

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

February 26, 2024  
Date of Report (Date of earliest event reported)

Progress Software Corporation

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

0-19417  
(Commission file number)

04-2746201  
(I.R.S. Employer Identification No.)

15 Wayside Road, Suite 400  
Burlington, Massachusetts 01803  
(Address of principal executive offices, including zip code)

(781) 280-4000  
(Registrant's telephone number, including area code)

Not applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	PRGS	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 7.01 Regulation FD Disclosure

### *Convertible Notes Offering*

On February 26, 2024, Progress Software Corporation (the “Company”) issued a press release announcing that the Company plans to commence, subject to market conditions and other factors, a private offering (the “Notes Offering”) of \$350 million aggregate principal amount of convertible senior notes due 2030 (the “Notes”) to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933 (the “Securities Act”). A copy of the press release is being furnished as Exhibit 99.1 to this Current Report and is incorporated herein by reference.

### *Credit Agreement*

We have commenced a process to further amend and restate (the “Amendment and Restatement”) the Credit Agreement. The Amendment and Restatement would provide for a \$900.0 million revolving credit facility and no term loan facility and would mature on the date that is five years following the closing of the Amendment and Restatement. The Amendment and Restatement would also amend certain other definitions, covenants and terms of the Credit Agreement. There can be no assurances that the Amendment and Restatement will be consummated on the terms we anticipate, or at all.

\* \* \*

The information included in this Current Report on Form 8-K is neither an offer to sell nor a solicitation of an offer to buy any securities.

The information in this Item 7.01, including Exhibit 99.1 is furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to liabilities under that section, and shall not be deemed to be incorporated by reference into the filings of the Company under the Securities Act, or the Exchange Act, except as shall be expressly set forth by specific reference in such filings.

This Current Report on Form 8-K contains forward-looking statements. The Company identified some of these forward-looking statements with words such as “believes,” “expects,” “may,” “could,” “would,” “might,” “will,” “should,” “seeks,” “intends,” “plans,” “estimates,” “targets,” or “anticipates,” or similar expressions which concern our strategy, plans, projections or intentions. Forward looking statements in this press release include, but are not limited to, statements regarding the completion, timing and size of the proposed offering, the intended use of proceeds, the terms of the Notes being offered, the anticipated terms of, and the effects of entering into, the credit agreement, the capped call transactions and the actions of the option counterparties and their respective affiliates. By their nature, forward-looking statements: speak only as of the date they are made; are not statements of historical fact or guarantees of future performance; and are subject to risks, uncertainties, assumptions, or changes in circumstances that are difficult to predict or quantify. Our expectations, beliefs, and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs and projections will result or be achieved and actual results may vary materially from what is expressed in or indicated by the forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described under the “Risk Factors” section of the Company’s Annual Report on Form 10-K for the fiscal year ended November 30, 2023. Among those risks and uncertainties are market conditions, including market interest rates, the trading price and volatility of Progress’ common stock and risks relating to Progress’ business. Progress may not consummate the proposed offering described in this press release, and, if the proposed offering is consummated, the Company cannot provide any assurances regarding the final terms of the offering or the Notes or its ability to effectively apply the net proceeds as described above. Except as required by law, the Company has no obligation to update any of these forward-looking statements to conform these statements to actual results or revised expectations, which speak only as of the date of this press release.

## Item 9.01 Financial Statements and Exhibits.

### (d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Progress Software Corporation Press Release dated February 26, 2024</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

## Signatures

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

Date: February 26, 2024

Progress Software Corporation

By: /s/ Yufan Stephanie Wang

Name: Yufan Stephanie Wang

Title: Chief Legal Officer

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## Progress Software Announces Proposed Convertible Senior Notes Offering

**BURLINGTON, Mass., February 26, 2024** – Progress Software Corporation (NASDAQ: PRGS) (“Progress”) today announced that it intends to offer, subject to market and other conditions, \$350.0 million aggregate principal amount of Convertible Senior Notes due 2030 (the “Notes”), to be sold only to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”). Progress also expects to grant to the initial purchasers of the Notes an option to purchase up to an additional \$52.5 million aggregate principal amount of the Notes, for settlement within a 13-day period beginning on, and including, the first date on which the Notes are issued, solely to cover overallocments.

The Notes will be Progress’ senior unsecured obligations. The Notes will mature on March 1, 2030, unless earlier converted, redeemed or repurchased.

Progress will satisfy its conversion obligations by paying cash up to the aggregate principal amount of Notes to be converted and pay or deliver, as the case may be, cash, shares of its common stock or a combination of cash and shares of its common stock, at its election, in respect of the remainder. The interest rate, the initial conversion rate and the other terms of the Notes will be determined upon pricing of the offering.

Progress intends to use the net proceeds from the offering (i) to repay amounts outstanding under its term loan credit facility, (ii) to fund the cost of entering into the capped call transactions described below, (iii) to repurchase shares of its common stock in an amount up to \$25 million, pursuant to its existing share repurchase program concurrently with the pricing of the offering in privately negotiated transactions effected through one or more of the initial purchasers or their affiliates and (iv) for general corporate purposes, which may include repayment of other indebtedness.

In connection with the pricing of the Notes, Progress expects to enter into privately negotiated capped call transactions with one or more of the initial purchasers and/or their respective affiliates and/or other financial institutions (the “option counterparties”). The capped call transactions will cover, subject to anti-dilution adjustments substantially similar to those applicable to the Notes, the number of shares of common stock initially underlying the Notes. If the initial purchasers exercise their option to purchase additional Notes, then Progress expects to enter into additional capped call transactions with the option counterparties. The capped call transactions are expected generally to reduce the potential dilution to Progress’ common stock upon any conversion of the Notes and/or offset any potential cash payments Progress is required to make in excess of the principal amount of converted Notes, as the case may be, with such reduction and/or offset subject to a cap. The cap price of the capped call transactions and the premium payable will be determined at the time of pricing of the offering.

In connection with establishing their initial hedges of the capped call transactions, the option counterparties or their respective affiliates expect to purchase shares of Progress’ common stock and/or enter into various derivative transactions with respect to Progress’ common stock concurrently with or shortly after the pricing of the Notes. This activity could increase (or reduce the size of any decrease in) the market price of Progress’ common stock or the Notes at that time. In addition, the option counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to Progress’ common stock and/or purchasing or selling Progress’ common stock or other securities issued by Progress in secondary market transactions following the pricing of the Notes and prior to the maturity of the Notes (and (x) are likely to do so during any observation period related to a conversion of the Notes, following any redemption of the Notes by Progress or following any repurchase of the Notes by Progress in connection with any fundamental change and (y) are likely to do so following any repurchase of the Notes by Progress other than in connection with any such redemption or any such fundamental change if Progress elects to unwind a corresponding portion of the capped call transactions in connection with such repurchase). This activity could also cause or avoid an increase or a decrease in the market price of Progress’ common stock or the Notes, which could affect a Noteholder’s ability to convert the Notes and, to the extent the activity occurs during any observation period related to a conversion of the Notes, it could affect the number of shares of Progress’ common stock and value of the consideration that a Noteholder will receive upon conversion of the Notes.

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In addition, if any such capped call transaction fails to become effective, whether or not the offering of the Notes is completed, the option counterparty party thereto may unwind its hedge positions with respect to Progress' common stock, which could adversely affect the value of Progress' common stock and, if the Notes have been issued, the value of the Notes.

The Notes will be offered and sold only to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act. The Notes and any shares of Progress' common stock issuable upon conversion of the Notes have not been registered under the Securities Act, or any state securities law, and the Notes and any such shares may not be offered or sold in the United States or to any U.S. persons absent registration under, or pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws.

This press release does not constitute an offer to sell or a solicitation of an offer to buy the Notes or any shares of Progress' common stock issuable upon conversion of the Notes, nor shall there be any offer, solicitation or sale of any Notes or any such shares of Progress' common stock issuable upon conversion of the Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful.

#### **About Progress**

Progress provides enterprise software products for the development, deployment and management of high-impact business applications. With Progress, businesses can automate and optimize the process by which applications are developed, deployed and managed, making critical data and content more accessible and secure and technology teams more productive.

*Progress and Progress Software are trademarks or registered trademarks of Progress Software Corporation and/or its subsidiaries or affiliates in the U.S. and other countries. Any other names contained herein may be trademarks of their respective owners.*

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## **Forward-Looking Statements**

This press release contains statements that are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Progress has identified some of these forward-looking statements with words like “believes,” “expects,” “may,” “could,” “would,” “might,” “will,” “should,” “seeks,” “intends,” “plans,” “estimates,” “targets,” or “anticipates,” or similar expressions which concern our strategy, plans, projections or intentions. Forward looking statements in this press release include, but are not limited to, statements regarding the completion, timing and size of the proposed offering, the intended use of proceeds, the terms of the Notes being offered, the anticipated terms of, and the effects of entering into, the capped call transactions and the actions of the option counterparties and their respective affiliates. By their nature, forward-looking statements speak only as of the date they are made; are not statements of historical fact or guarantees of future performance; and are subject to risks, uncertainties, assumptions, or changes in circumstances that are difficult to predict or quantify. Our expectations, beliefs, and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs and projections will result or be achieved and actual results may vary materially from what is expressed in or indicated by the forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described under the “Risk Factors” section of our Annual Report on Form 10-K for the fiscal year ended November 30, 2023. Among those risks and uncertainties are market conditions, including market interest rates, the trading price and volatility of Progress’ common stock and risks relating to Progress’ business. Progress may not consummate the proposed offering described in this press release, and, if the proposed offering is consummated, Progress cannot provide any assurances regarding the final terms of the offering or the Notes or its ability to effectively apply the net proceeds as described above. Except as required by law, Progress has no obligation to update any of these forward-looking statements to conform these statements to actual results or revised expectations, which speak only as of the date of this press release.

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