



## Array Technologies, Inc. Announces Pricing of Upsized Convertible Senior Notes Offering

December 1, 2021

ALBUQUERQUE, N.M., Nov. 30, 2021 (GLOBE NEWSWIRE) -- Array Technologies, Inc. (NASDAQ: ARRY) (the "Company" or "Array") today announced it has priced an upsized offering of \$375 million aggregate principal amount of 1.00% convertible senior notes due 2028 (the "notes") in a private offering (the "offering") to eligible purchasers under Rule 144A of the Securities Act of 1933, as amended (the "Securities Act"). Array expects the offering to close on December 3, 2021, subject to the satisfaction of customary closing conditions. The additional proceeds from upsized offering will enable the Company to reduce the amount of Series A Preferred Stock that the Company intends to issue to finance a portion of the cash consideration for the STI Acquisition (as defined below) from \$100 million to \$50.0 million. The reduction will result in fewer common shares being issued to the Series A Preferred holders and lower interest expense annually, thereby reducing the overall cost of capital for the STI Acquisition. Array has also granted the initial purchasers of the notes an option to purchase, within a 13-day period from, and including the date on which the notes are first issued, up to an additional \$50.0 million aggregate principal amount of notes.

The notes will be senior unsecured obligations of Array and will bear interest at a rate of 1.00% per annum, payable semiannually in arrears on June 1 and December 1 of each year, beginning on June 1, 2022. The notes will mature on December 1, 2028, unless earlier redeemed, repurchased or converted. The initial conversion rate will be 41.9054 shares of Array's common stock per \$1,000 principal amount of notes (equivalent to an initial conversion price of approximately \$23.86 per share of common stock). The initial conversion price of the notes represents a premium of approximately 32.5% over the last reported sale price of Array's common stock on the Nasdaq Global Market (the "Nasdaq") on November 30, 2021.

In connection with the pricing of the notes, Array entered into privately negotiated capped call transactions with certain of the initial purchasers or their respective affiliates (the "option counterparties"). The capped call transactions will cover, subject to anti-dilution adjustments, the number of shares of common stock initially underlying the notes sold in the offering. The capped call transactions are expected generally to reduce potential dilution to Array's common stock upon any conversion of notes and/or offset any cash payments Array 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 based on a cap price initially equal to \$36.02 per share which represents a premium of 100.0% over the last reported sale price of Array's common stock on the Nasdaq on November 30, 2021.

At any time prior to the close of business on the business day immediately preceding June 1, 2028, the notes will be convertible at the option of the holders of the notes only upon the satisfaction of specified conditions and during certain periods. On or after June 1, 2028, until the close of business on the second scheduled trading day immediately preceding the maturity date, the notes will be convertible at the option of the holders of the notes at any time regardless of these conditions. Upon conversion of the notes, Array will pay cash up to the aggregate principal amount of the notes to be converted and pay or deliver, as the case may be, cash, shares of Array's common stock or a combination of cash and shares of Array's common stock, at Array's election, in respect of the remainder, if any, of Array's conversion obligation in excess of the aggregate principal amount of the notes being converted.

Array may redeem for cash all or any portion of the notes, at its option, on or after December 6, 2025, if the last reported sale price of Array's common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which Array provides notice of redemption at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. No sinking fund is provided for the notes.

Subject to certain conditions, if Array undergoes a "fundamental change" (as defined in the indenture that will govern the notes), holders of the notes may require Array to repurchase for cash all or any portion of their notes at a fundamental change repurchase price equal to 100% of the principal amount of the notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date. In addition, upon certain corporate events that occur prior to the maturity date or upon redemption, Array will, under certain circumstances, increase the conversion rate for holders who elect to convert their notes in connection with any such corporate event or convert their notes called (or deemed called) for redemption during the related redemption period, as the case may be.

Array estimates that the net proceeds from the offering will be approximately \$356.9 million (or \$405.5 million if the initial purchasers exercise their option to purchase additional notes in full), after deducting the initial purchasers' discounts, estimated expenses payable by Array and other fees and expenses related to the STI Acquisition (as defined below). Array intends to use a portion of the net proceeds of the offering, together with cash on hand and/or borrowings under its revolving credit facility and the issuance of up to \$50.0 million of Series A Preferred Stock pursuant to the Company's Series A preferred stock facility, to pay the cash consideration (the "STI Cash Consideration") for its previously announced acquisition of Soluciones Técnicas Integrales Norland, S.L. (the "STI Acquisition"), to pay the cost of the capped call transactions described below and other fees and expenses related to the STI Acquisition. If the initial purchasers exercise their option to purchase additional notes, Array expects to use a portion of the net proceeds from the sale of the additional notes to enter into additional capped call transactions with the option counterparties. Array intends to use the remainder of such net proceeds to pay a portion of the STI Cash Consideration and for general corporate purposes, which may include the repayment of a portion of Array's term loan.

In connection with establishing their initial hedges of the capped call transactions, the option counterparties or their respective affiliates expect to enter into various derivative transactions with respect to Array's common stock and/or purchase shares of Array's 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 Array's common stock or the notes concurrently with or shortly after the pricing of the notes.

In addition, the option counterparties and/or their respective affiliates may modify their hedge positions by entering into or unwinding various derivative transactions with respect to Array's common stock and/or purchasing or selling Array's common stock or other securities of Array in secondary market transactions following the pricing of the notes and prior to the maturity of the notes (and are likely to do so on each exercise date for the capped call transactions or following any termination of any portion of the capped call transactions in connection with any repurchase, redemption or early conversion of the notes). This activity could also cause or avoid an increase or decrease in the market price of Array's common stock or the notes, which could affect the ability of noteholders to convert its notes and, to the extent the activity occurs following a conversion or during any observation period related to a conversion of notes, it could affect the amount and value of the consideration that noteholders will receive upon conversion of its notes.

Neither the notes nor the shares of the common stock potentially issuable upon conversion of the notes, if any, have been, or will be, registered under the Securities Act, the securities laws of any other jurisdiction or any state securities laws and, unless so registered, may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws. The notes will be offered and sold only to persons reasonably believed to be qualified institutional buyers in the United States pursuant to Rule 144A under the Securities Act. This news release is for informational purposes only and does not constitute an offer to sell, or a solicitation of an offer to buy, the notes, nor shall there be any sale of the notes in any state or jurisdiction in which such offer, solicitation or sale is unlawful.

#### **About Array Technologies, Inc.**

Array Technologies (NASDAQ: ARRY) is a leading American company and global provider of utility-scale solar tracker technology. Engineered to withstand the harshest conditions on the planet, Array's high-quality solar trackers and sophisticated software maximize energy production, accelerating the adoption of cost-effective and sustainable energy. Founded and headquartered in the United States, Array relies on its diversified global supply chain and customer-centric approach to deliver, commission and support solar energy developments around the world, lighting the way to a brighter, smarter future for clean energy.

#### **Cautionary Statements**

This news release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that do not relate strictly to historical or current facts are forward-looking. Statements regarding the Offering, including the size thereof and the expected use of proceeds therefrom, are forward-looking statements and are subject to known and unknown risks and uncertainties that may cause actual results to differ materially from those expressed in such forward-looking statements. These risks and uncertainties include, but are not limited to, the ability to complete the Offering on favorable terms, if at all, general market conditions which might affect the Offering and the consummation of the acquisition of STI Norland. Other risks relating to the Company are described under Item 1A, "Risk Factors," and elsewhere in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 and other documents the Company files from time to time with the Securities and Exchange Commission. In addition, the Company may be subject to currently unforeseen risks that may have a materially adverse impact on it. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company does not intend to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

#### **Media Contact:**

Laurie Steinberg  
845-558-6370  
[lsteinberg@soleburytrout.com](mailto:lsteinberg@soleburytrout.com)

#### **Investor Relations Contact:**

505-437-0010  
[investors@arraytechinc.com](mailto:investors@arraytechinc.com)