

Abcam to acquire BioVision for \$340m

Cambridge UK life science research tools provider Abcam has agreed to acquire Californian company BioVision Inc. in a \$340 million cash deal.

A wholly owned subsidiary of Chinese company Boai NKY Medical Holdings Ltd, BioVision is a fast-growing innovator and distributor of life science research tools to biopharma, diagnostic and academic customers, with strength in biochemical and cell-based assay kits.

The deal brings one of Abcam's large third-party suppliers in-house and accelerates the Cambridge company's strategic execution and focus on in-house innovation and products in the complementary biochemical and cell-based assay market.

The deal is expected to be accretive to earnings from the first full year of ownership following completion.

Founded in 1999 and located in Milpitas, California, BioVision is a global supplier of life science research tools to support research, diagnostics, and drug discovery.

The company is a leading provider of biochemical and cell-based assays for biological research. It also develops, produces, and sells a wide portfolio of other products including recombinant proteins, antibodies, enzymes, and biochemical compounds.

BioVision started supplying Abcam in 2003. Abcam customers' demand for BioVision products has grown consistently over time, with sales more than doubling over the past five years to June 2021.

Abcam says the acquisition will be funded from existing cash

resources and a partial drawdown of its revolving credit facility. The deal is subject to applicable regulatory clearance.

It will be subject to review and approval of the Shenzhen Stock Exchange and by a vote of NKY's shareholders. If approved the acquisition is expected to close before the end of 2021 calendar year.

The most recently audited results of BioVision for the 12 months ended 31 December 2020, were revenues of \$33.8 million (£24.3m), operating profit of \$12.6m (£9.1m) and net assets of \$21.9m (£15.7m). Revenues included approximately \$5m of COVID-19 related product sales which are not expected to reoccur.

Abcam and NKY have also entered into a memorandum of understanding regarding the establishment of a collaborative, commercial partnership under which Abcam will develop and supply products and services to NKY in support of their ongoing product development and commercialisation in the IVD field.

Abcam CEO Alan Hirzel said: "We know the BioVision business well, having been a major distributor of their products since 2003. This acquisition represents a compelling opportunity to secure a proven portfolio of high-quality products, including a leading portfolio of biochemical and cell-based assay kits, that will allow us to better serve customer needs.

"BioVision has sustained strong growth over many years and, together with Abcam's brand, reach and capabilities, we are confident we are well positioned to build on this success and reinforce Abcam's ability to serve life scientists globally."