Zendesk Gives Notice of Fundamental Change Repurchase Rights and Make-Whole Fundamental Change to Holders of its 0.25% Convertible Senior Notes due 2023.

San Francisco, CA (November 22, 2022) — Zendesk, Inc. (“Zendesk”) today announced that, in connection with the closing of the merger (the “Merger”) contemplated by the Agreement and Plan of Merger, dated as of June 24, 2022, by and among Zendesk, Zoro Merger Sub, Inc. and Zoro BidCo, Inc., it provided notice (the “Notice”) to the holders (the “Holders”) of its 0.25% Convertible Senior Notes due 2023 (the “2023 Notes”) that a Fundamental Change and Make-Whole Fundamental Change occurred under the indenture, dated as of March 20, 2018, by and between Zendesk and Wilmington Trust, National Association, as trustee (the “Indenture”). The Effective Date of the Fundamental Change and Make-Whole Fundamental Change was November 22, 2022. Capitalized terms used herein, unless otherwise defined herein, shall have the meanings given to such terms in the Indenture.

The Notice provides that, in connection with the Fundamental Change, each Holder has the right, subject to certain conditions, to require Zendesk to repurchase all or any portion of such Holder’s 2023 Notes in a principal amount equal to $1,000 (or an integral multiple of $1,000) at a cash repurchase price equal to 100% of the principal amount outstanding of such 2023 Notes, plus accrued and unpaid interest thereon to, but excluding, January 13, 2023, which is the Fundamental Change Repurchase Date. To effect any such repurchases of 2023 Notes, a Holder must follow the procedures required by Section 15.02 of the Indenture, which are described in the Notice.

The Notice also provides that, pursuant to the first supplemental indenture, dated as of November 22, 2022, between Zendesk and Wilmington Trust, National Association, as trustee, in connection with the consummation of the Merger, each Holder has the right to convert the principal amount of its 2023 Notes into cash equal to (i) the Conversion Rate immediately prior to the Merger, which shall be cash equal to $1,228.7935 per $1,000 principal amount of 2023 Notes based on a Conversion Rate of 15.8554 and (ii) with respect to the Holders who elect to convert such 2023 Notes at any time from November 22, 2022, which is the Effective Date, but before 5:00 p.m., New York City time, on the Business Day immediately prior to January 13, 2023, which is the Fundamental Change Repurchase Date, an increased Conversion Rate of 16.1016, which shall be cash equal to $1,247.874 per $1,000 principal amount of converted 2023 Notes, as adjusted in accordance with Section 14.03 of the Indenture, in each case reflecting the right to receive $77.50 in cash for each share of Common Stock.

Holders who do not elect to require Zendesk to repurchase their 2023 Notes will maintain the right to convert their 2023 Notes on or prior to the close of business on the second scheduled Trading Day immediately preceding March 15, 2023, upon the terms and subject to the conditions of the Indenture.

About Zendesk

Zendesk started the customer experience revolution in 2007 by enabling any business around the world to take their customer service online. Today, Zendesk is the champion of great service everywhere for everyone, and powers billions of conversations, connecting more than 100,000 brands with hundreds of millions of customers over telephony, chat, email, messaging, social channels, communities, review sites and help centers. Zendesk products are built with love to be loved. The company was conceived in Copenhagen, Denmark, built and grown in California, and today employs more than 6,000 people across the world. Learn more at www.zendesk.com.

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