

Ingenta plc
("Ingenta" or the "Company")

Proposed Tender Offer to purchase up to 1,796,484 Ordinary Shares at a Tender Price of 115 pence per Ordinary Share and Notice of General Meeting

Ingenta plc ("Ingenta" or the "Company"), a leading provider of software and services to the global publishing industry, announces that a circular (the "Circular") will be sent to Shareholders later today detailing a Tender Offer for up to a maximum of 1,796,484 Ordinary Shares representing approximately 11 per cent. of the Company's issued Ordinary Shares (excluding Ordinary Shares held in treasury) at the Tender Price of 115 pence per Ordinary Share.

Unless otherwise stated, terms used in this announcement have the same meanings as given to them in the Circular.

The Circular sets out the terms of the Tender Offer and incorporates a notice of a General Meeting to be held at 10.00 a.m. on 11 November 2022 at Suite 2, Whichford House, Parkway Court, John Smith Drive, Oxford, OX4 2JY. A Tender Form for use by Shareholders who hold their Ordinary Shares in certificated form in connection with the Tender Offer is also being despatched with the Circular.

The information communicated in this announcement contains inside information for the purposes of Article 7 of the UK version of the EU Market Abuse Regulation (2014/596) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time.

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1 Introduction

The Board announces that the Company intends to return up to approximately £2.07 million of cash to Qualifying Shareholders by way of the Tender Offer and the subsequent repurchase from Cenkos of the Ordinary Shares successfully tendered. The Tender Offer will be conducted at a fixed price of 115 pence per Ordinary Share (the "Tender Price"), which represents a discount of approximately 2.13 per cent. to the middle market closing price of an Ordinary Share on 24 October 2022 (being the Latest Practicable Date) and will be subject to the passing of a resolution by Shareholders as set out in the General Meeting in Part V of the Circular.

If the maximum number of Ordinary Shares under the Tender Offer is acquired, this would result in the purchase of approximately 11 per cent. of the Company's current issued share capital (excluding Ordinary Shares held in treasury).

The Company is seeking authority to buy back up to approximately 1,796,484 Ordinary Shares pursuant to the Resolution to be put before Shareholders at the General Meeting.

This is not a recommendation to Shareholders to sell or tender their Ordinary Shares. Shareholders are not obliged to tender any Ordinary Shares and Shareholders who wish to retain all of their investment in the Company should not return a Tender Form or submit a TTE Instruction. Whether or not Qualifying Shareholders tender any Ordinary Shares will depend on, among other things, their view of the Company's prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice.

2 Background to and reasons for the Tender Offer

The Board continually reviews the Company's capital allocation to maximise long-term returns to Shareholders. Since the Company's admission to trading on AIM in 2007, the Board has sought to return value to Shareholders through a combination of capital appreciation, share buybacks and dividend payments.

Over the past three years, the Company has demonstrated a resilient trading performance despite the impact of the COVID-19 pandemic. Through careful management of the Group's cost base, the Company continued to enhance operating performance, leading to 2021 KPIs exceeding those achieved prior to the COVID-19 pandemic. This enhancement has continued into 2022. From FY 2019 to FY 2021, annualised recurring revenue grew from £8.4 million to £8.9 million, adjusted EBITDA increased from £1.3 million to £1.5 million and net loss after tax of £1.4 million recovered to net profit of £1.8 million. Since 2019, the Company has returned over £1.63 million to Shareholders by way of dividend payments and share buybacks.

On 21 September 2022, the Company published its interim results for the six-month period ended 30 June 2022 ("Interim Results"), reporting an increase in margins and resultant profitability alongside a return to revenue growth, benefitting from the continued expansion in the Group's Managed Service offering and a small number of non-recurring items. The Company has continued to be strongly cash generative and, following net cash generation of £1.4 million for the half year, had a healthy balance sheet with closing cash balances of £4.4 million as at 30 June 2022.

Whilst the Board continues to explore further growth opportunities, it currently considers that, following continued strong cash generation which is expected to continue through FY 2022 and beyond, the Company has a level of cash on its balance sheet that is surplus to its short-term requirements.

Taking account of the Group's working capital requirements, the funding of the potential future growth of the business and to ensure the Company's ability to maintain a progressive dividend, the Board has estimated the surplus cash in the business to be approximately £2.07 million.

The Board considers that the Tender Offer would be the most suitable way of returning capital to Shareholders in a quick and efficient manner, taking into account the relative costs, complexity and timeframes of other possible methods, as well as the likely tax treatment for and equality of treatment of Shareholders. Accordingly, the Board has resolved, subject to the passing of the Resolution, to seek to return up to approximately £2.07 million to Qualifying Shareholders under the Tender Offer.

3 Benefits of the Tender Offer

The benefits of the Tender Offer compared to other available options for a return of surplus cash to Shareholders are

The benefits of the Tender Offer, compared to other available options for a return of surplus cash to Shareholders, are that the Tender Offer:

- provides all Qualifying Shareholders who wish to sell Ordinary Shares with the opportunity to do so;
- allows the Company to broaden the return of cash to include those Qualifying Shareholders whose Ordinary Shares might not otherwise be purchased by the Company through a buy-back in the market;
- enables Qualifying Shareholders to decide whether to tender none, some or all of their Ordinary Shares within the overall limits of the Tender Offer;
- enables those Qualifying Shareholders who do not wish to receive capital at this time to maintain their full investment in the Company;
- enables Ordinary Shares to be sold free of commissions or charges that would otherwise be payable if Qualifying Shareholders were to sell their Ordinary Shares through their broker; and
- enhances earnings per share in respect of Ordinary Shares and the percentage holdings of Ordinary Shares of Shareholders not tendered under the Tender Offer.

4 The Tender Offer

Structure of the Tender Offer

The Tender Offer will be implemented on the basis of Genkos acquiring, as principal, the successfully tendered Ordinary Shares at the Tender Price. The Company will purchase such Ordinary Shares from Genkos at the same price under the Repurchase Agreement. The Company will cancel the Ordinary Shares purchased by it under the Repurchase Agreement.

Up to 1,796,484 Ordinary Shares will be purchased under the Tender Offer, representing approximately 11 per cent. of the Company's issued share capital (excluding Ordinary Shares held in treasury) as at 24 October 2022, being the Latest Practicable Date, for a maximum aggregate consideration of approximately £2.07 million.

The Tender Offer is conditional, among other things, on the passing of the Resolution at the General Meeting and the conditions set out in paragraph 2.1 of Part III of the Circular.

Qualifying Shareholders can decide whether they want to tender all, some or none of their Ordinary Shares in the Tender Offer although Shareholders should note that applications in excess of their Basic Entitlement may be subject to scaling-back as explained below.

The Tender Offer is being made available to all Qualifying Shareholders on the Register at 6.00 p.m. on the Record Date.

The Tender Offer will close at 1.00 p.m. (UK time) on 11 November 2022 and tenders received after that time will not be accepted (unless the Tender Offer is extended).

The Tender Price

A Tender Price of 115 pence per Ordinary Share will be applied to all Ordinary Shares purchased by Genkos pursuant to the Tender Offer.

The Tender Price will allow Genkos to purchase the maximum number of Ordinary Shares for a total cost not exceeding approximately £2.07 million or, if the aggregate price of all Ordinary Shares validly tendered by Qualifying Shareholders is less than approximately £2.07 million, all of the Ordinary Shares validly tendered pursuant to the Tender Offer.

Number of Ordinary Shares to be purchased and scaling-back

Under the Tender Offer, each Qualifying Shareholder is entitled to tender up to 11 per cent. of its, his or her shareholding to be purchased by Genkos at the Tender Price (being their Basic Entitlement). Each Qualifying Shareholder's Basic Entitlement will be calculated by the Registrars as at the Record Date by reference to the Qualifying Shareholder's holding of Ordinary Shares as at that date.

In addition, Qualifying Shareholders are entitled to make an application to tender in excess of their Basic Entitlements. The extent to which excess applications can be accepted will depend on the number of Ordinary Shares tendered by other Qualifying Shareholders.

Provided that the conditions in paragraph 2.1 of Part III of the Circular are met, if the aggregate value at the Tender Price of all validly tendered Ordinary Shares is less than approximately £2.07 million, then all Ordinary Shares validly tendered (including applications in excess of Basic Entitlements) will be purchased at the Tender Price.

If the number of Ordinary Shares validly tendered by Qualifying Shareholders is more than approximately £2.07 million, tenders will be accepted in the order set out below:

- a) all Ordinary Shares tendered by Qualifying Shareholders up to their Basic Entitlement will be accepted in full; and
- b) tenders of Ordinary Shares in excess of the Qualifying Shareholders' Basic Entitlements will be satisfied *pro rata* in proportion to the amount tendered in excess of Basic Entitlements (rounded down to the nearest whole number of Ordinary Shares) or otherwise at the discretion of the Board, in agreement with Genkos.

For the avoidance of doubt, the number of Ordinary Shares to be purchased in the Tender Offer will not, in any event, exceed 1,796,484 Ordinary Shares.

Once lodged (in the case of a Tender Form) or settled (in the case of a TTE Instruction) such tender shall be irrevocable.

Ordinary Shares will be purchased pursuant to the Tender Offer on or around 14 November 2022.

Successfully tendered Ordinary Shares will be purchased free of commission and dealing charges.

Any Ordinary Shares repurchased by the Company from Genkos following the purchase by Genkos will be cancelled. Any rights of Ordinary Shareholders who do not tender their Ordinary Shares will be unaffected.

Subject to any applicable rules and regulations, the Company reserves the right at any time prior to the announcement of the results of the Tender Offer, and with the prior consent of Genkos, to extend the period during which the Tender Offer is open, based on market conditions and/or other factors.

Basic Entitlement

Ordinary Shares tendered under the Tender Offer in respect of up to 11 per cent. of each registered holding of Ordinary Shares of every Qualifying Shareholder on the Record Date will be accepted in full at the Tender Price and will not be scaled down, provided that such Ordinary Shares are validly tendered. This percentage is known as the **"Basic Entitlement"**.

Qualifying Shareholders may tender Ordinary Shares in excess of their Basic Entitlement. However, if the Tender Offer is

oversubscribed, the tender of such excess Ordinary Shares will only be successful to the extent that other Qualifying Shareholders have tendered less than their Basic Entitlement and may be subject to the scaling-back arrangements described above.

Circumstances in which the Tender Offer may not proceed

The Tender Offer is conditional on the passing of the Resolution at the General Meeting and the other conditions specified in paragraph 2.1 of Part III of the Circular.

The Tender Offer is also conditional on no material adverse change or certain other force majeure events arising prior to the closing of the Tender Offer. Further details of these conditions are set out in paragraph 2.1 of Part III of the Circular.

Full terms and conditions of the Tender Offer are set out in Part III of the Circular, which Shareholders are recommended to read in full.

5 Authority to make market purchases of own shares

The Notice of General Meeting sets out the Resolution to authorise the Company to buy back up to a maximum of 11 per cent. of the issued share capital of the Company (excluding Ordinary Shares held in treasury) representing approximately 1,796,484 Ordinary Shares pursuant to (and solely in relation to) the Tender Offer.

6 Repurchase Agreement

Under the Repurchase Agreement, the parties have agreed that, subject to, amongst other things, the sum of approximately £2.07 million (equal to the Tender Price multiplied by the maximum number of Ordinary Shares that could be repurchased under the Tender Offer) being received by Cenkos (or its custodian) by no later than 5.00 p.m. on 14 November 2022 (or such later time and/or date as may be agreed by Cenkos and the Company) and the Tender Offer becoming unconditional in all respects and not lapsing or terminating in accordance with its terms, Cenkos shall, as principal, purchase, "on exchange", at the Tender Price, Ordinary Shares successfully tendered to it, up to a maximum aggregate value, at the Tender Price, of approximately £2.07 million.

The Company has agreed that, immediately following the purchase by Cenkos of all Ordinary Shares which it has agreed to purchase as principal under the terms of the Tender Offer, the Company will purchase from Cenkos all such Ordinary Shares at a price per Ordinary Share equal to the Tender Price. All transactions will be carried out on the London Stock Exchange.

Under the Repurchase Agreement, the Company has agreed to cancel any Ordinary Shares purchased by it under the Tender Offer.

The Repurchase Agreement contains certain warranties from Cenkos in favour of the Company concerning its authority to enter into the Repurchase Agreement and to make the purchase of Ordinary Shares pursuant thereto.

The Repurchase Agreement also contains warranties and undertakings from the Company in favour of Cenkos and incorporates an indemnity in favour of Cenkos in respect of any liability which it may suffer in relation to the performance of its obligations under the Tender Offer.

7 Dividends

Successfully tendered Ordinary Shares will be cancelled and will not rank for any future dividends. However, the right of Shareholders, recorded on the Register on 7 October 2022, to receive and be paid the interim dividend declared in the Interim Results released on 21 September 2022 and to be paid on 4 November 2022, will not be affected by acceptance of the Tender Offer.

8 Overseas Shareholders

The attention of Qualifying Shareholders who are citizens, residents or nationals of countries outside the UK wishing to participate in the Tender Offer is drawn to paragraph 6 (entitled "*Overseas Shareholders*") in Part III of the Circular.

9 Taxation

Qualifying Shareholders should be aware that there may be tax considerations that they should take into account when deciding whether or not and/or the extent to which to participate in the Tender Offer. A summary of the taxation consequences of the Tender Offer for UK resident Shareholders is set out in Part IV of the Circular. It should be noted that this tax summary is merely a guide to current tax law and practice in the UK. **Shareholders are advised to consult their own professional advisers regarding their own tax position.**

10 Notification of interests

Under chapter 5.1.2 of the DTR, certain Shareholders are required to notify the Company of the percentage of voting rights they hold as Shareholders or through their direct or indirect holding of financial instruments within the limits referred to in the DTR. Following any purchase by the Company of Ordinary Shares from Cenkos pursuant to the Repurchase Agreement, the percentage of voting rights held by a Shareholder may change. Such a change in the percentage of voting rights held by a Shareholder may give rise to an obligation on the Shareholder to notify the Company as soon as possible, but not later than two trading days, after becoming aware or being deemed to have become aware of such change. If Shareholders are in any doubt as to whether they should notify the Company or as to the form of that notification, they should consult their solicitor or other professional adviser.

11 Action to be taken

Tender Offer

The procedure for tendering Ordinary Shares depends on whether Ordinary Shares are held in certificated form or uncertificated form and is summarised below:

(a) Ordinary Shares held in certificated form

Qualifying Shareholders who hold Ordinary Shares in certificated form and who wish to participate in the Tender Offer should follow the instructions on the Tender Form provided to them and return it to the Receiving Agent to arrive by no later than 1.00 p.m. on 11 November 2022. Qualifying Shareholders who hold their Ordinary Shares in certificated form should also send their original share certificate(s) in respect of the Ordinary Shares tendered with their Tender Form.

(b) Ordinary Shares held in uncertificated form

Qualifying Shareholders who hold their Ordinary Shares in uncertificated form (that is, in CREST) and who wish to participate in the Tender Offer should tender electronically through CREST so that the TTE Instruction settles no later than 1.00 p.m. on 11 November 2022.

Further details of the procedures for tendering and settlement are set out in Part III of the Circular.

Shareholders who do not wish to participate in the Tender Offer should not complete the Tender Form and should not make or arrange for a TTE Instruction.

General Meeting

Whether or not you intend to attend the General Meeting in person, you are encouraged to appoint a proxy. To be valid, a Form of Proxy for use at the General Meeting must be completed and returned so as to reach PXS1 Link Group at 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL by not later than 10.00 a.m. on 9 November 2022.

Shareholders can appoint proxies electronically via www.signalshares.com so that the instruction is received by Link Group by not later than 10.00 a.m. on 9 November 2022. CREST members can also appoint proxies by using the CREST electronic proxy appointment service and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by Link Group (under CREST participant RA10) by not later than 10.00 a.m. on 9 November 2022. The time of receipt will be taken to be the time from which Link Group is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

If you are in any doubt as to the action you should take, you are recommended to seek your own independent advice.

Recommendation

The Board considers the Resolution to be in the best interests of Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of the Resolution to be proposed at the General Meeting, as the Directors intend to do for their respective individual beneficial holdings of, in aggregate, 9,801,084 Ordinary Shares, representing approximately 60.01 per cent. of the Company's issued share capital (excluding Ordinary Shares which are held in treasury) as at the Latest Practicable Date.

12 General

Any repurchase of Ordinary Shares pursuant to the Repurchase Agreement will be financed solely from the Company's existing cash resources. No borrowings will be incurred by the Company in respect of any repurchase of Ordinary Shares pursuant to the Repurchase Agreement.

As at the Latest Practicable Date, the issued share capital of the Company carrying voting rights was 16,331,679 Ordinary Shares (excluding the 587,930 Ordinary Shares held in treasury by the Company which do not carry voting rights).

Cenkos has given and has not withdrawn its consent to the inclusion of its name in the Circular.

13 Irrevocable undertakings

The Company has received irrevocable undertakings to tender Ordinary Shares under the Tender Offer in respect of, in aggregate, 1,020,875 Ordinary Shares, representing approximately 6.25 per cent. of the current issued Ordinary Shares (excluding Ordinary Shares held in treasury). These undertakings have been received in relation to Basic Entitlements from Martyn Rose (and parties connected to him) in respect of 510,995 Ordinary Shares and Kestrel Partners LLP ("Kestrel") in respect of 509,880 Ordinary Shares. Martyn Rose (and parties connected to him) have also undertaken not to apply for any excess entitlements under the Tender Offer.

14 Related party transaction

The intentions and undertakings to participate in the Tender Offer by Martyn Rose (and parties connected to him), Mark Rowse (as detailed in paragraph 16 below) and Kestrel, are deemed to constitute a related party transaction under AIM Rule 13. Both Martyn Rose and Kestrel are Substantial Shareholders of the Company, Martyn Rose and Mark Rowse are both directors and Sebastian White, is a director who is deemed to hold managerial responsibilities at Kestrel with Kestrel therefore being deemed to be a person closely associated with him. The Independent Directors consider that, having consulted with the Company's nominated adviser, Cenkos, the terms of their participation in the Tender Offer are fair and reasonable insofar as Shareholders are concerned.

15 Directors' Interests

The interests (all of which are beneficial unless stated otherwise) of the Directors and of persons connected with them (within the meaning of Section 252 of the 2006 Act) in the issued share capital of the Company (excluding Ordinary Shares held in treasury) and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director as at the date of this announcement are as follows:

Name	Position	Number of Ordinary Shares	Percentage of issued share capital
Martyn Rose ¹	Chairman	4,645,412	28.44
Scott Winner	Chief Executive Officer	22,000	0.13
Jon Sheffield	Chief Financial Officer	13,872	0.08
Neil Kilton	Non-executive Director	44,250	0.27
Mark Rowse	Non-executive Director	440,277	2.70
Sebastian White ²	Non-executive Director	4,635,273	28.38
Total		9,801,084	60.01

Notes:

- (1) Mr Rose's interests comprise 2,280,269 Ordinary Shares held personally by Mr Rose and 2,365,143 Ordinary Shares held by M C Rose & J Sykes as Trustees of the MC Rose Settlement No 1 which he is deemed to be interested in.
- (2) As Mr White (a Non-executive Director of Ingenta) is deemed to hold managerial responsibilities at Kestrel, Kestrel is deemed to be a person closely associated with him.

16 Intentions of the Directors in relation to the Tender Offer

The Directors are currently interested, in aggregate, in 9,801,084 Ordinary Shares, representing approximately 60.01 per cent. of the issued share capital of the Company (excluding Ordinary Shares held in treasury). The Directors have indicated (and in the case of Martyn Rose and Sebastian White (by virtue of him being deemed to be a person closely associated with Kestrel) have undertaken) their intention to tender their Ordinary Shares (directly or through their connected parties) as follows:

Name	Basic Entitlement take-up (Ordinary Shares)	Applications in excess of Basic Entitlement (Ordinary Shares)

Martyn Rose	510,995	-
Scott Winner	-	-
Jon Sheffield	-	-
Neil Kirton	-	-
Mark Rowse	48,430	-
Sebastian White	509,880	4,125,393
Total	1,069,306	4,125,393

Excess tenders by Sebastian White will be subject to the scaling-back arrangement described in paragraph 4 above.

Assuming that the maximum number of Ordinary Shares under the Tender Offer are purchased and that the Directors' Basic Entitlements are satisfied in full, the Directors (and persons closed associated with them), following completion of the Tender Offer, will be interested, in aggregate, in 8,731,778 Ordinary Shares, representing approximately 60.07 per cent. of the issued share capital of the Company (excluding Ordinary Shares held in treasury).

17 Issued Ordinary Shares following the Tender Offer

Assuming that the maximum number of Ordinary Shares under the Tender Offer are bought back by the Company and cancelled, the Company's issued share capital (excluding Ordinary Shares held in treasury) will be reduced by 1,796,484 Ordinary Shares to 14,535,195 Ordinary Shares. An announcement setting out the Company's new issued share capital for the purposes of making DTR 5.1.2 notifications will be made following any purchase by the Company of Ordinary Shares from Cenkos in relation to the Tender Offer.

18 Further Information

Your attention is drawn to the information contained in the Circular, including, in particular, the terms and conditions of the Tender Offer in Part III.

19 Recommendation

The Board considers the Resolution to be in the best interests of Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of the Resolution to be proposed at the General Meeting, as the Directors intend to do for their respective individual beneficial holdings of, in aggregate, 9,801,084 Ordinary Shares, representing approximately 60.01 per cent. of the Company's issued share capital (excluding Ordinary Shares held in treasury) as at the Latest Practicable Date.

The Directors are making no recommendation to Qualifying Shareholders in relation to participation in the Tender Offer itself. Whether or not Qualifying Shareholders decide to tender their Ordinary Shares will depend, amongst other things, on their view of the Company's prospects and on their own individual circumstances (including their own tax position).

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Tender Offer	25 October 2022
Posting of the Circular	25 October 2022
Tender Offer opens	25 October 2022
Latest time and date for receipt of CREST Proxy Instructions for the General Meeting	10.00 a.m. on 9 November 2022
Latest time and date for receipt of Forms of Proxy for the General Meeting	10.00 a.m. on 9 November 2022
General Meeting	10.00 a.m. on 11 November 2022
Announcement of result of General Meeting	11 November 2022
Latest time and date for receipt of Tender Forms or for settlement of TTE Instructions in respect of the Tender Offer	1.00 p.m. on 11 November 2022
Record Date for participation in the Tender Offer	6.00 p.m. on 11 November 2022
Announcement of the results of the Tender Offer	14 November 2022
Cheques despatched and CREST accounts credited with proceeds in respect of successfully tendered Ordinary Shares	on or before 28 November 2022
CREST accounts credited with uncertificated Ordinary Shares unsuccessfully tendered and despatch of balance share certificates for unsold certificated Ordinary Shares (if applicable)	on or before 28 November 2022

Notes:

1. The above times and/or dates are indicative only and may change. If any of the above times and/or dates change, the revised times and/or dates will be notified by announcement through a Regulatory Information Service.
2. All references to times in this announcement are to London times unless otherwise stated.

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