

## DEED OF IRREVOCABLE UNDERTAKING

To:

IOps Buyer Inc.  
1209 Orange Street  
Wilmington  
New Castle  
DE 19801  
United States

22 December 2023

Dear Sirs,

### Acquisition of Sopheon plc (the “Company”)

#### 1 Background

- 1.1 I, the undersigned, understand that IOps Buyer Inc. (the “**Offeror**”) intends to acquire the entire issued and to be issued share capital of the Company (the “**Acquisition**”) by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (the “**Scheme**”).
- 1.2 I also understand that the Acquisition is to be effected substantially on the terms and conditions of the draft announcement attached to this deed in Schedule 2 (the “**Announcement**”), together with such additional terms and conditions as may be required by the City Code on Takeovers and Mergers (the “**Code**”), the Panel on Takeovers and Mergers (the “**Panel**”) and/or the requirements of the London Stock Exchange Group plc (the “**London Stock Exchange**”) or any other relevant regulatory body or securities exchange and/or as are customarily included in offers made under the Code.
- 1.3 I understand that full terms of the Scheme will be set out in a formal circular to be sent to shareholders of the Company containing, amongst other things, an explanatory statement in respect of the Scheme (the “**Scheme Document**”).
- 1.4 I also understand that the Offeror will be entitled, in the circumstances to be set out in the Announcement, with consent of the Panel and on the terms of any cooperation agreement entered into with the Company, to implement the Acquisition by way of a takeover offer within the meaning of section 974 of the Companies Act 2006 (“**Offer**”).
- 1.5 The terms of this undertaking are conditional on the Announcement being released by no later than 5.00 p.m. on the second Business Day following the date of this undertaking.

## 2 Termination of original irrevocable undertaking

- 2.1 Reference is made to the irrevocable undertaking executed by me on 31 October 2023 in connection with the Acquisition (the “**Original Irrevocable Undertaking**”). It is intended that this Deed replace the Original Irrevocable Undertaking.
- 2.2 I and the Offeror hereby irrevocably agree that upon entry into this Deed, the Original Irrevocable Undertaking shall be terminated and shall be of no further force or effect and the Offeror, by signing this Deed, hereby confirms that it retains no right to enforce any term of the Original Irrevocable Undertaking notwithstanding that the Original Irrevocable Undertaking was expressed to be irrevocable.

## 3 Irrevocable Undertakings

- 3.1 I irrevocably and unconditionally undertake, confirm, represent and warrant to the Offeror that:
- 3.1.1 I am the registered holder and/or beneficial owner of (or am otherwise able to control the exercise of all rights attaching to, including voting rights and the ability to procure the transfer of), that number of ordinary shares of £0.20 each in the capital of the Company as are set out in the first column of Part I the Schedule to this Deed (the “**Shares**”, which expression shall include any other shares in the Company issued after the date hereof to me and attributable to or derived from such shares) and confirm that this represents a complete and accurate list of all the shares and other securities in the Company of which I am the beneficial owner or otherwise able to control the exercise of all rights attaching to them;
- 3.1.2 I have full power and authority (free from any legal or other restrictions), and will at all times continue to have all relevant power and authority and the right to transfer the Shares free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third-party rights and interests of any nature and together with all rights attaching to them, including voting rights;
- 3.1.3 the Shares shall be acquired by the Offeror pursuant to the terms of the Scheme (or, as applicable, the Offer), free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third-party rights and interests of any nature and together with all rights attaching or accruing to them, including voting rights;
- 3.1.4 I have been granted options and awards over shares in the Company under the Company’s share option scheme(s) as set out in the second column of the table in Part I of the Schedule to this Deed (the “**Awards**”), the Awards are still subsisting and I am beneficially entitled to the Awards. I shall accept any proposal made by or on behalf of you to holders of options and awards over shares in compliance with Rule 15 of the Code in respect of all such Awards held by me not later than 14 days after you send such proposals to the holders of options and awards or otherwise ensure that any Shares arising on the exercise of options or vesting of awards either (i) prior to the effective

date of the Scheme, participate in the Scheme; or (ii) if applicable, prior to the Offer becoming unconditional, the Offer is accepted in respect of those Shares;

3.1.5 in the case of persons connected with me (as defined in sections 252 to 256 of the Companies Act 2006) (“**Related Person**”) who are the registered holder and/or beneficial owner of the Shares specified in Part II of the Schedule (the “**Related Person Shares**”), I undertake to procure that each such Related Person complies with the terms of this Deed as if the Related Person were also party to it in respect of their Related Person Shares;

3.1.6 I shall not (other than in accordance with this Deed):

- (a) sell, transfer, pledge, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, pledge, charging or other disposition or creation or grant of any other encumbrance or option of or over all or any of such Shares or Awards or interest in such Shares or Awards except under the Scheme, or accept any other offer in respect of all or any of such Shares or Awards (whether conditionally or unconditionally);
- (b) enter into any agreement or arrangement or permit any agreement or arrangement to be entered into or incur any obligation or permit any obligation to arise which would or might preclude, restrict or impede me from complying with my obligations under paragraphs 3.1.6 or 4.4 of this Deed, and references in this paragraph (b) to any agreement, arrangement or obligation shall include any such agreement, arrangement or obligation whether or not subject to any conditions or which is to take effect upon or following the Scheme becoming effective or following this Deed ceasing to be binding or upon or following any other event;
- (c) exercise any voting rights attaching to the Shares to vote in favour of any offer, scheme of arrangement or other transaction competing with the Acquisition;
- (d) in my capacity as a shareholder of the Company, without the consent of the Offeror, convene or requisition, or join in the convening or requisitioning of, any general or class meeting of the Company for the purposes of voting on any resolution relating to a transaction competing with the Acquisition; or
- (e) acquire any shares or other securities of the Company (or any interest therein), and, if any such shares, securities or interest (including for these purposes shares arising on exercise of options) are acquired by me, such shares, securities or interest (as the case may be) shall be deemed to be included in the expression “**Shares**” for the purposes of this Deed and I shall notify the Offeror immediately of any such acquisition and of any other dealing, disposal or change in the number of Shares; and

- 3.1.7 I have full power and authority and the right (free from any legal or other restrictions), and will at all times continue to have all relevant power and authority and the right, to enter into and perform my obligations, undertakings, agreements, warranties, appointments, confirmations and consents (or similar) under this Deed (“**Obligations**”) in accordance with their terms.
- 3.2 I have full power and authority to, and shall, exercise, or where applicable, procure the exercise of, all votes (whether on a show of hands or a poll and whether in person or by proxy) in relation to the Shares at:
- 3.2.1 the meeting of the Company’s ordinary shareholders convened by order of the Court (including any adjournment thereof) for the purpose of considering and, if thought fit, approving the Scheme (the “**Court Meeting**”); and
- 3.2.2 the general meeting of the Company’s ordinary shareholders (including any adjournment thereof) to be convened in connection with the Scheme (the “**GM**”),
- in favour of the Scheme and in respect of any resolutions (whether or not amended) required to give effect to the Scheme (the “**Resolutions**”) as set out in the notices of meeting in the Scheme Document.
- 3.3 I shall, after the despatch of the Scheme Document to the Company’s shareholders (and without prejudice to my right to attend and vote in person at the Court Meeting and the GM):
- 3.3.1 return (or, where I am not the registered holder of the relevant Shares, take all steps necessary to procure the return of) the signed forms of proxy enclosed with the Scheme Document (completed so as to appoint the chair of the relevant meeting as my proxy in respect of the Shares, signed and voting in favour of the Scheme and the Resolutions) in accordance with the instructions printed on the forms of proxy as soon as possible and in any event within 10 days after the date of despatch of the Scheme Document; and
- 3.3.2 not revoke or withdraw the forms of proxy once they have been returned in accordance with paragraph 3.3.1.
- 3.4 I shall from time to time promptly complete, execute and deliver such documents and do all such other things, as may be necessary to give full effect to each of my Obligations.
- 3.5 I irrevocably and unconditionally undertake that:
- 3.5.1 I shall exercise, or, where applicable, procure the exercise of, all voting rights attaching to the Shares on any resolution (whether or not amended and whether put on a show of hands or a poll) which is proposed at any general meeting of the Company (including

any adjournment thereof) or at any meeting of holders of shares in the Company convened by a Court (including any adjournment thereof) which:

- (a) might reasonably be expected to have any impact on the fulfilment of any condition of the Scheme;
- (b) might reasonably be expected to impede or frustrate the Scheme in any way (which shall include any resolution to approve a scheme of arrangement relating to the acquisition of any shares in the Company by a third party); or
- (c) might otherwise impact on the success of the Scheme,

only in accordance with the Offeror's instructions,

3.5.2 I shall exercise, or, where applicable, procure the exercise of, all rights attaching to the Shares to requisition or join in the requisitioning of any general meeting of the Company for the purposes of voting on any resolution referred to under paragraph 3.5.1 of this Deed, or to require the Company to give notice of any such meeting, only in accordance with the Offeror's instructions; and

3.5.3 for the purpose of voting on any resolution referred to under paragraph 3.5.1 of this Deed, I shall, if required by the Offeror, execute any form of proxy required by the Offeror appointing any person nominated by the Offeror to attend and vote at the relevant meetings.

3.6 To the extent applicable, paragraph 3.1.6 shall not restrict me from:

3.6.1 being issued with and/or acquiring shares in the capital of the Company under, or exercising any of my rights in respect of any share option or award plan adopted by the Company;

3.6.2 selling or disposing of such number of Shares as may reasonably be required in order to cover my liability for tax and employee national insurance or other employee social security contributions arising as a result of or otherwise in respect of the vesting or exercise of any options or awards to which I am entitled under any share option or award plan adopted by the Company; or

3.6.3 transferring Shares to one or more of my connected persons provided that such transfer is undertaken as part of my bona fide tax planning and (i) I notify the Offeror no less than 3 Business Days before such transfer and (ii) on the date of, and as a condition to such transfer, I shall procure that the transferee or beneficiary of such transferred shares sign and deliver to the Offeror irrevocable undertakings in respect of such transferred shares on terms no less favourable to the Offeror than those set out in this undertaking,

and, if any shares in the capital of the Company are acquired by me, such shares shall be deemed to be included in the expression "**Shares**" for the purposes of this Deed and I shall notify the

Offeror immediately of any acquisition and of any other dealing, disposal or change in the number of Shares.

#### **4 Secrecy and Publicity**

- 4.1 I understand that the information provided to me in relation to the Acquisition is given in confidence and must be kept confidential, save as required by law or any rule of any relevant regulatory body or stock exchange, until the Announcement containing details of the Scheme is released or the information has otherwise become generally or publicly available. If and to the extent any of the information is inside information for the purposes of the Criminal Justice Act 1993 or the EU Market Abuse Regulation (596/2014) (including as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), I shall comply with the applicable restrictions in those enactments on dealing in securities and disclosing inside information. The obligations in this paragraph 4.1 shall survive termination of this Deed.
- 4.2 I consent to:
- 4.2.1 this Deed being disclosed to the Panel (if requested);
  - 4.2.2 the inclusion of references to me and particulars of this Deed being set out in the Announcement, the Scheme Document (or Offer Document) and any other announcement made or document published by or on behalf of the Company or the Offeror;
  - 4.2.3 this Deed being made available for inspection and published on a website as required by the Code.
- 4.3 I acknowledge that I am obliged to make appropriate disclosure under Rule 2.10 of the Code promptly after becoming aware that I will not be able to comply with the terms of this Deed or no longer intend to do so.
- 4.4 I undertake to provide to you all such further information in relation to my interest in the Company and that of any person connected with me as you may reasonably require in order to comply with the rules and requirements of the Panel and the Code and any other legal or regulatory requirements or for inclusion in any document required by applicable law or regulation in connection with the Acquisition. I will as soon as reasonably practicable notify you in writing of any material changes in the truth, accuracy or import of any information previously supplied to you by me in this regard.

## 5 Termination

5.1 Without prejudice to any accrued rights or liabilities, my Obligations shall terminate and be of no further force and effect on the earlier to occur of the following:

5.1.1 the Announcement is not released by 5.00 p.m. on the second Business Day following the date of this undertaking;

5.1.2 the Scheme Document (or the Offer Document) is not published within 28 days of the date of release of the Announcement (or within such longer period as the Panel may agree), provided that if the Offeror elects to exercise its right to implement the Acquisition by way of an Offer the time period in this paragraph 5.1.2 shall be extended to refer to within 28 days of the issue of the press announcement announcing the change in structure (or such other date for the posting of the Offer Document or Scheme Document (as applicable) as the Panel may require;

5.1.3 the Offeror announces, with the consent of the Panel, and before the Scheme Document (or Offer Document) is published, that it does not intend to proceed with the Acquisition and no new, revised or replacement scheme is announced by the Offeror in accordance with Rule 2.7 of the Takeover Code within 5 Business Days;

5.1.4 the Scheme (or, as applicable, the Offer) is withdrawn or lapses, provided that the foregoing shall not apply:

(a) where the Scheme is withdrawn or lapses as a result of the Offeror exercising its right to implement the Acquisition by way of an Offer rather than a Scheme; or

(b) if the lapse or withdrawal is followed by an announcement under Rule 2.7 of the Code by the Offeror (or a person acting in concert with it) within 5 Business Days of such lapse or withdrawal to implement the Acquisition either by a new, revised or replacement scheme of arrangement pursuant to Part 26 of the Companies Act 2006 or takeover offer (within the meaning of section 974 of the Companies Act 2006;

5.1.5 any competing offer for the entire issued and to be issued share capital of the Company 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

5.1.6 the Scheme (or Offer) does not become effective (or has not become or been declared unconditional in accordance with the requirements of the Code) by the Long Stop Date (as defined in the Announcement).

- 5.2 On termination of this Deed I shall have no claim against the Offeror and the Offeror shall have no claim against me, save in respect of any prior breach thereof. This Deed shall not (subject to the requirements of the Code, the Panel and any applicable law and regulation) oblige the Offeror to announce the Acquisition, or if announced, to proceed with it.

## **6 Takeover offer alternative**

- 6.1 I acknowledge that the Offeror shall have the right and may elect at any time (subject to the terms of any cooperation agreement entered into with the Company and with the consent of the Panel and whether or not the Scheme Document has then been despatched) to implement the Acquisition by way of an Offer, as opposed to by way of a Scheme.

- 6.2 If such an Offer is made by the Offeror, I undertake and warrant that my Obligations shall apply mutatis mutandis to such Offer and, in particular, I irrevocably undertake to accept, or procure the acceptance of, such Offer, in respect of the Shares as soon as possible and in any event by no later than 5.00 p.m. on the 10<sup>th</sup> day after the date of the Offer Document (or, in respect of any Shares allotted to me or acquired by me after the date of the Offer Document, within 10 days after such allotment or acquisition). I further undertake, if so required by the Offeror, to execute or procure the execution of all such other documents as may be necessary for the purpose of giving the Offeror the full benefit of my Obligations so applying with respect to such Offer and, notwithstanding the provisions of the Code or any terms of the Offer regarding withdrawal, not to withdraw such acceptance.

- 6.3 References in this Deed to:

6.3.1 the Scheme becoming effective shall be read as references to the Offer becoming or being declared unconditional; and

6.3.2 the Scheme lapsing or being withdrawn shall be read as references to the closing or lapsing of the Offer.

## **7 Miscellaneous**

- 7.1 Without prejudice to any other rights or remedies which you may have, I acknowledge and agree that damages may not be an adequate remedy for any breach by me of any of my Obligations. You shall be entitled to seek the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of any such obligation and no proof of special damages shall be necessary for the enforcement by you of your rights.

- 7.2 I irrevocably and by way of security for my obligations hereunder appoint each of the Offeror, and any director of the Offeror to be my attorney to execute on my behalf proxy forms for any Court Meeting or GM (or forms of acceptance to be issued with the Offer Document) in respect of the Shares and to sign, execute and deliver any documents and to do all acts and things as may be necessary for or incidental to my acceptance of the Scheme and/or performance of my



obligations under this Deed provided that such appointment shall not take effect until seven days after the despatch of the Scheme Document (or Offer Document) and only then if I have failed to comply with paragraph 3.3. Nothing in this paragraph 7.2 however shall permit any such attorney to choose on my behalf the form(s) of consideration to be received by me pursuant to the Scheme (or, as applicable, the Offer) where the terms of the Scheme (or, as applicable, the Offer) give shareholders the option of more than one form of consideration.

- 7.3 Nothing in this undertaking shall constitute an obligation for me, in my capacity as a director of the Company, to take any action which is not permitted by Practice Statement No. 29 issued by the Panel, nor should anything in this undertaking impose any obligations on me in my capacity as a director of the Company which would in any way impede or prejudice my obligations and duties, or fetter my discretion, as a director of the Company, and in particular (without prejudice to the generality of the foregoing) nothing in this undertaking shall restrict my ability as a director of the Company to change my recommendation to shareholders of the Company (if any) in accordance with my duties as a director of the Company. This undertaking is given by me solely in my capacity as a shareholder of the Company.
- 7.4 I acknowledge and agree that if the Panel determines any provision of this undertaking that requires the Company to take or not to take action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the Code, that provision shall have no effect and shall be disregarded.
- 7.5 In respect of any Shares not registered in my name, I undertake to procure their registered holder to comply with my obligations under this Deed.
- 7.6 Time shall be of the essence as regards the obligations set out in this Deed.
- 7.7 A reference to "Business Day" in this undertaking shall mean any day (excluding any Saturday or Sunday or public or bank holiday) on which banks are open for business in the City of London and Atlanta, Georgia, USA. References to time are to London time.
- 7.8 This Deed shall bind my estate and personal representatives.
- 7.9 The invalidity, illegality or unenforceability of any provision of this Deed shall not affect the continuation in force of the remainder of this Deed.
- 7.10 This Deed shall be governed by and construed in accordance with English law. Any matter, claim or dispute, whether contractual or non-contractual, arising out of or in connection with this Deed is to be governed by and determined in accordance with English law and shall be subject to the exclusive jurisdiction of the English courts.

I intend this document to be a deed and execute and deliver it as a deed on the date first set out above.

Yours faithfully

Executed and delivered as a deed by

**BARRY K. MENCE**

in the presence of:

Signature of witness

Name of witness

Address of witness

Occupation of witness

Executed and delivered as a deed by

Danny Carpenter  
....., a director, f  
and on behalf of **IOPS BUYER INC.**

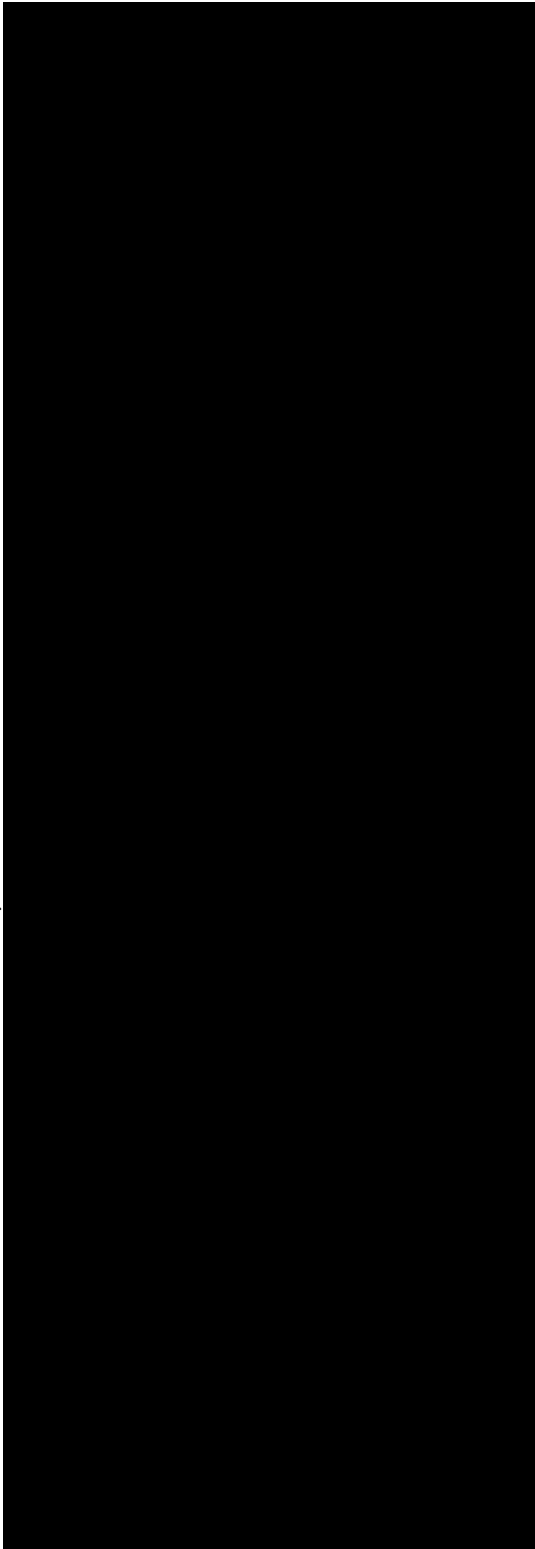
in the presence of:

Signature of witness

Name of witness

Address of witness

Occupation of witness



**SCHEDULE 1****Part I**

1. Number of ordinary shares	2. Number of ordinary shares under option	4. *Registered owner	5. *Beneficial owner
1,633,633	Nil	Rock (Nominees) Limited (as Nominee for Barry K. Mence)	Barry K. Mence

**Part II**

1. Number of ordinary shares	2. Number of ordinary shares under option	4. *Registered owner	5. *Beneficial owner
265,825	Nil	Rock (Nominees) Limited (as Nominee for Maria T. Mence)	Maria T. Mence

**SCHEDULE 2**

**Draft 2.7 Announcement**

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

22 December 2023

**RECOMMENDED CASH OFFER**  
by  
**IOPS BUYER INC.**  
(a wholly-owned subsidiary of Wellspring Worldwide Inc.)  
for  
**SOPHEON PLC**  
to be effected by means of a Scheme of Arrangement  
under Part 26 of the Companies Act 2006

**Summary**

- On 31 October 2023 the board of directors of Sopheon plc (“**Sopheon**”) (the “**Sopheon Directors**”) announced an agreement in principle with the board of directors of IOps Buyer Inc. (“**Bidco**”), a wholly-owned subsidiary of Wellspring Worldwide Inc. (“**Wellspring**”), 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.
- On 21 December 2023, this regulatory clearance was received and accordingly Bidco and Sopheon are now pleased to announce the terms of a recommended cash offer to be made by Bidco for the entire issued and to be issued share capital of Sopheon (the “**Acquisition**”).
- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (although Bidco reserves the right to effect the Acquisition by way of a Takeover Offer, with the consent of the Takeover Panel and subject to the terms of the Co-operation Agreement).
- Under the terms of the Acquisition, which will be subject to the Conditions, certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document, each Sopheon Shareholder will be entitled to receive:

£10.00 in cash per Sopheon Share

- The Acquisition values the entire issued and to be issued share capital of Sopheon at approximately £115 million.
- The Acquisition Price 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).
- If any dividend or other distribution in respect of the Sopheon Shares is declared, paid or made on or after the date of this Announcement, Bidco reserves the right to reduce the consideration payable for each Sopheon Share under the terms of the Acquisition by the amount per Sopheon Share of such dividend or distribution, in which case any reference in this Announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. In such circumstances, Sopheon Shareholders would be entitled to retain any such dividend or distribution.

### **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.
- The Acquisition represents an opportunity for Wellspring 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 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.
- 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, 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.

### **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 its 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 purposes of Rule 3 of the Code.
- Accordingly, the Sopheon Directors intend to recommend unanimously that the Sopheon Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the terms of the Co-operation Agreement and with the consent of the Takeover Panel, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer), as the Sopheon Directors who hold Sopheon Shares (in a personal capacity or through a nominee) have irrevocably undertaken to do in respect of their own (and their connected persons') beneficial holdings of 2,340,668 Sopheon Shares (representing, in aggregate, approximately 21.89 per cent. of the Sopheon Shares in issue on 21 December 2023 (being the last Business Day prior to the date of this Announcement)).

### **Irrevocable undertakings**

- In addition to the irrevocable undertakings from the Sopheon Directors referred to immediately above, Bidco has also received irrevocable undertakings 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 19.40 per cent. of the Sopheon Shares in issue on 21 December 2023 (being the last Business Day prior to the date of this Announcement).
- In total therefore, as at the date of this Announcement, Bidco has received irrevocable undertakings 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) with respect to a total of 4,414,976 Sopheon Shares (representing approximately 41.29 per cent. of the Sopheon Shares in issue on 21 December 2023 (being the last Business Day prior to the date of this Announcement)).
- Further details of these irrevocable undertakings (including details of the circumstances in which they cease to be binding) are set out in Appendix III to this Announcement.

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

- 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.
- 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 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, applying 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.

### **Timetable and Conditions**

- It is intended that the Acquisition be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act. The purpose of the Scheme is to provide for Bidco to acquire the whole of the issued and to be issued share capital of Sopheon. The Scheme will be put to Sopheon Shareholders at the Court Meeting and to Sopheon Shareholders at the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number of the Sopheon Shareholders voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent. in value of the Scheme Shares voted. The Resolution must also be approved by Sopheon Shareholders at the General Meeting. The General Meeting is expected to be held immediately after the Court Meeting.
- The Scheme will also need to be sanctioned by the Court. Finally, a copy of the Court Order must be delivered to the Registrar of Companies for registration, upon which the Scheme will become Effective.
- The Acquisition will be made in accordance with the Code and is subject to the Conditions and certain further terms set out in Appendix I, and to the full terms and conditions which will be set out in the Scheme Document. The Conditions include the receipt of regulatory approvals as further described in this Announcement.
- It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and the General Meeting, together with the associated Forms of Proxy, will be posted to Sopheon Shareholders within 28 days of this Announcement (or such later time as Sopheon, Bidco and the Takeover Panel agree) and the Court Meeting and the General Meeting are each expected to be held as soon as possible thereafter, giving the required notice for such meetings.
- The Acquisition is currently expected to be completed during the first quarter of 2024, subject to the satisfaction or (where applicable) waiver of the Conditions. An expected timetable of key events relating to the Acquisition will be provided in the Scheme Document.

### **Commenting on the Acquisition, Sean Downs CEO of Wellspring, said:**

*"We are excited to be announcing the proposed acquisition of Sopheon, which we believe represents a compelling opportunity for all stakeholders, with the full recommendation of its Board.*

*Sopheon is a clear leader in providing innovation management software solutions, which we have followed for some time. We believe the company aligns closely with Wellspring in terms of both strategy and culture, and the combination of our two businesses represents an opportunity to build a leading global innovation management software and services provider with a compelling product and services portfolio. "*

### **Commenting on the Acquisition, Andy Michuda, Chairman of Sopheon, said:**

*"I very much thank our investors, in particular our long-time investors, who have supported Sopheon through our evolution and am pleased that we have secured an acquisition price with such a solid premium.*



*I am also excited for our employees and clients to grow and thrive going forward as part of the enlarged group.*

*This acquisition is about two companies with a common vision bringing together complimentary products, customers, and employee talent. The combination has a unique opportunity to set a new leadership standard for the Innovation Ops market, supporting the innovation product life cycle from emerging tech transfer, to product commercialization, through end-of-life.”*

**This summary should be read in conjunction with, and is subject to, the full text of this Announcement and its Appendices. In particular, the Acquisition is subject to the Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document. Appendix II contains details of sources of information and bases of calculation contained in this Announcement. Appendix III contains certain details relating to the irrevocable undertakings referred to in this Announcement. Appendix IV contains definitions of certain terms used in this Announcement.**

**Enquiries:**

**Sopheon**

Andy Michuda, Executive Chairman  
Greg Coticchia, Chief Executive Officer  
Arif Karimjee, Chief Financial Officer

via Cavendish

**Cavendish (Nominated Adviser and Broker to the Company)**

Henrik Persson  
Carl Holmes  
Abigail Kelly  
George Dollemore

+44 (0) 20 7220 0500

**Resurgens, Wellspring and Bidco**

Adi Filipovic  
Fred Sturgis  
Danny Carpenter

via Raymond James

**Raymond James (Financial Adviser to Resurgens, Wellspring and Bidco)**

Junya Iwamoto  
Felix Beck

+44 (0) 20 3798 5700

King & Spalding International LLP are retained as legal advisers to Resurgens, Wellspring and Bidco.

Squire Patton Boggs (UK) LLP are retained as legal adviser to Sopheon.

**Important Notices**

*Cavendish Capital Markets Limited (“**Cavendish**”), which is authorised and regulated in the United Kingdom by the FCA, is acting as financial adviser to Sopheon and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Sopheon for providing the protections offered to clients of Cavendish or for providing advice in connection with any matter referred to in this Announcement. Neither Cavendish nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Cavendish in connection with this Announcement, any statement contained herein, the Scheme or otherwise. No representation or warranty, express or implied, is made by Cavendish as to the contents of this Announcement.*

Raymond James Financial International Limited (“**Raymond James**”), which is authorised and regulated in the United Kingdom by the FCA, is acting as financial adviser to Resurgens, Wellspring and Bidco and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Resurgens, Wellspring or Bidco for providing the protections afforded to clients of Raymond James nor for providing advice in connection with the matters referred to herein. Neither Raymond James nor any of its affiliates 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 Announcement, any statement contained herein, the Acquisition or otherwise.

### **Overseas Shareholders**

This Announcement has been prepared for the purpose of complying with English law, the AIM Rules and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

The laws of the relevant jurisdictions may affect the availability of the Acquisition to persons who are not resident in the United Kingdom. Persons who are not resident in the United Kingdom, or who are subject to laws of any jurisdiction other than the United Kingdom, should inform themselves about, and observe any applicable requirements. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this Announcement, the Scheme 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 their Sopheon Shares at the Court Meeting or the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote their Sopheon Shares in respect of the Court Meeting 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 legal or regulatory requirements may constitute a violation of the laws and/or regulations 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.

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 the Acquisition will not be capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this Announcement 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 Announcement (including custodians, nominees and trustees) must not distribute or send it into or from a Restricted Jurisdiction. In the event that the Acquisition is implemented by way of a Takeover Offer and extended into the US, Bidco will do so in satisfaction of the procedural and filing requirements of US securities laws at that time, to the extent applicable thereto. The Acquisition relates to the shares of a company incorporated in England and it is proposed to be made by means of a scheme of arrangement provided for under English law. The Scheme will relate to the shares of a UK company that is a “foreign private issuer” as defined under Rule 3b-4 under the US Exchange Act. A transaction effected by means of a scheme of arrangement is not subject to any shareholder vote, proxy solicitation and tender offer rules under the US Exchange Act. Accordingly, the Scheme is 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 or tender offer rules. Financial information included in the relevant documentation will have been prepared in accordance with accounting standards applicable in the UK and may not be comparable to the financial information of, or the accounting standards applicable to, US companies. However, if Bidco were to elect to implement the Acquisition by means of a Takeover Offer, such Takeover Offer shall be made in compliance with all applicable laws and regulations, including section 14(e) of the

*US Exchange Act and Regulation 14E thereunder, if applicable. Such Takeover Offer would be made in the US by Bidco and no one else. In addition to any such Takeover Offer, Bidco, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in Sopheon outside such Takeover Offer during the period in which such Takeover Offer would remain open for acceptance. If such purchases or arrangements to purchase are made they would be made outside the United States in compliance with applicable law, including the US Exchange Act. It may be difficult for a US-based investor to enforce his or her rights and any claim he or she may have arising under US securities laws, since the Scheme relates to the shares of a company located in the UK, and some or all of its officers and directors may be residents of non-US jurisdictions. A US-based investor may not be able to sue a company located in the UK, or its officers or directors, in a foreign court for alleged violations of US securities laws, and it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgment.*

### **Forward-looking statements**

*This Announcement, oral statements made regarding the Acquisition, and other information published by Sopheon, Bidco, Wellspring and Resurgens may contain certain "forward-looking statements" with respect to Sopheon, Bidco, Wellspring and Resurgens. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could" or other words or terms of similar meaning or the negative thereof. Forward-looking statements include statements relating to, for example, the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies of Resurgens, Wellspring and/or Bidco and the expansion and growth of Sopheon and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on the business of Sopheon.*

*These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or developments to differ materially from those expressed in or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding present and future strategies and environments. None of Resurgens, Wellspring, Bidco or Sopheon, nor any of their respective associates, directors, officers, employees or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. All subsequent oral or written forward-looking statements attributable to Resurgens, Wellspring, Bidco or Sopheon or any person acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Announcement. None of Resurgens, Wellspring, Bidco or Sopheon assume any obligation to update publicly or revise forward-looking or other statements contained in this Announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.*

### **No profit forecasts or estimates**

*No statement in this Announcement is intended as a profit forecast or estimate for Resurgens, Wellspring, Bidco or Sopheon in respect of any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per Sopheon Share for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per Sopheon Share.*

### **Right to switch to a Takeover Offer**

*Subject to the terms of the Co-operation Agreement, Bidco reserves the right to elect, with the consent of the Takeover Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued share capital of Sopheon as an alternative to the Scheme. In such an event, the Takeover Offer will be made in accordance with the terms and conditions set out in this Announcement which would apply*

to the Scheme (with any modifications or amendments to such terms and conditions as may be required by the Takeover Panel or which are necessary as a result of Bidco's election to implement the Acquisition by way of a Takeover Offer), in accordance with the Co-operation Agreement and subject to the amendments referred to in Part C of Appendix I to this Announcement.

### **Publication on website**

In accordance with Rule 26.1 of the Code, a copy of this Announcement will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, on Sopheon's website at [www.sopheon.com/investors](http://www.sopheon.com/investors) and on Bidco's website at <https://offer.wellspring.com/news> by no later than 12:00 noon on the Business Day following this Announcement. Neither the contents of this website nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this Announcement.

### **Requesting hard copies**

In accordance with Rule 30.3 of the Code, a person so entitled may request a hard copy of this Announcement, free of charge, by contacting Sopheon's registrar, Link Group on 0371 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. The helpline is open between 9:00 a.m. to 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. In accordance with Rule 30.3 of the Code, a person so entitled may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.

### **Electronic communications – information for Sopheon Shareholders**

Please be aware that addresses, electronic addresses and certain 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 Code to comply with Rule 2.11(c) of the Code.

### **Rounding**

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

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

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3:30 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% 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.*

#### **Announcement not a prospectus**

*This Announcement 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 Announcement 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 FSMA 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 date of this Announcement, it had in issue 10,693,079 ordinary shares of 20 pence each. No shares are held in treasury. The ISIN for the ordinary shares is GB00BSZM1369.*

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

**22 December 2023**

**RECOMMENDED CASH OFFER**  
by  
**IOPS BUYER INC.**  
(a wholly-owned subsidiary of Wellspring Worldwide Inc.)  
for  
**SOPHEON PLC**  
to be effected by means of a Scheme of Arrangement  
under Part 26 of the Companies Act 2006

**1. Introduction**

On 31 October 2023 the board of directors of Sopheon plc ("**Sopheon**") (the "**Sopheon Directors**") announced an agreement in principle with the board of directors of IOps Buyer Inc. ("**Bidco**"), a wholly-owned subsidiary of Wellspring Worldwide Inc. ("**Wellspring**"), 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.

On 21 December 2023, this regulatory clearance was received and accordingly the board of directors of Sopheon and the board of directors of Bidco are pleased to announce the terms of a recommended cash offer to be made by Bidco for the entire issued and to be issued share capital of Sopheon (the "**Acquisition**").

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (although Bidco reserves the right to effect the Acquisition by way of a Takeover Offer, with the consent of the Takeover Panel and subject to the terms of the Co-operation Agreement).

**2. The Acquisition**

Under the terms of the Acquisition, which will be subject to the Conditions, certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document, each Sopheon Shareholder will be entitled to receive:

£10.00 in cash per Sopheon Share

- The Acquisition values the entire issued and to be issued share capital of Sopheon at approximately £115 million.
- The Acquisition Price 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 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 existing at the date of this Announcement 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 Sopheon Shares.

If any dividend or other distribution in respect of the Sopheon Shares is declared, paid or made on or after the date of this Announcement, Bidco reserves the right to reduce the consideration payable for each Sopheon Share under the terms of the Acquisition by the amount per Sopheon Share of such dividend or distribution, in which case any reference in this Announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. In such circumstances, Sopheon Shareholders would be entitled to retain any such dividend or distribution.

### **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.

The Acquisition represents an opportunity for Wellspring 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 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.

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, 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. 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 [www.sopheon.com](http://www.sopheon.com). 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."*

#### **5. 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, 41.29 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 that 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 in paragraph 11 of this Announcement. 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.

## 6. 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 its 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 purposes of Rule 3 of the Code.

Accordingly, the Sopheon Directors intend to recommend unanimously that the Sopheon Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the terms of the Co-operation Agreement and with the consent of the Takeover Panel, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer), as the Sopheon Directors who hold Sopheon Shares (in a personal capacity or through a nominee) have irrevocably undertaken to do in respect of their own (and their connected persons') beneficial holdings of 2,340,668 Sopheon Shares (representing, in aggregate, approximately 21.89 per cent. of the Sopheon Shares in issue on 21 December 2023 (being the last Business Day prior to the date of this Announcement)).

Further details of these irrevocable undertakings are set out below and in Appendix III to this Announcement.

## 7. Conditions

The Acquisition is conditional, amongst other things, upon:

- a) the approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders entitled to vote and present and voting, either in person or by proxy, at the Court Meeting (or at any adjournment, postponement or reconvention of such meeting) on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Sopheon and the Court may allow);
- b) the passing of the Resolution necessary to implement the Scheme by the requisite majority at the General Meeting to be held on or before the 22nd day after the expected date of the General Meeting 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
- c) satisfaction of the NSIA Condition.

**The attention of Sopheon Shareholders is drawn to the fact that the Acquisition is also conditional on other Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document.**

The Scheme Document, along with the notice of the Court Meeting and the General Meeting and the Forms of Proxy will be despatched to Sopheon Shareholders within 28 days of the date of this Announcement, unless Bidco and Sopheon otherwise agree, and the Takeover Panel consents, to a later date.

## 8. Irrevocable undertakings

Bidco has received irrevocable undertakings 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 those of the Sopheon Directors who hold Sopheon Shares (in a personal capacity or through a nominee) in respect of their (and their connected persons') entire beneficial holdings of Sopheon Shares, amounting, in aggregate, to 2,340,668 Sopheon Shares (representing, in aggregate, approximately 21.89 per cent. of the Sopheon

Shares in issue on 21 December 2023 (being the last Business Day prior to the date of this Announcement)).

In addition to the irrevocable undertakings from the Sopheon Directors, Bidco has also received irrevocable undertakings 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 19.40 per cent. of the Sopheon Shares in issue on 21 December 2023 (being the last Business Day prior to the date of this Announcement).

In total therefore, as at the date of this Announcement, Bidco has received irrevocable undertakings 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) with respect to a total of 4,414,976 Sopheon Shares (representing approximately 41.29 per cent. of the Sopheon Shares in issue on 21 December 2023 (being the last Business Day prior to the date of this Announcement)).

Further details of these irrevocable undertakings (including details of the circumstances in which they cease to be binding) are set out in Appendix III to this Announcement.

## **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.

Mergers and acquisitions are central to Wellspring's strategy, having acquired IP Pragmatics, a London-based consulting firm offering technology assessments and patent renewal services, in February 2023, MyIP, a UK based provider of tech transfer software in August 2021, and Covalent Data, a Denver-based provider of technology scouting solutions in July 2017.

### **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, applying 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 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 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.

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.

## **11. Management, employees, pension scheme, research and development and locations of the Sopheon Group**

Prior to the date of this 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.

It is intended that more detailed long-term strategic and operational planning will be completed 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, 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. It is further intended that the broader executive leadership team will be constructed from both businesses following completion of the Acquisition.

The 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. 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. As set out in paragraph 16 of this Announcement, 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 11 constitute "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

### **12. 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 and advised 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 will be set out in the Scheme Document.

### **13. Offer-related arrangements**

#### ***Confidentiality Agreement***

Resurgens Technology Partners and Sopheon entered into a confidentiality agreement dated 19 May 2023 (the "**Confidentiality Agreement**") pursuant to which Resurgens Technology Partners has undertaken to: (a) keep confidential information relating to, *inter alia*, the Acquisition and Sopheon and not to disclose it to third parties (other than to certain permitted parties), unless required by law or regulation; and (b) use the confidential information only in connection with evaluation of the Acquisition, unless required by law or regulation.

These confidentiality obligations shall remain in force for a period of two years from the date of the Confidentiality Agreement.

The Confidentiality Agreement also includes customary non-solicitation obligations on Resurgens Technology Partners, subject to customary carve-outs, for a period of 12 months from the date of the

Confidentiality Agreement and a standstill provision in favour of Sopheon, subject to customary carve-outs, for a period of 12 months from the date of the Confidentiality Agreement.

### ***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 the Scheme Document and to otherwise assist with the preparation of the Scheme 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 to 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 the Scheme 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.

## **14. Structure of the Acquisition**

### ***Scheme***

It is intended that the Acquisition will be effected by a Court-sanctioned scheme of arrangement between Sopheon and the Scheme Shareholders under Part 26 of the Companies Act. The purpose of the Scheme is to provide for Bidco to become the owner of the whole of the issued and to be issued share capital of Sopheon. Under the Scheme, the Acquisition is to be achieved by the transfer of the Scheme Shares held by Scheme Shareholders to Bidco in consideration for which the Scheme Shareholders will receive cash consideration pursuant to the Scheme.

### ***Approval by Court Meeting and General Meeting***

To become Effective, the Scheme requires, amongst other things, the:

- a) approval of a majority in number of the Scheme Shareholders who vote, representing not less than 75 per cent. in value of the Scheme Shares voted, either in person or by proxy, at the Court Meeting; and

- b) approval by the requisite majority of the Resolution at the General Meeting (to be held directly after the Court Meeting) necessary in order to implement the Scheme.

### ***Application to Court to sanction the Scheme***

Once the approvals have been obtained at the Court Meeting and the General Meeting and the other Conditions have been satisfied or (where applicable) waived, the Scheme must be sanctioned by the Court at the Sanction Hearing before it can become Effective.

The Scheme will become Effective in accordance with its terms on delivery of the Court Order 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 or voted at the Court Meeting or General Meeting, or whether they voted in favour of or against the Scheme.

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

### ***Full details of the Scheme to be set out in the Scheme Document***

The Scheme Document will include full details of the Scheme, including the expected timetable and the action to be taken by Scheme Shareholders. The Scheme will be governed by English law. The Scheme will be subject to the applicable requirements of the Code, the Takeover Panel, the AIM Rules, the London Stock Exchange and the FCA.

The Scheme Document, along with the notice of the Court Meeting and the General Meeting and the Forms of Proxy will be despatched to Sopheon Shareholders within 28 days of the date of this Announcement, unless Bidco and Sopheon otherwise agree, and the Takeover Panel consents, to a later date. Subject to certain restrictions relating to persons resident in Restricted Jurisdictions, the Scheme Document will also be made available on Sopheon's website at [www.sopheon.com/investors](http://www.sopheon.com/investors) and Wellspring's website at <https://offer.wellspring.com/news>.

At this stage, subject to the satisfaction or waiver of the Conditions and certain further terms set out in Appendix I, Bidco and Sopheon expect the Acquisition to become Effective during the first quarter of 2024.

If the Scheme does not become Effective on or before the Long Stop Date (or such later date as Bidco and Sopheon may, with the consent of the Takeover Panel and, if required, the Court, agree) it will lapse and the Acquisition will not proceed (unless the Takeover Panel otherwise consents).

### ***Right to switch to a Takeover Offer***

Subject to the terms of the Co-operation Agreement, Bidco reserves the right to elect, with the consent of the Takeover Panel, to implement the Acquisition by way of a Takeover Offer for the issued and to be issued share capital of Sopheon as an alternative to the Scheme. In such an event, the Takeover Offer will be made in accordance with the terms and conditions set out in this Announcement which would apply to the Scheme (with any modifications or amendments to such terms and conditions as may be required by the Takeover Panel or which are necessary as a result of Bidco's election to implement the Acquisition by way of a Takeover Offer), in accordance with the Co-operation Agreement and subject to the amendments referred to in Part C of Appendix I to this Announcement.

## **15. Sopheon Share Plans**



Participants in the Sopheon Share Plans will be contacted regarding the effect of the Acquisition on their rights under the Sopheon Share Plans and, where relevant, an appropriate proposal will be made to such participants pursuant to Rule 15 of the Code in due course. Further details of the impact of the Acquisition on the Sopheon Share Plans will be set out in the Scheme Document.

#### **16. De-listing and re-registration**

It is intended that the London Stock Exchange will be requested to cancel trading of Sopheon Shares on AIM on or shortly after the Effective Date. It is expected that the last day of dealings in Sopheon Shares on AIM will be the Business Day immediately prior to the Effective Date and that no transfers will be registered after 6.00 p.m. on that date. Upon the Scheme becoming Effective, share certificates in respect of the Sopheon Shares will cease to be valid and should be destroyed. In addition, entitlements to Sopheon Shares held within the CREST system will be cancelled on the Effective Date.

As soon as practicable after the Effective Date, it is intended that Sopheon will be re-registered as a private limited company under the relevant provisions of the Companies Act.

#### **17. Disclosure of interests in Sopheon**

As at the close of business on 21 December 2023, being the last Business Day prior to the date of this Announcement, save for the irrevocable undertakings referred to in paragraph 8 above, neither Bidco nor, so far as Bidco is aware, any person acting, or deemed to be acting, in concert with Bidco:

- a) had an interest in, or right to subscribe for, relevant securities of Sopheon;
- b) 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;
- c) had procured an irrevocable commitment or letter of intent to accept the terms of the Acquisition in respect of relevant securities of Sopheon;
- d) 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; or
- e) is a party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Code.

#### **18. Documents on display**

Copies of this Announcement and the following documents will, by no later than 12 noon on the Business Day following the date of this Announcement, be made available on Sopheon's website at [www.sopheon.com/investors](http://www.sopheon.com/investors) and on Wellspring's website <https://offer.wellspring.com/news> until the end of the Offer Period:

- this Announcement;
- the irrevocable undertakings referred to in paragraph 8;
- the Confidentiality Agreement;
- the Co-operation Agreement;
- the documents entered into in relation to the financing of the Acquisition referred to in paragraph 12; and

- consent letters from each of Raymond James and Cavendish.

None of the contents of any website referred to in this Announcement, or the content of any other website accessible from hyperlinks on either such website, is incorporated into or forms part of, this Announcement.

## 19. General

The Acquisition will be subject to the Conditions, certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document. The Scheme Document, along with the notice of the Court Meeting and the General Meeting and the Forms of Proxy will be despatched to Sopheon Shareholders within 28 days of the date of this Announcement, (or by such later date as Bidco and Sopheon may agree, with the consent of the Takeover Panel).

In deciding whether or not to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting, Sopheon Shareholders should rely on the information contained, and follow the procedures described, in the Scheme Document.

Raymond James and Cavendish have each given and not withdrawn their consent to the inclusion in this Announcement of the references to their names in the form and context in which they appear.

Appendix II contains details of sources of information and bases of calculation contained in this Announcement. Appendix III contains certain details relating to the irrevocable undertakings referred to in this Announcement. Appendix IV contains definitions of certain terms used in this Announcement.

This Announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

The implications of the Acquisition for persons resident in, or citizens of, jurisdictions outside the United Kingdom may be affected by the laws of the relevant jurisdictions. Such persons should inform themselves about and observe any applicable requirements.

### Enquiries:

#### **Sopheon**

Andy Michuda, Executive Chairman  
Greg Coticchia, Chief Executive Officer  
Arif Karimjee, Chief Financial Officer

via Cavendish

#### **Cavendish (Nominated Adviser and Broker to the Company)**

Henrik Persson  
Carl Holmes  
Abigail Kelly  
George Dollemore

+44 (0) 20 7220 0500

#### **Resurgens, Wellspring and Bidco**

Adi Filipovic  
Fred Sturgis  
Danny Carpenter

via Raymond James

#### **Raymond James (Financial Adviser to Resurgens, Wellspring and Bidco)**

Junya Iwamoto  
Felix Beck

+44 (0) 20 3798 5700

King & Spalding International LLP are retained as legal advisers to Resurgens, Wellspring and Bidco.

Squire Patton Boggs (UK) LLP are retained as legal adviser to Sopheon.

## **Important Notices**

*Cavendish, which is authorised and regulated in the United Kingdom by the FCA, is acting as financial adviser to Sopheon and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Sopheon for providing the protections offered to clients of Cavendish or for providing advice in connection with any matter referred to in this Announcement. Neither Cavendish nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Cavendish in connection with this Announcement, any statement contained herein, the Scheme or otherwise. No representation or warranty, express or implied, is made by Cavendish as to the contents of this Announcement.*

*Raymond James, which is authorised and regulated in the United Kingdom by the FCA, is acting as financial adviser to Resurgens, Wellspring and Bidco and no-one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Resurgens, Wellspring or Bidco for providing the protections afforded to clients of Raymond James nor for providing advice in connection with the matters referred to herein. Neither Raymond James nor any of its affiliates 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 Announcement, any statement contained herein, the Acquisition or otherwise.*

## **Further Information**

*This Announcement is for information purposes only and is not intended to and does not constitute, or form any part of, an offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise. The Acquisition will be made solely through and on the terms set out in the Scheme Document (or, in the event that the Acquisition is to be implemented by means of a Takeover Offer, the offer document) and the accompanying Forms of Proxy, which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any approval, decision or other response to the Acquisition should be made only on the basis of the information in the Scheme Document. Scheme Shareholders are strongly advised to read the formal documentation in relation to the Acquisition once it has been despatched.*

*The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and service of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date.*

## **Overseas Shareholders**

*This Announcement has been prepared for the purpose of complying with English law, the AIM Rules and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.*

*The laws of the relevant jurisdictions may affect the availability of the Acquisition to persons who are not resident in the United Kingdom. Persons who are not resident in the United Kingdom, or who are subject to laws of any jurisdiction other than the United Kingdom, should inform themselves about, and observe any applicable requirements. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this Announcement, the Scheme 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 their Sopheon Shares at the Court Meeting or the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote their Sopheon Shares in*

respect of the Court Meeting 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 legal or regulatory requirements may constitute a violation of the laws and/or regulations 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.

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 the Acquisition will not be capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this Announcement 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 Announcement (including custodians, nominees and trustees) must not distribute or send it into or from a Restricted Jurisdiction. In the event that the Acquisition is implemented by way of a Takeover Offer and extended into the US, Bidco will do so in satisfaction of the procedural and filing requirements of US securities laws at that time, to the extent applicable thereto. The Acquisition relates to the shares of a company incorporated in England and it is proposed to be made by means of a scheme of arrangement provided for under English law. The Scheme will relate to the shares of a UK company that is a "foreign private issuer" as defined under Rule 3b-4 under the US Exchange Act. A transaction effected by means of a scheme of arrangement is not subject to any shareholder vote, proxy solicitation and tender offer rules under the US Exchange Act. Accordingly, the Scheme is 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 or tender offer rules. Financial information included in the relevant documentation will have been prepared in accordance with accounting standards applicable in the UK and may not be comparable to the financial information of, or the accounting standards applicable to, US companies. However, if Bidco were to elect to implement the Acquisition by means of a Takeover Offer, such Takeover Offer shall be made in compliance with all applicable laws and regulations, including section 14(e) of the US Exchange Act and Regulation 14E thereunder, if applicable. Such Takeover Offer would be made in the US by Bidco and no one else. In addition to any such Takeover Offer, Bidco, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in Sopheon outside such Takeover Offer during the period in which such Takeover Offer would remain open for acceptance. If such purchases or arrangements to purchase are made they would be made outside the United States in compliance with applicable law, including the US Exchange Act. It may be difficult for a US-based investor to enforce his or her rights and any claim he or she may have arising under US securities laws, since the Scheme relates to the shares of a company located in the UK, and some or all of its officers and directors may be residents of non-US jurisdictions. A US-based investor may not be able to sue a company located in the UK, or its officers or directors, in a foreign court for alleged violations of US securities laws, and it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgment.

### **Forward-looking statements**

This Announcement, oral statements made regarding the Acquisition, and other information published by Sopheon, Bidco, Wellspring and Resurgens may contain certain "forward-looking statements" with respect to Sopheon, Bidco, Wellspring and Resurgens. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could" or other words or terms of similar meaning or the negative thereof. Forward-looking statements include statements relating to, for example, the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies of Resurgens, Wellspring and/or Bidco and the expansion and growth of Sopheon and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on the business of Sopheon.

*These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or developments to differ materially from those expressed in or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding present and future strategies and environments. None of Resurgens, Wellspring, Bidco or Sopheon, nor any of their respective associates, directors, officers, employees or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. All subsequent oral or written forward-looking statements attributable to Resurgens, Wellspring, Bidco or Sopheon or any person acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Announcement. None of Resurgens, Wellspring, Bidco or Sopheon assume any obligation to update publicly or revise forward-looking or other statements contained in this Announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.*

#### **No profit forecasts or estimates**

*No statement in this Announcement is intended as a profit forecast or estimate for Resurgens, Wellspring, Bidco or Sopheon in respect of any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per Sopheon Share for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per Sopheon Share.*

#### **Right to switch to a Takeover Offer**

*Subject to the terms of the Co-operation Agreement, Bidco reserves the right to elect, with the consent of the Takeover Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued share capital of Sopheon as an alternative to the Scheme. In such an event, the Takeover Offer will be made in accordance with the terms and conditions set out in this Announcement which would apply to the Scheme (with any modifications or amendments to such terms and conditions as may be required by the Takeover Panel or which are necessary as a result of Bidco's election to implement the Acquisition by way of a Takeover Offer), in accordance with the Co-operation Agreement and subject to the amendments referred to in Part C of Appendix I to this Announcement.*

#### **Publication on website**

*In accordance with Rule 26.1 of the Code, a copy of this Announcement will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, on Sopheon's website at [www.sopheon.com/investors](http://www.sopheon.com/investors) and on Bidco's website at <https://offer.wellspring.com/news> by no later than 12:00 noon on the Business Day following this Announcement. Neither the contents of this website nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this Announcement.*

#### **Requesting hard copies**

*In accordance with Rule 30.3 of the Code, a person so entitled may request a hard copy of this Announcement, free of charge, by contacting Sopheon's registrar, Link Group on 0371 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. The helpline is open between 9:00 a.m. to 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.*

*For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. In accordance with Rule 30.3 of the*

Code, a person so entitled may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.

### **Electronic communications – information for Sopheon Shareholders**

Please be aware that addresses, electronic addresses and certain 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 Code to comply with Rule 2.11(c) of the Code.

### **Rounding**

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

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

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3:30 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% 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.

**Announcement not a prospectus**

*This Announcement 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 Announcement 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 FSMA 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 date of this Announcement, it had in issue 10,693,079 ordinary shares of 20 pence each. No shares are held in treasury. The ISIN for the ordinary shares is GB00BSZM1369.*

## APPENDIX I

### CONDITIONS OF THE ACQUISITION AND CERTAIN FURTHER TERMS

#### 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 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);
  - b. (i) the passing of the 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 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);
  - 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 Announcement 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 this Appendix I 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 Part A of this Appendix I 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 Appendix I (and any Takeover Offer acceptance condition adopted on the basis specified in Part C of this Appendix I) 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 existing at the date of this Announcement 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 Sopheon Shares.
2. If, on or after the date of this 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 this Appendix I) to reduce the consideration payable under the Acquisition to reflect the aggregate amount of such dividend, distribution or other return of value or excess. 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 this 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. The Acquisition will be subject, amongst other things, to the Conditions and certain further terms which are set out in this Appendix I and those terms which will be set out in the Scheme Document and such further terms as may be required to comply with the AIM Rules and the provisions of the Code.
6. This Announcement and any rights or liabilities arising hereunder, 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.

## APPENDIX II

### SOURCES OF INFORMATION AND BASES OF CALCULATION

In this Announcement, unless otherwise stated or the context otherwise requires, the following sources and bases have been used:

- a. The value attributed to the fully diluted share capital of Sopheon of £115 million is based on a value of £10.00 per Sopheon Share and:
  - i. 10,693,079 Sopheon Shares in issue on 21 December 2023 (being the last Business Day prior to the date of this Announcement); and
  - ii. 808,571 Sopheon Shares which as at 21 December 2023 (being the last Business Day prior to the date of this Announcement) may be issued on or after the date of this Announcement on the exercise of options or vesting of awards under the Sopheon Share Plans.
- b. Unless stated otherwise, financial information relating to Sopheon has been extracted from the audited consolidated financial statements of Sopheon for the financial year ended 31 December 2022 and half-year financial information has been extracted from Sopheon's interim results for the six-month period ended 30 June 2023.
- c. Unless otherwise stated, all prices for Sopheon Shares are the Closing Price for the relevant date.
- d. The Closing Prices of Sopheon Shares are taken from the AIM appendix to the Daily Official List.
- e. The three month and six-month Volume Weighted Average Price are derived from Bloomberg data and have been rounded to the nearest one penny.
- f. Certain figures included in this Announcement have been subject to rounding adjustments.

## APPENDIX III

### DETAILS OF IRREVOCABLE UNDERTAKINGS

#### ***Directors' Irrevocable Undertakings***

The following Sopheon Directors have given irrevocable undertakings 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, subject to the terms of the Co-operation Agreement and with the consent of the Takeover Panel, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer) in respect of their own (and their connected persons') beneficial holdings of a total of 2,340,668 Sopheon Shares (held in a personal capacity or through a nominee) representing, in aggregate, approximately 21.89 per cent. of Sopheon Shares in issue on 21 December 2023 (being the last Business Day prior to this Announcement), comprised as follows:

<b>Name of Sopheon Director</b>	<b>Total number of Sopheon Shares</b>	<b>Percentage of existing issued share capital</b>
Andy Michuda	67,620	0.63%
Greg Coticchia	8,600	0.08%
Arif Karimjee	73,500	0.69%
Barry Mence	1,899,458	17.76%
Stuart Silcock	282,990	2.65%
Daniel Metzger	5,000	0.05%
Barnaby Kent	3,500	0.03%
<b>TOTAL</b>	<b>2,340,668</b>	<b>21.89%</b>

The irrevocable undertakings remain binding in the event a higher competing offer is made for Sopheon and will only cease to be binding if:

- the Scheme Document is not published within 28 days of this Announcement, or in circumstances where Bidco elects to implement the Acquisition by way of a Takeover Offer, an offer document is not published within 28 days of the date on which the switch to a Takeover Offer is announced;
- the Scheme or Takeover Offer in respect of the Acquisition is withdrawn or lapses;
- a 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 becomes effective (if proceeding by way of a scheme of arrangement); or
- the Scheme (or the Takeover Offer) in connection with the Acquisition does not become effective by the Long Stop Date.

#### ***Shareholder Irrevocable Undertakings***

The following Sopheon Shareholders have given irrevocable undertakings 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, subject to the terms of the Co-operation Agreement and with the consent of the Takeover Panel, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer) in respect of a total of 2,074,308 Sopheon Shares (held in a personal capacity or through a nominee) representing, in aggregate, approximately 19.40 per cent. of Sopheon Shares in issue on 21 December 2023 (being the last Business Day prior to this Announcement), comprised as follows:

<b>Name of Sopheon Shareholder</b>	<b>Total number of Sopheon Shares</b>	<b>Percentage of existing issued share capital</b>
Rivomore Limited	2,074,308	19.40%
<b>TOTAL</b>	<b>2,074,308</b>	<b>19.40%</b>

The irrevocable undertaking given by Rivomore Limited remains binding in the event a higher competing offer is made for Sopheon and will only cease to be binding if:

- the Scheme Document is not published within 28 days of this Announcement, or in circumstances where Bidco elects to implement the Acquisition by way of a Takeover Offer, an offer document is not published within 28 days of the date on which the switch to a Takeover Offer is announced;
- the Scheme or Takeover Offer in respect of the Acquisition is withdrawn or lapses;
- a 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 becomes effective (if proceeding by way of a scheme of arrangement); or
- the Scheme (or the Takeover Offer) in connection with the Acquisition does not become effective by 4 March 2024.

## APPENDIX IV

### DEFINITIONS

In this Announcement, the following words and expressions have the following meanings, unless the context requires otherwise:

<b>Acquisition</b>	the recommended offer to be made by Bidco to acquire the 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 per Scheme Share;
<b>AIM</b>	AIM, a market operated by the London Stock Exchange;
<b>AIM Rules</b>	the rules of AIM as set out in the "AIM Rules for Companies" issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM;
<b>Announcement</b>	this announcement of the Acquisition made in accordance with Rule 2.7 of the Code;
<b>Authorisations</b>	authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions, determinations, exemptions or approvals;
<b>Bidco</b>	IOps Buyer Inc., a company incorporated in Delaware, United States of America with company number 2451504;
<b>Business Day</b>	a day, other than a Saturday, Sunday, public holiday or bank holiday, on which banks are generally open for normal business in the City of London;
<b>Cavendish</b>	Cavendish Capital Markets Limited, a company incorporated in England and Wales with company number 06198898;
<b>Closing Price</b>	the closing middle market quotation for an Sopheon Share as derived from the AIM appendix to the Daily Official List on that day;
<b>Code or Takeover Code</b>	the City Code on Takeovers and Mergers;
<b>Companies Act</b>	the UK Companies Act 2006, as amended;

<b>Conditions</b>	the conditions to the implementation of the Scheme and the Acquisition, which are set out in Appendix I to this Announcement and to be set out in the Scheme Document;
<b>Confidentiality Agreement</b>	the confidentiality agreement entered into by Resurgens Technology Partners and Sopheon on 19 May 2023;
<b>Co-operation Agreement</b>	the co-operation agreement entered into by Bidco, Wellspring and Sopheon on or around the date of this Announcement;
<b>Court</b>	the High Court of Justice in England and Wales;
<b>Court Meeting</b>	the meeting (or any adjournment, postponement or reconvention thereof) of the Scheme Shareholders (or the relevant class or classes thereof) to be convened by order of the Court pursuant to section 896 of the Companies Act to consider and, if thought fit, approve the Scheme (with or without modification);
<b>Court Order</b>	the order of the Court sanctioning the Scheme;
<b>CREST</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & International Limited is the Operator (as defined in the Regulations);
<b>Daily Official List</b>	the Daily Official List of the London Stock Exchange;
<b>Dealing Disclosure</b>	has the same meaning as in Rule 8 of the Code;
<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 this 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 this Announcement; or (vi) disclosed in this Announcement;
<b>Disclosure Table</b>	the disclosure table on the Takeover Panel's website at <a href="http://www.thetakeoverpanel.org.uk">www.thetakeoverpanel.org.uk</a> ;

<b>Effective</b>	in the context of the Acquisition: (a) if the Acquisition is implemented by way of a Scheme, the Scheme having become effective in accordance with its terms, upon the delivery of the Court Order to the Registrar of Companies; or (b) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or become unconditional in all respects in accordance with the requirements of the Code;
<b>Effective Date</b>	the date upon which: (a) the Scheme becomes Effective; or (b) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer becomes Effective;
<b>Enlarged Group</b>	the combined Sopheon Group and Wellspring Group following the Effective Date;
<b>Excluded Shares</b>	(a) any Sopheon Shares legally or beneficially held by Bidco or any member of the Wider Bidco Group; or (b) any Treasury Shares;
<b>Facilities Agreement</b>	the revolving credit, term loan and security agreement originally dated 27 June 2022 (as amended and/or restated by a first amendment dated 1 February 2023 and as further amended and/or restated by a second amendment dated on or about the date hereof) between (amongst others) Bidco and the financial institutions listed therein as lenders
<b>FCA</b>	the UK Financial Conduct Authority or its successor from time to time;
<b>Forms of Proxy</b>	the forms of proxy for use at the Court Meeting and the General Meeting respectively, which will accompany the Scheme Document;
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended;
<b>General Meeting</b>	the general meeting (or any adjournment, postponement or reconvention thereof) of Sopheon Shareholders to be convened in connection with the Scheme;
<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>ISIN</b>	International Securities Identification Number;



<b>Link Group</b>	a trading name of Link Market Services Limited, incorporated in England and Wales with registered number 02605568;
<b>London Stock Exchange</b>	London Stock Exchange plc, a company incorporated in England and Wales with company number 02075721;
<b>Long Stop Date</b>	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;
<b>NSIA Condition</b>	the Condition set out at paragraph 3(a) of Part A of Appendix I;
<b>Offer Period</b>	the period which commenced on the date of the Prior Announcement and ending on the date on which the Acquisition becomes Effective, lapses or is withdrawn (or such other date as the Takeover Panel may decide);
<b>Opening Position Disclosure</b>	has the same meaning as in Rule 8 of the Code;
<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>Prior Announcement</b>	the announcement by Sopheon and Bidco on 31 October 2023 pursuant to Rule 2.4 of the Code;
<b>Raymond James</b>	Raymond James Financial International Limited, a company incorporated in England and Wales with company number 03127076;
<b>Registrar of Companies</b>	the Registrar of Companies of England and Wales;
<b>Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended;
<b>Resolution</b>	the resolution to be proposed by Sopheon at the General Meeting in connection with the Acquisition;
<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 is sent or made available 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>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>Sanction Hearing</b>	the hearing by the Court to sanction the Scheme and, if such hearing is adjourned, references to the commencement of any such hearing shall mean the commencement of the final adjournment thereof;
<b>Scheme</b>	the proposed scheme of arrangement under Part 26 of the Companies Act to effect the Acquisition between Sopheon and the Scheme Shareholders (the full terms of which will be set out in the Scheme Document), with or subject to any modification, addition or condition which Bidco and Sopheon may agree, and, if required, the Court may approve or impose;
<b>Scheme Document</b>	the document to be despatched to (amongst others) Sopheon Shareholders containing, amongst other things, the terms and conditions of the Scheme and the notices convening the Court Meeting and the General Meeting;
<b>Scheme Record Time</b>	the time and date to be specified in the Scheme Document, expected to be 6:00 p.m. on the Business Day immediately prior to the Effective Date;
<b>Scheme Shareholders</b>	holders of Scheme Shares;
<b>Scheme Shares</b>	<p>the Sopheon Shares:</p> <ul style="list-style-type: none"> <li>(i) in issue at the date of the Scheme Document;</li> <li>(ii) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and</li> <li>(iii) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme or shall by such time have agreed in writing to be bound by the Scheme;</li> </ul> <p>in each case other than any Excluded Shares;</p>

<b>Sopheon</b>	Sopheon plc, a company incorporated in England and Wales with company number 03217859;
<b>Sopheon Board</b>	the board of directors of Sopheon from time to time;
<b>Sopheon Directors</b>	the directors of Sopheon from time to time;
<b>Sopheon Group</b>	Sopheon and its subsidiaries and subsidiary undertakings;
<b>Sopheon Share Plans</b>	the Sopheon UK Unapproved Share Option Scheme 1997, the Sopheon plc 2009 (USA) Stock Option Plan, the Sopheon Share Option Scheme 2016 and the CSOP Sub-Plan of the Sopheon Share Option Scheme 2016, in each case operated by Sopheon;
<b>Sopheon Shares</b>	the ordinary shares of £0.20 each in the capital of Sopheon;
<b>Sopheon Shareholders</b>	the holders of Sopheon Shares;
<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>Takeover Offer</b>	should the Acquisition be implemented by way of a takeover offer as defined in section 974 of the Companies Act 2006, the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued share capital of Sopheon and, where the context requires, any subsequent revision, variation, extension or renewal of such offer;
<b>Takeover Panel</b>	the UK Panel on Takeovers and Mergers;
<b>Third Party</b>	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, professional or investigative body or authority (including any antitrust or merger control authority), court, trade agency, professional association, institution, works council, employee representative body or any other similar body or person whatsoever in any jurisdiction;
<b>Treasury Shares</b>	any Sopheon Shares which are for the time being held by Sopheon as treasury shares (within the meaning of the Companies Act);
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland;

<b>United States or US or USA</b>	the United States of America, its territories and possessions, 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 United States Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, as amended;
<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>	the date and time specified in the Scheme Document by reference to which entitlements to vote on the Scheme will be determined, expected to be 6:00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6:00 p.m. on the second day before the date of such adjourned meeting;
<b>Wellspring</b>	Wellspring Worldwide Inc., a company incorporated in Delaware, USA with company number 3696172;
<b>Wellspring Group</b>	Wellspring and its subsidiaries and subsidiary undertakings;
<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);
<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;
<b>£ or pence</b>	pounds sterling or pence, the lawful currency of the UK; and
<b>\$ or USD or dollars</b>	dollars, the lawful currency of the United States of America.

In this Announcement:

- (a) all times referred to are to London time unless otherwise stated;
- (b) references to the singular include the plural and vice versa, unless the context otherwise requires;

- (c) “subsidiary”, “subsidiary undertaking” and “undertaking” have the meanings given by the Companies Act and “associated undertaking” has the meaning given to it by paragraph 19 of Schedule 6 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraph 1(b) thereof which shall be excluded for this purpose; and
- (d) 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, 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.