

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

Offer Price

The Offer Price is HK\$12.32 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%).

Net Proceeds from the Global Offering

- Based on the Offer Price of HK\$12.32 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$83.9 million (assuming the Over-allotment Option is not exercised). The Company intends to apply such net proceeds from the Global Offering in the manner as set out in the paragraph headed “Net Proceeds from the Global Offering” in this announcement.
- If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$58.8 million for 4,978,500 additional Offer Shares to be allotted and issued upon the exercise of the Over-allotment Option, which will be allocated on a pro rata basis according to the use of proceeds as set out in the paragraph headed “Net Proceeds from the Global Offering” in this announcement.

Applications and Indications of Interest Received under the Hong Kong Public Offering

- The Hong Kong Offer Shares initially available under the Hong Kong Public Offering have been slightly over-subscribed. A total of 1,521 valid applications have been received under the Hong Kong Public Offering through the **HK eIPO White Form** service and the **CCASS EIPO** service for a total of 3,524,500 Hong Kong Offer Shares, representing approximately 1.06 times of the total number of 3,320,000 Offer Shares initially available for subscription under the Hong Kong Public Offering.
- As the over-subscription in the Hong Kong Public Offering is less than 15 times, the reallocation procedures as described in the section headed “Structure of the Global Offering” in the Prospectus have not been applied and no International Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Hong Kong Offer Shares is 3,320,000 Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering, and being allocated to 1,521 successful applicants under the Hong Kong Public Offering. A total number of 1,037 applicants have been allotted with one board lot of Offer Shares, representing approximately 68.18% of the Shareholders who were allocated the Offer Shares under the Hong Kong Public Offering, totaling 518,500 Shares, representing approximately 15.62% of total Offer Shares under the Hong Kong Public Offering.

International Offering

- The Offer Shares initially offered under the International Offering have been moderately oversubscribed, representing approximately 1.8 times of the total number of Offer Shares initially available under the International Offering. The final number of Offer Shares under the International Offering is 29,872,500 Shares, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). There has been an over-allocation of 4,978,500 Offer Shares. Please refer to the section headed “International Offering – Over-allotment Option” in this announcement.
- There are a total of 108 places under the International Offering, among which (i) 80 places, representing 74.1% of the total number of places under the International Offering, have been allotted five or fewer board lots of Offer Shares, totaling 45,000 Shares, representing 0.13% of the total number of Offer Shares available under the International Offering; and (ii) 70 places have been allotted one board lot of Offer Shares, representing approximately 64.8% of the total number of places under the International Offering, totaling 35,000 Shares, representing approximately 0.10% of the total number of the Offer Shares available under the International Offering (assuming the Over-allotment Option is not exercised).

Cornerstone Investors

- Based on the Offer Price of HK\$12.32 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), pursuant to the Cornerstone Investment Agreements, the Company’s Cornerstone Investors have subscribed for a total of 23,647,000 Shares, representing in aggregate approximately 3.27% of the issued share capital of the Company immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised). Please refer to the section headed “Cornerstone Investors — Our Cornerstone Investors” in the Prospectus for further details.
- The Company has applied to the Stock Exchange for, and the Stock Exchange has granted to the Company, a waiver from strict compliance with Rules 9.09(b), 10.03 and 10.04 of the Listing Rules and its consent under paragraph 5(2) of Appendix 6 to the Listing Rules (the “**Placing Guidelines**”), to permit Corelink (as defined in the Prospectus and an existing Shareholder of the Company) to subscribe for Offer Shares in the Global Offering as a Cornerstone Investor.

Consent under Paragraph 5(2) of the Placing Guidelines and Rule 10.04 of the Listing Rules

- Certain Offer Shares were placed to Corelink, Reach Sight Limited (“**Reach Sight**”) and BlackRock Health Sciences Term Trust (formerly known as BlackRock Health Sciences Trust II, “**BlackRock Health Trust**”), who are existing Shareholders of the Company. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, (i) waiver from strict compliance with Rules 9.09(b), 10.03 and 10.04 of the Listing Rules and consent under paragraph 5(2) of the Placing Guidelines to permit the Company to allocate such Offer Shares to Corelink as a Cornerstone Investor and (ii) waiver from strict compliance with Rule 10.04 of the Listing Rules and consent under paragraph 5(2) of the Placing Guidelines to permit the Company to allocate such Offer Shares to Reach Sight and BlackRock Health Trust as placees, as set out in the section headed “Consent under Paragraph 5(2) of the Placing Guidelines and Rule 10.04 of the Listing Rules” in this announcement.
- Save as disclosed above, to the best knowledge, information and belief of the Directors, (i) none of the Offer Shares subscribed for by public Shareholders in the Hong Kong Public Offering and placees in the International Offering had been financed, directly or indirectly, by the Company, any of the Directors, the chief executive, the Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or their respective close associates; (ii) no rebate has been, directly or indirectly, provided by the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders of the Company or any of their subsidiaries or their respective close associates or syndicate members or any other brokers or underwriters to any public Shareholders in the Hong Kong Public Offering or placees in the International Offering; (iii) none of the public Shareholders in the Hong Kong Public Offering and placees in the International Offering who subscribed for the Offer Shares are accustomed to taking instructions from the Company, any of the Directors, chief executive, the Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares registered in his/her/its name or otherwise held by him/her/it; (iv) the consideration payable by the public Shareholders in the Hong Kong Public Offering and placees in the International Offering for each Share subscribed for or purchased by them is the same as the final Offer Price as determined by the Company, in addition to brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%; and (v) there are no side agreements or arrangements between the Company, any of the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders or any of the Company’s subsidiaries or their respective close associates, on one hand, and any public subscriber or placee who has subscribed for the Offer Shares on the other hand.

- Save as disclosed in the above sections headed “International Offering — Cornerstone Investors” and “International Offering — Consent under Paragraph 5(2) of Placing Guidelines and Rule 10.04 of the Listing Rules” of this announcement, to the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Overall Coordinators or the Underwriters under the Global Offering have been placed with applicants who are core connected persons (as defined in the Listing Rules) or directors of the Company, or to any persons set out in paragraph 5(1) or 5(2) of the Placing Guidelines, whether in their own names or through nominees.

Over-allotment Option

- In connection with the Global Offering, the Company has granted the Over-allotment Option to the International Underwriters, exercisable by the Overall Coordinators at their sole and absolute discretion on behalf of the International Underwriters at any time from the Listing Date until Sunday, July 23, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. Pursuant to the Over-allotment Option, the Overall Coordinators have the right to require the Company to allot and issue, at the Offer Price, up to an aggregate of additional 4,978,500 Shares representing in aggregate approximately 15% of the number of the Offer Shares initially available under the Global Offering to cover over-allocations in the International Offering, if any.
- There has been an over-allocation of 4,978,500 Offer Shares in the International Offering, which will be settled using Shares to be borrowed under the Stock Borrowing Agreement between each of Pearl Group Limited and Corelink Group Limited and Morgan Stanley & Co. International plc. Such borrowed Shares will be settled by exercising the Over-allotment Option in full or in part, or by making purchases in the secondary market at prices that do not exceed the Offer Price, or by a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the Company’s website at www.adicon.com.cn and on the Stock Exchange’s website at www.hkexnews.hk. As of the date of this announcement, the Over-allotment Option has not been exercised.

Lock-up Obligations

- The Company, the Controlling Shareholders (Pearl Group Limited), all the other Pre-IPO investors and the Cornerstone Investors are subject to certain lock-up obligations as set out in the paragraph headed “Lock-up Obligations” in this announcement.

Results of Allocations

- The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares are published on the Company’s website at www.adicon.com.cn and the website of the Stock Exchange at www.hkexnews.hk on Thursday, June 29, 2023.
- The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration/certificate of incorporation numbers of successful applicants under the Hong Kong Public Offering will be available at the times and date and in the manner specified below:
 - in the announcement to be posted on the Company’s website at www.adicon.com.cn and the Stock Exchange’s website at www.hkexnews.hk by no later than 9:00 a.m. on Thursday, June 29, 2023;
 - from the “IPO Results” function in the **IPO App** and the designated results of allocations website at www.tricor.com.hk/ipo/result or www.hkeipo.hk/IPOResult with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Thursday, June 29, 2023 to 12:00 midnight on Wednesday, July 5, 2023;
 - from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Thursday, June 29, 2023 to Tuesday, July 4, 2023 (excluding Saturday, Sunday and public holiday in Hong Kong).
- This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **HK eIPO White Form**” in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.

- Please note that the list of identification document numbers set out in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Hong Kong Offer Shares through their brokers can consult their brokers to enquire about their application results.
- Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **HK eIPO White Form**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

Despatch/Collection of Share Certificates/e-Auto Refund Payment Instructions/Refund Cheques

- Applicants who have applied for 1,000,000 Hong Kong Offer Shares or more through the **HK eIPO White Form** service and whose applications are wholly or partially successful may collect Share certificate(s) (where applicable) in person from the Hong Kong Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Thursday, June 29, 2023, or such other place or date as notified by the Company in the newspapers as the date of despatch/collection of Share certificates/e-Auto Refund payment instructions/refund cheques.
- Applicants being individuals who are eligible for personal collection must not authorize any other person to collect on their behalf. If you are a corporate applicant which is eligible for personal collection, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation’s chop. Both individuals and authorized representatives must produce evidence of identity acceptable to our Hong Kong Share Registrar at the time of collection.
- Applicants who apply for less than 1,000,000 Hong Kong Offer Shares through the **HK eIPO White Form** service, will have their Share certificate(s) (where applicable) sent to the address specified in their application instructions on or before Thursday, June 29, 2023 by ordinary post and at their own risk.
- Share certificates for Hong Kong Offer Shares allotted to applicants who applied through the **HK eIPO White Form** service, which are either not available for personal collection, or which are available but are not collected in person within the time specified for collection, are expected to be despatched by ordinary post to those entitled to the addresses specified in the relevant applications at their own risk on or before Thursday, June 29, 2023.

- Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC will have their Share certificate(s) issued in the name of HKSCC Nominees Limited and deposited directly into CCASS to be credited to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participant who gave **electronic application instructions** on their behalf on Thursday, June 29, 2023.
- Applicants who applied through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Hong Kong Offer Shares allocated to them with that CCASS Participant.
- Applicants who applied as a CCASS Investor Participant by giving **electronic application instructions** to HKSCC via CCASS may also check the number of Hong Kong Offer Shares allocated to them and the amount of refund monies (if any) payable to them via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). Immediately after the crediting of the Hong Kong Offer Shares to the CCASS Investor Participant stock accounts and the credit of refund monies to the CCASS Investor Participants’ bank accounts, HKSCC will also make available to the CCASS Investor Participants an activity statement showing the amount of Hong Kong Offer Shares credited to their CCASS Investor Participant stock accounts and the refund amount credited to their respective designated bank accounts (if any).
- For applicants who have applied for the Hong Kong Offer Shares through the **HK eIPO White Form** service and paid the application monies through a single bank account, refund monies (if any) will be despatched to that bank account in the form of e-Auto Refund payment instructions. For applicants who have applied for the Hong Kong Offer Shares through the **HK eIPO White Form** service and paid the application monies through multiple bank accounts, refund monies (if any) will be despatched to the addresses specified in your application instructions in the form of refund cheque(s) in favour of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post and at their own risk on or before Thursday, June 29, 2023.
- Refund monies (if any) for applicants who applied by giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to the relevant applicants’ designated bank accounts or the designated bank accounts of their broker or custodian on Thursday, June 29, 2023.
- Share certificates will only become valid at 8:00 a.m. on Friday, June 30, 2023, provided that the Global Offering has become unconditional in all respects and neither the Hong Kong Underwriting Agreement nor the International Underwriting Agreements have been terminated in accordance with their respective terms at or before that time. Investors who trade Shares on the basis of publicly available allocation details or prior to the receipt of the Share certificates or prior to the Share certificates becoming valid do so entirely at their own risk.
- No temporary document of title will be issued in respect of the Shares. No receipt will be issued for sums paid on application.

PUBLIC FLOAT

- The Directors confirm that (i) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering; (ii) there will not be any new substantial Shareholder (as defined in the Listing Rules) of the Company immediately after the completion of the Global Offering; (iii) the three largest public Shareholders do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; (iv) there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules and (v) the public float of the Company will be 39.44% (assuming the Over-allotment Option is not exercised) or 39.86% (assuming the Overallotment Option is exercised in full) upon Listing, which satisfies the minimum prescribed percentage of public shareholders required by Rule 8.08(1) of the Listing Rules.

COMMENCEMENT OF DEALINGS

Assuming that the Global Offering becomes unconditional in all respects at or before 8:00 a.m. on Friday, June 30, 2023 (Hong Kong time), dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Friday, June 30, 2023 (Hong Kong time). The Shares will be traded in board lots of 500 Shares each. The stock code of the Shares is 9860.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

OFFER PRICE

The Offer Price is HK\$12.32 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$12.32 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$83.9 million (assuming the Over-allotment Option is not exercised).

The Company intends to apply the net proceeds as follows:

- approximately HK\$12.6 million (representing 15% of the net proceeds) for strengthening routine and esoteric testing capabilities, including research and development and sales and marketing capabilities;
- approximately HK\$21.0 million (representing 25% of the net proceeds) for network expansion through establishing new laboratories, partnership investments and development of new channels;
- approximately HK\$21.0 million (representing 25% of the net proceeds) for business development activities to form strategic collaborations with industry participants as well as strategic and bolt-on acquisitions;
- approximately HK\$12.6 million (representing 15% of the net proceeds) for upgrade and expansion of existing laboratories;
- approximately HK\$8.4 million (representing 10% of the net proceeds) for investment in operating infrastructure including logistics facilities, artificial intelligence technologies and IT infrastructure; and
- approximately HK\$8.4 million (representing 10% of the net proceeds) for working capital and general corporate purpose.

If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$58.8 million for 4,978,500 additional Offer Shares to be issued and allotted upon the exercise of the Over-allotment Option. In the event that the Over-allotment Option is exercised in full, the Company intends to adjust its allocation of the net proceeds for the above purposes on a pro rata basis. To the extent that the net proceeds of the Global Offering are not immediately used for the above purposes and to the extent permitted by applicable laws and regulations, the Company will only place such net proceeds into short-term interest-bearing accounts with licensed banks and/or authorized financial institutions (as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)). The Company will issue an appropriate announcement if there is any material change to the above proposed use of proceeds. For further information, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED UNDER THE HONG KONG PUBLIC OFFERING

The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been slightly over-subscribed. A total of 1,521 valid applications have been received under the Hong Kong Public Offering through the **HK eIPO White Form** service and the **CCASS EIPO** service for a total of 3,524,500 Hong Kong Offer Shares, representing approximately 1.06 times of the total number of 3,320,000 Offer Shares initially available for subscription under the Hong Kong Public Offering, among which:

- 1,521 valid applications for a total of 3,524,500 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount, based on the Offer Price of HK\$12.32 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%), of HK\$5,000,000 or less (equivalent to approximately 2.12 times of the 1,660,000 Shares initially available for allocation in pool A of the Hong Kong Public Offering); and
- There were no valid application for Hong Kong Offer Shares with an aggregate subscription amount based on the Offer Price of HK\$12.32 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%) of more than HK\$5,000,000.

No application has been rejected due to dishonored payments. No application has been rejected due to invalid application. No multiple or suspected multiple application has been identified and rejected. No application for more than 1,660,000 Hong Kong Offer Shares (being 50% of the 3,320,000 Hong Kong Offer Shares initially available under the Hong Kong Public Offering) has been identified.

As the over-subscription in the Hong Kong Public Offering is less than 15 times, the reallocation procedures as described in the section headed “Structure of the Global Offering” in the Prospectus have not been applied and no International Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Hong Kong Offer Shares is 3,320,000 Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering, and being allocated to 1,521 successful applicants under the Hong Kong Public Offering. A total number of 1,037 applicants have been allotted with one board lot of Offer Shares, representing approximately 68.18% of the Shareholders who were allocated the Offer Shares under the Hong Kong Public Offering, totaling 518,500 Shares, representing approximately 15.62% of total Offer Shares under the Hong Kong Public Offering.

The Hong Kong Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the paragraph headed “Basis of Allocation under the Hong Kong Public Offering” below.

INTERNATIONAL OFFERING

- The Offer Shares initially offered under the International Offering have been moderately oversubscribed, representing approximately 1.8 times of the total number of Offer Shares initially available under the International Offering. The final number of Offer Shares under the International Offering is 29,872,500 Shares, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). There has been an over-allocation of 4,978,500 Offer Shares. Please refer to the section headed “International Offering – Over-allotment Option” in this announcement.
- There are a total of 108 places under the International Offering, among which (i) 80 places, representing 74.1% of the total number of places under the International Offering, have been allotted five or fewer board lots of Offer Shares, totaling 45,000 Shares, representing 0.13% of the total number of Offer Shares available under the International Offering; and (ii) 70 places have been allotted one board lot of Offer Shares, representing approximately 64.8% of the total number of places under the International Offering, totaling 35,000 Shares, representing approximately 0.10% of the total number of the Offer Shares available under the International Offering (assuming the Over-allotment Option is not exercised).

Cornerstone Investors

Based on the Offer Price of HK\$12.32 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) and pursuant to the Cornerstone Investment Agreements as disclosed in the section headed “Cornerstone Investors — Our Cornerstone Investors” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investors is determined as set out below:

Cornerstone Investor (each as defined below)	Investment amount <i>(US\$ in million)</i>	Number of Offer Shares (rounded down to nearest whole board lot of 500 Shares)	Approximate % of total number of Offer Shares		Approximate % of total issued share capital immediately following the completion of the Global Offering	
			Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercised in full	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercised in full
MR Global	15.00	9,542,500	28.75%	25.00%	1.32%	1.31%
Snibe Hong Kong	10.00	6,361,500	19.17%	16.67%	0.88%	0.87%
Fosun Diagnostics	5.00	3,180,500	9.58%	8.33%	0.44%	0.44%
Timestar Elite	3.79	2,410,500	7.26%	6.32%	0.33%	0.33%
Corelink	3.38	2,152,000	6.48%	5.64%	0.30%	0.30%
	37.17	23,647,000	71.24%	61.95%	3.27%	3.25%

The Cornerstone Placing forms part of the International Offering and the Cornerstone Investors will not acquire any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreements). The Offer Shares to be subscribed by the Cornerstone Investors will rank pari passu in all respects with the fully paid Shares in issue following the completion of the Global Offering and, save for the Shares subscribed for by Corelink (an existing Shareholder, a company wholly-owned by Mr. LIN Jixun, one of our Founders and a non-executive Director), will be counted towards the public float of our Company under Rule 8.08 of the Listing Rules.

The Company has applied to the Stock Exchange for, and the Stock Exchange has granted to the Company, a waiver from strict compliance with Rules 9.09(b), 10.03 and 10.04 of the Listing Rules and its consent under paragraph 5(2) of Appendix 6 to the Listing Rules (the “**Placing Guidelines**”), to permit Corelink to subscribe for Offer Shares in the Global Offering as a Cornerstone Investor.

To the best knowledge of the Company, (i) save for Corelink, each Cornerstone Investor (and, for the Cornerstone Investor who will subscribe for our Offer Shares through a qualified domestic institutional investor (“**QDII**”), such QDII and the Cornerstone Investor) is an Independent Third Party and is not our connected person (as defined in the Listing Rules) nor an existing Shareholder; (ii) each of the Cornerstone Investors is independent from each other; (iii) save for Corelink, none of the Cornerstone Investors are accustomed to taking instructions from our Company, the Directors, the chief executive of the Company, Controlling Shareholders, substantial Shareholders, or existing Shareholders or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares; (iv) save for Corelink, none of the subscriptions made by the Cornerstone Investors was financed by the Company, the Directors, the chief executive of the Company, Controlling Shareholders, substantial Shareholders, other existing Shareholders or any of its subsidiaries or their respective close associates; and (v) each Cornerstone Investor has confirmed that their subscriptions under the Cornerstone Placing would be financed by their own internal financial resources and/or the financial resources of their ultimate beneficial owners, and that they have sufficient funds to settle their respective investments under the Cornerstone Placing.

To the best knowledge of the Company and as confirmed by the Cornerstone Investors, their subscription pursuant to the relevant Cornerstone Investment Agreements would be financed by their own internal resources. To the extent that any Cornerstone Investor has engaged a QDII to subscribe for the relevant Offer Shares on its behalf, such Cornerstone Investor will procure the QDII to comply with the terms of its Cornerstone Investment Agreement in order to ensure the compliance of such Cornerstone Investors with its obligations under the Cornerstone Investment Agreement. For Cornerstone Investors whose shareholders are listed on any stock exchange, they have confirmed that no approval is required from the relevant stock exchange and their shareholders for entering into the investment contemplated under the applicable Cornerstone Investment Agreement.

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from and including the Listing Date (the “**Lock-up Period**”), dispose of any of the Offer Shares they have purchased pursuant to the relevant Cornerstone Investment Agreements, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

Please refer to the section headed “Cornerstone Investors — Our Cornerstone Investors” in the Prospectus for further details relating to the Cornerstone Investors.

Consent under Paragraph 5(2) of the Placing Guidelines and Rule 10.04 of the Listing Rules

Certain Offer Shares were placed to Corelink, Reach Sight and BlackRock Health Trust, who are existing Shareholders of the Company. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, (i) waiver from Rules 9.09(b), 10.3 and 10.4 of the Listing Rules and its consent under paragraph 5(2) of Placing Guidelines to permit the Company to allocate such Offer Shares to Corelink as set out below and (ii) waiver from strict compliance with Rule 10.04 of the Listing Rules and its consents under paragraph 5(2) of the Placing Guidelines to permit the Company to allocate such Offer Shares to Reach Sight and BlackRock Health Trust as set out below.

Placee	Relationship with the Company	Current shareholding in the Company held by itself or its associate (Approximate % of the Company’s issued share capital)	Number of Shares to be subscribed under the Global Offering (Approximate % of the total Offer Shares initially available under the Global Offering) ⁽¹⁾	Number of Shares held by itself or its close associate immediately following the completion of the Global Offering (Approximate % of the Company’s issued share capital) ⁽¹⁾
Corelink Group Limited	an existing Shareholder, a company wholly-owned by Mr. LIN Jixun, one of our Founders and a non-executive Director	87,909,994 (12.45%)	2,152,000 (6.48%)	90,061,994 (12.45%)
BlackRock Health Sciences Term Trust (formerly known as BlackRock Health Sciences Trust II)	An existing Shareholder, together with BlackRock Health Sciences Master Unit Trust, another existing Shareholder of the Company, are funds (“ BlackRock Funds ”) managed by investment subsidiaries of BlackRock, Inc. (“ BlackRock ”) which has discretionary investment management power over the BlackRock Funds. BlackRock is listed on the New York Stock Exchange (NYSE: BLK). As of December 31, 2022, the firm managed approximately US\$8.6 trillion in assets on behalf of investors worldwide. BlackRock Funds are independent third parties of our Company.	10,696,226 (1.51%)	1,750,000 (5.27%)	12,446,226 (1.72%)
Reach Sight Limited	an existing Shareholder, an investment holding company incorporated in BVI, is wholly-owned by Cenova China Healthcare Fund IV, L.P., which is an exempted limited partnership registered in the Cayman Islands. Cenova China Healthcare GP IV Limited, a Cayman Islands exempted company, is the general partner of Cenova China Healthcare Fund IV, L.P.. Cenova China Healthcare GP IV Limited is 65% owned by Mr. WU Jun, an independent third party of our Company.	5,995,643 (0.85%)	310,000 (0.93%)	6,305,643 (0.87%)

Note:

(1) Assuming that the Over-allotment Option is not exercised.

Save as disclosed above, to the best knowledge, information and belief of the Directors, (i) none of the Offer Shares subscribed for by public Shareholders in the Hong Kong Public Offering and places in the International Offering had been financed, directly or indirectly, by the Company, any of the Directors, the chief executive, the Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or their respective close associates; (ii) no rebate has been, directly or indirectly, provided by the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders of the Company, existing Shareholders of the Company or any of their subsidiaries or their respective close associates or syndicate members or any other brokers or underwriters to any public Shareholders in the Hong Kong Public Offering or places in the International Offering; (iii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who subscribed for the Offer Shares are accustomed to taking instructions from the Company, any of the Directors, chief executive, the Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares registered in his/her/its name or otherwise held by him/her/it; (iv) the consideration payable by the public Shareholders in the Hong Kong Public Offering and places in the International Offering for each Share subscribed for or purchased by them is the same as the final Offer Price as determined by the Company, in addition to brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%; and (v) there are no side agreements or arrangements between the Company, any of the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders or any of the Company's subsidiaries or their respective close associates, on one hand, and any public subscriber or placee who has subscribed for the Offer Shares on the other hand.

Save as disclosed in the above sections headed "International Offering — Cornerstone Investors" and "International Offering — Consent under Paragraph 5(2) of the Placing Guidelines and Rule 10.04 of the Listing Rules" of this announcement, to the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Overall Coordinators or the Underwriters under the Global Offering have been placed with applicants who are core connected persons (as defined in the Listing Rules) or directors of the Company, or to any persons set out in paragraph 5(1) or 5(2) of the Placing Guidelines, whether in their own names or through nominees.

Over-allotment Option

- In connection with the Global Offering, the Company has granted the Over-allotment Option to the International Underwriters, exercisable by the Overall Coordinators at their sole and absolute discretion on behalf of the International Underwriters at any time from the Listing Date until Sunday, July 23, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. Pursuant to the Over-allotment Option, the Overall Coordinators have the right to require the Company to allot and issue, at the Offer Price, up to an aggregate of additional 4,978,500 Shares representing in aggregate approximately 15% of the number of the Offer Shares initially available under the Global Offering to cover over-allocations in the International Offering, if any.
- There has been an over-allocation of 4,978,500 Offer Shares in the International Offering and such over-allocation will be settled using Shares to be borrowed under the Stock Borrowing Agreement between each of Pearl Group Limited and Corelink Group Limited and Morgan Stanley & Co. International plc. Such borrowed Shares will be settled by exercising the Over-allotment Option in full or in part, or by making purchases in the secondary market at prices that do not exceed the Offer Price, or by a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the Company's website at www.adicon.com.cn and on the Stock Exchange's website at www.hkexnews.hk. As of the date of this announcement, the Over-allotment Option has not been exercised.

LOCK-UP OBLIGATIONS

The Company, the Controlling Shareholders (Pearl Group Limited), all the other Pre-IPO Investors and the Cornerstone Investors are subject to certain lock-up undertakings (the “**Lock-up Undertakings**”) in respect of the Shares. The major terms of the Lock-up Undertakings are set out as follows:

Name	Number of Shares subject to the Lock-up Undertakings	Approximate percentage of the total issued share capital of the Company following the completion of the Global Offering which are subject to the Lock-up Undertakings upon Listing	Last day of the Lock-up Period
The Company⁽¹⁾ <i>(subject to lock-up obligations pursuant to the Listing Rules and the Hong Kong Underwriting Agreement)</i>	N/A	N/A	December 30, 2023
The Controlling Shareholder (Pearl Group Limited)⁽²⁾ <i>(subject to lock-up obligations pursuant to the Listing Rules and the Hong Kong Underwriting Agreement)</i>	281,541,805	38.92%	December 30, 2023 <i>(First Six-Month Period (as defined in the Prospectus))</i> June 30, 2024 <i>(Second Six-Month Period (as defined in the Prospectus))</i>
Pre-IPO Investors (other than the Controlling Shareholder (Pearl Group Limited))⁽³⁾ <i>(subject to lock-up obligations pursuant to their respective lock-up undertakings in favor of the Joint Sponsors and the Overall Coordinators)</i>	169,974,982	23.49%	December 30, 2023
Cornerstone Investors⁽⁴⁾ <i>(subject to lock-up obligations pursuant to their respective Cornerstone Investment Agreements)</i>	23,647,000	3.27%	December 30, 2023

Notes:

- (1) The Company may not issue or agree to issue or announce its intention to issue Shares or securities of the Company on or before the indicated date unless in compliance with the requirements of the Listing Rules.
- (2) For details of the lock-up arrangement of the Controlling Shareholder (Pearl Group Limited), please refer to the sections headed “Underwriting – Underwriting Arrangements and Expenses – The Hong Kong Public Offering – Undertakings to the Stock Exchange pursuant to the Listing Rules – *Undertakings by Pearl Group Limited*” and “Underwriting – Underwriting Arrangements and Expenses – The Hong Kong Public Offering – Undertakings pursuant to the Hong Kong Underwriting Agreement – *Undertakings by Pearl Group Limited*” in the Prospectus.
- (3) Each of our Pre-IPO Investors has agreed to be subject to lock-up arrangements for a period of six (6) months after the Listing. For the avoidance of doubt, the number of Shares subject to the Lock-up undertakings under this item do not include the Offer Shares subscribed for by Reach Sight and BlackRock Health Trust.
- (4) The Cornerstone Investors may not dispose of any of the Offer Shares subscribed in the Global Offering prior to the indicated date.
- (5) Any discrepancies in the tables above between the amounts identified as total amounts and the sum of the amounts listed therein are due to rounding.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the section headed “Structure of the Global Offering — Conditions of the Global Offering” in the Prospectus, 1,521 valid applications made by the public through the **HK eIPO White Form** service and the **CCASS EIPO** service will be conditionally allocated on the basis set out below:

Pool A			
Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
500	1,037	500 shares	100.00%
1,000	148	1,000 shares	100.00%
1,500	83	1,500 shares	100.00%
2,000	39	2,000 shares	100.00%
2,500	38	2,500 shares	100.00%
3,000	26	3,000 shares	100.00%
3,500	7	3,500 shares	100.00%
4,000	21	4,000 shares	100.00%
4,500	8	4,500 shares	100.00%
5,000	26	5,000 shares	100.00%
6,000	9	6,000 shares	100.00%
7,000	11	7,000 shares	100.00%
8,000	6	8,000 shares	100.00%
9,000	11	9,000 shares	100.00%
10,000	17	10,000 shares	100.00%
15,000	5	15,000 shares	100.00%
20,000	10	20,000 shares	100.00%
25,000	2	25,000 shares	100.00%
30,000	2	30,000 shares	100.00%
35,000	1	35,000 shares	100.00%
40,000	1	40,000 shares	100.00%
45,000	2	45,000 shares	100.00%
50,000	3	50,000 shares	100.00%
70,000	1	65,000 shares	92.86%
90,000	1	80,000 shares	88.89%
100,000	4	87,500 shares	87.50%
200,000	1	149,000 shares	74.50%
300,000	1	211,500 shares	70.50%
Total	<u>1,521</u>	Total number of Pool A successful applicants: 1,521	

The final number of Offer Shares under the Hong Kong Public Offering is 3,320,000 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering.

RESULTS OF ALLOCATIONS

The final Offer Price, the level of indication of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares are published on the Company's website at www.adicon.com.cn and the website of the Stock Exchange at www.hkexnews.hk on Thursday, June 29, 2023.

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration/certificate of incorporation numbers of successful applicants under the Hong Kong Public Offering will be available at the times and date and in the manner specified below:

- in the announcement to be posted on the Company's website at www.adicon.com.cn and the Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m. on Thursday, June 29, 2023;
- from the "IPO Results" function in the **IPO App** and the designated results of allocations website at www.tricor.com.hk/ipo/result or www.hkeipo.hk/IPOResult with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Thursday, June 29, 2023 to 12:00 midnight on Wednesday, July 5, 2023;
- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Thursday, June 29, 2023 to Tuesday, July 4, 2023 (excluding Saturday, Sunday and public holiday in Hong Kong).

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed "Results of Applications Made by **HK eIPO White Form**" in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed "Results of Applications Made by Giving Electronic Application Instructions to HKSCC via CCASS" in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.

Please note that the list of identification document numbers set out in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Hong Kong Offer Shares through their brokers can consult their brokers to enquire about their application results.

Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed "Results of Applications Made by **HK eIPO White Form**" and "Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS" are redacted and not all details of applications are disclosed in this announcement.

SHAREHOLDING CONCENTRATION ANALYSIS

The tables below set out the analysis of shareholding concentration in the International Offering:

Placee	Number of Shares Subscribed for	Number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of the Over-allotment Option)	Subscription as % of International Offering (assuming the Over-allotment Option is exercised in full)	Subscription as % of total Offer Shares (assuming no exercise of the Over-allotment Option)	Subscription as % of total Offer Shares (assuming the Over-allotment Option is exercised in full)	Number of Shares as % of total share capital in issue (assuming no exercise of the Over-allotment Option)	Number of Shares as % of total share capital in issue (assuming the Over-allotment Option is exercised in full)
Top 1	9,542,500	9,542,500	31.94%	27.38%	28.75%	25.00%	1.32%	1.31%
Top 5	26,358,500	26,358,500	88.24%	75.63%	79.41%	69.05%	3.64%	3.62%
Top 10	34,181,000	138,878,794	114.42%	98.08%	102.98%	89.55%	19.20%	19.07%
Top 20	34,737,000	139,434,794	116.28%	99.67%	104.65%	91.00%	19.27%	19.14%
Top 25	34,794,000	139,491,794	116.48%	99.84%	104.82%	91.15%	19.28%	19.15%

Shareholder	Number of Shares subscribed for	Number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of the Overallotment Option)	Subscription as % of International Offering (assuming the Overallotment Option is exercised in full)	Subscription as % of total Offer Shares (assuming no exercise of the Overallotment Option)	Subscription as % of total Offer Shares (assuming the Overallotment Option is exercised in full)	Number of Shares as % of total share capital in issue (assuming no exercise of the Overallotment Option)	Number of Shares as % of total share capital in issue (assuming the Overallotment Option is exercised in full)
Top 1	–	281,541,805	–	–	–	–	38.92%	38.65%
Top 5	2,152,000	538,544,064	7.20%	6.17%	6.48%	5.64%	74.44%	73.93%
Top 10	3,902,000	639,546,152	13.06%	11.20%	11.76%	10.22%	88.40%	87.80%
Top 20	24,216,000	701,424,547	81.06%	69.48%	72.96%	63.44%	96.96%	96.29%
Top 25	32,981,000	715,786,868	110.41%	94.63%	99.36%	86.40%	98.94%	98.26%

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.