for industrial use.</p>	<p>The property was occupied by the Company as at the Valuation Date for pharmaceutical purposes.</p>	<p>[174,880,000]</p> <p>(100% interest attributable to the Company): [174,880,000])</p>

Notes:

- Pursuant to a Real Estate Ownership Certificate – Su (2024) Wu Xi Shi Bu Dong Chan Quan Di No. 0039196 issued by the Wuxi Natural Resources and Planning Bureau (無錫市自然資源和規劃局), the land use rights of the property with a total site area of approximately 37,746.00 sq.m. for a term expiring on 21 March 2062 for Industrial use and the building ownership of the property with a total gross floor area of approximately 32,682.05 sq.m. for Industrial use have been vested in Ziyond Pharmaceutical Co., Ltd. (江蘇知原藥業股份有限公司, “Ziyond”).
- In undertaking our valuation, we have assigned no commercial value to the structure with a total gross floor area of approximately 338.50 sq.m. since Ziyond has yet to obtain proper title certificates for building ownership. For reference purposes, we are of the opinion that the estimated value of the rights-of-use of the structure as at the Valuation Date would be RMB420,000, assuming the rights-of-use could be freely transferable in the market without legal impediments.
- As advised by the Company, 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	24,130.32
	Warehouse	3,137.34
	Office	4,186.35
	Ancillary	1,228.04
	Total:	32,682.05

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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 Certificates; and
 - b. The property has not been mortgaged, seized or subject to any other encumbrances.
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 3 land sale comparables in the vicinity. The adjusted site values of the land sales range from RMB543 to RMB544 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 RMB4,900 per sq.m. to RMB5,900 per sq.m. for industrial buildings, from RMB4,200 per sq.m. to RMB4,500 per sq.m. for warehouses, from RMB5,400 per sq.m. to RMB5,800 per sq.m. for office buildings, and from RMB5,200 per sq.m. to RMB7,100 per sq.m. for ancillary 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.

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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 April 2026] <i>RMB</i>
1.	East of Xixin Road, North of Jingxin Road, Xibei Town, Xishan District, Wuxi City, Jiangsu Province, the PRC (中國江蘇省無錫市錫山區錫北鎮西新路東、涇新路北)	<p>The property comprises a parcel of land with a site area of approximately 81,814.00 sq.m. which is being developed into an industrial development with a total planned gross floor area of approximately 48,274.00 sq.m. (the “Development”).</p> <p>As at the Valuation Date, the property was under development and was scheduled to be completed in August 2026. Upon completion, the property will have a total planned gross floor area of approximately 48,274.00 sq.m.</p> <p>As advised by the Company, the total construction cost of the property was estimated to be approximately RMB291,095,210 of which RMB118,498,616 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 Development is located on Xixin Road in Xishan District of Wuxi City, with approximately 12 km from Wuxi East Railway Station and 26 km from Sunan Shuofang International Airport</p> <p>The land use rights of the Development have been granted for a term expiring on 08 August 2074 for industrial use.</p>	As at the Valuation Date, the property was under construction.	[317,990,000] (100% interest attributable to the Company: [317,990,000])

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Notes:

- Pursuant to a Land Use Rights Grant Contract – 3202832024CR0016 dated 05 August 2024 between Wuxi Natural Resources and Planning Bureau (無錫市自然資源和規劃局) and Ziyond Pharmaceutical Co., Ltd. (江蘇知原藥業股份有限公司, “Ziyond”), the land use rights of a parcel of land with a site area of approximately 81,814.00 sq.m. have been granted to Ziyond for a term of 50 years for industrial use at a total land premium of approximately RMB49,090,000.

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

Permitted Use	:	Industrial
Plot Ratio	:	≥1.5
Minimum Permitted Accountable	:	122,721 sq.m.
Gross Floor Area		
Site Coverage	:	To be determined based on the approved planning scheme
Greening Rate	:	To be determined based on the approved planning scheme
Height Restriction	:	No height limit, subject to relevant provincial and municipal codes.
Building Covenant	:	To commence construction before 13 August 2025 and to complete construction before 13 August 2027

- Pursuant to a Real Estate Ownership Certificate (for land) – Su (2024) Wu Xi Shi Bu Dong Chan Quan Di No. 0131506 issued by the Wuxi Natural Resources and Planning Bureau (無錫市自然資源和規劃局), the land use rights of Development with a total site area of approximately 81,814.00 sq.m. have been granted to Ziyond, for a term expiring on 08 August 2074 for industrial use.
- Pursuant to a Construction Land Planning Permit – Di Zi Di No. 3202052024YG0058486, permission for the planning of a land parcel with a total site area of approximately 81,814.00 sq.m. has been granted to Ziyond.
- Pursuant to 2 Construction Works Planning Permits – Jian Zi Di No. 3202052024GG0144411 and Jian Zi Di No. 3202052025GG0030519 in favour of Ziyond, the construction work of the Development with a total gross floor area of approximately 48,274.00 sq.m. has been approved for construction.
- Pursuant to 2 Construction Work Commencement Permits – No. 320205202412310201 and No. 320205202504100101 in favour of Ziyond, permission has been given by the relevant local authority to commence the construction work of the Development with a total gross floor area of approximately 48,274.00 sq.m.
- As advised by the Company, the details of the property are set out as below:

Classification	Usage	Planned Gross Floor Area (sq.m.)
Group II – Property interests held for development by the Company in the PRC	Industrial	20,759.00
	Warehouse	12,611.00
	Office	11,384.00
	Ancillary	3,520.00
	Total:	48,274.00

- We have been provided with the PRC Legal Opinion, which contains, inter alia, the following: -
 - The Company has obtained the land use rights of the property under the terms of the Real Estate Ownership Certificates;
 - The Company has obtained the necessary approvals and permissions for the corresponding stages of the construction of the property; and
 - The land use rights of the property has been mortgaged to China Merchants Bank Co., Ltd., Wuxi Branch (招商銀行股份有限公司無錫分行);
 - The property has not been subject to any other encumbrances.
- In the course of our valuation, we assume that the property is transferable without legal impediment.
- Our valuation has been made on the following basis and analysis:

In our valuation of the land use rights, we have considered and analyzed 3 land sale comparables in the vicinity. The adjusted site values of the land sales range from RMB595 to RMB596 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 RMB5,900 per sq.m. to RMB6,800 per sq.m. for industrial buildings, from RMB5,200 per sq.m. to RMB5,400 per sq.m. for warehouses, from RMB6,900 per sq.m. to RMB7,500 per sq.m. for office buildings, and from RMB6,200 per sq.m. to RMB8,000 per sq.m. for ancillary 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.