

## IRREVOCABLE UNDERTAKING

To: Sixjoy Hong Kong Limited (“**Bidder**”)

19 July 2021

Dear Sirs,

### **Proposed acquisition of Sumo Group plc (“Target”)**

I understand that Bidder, a wholly-owned subsidiary of Tencent Holdings Limited (“**Tencent**”), intends to make an offer to acquire all the issued and to be issued ordinary share capital of Target substantially on the terms and subject to the conditions of the attached draft press announcement (the “**Press Announcement**”), together with such additional terms and conditions as may be required to comply with the Applicable Requirements pursuant to a Scheme or an Offer (in each case, as defined in paragraph 7.1 below).

This undertaking sets out the terms and conditions on which I will vote in favour of the Scheme or, if applicable, accept the Offer. It is given by me in my capacity as a holder of securities in Target and not in my capacity as a director of the Target.

### 1. **SHAREHOLDINGS**

1.1. I represent and warrant to Bidder that:

- (a) I am, or one or more of my Connected Persons is, the registered holder and beneficial owner of 20,000 ordinary shares of one penny each in the capital of Target as set out in row 1 of Appendix 1 (the “**Target Shares**”), and that I, and my Connected Persons, hold these free of any Encumbrances;
- (b) I am, or one or more of my Connected Persons is, the beneficial owner of 33,333 ordinary shares of one penny each in the capital of Target as set out in row 2 of Appendix 1 (the “**Beneficial Shares**” and, together with the Target Shares, the “**Existing Target Shares**”), and that I, and my Connected Persons, hold the beneficial interest in such shares free of any Encumbrances;
- (c) I am, or one or more of my Connected Persons is, the holder of the options, warrants, interests, convertible securities and other rights to subscribe for, purchase or otherwise acquire any securities of Target as set out in row 3 of Appendix 1, and that I, and my Connected Persons, hold these free of any Encumbrances;
- (d) other than as set out in Appendix 1, I do not, and (to the best of my knowledge) my Connected Persons do not, have any Interest in any securities of Target or any rights to subscribe for, purchase or otherwise acquire any such securities or any short positions (within the meaning set out in the Code) in any such securities;
- (e) the details set out in Appendix 1 are accurate and not misleading;

- (f) except in relation to certain of my Connected Persons that I have disclosed to you in writing (and without prejudice to my procurement obligations in this document), I have full power and authority (free from any legal or other restrictions) to enter into this undertaking, to perform the obligations under it and to exercise (or procure the exercise of) all voting rights attaching to Existing Target Shares (including, without limitation, to vote in favour of the Scheme or accept the Takeover Offer, as applicable);
  - (g) the entry into and the performance by me of my obligations under this undertaking will not result in (i) a breach of, or constitute a default under, any agreement or instrument to which I am party or by which I am bound; or (ii) a breach of any applicable law; and
  - (h) I am able to transfer, or procure the transfer of, the Target Shares, and the legal owner of the Beneficial Shares is able to transfer the Beneficial Shares, free of any Encumbrances.
- 1.2. I shall procure that my Connected Persons shall comply with the obligations under this undertaking and accede to the Acquisition in respect of any Existing Target Shares or Further Target Shares (as defined in paragraph 2.1(a) below) acquired by my Connected Persons pursuant to paragraph 2.1(a) below (the “**Family Shares**”).

## 2. **DEALINGS AND UNDERTAKINGS**

- 2.1. Neither I nor any of my Connected Persons have accepted any offer to dispose of any Existing Target Shares and I irrevocably and unconditionally undertake to Bidder that before this undertaking lapses in accordance with paragraph 11.1 below, I shall not, directly or indirectly and, where applicable, I shall procure that my Connected Persons shall not, without Bidder’s prior written consent:
- (a) (other than pursuant to the Acquisition and subject to paragraph 2.2) sell, transfer, charge, encumber, grant any option or lien over or otherwise dispose of any interest in any Existing Target Shares, Family Shares or any other shares in Target issued or unconditionally allotted to or otherwise acquired by me or any of my Connected Persons (including shares acquired on the exercise of any option or award granted by Target under its share option schemes or shares plans) (the “**Further Target Shares**”), or accept any other offer in respect of all or any of such shares;
  - (b) accept, in respect of Existing Target Shares, the Family Shares or any Further Target Shares, any offer other than the Acquisition or enter into any other transaction made in competition with or which would otherwise be reasonably expected to frustrate, impede or delay the Acquisition;
  - (c) cast the votes attaching to any of the Existing Target Shares, the Family Shares or any Further Target Shares, in favour of any resolution to approve an acquisition (including by scheme of arrangement) or any other transaction or corporate action which is proposed in competition with or which would otherwise be reasonably expected to frustrate, impede or delay the Acquisition (including, without limitation, any matter for the purposes of Rule 21 of the Code);

- (d) requisition or join in the requisitioning of any general or class meeting of Target shareholders for the purpose of considering any resolution referred to in paragraph 2.1(c);
- (e) other than pursuant to the Acquisition, enter into any agreement or arrangement, permit any agreement or arrangement to be entered into, incur any obligation, permit any obligation to arise or give any indication of intent:
  - (i) to do any of the acts referred to in paragraphs 2.1(a) to 2.1(d); or
  - (ii) which, in relation to, or operating by reference to, the Target Shares, the Family Shares or any Further Target Shares, would or might restrict or impede the implementation of the Acquisition or my ability to comply with this undertaking,

and for the avoidance of doubt, references in this paragraph 2.1(e) to any agreement, arrangement, obligation or indication of intent includes any agreement, arrangement, obligation or indication of intent whether or not legally binding or subject to any condition or which is to take effect if the Scheme or the Offer (as the case may be) lapses or is withdrawn or if this undertaking ceases to be binding or upon or following any other event; and

- (f) enter into any arrangement, agreement or contract with any third party that would contravene or conflict with the terms of this undertaking.

2.2. Notwithstanding any other provision of this undertaking, I and my Connected Persons, shall be permitted to:

- (a) sell, transfer or otherwise dispose of any such number of Further Target Shares resulting from the exercise of options granted under the Target's share option schemes as may be required to cover tax liabilities on the exercise of any such options; and
- (b) transfer the entire legal and beneficial interest in some or all of the Existing Target Shares or any Further Target Shares (in one or more transactions) to my Connected Persons (such transferred shares also being "Family Shares"), provided that:
  - (i) such a transfer is undertaken for bona fide tax planning purposes;
  - (ii) I notify Bidder that I, or one or more of my Connected Persons, intend to make such transfer at least five business days prior to effecting the transfer; and
  - (iii) with effect from the time of such transfer, I will procure compliance by the transferee with the obligations contained in this undertaking as if the transferee had given this undertaking in respect of such transferred shares,

and in the event of any sale, disposal or transfer, all references to Existing Target Shares and Further Target Shares (as applicable) in this undertaking shall be deemed to be amended accordingly.

- 2.3. Except as a result of (i) the exercise of any option or the vesting of any award under any of the Target's share option schemes or share plans, or (ii) the grant of any option or award under any of the Target's share option schemes or share plans, or (iii) as permitted by paragraph 2.2, I further undertake not to, and to procure that my Connected Persons shall not, until the earlier of:
- (a) this undertaking lapsing in accordance with paragraph 11.1 below; or
  - (b) either the Scheme being approved by the Court or the Offer becoming or being declared unconditional,

acquire any Interests or otherwise deal or undertake any dealing (as defined in the Code) in any relevant securities (as defined in the Code) of Target or Tencent otherwise than with Bidder's prior written consent and only if the Panel on Takeovers and Mergers (the "**Panel**") determines, and confirms to you, that, in respect of such acquisition or dealing, I am not acting in concert with you pursuant to Note 9 on the definition of "acting in concert" set out in the Code, in which event any Interests in any such securities acquired by me shall be treated as Further Target Shares, and by my spouse or civil partner shall be treated as Family Shares, for all purposes of this undertaking.

- 2.4. I undertake to cause the registered holder of any Beneficial Shares and/or (if applicable) any Further Target Shares of which I become the beneficial owners to comply with the undertakings in paragraphs 2.1 and 2.3 above in respect of such shares. I further undertake to procure that my Connected Persons shall cause the registered holder of any beneficially held Family Shares to comply with the undertakings in paragraphs 2.1 and 2.3 above in respect of such shares.

### 3. **UNDERTAKING TO VOTE IN FAVOUR OF THE SCHEME AND/OR ACCEPT THE OFFER**

- 3.1. I hereby irrevocably and unconditionally undertake that:

- (a) if Bidder elects to implement the Acquisition by way of a Scheme, I shall and, where applicable, I shall procure that my Connected Persons shall:
  - (i) exercise (or procure the exercise of) all voting rights attaching to the Existing Target Shares, the Family Shares and any Further Target Shares to vote: (A) in favour of all resolutions (whether or not put on a show of hands or a poll) to approve and/or give effect to the Scheme and/or the Acquisition, and any related matters, proposed at any general or class meeting of Target ("**General Meeting**") and the Court convened meeting of Target ("**Court Meeting**") to be convened and held in connection with the Scheme, or at any adjournment of any such meeting; and (B) against any resolution or proposal to adjourn the General Meeting or the Court Meeting or to amend any Relevant Resolution;
  - (ii) execute (or procure the execution of) any forms of proxy in respect of the Existing Target Shares, the Family Shares and any Further Target Shares voting in favour of the resolutions to approve the Scheme and/or the Acquisition, and any related matters, and shall ensure that any such executed forms of proxy are received by Target's registrars not later than 3.00 p.m. on the seventh business day before the deadline specified in the formal

document setting out the terms and conditions of the Scheme (the “**Scheme Document**”) to Target shareholders (or, in respect of any Further Target Shares, no later than 3.00 p.m. on the third business day after becoming the registered holder or beneficial owner of such shares, if later) (in each case, the “**Specified Deadlines**”) and, if applicable, in respect of any Existing Target Shares or Further Target Shares held in uncertificated form, take or procure the taking of any action which may be required in order to make a valid proxy appointment and give valid proxy instructions (voting to approve the Scheme and/or Acquisition, and any related matters), as soon as possible and in any event before the Specified Deadline (as applicable);

- (iii) not revoke the terms of (or amend or submit a new form of) any proxy submitted in accordance with paragraph 3.1(a)(ii), either in writing or by attendance at any General Meeting or Court Meeting (including any adjournment thereof) or otherwise (unless if I attend each meeting and vote in accordance with paragraph 3.1(a)(i));
  - (iv) cause the registered holder of any Beneficial Shares and/or (if applicable) Further Target Shares in respect of which I am the beneficial owner to comply with the undertakings in paragraph 3.1(a)(i) to 3.1(b)(iii) in respect of such shares;
  - (v) accept any proposal in accordance with the Cooperation Agreement made by Bidder to holders of options over Target shares and/or awards in respect of Target shares in compliance with Rule 15 of the Code (a “**Relevant Proposal**”) in respect of all such options and/or awards held by me or any of my Connected Persons not later than 3.00 p.m. on the seventh business day before the deadline specified in that proposal, provided that the Relevant Proposal is stated, in the opinion of Zeus Capital, as Rule 3 adviser pursuant to the Code, to be fair and reasonable and which the directors of Target recommend that the proposal be accepted, or otherwise ensure that any Further Target Shares arising on conversion of options and vesting of awards participate in the Scheme; and
  - (vi) ensure that Bidder shall acquire the Existing Target Shares, the Family Shares, and any Further Target Shares (including any beneficially owned Further Target Shares) pursuant to the Scheme free of any Encumbrances and together with all rights of any nature attaching to those shares including the right to all dividends declared or paid after the date of this undertaking; and
- (b) if Bidder elects to implement the Acquisition by way of an Offer I shall and, where applicable, I shall procure that my Connected Persons shall:
- (i) accept (or procure the acceptance of) the Offer in respect of the Existing Target Shares in accordance with the procedure for acceptance set out in the formal document containing such Offer (the “**Offer Document**”) not later than 3.00 p.m. on the seventh business day before the deadline specified in the Offer Document to Target shareholders and shall accept the Offer in respect of any Further Target Shares or Family Shares in accordance with the same procedure not later than 3.00 p.m. on the third business day after I

become the registered holder of the Further Target Shares or any of my Connected Persons becomes the registered holder of the Further Target Shares or the Family Shares (in each case the “**Offer-Related Specified Deadline**”);

- (ii) cause the registered holder of any Beneficial Shares and/or (if applicable) Further Target Shares in respect of which I am, or one of my Connected Persons is, the beneficial owner to accept the Offer in respect of such shares in accordance with the procedure for acceptance set out in the Offer Document not later than the Offer-Related Specified Deadline (as applicable);
- (iii) accept any Relevant Proposal in respect of options over Target shares and/or awards in respect of Target shares held by me, or one of my Connected Persons, not later 3.00 p.m. on the seventh business day before the deadline specified in that proposal, provided that the Relevant Proposal is stated, in the opinion of Zeus Capital, as Rule 3 adviser pursuant to the Code, to be fair and reasonable and which the directors of Target recommend that it is accepted, or otherwise ensure that any Further Target Shares arising on conversion of options and vesting of awards participate in the Offer;
- (iv) not withdraw any acceptances of the Offer for so long as the Offer remains open to acceptance and will cause the registered holder of any Beneficial Shares and/or (if applicable) Further Target Shares of which I am, or one of my Connected Persons is, the beneficial owner not to do so; and
- (v) ensure that Bidder shall acquire the Existing Target Shares, the Family Shares, and any Further Target Shares (including any beneficially owned Further Target Shares) pursuant to the Offer free of any Encumbrances and together with all rights of any nature attaching to those shares including the right to all dividends declared or paid after the date of this undertaking.

#### 4. VOTING RIGHTS

- 4.1. From the time Bidder releases the Press Announcement to the time this undertaking lapses in accordance with paragraph 11.1 or the Scheme becomes effective (or, if applicable, the Offer becomes or is declared unconditional):
  - (a) I shall exercise and, where applicable, I shall procure that my Connected Persons exercise the voting rights attached to the Existing Target Shares, the Family Shares and any Further Target Shares on a Relevant Resolution (as defined in paragraph 7.1) only in accordance with Bidder’s directions; and
  - (b) I shall and, where applicable, I shall procure that my Connected Persons shall, cause the registered holder of any Beneficial Shares and/or (if applicable) any Further Target Shares of which any of us is the beneficial owner to comply with paragraphs 4.1(a) in respect of such shares.

## 5. DOCUMENTATION AND DISCLOSURE

### 5.1. I consent to:

- (a) this undertaking being disclosed to the Panel;
- (b) the inclusion of references to me, my Connected Persons and the registered holder of any Beneficial Shares (and/or, if applicable, Further Target Shares of which I am, or one of my Connected Persons is, the beneficial owner), and particulars of this undertaking and my Connected Persons' holding(s) of and dealing(s) in relevant securities of Target being included in the Press Announcement and any Offer Document or Scheme Document, and any other announcement made, or document issued, by or on behalf of Bidder in connection with the Acquisition;
- (c) this undertaking being available for inspection as required by Rule 26.1 of the Code, (including, without limitation, being posted and publicly available on Tencent's and Target websites) the rules of any applicable stock exchange or as required by any supervisory authority; and
- (d) otherwise being disclosed as may be required by any Applicable Requirements.

5.2. I undertake to provide you promptly with all such further information in relation to the Interests and dealings of myself, my Connected Persons and our Interests and dealings and those of the registered holder of any Beneficial Shares as you may reasonably require to comply with the rules and requirements of the Code, the Panel, the Court, the Companies Act 2006, the Financial Conduct Authority or the London Stock Exchange. I undertake, promptly after becoming aware of the same, to notify you in writing of any material change in the accuracy or import of any information previously supplied to you by me.

5.3. 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.

## 6. SECRECY

6.1. Save to the extent that disclosure is required to comply with any Applicable Requirements, I shall keep secret:

- (a) the possibility, terms and conditions of the Acquisition and the existence of this undertaking; and
- (b) the terms of this undertaking,

in each case until the Press Announcement is released, provided that I may disclose the same to Target and its and my professional advisers engaged in connection with the Acquisition on a similarly confidential basis. The obligations in this paragraph 6.1 shall survive termination of this undertaking.

6.2. I understand that the information you have given to me in relation to the Acquisition must be kept confidential until the Press Announcement is released or the information has otherwise become generally available. To the extent any of the information is inside

information for the purposes of the Criminal Justice Act 1993 or Regulation (EU) No 596/2014 on market abuse, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended I will comply with the applicable restrictions in those enactments on dealing in securities and disclosing inside information.

## 7. INTERPRETATION

### 7.1. In this undertaking:

- (a) “**Acquisition**” means the proposed acquisition by Bidder of all the issued and to be issued ordinary share capital of Target, whether pursuant to the Offer or the Scheme;
- (b) “**Applicable Requirements**” means the Code, any decision, ruling or requirement of the Panel, any decision of the High Court of Justice in England and Wales, the Companies Act 2006, the Listing Rules and the Disclosure Guidance and Transparency Rules and Prospectus Regulation Rules made by the Financial Conduct Authority in exercise of its functions under the Financial Services and Markets Act 2000, the rules and regulations of any applicable stock exchange including the AIM Rules, any decision, ruling or requirement of the Financial Conduct Authority or any other relevant regulatory authority or any other applicable law or regulation;
- (c) “**Code**” means the City Code on Takeovers and Mergers;
- (d) “**Connected Person**” means family members (within the meaning given in section 253 of the Companies Act 2006) and any trust of which I am or any such family member is a beneficiary;
- (e) “**Cooperation Agreement**” means the cooperation agreement to be entered into between Tencent, Bidder and Target on or around the date of this undertaking;
- (f) “**Encumbrance**” means any lien, charge, option, equity, encumbrance, rights of pre-emption and any other third-party rights and interests of any nature whatsoever and “**Encumbrances**” shall be interpreted accordingly;
- (g) “**Interest**” has the meaning given to “interest in securities” in the Code;
- (h) “**Morgan Stanley**” means Morgan Stanley & Co. International;
- (i) “**Offer**” means any takeover offer, as such term is defined in section 974 of the Companies Act, to be made by or on behalf of Bidder to acquire all the issued and to be issued ordinary share capital of Target (other than already owned by Bidder and its associates (as defined in section 988 Companies Act 2006)) substantially on the terms of the Press Announcement or on such other terms as may be agreed between Bidder and Target or as may be required to comply with the requirements of the Panel, the Financial Conduct Authority and/or the London Stock Exchange. A reference in this undertaking to the Offer also includes any new, increased, renewed or revised offer made by or on behalf of Bidder to acquire shares in Target (provided the terms and conditions are at least as favourable to Target shareholders as the terms and conditions set out in the Press Announcement (save that the acceptance



condition of any such Offer may be set at any such level as may be permitted by the Panel and the Cooperation Agreement));

(j) “**Relevant Resolution**” means:

(i) a resolution (whether or not amended) proposed at a general or class meeting of Target, or at an adjourned meeting, the passing of which is necessary to implement the Acquisition or which, if passed, might result in any condition of the Acquisition not being fulfilled or which might impede or frustrate the Acquisition in any way (including, for the avoidance of doubt, any resolution to approve any scheme of arrangement in relation to Target which is proposed in competition with the Acquisition or which would reasonably be expected to frustrate, impede or delay the Acquisition);

(ii) a resolution to adjourn a general or class meeting of Target whose business includes the consideration of a resolution falling within paragraph 7.1(j)(i); and

(iii) a resolution to amend a resolution falling within paragraph 7.1(j)(i); and

(k) “**Scheme**” means any scheme of arrangement of Target under section 895 Companies Act 2006 for the acquisition by Bidder of all the issued and to be issued share capital of Target substantially on the terms of the Press Announcement or on such other terms as may be agreed between Bidder and Target or as may be required to comply with the requirements of the Panel, the Court, the Companies Act 2006, the Financial Conduct Authority and/or the London Stock Exchange. A reference in this undertaking to the Scheme also includes any new, increased, renewed or revised scheme of arrangement for the acquisition by Bidder of shares in Target (provided the terms and conditions are at least as favourable to Target shareholders as the terms and conditions set out in the Press Announcement).

## 8. **TIME OF THE ESSENCE**

8.1. Time shall be of the essence of this undertaking, both as regards any dates, times or periods mentioned in it and as regards any dates, times or periods which may, by agreement in writing between the parties, be substituted for them.

## 9. **THE ACQUISITION**

9.1. I acknowledge that the release of the Press Announcement is at Bidder’s absolute discretion and nothing in this undertaking shall oblige Bidder to announce or proceed with the Scheme, Offer or Acquisition.

## 10. **UNCONDITIONAL AND IRREVOCABLE OBLIGATIONS**

Except to the extent otherwise specified, the undertakings, agreements, warranties, appointments, consents and waivers set out in this undertaking are unconditional and irrevocable.

## 11. **LAPSE OF UNDERTAKING**

11.1. Subject to paragraph 11.3, this undertaking shall automatically lapse and automatically cease to have any effect if:

- (a) the Press Announcement is not released by 5.00 p.m. (London time) on 20 July 2021 or such later time and/or date as Bidder and Target may agree;
- (b) Bidder announces that it does not intend to make or proceed with the Acquisition and no new, revised or replacement Scheme or Offer is announced in accordance with Rule 2.7 of the Code at the same time;
- (c) the Scheme or Offer lapses or is withdrawn and no new, revised or replacement Scheme or Offer has been announced, in accordance with Rule 2.7 of the Code, in its place or is announced, in accordance with Rule 2.7 of the Code at the same time; or
- (d) on the date on which any competing offer is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes effective.

11.2. If this undertaking lapses, I shall have no claim against Bidder.

11.3. For the avoidance of doubt, this undertaking shall not lapse if Bidder elects to implement the Acquisition by way of an Offer, having previously proceeded with the implementation of the Acquisition by way of a Scheme (or vice versa), provided that, in the opinion of Zeus Capital, such Offer is made on terms and conditions no less favourable in any material respect than the terms and conditions of the Scheme (or, if applicable, vice versa).

## 12. **DIRECTORS' RECOMMENDATION**

Nothing in this undertaking shall restrict my duties as a director, including my ability as a director of Target to change my recommendation to shareholders of Target (or provide a recommendation to shareholders of Target in respect of any Relevant Resolution) in accordance with my duties as a director of Target.

## 13. **CONFIRMATION**

13.1. I confirm that in signing this undertaking I am not a client or customer of Morgan Stanley for the purposes of the Conduct of Business Sourcebook of the Financial Conduct Authority and that Morgan Stanley is acting for Tencent and Bidder in connection with the Acquisition and no-one else and is not responsible to anyone other than Tencent and Bidder for providing the protections afforded to customers of Morgan Stanley nor for providing advice in relation to the Acquisition.

13.2. I confirm that I have been given an adequate opportunity to consider whether or not to execute this undertaking and to obtain independent advice.

## 14. **POWER OF ATTORNEY**

14.1. In order to secure the performance of my obligations under this undertaking, I appoint any director of Bidder as my attorney:

- (a) if I fail to comply with any of the undertakings in paragraph 3, in my name and on my behalf to do all things and to sign, execute and deliver all deeds and other documents as may be necessary or desirable in the opinion of Bidder (acting reasonably) to ensure compliance with such undertakings in respect of the Existing Target Shares, the Family Shares, the Beneficial Shares and any Further Target Shares (including those in respect of which I am the beneficial owner) (as appropriate); and
- (b) to execute any form of proxy required by Bidder to appoint any person nominated by Bidder to attend a general or class meeting of Target and vote in accordance with the undertakings set out in paragraph 3.1 on a Relevant Resolution.

14.2. I agree that this power of attorney is given by way of security and is irrevocable in accordance with section 4 Powers of Attorney Act 1971 until this undertaking lapses in accordance with paragraph 11.1.

15. **RULE 21.2**

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 Takeover Code, that provision shall have no effect and shall be disregarded.

16. **SPECIFIC PERFORMANCE**

16.1. I agree that, if I fail to comply with any of the undertakings in paragraph 3.1 or breach any of my other obligations under this undertaking, damages would not be an adequate remedy and accordingly Bidder shall be entitled to pursue the remedies of specific performance, injunction or other equitable relief which would be an essential element of any adequate remedy for such failure or breach. I irrevocably undertake not to oppose the grant of any such equitable relief.

17. **GOVERNING LAW AND JURISDICTION**

17.1. This undertaking and any disputes or claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with English law.

17.2. The courts of England shall have exclusive jurisdiction to settle any claim, dispute or issue whether arising out of or in connection with this undertaking or its subject matter, or otherwise (including non-contractual claims).

17.3. I agree that I will not institute proceedings in the courts of any country other than England. I irrevocably submit to such jurisdiction and waive any objection to it, on the ground of inconvenient forum or otherwise. I shall not oppose the recognition or enforcement of a judgment, order or decision of those courts in respect of any such claim or dispute by the courts of any state which, under the laws and rules applicable in that state, are competent or able to grant such recognition or enforcement.

18. **MISCELLANEOUS**

- 18.1. A person who is not a party to this undertaking shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this undertaking but that does not affect any right or remedy of a third party that exists or is available apart from that Act.
- 18.2. References in this undertaking to times of day are to London time.
- 18.3. This undertaking may be executed in any number of counterparts, each of which is an original but all of which together shall constitute the same instrument.

**EXECUTED and DELIVERED**  
as a **DEED**

by  
in the presence of:



.....ANDREA MARGARET DUNSTAN.....

*Signature of Witness:*

..........

*Name of Witness:*

.....Jane Lee-Emery.....

*Address of Witness:*



*Occupation of Witness:*

.....Housewife.....

### APPENDIX 1 – Target Shares

	<b>Interests</b>	<b>Number</b>	<b>Registered holder(s)</b>	<b>Beneficial owner / controller</b>
(A)	Target Shares	20,000	Andrea Dunstan	Andrea Dunstan
(B)	Beneficial Shares	33,333	JIM Nominees Limited	Andrea Dunstan
(C)	Options, warrant, interests, convertible securities and other rights to subscribe for, purchase or otherwise acquire any securities of Target	N/A	N/A	N/A

**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**

**19 July 2021**

**RECOMMENDED CASH ACQUISITION**

**of**

**SUMO GROUP PLC**

**by**

**SIXJOY HONG KONG LIMITED**

**an indirect subsidiary of**

**TENCENT HOLDINGS LIMITED**

**to be effected by means of a scheme of arrangement  
under Part 26 of the UK Companies Act 2006**

**Summary**

- The boards of Tencent (“**Tencent**”) and Sumo Group plc (“**Sumo**”) are pleased to announce that they have reached an agreement on the terms of a recommended all cash acquisition by Tencent, through its indirect wholly-owned subsidiary, Sixjoy Hong Kong Limited (“**Tencent Bidco**”), of the entire issued and to be issued ordinary share capital of Sumo which members of the Tencent Group do not already own.
- Under the terms of the Acquisition, Sumo Shareholders will be entitled to receive:  

**for each Sumo Share: 513 pence in cash**
- The price of 513 pence in cash for each Sumo Share values the entire issued and to be issued share capital of Sumo at approximately £919 million on a fully diluted basis.
- The price of 513 pence in cash for each Sumo Share represents:
  - a premium of approximately 43.3 per cent. to the Closing Price of 358 pence per Sumo Share on 16 July 2021 (being the last Business Day before the date of this Announcement);
  - a premium of approximately 40.9 per cent. to Sumo’s 1 month volume weighted average share price of 364.2 pence per Sumo Share to 16 July 2021;
  - a premium of approximately 45.5 per cent. to Sumo’s 6 month volume weighted average share price of 352.5 pence per Sumo Share to 16 July 2021; and
  - an enterprise value multiple of approximately 55.4 times Sumo’s adjusted EBITDA for the 12

months ended 31 December 2020.

- The Sumo Board, which has been so advised by Goldman Sachs and Zeus Capital as to the financial terms of the Acquisition, considers the terms of the Acquisition to be fair and reasonable. In providing their advice to the Sumo Board, Goldman Sachs and Zeus Capital have each taken into account the commercial assessments of the Sumo Board. Zeus Capital is providing independent financial advice to the Sumo Board for the purposes of Rule 3 of the Code.
- Accordingly, the Sumo Board believes the terms of the Acquisition are in the best interests of Sumo Shareholders as a whole and intends to recommend unanimously that Sumo Shareholders vote, or procure voting, to approve the Scheme at the Scheme Court Meeting and vote, or procure voting, in favour of the resolutions to be proposed at the General Meeting or, if (with the consent of the Panel) Tencent Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, accept or procure the acceptance of such Takeover Offer, as all of the Sumo Directors who hold Sumo Shares (in a personal capacity or through members of their immediate family) have irrevocably undertaken to do in respect of their beneficial holdings (and procure to be done in respect of the beneficial holdings of members of their immediate families) of 12,747,459 Sumo Shares, in aggregate, representing approximately 8.1 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement).
- In addition to the Sumo Director irrevocable undertakings described above, Tencent Bidco has received an irrevocable undertaking to vote in favour of the resolutions to be proposed at the Scheme Court Meeting and the General Meeting from:
  - Perwyn Bidco (UK) II Limited, an affiliate of Perwyn Advisers UK Limited, Sumo's largest shareholder in respect of 26,170,961 Sumo Shares representing approximately 16.7 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement);
  - Darren Mills (Co-founder, Director of Excellence and Integration of Sumo) in respect of 2,977,095 Sumo Shares representing approximately 1.9 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement); and
  - Steven Webb (General Counsel and Company Secretary) in respect of 306,745 Sumo Shares representing approximately 0.2 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement).
- In aggregate, Tencent Bidco has received irrevocable undertakings to vote in favour of the resolutions to be proposed at the Scheme Court Meeting and the General Meeting in respect of Sumo Shares representing approximately 27 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement).
- Together with the Tencent Group's existing holding of 15,000,000 Sumo Shares, representing approximately 8.75 per cent. of the Sumo Shares in issue on 16 July 2021, Tencent Bidco has support for the Acquisition in respect of Sumo Shares representing approximately 33.4 per cent. of the Sumo Shares in issue on 16 July 2021 (being the last Business Day before the date of this Announcement).
- Further details of the irrevocable undertakings received by Tencent Bidco (including details of the circumstances in which the irrevocable undertakings will cease to be binding) are set out in Appendix III to this Announcement.
- If, after the date of this Announcement, any dividend and/or other distribution and/or other return of



capital is announced, declared, paid or made or becomes payable in respect of the Sumo Shares, Tencent Bidco reserves the right to reduce the offer consideration by an amount up to the amount of such dividend and/or distribution and/or reduction of capital so announced, declared, paid or made or which becomes payable.

- It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act. In order to become Effective, the Scheme must be approved by a majority in number of the Scheme Shareholders present and voting (and entitled to vote) at the Scheme Court Meeting, either in person or by proxy, representing not less than three-quarters in nominal value of the Scheme Shares held by those Scheme Shareholders. Further details of the Scheme and the Scheme Court Meeting are contained in the full text of this Announcement.
- The Acquisition is subject to the satisfaction or waiver of the Conditions and to the further terms that are set out in Appendix I to this Announcement and will be set out in the Scheme Circular. The Conditions include certain approvals by Sumo Shareholders, the sanction of the Scheme by the Court, the receipt of antitrust clearances in the United Kingdom and United States and a foreign-direct investment approval under the CFIUS regime in the United States (or lapsing of the applicable waiting periods), and other customary conditions.
- Commenting on the Acquisition, Ian Livingstone, Non-executive Chairman of Sumo said:

*“The Board of Sumo firmly believes the business will benefit from Tencent’s broad videogaming ecosystem, proven industry expertise and its strategic resources, which will help secure and further the aspirations and long-term success of Sumo. The Board of Sumo considers that the Acquisition is in the best interests of all stakeholders in the Company and intends to unanimously recommend this offer to shareholders. Tencent’s offer of 513 pence per share demonstrates the tremendous achievements of the management team, both financial and operational, since Sumo joined AIM in December 2017 at 100p per share, and provides an outstanding return for shareholders.”*

- Commenting on the Acquisition, Carl Cavers, Chief Executive Officer of Sumo said:

*“In the 18 years since we founded Sumo, we have developed more great games than we could ever have imagined and enjoyed incredible trust and support from our clients, enabling us to grow into a global business, delivering consistently strong financial results.*

*From a single studio in Sheffield, Sumo now totals 14 studios in five countries, spread across the globe, with more than 1,200 people. Sumo is and always has been a people business and great people make great games and enjoy great times. I am proud to lead such a talented and creative group of individuals.*

*The three founders of Sumo, who work in the business, Paul Porter, Darren Mills and I are passionate about what we do and are fully committed to continuing in our roles. The opportunity to work with Tencent is one we just couldn’t miss. It would bring another dimension to Sumo, presenting opportunities for us to truly stamp our mark on this amazing industry, in ways which have previously been out-of-reach.*

*Tencent has a strong track record for backing management teams and their existing strategies. Alongside the acceleration of Own-IP work, Tencent has demonstrated its commitment to backing our client work and has stated its intention to ensure that we have the necessary investment to continue focusing on work with our key strategic partners on turn-key and co-development projects. We love what we do and have some amazing relationships with the world’s best videogames publishers. Sumo will continue to work with these clients to break new ground and create even more fantastic games. We look forward to strengthening our growth prospects through the application of Tencent’s strategic resources to our Own-IP, turn-key development work ambitions, and possible acquisition opportunities.*

*We believe that the Acquisition is in the best interests of everyone connected to the business - our*

*shareholders, our people, and our clients - and thank all our stakeholders, past and present, for the resounding support they have given us over the years.*

*The future for Sumo is more exciting than ever.”*

- Commenting on the Acquisition, James Mitchell, Chief Strategy Officer and Senior Executive Vice President of Tencent said:

*“Tencent is proud to have been an investor in Sumo since 2019, and we view the proposed combination as an evolution of our partnership. Tencent is a committed investor in the game industry, with a track record of supporting the growth of game studios around the world. We hold Sumo’s team and the games they produce in high regard, and its strategy and spirit of innovation have underpinned the success of the business over many years. Tencent intends to bring its expertise and resources to accelerate the growth of Sumo both in the UK and abroad, supporting Sumo in the market for top-notch creative talent, and the UK as a hub for game innovation. We believe the proposed transaction benefits all stakeholders, delivers compelling value for Sumo shareholders, while enhancing the Sumo business for the future.”*

- It is expected that the Scheme Circular, containing further information about the Acquisition and notices of the Scheme Court Meeting and the General Meeting, together with Forms of Proxy, will be posted to Sumo Shareholders and (for information only) to persons with information rights and to participants in the Sumo Share Plans in August 2021 and in any event within 28 days from the date of this Announcement.
- Subject to the satisfaction or waiver of all relevant conditions, including the Conditions, and certain further terms set out in Appendix I to this Announcement and to be set out in the Scheme Circular, it is expected that the Scheme will become Effective towards the end of the fourth quarter of 2021. An expected timetable of principal events will be included in the Scheme Circular.
- **This summary should be read in conjunction with, and is subject to, the full text of this Announcement including the Appendices. The Acquisition will be subject to the Conditions and the further terms set out in Appendix I to this Announcement and to the full terms and conditions to be set out in the Scheme Circular. Appendix II to this Announcement contains the sources and bases of certain information contained in this summary and this Announcement. Appendix III contains certain details of the irrevocable undertakings referred to in this Announcement. Appendix IV contains the definitions of certain terms used in this summary and this Announcement.**

## Enquiries:

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<b>Morgan Stanley &amp; Co. International Plc (Financial adviser to Tencent and Tencent Bidco)</b> Laurence Hopkins / Daniel Diamond / Josh Bretherton	+44 (0) 20 7425 8000
<b>Brunswick Group (Financial PR adviser to Tencent)</b> Tim Danaher / Diana Vaughton	+44 (0) 20 7404 5959
<b>Sumo Group plc</b> Carl Cavers / David Wilton	via Belvedere Communications
<b>Goldman Sachs International (Lead financial adviser to Sumo)</b> Khamran Ali / Hemal Thaker / Tanguy Croguennoc	+44 (0) 20 7774 1000
<b>Zeus Capital Limited (Rule 3 Adviser, Nominated Adviser, Joint Broker and financial adviser to Sumo)</b> Benjamin Robertson / Richard Darlington / Andrew Jones	+44 (0) 161 831 1512 +44 (0) 20 3829 5000
<b>Investec Corporate &amp; Investment Banking (Joint Broker to Sumo)</b> David Flin / Bruce Garrow	+44 (0) 207 597 5970
<b>Belvedere Communications Limited (Financial PR adviser to Sumo)</b> Cat Valentine John West	+44 (0) 7715 769 078 +44 (0) 7788 971 403

Davis Polk & Wardwell London LLP are retained as legal advisers to Tencent. Allen & Overy LLP are retained as legal advisers to Sumo.

## Further information

This Announcement is for information purposes only and is not intended to and does not constitute or form part of, any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise nor shall there be any sale, issuance or transfer of securities of Sumo in any jurisdiction in contravention of applicable law.

The Acquisition will be implemented solely by means of the Scheme Circular (or if the Acquisition is implemented by way of a Takeover Offer, the offer document), which will contain the full terms and conditions of the Acquisition including details of how to vote in respect of (or, if applicable, accept) the Acquisition. Any vote in respect of the Scheme (or, if applicable, acceptance of the Takeover Offer) or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Circular (or, if applicable, the offer document). Each Sumo Shareholder is urged to consult its independent professional adviser immediately regarding the tax consequences of the Acquisition.

Morgan Stanley, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as financial adviser exclusively for Tencent and Tencent Bidco and no one else in connection with the matters set out in this Announcement and will not be responsible to any person other than Tencent and Tencent Bidco for providing the protections afforded to clients of Morgan Stanley, nor for providing advice in relation to the content of this Announcement or any matter referred to herein. Neither Morgan Stanley nor any of its subsidiaries, branches or 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 Morgan Stanley in connection with this Announcement, any statement contained herein or otherwise.

Goldman Sachs, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively for Sumo and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Sumo for providing the protections afforded to clients of Goldman Sachs, or for providing advice in relation to the matters referred to in this announcement.

Zeus Capital, which is authorised and regulated in the United Kingdom by the FCA, is acting as Rule 3 adviser for Sumo and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters in this announcement and will not be responsible to anyone other than Sumo for providing the protections afforded to clients of Zeus, nor for providing advice in relation to any matter referred to herein.

Investec Bank plc, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, is acting for Sumo and for no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Sumo for providing the protections afforded to its clients nor for providing advice in relation to the matters set out in this announcement.

## **Notice to Overseas Shareholders**

### ***General***

The release, publication or distribution of this Announcement in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the United Kingdom to vote their Sumo Shares with respect to the Scheme at the Scheme Court Meeting, or to appoint another person as proxy to vote at the Scheme Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared for the purpose of complying with English law, the Code and the AIM Rules 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 of England.

The Acquisition will not be made, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws of that jurisdiction and no person may vote in favour of the Acquisition by any use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this Announcement and formal documentation relating to the Acquisition will not be, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in, into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may

not be made, directly or indirectly, in, into or by use of the mails of or from within any Restricted Jurisdiction other means of instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or abilities or from within any Restricted Jurisdiction.

Further details in relation to Overseas Shareholders will be contained in the Scheme Circular.

### ***Certain notices to US investors in Sumo***

The Acquisition relates to the shares of an English company that is a “foreign private issuer” as defined in Rule 3b-4 under the US Securities Exchange Act of 1934, as amended, and is intended to be effected by means of a scheme of arrangement under English law. Neither the US proxy solicitation rules nor (unless implemented by means of a takeover offer) the tender offer rules under the US Exchange Act, will apply to the Acquisition. Accordingly, the Scheme will be subject to the disclosure requirements and practices applicable to the United Kingdom and under the Code to schemes of arrangement (or takeover offers, if applicable), which differ from the disclosure and procedural requirements of the US proxy solicitation rules and the tender offer rules. Neither the SEC, nor any securities commission of any state of the United States, has approved the Acquisition, passed upon the fairness of the Acquisition or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence in the United States. Financial information relating to Sumo included in this Announcement and the Scheme Circular has been or will have been prepared in accordance with International Financial Reporting Standards and accounting standards applicable in the United Kingdom that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash by a beneficial owner of Sumo Shares pursuant to the Acquisition as consideration for the transfer of its Scheme Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes and may also be a taxable transaction under other applicable tax laws, including any applicable United States state and local, as well as non-US, tax laws. Each Sumo Shareholder is urged to consult its independent professional adviser immediately regarding the tax consequences to it (or to its beneficial owners) of the Acquisition.

Sumo is organised under the laws of England, Tencent is organised under the laws of the Cayman Islands and Tencent Bidco is organised under the laws of Hong Kong. All of the officers and directors of Sumo and Tencent are residents of countries other than the United States and the majority of the assets of Sumo and Tencent are located outside of the United States. As a result, it may not be possible to effect service of process within the United States upon Sumo, Tencent, Tencent Bidco or any of their respective officers or directors, or to enforce outside the United States judgements obtained against Sumo, Tencent, Tencent Bidco or any of their respective officers or directors in courts in the United States, including, without limitation, judgements based upon the civil liability provisions of the US federal securities laws or the laws of any state or territory within the United States. It may not be possible to sue Sumo, Tencent and Tencent Bidco in a non-US court for violations of US securities laws. It may be difficult to compel Sumo, Tencent, Tencent Bidco and their respective affiliates to subject themselves to the jurisdiction and judgment of a court in the United States.

If the Acquisition is implemented by way of a Takeover Offer and Tencent Bidco determines to extend such offer into the United States, the offer will be made in compliance with applicable US tender offer rules. In such circumstances, Sumo Shareholders are urged to read any documents relating to the Acquisition because they will contain important information regarding the Acquisition. Such documents will be available from Sumo at [www.Sumogroupplc.com](http://www.Sumogroupplc.com).

In accordance with normal UK practice and pursuant to Rule 14e-5 under the US Exchange Act, Tencent Bidco or certain of its affiliates, or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Sumo Shares outside of the United States, other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective or the Acquisition (or the Takeover Offer) lapses or is otherwise withdrawn. These purchases may occur either in the open market

at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com). Accordingly, such information will also be publicly disclosed in the United States to the extent that such information is made public in the UK.

### **Forward-looking statements**

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Sumo, Tencent and Tencent Bidco contain statements which are, or may be deemed to be, “forward looking statements”. Such forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which the Tencent Group or the Enlarged Group will operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. The forward looking statements contained in this Announcement relate to the Tencent Group’s or the Enlarged Group’s future prospects, developments and business strategies, the expected timing and scope of the Acquisition and other statements other than historical facts. In some cases, these forward looking statements can be identified by the use of forward looking terminology, including the terms “believes”, “estimates”, “will look to”, “would look to”, “plans”, “prepares”, “anticipates”, “expects”, “is expected to”, “is subject to”, “budget”, “scheduled”, “forecasts”, “synergy”, “strategy”, “goal”, “cost-saving”, “projects” “intends”, “may”, “will” or “should” or their negatives or other variations or comparable terminology. Forward-looking statements may include statements relating to 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 and the expansion and growth of Tencent or Sumo’s operations and potential synergies resulting from the Acquisition; (iii) technological developments and commercial and customer relationships, and (iv) the effects of global economic conditions and governmental regulation on Tencent’ or Sumo’s business. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. These events and circumstances includes changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business, partnerships, combinations or disposals. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Such forward looking statements should therefore be construed in the light of such factors. Neither one of Sumo, Tencent or Tencent Bidco nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this Announcement will actually occur. Given these risks and uncertainties, potential investors should not place any reliance on forward looking statements.

The forward looking statements speak only at the date of this document. All subsequent oral or written forward-looking statements attributable to any member of the Tencent Group or Sumo Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

Sumo and Tencent expressly disclaim any obligation to update such statements other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

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

No statement in this Announcement is intended as a profit forecast or profit estimate and no statement in this Announcement should be interpreted to mean that earnings or earnings per Sumo Share or Tencent share, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earning per Sumo Share or Tencent share or to mean that the Enlarged Group’s earnings in the first 12 months following the Acquisition, or in any subsequent period, would necessarily match or be greater

than those of Sumo or Tencent for the relevant preceding financial period or any other period.

### **Disclosure requirements**

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the 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.

In accordance with the Code, normal UK market practice and Rule 14e-5 under the US Exchange Act, Morgan Stanley and its respective affiliates will continue to act as exempt principal trader in Sumo securities on AIM. These purchases and activities by exempt principal traders which are required to be made public in the UK pursuant to the Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com). This information will also be publicly disclosed in the United States to the extent that such information is made public in the UK.

### **Electronic communications**

Please be aware that addresses, electronic addresses and certain other information provided by Sumo Shareholders, persons with information rights and other relevant persons in connection with the receipt of communications from Sumo may be provided to Tencent Bidco during the offer period as required under

Section 4 of Appendix 4 of the Code.

The contents of the websites referred to in this Announcement are not incorporated into and do not form part of this Announcement.

### **Publication of this Announcement and availability of hard copies**

A copy of this Announcement and the documents required to be published by Rule 26 of the Code will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Tencent's website (at <https://www.tencent.com/en-us/investors.html>) and Sumo's website (at <https://www.sumogroupplc.com/investors-centre/>) by no later than 12 noon (London time) on the Business Day following this Announcement. For the avoidance of doubt, the contents of the websites referred to in this Announcement are not incorporated into and do not form part of this Announcement.

Sumo Shareholders may request a hard copy of this Announcement by contacting Link Group on 0371 664 0300 (if calling from within the UK) or +44 371 664 0300 (if calling from outside the UK). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. 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. Your attention is drawn to the fact that a hard copy of this Announcement will not be sent to you unless so requested. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

### **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.

### **Rule 2.9 requirement**

In accordance with Rule 2.9 of the Code, Sumo confirms that as at the close of business on 16 July 2021 its issued share capital consisted of 171,463,123 ordinary shares of £0.01 each. The International Securities Identification Number for Sumo's shares is GB00BD3HV384.

### **UK Market Abuse Regulation**

The person responsible at Sumo for the release of this Announcement for the purpose of UK MAR is David Wilton, Chief Financial Officer.



**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**

**19 July 2021**

**RECOMMENDED CASH ACQUISITION**

**of**

**SUMO GROUP PLC**

**by**

**SIXJOY HONG KONG LIMITED**

**an indirect subsidiary of**

**TENCENT HOLDINGS LIMITED**

**to be effected by means of a scheme of arrangement  
under Part 26 of the UK Companies Act 2006**

**1. Introduction**

The boards of Tencent (“**Tencent**”) and Sumo Group plc (“**Sumo**”) are pleased to announce that they have reached an agreement on the terms of a recommended all cash acquisition by Tencent, through its wholly-owned subsidiary, Sixjoy Hong Kong Limited (“**Tencent Bidco**”), of the entire issued and to be issued ordinary share capital of Sumo which members of the Tencent Group do not already own. It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement of Sumo under Part 26 of the Companies Act, further details of which are contained in paragraph 13 below.

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

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Appendix I of this Announcement (and the further terms and conditions to be set out in the Scheme Circular), which include (inter alia) approval of the Scheme at the Scheme Court Meeting, passing of resolutions at the General Meeting and the sanction of the Scheme by the Court, Scheme Shareholders will be entitled to receive:

**for each Scheme Share: 513 pence in cash**

The consideration values the entire issued and to be issued share capital of Sumo at approximately £919 million on a fully diluted basis.

If after the date of this Announcement, any dividend and/or other distribution and/or other return of capital is announced, declared, paid or made or becomes payable in respect of the Sumo Shares, Tencent Bidco reserves the right to reduce the Acquisition consideration by an amount up to the amount of such dividend and/or distribution and/or reduction of capital so announced, declared, paid

or made or which becomes payable.

The price of 513 pence in cash for each Sumo Share represents:

- a premium of approximately 43.3 per cent. to the Closing Price of 358 pence per Sumo Share on 16 July 2021 (being the last Business Day before the date of this Announcement);
- a premium of approximately 40.9 per cent. to Sumo's 1 month volume weighted average share price of 364.2 pence per Sumo Share to 16 July 2021;
- a premium of approximately 45.5 per cent. to Sumo's 6 month volume weighted average share price of 352.5 pence per Sumo Share to 16 July 2021; and
- an enterprise value multiple of approximately 55.4 times Sumo's adjusted EBITDA for the 12 months ended 31 December 2020.

### **3. Recommendation**

The Sumo Board, which has been so advised by Goldman Sachs and Zeus Capital as to the financial terms of the Acquisition, considers the terms of the Acquisition to be fair and reasonable. In providing their advice to the Sumo Board, Goldman Sachs and Zeus Capital have each taken into account the commercial assessments of the Sumo Board. Zeus Capital is providing independent financial advice to the Sumo Board for the purposes of Rule 3 of the Code. Each of Goldman Sachs and Zeus Capital have given and not withdrawn its consent to the inclusion in this Announcement of its advice to the Sumo Board in the form and context in which it appears.

Accordingly, the Sumo Board believes the terms of the Acquisition are in the best interests of Sumo Shareholders as a whole and intends to recommend unanimously that Sumo Shareholders vote, or procure voting, to approve the Scheme at the Scheme Court Meeting and vote, or procure voting, in favour of the resolutions to be proposed at the General Meeting or, if (with the consent of the Panel) Tencent Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, accept or procure the acceptance of such Takeover Offer, as all of the Sumo Directors who hold Sumo Shares (in a personal capacity or through members of their immediate family) have irrevocably undertaken to do in respect of their beneficial holdings (and procure to be done in respect of the beneficial holdings of members of their immediate families) of 12,747,459 Sumo Shares, in aggregate, representing approximately 8.1 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement).

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

Sumo Group has performed well since the initial public offering in December 2017 at a price of 100 pence per share, which gave the Sumo Group a market capitalisation of £145 million at the time. In its three and a half years as a public company, Sumo has successfully delivered on the strategy set out by the Sumo Board at the time of its initial public offering, namely to deliver and expand services, to win new clients, to develop complementary revenue streams and to develop Own-IP.

Sumo has developed a large number of high-quality and award-winning game titles for its many clients over the years and has also launched a certain number of its own games. Sumo has completed seven

acquisitions, growing into 14 studios in five countries.

The investment case for Sumo, to date, has been:

- its steady growth;
- its competitive advantage through capabilities and scale;
- its relatively low-risk high-visibility business model; and
- its strong track record.

Sumo has the talent, creativity, and expertise to conceive, develop, and deliver Own-IP games, but the scale and pace of doing so is restricted by the significantly increased investment and risk required to develop a new game and retain ownership of the intellectual property.

Tencent acquired a strategic shareholding in Sumo in November 2019 and the two organisations have a strong cultural alignment, in addition to their complementary skills and expertise. Being part of the Wider Tencent Group would provide significant opportunities for Sumo to accelerate its Own-IP development programme, whilst maintaining the high quality and independence of its existing work-for-hire projects, for which it has a strong pipeline. Tencent's network and global publishing capabilities, operational leverage, and insight into game-as-a-service, in-game operations, and free-to-play models, may further support such opportunities.

Sumo released an AGM Statement on 17 June 2021 in which it stated that "following an extraordinary year in 2020, when the Group delivered 279 project milestones and launched or announced a total of 12 games, including five Own-IP, and completed its first major acquisition, the Sumo Board is pleased to report that the global video games market remains strong and that the Sumo Group is performing in line with expectations in the year to date... Sumo Group remains well positioned to continue to take advantage of the strong growth in the global video games market."

Given recent performance, the Sumo Directors remain confident that Sumo's existing strategy would deliver significant value over time for Sumo's Shareholders as an independent company, as it continues to successfully execute its strategy. Whilst confident in the existing strategy, the Sumo Directors also believe that the terms of the Acquisition acknowledge the quality of Sumo's growth potential, capabilities, historical track record, and future prospects. As such, the Sumo Directors intend unanimously to recommend the Acquisition to Sumo's Shareholders.

The Sumo Directors note that:

- the price per Sumo Share under the terms of the Acquisition represents a substantial premium of 40.9 per cent. to Sumo's 1 month volume weighted average share price of 364.2 pence per Sumo Share to 16 July 2021 (being the last Business Day before the date of this Announcement);
- the price per Sumo Share under the terms of the Acquisition represents a substantial multiple of 5.1 times the Sumo initial public offering price of 100 pence per share and an enterprise value multiple of approximately 55.4 times Sumo's adjusted EBITDA for the 12 months ended 31 December 2020;
- the Acquisition provides an opportunity for Sumo Shareholders to realise the value of their holding in cash;
- the terms of the Acquisition reflects the value created by Sumo's strategy to date, as well as the significant future value that Sumo is expected to generate;
- the Acquisition provides the best opportunity for Sumo's people to be involved in a greater number of Own-IP projects, which are often career enhancing, while maintaining its well-established relationships with existing blue-chip clients, thereby also improving Sumo's ability to

attract creative talent; and

- the Sumo Directors also believe that Tencent's financial support and expertise, combined with its global publishing and distribution capabilities, will accelerate Sumo's Own-IP growth and, thereby, support its long-term success.

The Sumo Directors have also taken into account the statements and assurances made by Tencent regarding its future intentions for the business set out in paragraph 6 below. The Sumo Directors are particularly pleased with Tencent's stated intention to maintain the current headquarters in Sheffield.

The Sumo Directors also welcome the confirmation from Tencent that it does not envisage any material change in the balance of skills and functions of the employees and management or any material change in the conditions of employment of the management and employees of Sumo.

Accordingly, the Sumo Board intends to recommend unanimously the Acquisition to Sumo Shareholders as set out in paragraph 3 above.

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

Tencent has been a supportive shareholder of Sumo since November 2019 and holds the company and its management team in high regard. Tencent believes a combination with Sumo can drive Sumo's growth and fulfil its longer-term visions with support from Tencent's strategic resources. Tencent believes that the Acquisition represents an attractive opportunity for Sumo's shareholders, board, management team and employees.

### ***Provides an opportunity to grow Sumo's revenue in Own-IP development***

In recent years Sumo has been exploring its Own-IP, which offers enhanced margins and returns in the long term, but comes at the cost of increased investment and risk in the short term.

Tencent would seek to accelerate this business transformation by providing the necessary financial and operational resources to bolster Sumo's Own-IP development and distribution. As part of the Tencent ecosystem, Sumo can benefit from Tencent's expertise and knowledge around game development and game operations, such as know-how in game-as-a-service and in-game operations, and from Tencent's publishing expertise and coverage.

### ***Enhances Sumo's strategic positioning in high-quality turn-key co-development projects***

Sumo has continuously delivered well-received game releases for global top publishers and accrued expertise across multiple genres. Tencent believes that Sumo would benefit from further investment to drive longer-term growth, and that it would be a supportive partner to fuel such growth through accelerating existing investment plans and studio growth initiatives. Post the Acquisition, Sumo will continue to focus on key strategic partnerships on turn-key and co-development engagements that require strong creative inputs.

Sumo would maintain the independence of its high quality existing turn-key, co-development and work-for-hire projects given its strong pipeline and high visibility of revenue streams in the sector.

### ***Supplements Tencent's ecosystem, and supports Tencent's production efforts***

Tencent's experience investing in Western game companies such as Riot, Epic, Miniclip, Ubisoft, Funcom, Fatshark and Sharkmob, evidences its ability to successfully develop partnerships that maximise mutual value and benefits. Similar to the existing strategic alliances that Tencent has with other Western game developers, a strategic partnership between Sumo and Tencent will allow Sumo

to strengthen the overall Tencent ecosystem for its games business.

***Supports Sumo in its efforts to attract and retain high quality creative talent as well as further scale the business***

Sumo's continuing success is dependent on recruiting and retaining talented people. Sumo was named on the Best Companies UK's 100 Best Large Companies To Work For list, has been recognised for its high standards of workplace engagement, and undertakes multiple initiatives to grow organically in terms of employees. Sumo launched its own "Sumo Digital Academy" in September 2020 with the aim of increasing diversity by recruiting talented individuals from different backgrounds and training them in game development within the organisation. The Acquisition will further enhance Sumo's highly-regarded brand, helping to ensure it can continue to attract and retain top industry talent.

Tencent owns one of the largest video game businesses globally in terms of revenue. Tencent's global reputation and resources will provide Sumo with access to an even larger talent pool in an effort to further scale the business in the UK and abroad.

The Acquisition may also facilitate inorganic growth via selective acquisitions. Sumo has a strong M&A track record and has established itself as a business that emphasises development quality, alignment of interest and culture when assessing targets. Tencent believes Sumo can continue to strengthen its talent pool through both organic and inorganic expansion.

## **6. Management, employees and business of Sumo**

***Tencent's strategic plans for Sumo***

Tencent will seek to ensure that Sumo has the necessary investment so as to be able to continue to focus on its work with key strategic partners on turn-key and co-development projects requiring strong creative inputs, with the aim of achieving further global success stories and building world-class, award winning products.

In addition, Tencent intends to facilitate Sumo's work developing more of its Own-IP, by providing the necessary financial and operational resources to the business and by providing it with enhanced access to attractive markets and geographies.

Tencent's growth aims for Sumo will be underpinned through its investment in Sumo's employees and, in addition, will actively evaluate ways to accelerate Sumo's growth via selective acquisitions.

***Employees and management***

Tencent intends for Sumo's existing senior management team to continue to lead the business and workforce post acquisition. Tencent is focused on investing in Sumo to accelerate its growth and would expect the number of employees to increase over time as Sumo execute upon their plan.

Tencent does not intend to make any material changes to the conditions of employment of any Sumo Group employees nor make any material changes to the balance of the skills and functions of Sumo Group employees.

***Existing rights and pensions***

Tencent confirms that, following the Scheme becoming Effective, the existing contractual and statutory employment rights, including in relation to pensions and any other employment benefits, of all Sumo Group employees and management will be safeguarded in accordance with applicable law.

Sumo does not maintain any defined benefit pension schemes.

### ***Incentivisation arrangements***

Tencent intends to put in place appropriate incentive arrangements for management, senior employees and other employees of Sumo following completion of the Acquisition that are comparable as to the scope of coverage and terms of market rates, but in any event no less favourable than, those currently in place at Sumo. Tencent does not intend to hold any discussions in relation to such arrangements until after the Effective Date.

### ***Locations, headquarters, fixed assets and research and development***

Tencent has no plans to change the location of Sumo's headquarters and headquarters functions, or locations of Sumo's places of business or to redeploy the fixed assets of Sumo following completion of the Acquisition. Tencent does not expect the Acquisition to have a material impact on the research and development functions of Sumo.

### ***Trading facilities***

Sumo Shares are currently traded on AIM and, as set out in paragraph 14 below, a request will be made to the London Stock Exchange to cancel trading in Sumo Shares on AIM, to take effect from or shortly after the Effective Date.

Once Sumo ceases to be a traded company, it is anticipated that a small number of corporate and support functions, including PLC related functions, may require redeployment to other functions. Tencent Bidco has not yet developed proposals as to how any such redeployment, if any, would be implemented. It is intended that the non-executive directors of Sumo will resign on or shortly following completion of the Acquisition.

## **7. Irrevocable undertakings to vote in favour of the Acquisition**

Tencent Bidco has received irrevocable undertakings to vote, or procure voting, to approve the Scheme at the Scheme Court Meeting and vote, or procure voting, in favour of the resolutions to be proposed at the General Meeting or, if (with the consent of the Panel) Tencent Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept or procure the acceptance of such Takeover Offer from all of the Sumo Directors (in a personal capacity or through members of their immediate families) in respect of their beneficial holdings (and the beneficial holdings of members of their immediate families) of 12,747,459 Sumo Shares representing, in aggregate, approximately 8.1 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement).

Tencent Bidco has also received an irrevocable undertaking to approve the Scheme at the Scheme Court Meeting and vote in favour of the resolutions to be proposed at the General Meeting or, if (with the consent of the Panel) Tencent Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such Takeover Offer from Perwyn Bidco (UK) II Limited, an affiliate of Perwyn Advisers UK Limited, Sumo's largest shareholder, in respect of 26,170,961 Sumo Shares representing, in aggregate, approximately 16.7 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement).

Tencent Bidco has also received an irrevocable undertaking on substantially the same terms as that

given by the Sumo Directors from:

- Darren Mills (Co-founder, Director of Excellence and Integration of Sumo) in respect of his beneficial holdings of 2,977,095 Sumo Shares, representing approximately 1.9 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement); and
- Steven Webb (General Counsel and Company Secretary) in respect of his beneficial holdings of 306,745 Sumo Shares, representing approximately 0.2 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement);.

In total, therefore, Tencent has received irrevocable undertakings to approve the Scheme at the Scheme Court Meeting and vote in favour of the resolutions to be proposed at the General Meeting in respect of 42,202,260 Sumo Shares representing, in aggregate, approximately 27 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement).

Further details of the irrevocable undertakings received by Tencent Bidco (including details of the circumstances in which the irrevocable undertakings will cease to be binding) are set out in Appendix III to this Announcement.

## **8. Information on Tencent and Tencent Bidco**

### ***Tencent***

Tencent uses technology to enrich the lives of Internet users. Tencent's communications and social apps Weixin and QQ connect users with each other, with digital content and daily life services in just a few clicks. Tencent's high performance advertising platform helps brands and marketers reach out to hundreds of millions of consumers in China. Tencent's financial technology and business services support our partners' business growth and assist their digital upgrade. Tencent is one of the leading global platforms for video game development, publishing, and operations, dedicated to offering high-quality interactive entertainment experiences for game players across the globe. Tencent invests heavily in talent and technological innovation, actively participating in the development of the Internet industry. Tencent is committed to 'Value for Users, Tech for Good', harnessing the power of technology to provide better products and services to users

Tencent was founded in Shenzhen, China, in 1998, and has been listed on the Main Board of the Stock Exchange of Hong Kong since June 2004 with stock code 700.

Its market capitalisation was \$690.8 billion as at 16 July 2021 being the last Business Day before the date of this Announcement. For the year ended 31 December 2020, Tencent reported revenue of RMB 482,064 million (\$74,402 million), operating profit of RMB 184,237 million (\$28,435 million) and profit before tax of RMB 180,022 million (\$27,785 million).

### ***Tencent Bidco***

Tencent Bidco is a wholly-owned subsidiary of Tencent, incorporated in Hong Kong (since 2011). Tencent Bidco undertakes the Tencent Group's game publishing businesses, and also operates as a holding company of a number of the Tencent Group's other operating businesses.

## **9. Information on Sumo Group**

Sumo is a public limited company incorporated in England and Wales and is the holding company of the Sumo Group. Sumo Shares are admitted to trading on AIM (LON: SUMO). Sumo has a market

capitalisation of approximately £641 million based upon the Closing Price of 358 pence per Sumo Share on 16 July 2021 (being the last Business Day prior to the date of this Announcement). For the financial year ended 31 December 2020, Sumo reported revenue of £68.9 million, gross profit of £31.5 million and adjusted EBITDA of £16.5 million.

Sumo Group's businesses provide acclaimed development, design and publishing services to the video games and entertainment industries from studios in the UK and abroad. The Sumo Group's principal trading subsidiaries are:

- Sumo Digital, the Sumo Group's primary business, which is one of the UK's largest independent developers of AAA-rated video games. The business has acquired four studios since its initial public offering which operate under their own names, BAFTA award-winning The Chinese Room, Red Kite Games, Lab42 and PixelAnt Games. Sumo Digital provides turn-key and co-development solutions to a global blue-chip client base;
- Pipeworks, an innovative and respected video games developer, which was acquired by Sumo in October 2020;
- Atomhawk, a multi-award-winning visual design company, servicing the games, film, and visual effects industries; and
- Secret Mode, a video games publisher focused on delivering fresh and new gaming experiences to players and building expansive and fulfilling communities around those games. It will publish titles developed within Sumo Group and independent developers.

## **10. Financing of the Acquisition**

The cash consideration payable by Tencent Bidco pursuant to the Acquisition will be funded from the existing cash resources of the Tencent Group.

Morgan Stanley, financial adviser to Tencent and Tencent Bidco, is satisfied that sufficient cash resources are available to Tencent Bidco to enable it to satisfy, in full, the payment of the cash consideration in connection with the Acquisition. Morgan Stanley has given, and not withdrawn, its consent to the inclusion in this Announcement of the references to its name in the form and context in which they appear.

## **11. Sumo Long Term Incentive Plan**

Sumo and Tencent Bidco have agreed that, in relation to options and awards to acquire Sumo Shares granted under the Sumo Long Term Incentive Plan, Tencent Bidco will make appropriate proposals to the holders of such options and awards in accordance with Rule 15 of the Code. Further details of these proposals will be set out in the Scheme Circular and communicated in a separate letter to be sent to participants in the Sumo Long Term Incentive Plan in due course.

## **12. Offer-related arrangements**

### *Confidentiality Agreement*

Sumo and Tencent Limited have entered into the Confidentiality Agreement pursuant to which Tencent Limited has undertaken, among other things, to: (i) keep confidential information relating to Sumo and the Sumo Group and not to disclose it to third parties (other than certain permitted parties) and certain members of the Tencent Group, unless required by law or regulation; and (ii) use the confidential information only in connection with an offer for Sumo.

The Confidentiality Agreement contains standstill provisions which restrict Tencent or any member



of the Tencent Group from, among other things, acquiring or seeking to acquire interests in securities of Sumo. The Confidentiality Agreement also includes a non-solicitation obligation on certain members of the Tencent Group. The standstill and non-solicitation provisions are subject to certain customary carve-outs and each lasts for a period of 12 months after the date of the Confidentiality Agreement.

The confidentiality obligations remain in force for a period of 24 months after the date of the Confidentiality Agreement.

#### *Co-operation Agreement*

On 19 July 2021, Tencent Bidco, Tencent and Sumo entered into a co-operation agreement (the “**Co-operation Agreement**”), pursuant to which, among other things, Tencent Bidco and Sumo have agreed to cooperate: (i) in relation to obtaining regulatory clearances in connection with the Acquisition and the making of filings in respect of such clearances, and (ii) in preparing and implementing appropriate proposals in relation to the Sumo Share Plans. In addition, Tencent Bidco has agreed to certain provisions if the Scheme should switch to a Takeover Offer and the approach to be followed after the Effective Date in respect of certain employee matters.

The Co-operation Agreement will terminate in certain circumstances, including, among others: (i) as agreed in writing between Tencent Bidco and Sumo at any time before the Effective Date, (ii) if the Sumo Directors withdraw, qualify or adversely modify their recommendation of the Acquisition, (iii) if the Sumo Directors do not post the Scheme Circular or convene the Scheme Court Meeting or General Meeting, (iv) if any Condition which has not been waived is (or has become) incapable of satisfaction by the Long Stop Date and, notwithstanding that Tencent Bidco has the right to waive such Condition, it will not do so (in circumstances where the invocation of the relevant Condition has been permitted by the Panel), (v) a competing offer, completes, becomes effective or is declared or becomes unconditional, or (vi) if the Acquisition is withdrawn or lapses.

### **13. Structure of the Acquisition**

It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement of Sumo under Part 26 of the Companies Act. The Scheme is an arrangement between Sumo and the Scheme Shareholders. The procedure involves, among other things, an application by Sumo to the Court to sanction the Scheme. The purpose of the Scheme is to provide for Tencent Bidco to become the owner of the entire issued and to be issued share capital of Sumo on the Effective Date, in consideration for which Scheme Shareholders will receive cash on the basis set out in paragraph 2 above.

The Acquisition is subject to the Conditions and certain further terms set out in Appendix I to this Announcement and to the full terms and conditions to be set out in the Scheme Circular, and will only become Effective if, among other things, the following events occur on or before the Long Stop Date or such later date as Tencent and Sumo agree:

- a resolution to approve the Scheme is passed by a majority in number of Scheme Shareholders present and voting (and entitled to vote) at the Scheme Court Meeting, either in person or by proxy, representing not less than three-quarters in value of the Scheme Shares held by those Scheme Shareholders;
- the resolutions (including the Special Resolution) required to approve and implement the Scheme and to approve certain related matters are passed (by the requisite majority of Sumo Shareholders required to pass such resolutions) at the General Meeting;
- following the Scheme Court Meeting and General Meeting, the Scheme is sanctioned by the Court

(without modification, or with modification on terms agreed by Tencent and Sumo); and

- a copy of the Scheme Court Order is delivered to the Registrar of Companies of England and Wales.

The Acquisition is subject to the receipt of antitrust clearances in the United Kingdom and United States and a foreign-direct investment approval under the CFIUS regime in the United States (or the lapsing of applicable waiting periods).

Upon the Scheme becoming Effective: (i) it will be binding on all Sumo Shareholders, irrespective of whether or not they attended or voted at the Scheme Court Meeting and the General Meeting (and, if they attended and voted, whether or not they voted in favour of the Scheme at the Scheme Court Meeting or in favour of or against the resolution(s) at the General Meeting); and (ii) share certificates in respect of Sumo Shares will cease to be of value and should be destroyed and entitlements to Sumo Shares held within the CREST system will be cancelled.

Any Sumo Shares issued before the Scheme Record Time will be subject to the terms of the Scheme. The resolution(s) to be proposed at the General Meeting will, among other matters, provide that the articles of association of Sumo be amended to incorporate provisions requiring any Sumo shares issued after the Scheme Record Time (other than to Tencent Bidco and/or its nominees) to be automatically transferred to Tencent Bidco on the same terms as the Acquisition (other than terms as to timings and formalities). The provisions of the articles of association of Sumo (as amended) will avoid any person (other than Tencent Bidco and its nominees) holding shares in the capital of Sumo after the Effective Date.

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

The Scheme Circular will include full details of the Scheme, together with notices of the Scheme Court Meeting and the General Meeting. The Scheme Circular will also contain the expected timetable for the Acquisition, and will specify the necessary actions to be taken by Sumo Shareholders. It is expected that the Scheme Circular together with Forms of Proxy will be posted to Sumo Shareholders and, for information only, to persons with information rights and to participants in the Sumo Share Plans in August 2021 and in any event within 28 days from the date of this Announcement. Subject, among other things, to the satisfaction or waiver of the Conditions, it is expected that the Scheme will become Effective towards the end of the fourth quarter of 2021.

#### **14. Cancellation of trading and re-registration**

Prior to the Scheme becoming Effective, a request will be made by Sumo to the London Stock Exchange to cancel the trading in Sumo Shares on AIM to take effect on, or shortly after, the Effective Date.

On the Effective Date, share certificates in respect of Sumo Shares will cease to be valid (and should be destroyed) and entitlements to Sumo Shares held within the CREST system will be cancelled. As soon as practicable after the Effective Date and after the cancellation of the trading in Sumo Shares on AIM, it is intended that Sumo will be re-registered as a private limited company under the relevant provisions of the Companies Act.

#### **15. Disclosure of interests in Sumo Shares**

Mount Emei Investment Limited, a wholly-owned direct subsidiary of Tencent, holds 15,000,000 Sumo Shares representing approximately 8.75 per cent. of the issued share capital of Sumo as at 16

July 2021, being the last Business Day before the date of this Announcement.

Save as disclosed above and in respect of the irrevocable undertakings referred to above, as at the close of business on 16 July 2021 (the last Business Day prior to the date of this Announcement) neither Tencent Bidco, nor any of the directors of Tencent Bidco, nor, so far as any of the directors of Tencent Bidco are aware, any person acting in concert (within the meaning of the Code) with Tencent Bidco, had any interest in, right to subscribe for, or had borrowed or lent (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code), any Sumo Shares or securities convertible or exchangeable into Sumo Shares, nor did any such person have any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery or any dealing arrangement of the kind referred to in Note 11 of the definition of acting in concert in the Code, in relation to Sumo Shares or in relation to any securities convertible or exchangeable into Sumo Shares.

In the interests of secrecy prior to this Announcement, Tencent Bidco has not made any enquiries in respect of the matters referred to in this paragraph of certain persons who may be deemed by the Panel to be acting in concert with Tencent Bidco for the purposes of the Scheme. Enquiries of such persons will be made as soon as practicable following the date of this Announcement and any disclosure in respect of such persons will be included in Tencent Bidco's Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Code.

## **16. Overseas shareholders**

The availability of the Acquisition and the distribution of this Announcement to persons not resident in the United Kingdom may be affected by the laws and regulations of the relevant jurisdiction. Such persons should inform themselves about, and observe, any applicable legal or regulatory requirements. Sumo Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

This Announcement does not constitute an offer for sale of any securities or an offer or an invitation to purchase any securities. Sumo Shareholders are advised to read carefully the Scheme Circular and the Forms of Proxy once these have been dispatched.

## **17. Documents available on website**

Copies of the following documents will, no later than 12 noon on 20 July 2021 be available on Sumo's website (<https://www.tencent.com/en-us/investors.html>) and on Tencent's website (<https://www.sumogroupplc.com/investors-centre/>) until the end of the Acquisition:

- this Announcement;
- the irrevocable undertakings referred to in paragraph 7 above (further details of which are set out in Appendix III of this Announcement);
- the Confidentiality Agreement referred to in paragraph 12 above; and
- the Co-operation Agreement referred to in paragraph 12 above.

The contents of Sumo's website and Tencent's website are not incorporated into and do not form part of this Announcement.

## **18. General**

The Acquisition will be subject to the Conditions and certain further terms set out in Appendix I and

the further terms and conditions to be set out in the Scheme Circular when issued and such further terms as may be required to comply with the provisions of the Code.

Tencent Bidco reserves the right, subject to Panel consent, to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme.

If the Acquisition is implemented by way of a Takeover Offer, the Acquisition will be implemented on substantially the same terms as those which would apply to the Scheme (subject to appropriate amendments) and, in particular, the acceptance condition applicable to the Acquisition shall be set at no more than that number of Sumo Shares carrying in aggregate more than 75 per cent. of the voting rights ordinarily exercisable at a general meeting.

If the Acquisition is effected by way of a Takeover Offer and such Takeover Offer becomes or is declared unconditional and sufficient acceptances are received, Tencent intends to: (i) make a request to the London Stock Exchange to cancel trading in Sumo Shares on AIM; and (ii) exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily the remaining Sumo Shares in respect of which the Takeover Offer has not been accepted.

There are no agreements or arrangements to which Tencent is a party which relate to the circumstances in which it may or may not seek to invoke any of the Conditions to the implementation of the Acquisition.

The Acquisition will be governed by English law and will be subject to the jurisdiction of the courts of England and Wales. The Acquisition will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange, the AIM Rules and the FCA.

The sources of certain financial information and bases of calculation contained in this Announcement

are set out in Appendix II. Certain terms used in this Announcement are defined in Appendix IV.

### Enquiries:

<b>Tencent</b> PH Cheung	+852 3148 5100 ext 868919
<b>Morgan Stanley &amp; Co. International Plc (Financial adviser to Tencent and Tencent Bidco)</b> Laurence Hopkins / Daniel Diamond / Josh Bretherton	+44 (0) 20 7425 8000
<b>Brunswick Group (Financial PR adviser to Tencent)</b> Tim Danaher / Diana Vaughton	+44 (0) 20 7404 5959
<b>Sumo Group plc</b> Carl Cavers / David Wilton	via Belvedere Communications
<b>Goldman Sachs International (Lead financial adviser to Sumo)</b> Khamran Ali / Hemal Thaker / Tanguy Croguennoc	+44 (0) 20 7774 1000
<b>Zeus Capital Limited (Rule 3 Adviser, Nominated Adviser, Joint Broker and financial adviser to Sumo)</b> Benjamin Robertson / Richard Darlington / Andrew Jones	+44 (0) 161 831 1512 +44 (0) 20 3829 5000
<b>Investec Corporate &amp; Investment Banking (Joint Broker to Sumo)</b> David Flin / Bruce Garrow	+44 (0) 207 597 5970
<b>Belvedere Communications Limited (Financial PR adviser to Sumo)</b> Cat Valentine John West	+44 (0) 7715 769 078 +44 (0) 7788 971 403

Davis Polk & Wardwell London LLP are retained as legal advisers to Tencent. Allen & Overy LLP are retained as legal advisers to Sumo.

### Further information

This Announcement is for information purposes only and is not intended to and does not constitute or form part of, any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise nor shall there be any sale, issuance or transfer of securities of Sumo in any jurisdiction in contravention of applicable law.

The Acquisition will be implemented solely by means of the Scheme Circular (or if the Acquisition is implemented by way of a Takeover Offer, the offer document), which will contain the full terms and conditions of the Acquisition including details of how to vote in respect of (or, if applicable, accept) the Acquisition. Any vote in respect of the Scheme (or, if applicable, acceptance of the Takeover Offer) or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Circular (or, if applicable, the offer document). Each Sumo Shareholder is urged to consult its independent professional adviser immediately regarding the tax consequences of the Acquisition.

Morgan Stanley, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as financial adviser exclusively for Tencent and Tencent Bidco and no one else in connection with the matters set out in this Announcement and will not be responsible to any person other than Tencent and Tencent Bidco for providing the protections afforded to clients of Morgan Stanley, nor for

providing advice in relation to the content of this Announcement or any matter referred to herein. Neither Morgan Stanley nor any of its subsidiaries, branches or 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 Morgan Stanley in connection with this Announcement, any statement contained herein or otherwise.

Goldman Sachs, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively for Sumo and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Sumo for providing the protections afforded to clients of Goldman Sachs, or for providing advice in relation to the matters referred to in this announcement.

Zeus Capital, which is authorised and regulated in the United Kingdom by the FCA, is acting as Rule 3 adviser for Sumo and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters in this announcement and will not be responsible to anyone other than Sumo for providing the protections afforded to clients of Zeus, nor for providing advice in relation to any matter referred to herein.

Investec Bank plc, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, is acting for Sumo and for no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Sumo for providing the protections afforded to its clients nor for providing advice in relation to the matters set out in this announcement.

## **Notice to Overseas Shareholders**

### ***General***

The release, publication or distribution of this Announcement in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the United Kingdom to vote their Sumo Shares with respect to the Scheme at the Scheme Court Meeting, or to appoint another person as proxy to vote at the Scheme Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared for the purpose of complying with English law, the Code and the AIM Rules 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 of England.

The Acquisition will not be made, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws of that jurisdiction and no person may vote in favour of the Acquisition by any use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this Announcement and formal documentation relating to the Acquisition will not be, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in, into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in, into or by use of the mails of or from within any Restricted Jurisdiction, other means of instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such

use, means, instrumentality or abilities or from within any Restricted Jurisdiction.

Further details in relation to Overseas Shareholders will be contained in the Scheme Circular.

### ***Certain notices to US investors in Sumo***

The Acquisition relates to the shares of an English company that is a “foreign private issuer” as defined in Rule 3b-4 under the US Exchange Act, and is intended to be effected by means of a scheme of arrangement under English law. Neither the US proxy solicitation rules nor (unless implemented by means of a takeover offer) the tender offer rules under the US Securities Exchange Act of 1934, as amended, will apply to the Acquisition. Accordingly, the Scheme will be subject to the disclosure requirements and practices applicable to the United Kingdom and under the Code to schemes of arrangement (or takeover offers, if applicable), which differ from the disclosure and procedural requirements of the US proxy solicitation rules and the tender offer rules. Neither the SEC, nor any securities commission of any state of the United States, has approved the Acquisition, passed upon the fairness of the Acquisition or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence in the United States. Financial information relating to Sumo included in this Announcement and the Scheme Circular has been or will have been prepared in accordance with International Financial Reporting Standards and accounting standards applicable in the United Kingdom that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash by a beneficial owner of Sumo Shares pursuant to the Acquisition as consideration for the transfer of its Scheme Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes and may also be a taxable transaction under other applicable tax laws, including any applicable United States state and local, as well as non-US, tax laws. Each Sumo Shareholder is urged to consult its independent professional adviser immediately regarding the tax consequences to it (or to its beneficial owners) of the Acquisition.

Sumo is organised under the laws of England, Tencent is organised under the laws of the Cayman Islands and Tencent Bidco is organised under the laws of Hong Kong. All of the officers and directors of Sumo and Tencent are residents of countries other than the United States and the majority of the assets of Sumo and Tencent are located outside of the United States. As a result, it may not be possible to effect service of process within the United States upon Sumo, Tencent, Tencent Bidco or any of their respective officers or directors, or to enforce outside the United States judgements obtained against Sumo, Tencent, Tencent Bidco or any of their respective officers or directors in courts in the United States, including, without limitation, judgements based upon the civil liability provisions of the US federal securities laws or the laws of any state or territory within the United States. It may not be possible to sue Sumo, Tencent and Tencent Bidco in a non-US court for violations of US securities laws. It may be difficult to compel Sumo, Tencent, Tencent Bidco and their respective affiliates to subject themselves to the jurisdiction and judgment of a court in the United States.

If the Acquisition is implemented by way of a Takeover Offer and Tencent Bidco determines to extend such offer into the United States, the offer will be made in compliance with applicable US tender offer rules. In such circumstances, Sumo Shareholders are urged to read any documents relating to the Acquisition because they will contain important information regarding the Acquisition. Such documents will be available from Sumo at [www.Sumogroupplc.com](http://www.Sumogroupplc.com).

In accordance with normal UK practice and pursuant to Rule 14e-5 under the US Exchange Act, Tencent Bidco or certain of its affiliates, or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Sumo Shares outside of the United States, other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective or the Acquisition (or the Takeover Offer) lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com). Accordingly, such information will also be publicly disclosed in the United States to the extent that such information is made public in the

UK.

### **Forward-looking statements**

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Sumo, Tencent and Tencent Bidco contain statements which are, or may be deemed to be, “forward looking statements”. Such forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which the Tencent Group or the Enlarged Group will operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. The forward looking statements contained in this Announcement relate to the Tencent Group’s or the Enlarged Group’s future prospects, developments and business strategies, the expected timing and scope of the Acquisition and other statements other than historical facts. In some cases, these forward looking statements can be identified by the use of forward looking terminology, including the terms “believes”, “estimates”, “will look to”, “would look to”, “plans”, “prepares”, “anticipates”, “expects”, “is expected to”, “is subject to”, “budget”, “scheduled”, “forecasts”, “synergy”, “strategy”, “goal”, “cost-saving”, “projects” “intends”, “may”, “will” or “should” or their negatives or other variations or comparable terminology. Forward-looking statements may include statements relating to 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 and the expansion and growth of Tencent or Sumo’s operations and potential synergies resulting from the Acquisition; (iii) technological developments and commercial and customer relationships, and (iv) the effects of global economic conditions and governmental regulation on Tencent’ or Sumo’s business. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. These events and circumstances includes changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business, partnerships, combinations or disposals. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Such forward looking statements should therefore be construed in the light of such factors. Neither one of Sumo, Tencent or Tencent Bidco nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this Announcement will actually occur. Given these risks and uncertainties, potential investors should not place any reliance on forward looking statements.

The forward looking statements speak only at the date of this document. All subsequent oral or written forward-looking statements attributable to any member of the Tencent Group or Sumo Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

Sumo and Tencent expressly disclaim any obligation to update such statements other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

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

No statement in this Announcement is intended as a profit forecast or profit estimate and no statement in this Announcement should be interpreted to mean that earnings or earnings per Sumo Share or Tencent share, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earning per Sumo Share or Tencent share or to mean that the Enlarged Group’s earnings in the first 12 months following the Acquisition, or in any subsequent period, would necessarily match or be greater than those of Sumo or Tencent for the relevant preceding financial period or any other period.

### **Disclosure requirements**

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant



securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the 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.

In accordance with the Code, normal UK market practice and Rule 14e-5(b) of the US Exchange Act, Morgan Stanley and its respective affiliates will continue to act as exempt principal trader in Sumo securities on AIM. These purchases and activities by exempt principal traders which are required to be made public in the UK pursuant to the Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com). This information will also be publicly disclosed in the United States to the extent that such information is made public in the UK.

### **Electronic communications**

Please be aware that addresses, electronic addresses and certain other information provided by Sumo Shareholders, persons with information rights and other relevant persons in connection with the receipt of communications from Sumo may be provided to Tencent Bidco during the offer period as required under Section 4 of Appendix 4 of the Code.

The contents of the websites referred to in this Announcement are not incorporated into and do not form part of this Announcement.

### **Publication of this Announcement and availability of hard copies**

A copy of this Announcement and the documents required to be published by Rule 26 of the Code will be

available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Tencent's website (at <https://www.tencent.com/en-us/investors.html>) and Sumo's website (at <https://www.sumogroupplc.com/investors-centre/>) by no later than 12 noon (London time) on the Business Day following this Announcement. For the avoidance of doubt, the contents of the websites referred to in this Announcement are not incorporated into and do not form part of this Announcement.

Sumo Shareholders may request a hard copy of this Announcement by contacting Link Group on 0371 664 0300 (if calling from within the UK) or +44 371 664 0300 (if calling from outside the UK). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. 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. Your attention is drawn to the fact that a hard copy of this Announcement will not be sent to you unless so requested. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

### **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.

### **Rule 2.9 requirement**

In accordance with Rule 2.9 of the Code, Sumo confirms that as at the close of business on 16 July 2021 its issued share capital consisted of 171,463,123 ordinary shares of £0.01 each. The International Securities Identification Number for Sumo's shares is GB00BD3HV384.

### **UK Market Abuse Regulation**

The person responsible at Sumo for the release of this Announcement for the purpose of UK MAR is David Wilton, Chief Financial Officer.

## APPENDIX I

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

#### Part 1 Conditions to the Scheme and Acquisition

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Code, by no later than 11:59 p.m. on the Long Stop Date or such later date (if any) as Tencent Bidco and Sumo may, with the consent of the Panel, agree and (if required) the Court may allow.

#### Scheme approval

2. The Scheme will be conditional on:
  - (a) approval of the Scheme at the Scheme Court Meeting (or at any adjournment thereof, provided that the Scheme Court Meeting may not be adjourned beyond the 22nd day after the expected date of the Scheme Court Meeting to be set out in the Scheme Circular in due course or such later date (if any) as Tencent Bidco and Sumo may agree and, if required, the Court may allow) by a majority in number of the Scheme Shareholders who are on the register of members of Sumo at the Scheme Voting Record Time present and voting, either in person or by proxy, representing three quarters or more in value of the Scheme Shares held by those Scheme Shareholders;
  - (b) all resolutions in connection with or required to approve and implement the Scheme as set out in the notice of the General Meeting (including, without limitation, the Special Resolution) being duly passed by the requisite majority at the General Meeting (or at any adjournment thereof, provided that the General Meeting may not be adjourned beyond the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course or such later date (if any) as Tencent Bidco and Sumo may agree and, if required, the Court may allow);
  - (c) the sanction of the Scheme (without modification or with modification on terms acceptable to Tencent Bidco and Sumo) by the Court, provided that the Scheme Court Hearing may not be adjourned beyond the 22nd day after the expected date of the Scheme Court Hearing to be set out in the Scheme Document in due course or such later date (if any) as Tencent Bidco and Sumo may agree and, if required, the Court may allow); and
  - (d) the delivery of a copy of the Scheme Court Order to the Registrar of Companies;
3. In addition, Tencent Bidco and Sumo have agreed that, subject as stated in Part 2 and to the requirements of the Panel, the Acquisition will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless such Conditions (as amended, as appropriate) have been satisfied (where capable of satisfaction) and continue to be satisfied or, where relevant, waived:

#### Antitrust and foreign direct investment approvals and clearances

- (a) by the time of the Court Sanction Hearing, and following Tencent Bidco having submitted a briefing note to the CMA in relation to the Acquisition, either:
  - (i) the CMA having responded to a briefing note in writing (either initially, or after one or more requests for further information) that it has no further questions in relation to the Acquisition (and has not otherwise opened or indicated that it is still investigating

whether to open a CMA Merger Investigation); or

- (ii) if a CMA Merger Investigation has been opened, the CMA having issued a decision stating that the CMA does not intend to make a CMA Phase 2 Reference in connection with the Acquisition or any matters arising therefrom.
- (b) all required filings having been made under the HSR Act and the waiting period under the HSR Act applicable to the completion of the Acquisition having expired or been terminated;
- (c) to the extent that the relevant provisions of the UK National Security and Investment Act 2021 (“NSIA”) commence between the date of this Announcement and completion and require that the Acquisition is notified to the UK Secretary of State as a notifiable acquisition for the purposes of NSIA, all approvals as are legally required to permit completion of the Acquisition having been obtained;
- (d) the parties having submitted a joint voluntary notice of the Acquisition to CFIUS, and:
  - (i) Tencent Bidco and Sumo having received written notice from CFIUS that CFIUS either: (A) has concluded that the Acquisition is not a “covered transaction” (as defined under the Defense Production Act of 1950, as amended, including all implementing regulations thereof), or (B) has concluded all action with respect to the Acquisition and determined there are no unresolved national security issues; or
  - (ii) CFIUS having sent a report regarding the Acquisition to the President of the United States (the “**President**”), and: (A) the President having announced a decision to take no action to suspend or prohibit the Acquisition, or (B) the period during which the President may announce a decision to take action to suspend or prohibit the Acquisition having expired without any such action being announced or taken;

### **General Third Party clearances**

- (e) other than in respect of paragraphs (a), (b) and (d) of this Condition 3, all material notifications to and filings and applications with Third Parties which are necessary having been made, all appropriate waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with in each case in connection with the Scheme or Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of any member of, the Wider Sumo Group by any member of the Wider Tencent Group, where the direct consequence of a failure to make such a notification or filing or to wait for the expiry, lapse, or termination of any such waiting or time period would be unlawful in any relevant jurisdiction;
- (f) other than in respect of paragraphs (a), (b) and (d) of this Condition 3, no Third Party having intervened (as defined below) and there not continuing to be outstanding any statute, regulation or order (in any case, only to the extent issued after the date of this Announcement if in respect of foreign direct investment screening) of any Third Party in each case which would or might reasonably be expected to:
  - (i) make the Scheme or the Acquisition or, in each case, its implementation or the acquisition or proposed acquisition by Tencent Bidco or any member of the Wider Tencent Group of any shares or other securities in, or control or management of any member of the Wider Sumo Group void, illegal or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly materially restrain, prevent, prohibit, restrict or delay the same or impose material additional conditions

or obligations with respect to the Scheme or the Acquisition or such acquisition, or otherwise materially impede, challenge or interfere with the Scheme or Acquisition or such acquisition, or require amendment to the terms of the Scheme or Acquisition or the acquisition or proposed acquisition of any Sumo Shares or the acquisition of control or management of, Sumo or the Wider Sumo Group by Tencent Bidco or any member of the Wider Tencent Group;

- (ii) materially limit or delay, or impose any material limitations on, the ability of any member of the Wider Tencent Group to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities in Sumo (or any member of the Wider Sumo Group) or on the ability of any member of the Wider Sumo Group or any member of the Wider Tencent Group directly or indirectly to hold or to exercise voting or management control over, any member of the Wider Sumo Group to an extent which is material in the context of the Wider Sumo Group taken as a whole or in the context of the Acquisition;
  - (iii) require, prevent or materially delay a divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Tencent Group of any shares or other securities in any member of the Sumo Group;
  - (iv) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Tencent Group or by any member of the Wider Sumo Group of all or any part of their respective businesses, assets or property 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);
  - (v) except pursuant to sections 974 to 991 of the Companies Act and in connection with the Acquisition, require any member of the Wider Tencent Group or of the Wider Sumo Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) or interest in any member of the Wider Sumo Group owned by any third party;
  - (vi) materially limit the ability of any member of the Wider Tencent Group or of the Wider Sumo Group to conduct or integrate or coordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Wider Tencent Group or of the Wider Sumo Group;
  - (vii) result in any member of the Wider Sumo Group or the Wider Tencent Group ceasing to be able to carry on business under any name under which it presently does so to an extent which is material in the context of the Wider Sumo Group or Wider Tencent Group, respectively, taken as a whole or in the context of the Acquisition; or
  - (viii) otherwise materially and adversely affect any or all of the assets, business, profits, financial or trading position or prospects of any member of the Wider Tencent Group or of the Wider Sumo Group;
- (g) all Authorisations which are necessary in any relevant jurisdiction for or in respect of the Scheme or Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of any member of the Wider Sumo Group by any member of the Wider Tencent Group or the carrying on by any member of the Wider Sumo Group of its business having been obtained in terms and in a form reasonable satisfactory to Tencent Bidco from all appropriate Third Parties and all such Authorisations remaining in full force and effect and there being no notice to revoke, suspend, restrict, modify or not to renew

any of the same;

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

- (h) except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the Wider Sumo Group is a party, or by or to which any such member or any of its assets is or are or may be bound, entitled or subject or any circumstance, which, in each case as a consequence of the Scheme or Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control of any member of the Wider Sumo Group by any member of the Wider Tencent Group or otherwise, would or might reasonably be expected to result in (in any case only to an extent which is or would reasonably be expected to be material in the context of the Wider Sumo Group taken as a whole or in the context of the Acquisition):
- (i) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the Wider Sumo Group being or becoming repayable or capable of being declared repayable immediately or prior to its stated maturity date or repayment date or the ability of any member of the Wider Sumo Group to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn or inhibited;
  - (ii) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Wider Sumo Group or any such mortgage, charge or other security interest (wherever created, arising or having arisen) becoming enforceable;
  - (iii) any such arrangement, agreement, licence, permit, franchise or instrument, or the rights, liabilities, obligations or interests of any member of the Wider Sumo Group thereunder, being, or becoming capable of being, terminated or adversely modified or affected or any adverse action being taken or any onerous obligation or liability (including as a result of a failure to secure an Authorisation from any persons or bodies with whom any member of the Wider Sumo Group has entered into contractual arrangements) arising thereunder;
  - (iv) any asset or interest of any member of the Wider Sumo Group being or falling to be disposed of or charged or ceasing to be available to any member of the Wider Sumo Group or any right arising under which any such asset or interest could be required to be disposed of or could cease to be available to any member of the Wider Sumo Group otherwise than, in each case, in the ordinary course of business;
  - (v) any member of the Wider Sumo Group ceasing to be able to carry on business under any name under which it presently does so;
  - (vi) the creation of any liability (actual or contingent) by any member of the Wider Sumo Group other than trade creditors or other liabilities incurred in the ordinary course of business;
  - (vii) the creation or acceleration of any liability to taxation of any such member other than liabilities incurred in the ordinary case, to an extent which is material in the context of the Wider Sumo Group;
  - (viii) the rights, liabilities, obligations, interests or business of any member of the Wider Sumo Group under any such arrangement, agreement, licence, permit, franchise or other instrument or the interests or business of any member of the Wider Sumo Group in or with any other person, firm, company or body (or any arrangement or

arrangements relating to any such interests or business) being terminated or adversely modified or affected; or

- (ix) the financial or trading position or the prospects or the value of any member of the Wider Sumo Group being prejudiced or adversely affected,

and no event having occurred which, under any provision of any such arrangement, agreement, licence, permit or other instrument, would be reasonably likely to result in any of the events or circumstances which are referred to in paragraphs (i) to (ix) of this Condition 3(h), in any case, to an extent which is or would be material in the context of the Wider Sumo Group taken as a whole;

#### **Certain events occurring since 31 December 2020**

- (i) except as Disclosed, no member of the Wider Sumo Group having, since 31 December 2020:
  - (i) issued or agreed to issue, or authorised the issue of, additional shares or securities of any class, 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 sell or transfer any shares out of treasury (save as between Sumo and wholly-owned subsidiaries of Sumo or between such wholly-owned subsidiaries and save for (i) options or awards granted under, or (ii) Sumo Shares transferred from treasury or issued under the Sumo Share Plans);
  - (ii) purchased or 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;
  - (iii) recommended, declared, paid or made any dividend or other distribution whether payable in cash or otherwise or made any bonus issue other than to Sumo or a wholly-owned subsidiary of Sumo;
  - (iv) save for any transaction between Sumo and a wholly-owned subsidiary of Sumo or between such wholly-owned subsidiaries, entered into, implemented or authorised the entry into, any joint venture or asset or profit sharing arrangement, or merged with, demerged or acquired any body corporate, partnership or business or acquired or disposed of or, other than in the ordinary course of business, transferred, mortgaged, charged or created any security interest over any assets or any right, title or interest in any assets (including shares in any undertaking and trade investments) or authorised the same;
  - (v) except as between Sumo and its wholly-owned subsidiaries or between such wholly-owned subsidiaries made or authorised or proposed or announced an intention to propose any change in its loan capital, other than in connection with ordinary course financing arrangements;
  - (vi) issued or authorised or proposed the issue of, or made any change in or to, any debentures or (except in the ordinary course of business or except as between Sumo and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or liability (actual or contingent) which in any case is material in the context of the Wider Sumo Group taken as a whole;
  - (vii) acquired or disposed of or transferred, mortgaged or encumbered any asset or any

right, title or interest in any asset (other than in the ordinary course of trading);

- (viii) other than in the ordinary course of business, entered into, varied, authorised, proposed or announced its intention to enter into or vary any agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
  - (A) is of a long term, onerous or unusual nature or magnitude or which could reasonably be expected to involve an obligation of such nature or magnitude; or
  - (B) could reasonably be expected to restrict the business of any member of the Wider Sumo Group;

and which, in each case, is likely to be material in the context of the Wider Sumo Group taken as a whole;

- (ix) other than pursuant to the Acquisition and except as between Sumo and its wholly-owned subsidiaries or between such wholly-owned subsidiaries entered into, implemented, effected, authorised or announce its intention to enter into, implement, effect or propose any merger, demerger, reconstruction, amalgamation, scheme, acquisition commitment or other transaction or arrangement in respect of itself or another member of the Wider Sumo Group;
- (x) (other than in respect of a member of the Wider Sumo Group which is dormant and was solvent at the relevant time), taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding up (voluntarily or otherwise), dissolution, reorganisation or for it to enter into any arrangement or composition for the benefit of its creditors, or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any part of its assets and revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction which in any case is material in the context of the Wider Sumo Group taken as a whole;
- (xi) been unable, or admitted in writing that it is unable, to pay its debts 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;
- (xii) except as between Sumo and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, waived, compromised or settled any claim which is material in the context of the Wider Sumo Group taken as a whole (otherwise than in the ordinary course of business);
- (xiii) except pursuant to the Special Resolution, made any alteration to its articles of association or other constitutional documents which is material in the context of the Scheme or the Acquisition or the acquisition by any member of the Wider Tencent Group of any shares or other securities in, or control of, Sumo or any other member of the Wider Sumo Group;
- (xiv) entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, agreement or arrangement with any of the directors or senior executives of any member of the Wider Sumo Group in each case, to an extent which is material in the context of the Wider Sumo Group taken as a whole, save for salary increases, bonuses or variations of terms in



the ordinary course;

- (xv) proposed, agreed to provide or modified the terms of any Sumo Share Plans or any other or share-based incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider Sumo Group;
- (xvi) except in relation to changes made or agreed as a result of, or arising from, legislation or changes to legislation, made or agreed or consented to any material change to: (A) the terms of the trust deeds, rules, policy or other governing documents constituting any pension scheme or other retirement or death benefit arrangement established for the directors, former directors, employees or former employees of any entity in the Wider Sumo Group or their dependants (a “**Relevant Pension Plan**”); (B) the basis on which benefits accrue, pensions which are payable or the persons entitled to accrue or be paid benefits, under any Relevant Pension Plan; (C) the basis on which the liabilities of any Relevant Pension Plan are funded or valued; (D) the manner in which the assets of any Relevant Pension Plan are invested; or (E) the basis or rate of employer contribution to a Relevant Pension Plan;
- (xvii) carried out any act: (A) which would or could reasonably be expected to lead to the commencement of the winding up of any Relevant Pension Plan; (B) which would or might create a material debt owed by an employer to any Relevant Pension Plan; or (C) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any Relevant Pension Plan, in each case which is material in the context of the Wider Sumo Group taken as a whole; or
- (xviii) entered into any agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) or proposed or announced any intention with respect to any of the transactions, matters or events referred to in this Condition 3(i);

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

- (j) since 31 December 2020, except as Disclosed:
  - (i) there having been no material adverse change or deterioration in the business, assets, financial or trading positions or profits or prospects of any member of the Wider Sumo 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 Sumo Group is or may become a party (whether as claimant, defendant or otherwise) and no investigation of any Third Party against or in respect of any member of the Wider Sumo Group having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Wider Sumo Group which in any such case would reasonably be expected to be material in the context of the Wider Sumo Group taken as a whole;
  - (iii) (other than as a result of or in connection with the Acquisition) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or against or remaining outstanding against or in respect of any member of the Wider Sumo Group which in any case would reasonably be expected to have an adverse effect that is material in the context of the Sumo Group taken as a whole;
  - (iv) no contingent or other liability of any member of the Wider Sumo Group having arisen or become apparent or increased which would or would reasonably be expected

to be material in the context of the Wider Sumo Group taken as a whole;

- (v) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Sumo Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which in any case is material and reasonably likely to have an adverse effect on the Wider Sumo Group taken as a whole;
- (vi) other than with the consent of Tencent Bidco or the Panel, having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Sumo Shareholders at the General Meeting in accordance with, or as contemplated by, Rule 21.1 of the Code and
- (vii) no member of the Wider Sumo Group having conducted its business in breach of any applicable laws and regulations which in any case is material in the context of the Wider Sumo Group taken as a whole;

**No discovery of certain matters**

- (k) except as Disclosed, Tencent Bidco not having discovered that:
  - (i) any financial or business or other information concerning the Wider Sumo Group disclosed at any time by or on behalf of any member of the Wider Sumo Group publicly or to any member of the Wider Sumo Group or to any of their advisers, is misleading or contains any misrepresentation of material fact or omits to state a material fact necessary to make any information contained therein not materially misleading and which was not subsequently corrected before the date of this Announcement by disclosure either publicly or otherwise to Tencent Bidco or its professional advisers to an extent which in any case is material in the context of the Wider Sumo Group taken as a whole;
  - (ii) any member of the Wider Sumo Group is subject to any liability (actual or contingent) which is material in the context of the Wider Sumo Group taken as a whole;
  - (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Sumo Group in each case which is material in the context of the Wider Sumo Group taken as a whole;
  - (iv) any past or present member of the Wider Sumo Group has not complied in all material respects with any applicable legislation or regulations of any jurisdiction with regard to the use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human health, or otherwise relating to environmental matters or the health and safety of any person, or that there has otherwise been any such use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission (whether or not this constituted a non-compliance by any person with any legislation or regulations and wherever the same may have taken place) which, in any case, would be likely to give rise to any liability (whether actual or contingent) or cost on the part of any member of the Wider Sumo Group which in any case is material in the context of the Wider Sumo Group taken as a whole; or
  - (v) that there is, or is likely to be, any material liability, whether actual or contingent, to make good, repair, reinstate or clean up any property now or previously owned,

occupied or made use of by any past or present member of the Wider Sumo Group or any other property or any controlled waters under any environmental legislation, regulation, notice, circular, order or other lawful requirement of any relevant authority or Third Party or otherwise which in any case is material in the context of the Wider Sumo Group taken as a whole;

### **Intellectual Property**

- (l) Except as Disclosed, no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider Sumo Group which would have a material adverse effect on the Wider Sumo Group taken as a whole, including:
  - (A) any member of the Wider Sumo Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider Sumo Group and material to its business being revoked, cancelled or declared invalid;
  - (B) any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider Sumo Group to, or the validity or effectiveness of, any of its intellectual property; or
  - (C) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Sumo Group being terminated or varied;

### **Anti-corruption, sanctions and criminal property**

- (m) except as Disclosed, Tencent Bidco not having discovered that:
  - (i) (A) any past or present member, director, officer or employee of the Wider Sumo Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other anti-corruption or anti-tax evasion legislation applicable to the Wider Sumo Group or (B) any person that performs or has performed services for or on behalf of the Wider Sumo Group is or has at any time during the course of such person's performance of services for any member of the Wider Sumo Group engaged in any activity, practice or conduct in connection with the performance of such services that violates the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anticorruption legislation; or
  - (ii) any asset of any member of the Wider Sumo Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition); or
  - (iii) any past or present member, director, officer or employee of the Wider Sumo Group, or any person that performs or has performed services for or on behalf of any such company is or has at any time during the course of such person's employment with, or performance of services for or on behalf of, any member of the Wider Sumo Group, engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from: (A) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US, UK or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or HM Treasury; or (B) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the United Kingdom, the European Union

or any of its member states;

- (iv) a member of the Wider Sumo Group has engaged in any transaction which would cause Tencent or Tencent Bidco to be in breach of any law or regulation upon its Acquisition of Sumo, including the economic sanctions of the United States Office of Foreign Assets Control, or HM Revenue & Customs, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the United Kingdom, the European Union or any of its member states; and
- (v) there has occurred any material disruption in the operations of the Wider Sumo Group as a result of issues relating to Information Technology or any failure or other substandard performance of any such Information Technology (including, without limitation, any material information security breach or unauthorised access of, or unauthorised acts in relation to, any such Information Technology), in each case which is material in the context of the Wider Sumo Group taken as a whole.

4. For the purposes of these Conditions:

- (a) “**Disclosed**” means the information fairly disclosed by, or on behalf of, Sumo: (i) in the annual report and accounts of the Sumo Group for the year ended 31 December 2020; (ii) in this Announcement; (iii) in any other public announcement to a Regulatory Information Service by Sumo after 31 December 2020 but prior to the date of this Announcement; (iv) in the virtual data room called “Sumo” hosted by DatasiteDiligence prior to the date of this Announcement; (v) in respect of Sumo by way of filings with Companies House prior to the date of this Announcement; (vi) orally in the due diligence sessions attended by Sumo and Tencent (and their respective officers, advisers, employees or agents in their capacity as such) between 7 July 2021 and 12 July 2021 inclusive; or (vii) otherwise in writing prior to the date of this Announcement during the course of the diligence exercise carried out by Tencent Bidco by, or on behalf of, Sumo to Tencent or Tencent Bidco (or its respective officers, advisers, employees or agents in their capacity as such);
- (b) “**Third Party**” means any central bank, ministry, governmental, quasi-governmental, supranational (including the European Union), statutory, regulatory or investigative body, authority or tribunal (including any national or supranational anti-trust, competition or merger control authority, any sectoral ministry or regulator and foreign investment review body), national, state, municipal or local government (including any subdivision, court, tribunal, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body in any jurisdiction, including the Panel;
- (c) a Third Party shall be regarded as having “**intervened**” if it has given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided or otherwise having done anything (and in each case not having withdrawn such decision, proposal, enactment, step or other action); and
- (d) “**Authorisations**” means authorisations, orders, grants, recognitions, determinations, certificates, confirmations, consents, licences, clearances, provisions and approvals, in each

case, of a Third Party.

## **Part 2 Waiver and invocation of the Conditions**

The Scheme will not become Effective unless the Conditions have been fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by Tencent Bidco to be or remain satisfied by no later than the Long Stop Date (or such later date as Tencent Bidco and Sumo may, with the consent of Panel, agree and (if required) the Court may allow), subject to the rules of the Code and where applicable the consent of the Panel.

Tencent Bidco reserves the right in its sole discretion (subject to the requirements of the Code and the Panel) to waive:

- those parts of all or any of Condition 2 (*Scheme Approval*) of Part 1 of this Appendix I relating to the deadlines for the Scheme Court Meeting, General Meeting and/or the Scheme Court Hearing. If any such deadline is not met, Tencent 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 deadlines or agreed with Sumo to extend the relevant deadline; or
- in whole or in part, all or any of Conditions 3(a) to 3(m) of Part 1 of this Appendix I.

Under Rule 13.5(a) of the Code, Tencent 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 Panel. The 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 Tencent 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.

Condition 1 (*Long Stop Date*) and Condition 2 (*Scheme Approval*) of Part 1 of this Appendix I and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to Rule 13.5(a) of the Code. Any Condition which is subject to Rule 13.5(a) may be waived by Tencent Bidco.

Tencent Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the above Conditions inclusive by a date earlier than the latest date specified above for the fulfilment of that Condition, notwithstanding that the other Conditions of the Acquisition 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.

## **Part 3 Implementation by way of a Takeover Offer**

Tencent Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer, subject to the Panel's consent. In such event, such Takeover Offer will be implemented on the same terms and conditions, so far as applicable, as those which would apply to the Scheme subject to appropriate amendments, including (without limitation) an acceptance condition set at no more than that number of Sumo Shares carrying in aggregate more than 75 per cent. of the voting rights ordinarily exercisable at a general meeting or, subject to the Panel's consent (to the extent necessary) and the Co-operation Agreement, such other percentage as Tencent Bidco may decide (being in aggregate more than 50 per cent. of the voting rights exercisable at a general meeting).

## **Part 4 Certain further terms of the Acquisition**

If Tencent Bidco is required by the Panel to make an offer for Sumo Shares under the provisions of Rule 9 of the Code, Tencent Bidco may make such alterations to any of the above Conditions as are necessary to comply

with the provisions of that Rule.

The Sumo Shares will be acquired by Tencent Bidco under the Acquisition fully paid, with full title guarantee and free from all liens, equities, charges, encumbrances options and rights of pre-emption and any other third party rights or interests of any nature whatsoever and together with all rights attaching thereto, including, without limitation, voting rights and entitlement to receive and retain in full all dividends and other distributions announced, declared, paid or made or which become payable or any other return of capital (whether by way of reduction of share capital or share premium or otherwise) by the Company after the date of the Effective Time.

If, on or after the date of this Announcement, any dividend and/or other distribution and/or other return of capital is announced, declared, paid or made or becomes payable in respect of the Sumo Shares, Tencent Bidco reserves the right (without prejudice to any right of Tencent Bidco to invoke Condition (i)(iii) in Part 1 of this Appendix I), to reduce the cash consideration for the Sumo Shares by an amount up to the amount of such dividend and/or distribution and/or return of capital so announced, declared, paid or made or which becomes payable, in which case any reference in this Announcement or in the Scheme Circular to the offer consideration for the Sumo Shares will be deemed to be a reference to the offer consideration as so reduced. If Tencent Bidco exercises its right to reduce the consideration payable under the terms of the Acquisition for the Sumo Shares by an amount up to the amount of a dividend and/or distribution and/or return of capital that has not been paid, Sumo Shareholders will be entitled to receive and retain any such dividend and/or distribution and/or return of capital. To the extent that any such dividend and/or distribution and/or other return of capital is announced, declared, paid or made or becomes payable and it is: (a) transferred pursuant to the Acquisition on a basis which entitles Tencent Bidco to receive the dividend or distribution and to retain it; or (b) cancelled, the offer consideration will not be subject to change in accordance with this paragraph. Any exercise by Tencent Bidco of its rights referred to in this paragraph shall be the subject of an announcement and the consent of the Panel and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.

The Acquisition will be subject to the Conditions and certain further terms set out in this Appendix I and the further terms and conditions to be set out in the Scheme Circular when issued and such further terms as may be required to comply with the AIM Rules and the provisions of the Code.

Each of the Conditions shall be regarded as a separate Condition and not be limited by reference to any other Condition.

The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to overseas shareholders will be contained in the Scheme Circular.

The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction.

This Announcement and any rights or liabilities arising hereunder, the Acquisition, the Scheme, and any proxies will be governed by English law and be subject to the jurisdiction of the courts of England and Wales. The Scheme will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange, the AIM Rules and the FCA.

## APPENDIX II

### SOURCES OF FINANCIAL INFORMATION AND BASES OF CALCULATION USED IN THIS ANNOUNCEMENT

1. Unless otherwise stated, the financial information on Sumo is extracted or derived (without material adjustment) from the audited consolidated financial statements of Sumo for the financial year to 31 December 2020.
2. Unless otherwise stated, the financial information on Tencent is extracted or derived (without material adjustment) from the audited consolidated financial statements of Tencent for the financial year to 31 December 2020.
3. The fully diluted share capital of Sumo is calculated on the basis of 171,463,123 Sumo Shares in issue on 16 July 2021 (none of which are held in treasury) and to be issued share capital on a net basis which is assumed to be 7,601,018 ordinary shares comprising of:
  - (i) Sumo Shares to be issued pursuant to outstanding options and awards, including under the Sumo Long Term Incentive Plan, less outstanding options and awards that will be satisfied through the use of Sumo Shares held by Sumo's Employee Benefit Trusts; and
  - (ii) Sumo Shares to be issued in satisfaction of the deferred consideration component to be paid by Sumo in the event of a change of control of Sumo pursuant to the terms of the merger agreement for the acquisition of Pipeworks Inc.<sup>2</sup>
3. The volume weighted average prices of a Sumo share are derived from data provided by Bloomberg and are round to the nearest one decimal place.
4. The enterprise value of Sumo implied by the Acquisition is calculated on the basis of:
  - (i) the offer price of 513 pence per Sumo Share;
  - (ii) the fully diluted share capital of Sumo comprising 179,064,141 Sumo Shares in issue on 16 July 2021 as set out in paragraph 3 above; and
  - (iii) net cash of £6.8 million as at 31 December 2020.
5. Adjusted EBITDA is defined by Sumo as statutory operating profit adding back amortisation, depreciation, share-based payment charge, investment in co-funded games expensed, exceptional items, the fair value loss on contingent consideration less the operating lease costs capitalised under IFRS 16 and foreign currency derivative contracts.
6. Exchange rates have been derived from Bloomberg and have been rounded to the nearest four decimal places.
7. Certain figures in this Announcement have been subject to rounding adjustments.

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<sup>2</sup> **Note:** The number of Sumo Shares to be issued to satisfy deferred consideration is dependent upon the US Dollar to Sterling exchange rate (for the purpose of this calculation the exchange rate used was GBP 1 = USD 1.3784 as at 16:30 BST, 16 July 2021).

## APPENDIX III

### IRREVOCABLE UNDERTAKINGS

#### 1. Directors

Those Sumo Directors holding Sumo Shares have given irrevocable undertakings in respect of 12,747,459 Sumo Shares representing, in aggregate, approximately 8.1 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement).

Name of Director	Number of Sumo Shares	Percentage of share capital*
Carl Cavers	5,156,228	3.3%
Paul Porter	4,661,560	3.0%
Ian Livingstone	2,153,287	1.4%
David Wilton	697,505	0.4%
Andrea Dunstan	53,333	0.0%
Michael Sherwin	25,546	0.0%

\*excluding Sumo Shares already owned by members of the Tencent Group

Each of the Sumo Directors listed above has irrevocably undertaken to Tencent Bidco that he or she will 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 Sumo Shares held by him or her or by any member of his or her immediate family that are the subject of the irrevocable (together with any Sumo Shares issued or unconditionally allotted or otherwise acquired by him or her or any member of their immediate family after the date of the undertaking, including shares acquired under the Sumo Share Plans) at the Scheme Court Meeting and the General Meeting in favour of the Scheme and the resolutions, respectively, or, if (with the consent of the Panel) Tencent Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept, or procure acceptances of, such Takeover Offer in respect of all the Sumo Shares held by him or her or by any member of his or her immediate family that are the subject of the irrevocable.

The irrevocable undertakings from the Sumo Directors will lapse and cease to be binding on the earlier of the following occurrences:

- this Announcement is not released by 5.00 p.m. on 20 July 2021 or such later time and/or date as Tencent and Sumo may agree;
- Tencent Bidco announces that it does not intend to make or proceed with the Acquisition and no new, revised or replacement Scheme or Takeover Offer is announced in accordance with Rule 2.7 of the Code at the same time;
- the Scheme or Takeover Offer lapses or is withdrawn and no new, revised or replacement Scheme or Takeover Offer has been announced, in accordance with Rule 2.7 of the Code, in its place or is announced, in accordance with Rule 2.7 of the Code, at the same time; or
- on the date on which any competing offer is declared wholly unconditional or, if proceeding by way of a scheme or arrangement, becomes effective.

#### 2. Other Sumo Shareholders

The following Sumo Shareholders have given irrevocable undertakings in respect of 29,454,801 Sumo



Shares representing, in aggregate, approximately 18.8 per cent. of the Sumo Shares in issue (excluding the Sumo Shares already owned by members of the Tencent Group) on 16 July 2021 (being the last Business Day before the date of this Announcement):

Name of Shareholder	Number of Sumo Shares	Percentage of share capital *
Perwyn Bidco (UK) II Limited	26,170,961	16.7%
Darren Mills (Co-founder, Director of Excellence and Integration)	2,977,095	1.9%
Steven Webb (General Counsel and Company Secretary)	306,745	0.2%

\*excluding Sumo Shares already owned by members of the Tencent Group

Perwyn Bidco (UK) II Limited has irrevocably undertaken to Tencent Bidco that it will exercise all votes (whether on a show of hands or a poll and whether in person or by proxy) in relation to the Sumo Shares held by it (together with any Sumo Shares issued or unconditionally allotted or otherwise acquired by it after the date of the undertaking) at the Scheme Court Meeting and the General Meeting in favour of the Scheme and the resolutions, respectively, or, if (with the consent of the Panel) Tencent Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such Takeover Offer in respect of all the Sumo Shares held by it.

The irrevocable undertaking from Perwyn Bidco (UK) II Limited will lapse and cease to be binding in the same circumstances as the Sumo Director irrevocable undertakings described above, provided that it shall also lapse if any person other than Tencent Bidco announces a firm intention to make an offer (whether by way of an offer or a scheme of arrangement) to acquire the entire issued and to be issued share capital of Sumo which provides for an amount or value of consideration of not less than 10 per cent. greater than the amount or value of consideration offered under the Acquisition (a “**Superior Proposal**”). If, however, by no later than 5.00 p.m. on the seventh day after the day on which the third party’s offer is made, Tencent Bidco revises the Acquisition such that the consideration offered under it equals or exceeds the amount or value of consideration offered under the Superior Proposal, the irrevocable undertaking shall not lapse.

Darren Mills and Steven Webb have each irrevocably undertaken to Tencent Bidco on substantially the same terms as the Sumo Directors as set out above.

## APPENDIX IV

### DEFINITIONS

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

<b>“Acquisition”</b>	the proposed direct or indirect cash acquisition by Tencent Bidco of the entire issued and to be issued share capital of Sumo which a member of the Tencent Group does not already own to be effected by means of the Scheme or, should Tencent Bidco so elect, subject to the consent of the Panel, by means of a Takeover Offer
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange
<b>“AIM Rules”</b>	the AIM Rules for Companies, incorporating guidance notes, published by the London Stock Exchange governing, among other things, admission to AIM and the continuing obligations of companies admitted to AIM, as amended from time to time
<b>“Announcement”</b>	this announcement made pursuant to Rule 2.7 of the Code
<b>“Business Day”</b>	a day, other than a Saturday, Sunday or public or bank holiday, on which banks are open for general banking business in London, United Kingdom
<b>“CFIUS”</b>	The Committee on Foreign Investment in the United States
<b>“Closing Price”</b>	in respect of a Sumo Share on any particular day, the closing middle market quotation thereof as derived from the London Stock Exchange Daily Official List (SEDOL) on that day
<b>“CMA”</b>	the Competition and Markets Authority of the United Kingdom (or any successor body or bodies carrying out the same functions in the United Kingdom from time to time)
<b>“CMA Merger Investigation”</b>	means an investigation by the CMA to enable it to determine whether to make a reference under Section 33 of the Enterprise Act 2002
<b>“CMA Phase 2 Reference”</b>	a reference pursuant to section 33 of the Enterprise Act (as amended) of the Offer to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013
<b>“Code”</b>	the UK City Code on Takeovers and Mergers as from time to time amended and interpreted by the Panel
<b>“Companies Act”</b>	the Companies Act 2006, (as amended, modified or re-enacted from time to time)
<b>“Conditions”</b>	the conditions to the implementation of the Acquisition (including the Scheme) which are set out in Appendix I to this Announcement and to be set out in the Scheme Circular

<b>“Confidentiality Agreement”</b>	the confidentiality agreement entered into by Sumo and Tencent Limited dated 26 June 2021
<b>“Co-operation Agreement”</b>	the co-operation agreement dated 19 July 2021 between Tencent, Tencent Bidco and Sumo and relating, among other things, to the implementation of the Acquisition
<b>“Court”</b>	the High Court of Justice in England and Wales
<b>“CREST”</b>	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & Ireland Ltd is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form
<b>“Dealing Disclosure”</b>	an announcement pursuant to Rule 8 of the Code containing details of dealings in interests in relevant securities of a party to an offer
<b>“Effective”</b>	in the context of the Acquisition: <ul style="list-style-type: none"> <li>(i) if the Acquisition is implemented by way of Scheme, means the Scheme having become effective pursuant to its terms; or</li> <li>(ii) if the Acquisition is implemented by way of a Takeover Offer, such offer having been declared or become unconditional in all respects in accordance with the requirements of the Code</li> </ul>
<b>“Effective Date”</b>	the date on which the Acquisition becomes Effective
<b>“Enlarged Group”</b>	the enlarged Tencent Group following completion of the Acquisition comprising the Tencent Group and the Sumo Group
<b>“Excluded Shares”</b>	any Sumo Shares: <ul style="list-style-type: none"> <li>(i) registered in the name of, or beneficially owned by, any member of the Tencent Group; or</li> <li>(ii) Treasury Shares,</li> </ul> in each case at the Scheme Record Time
<b>“FCA”</b>	the UK Financial Conduct Authority, including as the competent authority under Part VI of the FSMA
<b>“Forms of Proxy”</b>	the forms of proxy in connection with each of the Scheme Court Meeting and the General Meeting which accompany the Scheme Circular
<b>“FSMA”</b>	the Financial Services and Markets Act 2000, as amended from time to time

<b>“General Meeting”</b>	the general meeting of Sumo Shareholders (and any adjournment thereof) to be convened in connection with the Acquisition, notice of which will be set out in the Scheme Circular, to consider and if thought fit approve various matters in connection with the implementation of the Scheme
<b>“Goldman Sachs”</b>	Goldman Sachs International, lead financial adviser to Sumo
<b>“HSR Act”</b>	the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976 (as amended) and the rules and regulations made thereunder
<b>“London Stock Exchange”</b>	London Stock Exchange plc, together with any successor thereto
<b>“Long Stop Date”</b>	the date falling 9 months from the date of this Announcement, or such later date as may be agreed in writing by Sumo and Tencent Bidco (with the Panel’s consent and as the Court may approve (if such approval is required))
<b>“Morgan Stanley”</b>	Morgan Stanley & Co. International plc
<b>“offer period”</b>	the offer period (as defined by the Code) relating to Sumo, which commenced on 19 July 2021
<b>“Opening Position Disclosure”</b>	an announcement pursuant to Rule 8 of the Code containing details of certain persons’ interests in relevant securities of a party to an offer
<b>“Own-IP”</b>	self-owned intellectual property
<b>“Panel”</b>	the UK Panel on Takeovers and Mergers
<b>“PRA”</b>	the Prudential Regulation Authority
<b>“Regulatory Information Service”</b>	a Regulatory Information Service that is approved by the FCA and is on the list maintained by the FCA
<b>“Restricted Jurisdiction”</b>	means 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 to Sumo Shareholders in that jurisdiction
<b>“Scheme” or “Scheme of Arrangement”</b>	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between Sumo and Scheme Shareholders to be set out in the Scheme Circular, with or subject to any modification, addition or condition which Sumo and Tencent Bidco may agree and, if required, approved or imposed by the Court
<b>“Scheme Circular”</b>	the document to be sent to Sumo Shareholders containing and setting out, among other things, the full terms and conditions of the Scheme and the notices convening the Scheme Court Meeting and the General Meeting

<b>“Scheme Court Hearing”</b>	the hearing by the Court (and any adjournment thereof) to sanction the Scheme pursuant to section 899 of the Companies Act
<b>“Scheme Court Meeting”</b>	the meeting or meetings of the Scheme Shareholders (or any class or classes thereof) to be convened pursuant to section 896 of the Act, for the purpose of considering, and, if thought fit, approving the Scheme (with or without amendment), including any adjournment, postponement or reconvention thereof
<b>“Scheme Court Order”</b>	the order of the Court sanctioning the Scheme pursuant to section 899 of the Companies Act
<b>“Scheme Record Time”</b>	the time and date specified in the Scheme Circular, expected to be 6.00 p.m. on the Business Day immediately prior to the Effective Date or such other time as Sumo and Tencent Bidco may agree
<b>“Scheme Shareholders”</b>	holders of Scheme Shares and a “Scheme Shareholder” shall mean any one of those Scheme Shareholders
<b>“Scheme Shares”</b>	Sumo Shares: <ul style="list-style-type: none"> <li>(i) in issue at the date of the Scheme Circular;</li> <li>(ii) (if any) issued after the date of the Scheme Circular but before the Scheme Voting Record Time; and</li> <li>(iii) (if any) issued at or after the Scheme Voting Record Time and before the Scheme Record Time on terms that the original or any subsequent holders shall be, or shall have agreed in writing by such time to be, bound by the Scheme,</li> </ul> in each case remaining in issue at the Scheme Record Time and excluding the Excluded Shares
<b>“Scheme Voting Record Time”</b>	the time and date specified in the Scheme Circular by reference to which entitlement to vote at the Scheme Court Meeting will be determined
<b>“SEC”</b>	the US Securities and Exchange Commission
<b>“Special Resolution”</b>	means the special resolution to be proposed by Sumo at the General Meeting in connection with, among other things, the approval of the Scheme and the amendment of Sumo’s articles of association and such other matters as may be necessary to implement the Scheme and the cancellation of trading of the Sumo Shares
<b>“Substantial Interest”</b>	a direct or indirect interest in 20 per cent. or more of the total voting rights conferred by the equity share capital of an undertaking
<b>“Sumo”</b>	Sumo Group plc, incorporated in England and Wales with registered number 11071913

<b>“Sumo Directors” or “Sumo Board”</b>	the board of directors of Sumo at the time of this Announcement or, where the context so permits, from time to time, and <b>“Sumo Director”</b> means any of them
<b>“Sumo Group”</b>	Sumo, its subsidiaries and its subsidiary undertakings from time to time
<b>“Sumo Share Plans”</b>	Sumo’s Long Term Incentive Plan and Share Incentive Plan, as amended from time to time
<b>“Sumo Shareholders”</b>	holders of Sumo Shares from time to time
<b>“Sumo Share(s)”</b>	ordinary shares of 1 penny each in the capital of Sumo
<b>“Takeover Offer”</b>	if (subject to the consent of the Panel and the terms of this Announcement) the Acquisition is effected by way of a takeover offer as defined in Part 28 of the Companies Act, the offer to be made by or on behalf of Tencent to acquire the issued and to be issued ordinary share capital of Sumo that is not already owned by any member of the Tencent Group on the terms and subject to the conditions to be set out in the related offer document
<b>“Tencent”</b>	Tencent Holdings Limited, a company incorporated in the Cayman Islands
<b>“Tencent Bidco”</b>	Sixjoy Hong Kong Limited a company incorporated in Hong Kong
<b>“Tencent Group”</b>	Tencent, its subsidiaries and its subsidiary undertakings from time to time (including, without limitation, Tencent Bidco)
<b>“Treasury Shares”</b>	shares held as treasury shares as defined in section 724(5) of the Companies Act
<b>“UK MAR”</b>	the Market Abuse Regulation (EU 596/2014) (as adopted by the European Union (Withdrawal) Act 2018)
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“United States” or “US”</b>	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia, and all other areas subject to its jurisdiction
<b>“US Exchange Act”</b>	US Securities Exchange Act of 1934 (as amended) and the rules and regulations promulgated thereunder
<b>“US Securities Act”</b>	US Securities Act of 1933 (as amended) and the rules and regulations promulgated thereunder
<b>“Wider Sumo Group”</b>	Sumo and the subsidiaries and subsidiary undertakings of Sumo and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Sumo Group is interested or any undertaking in which Sumo and such undertakings (aggregating their interests) have a Substantial Interest)

**“Wider Tencent Group”**

Tencent and the subsidiaries and subsidiary undertakings of Tencent and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Tencent Group is interested or any undertaking in which Tencent and such undertakings (aggregating their interests) have a Substantial Interest)

**“Zeus Capital”**

Zeus Capital Limited, Rule 3 Adviser, Nomad, and Joint Broker to Sumo

Unless otherwise stated, all times referred to in this Announcement are references to the time in London.

All references to legislation in this Announcement are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation (including, for these purposes, the Code) shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa.

A reference to **“includes”** shall mean **“includes without limitation”**, and references to **“including”** and any other similar term shall be interpreted accordingly.

For the purpose of this Announcement **“subsidiary”**, **“subsidiary undertaking”** and **“undertaking”** have the meanings given by the Companies Act.

References to **“£”**, **“Sterling”**, **“GBP”**, **“p”** and **“pence”** are to the lawful currency of the United Kingdom, references to **“\$”**, **“dollar”**, **“USD”** are to the lawful currency of the United States of America, and references to **“RMB”** are to the lawful currency of the People’s Republic of China.