



2025 M&A Briefing

Adicon Holdings Ltd



The Acquisition

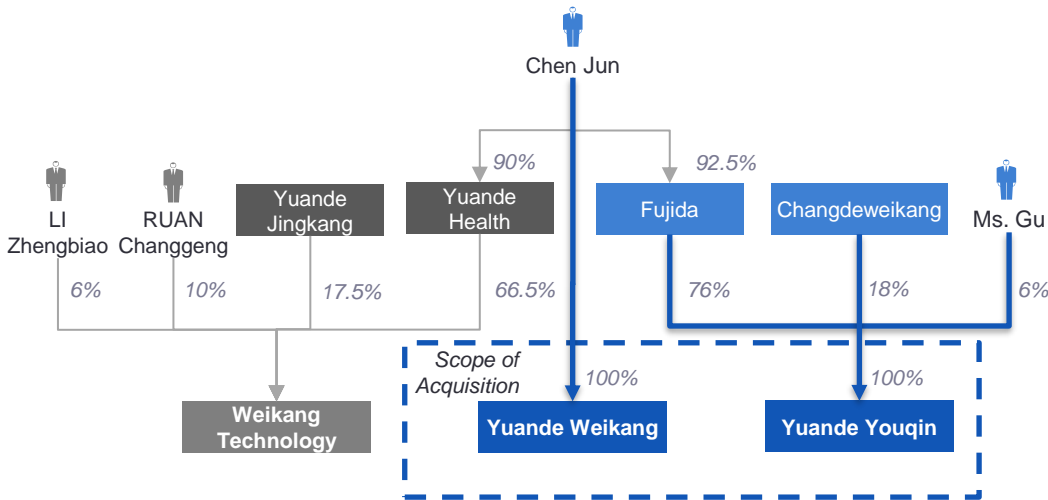
Summary of M&A Terms

Signing Date	May 6, 2025, post market close
Acquirer	Hangzhou Adicon
Acquisition Target	Yuande Youqin, Yuande Weikang
Vendor	Mr. CHEN Jun, Fujida, Changdeweikang, Ms. GU Huiyu
Acquisition ratio	100%
Consideration	Cash consideration: RMB 50 million - 70% first installment; 30% second installment (in 36 months) Equity consideration: 4% / 29,025,732 ordinary shares of Adicon (9860.HK), – initial tranche 2% / 14,512,866 shares + earn-out tranche 2% / 14,512,866 shares
Equity lock-up period	3 years

Shareholder Name	Pre acquisition		Post Acquisition (No Earnout)		Post acquisition (Full Earnout)	
	Number of shares	Equity ratio	Number of shares	Equity ratio	Number of shares	Equity ratio
Carlyle	281,541,805	38.80%	281,541,805	38.04%	281,541,805	37.31%
Lin Jixun	90,061,994	12.41%	90,061,994	12.17%	90,061,994	11.93%
Lin Feng	72,005,994	9.92%	72,005,994	9.73%	72,005,994	9.54%
Transferor	-	-	14,512,866	1.96%	29,025,732	3.85%
Other shareholders	282,033,498	38.87%	282,033,498	38.10%	282,033,498	37.37%
sum	725,643,291	100.00%	740,156,157	100.00%	754,669,023	100.00%

The Acquired Asset

Ownership Structure



Overview Of The Acquired Entities

Currency: RMB k	Date of Registration	Core Business	Head- Count 2024	Paid-in Capital	*Operating Income 2024
Yuande Youqin	August 2017	ICL	120	20,000	82,065
Yuande Weikang	March 2014	IVD	28	2,000	4,825

Note *: The operating income and net assets data shown in the above table are management figures.

Source: Management information and EY analysis

Business Overview

Yuande Youqin

- MICM Precision Diagnosis Platform for Hematological Tumors
- Diagnostic services covering **leukemia, lymphoma, multiple myeloma, transplantation**, and **coagulation**
- Technical platform synchronized with the National Clinical Center for Hematological Diseases program

Yuande Weikang

- Five 10,000-class** and **One 100,000-class** GMP standard manufacturing facilities
- Focus on the R&D and production of antiplatelet antibody kits and CD reagents
- Class II flow cytometry registered, within the medical insurance catalog.** Shorter detection time, higher sensitivity, providing a basis for the diagnosis and treatment of patients with primary immune thrombocytopenia (ITP)

10600_{m²}
Floorspace

300+
Inspection items

400+
Hospitals clients

200,000+
Tests annually

Partner Hospitals

The Jiangsu Institute of Hematology

The First Affiliated Hospital of Soochow University

History and Overview

• 1963

A **Hematology Lab** established by one of the pioneers Professor **Chen Yueshu** at The Medical College of Soochow University

• 1981

Established the **first Thrombosis and Hemostasis Lab** at Soochow University by Professor **Ruan Changgeng**

• 1988

Approved by Provincial Government and headed by Professor **Ruan Changgeng**, The **Jiangsu Institute of Hematology** was established

• Post 1980s

outstanding achievements in **Thrombosis and Hemostasis** under the leadership of **Ruan Changgeng**, becoming a **leading institute domestically and a recognised institute internationally**

• 2025

To establish **The Ruan Changgeng Adicon Foundation** to support primary healthcare and medical Education

Honors & Recognition

- Ministry of Health "Key Laboratory of Thrombosis and Hemostasis"
- Designated training base for hematologists by the Ministry of Health
- National Clinical Research Center for Hematologic Diseases
- Led the establishment of China's first collaborative innovation center for hematology
- Several provincial honors

Research

Over the past 5 years:

- Undertook **105** national-level research projects
- Published over **260** SCI papers
- Compiled **11** clinical guidelines/consensus documents
- Won **2** national science and technology progress awards (2nd Prize)

Academic Exchange

- Provided **26** training courses in blood disease since 1965
- Trained over **370** hematologists nationwide
- Hosts **national continuing medical education courses every year**

Fudan's 2023 China Hospital Specialty Reputation Ranking

Hematology		
	Hospital Name	Average Score
1	Peking University People's Hospital	10.198
2	Hematology Hospital (Institute) of Chinese Academy of Medical Sciences	10.17
3	Ruijin Hospital Affiliated to Shanghai Jiaotong University School of Medicine	8.453
4	The First Affiliated Hospital of Soochow University	7.774
5	Union Hospital Affiliated to Tongji Medical College of Huazhong University of Science and Technology	5.708
6	The First Affiliated Hospital of Zhejiang University School of Medicine	5.358
7	Nanfang Hospital of Southern Medical University	3.075
8	Peking Union Medical College Hospital, Chinese Academy of Medical Sciences	2.726
9	The Second Affiliated Hospital of Army Medical University	2.453
10	Qilu Hospital of Shandong University	1.547

An Advancement In The Competitive Landscape

Importance of Hematology

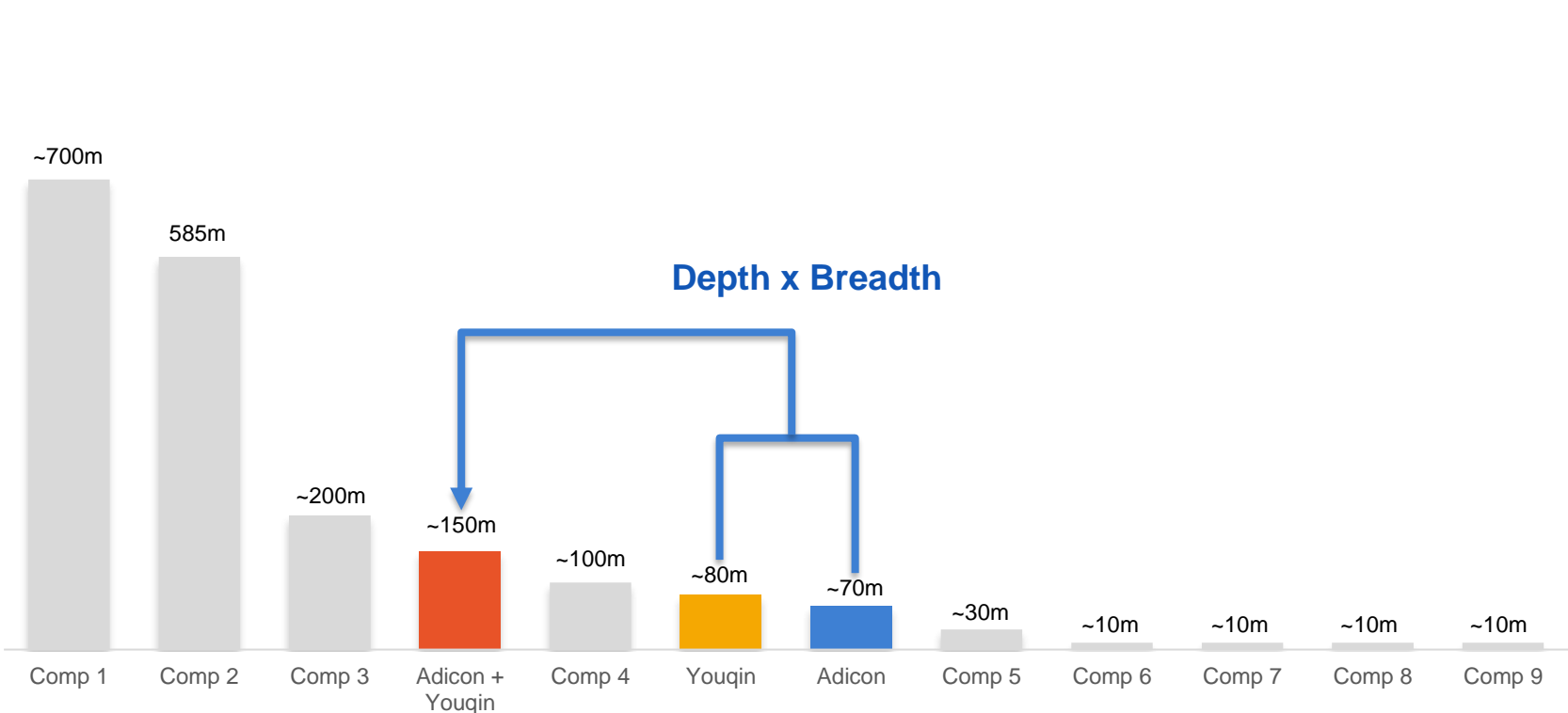
For Hospitals

- Blood tests are **essential** to the diagnosis and treatment of blood diseases compared to other departments; hence blood tests has higher **medical value**
- Hematology is a highly specialised department where only the **larger hospitals** have the capability to **establish their own**
- A trained **Hematologist** takes years of experience
- Therefore hematology is a **rigid demand** for hospitals

For Adicon

- **Strengthening** our esoteric-testing capabilities and access to higher tier hospitals
- Hematology clients are mostly **larger hospitals**, most of which offer stand-alone bids for hematology, generally with **better pricing**

Market share of Hematology Testing in 2024



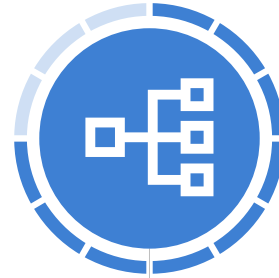
Source: 2024 annual reports and industry estimates

Our Synergies



New Client Acquisition

- Clients we **could not win before** or had to **outsource** to our competitors for
- Combining Adicon's **brand** and **scale** + Youqin's **expertise**



Cross-selling Synergies

- Offering our **upgraded hematology menu** to **existing clients** of Adicon
- **Bundle** hematology + routine testing

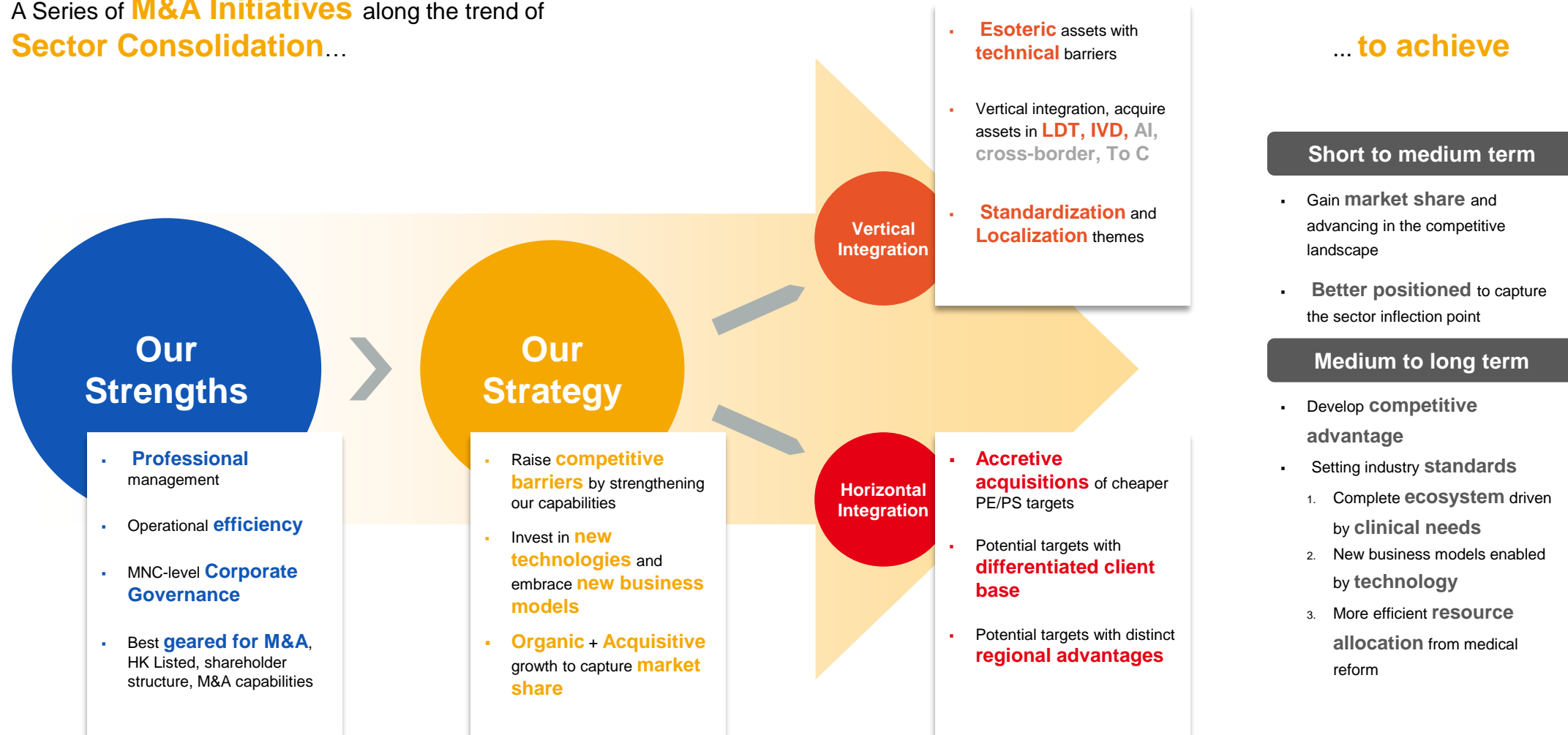


Esoteric IVD Products

- Further **Standardization** and **Localization** of Esoteric IVD products + ICL services
- To form an **ecosystem** of **reagents** + **testing** + **AI** for esoteric IVD products

Industry consolidation – our ongoing M&A strategy

A Series of **M&A Initiatives** along the trend of **Sector Consolidation**...





THANK YOU