

## **Tecan to acquire SPEware Corporation, a leading provider for mass spectrometry sample preparation solutions**

- **Acquisition of US-based SPEware Corporation further expands Tecan's dedicated solutions offering into new market segment**
- **SPEware to become part of Tecan's Life Sciences Business, leveraging Tecan's global presence and strong position in mass spectrometry sample preparation automation platforms**
- **Over 70% of SPEware's revenues are generated from smart consumables, thus increasing Tecan's overall recurring revenues**
- **Base consideration of USD 50.0 million (CHF 49.0 million)**
- **Valuation representing approximately three times expected fiscal year 2016 sales of SPEware; SPEware's EBITDA margin exceeds Tecan's**
- **Transaction anticipated to be immediately accretive to earnings per share before transaction-related amortization**
- **Closing of the transaction expected within the coming weeks**

**Männedorf, Switzerland, August 31, 2016** – The Tecan Group (SIX Swiss Exchange: TECN) announced today the acquisition of US-based SPEware Corporation (SPEware) to further expand Tecan's dedicated solutions offering into a new market segment. SPEware is a leading provider for mass spectrometry sample preparation solutions, with a focus on the North American market. SPEware will become a part of Tecan's Life Sciences Business, leveraging Tecan's global presence, customer base and strong position serving the market with automation platforms optimized for sample preparation for mass spectrometry analysis. With over 70% of revenues generated with smart consumables, the acquisition of SPEware will further expand Tecan's overall recurring revenues.

The base purchase consideration of USD 50.0 million (CHF 49.0 million) will be fully paid in cash and represents a valuation of approximately three times fiscal year 2016 sales of SPEware, while SPEware's EBITDA margin is exceeding Tecan's level. An additional earn-out consideration of up to USD 10.0 million (CHF 9.8 million) will be payable subject to the achievement of certain performance-related targets over the next two years. The transaction is expected to be immediately accretive to earnings per share (EPS) before transaction-related amortization. The closing of the transaction is anticipated within the coming weeks. Hence, Tecan does not expect a significant impact of the acquisition on its 2016 financial results.

Tecan CEO Dr. David Martyr commented: "The entire SPEware team has done a great job of developing and commercializing their proprietary solid phase extraction technology. With Tecan Group Ltd., Seestrasse 103, CH-8708 Männedorf, Switzerland  
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SPEware's current focus on North America, we are excited about the opportunity to leverage Tecan's global sales and service infrastructure to build on that momentum and further accelerate growth. This transaction follows very much the rationale of our acquisition of IBL International in 2014, which supported our evolution into a solutions business for dedicated applications. With SPEware's consumable and dedicated instrument offering, we can now expand our solution offering into the sample preparation for mass spectrometry market, complementing the market for specialty immunoassays served by IBL International. We very much look forward to welcoming the SPEware team into Tecan."

Phil Dimson, CEO and founder of SPEware, said: "We couldn't be more excited to join with the Tecan Group as this combination adds significant synergistic value for our customers and employees. Tecan's global market presence as a leader in laboratory automation platforms, including in our core market, is the perfect complement to SPEware's smart consumables and devices for mass spectrometry sample preparation solutions."

#### **A leading provider for mass spectrometry sample preparation solutions**

SPEware provides advanced sample preparation solutions to analytical laboratories, by combining smart chemistry consumables with dedicated instruments and modules to make liquid chromatography-mass spectrometry (LC-MS) workflows more efficient. The overall market for these extraction technologies expands with a mid single-digit percentage rate per year. SPEware has clearly outgrown the market in recent years, due to its differentiated product offering and to the underlying market trend of adoption of automated solid phase extraction as the preferred sample preparation technique for high complexity tests.

SPEware's clients are mostly large reference labs and specialized laboratories in North America that predominantly use SPEware's solutions for toxicology testing and other analyses of complex sample matrices such as urine or saliva. Separation of targeted analytes from complex matrix components prior to injection onto the LC-MS offers numerous advantages including improved assay robustness and less instrument maintenance. SPEware's proprietary micro-particulate sorbent consumables for solid phase extraction offer important advantages, including higher selectivity, reproducible separations and overall data improvement. Workflows are also more automation friendly which offers the additional potential of integrating SPEware's automated positive pressure processors into Tecan's liquid handling workstations.

Established almost 20 years ago, SPEware is based in Baldwin Park, California (USA), and has over 60 employees. The company operations are vertically integrated with product development, columns packing, molding operation and the manufacturing of dedicated hardware devices.



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Additional information can be found on the SPEware webpage:

[www.spewarecorporation.com](http://www.spewarecorporation.com)

Achelous Partners, LLC, served as financial advisor to SPEware on the transaction.

**About Tecan**

Tecan ([www.tecan.com](http://www.tecan.com)) is a leading global provider of laboratory instruments and solutions in biopharmaceuticals, forensics and clinical diagnostics. The company specializes in the development, production and distribution of automated workflow solutions for laboratories in the life sciences sector. Its clients include pharmaceutical and biotechnology companies, university research departments, and forensic and diagnostic laboratories. As an original equipment manufacturer (OEM), Tecan is also a leader in developing and manufacturing OEM instruments and components that are then distributed by partner companies. Founded in Switzerland in 1980, the company has manufacturing, research and development sites in both Europe and North America and maintains a sales and service network in 52 countries. In 2015, Tecan generated sales of CHF 440 million (USD 459 million; EUR 411 million). Registered shares of Tecan Group are traded on the SIX Swiss Exchange (TECN; ISIN CH0012100191).

**For further information:**

**Tecan Group**

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