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Coveo Announces Completion of Substantial Issuer Bid and Renewal of Normal Course Issuer Bid and Automatic Securities Purchase Plan

MONTREAL and SAN FRANCISCO, July 12, 2024 /PRNewswire/ - Coveo Solutions Inc. ("**Coveo**" or the "**Company**") (TSX: CVO), the leading enterprise AI platform that brings AI search and generative AI (GenAI) to every point-of-experience, enabling remarkable personalized digital experiences, announced today that it has taken up and paid for 6,493,506 of its subordinate voting shares ("**Shares**") (including 45,343 multiple voting shares ("**Multiple Voting Shares**") on an as-converted basis) at a price of C\$7.70 per Share under Coveo's substantial issuer bid (the "**SIB**") to purchase for cancellation a number of its Shares for an aggregate purchase price not to exceed C\$50 million. Coveo further announced today that its board of directors has authorized the renewal of its normal course issuer bid (the "**NCIB**") to purchase for cancellation up to 2,690,573 Shares over the twelve-month period commencing on July 17, 2024 and ending no later than July 16, 2025, as well as the implementation of an automatic securities purchase plan in connection with the NCIB.

Completion of Substantial Issuer Bid

The Shares purchased under the SIB represent an aggregate purchase price of approximately C\$50 million and approximately 6.24% of the total number of Coveo's issued and outstanding Shares and Multiple Voting Shares (on a non-diluted basis) as of July 10, 2024. After giving effect to the SIB, Coveo will have approximately 53,811,461 Shares and 43,703,957 Multiple Voting Shares issued and outstanding.

Based on the final count by TSX Trust Company, acting as depositary for the SIB (the "**Depository**"), a total of 30,125,099 Shares (including Multiple Voting Shares on an as-converted basis) were validly tendered and not withdrawn. Since the SIB was oversubscribed, shareholders who made auction tenders at or below the purchase price or purchase price tenders had approximately 25.91% of their successfully tendered Shares purchased by Coveo (other than "odd lot" tenders, which were not subject to proration).

Payment and settlement of the purchased Shares will be effected by the Depository on or about July 16, 2024 in accordance with the SIB and applicable law. Any Shares or Multiple Voting Shares not purchased, including such Shares not purchased as a result of proration or Shares or Multiple Voting Shares (on an as-converted basis) tendered pursuant to auction tenders at prices higher than the purchase price or invalidly tendered will be returned to shareholders as soon as practicable by the Depository.

The full details of the SIB are described in the offer to purchase and issuer bid circular dated June 3, 2024, as well as the related letter of transmittal and notice of guaranteed delivery, copies of which were filed and are available under our profile on SEDAR+ at www.sedarplus.ca.

To assist shareholders in determining the tax consequences of the SIB, Coveo estimates that for the purposes of the *Income Tax Act* (Canada), the paid-up capital per Share is approximately C\$6.18. Given that the purchase price of C\$7.70 per Share exceeds the paid-up capital per Share, shareholders who have sold Shares to Coveo under the SIB will be deemed to have received a taxable dividend as a result of such sale for Canadian federal income tax purposes equal to the amount by which the purchase price per Share exceeds the paid-up capital per Share. The dividend deemed to have been paid by Coveo to Canadian resident persons is designated as an "eligible dividend" for purposes of the *Income Tax Act* (Canada) and any corresponding provincial and territorial tax legislation.

The "specified amount" for purposes of subsection 191(4) of the *Income Tax Act* (Canada) is C\$7.91, being the closing trading price for the Shares on the TSX on July 10, 2024. Shareholders should consult with their own tax and other advisors with respect to the income tax consequences of the disposition of their Shares under the SIB.

Renewal of Normal Course Issuer Bid and Automatic Securities Purchase Plan

Coveo also announced today that the board of directors of the Company has authorized, and the Toronto Stock Exchange (the "**TSX**") has approved, Coveo's notice of intention to renew its NCIB to purchase for cancellation up to 2,690,573 Shares over the twelve-month period commencing on July 17, 2024 and ending no later than July 16, 2025, representing approximately 5% of the 53,811,461 Shares issued and outstanding pro forma as at July 10, 2024, taking into account the 6,493,506 Shares (including 45,343 Multiple Voting Shares on an as-converted basis) the Company is buying back under the SIB. The renewal of the NCIB follows on the conclusion of Coveo's previous normal course issuer bid which expires on July 16, 2024. From July 17, 2023 to July 16, 2024, Coveo purchased 1,393,600 securities under its normal course issuer bid, through open market purchases on the TSX and Canadian alternative trading systems and through a privately negotiated transaction in reliance upon a statutory issuer bid exemption, with Shares purchased at a weighted average price of C\$10.26 per Share. Coveo had received the approval of the TSX to purchase up to 2,559,247 securities under its previous normal course issuer bid.

The NCIB will be conducted through the facilities of the TSX or alternative Canadian trading systems and will conform to their regulations. Shares will be acquired under the NCIB at the market price at the time of purchase. Purchases under the NCIB will be made by means of open market transactions, including through privately negotiated transactions or such other means as a securities regulatory authority may permit. In the event that the Company acquires Shares by other means as a securities regulatory authority may permit, the purchase price of the Shares may be different than the market price of the Shares at the time of the acquisition. Purchases made under an issuer bid exemption order will be at a discount to the prevailing market price as per the terms of the order.

Furthermore, under the NCIB, Coveo may make, once per week, a block purchase (as such term is defined in the TSX Company Manual) at market price, in accordance with TSX rules. Under TSX rules, block purchases may not be made, directly or indirectly, from any insider

of the Company, including shareholders of Coveo holding more than 10% of the Shares or the Multiple Voting Shares. Coveo will otherwise be allowed to purchase daily, through the facilities of the TSX, a maximum of 29,609 Shares representing 25% of the average daily trading volume, as calculated per the TSX rules for the six-month period starting on January 1, 2024 and ending on June 30, 2024.

Coveo also announced today that, in connection with its intention to renew the NCIB, Coveo has renewed its automatic share purchase plan (the "**ASPP**") with a designated broker to allow for the purchase of its Shares under the NCIB, once effective, at times when Coveo normally would not be active in the market due to applicable regulatory restrictions or internal trading black-out periods. Before the commencement of any particular internal trading black-out period, Coveo may, but is not required to, instruct its designated broker to make purchases of Coveo's Shares under the NCIB during the ensuing black-out period in accordance with the terms of the ASPP. Such purchases will be determined by the broker in its sole discretion based on parameters established by Coveo prior to commencement of the applicable black-out period in accordance with the terms of the ASPP and applicable TSX rules. Outside of these black-out periods, Shares will be purchasable by Coveo at its discretion under the NCIB, once effective. The ASPP constitutes an "automatic securities purchase plan" under applicable Canadian securities laws.

Coveo is renewing its NCIB as it provides it with a capital allocation alternative, with a view to continue to create long-term shareholder value. Coveo's board of directors and management believe that the market price of the Shares may from time to time not reflect the underlying value of the Shares, and purchases of Shares for cancellation under the NCIB provides both (i) an opportunity to enhance shareholder value, as purchasing Shares for cancellation through an NCIB increases each shareholder's relative equity interests in Coveo, and (ii) liquidity to selling shareholders in the market.

The actual number of Shares purchased under the NCIB, the timing of purchases and the price at which the Shares are purchased will depend on various factors, including Coveo's capital and liquidity positions, accounting and tax considerations, Coveo's operational performance, alternative uses of capital, the trading price of the Shares on the TSX, and market conditions.

This press release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell Coveo's shares.

Forward-Looking Information

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws, including statements regarding the terms of the SIB (including the timing of payment and settlement for Shares purchased under the SIB and the number of Shares and Multiple Voting Shares expected to be issued and outstanding after completion of the SIB), statements relating to the NCIB (including purchases thereunder, the price, timing and size of such purchases, and the implementation of an ASPP), and other statements that are not historical facts (collectively, "forward-looking information"). This forward-looking information is identified by the use of terms and phrases such as "may", "would", "should", "could", "might", "will", "achieve", "occur", "expect", "intend", "estimate", "anticipate", "plan", "foresee", "believe", "continue", "target", "opportunity", "strategy", "scheduled", "outlook", "forecast", "projection", or "prospect", the

negative of these terms and similar terminology, including references to assumptions, although not all forward-looking information contains these terms and phrases. In addition, any statements that refer to expectations, intentions, projections, or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates, and projections regarding future events or circumstances.

Forward-looking information is necessarily based on a number of opinions, estimates, and assumptions that we considered appropriate and reasonable as of the date such statements are made. Although the forward-looking information contained herein is based upon what we believe are reasonable assumptions, actual results may vary from the forward-looking information contained herein. Forward-looking information is subject to known and unknown risks, uncertainties, and other factors, many of which are beyond our control, that may cause the actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to macro-economic uncertainties and the risk factors described under "Risk Factors" in the Company's most recently filed Annual Information Form available under our profile on SEDAR+ at www.sedarplus.ca. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as of the date made. Moreover, we operate in a very competitive and rapidly changing environment. Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information.

You should not rely on this forward-looking information, as actual outcomes and results may differ materially from those contemplated by this forward-looking information as a result of such risks and uncertainties. Except as required by law, we do not assume any obligation to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

About Coveo Solutions Inc.

We strongly believe that the future is business-to-person. That experiences are today's competitive front line, a make or break for every business. We also believe that remarkable experiences not only enhance user satisfaction but also yield significant gains for enterprises. That is what we call the AI-experience advantage – the degree to which the content, products, recommendations, and advice presented to a person online aligns easily with their needs, intent, preferences, context, and behavior, resulting in superior business outcomes.

To realize this AI-experience advantage at scale, enterprises require a robust, spinal and composable infrastructure capable of unifying content securely and delivering AI search, AI recommendations, true personalization, and a trusted generative experience at every touchpoint with each individual customer, partner and employee. Coveo is dedicated to bringing this advantage to every point-of-experience, using powerful data and AI models to

transform the enterprise in commerce, customer service, website and workplace.

The Coveo platform is ISO 27001 and ISO 27018 certified, SOC2 compliant, HIPAA compatible, with a 99.999% SLA available. We are a Salesforce Summit ISV Partner, an SAP Endorsed® App, an Adobe Gold Partner, a MACH Alliance member and a Genesys AppFoundry® ISV Partner.

Coveo is a trademark of Coveo Solutions Inc. Stay up to date on the latest Coveo news and content by subscribing to the [Coveo blog](#), and following Coveo on [LinkedIn](#), [Twitter](#), and [YouTube](#).

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