

Item 2.01 Completion of Acquisition or Disposition of Assets.

On October 5, 2020, Progress Software Corporation (“Progress”) completed its previously announced acquisition of Chef Software Inc. (“Chef”) pursuant to that certain Agreement and Plan of Merger (the “Merger Agreement”), dated as of September 4, 2020, by and among Progress, Go Big Transitory Subsidiary Inc., Chef and Shareholder Representative Services LLC. The transactions contemplated by the Merger Agreement are collectively referred to as the “Merger.”

As a result of the Merger (the “Closing”), Progress acquired all of the outstanding equity of Chef from Chef’s equity holders for an aggregate purchase price of approximately \$220.0 million, subject to certain customary adjustments as further described in the Merger Agreement (the “Aggregate Consideration”), which was paid in cash. Pursuant to the Merger Agreement, \$12 million of the Aggregate Consideration was deposited into escrow to secure certain indemnification and other potential obligations of Chef’s equity holders, as set forth in the Merger Agreement. In connection with the Merger, Progress has agreed to pay certain transaction bonuses at or promptly following the closing of the Merger in an aggregate amount of \$2.5 million to certain Chef employees.

On October 1, 2020, Progress drew down \$98.5 million under its Second Amended and Restated Credit Agreement, dated as of April 30, 2019, by and among Progress, each of the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (the “Credit Agreement”). Progress used these funds to partially fund the Merger. A description of the Credit Agreement, including the terms of payment, is included in the Current Report on Form 8-K filed by Progress on May 1, 2019, which is incorporated herein by reference. The remaining portion of the Aggregate Consideration was funded with cash on hand. As a result of the Merger, Chef became a wholly-owned subsidiary of Progress. Immediately following the consummation of the Merger, Chef merged with and into Progress, with Progress continuing as the surviving corporation.

The foregoing descriptions of the Merger Agreement and the Merger do not purport to be complete and are qualified in their entirety by reference to the Merger Agreement, a copy of which was filed as Exhibit 2.1 to the Current Report on Form 8-K filed by Progress on September 9, 2020 and which is incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The information set forth under Item 2.01, “Completion of Acquisition or Disposition of Assets,” is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On October 6, 2020, Progress issued a press release announcing the consummation of the Merger. A copy of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information set forth in or incorporated by reference into this Item 7.01, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

The financial statements required by this item will be filed by amendment to this Current Report on Form 8-K no later than 71 days after the date for which Item 2.01 of this Current Report on Form 8-K is required to be filed.

(b) Pro Forma Financial Information

The pro forma financial information required by this item will be filed by amendment to this Current Report on Form 8-K no later than 71 days after the date for which Item 2.01 of this Current Report on Form 8-K is required to be filed.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
2.1	<u>Agreement and Plan of Merger, dated September 4, 2020, by and among Progress Software Corporation, Go Big Transitory Subsidiary Inc., Chef Software Inc. and Shareholder Representative Services LLC (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed with the SEC on September 9, 2020).</u>*
99.1	<u>Press Release dated October 6, 2020</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* The schedules to the Agreement and Plan of Merger have been omitted from this filing pursuant to Item 601(b)(2) of Regulation S-K. Registrant will furnish copies of such schedules to the Securities and Exchange Commission upon request by the Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 7, 2020

Progress Software Corporation

By: /s/ Stephen H. Faberman

Stephen H. Faberman

Chief Legal Officer



Progress Completes Acquisition of Chef

BEDFORD, MA—October 6, 2020—Progress (NASDAQ: PRGS), the leading provider of application development and digital experience technologies, today announced the completion of the acquisition of Chef Software, a global leader in DevOps and DevSecOps, providing complete infrastructure automation to build, deploy, manage and secure applications in modern multi-cloud and hybrid environments, as well as on-premises. Progress announced the proposed acquisition on September 8th.

Progress is a trusted provider of the best products to develop, deploy and manage high-impact business applications. As part of Progress, Chef will further enhance that position by providing industry-leading compliance and application automation products for multi-cloud and on-prem infrastructure. Chef products include Chef® Enterprise Automation Stack™, Chef® Infra™, Chef® InSpec®, Chef® Habitat®, Chef® Compliance™ and Chef® Desktop™.

"We are thrilled to complete our acquisition of Chef, which extends Progress offerings in the DevOps ecosystem with market-leading, modern infrastructure automation, and expands the Progress developer community, bringing the DevOps persona to the forefront," said Yogesh Gupta, CEO, Progress. "Following on the heels of our 2019 acquisition of Ipswitch, we are confident that Chef will serve as another proof point that illustrates the potential of our total growth strategy to expand our business through accretive M&A to the benefit of all of our stakeholders."

Progress purchased Chef for \$220 million in cash. Progress funded the transaction with existing cash on hand and borrowings under its existing credit facility. The transaction is expected to be accretive beginning in Q1 FY2021 to both non-GAAP earnings per share and cash flow.

Additional Resources

- [Follow Progress on Twitter, Facebook and LinkedIn](#)
- [Read the Progress blog](#)

Note Regarding Forward-Looking Statements

This press release contains statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Progress has identified some of these forward-looking statements with words like "believe," "may," "could," "would," "might," "should," "expect," "intend," "plan," "target," "anticipate" and "continue," the negative of these words, other terms of similar meaning or the use of future dates.

Risks, uncertainties and other important factors that could cause actual results to differ from those expressed or implied in the forward looking statements include: uncertainties as to the effects of disruption from the acquisition of Chef making it more difficult to maintain relationships with employees, licensees, other business partners or governmental entities; other business effects, including the effects of industry, economic or political conditions outside of Progress' or Chef's control; transaction costs; actual or contingent liabilities; uncertainties as to whether anticipated synergies will be realized; and uncertainties as to whether Chef's business will be successfully integrated with Progress' business. For further information regarding risks and uncertainties associated with Progress' business, please refer to Progress' filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended November 30, 2019. Progress undertakes no obligation to update any forward-looking statements, which speak only as of the date of this press release.

About Progress

Progress (NASDAQ: PRGS) offers the leading platform for developing and deploying strategic business applications. We enable customers and partners to deliver modern, high-impact digital experiences with a fraction of the effort, time and cost. Progress offers powerful tools for easily building adaptive user

experiences across any type of device or touchpoint, leading data connectivity technology, web content management, business rules, secure file transfer and network monitoring. Over 1,700 independent software vendors, 100,000 enterprise customers, and two million developers rely on Progress to power their applications. Learn about Progress at www.progress.com or +1-800-477-6473.

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