

Warburg Pincus Announces Acquisition of Labstat International

NEW YORK and KITCHENER, Ontario – May 17, 2018 – Warburg Pincus, a leading global private equity firm focused on growth investing, today announced that funds affiliated with the firm have signed a definitive agreement to acquire Labstat International ULC (“Labstat” or the “Company”), a leading third-party testing company.

Established in 1976, Labstat is the leading global provider of analytical chemistry and in-vitro toxicology testing services for nicotine containing products. Labstat is a full service contract laboratory dedicated to regulatory and non-regulatory testing. The Company tests all forms of nicotine containing products, including next-generation products such as e-cigarettes and Heat-Not-Burn products. Labstat services clients worldwide. With a focus on excellence in science, quality, and responsiveness to clients’ needs, Labstat is ISO 17025 accredited as well as Good Laboratory Practices (GLP) and Good Manufacturing Practices (GMP) compliant.

“Labstat has established itself as an industry leader and provides mission-critical testing services to its clients for regulatory driven testing,” said Stephanie Geveda, Managing Director, Warburg Pincus. “The company represents a strong fit with our broader investment thesis in testing services given Labstat’s specialized technical expertise, market leadership, and the highly regulated nature of the end markets it serves.”

Warburg Pincus has been an active investor in testing, compliance and safety, with current investments including Hygiena and Sotera Health, among others.

“We are pleased to welcome Warburg Pincus as our new investment partner and look forward to leveraging the firm’s deep experience in testing services to further grow our business to the benefit of our clients globally,” said Martin Oughton, CEO of Labstat.

“Labstat continues to expand its capacity and infrastructure in response to the changing global regulatory environment. As a company, we searched for a partner that could help us realize the full potential of the Labstat approach to testing. We believe that we have found the perfect partner in Warburg Pincus and look forward to working with the firm to our mutual benefit,” said Dr. Bill Rickert, Executive Chairman of Labstat.

The transaction is subject to customary closing conditions and is expected to close in June 2018.

About Labstat International

Labstat International ULC is the largest independent and privately owned, analytical laboratory specializing in testing of nicotine containing products. It has over 40 years of expertise in the testing all types of nicotine containing products including: e-cigarette liquids, and vapours, heat-not-burn products and their emissions, as well as conventional tobacco products for regulatory reporting for worldwide interests. As a recognized global “Centre of Excellence,” Labstat has an experienced team of scientists and technicians perform testing for clients around the world in analytical chemistry, in-vitro toxicology, as well as extensive research support and method development. For more information, visit www.labstat.com.

About Warburg Pincus

Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than \$44 billion in private equity assets under management. The firm's active portfolio of more than 150 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 17 private equity funds which have invested more than \$60 billion in over 800 companies in more than 40 countries. The firm is headquartered in New York with offices in Amsterdam, Beijing, Hong Kong, Houston, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai and Singapore. For more information please visit www.warburgpincus.com.

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