

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**PART II OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006.** This document contains a proposal which, if implemented, will result in the cancellation of the admission to trading of Sopheon Shares on AIM.

If you are in any doubt as to the contents of this document or what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Sopheon Shares, please send this document and the accompanying documents (but not the accompanying personalised Forms of Proxy) at once to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, these documents must not be forwarded, distributed or transmitted (in whole or in part) in, into or from any jurisdiction where to do so would violate the laws of that jurisdiction. If you have sold or otherwise transferred only part of your holding of Sopheon Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected. If you have recently purchased or otherwise been transferred Sopheon Shares, notwithstanding receipt of this document from the transferor, you should contact Link Group to obtain personalised Forms of Proxy.

The release, publication or distribution of this document and/or the accompanying documents (in whole or in part) in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document (and the accompanying documents) come should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, Sopheon and Bidco disclaim any responsibility or liability for the violation of such restrictions by such persons.

Neither this document nor any accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, or otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in relation to the Acquisition or the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document is not a prospectus or a prospectus equivalent document.

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**Recommended Cash Offer  
for**

**Sopheon plc**

**by**

**I Ops Buyer Inc.**

**(a wholly-owned subsidiary of Wellspring Worldwide Inc.)**

***to be implemented by means of a Scheme of Arrangement  
under Part 26 of the Companies Act 2006***

***Circular to Sopheon Shareholders and Explanatory Statement under  
section 897 of the Companies Act 2006***

***Notice of Court Meeting and Notice of General Meeting***

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This document sets out details of the Acquisition to be effected by means of a scheme of arrangement under Part 26 of the Companies Act 2006 between Sopheon and the Scheme Shareholders. If the Scheme becomes Effective it will be binding on all Scheme Shareholders, including those who did not attend and/or vote to approve the Scheme or who attended and/or voted against it at the Meetings.

This document should be read as a whole, in conjunction with any information incorporated by reference into this document, the accompanying documents and the accompanying Forms of Proxy. Your attention is drawn, in particular, to the letter from the Chair of Sopheon in Part I of this document, which contains the unanimous recommendation of the Sopheon Directors that you vote, or procure the vote, in favour of the Resolutions to be proposed at the Court Meeting and General Meeting referred to below. A letter from Cavendish Capital Markets Limited ("Cavendish") explaining the Scheme appears in Part II of this document.

Part II of this document constitutes an Explanatory Statement in compliance with section 897 of the Companies Act 2006.

Notices of the Court Meeting and the General Meeting, each of which will be held at the offices of Squire Patton Boggs (UK) LLP, 60 London Wall, London EC2M 5TQ on Thursday 8 February 2024, are set out in Part VIII and Part IX of this document. The Court Meeting will start at 10:00 a.m. (London time) and the General Meeting at

10:15 a.m. (London time) (or as soon as reasonably practicable thereafter as the Court Meeting shall have been concluded or adjourned).

**Action to be taken by Scheme Shareholders is set out in the section headed “ACTION TO BE TAKEN” beginning on page 10 of this document. The BLUE Form of Proxy is to be used in connection with the Court Meeting and the WHITE Form of Proxy is to be used in connection with the General Meeting. Whether or not you intend to attend both or either of the Court Meeting or the General Meeting, Scheme Shareholders are asked to complete and return the enclosed BLUE and WHITE Forms of Proxy in accordance with the instructions printed thereon as soon as possible but, in any event, so as to be received by Sopheon’s Registrar, Link Group, not later than 48 hours before the relevant Meeting, excluding any part of a day that is not a working day. Alternatively, Scheme Shareholders can submit their proxy electronically at [www.signalshares.com](http://www.signalshares.com) by following the instructions set out on the enclosed Forms of Proxy. Electronic proxy appointments must be received not later than 48 hours before the relevant Meeting, excluding any part of a day that is not a working day. Scheme Shareholders who hold Sopheon Shares in uncertificated form (that is, in CREST) may also appoint a proxy through the CREST electronic proxy appointment service by following the relevant instructions in the section headed “ACTION TO BE TAKEN” beginning on page 10 of this document. If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be handed to the Chair of the Court Meeting or to Sopheon’s registrar, Link Group, on behalf of the Chair of the Court Meeting before the start of the Court Meeting. However, in the case of the General Meeting, if the WHITE Form of Proxy is not lodged by the relevant time, it will be invalid. The completion and return of the Forms of Proxy or the appointment of a proxy or proxies electronically or using CREST will not prevent you from attending and voting in person at either of the Meetings, or any adjournment thereof, should you wish to do so.**

If you have any questions about this document, the Court Meeting or the General Meeting or how to complete the Forms of Proxy or to appoint a proxy through the CREST electronic proxy appointment service or otherwise, please contact Link Group on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Lines are open between 9:00 a.m. to 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

Cavendish, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as financial adviser for Sopheon and for no one else in connection with the Acquisition and/or any other matter referred to in this document and will not be responsible to anyone other than Sopheon for providing the protections afforded to its clients or for providing advice in relation to the Acquisition, the contents of this document, or any other matters referred to in this document. Neither Cavendish nor any of its subsidiaries, affiliates or branches owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Cavendish in connection with this document, any statement or other matter or arrangement referred to herein or otherwise.

Raymond James, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as financial adviser for Resurgens, Wellspring and Bidco and for no one else in connection with the Acquisition and/or any other matter referred to in this document and will not be responsible to anyone other than Resurgens, Wellspring and Bidco for providing the protections afforded to its clients or for providing advice in relation to the Acquisition, the contents of this document, or any other matters referred to in this document. Neither Raymond James nor any of its subsidiaries, affiliates or branches 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 Raymond James in connection with this document, any statement or matter set out or referred to herein or otherwise.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by Sopheon, the Sopheon Directors, Resurgens, Wellspring, Bidco, the Bidco Directors, Cavendish, Raymond James or any other person involved in the Acquisition. Neither the delivery of this document nor the holding of the Meetings, the sanction of the Scheme by the Court, nor filing the Court Order shall, under any circumstances, create any implication that there has or has not been a change in the affairs of the Wider Target Group or the Wider Bidco Group since the date of this document or that the information in, or incorporated into, this document is correct as at any time subsequent to its date.

Certain terms used in this document are defined in Part VII of this document.

## IMPORTANT NOTICES

The release, publication or distribution of this document and/or the accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document (and the accompanying documents) come should inform themselves about, and observe, any applicable legal and regulatory requirements. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this document or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. In particular, the ability of persons who are not resident in the United Kingdom to vote in respect of their Sopheon Shares at the Court Meeting and/or the General Meeting, or to execute and deliver Form(s) of Proxy appointing another to vote in respect of their Sopheon Shares at the Court Meeting and/or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located. Any failure to comply with any applicable legal and regulatory requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility and liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders are contained in paragraph 12 of Part II of this document.

This document and the accompanying documents are for information purposes only and neither this document nor the accompanying documents are intended to, and do not, constitute an offer to sell or issue, or a solicitation of an offer to buy or subscribe for, shares or other securities, or a solicitation of any vote or approval in any jurisdiction in which such offer or solicitation is unlawful. This document is not a prospectus or a prospectus equivalent document.

This document and the accompanying Forms of Proxy have been prepared for the purposes of complying with English law, the rules of the London Stock Exchange, the AIM Rules, the FCA, the Companies Act 2006 and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this document and the accompanying documents had been prepared in accordance with the laws of any jurisdictions outside the United Kingdom. Nothing in this document or the accompanying documents should be relied upon for any other reason.

This document and, in particular, the letter from the Chair of Sopheon in Part I of this document and the Explanatory Statement in Part II of this document have been prepared solely to assist Sopheon Shareholders in deciding how to vote on the Scheme. The summary of the principal provisions of the Scheme contained in this document is qualified in its entirety by reference to the Scheme itself, the full text of which is set out in Part IV of this document. Sopheon Shareholders are urged to read and consider carefully the text of the Scheme itself.

No person has been authorised to make any representation(s) on behalf of Sopheon or Bidco concerning the Acquisition, the Scheme or any related matter which are inconsistent with the statements contained in this document.

Sopheon Shareholders should not construe anything contained in this document as legal, financial or tax advice and should consult their own professional advisers for any such advice.

The statements contained herein are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set out herein since such date. Nothing contained herein shall be deemed to be a forecast, projection or estimate of the future financial performance of Sopheon or Bidco except where otherwise stated.

### **Notice to Overseas Shareholders**

The Acquisition will not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, telephonic or electronic) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction, and no person may vote in favour of the Acquisition by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this document and formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded or distributed in, into or from a Restricted Jurisdiction and persons receiving this document (including custodians, nominees and trustees) must not distribute or

send it in, into or from a Restricted Jurisdiction. In the event that the Acquisition is implemented by way of a Takeover Offer, at the election of Bidco, with the consent of the Panel and extended into the US, Bidco will do so in compliance with the procedural and filing requirements of the US securities laws (to the extent applicable) at that time. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities. The Acquisition relates to the shares of an English company and it is proposed to be made by means of a scheme of arrangement provided for under the laws of England and Wales.

**OVERSEAS SHAREHOLDERS SHOULD CONSULT THEIR OWN LEGAL AND TAX ADVISERS WITH RESPECT TO THE LEGAL AND TAX CONSEQUENCES OF THE SCHEME.**

A transaction effected by means of a scheme of arrangement is not subject to the shareholder vote, proxy solicitation and tender offer rules under the US Exchange Act. Accordingly, the Scheme will be subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements and practices of US shareholder vote, proxy solicitation and tender offer rules. Financial information in relation to Sopheon included in the relevant documentation has been prepared in accordance with accounting standards applicable in the UK and may not be comparable to the financial statements of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash pursuant to the Acquisition by Scheme Shareholders in the United States may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each such holder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition (including as to any US information reporting and/or backup withholding obligations). Furthermore, the payment and settlement procedure with respect to the Acquisition will be consistent with UK practice, which differs from US domestic tender offer procedures in certain material respects, particularly with regard to date of payment of consideration.

In the event that the Acquisition is implemented by way of a Takeover Offer (subject to Panel consent, where necessary), in accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Bidco or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Sopheon outside of the United States, other than pursuant to such a Takeover Offer, during the period in which such a Takeover Offer would remain open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases or arrangements to purchase shall be disclosed as required in the UK, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

It may be difficult for US holders of Sopheon Shares to enforce their rights and any claim arising out of the US federal securities laws, since Sopheon is located in a non-US jurisdiction, and some or all of its officers and directors may be residents of a non-US jurisdiction. US holders of Sopheon Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved the Acquisition, passed upon the merits or fairness of the Acquisition or passed comment upon the accuracy, adequacy or completeness of this document, and it is criminal offence in the United States to claim otherwise.

### **Cautionary note regarding forward-looking statements**

This document (including information incorporated by reference in this document), oral statements made regarding the Acquisition, and other information published by Wellspring, Bidco and/or Sopheon 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 Wellspring, Bidco and/or Sopheon 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 document include statements with respect to the expected effects of the Acquisition on Wellspring, Bidco and Sopheon, the expected timing and scope of the Acquisition, the financial condition, results of operations and business of Sopheon and certain plans and objectives of Bidco with respect thereto and other statements other than historical facts. Forward-looking statements may include statements (including statements as to accretion and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions) relating to, among others: (i) future capital expenditures, expenses, revenues, earnings, cash flow, cost savings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Wellspring's, Bidco's, Sopheon's, any member of the Wider Bidco Group's or any member of the Wider Target Group's operations and potential synergies resulting from the Acquisition; and (iii) the potential exposure to market risks and the effects of global economic conditions and governmental regulation on Wellspring's, Bidco's, Sopheon's, any member of the Wider Bidco Group's or any member of the Wider Target Group's business. Often, but not always, forward-looking statements can be identified by the fact that they do not relate only to historical or current facts and may use words such as "anticipate", "target", "expect", "estimate", "forecast", "intend", "plan", "budget", "objectives", "outlook", "potential", "possible", "probable", "assume", "project", "risks", "seek", "synergy", "strategy", "cost-saving", "scheduled", "goal", "believe", "hope", "aims", "continue", "will", "may", "might", "should", "would", "could" or other words of similar meaning or the negative thereof. These statements are based on assumptions and assessments made by Wellspring, Sopheon and/or Bidco in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. By their nature, forward-looking statements involve known and unknown risk and uncertainty and other factors which may cause actual results, performance or developments to differ materially from those expressed in or implied by such, because they relate to events and depend on circumstances that will occur in the future. Although Wellspring, Bidco and/or Sopheon believe that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Neither Wellspring, Bidco nor Sopheon assumes any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law.

There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied in forward-looking statements. By their nature, forward-looking statements involve risk (known and unknown) and uncertainty (and other factors that are in many cases beyond the control of Wellspring, Bidco and/or Sopheon) because they relate to events and depend on circumstances that may or may not occur in the future. The factors that could cause actual results to differ materially from those described in the forward-looking statements include, but are not limited to: the ability to complete the Acquisition; the ability to obtain any requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms; changes in the global, political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or dispositions; changes in general and economic business conditions; changes in the behaviour of other market participants; the anticipated benefits of the Acquisition not being realised as a result of changes in general economic and market conditions in the markets and jurisdictions in which Bidco and Sopheon operate; weak, volatile or illiquid capital and/or credit markets; changes in the degree of competition in the geographic and business areas in which Bidco and Sopheon 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 expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or



projected. Such forward-looking statements should therefore be construed in the light of such factors. These forward-looking statements speak only as at the date of this document.

Neither Wellspring, Bidco nor Sopheon, nor any of their respective 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 document will actually occur. Given the risks and uncertainties, you are cautioned not to place any reliance on these forward-looking statements. All forward-looking statements contained in this document are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

Other than in accordance with their legal or regulatory obligations, neither Wellspring, Bidco nor Sopheon is under any obligation, and Wellspring, Bidco and Sopheon expressly disclaim 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**

No statement in this document (or any information incorporated by reference into this document from another source) is intended or construed as a profit forecast or profit estimate or quantified benefits statement for any period and no statement in this document should be interpreted to mean that earnings or earnings per share for Sopheon and/or Bidco, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Sopheon and/or Bidco, as appropriate.

### **Electronic Communications**

Please be aware that addresses, electronic addresses and certain other information provided by Sopheon Shareholders, persons with information rights and other relevant persons for the receipt of communications from Sopheon may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

### **Publication on website and availability of hard copies**

In accordance with Rule 26.1 of the Code, a copy of this document will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, on Sopheon's website at <https://www.sopheon.com/investors> and on Bidco's website at <https://offer.wellspring.com/news> no later than 12.00 noon (London time) on the Business Day following the publication of this document and during the course of the offer period. Neither the contents of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this document.

### **Requesting hard copy documents**

Pursuant to Rule 30.3 of the Takeover Code, a person so entitled may request a copy of this document and any information incorporated into it by reference to another source in hard copy form. A person may also request that all future documents, announcements and information to be sent to that person in relation to the Acquisition should be in hard copy form. For persons who receive a copy of this document in electronic form or via a website notification, a hard copy of this document will not be sent unless so requested by contacting Sopheon's registrar, Link Group on +44 (0)371 664 0321 or by submitting in writing to Link Group, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Lines are open between 9:00 a.m. to 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

### **Scheme process**

In accordance with Section 5 of Appendix 7 of the Takeover Code, Sopheon will announce through a Regulatory Information Service key events in the Scheme process including the outcomes of the Meetings and the Court Hearing.

Unless otherwise consented to by the Court and the Panel, any modification or revision to the Scheme will be made no later than the date which is 14 days prior to the Meetings (or any later date to which such Meetings are adjourned).

### **Disclosure requirements of the Takeover Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. 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 p.m. (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3:30 p.m. (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 Code, any person who is, or becomes, interested in 1 per cent. 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(s), 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 p.m. (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](http://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.

Capitalised terms are defined in the Takeover Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to make a disclosure under Rule 8, you should consult the Panel.

### **Rounding**

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables or paragraphs may vary slightly and figures shown as totals in certain tables or paragraphs may not be an arithmetic aggregation of the figures that precede them.

### **Announcement not a prospectus**

This document does not constitute a prospectus or prospectus equivalent document.

**Private purchases**

Sopheon Shareholders should be aware that Bidco may purchase Sopheon Shares otherwise than under the Scheme or any Takeover Offer, including pursuant to privately negotiated purchases.

**Independent advice**

If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor or independent financial adviser duly authorised under Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

**Rule 2.9 of the Code**

For the purposes of Rule 2.9 of the Code, Sopheon confirms that, as at the Last Practicable Date, it had in issue 10,706,805 ordinary shares of 20 pence each. No shares are held in treasury. The ISIN for the ordinary shares is GB00BSZM1369.

**General**

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by Sopheon, the Sopheon Directors, Resurgens, Wellspring, Bidco, the Bidco Directors, Cavendish, Raymond James or any other person involved in the Acquisition. Neither the delivery of this document nor the holding of the Meetings, the sanction of the Scheme by the Court, or filing the Court Order shall, under any circumstances, create any implication that there has or has not been a change in the affairs of the Wider Target Group or the Wider Bidco Group since the date of this document or that the information in, or incorporated into, this document is correct as at any time subsequent to its date.

**Date**

This document is dated 16 January 2024.



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## ACTION TO BE TAKEN

For the reasons set out in this document, the Sopheon Directors, who have been so advised by Cavendish as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing advice to the Sopheon Directors, Cavendish has taken into account the commercial assessments of the Sopheon Directors. Cavendish is providing independent financial advice to the Sopheon Directors for the purpose of Rule 3 of the Code.

Accordingly, in order to implement the Acquisition, the Sopheon Directors recommend unanimously that you vote to approve the Scheme at the Court Meeting and vote in favour of the Special Resolution at the General Meeting, as each of the Sopheon Directors who are interested in Sopheon Shares have irrevocably undertaken to do in respect of their own (and their connected persons') entire beneficial holdings of Sopheon Shares (held in a personal capacity or through a nominee), amounting to 2,340,668 Sopheon Shares, representing, in aggregate, approximately 21.86 per cent. of the issued share capital of Sopheon as at the Last Practicable Date, and further recommend that you take the action described below.

This part of the document should be read in conjunction with the rest of the document, and in particular, paragraph 14 of Part I (*Letter from the Chair of Sopheon plc*) and paragraph 13 of Part II (*Explanatory Statement*) of this document and the notices of the Court Meeting and the General Meeting in Part VIII (*Notice of Court Meeting*) and Part IX (*Notice of General Meeting*) of this document.

### Documents

Please check that you have received the following:

- a BLUE Form of Proxy for use in respect of the Court Meeting on Thursday 8 February 2024;
- a WHITE Form of Proxy for use in respect of the General Meeting on Thursday 8 February 2024; and
- a pre-paid envelope (for use in the UK only) for the return of the BLUE Form of Proxy and the WHITE Form of Proxy.

If you have not received all of these documents, please contact Link Group on the number indicated in the 'Helpline' paragraph below.

### Voting at the Court Meeting and the General Meeting

The Scheme will require approval at a meeting of the Scheme Shareholders convened pursuant to an order of the Court (the "**Court Meeting**") to be held at the offices of Squire Patton Boggs (UK) LLP, 60 London Wall, London, EC2M 5TQ at 10:00 a.m. (London time) on Thursday 8 February 2024. Implementation of the Scheme will also require approval of Sopheon Shareholders at the General Meeting to be held at the same place at 10:15 a.m. (London time) on Thursday 8 February 2024 (or as soon as reasonably practicable thereafter as the Court Meeting shall have been concluded or adjourned). Notices of the Court Meeting and the General Meeting are set out in Part VIII (*Notice of Court Meeting*) and Part IX (*Notice of General Meeting*) of this document, respectively.

Sopheon Shareholders entitled to attend and vote at the Meetings are entitled to appoint a proxy (or proxies) to exercise all or any of their rights to attend, speak and vote at the Meetings. A proxy need not be an Sopheon Shareholder.

**It is very important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of the opinion of Scheme Shareholders. You are therefore strongly urged to complete, sign and return your Forms of Proxy, or deliver your voting instructions by one of the other methods referred to below, as soon as possible. Doing so will not prevent you from attending, speaking and voting in person at the Meetings if you wish and are entitled to do so.**

#### (a) ***Sending Forms of Proxy by post or by hand***

Sopheon Shareholders will find enclosed with this document a BLUE Form of Proxy for use in connection with the Court Meeting and a WHITE Form of Proxy for use in connection with the

General Meeting. Please complete and sign the enclosed Forms of Proxy in accordance with the instructions printed on them and return them, either by post or, during normal business hours only, by hand to Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL United Kingdom, so as to be received as soon as possible and, in any event, not later than the relevant time set out below:

BLUE Forms of Proxy for the Court Meeting – 10:00 a.m. (London time) on Tuesday 6 February 2024

WHITE Forms of Proxy for the General Meeting – 10:15 a.m. (London time) on Tuesday 6 February 2024,

or, if either Meeting is adjourned, the relevant Form of Proxy should be received not later than 48 hours before the time fixed for the adjourned Meeting (excluding any part of a day that is not a working day). For your convenience, a freepost facility (for use in the UK only) has been provided with respect to the Forms of Proxy.

If the BLUE Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to the Chair of the Court Meeting or to Sopheon's Registrar, Link Group, on behalf of the Chair of the Court Meeting before the start of the Court Meeting. However, in the case of the General Meeting, if the WHITE Form of Proxy is not returned so as to be received by the time referred to above and in accordance with the instructions on the Form of Proxy it will be invalid.

Sopheon Shareholders are entitled to appoint a proxy in respect of some or all of their Sopheon Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different Sopheon Share or Sopheon Shares held by such holder. Sopheon Shareholders who wish to appoint more than one proxy in respect of their holding of Sopheon Shares should contact the Registrar for further Forms of Proxy (or photocopy the enclosed forms).

(b) ***Electronic appointment of proxies online***

Forms of Proxy may alternatively be submitted electronically by logging on to the following website <https://www.signalshares.com> and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received by Link Group no later than 10:00 a.m. on Tuesday 6 February 2024 in respect of the Form of Proxy for the Court Meeting and no later than 10:15 a.m. on Tuesday 6 February 2024 in respect of the Form of Proxy for the General Meeting (or in the case of adjournment(s), not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting(s)). You may submit your proxy electronically using the share portal service at <https://www.signalshares.com>. If not already registered for the share portal, you will need your investor code which is located on your share certificate.

(c) ***Electronic appointment of proxies through CREST***

If you hold Sopheon Shares in uncertificated form in CREST and wish to appoint a proxy or proxies for either or both of the Meetings (or any adjourned Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy), must, in order to be valid, be transmitted so as to be received by the Registrar (ID: RA10) not less than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the Court Meeting or General Meeting (or adjourned Meeting), as applicable. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp

applied to the message by the CREST Application Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In connection with this, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Sopheon may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

Completion and return of a Form of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described below), will not prevent you from attending, speaking and voting in person at either Meeting, or any adjournment thereof, if you wish and are entitled to do so.

In the case of the Court Meeting only, if you have not appointed a proxy electronically or online by such time, you may complete the BLUE Form of Proxy and hand it to the Chair of the Court Meeting or to Sopheon's Registrar, Link Group, on behalf of the Chair of the Court Meeting before the start of the Court Meeting. In case of the General Meeting only, if the electronic or online proxy appointment is not received by the time mentioned above, it will be invalid.

(d) ***Further information about proxies and voting***

Further information in relation to the appointment of proxies for, and voting at, the Meetings is set out in paragraph 6.3 of Part II (*Explanatory Statement*) of this document and in the notes to the notices of the Meetings set out at the end of this document and in the instructions printed on the Forms of Proxy.

## **Helpline**

**If you have any questions about this document, the Court Meeting or the General Meeting or how to complete the Forms of Proxy or to appoint a proxy through the CREST electronic proxy appointment service or otherwise, please contact Link Group on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Lines are open between 9:00 a.m. to 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.**

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

All times shown are London times unless otherwise stated. All dates and times are based on Sopheon's, Resurgens', Wellspring's and Bidco's current expectations and are subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to Sopheon Shareholders by announcement through a Regulatory Information Service and by posting notice of these dates on the following website: <https://www.sopheon.com/investors>.

| <b>Event</b>   | <b>Expected time and/or date</b>           |
|--|--|
| Date of this document  | 16 January 2024                            |
| <b>Latest time for lodging Forms of Proxy for:</b>   |  |
| – Court Meeting (BLUE form)  | 10:00 a.m. on 6 February 2024 <sup>1</sup> |
| – General Meeting (WHITE form)   | 10:15 a.m. on 6 February 2024 <sup>2</sup> |
| Voting Record Time   | 6:00 p.m. on 6 February 2024 <sup>3</sup>  |
| Court Meeting  | 10:00 a.m. on 8 February 2024              |
| General Meeting  | 10:15 a.m. on 8 February 2024 <sup>4</sup> |
| <b>The following dates are indicative only and subject to change<sup>5 6</sup></b>   |  |
| Court Hearing (to sanction the Scheme)   | 16 February 2024                           |
| Last day of dealings in, and for registration of transfers of, and disablement in CREST of, Sopheon Shares                   | 19 February 2024                           |
| Scheme Record Time   | 6:00 p.m. on 19 February 2024              |
| Dealings in Sopheon Shares on AIM suspended  | 7:30 a.m. on 20 February 2024              |
| <b>Effective Date of the Scheme</b>  | <b>20 February 2024<sup>7</sup></b>        |
| Cancellation of admission to trading of Sopheon Shares   | at 7:00 a.m. on 21 February 2024           |
| Latest date for despatch of cheques and crediting of CREST stock accounts for Acquisition consideration due under the Scheme | within 14 days after the Effective Date    |
| Long Stop Date   | 4 March 2024 <sup>8</sup>                  |

- 
1. It is requested that BLUE Forms of Proxy for the Court Meeting be lodged not later than 48 hours before the time appointed for the Court Meeting, excluding any part of a day that is not a working day. BLUE Forms of Proxy not so lodged may be handed to the Chair of the Court Meeting or Link Group on behalf of the Chair of the Court Meeting before the start of the Court Meeting.
  2. WHITE Forms of Proxy for the General Meeting must be lodged not later than 48 hours before the time appointed for the General Meeting, excluding any part of a day that is not a working day. WHITE Forms of Proxy for the General Meeting not lodged by this time will be invalid. Please see "Action to be taken" on page 10.
  3. If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned Meeting will be the close of business on the day which is 48 hours (excluding any part of a day that is not a working day) before the date of such adjourned Meeting.
  4. To commence at 10:15 a.m. (or as soon as reasonably practicable thereafter as the Court Meeting shall have been concluded or adjourned).
  5. These times and dates are indicative only and will depend on, among other things, whether and when the Conditions are satisfied or (where applicable) waived and the dates upon which the Court sanctions the Scheme and a copy of the Court Order to sanction the Scheme is delivered to the Registrar of Companies. If the expected date of the Court Hearing is changed, Sopheon will give adequate notice of the changes by issuing an announcement through a Regulatory Information Service and by posting notice of these dates on the following website: <https://www.sopheon.com/investors>.
  6. Subject to the satisfaction of certain regulatory conditions as set out in Part III (Conditions to and Further Terms of the Scheme and the Acquisition) of this document.



7. This date will be the date on which a copy of the Court Order is delivered to the Registrar of Companies.
8. This is the latest date by which the Scheme may become Effective unless Sopheon and Bidco agree, with the consent of the Panel and (if required) the Court, a later date.

**The Court Meeting and the General Meeting will both be held at the offices of Squire Patton Boggs (UK) LLP, 60 London Wall, London EC2M 5TQ on Thursday 8 February 2024.**

## PART I

### LETTER FROM THE CHAIR OF SOPHEON PLC



(Incorporated in England and Wales No: 03217859)

#### Directors:

|                      |                         |
|----------------------|-------------------------|
| Andrew L. Michuda    | Executive Chairman      |
| Gregory M. Coticchia | Chief Executive Officer |
| Arif Karimjee        | Chief Financial Officer |
| Barry K. Mence       | Non-Executive Director  |
| Stuart A. Silcock    | Non-Executive Director  |
| Daniel Metzger       | Non-Executive Director  |
| Barnaby L. Kent      | Non-Executive Director  |

**Sopheon plc**  
*Registered Office:*  
Dorna House  
Guildford Road  
West End, Woking  
Surrey, England  
GU24 9PW

16 January 2024

To: ***Sopheon Shareholders and, for information only, to Sopheon Share Plan Participants and persons with information rights***

Dear Sopheon Shareholder

**Recommended cash offer for Sopheon plc (“Sopheon” or the “Company”) by IOps Buyer Inc. (“Bidco”) to be effected by way of scheme of arrangement under Part 26 of the Companies Act 2006**

#### 1. Introduction

On 31 October 2023 the board of directors of Sopheon announced an agreement in principle with the board of directors of Bidco, a wholly-owned subsidiary of Wellspring Worldwide Inc. (“**Wellspring**”), which is a portfolio company of funds managed and/or advised by Resurgens on the terms of a possible cash offer for the entire issued and to be issued share capital of Sopheon. That announcement set out that Wellspring were awaiting receipt of a regulatory clearance (the “**Prior Announcement**”).

On 21 December 2023, that regulatory clearance was received and following that, on 22 December 2023, the Boards of Bidco and Sopheon announced that they had reached agreement on the terms of a recommended all cash offer pursuant to which Bidco would acquire the entire issued and to be issued share capital of Sopheon (the “**Announcement**”). It is intended that the Acquisition will be effected by means of a Court-sanctioned scheme of arrangement of Sopheon under Part 26 of the Companies Act (the “**Scheme**”).

I am writing to you on behalf of the Sopheon Directors to explain the background to, and detailed terms of, the Acquisition and the reasons why the Sopheon Directors consider the terms of the Acquisition to be fair and reasonable and in the best interests of Sopheon and Sopheon Shareholders, as a whole, and to explain why the Sopheon Directors are unanimously recommending that you vote, or procure votes, in favour of the Acquisition at the Meetings to be held on 8 February 2024. I draw your attention, in particular, to the letter from Cavendish set out in Part II of this document, which gives further details about the Acquisition, the Scheme itself in Part IV of this document and the additional information set out in Part VI of this document.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Scheme Shareholders’ opinions. I therefore strongly urge you to complete, sign and return your Forms of Proxy or appoint a proxy online or through the CREST electronic proxy appointment service as soon as possible.**

## 2. Summary of the Acquisition

The Acquisition is to be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act, which requires the approval of Sopheon Shareholders at the Court Meeting and General Meeting and the sanction of the Court.

Under the terms of the Acquisition, which will be subject to the Conditions referred to in paragraph 6.2 of Part II of this document and in Part III of this document, Sopheon Shareholders will be entitled to receive:

### **£10.00 in cash for each Sopheon Share held**

The terms of the Acquisition value the entire issued and to be issued share capital of Sopheon at approximately £115 million.

The Acquisition Price of £10.00 for each Sopheon Share represents a premium of approximately:

- 104 per cent. to the Closing Price of 490 pence per Sopheon Share on 30 October 2023 (being the last Business Day before the commencement of the Offer Period);
- 80 per cent. to the Volume Weighted Average Price of 555 pence per Sopheon Share during the three-month period ended 30 October 2023 (being the last Business Day before the commencement of the Offer Period); and
- 72 per cent. to the Volume Weighted Average Price of 581 pence per Sopheon Share during the six-month period ended 30 October 2023 (being the last Business Day before the commencement of the Offer Period).

The Sopheon Shares will be acquired by Bidco with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights now or hereafter attaching or accruing to them, including (without limitation) voting rights and the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date in respect of the Sopheon Shares.

If any dividend or other distribution or return of value is announced, declared, made, paid or becomes payable by Sopheon in respect of the Sopheon Shares on or after the date of the Announcement and prior to the Effective Date, Bidco will have the right to reduce the Acquisition Price payable for each Sopheon Share pursuant to the Acquisition by up to the amount per Sopheon Share of such dividend, distribution or return of value. If any such dividend, distribution or return of value is paid or made after the date of the Announcement and Bidco exercises its rights described above, any reference in this document to the Acquisition Price payable under the Acquisition shall be deemed to be a reference to the Acquisition Price as so reduced. In such circumstances, Sopheon Shareholders would be entitled to receive and retain any such dividend, distribution or return of value. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Acquisition.

If the Scheme becomes Effective, all of the Scheme Shares will be transferred to Bidco. Sopheon will thus become a subsidiary of Bidco.

In the event that the Acquisition is to be implemented by way of a Takeover Offer, Sopheon Shares will be acquired pursuant to the Takeover Offer fully paid and free from all liens, charges, equitable interests, encumbrances and rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto including the right to receive and retain all dividends and distributions declared, made or paid by reference to a record date after the Effective Date.

It is currently expected that (subject to the satisfaction or, as the case may be, waiver of the Conditions) the Effective Date will be on 20 February 2024.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attend and/or vote at the Court Meeting and/or the General Meeting. Further details of the Scheme, including the arrangements for settlement of the consideration payable to Scheme Shareholders, are set out in the Explanatory Statement contained in Part II of this document.

Subject to satisfaction or (where applicable) waiver of all relevant Conditions, an application will be made for the cancellation of the trading of the Sopheon Shares on AIM to take effect shortly after the Effective Date.

### **3. Background to and reasons for the Acquisition**

Sopheon is a leading provider of end-to-end innovation management software solutions, which help customers drive strategy execution by providing accountability, visibility and control across the corporate innovation lifecycle, and represents an attractive opportunity to invest in a market leading enterprise software business across multiple geographies.

Wellspring believes that the Acquisition represents an opportunity for it to continue building a leading global innovation management software and services provider by combining its software solutions and data systems for managing technology transfer, intellectual property (“IP”) and innovation activities, primarily for the academic, government and corporate markets, with Sopheon’s complementary innovation and product development focus, particularly focused on the research and development functions of larger corporate clients. Wellspring believes that it and Sopheon are complementary in two main respects:

- firstly, from a product and service offering standpoint, Wellspring has an established leadership position in the IP management and technology transfer software markets, while Sopheon has a large and established Innovation Management customer base. With this combination and continued investments in the combined product portfolio, customers will benefit from the ability to purchase an end-to-end Innovation, IP management and technology transfer solution from a single vendor; and
- secondly, from an end-market perspective, Wellspring has an existing leadership position in the higher education and government markets, with an emerging corporate footprint, while Sopheon has a leadership position in the larger corporate market and an emerging government client footprint. The combined company will benefit from the shared go-to-market and customer service expertise that each business has developed.

Wellspring believes that the combination of the two companies should therefore create a compelling product and services portfolio in the market for each business’s respective clients.

As a result of Sopheon’s relative size compared to Wellspring, and its influence in the US and European markets along with its recent acquisition of a business in Australia, Wellspring believes that the Acquisition also brings Wellspring materially greater scale. Wellspring believes that Sopheon presents a platform from which to embed and grow its geographic reach globally, a key strategic focus area of both organic and future acquisitive growth for Wellspring.

Finally, Wellspring believes that in order to maximise its future potential, Sopheon would be better suited to a private company environment, where initiatives to improve the performance of the business can be implemented effectively, working in tandem with Wellspring, free from the requirement to meet the public equity market’s shorter-term reporting requirements and expectations.

### **4. Background to and reasons for the recommendation**

The Sopheon Board remain highly confident in Sopheon’s standalone prospects as an independent company and are pleased with the progress made over the last few years in advancing its strategic priorities.

Sopheon is a market leader in end-to-end innovation management software solutions, collectively known as InnovationOps and its software helps customers drive strategy execution by providing accountability, visibility and control across the corporate innovation lifecycle. By operationalising the entire innovation life cycle, Accolade® and Acclaim™ software and expertise enable innovation, product and project professionals to accomplish the full range of InnovationOps tasks to drive innovation at scale. In recent years Sopheon has focused on its transition to a SaaS model, and has complemented organic growth with strategic acquisitions to expand and optimise Sopheon’s platform and improved competitiveness. This has contributed to the broadening of its offerings with three new products under the Acclaim banner, completing the flagship Accolade solution and is catering to a wider pool of

customers as well as a larger addressable market. This has only been achieved thanks to the sustained dedication and passion of Sopheon's employees and management team over many years.

The Sopheon Board is pleased to recommend the Acquisition and believes that the Acquisition presents an attractive valuation for Sopheon, and a compelling liquidity opportunity not currently afforded by the public markets. Sopheon also acknowledges that continued execution of its strategy – both in terms of recognition for its transition momentum towards a multiproduct SaaS business, and the potential dilutive impact of raising capital for execution of transformative M&A – are challenging for a smaller public company in the current environment. These uncertainties are further reinforced by an increasingly uncertain economic backdrop, most immediately evidenced by the risk of shutdown of the US congress and consequential delays in approval of US government budgets.

In particular, the Sopheon Board notes that the Acquisition Price represents:

- a premium of 104 per cent. to the Closing Price of 490 pence per Sopheon Share on 30 October 2023 (being the last Business Day before the commencement of the Offer Period);
- a premium of 80 per cent. to the Volume Weighted Average Price of 555 pence per Sopheon Share for the three-month period ended 30 October 2023 (being the last Business Day before the commencement of the Offer Period); and
- a compelling liquidity opportunity for Sopheon Shareholders, given the average daily trading volume as a percentage of Sopheon's issued share capital was approximately 0.03 and 0.04 per cent. respectively over the preceding six and twelve months prior to the commencement of the Offer Period, and that there was zero trading in Sopheon Shares in approximately 27 per cent. of trading days over the 12 months preceding the commencement of the Offer Period.

In assessing the financial terms of the Acquisition, the Sopheon Board has noted the support for the Acquisition by certain of Sopheon's key shareholders representing, in aggregate, 41.24 per cent. of the issued share capital. The Acquisition on the terms proposed also represent the conclusion of a lengthy engagement between Sopheon, Wellspring and Resurgens, and the Sopheon Board entering into these discussions with the benefit of having previously explored a number of indicative or speculative expressions of interest from other potentially interested parties.

The Sopheon Board share Wellspring's excitement regarding the strategic and operational benefits that come from combining complementary product portfolios across complementary customer footprints, where Sopheon holds a strong position in the corporate market, consisting of well-known global leading corporate customers, whilst Wellspring has focused on education and government sectors; and where Sopheon has a large and established Innovation Management business, Wellspring has an established leadership position in the IP management and technology transfer markets. The Sopheon Directors believe the combined company will be unique in its collective offerings bridging the intellectual property invention communities (universities and government labs) with the consumers of IP, the corporate enterprises. Sopheon is also excited about the complementary geographical footprint, the ability to scale Wellspring solutions in Europe, and the clear benefits in the unique complimentary skill sets inherent in the combined employee bases across all functions.

Resurgens has a proven track record of providing scale, operational support and financial resources to the companies it partners with, such as Wellspring. The Sopheon Board welcomes the importance that Wellspring attributes to the skills and experience of the Sopheon employees and management team, and the statements made by Wellspring with regard to the employment and places of business set out in paragraph 5 of this Part I. The Sopheon Board also welcomes that Wellspring has stated that the Acquisition will offer continuing opportunities for Sopheon staff as part of the Enlarged Group.

Following careful consideration of the above factors, the Sopheon Board believes that the Acquisition Price of £10.00 per Sopheon Share in cash provides attractive value and certainty for Sopheon Shareholders, recognising Sopheon's market position, its future growth prospects and the risks and potential future funding requirements associated with those prospects.



## **5. Wellspring's intentions with respect to management, employees, pension scheme, research and development and locations of the Sopheon Group**

Prior to the date of the Announcement, Wellspring has been granted access to Sopheon's senior management team for the purpose of undertaking confirmatory due diligence. As a result of that diligence process, Wellspring has been able to develop a preliminary strategy that it anticipates delivering for the Sopheon business. Upon the Acquisition becoming Effective, Wellspring will benefit from having greater access to the business, employees and customers of Sopheon and will be able to formulate more detailed long-term strategic and operational plans for the Enlarged Group.

Wellspring intends to complete that more detailed long-term strategic and operational planning within six months of the Effective Date (the "**Review**"), focusing on all aspects of the Enlarged Group's business and opportunities available, including:

- reviewing in more detail the Enlarged Group's markets, customers, software and services offerings, and support operations;
- assessing the growth opportunity across each aspect of the business and its strategic positioning;
- evaluation of product roadmaps and accelerating development of primary software platforms for growth in existing and new markets; and
- deepening engagement with the key stakeholders of the business, including customers, suppliers and broader business partners.

Wellspring intends to invest in the enlarged business, both organically and potentially via acquisitions. Wellspring has a track record of making acquisitions and at any point in time is typically evaluating several potential opportunities across North America, the UK and Europe, and Asia Pacific, each at varying stages of engagement. With the backing of Resurgens, Wellspring believes that the Enlarged Group has the capability to execute these if it wishes.

### ***Research and development***

The Review will include an assessment of the Enlarged Group's existing offerings, research and development functions and product development readings. This may lead to the identification of areas where spending can be increased or focused in order to develop new, highly valued functionality or accelerate the existing roadmaps and/or it may lead to the identification of certain areas of surplus research and development activity, where operational efficiencies can be achieved across the Enlarged Group's existing research and development functions and resourcing. Further analysis is needed to ascertain which products and modules have the potential to be leveraged more broadly across the Enlarged Group. Any such products or modules will have their product roadmap prioritised.

### ***Employees and management***

Wellspring attaches great importance to the skills and experience of Sopheon's employees including its management team. Wellspring believes that the Acquisition will result in greater opportunities for Sopheon's staff as part of the Enlarged Group, particularly in terms of activities that pertain to developing and expanding its market position internationally. Wellspring confirms that, following the Scheme becoming Effective, the existing contractual and statutory employment rights of the Sopheon Group's management and employees will be fully safeguarded in accordance with applicable law.

Following the Scheme becoming Effective, as part of the Review, Wellspring intends to evaluate the management, governance and incentive structure of Sopheon.

Subject to compliance with applicable local law, as part of the Review, Wellspring may consolidate terms and conditions of employment in each geography. This could mean that in a particular country Wellspring may migrate Sopheon employees onto Wellspring's terms and conditions of employment, consistent with the terms and conditions of employment of Wellspring employees of a substantially equivalent level.

Wellspring will look to run the Enlarged Group efficiently and sustainably, and so following the Effective Date, a number of corporate, technical, research and development, and support functions, including PLC-related functions, may cease to be necessary and therefore potentially require headcount

reductions in the foregoing areas. Except as described in the prior sentence, at this stage, Wellspring does not expect material headcount reductions in the Enlarged Group. Any such proposals for change would be developed during the Review referenced above. Wellspring has not yet developed proposals as to how any such headcount reductions would be implemented and any individuals impacted across the Enlarged Group will be treated in a manner consistent with Wellspring's high standard culture and practices and efforts will be made to mitigate headcount reductions, via natural attrition and the elimination of vacant roles where appropriate.

The Enlarged Group will be led by Sean Downs, CEO of Wellspring. Wellspring further intends that the broader executive leadership team will be constructed from both businesses following completion of the Acquisition.

Wellspring confirms that the Sopheon Non-Executive Directors will cease to be directors of Sopheon with effect from the Scheme becoming Effective.

Other than as noted immediately above, Wellspring does not expect or intend the Review to have a material impact on the balance of skills and functions at Sopheon.

### ***Existing rights and pensions***

Wellspring does not currently intend to make any changes to the eligibility rules or contribution rates that currently apply under Sopheon's defined contribution pension plans and intends to comply with all applicable law in this regard. Sopheon does not operate a defined benefit pension scheme.

### ***Incentive arrangements***

Wellspring believes that the ongoing participation of senior management of the Sopheon Group is very important to the future success of the Sopheon Group. Wellspring has not entered into, has not had discussions on proposals to enter into, and will not do so prior to the Scheme becoming Effective, any form of incentivisation arrangements with members of Sopheon's management. Wellspring intends to put in place incentive arrangements for certain members of the Sopheon management team following completion of the Acquisition.

### ***Headquarters, locations, fixed assets***

Wellspring intends to maintain Sopheon's existing network of offices, whilst the Review is undertaken. Wellspring confirms that only following the Review will any need for additions, adjustments or rationalisations to Sopheon's headquarters and office network be known. Wellspring has no intentions to redeploy the fixed assets of Sopheon at this time.

### ***Trading Facilities***

Sopheon Shares are currently admitted to trading on AIM. Wellspring confirms that a request will be made to the London Stock Exchange to cancel the admission to trading of the Sopheon Shares on AIM on or shortly after the Effective Date. Wellspring intends to re-register Sopheon as a private company after the Effective Date.

### ***Statements***

No statements in this paragraph 5 constitute "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

## **6. Irrevocable undertakings**

Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Special Resolution at the General Meeting (or, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer) from the Sopheon Directors, in respect of their (and their connected persons') entire beneficial holdings of Sopheon Shares (held in a personal capacity or through a nominee), amounting to 2,340,668 Sopheon Shares, representing, in aggregate, approximately 21.86 per cent. of the issued share capital of Sopheon as at the Last Practicable Date.

In addition to the irrevocable undertakings from the Sopheon Directors, Bidco has also received an irrevocable undertaking to vote or procure votes in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General meeting (or, if Bidco exercises its right to implement

the Acquisition by way of a Takeover Offer, to accept such offer) from Rivomore Limited, in respect of 2,074,308 Sopheon Shares (held in a personal capacity or through a nominee) representing, in aggregate, approximately 19.37 per cent. of the issued share capital of Sopheon as at the Last Practicable Date. In aggregate, Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Special Resolution at the General Meeting from the holders of 4,414,976 Sopheon Shares in total representing approximately 41.24 per cent. of Sopheon's issued share capital as at the Last Practicable Date.

Full details of the irrevocable undertakings are set out in paragraph 5 of Part VI of this document.

## **7. Sopheon Share Plans**

Further information about the effect of the Acquisition on Sopheon Share Plan Participants' rights under the Sopheon Share Plans is set out in paragraph 5 of Part II of this document.

## **8. Information on Sopheon**

Sopheon is a market leader of end-to-end innovation management software solutions, addressing a range of needs collectively known as InnovationOps. Sopheon's software solutions help customers drive strategy execution by providing accountability, visibility and control across the corporate innovation lifecycle within medium to large enterprises, and certain government bodies. By operationalising the entire innovation life cycle, Accolade® and Acclaim™ software and expertise enable innovation, product and project professionals to accomplish the full range of InnovationOps tasks to drive innovation at scale. Sopheon's solutions provide accountability, visibility and control across the corporate innovation lifecycle. In recent years Sopheon has focussed on its transition to a SaaS model, and has complemented organic growth with strategic acquisitions to expand and optimise Sopheon's platform and improved competitiveness. This has contributed to the broadening of its offerings with three new products under the Acclaim banner, completing the flagship Accolade solution and is catering to a wider pool of customers as well as a larger addressable market.

Sopheon's solutions have been implemented by hundreds of blue-chip customers with over 137,000 users in 50 countries. Typical customers include mid-size and large enterprises such as Honeywell, 3M, Mondelez, LG, Merck, Pall Corporation, Christian Dior, Hershey as well as the US Navy. Sopheon has offices in the United Kingdom, United States, Germany, the Netherlands and Australia, and has approximately 170 employees.

## **9. Information on Bidco, Wellspring and Resurgens**

### ***Bidco***

Bidco has been incorporated under the laws of the State of Delaware, United States of America for the purposes of the Acquisition. It has not traded since its incorporation. Bidco is a wholly-owned subsidiary of Wellspring.

### ***Wellspring***

Founded in 2003 as a spin-off from Carnegie Mellon University, Wellspring is a leading provider of software solutions and data systems for managing technology transfer, IP and innovation activities, primarily for the academic, government and corporate markets. Its suite of solutions cover: (i) invention, IP and contract management, by storing and managing all agreements and critical documentation relating to an organisation's IP; (ii) technology transfer and IP licensing, managing the purchasing and selling or monetisation of technology and research between corporations, universities and government agencies; (iii) research and development workflow management, delivering visibility of those efforts throughout an organisation; and (iv) 'technology scouting' and intelligence, enabling users to view all relevant patents, news, research and other information to identify, evaluate and monitor technological development. Wellspring, headquartered in Chicago with additional offices in London and Tokyo, works with more than 500 organisations worldwide.

### ***Resurgens***

Resurgens is a technology-focused private equity firm investing in North American and select European lower middle-market application and IT infrastructure software businesses. Resurgens' growing team offers a diversity of investing, operating and talent management experience, Resurgens has an active

and engaged value creation approach with each portfolio company. Resurgens is headquartered in Atlanta, Georgia, USA with additional professionals located in Austin, London and Silicon Valley.

#### **10. Information on MS AIP and MSIM**

Registered with the US Securities Exchange Commission since 2001, MS AIP offers, along with its affiliates, various investment products and services through managed account and investment portfolio structures. MS AIP's advisory business consists primarily of identifying investment opportunities and making investments in diversified portfolios of traditional and non-traditional investment funds. This includes allocating assets to investment vehicles managed by MS AIP (or its affiliates) and to investment vehicles managed by unaffiliated third party investment managers.

The general partner of MS AIP is Morgan Stanley Alternative Investments LLC ("**MSAI**") and the limited partner is Morgan Stanley Investment Management Inc. ("**MSIM**"). MSAI and MSIM are both wholly owned subsidiaries of Morgan Stanley, a Delaware USA corporation whose shares are publicly held and traded on the New York Stock Exchange.

Within the global investment management business of Morgan Stanley, MS AIP is responsible for three primary investment strategies, being Hedge Fund Solutions, Private Markets and the Portfolio Solutions Group. The Private Markets strategy principally comprises: (a) the Private Markets Solutions business (which invests in primary capital commitments and co-investments); and (b) the Private Markets Secondary business (which invests in secondary market purchases of investment fund interests).

As noted in paragraph 3 of Part II of this document, part of the financing of Bidco will be effected through indirect equity funding contributed by a fund managed and advised by MS AIP which in turn is the sole limited partner in a co-investment vehicle established for purposes of the Acquisition and managed on a wholly discretionary basis by Resurgens. It is expected that on Completion of the Acquisition, this co-investment vehicle will hold an indirect economic interest in Bidco of around 54.60%.

In addition to this interest, each of MS AIP and MSIM manage separate interests in another fund managed by Resurgens, Resurgens Technology Partners II, L.P. ("**RTP II**"), one of the Resurgens Funds providing indirect equity financing to Bidco. These are held through separate discretionary investment accounts which were invested in RTP II prior to and unconnected with the Acquisition, at the time when Resurgens acquired its interest in Wellspring. As with the interest in the co-investment vehicle referred to above, these interests are held by MS AIP and MSIM on a purely passive basis, with effective control and discretion being delegated to Resurgens. It is expected that on Completion of the Acquisition, the look-through size of these interests managed by MS AIP and MSIM will be around 1.80 per cent. of Bidco.

As of 31 December 2022, MS AIP managed \$29,855,724,984 in client assets on a discretionary basis and \$542,033,649 on a non-discretionary basis for a total of \$30,397,758,633 in regulatory assets under management.

#### **11. Sopheon trading update**

On 24 August 2023, Sopheon announced the interim results of the Sopheon Group for the six months ended 30 June 2023. A copy of that announcement is available on the Sopheon website at <https://www.sopheon.com/investors>. The results announcement included the following statements on the outlook for the Sopheon Group:

Sopheon's Executive Chairman, Andy Michuda said:

*"Sopheon continues to deliver on its key growth and transformation objectives, demonstrated in particular by significant and sustained increases in SaaS ARR, supported by continued high retention performance. In parallel we have delivered substantial investment in growth initiatives and M&A that expand our product offering, geographical footprint and market opportunity, while maintaining cashflow discipline and EBITDA performance. Our strong balance sheet continues to support our ability to execute with confidence. We expect the impact of increased investments in both marketing and product to contribute to a stronger sales pipeline in the second half of the year and beyond, in support of our growth objectives."*

Furthermore, in the Prior Announcement, the Sopheon Board noted:

*“In addition, as referenced in the interim results the current sales pipeline for the balance of 2023 includes yet-to-be closed opportunities for significant perpetual extension orders from existing military customers, alongside other opportunities. Sales teams are busy and prior experience provides reassurance that Sopheon’s business and teams are well placed to deliver even in challenging markets, particularly in the final quarter, but the Sopheon Board recognises that there is a level of execution risk – including, most immediately, potential delays arising from the current U.S. government budget situation which could impact the timing of orders from existing military customers in particular.”*

## **12. Cancellation of admission to trading and re-registration**

Your attention is drawn to paragraph 7 of Part II of this document, which explains the consequences of the intended cancellation of the admission to trading of Sopheon Shares on AIM and the re-registration of Sopheon as a private company limited by shares following the Scheme becoming Effective.

## **13. The Scheme and the Meetings**

The Acquisition is being implemented by way of a Court-sanctioned scheme of arrangement between Sopheon and the Scheme Shareholders under Part 26 of the Companies Act, although Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer (subject to Panel consent, where necessary). The procedure involves an application by Sopheon to the Court to sanction the Scheme, which will involve the Scheme Shares being transferred to Bidco, in consideration for which Scheme Shareholders will receive cash (on the basis described in paragraph 2 above).

To become Effective, the Scheme requires, among other things, the approval of a majority in number of Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy at the Court Meeting, representing not less than 75 per cent. in nominal value of the Scheme Shares held by such Scheme Shareholders present and voting at the Court Meeting (or any adjournment of the Court Meeting) and the passing of the Special Resolution necessary to implement the Scheme at the General Meeting. Following the Court Meeting and the General Meeting and the satisfaction (or, where applicable, waiver) of the other Conditions, the Scheme must also be sanctioned by the Court. The Scheme will only become Effective upon a copy of the Court Order being delivered to the Registrar of Companies. Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended and/or voted at the Court Meeting or the General Meeting (and, if they attended and/or voted, whether or not they voted in favour).

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholders’ opinion. Whether or not you intend to attend the Court Meeting and/or the General Meeting, you are therefore strongly urged to complete, sign and return your Forms of Proxy or appoint a proxy through the CREST electronic proxy appointment service (as appropriate) as soon as possible.**

Further details of the Scheme and the Meetings are set out in paragraph 6 of Part II of this document.

## **14. Action to be taken**

Your attention is drawn to pages 10 to 12 and paragraph 13 of Part II of this document, which explain the actions you should take in respect of voting in respect of the Acquisition at the Meetings.

Overseas Shareholders should refer to paragraph 12 of Part II of this document for important information.

## **15. United Kingdom taxation**

A summary of certain UK tax consequences of the Scheme is set out in paragraph 9 of Part II of this document. That summary relates only to the position of certain categories of Scheme Shareholder (as explained further in paragraph 9 of Part II of this document), does not constitute tax advice and does not purport to be a complete analysis of all potential UK tax consequences of the Scheme. If you are in any doubt about your own tax position or you are subject to taxation in any jurisdiction other than the UK, you are strongly advised to consult an appropriately qualified professional adviser immediately.



## **16. Further information**

I draw your attention to the Explanatory Statement set out in Part II, the full terms and Conditions of the Scheme set out in Part III, the additional information set out in Part VI, the Scheme itself in Part IV and the notices of the Meetings set out in Part VIII and Part IX of this document.

You should read the whole of this document (and the accompanying documents) and not rely solely on the information contained in this letter or the Explanatory Statement.

## **17. Sopheon Board Recommendation**

The Sopheon Directors, who have been so advised by Cavendish as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the Sopheon Directors, Cavendish have taken into account the commercial assessments of the Sopheon Directors. Cavendish is providing independent financial advice to the Sopheon Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, the Sopheon Directors recommend unanimously that Sopheon Shareholders vote in favour of the Scheme at the Court Meeting and the Special Resolution at the General Meeting, as the Sopheon Directors have irrevocably undertaken to do in respect of their own (and their connected persons') entire beneficial holdings of Sopheon Shares (held in a personal capacity or through a nominee), amounting to 2,340,668 Sopheon Shares, representing, in aggregate, approximately 21.86 per cent. of the issued share capital of Sopheon as at the Last Practicable Date.

Yours faithfully,

**Andrew L. Michuda**

*Executive Chair*

for and on behalf of Sopheon plc

## PART II

### EXPLANATORY STATEMENT

(in compliance with section 897 of the Companies Act 2006)

# Cavendish

16 January 2024

To: ***Sopheon Shareholders and, for information only, to Sopheon Share Plan Participants and persons with information rights***

Dear Sopheon Shareholder

**Recommended cash offer for Sopheon plc (“Sopheon” or the “Company”) by IOps Buyer Inc. (“Bidco”) to be effected by way of scheme of arrangement under Part 26 of the Companies Act 2006**

#### 1. Introduction

On 22 December 2023, the Boards of Bidco and Sopheon announced that they had reached agreement on the terms of a recommended all cash offer pursuant to which Bidco would acquire the entire issued and to be issued share capital of Sopheon. Bidco is a wholly-owned indirect subsidiary of Wellspring Worldwide, Inc., which is a portfolio company of funds managed and/or advised by Resurgens Technology Advisors, L.P. It is intended that the Acquisition will be effected by means of a Court-sanctioned scheme of arrangement of Sopheon under Part 26 of the Companies Act.

**Your attention is drawn to the letter from the Chair of Sopheon, set out in Part I of this document, which forms part of this Explanatory Statement. That letter contains, among other things, the unanimous recommendation of the Sopheon Directors to Sopheon Shareholders to vote, or procure the vote, in favour of the Resolutions to approve and implement the Scheme, which will be proposed at the Court Meeting and General Meeting to be held on Thursday 8 February 2024, and an explanation of the background to, and their reasons for, recommending the Acquisition.**

The letter from the Chair of Sopheon also states that the Sopheon Board, which has been so advised by Cavendish as to the financial terms of the Acquisition, considers the terms of the Acquisition to be fair and reasonable. In providing financial advice to the Sopheon Board, Cavendish has taken into account the commercial assessments of the Sopheon Board. Cavendish is providing independent financial advice to the Sopheon Board for the purposes of Rule 3 of the Takeover Code.

The Sopheon Board believes that the terms of the Acquisition are in the best interests of Sopheon Shareholders as a whole and unanimously recommends that Sopheon Shareholders vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting which is to be convened to approve the Acquisition (or, in the event that the Acquisition is to be implemented by way of a Takeover Offer, to accept, or procure the acceptance of, such Takeover Offer), as the Sopheon Directors who are interested in Sopheon Shares have irrevocably undertaken to do in respect of their own (and their connected persons’) entire beneficial holdings of Sopheon Shares (held in a personal capacity or through a nominee), amounting to 2,340,668 Sopheon Shares, representing, in aggregate, approximately 21.86 per cent. of the issued share capital of Sopheon as at the Last Practicable Date.

Cavendish has been authorised by the Sopheon Board to write to you to explain the terms of the Acquisition and the Scheme and to provide you with other relevant information. In giving their advice, Cavendish is advising the Sopheon Board in relation to the Acquisition and are not acting for any Sopheon Director in their personal capacity nor for any Sopheon Shareholder in relation to the Acquisition. Cavendish will not be responsible to any such person for providing the protections afforded to their respective clients or for advising any such person in relation to the Acquisition. In particular, Cavendish will not owe any duties or responsibilities to any particular Sopheon Shareholder concerning the Acquisition.

Statements made or referred to in this letter regarding Bidco and Wellspring's reasons for the Acquisition, information concerning the business of the Wider Bidco Group and/or the intentions or expectations of the Bidco Directors in respect of the Wider Bidco Group and/or the Sopheon Group reflect the views of the Bidco Directors and the Wellspring Responsible Persons (as applicable). Statements made or referred to in this letter regarding the background to, and reasons for, the recommendation of the Sopheon Directors, information concerning the business of the Sopheon Group, and/or the intentions or expectations of the Sopheon Directors in respect of the Sopheon Group, reflect the views of the Sopheon Directors.

This Explanatory Statement contains a summary of the provisions of the Scheme. The terms of the Scheme are set out in full in Part IV of this document. Your attention is also drawn to the other Parts of this document, which are deemed to form part of this Explanatory Statement, including the letter from the Chair of Sopheon set out in Part I of this document, the Conditions and certain further terms set out in Part III of this document and the additional information set out in Part VI of this document. For overseas holders of Sopheon Shares, your attention is drawn to paragraph 12 of this Part II.

## **2. Summary of the terms of the Acquisition**

Under the terms of the Acquisition, which will be subject to the Conditions referred to in paragraph 6.2 of this Part II and in Part III of this document, Sopheon Shareholders will be entitled to receive:

### **£10.00 in cash for each Sopheon Share held**

The terms of the Acquisition value the entire issued and to be issued share capital of Sopheon at approximately £115 million.

The Acquisition Price of £10.00 for each Sopheon Share represents a premium of approximately:

- 104 per cent. to the Closing Price of 490 pence per Sopheon Share on 30 October 2023 (being the last Business Day before the commencement of the Offer Period);
- 80 per cent. to the Volume Weighted Average Price of 555 pence per Sopheon Share during the three-month period ended 30 October 2023 (being the last Business Day before the commencement of the Offer Period); and
- 72 per cent. to the Volume Weighted Average Price of 581 pence per Sopheon Share during the six-month period ended 30 October 2023 (being the last Business Day before the commencement of the Offer Period).

The Sopheon Shares will be acquired by Bidco with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights now or hereafter attaching or accruing to them or including (without limitation) voting rights and the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date in respect of the Sopheon Shares.

If any dividend or other distribution or return of value is announced, declared, made, paid or becomes payable by Sopheon in respect of the Sopheon Shares on or after the date of the Announcement and prior to the Effective Date, Bidco will have the right to reduce the Acquisition Price payable for each Sopheon Share pursuant to the Acquisition by up to the amount per Sopheon Share of such dividend, distribution or return of value. If any such dividend, distribution or return of value is paid or made after the date of the Announcement and Bidco exercises its rights described above, any reference in this document to the Acquisition Price payable under the Acquisition shall be deemed to be a reference to the Acquisition Price as so reduced. In such circumstances, Sopheon Shareholders would be entitled to receive and retain any such dividend, distribution or return of value. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Acquisition.

The Scheme will not become Effective unless all the Conditions set out in Part III of this document are satisfied or (where applicable) waived by the Long Stop Date.

### **3. Financing**

The cash consideration payable to the Sopheon Shareholders under the terms of the Acquisition is intended to be financed by a combination of equity funding to be invested indirectly by the Resurgens Funds and committed debt funding to be provided under the Facilities Agreement. The Resurgens Funds includes a co-investment fund in which the sole limited partner is a fund managed by MS AIP.

Raymond James, in its capacity as financial adviser to Bidco, is satisfied that sufficient cash resources are available to Bidco to enable it to satisfy in full the cash consideration payable to Sopheon Shareholders under the terms of the Acquisition.

Further information on the financing of the Acquisition is set out in paragraph 8 of Part VI of this document.

### **4. The Sopheon Directors and the effect of the Scheme on their interests**

Details of the interests of the Sopheon Directors in the share capital of Sopheon, and options and awards in respect of such share capital granted pursuant to the Sopheon Share Plans, are set out in paragraph 4.2 of Part VI of this document. Sopheon Shares held by the Sopheon Directors at the Scheme Record Time will be subject to the Scheme.

Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Special Resolution at the General Meeting from the Sopheon Directors in respect of their own (and their connected persons') entire beneficial holdings of Sopheon Shares (held in a personal capacity or through a nominee), amounting to 2,340,668 Sopheon Shares, representing, in aggregate, approximately 21.86 per cent. of the issued share capital of Sopheon as at the Last Practicable Date.

In 2023, the Company proposed to grant options over, in aggregate, 20,000 Sopheon Shares under the Sopheon Share Plans to the Chief Executive Officer (Gregory Cotichia) and Chief Financial Officer (Arif Karimjee) but the relevant option grants did not occur at the same time as grants made to other Company employees due to them being persons discharging managerial responsibilities (PDMRs) with the Company being restricted from making the grant at that same time under its share dealing code. It is intended that those individuals will receive a cash bonus payment after the Scheme Effective Date equal to the gain they would have received had those options been granted to them at the same time as other employees. Further information about this arrangement is set out in paragraph 4.2.4 of Part VI of this document.

Particulars of the service contracts (including termination provisions) and letters of appointment of the Sopheon Directors are set out in paragraph 9 of Part VI of this document.

It is intended that upon Completion of the Acquisition, each Sopheon Non-Executive Director will resign as a director with effect from the Effective Date and will receive a payment in lieu of notice.

The effect of the Scheme on the options and awards held by Sopheon Directors and other Sopheon Share Plan Participants is summarised in paragraph 5 of this Part II.

Save as set out above, the effect of the Scheme on the interests of the Sopheon Directors does not differ from its effect on the like interests of any other person.

### **5. Sopheon Share Plans**

The Scheme will apply to Sopheon Shares which are unconditionally allotted, issued, or transferred before the Scheme Record Time to satisfy the exercise of outstanding Sopheon Share Awards over Sopheon Shares.

An amendment to the Articles is being proposed at the General Meeting to the effect that, if the Scheme becomes Effective, any Sopheon Shares issued or transferred after the Scheme Record Time pursuant to the exercise of Sopheon Share Awards will be automatically acquired by Bidco in consideration for the payment of the same cash consideration as is payable pursuant to the Scheme. Further information in respect of the proposed amendments to the Articles is contained in paragraph 6.5 of this Part II and in Part VIII of this document.

Sopheon Share Plan Participants will be sent letters explaining the effect of the Acquisition on their Sopheon Share Awards and the action they may take. Bidco will make proposals to holders of Sopheon

Share Awards in accordance with Rule 15 of the Code. The following is a high-level summary of the impact of the Acquisition on subsisting Sopheon Share Awards (further details are available at Schedule 2 of the Co-operation Agreement, which is available to review on Sopheon's website at: <https://www.sopheon.com/investors>).

### ***Acquisition for Sopheon Shares acquired pursuant to Sopheon Share Awards***

The Sopheon Share Awards which are not already exercisable will become exercisable upon Court sanction of the Scheme, subject to their terms and the rules of the applicable Sopheon Share Plan.

The Remuneration Committee has resolved that, in connection with the Acquisition, the Sopheon Share Awards granted under the Sopheon Share Plans which are not already vested will vest in full upon the sanction of the Scheme by the Court.

The Sopheon Share Awards which are already vested and exercisable can be exercised upon the sanction of the Scheme by the Court, subject to their terms and the rules of the applicable Sopheon Share Plan.

Sopheon Share Awards granted under the Sopheon UK Approved Plan and the Sopheon UK Unapproved Plan that have vested at the date of the sanction of the Scheme by the Court will remain exercisable at any point prior to their lapse or for a period of six months following the date of the sanction of the Scheme by the Court, whichever is earlier. Sopheon Share Awards granted under the Sopheon USA Plan that have vested at the date of the sanction of the Scheme by the Court will remain exercisable at any point prior to their lapse.

Save in respect of any enterprise management incentive or company share option plan, the Sopheon Share Awards are intended to be cash-cancelled by Sopheon following the sanction of the Scheme by the Court.

No dividend equivalents are payable to holders of Sopheon Share Awards pursuant to the Sopheon Share Plans.

### ***Employee Benefit Trust***

Sopheon has established an employee benefit trust (the "EBT") which as at the date of this document holds 49,834 Sopheon Shares. The trustees of the EBT may be requested to agree to satisfy Sopheon Share Awards that are exercised as a consequence of the Acquisition using the Sopheon Shares held by the EBT although this is not currently expected to be the case. In the event that the Sopheon Shares held by the EBT are not used to satisfy awards under the Sopheon Share Plans, funds held by the EBT (including from the proceeds of sale of any Sopheon Shares under the terms of the Scheme) could be used (in whole or in part) to pay the amounts referred to in paragraph 4.2.4 of Part VI of this document.

## **6. Structure of the Acquisition and Conditions**

### **6.1 *The Scheme***

The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement between Sopheon and Scheme Shareholders under Part 26 of the Companies Act. The procedure requires approval by Scheme Shareholders at the Court Meeting and Sopheon Shareholders at the General Meeting and the sanction of the Scheme by the Court at the Court Hearing. The Scheme is set out in full in Part IV of this document. If the Scheme becomes Effective, it will result in Sopheon becoming a subsidiary of Bidco.

The Scheme provides for the transfer of the Scheme Shares held by Scheme Shareholders as at the Scheme Record Time and in consideration for which Bidco will pay £10.00 in cash per Scheme Share to the Scheme Shareholders.

### **6.2 *Conditions to the Acquisition***

The Conditions to the Acquisition are set out in full in Part III of this document. In summary, the implementation of the Scheme is conditional upon, and will only become Effective if, among other things, the following events occur on or before the Long Stop Date:



- the Scheme is approved by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders (or the relevant class or classes thereof, if applicable) in each case present, entitled to vote and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court or at any adjournment of any such meeting;
- the Court Meeting and any separate class meeting which may be required by the Court or any adjournment of any such meeting being held on or before the 22nd day after the expected date of the Court Meeting (or such later date, if any, as Bidco and Sopheon may agree with the consent of the Panel and the Court may allow);
- the Special Resolution being duly passed by the requisite majority at the General Meeting or at any adjournment of that meeting;
- the General Meeting or any adjournment of that meeting being held on or before the 22nd day after the expected date of the General Meeting (or such later date, if any, as Bidco and Sopheon may agree with the consent of the Panel and the Court may allow);
- the sanction of the Scheme by the Court (with or without modification (but subject to any such modification being acceptable to Bidco and Sopheon)) and the delivery of a copy of the Court Order to the Registrar of Companies; and
- the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing (or such later date, if any, as Bidco and Sopheon may agree with the consent of the Panel and the Court may allow).

In the Announcement, the Acquisition was also expressed to be subject to the satisfaction of the NSIA Condition (as set out at paragraph 3(a) of Part A of Part III of this document). On 11 January 2024, the Company announced that Bidco had received a notification from the Secretary of State that it will not be taking any further action in relation to the Acquisition. Accordingly, the boards of directors of Bidco and Sopheon can confirm that the NSIA Condition has been satisfied.

### 6.3 ***The Meetings***

Before the Court's sanction can be sought for the Scheme, the Scheme requires approval by Scheme Shareholders at the Court Meeting and the passing of the Special Resolution by Sopheon Shareholders at the General Meeting, in each case, by the requisite majorities. Notices of the Court Meeting and the General Meeting are set out in Part VIII and Part IX of this document, respectively. Subject as set out below, all Sopheon Shareholders whose names appear on the register of members of Sopheon at the Voting Record Time, or, if any such Meeting is adjourned, on the register of members no more than 48 hours (excluding any part of a day that is not a working day) before the time fixed for such adjourned Meeting, will be entitled to attend and vote at the Court Meeting and the General Meeting, in respect of the Sopheon Shares registered in their names at the relevant time.

If the Scheme becomes Effective, it will be binding on all Sopheon Shareholders, irrespective of whether or not they attended and/or voted at the Court Meeting or the General Meeting (and irrespective of whether or not they voted in favour of the Resolutions at such Meetings). Whether or not you vote in favour of the Resolutions to be proposed at the Meetings, if the Scheme becomes Effective, your Scheme Shares will be transferred to Bidco and you will receive the consideration due under the terms of the Acquisition.

Any Sopheon Shares which Bidco or any other member of the Wider Bidco Group (or their respective nominees) may acquire before the Court Meeting are not Scheme Shares and therefore none of Bidco or any other member of the Wider Bidco Group (or their respective nominees) is entitled to vote at the Court Meeting in respect of any Sopheon Shares held or acquired by it or them and will not exercise, or procure the exercise of, the voting rights attaching to such Sopheon Shares at the General Meeting.

#### 6.3.1 *The Court Meeting*

The Court Meeting has been convened at the direction of the Court for 10:00 a.m. (London time) on Thursday 8 February 2024 for Scheme Shareholders to consider and, if thought fit, approve, the Scheme.

At the Court Meeting, voting will be by poll and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time. The approval required at the Court Meeting is a majority in number of those Scheme Shareholders present and voting in person or by proxy, representing at least 75 per cent. in value of the Scheme Shares held by such Scheme Shareholders.

The result of the vote at the Court Meeting will be publicly announced via a Regulatory Information Service as soon as practicable after it is known and, in any event, by no later than 8.00 a.m. (London time) on the Business Day following the Court Meeting.

Neither Bidco nor any other member of the Wider Bidco Group currently owns any Sopheon Shares, either as registered holder or through a nominee. Any Sopheon Shares which are registered in the name of, or beneficially owned by Bidco or any other member of the Wider Bidco Group at the Voting Record Time would be excluded from the definition of "Scheme Shares" and therefore could not be voted at the Court Meeting.

**It is important that as many votes as possible are cast (whether in person or by proxy) at the Court Meeting so that the Court may be satisfied that there is a fair and reasonable representation of opinion of the Scheme Shareholders.**

**Sopheon Shareholders are therefore strongly encouraged to vote by appointing the Chair of the Court Meeting as their proxy by completing and returning the BLUE Form of Proxy or appointing an electronic or CREST proxy for the Court Meeting as soon as possible and, in any event, so as to be received by 10.00 a.m. on Tuesday 6 February 2024. The Chair of the Court Meeting will vote in accordance with the voting instructions of the appointing Sopheon Shareholder.**

#### 6.3.2 *The General Meeting*

The General Meeting has been convened for 10:15 a.m. (London time) on Thursday 8 February 2024, or as soon as reasonably practicable thereafter as the Court Meeting has been concluded or adjourned, for Sopheon Shareholders to consider and, if thought fit, pass, the Special Resolution necessary to implement the Scheme and certain related matters.

The Special Resolution is proposed to approve:

- (i) giving the Sopheon Directors authority to take all necessary action to carry the Scheme into effect;
- (ii) amending the Articles as described in paragraph 6.5 of this Part II; and
- (iii) subject to the Scheme becoming Effective, the cancellation of admission of Sopheon Shares to trading on AIM, and re-registration of Sopheon as a private limited company.

The approval required for the Special Resolution at the General Meeting is at least 75 per cent. of the votes cast, in person or by proxy. At the General Meeting, voting will be by poll and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time.

BLUE Forms of Proxy for use at the Court Meeting and WHITE Forms of Proxy for use at the General Meeting should be returned by post or, during normal business hours, by hand to the Registrar, Link Group, as soon as possible and, in any event, so as to be received not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the relevant Meeting (or, in the case of an adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned Meeting).

If the BLUE Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to the Chair of the Court Meeting or to Sopheon's Registrar, Link Group, on behalf of the Chair of the Court Meeting before the start of the Court Meeting. However, in the case of the General Meeting, if the WHITE Form of Proxy is not returned so as to be received by the time mentioned above and in accordance with the instructions on the Form of Proxy it will be invalid.

The completion and return of a Form of Proxy will not prevent you from attending and voting in person at either the Court Meeting or the General Meeting, or at any adjournment thereof, if you so wish and are so entitled.

Further information about the procedures for appointing proxies and giving voting instructions, and about procedures for corporate representatives, is set out in paragraph 13 of this Part II and on pages 10 to 12 of this document.

#### 6.4 ***Court Hearing***

Under the Companies Act, the Scheme requires the sanction of the Court. The Court Hearing to sanction the Scheme is currently expected to be held on 16 February 2024 subject to the prior satisfaction or (where applicable) waiver of the other Conditions set out in Part III of this document. Bidco has confirmed that it will be represented by counsel at such hearing so as to consent to the Scheme and to undertake to the Court to be bound thereby.

Scheme Shareholders are entitled, should they wish to do so, to attend the Court Hearing in person or through counsel. The Court Hearing may be conducted remotely, in which case, Scheme Shareholders will only be provided access to the Court Hearing, where it is being conducted by telephone or video conference, upon a request being made and where capacity permits.

Following sanction of the Scheme, the Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies. This is expected to occur on 20 February 2024, subject to satisfaction (or, where applicable, waiver) of the Conditions.

**If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended and/or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on, the Special Resolution at the General Meeting.**

If the Scheme does not become Effective by the Long Stop Date, or such later date (if any) as Sopheon and Bidco may agree (with, where applicable, the consent of the Panel), the Scheme will not become Effective and the Acquisition will not proceed.

#### 6.5 ***Amendment of Sopheon's articles of association***

It is proposed, as part of the Special Resolution to be proposed at the General Meeting relating to the Scheme, to amend the Articles to ensure that: (i) any Sopheon Shares issued after the adoption of the amended Articles and at or prior to the Scheme Record Time, other than to Bidco (or any member of the Wider Bidco Group or nominee of Bidco), will be subject to the Scheme; and (ii) any Sopheon Shares issued after the Scheme Record Time other than to Bidco (or any member of the Wider Bidco Group or nominee of Bidco) will be automatically acquired by Bidco for the same cash consideration as is payable under the Scheme.

This will avoid any person (other than Bidco (and/or such other nominee(s) of Bidco as agreed between Bidco and Sopheon)) being left with Sopheon Shares after dealings in such shares have ceased. Paragraph 1.1.2 of the Special Resolution set out in the notice of General Meeting beginning on page 87 of this document seeks the approval of Sopheon Shareholders for such amendment.

#### 6.6 ***Modifications to the Scheme***

The Scheme contains a provision for Sopheon and Bidco jointly to consent (on behalf of all persons concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be material to the interests of Scheme Shareholders, unless Scheme Shareholders were informed of any such modification, addition or condition. It would be for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances.

In accordance with the Code, except with the consent of the Takeover Panel, modifications or revisions to the Scheme may only be made: (i) no less than 14 days prior to the date of the Meetings (or any later date to which such meetings are adjourned); or (ii) at a later date, with the consent of the Takeover Panel.

#### **6.7 Implementation by way of a Takeover Offer**

Subject to obtaining the consent of the Panel, Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, such Takeover Offer will be implemented on substantially the same terms and Conditions, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments to reflect the change of method of effecting the Acquisition.

### **7. Cancellation of admission to trading and re-registration**

The last day of dealings in, and for registration of transfers of, Sopheon Shares is expected to be 19 February 2024 (being the Business Day immediately before the Effective Date), following which Sopheon Shares will be suspended from trading on AIM with effect from 7.30 a.m. (London time) on the Effective Date.

Sopheon intends that, prior to the Scheme becoming Effective, an application will be made to the London Stock Exchange for the cancellation of the admission to trading of the Sopheon Shares on AIM with effect from shortly after the Effective Date. As soon as possible after the Scheme becoming Effective, it is intended that Sopheon will be re-registered as a private company limited by shares under the relevant provisions of the Companies Act.

Upon the Scheme becoming Effective, the Scheme Shares will be acquired by Bidco with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights now or hereafter attaching or accruing to them, including (without limitation) voting rights and the right to receive and retain, in full, all dividends and other distributions, if any, declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date in respect of the Sopheon Shares.

If any dividend or other distribution or return of value is announced, declared, made, paid or becomes payable by Sopheon in respect of the Sopheon Shares on or after the date of the Announcement and prior to the Effective Date, Bidco will have the right to reduce the Acquisition Price payable for each Sopheon Share pursuant to the Acquisition by up to the amount per Sopheon Share of such dividend, distribution or return of value. If any such dividend, distribution or return of value is paid or made after the date of the Announcement and Bidco exercises its rights described above, any reference in this document to the Acquisition Price payable under the Acquisition shall be deemed to be a reference to the Acquisition Price as so reduced. In such circumstances, Sopheon Shareholders would be entitled to receive and retain any such dividend, distribution or return of value. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Acquisition.

### **8. Settlement**

Subject to the Scheme becoming Effective, settlement of the consideration to which any holder of Scheme Shares is entitled will be effected not later than 14 days after the Effective Date in the manner set out below.

Except with the consent of the Panel, and other than any deductions on account of Pay-As-You-Earn income tax and/or employee's National Insurance contributions in the case of certain Share Plan Participants, settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled against such Scheme Shareholder.

None of Sopheon, Bidco nor any of their nominees or respective agents will be responsible for any loss or delay in the transmission of cash consideration sent in any manner described below, and such cash consideration will be sent at the risk of the person entitled to it. All documents and remittances sent through the post will be sent at the risk of the person(s) entitled thereto.

**8.1 Cash consideration where Scheme Shares are held in uncertificated form (that is, in CREST)**

Where at the Scheme Record Time, a holder of Scheme Shares holds such shares in uncertificated form, settlement of the consideration will be effected through CREST by the creation of an assured payment obligation in favour of the appropriate CREST account through which the relevant Scheme Shareholder holds such uncertificated shares, as soon as practicable and, in any event, no later than 14 days after the Effective Date.

As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST in due course.

Notwithstanding the above, Bidco reserves the right to settle all or part of such consideration due to the holders of Scheme Shares held in uncertificated form in the manner set out in paragraph 8.2 below.

**8.2 Cash consideration where Scheme Shares are held in certificated form**

Where, at the Scheme Record Time, a holder of Scheme Shares holds such shares in certificated form, settlement of the cash consideration will be effected:

- by cheque drawn on the branch of a UK clearing bank and dispatched by first class post (or international standard post, if overseas) to the address appearing on the Sopheon Share register at the Scheme Record Time (or, in the case of joint holders, to the address of that joint holder whose name stands first in the said register in respect of such joint holding); or
- by such other method as may be approved by the Takeover Panel.

All such payments will be made in pounds Sterling. Cheques will be dispatched no later than 14 days after the Effective Date.

For security reasons, shareholders who are recorded in the books of the Registrar as “gone away” will not have their cheque issued until they contact the Registrar.

In the case of Scheme Shareholders that have not encashed cheques within six months from the Effective Date, the consideration due to such Scheme Shareholders under the Scheme will be held by Link Group in a segregated account for such Scheme Shareholders and neither Sopheon or Bidco shall be entitled to call for payment of such sum for a period of 12 years from the Effective Date. The relevant amount will be held in a separate UK bank account established solely for that purpose, and such Scheme Shareholders may claim the consideration due to them upon request to Link Group at any time during the period of 12 years from the Effective Date.

On the Effective Date each certificate representing Scheme Shares will cease to be a valid document of title and should be destroyed or, at the request of Sopheon, delivered up to Sopheon, or to any person appointed by Sopheon to receive the same.

**8.3 Cash consideration where Sopheon Shares are acquired pursuant to the Sopheon Share Plans**

In the case of Sopheon Shares acquired following sanction of the Scheme pursuant to the exercise of Sopheon Share Awards, settlement of the consideration payable under the Scheme or the amended Articles shall be made in accordance with the proposals sent to the Sopheon Share Plan Participants.

**9. United Kingdom taxation**

*The comments set out below summarise certain limited aspects of the UK taxation treatment of certain Scheme Shareholders under the Scheme and do not purport to be a complete analysis of all tax considerations relating to the Scheme and do not constitute tax advice. They are based on current UK legislation and what is understood to be current HM Revenue and Customs (“HMRC”) practice (which may not be binding on HMRC), both of which are subject to change, possibly with retrospective effect.*

*The comments are intended as a general guide and do not deal with certain categories of Scheme Shareholder such as charities, trusts, dealers in securities, persons who have or could be treated for*



*tax purposes as having acquired their Scheme Shares by reason of their employment or office (whether pursuant to the Sopheon Share Plans or otherwise) or as carried interest or otherwise subject to the disguised investment management fee rules, collective investment schemes, persons subject to UK tax on the remittance basis and insurance companies or other persons acquiring or holding their shares as part of a trade.*

*References below to “UK Holders” are to Scheme Shareholders who are resident and, in the case of individuals, domiciled or deemed domiciled for the relevant period, solely in the UK for UK tax purposes, who hold their Scheme Shares as an investment (other than under a self-invested personal pension plan or individual savings account) and who are the absolute beneficial owners of their Scheme Shares.*

*Special tax provisions may apply to Sopheon Shareholders who have acquired or who acquire their Sopheon Shares by the exercise of options and/or awards under the Sopheon Share Plans. The separate communications that will be sent to the Sopheon Share Plan Participants will summarise the tax treatment of the acquisition of their Sopheon Shares on the exercise of their Sopheon Share Awards in connection with the Scheme and their subsequent disposal pursuant to the Scheme, but such Sopheon Shareholders and those Sopheon Shareholders who have already exercised their Sopheon Share Awards who are in any doubt as to their taxation position should consult an independent professional tax adviser.*

**IF YOU ARE IN ANY DOUBT ABOUT YOUR TAX POSITION, AND IN PARTICULAR IF YOU ARE SUBJECT TO TAXATION IN ANY JURISDICTION OTHER THAN THE UNITED KINGDOM, YOU SHOULD CONSULT AN APPROPRIATELY QUALIFIED INDEPENDENT PROFESSIONAL ADVISOR IMMEDIATELY.**

#### **9.1 *United Kingdom taxation of chargeable gains***

The transfer of Scheme Shares under the Scheme in return for cash should be treated as a disposal of the UK Holder's Scheme Shares for the purposes of UK tax on chargeable gains and therefore may, depending on the UK Holder's particular circumstances (including the availability of exemptions, reliefs and/or allowable losses), give rise to a liability to UK tax on chargeable gains or, alternatively, an allowable capital loss.

#### **9.2 *Individual Scheme Shareholders***

Subject to available reliefs or allowances, gains arising on a disposal of Scheme Shares by an individual UK Holder will be subject to capital gains tax (CGT) at the rate of 10 per cent. except to the extent that the gain, when it is added to the UK Holder's other taxable income and gains in the relevant tax year, takes the individual UK Holder's aggregate income and gains over the higher rate threshold (£50,270 for the 2023/24 tax year), in which case it will be taxed at the rate of 20 per cent.

The CGT annual exemption (£6,000 for the 2023/24 tax year) may be available to individual UK Holders to offset against chargeable gains realised on the disposal of their Scheme Shares depending on their individual circumstances.

#### **9.3 *Corporate Scheme Shareholders***

Subject to available reliefs or allowances and eligibility for the small profits rate (currently 19 per cent.) or marginal relief (currently between 19 per cent. and 25 per cent.), gains arising on a disposal of Scheme Shares by a UK Holder within the charge to UK corporation tax will be taxed at the current main rate of UK corporation tax, which is 25 per cent.

For UK Holders within the charge to UK corporation tax, indexation allowance may be available to reduce any chargeable gain arising (but not to create or increase any allowable loss) on the disposal of their Scheme Shares. However, the Finance Act 2018 contains provisions which limit the availability of indexation allowance for disposals on and after 1 January 2018 to any indexation allowance calculated up to 31 December 2017. No indexation allowance is available for expenditure in respect of Scheme Shares incurred after 31 December 2017.

The substantial shareholding exemption may apply to exempt from corporation tax any chargeable gain (or disallow any otherwise allowable loss) arising to UK Holders within the charge to UK corporation tax where a number of conditions are satisfied, including that, generally,

the corporate UK Holder (together with certain associated companies) has held not less than 10 per cent. of the ordinary issued share capital of Sopheon for a period of at least one year beginning no more than six years before the date of disposal.

#### 9.4 **Stamp duty and stamp duty reserve tax (“SDRT”)**

No UK stamp duty or SDRT should be payable by Scheme Shareholders on the transfer of their Scheme Shares under the Scheme.

### 10. **Offer-related arrangements**

#### 10.1 **Confidentiality Agreement**

Resurgens and Sopheon have entered into a confidentiality agreement dated 19 May 2023 (the “**Confidentiality Agreement**”) pursuant to which Resurgens has undertaken to keep confidential information relating to Sopheon and not to disclose it to third parties (with certain exceptions) unless required by law or regulation or permitted pursuant to limited carve-outs to the obligations of confidentiality. The Confidentiality Agreement also includes customary standstill and non-solicitation obligations applicable to Resurgens.

The confidentiality obligations will remain in force until the Scheme becomes Effective or, in the event the Scheme does not become Effective, until the date falling two years from the date of the Confidentiality Agreement.

#### 10.2 **Co-operation Agreement**

Pursuant to a co-operation agreement dated 22 December 2023 (the “**Co-operation Agreement**”): (a) Sopheon has agreed to co-operate with Bidco and Wellspring to assist with the obtaining of regulatory clearances and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition; (b) Bidco and Wellspring have agreed to provide Sopheon with certain information for the purposes of this document and to otherwise assist with the preparation of this document; (c) Bidco has agreed to certain provisions if the Scheme should switch to a Takeover Offer; and (d) Sopheon, Wellspring and Bidco have agreed certain arrangements in respect of the Sopheon Share Plans.

The Co-operation Agreement will terminate, amongst other things:

- if the Acquisition is withdrawn or lapses;
- if prior to the Long Stop Date any Condition becomes incapable of satisfaction;
- at Bidco or Wellspring’s election if:
  - the Sopheon Directors withdraw, modify or qualify their recommendation of the Acquisition;
  - the Sopheon Directors recommend a competing proposal or one is effected;
  - Sopheon announces an intention not to convene the Court Meeting or the General Meeting, or not to publish this document; or
  - a Condition is invoked by Bidco prior to the Long Stop Date;
- if the Scheme does not become Effective in accordance with its terms by the Long Stop Date; or
- otherwise as agreed in writing between Bidco, Wellspring and Sopheon.

#### 10.3 **Bid Conduct Agreement**

Resurgens Technology Managers II, L.P. and Morgan Stanley AIP GP LP have entered into a bid conduct agreement dated 22 December 2023 (the “**Bid Conduct Agreement**”), pursuant to which they have agreed to regulate their conduct in connection with the co-investment in Bidco by funds managed by Morgan Stanley AIP GP LP, including (a) co-operation in the conduct of the Acquisition and the provision of information relating thereto; (b) funding of the Acquisition; (c) the preparation of the documentation in order to effect the Acquisition; and (d) co-operation in

obtaining regulatory clearances and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition.

The Bid Conduct Agreement will terminate, amongst other things: (a) if the Scheme becomes Effective; (b) if any competing offer becomes effective or unconditional; (c) if the Acquisition is withdrawn or lapses; or (d) if the parties agree to its termination.

## **11. Disclosures of interests in Sopheon**

Except for the irrevocable undertakings referred to in paragraph 6 of Part I of this document and paragraph 5 of Part VI of this document, as at the close of business on the Last Practicable Date, neither Bidco, nor the Bidco Directors or any member of the Wider Bidco Group, nor any person acting in concert (within the meaning of the Code) with Bidco:

- had any interest in, or right to subscribe for, any relevant securities of Sopheon; nor
- had any short position in (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of, relevant securities of Sopheon; nor
- had procured an irrevocable commitment or letter of intent to accept the terms of the Acquisition in respect of relevant securities of Sopheon; nor
- had borrowed or lent any Sopheon Shares (including for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code) save for any borrowed shares which have been either on-lent or resold.

Furthermore, save for the irrevocable undertakings referred to in paragraph 6 of Part I of this document and paragraph 5 of Part VI of this document, no arrangement exists between Bidco or Sopheon or a person acting in concert with Bidco or Sopheon in relation to Sopheon Shares. For these purposes, an “arrangement” includes any indemnity or option arrangement, any agreement or any understanding, formal or informal, of whatever nature, relating to Sopheon Shares which may be an inducement to deal or refrain from dealing in such securities.

“Interests in securities” for these purposes arise, in summary, when a person has long economic exposure, whether absolute or conditional, to changes in the price of securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person will be treated as having an “interest” by virtue of the ownership, voting rights or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to, securities.

## **12. Overseas Shareholders**

The implications (and availability) of the Scheme and the Acquisition for Overseas Shareholders may be affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about, and observe, any applicable legal and regulatory requirements in those jurisdictions. It is the responsibility of each Overseas Shareholder to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in which they are situated, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

The release, publication or distribution of this document and/or the accompanying documents (in whole or in part) in jurisdictions other than the United Kingdom may be restricted by law and therefore persons in such jurisdictions into whose possession this document (and the accompanying documents) come should inform themselves about, and observe, any applicable legal and regulatory requirements. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this document (or any accompanying document) to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any such action. In particular, the ability of persons who are not resident in the United Kingdom to vote in respect of their Sopheon Shares at the Court Meeting and/or the General Meeting, or to execute and

deliver Form(s) of Proxy appointing another to vote in respect of their Sopheon Shares in respect of the Court Meeting and/or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility and liability for the violation of such restrictions by any person. This document (and the accompanying documents) are for information purposes only and neither this document nor the accompanying documents are intended to, and do not, constitute an offer to sell or issue, or a solicitation of an offer to buy or subscribe for, shares or other securities, or a solicitation of any vote or approval in any jurisdiction in which such offer or solicitation is unlawful.

This document and the accompanying documents have been prepared for the purposes of complying with English law, the rules of the London Stock Exchange, the AIM Rules, the FCA, the Companies Act 2006 and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this document and the accompanying documents had been prepared in accordance with the laws of jurisdictions outside the United Kingdom. Nothing in this document or the accompanying documents should be relied upon for any other reason.

The Acquisition will not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction, and no person may vote in favour of the Acquisition by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this document and the accompanying documents are not being, and must not be, directly or indirectly, mailed or otherwise forwarded or distributed in, into or from a Restricted Jurisdiction and persons receiving this document (including custodians, nominees and trustees) must not distribute or send it in, into or from a Restricted Jurisdiction. In the event that the Acquisition is implemented by way of a Takeover Offer, at the election of Bidco with the consent of the Panel, and extended into the US, Bidco will do so in compliance with the procedural and filing requirements of the US securities laws in effect at that time, to the extent applicable thereto. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The Acquisition relates to the shares of an English company and it is proposed to be made by means of a scheme of arrangement provided for under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the shareholder vote, proxy solicitation and tender offer rules under the US Exchange Act. Accordingly, the Scheme will be subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements and practices of US shareholder vote, proxy solicitation and tender offer rules. Financial information in relation to Sopheon incorporated in this document by reference has been prepared in accordance with accounting standards applicable in the UK and may not be comparable to the financial statements of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash pursuant to the Acquisition by Sopheon Shareholders in the United States may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each such holder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition (including as to any US information reporting and/or backup withholding obligations). Furthermore, the payment and settlement procedure with respect to the Acquisition will be consistent with UK practice, which differs from US domestic tender offer procedures in certain material respects, particularly with regard to the date of payment.

In the event that the Acquisition is implemented by way of a Takeover Offer (subject to Panel consent, where necessary), in accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Bidco or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Sopheon outside of

the United States, other than pursuant to such Takeover Offer, during the period in which such a Takeover Offer would remain open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases or arrangements to purchase shall be disclosed as required in the UK, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

It may be difficult for US holders of Sopheon Shares to enforce their rights under, and any claim arising out of the US federal securities laws, since Sopheon is located in a non-US jurisdiction, and some or all of its officers and directors may be residents of a non-US jurisdiction. US holders of Sopheon Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved the Acquisition, passed upon the merits or fairness of the Acquisition or passed comment upon the accuracy, adequacy or completeness of this document and it is a criminal offence in the United States to claim otherwise.

### **13. Action to be taken**

The Scheme and the Acquisition are subject to the satisfaction or (where applicable) waiver of the Conditions set out in Part III of this document.

To become Effective, the Scheme requires, among other things, the approval of a majority in number of those Scheme Shareholders present and voting at the Court Meeting in person or by proxy, representing at least 75 per cent. in value, of the Scheme Shares held by such Scheme Shareholders.

The Scheme also requires the sanction of the Court as well as the passing of the Special Resolution by Sopheon Shareholders (which requires the approval of at least 75 per cent. of the votes cast by Sopheon Shareholders) at the General Meeting. Upon the Scheme becoming Effective, it will be binding on all Sopheon Shareholders, irrespective of whether or not they attended and/or voted at the Court Meeting or the General Meeting and whether they voted for, or against, or abstained from voting on, the Resolutions proposed at such Meetings.

The Court Meeting and the General Meeting will both be held at the offices of Squire Patton Boggs (UK) LLP, 60 London Wall, London, EC2M 5TQ. The Court Meeting will be held at 10:00 a.m. on Thursday 8 February 2024 and the General Meeting will be held at 10:15 a.m. on the same date (or as soon thereafter as the Court Meeting has concluded or been adjourned).

Under the Companies Act, the Scheme is also subject to the sanction of the Court at the Court Hearing.

Forms of Proxy for the Court Meeting and the General Meeting should be completed, signed and returned by post or (during normal business hours only) by hand to the Registrar, Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL, as soon as possible and, in any event, so as to be received not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the relevant Meeting (or, in the case of adjournment(s), not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned Meeting(s)). If the BLUE Form of Proxy for use at the Court Meeting is not returned by the above time, it may be handed to the Chair of the Court Meeting or to Sopheon's Registrar, Link Group, on behalf of the Chair of the Court Meeting before the start of the Court Meeting. However, in the case of the General Meeting, the WHITE Form of Proxy must be returned by the time mentioned above or it will be invalid. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at either the Court Meeting or the General Meeting, or at any adjournment thereof, if you so wish and are so entitled.

If you hold Sopheon Shares in uncertificated form in CREST and wish to appoint a proxy or proxies for either or both of the Meetings (or any adjourned Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.



In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy), must, in order to be valid, be transmitted so as to be received by the Registrar (ID: RA10) not less than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the Court Meeting or General Meeting (or adjourned Meeting), as applicable.

Forms of Proxy may alternatively be submitted electronically by logging on to the following website <https://www.signalshares.com> and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received by Link Group no later than 10:00 a.m. on Tuesday 6 February 2024 in respect of the Form of Proxy for the Court Meeting and no later than 10:15 a.m. on Tuesday 6 February 2024 in respect of the Form of Proxy for the General Meeting (or in the case of adjournment(s), not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting(s)). You may submit your proxy electronically using the share portal service at <https://www.signalshares.com>. If not already registered for the share portal, you will need your investor code which is located on your share certificate.

In the case of the Court Meeting only, if you have not appointed a proxy electronically or online by such time, you may complete the BLUE Form of Proxy and hand it to the Chair of the Court Meeting or to Sopheon's Registrar, Link Group, on behalf of the Chair of the Court Meeting before the start of the Court Meeting. In case of the General Meeting only, if the electronic or online proxy appointment is not received by the time mentioned above, it will be invalid.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholder opinion. You are therefore strongly urged to complete, sign and return both of your Forms of Proxy as soon as possible.**

**If you have any questions about this document, the Court Meeting or the General Meeting or how to complete the Forms of Proxy or to appoint a proxy through the CREST electronic proxy appointment service or otherwise, please contact Link Group on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Lines are open between 9:00 a.m. to 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.**

#### **14. Further information**

The terms of the Scheme are set out in full in Part IV of this document. Your attention is also drawn to the further information contained in this document, all of which forms part of this Explanatory Statement, and, in particular, to the Conditions set out in Part III, the financial information on Sopheon incorporated by reference in Part V and the additional information set out in Part VI of this document.

Yours faithfully

**Carl Holmes**

*Corporate Finance Director*

For and on behalf of

*Cavendish Capital Markets Limited*

## PART III

### CONDITIONS TO AND FURTHER TERMS OF THE SCHEME AND THE ACQUISITION

#### Part A: Conditions of the Scheme and the Acquisition

1. The Acquisition is conditional upon the Scheme becoming unconditional and effective, subject to the Code, by not later than 11:59 p.m. on the Long Stop Date.
2. The Scheme shall be subject to the following conditions:
  - a. (i) its approval by a majority in number of Scheme Shareholders who are on the register of members of Sopheon at the Voting Record Time and who are present and vote, whether in person or by proxy, at the Court Meeting (and at any separate class meeting which may be required by the Court) and who represent 75 per cent. in value of the Sopheon Shares voted by those Sopheon Shareholders, and (ii) such Court Meeting (and any separate class meeting which may be required) being held on or before the 22nd day after the expected date of the Court Meeting set out in this document (or such later date, if any, as Bidco and Sopheon may agree and the Court may allow);
  - b. (i) the passing of the Special Resolution necessary in order to implement the Scheme by the requisite majority at the General Meeting (or any adjournment thereof), and (ii) such General Meeting being held on or before the 22nd day after the expected date of the General Meeting set out in this document (or such later date, if any, as Bidco and Sopheon may agree and the Court may allow);
  - c. (i) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Bidco and Sopheon), and (ii) the Sanction Hearing being held on or before the 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document (or such later date, if any, as Bidco and Sopheon may agree and the Court may allow); and
  - d. delivery of a copy of the Court Order to the Registrar of Companies.
3. In addition, subject as stated in Part B below and to the requirements of the Takeover Panel, the Acquisition shall be conditional upon the following Conditions and, accordingly, the Court Order shall not be delivered to the Registrar of Companies unless such Conditions (as amended, if appropriate) have been satisfied (and continue to be satisfied pending the commencement of the Sanction Hearing) or, where relevant, waived in writing prior to the Scheme being sanctioned by the Court:

#### NSIA Condition

- a. a notification having been made and accepted under the UK National Security and Investment Act 2021 (the “NSIA”) and one of the following having occurred:
  - i. the Secretary of State confirming before the end of the review period that no further action will be taken in relation to the Acquisition;
  - ii. if the Secretary of State issues a call-in notice in relation to the Acquisition, the parties receiving a final notification pursuant to section 26(1)(b) of the NSIA containing confirmation that the Secretary of State will take no further action in relation to the call-in notice and the Acquisition under the NSIA; or
  - iii. the Secretary of State making a final order pursuant to Section 26(1)(a) of the NSIA allowing the Acquisition to proceed unconditionally or on terms satisfactory to Bidco.

#### Third Party Regulatory action

- b. no Third Party having decided, threatened or given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in

each case not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to (in any case to an extent or in a manner which is material in the context of the Acquisition, the Wider Target Group or the Wider Bidco Group, as the case may be, in each case, taken as a whole):

- i. require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Bidco Group or by any member of the Wider Target Group of all or any material part of their respective businesses, assets, property or any shares or other securities (or the equivalent) in any member of the Wider Target Group or any member of the Wider Bidco Group or impose any material limitation on the ability of all or any of them to conduct their respective businesses (or any part thereof) or to own, control or manage any of their respective assets or properties (or any part thereof);
- ii. except pursuant to Chapter 3 of Part 28 of the Companies Act, in the event that Bidco elects to implement the Acquisition by way of a Takeover Offer, require any member of the Wider Bidco Group or the Wider Target Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Target Group or any asset owned by any Third Party (other than in connection with the implementation of the Acquisition);
- iii. impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Bidco Group, directly or indirectly, to acquire, hold or exercise effectively all or any rights of ownership in respect of shares or loans or securities convertible into shares or other securities (or the equivalent) in Sopheon or on the ability of any member of the Wider Target Group or any member of the Wider Bidco Group, directly or indirectly, to hold or exercise effectively all or any rights of ownership in respect of shares or loans or any other securities (or the equivalent) in, or to exercise voting or management control over, any other member of the Wider Target Group;
- iv. except as Disclosed, result in any member of the Wider Target Group or any member of the Wider Bidco Group ceasing to be able to carry on business under any names under which it currently carries on business;
- v. make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Sopheon by any member of the Wider Bidco Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, prevent or prohibit, restrict, restrain or delay or otherwise interfere with the implementation of, or impose additional conditions or obligations with respect to, or otherwise challenge, impede, interfere or require material amendment to the terms of the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of Sopheon by any member of the Wider Bidco Group;
- vi. impose any material limitation on, or result in material delay in, the ability of any member of the Wider Bidco Group or any member of the Wider Target Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider Bidco Group and/or the Wider Target Group; or
- vii. otherwise materially adversely affect all or any of the business, value, assets, liabilities, profits, operational performance, financial or trading position or prospects of any member of the Wider Target Group or any member of the Wider Bidco Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition having expired, lapsed or been terminated;

### **Other regulatory approvals**

- c. each Governmental Entity, which regulates or licences any member of the Sopheon Group or any other body corporate in which any member of the Sopheon Group has an interest in shares, and whose prior approval, consent or non-objection to any change in control, or acquisition of (or increase in) control in respect of that or any other member of the Sopheon Group is required, or any Governmental Entity, whose prior approval, consent or non-objection of the Acquisition is otherwise required, or from whom one or more material licences or permissions are required in order to complete the Acquisition, having given its approval, non-objection or legitimate deemed consent or consent in writing thereto and, as the case may be, having granted such licences and permissions (in each case where required and on terms reasonably satisfactory to Bidco), and in each case the impact of which would materially adversely affect the Wider Target Group or the Wider Bidco Group, taken as a whole;

### **Notifications, waiting periods and authorisations**

- d. all material notifications, filings or applications which are necessary or considered appropriate or desirable by Bidco having been made in connection with the Acquisition and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with, in each case, in respect of the Scheme and the Acquisition and all Authorisations deemed reasonably necessary or appropriate by Bidco in any jurisdiction for or in respect of the Acquisition and, except pursuant to section 160 of the Companies Act and Chapter 3 of Part 28 of the Companies Act, or control or management of, Sopheon or any other member of the Wider Target Group by any member of the Wider Bidco Group having been obtained in terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Target Group or the Wider Bidco Group has entered into contractual arrangements and all such Authorisations necessary, appropriate or desirable to carry on the business of any member of the Wider Target Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect at the time at which the Acquisition becomes otherwise wholly unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

### **Sopheon Shareholder resolution**

- e. except with the consent or the agreement of Bidco, no action having been taken or proposed by any member of the Sopheon Group, or having been approved by a resolution of Sopheon Shareholders, or consented to by the Takeover Panel, which falls within or under Rule 21.1 of the Code;

### **Certain matters arising as a result of any arrangement, agreement, etc.**

- f. except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Target Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or subject, or any event or circumstance which, as a consequence of the Acquisition or because of a change in the control of any member of the Wider Target Group as a result of the Acquisition, would or might reasonably be expected to result in (in each case to an extent or in a manner which is material in the context of the Wider Target Group taken as a whole):
  - i. any monies borrowed by, or any other indebtedness or liabilities, actual or contingent, of, or any grant available to, any such member being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - ii. the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business,

- property or assets of such member or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
- iii. any such arrangement, agreement, lease, licence, franchise, permit or other instrument or the rights, liabilities, obligations or interests of any such member in or with any other person (or any arrangement or arrangements relating to any such interests or business) being adversely modified or adversely affected or any onerous obligation or liability arising or any adverse action being terminated, taken or arising thereunder;
  - iv. any liability of any such member to make any severance, termination, bonus or other payment to any of its directors or other officers;
  - v. the rights, liabilities, obligations, interests or business of any such member under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any such member or any member of the Wider Target Group in or with any other person or body or firm or company (or any arrangement relating to any such interests or business) being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
  - vi. any such member ceasing to be able to carry on business under any name under which it presently carries on business;
  - vii. any material assets or material interests of, or any material asset the use of which is enjoyed by, any such member being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any such member otherwise than in the ordinary course of business;
  - viii. the financial or trading position or prospects of, any such member being prejudiced or adversely affected; or
  - ix. the creation or acceleration of any material liability (actual or contingent) by any such member other than trade creditors or other liabilities incurred in the ordinary course of business,

and no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Target Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or might result in any of the events or circumstances as are referred to in Conditions 3(f)(i) to (ix) above, in each case which is or would be material in the context of the Wider Target Group taken as a whole;

#### **Certain events occurring since 31 December 2022**

- g. except as Disclosed, no member of the Wider Target Group having since 31 December 2022:
  - i. issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Sopheon Shares out of treasury (except, where relevant, as between Sopheon and wholly-owned subsidiaries of Sopheon or between the wholly-owned subsidiaries of Sopheon and except for the issue or transfer of Sopheon Shares out of treasury or otherwise on the vesting of awards or exercise of options, in the ordinary course under the Sopheon Share Plans);
  - ii. recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiary of Sopheon to Sopheon or any of its wholly-owned subsidiaries;



- iii. other than pursuant to the Acquisition (and except for transactions between Sopheon and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Sopheon and transactions in the ordinary course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material in the context of the Wider Target Group taken as a whole or in the context of the Acquisition;
- iv. except for transactions between Sopheon and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Sopheon and transactions in the ordinary course of business, disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised, proposed or announced any intention to do so;
- v. except for transactions between Sopheon and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Sopheon issued, authorised or proposed or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness which in any such case is material in the context of the Wider Target Group taken as a whole or in the context of the Acquisition;
- vi. entered into or varied or authorised, proposed or announced its intention to enter into or vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature or magnitude or which is or which involves or could involve an obligation of an onerous nature or magnitude, otherwise than in the ordinary course of business and in each case to an extent which is material in the context of the Wider Target Group taken as a whole;
- vii. entered into, materially varied, authorised or proposed entry into or variation of, or announced its intention to enter into or materially vary the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director or senior executive of any member of the Wider Target Group, otherwise than in the ordinary course of business in each case to an extent which is material in the context of the Wider Target Group taken as a whole;
- viii. establish any share option scheme, incentive scheme or other benefit in respect of the Wider Target Group;
- ix. purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or made any other change to any part of its share capital (except, in each case, where relevant, as between Sopheon and wholly-owned subsidiaries of Sopheon or between the wholly-owned subsidiaries of Sopheon);
- x. waived, compromised or settled any claim other than in the ordinary course of business and which is material in the context of the Wider Target Group as a whole;
- xi. terminated or varied the terms of any agreement or arrangement between any member of the Wider Target Group and any other person in a manner which would or might have a material adverse effect on the financial position of the Wider Target Group taken as a whole;
- xii. save as required in connection with the Acquisition, made any material alteration to its memorandum, articles of association or other incorporation documents or any material alteration to the memorandum, articles of association or other incorporation documents of any other member of the Wider Target Group which is material in the context of the Scheme or the Acquisition;
- xiii. establish any pension scheme(s) in respect of the Wider Target Group;

- xiv. been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider Target Group taken as a whole;
- xv. (other than in respect of a member of the Wider Target Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- xvi. (except for transactions between Sopheon and its wholly-owned subsidiaries or between the wholly-owned subsidiaries) made, authorised, proposed or announced an intention to propose any change in its loan capital;
- xvii. entered into, implemented or authorised the entry into, any joint venture, asset or profit-sharing arrangement, partnership or merger of business or corporate entities, which in any such case is material in the context of the Wider Target Group as a whole or in the context of the Acquisition; or
- xviii. otherwise than in the ordinary course of business, entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition 3(g) and which is material in the context of the Wider Target Group taken as a whole;

**No adverse change, litigation, regulatory enquiry or similar**

- h. except as Disclosed, since 31 December 2022 there having been:
  - i. no adverse change and no circumstance having arisen which would reasonably be expected to result in any adverse change in, the business, value, assets, liabilities, shareholders' equity, financial or trading position or profits, operational performance or prospects of any member of the Wider Target Group which is material in the context of the Wider Target Group taken as a whole or in the context of the Acquisition;
  - ii. no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Target Group is or may become a party (whether as a claimant, defendant or otherwise) having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of, any member of the Wider Target Group, in each case which would reasonably be expected to have a material adverse effect on the Wider Target Group taken as a whole or in the context of the Acquisition;
  - iii. no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Target Group (or any person in respect of which any such member has or may have responsibility or liability) having been threatened, announced, implemented or instituted or remaining outstanding by, against or in respect of any member of the Wider Target Group, in each case, which would reasonably be expected to have a material adverse effect on the Wider Target Group taken as a whole or in the context of the Acquisition;
  - iv. no contingent or other liability having arisen or become apparent to Bidco or increased other than in the ordinary course of business which is reasonably likely to affect adversely the business, assets, financial or trading position, profits or operational performance of any member of the Wider Target Group to an extent which is material in the context of the Wider Target Group taken as a whole or in the context of the Acquisition;

- v. no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Target Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which would reasonably be expected to have a material adverse effect on the Wider Target Group taken as a whole or in the context of the Acquisition; and
- vi. no member of the Wider Target Group having conducted its business in material breach of any applicable laws and regulations which in any case is material in the context of the Wider Target Group taken as a whole or in the context of the Acquisition;

**No discovery of certain matters regarding information and liabilities, corruption, intellectual property and environmental liabilities**

- i. except as Disclosed, Bidco not having discovered that:
  - i. any financial, business or other information concerning the Wider Target Group announced publicly and delivered by or on behalf of Sopheon through a RIS prior to the date of this document is misleading, contains a material misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading, in any such case which is material in the context of the Wider Target Group taken as a whole or in the context of the Acquisition;
  - ii. any member of the Wider Target Group or any partnership, company or other entity in which any member of the Wider Target Group has a significant economic interest and which is not a subsidiary undertaking of Sopheon, otherwise than in the ordinary course of business, is subject to any liability, contingent or otherwise, and which is material in the context of the Wider Target Group taken as a whole or in the context of the Acquisition;
  - iii. any past or present member, director, officer or employee of the Wider Target Group, or any other person for whom any such person may be liable or responsible, has not complied with the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and any laws implementing the same, the UK Bribery Act 2010 and/or the US Foreign Corrupt Practices Act of 1977;
  - iv. any member of the Wider Target Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations 2006 (each as amended);
  - v. any director, officer or employee of the Wider Target Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with or made any investment in, or made any payments to: (A) any government, entity or individual with which US or EU persons are prohibited from engaging in activities or doing business by US or EU laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs, or (B) any government, entity or individual targeted by any of the economic sanctions of the United Nations or the European Union or any of their respective member states;
  - vi. any asset of any member of the Wider Target Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
  - vii. no circumstance having arisen or event having occurred in relation to any intellectual property owned, used or licensed by the Wider Target Group or to any third parties, including: (A) any member of the Wider Target Group losing its title to any intellectual property or any intellectual property owned by the Wider Target Group being revoked, cancelled or declared invalid, (B) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Target Group being terminated or varied, or (C) any claim being filed suggesting that any member of the Wider Target Group infringed the intellectual property rights of a third party or any member of the Wider Target Group being found to have infringed the intellectual property rights of a third party, in each

case which is material in the context of the Wider Target Group taken as a whole or in the context of the Acquisition; or

- viii. in relation to any release, emission, accumulation, discharge, disposal or other similar circumstance which has impaired or is likely to impair the environment (including property) or harmed or is likely to harm the health of humans, animals or other living organisms or eco-systems, any past or present member of the Wider Target Group, in a manner or to an extent which is material in the context of the Wider Target Group, (i) has committed any violation of any applicable laws, statutes, regulations, Authorisations, notices or other requirements of any Third Party giving rise to a material liability; and/or (ii) has incurred any material liability (whether actual or contingent) to any Third Party; and/or (iii) is likely to incur any material liability (whether actual or contingent), or is required, to make good, remediate, repair, re-instate or clean up the environment (including any property) in each case of (i), (ii) or (iii) which such liability or requirement would be material to the Wider Target Group taken as a whole.

#### **Part B: Waiver and invocation of the Conditions**

1. Subject to the requirements of the Takeover Panel, Bidco reserves the right in its sole discretion to waive all or any of the Conditions set out in Part A of Part III except Conditions 2(a)(i), 2(b)(i), 2(c)(i) and 2(d) which cannot be waived. The deadlines in any of Conditions 1, 2(a)(ii), 2(b)(ii) and 2(c)(ii) may be extended to such later date as maybe agreed in writing by Bidco and Sopheon (with the consent of the Takeover Panel and/or approval of the Court, if such consent and/or approval is required). If any of the Conditions set out at 1, 2(a)(ii), 2(b)(ii) and 2(c)(ii) is not satisfied by the deadline specified in the relevant Condition, Bidco shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadline or agreed with Sopheon to extend the relevant deadline.
2. Subject to paragraph 3(g) of Appendix 7 to the Code, Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or treat as fulfilled any of Conditions 3(a) to 3(i) of this Part III by a date earlier than the Long Stop Date, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any Condition may not be capable of fulfilment.
3. Subject to paragraph 4 below, under Rule 13.5(a) of the Code, Bidco may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Takeover Panel. The Takeover Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
4. Conditions 1 and 2 of Part A of this Part III (and any Takeover Offer acceptance condition adopted on the basis specified in Part C of this Part III) will not be subject to Rule 13.5(a) of the Code.
5. Any Condition that is subject to Rule 13.5(a) of the Code may be waived by Bidco.
6. The Scheme will not become effective unless the Conditions have been fulfilled or (to the extent capable of waiver) waived or, where appropriate, have been determined by Bidco to be or remain satisfied by no later than the Long Stop Date.
7. If the Takeover Panel requires Bidco to make an offer or offers for any Sopheon Shares under the provisions of Rule 9 of the Code, Bidco may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
8. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

#### **Part C: Implementation by way of a Takeover Offer**

Bidco reserves the right to elect (with the consent of the Takeover Panel and subject to the terms of the Co-operation Agreement) to implement the Acquisition by making, directly or indirectly through a

subsidiary or nominee of Bidco, a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on the same terms or, unless Bidco otherwise determines and subject to the consent of the Takeover Panel, on such other terms being no less favourable, subject to appropriate amendments, as far as applicable, as those which would apply to the Scheme. The acceptance condition would be set at 90 per cent. of the shares to which such Takeover Offer relates (or such lesser percentage, being more than 50 per cent., as Bidco may decide with the consent of the Takeover Panel where applicable). Further, if sufficient acceptances to the Takeover Offer are received and/or sufficient Sopheon Shares are otherwise acquired, it is the intention of Bidco to apply the provisions of the Companies Act to compulsorily acquire any outstanding Sopheon Shares to which such Takeover Offer relates.

#### **Part D: Certain Further Terms of the Acquisition**

1. The Sopheon Shares shall be acquired by Bidco with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights and interests whatsoever and together with all rights now or hereafter attaching or accruing to them, including (without limitation) voting rights and the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date in respect of the Sopheon Shares.
2. If, on or after the date of the Announcement and prior to or on the Effective Date, any dividend, distribution or other return of value is declared, paid or made or becomes payable by Sopheon and with a record date on or prior to the Effective Date, Bidco reserves the right (without prejudice to any right of Bidco, with the consent of the Takeover Panel, to invoke Condition 3(g)(ii) of Part A of Part III) to reduce the consideration payable under the Acquisition to reflect the aggregate amount of such dividend, distribution or other return of value or excess. In such circumstances, Sopheon Shareholders shall be entitled to retain such dividend, distribution or other return of value so paid or made. If and to the extent that any such dividend, distribution or other return of value is paid or made on or prior to the Effective Date and Bidco exercises its rights under this paragraph 2 to reduce the consideration payable under the Acquisition, any reference in the Announcement to the consideration payable under the terms of the Acquisition shall be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph 2 shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.
3. The availability of the Acquisition to persons 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 and any Sopheon Shareholders who are not resident in the United Kingdom will need to inform themselves about and observe any applicable requirements.
4. Unless otherwise determined by Bidco or required by the Code and permitted by applicable law and regulations, the Acquisition is not being, and will not be, made, directly or indirectly, in, into or by the use of the mails of, or by any other means or instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.
5. This document and any rights or liabilities arising hereunder, the Announcement, the Acquisition, the Scheme and the Forms of Proxy will be governed by English law and will be subject to the jurisdiction of the English courts. The Acquisition shall be subject to the applicable requirements of the Code, the Takeover Panel, the London Stock Exchange and the FCA.



## PART IV

### THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES  
COMPANIES COURT (ChD)

CR-2023-005032

### IN THE MATTER OF SOPHEON PLC

and

### IN THE MATTER OF PART 26 OF THE COMPANIES ACT 2006

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SCHEME OF ARRANGEMENT  
*(under Part 26 of the Companies Act 2006)*

BETWEEN

SOPHEON PLC

AND

THE SCHEME SHAREHOLDERS  
*(as hereinafter defined)*

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#### PRELIMINARY

- (A) In this Scheme, unless inconsistent with the subject or context, the following expressions have the following meanings:

**Acquisition:** the recommended offer made by Bidco to acquire the entire issued and to be issued share capital of Sopheon, other than the Excluded Shares, to be effected by means of the Scheme (or, if Bidco so elects and subject to the Takeover Panel's consent, a Takeover Offer) on the terms and subject to the conditions set out in the Scheme Document;

**Acquisition Price:** £10.00 in cash for each Scheme Share;

**Announcement:** the announcement dated 22 December 2023 made pursuant to Rule 2.7 of the Code by Bidco of its firm intention to make an offer to acquire the entire issued and to be issued share capital of Sopheon, to be implemented by way of this Scheme;

**Articles:** the articles of association of Sopheon (as amended from time to time);

**Bidco:** IOps Buyer Inc., a corporation incorporated in the State of Delaware, USA with registered number 2451504;

**Business Day:** a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London, United Kingdom;

**certificated** or in **certificated form:** not in uncertificated form (that is, not in CREST);

**close of business:** 6:00 p.m. (London time) on the day in question;

**Co-operation Agreement:** has the meaning given to it in paragraph 10.2 of Part II of the Scheme Document, a summary of which is set out in paragraph 10.2 of Part II of the Scheme Document and paragraph 7.1.2 of Part VI of the Scheme Document;

**Code** or **Takeover Code:** the City Code on Takeovers and Mergers, as amended from time to time;

**Companies Act:** the Companies Act 2006, as amended from time to time;

**Conditions:** the conditions to the implementation of the Acquisition and the Scheme, as set out in Part III of the Scheme Document;

**Court:** the High Court of Justice in England and Wales;

**Court Hearing:** the hearing of the Court at which Sopheon will seek the Court Order;

**Court Meeting:** the meeting or meetings of the Scheme Shareholders to be convened by the Court pursuant to Part 26 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and agreed to by Bidco and Sopheon) including any adjournment, postponement or reconvention of any such meeting, notice of which is set out in Part VIII of the Scheme Document;

**Court Order:** the order of the Court sanctioning this Scheme under section 899 of the Companies Act;

**CREST:** the relevant system (as defined in the Regulations), in respect of which Euroclear is the Operator (as defined in the Regulations) in accordance with which securities may be held and transferred in uncertificated form;

**Effective:** the Scheme having become effective in accordance with its terms, upon the delivery of the Court Order to the Registrar of Companies;

**Effective Date:** the date on which this Scheme becomes Effective;

**Euroclear:** Euroclear UK & International Limited, a private limited company incorporated in England and Wales with registered number 02878738;

**Excluded Shares:** any Sopheon Shares at the Scheme Record Time which are: (a) beneficially owned by Bidco, Wellspring, Resurgens or any parent undertaking or subsidiary undertaking (as defined in the Companies Act) of Bidco, Wellspring or Resurgens; and (b) held by Sopheon in treasury;

**General Meeting:** the extraordinary general meeting of Sopheon Shareholders to be convened for the purpose of considering and, if thought fit, approving the Special Resolution (with or without amendment) including any adjournment, postponement or reconvening of such meeting, notice of which is set out Part IX of the Scheme Document;

**Last Practicable Date:** 15 January 2024, being the last Business Day prior to the date of this Scheme;

**Link Group:** a trading name of Link Market Services Limited, a private limited company incorporated in England and Wales with registered number 02605568 and whose registered office address is Central Square, 29 Wellington Street, Leeds, England, LS1 4DL;

**Long Stop Date:** 11:59 p.m. on 4 March 2024, or such later date (if any) as Bidco and Sopheon may agree (with the consent of the Panel, and the Court may approve (if such approval(s) are required));

**Registrar of Companies:** the Registrar of Companies in England and Wales;

**Regulations:** the Uncertificated Securities Regulations 2001 (SI 2001/3755) (including as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time;

**Resurgens:** Resurgens Technology Advisors, L.P., Resurgens Technology Managers II, L.P. and their affiliates;

**Scheme:** this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Sopheon and Bidco;

**Scheme Document:** the circular dated 16 January 2024 sent by Sopheon to Sopheon Shareholders of which this Scheme forms a part;

**Scheme Record Time:** 6:00 p.m. on the Business Day immediately after the date of the Court Hearing (or such other time as Bidco and Sopheon may agree);

**Scheme Shareholder(s):** holder(s) of Scheme Shares;

**Scheme Shares:** the Sopheon Shares which remain in issue at the Scheme Record Time and are:

- (a) in issue as at the date of the Scheme Document;
- (b) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and
- (c) (if any) issued at or after the Voting Record Time and at or prior to the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by the Scheme, or in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing, to be bound by the Scheme,

but, in each case, excluding any Excluded Shares;

**Substantial Interest:** in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking;

**Sopheon or the Company:** Sopheon plc, a public limited company incorporated in England and Wales with registered number 03217859;

**Sopheon Shareholders:** the holders of Sopheon Shares;

**Sopheon Share Plans:** the Sopheon UK Approved Plan, the Sopheon UK Unapproved Plan and the Sopheon USA Plan;

**Sopheon Shares:** the ordinary shares of twenty pence each in the capital of Sopheon;

**Sopheon UK Approved Plan:** the Sopheon Share Option Scheme 2016;

**Sopheon UK Unapproved Plan:** the Sopheon UK Unapproved Share Option Scheme 1997;

**Sopheon USA Plan:** Sopheon plc 2009 (USA) Stock Option Plan;

**Special Resolution:** the special resolution to be proposed at the General Meeting in connection with the approval of the Scheme and the amendment of the Articles by the adoption and inclusion of a new article under which any Sopheon Shares issued or transferred after the General Meeting shall either be subject to the Scheme or (after the Effective Date) shall be immediately transferred to Bidco (or as it may direct) in exchange for the same consideration as is due under the Scheme;

**Takeover Offer:** if the Acquisition is implemented by way of a takeover offer (as that term is defined in section 974 of the Companies Act), the offer to be made by or on behalf of Bidco, or an association undertaking thereof, to acquire the entire issued and to be issued ordinary share capital of Sopheon including, where the context admits, any subsequent revision, variation, extension or renewal of such offer;

**Takeover Panel or Panel:** the UK Panel on Takeovers and Mergers;

**uncertificated or in uncertificated form:** recorded on the relevant register of members as being held in uncertificated form in CREST and title to which may, by virtue of the Regulations, be transferred by means of CREST;

**Voting Record Time:** 6:00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting or the General Meeting is adjourned, 6:00 p.m. on the day which is 48 hours (excluding any part of a day that is a non-working day) before the date of such adjourned meeting;

**Wellspring** means Wellspring Worldwide, Inc., a company incorporated in Delaware, USA with company number 3696172;

**Wider Bidco Group:** Bidco, Wellspring, funds managed by Resurgens and its affiliates and including any funds managed by affiliates of Resurgens or such funds, and their respective subsidiary undertakings, associated undertakings and any other body corporate partnership, joint venture or person in which Bidco, Wellspring and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the equivalent (excluding, for the avoidance of doubt, any member of the Wider Target Group);

**Wider Target Group:** Sopheon, its subsidiary undertakings, associated undertakings and any other undertaking, body corporate, partnership, joint venture or person in which Sopheon and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the equivalent;

**associated undertaking, parent undertaking, subsidiary undertaking and undertaking** have the respective meanings given thereto by the Companies Act; and

**“pounds”, “pounds Sterling”, “Sterling”, “£”, “pence”, “penny” and “p”** are to the lawful currency of the United Kingdom.

- (B) References to clauses are to clauses of this Scheme and all times referred to in this Scheme are London times unless otherwise specified;
- (C) The issued share capital of the Company as at the close of business on the Last Practicable Date, was £2,141,361 divided into 10,706,805 Sopheon Shares, all of which were credited as fully paid. No Sopheon Shares are held in treasury.
- (D) As at the Last Practicable Date, no member of the Wider Bidco Group nor Resurgens nor any funds managed and or/advised by Resurgens (nor any of their respective subsidiaries and subsidiary undertakings) holds, or beneficially owns, any Sopheon Shares.
- (E) Outstanding options and other rights to acquire Sopheon Shares may be exercised in connection with the Acquisition, to the extent permitted in accordance with the rules of the relevant Sopheon Share Plans. Based on proposals for the Sopheon Share Plans set out in the Co-operation Agreement and the rules of the relevant Sopheon Share Plans, Sopheon expects that up to 788,571 Sopheon Shares would be required to satisfy the awards in full.
- (F) Bidco has, subject to the satisfaction or, where capable, waiver of the Conditions, agreed to appear by counsel at the Court Hearing and to undertake to the Court to be bound by this Scheme and to execute and do, and procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

## THE SCHEME

### 1. Transfer of the Scheme Shares

- 1.1 Upon and with effect from the Effective Date, Bidco (and/or such other nominee(s) of Bidco as agreed between Bidco and Sopheon) shall acquire all of the Scheme Shares, with full title guarantee, fully paid and free from all liens, charges, equitable interests, encumbrances, options and rights of pre-emption and other third party rights and interests whatsoever and together with all rights existing as at the Effective Date or thereafter attaching thereto, including (without limitation) the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date in respect of the Scheme Shares.
- 1.2 For the purposes of such Acquisition, the Scheme Shares shall be transferred to Bidco (and/ or such other nominee(s) of Bidco as agreed between Bidco and Sopheon) by means of a form of transfer or other instrument or instruction of transfer and, to give effect to such transfers, any person may be appointed by Bidco (and/or such other nominee(s) of Bidco as agreed between Bidco and Sopheon) as attorney and/or agent and/or otherwise and shall be authorised as such attorney and/or agent and/or otherwise on behalf of the Scheme Shareholder concerned to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer (whether as a deed or otherwise), of, or to give any instructions to transfer (including procuring the transfer by means of CREST), the Scheme Shares and every form, instrument or instruction of transfer so executed or instruction so given shall be as effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred. Such form of transfer or other instrument or instruction shall be deemed to be the principal instrument of transfer and the equitable or beneficial interest in the Scheme Shares shall only be transferred to Bidco (and/or such other nominee(s) of Bidco as agreed between Bidco and Sopheon), together with the legal interest in such Scheme Shares, pursuant to such form, instruction or instrument of transfer, or by means of CREST.
- 1.3 Pending the registration of the transfer of the Scheme Shares to Bidco (and/or its nominee(s)) as the holder of any Scheme Share to be transferred pursuant to clause 1.2, upon and with effect from the Effective Date, each Scheme Shareholder irrevocably appoints Bidco (and/or its nominee(s)) as their attorney and/or agent and/or otherwise (in place of and to the exclusion of the relevant Scheme Shareholder) to exercise any voting rights attached to the relevant Scheme Shares and any or all rights and privileges attaching to such Scheme Shares, to sign any consent to short notice of a general or separate class meeting and on their behalf to execute a form of proxy or forms of proxy in respect of such Scheme Shares appointing any person nominated by Bidco (and/or its nominee(s)) to attend general and separate class meetings of the Company and authorises the Company to send to Bidco (and/or its nominee(s)) any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of the Company, such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares. Each Scheme Shareholder irrevocably undertakes: (i) not to exercise any votes or any other rights attaching to the relevant Scheme Shares without the consent of Bidco; and (ii) not to appoint a proxy or representative for or to attend any general meeting or separate class meeting of the Company without the prior consent of Bidco. The authorities granted pursuant to clause 1.2 and this clause 1.3 shall be treated for all purposes as having been granted by deed.
- 1.4 The Company shall register, or procure the registration of, any transfer(s) of shares effected in accordance with clauses 1.1 and 1.2 of this Scheme.

### 2. Consideration for the transfer of the Scheme Shares

- 2.1 In consideration for the transfer of the Scheme Shares to Bidco (and/or such other nominee(s) of Bidco as agreed between Bidco and Sopheon) as provided in clause 1, Bidco shall, subject as provided below, pay, or procure to be paid, to or for the account of each Scheme Shareholder (as appearing in the register of members of the Company at the Scheme Record Time), in accordance with the provisions of clause 3:

**for each Scheme Share at the Scheme Record Time £10.00 in cash**



- 2.2 If any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Sopheon Shares on or after the date of the Announcement and before the Effective Date, Bidco reserves the right to reduce the Acquisition Price payable per Scheme Share (as set out in clause 2.1 above) by an amount up to the amount of such dividend and/or distribution and/or return of capital, in which case any reference in this Scheme and the Scheme Document to the Acquisition Price payable per Scheme Share (as set out in clause 2.1 above) will be deemed to be a reference to the Acquisition Price as so reduced. If Bidco exercises its right to reduce the Acquisition Price payable per Scheme Share (as set out in clause 2.1 above) by an amount up to the amount of a dividend and/or distribution and/or return of capital that has not been paid, Scheme Shareholders will be entitled to receive and retain any such dividend and/or other distribution and/or other return of capital. To the extent that any such dividend and/or distribution and/or other return of capital is declared, made or paid or is payable and it is: (i) transferred pursuant to the Scheme on a basis which entitles Bidco to receive the dividend or distribution and to retain it; or (ii) cancelled before payment, the Acquisition Price payable per Scheme Share (as set out in clause 2.1 above) will not be subject to change in accordance with this clause. Any exercise by Bidco of its rights referred to in this clause shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Scheme.

### **3. Settlement**

- 3.1 Not later than 14 days after the Effective Date (or such other period as may be approved by the Panel), Bidco shall:
- 3.1.1 in the case of Scheme Shares which at the Scheme Record Time are in certificated form (subject to clause 3.1.3 below):
- 3.1.1.1 despatch or procure the despatch, to the relevant Scheme Shareholder (or to those persons as that Scheme Shareholder may direct) of cheque(s) for the sums payable to that Scheme Shareholder in accordance with clause 2 of this Scheme; or
- 3.1.1.2 settle by such other method as may be approved by the Panel;
- 3.1.2 in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form (subject to clause 3.1.3 below), instruct, or procure the instruction of, Euroclear to create an assured payment obligation in favour of the Scheme Shareholder's payment bank in respect of the sums payable to the Scheme Shareholder in accordance with the CREST assured payment arrangements provided that Bidco reserves the right to make payment of the said consideration as aforesaid in sub-clauses 3.1.1.1 and 3.1.1.2 if, for any reason, it wishes to do so; and
- 3.1.3 in the case of Scheme Shares which have been issued or transferred to Sopheon Directors or employees of the Wider Target Group (including former Sopheon Directors or former employees of the Wider Target Group) pursuant to the exercise of options or the vesting of awards granted under the Sopheon Share Plans after the sanction by the Court but before the Scheme Record Time, pay the amount due under this Scheme in respect of such Scheme Shares to the relevant Wider Target Group employer or otherwise by such method as may be agreed with the Company, and then procure that payments are made to the relevant Scheme Shareholders through payroll (subject to the deduction of any exercise price, income tax and national insurance contributions or social security contributions or any other required withholding in any relevant jurisdiction). For the avoidance of doubt, the payment of the Acquisition Price to relevant Scheme Shareholders through payroll pursuant to this sub-clause 3.1.3 shall be effected reasonably promptly (but is not required to be effected within 14 days of the Effective Date).
- 3.2 With effect from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course.
- 3.3 All deliveries of notices and/or cheques required to be made pursuant to this Scheme shall be effected by sending the same by first class post (or by international standard post, if overseas),

or by such other method as may be approved by the Panel, at the Scheme Shareholders' risk, in pre-paid envelopes addressed to the persons entitled thereto at their respective registered addresses, as appearing in the register of members of Sopheon as at the Scheme Record Time (or, in the case of joint holders, at the registered address of the joint holder whose name stands first in such register at such time) and none of Sopheon, Bidco or their respective agents or nominees or Sopheon's registrar, Link Group, shall be responsible for any loss or delay in the transmission of any cheques sent in accordance with this clause 3.3 which shall be sent at the risk of the person or persons entitled to them.

- 3.4 All cheques shall be in pounds Sterling drawn on a UK clearing bank and shall be made payable to the Scheme Shareholders on Sopheon's share register at the Scheme Record Time. In the case of joint holders, the cheque shall be made payable to all of the joint holders but posted to the address recorded on Sopheon's share register. The encashment of any such cheque shall be a complete discharge of Bidco's obligation under this Scheme to pay the monies represented thereby.
- 3.5 In the case of Scheme Shareholders that have not encashed cheques within six months from the Effective Date, the consideration due to such Scheme Shareholders under the Scheme will be held by the Company's registrars, Link Group, in a segregated account for such Scheme Shareholders and neither the Company nor Bidco shall be entitled to call for the payment of the said sum. Such amount shall be held in a separate UK bank account established solely for that purpose, and such Scheme Shareholders may claim the consideration due to them upon request to Link Group at any time during the period of 12 years from the Effective Date.
- 3.6 In respect of payments made through CREST, the instruction of Euroclear to create an assured payment obligation in accordance with the CREST assured payment arrangements shall be a complete discharge of Bidco's obligation under this Scheme with reference to the payments made through CREST.
- 3.7 None of Sopheon, Bidco, or their respective agents and/or nominee(s) shall be responsible for any loss or delay in the posting or transmission of any documents, remittances or cheques sent or transmitted in accordance with this Scheme which shall be sent at the risk of the persons entitled thereto.
- 3.8 The provisions of this clause 3 shall be subject to any condition or prohibition imposed by law.

#### **4. Certificates and cancellation or transfer of CREST entitlements**

- 4.1 With effect from, or as soon as practicable after, the Effective Date:
  - 4.1.1 all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein and every Scheme Shareholder shall be bound at the request of the Company to deliver up the same for cancellation to the Company or, as it may direct, to destroy the same; and
  - 4.1.2 Euroclear shall be instructed to cancel the entitlements of Scheme Shareholders to Scheme Shares in uncertificated form. Each holding of Scheme Shares credited to any stock account in CREST will be transferred to Bidco.
- 4.2 Subject to the completion and, if applicable, stamping of any such transfers, forms, instruments or instructions as may be required in accordance with clause 1.2, the Company will make, or procure to be made, appropriate entries in its register of members with effect from the Effective Date to reflect the transfer of Scheme Shares in accordance with clause 1 and the Company shall comply with its obligations set out in clause 1.4 in this respect.

#### **5. Mandates and dividends**

- 5.1 Save as required in relation to the settlement of consideration pursuant to the terms of this Scheme, all mandates relating to the payment of dividends on any Scheme Shares and other instructions (including communications preferences) given to the Company by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

**6. Effective Date**

- 6.1 This Scheme shall become Effective as soon as a copy of the Court Order shall have been delivered to the Registrar of Companies for registration.
- 6.2 Unless this Scheme shall have become Effective on or before the Long Stop Date, this Scheme shall never become effective.

**7. Modification**

The Company and Bidco may jointly consent on behalf of all persons concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Code. For the avoidance of doubt, no modification shall be capable of being made once the Scheme has taken effect.

**8. Governing law**

This Scheme and all rights and obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law. Any dispute of any kind whatsoever arising, directly or indirectly, out of or in connection with this Scheme, irrespective of the cause of action, including whether based on contract or tort, shall be exclusively submitted to the courts of England and Wales. The rules of the Code will apply to this Scheme on the basis provided in the Code.

Dated 16 January 2024

## PART V

### FINANCIAL INFORMATION ON SOPHEON, WELLSPRING AND BIDCO

#### Part A: Financial Information relating to Sopheon

The following table sets out financial information in respect of Sopheon required by Rule 24.3 of the Code. The documents referred to below (or Parts thereof), the contents of which have previously been announced through a Regulatory Information Service, are available free of charge on Sopheon's website at <https://www.sopheon.com/investors/financial-reports> and are incorporated into this document by reference pursuant to Rule 24.15 of the Code:

| Information incorporated by reference into this document | Website address (URL) for download  | Page numbers in reference document |
|--|---|------------------------------------|
| 2022 Annual Report and Accounts                          | <a href="https://www.sopheon.com/hubfs/Financial%20Releases_Reports/2022/Sopheon_2022_Annual_Report.pdf?hsLang=en">https://www.sopheon.com/hubfs/Financial%20Releases_Reports/2022/Sopheon_2022_Annual_Report.pdf?hsLang=en</a>                   | 29 to 68 (inclusive)               |
| 2021 Annual Report and Accounts                          | <a href="https://f.hubspotusercontent30.net/hubfs/6722983/Financial%20Releases_Reports/2021/Sopheon_2021_Annual_Report.pdf">https://f.hubspotusercontent30.net/hubfs/6722983/Financial%20Releases_Reports/2021/Sopheon_2021_Annual_Report.pdf</a> | 30 to 68 (inclusive)               |
| 2023 Interim Results                                     | <a href="https://www.sopheon.com/hubfs/Financial%20Releases_Reports/2023/Sopheon_Interim_Announcement_2023.pdf">https://www.sopheon.com/hubfs/Financial%20Releases_Reports/2023/Sopheon_Interim_Announcement_2023.pdf</a>                         | 6 to 14 (inclusive)                |

The information above is available free of charge in “read only”, printable format from the hyperlinks set out above.

#### Publication on website and availability of hard copies

In accordance with Rule 26.1 of the Code, a copy of this document and the documents referred to above will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, on Sopheon's website at: <https://www.sopheon.com/investors> and on Bidco's website at <https://offer.wellspring.com/news> no later than 12.00 noon (London time) on the Business Day following the publication of this document and during the offer period. Neither the contents of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this document.

#### Requesting hard copy documents

Pursuant to Rule 30.3 of the Takeover Code, a person so entitled may request a copy of this document and any information incorporated into it by reference to another source in hard copy form. A person may also request that all future documents, announcements and information to be sent to that person in relation to the Acquisition should be in hard copy form. For persons who receive a copy of this document in electronic form or via a website notification, a hard copy of this document will not be sent unless so requested by contacting Sopheon's Registrar, Link Group on +44 (0)371 664 0321 or by submitting in writing to Link Group, Central Square, 29 Wellington Street, Leeds LS1 4DL or by email to [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Lines are open between 9:00 a.m. to 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

#### Part B: Sopheon Ratings Information

No credit ratings agency has publicly accorded Sopheon with any current credit rating or outlook.

**Part C: Financial Information relating to Bidco and Wellspring**

Bidco was established on 5 October 2023 in Delaware, United States (registration number 2451504) as a corporation. Bidco's registered office is at Corporation Trust Center 1209 Orange St, Wilmington, DE 19801, United States. The principal legislation under which Bidco operates is The General Corporation Law of the State of Delaware.

Bidco is newly established for the purposes of the Acquisition and as such there is no financial information available or published in respect of Bidco. Bidco has not traded since its date of incorporation, nor has it paid dividends or entered into any obligations or engaged in any activities other than in connection with the Acquisition. Bidco has no material assets or liabilities, in each case other than those described in this document in connection with the Acquisition.

Bidco's parent company is Wellspring. There is no financial information in respect of Bidco or the Wellspring Group which is required by Rule 24.3(a).

**Part D: Bidco Ratings Information**

There are no current ratings or outlooks publicly accorded to Bidco by ratings agencies.

**Part E: Financial effects of the Acquisition**

Following the Scheme becoming Effective, the earnings, assets and liabilities of Bidco will include the consolidated earnings, assets and liabilities of the Sopheon Group as of Effective Date.

**Part F: No incorporation of website information**

Save as expressly referred to herein, neither the content of Sopheon's or Bidco's websites, nor the content of any website accessible from hyperlinks on Sopheon's or Bidco's websites, is incorporated into, or forms part of, this document.



## PART VI

### ADDITIONAL INFORMATION

#### 1. Responsibility

- 1.1 The Sopheon Directors, whose names are set out in paragraph 2.1 of this Part VI, accept responsibility for the information contained in this document (including any expressions of opinion) other than the information for which responsibility is taken by others pursuant to paragraphs 1.2 to 1.4 of this Part VI. To the best of the knowledge and belief of the Sopheon Directors (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Resurgens Responsible Persons, whose names are set out in paragraph 2.7 of this Part VI, accept responsibility for the information contained in this document (including any expressions of opinion) relating to Resurgens, the Resurgens Funds, the Wider Bidco Group, themselves and their respective close relatives, related trusts and companies and persons connected to them, other than information relating to the MS Responsible Persons, Morgan Stanley, MS AIP, MSAI and MSIM for which responsibility is taken by the MS Responsible Persons pursuant to paragraph 1.4. To the best of the knowledge and belief of the Resurgens Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The Wellspring Responsible Persons and the Bidco Directors, whose names are set out in paragraphs 2.4 and 2.2 of this Part VI, accept responsibility for the information contained in this document (including any expressions of opinion) relating to Bidco, the Wellspring Group, themselves and their respective close relatives, related trusts and persons connected to them, other than information relating to the MS Responsible Persons, Morgan Stanley, MS AIP, MSAI and MSIM for which responsibility is taken by the MS Responsible Persons pursuant to paragraph 1.4. To the best of the knowledge and belief of the Wellspring Responsible Persons and the Bidco Directors (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.4 The MS Responsible Persons, whose names are set out in paragraph 2.9 of this Part VI, accept responsibility for the information contained in the document (including any expressions of opinion) relating to Morgan Stanley, MS AIP, MSAI and MSIM, and themselves. To the best of the knowledge and belief of the MS Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely or affect the import of such information.

#### 2. Sopheon Directors, Bidco Directors, Resurgens Responsible Persons and Wellspring Responsible Persons

- 2.1 The Sopheon Directors and their respective functions are as follows:

- 2.1.1 Andrew L. Michuda – Executive Chair
- 2.1.2 Gregory M. Coticchia – Chief Executive Officer
- 2.1.3 Arif Karimjee – Chief Financial Officer
- 2.1.4 Barry K. Mence – Non-Executive Director

2.1.5 Stuart A. Silcock – Non-Executive Director

2.1.6 Daniel Metzger – Non-Executive Director

2.1.7 Barnaby L. Kent – Non-Executive Director

Sopheon is a public limited company incorporated in England and Wales with its registered office and the business address of the Sopheon Directors at Dorna House, Guildford Road, West End, Woking, Surrey, England, GU24 9PW.

2.2 The Bidco Directors and their functions are as follows:

2.2.1 William Alfred Sturgis Jr. – President

2.2.2 Adnan Filipovic – Secretary

2.2.3 Daniel Edward Carpenter – Treasurer

2.3 The business address of each Bidco Director is One Phipps Plaza, 3550 Peachtree Road NE, Suite 900, Atlanta, GA 30326, United States.

2.4 The Wellspring Responsible Persons and their functions are as follows:

2.4.1 William Alfred Sturgis Jr. – President

2.4.2 Adnan Filipovic – Secretary

2.4.3 Daniel Edward Carpenter – Treasurer

2.4.4 Sean Downs – Chief Executive Officer

2.4.5 Edward Kenna – Resurgens appointed director of Archimedes Parent LLC (Wellspring's ultimate parent company)

2.5 The business address of each Wellspring Responsible Person is One Phipps Plaza, 3550 Peachtree Road NE, Suite 900, Atlanta, GA 30326, United States.

2.6 Subject to the Scheme becoming Effective, Wellspring will have an indirect interest of 100 per cent. in Sopheon.

2.7 The Resurgens Responsible Persons are as follows:

2.7.1 William Alfred Sturgis Jr. – Managing Partner

2.7.2 Adnan Filipovic – Managing Partner

2.8 The business address of each Resurgens Responsible Person is One Phipps Plaza, 3550 Peachtree Road NE, Suite 900, Atlanta, GA 30326, United States.

2.9 The MS Responsible Persons and each of their respective business addresses are as follows:

2.9.1 Michael P. Carroll (100 Front Street, West Conshohocken, PA 19428-2881, US)

2.9.2 Neha Champaneria Markle (100 Front Street, West Conshohocken, PA 19428-2881, US)

2.9.3 Onyekwere Randy Ojukwu (100 Front Street, West Conshohocken, PA 19428-2881, US)

2.9.4 Pamela C. Fung (1 International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, Hong Kong)

2.9.5 Vikram Raju (25 Cabot Square, Canary Wharf, London GB-LND E14-4QA, UK)

### **3. Market quotations**

The following table shows the Closing Price for one Sopheon Share on:

3.1 the first Business Day of each of the six months immediately before the date of this document;

- 3.2 30 October 2023, being the last Business Day prior to the commencement of the offer period; and
- 3.3 15 January 2024, being the Last Practicable Date.

| <b>Date</b>      | <b>Price per Sopheon Share (pence)</b> |
|------------------|--|
| 1 August 2023    | 585                                    |
| 1 September 2023 | 570                                    |
| 2 October 2023   | 580                                    |
| 30 October 2023  | 490                                    |
| 1 November 2023  | 900                                    |
| 1 December 2023  | 915                                    |
| 2 January 2024   | 970                                    |
| 15 January 2024  | 980                                    |

#### **4. Interests and dealings in relevant securities**

##### **4.1 Definitions used in this section**

For the purposes of this paragraph 4:

“**acting in concert**” has the meaning given to it in the Code;

“**arrangement**” includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing (other than irrevocable commitments to vote in favour of the Scheme and/or related resolutions, details of which are set out in paragraph 5 of this Part VI);

“**connected adviser**” has the meaning given to it in the Code;

“**connected person**” in relation to a Bidco Director or a Sopheon Director includes (a) such director’s spouse or civil partner and children or step-children under the age of 18; (b) the trustee(s) of any trust for the benefit of such director and/or any person mentioned in (a); (c) any company in which such director and/or any person mentioned in (a) or (b) is entitled to exercise or control the exercise of one-third or more of the voting power, or which is accustomed to act in accordance with the directions of such director or any such person; and (d) any other person whose interests in shares are taken to be interests of such director pursuant to Part 22 of the Companies Act;

“**control**” means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether such interest(s) give(s) de facto control;

“**dealing**” has the meaning given to it in the Code and “**dealt**” has the corresponding meaning;

“**derivative**” has the meaning given to it in the Code;

“**Disclosure Date**” means the close of business on 15 January 2024, being the Last Practicable Date;

“**Disclosure Period**” means the period commencing on 31 October 2022 (being the date 12 months prior to the date of commencement of the offer period) and ending on the Disclosure Date;

“**exempt fund manager**” and “**exempt principal trader**” have the meanings given to them in the Code;

“**financial collateral arrangements**” are arrangements of the kind referred to in Note 3 on Rule 4.6 of the Code;

“**interest**” in relevant securities has the meaning given to it in the Code;

“offer period” means, in this context, the period commencing on 31 October 2023 and ending on the Disclosure Date;

“relevant securities of Bidco” means relevant securities (such term having the meaning given to it in the Code in relation to an offeror) of Bidco, including equity share capital of Bidco (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;

“relevant securities of Sopheon” means relevant securities (such term having the meaning given to it in the Code in relation to an offeree) of Sopheon, including equity share capital of Sopheon (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and

“short position” means any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

#### 4.2 **Interests in relevant securities of Sopheon**

4.2.1 As at the Disclosure Date, the Sopheon Directors (and their close relatives, related trusts and connected persons) had beneficial interests (held in person or through a nominee) in relevant securities of Sopheon as set out below:

| <b>Sopheon Director/Close Relatives,<br/>Related Trusts and Connected Persons</b> | <b>Number of<br/>Sopheon<br/>Shares<br/>beneficially<br/>owned</b> | <b>Outstanding<br/>share options<br/>and/or awards<br/>under Sopheon<br/>Share Plans</b> |
|---|--|--|
| Barry K. Mence  | 1,633,633  | Nil  |
| Maria Mence (spouse of Barry Mence)   | 265,825  | Nil  |
| Arif Karimjee   | 46,500   | 93,000   |
| Fiona Karimjee (spouse of Arif Karimjee)  | 27,000   | Nil  |
| Daniel Metzger  | 5,000  | Nil  |
| Andrew L. Michuda   | 67,620   | 320,000  |
| Stuart A. Silcock   | 266,365  | Nil  |
| Christine Silcock (spouse of Stuart A. Silcock)                                   | 16,625   |  |
| Greg Coticchia  | 8,600  | 100,000  |
| Barnaby Kent  | 3,500  | Nil  |

4.2.2 As at the Disclosure Date, Sopheon held no Sopheon Shares in treasury.

4.2.3 As at the Disclosure Date, the Sopheon Directors held the following outstanding awards and options over Sopheon Shares under the Sopheon Share Plans each of which will be exercised after the sanction of the Court in relation to the Scheme:

| <b>Sopheon<br/>Director</b> | <b>Maximum<br/>number of<br/>ordinary Shares<br/>awarded</b> | <b>Date of Grant</b> | <b>Share<br/>price at<br/>grant (£)</b> | <b>Exercise<br/>price per<br/>share (£)</b> | <b>Exercise or<br/>cash-cancel</b> |
|-----------------------------|--|----------------------|---|---|------------------------------------|
| Arif Karimjee               | 11,650   | 15 February 2017     | 4.68                                    | 4.68  | Exercise                           |
| Arif Karimjee               | 15,000   | 11 February 2018     | 5.65                                    | 5.65  | Exercise                           |
| Arif Karimjee               | 15,000   | 4 July 2018          | 9.00                                    | 9.00  | Cash-cancel                        |
| Arif Karimjee               | 8,000  | 10 July 2020         | 7.75                                    | 7.75  | Exercise                           |
| Arif Karimjee               | 43,350   | 14 May 2021          | 8.50                                    | 9.00  | Cash-cancel                        |
| Greg Coticchia              | 20,000   | 19 October 2020      | 7.85                                    | 7.85  | Cash-cancel                        |
| Greg Coticchia              | 80,000   | 14 May 2021          | 8.50                                    | 8.45  | Cash-cancel                        |
| Andrew Michuda              | 25,000   | 15 February 2017     | 4.68                                    | 4.68  | Cash-cancel                        |
| Andrew Michuda              | 50,000   | 11 February 2018     | 5.65                                    | 5.65  | Cash-cancel                        |
| Andrew Michuda              | 50,000   | 4 July 2018          | 9.00                                    | 9.00  | Cash-cancel                        |
| Andrew Michuda              | 30,000   | 10 July 2020         | 7.75                                    | 7.75  | Cash-cancel                        |
| Andrew Michuda              | 165,000  | 14 May 2021          | 8.50                                    | 9.00  | Cash-cancel                        |

4.2.4 In 2023, the Company proposed to grant awards and options over, in aggregate, 20,000 Sopheon Shares under the Sopheon Share Plans to the Chief Executive Officer (Gregory Coticchia) and Chief Financial Officer (Arif Karimjee). Gregory Coticchia was to receive an award of 10,000 options (in aggregate) over Sopheon Shares and Arif Karimjee an award of 10,000 options (in aggregate) over Sopheon Shares, in each case under the Sopheon UK Approved Plan and the Sopheon USA Plan and with a proposed exercise price of 615 pence per Sopheon Share subject to option. The relevant option grants did not occur at the same time as grants made to other Company employees due to them being persons discharging managerial responsibilities (PDMRs) with the Company being restricted from making the grant at that same time under its share dealing code. It is intended that Gregory Coticchia and Arif Karimjee will each receive a cash bonus payment after the Scheme Effective Date equal to the gain they would have received had those options been granted to them at the same time as other employees in advance of the Acquisition. It is intended that these bonuses will be funded by the Company's Employee Benefit Trust and paid by the Company subject to deductions for the applicable option exercise price, applicable taxes, employee national insurance and any similar social security deductions or contributions in any relevant jurisdiction.

#### 4.3 **General**

Save as disclosed (i) in this paragraph 4 of this Part VI; or (ii) in respect of the irrevocable undertakings referred to in paragraph 5 of this Part VI, as at the Disclosure Date:

4.3.1 Resurgens and Wellspring confirm that none of (i) Bidco or any member of the Wider Bidco Group; (ii) any Bidco Director, Wellspring Responsible Person, Resurgens Responsible Person or any close relative, related trust or connected person of any such persons (as the case may be); (iii) any other person acting in concert with Bidco; or (iv) any person with whom Bidco or any person acting in concert with Bidco had an arrangement of the kind referred to in Note 11 on the definition of "acting in concert" in the Code with any other person in relation to relevant securities of Sopheon, had any interest in, right to subscribe in respect of, or short position in respect of, directly or indirectly, relevant securities of Sopheon; and no such person had dealt in any relevant securities of Sopheon during the Disclosure Period;

4.3.2 Resurgens and Wellspring confirm that neither Bidco, nor any person acting in concert with Bidco, had borrowed or lent any relevant securities of Sopheon (including any financial collateral arrangements);

4.3.3 none of (i) Sopheon or any other member of the Sopheon Group; (ii) any Sopheon Director, or any close relative, related trust or connected person of any such Sopheon Director; (iii) any other person acting in concert with Sopheon; or (iv) any person with whom Sopheon or any person acting in concert with Sopheon had an arrangement of the kind referred to in Note 11 on the definition of "acting in concert" of the Code with any other person in relation to relevant securities of Sopheon, had any interest in, right to subscribe in respect of, or short position in respect of, directly or indirectly, relevant securities of Sopheon; and no such person has dealt in any relevant securities of Sopheon during the offer period;

4.3.4 neither Sopheon, nor any person acting in concert with Sopheon, has borrowed or lent any relevant securities of Sopheon (including any financial collateral arrangements); and

4.3.5 none of Sopheon, any other member of the Sopheon Group nor any of the Sopheon Directors or any person connected with any Sopheon Director has any interest in, or right to subscribe in respect of, or short position in respect of, directly or indirectly, relevant securities of Bidco or Wellspring; and no such person has dealt in relevant securities of Bidco or Wellspring during the offer period.

### 5. **Irrevocable undertakings**

#### 5.1 **Sopheon Director irrevocable undertakings**

Barry K. Mence has given an irrevocable undertaking in respect of 1,899,458 Sopheon Shares beneficially owned by him or his connected persons (being all of the Sopheon Shares beneficially owned by him, his connected persons or in respect of which he is interested whether held in a personal capacity or through a nominee), and representing approximately 17.74 per cent. of



Sopheon's issued, and to be issued, share capital as at the Last Practicable Date to be bound by the terms of the Scheme and to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting to approve the adoption of the amended Articles (or, if the Acquisition is to be implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer).

Andrew Michuda has given an irrevocable undertaking in respect of 67,620 Sopheon Shares beneficially owned by him or his connected persons (being all of the Sopheon Shares beneficially owned by him, his connected persons or in respect of which he is interested whether held in a personal capacity or through a nominee), and representing approximately 0.63 per cent. of Sopheon's issued, and to be issued, share capital as at the Last Practicable Date to be bound by the terms of the Scheme and to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting to approve the adoption of the amended Articles (or, if the Acquisition is to be implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer).

Gregory Coticchia has given an irrevocable undertaking in respect of 8,600 Sopheon Shares beneficially owned by him or his connected persons (being all of the Sopheon Shares beneficially owned by him, his connected persons or in respect of which he is interested whether held in a personal capacity or through a nominee), and representing approximately 0.08 per cent. of Sopheon's issued, and to be issued, share capital as at the Last Practicable Date to be bound by the terms of the Scheme and to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting to approve the adoption of the amended Articles (or, if the Acquisition is to be implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer).

Arif Karimjee has given an irrevocable undertaking in respect of 73,500 Sopheon Shares beneficially owned by him or his connected persons (being all of the Sopheon Shares beneficially owned by him, his connected persons or in respect of which he is interested whether held in a personal capacity or through a nominee), and representing approximately 0.68 per cent. of Sopheon's issued, and to be issued, share capital as at the Last Practicable Date to be bound by the terms of the Scheme and to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting to approve the adoption of the amended Articles (or, if the Acquisition is to be implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer).

Stuart Silcock has given an irrevocable undertaking in respect of 282,990 Sopheon Shares beneficially owned by him or his connected persons (being all of the Sopheon Shares beneficially owned by him, his connected persons or in respect of which he is interested whether held in a personal capacity or through a nominee), and representing approximately 2.64 per cent. of Sopheon's issued, and to be issued, share capital as at the Last Practicable Date to be bound by the terms of the Scheme and to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting to approve the adoption of the amended Articles (or, if the Acquisition is to be implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer).

Daniel Metzger has given an irrevocable undertaking in respect of 5,000 Sopheon Shares beneficially owned by him or his connected persons (being all of the Sopheon Shares beneficially owned by him, his connected persons or in respect of which he is interested whether held in a personal capacity or through a nominee), and representing approximately 0.05 per cent. of Sopheon's issued, and to be issued, share capital as at the Last Practicable Date to be bound by the terms of the Scheme and to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting to approve the adoption of the amended Articles (or, if the Acquisition is to be implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer).

Barnaby Kent has given an irrevocable undertaking in respect of 3,500 Sopheon Shares beneficially owned by him or his connected persons (being all of the Sopheon Shares beneficially owned by him, his connected persons or in respect of which he is interested), and representing approximately 0.03 per cent. of Sopheon's issued, and to be issued, share capital as at the Last Practicable Date to be bound by the terms of the Scheme and to vote, or procure the vote, in

favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting to approve the adoption of the amended Articles (or, if the Acquisition is to be implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer).

The irrevocable undertakings given by the Sopheon Directors as set out above will apply to any Sopheon Shares acquired as a result of any awards or options exercised pursuant to the Sopheon Share Plans.

The above irrevocable undertakings do not permit acceptance of a higher competing offer made prior to the Scheme becoming Effective, if any person other than Bidco, or a person acting in concert with Bidco, announces a firm intention to make an offer to acquire the entire issued, and to be issued, ordinary share capital of Sopheon.

The above irrevocable undertakings will cease to be binding only if:

- the Acquisition is implemented by way of a Scheme, the Scheme becomes Effective; or
- the Acquisition is implemented by way of a Takeover Offer, on the date the Takeover Offer becomes or is declared unconditional,

or, prior to that date, if:

- the Scheme lapses or is withdrawn in accordance with its terms and no new, revised or replacement Scheme is announced by Bidco in accordance with Rule 2.7 of the Code at the same time;
- any competing offer for the entire issued and to be issued share capital of Sopheon becomes or is declared unconditional (if implemented by way of a takeover offer) or, if proceeding by way of a scheme of arrangement, becomes effective in accordance with its terms; or
- the Scheme has not become effective (or has not become or been declared unconditional in accordance with the requirements of the Code) by 5:00 p.m. on 4 March 2024 (or such later date (if any) as Bidco and Sopheon may, with the consent of the Takeover Panel, agree and (if required) the Court may allow).

Accordingly, Bidco has received irrevocable undertakings from Sopheon Directors to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting to approve the adoption of the amended Articles (or, if the Acquisition is to be implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer) in respect of 2,340,668 Sopheon Shares, in aggregate, representing approximately 21.86 per cent. of the Sopheon Shares as at the Last Practicable Date.

## 5.2 **Shareholder irrevocable undertakings**

In addition to the irrevocable undertakings from the Sopheon Directors, Bidco has also received an irrevocable undertaking to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General meeting (or, if Bidco exercises its right to implement the Acquisition by way of a takeover Offer, to accept such offer) from Rivomore Limited, in respect of 2,074,308 Sopheon Shares (held in a personal capacity or through a nominee) representing, in aggregate, approximately 19.37 per cent. of Sopheon's issued share capital as at the Last Practicable Date.

The above irrevocable undertaking does not permit acceptance of a higher competing offer made prior to the Scheme becoming Effective, if any person other than Bidco, or a person acting in concert with Bidco, announces a firm intention to make an offer to acquire the entire issued, and to be issued, ordinary share capital of Sopheon.

The above irrevocable undertaking will cease to be binding only if:

- the Acquisition is implemented by way of a Scheme, the Scheme becomes Effective; or

- the Acquisition is implemented by way of a Takeover Offer, on the date the Takeover Offer becomes or is declared unconditional,

or, prior to that date, if:

- the Scheme lapses or is withdrawn in accordance with its terms and no new, revised or replacement Scheme is announced by Bidco in accordance with Rule 2.7 of the Code at the same time;
- any competing offer for the entire issued and to be issued share capital of Sopheon becomes or is declared unconditional (if implemented by way of a takeover offer) or, if proceeding by way of a scheme of arrangement, becomes effective in accordance with its terms; or
- the Scheme has not become effective (or has not become or been declared unconditional in accordance with the requirements of the Code) by 5:00 p.m. on 4 March 2024.

In aggregate, Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Special Resolution at the General Meeting from the holders of 4,414,976 Sopheon Shares in total representing approximately 41.24 per cent. of Sopheon's issued share capital as at the Last Practicable Date.

## 6. Persons acting in concert

6.1 In addition to Bidco, the Bidco Directors (together with their close relatives and related trusts), the Wellspring Responsible Persons, the Resurgens Responsible Persons and the other members of the Wider Bidco Group (including Bidco's holding companies and their subsidiaries), the person who, for the purposes of the Code, is acting, or deemed to be acting, in concert with Bidco is Raymond James Financial International Limited whose registered office is at Ropemaker Place, 25 Ropemaker Street, London, England, EC2Y 9LY as financial adviser to the Wider Bidco Group in connection with the Acquisition.

6.2 In addition to the Sopheon Directors (together with their close relatives and related trusts) and the other members of the Wider Target Group, the person who, for the purposes of the Code, is acting, or deemed to be acting, in concert with Sopheon is Cavendish Capital Markets Limited, a private limited company whose registered office is at 1 Bartholomew Close, London, England, EC1A 7BL, independent Rule 3 adviser to Sopheon in connection with the Acquisition.

## 7. Acquisition-related arrangements and material contracts

### 7.1 Acquisition-related arrangements

#### 7.1.1 Confidentiality Agreement

Resurgens and Sopheon entered into a confidentiality agreement on 19 May 2023 (the "**Confidentiality Agreement**"), pursuant to which Resurgens has undertaken to keep confidential information relating to Sopheon and not to disclose it to third parties (with certain exceptions) unless required by law or regulation or permitted pursuant to limited carve-outs to the obligations of confidentiality. The Confidentiality Agreement also includes customary standstill and non-solicitation obligations applicable to Resurgens.

The confidentiality obligations will remain in force until the Scheme becomes Effective or, in the event the Scheme does not become Effective, until the date falling one year from the date of the Confidentiality Agreement.

#### 7.1.2 Co-operation Agreement

Pursuant to a co-operation agreement dated 22 December 2023 (the "**Co-operation Agreement**"): a) Sopheon has agreed to co-operate with Bidco and Wellspring to assist with the obtaining of regulatory clearances and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition; (b) Bidco and Wellspring have agreed to provide Sopheon with certain information for the purposes of this document and to otherwise assist with the preparation of this document; (c) Bidco has agreed to certain

provisions if the Scheme should switch to a Takeover Offer; and (d) Sopheon, Wellspring and Bidco have agreed certain arrangements in respect of the Sopheon Share Plans.

The Co-operation Agreement will terminate, amongst other things:

- if the Acquisition is withdrawn or lapses;
- if prior to the Long Stop Date any Condition becomes incapable of satisfaction;
- at Bidco or Wellspring's election if:
  - the Sopheon Directors withdraw, modify or qualify their recommendation of the Acquisition;
  - the Sopheon Directors recommend a competing proposal or one is effected;
  - Sopheon announces an intention not to convene the Court Meeting or the General Meeting, or not to publish this document; or
  - a Condition is invoked by Bidco prior to the Long Stop Date;
- if the Scheme does not become Effective in accordance with its terms by the Long Stop Date; or
- otherwise as agreed in writing between Bidco, Wellspring and Sopheon.

### 7.1.3 *Bid Conduct Agreement*

Resurgens Technology Managers II, L.P. and Morgan Stanley AIP GP LP have entered into a bid conduct agreement dated 22 December 2023 (the "**Bid Conduct Agreement**"), pursuant to which they have agreed to regulate their conduct in connection with the co-investment in Bidco by funds managed by Morgan Stanley AIP GP LP, including (a) co-operation in the conduct of the Acquisition and the provision of information relating thereto; (b) funding of the Acquisition; (c) the preparation of the documentation in order to make the Acquisition; and (d) co-operation in obtaining regulatory clearances and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition.

The Bid Conduct Agreement will terminate, amongst other things: (a) if the Scheme becomes Effective; (b) if any competing offer becomes effective or unconditional; (c) if the Acquisition is withdrawn or lapses; or (d) if the parties agree to its termination.

## 7.2 **Sopheon material contracts**

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by Sopheon and/or its subsidiaries since 31 October 2021 (being the date two years prior to the commencement of the offer period) and may be material:

### 7.2.1 *Asset Purchase Agreement – Purchase of assets from ROI Blueprints LLC*

Sopheon Corporation (an indirect subsidiary of Sopheon) entered into an asset purchase agreement on 17 December 2021 with ROI Blueprints LLC ("**ROI**") whereby ROI agreed to sell substantially all of its assets and specified liabilities to Sopheon Corporation.

Subject to certain adjustments, the consideration payable by Sopheon Corporation was \$1,500,000. There is an earn out whereby ROI may earn up to \$1,500,000 from 2022 until 2024. Any earn out payments required will be remitted either (i) 67% in cash and 33% in shares in Sopheon, or (ii) 100% in cash, at the sole discretion of Sopheon.

### 7.2.2 *Business Purchase Agreement – Purchase of assets from Solverlink Limited*

Sopheon UK Limited (a wholly owned subsidiary of Sopheon) entered into a business purchase agreement on 18 May 2022 with Solverlink Limited ("**Solverlink**") pursuant to which Solverlink sold substantially all of its business and assets as a going concern to Sopheon UK Limited.

The consideration payable by Sopheon UK Limited to Solverlink comprises of an initial payment, deferred consideration and earn out consideration. The initial payment was £650,002, £400,000 of which was paid in cash on completion by Sopheon UK Limited and £250,002 of which was satisfied by the issue of shares in Sopheon. The deferred consideration was £100,000 payable in cash on 30 September 2022 (subject to the satisfaction of certain conditions). The earn out period is for a period of two years commencing on 1 June 2022 and ending on 31 May 2024 and is calculated by reference to Solverlink's annual recurring revenue (and dependent on certain thresholds being achieved), subject to a total cap of £1,550,000, with any such earn out consideration being payable in cash or partly in cash and up to 58% in shares issued in Sopheon, at the sole discretion of Sopheon.

#### 7.2.3 *Business Sale Agreement – Share Sale Agreement – Purchase of Sopheon Asia Pacific Pty Limited*

Sopheon UK Limited (a wholly owned subsidiary of Sopheon) entered into a share sale agreement on 7 July 2023 with Prodex Systems PTY Ltd ("**Prodex**") pursuant to which Prodex sold the entire issued share capital of Sopheon Asia Pacific Pty Limited to Sopheon UK Limited. The consideration comprises AUD \$1 million of which two thirds was payable immediately in cash, and the remainder over three years as contingent deferred consideration tied to baseline performance metrics.

An additional contingent earn-out of up to a maximum of AUD \$1.2 million is also payable over the next three years, tied to revenue and EBIT growth objectives. Up to 50% of the deferred and earn-out consideration may be satisfied in Sopheon shares, at the sole discretion of Sopheon.

### 7.3 ***Bidco material contracts***

Save as disclosed in paragraph 7.1 (Acquisition-related arrangements) and in paragraph 8 (Financing Arrangements relating to Bidco), there have been no contracts entered into by Bidco during the period commencing on 31 October 2021 (the date two years before the commencement of the offer period) and ended on the Last Practicable Date which are outside the ordinary course of business and which are or may be considered material.

### 7.4 ***Wellspring material contracts***

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by Wellspring and/or its subsidiaries since 31 October 2021 (being the date two years prior to the commencement of the offer period) and may be material:

#### 7.4.1 *Equity Purchase Agreement for the acquisition of I.P. Pragmatics Limited*

On 1 February 2023, Wellspring entered into an equity purchase agreement with certain individuals for the acquisition of the entire issued share capital of I.P. Pragmatics Limited (the "**IPPL SPA**"), an intellectual property and technology management consultancy company with operations mainly in the UK and Australia. The acquisition completed on 1 February 2023. The purchase price payable at completion under the IPPL SPA was \$2,167,425 (following final adjustment and agreement in accordance with the terms of the IPPL SPA). The IPPL SPA also contains provisions for the payment of deferred and contingent consideration in an aggregate amount up to \$1,425,000.

## 8. **Financing Arrangements relating to Bidco**

- 8.1 The cash consideration payable to the Sopheon Shareholders under the terms of the Acquisition is intended to be financed by a combination of equity funding to be invested indirectly by the Resurgens Funds and committed debt funding to be provided under the Facilities Agreement. The Resurgens Funds includes a co-investment fund in which the sole limited partner is a fund managed by MS AIP.



## 8.2 **Equity Commitment Letter**

8.2.1 On 22 December 2023, Bidco entered into an equity commitment letter (the “**Equity Commitment Letter**”) with certain of the Resurgens Funds, which sets out the basis on which the Resurgens Funds will invest, directly or indirectly, an aggregate maximum amount of up to \$113,558,371 in Bidco such that Bidco can use the funds to finance the cash consideration payable under the Acquisition. Pursuant to the terms of the Equity Commitment Letter, the Resurgens Funds will procure that such investment has occurred at least three Business Days prior to the last date by which Bidco must pay the cash consideration due in connection with the Acquisition.

## 8.3 **Facilities Agreement**

8.3.1 The Facilities Agreement was amended on 22 December 2023 (the “**Second Amendment A Date**”) to document the terms on which the Lenders have agreed to make available to Bidco a term loan in an amount equal to \$33,000,000 (“**Term Loan B**”).

8.3.2 The proceeds of Term Loan B drawn by Bidco are to be applied to pay a portion of the consideration for the Acquisition and fees and expenses relating thereto. Term Loan B is available to be utilised in US dollars. Term Loan B is available to be drawn, subject to satisfaction of the conditions precedent set forth in the Facilities Agreement, from the Second Amendment A Date to 11.59 p.m. London time on the last day of the Certain Funds Period (as defined below).

8.3.3 Under the Facilities Agreement, the ‘Certain Funds Period’ is defined as the period from (and including) the Second Amendment A Date to (and including) 11:59 p.m. London time on the earliest to occur of:

8.3.3.1 where the Acquisition proceeds by way of a scheme of arrangement, the date on which the Scheme lapses (including, subject to exhausting any rights of appeal, if a relevant court refuses to sanction the Scheme), terminates or is withdrawn with the approval of the Panel in writing in each case, in accordance with its terms in the Announcement or this document (other than where such lapse, termination or withdrawal is: (i) as a result of the exercise of Bidco’s right to switch the Scheme to a Takeover Offer and Bidco has announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Code, and such Takeover Offer has not lapsed or been withdrawn; or (ii) followed promptly by a firm intention announcement (under Rule 2.7 of the Code) made by Bidco or a person acting in concert with Bidco (as defined in the Code) to implement the Acquisition by a different Scheme or Takeover Offer on substantially the same or improved terms, and such announcement is made within five (5) Business Days of such lapse, termination or withdrawal);

8.3.3.2 where the Acquisition is to be consummated pursuant to a Takeover Offer, the date on which the Takeover Offer lapses, terminates or is withdrawn with the consent of the Panel in writing in accordance with its terms (other than where such lapse, termination or withdrawal is: (i) as a result of the exercise of Bidco’s right to switch the Takeover Offer to a Scheme and Bidco has announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Code, and such Scheme has not lapsed or been withdrawn; or (ii) followed promptly by a firm intention announcement (under Rule 2.7 of the Code) made by Bidco or a person acting in concert with Bidco (as defined in the Code) to implement the Acquisition by a different Takeover Offer or Scheme on substantially the same or improved terms, and such announcement is made within five (5) Business Days of such lapse, termination or withdrawal);

8.3.3.3 if the Acquisition proceeds by way of a Scheme, the date falling 42 days after (and excluding) the longstop date (howsoever defined) in the Announcement;

8.3.3.4 if the Acquisition proceeds by way of an Offer, the date falling 56 days after (and excluding) the longstop date (howsoever defined) in the Announcement;

- 8.3.3.5 if the Acquisition proceeds by way of an Offer, if Bidco has become entitled under the Squeeze-Out to issue a Squeeze-Out Notice, the later of: (i) the first Business Day after the expiry of eight weeks after the first date on which Bidco has become entitled to issue a Squeeze-Out Notice; and (ii) if an application to court is made under section 986 of the Act in relation to any Squeeze-Out Notice, the third Business Day after the day on which that application is disposed of; and
- 8.3.3.6 the date on which Sopheon becomes a wholly-owned subsidiary of Bidco and Bidco has paid for all the Sopheon Shares then owned by it,

or, in each case, such later time and date as agreed by the Agent and the Saratoga Agent (each acting reasonably and in good faith) provided that, for the avoidance of doubt, a switch from a Scheme to a Takeover Offer or from a Takeover Offer to a Scheme (or, for the avoidance of doubt, any amendments to the terms or conditions of a Scheme or Takeover Offer) shall not constitute a lapse, termination or withdrawal for the purposes of this definition.

- 8.3.4 Under the Facilities Agreement, the “**Second Amendment Acquisition Closing Date**” is defined as the date on which the first drawdown under Term Loan B has occurred. The final maturity date of Term Loan B is on or around five (5) years following the Second Amendment Acquisition Closing Date.
- 8.3.5 The Facilities Agreement contains customary representations and warranties, affirmative and negative covenants (including covenants in respect of financial indebtedness, disposals, security, dividends, acquisitions and mergers and conduct of the takeover offer and/or scheme of arrangement), indemnities and events of default, each with appropriate carve-outs and materiality thresholds which are applicable to Bidco. Subject to certain conditions and exceptions described in the Facilities Agreement, the rate of interest payable on each loan drawn under Term Loan B is (a) either five percent (5.00%) plus the Alternate Base Rate (as such term is calculated and defined in the Facilities Agreement) or (b) six percent (6.00%) plus the greater of (i) the Term SOFR Rate and (ii) 1.00%.

“**Term SOFR Rate**” means the forward-looking term rate based on SOFR.

- 8.3.6 The secured parties under Term Loan B receive the benefit of English law security over the shares of Sopheon.
- 8.3.7 For the purpose of this paragraph 8.3 only:
  - 8.3.7.1 “**Business Day**” any day other than Saturday or Sunday or a legal holiday on which commercial banks are authorized or required by law to be closed for business in East Brunswick, New Jersey; provided that, when used in connection with an amount that bears interest at a rate based on SOFR or any direct or indirect calculation or determination of SOFR, the term “Business Day” shall mean any such day that is also a U.S. Government Securities Business Day;
  - 8.3.7.2 “**SOFR**” means a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate); and
  - 8.3.7.3 “**U.S. Government Securities Business Day**” means any day except for (a) a Saturday or Sunday or (b) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

## 9. Sopheon Directors’ service contracts

### 9.1 Sopheon Executive Directors

The Sopheon Executive Directors have entered into service agreements with Sopheon as summarised below:

- 9.1.1 Gregory Coticchia, the Chief Executive Officer, entered into a service agreement with Sopheon dated 21 September 2020 (as amended and restated on 1 April 2021). Gregory Coticchia has been employed since 21 October 2020 and was appointed Chief Executive Officer on 1 April 2021. His appointment is terminable upon 180 days' written notice served by Gregory Coticchia or up to 90 days' written notice served by Sopheon. Gregory Coticchia's salary is \$278,100 per annum. He is entitled to participate in any bonus scheme put in place for the benefit of executive directors, subject to terms to be decided by the Sopheon Board. He is entitled to a target bonus of 40% of his base salary dependent on certain performance targets which will be decided by Sopheon's Remuneration Committee. He is entitled to participate in Sopheon's private medical, dental insurance and life insurance schemes to the extent they exist. Sopheon has the benefit of certain restrictive covenants which apply for 12 months after Gregory's termination of employment and confidential information provisions which apply post-termination without limitation of time.
- 9.1.2 Arif Karimjee, the Finance Director and Chief Financial Officer, entered into a service agreement with Sopheon dated 30 December 2011, with deemed employment starting on 25 January 2000. His employment is terminable on 6 months' written notice served by Arif Karimjee or 9 months' written notice served by Sopheon. Arif Karimjee's salary is £156,806 per annum. He is entitled to participate in any bonus scheme put in place for the benefit of executive directors, subject to terms to be decided by the Sopheon board. He is entitled to sick pay of up to 12 weeks in any 12 consecutive calendar months. Thereafter, Arif Karimjee shall continue to be paid a salary at the discretion of Sopheon. Arif Karimjee is entitled to participate in Sopheon's private medical insurance scheme, death in service scheme and has a car allowance of £9,600 per year. Sopheon may opt, at its discretion, to make a payment in lieu of notice to Arif Karimjee whether or not any notice of termination has been given. Sopheon has the benefit of certain restrictive covenants which apply for 6 months after termination of Arif's employment and confidential information provisions which apply post-termination without limitation of time.
- 9.1.3 Andrew Michuda, the Executive Chairman, entered into a service agreement with Sopheon Corporation dated 7 March 1997 (as amended on 11 June 2007 and amended and restated on 1 November 2021). Employment is terminable upon 90 days' written notice served by Andrew Michuda or up to 90 days' written notice served by Sopheon. Andrew Michuda's salary is \$347,247 per annum. He is entitled to participate in any bonus scheme put in place for the benefit of executive directors, subject to terms to be decided by the Sopheon board. He is also entitled to a target bonus of 50% of his base salary dependent on certain performance targets which will be decided by Sopheon's Remuneration Committee. Andrew is entitled to participate in Sopheon's private medical insurance, dental insurance and life insurance schemes to the extent they exist. Sopheon has the benefit of certain restrictive covenants which apply for 12 months after termination of Andrew's employment and confidential information provisions which apply post-termination without limitation of time. Andrew has a car allowance of \$12,000 per year.

## 9.2 ***Sopheon Non-Executive Directors***

The Sopheon Non-Executive Directors have entered into letters of appointment with Sopheon as summarised below:

- 9.2.1 Barry Mence, Independent Non-Executive Director, is appointed under a letter of appointment dated 2 December 2021 with Sopheon. His appointment commenced on 2 December 2021 and may be terminated by either party on not less than three 3 months' notice. Non-executive directorship may also be terminated by Sopheon immediately upon the payment of 3 months' fees. Barry Mence receives an annual basic fee of £43,750. On termination of his appointment, Barry Mence is entitled to such expenses as may have accrued to the date of termination.
- 9.2.2 Daniel Metzger, Independent Non-executive Director, is appointed under a letter of appointment dated 2 December 2021 with Sopheon. His appointment commenced on 2 December 2021 and may be terminated by either party on not less than three 3 months'

notice. Non-executive directorship may also be terminated by Sopheon immediately upon the payment of 3 months' fees. Daniel Metzger receives an annual basic fee of £27,500. Daniel is entitled to such expenses as may have accrued to the date of termination. Daniel is not entitled to participate in any bonus or pension schemes.

9.2.3 Barnaby Kent, Independent Non-executive Director, is appointed under a letter of appointment dated 3 February 2023 with Sopheon. His appointment commenced on 3 February 2023 and may be terminated by either party on not less than three 3 months' notice. Non-executive directorship may also be terminated by Sopheon immediately upon the payment of 3 months' fees. Barnaby Kent receives an annual basic fee of £27,500. On termination of his appointment, Barnaby Kent is entitled to such expenses as may have accrued to the date of termination. Barnaby is not entitled to participate in any bonus or pension schemes.

9.2.4 Stuart Silcock, Independent Non-executive Director, is appointed under a letter of appointment dated 2 December 2021 with Sopheon. His appointment commenced on 2 December 2021 and may be terminated by either party on not less than three 3 months' notice. Non-executive directorship may also be terminated by Sopheon immediately upon the payment of 3 months' fees. Stuart Silcock receives an annual basic fee of £27,500. On termination of his appointment, Stuart Silcock is entitled to such expenses as may have accrued to the date of termination. Stuart is not entitled to participate in any bonus or pension schemes.

The Sopheon Non-Executive Directors are also subject to confidentiality undertakings without limitation in time.

Sopheon has directors' and officers' indemnity insurance in place in respect of the Sopheon Board and wider officers.

### 9.3 ***Other service contracts and letters of appointment***

Save as disclosed above, there are no service contracts or letters of appointment between any Sopheon Director and any member of the Sopheon Group and no such contract or letter of appointment has been entered into or amended within the six months preceding the date of this document.

## 10. **Sources of information and bases of calculations**

10.1 Unless otherwise stated, in this document:

10.1.1 Sopheon's fully diluted equity value has been calculated on the basis of a fully diluted issued ordinary share capital of £2,299,075.20 Sopheon Shares, calculated as:

10.1.1.1 10,706,805 Sopheon Shares in issue on the Last Practicable Date; plus

10.1.1.2 788,571 Sopheon Shares to be issued on the expected exercise of options granted or expected to be granted under the Sopheon Share Plans being the expected number of Sopheon Shares which could be issued on or after the date of the Announcement on the exercise of options under the Sopheon Share Plans.

10.1.2 The premium calculations to the price per Sopheon Share used in this document have been calculated by reference to:

10.1.2.1 the Closing Price of 490 pence per Sopheon Share on 30 October 2023 (being the last Business Day before the commencement of the Offer Period);

10.1.2.2 the Volume Weighted Average Price of 555 pence per Sopheon Share during the three-month period ended 30 October 2023 (being the last Business Day before the commencement of the Offer Period); and

10.1.2.3 72 per cent. to the Volume Weighted Average Price of 581 pence per Sopheon Share during the six month period 30 October 2023 (being the last Business Day before the commencement of the Offer Period).

10.1.3 Certain figures included in this document have been subject to rounding adjustments.

10.1.4 The financial information concerning Sopheon has been extracted from the Annual Report and Accounts of Sopheon for the year ended 31 December 2022, which were released on 23 March 2023.

## 11. General

- 11.1 Cavendish has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear.
- 11.2 Raymond James has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear.
- 11.3 Save for the irrevocable undertakings referred to at paragraphs 5.1 and 5.2 of this Part VI, Resurgens and Wellspring confirm that there is no agreement, arrangement or understanding (including any compensation arrangement) between Bidco or any person acting in concert with it and any of the Sopheon Directors, recent directors of Sopheon, shareholders or recent shareholders of Sopheon, or any person interested, or recently interested, in Sopheon Shares, having any connection with, or dependence on, or which is conditional upon, the outcome of the Acquisition.
- 11.4 Resurgens and Wellspring confirm that there is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Sopheon Shares to be acquired by Bidco pursuant to the Scheme will be transferred to any other person after the Effective Date, save that Bidco reserves the right to transfer any such shares to any other member of the Wider Bidco Group.
- 11.5 Save with the consent of the Panel and other than any deductions on account of Pay-As-You-Earn income tax and/or employee's National Insurance contributions in the case of certain Share Plan Participants, settlement of the cash consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled as against such Scheme Shareholder.
- 11.6 Save to the extent disclosed in this document, the Sopheon Directors are not aware of any significant change in the financial or trading position of Sopheon since 30 June 2023, the date to which Sopheon's most recent interim financial results were prepared.
- 11.7 The aggregate fees and expenses which are expected to be incurred by Sopheon in connection with the Acquisition are estimated to amount to approximately £1,453,090 – £1,598,399 (excluding applicable VAT). This aggregate number consists of the following categories:

| <b>Category</b>                        | <b>Amount (excluding applicable VAT)<br/>(£m)<sup>9</sup></b> |
|--|---|
| Financial and corporate broking advice | £650,000 <sup>10</sup>  |
| Legal advice                           | £635,000 <sup>11,12</sup>                                     |
| Accounting advice                      | N/A   |
| Public relations advice                | N/A   |
| Other professional services            | £9,991  |
| Other costs and expenses               | £158,099 <sup>13</sup>  |
| <b>Total</b>                           | <b><u>£1,453,090</u></b>                                      |



- 11.8 The aggregate fees and expenses which are expected to be incurred by Bidco in connection with the Acquisition are estimated to amount to approximately £6,001,446 (excluding applicable VAT). This aggregate number consists of the following categories:

| <b>Category</b>                        | <b>Amount (excluding applicable VAT)<br/>(£m)<sup>14</sup></b> |
|--|--|
| Financial and corporate broking advice | £2,000,000 <sup>15</sup>                                       |
| Financing arrangements                 | £683,761 <sup>16,17</sup>                                      |
| Legal advice                           | £2,667,685 <sup>18</sup>                                       |
| Accounting advice                      | £399,606   |
| Public relations advice                | N/A  |
| Other professional services            | £195,394 <sup>19,20</sup>                                      |
| Other costs and expenses               | £55,000 <sup>21</sup>  |
| <b>Total</b>                           | <b><u>£6,001,446</u></b>                                       |

- 11.9 Resurgens and Wellspring confirm that there is no agreement or arrangement to which Bidco is a party which relates to the circumstances in which it, may or may not, invoke a condition to the Scheme.
- 11.10 Resurgens and Wellspring confirm that there are no arrangements of the kind referred to in Note 11 on the definition of “acting in concert” set out in the Takeover Code which exist between Bidco, or any person acting in concert with Bidco, and any other person.
- 11.11 There are no arrangements of the kind referred to in Note 11 on the definition of “acting in concert” set out in the Takeover Code which exist between Sopheon, or any person acting in concert with Sopheon, and any other person.

## 12. Documents available for inspection

- 12.1 Until and including the Effective Date (or the date on which the Scheme lapses or is withdrawn, if earlier) copies of the following documents will be available on Sopheon’s website: <https://www.sopheon.com/investors>:

- 12.1.1 the existing Articles;

9 Amounts have been subjected to rounding adjustments and exclude applicable VAT.

10 Amount payable in respect of the aggregate fees and expenses for these services depends on the Acquisition becoming Effective. The total does not include disbursements.

11 Certain of these services are provided by reference to hourly or daily rates. Amounts included in the table above reflect the time incurred up to the Last Practicable Date and an estimate of the further time required prior to the Effective Date. Amount includes counsel’s fees for services in connection with the court process relating to the Scheme.

12 Amount excludes disbursements but includes counsel’s fees for services in connection with the court process relating to the Scheme. Certain parts of these costs may also depend on whether the Acquisition becomes Effective.

13 Amount covers fees payable to the Panel. Amount includes costs of printing and data room costs.

14 Amounts have been subjected to rounding adjustments and exclude applicable VAT.

15 A portion of such fees may be payable at the discretion of RTP II.

16 Fees and expenses that will be invoiced in a currency other than pounds sterling have, for the purposes of the above, been converted into pounds sterling at an exchange rate of £1:USD1.27.

17 Amount payable in respect of the aggregate fees and expenses for these services depends on the Acquisition becoming Effective. The total does not include disbursements.

18 Fees and expenses that will be invoiced in a currency other than pounds sterling have, for the purposes of the above, been converted into pounds sterling at an exchange rate of £1:USD1.27.

19 Certain of these services are provided by reference to hourly or daily rates. Amounts included in the table above reflect the time incurred up to the Last Practicable Date and an estimate of the further time required prior to the Effective Date.

20 Fees and expenses that will be invoiced in a currency other than pounds sterling have, for the purposes of the above, been converted into pounds sterling at an exchange rate of £1:USD1.27.

21 Includes Takeover Panel fees.

- 12.1.2 the Articles as proposed to be amended by the Special Resolution to be proposed at the General Meeting;
- 12.1.3 Bidco's articles of incorporation and bylaws;
- 12.1.4 the letters of consent referred to in paragraphs 11.1 and 11.2 (inclusive) of this Part VI;
- 12.1.5 the Confidentiality Agreement;
- 12.1.6 the Co-operation Agreement;
- 12.1.7 the Bid Conduct Agreement;
- 12.1.8 the documents relating to the financing of the consideration under the Scheme referred to in paragraph 8 of this Part VI;
- 12.1.9 the irrevocable undertakings referred to in paragraph 5 of this Part VI;
- 12.1.10 the financial information relating to Sopheon referred to in Part A of Part V of this document; and
- 12.1.11 the Announcement, this document and the Forms of Proxy.

## PART VII

### DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

|   |  |
|---|--|
| <b>“Acquisition”</b>                            | the recommended offer made by Bidco to acquire the entire issued and to be issued share capital of Sopheon to be effected by means of the Scheme (or, if Bidco so elects and subject to the Takeover Panel’s consent, a Takeover Offer) on the terms and subject to the conditions set out in the Scheme Document; |
| <b>“Acquisition Price”</b>                      | £10.00 in cash for each Sopheon Share;   |
| <b>“Announcement”</b>                           | the announcement dated 22 December 2023 made pursuant to Rule 2.7 of the Code by Bidco of its firm intention to make an offer to acquire the entire issued and to be issued share capital of Sopheon, to be implemented by way of the Scheme;  |
| <b>“Articles”</b>                               | the articles of association of Sopheon (as amended from time to time);   |
| <b>“Authorisations”</b>                         | authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions, determinations, exemptions or approvals;   |
| <b>“Bidco”</b>                                  | IOps Buyer Inc., a corporation incorporated in the State of Delaware, USA with registered number 2451504;  |
| <b>“Bidco Directors”</b>                        | the directors of Bidco;  |
| <b>“Bid Conduct Agreement”</b>                  | has the meaning given to it in paragraph 10.3 of Part II of this document, a summary of which is set out in paragraph 10.3 of Part II of this document and paragraph 7.1 of Part VI of this document;  |
| <b>“Board”</b>                                  | board of directors;  |
| <b>“Business Day”</b>                           | a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London, United Kingdom;  |
| <b>“Cavendish”</b>                              | Cavendish Capital Markets Limited, a private limited company incorporated in England and Wales with registered number 06198898;  |
| <b>“certificated” or in “certificated form”</b> | not in uncertificated form (that is, not in CREST);  |
| <b>“close of business”</b>                      | 6:00 p.m. (London time) on the day in question;  |
| <b>“Closing Price”</b>                          | the closing middle market quotations of a share as derived from the AIM appendix to the Daily Official List;   |
| <b>“Code” or “Takeover Code”</b>                | the City Code on Takeovers and Mergers (as amended from time to time);   |
| <b>“Companies Act”</b>                          | the Companies Act 2006 (as amended from time to time);   |
| <b>“Conditions”</b>                             | the conditions to the implementation of the Acquisition and the Scheme set out in Part III of this document;   |
| <b>“Confidentiality Agreement”</b>              | has the meaning given to it in paragraph 10.1 of Part II of this document, a summary of which is set out in paragraph 10.1 of  |

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|                                  | Part II of this document and paragraph 7.1 of Part VI of this document;  |
| <b>“Co-operation Agreement”</b>  | has the meaning given to it in paragraph 10.2 of Part II of this document, a summary of which is set out in paragraph 10.2 of Part II of this document and paragraph 7.1.2 of Part VI of this document;  |
| <b>“Court”</b>                   | the High Court of Justice in England and Wales;  |
| <b>“Court Hearing”</b>           | the hearing of the Court at which Sopheon will seek the Court Order;   |
| <b>“Court Meeting”</b>           | the meeting or meetings of the Scheme Shareholders to be convened by the Court pursuant to Part 26 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and agreed to by Bidco and Sopheon) including any adjournment, postponement or reconvention of any such meeting, notice of which is contained in Part VIII of this document;  |
| <b>“Court Order”</b>             | the order of the Court sanctioning the Scheme under section 899 of the Companies Act;  |
| <b>“CREST”</b>                   | the relevant system (as defined in the Regulations), in respect of which Euroclear is the Operator (as defined in the Regulations) in accordance with which securities may be held and transferred in uncertificated form;   |
| <b>“CREST Manual”</b>            | the CREST Manual published by Euroclear, as amended from time to time;   |
| <b>“CREST Proxy Instruction”</b> | has the meaning given to it on page 11 of this document;   |
| <b>“Daily Official List”</b>     | the daily official list of the London Stock Exchange;  |
| <b>“Dealing Disclosure”</b>      | an announcement pursuant to Rule 8 of the Code containing details of dealings in relevant securities of a party to an offer;   |
| <b>“Disclosed”</b>               | (i) matters fairly disclosed in the information made available to Bidco (or Bidco’s advisers) in the data room established by Sopheon for the purposes of the Acquisition; (ii) information fairly disclosed in writing by or on behalf of Sopheon to Bidco prior to the date of the Announcement in relation to the Acquisition; (iii) information included in the annual report and accounts of the Sopheon Group for the financial year ended 31 December 2022; (iv) information included in the half year report for the Sopheon Group for the financial period ended 30 June 2023 (v) information disclosed in a public announcement to a regulatory news service made by Sopheon prior to the date of the Announcement; or (vi) disclosed in the Announcement; |
| <b>“Disclosure Table”</b>        | the disclosure table on the Panel’s website at <a href="http://www.thetakeoverpanel.org.uk">www.thetakeoverpanel.org.uk</a> ;  |
| <b>“Effective”</b>               | means: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective in accordance with its terms, upon the delivery of the Court Order to the Registrar of Companies; or (ii) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or become wholly unconditional in accordance with the requirements of the Code;  |

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| <b>“Effective Date”</b>                       | the date upon which the Acquisition becomes Effective;  |
| <b>“Enlarged Group”</b>                       | the combined Sopheon Group and Wellspring Group following the Effective Date;   |
| <b>“Equity Commitment Letter”</b>             | the equity commitment letter dated 22 December 2023, between the Resurgens Funds, Resurgens Technology Advisors, L.P., Resurgens Technology Managers II, L.P. and Bidco;  |
| <b>“Euroclear”</b>                            | Euroclear UK & International Limited, a private limited company incorporated in England and Wales with registered number 02878738;  |
| <b>“Excluded Shares”</b>                      | any Sopheon Shares at the Scheme Record Time which are: (a) beneficially owned by Bidco, Wellspring, Resurgens or any parent undertaking or subsidiary undertaking (as defined in the Companies Act) of Bidco, Wellspring or Resurgens; and (b) held by Sopheon in treasury;  |
| <b>“Facilities Agreement”</b>                 | the revolving credit, term loan and security agreement, dated 27 June 2022 (as amended on 1 February 2023, the Second Amendment A Date and as further amended, restated, amended and restated, modified, renewed, extended, replaced or substituted from time to time prior to the date hereof), among Archimedes Buyer LLC, Wellspring, Bidco, certain financial institutions named therein as lenders, Saratoga Investment Corp., as Saratoga agent (the <b>“Saratoga Agent”</b> ) and PNC Bank, National Association as a lender and as agent ( <b>“Agent”</b> ), as described in paragraph 8 of Part VI of this document; |
| <b>“Financial Conduct Authority” or “FCA”</b> | the UK Financial Conduct Authority or its successor from time to time;  |
| <b>“Form(s) of Proxy”</b>                     | the BLUE Form of Proxy for use at the Court Meeting and the WHITE Form of Proxy for use at the General Meeting (or either of them as the context may require), which are being sent to Sopheon Shareholders;  |
| <b>“General Meeting”</b>                      | the extraordinary general meeting (including any adjournment thereof) to be convened for the purpose of considering and, if thought fit, approving the Special Resolution (with or without amendment) including any adjournment, postponement or reconvening thereof and any reference to <b>“General Meeting”</b> in this document shall be deemed to mean an extraordinary general meeting as such meeting is required to be called pursuant to Article 49 of the Articles;   |
| <b>“Governmental Entity”</b>                  | any supranational, national, state, municipal, local or foreign government, any minister or instrumentality, subdivision, court or tribunal, arbitrator or arbitrator panel, regulatory or administrative agency or commission, or other authority thereof, or any regulatory or quasi-regulatory organisation or private body exercising any regulatory, taxing, importing or other governmental or quasi-governmental authority;  |
| <b>“HMRC”</b>                                 | HM Revenue & Customs;   |
| <b>“holder”</b>                               | a registered holder (including any person(s) entitled by transmission);   |
| <b>“IPPL SPA”</b>                             | has the meaning given to it in paragraph 7.4.1 of Part VI of this document, a summary of which is set out in paragraph 7.4.1 of Part VI of this document;   |



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| <b>“Last Practicable Date”</b>       | 15 January 2024;  |
| <b>“Lender”</b>                      | has the same meaning as given to the term ‘Lender’ under the Facilities Agreement;  |
| <b>“Link Group”</b>                  | a trading name of Link Market Services Limited, a private limited company incorporated in England and Wales with registered number 02605568;  |
| <b>“London Stock Exchange”</b>       | London Stock Exchange plc, a public limited company incorporated in England and Wales under with registered number 02075721;  |
| <b>“Long Stop Date”</b>              | 11:59 p.m. on 4 March 2024, or such later date as may be agreed between Bidco and Sopheon (with the Panel’s consent and as the Court may approve, if such approval(s) are required);  |
| <b>“Meetings”</b>                    | the Court Meeting and the General Meeting, together or individually, as the context requires, and <b>“Meeting”</b> means either of them;  |
| <b>“Morgan Stanley”</b>              | Morgan Stanley, a corporation registered in the state of Delaware, United States;   |
| <b>“MSAI”</b>                        | Morgan Stanley Alternative Investments LLC;   |
| <b>“MS AIP”</b>                      | Morgan Stanley AIP GP LP, an indirect subsidiary of Morgan Stanley and part of Morgan Stanley Investment Management, which is responsible for certain primary investment strategies of Morgan Stanley Investment Management;  |
| <b>“MSIM”</b>                        | Morgan Stanley Investment Management Inc.;  |
| <b>“MS Responsible Persons”</b>      | the persons whose name are set out in paragraph 2.9 of Part VI of this document;  |
| <b>“NSIA Condition”</b>              | the condition set forth in paragraph 3.a of Part A of Part III of this document;  |
| <b>“Offer” or “Takeover Offer”</b>   | means the takeover offer (as defined in section 974 of the Companies Act) by Bidco in accordance with the Code to acquire the entire issued share capital of Sopheon (within the meaning of section 975 of the Companies Act);  |
| <b>“offer period”</b>                | the offer period (as defined by the Code) relating to Sopheon, which commenced on 31 October 2023 and ending on the earlier of: (i) the Effective Date and/or (ii) the date on which the Scheme lapses or is withdrawn (or such other date as the Code may provide or the Takeover Panel may decide); |
| <b>“Opening Position Disclosure”</b> | an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to an offer if the person concerned has such a position, as defined in Rule 8 of the Code;  |
| <b>“Overseas Shareholders”</b>       | any Sopheon Shareholders (or nominees, or custodians or trustees of Sopheon Shareholders) who are resident in, or nationals or citizens of jurisdictions outside the UK or who are citizens or residents of countries other than the UK;  |
| <b>“Prior Announcement”</b>          | the announcement by Sopheon on 31 October 2023 pursuant to Rule 2.4 of the Code;  |
| <b>“Panel” or “Takeover Panel”</b>   | the UK Panel on Takeovers and Mergers;  |

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| <b>“Raymond James”</b>                  | Raymond James Financial International Limited, a private limited company incorporated in England and Wales with registered number 03127076;  |
| <b>“Registrar”</b>                      | Link Group;  |
| <b>“Registrar of Companies”</b>         | the Registrar of Companies in England and Wales;   |
| <b>“Regulations”</b>                    | the Uncertificated Securities Regulations 2001 (SI 2001/3755) (including as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time;  |
| <b>“Regulatory Information Service”</b> | a primary information provider (as defined in the FCA’s Handbook of Rules and Guidance);   |
| <b>“Remuneration Committee”</b>         | the remuneration committee of the Board of the Company;  |
| <b>“Resolutions”</b>                    | the resolutions to be proposed at the Court Meeting and the General Meeting necessary to implement the Scheme, including, amongst other things, the Special Resolution (and <b>“Resolution”</b> shall be construed accordingly);   |
| <b>“Restricted Jurisdiction”</b>        | any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition (including this document) is sent or made available to Sopheon Shareholders in that jurisdiction;                                  |
| <b>“Resurgens”</b>                      | Resurgens Technology Advisors, L.P., Resurgens Technology Managers II, L.P. and their affiliates;  |
| <b>“Resurgens Funds”</b>                | the Resurgens funds advised by Resurgens;  |
| <b>“Resurgens Responsible Persons”</b>  | the persons whose names are set out in paragraph 2.7 of Part VI of this document;  |
| <b>“RIS”</b>                            | a service approved by the London Stock Exchange for the distribution to the public of announcements and included within the list maintained on the London Stock Exchange’s website;  |
| <b>“RTP II”</b>                         | Resurgens Technology Partners II, L.P.;  |
| <b>“Second Amendment A Date”</b>        | has the meaning given to it in paragraph 8.3.1 of Part VI of this document;  |
| <b>“Scheme”</b>                         | the proposed scheme of arrangement under Part 26 of the Companies Act between Sopheon and Sopheon Shareholders to implement the Acquisition as set out in this document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Bidco and Sopheon; |
| <b>“Scheme Document”</b>                | this document, containing, among other things, the full terms and conditions of the Scheme and notices of the Court Meeting and the General Meeting;   |
| <b>“Scheme Record Time”</b>             | 6:00 p.m. on the Business Day immediately after the date of the Court Hearing;   |
| <b>“Scheme Shareholders”</b>            | holder(s) of Scheme Shares which remain in issue at the Scheme Record Time;  |
| <b>“Scheme Shares”</b>                  | the Sopheon Shares which remain in issue at the Scheme Record Time and are:  |

- (a) in issue as at the date of this document;
- (b) (if any) issued after the date of this document and prior to the Voting Record Time; and
- (c) (if any) issued at or after the Voting Record Time and at or prior to the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by the Scheme, or in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing, to be bound by the Scheme,

but, in each case, excluding any Excluded Shares;

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| <b>“Sopheon” or the “Company”</b>               | Sopheon plc, a public limited company incorporated in England and Wales registered with registered number 03217859;  |
| <b>“Sopheon Directors”</b>                      | the Sopheon Executive Directors and the Sopheon Non-Executive Directors and <b>“Sopheon Director”</b> shall mean any of them as the context may require;   |
| <b>“Sopheon Executive Directors”</b>            | Andrew L. Michuda, Gregory M. Coticchia and Arif Karimjee;   |
| <b>“Sopheon Group”</b>                          | Sopheon and its subsidiary undertakings and associated undertakings;   |
| <b>“Sopheon Non-Executive Directors”</b>        | Barry K. Mence, Stuart A. Silcock, Daniel Metzger, Barnaby L. Kent;  |
| <b>“Sopheon Share Awards”</b>                   | the options and/or awards granted pursuant to the Sopheon Share Plans;   |
| <b>“Sopheon Shares”</b>                         | the ordinary shares of twenty pence each in the capital of Sopheon;  |
| <b>“Sopheon Shareholders” or “Shareholders”</b> | the holders of Sopheon Shares;   |
| <b>“Sopheon Share Plan Participants”</b>        | participants in the Sopheon Share Plans;   |
| <b>“Sopheon Share Plans”</b>                    | the Sopheon UK Approved Plan, the Sopheon UK Unapproved Plan and the Sopheon USA Plan;   |
| <b>“Sopheon UK Approved Plan”</b>               | the Sopheon Share Option Scheme 2016;  |
| <b>“Sopheon UK Unapproved Plan”</b>             | the Sopheon UK Unapproved Share Option Scheme 1997;  |
| <b>“Sopheon USA Plan”</b>                       | Sopheon plc 2009 (USA) Stock Option Plan;  |
| <b>“Substantial Interest”</b>                   | in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking;  |
| <b>“Special Resolution”</b>                     | the special resolution to be proposed at the General Meeting in connection with, amongst other things, the approval of the Scheme and the amendment of the Articles by the adoption and inclusion of a new article under which any Sopheon Shares issued or transferred after the General Meeting shall either be subject to the Scheme or (after the Effective Date) shall be immediately transferred to Bidco (or as it may direct) in exchange for the same consideration as is due under the Scheme; |

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| <b>“Squeeze-Out”</b>   | means an acquisition of the outstanding shares in Sopheon that Bidco has not acquired, pursuant to the procedures contained in sections 979 to 982 of the Companies Act;   |
| <b>“Squeeze-Out Notice”</b>  | means a notice under section 979 of the Companies Act given by Bidco (or on its behalf) to a shareholder of Sopheon who has not accepted the Offer implementing the Squeeze-Out;   |
| <b>“uncertificated” or “in uncertificated form”</b>                      | recorded on the relevant register of members as being held in uncertificated form in CREST and title to which may, by virtue of the Regulations, be transferred by means of CREST;   |
| <b>“United Kingdom” or “UK”</b>  | the United Kingdom of Great Britain and Northern Ireland;  |
| <b>“United States of America”<br/>“United States”, “US” or<br/>“USA”</b> | the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Marian Islands), all areas subject to its jurisdiction or any subdivision thereof, any state of the United States of America and the District of Columbia;   |
| <b>“US Exchange Act”</b>   | the U.S. Securities Exchange Act 1934 (as amended from time to time) and the rules and regulations promulgated thereunder;   |
| <b>“Volume Weighted Average Price”</b>                                   | the volume weighted average of the per share trading prices of Sopheon Shares on the London Stock Exchange as reported through Bloomberg;  |
| <b>“Voting Record Time”</b>  | 6:00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting or the General Meeting is adjourned, 6:00 p.m. on the day which is 48 hours (excluding any part of a day that is a non-working day) before the date of such adjourned meeting;  |
| <b>“Wellspring”</b>  | Wellspring Worldwide Inc. a company incorporated in Delaware, USA with company number 3696172, a portfolio company of funds managed and/or advised by Resurgens;   |
| <b>“Wellspring Group”</b>  | Wellspring and its subsidiaries and subsidiary undertakings;   |
| <b>“Wellspring Responsible Persons”</b>                                  | the persons whose names are set out in paragraph 2.4 of Part VI of this document;  |
| <b>“Wider Bidco Group”</b>   | Bidco, Wellspring, funds managed by Resurgens and its affiliates and including any funds managed by affiliates of Resurgens or such funds, and their respective subsidiary undertakings, associated undertakings and any other body corporate partnership, joint venture or person in which Bidco, Wellspring and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the equivalent (excluding, for the avoidance of doubt, any member of the Wider Target Group); and |
| <b>“Wider Target Group”</b>  | Sopheon, its subsidiary undertakings, associated undertakings and any other undertaking, body corporate, partnership, joint venture or person in which Sopheon and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the equivalent.  |

For the purposes of this document, **“associated undertaking”**, **“parent undertaking”**, **“subsidiary undertaking”** and **“undertaking”** have the respective meanings given thereto by the Companies Act.

All references to **“pounds”**, **“pounds Sterling”**, **“Sterling”**, **“£”**, **“pence”**, **“penny”** and **“p”** are to the lawful currency of the United Kingdom.

All references to “**dollars**”, “**\$**”, “**US dollars**” and “**USD**” are to the lawful currency of the United States of America.

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, amended, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

All the times referred to in this document are London times unless otherwise stated. References to the singular include the plural and vice versa.



## PART VIII

### NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES  
COMPANIES COURT (ChD)

CR-2023-005032

Insolvency and Companies Court Judge Burton

IN THE MATTER OF SOPHEON PLC

and

IN THE MATTER OF PART 26 OF THE COMPANIES ACT 2006

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#### NOTICE

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NOTICE IS HEREBY GIVEN that, by an order dated 15 January 2024 made in the above matters (the “**Order**”), the Court has granted permission for a meeting (the “**Court Meeting**”) to be convened of Scheme Shareholders (as defined in the scheme of arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the “**Scheme**”) proposed to be made pursuant to Part 26 of the Companies Act 2006 (as amended, the “**Act**”) between Sopheon plc (“**Sopheon**” or the “**Company**”) and the Scheme Shareholders and that the Court Meeting will be held at the offices of Squire Patton Boggs (UK) LLP, 60 London Wall, London EC2M 5TQ on Thursday 8 February 2024 at 10:00 a.m., at which place and time all holders of Scheme Shares (as defined in the Scheme) are requested to attend.

At the Court Meeting, the following resolution will be proposed:

“That the scheme of arrangement dated 16 January 2024 (the “**Scheme**”), between the Company and the Scheme Shareholders (each as defined in the Scheme), a print of which has been produced to this meeting and, for the purposes of identification, signed by the chair hereof, in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and jointly consented to by the Company and Bidco, be approved and the directors of the Company be authorised to take all such actions as they consider necessary or appropriate for carrying the Scheme into effect.”

Copies of the Scheme and of the Explanatory Statement required to be published pursuant to section 897 of the Act are incorporated in the document of which this notice forms part.

**Holders of Scheme Shares may vote in person at the Court Meeting or they may appoint another person as their proxy to attend, speak and vote in their stead. A proxy need not be a member of the Company. A holder of Scheme Shares may appoint more than one proxy in relation to the Court Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that holder. A BLUE Form of Proxy for use at the Court Meeting is enclosed with this notice. Scheme Shareholders with Scheme Shares held through CREST may also appoint a proxy or proxies using CREST by following the relevant instructions in the section headed “ACTION TO BE TAKEN” beginning on page 10 of this document. Completion and return of a Form of Proxy, or the appointment of a proxy or proxies through CREST (or any other procedure described in the document of which this notice forms part), will not preclude a holder of Scheme Shares from attending and voting in person at the Court Meeting, or any adjournment of such Court Meeting, if such holder of Scheme Shares is entitled and wishes to do so.**

In the case of joint holders of Scheme Shares, any one such joint holder may tender a vote, whether in person or by proxy, at the Court Meeting; however, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for

this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.

It is requested that forms appointing proxies (together with any power of attorney or other authority under which they are signed, or a notarially certified copy of such authority) be lodged with the Company's registrar, Link Group, in accordance with the instructions printed on such forms not later than 48 hours before the start of the Court Meeting (excluding any part of a day that is not a Business Day).

Entitlement to attend and vote at the Court Meeting and the number of votes which may be cast at the meeting will be determined by reference to the register of members of the Company at 6:00 p.m. on 6 February 2024, if the Court Meeting is adjourned, 6:00 p.m. on the day which is 48 hours before the date of such adjourned meeting, in each case excluding any part of a day that is not a Business Day (the "**Voting Record Time**"). Changes to the register of members of the Company after such time will be disregarded.

By the said order, the Court has appointed Arif Karimjee or failing him, Barry Mence, or failing him, any other director of the Company to act as chair of the Court Meeting and has directed the chair to report the result of the Court Meeting to the Court in determining the rights of any person to attend and vote at the Court Meeting.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated 16 January 2024

*Squire Patton Boggs (UK) LLP*

*60 London Wall*

*London*

*EC2M 5TQ*

Solicitors for the Company

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**Notes:**

- 1 Pursuant to the Company's articles of association and Regulation 41 of the Uncertificated Securities Regulations 2001 (the "**Regulations**"), only holders of Scheme Shares in the capital of the Company at the Voting Record Time (each, a "**Scheme Shareholder**") are entitled to attend, speak and vote at the Court Meeting and may appoint a proxy to attend, speak and vote instead of them. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend and vote at the Court Meeting. Voting on the resolution will be by way of a poll. Each Scheme Shareholder present at the Court Meeting will be entitled to one vote for every Scheme Share registered in their name and each corporate representative or proxy will be entitled to one vote for each Scheme Share which they represent. Scheme Shareholders who submit a proxy form with voting instructions in advance of the Court Meeting specifying the chair of the Court Meeting as their proxy, but who attend the Court Meeting in person, need not complete a poll card unless they wish to change their vote.
- 2 A BLUE Form of Proxy is enclosed for use at the Court Meeting. To be valid, completed Forms of Proxy should be completed and returned in accordance with the instructions printed on them, along with the power of attorney or other authority, if any, under which they are signed or a notarially certified or office copy of such power or authority, so as to arrive at the offices of the Company's registrar, Link Group, not later than 10:00 a.m. on 6 February 2024, or if the Court Meeting is adjourned, at least 48 hours before the start of the adjourned meeting, excluding any part of a day that is not a Business Day. If the Form of Proxy is not returned by the relevant time, it may be handed to the chair of the Court Meeting or to Link Group, on behalf of the chair of the Court Meeting, before the start of the Court Meeting.
- 3 A Scheme Shareholder entitled to attend, speak and vote at the Court Meeting is entitled to appoint one or more proxies to attend, speak and vote instead of them. A Scheme Shareholder may appoint more than one proxy in relation to the Court Meeting, provided that each proxy is appointed to exercise the rights attaching to a different share or shares held by them. A proxy need not be a Scheme Shareholder but must attend the Court Meeting to represent them. A separate Form of Proxy should be used for each proxy appointment. If you intend appointing additional proxies, please contact Link Group on +44 (0) 371 664 0321 or submit a request in writing to Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Lines are open between 9:00 a.m. and 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice. Alternatively, you may photocopy the enclosed Form of Proxy. A Scheme

Shareholder appointing more than one proxy should indicate the number of shares for which each proxy is authorised to act on their holding and mark the box indicating that the proxy instruction is one of multiple instructions being given. Failure to specify the number of shares to which each Form of Proxy relates or specifying a number which, when taken together with the number of shares set out in the other proxy appointments, is in excess of the number of shares held by the Scheme Shareholder may result in the proxy appointment being invalid. A Scheme Shareholder must inform Link Group in writing of any termination of the authority of a proxy. If more than one valid proxy appointment is received, the appointment received last before the latest time for the receipt of the proxies will take precedence.

- 4 Scheme Shareholders who hold shares through CREST and who wish to appoint a proxy or proxies for this meeting or any adjournment of this meeting by using the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual available via [www.Euroclear.com](http://www.Euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 5 In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's ("**Euroclear**") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Link Group (ID: RA10) no later than 10:00 a.m. on 6 February 2024 or, if the Court Meeting is adjourned, at least 48 hours before the start of the adjourned Court Meeting, excluding any part of a day that is not a Business Day. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Link Group is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- 6 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.
- 7 Completion and return of a Form of Proxy, or the appointment of proxies through CREST, will not preclude a Scheme Shareholder from attending and voting in person at the Court Meeting, or any adjournment of the Court Meeting.
- 8 The Form of Proxy may alternatively be submitted electronically by logging on to the following website <https://www.signalshares.com> and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received by Link Group no later than 10:00 a.m. on 6 February 2024 (or, in the case of adjournment, not later than 48 hours before the time fixed for the adjourned meeting, excluding any part of a day that is not a Business Day). You may submit your proxy electronically using the share portal service at <https://www.signalshares.com>. If not already registered for the share portal, you will need your investor code which is located on your share certificate.
- 9 In the case of joint holders of Sopheon Shares, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the other joint holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding (the first named being the most senior).
- 10 You may not use any electronic address provided either in this notice or in any related documents (including the enclosed Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
- 11 A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the Court Meeting. In accordance with the provisions of the Companies Act 2006 (as amended by the Companies (Shareholders' Rights) Regulations 2009), each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares.
- 12 As at 15 January 2024 (being the latest Business Day before publication of this notice), the Company's issued share capital consisted of 10,706,805 Sopheon Shares, carrying one vote each. The Company does not hold any Sopheon Shares in treasury. Therefore, the total voting rights in the Company as at 15 January 2024 were 10,706,805.
- 13 Save where otherwise defined in these notes, capitalised terms and expressions used in these notes shall have the meanings given to them in the document of which this notice forms part.

## PART IX

### NOTICE OF GENERAL MEETING

#### SOPHEON PLC

*(Incorporated and registered in England and Wales No. 03217859)*

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Sopheon (the “**Company**”) will be held at the offices of Squire Patton Boggs (UK) LLP, 60 London Wall, London EC2M 5TQ on Thursday 8 February 2024 at 10:15 a.m. (London time) (or as soon as reasonably practicable thereafter as the Court Meeting (as defined in the document of which this notice forms part) shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution, which shall be proposed as a special resolution. Unless the context requires otherwise, any capitalised term used but not defined in this Notice of General Meeting shall have the meaning given to such term in the document of which this Notice of General Meeting forms part.

#### SPECIAL RESOLUTION

##### 1 THAT:

- 1.1 for the purpose of giving effect to the scheme of arrangement dated 16 January 2024 (as amended or supplemented) between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to this meeting and for the purpose of identification signed by the chair hereof, in its original form or subject to any modification, addition or condition agreed between the Company and IOps Buyer Inc. (“**Bidco**”) and approved or imposed by the High Court of Justice of England and Wales (the “**Court**”) (the “**Scheme**”):
- 1.1.1 the directors of the Company (or a duly authorised committee thereof) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- 1.1.2 with effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new Article 177:

#### SCHEME OF ARRANGEMENT

“177

- (A) In this Article 177, the “**Scheme**” means the scheme of arrangement dated 16 January 2024 between the Company and the Scheme Shareholders (as defined in the Scheme) under Part 26 of the Companies Act 2006, in its original form or with or subject to any modification, addition or condition agreed by the Company and IOps Buyer Inc. (“**Bidco**”) and approved or imposed by the Court and, save where otherwise defined in this Article 177, capitalised terms and expressions defined in the Scheme shall have the same meanings in this Article 177.
- (B) Notwithstanding any other provision of these Articles, if the Company issues any ordinary shares (other than to Bidco, any subsidiary, subsidiary undertaking or parent undertaking of Bidco (or any subsidiary or subsidiary undertaking of any parent undertaking of Bidco) or any nominee(s) of Bidco) on or after the adoption of this Article and at or prior to the Scheme Record Time, such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes of the Scheme) and the holders of such shares shall be bound by the Scheme accordingly.
- (C) Notwithstanding any other provision of these Articles, subject to the Scheme becoming Effective, any shares issued to any person including on an exercise of an option over such shares and other than under the Scheme or to the Purchaser (as defined below) or its nominee(s) (a “**New Member**”) after the Scheme Record Time (“**Post-Scheme Shares**”) shall be issued on terms that they shall (on the Effective Date or, if later, on issue, but subject as provided by Articles 177(D) and 177(E)

below) be immediately transferred to Bidco (or as Bidco may otherwise direct) (the “**Purchaser**”), who shall be obliged to acquire the Post-Scheme Shares in consideration of and conditional upon the payment by the Purchaser to the New Member of an amount in cash for each Post-Scheme Share equal to the consideration to which a New Member would have been entitled under the Scheme had such Post-Scheme Share been a Scheme Share.

- (D) On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) carried out after the Effective Date, the value of the consideration per Post-Scheme Share to be paid under Article 177(C) shall be adjusted by the Directors of the Company in such manner as the auditors of the Company or an independent investment bank selected by the Company may determine to be fair and reasonable to reflect such reorganisation or alteration. References in this Article 177 to such shares shall, following such adjustment, be construed accordingly.
- (E) To give effect to any transfer required by Article 177(C), pursuant to this Article 177, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Post-Scheme Shares to the Purchaser and/or its nominee(s) and do all such other things and execute and deliver all such documents or deeds as may in the opinion of the attorney and/ or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney and/or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney and/or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by the Purchaser. The attorney and/or agent shall be empowered to execute and deliver as transferor a form or instrument of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it (a) certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. The Purchaser shall settle, or procure the settlement of, the consideration due to the New Member pursuant to Articles 177(C) and 177(D) above as soon as practicable and in any event within 14 days of the date on which the Post-Scheme Shares are acquired by the Purchaser.
- (F) If the Scheme shall not have become Effective by the applicable date referred to in (or determined in accordance with) clause 6.2 of the Scheme (the Effective Date), this Article 177 shall cease to be of any effect.
- (G) Notwithstanding any other provision of these Articles, both the Company and the Directors may refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date other than a transfer in accordance with this Article 177.”; and

1.2 subject to and conditional upon the Scheme becoming Effective, pursuant to the provisions of the Companies Act 2006:

1.2.1 the cancellation of the admission of the ordinary shares of 20 pence each in the capital of the Company to trading on AIM, the market of that name operated by London Stock Exchange Group plc, be approved;

1.2.2 the Company be re-registered as a private limited company under the name of ‘Sopheon Limited’; and

1.2.3 the articles of association of the Company be amended as follows:

1.2.3.1 references to ‘Sopheon plc’ as the name of the Company be amended to ‘Sopheon Limited’;



1.2.3.2 the statement that the Company is a public company limited by shares be amended to state that the Company is a private company limited by shares; and

1.2.3.3 the deletion of:

- (A) the definition of 'the Deferred Shares' in article 2(A); and
- (B) articles 9A, 132 and 133,

each with effect from the date that the re-registration of the Company is approved by the Registrar of Companies.

By order of the Board

Dated 16 January 2024

Arif Karimjee

Company Secretary

**Registered office:** Dorna House, Guildford Road, West End, Woking, Surrey, England, GU24 9PW

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**Notes:**

- 1 Pursuant to the Company's articles of association ("**Articles**") and Regulation 41 of the Uncertificated Securities Regulations 2001 (the "**Regulations**"), only holders of ordinary shares of twenty pence each in the capital of the Company ("**Sopheon Shares**") (each, a "**Shareholder**") are entitled to attend, speak and vote at this meeting (the "**General Meeting**") and may appoint a proxy to attend, speak and vote instead of them. Changes to entries on the register of members after 6:00 p.m. on 6 February 2024 shall be disregarded in determining the rights of any person to attend and vote at the General Meeting. Voting on the resolution will be by way of a poll. Each Shareholder present at the General Meeting will be entitled to one vote for every Sopheon Share registered in their name and each corporate representative or proxy will be entitled to one vote for each Sopheon Share which they represent. Shareholders who submit a Form of Proxy with voting instructions in advance of the General Meeting specifying the chair of the meeting of the Company as their proxy, but who attend the General Meeting in person, need not complete a poll card unless they wish to change their vote. A Shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is entitled to exercise the rights attaching to a different share or shares held by that member. A proxy need not be a member of the Company.
- 2 A WHITE Form of Proxy is enclosed for use at the General Meeting. To be valid, completed Forms of Proxy should be returned in accordance with the instructions printed on them, along with the power of attorney or other authority, if any, under which they are signed or a notarially certified or office copy of such power or authority, so as to arrive at the offices of the Company's registrar, Link Group, (at the address set out in Note 4 below) not later than 10:15 a.m. on 6 February 2024, or if the General Meeting is adjourned, at least 48 hours before the start of the adjourned meeting, excluding any part of a day that is not a Business Day. If the Form of Proxy is not lodged by the relevant time, it will be invalid.
- 3 Unless otherwise indicated on any Form of Proxy, in any CREST Proxy Instruction (as defined in Note 6 below) or any other electronic voting instruction, a proxy may vote as they think fit or, at their discretion withhold their vote.
- 4 A Shareholder entitled to attend, speak and vote at the General Meeting is entitled to appoint one or more proxies to attend, speak and vote instead of them. A Shareholder may appoint more than one proxy in relation to the General Meeting, provided that each proxy is appointed to exercise the rights attaching to a different share or shares held by them. A proxy need not be a Shareholder but must attend the General Meeting to represent them. A separate Form of Proxy should be used for each proxy appointment. If you intend appointing additional proxies, please contact Link Group on +44 (0) 371 664 0321 or submit a request in writing to Link Group, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice. Alternatively, you may photocopy the enclosed Form of Proxy. A Shareholder appointing more than one proxy should indicate the number of shares for which each proxy is authorised to act on their holding and mark the box indicating that the proxy instruction is one of multiple instructions being given. Failure to specify the number of shares to which each Form of Proxy relates or specifying a number which, when taken together with the number of shares set out in the other proxy appointments, is in excess of the number of shares held by the Shareholder may result in the proxy appointment being invalid. If the Form of Proxy is returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise their discretion as to whether, and if so how, they vote. A Shareholder must inform Link Group in writing of any termination of the authority of a proxy. If more than one valid proxy appointment is received, the appointment received last before the latest time for the receipt of the proxies will take precedence.
- 5 Shareholders who hold shares through CREST and who wish to appoint a proxy or proxies for the General Meeting or any adjournment of the General Meeting by using the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual available via [www.Euroclear.com](http://www.Euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service providers, who will be able to take the appropriate action on their behalf.



- 6 In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & International Limited’s (“**Euroclear**”) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Link Group (ID RA10) no later than 10:15 a.m. on 6 February 2024 or, if the General Meeting is adjourned, at least 48 hours before the start of the adjourned General Meeting, excluding any part of a day that is not a Business Day. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Link Group is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- 7 CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.
- 8 Completion and return of a Form of Proxy, or the appointment of proxies through CREST, will not preclude a Shareholder from attending and voting in person at the General Meeting, or any adjournment of the General Meeting.
- 9 The Form of Proxy may alternatively be submitted electronically by logging on to the following website <https://www.signalshares.com> and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received by Link Group no later than 10:15 a.m. on 6 February 2024 (or in the case of adjournment, not later than 48 hours before the time fixed for the adjourned meeting, excluding any part of the day that is not a Business Day). You may submit your proxy electronically using the share portal service at <https://www.signalshares.com>. If not already registered for the share portal, you will need your investor code which is located on your share certificate.
- 10 In the case of joint holders of Sopheon Shares, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding (the first named being the most senior).
- 11 You may not use any electronic address provided either in this notice or in any related documents (including the enclosed Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
- 12 A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the General Meeting. In accordance with the provisions of the Companies Act 2006 (as amended by the Companies (Shareholders’ Rights) Regulations 2009), each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares.
- 13 As at 15 January 2024 (being the latest Business Day before publication of this notice), the Company’s issued share capital consisted of 10,706,805 Sopheon Shares, carrying one vote each. The Company does not hold any Sopheon Shares in treasury. Therefore, the total voting rights in the Company as at 15 January 2024 were 10,706,805.
- 14 The Company thanks the attendees in advance for their co-operation with the security staff at the venue and kindly requests that each attendee provides one piece of identification, such as photographic ID or a bank card. The Company does not permit cameras or recording equipment at the General Meeting and should be grateful if attendees would ensure that they switch off their mobile telephone before the start of the General Meeting. The Company does not permit behaviour which may interfere with anyone’s safety or the orderly conduct of the General Meeting.
- 15 Any Shareholder attending the General Meeting has the right to ask questions. The Company must answer any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
- 16 A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at <https://www.sopheon.com/investors>.
- 17 Save where otherwise defined in these notes, capitalised terms and expressions used in these notes shall have the meanings given to them in the document of which this notice forms part.