

The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this prospectus received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, in connection with its valuation as at 31 October 2019 of the property interest held by Alphamab Oncology.



仲量聯行

Jones Lang LaSalle Corporate Appraisal and Advisory Limited
7/F One Taikoo Place 979 King's Road Hong Kong
tel +852 2846 5000 fax +852 2169 6001
Licence No.: C-030171

2 December 2019

The Board of Directors
Alphamab Oncology
Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Dear Sirs,

In accordance with your instructions to value the property interest held by Alphamab Oncology (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) in the People’s Republic of China (the “**PRC**”), we confirm that we have carried out inspections, 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 interest as at 31 October 2019 (the “**valuation date**”).

Our valuation is carried out on a market value basis. Market value is defined 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 interest in Group I which is currently under development, we have assumed that it will be developed and completed in accordance with the latest development proposals provided to us by the Group. In arriving at our opinion of values, we have adopted the comparison approach by making reference to 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 development. We have relied on the accrued construction cost and professional fees information provided by the Group as at the valuation date, and we did not find any material inconsistency from those of other similar developments.

For the purpose of our valuation, property under development is that for which the Construction Work Commencement Permit(s) has (have) been issued while the Construction Work Completion and Inspection Certificate(s)/Table(s) of the building(s) has (have) not been issued.

We have valued the property interest in Group II which is held for future development by the Group by the comparison approach assuming sale of the property interest in its existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the market. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

For the purpose of our valuation, property for future development is that the Construction Work Commencement Permits are not issued while the State-owned Land Use Rights Certificates/Real Estate Title Certificates have been obtained.

Our valuation has been made on the assumption that the seller sells the property interest in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the value of the property interest.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interest valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

In valuing the property interest, we have complied with all requirements contained 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 RICS Valuation – Global Standards 2017 published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards published by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings and all other relevant matters.

We have been shown copies of title documents including Real Estate Title Certificate and other official plans relating to the property interest and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interest in the PRC and any material encumbrance that might be attached to the property interest or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC Legal Adviser – Commerce & Finance Law Offices, concerning the validity of the property interest in the PRC.

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.

We have inspected the exterior and, where possible, the interior of the property. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory and that no unexpected cost and delay will be incurred during construction. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the property is free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

The site inspection was carried out in April 2019 by Mr. Eric Lu. He has more than 2 years' experience in the valuation of properties in the PRC and possesses academic background in subjects relating to real estate.

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 arrive an informed view, and we have no reason to suspect that any material information has been withheld.

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

Our valuation certificate is attached below for your attention.

Yours faithfully,
For and on behalf of

Jones Lang LaSalle Corporate Appraisal and Advisory Limited

Eddie T. W. Yiu

MRICS MHKIS RPS (GP)

Senior Director

Notes: Eddie T. W. Yiu is a Chartered Surveyor who has 25 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region.

VALUATION CERTIFICATE

Property interest held by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 October 2019
			<i>RMB</i>
A parcel of land and 4 buildings under construction located at the south-eastern side of the junction of Fengli Road and Fangzhou Road Suzhou Industrial Park Suzhou City Jiangsu Province The PRC	<p>The property is located at the south-eastern side of the junction of Fengli Road and Fangzhou Road in Suzhou Industrial Park. It is well-served by public transportation with about 15 minutes' driving distance to Suzhou Park Railway Station and about 40 minutes' driving distance to Suzhou City Centre. The locality of the property is a high-tech industrial area.</p> <p>The site area of the land parcel of the property is approximately 50,001.45 sq.m. The property comprises 4 buildings which were being constructed on portion of the aforesaid land parcel as at the valuation date ("Part A").</p> <p>Part A will be developed into 3 industrial buildings and a composite building with a total planned gross floor area of approximately 53,867 sq.m. and it is scheduled to be completed in December 2019. As advised by the Group, the maximum plot ratio accountable gross floor area of this portion of land parcel is approximately 63,763.95 sq.m.</p> <p>As advised by the Group, the construction cost of Part A is estimated to be approximately RMB246,900,000, of which approximately RMB163,200,000 had been paid up to the valuation date.</p> <p>The land use rights of the property have been granted for a term expiring on 19 November 2065 for industrial use.</p> <p>In addition to Part A, the property also comprises 3 industrial buildings and various ancillary buildings with a total planned gross floor area of approximately 24,105 sq.m. which will be constructed on the remaining portion of the subject land parcel ("Part B"). As advised by the Group, the maximum plot ratio accountable gross floor area of this portion of land parcel is approximately 36,238.95 sq.m. The construction of Part B had not been commenced as at the valuation date.</p> <p>The classification, usage and gross floor area details of the property are set out in note 6.</p>	As at the valuation date, Part A was under construction and Part B was bare land.	230,600,000

Notes:

- Pursuant to a State-owned Land Use Rights Grant Contract – No. 3205032015CR0023 dated 20 November 2015, the land use rights of a parcel of land with a site area of approximately 50,001.45 sq.m. were contracted to be granted to Jiangsu Alphamab Biopharmaceuticals Co., Ltd. (江蘇康寧傑瑞生物製藥有限公司, "Jiangsu Alphamab", a wholly-owned subsidiary of the Company) for a term of 50 years for industrial use. The maximum plot ratio accountable gross floor area is approximately 100,002.90 sq.m. The land premium was RMB24,010,000.

2. Pursuant to a Construction Land Planning Permit – Di Zi Di No. C20150009-01, permissions towards the planning of a parcel of land with a site area of approximately 5 hectares have been granted to Jiangsu Alphamab.
3. Pursuant to a Real Estate Title Certificate – Su (2017) Su Zhou Gong Ye Yuan Qu Bu Dong Chan Quan Di No. 0000022, the land use rights of a parcel of land with a site area of approximately 50,001.45 sq.m. have been granted to Jiangsu Alphamab for a term expiring on 19 November 2065 for industrial use.
4. Pursuant to 2 Construction Work Planning Permits – Jian Zi Di Nos. 20170769 and 20190551 in favour of Jiangsu Alphamab, Part A of the property with a total gross floor area of approximately 54,679 sq.m. have been approved for construction.
5. Pursuant to a Construction Work Commencement Permit – No. 320594201802080201 in favour of Jiangsu Alphamab, permissions by the relevant local authority were given to commence the construction of Part A of the property with a total gross floor area of approximately 53,867 sq.m.
6. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

<u>Group</u>	<u>Usage</u>	<u>Planned Gross Floor Area</u> <i>(sq.m.)</i>	<u>No. of car parking space</u>
Group I – held under development by the Group	Industrial	34,438	
	Composite building	5,948	
	Ancillary	791	
	Basement	12,690	254
	Sub-total:	<u>53,867</u>	<u>254</u>
Group II – held for future development by the Group	Industrial	23,555	
	Ancillary	550	
	Sub-total:	<u>24,105</u>	<u>N/A</u>
	Total:	<u><u>77,972</u></u>	<u><u>254</u></u>

7. The market value of Part A as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB287,900,000.
8. Our valuation has been made on the following basis and analysis:
In undertaking our valuation, we have made reference to sale prices of land within the locality which have the similar characteristics comparable to the property. The accommodation value of these comparable land sites ranges from RMB210 to RMB250 per sq.m. basis for industrial use. Appropriate adjustments and analysis are considered to the differences in location, size and other characters between the comparable properties and the property to arrive at our assumed unit rate.
9. Pursuant to a Mortgage Contract of Maximum Amount and a supplementary agreement (together as the “Contracts”), the property is subject to a mortgage in favour of Shanghai Pudong Development Bank Co., Ltd., Suzhou Branch (the “Bank”), as securities to guarantee the principal obligations under the Contracts for a total amount of RMB111,402,682 with the loan term from 13 April 2018 to 13 April 2023.
10. We have been provided with a legal opinion regarding the property interest by the Company’s PRC Legal Adviser, which contains, *inter alia*, the following:
 - a. Within the land use rights terms, Jiangsu Alphamab legally owns the land use rights of the property. The land use rights of the property are subject to a mortgage in favour of the Bank. Subject to the mortgage of the land use rights, Jiangsu Alphamab has the rights to occupy, use, lease, mortgage or otherwise dispose of the land use rights of the property in accordance with PRC laws and regulations; and
 - b. Jiangsu Alphamab has obtained the requisite approvals and permits in respect of the development and construction of Part A of the property.

11. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date
	<i>(RMB)</i>
Group I – held under development by the Group in the PRC	222,300,000
Group II – held for future development by the Group in the PRC	<u>8,300,000</u>
Total:	<u><u>230,600,000</u></u>