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THIS IS AN ANNOUNCEMENT FALLING UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "TAKEOVER CODE") AND DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE TAKEOVER CODE AND THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL BE MADE EVEN IF THE PRE-CONDITIONS ARE SATISFIED OR WAIVED

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

28 February 2022

Statement regarding possible offer for Oxford Instruments plc

Introduction

Spectris plc ("Spectris") notes the announcement made by Oxford Instruments plc ("Oxford Instruments") and confirms that it is in discussions with Oxford Instruments regarding a potential acquisition of the entire issued and to be issued share capital of Oxford Instruments (the "Possible Offer").

Terms of the Possible Offer

The Possible Offer is £31.00 per Oxford Instruments share through a combination of cash and new Spectris shares, comprising:

- £19.50 in cash; and
- £11.50 in new Spectris shares (to be issued on the basis of an exchange ratio which will be determined at the time of any announcement of a firm intention to make an offer under Rule 2.7 of the Takeover Code, if made).

Spectris welcomes the confirmation by the Board of Oxford Instruments that the Possible Offer is at a price level that it would be minded to recommend to Oxford Instruments shareholders, subject to the agreement of customary terms and conditions.

A compelling strategic combination, bringing together the complementary strengths of Oxford Instruments and Spectris, enhancing the opportunities for both businesses and creating significant value for all stakeholders

The Board of Spectris believes the Possible Offer has strong strategic and financial rationale, in line with its previously communicated strategy, and is a highly compelling opportunity, establishing a UK champion in the high-technology instrumentation sector:

- creating immediate and long-term value for both sets of shareholders;

- providing immediate and material earnings enhancement, including double-digit earnings accretion by the end of the second full year post acquisition and exceeding our cost of capital by the third full year of ownership;
- enabling the combined group to strengthen its position in attractive end-markets exposed to favourable long-term growth trends and strong industry fundamentals, in particular, the end-markets of Semiconductors, Advanced Materials, Life Sciences, Pharmaceuticals and Academia;
- combining two highly complementary businesses which will create a more comprehensive and compelling offering, delivering enhanced value for customers through a combined portfolio of sensors, measurement techniques, software and data, and adding value to workflows in materials, research, science and engineering;
- generating significant cross-selling opportunities through a combined portfolio of high-quality metrology equipment with strong brands and market propositions, materially enhancing growth opportunities;
- unlocking significant synergies; and
- maintaining a strong and efficient balance sheet.

Andrew Heath, Chief Executive of Spectris, commented:

"Spectris has been significantly strengthened in recent years through progress against our Strategy for Profitable Growth, delivering a more focused, profitable business supported by a strong balance sheet. Our recent financial results demonstrated continued strong organic growth, expanding margins, and a healthy order book. Following a series of successful divestments under this strategy, we have been actively exploring opportunities to re-invest in acquisitions that have a strong strategic, financial and cultural alignment to our business and that will enhance and accelerate our growth opportunities."

A combination of Spectris and Oxford Instruments would bring together two highly complementary businesses and create a leading global player in precision measurement. Oxford Instruments' highly attractive, differentiated technologies are leaders in their fields and, combined with our own, will deliver a significantly enhanced value proposition for customers. The Spectris Board believes that a combination of our businesses will deliver a stronger future for both companies as a UK champion in the high technology instrumentation sector, and create immediate and long-term value for shareholders."

Discussions between Spectris and Oxford Instruments remain ongoing.

The Possible Offer remains subject to the satisfaction or waiver (by Spectris) of a number of customary pre-conditions, including, inter alia, completion of confirmatory due diligence, agreement of the detailed terms of the Possible Offer and finalising the securing of debt financing.

Important Takeover Code notes

There is no certainty any offer will be made for Oxford Instruments even if the pre-conditions are satisfied or waived. Spectris has reserved its right to waive, in whole or in part, any pre-condition at any time and at its sole discretion.

In accordance with Rule 2.6(a) of the Takeover Code, Spectris is required, by not later than 5.00 p.m. on 28 March 2022, to either announce a firm intention to make an offer for Oxford Instruments in accordance with Rule 2.7 of the Takeover Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Takeover Code applies. This deadline can be extended with the consent of the Panel in accordance with Rule 2.6(c) of the Takeover Code.

In accordance with Rule 2.5 of the Takeover Code, Spectris reserves the right to make an offer for Oxford Instruments on less favourable terms than those set out in this announcement: (i) with the agreement or recommendation of the Oxford Instruments Board; (ii) if a third party announces a firm intention to make an offer for Oxford Instruments which, at that date, is of a value less than the Possible Offer; or (iii) following the announcement by Oxford Instruments of a whitewash transaction pursuant to the Takeover Code.

Spectris reserves the right to introduce other forms of consideration and/or vary the mix or composition of consideration of any offer. Spectris reserves the right to implement the transaction through or together with a subsidiary of Spectris or a company which will become a subsidiary of Spectris. Spectris reserves the right to adjust the terms of the Possible Offer to take account of the value of any dividend or other distribution which is announced, declared, made or paid by Oxford Instruments after the date of this announcement.

The person responsible for arranging the release of this announcement on behalf of Spectris is Mark Serfözö, Company Secretary.

Enquiries

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Forward-looking statements

This announcement, oral statements made regarding the Possible Offer, and other information published by Spectris contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Spectris about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this announcement include statements relating to the expected effects of the Possible Offer on Spectris (including its future prospects, developments and strategies), the expected timing and scope of the Possible Offer and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "strategy", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved (or, in each case, their negative or other variations). Although Spectris believe that the expectations reflected in such forward-looking statements are reasonable, Spectris cannot give assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to complete the Possible Offer; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other conditions on the proposed terms and schedule; future market conditions, changes in general economic and business conditions, the behaviour of other market participants, the anticipated benefits from the Possible Offer not being realised as a result of changes in general economic and market conditions in the countries in which Spectris or Oxford Instruments operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Spectris or Oxford Instruments operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither Spectris, nor any of its associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. No reliance should be placed on any of these forward-looking statements. Other than in accordance with its legal or regulatory obligations, Spectris is under no obligation, and Spectris expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No profit forecasts, estimates or quantified benefits statements

Nothing in this announcement is intended, or is to be construed, as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Spectris for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Spectris.

Inside Information

The information contained within this announcement is deemed by Spectris to constitute inside information as stipulated under the Market Abuse Regulation (EU) no. 596/2014 (as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018). On the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

Important notice related to financial adviser

N.M. Rothschild & Sons Limited ("Rothschild & Co"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Spectris plc and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Spectris plc for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.

Jefferies International Limited ("Jefferies"), which is authorised and regulated by the FCA in the United Kingdom, is acting as financial adviser and corporate broker exclusively for Spectris and no one else in connection with the Possible Offer and will not be responsible to anyone other than Spectris for providing the protections afforded to clients of Jefferies nor for providing advice in relation to the Possible Offer or any other matters referred to in this announcement. Neither Jefferies nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Jefferies in connection with this announcement, any statement contained herein, the Possible Offer or otherwise.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position disclosure or a dealing disclosure.

Rule 26.1 disclosure

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement will be available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at www.Spectris.com by no later than 12 noon (London time) on the business day following the date of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Additional Information

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to this announcement or otherwise. Any offer, if made, will be made solely by certain offer documentation which will contain the full terms and conditions of any offer, including details of how it may be accepted. The distribution of this announcement in jurisdictions other than the United Kingdom and the availability of any offer to shareholders of Oxford Instruments who are not resident in the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom or shareholders of Oxford Instruments who are not resident in the United Kingdom will need to inform themselves about, and observe any applicable requirements.

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