

Background of the Merger

Onyx's management and board of directors have over the last several years regularly reviewed and assessed business trends, competitive factors and market conditions affecting Onyx, the CRM sector and the enterprise software industry generally. In particular, Onyx's management and board have focused on Onyx's ability to compete successfully as an independent company in the enterprise software industry in light of recent trends, including customer preference for dealing with fewer software and other information technology vendors, the continued move toward suite or platform vendors that provide broad functionality, increased competition from Microsoft and others, continuing consolidation among software companies and the size and scale of recent acquisitions in the software industry such as Oracle's acquisitions of PeopleSoft in 2005 and Siebel in 2006. During this period, Onyx has undertaken various strategic product and other initiatives to strengthen its position as an independent company, such as its April 2004 acquisition of Visuale, Inc.

In the second half of 2005, Onyx began to examine and develop a comprehensive strategy to grow and to enhance its competitive position in the enterprise software market. Management and the board of Onyx believed that strategic product and company acquisitions, as well as strategic partnering transactions, would be critical to Onyx's ability to grow and compete in the consolidating and highly competitive enterprise software market.

At a meeting of the board on September 2, 2005, Janice P. Anderson, Onyx's Chair and Chief Executive Officer, and Robert J. Chamberlain, Onyx's Chief Financial Officer, delivered a presentation to the board of directors regarding options identified by management for strategic growth, including acquisitions and strategic partnerships. The board directed the officers to engage investment bankers to pursue such opportunities and on October 1, 2005, Onyx engaged a consulting firm to assist Onyx in pursuing these opportunities.

During the fall of 2005, Onyx management, with assistance from its consulting firm, undertook to systematically examine the market opportunities for Onyx, to clarify and further develop its market strategy, and to develop a specific approach to the various market segments addressed by Onyx products and a preliminary list of candidate companies for potential strategic transactions and partnerships to complement Onyx's organic growth objectives. During this time, Onyx management also discussed and explored strategic options involving private equity transactions, such as the potential for an acquisition by a private equity firm, and the advantages and disadvantages of these options for enhancing shareholder value. During this time, members of Onyx management had some general discussions with representatives of Thoma Cressy Equity Partners, although a specific proposal was not discussed.

At a meeting of the board on October 28, 2005, Onyx management provided a presentation regarding a proposed growth strategy for Onyx, its market opportunities, specific areas of strategic interest and the potential partnerships management and its consulting firm had identified, as well as potential strategic transactions that Onyx could pursue toward achieving enhanced growth. At this meeting, the board appointed Philip Minasian as Onyx's Chief Strategy and Development Officer to continue to work on exploring and executing this transactional growth strategy. During that same board meeting the board discussed, among other things, the possibility of pursuing a private equity transaction as a means of enhancing shareholder value. The board concluded at the time that remaining an independent public company and pursuing growth through continued product development, combined with strategic acquisitions and partnering transactions, was the best available opportunity for enhancing shareholder value.

On November 2, 2005, Onyx held its third quarter earnings conference call during which Onyx described its newly developed growth strategy to pursue opportunities created for Onyx as a result of the continuing consolidation in the sector, and Onyx's intent to pursue this aggressive new growth strategy with a combination of organic growth complemented by selective partnering and acquisitions. At a meeting of the board on November 21, 2005, the board again discussed potential strategic alternatives for Onyx, and Ms. Anderson briefed the board on potential companies that had been identified as possible acquisition or partnering targets. The board also continued to discuss and explore the possibility of an acquisition by a private equity firm because of the possibility that Onyx's developing growth strategy might be easier to pursue as a private company.

During November 2005, Onyx management and its consulting firm continued to evaluate potential acquisitions and partnering candidates and began to cultivate relationships with several companies of potential interest.

On November 30, 2005, the board received a package of materials from Orrick, Herrington & Sutcliffe LLP, counsel to Onyx, regarding legal and other considerations in the context of pursuing strategic alternatives. At the next board meeting on December 2, 2005, which was attended by representatives of Orrick, the board again discussed various strategic alternatives designed to enhance growth or otherwise generate shareholder value, including possible acquisition and partnering transactions, as well as the possibility of pursuing the sale of Onyx. The board considered a specific business development timeline presented by Onyx management and a slate of specific potential partners requiring further evaluation for a strategic transaction. The board also received an updated briefing from Orrick regarding its fiduciary duties and other considerations in connection with its consideration of potential strategic alternatives.

On December 6, 2005, Onyx received an unsolicited proposal from CDC Corporation, pursuant to which CDC proposed acquiring a majority of the outstanding shares of Onyx common stock in exchange for a contribution of the assets of CDC Software, a division of CDC, and cash of up to \$50 million. Under this proposal, Onyx would have remained a publicly traded company operated by CDC as a majority owned CDC subsidiary, and no cash would have been distributed to Onyx shareholders. On December 23, 2005, senior executives of Onyx, including Ms. Anderson, and of CDC, including Peter Yip, Chairman of CDC Software and Steven Chan, acting chief executive officer of CDC, agreed to meet on December 30, 2005 to discuss CDC's proposal.

On December 23, 2005, despite the upcoming agreed-upon meeting, Ms. Anderson received an email from Mr. Chan in which Mr. Chan expressed impatience with the scheduling of the agreed meeting and demanded a meeting with Onyx regarding CDC's proposal on December 26, 2005 at 8:00 a.m. Seattle time. Ms. Anderson responded to this request on December 23, 2005, reconfirming Onyx's intent to meet with Mr. Chan and Mr. Yip on December 30, 2005, as previously scheduled, only four days later than the requested time.

On December 28, 2005, CDC instead issued a press release announcing its interest in a strategic transaction with Onyx, describing the terms of its proposal and stating its desire to meet with Onyx management. Onyx responded on that day with a press release announcing that it was evaluating CDC's proposal and that a meeting had been scheduled between CDC and Onyx management. On that day, Onyx also received an email from the executive secretary to Mr. Yip expressing impatience with the meeting schedule while stating a threat by Mr. Chan and Mr. Yip to pursue "alternative methods." Later that same day, Mr. Minasian was contacted by a representative of an enterprise software company backed by private equity ("Company A") requesting a meeting with Ms. Anderson to discuss the possibility of pursuing a transaction with Company A as an alternative to CDC's announcement.

CDC issued another press release on December 30, 2006, requesting a response to its proposal from Onyx's independent directors, notwithstanding the fact that the meeting to discuss the proposal had been scheduled for later that very same day and had not yet been held. Later that day, Ms. Anderson, Mr. Chamberlain and Paul Dauber, then Chief Legal Officer of Onyx, participated in a teleconference with Mr. Yip and CDC internal counsel to discuss CDC's proposal.

At a board meeting held on January 4, 2006, attended by representatives of Orrick, the Onyx board of directors reviewed CDC's proposal and Onyx's other strategic alternatives, including those it had been pursuing as a result of its stated strategy, and considered engaging the support of an additional investment banking firm to advise Onyx with respect to its strategic alternatives. The board determined not to engage an additional investment bank at that time but formed a special committee of independent directors, comprised of Robert Tarkoff, Charles Boesenberg, William Elmore and Daniel Santell, for the purpose of evaluating and responding to the CDC proposal. Following this board meeting, the special committee met to further consider the CDC proposal. After completing its

evaluation, the special committee determined to reject CDC's proposal and to continue to pursue Onyx's previously announced growth strategy as an independent public company.

The following day, January 5, 2006, Onyx issued a press release in which Onyx announced that the special committee had been formed and had unanimously rejected CDC's unsolicited proposal for the following reasons:

- the board believed that CDC Software division assets were performing poorly, as evidenced by lower reported 2005 license growth compared to Onyx;
- CDC proposed that Onyx pay a significant premium for the CDC Software division assets;
- CDC lacked a sustained history of profitable operations and had a poor track record of delivering shareholder value, but would have had a controlling interest in the combined entity;
- CDC had been unable to achieve synergies among the CDC Software division assets it had proposed to combine with Onyx, as demonstrated by the steadily decreasing valuation of CDC since the Ross and Pivotal acquisitions;
- the board expected that there would be limited synergies between the Onyx and CDC Software product lines compared with significant and inevitable cash costs of combining and integrating the two entities, and the potential for customer attrition;
- the proposal would have been highly dilutive to current Onyx shareholders;
- current Onyx shareholders would have received no cash consideration and would have faced the prospect of limited liquidity; and
- major Onyx shareholders had expressed a strong negative reaction to the proposal.

On January 6, 2006, CDC held a conference call for the stated purpose of discussing its proposal with CDC and Onyx shareholders. On January 9, 2006, CDC issued another press release announcing its continued interest in pursuing a strategic transaction with Onyx. Despite this stated interest, CDC did not revise its earlier proposal at this time and did not contact Onyx to initiate further discussions outside of the press.

On January 11, 2006, Ms. Anderson and Mr. Chamberlain met with representatives of Battery Ventures to discuss Battery's interest in a possible transaction. Separately, on that same day, Ms. Anderson spoke with the Chief Executive Officer of Company A to discuss the potential for mutual strategic interests.

On January 15, 2006 Ms. Anderson received an email from Mr. Chan of CDC requesting a meeting. Ms. Anderson responded twice by email proposing a telephonic meeting, but received no further response to this proposal.

On January 20, 2006, CDC issued a press release announcing that it had withdrawn its proposal for a transaction with Onyx. Representatives of CDC emailed a copy of the release to Ms. Anderson shortly before the announcement.

At a meeting of the board on January 26, 2006, Mr. Minasian provided an update regarding potential partnerships, acquisitions and strategic transaction opportunities, after which the board engaged in a discussion and consideration of the strategic alternatives.

During the first quarter of 2006, Onyx management continued to explore potential partnerships, acquisitions and strategic transaction opportunities, while at the same time focusing on executing its sales in a market and customer environment that was becoming increasingly challenging, particularly as a result of the public announcement that had been made by CDC and resulting customer concerns about Onyx's status as an independent company. On February 14, 2006, Onyx announced its financial results for the year ended December 31, 2005 and also provided guidance regarding its expected first quarter performance, which included an expectation that first quarter revenue would be down approximately 20% from revenue in the fourth quarter of 2005, which was reflective of the market conditions described above.

In the final days of the first fiscal quarter of 2006, CDC reemerged, delivering a letter to Onyx's board on March 21, 2006 and a press release almost simultaneously, regarding a new proposal to acquire Onyx, pursuant to which CDC Software would merge with Onyx in exchange for either, at the election of each Onyx shareholder, (a) \$4.57 per share in cash or (b) an aggregate of \$4.78 per share, comprised of \$2.39 per share in cash and \$2.39 in registered Class A Common Stock of CDC. On March 24, 2006, CDC held a conference call to publicly discuss its revised proposal. In this conference call, CDC stated that this was their best offer, despite questions from shareholders whether a higher offer was a possibility.

Onyx's board met on March 24, 2006, together with representatives of Orrick, to consider the revised CDC proposal. The board also considered the status of Onyx's business, including completed sales and transactions to date for 2006, expected financial performance for the first half of 2006 and the uncertainty surrounding future quarterly results. Ms. Anderson provided a review of strategic alternatives for maximizing shareholder value, including the sale of the Company. The board also again received a briefing from Orrick regarding its fiduciary duties in considering its strategic alternatives, including a sale of the business. The board decided to form a special committee of independent directors comprised of Robert Tarkoff (chair), Charles Boesenberg, William Elmore, William Porter and Daniel Santell to explore its strategic alternatives and evaluate CDC's proposal. Immediately thereafter, the special committee convened and determined to engage an investment banker to assist Onyx in evaluating its options for maximizing shareholder value.

Immediately after the meeting, Ms. Anderson, Mr. Chamberlain and members of the special committee interviewed several potential investment banks, including a selection of those that had been interviewed in the fall of 2005 to assist with acquisitions by Onyx.

On April 5, 2006, management of Onyx met with Piper Jaffray & Co. at Onyx headquarters. During that meeting, Onyx shared a detailed overview of its business and financial information and provided information regarding the other strategic acquisitions and partnerships Onyx had been exploring with its consulting firm. On April 7, 2006, Onyx engaged Piper Jaffray & Co. and issued a press release announcing that it had retained Piper Jaffray to serve as its financial advisor in connection with Onyx's ongoing evaluation of its strategic opportunities, including potential acquisitions by Onyx, and Onyx's evaluation of CDC's unsolicited proposal. Shortly after the April 7, 2006, announcement, at the direction of Onyx, representatives of Piper Jaffray made several attempts to contact the representatives of CDC. On April 10, 2006, CDC returned Piper Jaffray's calls. Piper Jaffray informed CDC of its recent engagement and that it would contact CDC after the board of Onyx had determined how to proceed.

On April 14, 2006, Piper Jaffray discussed with the Onyx board its preliminary financial due diligence findings, and further discussed whether Onyx, as a result of its assessment of the various buy options being explored, industry dynamics, and also in light of the continuing overhang in Onyx's market performance as a result of the CDC actions and their potential future actions, should begin to pursue the necessary steps to initiate a near-term process to explore a sale of the company, as well as to continue considering acquisition opportunities. The board directed management and Piper Jaffray to explore a sale process with the participation and guidance of the special committee.

On April 14, 2006, the special committee met and Piper Jaffray briefed the special committee on a proposed process for exploring a potential sale of the company. The special committee approved this process and directed Piper Jaffray to begin making contact with potential buyers.

Between April 14, 2006 and June 5, 2006, Piper Jaffray had contact with 14 potential buyers, of which eight were private equity firms and six were companies. Of these 14 parties, eight did not participate in any discussions, six signed nondisclosure agreements, five held substantive meetings with Onyx management and two submitted written proposals, with all other parties declining to move forward. The contacts and discussions with these parties are described below.

On April 14, 2006, Company A executed a nondisclosure agreement with Onyx. A private equity firm ("Fund A") contacted Piper Jaffray on that day and Piper Jaffray also contacted one additional private equity firm

("Fund B") and one additional company and "Company B") regarding a potential strategic transaction. Also, on April 14, 2006, Piper Jaffray received a request for data from Made2Manage Systems, Inc., an enterprise software company backed by Battery and Thoma Cressey Equity Partners, collectively, M2M.

On April 16, 2006, Onyx, Piper Jaffray and Orrick began review of management presentation materials and preparation for management presentations in connection with the due diligence process.

On April 17, 2006, Onyx executed a nondisclosure agreement with M2M, after which Piper Jaffray and M2M engaged in discussions regarding a potential transaction. Fund B and Company B also responded, declining Piper Jaffray's invitation to participate in a potential strategic transaction. In addition, Piper Jaffray and Onyx management met in a teleconference to prepare for management presentations to potential acquirors. Two additional private equity firms ("Fund C" and "Fund D") contacted Piper Jaffray on April 17, expressing interest in a potential transaction. Piper Jaffray also engaged in discussions with one other private equity firm ("Fund E") on a no-names basis and on April 18, 2006, Fund E entered into a nondisclosure agreement with Onyx and began to engage in substantive discussions with Piper Jaffray.

On April 18, 2006, representatives of Piper Jaffray were able to make contact with CDC and delivered to them a form of proposed nondisclosure agreement, in the same form submitted to all other interested parties, as an initial step in engaging in further negotiations. On the same day, CDC proposed a meeting between representatives of CDC and Piper Jaffray for April 21, 2006 in the Bay Area of California.

In addition, on April 18, 2006, Onyx management and counsel continued to prepare due diligence materials and assemble data for management presentations. Piper Jaffray also engaged in further discussions with M2M regarding management presentations and on April 19, 2006 Onyx and Piper Jaffray met with representatives of M2M regarding business and financial due diligence.

On April 20, 2006, representatives of Piper Jaffray received an email from representatives of CDC expressing, without explanation or detail, categorical objection to certain terms of the proposed nondisclosure agreement, including customary standstill and employee nonsolicitation measures designed to protect Onyx and its shareholders. Representatives of Piper Jaffray and Orrick, at the direction of Onyx, responded with an expression of willingness to negotiate these terms of the nondisclosure agreement and a request for a specific markup from CDC to serve as the basis for further discussions, although no response to this request was ever received by Onyx or its representatives. However, the email from CDC again indicated a desire for a meeting with representatives of Piper Jaffray in the Bay Area on April 21, 2006.

On April 20, 2006, Piper Jaffray and Onyx engaged in further discussions regarding due diligence and met with Company A and Fund E. An online data room was opened for the potential acquirors who had executed nondisclosure agreements to conduct their due diligence review. In connection with the commencement of due diligence, Piper Jaffray held follow-up discussions with M2M, Company A and Fund E.

From April 20 through April 23, Piper Jaffray conducted discussions with each of the potential acquirors under nondisclosure agreements and the data room was open for access by those parties who had signed the agreement. In addition, Piper Jaffray placed multiple calls to representatives of CDC in an attempt to engage in discussions of CDC's offer and entry into a nondisclosure agreement, as well as to proceed with the meeting that CDC's had proposed for April 21, 2006. Despite multiple attempts to contact CDC, Piper Jaffray received no responses from CDC.

On April 24, 2006, the special committee met to discuss the status of the process and alternative strategic plans the board could implement if a transaction could not be completed. Piper Jaffray and Orrick each provided an update on the process.

On April 24, 2006 a proposed form of merger agreement was sent to each of M2M and Company A. Piper Jaffray also placed another call to CDC and received no response. Piper Jaffray conducted a follow-up due diligence call with Company A and further discussed the nondisclosure agreement and the timing of an in person meeting with Fund D. Piper Jaffray also placed a call to another enterprise software company ("Company C"), inviting

participation in the process and on April 25, Piper Jaffray discussed a potential transaction with the chief executive officer of Company C and sent him a form of a proposed nondisclosure agreement.

During the last week of April, Onyx and its advisors continued to assemble and supplement the online data room in response to requests from the potential acquirors.

Also on April 25, 2006, Piper Jaffray held discussions with Fund E, in which Fund E communicated its view of Onyx's business and proposed a possible transaction valuation that would be at a level reasonably consistent with the cash offer publicly announced by CDC. As a result of the proposed valuation, which was indicated by Fund E to be firm, discussions with Fund E were terminated.

On April 26, 2006, Piper Jaffray engaged in further discussions with Company C regarding the nondisclosure agreement.

Also on April 26, 2006, Onyx received a written proposal from Company A to acquire Onyx in exchange for \$5.20 per share, together with a memorandum from counsel to Company A regarding the terms of the proposed merger agreement. Onyx conducted a follow-up due diligence call with Company A. In addition, Onyx received an initial verbal proposal from M2M to acquire Onyx, but without a specific price. Representatives of M2M stated that their proposed offer would be consistent with the price of the CDC cash offer, which was \$4.57 per share. On April 27, 2006, M2M contacted Piper Jaffray to investigate the opportunity for exclusivity and indicated unwillingness to submit a written bid or increase its offer absent entry into an exclusivity agreement. Later in the day, M2M expressed a revised verbal offer that would be in the high \$4.00 range.

The board met on April 27, 2006 and considered updates from Piper Jaffray and Orrick regarding the progress of the transaction and the bids received to date. The board also received a presentation by David Bernstein, an independent consultant and former vice president of technology for Siebel Systems, regarding an evaluation of Onyx's technology to better evaluate its strategic options. M2M contacted Piper Jaffray during the board meeting to re-assert its desire for contractual exclusivity and its unwillingness to increase its bid without exclusivity. Later that day, M2M submitted a written proposal to pursue a transaction at a price of \$4.75 per share, along with a memorandum from Kirkland & Ellis LLP, counsel to M2M, regarding the terms of the proposed merger agreement. The board directed Piper Jaffray to pursue a transaction with Company A, which at the time was the highest bidder and the party most engaged in the due diligence process, as quickly as possible.

Company A held discussions with Piper Jaffray on April 28, 2006 in which it verbally increased its bid to \$5.40 per share. Later in the day, however, Company A unexpectedly withdrew its bid, indicating its purported long-term interest in the transaction but its inability to complete the transaction in the contemplated timeframe due to a competing transaction which was not public and could not be disclosed to Onyx. Additional discussions involving Piper Jaffray and Ms. Anderson were held with Company A regarding the timing problem. During these discussions representatives of Company A stated that an unexpected but significant corporate transaction had arisen, preventing Company A from proceeding with the proposed Onyx transaction at that time.

The special committee met on April 28, 2006, together with representatives of Orrick and Piper Jaffray, to discuss the developments interfering with Company A's ability to pursue the transaction. The special committee determined it was necessary to continue to explore a transaction with the parties that had signed a nondisclosure agreement, while also involving additional parties in the process.

On April 30, 2006, Piper Jaffray, Mr. Tarkoff and Ms. Anderson held additional discussions with Company A regarding the timing delay and Company A's interest in a future transaction. Company A was unable to assure representatives of Piper Jaffray and Onyx that it would be able to pursue the transaction after its undisclosed developments were resolved or what the timing for resolution of these developments would be. Company A subsequently announced that it had entered into an agreement to be acquired by another company. In addition, Orrick delivered another email to representatives of CDC requesting a response to the proposed nondisclosure agreement and the offer of negotiations toward a transaction. Again, no response was received from CDC.

On May 1, 2006, Piper Jaffray held further discussions with M2M, which resulted in a verbal increase in M2M's offer to \$5.00 per share and a renewed request for exclusivity.

On May 2, 2006, Piper Jaffray updated the special committee regarding the process and M2M's request for exclusivity. In addition, on this date, Company C delivered an executed nondisclosure agreement to Onyx, which was dated as of April 25, 2006.

On May 3, 2006, Onyx received an offer of \$5.25 share from M2M, which offer was contingent on M2M obtaining contractual exclusivity. Negotiations regarding an exclusivity arrangement commenced.

On May 4, 2006, Piper Jaffray and Orrick also circulated to M2M a mark-up of the draft exclusivity letter prepared by Kirkland & Ellis.

On May 5, 2006 management presentations were delivered to Company C via teleconference. Orrick also received comments from Kirkland & Ellis regarding the revised draft exclusivity letter and, later that day, Orrick delivered a revised version of the exclusivity letter to Kirkland & Ellis.

On May 8, 2006, Onyx and Company A conducted a technical due diligence call. Company C contacted Piper Jaffray and declined the opportunity to make an offer. Orrick and Kirkland & Ellis participated in a teleconference to finalize negotiations on the exclusivity letter and later that day an exclusivity letter was executed by Onyx and M2M, under which M2M was to be granted exclusivity from May 10, 2006 through May 23, 2006, with such time period to be extended to May 31, 2006 if the parties were still negotiating in good faith on May 23, 2006. Under its terms the exclusivity letter was terminable by Onyx upon the receipt of a superior competing proposal. Also under the terms of the exclusivity letter, Battery and Thoma Cressey became parties to the nondisclosure agreement between Onyx and M2M.

On May 9, 2006, Onyx received an executed nondisclosure agreement from Fund D, which was dated as of May 3, 2006 and held a diligence meeting with Fund D. In addition, Onyx and Company A held a due diligence teleconference covering revenue recognition and accounting due diligence.

On May 10, 2006, the exclusivity period with M2M began. Meetings between Onyx and M2M and the parties' respective representatives took place over the next week and additional data was transferred to the online data room in response to supplemental requests from M2M. Due diligence meetings were held covering product strategy, product technology, finance and accounting, sales, services and product support. In addition, Onyx filed its quarterly report on Form 10-Q for the quarter ended March 31, 2006, in which Onyx announced results consistent with the expectations previously announced and reiterated its engagement of Piper Jaffray to assist the board in its evaluation of Onyx's strategic opportunities.

On May 11, 2006, Onyx and M2M held additional due diligence meetings covering research and development, sales and marketing, international operations and additional issues related to finance and accounting. A follow-up financial due diligence call was held on May 12, 2006. Kirkland & Ellis delivered a markup of the proposed merger agreement to Orrick on May 15, 2006.

On May 18, 2006, Orrick and Kirkland & Ellis met via teleconference to negotiate the terms of the merger agreement. Following those negotiations, Orrick delivered a revised draft of the merger agreement to Kirkland & Ellis on May 19, 2006, along with an initial draft of the company disclosure letter, proposed board resolutions and a proposed amendment to Onyx's rights agreement, which would exempt the proposed transaction with M2M from its terms. The parties also held a follow-up due diligence call regarding finance and accounting matters.

On May 22, 2006, Orrick and Kirkland & Ellis met via teleconference to discuss issues related to the proposed form of merger agreement. Following that teleconference, Orrick circulated to the special committee a copy of the proposed merger agreement and a list of unresolved issues for consideration. In addition, Ms. Anderson sent the current draft of the merger agreement and the list of unresolved issues to the full board for its consideration. The principal open issues involved the conditions to the obligations of M2M to close the transaction, the amount of the

requested termination fee and the circumstances under which it was payable, and the covenants restricting Onyx's activities during the time period between signing and closing.

On May 23, 2006, the special committee met to discuss the status of the proposed transaction, which meeting was also attended by representatives of Orrick and Piper Jaffray. At the meeting, the special committee reviewed and considered the materials provided by Orrick and an update by Piper Jaffray. Also, on May 23, 2006, the parties continued to engage in good faith negotiations and so the exclusivity period with M2M automatically extended to May 31, 2006 by the terms of the exclusivity agreement. Over the course of the week, additional due diligence was conducted and additional materials were added to the online data site at the request of M2M and Kirkland & Ellis. On May 26, 2006, Orrick circulated a revised and updated company disclosure letter to Kirkland & Ellis for review.

On May 29, 2006, M2M delivered comments to the merger agreement and on May 30, 2006, Ms. Anderson sent a revised draft of the merger agreement and a list of unresolved issues to the board for its consideration. The principal unresolved issues were substantially unchanged from the list sent on May 22, 2006. On May 30, 2006, the special committee met to discuss the status of the proposed transaction, which was also attended by representatives of Orrick and Piper Jaffray.

On May 31, 2006, Kirkland & Ellis delivered a draft of the support agreement to Orrick. At midnight, M2M's exclusivity period ended and was not extended.

On June 1, 2006, representatives of Piper Jaffray and of M2M met telephonically to discuss the remaining principal business issues in the proposed transaction. At the beginning of this meeting, representatives of M2M informed Piper Jaffray that, based on the results of their due diligence investigation of Onyx, they would no longer move forward with a transaction at a price of \$5.25 per share. M2M initially proposed a revised price of \$4.60 per share. During subsequent telephone conversations later that day, M2M increased its revised proposed price to \$4.75 per share.

In addition, on June 1, 2006, Piper Jaffray, at Onyx's direction, re-contacted Company A, in light of the expiration of the exclusivity period, the revised price terms from M2M and the announcement of the pending acquisition of Company A, in order to determine whether Company A had potential interest in re-engaging in the process. Company A advised Piper Jaffray that it would welcome a transaction but that it was prohibited under the terms of its merger agreement from engaging in any acquisitions and that its potential acquiror was not interested in a transaction with Onyx.

On June 2, 2006, the board met and discussed the status of the transaction, including the reduction in the proposed price of the transaction. After consideration of the process to date, the indications of interest received from other parties and the parties that had declined to participate further, the board directed representatives of Piper Jaffray and Orrick to proceed with negotiation with M2M of the principal open issues in the merger agreement and to attempt to negotiate an increase in the new proposed price. Negotiation of final issues continued with M2M and representatives of Orrick and of Piper Jaffray. By the end of the day on June 2, 2006, M2M had increased the proposed price of the transaction to \$4.80 per share, which is currently reflected in the merger agreement. At the end of the day on June 2, 2006, revised drafts of the merger agreement, support agreement and company disclosure letter were circulated by Orrick.

On June 3, 2006, Piper Jaffray received a new inquiry from Company A expressing a possible interest in reengaging in discussions regarding a possible transaction. Piper Jaffray relayed the inquiry to Onyx and at Onyx's direction advised Company A that Onyx was near a transaction with another party and advised Company A to move quickly to confirm its interest and the potential price it would pay. Despite this indication of urgency, Company A did not respond on June 3, 2006 or June 4, 2006.

On June 4, 2006, Onyx held a telephonic board meeting attended by the full board. In addition, Piper Jaffray rendered to the board of directors its oral opinion, subsequently confirmed in writing, that, as of that date and based upon and subject to the assumptions, factors and limitations set forth in the written opinion, the merger consideration to be received in the proposed transaction was fair, from a financial point of view, to the common shareholders of Onyx (other than M2M and its affiliates). In addition, representatives of Orrick reviewed the terms of the negotiated

merger agreement with the board, including in particular the terms regarding the conditions to closing and the termination fee. The board unanimously approved the merger, declared it advisable and in the best interests of Onyx and its shareholders and approved the execution and delivery of the merger agreement.

On June 5, 2006, Piper Jaffray received an email inquiry from representatives of Company A and its potential acquiror again expressing interest in reengaging in discussions. Piper Jaffray informed Onyx of the inquiry and subsequently contacted representatives of Company A and explained to them the importance of acting quickly to submit a written proposal or otherwise confirm their interest and the highest price they would pay for Onyx. Later that day, Company A submitted a written proposal with a cash price of only \$4.60 per share.

In addition on June 5, 2006, M2M delivered a copy of the proposed commitment letter from its lender and the parties engaged in negotiations regarding its terms. Representatives of Orrick and Piper Jaffray held telephone conferences with members of the special committee to inform them of the offer received from Company A and the terms of the M2M commitment letter. Orrick and Kirkland & Ellis also met telephonically to negotiate certain terms of the commitment letter, which was executed that afternoon. Later that evening, the parties executed the merger agreement and related agreements and the signing of the transaction was announced before the opening of the market on June 6, 2006.

On June 20, 2006, CDC issued a press release announcing its intent to contact the Onyx board of directors regarding a new proposal to acquire Onyx in exchange for either, at the election of each Onyx shareholder, (a) \$4.85 per share in cash or (b) an aggregate of \$5.00 per share, comprised of \$2.50 per share in cash and \$2.50 in registered Class A Common Stock of CDC.

On June 22, 2006, CDC delivered a letter to the Onyx board of directors regarding its offer and issued another press release, attaching to the press release a copy of its letter to the Onyx board of directors and a letter CDC had sent to the Securities and Exchange Commission, objecting to Onyx's rejection of CDC's prior overtures. That day, the Onyx board met to consider CDC's actions since the filing of the preliminary proxy statement and its recent communications. Representatives from Orrick and Piper Jaffray participated in the meeting. After consideration of CDC's press releases and letters, and against the background of previous action by CDC with respect to Onyx, the board determined that CDC's proposal did not constitute and would not reasonably be expected to lead to a transaction that is superior to the definitive agreement with M2M. The board determined that it could not conclude that any or all of the CDC communications constituted, or were reasonably likely to lead to, a superior transaction and issued a press release later that day reaffirming the proposed transaction with M2M for the following reasons:

- CDC's June 20, 2006 press release described an all cash \$4.85 offer. Two days later, however, in its letter to the Onyx board, CDC appeared to abandon its all cash offer and purported to offer Onyx shareholders only a combination of cash and stock, confirming a pattern of inconsistent statements;
- Although CDC's highly contingent combined stock and cash offer had a purported value of \$5.00 per share, depending on changes in CDC's stock value, the actual nominal price to be paid to Onyx shareholders under this proposal could be as low as \$4.50 per share, as compared with the \$4.80 per share in cash to be paid to Onyx shareholders pursuant to the executed definitive merger agreement with M2M;
- The long-term value of the CDC stock portion of the consideration stated in the press release is highly uncertain because CDC lacks a sustained history of profitable operations and the board believed that there would be limited synergies between the Onyx and CDC product lines;
- Although CDC indicated an amount it was prepared to offer, CDC stated that its offer is contingent on further negotiation and due diligence and there is no guarantee that CDC would offer the same price after completion of that process;
- There is no certainty that discussions with CDC would result in a signed acquisition agreement — CDC emphasized that its highly contingent offer was subject to due diligence and, further, its past pattern of inconsistent statements and unwillingness to respond to Onyx and Onyx's representatives, which are described in detail in this proxy statement, are inconsistent with a credible intention to acquire Onyx;
- CDC had not stated any proposed timeline under which it would be able to execute its described transaction; furthermore, the transaction CDC described, because it would involve both cash and CDC stock, would likely take several months longer to complete than the proposed transaction with M2M due to the need to file a registration statement with the Securities and Exchange Commission;

- CDC had repeatedly declined, since its original press release in December 2005, to engage in any negotiations with Onyx regarding the possibility of a strategic transaction and had, in the past, been nonresponsive to multiple contacts from Onyx and Piper Jaffray to pursue such discussions;
- The timing of CDC's public announcements suggested the possibility that its true intention is to enhance CDC's competitive position in the sales process, rather than engage in serious negotiations; and
- In light of CDC's past and current competitive actions in the sales process and its approach to strategic discussions with Onyx, the Onyx board believed that there were significant risks to Onyx and its shareholders associated with sharing, through a due diligence process, competitively sensitive information with CDC that could be used offensively to harm Onyx's business in the competitive marketplace.

CDC stated in its June 22, 2006 press release and related letters, without basis, that existing Onyx management would have a continued role with the surviving company following closing of the M2M acquisition, therefore creating a conflict of interest. In fact, M2M has not made a final decision regarding the post-closing management structure. Moreover, Onyx has been advised by M2M that neither Ms. Anderson nor Mr. Chamberlain would be expected to continue as an executive of the combined M2M organization beyond a transition period to be determined. For more information regarding the severance and benefits that would be payable upon consummation of the merger, see the section entitled "THE MERGER — M2M's Financing."

In its most recent press releases and its letters, CDC challenged as excessive the break-up fee agreed to by Onyx and M2M. The up to \$4.5 million break-up fee, which would include certain M2M legal expenses, amounts to approximately 4.8% of the aggregate value of the M2M transaction. As is common in transactions of this nature, this break-up fee was insisted upon by M2M as a condition to its willingness to pursue a transaction with Onyx, and the Onyx board believed that the fee was well within the bounds of customary break-up fees in transactions of this nature.

On June 23, 2006, CDC issued another press release asserting, among other things, that CDC had not withdrawn its cash offer of \$4.85 per share, notwithstanding the omission of an all cash offer from CDC's letter to the Onyx board dated June 21, 2006. In addition, CDC asserted that the timing of Onyx's award of restricted stock to certain senior executives, which awards are described in greater detail in Onyx's current report on Form 8-K filed with the Securities and Exchange Commission on March 17, 2006, was "suspicious," and further described these awards as a windfall coming at the expense of shareholders, notwithstanding the fact that the consideration offered in the proposed transaction with M2M is an amount of cash to be paid per each outstanding share of common stock, not an aggregate purchase price. These awards were granted as part of Onyx's annual equity compensation program and were granted on March 15, 2006, before CDC had announced its revised offer and before Onyx had initiated the process leading to Piper Jaffray's engagement and the subsequent decision to pursue a sale of Onyx. In addition, with respect to Ms. Anderson, the shares awarded on March 15, 2006 replaced a portion of the option that Onyx was contractually bound to grant to Ms. Anderson pursuant to her employment agreement with Onyx.

Also on June 23, 2006, Onyx received notification from the Federal Trade Commission of early termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. On June 26, 2006, Onyx issued a press release announcing the early termination.