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

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2024

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: 001-39613

ARRAY TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

Delaware	**83-2747826**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3901 Midway Place NE	**Albuquerque**	**New Mexico**	**87109**
(Address of principal executive offices)			(Zip Code)

(Registrant's telephone number, including area code) **(505) 881-7567**

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, $0.001 par value	**ARRY**	**Nasdaq Global Market**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

The aggregate market value of the registrant's common stock held by non-affiliates computed based on the closing sales price of such stock on June 30, 2024 was approximately $1,373,224,440.

Number of Shares of common stock outstanding as of February 24, 2025, — 152,013,769.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement to be filed with the Securities and Exchange Commission ("SEC") subsequent to the date hereof pursuant to Regulation 14A in connection with the registrant's 2025 Annual Meeting of Stockholders, are incorporated by reference into Part III of this Annual Report on Form 10-K. We intend to file such proxy statement with the SEC not later than 120 days after the conclusion of the registrant's fiscal year ended December 31, 2024.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, technology or product developments, financing and investment plans, dividend policy, competitive position, industry and regulatory environment, potential growth opportunities and the effects of competition. Forward-looking statements include statements that are not historical facts and can be identified by terms such as "anticipate," "believe," "could," "estimate," "expect," "anticipates," "intend," "may," "plan," "potential," "predict," "project," "seek," "should," "will," "would," "designed to" or similar expressions and the negatives of those terms.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Given these uncertainties, you should not place undue reliance on forward-looking statements. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date of this report. You should read this report with the understanding that our actual future results may be materially different from what we expect.

Important factors that could cause actual results to differ materially from our expectations include factors in the "Summary Risk Factors" and "Risk Factors" sections of this Annual Report on Form 10-K. Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

Summary Risk Factors

Our business is subject to a number of risks that if realized could materially and adversely affect our business, financial conditions, results of operations, cash flows, and access to liquidity. These risks are discussed more fully in the "Risk Factors" section of this Annual Report on Form 10-K. Our principal risks include the following:

- if demand for solar energy projects does not grow or grows at a slower rate than we anticipate, our business will suffer;
- the viability and demand for solar energy are impacted by many factors outside of our control, including but not limited to, the retail price of electricity, availability of in-demand components like high voltage breakers, various policies related to the permitting and interconnection costs of solar plants, and the availability of incentives for solar energy and solar energy production systems, which makes it difficult to predict our future prospects;
- competitive pressures within our industry may harm our business, revenues, growth rates, and market share;
- we face competition from conventional and renewable energy sources;
- a loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment, could harm our business and negatively impact revenue, results of operations and cash flow;
- a drop in the price of electricity derived from the utility grid or from alternative energy sources may harm our business, financial condition, results of operations, and prospects;
- our results of operations fluctuate across fiscal periods, which could make our future performance difficult to predict and could cause our results of operations for a particular period to fall below expectations;
- any increase in interest rates, or a reduction in the availability of tax equity or project debt capital in the global financial markets, could make it difficult for customers to finance the cost of a solar energy system and could reduce the demand for our products;

- existing electric utility industry policies and regulations, and any subsequent changes or new related policies and regulations, may present technical, regulatory and economic barriers to the purchase and use of solar energy systems, which may significantly reduce demand for our products or harm our ability to compete;
- the interruption of the flow of materials from international vendors could disrupt our supply chain, including as a result of the imposition of new and/or additional duties, tariffs and other charges or restrictions on imports and exports;
- changes in the global trade environment, including the imposition of import tariffs or other import restrictions, could adversely affect the amount or timing of our revenues, results of operations or cash flows;
- geopolitical, macroeconomic and other market conditions unrelated to our operating performance including but not limited to a pandemic, the Ukraine-Russia war, attacks on shipping in the Red Sea, conflict in the Middle East and inflation and interest rates;
- we may not be able to convert our orders in backlog into revenue;
- the reduction, elimination or expiration, or our failure to optimize the benefits of government incentives for, or regulations mandating the use of, renewable energy and solar energy, particularly in relation to our competitors, could reduce demand for solar energy systems and harm our business;
- if we fail to, or incur significant costs in order to, obtain, maintain, protect, defend or enforce, our intellectual property and other proprietary rights, our business and results of operations could be materially harmed;
- delays in construction projects and any failure to manage our inventory could have a material adverse effect on us;
- significant changes in the cost of raw materials could adversely affect our financial performance;
- we are dependent on transportation and logistics providers to deliver our products in a cost-efficient manner. Disruptions to transportation and logistics, including increases in shipping costs, could adversely impact our financial condition and results of operations;
- defects or performance problems in our products could result in loss of customers, reputational damage and decreased revenue, and we may experience delays, disruptions or quality control problems in our product development operations;
- if we fail to retain our key personnel or if we fail to attract additional qualified personnel, we may not be able to achieve our anticipated level of growth and our business could suffer;
- our continued planned expansion into new markets could subject us to additional business, financial, regulatory and competitive risks;
- cybersecurity or other data incidents, including unauthorized disclosure of personal or sensitive data or theft of confidential information could harm our business;
- we have experienced material weaknesses in our internal control over financial reporting in the past. If we fail to maintain an effective system of integrated internal controls, we may not be able to report our financial results accurately, which could have a material adverse effect on our business, financial condition and results of operations;
- our substantial indebtedness could adversely affect our financial condition;
- we face risks related to actual or threatened public health epidemics, pandemics, outbreaks or crises, which could have a material and adverse effect on our business, results of operations and financial condition; and
- changes to laws and regulations, including changes to tax laws and regulations that are applied adversely to us or our customers could materially adversely affect our business, financial condition, results of operations and prospects, including our ability to optimize those changes brought about by the passage of the Inflation Reduction Act or any repeal thereof.

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PART I

Item 1. Business

Overview

We are a leading global provider of solar tracking technology to utility-scale and distributed generation customers, who construct, develop and operate solar PV sites. With solutions engineered to withstand the harshest weather conditions, ARRAY's high-quality solar trackers, software platforms and field services combine to maximize energy production and deliver value to our customers for the entire lifecycle of a project.

Our principal products are a portfolio of integrated solar tracking systems comprised of software and hardware that include, for example, components parts such as steel tubing, steel supports, drivelines, center structures, electric motors, motor controller assemblies, bearing assemblies, gearboxes and electronic controllers commonly referred to as a single-axis "tracker". Trackers move solar panels throughout the day to maintain an optimal orientation to the sun, which significantly increases their energy production. Solar energy projects that use trackers typically generate more energy and deliver a lower Levelized Cost of Energy ("LCOE") than projects that use "fixed tilt" mounting systems, which do not move. The vast majority of ground mounted solar systems in the U.S. use trackers.

Our flagship tracker uses a patented design that allows one motor to drive multiple rows of solar panels through articulated driveline joints, which typically leads to lower assembly costs and lower ongoing operating and maintenance costs. To avoid infringing on our U.S. patent, our competitors must use designs that we believe are inherently less efficient and reliable. For example, some of our competitors' designs require one motor for each row of solar panels. As a result, we believe our products have greater reliability, lower installation costs, reduced maintenance requirements and competitive manufacturing costs. Our core U.S. patent on a linked-row, rotating gear drive system does not expire until February 5, 2030.

With our acquisition of Soluciones Técnicas Integrales Norland, S.L.U., a Spanish private limited liability company, and its subsidiaries (collectively, "STI") in January 2022, we added a dual-row tracker design to our product portfolio. The Array STI H250 tracker uses one motor to drive two connected rows and is ideally suited for sites with irregular and highly angled boundaries or fragmented project areas. To offer a comprehensive set of solutions to the growing market, in September 2022, we also introduced a third tracker product, OmniTrack, which requires significantly less grading and civil works permitting prior to installation in addition to accommodating uneven terrain. This suite of products extends our target applications and ability to deliver the best utility-scale solar tracker solutions to the market.

Sales

Our Customers

We sell our products to engineering, procurement and construction firms ("EPCs"), developers, independent power producers, utilities, independent engineering firms, insurers and mechanical subcontractors that build solar energy projects and to large solar developers, independent power producers, and utilities, often under master supply agreements or multi-year procurement contracts. Although sales to a single customer may occasionally be greater than 10%, they generally represent multiple projects, each independently financed, for many different end customers who often directly influence or make the decision to use our solar tracking systems. In 2024, our sales to EPCs represented approximately 55% of our revenue.

During the year ended December 31, 2024, we derived 70% and 30% of our revenues from customers in the U.S. and the rest of the world, respectively. As of December 31, 2024, we had shipped more than 83 gigawatts of trackers to customers worldwide.

Our Products and Services

Our Tracker Systems

Large-scale solar energy projects are typically laid out in successive "rows" that form a "block." An array can have dozens of rows with more than 100 solar panels in each row. With a single-axis tracker system, motors and gears cause each row of solar panels to rotate along their north-south axis to continually align the row with the sun throughout the day. Different tracker manufacturers use different approaches to rotate the panels in a row. We have three tracker systems that, depending on the project site characteristics, offer customers a differentiated set of benefits.

***DuraTrack® HZ* v3**

Our flagship product is the DuraTrack® HZ v3 tracker system, which we launched in May 2015. DuraTrack® HZ v3 is our third-generation single-axis tracker and includes unique patented features such as a patented single-bolt per module mounting system that reduces installation time, a passive wind load mitigation system and a low number of motors and controls per megawatt ('MW").

Array STI H250

The Array STI H250 is designed to deliver a favorable LCOE with a robust, dual-row tracker system. The design enables one motor to move up to 120 photovoltaic modules making this an efficient utility-scale solar tracking system ideally suited for sites with irregular boundaries, highly angled blocks, or fragmented project areas.

Array OmniTrack

The Array OmniTrack delivers all the benefits of our flagship product DuraTrack® — high reliability, durability and performance — with the added benefits of enhanced North/South terrain flexibility and minimized grading. OmniTrack's flexible design allows for installation on unlevel site terrain, accommodating a greater slope and requiring significantly less grading and civil works permitting, which reduces project costs and time to construct.

Array SkyLink

The Array SkyLink tracker system features a photovoltaic-powered control system that operates independently from the grid. This ensures that solar trackers can still stow during hail or snow accumulation, as detected by Array SmarTrack™ Automated Snow Response and Array SmarTrack™ Hail Alert Response. Additionally, its passive wind stow technology protects solar installations without relying on battery power in low temperatures. SkyLink's wireless technology cuts down wiring and eliminates the need for trenching, which reduces project costs and improves installation timelines for our customers.

Array SmarTrack™ Software

Array SmarTrack™ is our range of software and control-based products designed for utility-scale solar sites. Array SmarTrack™ Diffuse uses real-time weather data it continuously receives from an on-site global horizontal irradiance sensor, while Array SmarTrack™ Automated Hail Alert Response utilizes reliable weather data, in combination with unique algorithms, to identify the optimal position for a solar array in real time to increase its energy production and protect the solar investment from the unpredictability of hailstorms. Equipped with the SmarTrack™ controller, the system is designed to adapt to unique site terrain and weather

conditions, improving project yield and reducing risks in extreme weather, while simplifying operations and maintenance ("O&M") practices. We are particularly excited about our patented severe weather response system that pulls in real time localized weather data and utilizes this data to determine the appropriate stow strategy. Weather events tend to happen concurrently, such as wind, rain, hail, etc., which makes it essential to determine the likelihood and strength of each of these relative to each other when determining our stow strategy.

Services

Array's Field Services and Customer Training programs are engineered to meet the unique needs of EPCs, utility-scale solar projects, O&M partners, and solar site developers. They unlock new levels of productivity with our bespoke service and training packages that include a variety of features that focus on optimizing installation practices. Additionally, they can help reduce operational downtime and increase productivity and quality in the field, resulting in effective and efficient solar site installation and operation.

Markets

Product Roadmap

Our products reflect the innovation focus and engineering capabilities of our people. Our global product roadmap is rooted in delivering value to the customer, differentiated products and services and creating new market offerings.

We have introduced several platforms of a tracker system, and each new version has delivered significant cost and performance improvements over the prior version. We continue to develop and innovate to further develop the next generation of tracker technology, which is focused on delivering value to our customers by improving performance, reliability, and cost of ownership. This is evident in our current tracker portfolio and will continue to be at the forefront of tracker design and development.

We continually introduce improvements and additional functionality to our Array SmarTrack™ software, including unique positioning algorithms designed to maximize energy production from blocks that use bi-facial panels, pre-positioning instructions based on weather forecasts and enhanced site-specific adaptability, while making cybersecurity enhancements.

Sales and Marketing Strategy

Our sales and marketing strategy is to educate all influencers and stakeholders involved in building, owning and maintaining a solar energy project on the merits of our products generally and their low lifetime cost of ownership specifically. With the objective of making our products the preferred tracker systems globally, we educate customers and influencers through a combination of direct sales efforts; commissioning independent, third-party studies; hosting training seminars; and sponsoring industry conferences and events.

We take a "360-degree" approach to selling, working with developers, independent power producers, EPCs, utilities, independent engineering firms, insurers and mechanical subcontractors in each of the countries where we operate. In the United States ("U.S."), Europe, the Middle East and Africa ("EMEA"), Latin America and Australia our products are actively sold by employees in seven different countries.

Training and Customer Support

We offer our customers engineering expertise to design and deliver the optimal solution for each unique project, installation training services and dedicated project management to provide comprehensive technical support.

We offer a wide variety of training and support designed to ensure an efficient build process for our tracker system, including hands-on and video-supported instruction and documentation. We support all of our customers with design consulting throughout the sales process. Our technical support organization includes applications, geotechnical, and civil engineering expertise in each region where we operate. To support projects around the globe, we have resources available to work on solutions 24/7. We manage open issues via our customer relationship management system in order to monitor service, track closure of all customer issues and further improve our customer service in every region in which we sell our products.

Customer service and satisfaction are a key focus for us and contribute to our success. We have field service engineers located in geographies where we are active, to support our customers with the commissioning of large projects, introduction of new technologies and features, and on-the-job training for new installers.

Competition

Trackers are highly specialized products that are specific to the solar industry. The unique expertise required to design trackers, and customers' reluctance to try unproven products, have confined the number of firms that produce trackers to a relatively small group. Our principal tracker competitors include Nextracker Inc. ("Nextracker"), PV Hardware, and GameChange Solar. We also compete indirectly with manufacturers of fixed tilt mounting systems, including UNIRAC, Inc., and Terrasmart (formerly RBI Solar Inc.), a subsidiary of Gibraltar Industries, Inc. We compete based on product performance and features, total cost of ownership (usually measured by LCOE), reliability and duration of product warranty, sales and distribution capabilities, and training and customer support.

Resources

Manufacturing

In the U.S., we operate an approximately 57,900 square foot manufacturing facility in Albuquerque, New Mexico. Our manufacturing process is designed to meet four objectives: limit capital intensive and low value-added activities that can be outsourced to other companies; minimize labor content where possible; minimize the amount of assembly our customers will be required to do at the site; and minimize material movement both from vendors to us and inside our factory. With the acquisition of STI, we gained approximately 54,000 and 632,000 square feet of manufacturing and warehouse facilities in Spain and Brazil, respectively, where we manufacture and assemble component parts for local and international markets.

During 2024, we entered into a triple net lease for a new manufacturing and office facility located in Bernaillo County, New Mexico. The new facility that is mixed use and built for general purposes will be approximately 216,000 square feet when constructed, and the lease commences upon the earliest occurrence of several events, including the Lessor's completion of construction of the building, which is currently expected to occur in the fourth quarter of 2025.

We produce and/or assemble module clamps, center structures, and motor controller assemblies at our Albuquerque facility. We have entered outsourcing contracts for steel tubing, steel supports, drivelines, bearing assemblies, gearboxes, electric motors and electronic controllers that ship directly from our suppliers to job sites or designated warehouses. By using vendors, we are able to drop ship products directly to our customers' sites, which improves working capital turnover, quality and inventory management.

While we have historically maintained certain levels of supplies and inventories manufactured by outside vendors, we have the capability to manufacture internally some of these products at our principal

manufacturing facility. Additionally, we have identified alternative vendors for contingency purposes, where we depend upon a small number of vendors to manufacture certain components used in our tracking systems.

We believe our Array Legacy Operations (as defined below) segment's status as a U.S.-based company with products manufactured in the U.S. reduces the potential impact of U.S. government tariffs placed on, or other U.S. government regulatory actions taken against, products manufactured in foreign countries and imported into the U.S.

Research and Development

We continually devote resources to research and development ("R&D") with the objective of developing innovative new products and services that enhance system performance, improve product reliability, reduce product cost and simplify installation. Our development strategy is to identify features that bring value to our customers and differentiate us from our competitors. We strive to address customer pain points and needs. We measure the effectiveness of our R&D using a number of metrics, beginning with a market requirements definition, which includes a program budget, financial payback, resource requirements, and time required to launch the new product, system, or service into the market. We employ a stringent engineering phase gate review process that ensures all R&D programs are meeting their stated objectives from inception to deployment.

We have a strong R&D team with significant experience in solar energy as well as expertise in mechanical engineering, software engineering, civil engineering, and systems/control engineering. As needed, we collaborate with academia, national laboratories and consultants, to further enhance our capabilities and confirm results independently.

Intellectual Property

The success of our business depends, in part, on our ability to maintain and protect our proprietary technologies, information, processes and know-how. We rely primarily on patent, trademark, copyright and trade secret laws in the U.S. and similar laws in other countries, confidentiality agreements and procedures and other contractual arrangements to protect our technology. As of December 31, 2024, we had 56 issued U.S. patents, 273 issued non-U.S. patents and 158 U.S. and non-U.S. patent applications pending. Similarly, we have 125 registered U.S. and foreign trademarks and 97 U.S. and foreign pending trademark applications. Our U.S. issued patents are scheduled to expire between 2030 and 2042.

We rely on trade secret protection and confidentiality agreements to safeguard our interests with respect to proprietary know-how that is not patentable and processes for which patents are difficult to enforce. We believe that many elements of our manufacturing processes involve proprietary know-how, technology or data that are not covered by patents or patent applications, including technical processes, test equipment designs, algorithms, and procedures.

Our R&D employees are subject to confidentiality and proprietary information agreements with us, to address intellectual property protection issues and to require our employees to assign all the inventions, designs, and technologies they develop during the course of employment with us, to Array. However, we might not have entered into such agreements with all applicable personnel, and such agreements might not be self-executing. Moreover, such individuals could breach the terms of such agreements.

We also require our customers and business partners to enter into confidentiality agreements before we disclose any sensitive aspects of our technology or business plans.

Government Contracts

None.

Seasonality

Project construction activity in North America and Europe tends to be lower in colder months. The installation of a solar tracker requires setting foundations in the ground which is more costly when the ground is frozen. Accordingly, we typically expect to see higher revenues in the second and third quarters when the weather is warmer in the northern hemisphere and lower revenues in the first and fourth quarters when the weather is colder absent other factors. While we expect this seasonality will continue to impact us in the near term as a large portion of our business is in North America and Europe, we expect to see less pronounced seasonal variations as we grow our business in Brazil and further expand into new markets in the southern hemisphere.

Historically, our revenue has been impacted by seasonality related to the Federal Investment Tax Credit ("ITC") step-downs for solar energy projects and seasonal construction activity, but with the passage of the Inflation Reduction Act ("IRA") in August 2022, the ITC was raised to 30%, with no step-downs before 2032. Accordingly, we do not anticipate the ITC rate to impact our seasonality during that timeframe.

Government Regulation

Environmental Laws and Regulations

We are subject to a variety of environmental, health and safety, and pollution-control laws and regulations in the jurisdictions in which we operate. We do not believe the costs of compliance with these laws and regulations will be material to the business or our operations. We use, handle, generate, store, discharge and dispose of hazardous substances, chemicals and wastes at some of our facilities in connection with our product development, testing and manufacturing activities. Any failure by us to control the use of, to remediate the presence of or to restrict adequately the discharge of such substances, chemicals or wastes could subject us to potentially significant liabilities, clean-up costs, monetary damages and fines or suspensions in our business operations. In addition, some of our facilities are located on properties with a history of use involving hazardous substances, chemicals and wastes and may be contaminated. Although we have not incurred, and do not currently anticipate, any material liabilities in connection with such contamination, we may be required to make expenditures for environmental remediation in the future.

Government Incentives

Federal, state, local and foreign government bodies provide incentives to owners, end users, distributors, system integrators and manufacturers of solar energy systems to promote solar electricity in the form of rebates, tax credits and other financial incentives. The range and duration of these incentives varies widely by jurisdiction. Our customers typically use our systems for grid-connected applications, wherein solar power is sold under a power purchase agreement or into an organized electric market. This segment of the solar industry has historically depended on the availability and size of government incentives supporting the use of renewable energy.

The IRA makes significant changes to the tax credit regime that applies to solar facilities. As a result of changes made by the IRA, U.S. taxpayers generally are entitled to a 30% ITC for projects placed in service after 2021, increased to 40% if certain "domestic content" requirements are satisfied, subject, in each case, to an 80% reduction to the credit amount if certain wage and apprenticeship requirements are not satisfied or deemed satisfied (either because the project has a net output of less than 1 megawatt or because construction begins before January 29, 2023. The IRS issued Notice 2023-38 in May of 2023 setting forth guidance on the domestic content bonus tax credits under the IRA. Uncertainties still exist under this guidance, such as how to

obtain the direct labor and materials costs to compute the domestic content percentage and how to define manufactured product components associated with trackers. In May of 2024, the IRS issued Notice 2024-41 setting forth further guidance on the domestic content bonus tax credits, including a safe harbor method for calculating domestic content percentages. On January 16, 2025, the IRS released Notice 2025-08, modifying Notice 2023-38 and Notice 2024-41 as well as introducing an updated elective safe harbor method for use in lieu of provisions of the adjusted percentage rule provided in Notice 2023-38 for calculating the domestic content bonus credit amounts applicable for certain qualified facilities and energy projects.

As a result of changes made by the IRA, U.S. taxpayers will generally also be allowed to elect to receive a production tax credit ("PTC") in lieu of the ITC for qualified solar facilities the construction of which begins before January 1, 2025 and that are placed in service after 2021. The PTC is available for electricity produced and sold to unrelated persons in the ten years following a project's placement in service and is equal to an inflation-adjusted amount (currently 2.75 cents per kilowatt hour, assuming the prevailing wage requirements described above are satisfied or deemed satisfied, reduced by 80% if those requirements are not satisfied) for every kilowatt-hour of electricity produced by a facility. The available credit amount is increased by 10% if the domestic content requirements described above are satisfied.

In the case of projects placed in service after 2024, each of the ITC and PTC will be replaced by similar "technology neutral" tax credit incentives that mimic the ITC and PTC but also require that projects satisfy a "zero greenhouse gas emissions" standard in order to qualify for the credits (solar is considered an eligible technology and automatically qualifies). This new credit regime will continue to apply to projects that begin construction prior to the end of 2033 (and possibly later), at which point the credits will become subject to a phase-out schedule.

The IRA also enacted section 45X, which introduces a new advanced manufacturing production tax credit for manufacturing certain critical components for solar energy facilities, including torque tubes and structural fasteners. On October 24, 2024, U.S. Department of Treasury and the IRS issued final regulations on the section 45X manufacturing tax credit that largely adopted the statutory definitions of torque tubes and structural fasteners, which largely confirmed our previous understanding around the eligibility of our components. Beginning in late 2023 and continuing through 2024 and into 2025, we have successfully negotiated, and we continue to successfully negotiate, agreements with key suppliers around sharing the economic benefits of section 45X credits associated with the torque tube and structural fasteners. We continue to pursue additional agreements for splitting the economic benefits of section 45X credits with suppliers for parts we do not manufacture internally. In addition, during the second quarter of 2024, we concluded that certain parts manufactured by Array qualify for the section 45X advanced manufacturing production credits.

Human Capital

We believe our success depends on our ability to attract and retain outstanding employees at all levels of our business. As of December 31, 2024, we had 1,021 full-time employees, of which 45% are located in the U.S., while the other 55% are located throughout the world in Europe, Latin America, Africa, Australia, and Asia. We have not experienced any employment-related work stoppages, and we consider relations with our employees to be good.

We have a team-oriented culture, which we believe helps us to succeed and drive operational excellence. As a rapidly growing business, we rely on the success of our recruitment efforts to attract and retain technically skilled people who can support our ongoing innovation and expansion. We aim to be inclusive in our hiring practices focusing on the best talent for the role, welcoming all genders, nationalities, ethnicities, abilities and other dimensions of diversity. We drive high levels of performance and improvement by prioritizing training and development to ensure our team members are equipped with the knowledge, skills, and tools to succeed. We

motivate and develop our employees by providing them with opportunities for advancement, and we invest in both on-the-job and online training and development tools because we believe our people are the ultimate drivers of our success. These initiatives include multiple compliance trainings as well as various leadership development courses. In addition, we support external development and verification programs as well as offer education reimbursement.

We aim to provide our employees with competitive salary and benefits that enable them to achieve a good quality of life and plan for the future. Our benefits differ according to local norms and market preferences but typically include all salary and social benefits required by local law (including retirement saving programs, paid vacation and sick leave) and many additional benefits that go beyond legal requirements in local markets.

We aim to hire individuals who share our passion, commitment and entrepreneurial spirit. We are also committed to diversity and inclusion because we believe that it leads to better outcomes for our business and enables us to better meet the needs of our customers. We recognize the importance of diversity in leadership roles within our company.

Available Information

Our website address is https://arraytechinc.com, and our investor relations website is located at https://ir.arraytechinc.com. Information on our website is not incorporated by reference herein. We will make available on our website, free of charge, our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as soon as reasonably practicable after we electronically file such material with, or furnish it to, the U.S. Securities and Exchange Commission (the "SEC"). The SEC maintains an Internet site (http://www.sec.gov) containing reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

Item 1A. Risk Factors

In evaluating the Company, you should consider carefully the risks and uncertainties described below, as well as the other information in this Annual Report on Form 10-K, including our consolidated financial statements and related notes appearing at the end of this Annual Report on Form 10-K. The occurrence of any of the following risks could harm our business, financial condition, results of operations and/or growth prospects or cause our actual results to differ materially from those contained in forward-looking statements we have made in this report and those we may make from time to time. The risks and uncertainties described below are not the only ones facing us. Other events that we do not currently anticipate or that we currently deem immaterial also may adversely affect our business, prospects, financial condition, results of operations, stockholders' equity, and cash flows.

Risks Related to Demand for our Products

If demand for solar energy projects does not continue to grow or grows at a slower rate than we anticipate, our business will suffer.

Our solution is utilized in large-scale ground-mounted solar energy projects. As a result, our future success depends on continued demand for solar energy solutions and the ability of solar equipment vendors to meet this demand. The solar industry is an evolving industry that has experienced substantial changes in recent years, and we cannot be certain that consumers and businesses will adopt solar energy as an alternative energy source at levels sufficient to grow our business. If demand for solar energy fails to develop sufficiently, demand for our products will decrease, which would have an adverse impact on our ability to increase our revenue and grow our business.

The viability and demand for solar energy and the demand for our products are impacted by many factors outside of our control, including but not limited to, the retail price of electricity, availability of in-demand components like high voltage breakers, various policies related to the permitting and interconnection costs of solar plants, and the availability of incentives for solar energy and products, which makes it difficult to predict our future prospects.

The viability and demand for solar energy, and in turn, our products, may be affected by many factors outside of our control. While we have been in existence since 1989, we have grown and expanded significantly. Our significant growth and expansion, combined with the rapidly evolving and competitive nature of our industry, makes it difficult to predict our future prospects. We have limited insight into emerging trends that may adversely affect our business, financial condition, results of operations and prospects. We have encountered and will continue to encounter risks and difficulties frequently experienced by growing companies in rapidly changing industries, including unpredictable and volatile revenues and increased expenses as we continue to grow our business. Some of the factors outside of our control which may impact the viability and demand for solar energy include:

- availability and scale and scope of government subsidies and incentives to support the development and deployment of solar energy solutions;
- levels of investment by end-users of solar energy products, which tend to decrease when economic growth slows;
- policies and backlog related to the permitting and interconnection costs of solar plants to which we supply our products;
- the emergence, continuance or success of, or increased government support for, other energy generation technologies and products;
- the cost and availability of raw materials necessary to produce solar energy, including steel and polysilicon, and in-demand components like high voltage breakers; and
- regional, national or global macroeconomic trends, which could affect the demand for new energy resources and customers' ability to finance new projects.

If we are not able to mitigate these risks and overcome these difficulties successfully, our business and prospects will be materially and adversely affected.

Competitive pressures within our industry may harm our business, result of operations, financial condition and prospects.

The solar tracker industry is globally fragmented and we face intense competition in nearly all of the markets in which we compete. This may result in price competition being greater than expected, which could adversely affect our revenue and margins.

Some of our competitors are developing or are currently manufacturing products based on different solar power technologies that may ultimately have costs similar to or lower than our projected costs. Any failure by us to adopt new or enhanced technologies or processes, or to react to changes in existing technologies, could result in product obsolescence, the loss of competitiveness of our products, decreased revenue and a loss of market share to competitors. In addition, some of our competitors have longer operating histories, lower costs of goods sold, lower operating costs, greater name and brand recognition in specific markets in which we compete or intend to sell our products, greater market shares, access to larger customer bases, greater resources and significantly greater economies of scale than we do. Additionally, new competitors may decide to enter our market as a result of, among other factors, lower barriers to entry and lower R&D costs in comparison with the average costs in R&D in other energy industries. We may also face adverse effects from increased competition in the solar EPC market by EPCs subjecting their subcontractors, such as us, to flow-down contractual clauses which provide that a subcontractor's obligations to an EPC are identical to the obligations

the EPC has to the EPC's end customer. This may result in higher contractual risk to us, such as "pay if paid" clauses that require EPCs to pay us only when the end customer pays the EPC, higher liquidated damages amounts, increased contractual liabilities above 100% of the contract value and more limited force majeure clauses, among others. As the solar energy market continues to grow, EPCs are also expected to increasingly seek second sources for their suppliers. Any of these factors may materially and adversely affect our business, result of operations, financial condition and prospects.

We face competition from conventional and renewable energy sources.

We face significant competition from providers of conventional and renewable energy alternatives such as coal, nuclear, natural gas and wind. We compete with conventional energy sources primarily based on price, predictability of price and energy availability and the ease with which customers can use electricity generated by solar energy projects. If solar energy systems cannot offer a compelling value to customers based on these factors, then our business growth may be impaired.

Conventional energy sources generally have substantially greater financial, technical, operational, and other resources than solar energy sources, and as a result may be able to devote more resources to the research, development, promotion, and product sales or respond more quickly to evolving industry standards and changes in market conditions than solar energy systems. Conventional and other renewable energy sources may be better suited than solar for certain locations or customer requirements and may also offer other value-added products or services that could help them compete with solar energy sources. In addition, the source of a majority of conventional energy electricity is non-renewable, which may in certain markets allow them to sell electricity more cheaply than electricity generated by solar generation facilities. Non-renewable generation is typically available for dispatch at any time, as it is not dependent on the availability of intermittent resources such as sunlight.

A loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment, could harm our business and negatively impact revenue, results of operations, and cash flow.

We are dependent on a relatively small number of customers for our sales, and a small group of customers have historically accounted for a material portion of our revenue. The loss of any one of our significant customers, their inability to perform under their contracts, or their default in payment, could have a materially adverse effect on our revenues and profits. Further, our trade accounts receivable are from companies within the solar industry, and, as such, we are exposed to normal industry credit risks. For the near future, we may continue to derive a significant portion of our net sales from a small number of customers. Accordingly, loss of a significant customer or a significant reduction in pricing or order volume from a significant customer could materially reduce net sales and operating results in any reporting period.

A drop in the price of electricity sold may harm our business, financial condition, results of operations and prospects.

Decreases in the price of electricity, whether in organized electric markets or with contract counterparties, may negatively impact the owners of the solar energy projects or make the purchase of solar energy systems less economically attractive and would likely lower sales of our products. The price of electricity could decrease as a result of:

- construction of a significant number of new, lower-cost power generation plants, including plants utilizing natural gas, renewable energy or other generation technologies;
- relief of transmission constraints that enable distant, lower-cost generation to transmit energy less expensively or in greater quantities;
- reductions in the price of natural gas or other fuels;
- utility rate adjustment and customer class cost reallocation;

- decreased electricity demand, including from energy conservation technologies and public initiatives to reduce electricity consumption;
- development of smart-grid technologies that lower the peak energy requirements;
- development of new or lower-cost customer-sited energy storage technologies that have the ability to reduce a customer's average cost of electricity by shifting load to off-peak times; and
- development of new energy generation technologies that provide less expensive energy.

If the cost of electricity generated by solar energy installations incorporating our systems is high relative to the cost of electricity from other sources, then our business, financial condition and results of operations may be harmed.

Our results of operations may fluctuate across fiscal periods, which could make our future performance difficult to predict and could cause our results of operations for a particular period to fall below expectations, resulting in a decline in the price of our common stock.

Our quarterly results of operations are difficult to predict and fluctuate significantly. Because we recognize revenue on projects as legal title to equipment is transferred from us to the customer, any delays in large projects from one quarter to another for any reason may cause our results of operations for a particular period to fall below expectations.

We have experienced seasonal and quarterly fluctuations in the past as a result of seasonal fluctuations in our customers' business. Our end-users' ability to install solar energy systems is affected by weather, as for example during the winter months in Europe and the northeastern U.S. Such installation delays can impact the timing of orders for our products. Inclement weather may also affect our logistics and operations by causing delays in the shipping and delivery of our materials, components and products which may, in turn, cause delays in our customers' solar projects.

In addition, we have had customers experience project delays for reasons as varied as changes in government regulations, supply chain challenges, tax incentives and the interest rate environment. Any unexpected delay in a material project could materially adversely affect our financial performance in a fiscal period. Our financial performance, sales, working capital requirements and cash flow may fluctuate, and our past results of operations may not be good indicators of future performance. Any substantial decrease in revenues would have an adverse effect on our financial condition, results of operations, cash flows and stock price for any given period.

Any increase in interest rates, or a reduction in the availability of tax equity or project debt capital in the global financial markets could make it difficult for end customers to finance the cost of a solar energy system and could reduce the demand for our products.

Many end-users depend on financing to fund the initial capital expenditure required to construct a solar energy project. As a result, any increase in interest rates, or a reduction in the supply of project debt or tax equity financing, could reduce the number of solar projects that receive financing or otherwise make it difficult for our customers or their customers to secure the financing necessary to construct a solar energy project on favorable terms, or at all, and thus lower demand for our products which could limit our growth or reduce our net sales. In addition, we believe that a significant percentage of end-users construct solar energy projects as an investment, funding a significant portion of the initial capital expenditure with financing from third parties. Any increase in interest rates could lower an investor's return on investment on a solar energy project, increase equity requirements or make alternative investments more attractive relative to solar energy projects, and, in each case, could cause these end-users to seek alternative investments.

Risk Related to the Regulatory Environment

Existing electric utility industry policies and regulations, and any subsequent changes or new related policies and regulations, may present technical, regulatory and economic barriers to the purchase and use of solar energy systems that may significantly reduce or delay demand for our products or harm our ability to compete.

Federal, state, local and foreign government regulations and policies concerning the broader electric utility industry, as well as internal policies and regulations promulgated by electric utilities and organized electric markets with respect to fees, practices, and rate design, heavily influence the market for electricity generation products and services. These regulations and policies often affect electricity pricing and the interconnection of generation facilities, and can be subject to frequent modifications by governments, regulatory bodies, utilities and market operators. For example, changes in fee structures, electricity pricing structures, regional market rules and system permitting, interconnection and operating requirements can deter purchases of renewable energy products, including solar energy systems, by reducing anticipated revenues or increasing costs or regulatory burdens for would-be system purchasers. The resulting reductions in demand for solar energy systems could harm our business, prospects, financial condition and results of operations.

A significant development in renewable-energy pricing policies in the U.S. occurred when the Federal Energy Regulatory Commission ("FERC") issued a final rule amending regulations that implement a section of the Public Utility Regulatory Policies Act of 1978 ("PURPA") on July 16, 2020, which FERC upheld on rehearing on November 19, 2020. The United States Court of Appeals for the Ninth Circuit denied petitions for review of the regulations on November 5, 2023. Among other requirements, PURPA mandates that electric utilities buy the output of certain renewable generators, including qualifying solar energy facilities, below established capacity thresholds. PURPA also requires that such sales occur at a utility's "avoided cost" rate. FERC's reforms to its PURPA regulations include modifications (1) to how regulators and electric utilities may establish avoided cost rates for new contracts, (2) that reduce from 20 MW to 5 MW the capacity threshold above which a renewable-energy qualifying facility is rebuttably presumed to have non-discriminatory market access, thereby removing the requirement for certain utilities to purchase its output, (3) that require regulators to establish criteria for determining when an electric utility incurs a legally enforceable obligation to purchase from a PURPA qualifying facility, and (4) that reduce barriers for third parties to challenge a renewable facility's PURPA eligibility. These regulations took effect on February 16, 2021, but the net effect of these changes is uncertain, as some changes will not become fully effective until states and other jurisdictions implement the new authorities provided by FERC. In general, however, FERC's PURPA reforms have the potential to reduce prices for the output from certain new renewable generation projects while also narrowing the scope of PURPA eligibility for new projects. These effects could reduce opportunities and demand for PURPA-eligible solar energy systems and could harm our business, prospects, financial condition and results of operations.

In addition, there is an ongoing dispute regarding how to calculate the 80MW maximum "power production capacity" for small power qualifying facilities under PURPA. In 2021, FERC certified such a facility based on its net output, rather than total nameplate capability of a facility for purposes of PURPA eligibility. In February 2023, the U.S. Court of Appeals for the D.C. Circuit upheld FERC's approach to calculating capacity for PURPA eligibility, relying on Chevron deference, whereby courts may defer to an administrative agency's reasonable statutory interpretation. In June 2024, the U.S. Supreme Court overturned the Chevron deference doctrine and found that courts should instead rely on their own independent statutory interpretations. The Supreme Court later directed the D.C. Circuit to reconsider its ruling on FERC's approach to calculating capacity for PURPA eligibility. If the D.C. Circuit requires a different methodology to be used for determining qualifying facility eligibility under PURPA or whether qualifying facilities are eligible for certain exemptions under the Federal Power Act, facilities that are currently eligible for qualifying facility status or such exemptions could lose their status or exemptions. This change could also reduce demand for PURPA-eligible products and could harm our business, prospects, financial condition, and results of operations.

FERC is also taking steps to encourage the integration of new forms of generation into the electric grid and remove barriers to grid access, which could have positive impacts on the solar energy industry. For example, on July 28, 2023, FERC issued a final rule, designated as Order No. 2023, to reform procedures and agreements that electric transmission providers use to interconnect new generating facilities to the existing transmission system. And in June 2024, FERC issued a final rule, designated as Order No. 1920, which it modified slightly in November 2024, to reform the procedures electric transmission providers must use for long-term planning of expansions to the transmission system and the allocation of the resulting costs to transmission customers, including electric generating facilities. If these final rules do not have their intended effect or if they are overturned on an appeal, this could negatively impact our business, prospects, and results of operations.

Changes in other current laws or regulations applicable to us or the imposition of new laws, regulations or policies in the U.S., Europe or other jurisdictions in which we do business could have a material adverse effect on our business, financial condition and results of operations. Any changes to government, utility or electric market regulations or policies that favor electric utilities, non-solar generation, or other market participants, or that make construction or operation of new solar generation facilities more expensive or difficult, could reduce the competitiveness of solar energy systems and cause a significant reduction in demand for our products and services and adversely impact our growth. In addition, changes in our products or changes in export and import laws, including new or additional tariffs, and implementing regulations may create delays in the introduction of new products in international markets, prevent our customers from deploying our products internationally or, in some cases, prevent the export or import of our products to certain countries altogether. Any such event could have a material adverse effect on our business, financial condition and results of operations.

The interruption of the flow of components and materials from international vendors could disrupt our supply chain, including as a result of the imposition of additional duties, tariffs and other charges on imports and exports.

We purchase our components through arrangements with various suppliers located across the globe. We depend on our suppliers to source materials and manufacture critical components for our products. Our reliance on these suppliers makes us vulnerable to possible capacity constraints and reduced control over component availability, delivery schedules and costs which could disrupt our ability to procure these components in a timely and cost-efficient manner. The suppliers rely on other suppliers to provide them with raw materials and sub-components that are critical to manufacturing the components of our tracker products. Any shortages of components and materials would affect our ability to timely deliver our products to our customers consistent with our contractual obligations, which may result in liquidated damages or contractual disputes with our customers, harm our reputation and lead to a decrease in demand for our products.

Our ability to deliver our products in a cost-efficient manner have in recent years and could continue to be adversely impacted by other factors not within our control, including, but not limited to, shortages in available cargo capacity, changes by carriers and transportation companies in policies and practices such as scheduling, pricing, payment terms and frequency of service, increases in the cost of fuel, sanctions and labor availability and cost.

Further, our products are manufactured from steel and, as a result, our business is significantly affected by the price of steel. At times, pricing and availability of steel can be volatile due to numerous factors beyond our control, including general domestic and international economic conditions, global capacity, import levels, fluctuations in the costs of raw materials necessary to produce steel, sales levels, competition, consolidation of steel producers, labor costs, import duties and tariffs and foreign currency exchange rates. When steel prices are higher, the prices that we charge customers for our products may increase, which may decrease demand for our products. If we do not increase our prices due to an increase in the price of steel, we will experience lower profitability on our products. Conversely, if steel prices decline, customers may demand lower prices and

our and our competitors' responses to those demands could result in lower sale prices, lower volume, and consequently, negatively affect our profitability.

In addition, as noted above, the IRA provides incremental tax credits for U.S. solar projects satisfying domestic content requirements. If we are unable to provide our tracker products in a manner that satisfies applicable domestic content requirements and our competitors are able to do so, we might experience a decline in sales for U.S. projects. In addition, compliance with these requirements may increase our production costs. In light of the foregoing, our U.S. sales, profitability and results of operations in the U.S. may be adversely affected by the applicable domestic content requirements which must be satisfied in order for solar projects to be eligible for these incremental credits.

Other events that could also cause disruptions to our supply chain include:

- the imposition of additional trade law provisions or regulations;
- the imposition of additional duties, tariffs and other charges or quotas on imports and exports, or other trade law provisions or regulations, such as anti-dumping and countervailing duties, and our ability to pass along such charges to our customers;
- continued or renewed instability in the global supply of semiconductors, which has and could continue to impact the timely receipt of our self-powered controller;
- foreign currency fluctuations;
- inflationary pressure and its impact on labor, commodities and fuel prices;
- natural disasters, severe weather, political instability, war, such as the Russia-Ukraine war or conflict in the Middle East, terrorist attacks, social unrest and economic instability in the regions in which our suppliers are located, or through which our components and materials travel;
- shipping and transport disruptions;
- public health issues, such as a pandemic or other epidemic, and their effects (including measures taken by governmental authorities in response to their effects);
- theft or other loss;
- restrictions on the transfer of funds;
- the financial instability or bankruptcy of vendors; and
- significant labor disputes, strikes, work stoppages or boycotts.

Any significant disruption to our ability to procure our products, and our suppliers' ability to procure materials to manufacture our products and components for our products could increase the cost or reduce or delay the supply of components and materials available to us and adversely affect our business, financial condition, results of operations and profitability. Further, if any of our suppliers were unable or unwilling to manufacture the components that we require for our products in sufficient volumes and at high quality levels or renew existing terms under supply agreements, we would need to identify, qualify and select acceptable alternative suppliers. An alternative supplier may not be available to us when needed or may not be in a position to satisfy our quality or production requirements on commercially reasonable terms, including price. Any significant interruption in manufacturing by our suppliers would require us to reduce our supply of products to our customers or increase our shipping costs to make up for such delays, which in turn could reduce our revenues and margins, harm our relationships with our customers, damage our reputation with other stakeholders involved with solar projects and cause us to forego potential revenue opportunities.

Changes in the global trade environment, including the imposition of import tariffs, could adversely affect the amount or timing of our revenues, results of operations or cash flows.

Escalating trade tensions, particularly between the U.S. and China, have led to increased tariffs and trade restrictions, including tariffs applicable to certain materials and components for our products or for products used in solar energy projects more broadly, such as module supply and availability. More specifically, in March 2018, the U.S. imposed a 25% tariff on steel imports and a 10% tariff on aluminum imports pursuant to Section 232 of the Trade Expansion Act of 1962 and extended these tariffs to cover imports of derivative steel and aluminum articles on February 2020 under the same legal authority. These tariffs were increased on February 10, 2025, resulting in across-the-board 25% duties on steel and aluminum imports. Additionally, all previous alternative arrangements, such as complete exemptions, hard quotas, or tariff rate quotas (TRQs), with trading partners on imports of steel and aluminum products, will be eliminated as of March 12, 2025. The February 2025 proclamations also eliminate the system for exclusions, under which thousands of products were allowed to enter the U.S. free of these additional duties and create a process by which additional "derivative" products can be added to the scope of the tariffs by request of the domestic producer. To the extent we continue to use overseas suppliers of steel and aluminum, these tariffs could result in interruptions in the supply chain and impact costs and our gross margins. In addition, the threat of potential tariffs can create uncertainty among our customers and slow down the rate of existing projects and projects in our orderbook.

Additionally, in January 2018, the U.S. adopted a tariff on imported solar modules and cells pursuant to Section 201 of the Trade Act of 1974. The tariff was initially set at 30%, with a gradual reduction over four years to 15%. While this tariff does not apply directly to the components we import, it may indirectly affect us by impacting the financial viability of solar energy projects, which could in turn reduce demand for our products. On February 4, 2022, former President Biden extended the safeguard tariff for an additional four years, starting at a rate of 14.75% and reducing that rate each year to 14% in 2026, and directed the U.S. Trade Representative to conclude agreements with Canada and Mexico on trade in solar products. On July 7, 2022, the U.S. and Canada entered into a non-binding memorandum of understanding in which the U.S. agreed to suspend application of the safeguard tariff to Canadian crystalline silicon photovoltaic cells imported as of February 1, 2022. While this tariff does not apply directly to the components we import, it may indirectly affect us by impacting the financial viability of solar energy projects, which could in turn reduce demand for our products.

Furthermore, starting in July 2018, the U.S. adopted four lists of tariffs (Lists 1,2,3, and 4A) on $550 billion worth of Chinese imports, including, inverters and power optimizers. Products on Lists 1, 2, and 3 are subject to 25% tariffs, while products on List 4A are subject to 7.5% tariffs. On December 16, 2024, the U.S. Trade Representative ("USTR") announced that it would increase Section 301 tariffs on polysilicon and wafers to 50% in 2025. At the same time, the USTR implemented 14 tariff exclusions for listed solar cell and wafer manufacturing equipment. While these tariffs are not directly applicable to our products, they could impact the solar energy projects in which our products are used, which could lead to decreased demand for our products.

On August 18, 2023, the U.S. Department of Commerce ("USDOC") issued final affirmative determinations of circumvention with respect to certain crystalline solar photovoltaic ("CSPV") cells and modules produced in Cambodia, Malaysia, Thailand and Vietnam using parts and components from China. As a result, certain CSPV cells and modules from Cambodia, Malaysia, Thailand and Vietnam are now subject to antidumping and countervailing duty ("AD/CVD") orders on CSPV cells and modules from China that have been in place since 2012. Subject to certain certification and utilization conditions, imports of CSPV cells and modules covered by the circumvention determinations that entered the U.S. during the two-year period prior to June 6, 2024 – which had been authorized by the former President Biden on June 2022 – were not subject to AD/CVD cash deposit or duty requirements. Imports of CSPV cells and modules from the four Southeast Asian countries covered by the circumvention determination that entered the U.S. on or after June 6, 2024 are subject to AD/CVD cash deposit requirements of the China AD/CVD orders and, possibly, final AD/CVD duty liability. Cash

deposit rates for CSPV modules covered by the China AD/CVD orders vary significantly depending on the producer and exporter of the modules and may amount to over 250% of the entered value of the imported merchandise.

Additionally, in October 2023, a coalition of U.S. aluminum extruders and a labor union filed AD/CVD cases on aluminum extrusions from fifteen countries. The USDOC has initiated investigations based on the petitions. Certain components in our trackers, including certain clamps, U-joints, and bearing housings are made using extruded aluminum. In September 2024, the USDOC released its final determination from their investigations against aluminum extrusions from multiple countries. On October 30, 2024, the USITC voted to find no injury in its pending AD/CVD investigation, meaning that the USDOC's AD/CVD orders will not go into effect. The coalition of petitioners may still appeal the USITC's decision, and we will continue to monitor developments in the appeal process. If the USITC's decision is overturned on appeal, the imposition of AD/CVD orders could negatively impact our business, financial condition, and results of operations.

On April 24, 2024, the American Alliance for Solar Manufacturing Trade Committee, an ad hoc coalition of domestic producers of CSPV cells and modules, filed a petition with the USDOC and the U.S. International Trade Commission ("USITC") seeking the imposition of AD/CVD tariffs on imports of CSPV cells and modules from Cambodia, Malaysia, Thailand and Vietnam. The USITC made a preliminary affirmative determination on June 7, 2024, and the USDOC made its preliminary affirmative determination on October 1, 2024. The preliminary tariff rates vary from below 1% to almost 300%, depending on the relevant company.

While we do not sell solar modules, the degree of our exposure is dependent on, among other things, the impact of the investigation on the projects that are also intended to use our products, with such impact being largely out of our control. We have seen a number of projects in our order book delayed as a result of the USDOC investigation. The repeal of the 24-month exemption, and any affirmative determinations made once the exemption expires in any event, would have an adverse effect on our business, financial condition, and results of operations.

On February 1, 2025, President Trump issued three executive orders directing the U.S. to impose new tariffs on imports from Canada, Mexico, and China, to take effect on February 4, 2025. On February 3, 2025, President Trump announced his intention to pause these tariffs on Canada and Mexico for the next month. The tariffs impose an additional 25% *ad valorem* rate of duty on all imports from Canada and Mexico (other than imports of Canadian energy resources exports, which are subject to a 10% *ad valorem* rate of duty) and an additional 10% *ad valorem* rate of duty on all imports from China. We are currently evaluating the potential impact of the imposition of the announced tariffs to our business and financial condition. While we do not believe that the tariffs announced by the U.S. on February 1, 2025 will have a material adverse effect upon our results of operations, financial condition, or liquidity, the actual impact of the new tariffs is subject to a number of factors including the effective date and duration of such tariffs, changes in the amount, scope and nature of the tariffs in the future, any countermeasures that the target countries may take and any mitigating actions that may become available.

More broadly, President Trump has directed the USDOC, USTR, and other agencies, to review and identify unfair trade practices by other countries and recommend appropriate actions, as well as recommend modifications of AD/CVD laws to further induce compliance by foreign respondents and governments involved in those proceedings. These directives have been issued under the America First Trade Policy and Reciprocal Trade and Tariffs memoranda, and the effects on the global trading system can be far-reaching.

Tariffs and the possibility of additional tariffs in the future like those described above have created uncertainty in the industry. If the price of solar systems in the U.S. increases, the use of solar systems could become less economically feasible and could reduce our gross margins or reduce the demand of solar systems manufactured and sold, which in turn may decrease demand for our products. Additionally, existing or future tariffs may negatively affect key customers, suppliers, and manufacturing partners. Such outcomes could

adversely affect the amount or timing of our revenues, results of operations or cash flows, and continuing uncertainty could cause sales volatility, price fluctuations or supply shortages or cause our customers to advance or delay their purchase of our products. It is difficult to predict what further trade-related actions governments may take, which may include additional or increased tariffs and trade restrictions, and we may be unable to quickly and effectively react to such actions.

We may not be able to convert our orders in backlog into revenue.

Backlog can be subject to large variations from quarter to quarter and comparisons of backlog from period to period are not necessarily indicative of future revenue. The contracts comprising our backlog may not result in actual revenue in any particular period or at all, and the actual revenue from such contracts may differ from our backlog estimates. The timing of receipt of revenue, if any, on projects included in backlog could change because many factors affect the scheduling of projects. Cancellation of or adjustments to contracts may occur.

The failure to realize all amounts in our backlog could adversely affect our future revenue and gross margins. As a result, our backlog as of any particular date may not be an accurate indicator of our future financial performance.

Actions addressing determinations of forced labor practices in China and legislation and policies adopted to address such practices may disrupt the global supply of solar panels and have an adverse material effect on our business, financial condition and results of operations.

Solar panel imports to the U.S. have also been, and may continue to be, impacted by the Uyghur Forced Labor Prevention Act ("UFLPA") that was signed into law by former President Biden on December 23, 2021. According to U.S. Customs and Border Protection, "it establishes a rebuttable presumption that the importation of any goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region of the People's Republic of China, or produced by certain entities, is prohibited by Section 307 of the Tariff Act of 1930 and that such goods, wares, articles, and merchandise are not entitled to entry to the U.S. The presumption applies unless the Commissioner of U.S. Customs and Border Protection determines that the importer of record has complied with specified conditions and, by clear and convincing evidence, that the goods, wares, articles, or merchandise were not produced using forced labor." There continues to be uncertainty in the market around achieving full compliance with UFLPA, whether related to sufficient traceability of materials or other factors. This has created a significant compliance burden and constrained solar panel imports. We cannot currently predict what, if any, impact the UFLPA will have on the overall future supply of solar panels into the U.S. and the related timing and cost of our clients' solar project, development and construction activities. While we do not import or sell solar panels, project delays caused by solar panel constraints may negatively impact our product delivery schedules and future sales, and therefore our business, financial condition, and results of operations.

Since 2016, U.S. Customs and Border Protection has issued a number of withhold release orders ("WROs") directed at forced labor in China, including WROs directed specifically at activity in the Xinjiang Uyghur Autonomous Region. As a result of these orders, certain products, including solar panels manufactured with polysilicon from Xinjiang, are effectively barred from entering the U.S. We cannot determine with certainty whether our suppliers may become subject to a WRO, which could subject us to legal, reputational, and other risks. If this were to occur, we might have to find alternative suppliers on short notice, resulting in construction delays and disruption and higher costs. Additionally, WROs have and could continue to impact the importation of solar panels. While we are not directly involved in the importation of solar panels, such WROs can negatively impact the global solar market and the timing and viability of solar projects to which we sell our products, which could have a material adverse effect on our business, financial condition and results of operations.

The reduction, elimination, expiration, or our failure to optimize the benefits of government incentives for, or regulations mandating the use of, renewable energy and solar energy, particularly in relation to our competitors, could reduce demand for solar energy systems and harm our business.

Our customers typically use our systems for grid-connected applications wherein solar power is sold under a power purchase agreement or into an organized electric market. This segment of the solar industry has historically depended in large part on the availability and size of government incentives supporting the use of renewable energy. See Item 1 - Business - Government Regulation - Government Incentives for a discussion of U.S. incentives. Consequently, the reduction, elimination or expiration of government incentives for grid-connected solar electricity may negatively affect the competitiveness of solar electricity relative to conventional and non-solar renewable sources of electricity and could harm or halt the growth of the solar electricity industry and our business. These subsidies and incentives may expire on a particular date, end when the allocated funding is exhausted, or be reduced or terminated as renewable energy adoption rates increase or as a result of legal challenges, the adoption of new statuses or regulations or changes to existing regulations, or the passage of time. These reductions, eliminations or expirations could occur without warning. There is no guarantee that such policies and incentives will continue to exist in the current form, if at all. The reduction, elimination or expiration of such incentives could reduce customer demand for our offerings, lead to a loss of customers and potential customer projects, and could harm our business, operating results and cash flows.

While government incentives are intended to encourage investments in new solar projects, the impact the tax credit regime applicable to solar facilities in the U.S. will have on our results of operations is unclear. In particular, the tax credit regime in place prior to the IRA's enactment provided annual reductions in the applicable credit amount at the beginning of 2023 and 2024 and therefore encouraged customers to acquire our products prior to calendar year-end dates in order to qualify for a higher tax credit available for projects that commenced construction (within the meaning of IRS guidance) prior to those dates. As a result of the changes made by the IRA, while there may continue to be an incentive for taxpayers to commence construction on facilities before certain dates, the tax credits will not experience annual reductions similar to those that would have occurred at the end of 2022 and 2023 for at least ten years and therefore customer sales may not be as high as they otherwise would have been through 2023 with the prior ITC step-down schedule. This change could have an adverse impact on our results of operations in the near term, as we anticipated an increase in demand for our products in fiscal years 2022 and 2023) related to the prior ITC step-down schedule. Additionally, the Trump Administration has issued numerous Executive Orders ("EOs"), including the Unleashing American Energy Executive Order on January 20, 2025, which requires an immediate pause in the disbursement of funds appropriated through the IRA during a 90-day review period. We are currently evaluating these EOs and other related memoranda to determine what, if any, impact they might have on awards selected or received from the DOE. This pause, or a similar pause, particularly if extended, could delay the timing of projects, and could have a material adverse impact on our business, financial condition and results of operations.

In addition, if we are unable to meet the domestic content requirements necessary for customers using our tracker products to qualify for the incremental domestic content bonus credit and our competitors are able to do so, we might experience a decline in sales for U.S. projects. The timing and nature of implementing regulations clarifying the domestic content requirements as applied to our products remain uncertain. Depending on the criteria set forth in those regulations, we may not have an adequate supply of tracker products satisfying the requirements, which could put us at a competitive disadvantage relative to suppliers who are able to maintain a more robust domestic supply chain. In addition, compliance with this requirement may increase our production costs. As a result of these risks, the domestic content requirement may have a material adverse impact on our U.S. sales, business and results of operations.

Moreover, changes in policies of recent U.S. presidential administrations have created regulatory uncertainty in the renewable energy industry, including the solar energy industry, and have adversely affected and may continue to adversely affect our business. For example, since 2015, the U.S. joined, withdrew from, rejoined

and then withdrew again from the 2015 Paris Agreement on climate change mitigation following changes in administration among U.S. Presidents Obama, Trump, Biden and Trump. The international markets in which we operate or may operate in the future may have or may put in place policies to promote renewable energy, including solar. These incentives and mechanisms vary from country to country. In seeking to achieve growth internationally, we may make investments that, to some extent, rely on governmental incentives and support in a new market. We may not be able to optimize the benefits offered by these incentives or realize the growth that we expect from investments in the incentives, particularly in relation to competitors whose products might benefit disproportionately from these incentives. In particular, there is a risk that the U.S. Congress may seek to modify or repeal certain IRA energy tax incentives in order to pay for extensions of the Tax Cuts and Jobs Act.

There is no assurance that these governments will continue to provide sufficient incentives and support to the solar industry and that the industry in any particular country will not suffer significant downturns in the future as the result of changes in public policies or government interest in renewable energy, any of which would adversely affect demand for our solar products.

We may incur obligations, liabilities or costs under environmental, health and safety laws, which could have an adverse impact on our business, financial condition and results of operations.

Our operations involve the use, handling, generation, storage, discharge and disposal of hazardous substances, chemicals and wastes. As a result, we are required to comply with national, state, local, and foreign laws and regulations regarding the protection of the environment and health and safety. Adoption of more stringent laws and regulations in the future could require us to incur substantial costs to come into compliance with these laws and regulations. In addition, violations of, or liabilities under, these laws and regulations may result in restrictions being imposed on our operating activities or in our being subject to adverse publicity, substantial fines, penalties, criminal proceedings, third-party property damage or personal injury claims, cleanup costs, or other costs.

Risks Related to Intellectual Property

If we fail to, or incur significant costs in order to, obtain, maintain, protect, defend or enforce, our intellectual property and other proprietary rights, our business and results of operations could be materially harmed.

Our success depends to a significant degree on our ability to protect our intellectual property and other proprietary rights. We rely on a combination of patent, trademark, copyright, trade secret and unfair competition laws, as well as confidentiality and license agreements and other contractual provisions, to establish and protect our intellectual property and other proprietary rights. Such means may afford only limited protection of our intellectual property and may not (i) prevent our competitors from duplicating our processes or technology; (ii) prevent our competitors from gaining access to our proprietary information and technology; or (iii) permit us to gain or maintain a competitive advantage.

We have applied for patents in numerous countries across the world, including in the U.S., Europe, and China, some of which have been issued. We cannot guarantee that any of our pending patent applications or other applications for intellectual property registrations will be issued or granted or that our existing and future intellectual property rights will be sufficiently broad to protect our proprietary technology. While a presumption of validity exists with respect to U.S. patents issued to us, there can be no assurance that any of our patents, patent applications, or other intellectual property rights will not be, in whole or in part, opposed, contested, challenged, invalidated, circumvented, designed around, or rendered unenforceable. If we fail to obtain issuance of patents or registration of other intellectual property, or our patent claims or other intellectual property rights are rendered invalid or unenforceable, or narrowed in scope, the coverage of patents and other intellectual property rights afforded our products could be impaired. Even if we are to obtain issuance of further patents or registration of other intellectual property, such intellectual property could be subjected to attacks on

ownership, validity, enforceability, or other legal attacks. Any such impairment or other failure to obtain sufficient intellectual property protection could impede our ability to market our products, negatively affect our competitive position and harm our business and operating results, including forcing us to, among other things, rebrand or re-design our affected products.

In countries where we have not applied for patent protection or trademark or other intellectual property registration or where effective patent, trademark, trade secret, and other intellectual property laws and judicial systems may not be available to the same extent as in the U.S., we may be at greater risk that our proprietary rights will be circumvented, misappropriated, infringed, or otherwise violated. Filing, prosecuting, maintaining, and defending our intellectual property in all countries throughout the world may be prohibitively expensive, and we may choose to forego such activities in some applicable jurisdictions. The lack of adequate legal protections of intellectual property or failure of legal remedies or related actions in jurisdictions outside of the U.S. could have a material adverse effect on our business, financial condition, results of operations, and prospects.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

We rely heavily on nondisclosure agreements to protect the unpatented know-how, technology, and other proprietary information on which we rely to maintain our competitive position. However, trade secrets and know-how can be difficult to protect. We cannot guarantee that we have entered into such agreements with each party that has or may have had access to our proprietary information, know-how, technology and trade secrets, including third-party manufacturers, other suppliers, customers, other stakeholders involved in solar projects, or other business partners or prospective partners. Moreover, no assurance can be given that these agreements will be effective in controlling access to, distribution, use, misuse, misappropriation or disclosure of our proprietary information, know-how and trade secrets.

We may need to defend ourselves against third-party claims that we are infringing, misappropriating or otherwise violating others' intellectual property rights, which could divert management's attention, cause us to incur significant costs, and prevent us from selling or using the technology to which such rights relate.

Our competitors and other third parties hold numerous patents related to technology used in our industry, and may hold or obtain patents, copyrights, trademarks or other intellectual property rights that could prevent, limit, or interfere with our ability to make, use, develop, sell or market our products and services, which could make it more difficult for us to operate our business. From time to time, we may be subject to claims of infringement, misappropriation, or other violation of patents or other intellectual property rights and related litigation, and, if we gain greater recognition in the market, we face a higher risk of being the subject of these types of claims. Regardless of their merit, responding to such claims can be time consuming, can divert management's attention and resources, and may cause us to incur significant expenses in litigation or settlement, and we cannot be certain that we would be successful in defending against any such claims in litigation or other proceedings. If we do not successfully defend or settle an intellectual property claim, we could be liable for significant monetary damages and could be prohibited from continuing to use certain technology, business methods, content, or brands, and from making, selling or incorporating certain components or intellectual property into the products and services we offer. As a result, we could be forced to redesign our products and services, and/or to establish and maintain alternative branding for our products and services. To avoid litigation or being prohibited from marketing or selling the relevant products or services, we could seek a license from the applicable third-party, which could require us to pay significant royalties, licensing fees, or other payments, increasing our operating expenses. If a license is not available at all or not available on reasonable terms, we may be required to develop or license a non-violating alternative, either of which could be infeasible or require significant effort and expense. If we cannot license or develop a non-violating alternative, we would be forced to limit or stop sales of our offerings and may be unable to effectively compete. Finally, any litigation or claims,

whether or not valid, could result in substantial costs, negative publicity and diversion of resources and management attention, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be subject to claims that our employees, consultants, or advisors have wrongfully used or disclosed alleged trade secrets of their current or former employers or claims asserting ownership of what we regard as our own intellectual property.

Many of our employees and consultants are currently or were previously employed at other companies in our field, including our competitors or potential competitors. Although we try to ensure that our employees and consultants do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these individuals have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's current or former employer. Litigation may be necessary to defend against these claims. If we fail to successfully defend any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation would result in substantial costs and be a distraction to management.

In addition, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

Risks Related to Our Operations

We depend upon a number of outside vendors. Our operations could be disrupted if we encounter problems with these vendors.

We depend upon a number of vendors to manufacture certain components used in our products. Our reliance on these vendors makes us vulnerable to possible capacity constraints and reduced control over component availability, delivery schedules, manufacturing yields and costs.

If any of our vendors were unable or unwilling to manufacture the components that we require for our products in sufficient volumes and at high quality levels or renew existing terms under supply agreements, we would have to manufacture at our principal manufacturing facility the components manufactured by our vendors or identify, qualify and select acceptable alternative vendors, if not already multi-sourced. Manufacturing at our principal manufacturing facility the components manufactured by our vendors may lower our cost efficiency, and an alternative vendor may not be available to us when needed or may not be in a position to satisfy our quality or production requirements on commercially reasonable terms, including price. Any significant interruption in manufacturing would require us to reduce our supply of products to our customers or increase our shipping costs to make up for delays in manufacturing, which in turn could reduce our revenues, harm our relationships with our customers and damage our reputation with local installers and potential end-users and cause us to forego potential revenue opportunities.

Delays in construction projects and any failure to manage our inventory could have a material adverse effect on us.

Many of our products are used in large-scale projects, which generally require a significant amount of planning and preparation and which can be delayed and rescheduled for a number of reasons, including customer or partner labor availability, difficulties in complying with environmental and other government regulations or obtaining permits, interconnection delays, financing issues, changes in project priorities, additional time required to acquire rights-of-way or property rights, unanticipated soil conditions, or health-related shutdowns or other work stoppages. These delays may result in unplanned downtime, increased costs and inefficiencies in our operations, and increased levels of excess inventory.

Significant changes in the cost of raw materials could adversely affect our financial performance.

We are subject to risk from fluctuating market prices of certain commodity raw materials, including steel and aluminum, that are used in our products. Prices of these raw materials may be affected by supply restrictions or other market factors from time to time, and we do not enter into hedging arrangements to mitigate commodity risk. Significant price changes for these raw materials could reduce our operating margins if we are unable to recover such increases from our customers, and could harm our business, financial condition and results of operations.

We are dependent on transportation and logistics providers to deliver our products in a cost-efficient manner. Disruptions to transportation and logistics, including increases in shipping costs, could adversely impact our financial condition and results of operations.

We rely on transportation and logistics providers for the delivery of our products. We may also incur additional shipping costs when we need to accelerate delivery times. Our ability to deliver our products in a cost-efficient manner could be adversely impacted by shortages in available cargo capacity, changes by carriers and transportation companies in policies and practices, such as scheduling, pricing, payment terms and frequency of service or increases in the cost of fuel, taxes and labor, disruptions to shipping facilities as a result of a pandemic or other epidemics, and other factors not within our control. Disruptions to transportation and logistics, including increases in shipping costs, could adversely impact our financial condition and results of operations.

For example, the disruption of container shipping traffic through the Red Sea has created port congestion, especially in Asia, and many shipping companies have paused shipments through the Suez Canal and the Red Sea as a result of attacks against commercial vessels in the area, affecting transit times, capacity, and shipping costs for routes connecting the rest of the world with Asia. To address the challenges arising from prolonged transit times, we have increased our local sourcing efforts where feasible within certain regions. These measures aim to reduce delays to get the product to project sites on time. There is still uncertainty on how long these disruptions and the severity of their impact on our operations will last, but we continue to monitor the situation and evaluate our procurement and supply chain strategies, to reduce any negative impact on our business, financial condition, and results of operations.

Defects or performance problems in our products could result in loss of customers, reputational damage and decreased revenue, and we may experience delays, disruptions or quality control problems in our manufacturing operations.

Our products may contain undetected errors or defects, especially when first introduced or when new generations are released. Errors, defects or poor performance can arise due to design flaws, defects in raw materials or components or manufacturing difficulties, which can affect both the quality and the yield of the product. Any actual or perceived errors, defects or poor performance in our products could result in the replacement or recall of our products, temporary suspension or delay in our production line until the errors or defects can be investigated and addressed, shipment delays, rejection of our products, damage to our reputation, lost revenue, diversion of our engineering personnel from our product development efforts and increases in customer service and support costs, all of which could have a material adverse effect on our business, financial condition and results of operations.

Defective components may give rise to warranty, indemnity or product liability claims against us that exceed any revenue or profit we receive from the affected products. Our limited warranties cover defects in materials and workmanship of our products under normal use and service conditions. As a result, we bear the risk of warranty claims long after we have sold products and recognized revenue. While we have accrued reserves for warranty claims, our estimated warranty costs for previously sold products may change to the extent the warranty claims profile of future products is not comparable with that of earlier generation products under warranty. Our warranty accruals are based on our assumptions and we do not have a long history of making

such assumptions. As a result, these assumptions could prove to be materially different from the actual performance of our systems, causing us to incur substantial unanticipated expense to repair or replace defective products in the future or to compensate customers for defective products. Our failure to accurately predict future claims could result in unexpected volatility in, and have a material adverse effect on, our financial condition, all of which could have a material effect on our business financial condition and results of operations.

Failure by our vendors or our component or raw material suppliers to use ethical business practices and comply with applicable laws and regulations may adversely affect our business.

We do not control our vendors or suppliers or their business practices. Accordingly, we cannot guarantee that they follow ethical business practices such as fair wage practices and compliance with environmental, safety and other local laws. A lack of demonstrated compliance could lead us to seek alternative manufacturers or suppliers, which could increase our costs and result in delayed delivery of our products, product shortages or other disruptions of our operations. Violation of labor or other laws by our manufacturers or suppliers or the divergence of a supplier's labor or other practices from those generally accepted as ethical in the U.S. or other markets in which we do business could also attract negative publicity for us and harm our business.

If we fail to retain our key personnel or if we fail to attract additional qualified personnel, we may not be able to maintain key relationships with customers and suppliers or achieve our anticipated level of growth, which could cause our business to suffer

Our future success and ability to implement our business strategy depends, in part, on our ability to attract and retain key personnel, and on the continued contributions of members of our senior management team and key technical personnel, each of whom would be difficult to replace. All of our employees, including our senior management, are free to terminate their employment relationships with us at any time. Competition for highly skilled individuals with technical expertise is extremely intense, and we face challenges identifying, hiring and retaining qualified personnel in many areas of our business. Integrating new employees into our team could prove disruptive to our operations, require substantial resources and management attention and ultimately prove unsuccessful. An inability to retain our senior management and other key personnel or to attract additional qualified personnel could limit or delay our strategic efforts, which could have a material adverse effect on our business, financial condition, results of operations and prospects. An inability to retain our senior management and other key personnel or to attract additional qualified personnel could limit or delay our strategic efforts, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, our reputation and our relationship with our customers is paramount to us, and we have invested heavily in building a brand and solutions associated with high quality and strong customer service. We believe that maintaining the quality of our workforce is critical to our existing customer relationships and our ability to win new customers. As a result, the loss of key personnel and the relationships they have built with our customers and suppliers could reduce demand for our products, undermine the loyalty of our customers or reduce our ability to attract new customers and adversely impact our ability to increase our market share and revenue.

Our continued planned expansion into new markets could subject us to additional business, financial, regulatory and competitive risks.

Part of our strategy is to continue to grow our revenues from international markets, including entering new geographic markets to expand our current international presence, entering into joint-venture or licensing arrangements with companies in certain markets, expanding our relationships with value-added resellers of our products in some countries, and utilizing locally sourced components in our products in jurisdictions where locally sourced components are a regulatory or customer requirement.

Our strategy continues to be to grow revenues outside of the U.S., including broader North America, as well as South America, Europe, Africa and Southeast Asia, but currently excludes China and India. The products and

services we intend to offer in these regions may differ from our current products and services in several ways, such as the consumption and utilization of local raw materials, components and logistics, the re-engineering of select components to reduce costs, and region-specific customer training, site commissioning, warranty remediation and other technical services.

These markets have different characteristics from the markets in which we currently sell products, and our success will depend on our ability to adapt properly to these differences. These differences include differing regulatory requirements, including tax laws, trade laws, labor regulations, tariffs, export quotas, customs duties or other trade restrictions, limited or unfavorable intellectual property protection, local content requirements, international political or economic conditions, restrictions on the repatriation of earnings, longer sales cycles, warranty expectations, product return policies and cost, performance and compatibility requirements. In addition, expanding into new geographic markets will increase our exposure to presently existing risks, such as fluctuations in the value of foreign currencies and difficulties and increased expenses in complying with U.S. and foreign laws, regulations and trade standards, including the U.S. Foreign Corrupt Practices Act.

Failure to develop these new products successfully or to otherwise manage the risks and challenges associated with our potential expansion into new geographic markets could adversely affect our revenues and our ability to achieve or sustain profitability.

We have been and will in the future continue to be exposed to risks from currency exchange rate fluctuations between the U.S. dollar and foreign currencies that could adversely affect our financial results and comparability of our results between financial periods.

Changes in exchange rates may affect our financial condition and results of operations. Appreciation of the U.S. dollar against the euro, the Brazilian real or other currencies in which our net sales are denominated may generally have the effect of decreasing our net sales figures. Movements in the exchange rate of the U.S. dollar to the euro, the Brazilian real or other currencies, could increase the amount of cash that must be generated in foreign currencies in order to pay the principal and interest on our 1.00% Convertible Senior Notes due 2028 (the “Convertible Notes”) and our other U.S. dollar denominated indebtedness. We are unable to predict with any precision future movements of the exchange rate of the U.S. dollar against foreign currencies or their effect on our business or results of operations.

Inadequacy of our insurance coverage could have a material and adverse effect on our business, financial condition and results of operations.

We maintain third party insurance coverage against various liability risks and risks of loss, including general liability, auto liability, property, cargo, errors and omissions, data security breach, crime and directors’ and officers’ liability. Potential liabilities or other loss associated with these risks or other events could exceed the coverage provided by such arrangements resulting in significant uninsured liabilities or other loss, which could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Information Technology

Failure to effectively utilize information technology systems or implement new technologies could disrupt our business or reduce our sales or profitability.

We rely extensively on various information technology systems, including data centers, hardware, software and applications to manage many aspects of our business, including to operate and provide our products and services, to process and record transactions, to enable effective communication systems, to track inventory flow, to manage logistics and to generate performance and financial reports. We are dependent on the integrity, security and consistent operations of these systems and related back-up systems. Our computer and information technology systems and the third-party systems we rely upon are also subject to damage or interruption from a number of causes, including power outages; computer and telecommunications failures; ransomware, computer viruses, malware, phishing or distributed denial-of-service attacks; security breaches;

cyber-attacks; catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes; acts of war or terrorism and design or usage errors by our employees or contractors.

Compromises, interruptions or shutdowns of our systems, including those managed by third parties, whether intentional or inadvertent, could lead to delays in our business operations and, if significant or extreme, affect our results of operations, potentially materially.

The failure of our information technology systems and the third-party systems we rely on to perform as designed, or our failure to implement and operate them effectively, could disrupt our business or subject us to liability and thereby have a material adverse effect on our business, financial condition, results of operations and prospects.

Cybersecurity or other data incidents, including unauthorized disclosure of personal or sensitive data or theft of confidential information could harm our business.

Our or our third-party vendors' computer systems are vulnerable to cyber incidents and attacks, including malicious intrusion, ransomware attacks, and other system disruptions caused by unauthorized third parties. Attempts by computer hackers or other unauthorized third parties to penetrate or otherwise gain access to our computer systems or the systems of third parties with which we do business through fraud or other means of deceit, have in the past, and may in the future, if successful, result in the misappropriation of personal information, data, check information or confidential business information. Hardware, software or applications we utilize may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. In addition, our employees, contractors or third parties with which we do business or to which we outsource business operations may attempt to circumvent our security measures in order to misappropriate such information and data and may purposefully or inadvertently cause a breach or other compromise involving such information and data. We increasingly rely on commercially available systems, software, tools (including encryption technology) and monitoring to provide security and oversight for processing, transmission, storage and protection of confidential information and personal data, and we are not able to ensure that each of these systems is free from malicious code. Despite advances in security hardware, software, and encryption technologies, and our own information security program and safeguards, there is no guarantee that our defenses and program will be adequate to safeguard against all data security breaches, cybersecurity attacks, misappropriation of confidential information or misuses of personal data and they have been breached in the past. We may also experience security breaches and other incidents that may remain undetected for an extended period and therefore may have a greater impact on our products and the networks and systems used in our business.

We regularly defend against and respond to data security incidents. We incur significant costs in our efforts to detect and prevent security breaches and other security-related incidents, and we may face increased costs in the event of an actual or perceived security breach or other security-related incident. Despite our precautions, our facilities and systems, and those of third parties with which we do business, may be vulnerable to security breaches, acts of vandalism and theft, computer viruses, misplaced or lost data, programming and/or human errors, or other similar events, and there is no guarantee that inadvertent or unauthorized use or disclosure will not occur or that third parties will not gain unauthorized access to this type of confidential information and personal data.

In addition, as the regulatory environment relating to retailers and other companies' obligation to protect such sensitive data becomes increasingly rigorous, with new and constantly changing requirements applicable to our business, compliance with those requirements could result in additional costs, and a material failure on our part to comply could potentially subject us to fines or other regulatory sanctions and lawsuits. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

Failure to comply with current or future federal, state and foreign laws and regulations and industry standards relating to privacy, data protection, cybersecurity and advertising could adversely affect our business, financial condition, results of operations and prospects.

Laws, regulations and industry standards relating to privacy, data protection, cybersecurity and advertising are evolving and subject to potentially differing interpretations. These requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another or may conflict with other rules or our practices. As a result, our practices may not have complied or may not comply in the future with all such laws, regulations, standards, requirements and obligations. Any failure, or perceived failure, by us to comply with our posted privacy policies or with any federal or state privacy or consumer protection-related laws, regulations, industry self-regulatory principles, industry standards or codes of conduct, regulatory guidance, orders to which we may be subject or other legal obligations relating to privacy or information security could adversely affect our reputation, brand and business, and may result in claims, fines, penalties, investigations, proceedings or actions against us by governmental entities, customers, suppliers or others or other liabilities or may require us to change our operations and/or cease using certain data.

Any such claims, proceedings, investigations or actions could harm our reputation, brand and business, force us to incur significant expenses in defense of such claims, proceedings, investigations or actions, distract our management, increase our costs of doing business, erode investor or customer confidence, result in a loss of customers or suppliers and result in the imposition of monetary penalties. We may also be contractually required to indemnify and hold harmless third parties from the costs and consequences of non-compliance with any laws, regulations or other legal obligations relating to privacy or consumer protection or any inadvertent or unauthorized use or disclosure of data that we store or handle as part of operating our business.

Federal, state and foreign governmental authorities continue to evaluate the privacy implications inherent in the use of third-party cookies, pixels, and other methods of online tracking for behavioral advertising and other purposes. The regulation of the use of these cookies and other current online tracking and advertising practices or a loss in our ability to make effective use of services that employ such technologies could increase our costs of operations and limit our ability to acquire new customers on cost-effective terms and, consequently, materially and adversely affect our business, financial condition and results of operations.

We are subject to a variety of laws and regulations in the U.S., the United Kingdom and the European Economic Area that involve matters central to our business, including privacy and data protection. California, and more than a dozen other states, have passed comprehensive privacy laws similar to the EU GDPR. The SEC has similarly enacted detailed cybersecurity rules that require the public disclosure of material cybersecurity incidents within four business days after we determine that an incident is material. Existing and proposed laws and regulations can be costly to comply with and can delay or impede the development of new products and services, significantly increase our operating costs, require significant time and attention of management and technical personnel and subject us to inquiries or investigations, claims or other remedies, including fines or demands that we modify or cease existing business practices. For example, administrative fines of up to the greater of €20 million and 4% of our global turnover can be imposed for breaches of the EU General Date Protection Regulation (2016/679) (“EU GDPR”).

Each of these privacy, security and data protection laws and regulations, and any other such changes or new laws or regulations, could impose significant limitations, require changes to our business, or restrict our use or storage of certain data, which may increase our compliance expenses and make our business more costly or less efficient to conduct. In addition, any such changes could compromise our ability to develop an adequate marketing strategy and pursue our growth strategy effectively.

Any failure to comply with applicable laws or other obligations or any security incident or breach, whether by us, one of our third-party service providers or vendors or another third party, could have adverse effects. We cannot assure you that our vendors or other third-party service providers with access to our or our customers’ or employees’ personally identifiable and other sensitive or confidential information will not breach contractual

obligations imposed by us, or that they will not experience data security breaches, which could have a corresponding effect on our business, including putting us in breach of our obligations under privacy laws and regulations and/or which could in turn adversely affect our business, results of operations and financial condition. We also cannot assure you that our contractual measures and our own privacy, data protection, and security-related safeguards will protect us from the risks associated with the third-party processing, use, storage and transmission of such information. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

Risks Related to Internal Controls over Financial Reporting

Internal control deficiencies have been identified that constituted material weaknesses in our internal control over financial reporting.

We have concluded that the following material weaknesses in our internal control over financial reporting that were previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023, has been remediated as of December 31, 2024:

- We have identified a material weakness due to a deficiency in one of the principles associated with the Control Environment component of the COSO framework, specifically relating to a lack of a sufficient complement of qualified personnel at the appropriate levels to perform control activities in support of preparing the financial statements in accordance with U.S. generally accepted accounting principles ("U.S. GAAP").
- Control Activities – STI. We did not design, implement, and monitor general information technology controls in the areas of program change management, user access, and segregation of duties for systems supporting substantially all of STI's internal control processes and we did not design and implement formal accounting policies, procedures, and controls across substantially all of the STI's business processes to achieve timely, complete, accurate financial accounting, reporting, and disclosures.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our operating results could fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in our financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. It is possible that interpretation, industry practice and guidance may evolve over time. If our assumptions change or if actual circumstances differ from our assumptions, our operating results may be adversely affected and could fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

We have experienced material weaknesses in our internal control over financial reporting in the past. If we fail to maintain an effective system of integrated internal controls, we may not be able to report our financial results accurately, which could have a material adverse effect on our business, financial condition and results of operations.

Ensuring that we have adequate internal financial and accounting controls and procedures in place so that we can produce accurate financial statements on a timely basis is a costly and time-consuming effort that will need to be evaluated frequently. Section 404 of the Sarbanes-Oxley Act requires public companies to conduct an annual review and evaluation of their internal controls and requires attestations of the effectiveness of internal controls by independent auditors. We have identified several material weaknesses in the past, all of which had been remediated as of December 31, 2024. Evaluation of our internal controls over financial reporting may, in

the future, identify material weaknesses that may cause us to be unable to report our financial information on a timely basis and thereby subject us to adverse regulatory consequences, including sanctions by the SEC or violations of Nasdaq rules. There also could be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements. Confidence in the reliability of our financial statements also could suffer if we or our independent registered public accounting firm were to report a material weakness in our internal controls over financial reporting. This could have a material adverse effect on our business, financial condition and results of operations and could also lead to a decline in the price of our common stock.

Risks Related to Indebtedness and Financing

Our indebtedness could adversely affect our financial flexibility and our competitive position.

As of December 31, 2024, we owe $233.9 million under our Senior Secured Credit Facility (as defined below) and $425.0 million on our Convertible Notes. Our level of indebtedness increases the risk that we may be unable to generate cash sufficient to pay amounts due in respect of our indebtedness. Our indebtedness could have other important consequences to you and significant effects on our business. For example, it could:

- increase our vulnerability to adverse changes in general economic, industry and competitive conditions;
- require us to dedicate a substantial portion of our cash flow from operations to make payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- restrict us from exploiting business opportunities;
- make it more difficult to satisfy our financial obligations, including payments on our indebtedness;
- place us at a disadvantage compared to our competitors that have less debt; and
- limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions, debt service requirements, execution of our business strategy or other general corporate purposes.

In addition, the agreement governing the Senior Secured Credit Facility contains, and the agreements evidencing or governing any other future indebtedness may contain, restrictive covenants that will limit our ability to engage in activities that may be in our long-term best interests. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all of our indebtedness. In addition, a default by us under the agreement governing the Senior Secured Credit Facility or an agreement governing any other future indebtedness may trigger cross-defaults under any other future agreements governing our indebtedness. Upon the occurrence of an event of default or cross-default under any of the present or future agreements governing our indebtedness, the lenders could elect to declare all amounts outstanding to be due and payable and exercise other remedies as set forth in the agreements. If any of our indebtedness were to be accelerated, there can be no assurance that our assets would be sufficient to repay this indebtedness in full, which could have a material adverse effect on our ability to continue to operate as a going concern.

The agreement governing the Senior Secured Credit Facility contains, and the agreements evidencing or governing any other future indebtedness may contain, financial restrictions on us and our restricted subsidiaries, including restrictions on our or our restricted subsidiaries' ability to, among other things:

- place liens on our or our restricted subsidiaries' assets;
- make investments other than permitted investments;
- incur additional indebtedness;

- prepay or redeem certain indebtedness;
- merge, consolidate or dissolve;
- sell assets;
- engage in transactions with affiliates;
- change the nature of our business;
- change our or our subsidiaries' fiscal year or organizational documents; and
- make restricted payments (including certain equity issuances).

In addition, the Revolving Credit Facility (as defined below) also includes a springing financial maintenance covenant that is tested on the last day of each fiscal quarter if the outstanding loans and certain other credit extensions under the Revolving Credit Facility exceed 35% of the aggregate amount of commitments thereunder, subject to customary exclusions and conditions.

Our substantial indebtedness could adversely affect our financial condition.

We currently have, and we will continue to have, a significant amount of indebtedness, including the Convertible Notes. This significant amount of indebtedness could limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions, debt service requirements, stock repurchases or other purposes. It may also increase our vulnerability to adverse economic, market and industry conditions, limit our flexibility in planning for, or reacting to, changes in our business operations or to our industry overall, and place us at a disadvantage in relation to our competitors that have lower debt levels. Any or all of the above events and/or factors could have an adverse effect on our results of operations and financial condition.

Further, the interest rates applicable to the Senior Secured Credit Facility are based on, and the interest rates applicable to certain debt obligations we may incur in the future may be based on, a fluctuating rate of interest determined by reference to the Secured Overnight Financing Rate ("Term SOFR"). Term SOFR is a relatively new index rate that is administered by the Federal Reserve Bank of New York (the "New York Fed"). There can be no assurance that the New York Fed will not discontinue the publication of Term SOFR, in which case interest payments on our Senior Secured Credit Facility would need to be calculated using a different index rate, or alter the manner in which Term SOFR is calculated. As a result, our interest expense could increase, in which event we may have difficulties making interest payments and our available cash flow for general corporate requirements may be adversely affected. Our interest expense could also be increased by any increase in interest rates.

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including the Convertible Notes, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

We may not be able to raise additional capital to execute our current or future business strategies on favorable terms, if at all, or without dilution to our stockholders.

We expect that we may need to raise additional capital to execute our current or future business strategies. However, we do not know what forms of financing, if any, will be available to us. Some financing activities in which we may engage could cause your equity interest in the Company to be diluted, which could cause the value of your stock to decrease. There can be no assurance that deterioration in credit and financial markets and confidence in economic conditions will not occur, including as a result of any increase in interest rates. A severe or prolonged economic downturn could result in a variety of risks to our business, including weakened demand for our products and harm our ability to raise additional capital when needed on acceptable terms, if at all. If the equity and credit markets continue to deteriorate, it may make any necessary debt or equity financing more difficult, more costly, and more dilutive. If financing is not available on acceptable terms, if and when needed, our ability to fund our operations, expand our R&D and sales and marketing functions, develop and enhance our products, respond to unanticipated events, including unanticipated opportunities, or otherwise respond to competitive pressures would be significantly limited. In any such event, our business, financial condition and results of operations could be materially harmed, and we may be unable to continue our operations.

Despite our current debt levels, we may still incur substantially more debt or take other actions which would intensify the risks discussed above.

Despite our current consolidated debt levels, we and our subsidiaries may be able to incur substantial additional debt in the future, subject to the restrictions contained in our debt instruments, some of which may be secured debt. We will not be restricted under the terms of the indenture governing the Convertible Notes from incurring additional debt, securing existing or future debt, recapitalizing our debt or taking a number of other actions that are not limited by the terms of the indenture governing the Convertible Notes that could have the effect of diminishing our ability to make payments on the Convertible Notes when due. Our Senior Secured Credit Facility restricts our ability to incur additional indebtedness, including secured indebtedness.

The conditional conversion feature of the Convertible Notes, if triggered, may adversely affect our financial condition and operating results.

In the event the conditional conversion feature of the Convertible Notes is triggered, holders of Convertible Notes will be entitled to convert the Convertible Notes at any time during specified periods at their option. If one or more holders elect to convert their Convertible Notes, we would be required to settle in cash up to the converted aggregate principal amount of such Convertible Notes converted and may at our election pay the excess of any conversion obligation in cash, which could adversely affect our liquidity. In addition, even if holders do not elect to convert their Convertible Notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the Convertible Notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

The fundamental change repurchase feature of the Convertible Notes may delay or prevent an otherwise beneficial attempt to acquire us.

Certain provisions in the indenture governing the Convertible Notes may make it more difficult or expensive for a third-party to acquire us. For example, the indenture governing the Convertible Notes requires us, in certain circumstances, to repurchase the Convertible Notes for cash upon the occurrence of a fundamental change and, in certain circumstances, to increase the conversion rate for a holder that converts its Convertible Notes in connection with a make-whole fundamental change. A takeover of us may trigger the requirement that we repurchase the Convertible Notes and/or increase the conversion rate, which could make it more costly for a potential acquirer to engage in such takeover. Such additional costs may have the effect of delaying or preventing a takeover of us that would otherwise be beneficial to investors.

The capped call transactions may affect the market price of our common stock.

In connection with the pricing of the Convertible Notes, we entered into capped call transactions with several affiliates of the initial purchasers (the "Option Counterparties"). The capped call transactions are expected generally to reduce potential dilution to our common stock upon conversion of any Notes and/or offset any cash payments we are 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.

In addition, the Option Counterparties and/or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to our common stock and/or purchasing or selling our common stock or other securities of ours in secondary market transactions and prior to the maturity of the Convertible 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 Convertible Notes). This activity could cause or avoid an increase or decrease in the market price of our common stock.

We are subject to counterparty risk with respect to the capped call transactions.

The Option Counterparties are financial institutions, and we are subject to the risk that any or all of them might default under the capped call transactions. Our exposure to the credit risk of the Option Counterparties is not secured by any collateral. Past global economic conditions have resulted in the actual or perceived failure or financial difficulties of many financial institutions. If an Option Counterparties becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at that time under the capped call transactions with such Option Counterparties. Our exposure will depend on many factors but, generally, an increase in our exposure will be correlated to an increase in the market price and in the volatility of our common stock. In addition, upon a default by an Option Counterparties, we may suffer more dilution than we currently anticipate with respect to our common stock. We can provide no assurance as to the financial stability or viability of the Option Counterparties.

Risks Related to Ownership of Our Common Stock

Sales of substantial amounts of our common stock in the public markets, or the perception that such sales could occur, could reduce the market price of our common stock.

Sales of a substantial number of shares of our common stock in the public market, or the perception that such sales could occur, could adversely affect the market price of our common stock. We are unable to predict the effect that such sales may have on the prevailing market price of our common stock.

We may issue common stock or equity securities senior to our common stock in the future for a number of reasons, including to finance our operations and growth plans, to adjust our ratio of debt-to-equity, to satisfy our obligations upon the exercise of options or for other reasons. Future sales or issuances of shares of our common stock or other equity securities, or the availability of shares of common stock or such other equity securities for future sale or issuance may negatively affect the trading price of our common stock. No prediction can be made as to the effect, if any, that future sales or issuance of shares of our common stock or other equity or equity-linked securities will have on the trading price of our common stock and, in turn, the Convertible Notes.

The market price for our common stock could be volatile, which could result in substantial losses for purchasers of our common stock and subject us to securities class action litigation.

The market price of our common stock could be subject to significant fluctuations. The price of our stock may change in response to fluctuations in our results of operations in future periods and also may change in response to other factors, including factors specific to companies in our industry, many of which are beyond our control. As a result, our share price may experience significant volatility and may not necessarily reflect the value of our expected performance. Among other factors that could affect our stock price are:

- changes in laws or regulations applicable to our industry or offerings;
- speculation about our business in the press or the investment community;
- price and volume fluctuations in the overall stock market;
- volatility in the market price and trading volume of companies in our industry or companies that investors consider comparable;
- share price and volume fluctuations attributable to inconsistent trading levels of our shares;
- our ability to protect our intellectual property and other proprietary rights and to operate our business without infringing, misappropriating or otherwise violating the intellectual property and other proprietary rights of others;
- sales of our common stock by us or our significant stockholders, officers and directors;
- success of competitive products or services;
- the public's response to press releases or other public announcements by us or others, including our filings with SEC, announcements relating to litigation or significant changes to our key personnel;
- the effectiveness of our internal controls over financial reporting;
- changes in our capital structure or dividend policy, including as a result of future issuances of securities, sales of large blocks of common stock by our stockholders, potential resales of a substantial number of additional shares of common stock received upon conversion of the Convertible Notes, or our incurrence of debt;
- our entry into new markets;
- tax developments in the U.S., Europe or other markets;
- strategic actions by us or our competitors, such as acquisitions or restructurings;
- changes in accounting principles;
- geopolitical, macroeconomic and other market conditions unrelated to our operating performance or the operating performance of our competitors, a pandemic or other epidemic, the military conflict in Ukraine-Russia war, conflict in the Middle East, attacks on a shipping lane in the Red Sea and inflation and interest rates; and
- the other factors described in this "Risk Factors" section.

Further, in recent years the U.S. securities markets have experienced significant price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. In addition, the stock prices of many renewable energy companies have experienced wide fluctuations that have often been unrelated to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, may cause the market price of our common stock to decline.

In addition, in the past, class action litigation has often been instituted against companies whose securities have experienced periods of volatility in market price. Securities litigation brought against us following volatility in our stock price, regardless of the merit or ultimate results of such litigation, could result in substantial costs, which would harm our financial condition and operating results and divert management's attention and resources from our business.

We have issued and may in the future issue preferred stock whose terms could adversely affect the voting power or value of our common stock.

The certificate of incorporation governing our Series A Shares (as defined below) authorizes us to issue, without the approval of our stockholders, one or more classes or series of preferred stock having such designations, preferences, limitations and relative rights, including preferences over our common stock respecting dividends and distributions, as our board of directors may determine. The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of our common stock. For example, we might grant holders of preferred stock the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we might assign to holders of preferred stock could affect the residual value of our common stock.

Provisions in our certificate of incorporation and bylaws, may have the effect of delaying or preventing a change of control or changes in our management.

Our certificate of incorporation and bylaws contain provisions that could depress the trading price of our common stock by discouraging, delaying or preventing a change of control of our Company or changes in our management that the stockholders of our Company may believe advantageous. These provisions include:

- authorizing “blank check” preferred stock that our board of directors could issue to increase the number of outstanding shares to discourage a takeover attempt;
- providing for a classified board of directors with staggered, three-year terms, which could delay the ability of stockholders to change the membership of a majority of our board of directors;
- not providing for cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- limiting the ability of stockholders to call a special stockholder meeting;
- prohibiting stockholders from acting by written consent;
- establishing advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at stockholder meetings;
- the removal of directors only for cause and only upon the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of our common stock of entitled to vote thereon;
- providing that our board of directors is expressly authorized to amend, alter, rescind or repeal our bylaws; and
- requiring the affirmative vote of holders of at least 66 2/3% of the voting power of all of the then outstanding shares of common stock to amend provisions of our certificate of incorporation relating to the management of our business, our board of directors, stockholder action by written consent, calling special meetings of stockholders, competition and corporate opportunities, Section 203 of the Delaware General Corporation Law, forum selection and the liability of our directors, or to amend, alter, rescind or repeal our bylaws.

In addition, we are not governed by the provisions of Section 203 of the DGCL, which generally prohibits a Delaware corporation from engaging in a broad range of business combinations with any “interested” stockholder for a period of three years following the date on which the stockholder becomes an “interested” stockholder.

Furthermore, our certificate of incorporation provides that the federal district courts of the U.S. is the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act of 1933, as

amended, but that the forum selection provision will not apply to claims brought to enforce a duty or liability created by the Exchange Act.

Our certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the DGCL, our certificate of incorporation or our bylaws; any action to interpret, apply, enforce or determine the validity of our certificate of incorporation or our bylaws; any action asserting a claim against us that is governed by the internal affairs doctrine; or any action asserting an "internal corporate claim" as defined in Section 115 of the DGCL. The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in our certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could materially and adversely affect our business, financial condition, and results of operations.

We do not intend to pay any cash distributions or dividends on our common stock in the foreseeable future.

We have never declared or paid any distributions or dividends on our common stock, except the special distribution described below. We currently intend to retain any future earnings and do not expect to pay any cash distributions or dividends in the foreseeable future. Any future determination to declare cash distributions or dividends will be made at the discretion of our board of directors, subject to applicable laws and provisions of our debt instruments and organizational documents, after taking into account our financial condition, results of operations, capital requirements, general business conditions and other factors that our board of directors may deem relevant. As a result, capital appreciation in the price of our common stock, if any, may be your only source of gain on an investment in our common stock.

General Risk Factors

Changes in laws and regulations, including changes to tax laws, or regulations that are applied adversely to us or our customers could materially adversely affect our business, financial condition, results of operations and prospects.

Laws and regulations continually change as new legislation is passed and new interpretations of the law are issued or applied. Laws and regulations, such as changes in corporate tax rates, tax incentives for renewable energy projects, the realization of net deferred tax assets relating to our U.S. operations, the taxation of foreign earnings, and the deductibility of expenses under future tax reform legislation could have a material impact on the value of our deferred tax assets, could result in significant one-time charges in the current or future taxable years, and could increase our future U.S. tax expense, which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

The European Union member states enacted the OECD Pillar Two Directive that generally provides for a 15% minimum tax rate. The first European Directive for certain aspects of Pillar Two went into effect on January 1, 2024 and the Undertaxed Profits Rule aspect of Pillar Two went into effect on January 1, 2025. It is uncertain whether the U.S. will enact legislation to adopt Pillar Two, however, certain countries in which we operate have adopted legislation which could have a negative impact on future income tax expense.

Economic, political and market conditions could adversely effect on our business, results of operations and financial condition, including our revenue growth and profitability, which in turn could adversely affect our stock price.

Macroeconomic developments such as the global or regional economic effects resulting from the current Russia-Ukraine war and current Middle East instability (including the Israel-Hamas conflict and disruptions in the transportation of goods through the Suez canal and to shipping in the Red Sea), inflation and related economic curtailment initiatives, evolving trade policies between the U.S. and international trade partners, or the occurrence of similar events in other countries that lead to uncertainty or instability in economic, political or market conditions could negatively affect our business, operating results, financial condition and outlook, which, in turn, could adversely affect our stock price. Political issues and conflicts could have a material adverse effect on our results of operations and financial condition if they escalate into geographies in which we do business or obtain our components. A local conflict, such as the Ukraine-Russian war or the Middle East instability, could also have a significant adverse impact on regional or global macroeconomic conditions, give rise to regional instability or result in heightened economic tariffs, sanctions and import export restrictions in a manner that adversely affects us, including to the extent that any such actions cause material business interruptions or restrict our ability to conduct business with certain suppliers. Additionally, such conflict or sanctions may significantly devalue various global currencies and have a negative impact on economies in geographies in which we do business. Any general weakening of, and related declining corporate confidence in, the global economy could cause current or potential customers to reduce or eliminate their budgets and spending, which could cause customers to delay, decrease or cancel projects with us which would have a negative effect on our business, operating results and financial condition.

Our business is subject to the risks of severe weather events, natural disasters and other catastrophic events.

Our customers and suppliers are located in the U.S. and around the world. A severe weather event or other catastrophe could significantly impact our supply chain by causing delays in the shipping and delivery of our materials, components and products which may, in turn, cause delays in our customers' solar projects. Our customers' ability to install solar energy systems is also affected by weather, such as during the winter months.

Any damage and disruption in any locations in which our customers have solar projects which are caused by severe weather events (such as extreme cold weather, hail, hurricanes, tornadoes and heavy snowfall), seismic activity, fires, floods and other natural disasters or catastrophic events could result in a delay or even a complete cessation of our worldwide or regional operations and could cause severe damage to our products and equipment used in our solar projects. Even if our tracker products are not damaged, severe weather, natural disasters and catastrophic events may cause damage to the solar panels that are mounted to our tracker products, which could result in decreased demand for our products, loss of customers and the withdrawal of coverage for solar panels and solar tracking systems by insurance companies. Any of these events would negatively impact our ability to deliver our products and services to our customers and could result in reduced demand for our products and services, and any damage to our products and equipment used for our solar projects could result in large warranty claims which could, individually or in the aggregate, exceed the amount of insurance available to us, all of which would have a material adverse effect on our financial condition and results of operations. These events may increase in frequency and severity due to the effects of climate change.

The severity and duration of public health threats could materially impact our business, financial condition, and results of operations.

The extent to which public health threats (including pandemics such as COVID-19 or similarly infectious diseases) could impact us in the future is highly uncertain and unpredictable, and will depend largely on subsequent developments, including but not limited to (i) the severity and duration of any public health threat, (ii) measures taken to contain the spread of any public health threat, such as restrictions on travel and

gatherings of people and temporary closures of or limitations on businesses and other commercial activities, (iii) the timing and nature of policies implemented by governmental authorities, and (iv) any future variants of the public health threat, which may surge over time. As a result of any public health threat and any related containment measures, we, our suppliers, or customers may be subject to significant risks, including to supply chain and business operations, which have the potential to materially and adversely impact our business, financial condition, and results of operations.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Risk Management and Strategy

Our commercial success depends on developing, implementing, and maintaining robust cybersecurity measures to safeguard our information systems and protect the confidentiality, integrity and availability of our data. Accordingly, we have adopted processes designed to identify, assess and mange material risks from cybersecurity threats.

Managing Material Risks & Integrated Enterprise Risk Management

We are working to strategically integrate cybersecurity risk management into our broader enterprise risk management program to promote a company-wide culture of cybersecurity risk management. Our enterprise risk management project team is working closely with our IT department to evaluate and address cybersecurity risks in alignment with our business objectives and operational needs while building out a framework to monitor those risks and integrate objectives into our broader strategic plan.

Engaging Third Parties on Risk Management

Given the complexity and evolving nature of cybersecurity threats, we have engaged a range of external experts, including cybersecurity assessors, consultants, and auditors in evaluating, testing, and improving our risk management systems. These partnerships enable us to leverage specialized knowledge and insights and includes regular audits, threat assessments, and consultation on security enhancements.

Overseeing Third Party Risk

The need to govern third party service providers and vendors poses significant challenges, and as a result we have implemented processes to oversee and manage these risks. Our procedures contemplate conducting security assessments of all third-party providers that are proportional to the risks present, ideally before or soon after engagement, and periodically thereafter, in order to mitigate risks related to data breaches or other security incidents originating from third parties.

Risks from Cybersecurity Threats

We have not encountered cybersecurity threats that have materially affected or are reasonably likely to materially affect our business strategy, results of operations, or financial condition, although we cannot rule out that a cyber-attack in the future could materially affect our ability to operate.

Governance

Our board of directors is aware of the critical nature of managing risks associated with cybersecurity threats. In recognition of the significance of these threats to our operational integrity and shareholder confidence, our

board of directors has established oversight mechanisms to ensure effective governance in managing risks associated with cybersecurity threats.

Board of Directors Oversight

The Nominating and Corporate Governance Committee of our board of directors bears primary responsibility for oversight of cybersecurity risks. The Nominating and Corporate Governance Committee is briefed on cybersecurity risks at least once each year and any material cybersecurity incidents by our chief information officer and our chief financial officer, as further described below. The Nominating and Corporate Governance Committee is composed of directors equipped with diverse skills needed to oversee the difference facets of cybersecurity risks effectively, including risk management, public company leadership, innovation and technology, corporate governance and finance.

Management's Role Managing Risk

The chief information officer and the chief financial officer are responsible for updating the Nominating and Corporate Governance Committee on cybersecurity risks and our mitigation strategies. They provide quarterly updates to the Nominating and Corporate Governance Committee, as well as comprehensive briefings at least once per year and appropriate briefings during any potentially material cybersecurity incident. These briefings encompass a broad range of topics, including:

- results of internal assessments and audits by third parties;
- the current cybersecurity landscape and emerging threats;
- the status of ongoing cybersecurity initiatives and strategies;
- incident reports and lessons learned from any cybersecurity events; and
- compliance with regulatory requirements and industry standards.

In addition to regular scheduled meetings, the Nominating and Corporate Governance Committee, our chief information officer and our chief executive officer maintain an ongoing dialogue regarding emerging or potential cybersecurity risks. Together, they receive periodic updates on significant developments in the cybersecurity landscape to support proactive and responsive board oversight. The Nominating and Corporate Governance Committee actively participates in strategic decisions related to cybersecurity, reviewing and offering guidance on major initiatives and any potentially material cybersecurity incident. This involvement ensures that cybersecurity considerations are integrated into our broader strategic objectives.

Risk Management Personnel

Primary responsibility for assessing, monitoring and managing our cybersecurity risks rests with the chief information officer, Jovan Kangrga. Mr. Kangrga has managed cybersecurity and information security at Array for the past five years and has over 14 years of total experience as an information technology executive for publicly listed companies. Mr. Kangrga holds B.S. degrees in finance and computer science from Arizona State University as well as a M.B.A. from Western International University. He manages a team with over 40 years of combined experience in cybersecurity. Our chief information officer reports to our chief financial officer, and both our are responsible for updating the chief executive officer, the Nominating & Corporate Governance Committee, and our board of directors on cybersecurity issues.

Ongoing Education and Monitoring

The chief information officer leads our cybersecurity team, which remains current with the latest developments in cybersecurity, including potential threats and innovative risk management techniques. This ongoing

education is crucial for the effective prevention, detection, mitigation and remediation of cybersecurity threats and incidents. The chief information officer implements and oversees processes for the regular monitoring of our information systems. This includes the deployment of advanced security measures and regular system audits, including penetration testing, to identify potential vulnerabilities. In the event of a cybersecurity incident, we are equipped with a well-defined incident response plan. This plan includes immediate actions to mitigate the impact and long-term strategies for remediation and prevention of future incidents.

Reporting to the Board of Directors

The chief information officer regularly informs the chief financial officer and chief executive officer of all significant aspects related to cybersecurity risks and incidents. This ensures that the highest levels of management are kept abreast of the cybersecurity posture and potential significant risks facing the Company. Furthermore, significant cybersecurity matters, and strategic risk management decisions are escalated to the Nominating and Corporate Governance Committee of our board of directors and, in certain cases, the board itself, ensuring that they have comprehensive oversight and can provide guidance on any potentially material cybersecurity incident.

Item 2. Properties

To support our global operations, we occupy approximately 3.8 million square feet of office, manufacturing and warehouse space - primarily located in the U.S., Spain and Brazil.

Our corporate headquarters are located in Albuquerque, New Mexico and consists of approximately 11,600 square feet of office space and approximately 58,000 square feet of manufacturing, warehousing and shipping facilities - all of which we own. We also lease approximately 74,000 square feet of office space in Chandler, Arizona for our corporate staff. To conduct our U.S. domestic warehousing operations, we lease approximately 1,400,000, 465,000, 337,000, 300,000, 180,000, 154,000, and 114,000 square feet of space in KS, TN, OH, TX, NV, AZ, and NM, respectively.

To support our international operations, in Spain, we own approximately 2,000 square feet office space and lease approximately 11,000 square feet for our STI corporate staff. In Brazil we lease approximately 11,000 square feet of office space. To conduct our international manufacturing and warehouse operations, in Spain, we own approximately 27,000 square feet and lease approximately 40,000 square feet and in Brazil we lease approximately 783,000 square feet of space. In the rest of the world, we lease approximately 2,000 square feet of office space for sales and technical support employees.

We believe our existing facilities are in good condition and are sufficient and suitable for the conduct of our business for the foreseeable future. To the extent our needs change as our business grows, we expect that additional space and facilities will be available.

Item 3. Legal Proceedings

Refer to Note 16 – Commitments and Contingencies in the accompanying notes to the consolidated financial statements for information regarding legal proceedings in which we are involved. In addition to the lawsuits described in Note 16 to our consolidated financial statements, from time to time we may be involved in claims arising in the ordinary course of business. To our knowledge, other than the cases described in Note 16 to our consolidated financial statements, no material legal proceedings, governmental actions, investigations or claims are currently pending against us or involve us that, in the opinion of our management, could reasonably be expected to have a material adverse effect on our business and financial condition.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common stock is traded on the Nasdaq Global Market under the symbol "ARRY."

Holders of Record

As of February 24, 2025, there were approximately six stockholders of record of our common stock, which does not include shares held in street name.

Dividend Policy

We have never declared or paid any distributions or dividends on our common stock, except the special distribution paid to ATI Investment Parent, LLC ("Former Parent") upon the closing of our initial public offering ("IPO"). We currently intend to retain any future earnings and do not expect to pay any cash distributions or dividends on our common stock in the foreseeable future. Any future determination to declare cash distributions or dividends will be made at the discretion of our board of directors, subject to applicable laws and provisions of our debt agreements and organizational documents, after taking into account our financial condition, results of operations, capital requirements, general business conditions and other factors that our board of directors may deem relevant.

We also have a series of preferred stock, the Series A Shares, that accrues dividends in kind until the fifth anniversary of the initial closing of the Series A Shares issuance, August 11, 2026. Following August 11, 2026, dividends are payable only in cash. For more information regarding Series A Shares dividends, see Note 12 – Redeemable Perpetual Preferred Stock.

Securities Authorized for Issuance Under Our Equity Compensation Plans

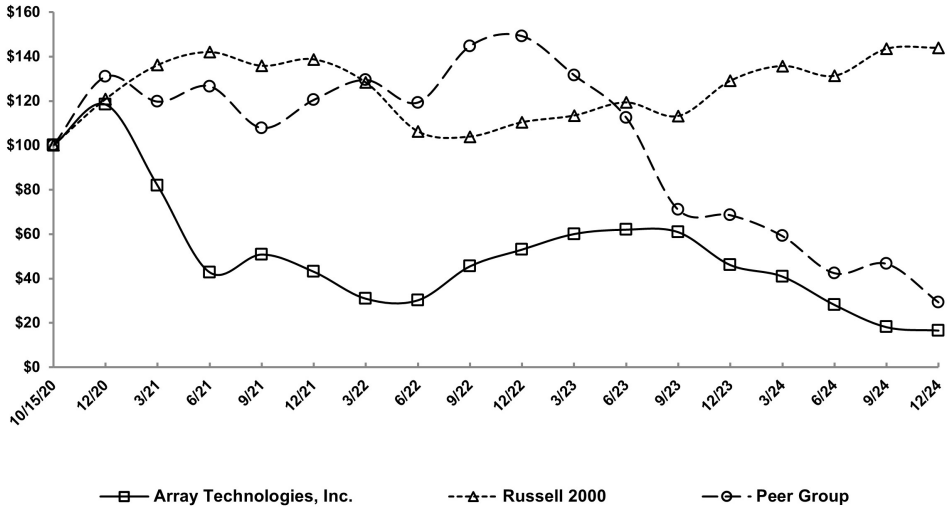
Information regarding securities authorized for issuance under our equity compensation plans is incorporated herein by reference to Item 12., "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" of Part III of this Annual Report on Form 10-K.

Stock Performance Graph

The following graph compares the cumulative total return on our common stock since the date of our IPO, in October 2020, with (i) the cumulative total returns of the Russel 2000 Index and (ii) a customized peer group of four companies (Enphase Energy, Solaredge Technologies, Shoals Technologies Group and FTC Solar). The graph assumes an investment of $100 (including reinvestment of dividends) is made in Array's common stock, the Russel 2000 Index and the peer group on October 15, 2020, and tracks the results through December 31, 2024. Past stock performance as shown in the graph is not necessarily indicative of future stock price performance.

COMPARISON OF 50 MONTH CUMULATIVE TOTAL RETURN*

Among Array Technologies, Inc., the Russell 2000 Index,
and a Peer Group



*$100 invested on 10/15/20 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

Recent Sales of Unregistered Equity Securities

None.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations

This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with our financial statements and the related notes and other financial information included in this Annual Report on Form 10-K. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed under the sections of this Form 10-K captioned "Forward-Looking Statements" and "Risk Factors."

Overview

We are a leading global provider of solar tracking technology to utility-scale and distributed generation customers, who construct, develop and operate solar PV sites. With solutions engineered to withstand the harshest weather conditions, ARRAY's high-quality solar trackers, software platforms and field services combine to maximize energy production and deliver value to our customers for the entire lifecycle of a project.

Trackers move solar panels throughout the day to maintain an optimal orientation to the sun, which significantly increases their energy production. Solar energy projects that use trackers typically generate more energy and deliver a lower LCOE than projects that use "fixed tilt" mounting systems, which do not move. The vast majority of ground mounted solar systems in the U.S. use trackers.

Our flagship tracker uses a patented design that allows one motor to drive multiple rows of solar panels through articulated driveline joints. To avoid infringing on our U.S. patent, our competitors must use designs that we believe are inherently less efficient and reliable. For example, our largest competitor's design requires one motor for each row of solar panels. As a result, we believe our products have greater reliability, lower installation costs, reduced maintenance requirements and competitive manufacturing costs. Our core U.S. patent is on a linked-row, single-driving apparatus that rotates a plurality of tracker rows connected by an articulating drive shaft. This patent does not expire until February 5, 2030.

With our acquisition of STI in January 2022, we added a dual-row tracker design to our product portfolio. This tracker uses one motor to drive two connected rows and is ideally suited for sites with irregular and highly angled boundaries or fragmented project areas. To offer a comprehensive set of solutions to the growing market, in September of 2022, we also introduced a third tracker product, OmniTrack, which requires significantly less grading and civil works permitting prior to installation in addition to accommodating uneven terrain. This suite of products extends our target applications and ability to deliver the best utility-scale solar tracker solutions to the market.

We sell our products to EPCs that build solar energy projects and to large solar developers, independent power producers and utilities, often under master supply agreements or multi-year procurement contracts. During the year ended December 31, 2024, we derived 70% and 30% of our revenues from customers in the U.S. and the rest of the world, respectively. As of December 31, 2024, we had shipped approximately 83 gigawatts of trackers to customers worldwide.

Acquisition of STI Norland

On January 11, 2022, we completed our acquisition of STI, which resulted in the Company owning 100% of the equity interests in STI.

Similar to Array Legacy Operations, the STI Operations generate revenue through the design, manufacture and sale of utility-scale solar tracker systems to customers in global markets that include Spain, Brazil, the U.S. and South Africa. The integration of STI has allowed us to accelerate our international expansion and better address rising global demand for utility-scale solar projects, particularly in developing countries in Latin America and Africa.

Factors Affecting Results of Operations

Project Timing

Because we recognize revenue on projects as legal title to equipment is transferred from us to the customer, any delays in large projects from one quarter to another for any reason may cause our results of operations for a particular period to fall below expectations and make the timing of revenue difficult to forecast. Our end-users' ability to install solar energy systems has been affected by a number of factors including:

- *Weather*. Inclement weather can affect our customers' ability to install their systems, particularly in the northeastern U.S., Europe and Brazil. In addition, weather delays can adversely affect our logistics and operations by causing delays in the shipping and delivery of our materials.
- *The interest rate environment*. As interest rates rose in 2022 and 2023, we saw customers looking to renegotiate power purchase agreements to improve project returns. Any unexpected or protracted negotiation can cause installation delays and delay our ability to recognize revenue relating to the relevant projects. In addition, we had customers delay planned installations in anticipation of interest reductions and more favorable project financing conditions later in 2024. While the Federal Reserve made the decision to lower the target interest rate by 0.5% in October 2024 the timing of any positive impact the lower rate may have on project timing remains uncertain, particularly in light of the Federal Reserve's decision not to lower the target interest rate further in January 2025.
- *Availability of necessary equipment*. We have a broad portfolio of customer relationships including presence with most Tier 1 utilities in the U.S. Each utility has unique specifications for access to its grid, which is generally not consistent across the industry. As the supply of renewables projects has increased, severe shortages and long lead-times in the supply of switches, transformers and high-voltage breakers used in the interconnection of utility scale solar power plants to the grid, has affected the timing and completion of these projects, including for some of our customers.
- *Macroeconomic factors*. There has been a rapid depreciation of the Brazilian Real in conjunction with existing pricing pressures on energy in the Brazilian market. Due to these dynamics, the economic cases for the power purchase agreements, or PPAs, for many solar projects have become less attractive for our customers. Many of the developers in Brazil of these projects are continuing signaling delays as they renegotiate the pricing of these PPAs. In addition, our results will also be impacted by tax incentives we can recognize, for example the Brazil value-added tax benefit, Imposto sobre Circulação de Mercadorias e Servicos ("ICMS"), which will discontinue in 2033.
- *Local permitting*. If our customers cannot receive permitting for their projects, they are unable to begin and ultimately complete them in a timely manner. A dramatic increase in solar and battery storage sites has increased the average permitting time in many geographies in which our customers operate.

Research and Development

We incur R&D costs during the process of researching and developing new products and significant enhancements to existing products. R&D costs are a subset of our total engineering spend and consist primarily of personnel-related costs associated with our team of internal engineers, third-party consultants, materials and overhead. We expense these costs as incurred prior to a respective product being ready for

commercial production. Total engineering expense was $17.0 million, $16.7 million and $11.8 million during the years ended December 31, 2024, 2023 and 2022, respectively, of which $6.7 million, $8.5 million and $4.2 million were related to R&D activities we performed during the same period, respectively.

Impact of IRA

While solar power is cost-competitive with conventional forms of generation in many U.S. states even without the ITC, we believe step-downs in the ITC have influenced the timing and quantity of some customers' orders. With the passage of the IRA in August 2022, the ITC was raised to 30% with no step downs before 2032. Accordingly, we do not anticipate the ITC rate to impact our seasonality during that timeframe.

Section 45X Credit

After a period of uncertainty, on October 24, 2024, U.S. Department of Treasury and the IRS issued final regulations on the section 45X manufacturing tax credit that largely adopted the statutory definitions of torque tube and structural fasteners, which we have determined apply to our components. Beginning in late 2023 and continuing through 2024 and into 2025, we have successfully negotiated, and we continue to successfully negotiate, agreements with key suppliers around sharing the economic benefits of section 45X credits associated with torque tube and structural fasteners. We continue to pursue additional agreements for splitting the economic benefits of section 45X with suppliers for parts we do not manufacture internally. In addition, during the second quarter of 2024, we concluded that certain parts manufactured by the Company qualify for the section 45X advanced production credits. Refer to Note 2 – Summary of Significant Accounting Policies in the accompanying notes to our consolidated financial statements included in this Annual Report on Form 10-K for a discussion on how we account for these incentives and amounts recognized for the periods presented.

Domestic Content Safe Harbor Guidance

The IRS issued Notice 2023-38 in May of 2023 setting forth guidance on the domestic content bonus tax credits under the IRA. Uncertainties still exist under this guidance, like whose costs would be used (the manufacturer's cost, a vendor's cost to acquire, etc.) and how to define manufactured product components associated with trackers. In May of 2024, the IRS issued Notice 2024-41 setting forth further guidance on the domestic content bonus tax credits, including a safe harbor method for calculating domestic content percentages. On January 16, 2025, the IRS released Notice 2025-08, modifying Notice 2023-38 and Notice 2024-41 as well as introducing an updated elective safe harbor method for use in lieu of provisions of the adjusted percentage rule provided in Notice 2023-38 for calculating the domestic content bonus credit amounts applicable for certain qualified facilities and energy projects. Notice 2024-41 and Notice 2025-08 and the updated definitions described therein have clarified some pre-existing uncertainty in the industry, but they have also introduced uncertainties of their own. These uncertainties have and could continue to cause our customers to delay projects as they navigate the existing guidance in qualifying for the tax credit and possibly wait for further clarity.

Structured Cost Management

We actively manage the risk from certain types of customer contracts, including, for example, multi-year contracts that require fixed pricing or pricing tied to certain commodity indices. Depending on the totality of the circumstances and our ability to mitigate risk, we may or may not pursue such contractual arrangements. Where we decline, this may have the effect of driving certain customers or projects to our competitors. We believe this is the right way to manage a high-quality portfolio and drive consistent margins over time.

Impact of the Ongoing Russian-Ukraine War

The ongoing Russian-Ukraine war has reduced the availability of material that can be sourced in Europe and, as a result, increased logistics costs for the procurement of certain inputs and materials used in our products. We do not know the ultimate severity or duration of the conflict, but we continue to monitor the situation and evaluate our procurement strategy and supply chain as to reduce any negative impact on our business, financial condition, and results of operations.

Impact of Disruption of Key Shipping Lines, i.e. Attacks on Shipping in the Red Sea

The disruption of container shipping traffic through the Red Sea has created port congestion, especially in Asia, affecting transit times, capacity, and shipping costs for routes connecting the rest of the world with Asia. Many shipping companies have paused shipments through the Suez Canal and the Red Sea causing rerouting of commercial vessels. To address the challenges arising from prolonged transit times, we have increased our local sourcing efforts where feasible within certain regions. These measures aim to reduce delays to get the product to project sites on time. There is still uncertainty on how long these disruptions and the severity of their impact on our operations will last, but we continue to monitor the situation and evaluate our procurement and supply chain strategies, as to reduce any negative impact on our business, financial condition, and results of operations.

Inflation

Inflationary pressure may continue to negatively impact our results of operations in the near-term. To mitigate the inflationary pressures on our business, despite our ASPs decreasing due to the current deflationary environment for commodities like steel, we have continued to accelerate our productivity initiatives, expanded our supplier base, and continued to execute on our overhead cost containment practices.

Impact of AD/CVD Petitions and Determinations

On August 18, 2023, the U.S. Department of Commerce issued final affirmative determinations of circumvention with respect to certain CSPV cells and modules produced in Cambodia, Malaysia, Thailand and Vietnam using parts and components from China. As a result, certain CSPV cells and modules from Cambodia, Malaysia, Thailand and Vietnam are now subject to AD/CVD orders on CSPV cells and modules from China that have been in place since 2012. Subject to certain certification and utilization conditions, imports of CSPV cells and modules covered by the circumvention determinations that entered the U.S. during the two-year period prior to June 6, 2024 were not subject to AD/CVD cash deposit or duty requirements. Imports of CSPV cells and modules from the four Southeast Asian countries covered by the circumvention determination that entered the U.S. on or after June 6, 2024 are subject to AD/CVD cash deposit requirements of the China AD/CVD orders and, possibly, final AD/CVD duty liability. Cash deposit rates for CSPV modules covered by the China AD/CVD orders vary significantly depending on the producer and exporter of the modules and may amount to over 250% of the entered value of the imported merchandise.

While we do not sell solar modules, the degree of our exposure is dependent on, among other things, the impact of the AD/CVD orders on the projects that are also intended to use our products, with such impact being largely out of our control. We have seen a number of projects in our order book delayed as a result of the USDOC investigation, and effective enforcement of the AD/CVD orders could negatively impact our results of operations.

U.S. Trade Policy and Executive Orders

On February 1, 2025, the President Trump issued three executive orders directing the U.S. to impose new tariffs on imports from Canada, Mexico, and China, to take effect on February 4, 2025, and on February 3,

2025, President Trump announced his intention to pause these tariffs on Canada and Mexico for a one-month period. The tariffs impose an additional 25% *ad valorem* rate of duty on all imports from Canada and Mexico (other than imports of Canadian energy resources exports, which are subject to a 10% *ad valorem* rate of duty) and an additional 10% *ad valorem* rate of duty on all imports from China. We are currently evaluating the potential impact of the imposition of the announced tariffs to our business and financial condition. While we do not believe that the tariffs announced by the U.S. on February 1, 2025 will have a material adverse effect upon our results of operations, financial condition, or liquidity, the actual impact of the new tariffs is subject to a number of factors including the effective date and duration of such tariffs, changes in the amount, scope and nature of the tariffs in the future, any countermeasures that the target countries may take and any mitigating actions that may become available.

Foreign Currency Translation

For non-U.S. subsidiaries that operate in a local currency environment, assets and liabilities are translated into U.S. dollars at period end exchange rates. Income, expense and cash flow items are translated at average exchange rates prevailing during the period. For non-U.S. subsidiaries that operate in a U.S. dollar functional currency, local currency inventories and property, plant and equipment are translated into U.S. dollars at rates prevailing when acquired, and all other assets and liabilities are translated at period-end exchange rates. Income and expense items are translated at average exchange rates prevailing during the period. Gains and losses which result from remeasurement are included in earnings.

Concentrations of Major Customers

Our customer base consists primarily of large solar developers, independent power producers, utilities and EPCs. We do not require collateral on our accounts receivable.

At December 31, 2024, our largest customer and five largest customers accounted for 9.0% and 31.0%, respectively, of total accounts receivable. At December 31, 2023, our largest and five largest customers constituted 2.7% and 29.6% of trade accounts receivable, respectively.

During the year ended December 31, 2024, two customers accounted for 15.6% and 11.9%, respectively, of total revenue. During the year ended December 31, 2023, one customer accounted for 13.4% of total revenue. During the year ended December 31, 2022, two customers accounted for 11.8% and 10.6%, respectively, of total revenue.

Further, our accounts receivable are from companies within the solar industry and, as such, we are exposed to normal industry credit risk. We continually evaluate our reserves for potential credit losses and establish reserves for such losses.

Performance Measures

In managing our business and assessing financial performance, we supplement the information provided by the financial statements with other operating metrics. These operating metrics are utilized by our management to evaluate our business, measure our performance, identify trends affecting our business and formulate projections. The primary operating metric we use to evaluate our sales performance and to track market acceptance of our products is megawatts (“MWs”) shipped, and specifically the change in MWs shipped from period to period. MWs are measured for each individual project and are calculated based on the respective projects’ expected megawatt output once installed and fully operational.

We also utilize metrics related to price and cost of goods sold per MW, including average selling price (“ASP”) and cost per watt (“CPW”). ASP is calculated by dividing total applicable revenues by total applicable MWs,

whereas CPW is calculated by dividing total applicable costs of goods sold by total applicable MWs. These metrics enable us to evaluate trends in pricing, manufacturing cost and customer profitability.

Key Components of Our Results of Operations

The following discussion describes certain line items in our consolidated statements of operations.

Revenue

We generate revenue from the sale of solar tracking systems, parts, software and services. Our customers include EPCs, utilities, solar developers and independent power producers. For each individual solar project, we enter into a contract with our customers covering the price, specifications, delivery dates and warranty for the products being purchased, among other things. Our contractual delivery period for the tracker system and parts can vary from days to several months. Contracts can range in value from hundreds of thousands to tens of millions of dollars.

Our revenue is affected by changes in the volume and ASPs of solar tracking systems purchased by our customers. The quarterly volume and ASP of our systems is driven by the supply of, and demand for, our products, changes in project mix between module type and wattage, geographic mix of our customers, strength of competitors' product offerings, commodity prices and availability of government incentives to the end-users of our products.

Our revenue growth is dependent on continued growth in the size and number of solar energy projects installed each year as well as our ability to maintain market share in each geography in which we compete, expand our global footprint to new and evolving markets, grow our production capabilities to satisfy demand and continue to develop and introduce new and innovative products that integrate emerging technologies and the performance requirements of our customers.

A majority of our revenue is recognized over time as work progresses, and for single performance obligations, we use an input measure, the cost-to-cost method, to determine progress. We review and update the contract related estimates on an ongoing basis and recognize adjustments for any project specific facts and circumstances that could impact the measurement of the extent of progress, such as the total costs to complete the contracts, under the cumulative catch-up method. Due to the relatively short duration of our outstanding performance obligations, and our ability to estimate the remaining costs to be incurred, which are substantially all material costs covered under our material supply agreements with our suppliers, we have not recorded any material catch-up adjustments for the periods presented that would have impacted revenues or EPS related to revisions in our measurement of remaining progress of our performance obligations.

Cost of Revenue and Gross Profit

Cost of product and service revenue consists primarily of product costs, including raw materials, purchased components, net of any incentives or rebates earned from our suppliers, salaries, wages and benefits of manufacturing personnel, freight, tariffs, customer support, product warranty, amortization of developed technology, and depreciation of manufacturing and testing equipment. Our product costs are affected by (i) the underlying cost of raw materials, including steel and aluminum, (ii) component costs, including electric motors and gearboxes, (iii) technological innovation, and (iv) economies of scale and improvements in production processes and automation. We may experience disruptions to our supply chain and increased material and freight costs like those experienced in 2021 and 2022 during the COVID-19 pandemic. When possible, we

modify our production schedules and processes to mitigate the impact of these disruptions and cost increases on our margins. We do not currently hedge against changes in the price of our raw materials.

Gross profit may vary from quarter to quarter and is primarily affected by our volume, ASPs, product costs, project mix, customer mix, geographical mix, commodity prices, logistics rates, warranty costs, and seasonality. Gross profit will also be impacted by tax incentives we can recognize, for example ICMS value added tax benefits in Brazil, which will discontinue in 2033.

Operating Expenses

General and administrative expense consists primarily of salaries, benefits, and equity-based compensation related to our executive, sales, engineering, finance, human resources, information technology, and legal personnel, as well as travel, facility costs, marketing, bad debt provision, and professional fees. The majority of our sales in 2024, 2023, and 2022, were in the U.S.; however, in January 2022, we expanded our international operations with the STI Acquisition. We currently have a sales presence in the U.S., Spain, Brazil, South Africa and Australia. We intend to continue to expand our sales presence and marketing efforts to additional countries.

Contingent consideration consists of the changes in fair value of the tax receivable agreement ("TRA") entered into with a former indirect stockholder, concurrent with the acquisition of Patent LLC by Former Parent. The TRA liability was recorded at fair value as of July 8, 2016 (the "Patent Acquisition Date") and subsequent changes in the fair value are recognized in earnings. For discussion and analysis of the TRA see Note 16 – Commitments and Contingencies.
Depreciation consists of costs associated with property, plant and equipment not used in manufacturing of our products. We expect that as we continue to grow both our revenue and our general and administrative personnel, we may require some additional property, plant and equipment to support this growth resulting in additional depreciation expense.

Amortization consists of the expense recognized over the expected period of use of our customer relationships, contractual backlog, and the STI trade name intangible assets. Amortization related to certain acquired intangible assets is recorded as Total cost of revenue under the caption "Amortization of developed technology."

Non-Operating Expenses

Interest income consists of interest earned on our cash and cash equivalents balance.

Interest expense consists of interest and other charges paid in connection with our Senior Secured Credit Facility, the Convertible Notes, and Other debt held by our STI Operations.

We are subject to U.S. federal, state and non-U.S. income taxes. As we expand into additional foreign markets, we may be subject to additional foreign tax.

Reportable Segments

Subsequent to the acquisition of STI, we began reporting our results of operations in two segments; the Array legacy operating segment ("Array Legacy Operations") and the STI Operations operating segment ("STI Operations") pertaining to legacy STI operations. The segment amounts included in this Item 7. Management's Discussion and Analysis are presented on a basis consistent with our internal management reporting.

Additional information on our reportable segments is contained in Note 20 – Segment and Geographic Information in the accompanying notes to the consolidated financial statements.

Results of Operations

The following table sets forth our consolidated statement of operations (*in thousands*):

	Year Ended December 31,		Increase (Decrease)	
	2024	2023	$	%
Revenue	$ 915,807	$ 1,576,551	$ (660,744)	(42)%
Cost of revenue:				
Cost of product and service revenue	603,572	1,146,442	(542,870)	(47)%
Amortization of developed technology	14,558	14,558	—	— %
Total cost of revenue	618,130	1,161,000	(542,870)	(47)%
Gross profit	297,677	415,551	(117,874)	(28)%
Operating expenses:				
General and administrative	160,567	159,535	1,032	1 %
Change in fair value of contingent consideration	125	2,964	(2,839)	(96)%
Depreciation and amortization	36,086	38,928	(2,842)	(7)%
Long-lived assets impairment	91,904	—	91,904	100 %
Goodwill impairment	236,000	—	236,000	100 %
Total operating expenses	524,682	201,427	323,255	160 %
(Loss) income from operations	(227,005)	214,124	(441,129)	(206)%
Other (expense) income, net	(1,008)	(1,015)	7	1 %
Interest income	16,777	8,330	8,447	101 %
Foreign currency (loss) gain, net	(4,515)	(53)	(4,462)	(8419)%
Interest expense	(34,825)	(44,229)	9,404	21 %
Total other (expense) income	(23,571)	(36,967)	(13,396)	(36)%
(Loss) income before income tax expense (benefit)	(250,576)	177,157	(427,733)	(241)%
Income tax (benefit) expense	(10,182)	39,917	(50,099)	(126)%
Net income	$ (240,394)	$ 137,240	$ (377,634)	(275)%

The following table provides details on our operating results by reportable segment for the respective periods (*in thousands*):

	Year Ended December 31,		Increase/Decrease	
Revenue:	2024	2023	$	%
Array Legacy Operations	$ 661,629	$ 1,172,827	$ (511,198)	(44)%
STI Operations	254,178	403,724	(149,546)	(37)%
Total	$ 915,807	$ 1,576,551	$ (660,744)	(42)%
Gross Profit:				
Array Legacy Operations	$ 270,031	$ 317,605	$ (47,574)	(15)%
STI Operations	27,646	97,946	(70,300)	(72)%
Total	$ 297,677	$ 415,551	$ (117,874)	(28)%

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Consolidated revenue for the year ended December 31, 2024 decreased by $660.7 million, or 42%, compared to the year ended December 31, 2023, primarily driven by lower revenue from Array Legacy Operations of 44% and STI Operations of 37%.

Array Legacy Operations revenue for the year ended December 31, 2024 decreased by $511.2 million, or 44%, compared to the year ended December 31, 2023. The decrease was primarily driven by approximately 39% decrease in volume shipped and a decrease of approximately 8% in average selling prices.

STI Operations revenue for the year ended December 31, 2024 decreased by $149.5 million, or 37%, compared to the year ended December 31, 2023. The decrease was primarily driven by a decrease of 12% in volume shipped, a decrease of approximately 24% in average selling prices and a foreign currency impact of approximately 4%.

Cost of Revenue and Gross Profit

Consolidated cost of revenue decreased by $542.9 million, or 47%, for the year ended December 31, 2024 compared to the year ended December 31, 2023, in line with lower revenue, partially offset by lower input cost per watt, resulting from supply chain and engineering cost control initiatives and the realization of 45X benefits associated with torque tubes and structural fasteners by Legacy Array Operations. 45X benefits realized for the year ended December 31, 2024 were $137.8 million compared to $9.3 million for the year ended December 31, 2023.

Consolidated gross profit decreased by $117.9 million, or 28%, for the year ended December 31, 2024 compared to the year ended December 31, 2023. Consolidated gross margin increased to 33% for the year ended December 31, 2024, as compared to 26% during the same period in the prior year.

Array Legacy Operations gross profit decreased by $47.6 million, or 15%, for the year ended December 31, 2024 compared to the year ended December 31, 2023. Gross margin increased to 41% from 27% for the years ended December 31, 2024 and 2023, respectively. The increase in gross margin was driven the realization of 45X benefits associated with torque tubes and structural fasteners during the fiscal year. 45X benefits realized for the year ended December 31, 2024 were $137.8 million compared to $9.3 million for the year ended December 31, 2023.

STI Operations gross profit decreased by $70.3 million, or 72%, for the year ended December 31, 2024 compared to the year ended December 31, 2023. Gross margin for STI Operations decreased to 11% from 24% for the years ended December 31, 2024 and 2023, respectively, driven by a decline in average selling prices of 24%, reduction in volume of 12%, partially offset by lower costs from operational efficiencies and lower input costs.

Operating Expenses

Consolidated general and administrative expense for the year ended December 31, 2024 increased by $1.0 million compared to the same period in the prior year, primarily as a result of higher legal and professional fees of $6.3 million and an increase in facility and infrastructure costs of $0.9 million, partially offset by lower personnel expenses of $6.2 million as a result of lower stock-based compensation and headcount.

Change in the fair value of contingent consideration resulted in a gain of $0.1 million for the year ended December 31, 2024, due to the fair value remeasurement of the TRA liability, primarily driven by a decrease in the discount rates used in the valuation.

Consolidated depreciation and amortization expense decreased $2.8 million, or 7%, due to the decrease in the amortization of intangibles, as the Backlog intangible recognized as part of the STI Acquisition had a one-year life and was fully amortized as of the first quarter of 2023.

During the year ended December 31, 2024, the Company identified certain indicators of impairment, which resulted in an impairment of goodwill and long-lived assets of $327.9 million.

Other (Expense) Income, Net

Other expense was $1.0 million for both years ended December 31, 2024 and 2023. Other expense primarily consists of certain other non-income taxes and miscellaneous income/expense.

Interest Income

Consolidated interest income for the year ended December 31, 2024 increased by $8.4 million, or 101%, as compared to the prior year, due to higher cash on hand balances during 2024 and higher yields on our cash management program.

Legal Settlement

Legal settlement income in 2022 resulted from the settlement of litigation related to trade secret misappropriation, for which we received a $42.8 million settlement. The settlement is related to Nextracker’s acknowledgment that an Array employee was hired in violation of his non-compete agreement, certain Array confidential information was improperly obtained, and Nextracker’s behavior was wrongful. The parties concluded the matter and plan to continue their shared missions of mainstreaming clean energy worldwide. As part of the settlement, the parties agreed to treat the settlement terms as confidential except to the extent required or necessitated by law, regulation, or the corporate parties’ shareholder disclosure standards.

Foreign Currency Loss

Consolidated foreign currency loss was $4.5 million during 2024 due to certain monetary assets and liabilities denominated in currencies other than the Brazilian Real, which weakened significantly during 2024. The foreign currency loss recorded during 2023 was not material.

Interest Expense

Consolidated interest expense for the year ended December 31, 2024 decreased by $9.4 million, or 21%, compared to the prior year period, primarily due to the impact of the $4.3 million and $74.3 million principal pay downs on our Term Loan Facility during 2024 and 2023, respectively. These pay downs were the result of focused efforts to decrease our outstanding debt balance with free cash flows from operations.

Income Tax Expense (Benefit)

Consolidated income tax expense (benefit) decreased by $50.1 million, or (126)%, We recorded income tax benefit of $10.2 million and an expense of $39.9 million for the years ended December 31, 2024 and 2023, respectively. The decrease in the tax expense is mostly related to the decrease in pre-tax income, which includes an impairment charge of $91.9 million for acquired intangibles and PP&E. The impairment resulted in a benefit of $31.2 million, offset by a valuation allowance against deferred tax assets of $7.2 million. In addition, the income tax expense for the year ended December 31, 2024, was favorably impacted by losses in non-U.S. jurisdictions which have higher tax rates than the U.S., additional tax credits, and reduced state income tax expense, partially offset by benefits related to excess equity-based compensation deductions and non-deductible expense. The tax expense for the year ended December 31, 2023, was favorably impacted by losses in non-U.S. jurisdictions which have higher tax rates than the U.S. and benefit from a non-US tax incentive, partially offset by non-deductible expenses.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

A discussion and analysis covering the comparison of the year ended December 31, 2023, to the year ended December 31, 2022, is included in our annual report on Form 10-K filed with the SEC on March 22, 2023.

Liquidity and Capital Resources

Financing Transactions

Series A Shares

For more information related to the 2022 and 2021 issuances of Series A Shares, see Note 12 – Redeemable Perpetual Preferred Stock, to the accompanying consolidated financial statements.

Debt Obligations

For a discussion of our debt obligations see Note 11 – Debt, in the accompanying notes to the consolidated financial statements.

Surety Bonds

We are required to provide surety bonds to various parties as required for certain transactions initiated during the ordinary course of business to guarantee our performance in accordance with contractual or legal obligations. These off-balance sheet arrangements do not adversely impact our liquidity or capital resources. As of December 31, 2024, we posted surety bonds totaling approximately $270.9 million.

Cash Flows (in thousands)

	Year Ended December 31,	
	2024	2023
Net cash provided by operating activities	$ 153,980	$ 231,955
Net cash used in investing activities	(9,572)	(16,821)
Net cash (used in) provided by financing activities	(11,844)	(101,761)
Effect of exchange rate changes on cash and cash equivalent balances	(17,503)	1,806
Net change in cash and cash equivalents	$ 115,061	$ 115,179

Historically, we have financed our operations with the proceeds from operating cash flows, capital contributions and short and long-term borrowings. Our ability to generate positive cash flow from operations is dependent on the strength of our gross margins as well as our ability to quickly turn our working capital. Based on our past performance and current expectations, we believe that operating cash flows will be sufficient to meet our liquidity needs in the next 12 months and beyond.

As of December 31, 2024, our cash balance was $363.0 million, of which $36.6 million was held outside the U.S., and net working capital was $560.9 million. We had outstanding borrowings of $233.9 million under our $575 million Term Loan Facility and $172.0 million available to us under our $200.0 million Revolving Credit Facility.

We continually monitor and review our liquidity position and funding needs. Management believes that our ability to generate operating cash flows in the future and available borrowing capacity under our Senior Secured Credit Facility will be sufficient to meet our future short-term liquidity needs.

Operating Activities

For the year ended December 31, 2024, cash provided by operating activities was $154.0 million attributable to non-cash adjustments of $367.7 million, mainly consisting of goodwill and long-lived asset impairment charges, depreciation and amortization expense and equity-based compensation and a net cash inflow of $26.6 million from changes in our operating assets and liabilities, partially offset by a net loss of $240.4 million.

Investing Activities

For the year ended December 31, 2024, cash used in investing activities was $9.6 million, of which $7.3 million related to purchases of property, plant and equipment, $3.0 related to an investment in a Simple Agreement of Future Equity (“SAFE”) and $11.3 million related to the cash payment to acquire certain right-of-use assets, partially offset by $12.0 million in proceeds from the sale of an equity investment in a private company.

Financing Activities

For the year ended December 31, 2024, net cash used in financing activities was $11.8 million, driven by a $4.4 million net reduction of other debt and a $4.3 million payments on our Term Loan Facility, as well as $1.4 million in TRA payments issued during the year ended December 31, 2024.

Discussion of Historical Cash Flows for Year Ended December 31, 2023 and 2022

A discussion and analysis covering historical cash flows for the year ended December 31, 2023 and 2022, is included in our annual report on Form 10-K filed with the SEC on February 28, 2024.

Contractual Obligations and Commitments

The following table summarizes our commitments to settle contractual obligations as of December 31, 2024 (in thousands):

	Payments due by period				
	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
Debt obligations, including interest	$ 692,917	$ 30,959	$ 661,958	$ —	$ —
Lease commitments (1)	28,457	5,156	6,003	6,030	11,268
Purchase obligations (2)	78,168	75,664	2,504	—	—
Other obligations (3)	2,000	—	2,000	—	—
Total	$ 801,542	$ 111,779	$ 672,465	$ 6,030	$ 11,268

(1) Represents commitments under our non-cancelable office and facility leases. The lease for our new facility in Albuquerque, New Mexico, is currently expected to commence during the fourth quarter of 2025. For further information see Note 19 – Leases. Future minimum lease payments for this facility for the initial term of the lease and the one term consecutive extension of the lease for an additional ten years are approximately $105.0 million, which have been excluded from the table above.

(2) Purchase obligations primarily relate to commitments with certain suppliers under firm purchase orders or supply agreements to purchase raw materials or parts.

(3) Other obligations represent a commitment of the Company to invest an additional $2.0 million in future SAFEs with a technology company upon the achievement of defined milestones.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with U.S. GAAP. In connection with the preparation of our consolidated financial statements, we are required to make assumptions and estimates about future events and apply judgments that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosures. We base our assumptions, estimates and judgments on historical experience, current trends and other factors that management believes to be relevant at the time our consolidated financial statements are prepared. On a regular basis, we review the accounting policies, assumptions, estimates and judgments to ensure that our consolidated financial statements are presented fairly and in accordance with U.S. GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates. To the extent that there are material differences between these estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected.

We consider an accounting policy to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the consolidated financial statements.

Business Combinations

We completed one business combination for an aggregate purchase price of $610.8 million during the year ended December 31, 2022. In accordance with Topic 805 Business Combinations, total consideration was first allocated to the fair value of assets acquired and liabilities assumed, with the excess being recorded as Goodwill. The fair value of the identifiable intangible assets has been estimated using the Excess Earnings Method (customer relationships and backlog) and Relief from Royalty Method (trade name). Significant inputs

using the Excess Earnings Method and Level 3 inputs in the fair value hierarchy include estimated revenue, expenses based on actuals and forecast. We use our best estimates and assumptions to assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. Intangible assets have been recognized apart from goodwill whenever an acquired intangible asset arises from contractual or other legal rights, or whenever it is capable of being separated or divided from the acquired entity. Determining these fair values required us to make significant estimates and assumptions, particularly with respect to acquired intangible assets. The determination of fair value required considerable judgment and were sensitive to changes in underlying assumptions, estimates and market factors. There were no business combinations during the year ended December 31, 2024 and 2023.

Goodwill

Our goodwill represents the excess of the purchase price of business combinations over the fair value of the net assets acquired. Goodwill impairment testing requires significant judgment and management estimates, including, but not limited to, the determination of (i) the number of reporting units, (ii) the goodwill and other assets and liabilities to be allocated to the reporting units and (iii) the fair values of the reporting units. The estimates and assumptions described above, along with other factors such as discount rates, will significantly affect the outcome of the impairment tests and the amounts of any resulting impairment losses. We may use either a qualitative or quantitative approach when testing a reporting unit's goodwill for impairment on an annual basis during the fourth quarter of each year, and between annual tests whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If we use a qualitative approach and determine that it is more likely than not that the fair value of a reporting unit is less than its carrying value, we would then perform the first step of the goodwill impairment test, which would consist primarily of a discounted cash flow ("DCF") analysis using the income approach, with the resulting value compared to Guideline publicly traded companies ("GPC") marketplace EBITDA multiples to corroborate the fair value of the reporting unit.

During the quarters ended September 30, 2024 and December 31, 2024, the Company experienced a sustained decline in its stock price, which hit a 52-week low during the third quarter of 2024 and again during the fourth quarter of 2024, resulting in a decrease in market capitalization. In addition, the Company updated its long-term projections for the Company's reporting units as of September 30, 2024 and December 31, 2024 and evaluated the execution risk associated with the Company's projections and market conditions. As a result, the Company identified indicators of impairment related to the Company's reporting units during the third and fourth quarters of 2024. Management, with the assistance of a third-party valuation specialist, performed quantitative goodwill impairment tests of the Legacy Array Operations and STI Operations reporting units as of September 30, 2024 and December 31, 2024. As a result of these tests, the Company recorded impairments of STI Operation's goodwill totaling $236.0 million during the year ended December 31, 2024. The estimated fair value of the Array Legacy Operations reporting unit was significantly higher than the carrying balance of the reporting unit as of each of the testing dates. Subsequent to recording the impairment of goodwill, the Company reconciled the overall market capitalization of the Company, within a reasonable range, to the sum of the estimated fair values of both of the Company's reporting units.

The significant assumptions used in determining the fair value of the Company's reporting units primarily relate to the revenue growth rate, the forecasted EBITDA margin, and the selected discount rate used in the discounted cash flow model under the income approach. Under the Guideline Public Company method ("GPC"), the selection of EBITDA multiples to be used requires significant judgement. To the extent that the discount rate used in determining the present value of our cash flows increases, if we do not meet the cash flow projections for the reporting unit, or GPC multiples in the future decrease, additional impairment charges may be recorded in the future. In addition, a further decrease in the Company's common stock share price and market capitalization over a sustained period of time could be an indication that there has been a further decrease in the fair value of the Company's reporting units.

The most significant assumption used in determining the estimated fair value of STI Operations is the discount rate assumption. A 50-basis point increase in the discount rate would potentially result in an incremental goodwill impairment of $10 million as of December 31, 2024. Refer also to Note 7 - Goodwill, Long-Lived Assets, and Other Intangible Assets for further information.

Long-Lived Assets

When events, circumstances or operating results indicate that the carrying values of long-lived assets, including our finite lived intangible assets, might not be recoverable through future operations, the Company prepares projections of the undiscounted future cash flows expected to be generated from the underlying asset group and the cash flows resulting from the asset groupings eventual disposition. If the projections indicate that the underlying asset grouping is not expected to be recoverable, the estimated fair value of the asset group is determined. An impairment loss is recognized based on the difference between the carrying value of the asset group and its estimated fair value. The loss is allocated to the long-lived assets of the group on a pro-rata basis using the relative carrying amounts of those assets. The Company identified indicators of impairment associated with the STI Operations asset groups, and as a result, performed an undiscounted cash flow tests on the same dates that the reporting unit goodwill was tested for impairment. The sum of the undiscounted cash flows was less than the carrying balance for one of the STI operations assets groups as of the December 31, 2024 testing date.

As a result, with the assistance of a third-party valuation specialist, management estimated the fair value of the asset group as of December 31, 2024, and recorded an impairment loss of $91.9 million, which was allocated to the long-lived assets of the group on a pro rata basis on the difference between the estimated fair value of the asset group and its carrying value. In determining the fair value of the asset group, the Company used a DCF analysis using the income approach with the resulting value compared to Guideline publicly traded companies (“GPC”) marketplace EBITDA multiples to corroborate the fair value of the reporting unit. The significant assumptions used in determining the fair value of the asset group are similar to the significant assumptions used in determining the fair value the Company’s reporting units. Refer also Note 7 - Goodwill, Long-Lived Assets, and Other Intangible Assets for further information.

Equity-Based Compensation

We granted restricted stock units (“RSUs”) to employees and Performance Stock Units (“PSUs”) to certain executives. The PSUs contain performance and market conditions. The PSU grants were valued using the Monte Carlo simulation method and the assigned fair value on grant date will be recognized on a straight-line basis over the vesting term of the awards. The probability of the awards meeting the performance related vested conditions is not included in the grant date fair value, but rather will be estimated quarterly and we will true-up the expense recognition accordingly upon any probability to vest revision. We account for forfeitures as they occur.

Recent Accounting Pronouncements

Refer to Note 2 – Summary of Significant Accounting Policies in the accompanying notes to our consolidated financial statements included in this Annual Report on Form 10-K for a discussion of recent accounting pronouncements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market

risk exposure is primarily a result of fluctuations in steel and aluminum prices and customer concentrations. We do not hold or issue financial instruments for trading purposes.

Concentrations of Major Customers

Our customer base consists primarily of large solar developers, independent power producers, utilities and EPCs. We do not require collateral on our accounts receivable.

At December 31, 2024, our largest customer and five largest customers accounted for 9.0% and 31.0%, respectively, of total accounts receivable. At December 31, 2023, our largest and five largest customers constituted 2.7% and 29.6% of trade accounts receivable, respectively.

During the year ended December 31, 2024, two customers accounted for 15.6% and 11.9%, respectively, of total revenue. During the year ended December 31, 2023, one customers accounted for 13.4% of total revenue. During the year ended December 31, 2022, two customers accounted for 11.8% and 10.6%, respectively, of total revenue.

Further, our accounts receivable are from companies within the solar industry and, as such, we are exposed to normal industry credit risk. We continually evaluate our reserves for potential credit losses and establish reserves for such losses.

Commodity Price Risk

We are subject to risk from fluctuating market prices of certain commodity raw materials, including steel and aluminum, that are used in our products. Prices of these raw materials may be affected by supply restrictions, regulations, fuel prices, energy costs, labor shortages, labor disputes, freight transportation delays or availability, disruption logistics, political unrest, industry, general U.S. and global economic conditions, or other unforeseen circumstances from time to time, and we do not enter into hedging arrangements to mitigate commodity risk. Significant price changes for these raw materials could reduce our operating margins if we are unable to recover such increases from our customers, and could harm our business, financial condition and results of operations.

Interest Rate Risk

As of December 31, 2024, or long-term debt, net of discounts and issuance costs, was $646.6 million, of which, $249.1 million is subject to variable-rate interest agreements and is therefore subject to future changes in interest rates. Accordingly, a 50 basis point increase in interest rates would impact our expected annual interest expense for the next 12 months by approximately $1.2 million.

Customer Financing Exposure

We are also indirectly exposed to interest rate risk because many of our customers depend on debt financing to purchase our product. An increase in interest rates could make it challenging for our customers to obtain the capital necessary to make such purchases on favorable terms, or at all. Such factors could reduce demand or lower the price we can charge for our product, thereby reducing our net sales and gross profit.

Foreign Currency Exchange Risk

We do business in various foreign countries where the functional currency used to transact differs from our reporting currency. As a result, we are subject to the risk of foreign currency exchange rate fluctuations.

Item 8. Financial Statements and Supplementary Data

The financial statements and supplementary data required by this item are included after the Signature page of this Annual Report on Form 10-K beginning on page F-1.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and (2) accumulated and communicated to our management, including our principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2024. Based upon the evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at a reasonable assurance level.

Management's Report on Internal Control Over Financial Reporting.

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in the Exchange Act Rules 13a-15(f) and 15d-15(f). The Company's management, including the Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of the Company's internal control over financial reporting based on the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the results of this evaluation, the Company's management concluded that internal control over financial reporting was effective as of December 31, 2024. Our independent registered public accounting firm, Deloitte & Touche LLP, has audited the effectiveness of our internal control over financial reporting as of December 31, 2024, as stated in their report, which appears herein.

Remediation of Previously Identified Material Weaknesses

The following entity level material weakness was previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023:

> We have identified a material weakness due to a deficiency in one of the principles associated with the Control Environment component of the COSO framework, specifically relating to a lack of a sufficient complement of qualified personnel at the appropriate levels to perform control activities in support of preparing the financial statements in accordance with U.S. GAAP.

Since the fourth quarter of 2023, management has been executing plans to remediate the above material weakness by hiring a robust team of experienced personnel at the appropriate levels. These personnel have been hired at our international and domestic locations, and have prior public accounting and public company experience, technical accounting experience, and financial reporting experience. In connection with these remediation efforts, we have also realigned the accounting functions to strengthen the performance of controls, and enhanced monitoring activities. Considering the fact these individuals have been in their respective roles and were able to effectively perform control activities as part of the financial reporting process beginning with the first quarter of 2024, management concluded sufficient evidence has been obtained to demonstrate the previously identified material weakness has been remediated as of December 31, 2024.

The following material weakness was previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023:

> Control Activities – STI. We did not design, implement, and monitor general information technology controls in the areas of program change management, user access, and segregation of duties for systems supporting substantially all of STI's internal control processes and we did not design and implement formal accounting policies, procedures, and controls across substantially all of the STI's business processes to achieve timely, complete, accurate financial accounting, reporting, and disclosures.

During the second quarter of 2024, we implemented an Enterprise Resource Planning system ("ERP") for our operations in Brazil, which resulted in our ability to implement automated controls and General Information Technology Controls, allowing for less reliance on manual controls. In addition, with respect to STI, we designed and implemented formal accounting policies, procedures and controls across STI's relevant business processes to achieve timely, complete and accurate financial accounting, reporting, and disclosures. Management has determined that the forgoing actions, coupled with the deployment and testing of the relevant controls activities across STI, have resulted in the remediation of the previously identified material weakness.

Changes in Internal Control over Financial Reporting

During the year ended December 31, 2024, except for the changes discussed above, there have been no other changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information

None.

We maintain a website at www.arraytechinc.com. The contents of our website are not incorporated in, or otherwise to be regarded as part of, this Annual Report on Form 10-K. We make available, free of charge on our website, access to our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after we file or furnish them electronically with the SEC.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

From time to time, our directors and officers may adopt plans for the purchase or sale of our securities. Such plans may be designed to satisfy the affirmative defense conditions of Rule 10b5-1 under the Exchange Act or may constitute non-Rule 10b5-1 trading arrangements (as defined in Item 408(c) of Regulation S-K). During

the three months ended December 31, 2024, none of our directors or officers adopted, amended or terminated any such plan or trading arrangement.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item and not set forth below will be contained in our definitive proxy statement to be filed with the SEC in connection with our 2025 Annual Meeting of Stockholders, or the Proxy Statement, which is expected to be filed not later than 120 days after the end of our fiscal year ended December 31, 2024, and is incorporated herein by reference.

Insider Trading Policy

We have adopted an Insider Trading Policy governing the purchase, sale and/or other dispositions of our securities by the Company, our directors, officers and employees of the Company and its subsidiaries. A copy of this policy is filed as an exhibit to this Annual Report on Form 10-K. Our insider trading policy prohibits our directors, officers and employees from holding our common stock in a margin account or entering into hedging transactions, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds, because such transactions may permit a director, officer or employee to continue to own securities obtained through our employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the individual may no longer have the same objectives as our other stockholders.

Code of Conduct

We have adopted a written Code of Business Conduct that applies to all officers, directors and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. The Code of Business Conduct is available on our website at www.arraytechinc.com. If we make any substantive amendments to the Code of Business Conduct or grant any waiver from a provision of the Code of Business Conduct to any executive officer or director, we will promptly disclose the nature of the amendment or waiver on our website or in a Current Report on Form 8-K.

Item 11. Executive Compensation

The information required by this item will be set forth in the Proxy Statement and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item will be set forth in the Proxy Statement and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item will be set forth in the Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by this item will be set forth in the Proxy Statement and is incorporated herein by reference.

Auditor Firm Id: 34 Auditor Name: Deloitte & Touche LLP Auditor Location: Tempe, AZ, United States

PART IV

Item 15. Exhibit and Financial Statement Schedules

(a)(1) Financial Statements.

The financial statements and supplementary data required by this item are included after the Signature page of this Annual Report on Form 10-K beginning on page F-1.

(a)(2) Financial Statement Schedules.

All schedules have been omitted because they are not required or because the required information is given in the Financial Statements or Notes thereto.

(a)(3) Exhibits.

The exhibits listed in the Exhibit Index below are filed or incorporated by reference as part of this Annual Report.

Exhibit Index

Number	Description of Document	Form	Date	No.
3.1	Amended and Restated Certificate of Incorporation of Array Technologies, Inc., dated October 19, 2020	8-K	10/19/2020	3.1
3.2	Amended and Restated Bylaws of Array Technologies, Inc., dated October 19, 2020	8-K	10/19/2020	3.2
3.3	Certificate of Designations of Series A Perpetual Preferred Stock	8-K	08/11/2021	3.1
4.1	Description of securities registered under Section 12 of the Exchange Act	10-K	03/10/2021	4.1
4.2	Indenture, dated December 3, 2021, among Array Technologies, Inc. and U.S. Bank National Association	8-K	12/07/2021	4.1
4.3	Form of 1.00% Convertible Senior Note due 2028	8-K	12/07/2021	4.1
10.1	Registration Rights Agreement, dated August 10, 2021, by and between Array Technologies, Inc. and BCP Helios Aggregator L.P.	8-K	08/11/2021	10.2
10.2	Registration Rights Agreement, dated January 11, 2022, by and among Array Technologies, Inc. and the holders identified therein	8-K	01/11/2022	10.1
10.3	Credit Agreement, dated October 14, 2020, by and among Array Tech, Inc. (f/k/a Array Technologies, Inc.), as borrower, ATI Investment Sub, Inc., as guarantor, Goldman Sachs Bank USA, as administrative agent and collateral agent, and the Lenders (as defined therein) from time to time party thereto	8-K	10/19/2020	10.2

Number	Description of Document	Form	Date	No.
10.4	Amended and Restated ABL Credit and Guarantee Agreement, dated March 23, 2020, by and among ATI Investment Holdings, Inc., Wells Fargo Bank, National Association, as administrative agent, and the lenders from time to time party thereto	S-1/A	10/14/2020	10.1
10.5	Tax Receivable Agreement, dated July 8, 2016, between Array Tech, Inc. (f/k/a Array Technologies, Inc.) and Ron P. Corio	S-1/A	10/14/2020	10.3
10.6	Form of Array Technologies, Inc. 2020 Long-Term Incentive Plan	S-1/A	10/7/2020	10.4
10.7*	Amended and Restated Form of Array Technologies, Inc. 2020 Long-Term Incentive Plan			
10.8	Array Technologies, Inc. 2021 Employee Stock Purchase Plan	S-8	6/29/2022	10.1
10.9	Form of RSU Grant Notice and Award Agreement (Employees)	S-8	10/19/2020	10.2
10.10	Form of RSU Grant Notice and Award Agreement (Directors)	S-8	10/19/2020	10.3
10.11*	Form of PSU Grant Notice and Award Agreement			
10.12	Offer Letter of Employment, dated April 3, 2022, between Array Tech, Inc. and Kevin Hostetler	8-K	4/5/2022	10.1
10.13	Offer Letter of Employment, dated November 28, 2022, between Array Tech, Inc. and Neil Manning	10-K	2/28/2024	10.13
10.14	Employment Offer Letter, dated July 25, 2022, between Array Tech, Inc. and Terrance Collins	10-K	2/28/2024	10.11
10.15	Offer Letter of Employment, dated December 1, 2024, between Array Tech, Inc. and H. Keith Jennings	8-K	12/03/2024	10.1
10.16*	Offer Letter of Employment, dated November 18, 2023, between Array Tech, Inc. and James Zhu			
10.17*	Amended and Restated Array Technologies, Inc. Executive Severance and Change in Control Plan			
10.18	Transition and Separation Agreement, dated June 5, 2024, by and between Array Technologies, Inc. and Kurt Wood	8-K	08/08/2024	10.2
10.19	Form of Director and Officer Indemnification Agreement	S-1/A	10/14/2020	10.11
10.20	Employment Agreement Terms	10-K	03/10/2021	10.13
10.21	Amendment No. 1, dated February 23, 2021, to the credit agreement by and among Array Tech, Inc. (f/k/a Array Technologies, Inc.), as borrower, ATI Investment Sub, Inc., as guarantor, Goldman Sachs Bank USA, as administrative agent and collateral agent, and the lenders from time to time party thereto	10-K	03/10/2021	10.14
10.22	Amendment No. 2, dated February 26, 2021, to the credit agreement by and among Array Tech, Inc. (f/k/a Array Technologies, Inc.), as borrower, ATI Investment Sub, Inc., as guarantor, Goldman Sachs Bank USA, as administrative agent and collateral agent, and the lenders from time to time party thereto	8-K	03/02/2021	10.1
10.23	Form of Capped Call Confirmation	8-K	12/07/21	10.1
10.24	Form of Capped Call Side Letter	10-K	2/28/2024	10.22

Number	Description of Document	Form	Date	No.
10.25	Array Technologies, Inc. Deferred Compensation Plan	8-K	5/24/2024	10.1
10.26*	Industrial Triple Net Lease, dated May 31, 2024, by and between GDC Sunshine, LLC and Array Tech, Inc.			
19.1*	Insider Trading Policy of Registrant			
21.1*	List of Subsidiaries of the Registrant			
23.1*	Consent of Independent Registered Public Accounting Firm			
23.2*	Consent of Independent Registered Public Accounting Firm			
31.1*	Certification of the Chief Executive Officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)			
31.2*	Certification of the Chief Financial Officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)			
32.1**	Certification of the Chief Executive Officer, as required by Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)			
32.2**	Certification of the Chief Financial Officer, as required by Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)			
97*	Array Technologies, Inc. Clawback Policy			
101*	Interactive Data Files			
104*	Cover Page Interactive Data Files			

* Filed herewith
** Furnished herewith
+ Exhibits and schedules have been omitted pursuant to Regulation S-K Item 601(a)(5) and will be furnished on a supplemental basis to the SEC upon request.

Item 16. Form 10–K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on February 28, 2025.

Array Technologies, Inc.
By: /s/ Kevin Hostetler
Kevin Hostetler
Chief Executive Officer
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacity and on the dates indicated.

Signature	Title	Date
/s/ Kevin Hostetler Kevin Hostetler	Chief Executive Officer *(Principal Executive Officer)*	February 28, 2025
/s/ H. Keith Jennings H. Keith Jennings	Chief Financial Officer *(Principal Financial Officer)*	February 28, 2025
/s/ James Zhu James Zhu	Chief Accounting Officer *(Principal Accounting Officer)*	February 28, 2025
/s/ Brad Forth Brad Forth	Chairman of the Board of Directors	February 28, 2025
/s/ Paulo Almirante Paulo Almirante	Member of the Board of Directors	February 28, 2025
/s/ Troy Alstead Troy Alstead	Member of the Board of Directors	February 28, 2025
/s/ Orlando D. Ashford Orlando D. Ashford	Member of the Board of Directors	February 28, 2025
/s/ Jayanthi Iyengar Jayanthi Iyengar	Member of the Board of Directors	February 28, 2025
/s/ Bilal Khan Bilal Khan	Member of the Board of Directors	February 28, 2025

Signature	Title	Date
/s/ Tracy Jokinen Tracy Jokinen	Member of the Board of Directors	February 28, 2025
/s/ Gerrard Schmid Gerrard Schmid	Member of the Board of Directors	February 28, 2025

INDEX TO FINANCIAL STATEMENTS
Array Technologies, Inc. and Subsidiaries

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Array Technologies, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Array Technologies, Inc. (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income (loss), changes in redeemable perpetual preferred stock and stockholders' equity (deficit), and cash flows, for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 28, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill and Long-Lived Assets– STI Operations– Refer to Note 2 and 7 to the financial statements

Critical Audit Matter Description

The Company's goodwill for its STI Operations reporting unit ("STI") is tested annually for impairment during the fourth quarter of each year, and more frequently if events and circumstances indicate that the assets might be impaired. The Company's evaluation of STI's goodwill for impairment involves the comparison of the fair value of the reporting unit to its carrying value. The Company used a quantitative approach for goodwill to determine the fair value of STI based upon the discounted cash flow method, which was compared to an indication of value using the guideline publicly traded companies method. The fair value determination using the discounted cash flow method requires management to make significant estimates and assumptions related to forecasts of future revenue growth rates, earnings before interest, taxes, depreciation, and amortization ("EBITDA") margins, and the discount rate. The comparison of the fair value of the reporting unit to the marketplace multiples determined under the guideline publicly traded companies method requires management to make assumptions related to the selection EBITDA multiples. As of the September 30, 2024 and December 31, 2024 testing dates, the carrying value of STI exceeded its estimated fair value as of each testing date, and as a result, the Company recorded impairments totaling $236.0 million during the year ended December 31, 2024.
The Company's long-lived assets for STI are tested for impairment when events, circumstances or operating results indicate that the carrying values of the long-lived assets might not be recoverable through future operations. The evaluation of STI's long-lived assets for impairment involves preparing projections of the undiscounted future cash flows expected to be generated from each asset group and the cash flows resulting from the asset grouping's eventual disposition. If the projections indicate that the underlying asset group is not expected to be recoverable, the asset group is reduced to its estimated fair value through the impairment of its long-lived assets. As of the December 31, 2024 testing date, the sum of the undiscounted cash flows was less than the carrying balance for one of STI's asset groups. The Company then determined the estimated fair value of the STI asset group based upon the discounted cash flow method, which was then compared to an indication of value using the guideline publicly traded companies method. The significant assumptions used in determining the fair value of the asset group are similar to the significant assumptions used in determining the fair value of the STI reporting unit. The estimated fair value of the asset group was less than the carrying balance of the asset group, and as a result, the Company recorded an impairment loss on the long-lived asset group of $91.9 million.

Given the significant judgments made by management to estimate the fair value of STI and one of STI's asset groups, performing audit procedures to evaluate the reasonableness of management's estimates and assumptions related to forecasts of future revenue growth rates and EBITDA margins, as well as the selection of the discount rates and the comparison of the fair value to marketplace multiples, required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecasts of future revenue growth rates and EBITDA margins ("forecasts"), the selection of the discount rate and the comparison of the marketplace multiples for STI and one of the STI's asset groups included the following, among others:

- We tested the effectiveness of controls over management's determination of the estimated fair value of STI and one of the STI's asset groups, such as controls related to

management's forecasts and the selection of the discount rate and market multiples used.

- We evaluated the reasonableness of management's forecasts by comparing the forecasts to (1) historical results, (2) internal communications, (3) inquiry with non-accounting personnel and (4) forecasted information included in industry reports that STI operates within.
- With the assistance of our fair value specialists, we evaluated (1) the valuation methodologies used, (2) the marketplace multiples used by management to compare to the discounted cash flow fair value, and (3) the discount rates used in determining the present value of the expected cash flows by developing independent estimates and comparing those to the rate selected by management.
- We considered the impact of (1) changes in the industry and (2) current macroeconomic factors on management's forecasts by analyzing key inputs of the forecast and evaluating the reasonableness and trends of the key inputs as a comparison to changes in the industry and current macroeconomic factors.

/s/ Deloitte & Touche LLP

Tempe, Arizona
February 28, 2025

We have served as the Company's auditor since 2023.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Array Technologies, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Array Technologies, Inc. (the "Company") as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated February 28, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Tempe, Arizona
February 28, 2025

Report of Independent Registered Public Accounting Firm

Stockholders and Board of Directors
Array Technologies, Inc.
Albuquerque, New Mexico

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of operations, comprehensive income (loss), changes in redeemable perpetual preferred stock and stockholders' equity (deficit), and cash flows of Array Technologies, Inc. (the "Company") for the year ended December 31, 2022, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the Company's results of operations and its cash flows for the year ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.
Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ BDO USA, LLP

We served as the Company's auditor from 2016 to 2023

Austin, Texas

March 22, 2023

Array Technologies, Inc.
Consolidated Balance Sheets
(in thousands, except per share and share amounts)

	December 31,	
	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	$ 362,992	$ 249,080
Restricted cash	1,149	—
Accounts receivable, net	275,838	332,152
Inventories	200,818	161,964
Prepaid expenses and other	157,927	89,085
Total current assets	998,724	832,281
Property, plant and equipment, net	26,222	27,893
Goodwill	160,189	435,591
Other intangible assets, net	181,409	354,389
Deferred income tax assets	17,754	15,870
Other assets	41,701	40,717
Total assets	$ 1,425,999	$ 1,706,741
LIABILITIES, REDEEMABLE PERPETUAL PREFERRED STOCK AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 172,368	$ 119,498
Accrued expenses and other	91,183	70,211
Accrued warranty reserve	2,063	2,790
Income tax payable	5,227	5,754
Deferred revenue	119,775	66,488
Current portion of contingent consideration	1,193	1,427
Current portion of debt	30,714	21,472
Other current liabilities	15,291	48,051
Total current liabilities	437,814	335,691
Deferred income tax liabilities	21,398	66,858
Contingent consideration, net of current portion	7,868	8,936
Other long-term liabilities	18,684	20,428
Long-term warranty	4,830	3,372
Long-term debt, net of current portion	646,570	660,948
Total liabilities	1,137,164	1,096,233
Commitments and contingencies (Note 16)		
Series A Redeemable Perpetual Preferred Stock: $0.001 par value; 500,000 shares authorized; 460,920 and 432,759 issued, respectively; liquidation preference of $493.1 million at both dates	406,931	351,260

Array Technologies, Inc.
Consolidated Balance Sheets *(continued)*
(in thousands, except shares and par value)

	December 31,	
	2024	**2023**
Stockholders' equity		
Preferred stock $0.001 par value - 4,500,000 shares authorized; none issued at respective dates	—	—
Common stock $0.001 par value - 1,000,000,000 shares authorized; 151,951,652 and 151,242,120 shares issued at respective dates	151	151
Additional paid-in capital	297,780	344,517
Accumulated deficit	(370,624)	(130,230)
Accumulated other comprehensive income (loss)	(45,403)	44,810
Total stockholders' equity	(118,096)	259,248
Total liabilities, redeemable perpetual preferred stock and stockholders' equity	$ 1,425,999	$ 1,706,741

See accompanying Notes to Consolidated Financial Statements.

Array Technologies, Inc.
Consolidated Statements of Operations
(in thousands)

	Year Ended December 31,		
	2024	**2023**	**2022**
Revenue	$ 915,807	$ 1,576,551	$ 1,637,546
Cost of revenue:			
Cost of product and service revenue	603,572	1,146,442	1,410,270
Amortization of developed technology	14,558	14,558	14,558
Total cost of revenue	618,130	1,161,000	1,424,828
Gross profit	297,677	415,551	212,718
Operating expenses:			
General and administrative	160,567	159,535	150,777
Change in fair value of contingent consideration	125	2,964	(4,507)
Depreciation and amortization	36,086	38,928	84,581
Long-lived assets impairment	91,904	—	—
Goodwill impairment	236,000	—	—
Total operating expenses	524,682	201,427	230,851
(Loss) income from operations	(227,005)	214,124	(18,133)
Other (expense) income, net	(1,008)	(1,015)	2,789
Interest income	16,777	8,330	3,181
Legal settlement	—	—	42,750
Foreign currency (loss) gain, net	(4,515)	(53)	1,155
Interest expense	(34,825)	(44,229)	(36,694)
Total other (expense) income	(23,571)	(36,967)	13,181
(Loss) income before income tax expense (benefit)	(250,576)	177,157	(4,952)
Income tax (benefit) expense	(10,182)	39,917	(9,384)
Net (loss) income	(240,394)	137,240	4,432
Preferred dividends and accretion	55,670	51,691	48,054
Net (loss) income to common shareholders	$ (296,064)	$ 85,549	$ (43,622)
(Loss) income per common share			
Basic	$ (1.95)	$ 0.57	$ (0.29)
Diluted	$ (1.95)	$ 0.56	$ (0.29)
Weighted average common shares outstanding			
Basic	151,754	150,942	149,819
Diluted	151,754	152,022	149,819

See accompanying Notes to Consolidated Financial Statements.

Array Technologies, Inc.
Consolidated Statements of Comprehensive Income (Loss)
(in thousands)

	Year Ended December 31,		
	2024	**2023**	**2022**
Net (loss) income	$ (240,394)	$ 137,240	$ 4,432
Foreign currency translation[1]	(90,213)	36,385	8,425
Comprehensive (loss) income	$ (330,607)	$ 173,625	$ 12,857

[1] There are no tax effects on foreign currency adjustments.

See accompanying Notes to Consolidated Financial Statements.

Array Technologies, Inc.
Consolidated Statements of Changes in Redeemable Perpetual Preferred Stock and Stockholders' Equity (Deficit)
(in thousands)

	Temporary Equity		Permanent Equity							
	Series A Redeemable Perpetual Preferred Stock		Preferred Stock		Common Stock					
	Shares	Amount	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity (Deficit)
Balance, December 31, 2021	350	$ 237,462	—	$ —	135,027	$ 135	$ 202,562	$ (271,902)	$ —	$ (69,205)
Equity-based compensation	—	—	—	—	339	—	14,543	—	—	14,543
Issuance of Series A Redeemable Perpetual Preferred Stock, net of fees	50	32,724	—	—	—	—	(1,938)	—	—	(1,938)
Issuance of common stock, net	—	—	—	—	15,147	15	216,063	—	—	216,078
Preferred cumulative dividends plus accretion and commitment fees	19	48,054	—	—	—	—	(48,054)	—	—	(48,054)
Dividends paid	(13)	(18,670)	—	—	—	—	—	—	—	—
Net income	—	—	—	—	—	—	—	4,432	—	4,432
Foreign currency translation	—	—	—	—	—	—	—		8,425	8,425
Balance, December 31, 2022	406	299,570	—	—	150,513	150	383,176	(267,470)	8,425	124,281
Equity-based compensation	—	—	—	—	729	1	14,540	—	—	14,541
Preferred cumulative dividends plus accretion and commitment fees	26	51,690	—	—	—	—	(53,199)	—	—	(53,199)
Net income	—	—	—	—	—	—	—	137,240	—	137,240
Foreign currency translation	—	—	—	—	—	—	—	—	36,385	36,385
Balance, December 31, 2023	432	351,260	—	—	151,242	151	344,517	(130,230)	44,810	259,248

Array Technologies, Inc.
Consolidated Statements of Changes in Redeemable Perpetual Preferred Stock and Stockholders' Equity (Deficit)
(in thousands)

	Temporary Equity		Permanent Equity							
	Series A Redeemable Perpetual Preferred Stock		Preferred Stock		Common Stock					
	Shares	Amount	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity (Deficit)
Equity-based compensation	—	—	—	—	710	—	10,686	—	—	10,686
Tax withholding related to vesting of equity-based compensation	—	—	—	—	—	—	(1,752)	—	—	(1,752)
Preferred cumulative dividends plus accretion	28	55,671	—	—	—	—	(55,671)	—	—	(55,671)
Net loss	—	—	—	—	—	—	—	(240,394)	—	(240,394)
Foreign currency translation	—	—	—	—	—	—	—	—	(90,213)	(90,213)
Balance, December 31, 2024	460	$ 406,931	—	$ —	151,952	$ 151	$ 297,780	$ (370,624)	$ (45,403)	$ (118,096)

See accompanying Notes to Consolidated Financial Statements.

Array Technologies, Inc.
Consolidated Statements of Cash Flows
(in thousands)

	Year Ended December 31,		
	2024	**2023**	**2022**
Operating activities:			
Net (loss) income	$ (240,394)	$ 137,240	$ 4,432
Adjustments to net income (loss):			
Goodwill impairment	236,000	—	—
Impairment of long-lived assets	91,904	—	—
Allowance for credit losses	2,058	2,527	2,599
Deferred tax benefit	(37,650)	(8,862)	(31,565)
Depreciation and amortization	38,221	40,268	86,501
Amortization of developed technology	14,558	14,558	14,558
Amortization of debt discount and issuance costs	6,087	10,570	6,857
Gain on debt refinancing	—	(457)	—
Equity-based compensation	10,349	14,540	14,982
Change in fair value of contingent consideration	125	2,964	(4,507)
Warranty provision	3,163	4,666	4,152
Write-down of inventories	2,923	6,431	(859)
Changes in operating assets and liabilities, net of business acquisition:			
Accounts receivable	41,423	92,800	(76,984)
Inventories	(44,787)	66,743	20,870
Income tax receivables	(4,112)	9	5,611
Prepaid expenses and other	(69,708)	(10,840)	19,124
Accounts payable	58,180	(37,654)	12,667
Accrued expenses and other	(436)	5,325	1,024
Income tax payable	(863)	1,936	(755)
Lease liabilities	(8,624)	1,177	3,784
Deferred revenue	55,563	(111,986)	59,002
Net cash provided by operating activities	153,980	231,955	141,493
Investing activities:			
Purchase of property, plant and equipment	(7,305)	(16,989)	(10,619)
Retirement/disposal of property, plant and equipment	34	168	—
Cash payments for the acquisition of right-of-use assets	(11,276)	—	—
Acquisition of STI, net of cash acquired	—	—	(373,818)
SAFE Investment	(3,000)	—	—
Sale of equity investment	11,975	—	—
Net cash used in investing activities	(9,572)	(16,821)	(384,437)
Financing activities:			

Array Technologies, Inc.
Consolidated Statements of Cash Flows *(continued)*
(in thousands)

	Year Ended December 31,		
	2024	**2023**	**2022**
Proceeds from Series A issuance	—	—	33,098
Proceeds from common stock issuance	—	—	15,885
Series A equity issuance costs	—	(1,509)	(1,893)
Tax withholding related to vesting of equity-based compensation	(1,752)	—	—
Common stock issuance costs	—	—	(450)
Dividends paid on Series A Preferred	—	—	(18,670)
Payments on revolving credit facility	—	—	(116,000)
Proceeds from revolving credit facility	—	—	116,000
Proceeds from issuance of other debt	93,059	63,311	20,188
Principal payments on term loan facility	(4,300)	(74,300)	(14,300)
Principal payments on other debt	(97,424)	(88,063)	(23,935)
Contingent consideration payments	(1,427)	(1,200)	(1,483)
Net cash (used in) provided by financing activities	(11,844)	(101,761)	8,440
Effect of exchange rate changes on cash and cash equivalent balances	(17,503)	1,806	735
Net change in cash and cash equivalents	115,061	115,179	(233,769)
Cash and cash equivalents and restricted cash, beginning of period	249,080	133,901	367,670
Cash and cash equivalents and restricted cash, end of period	$ 364,141	$ 249,080	$ 133,901
Supplemental Cash Flow Information			
Cash paid for interest	$ 38,655	$ 43,949	$ 23,118
Cash paid for income taxes	$ 27,966	$ 45,942	$ 10,739
Non-cash Investing and Financing Activities			
Dividends accrued on Series A Preferred	$ 28,160	$ 26,370	$ 6,389
Stock consideration paid for acquisition of STI	$ —	$ —	$ 200,224

See accompanying Notes to Consolidated Financial Statements.

1. Organization and Business

Array Technologies, Inc. (the "Company"), formerly ATI Intermediate Holdings, LLC, is a Delaware corporation formed in December 2018 as a wholly owned subsidiary of ATI Investment Parent, LLC ("Former Parent"). On October 14, 2020, the Company converted from a Delaware limited liability company to a Delaware corporation and changed the Company's name to Array Technologies, Inc.

On January 11, 2022, the Company acquired 100% of the share capital of Soluciones Técnicas Integrales Norland, S.L.U., a Spanish private limited liability Company, and its subsidiaries (collectively, "STI") with cash and common stock of the Company (the "STI Acquisition"). The STI Acquisition was accounted for as a business combination.

Upon completion of the STI Acquisition, the Company began operating as two reportable operating segments: the Array Legacy operating segment ("Array Legacy Operations") and the newly acquired operating segment ("STI Operations") pertaining to STI.

Headquartered in Albuquerque, New Mexico, the Company is a leading global provider of solar tracking technology to utility-scale and distributed generation customers, who construct, develop and operate solar PV sites.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The accompanying consolidated financial statements were prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("U.S. GAAP").

Reclassifications

Software Implementation Costs

During the first quarter of 2024, the Company reclassified capitalized software costs recorded as Property, plant and equipment, net to Intangible assets, net on the condensed consolidated balance sheets. The reclassification was recorded retrospectively and resulted in a $4.0 million increase to Intangible assets, net at December 31, 2023, with a corresponding decrease in the same amount to Property, plant and equipment, net.

These reclassifications did not impact the Company's operating income (loss), net income (loss), earnings (loss) per share, or statements of cash flows for any current or historical periods.

Brazil Value-Added Tax Benefit

Revenue in 2024 and 2023, excludes a Brazil value-added tax benefit, Imposto sobre Circulação de Mercadorias e Servicos ("ICMS"), of $11.8 million and $23.2 million, respectively that has been included in cost of product and service revenue for these periods. For the year ended December 31, 2022, an ICMS benefit of $12.3 million was included in revenues.

This reclassification had no impact on the Company's gross profit, income (loss) from operations, net income or income (loss) per common share in the current period. This reclassification also did not impact the condensed consolidated balance sheets or condensed consolidated statements of cash flows.

Principles of Consolidation

The consolidated financial statements include the accounts of Array Technologies, Inc. and its subsidiaries. All intercompany accounts and transactions have been eliminated upon consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Although management believes its estimates are reasonable, actual results could differ from those estimates.

Foreign Currency Translation

The Company's foreign subsidiaries have functional currencies that are different than our reporting currency. When translating balances from the functional currency to the reporting currency, assets and liabilities are translated into U.S. dollars at period end exchange rates, retained earnings is translated at historical rates, and income, expenses, and cash flow items are translated at average exchange rates prevailing during the period. Translation adjustments for these subsidiaries are accumulated within accumulated other comprehensive income. In situations when a foreign subsidiary has a local currency that is different than the functional currency, monetary assets and liabilities are translated into the functional currency at the period end exchange rates, and non-monetary assets and the related income statement effects are translated into the functional currency using historical rates. Gains and losses that result from remeasurement from a local currency to the functional currency are included in earnings.

Cash and Cash Equivalents and Restricted Cash

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. We regularly maintain cash balances that exceed insured amounts, but we have experienced no losses associated with these amounts to date. At December 31, 2024, restricted cash represents cash deposited with a financial institution by one of our foreign subsidiaries that was restricted for the issuance of certain surety bonds.

Accounts Receivable

The Company's accounts receivable are due primarily from solar contractors across the U.S. and internationally. Credit is extended in the normal course of business based on evaluation of a customer's financial condition and, generally, collateral is not required. Trade receivables consist of uncollateralized customer obligations due under normal trade terms requiring payment within 30 to 60 days of the invoice date. Management regularly reviews outstanding accounts receivable and provides for estimated credit losses through an estimate of expected credit losses valuation account.

The allowance for credit losses is a valuation account that is deducted from a financial asset's amortized cost to present the net amount we expect to collect from the asset. We estimate allowances for credit losses using relevant available information from both internal and external sources. We monitor the estimated credit losses associated with our trade accounts receivable and unbilled accounts receivable based primarily on our

collection history and the delinquency status of amounts owed to us, which we determine based on the aging of such receivables. In evaluating the level of established reserves, management makes judgments regarding the customers' ability to make required payments, economic events, and other factors. As the financial conditions of these customers change, circumstances develop, or additional information becomes available, adjustments to the valuation account may be required. When deemed uncollectible, the receivable is charged against the valuation account for credit losses or directly written off.

Unbilled receivables represent temporary timing differences between shipments made and billing milestones achieved and are recorded in the accounts receivable balances. Such amounts have not been billed due to pending commercial criteria such as billing on a specified date of the month or upon completion of mega-watt deliveries. Unbilled receivables are invoiced once the underlying commercial criteria have been met and we expect payment within 30 to 60 days.

Inventories

Inventories consist of raw materials and finished goods and are stated at the lower of cost or estimated net realizable value using primarily the moving average cost method that approximates the FIFO method. Provisions are made to reduce excess or obsolete inventories to their estimated net realizable values.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost, net of accumulated depreciation and amortization. Improvements, betterments and replacements which extend the life of an asset are capitalized. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the respective assets. Repair and maintenance costs are expensed as incurred.

A gain or loss on the sale of property, plant and equipment is calculated as the difference between the cost of the asset disposed of, net of depreciation, and net sales proceeds received. A gain or loss on an asset disposal is recognized in the period that the sale occurs.

SAFE Investment

On November 6, 2024, Array invested $3.0 million through a Simple Agreement of Future Equity ("SAFE") with a technology company. At the next equity financing round of the technology company, the SAFE investment will convert into preferred shares of the company, subject to certain conditions. Array will invest up to $2.0 million in future SAFEs contingent upon the achievement of defined milestones by the technology company.

The initial investment of $3.0 million was recorded at cost and is included within "Other assets" on the consolidated balance sheet. The investment will be carried at cost and remeasured to fair value if impaired or if there are observable transaction prices.

Leases

Operating lease arrangements are comprised primarily of real estate and equipment agreements. The Company determines if an arrangement contains a lease at inception based on whether it conveys the right to control the use of an identified asset in exchange for consideration. Lease right-of-use assets ("ROU assets") and associated lease liabilities are recognized at the commencement date of the lease based on the present value of lease payments over the lease term. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Certain

lease agreements may include one or more options to extend or terminate a lease. Lease terms are inclusive of these options if it is reasonably certain that the Company will exercise such options.

ROU assets also include any initial direct costs and prepayments less lease incentives. As most of our leases do not provide an implicit rate, we generally use our incremental borrowing rate based on the estimated rate of interest for collateralized borrowing over a similar term of the lease payments at commencement date. Lease expense is recognized on a straight-line basis over the lease term.

ROU assets and the corresponding operating lease liabilities are included in other assets and other liabilities in our consolidated balance sheets. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities in our consolidated balance sheets.

Long-Lived Assets

In testing long-lived assets and goodwill for impairment, the Company first tests its long-lived assets for impairment, and then tests the goodwill of a reporting unit that includes the long-lived assets covered under the long-lived asset test for impairment. If an asset group includes only a portion of a reporting unit, the carrying amount of goodwill is not included in the asset group. The carrying values are adjusted, if necessary, for the result of each impairment test prior to performing the next test.

When events, circumstances or operating results indicate that the carrying values of long-lived assets might not be recoverable through future operations, the Company prepares projections of the undiscounted future cash flows expected to be generated from the underlying asset group and the cash flows resulting from the asset groupings eventual disposition. If the projections indicate that the underlying asset grouping is not expected to be recoverable, the estimated fair value of the asset group is determined. An impairment loss is recognized based on the difference between the carrying value of the asset group and its estimated fair value. The loss is allocated to the long-lived assets of the group on pro rata basis using the relative carrying amounts of the asset groups long-lived assets.

During the year ended December 31, 2024, the Company identified certain indicators of impairment related to its long-lived assets, and as a result, tested certain asset groups for impairment, which resulted in an impairment of long-lived assets of $91.9 million. See Note 7 – Goodwill, Long-Lived Assets, and Other Intangible Assets for additional information.

There was no impairment of long-lived assets for the years ended December 31, 2023 and 2022.

Goodwill and Indefinite-Lived Intangible Asset

Goodwill represents the excess of the consideration transferred over the estimated fair value of assets acquired and liabilities assumed in a business combination. Intangible assets are measured at their respective fair values as of the acquisition date and may be subject to adjustment within the measurement period, which may be up to one year from the acquisition date. The Company does not amortize goodwill but instead tests goodwill for impairment annually, or more frequently if events or changes in circumstances indicate that it is more likely than not that the asset is impaired. Such triggering events potentially warranting an annual or interim goodwill impairment assessment include, among other factors, declines in historical or projected revenue, operating income or cash flows, and sustained decreases in the Company’s stock price or market capitalization.

Goodwill is assessed for impairment using either a qualitative assessment or quantitative approach to determine whether it is more likely than not that the fair value of the reporting unit is less than the carrying amount. The qualitative assessment evaluates factors including macroeconomic conditions, industry-specific and company-specific considerations, legal and regulatory environments, and historical performance. If the Company cannot determine if it is more likely than not that the fair value of a reporting unit is greater than its carrying value, a quantitative assessment is performed. The quantitative approach compares the estimated fair value of the reporting unit to its carrying amount, including goodwill. Impairment is indicated if the estimated fair value or the reporting unit is less than the carrying amount of the reporting unit, and an impairment charge is recognized for the differential.

When determining the fair value of a reporting unit using the quantitative approach, we determine the fair value of the reporting unit using an income approach based on discounted cash flows. The fair value determined under the income approach is then compared to guideline publicly-traded companies ("GPC") market place EBITDA multiples to corroborate the fair value of the reporting unit determined under the income approach.

During the year ended December 31, 2024, the Company identified certain indicators of impairment on various dates, and as a result, performed goodwill impairment tests, which resulted in impairments of goodwill totaling $236.0 million. See Note 7 – Goodwill, Long-Lived Assets, and Other Intangible Assets for additional information. There was no impairment of goodwill for the years ended December 31, 2023 and 2022.

The Company has one indefinite-lived intangible asset for a Trade name it acquired as part of a past acquisition associated with Legacy Array. The Company performs an annual impairment test on its Trade name indefinite-lived intangible asset, utilizing a qualitative or quantitative impairment analysis during the fourth quarter of each year. There were no indicators of impairment associated with this Trade name,

Divestiture of Investment in Equity Securities

In June 2024, we divested 100% of our equity investment in preferred stock of a private company we purchased in 2021. We received $12.0 million in proceeds for the divestiture in July 2024. No gain or loss resulted from this transaction.

Amortizable and Other Intangible Assets

The Company amortizes identifiable finite lived intangible assets consisting of developed technology, customer relationships, contractual backlog and the STI trade name on a straight-line basis over the assets' estimated useful lives. The basis of amortization approximates the pattern in which the assets are utilized, over their estimated useful lives.

The Array Technologies trade name has been determined to have an indefinite life and, therefore, is not amortized but is subject to an annual impairment test or at any other time when impairment indicators exist. The Company did not recognize any impairment charges for this asset during the years ended December 31, 2024, 2023 and 2022.

Debt Discount and Issuance Costs

Debt discount and issuance costs incurred to issue debt are deferred and amortized using the effective interest method as a component of interest expense over the life of the related debt agreement. Amortization expense of debt discount and deferred issuance costs was $6.1 million, $10.6 million and $6.9 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Revenue Recognition

In accordance with ASC 606, the Company recognizes revenues from the sale of solar tracking systems, parts, installation services, extended warranties on solar tracker system components and software licenses along with associated maintenance and support. The Company determines its revenue recognition through the following steps (i) identification of the contract or contracts with a customer, (ii) identification of the performance obligations within the contract, (iii) determination of the transaction price, (iv) allocation of the transaction price to the performance obligations within the contract, and (v) recognition of revenue when, or as the performance obligation has been satisfied.

In assessing the recognition of revenue, the Company also evaluates whether two or more contracts should be combined and accounted for as one contract and if the combined or single contract should be accounted for as multiple performance obligations which could change the amount of revenue and profit (loss) recorded in a period. Further, the Company assesses whether control of the product or services promised under the contract is transferred to the customer at a point in time or over time.

Performance Obligations

The Company's contracts for specific solar tracker system projects with customers are predominantly accounted for as a single performance obligation, because the Company is integrating the solar tracking system components and related services as part of a single project. The Company's performance creates and enhances an asset that the customer controls as the Company performs under the contract, which is principally as tracker system components are delivered to the designated project site. The Company sources the component parts from third party manufacturers, it obtains control and receives title of such parts before transferring them to the customer because the Company is responsible for fulfillment to its customer. The Company's engineering services and professional services are interdependent with the component parts whereby the parts form an input into a combined output for which it is the principal, and the Company could redirect the parts before they are transferred to the customer if needed. The customer owns the work-in-process over the course of the project and the Company's performance enhances a customer-controlled asset, resulting in the recognition of the performance obligation over time.

In contracts with a single performance obligation, the Company's obligation is satisfied over-time as control is transferred to the customer by measuring the progress toward complete satisfaction of the performance obligation using an input (i.e., the "cost-to-cost") method. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. The costs of materials and hardware components are recognized as incurred, which is typically upon delivery to the customer site or upon transfer of control while in transit.

For contracts with customers that result in multiple performance obligations, the Company allocates the contract's transaction price to each performance obligation using its best estimate of the standalone selling price of each distinct good or service in the contract. These contracts include contracts for the sale of components, contracts with installation services, solar tracker systems sold with an extended warranty, and contracts that include the sale of software and maintenance. For all years presented, the transaction price associated with extended warranties and the sale of software and maintenance was not material. The Company generally uses the expected cost-plus margin approach to estimate the standalone selling price of each performance obligation.

For contracts related to the sale of components as opposed to contracts to provide an integrated solar tracker project, the Company's obligation to the customer is to deliver components that are used by the customer to create a tracker system and does not include engineering or other professional services or the obligation to provide such services in the future. Under these arrangements, each component is a distinct performance obligation, and often the components are delivered in batches at different points in time. The Company estimates the standalone selling price ("SSP") of each component performance obligation based on a cost-plus margin approach. Revenue allocated to a component is recognized at the point in time that control of the component transfers to the customer, which is usually upon delivery to the customer's site.

Contracts are often modified through change orders to account for changes in specifications or design, manner of performance, equipment, materials, scope of work, and/or the period of completion of the project. Although the Company evaluates each change order to determine whether such modification creates a separate performance obligation, the majority of change orders are for goods or services that are not distinct within the context of the original contract and, therefore, not treated as separate performance obligations but rather as a modification of the existing contract and performance obligation.

Bill and Hold Arrangements

In certain situations, the Company recognizes revenue under bill-and-hold arrangements with its customers. In all bill-and-hold arrangements, because the customers lack sufficient storage capacity to accept a large amount of material prior to the start of construction, they request that the Company keep the product in our custody. The material is bundled or palletized in the Company's warehouses, identified separately as belonging to the respective customer and is ready for immediate transport to the customer project upon customer request. Additionally, title and risk of loss has passed to the customer and the Company does not have the ability to use the product or direct it to another customer.

Contract Estimates

A majority of our revenue is recognized over time as work progresses, and for single performance obligations, we use an input measure, the cost-to-cost method, to determine progress. We review and update the contract related estimates on an ongoing basis and recognize adjustments for any project specific facts and circumstances that could impact the measurement of the extent of progress such as the total costs to complete the contracts, under the cumulative catch-up method. Due to the relatively short duration of our outstanding performance obligations, and our ability to estimate the remaining costs to be incurred, which are substantially all material costs covered under our material supply agreements with our suppliers, we have not recorded any material catch-up adjustments for the periods presented that would have impacted revenues or EPS related to revisions in our measurement of remaining progress of our performance obligations.

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, unbilled accounts receivable for goods or services delivered but not invoiced, and deferred revenue (contract liabilities) on the consolidated balance sheets. The majority of the Company's contract amounts are billed as work progresses in accordance with agreed-upon contractual terms, which generally coincide with the shipment of one or more phases of the project. Billing sometimes occurs subsequent to revenue recognition, resulting in unbilled accounts receivable. The changes in unbilled accounts receivable and the corresponding amounts recorded in revenue relate to fluctuations in the timing and volume of billings for the Company's revenue recognized over-time.

Practical Expedients and Exemptions

The Company has elected to adopt certain practical expedients and exemptions as allowed under ASC 606, such as (i) recording sales commissions as incurred because the amortization period is less than one year, (ii) not adjusting for the effects of significant financing components when the contract term is less than one year, (iii) excluding collected sales tax amounts from the calculation of revenue and (iv) accounting for the costs of shipping and handling activities that are incurred after the customer obtains control of the product as fulfillment costs rather than a separate service provided to the customer for which consideration would need to be allocated.

Research and Development

The Company incurs research and development costs during its process of researching and developing new products and significant enhancements to existing products. Research and development costs consist primarily of personnel-related costs associated with our team of internal engineers, third-party consultants, materials and overhead. The Company expenses these costs as incurred prior to a respective product being ready for commercial production. Research and development expense was $6.7 million, $8.5 million and $4.2 million during the years ended December 31, 2024, 2023 and 2022, respectively.

Inflation Reduction Act Vendor Rebates

On August 16, 2022, the Inflation Reduction Act of 2022 (“IRA”) was enacted into law, which includes numerous green energy credits. The 45X advanced manufacturing production tax credit (“45X Credit”) was established as part of the IRA. The section 45X Credit is a per-unit tax credit that is earned over time for each clean energy component domestically produced and sold by a manufacturer. The Company has, and will continue to enter into, arrangements with manufacturing vendors that produce section 45X Credit eligible parts, in which the vendors agree to share a portion of the benefit received related to Array purchases, in the form of “Vendor Rebates.”

The Company accounts for these Vendor Rebates as a reduction of the purchase prices of the vendors’ products and therefore a reduction in the cost of inventory until the inventory is sold, at which time the Company recognizes such rebates as a reduction of cost of product and service on the consolidated statements of operations. For vendor rebates related to past purchases that are owed to the Company upon execution of the agreement, the Company defers recognition of this portion of the rebate and recognizes the amounts as a reduction to cost of product and service revenue as future purchases occur. At December 31, 2024, the company had deferred $8.0 million of vendor rebates related to rebates due at contract signing for past purchases, which are included in Other current liabilities on the consolidated balance sheet.

During the fiscal year ended December 31, 2024, the Company recorded a reduction to cost of product and service revenue on the consolidated statements of operations in the amount of approximately $133.3 million, of which approximately $38.6 million related to the recognition of deferred rebates that were deferred upon contract signing at December 31, 2023. During the year ended December 31, 2023, the Company recorded a reduction to cost of product and service revenue on the consolidated statements of operations in the amount of $9.3 million.

As of December 31, 2024 and 2023, the Company had an outstanding Vendor Rebate receivable of $115.5 million and $48.4 million, respectively, included in Prepaid expenses and other.

Inflation Reduction Act 45X Credits

The Company accounts for the 45X Advanced Manufacturing Production Credit established by the IRA, under IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance ("IAS 20"), as a reduction to production costs. The tax credit is included as an offset in Income tax payable on the condensed consolidated balance sheet dated December 31, 2024.

During the fiscal year ended December 31, 2024, the company earned 45X Advanced Manufacturing Production Credits for the manufacturing of certain components, which were sold and resulted in a $4.4 million reduction to cost of product and service revenue on the consolidated statement of operations.

Warranty Obligations

The Company offers a multi-year assurance type warranty for its products against manufacturer defects and does not contain service elements. For these assurance type warranties, a provision for estimated future costs related to warranty expense is recorded when they are probable and reasonably estimable, which is typically when products are delivered. This provision is based on historical information on the nature, frequency and average cost of claims for each product line. When little or no experience exists for an immature product line, the estimate is based on comparable product lines. These estimates are re-evaluated on an ongoing basis using best-available information and revisions to estimates are made as necessary. Claims estimated to be payable in the following year are classified as current liabilities and those payable beyond one year are classified as long-term liabilities.

Advertising Expenses

The cost of advertising, marketing and media is expensed as incurred. For the years ended December 31, 2024, 2023 and 2022 advertising expenses totaled $3.3 million, $2.7 million and $2.6 million, respectively.

Income Taxes

The Company provides for income taxes based on the provisions of ASC Topic 740 I*ncome Taxes* ("ASC 740"), which, among other things, requires that recognition of deferred income taxes be measured by the provisions of enacted tax rates in effect at the date of the consolidated financial statements. A valuation allowance is provided to reduce deferred income tax assets if it is more likely than not that all, or some portion, of such deferred tax assets will not be recognized. Provision for estimated income taxes is based upon elements of income and expense reported in the consolidated statements of operations. The Company also files certain corporate state income tax returns. Generally, the Company is subject to examination by U.S. federal, state and non-U.S. income tax authorities. The current provision for income taxes represents actual or estimated amounts payable on tax return filings each year. Deferred tax assets and liabilities are recorded for the estimated future tax effects of temporary differences between the tax basis of assets and liabilities and amounts reported in the accompanying consolidated balance sheets, and for operating loss and tax credit carryforwards. The change in deferred tax assets and liabilities for the period measures the deferred tax provision or benefit for the period. Effects of changes in enacted tax laws on deferred tax assets and liabilities are reflected as adjustments to the tax provision or benefit in the period of enactment.

The Company determines whether uncertain tax positions are more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position.

The Company recognizes interest and penalties related to unrecognized tax benefits within interest expense and other expenses, respectively, in the consolidated statements of operations. The Company's liabilities for unrecognized tax benefits are reflected in Other long-term liabilities on the condensed consolidated balance sheet.

Equity-Based Compensation

The Company recognizes equity-based compensation expense based on the equity award's grant date fair value. The determination of the fair value of equity awards issued to employees of the Company is based upon the underlying share price and a number of assumptions, including volatility, performance period, risk-free interest rate and expected dividends. The Company values equity awards with a market condition using a Monte Carlo simulation model. The Company accounts for forfeitures as they occur. The grant date fair value of each unit is amortized on a straight-line basis over the requisite service period.

Temporary Equity

Equity instruments that are redeemable for cash or other assets are classified as temporary equity if the instrument is redeemable, at the option of the holder, at a fixed or determinable price on a fixed or determinable date or upon the occurrence of an event that is not solely within the control of the issuer. Redeemable equity instruments are initially carried at the fair value of the equity instrument at the issuance date, which is subsequently adjusted at each balance sheet date if the instrument is currently redeemable, or probable of becoming redeemable. The Series A Redeemable Perpetual Preferred Stock of the Company, par value $0.001 per share (the "Series A Shares") issued in connection with the Series A Purchase Agreement, as described in Note 12 – Redeemable Perpetual Preferred Stock, are classified as temporary equity in the accompanying consolidated financial statements. The Company elected the accreted redemption value method under which it accretes changes in redemption value over the period from the date of issuance of the Series A Shares to the earliest costless redemption date (the fifth anniversary) using the effective interest method. Such adjustments are included in preferred undeclared dividends and accretion on Series A Shares on the Company's consolidated statements of changes in redeemable perpetual preferred stock and stockholders' equity (deficit) and treated similarly to a dividend on preferred stock in accordance with U.S. GAAP.

Earnings per Share

Basic earnings per share ("EPS"), is computed by dividing net income available to common shareholders by the weighted average shares outstanding during the period. Diluted EPS takes into account the potential dilution that could occur if securities or other contracts to issue shares, such as stock options, unvested restricted stock, or convertible debt, were exercised and converted into shares. The convertible debt is not currently convertible. Diluted EPS is computed by dividing net income available to common shareholders by the weighted average shares outstanding during the period, increased by the number of additional shares that would have been outstanding if the potential shares had been issued and were dilutive.

Credit Concentration

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and accounts receivable. The Company has no significant off balance sheet concentrations of credit risk. The Company maintains its cash with financial institutions that are believed to be of high credit quality and has not experienced any material losses relating to cash balances.

Our customer base consists primarily of large solar developers, independent power producers, utilities and EPCs. We do not require collateral on our accounts receivable.

At December 31, 2024, the Company's largest customer and five largest customers accounted for 9.0% and 31.0%, respectively, of total accounts receivable. At December 31, 2023, the Company's largest and five largest customers constituted 2.7% and 29.6% of trade accounts receivable, respectively.

During the year ended December 31, 2024, two customers accounted for 15.6% and 11.9%, respectively, of total revenue. During the year ended December 31, 2023, one customer accounted for 13.4%, of total revenue. During the year ended December 31, 2022, two customers accounted for 11.8% and 10.6%, respectively, of total revenue.

Further, our accounts receivable are from companies within the solar industry and, as such, we are exposed to normal industry credit risk. We continually evaluate our reserves for potential credit losses and establish reserves for such losses.

Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company follows a fair value hierarchy which requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Three levels of inputs may be used to measure fair value, as follows:

- **Level 1** - Quoted prices in active markets for identical assets or liabilities.
- **Level 2** - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- **Level 3** - Unobservable inputs that are supported by little or no market activity that are significant to the fair value of the assets or liabilities.

The fair values of the Company's cash, accounts receivable, and accounts payable approximate their carrying values due to their short maturities. The carrying value of the Company's notes payable approximate their fair values, as they are based on current market rates at which the Company could borrow funds with similar terms.

The Company follows the provisions of ASC 820 *Fair Value Measurement* for nonfinancial assets and liabilities measured at fair value on a non-recurring basis. As it relates to the Company, this applies to certain nonfinancial assets and liabilities acquired in business combinations and measurement of goodwill impairment and non-amortizable intangibles and is thereby measured at fair value, which was determined by the Company with the assistance of third-party valuation specialists.

Recently Issued Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (the "FASB") issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires disclosure of disaggregated income taxes paid, prescribes standard categories for the components of the effective tax rate reconciliation,

and modifies other income tax-related disclosures. The standard will become effective for the Company's fiscal year ended December 31, 2025, with early adoption permitted. The Company did not adopt this reporting standard early for 2024 and expects no material impacts upon adoption.

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40), which requires public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 31, 2026, and for interim periods beginning after December 31, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03.

Recently Adopted Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. The amendments in this ASU will require public entities to disclose significant segment expenses and other segment items and to provide in interim periods all disclosures about a reportable segment's profit or loss and assets that are currently required annually. Public entities with a single reportable segment will also be required to provide the new disclosures and all the disclosures required under ASC 280. The Company adopted ASU 2023-07 during the year ended December 31, 2024. See Note 20 – Segment and Geographic Information in the accompanying notes to the consolidated financial statements for further detail.

3. Acquisition of STI

On January 11, 2022, the Company completed the STI Acquisition pursuant to the purchase agreement, dated November 10, 2021, by and among Amixa Capital, S.L. and Aurica Trackers, S.L., each a company duly organized under the laws of the Kingdom of Spain (together, the "Sellers") and Mr. Javier Reclusa Etayo (the "STI Purchase Agreement"). The STI Acquisition was funded primarily with borrowings from the Convertible Notes (as defined below) and the issuance of the Series A Shares. The STI Acquisition provided the Company with an immediate presence in Spain, Western Europe, Brazil and South Africa. Transaction expenses incurred in connection with the acquisition are $5.6 million recorded in the general and administrative line item on the consolidated statement of operations for the year ended December 31, 2022. In accordance with the Purchase Agreement, the Company paid closing consideration to the Sellers consisting of $410.5 million in cash and (13,894,800 shares) of the Company's common stock with an estimated fair value of $200.2 million based on the closing share price on the date of acquisition. The fair value of the purchase consideration was $610.8 million and resulted in the Company owning 100% of the interests in STI. The Company has performed a valuation of the acquisition assets and liabilities and determined the related accounting impact.

The consideration paid to acquire STI consisted of the following (in thousands):

Cash consideration for STI	$	409,647
Cash consideration for transaction expenses of STI		896
Total cash consideration		410,543
Non-cash equity consideration		200,224
Total consideration transferred		610,767
Total purchase price consideration	$	610,767

The STI Acquisition was accounted for as a business combination in accordance with ASC 805 *Business Combinations*. The equity consideration transferred consisted of the Company's common stock and was measured at fair value based on the closing stock price on the Acquisition Date. The purchase price was allocated to the assets acquired and liabilities assumed based on management's estimate of the respective fair values at the Acquisition Date. Goodwill was calculated as the excess of the consideration transferred over the net assets recognized and represents the estimated future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. The factors contributing to the recognition of goodwill were the expected synergies of the combined entities that are expected to be realized from the STI Acquisition. None of the goodwill is deductible for income tax purposes.

The following table summarizes the fair values of the assets acquired and liabilities assumed as of the Acquisition Date (in thousands):

Fair Value of Net Assets Acquired and Liabilities Assumed:	Acquisition Date	Measurement Adjustment	Remeasured Acquisition Date
Cash and cash equivalents	$ 36,725	$ —	$ 36,725
Accounts receivable	110,789	—	110,789
Inventories	47,517	—	47,517
Prepaid expenses and other	23,399	—	23,399
Property, plant and equipment	4,434	—	4,434
Other intangible assets	304,431	—	304,431
Other assets	325	2,655	2,980
Total assets acquired	$ 527,620	$ 2,655	$ 530,275
Accounts payable	65,761	—	65,761
Deferred revenue	20,345	—	20,345
Short-term debt	44,338	—	44,338
Other liabilities	10,115	2,655	12,770
Income tax payable	7,576	—	7,576
Deferred tax liability	95,510	—	95,510
Other long-term liabilities	4,524	—	4,524
Long-term debt	12,053	—	12,053
Total liabilities assumed	$ 260,222	$ 2,655	$ 262,877
Fair value of net assets acquired	267,398		267,398
Allocation to goodwill	$ 343,369		$ 343,369

The purchase price allocation was based upon Management's estimates with the assistance of a third party valuation specialist. The estimates of the fair values of the assets acquired and liabilities assumed were estimated to approximate carrying values since they are short term in nature, and they are receivable or payable on demand. These assets and liabilities were cash and cash equivalents, accounts receivable, inventories, prepaid expenses and other, accounts payable, other liabilities, and deferred revenue. The deferred tax liability was determined utilizing statutory rates in effect at the time of the acquisition, as applied to the respective intangible assets by jurisdiction. For assets and liabilities excluded from the scope of the intangible assets and property, plant and equipment valuation, the Company considered net book value to be a reasonable proxy as of the Acquisition Date.

The purchase price allocation includes $304.4 million of acquired identifiable intangible assets.

(in thousands, except useful lives)	Estimated Fair Value	Estimated Weighted Average Useful Life in Years
Backlog	$ 50,000	1
Customer relationships	228,408	10
Trade name	26,023	20
Total	$ 304,431	

The fair value of the identifiable intangible assets has been estimated using the Excess Earnings Method (customer relationships and backlog) and Relief from Royalty Method (trade name). Significant inputs using the Excess Earnings Method and Level 3 inputs in the fair value hierarchy include economic life, estimated revenue, expenses based on historical results and forecasts, and a discount rate based on a weighted average cost of capital for customer relationships of 15% for Spain, 16.5% for Brazil and 14.0% for Spain foreign sourced projects and for order backlog of 8.5% for Spain, 9.5% for Brazil and 7.5% for Spain foreign sourced projects. Significant inputs to the Relief from Royalty method model include estimates of future revenue, economic life, estimated royalty rate of 1.25%, and a discount rate based on a weighted average cost of capital 15.2%. The weighted average cost of capital was determined based on the Company's capital structure, cost of capital, inherent business risk profile and long-term growth expectations. The intangible assets are being amortized over their estimated useful lives on a straight-line basis that reflects the economic benefit of the asset. The determination of the useful lives is based upon various industry studies, historical acquisition experience, economic factors, and future forecasted cash flows of the Company following the STI Acquisition.

The amounts of revenue and net income of STI included in the Company's consolidated statement of operations from the Acquisition Date through December 31, 2022 were $369.7 million and $(21.5) million, respectively.

Pro Forma Financial Information (Unaudited)

The following unaudited pro forma financial information presents the combined results of operations of the Company and STI as if the acquisition had occurred on January 1, 2021, after giving effect to certain unaudited pro forma adjustments. The unaudited pro forma adjustments reflected herein include only those adjustments that are directly attributable to the STI Acquisition including amortization of intangibles, debt financing expenses and tax benefits. The unaudited pro forma financial information does not reflect any adjustments for anticipated expense savings resulting from the STI Acquisition and is not necessarily indicative of the operating

results that would have actually occurred had the STI Acquisition been consummated on January 1, 2021, (in thousands):

	Year Ended December 31,	
	2022	2021
Revenue	$ 1,645,962	$ 1,118,903
Net income (loss)	$ 36,285	$ (74,215)

4. Accounts Receivable

Accounts receivable consists of the following (in thousands):

	December 31,		
	2024	2023	2022
Accounts receivable	$ 280,686	$ 335,976	$ 423,071
Less: allowance for credit losses	(4,848)	(3,824)	(1,888)
Accounts receivable, net	$ 275,838	$ 332,152	$ 421,183

Included in accounts receivable are amounts retained by project owners that represent funds withheld by our customers until the products are installed by a third-party, arranged by the customer, and the project is declared operational. Such retention amounts were $17.4 million, $24.0 million, and $47.4 million as of December 31, 2024, 2023, and 2022, respectively. All retention amounts outstanding as of December 31, 2024, are collectible within the next 12 months.

The following is the activity of the allowance for credit losses on accounts receivable which includes trade accounts receivable and unbilled accounts receivable (in thousands):

	December 31,		
	2024	2023	2022
Beginning balance	$ (3,824)	$ (1,888)	$ (140)
Provision for credit losses	(1,855)	(2,871)	(2,599)
Collected	92	916	731
Written-off	739	19	120
Ending balance	$ (4,848)	$ (3,824)	$ (1,888)

5. Inventories

Inventories consist of the following (in thousands):

	December 31,	
	2024	2023
Raw materials	$ 60,588	$ 86,614
Finished goods	140,230	75,350
Total	$ 200,818	$ 161,964

The Company values a portion of its inventory using the moving average cost method that approximates the First In, First Out method ("FIFO"). As of December 31, 2024, inventory valued using moving average cost and FIFO was $154.4 million and $46.4 million, respectively. As of December 31, 2023, inventory valued using moving average cost and FIFO, was $129.5 million and $32.5 million, respectively.

6. Property, Plant and Equipment

Property, plant and equipment consisted of the following (in thousands, except for useful lives):

	Estimated Useful Life (Years)	December 31,	
		2024	2023
Land	N/A	$ 1,585	$ 1,634
Buildings and land improvements	15-39	9,108	9,344
Manufacturing equipment	7	27,853	22,962
Furniture, fixtures and equipment	5-7	4,287	4,770
Vehicles	5	603	688
Hardware	3-5	3,603	3,114
Construction in progress	N/A	3,948	6,199
Total		50,987	48,711
Less: accumulated depreciation		(24,765)	(20,818)
Property, plant and equipment, net		$ 26,222	$ 27,893

Depreciation expense was $4.4 million, $2.6 million and $2.4 million for the years ended December 31, 2024, 2023 and 2022, respectively, of which $2.1 million, $1.3 million and $1.6 million, respectively, was included in cost of revenues and $2.3 million, $1.3 million and $0.8 million, respectively, was included in depreciation and amortization in the accompanying consolidated statements of operations for the years ended December 31, 2024, 2023 and 2022.

7. Goodwill, Long-Lived Assets, and Other Intangible Assets

Goodwill

Changes in the carrying amount of goodwill by reporting unit during the year ended December 31, 2024, consisted of the following (in thousands):

	Array Legacy Operations[1]	STI Operations	Total
Beginning balance	$ 69,727	$ 365,864	$ 435,591
Foreign currency translation	—	(39,402)	(39,402)
Impairment charge	—	(236,000)	(236,000)
Ending balance	$ 69,727	$ 90,462	$ 160,189

[1] Goodwill attributable to Array Legacy Operations is net of impairment charges of $51.9 million. Prior to 2024, no impairment charges have been recorded for STI Operations.

The Company performs it's annual goodwill impairment test, utilizing a qualitative or quantitative impairment analysis during the fourth quarter of each year, and between annual tests if an event occurs or circumstances change that would indicate that it is more likely than not that the carrying amount may be impaired.

During the third and fourth quarters of 2024, the Company experienced a sustained decline in its stock price, which hit a 52-week low during the third quarter of 2024 and again during the fourth quarter of 2024, resulting in a decrease in market capitalization. In addition, the Company updated its long-term projections for the Company's reporting units during the third and fourth quarter of 2024, and evaluated the execution risk associated with the Company's projections and the local market conditions. As a result, the Company identified indicators of impairment related to the Company's reporting units as of September 30, 2024 and December 31, 2024, respectively. Management, with the assistance of a third-party valuation specialist, performed quantitative goodwill impairment tests of the Legacy Array Operations and STI Operations reporting units as of September 30, 2024 and December 31, 2024.

The fair value of the Array Legacy Operations and STI Operations reporting units were determined using the income approach and then compared to the Guideline publicly traded companies ("GPC") marketplace EBITDA multiples to corroborate the fair value of the reporting unit. As a result of these tests, the Company recorded impairments to goodwill totaling $236.0 million during 2024, related to STI Operations reporting unit. The estimated fair value of the STI Operations reporting unit was estimated to be $251.2 million as of December 31, 2024.

Subsequent to recording the impairments of goodwill, the Company reconciled the overall market capitalization of the Company, within a reasonable range, to the sum of the estimated fair values of both of the Company's reporting units. The estimated fair value of the Array Legacy Operations reporting unit was significantly higher than the carrying balance of the reporting unit at each testing date.

The significant assumptions used in determining the fair value of the STI Operations reporting unit primarily relate to the revenue growth rate, the forecasted EBITDA margin, and the selected discount rate used in the discounted cash flow model under the income approach. Under the GPC method, the selection of EBITDA multiple to be used requires significant judgement. To the extent that the discount rate used in determining the present value of our cash flows increases, if we do not meet the cash flow projections for the reporting unit, or GPC multiples in the future decrease, additional impairment charges may be recorded in the future. In addition,

a further decrease in the Company's common stock share price and market capitalization could be an indication that there has been a further decrease in the fair value of the Company's reporting units.

Long-Lived Assets

As discussed above, there were indicators of impairment that required an interim impairment test for the Legacy Array and STI Operations reporting units. Management considered these events to be a triggering event requiring the long-lived assets associated with the STI Operations asset groups be tested for impairment (which includes the amortizable intangible assets) as of the same dates that the goodwill was tested for impairment.

The sum of the future undiscounted cash flows for one of the STI Operations asset groups indicated that the carrying amount of the asset groups was not recoverable as of December 31, 2024. As a result, with the assistance of a third-party valuation specialist, management estimated the fair value of the asset group, which was less than the carrying value of the asset group. The fair value of the asset group was determined using the income approach and then compared to GPC marketplace EBITDA multiples to corroborate the fair value of the reporting unit. An impairment loss of $91.9 million was recognized based on the difference between the carrying value of the asset group and its estimated fair value. The Company impaired $83.0 million of customer relationships, $7.3 million of trade names, and $1.6 million of plant and equipment.

The loss was allocated to the long-lived assets of the group on a pro rata basis using the relative carrying amounts of those assets. In determining the fair value of the asset group, the Company performed a DCF analysis using the income approach. The significant assumptions used in determining the fair value of the asset group are similar to the significant assumptions used in determining the fair value the Company's reporting units.

As of December 31, 2024 and 2023, no events or circumstances were noted that would indicate the carrying amount of any of Legacy Array's asset groups may not be recoverable.

Other Intangible Assets

Other intangible assets consisted of the following (in thousands, except for useful lives):

	Estimated Useful Life (Years)	December 31, 2024	December 31, 2023
Amortizable:			
Developed technology	14	$ 203,800	$ 203,800
Computer software	3	15,826	5,267
Customer relationships	10	179,166	336,134
Backlog	1	16,877	54,438
Trade name	20	15,117	27,061
Total amortizable intangibles		430,786	626,700
Accumulated amortization:			
Developed technology		123,462	108,905
Computer software		14,552	1,274
Customer relationships		102,541	115,444
Backlog		16,877	54,322
Trade name		2,245	2,666
Total accumulated amortization		259,677	282,611
Total amortizable intangibles, net		171,109	344,089
Non-amortizable:			
Trade name		10,300	10,300
Total other intangible assets, net		$ 181,409	$ 354,389

Amortization expense related to intangible assets was $48.4 million, $52.2 million and $98.4 million for the years ended December 31, 2024, 2023 and 2022, respectively, of which $14.6 million was included in amortization of developed technology, a component of cost of revenue, in all three periods. The remaining amortization expense of $33.8 million, $37.6 million and $83.8 million, respectively, was included in depreciation and amortization, on the accompanying consolidated statements of operations.

The following table presents estimated future annual amortization expense (in thousands):

	Amount
2025	$ 34,844
2026	30,370
2027	25,350
2028	25,232
2029	25,232
Thereafter	30,081
	$ 171,109

8. Income Taxes

The components of the Company's income (loss) before provision for income taxes are as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
U.S.	$ 113,045	$ 136,498	$ 34,344
Foreign	(363,621)	40,659	(39,296)
Income (loss) before provision for income taxes	$ (250,576)	$ 177,157	$ (4,952)

The provision for income taxes charged to operations consists of the following (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Current expense (benefit):			
Federal	$ 21,686	$ 26,592	$ 12,826
State	2,707	5,678	1,630
Foreign	3,075	16,509	7,725
	27,468	48,779	22,181
Deferred expense (benefit):			
Federal	(1,361)	942	(6,160)
State	(406)	(327)	(960)
Foreign	(35,883)	(9,477)	(24,445)
	(37,650)	(8,862)	(31,565)
Total income tax expense (benefit)	$ (10,182)	$ 39,917	$ (9,384)

Significant components of the Company's deferred tax assets and liabilities were as follows (in thousands):

	December 31,	
	2024	2023
Deferred tax assets:		
Bad debts	$ 143	$ 164
Inventories	5,439	3,528
Accrued warranties	4,753	4,336
Accrued compensation	496	569
Net operating loss	4,247	2,181
Equity-based compensation	2,769	3,222
Lease liabilities	4,982	5,794
Premium on capped call	7,777	9,376
Interest expense carryforward	80	3,411
Capitalized research and development expenses	6,405	2,000
Other	5,164	4,580
Deferred tax assets	42,255	39,161
Valuation allowance	(11,181)	(2,360)
Deferred tax assets, net	31,074	36,801
Deferred tax liabilities:		
Property, plant, and equipment	(2,349)	(2,825)
Intangible assets	(28,450)	(79,913)
ROU assets	(3,919)	(5,051)
Deferred tax liabilities	(34,718)	(87,789)
Deferred tax asset (liability), net	$ (3,644)	$ (50,988)

A reconciliation of income tax expense computed at the federal statutory rate of 21% to actual income tax expense at the Company's effective rate is as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Income tax rate reconciliation			
Income tax expense (benefit) at U.S. statutory rate	$ (52,621)	$ 37,204	$ (1,040)
State income taxes	1,732	4,150	530
Officer's compensation	350	518	740
Equity-based compensation	595	(932)	712
Contingent consideration	26	622	(947)
Tax credits	(4,554)	(407)	(421)
Non-U.S. income taxed at different rate than U.S. statutory rate	(15,135)	2,658	(4,274)
Non-U.S. indirect tax incentives	975	(5,035)	(4,183)
Foreign derived intangible income benefit	—	(403)	(1,668)
Transaction costs	—	—	1,628
Non-deductible Goodwill Impairment	49,560	—	—
Change in valuation allowance	7,760	911	(534)
Uncertain tax benefits	714	—	—
Nondeductible expenses	481	299	10
Other	(65)	332	63
Total income tax expense (benefit)	$ (10,182)	$ 39,917	$ (9,384)

During 2023 and 2022, the Company received a non-U.S. indirect tax incentive which was excluded from the local income tax base, resulting in a reduction of the overall effective tax rate of the Company. The income tax benefits from the non-U.S. indirect tax incentive was $5.0 million and $4.2 million for 2023 and 2022, respectively. Due to recent legislation, effective in 2024 these non-U.S. indirect tax incentives are no longer excluded from the local income tax base. In addition, in 2024, the Company reached a settlement under an amnesty program relating to treatment of the pre-acquisition of such non-US indirect tax incentives for years ended 2017 and 2018. Under the settlement, there was a repayment of the non-US indirect tax incentives from 2017 and 2018 along with penalties of $3.3 million, which were not deductible.

During the year ended December 31, 2024, the Company recorded impairment charges of $236.0 million related to goodwill and $91.9 million related to intangibles and PP&E. The goodwill impairment charge is non-deductible for income tax purposes, while a deferred tax benefit of $31.2 million offset by a valuation allowance against deferred tax assets of $7.2 million was recognized for the intangible and PP&E impairment. See Note 7 – Goodwill, Long-Lived Assets, and Other Intangible Assets for additional information.

As of December 31, 2024, the Company has federal income tax net operating loss ("NOL") carryforwards of approximately $6.8 million that do not expire, state income tax NOL carryforwards of approximately $0.5 million that will expire in future years beginning in 2029, state tax credits of approximately $1.1 million that will expire in future years beginning in 2033, and certain foreign NOLs that are immaterial. As of December 31, 2023, the Company has federal income tax NOL carryforwards of approximately $6.8 million that do not expire, state income tax NOL carryforwards of approximately $2.3 million that will expire in future years beginning in 2029,

state tax credits of approximately $0.3 million that will expire in future years beginning in 2033, and certain foreign NOLs that are immaterial.

Realization of deferred tax assets is dependent upon generating sufficient taxable income of the appropriate type and in the appropriate jurisdictions. In assessing the ability to realize a portion of the deferred tax assets, management considers whether it is more likely than not that some portion or all the deferred tax assets will not be realized. It is not more likely than not that deferred tax assets from certain U.S. Federal, state and foreign net operating loss would be realized due to type and location of future earnings. As a result, the Company has a valuation allowance of $11.2 million and $2.4 million for the years ended December 31, 2024 and 2023.

ASC 740 addresses the determination of how tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. In accordance with ASC 740, the Company must recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The Company's assessments of its tax positions in accordance with ASC 740 did not result in changes that had a material impact on results of operations, financial condition or liquidity. As of December 31, 2024, 2023 and 2022, the Company had unrecognized income tax benefits of $0.7 million, zero and zero, respectively, of which the entirety would reduce our income tax provision, if recognized within the next twelve months. The Company does not expect any significant changes to the unrecognized tax benefits within the next twelve months.

A reconciliation of the unrecognized tax benefits included within Other long-term liabilities on the consolidated statement of operations is as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Unrecognized tax benefits – January 1	$ —	$ —	$ —
Gross increases – tax positions in prior period	533	—	—
Gross decreases – tax positions in prior period	—	—	—
Gross increases – tax positions in current period	181	—	—
Settlement	—	—	—
Lapse of statute of limitations	—	—	—
Unrecognized tax benefits – December 31	$ 714	$ —	$ —

The Company files income tax returns in the U.S. federal jurisdiction, in multiple U.S. states, as well as in non-U.S. jurisdictions. Through global expansion and the acquisition of STI, the Company has a significant presence in Spain and Brazil. The Company and its subsidiaries are routinely examined by various U.S. and non-U.S. taxing authorities. The Company is not subject to U.S. federal, state and non-U.S. income tax examinations by tax authorities for years before 2020. There are currently no income tax audits in any material jurisdictions.

The cash held by foreign subsidiaries for permanent reinvestment is generally used to finance the subsidiaries' operational activities and future foreign investments. Repatriation of funds could result in an adjustment to the tax liability for foreign withholding taxes, foreign and/or state income taxes and the impact of foreign currency movements. At December 31, 2024, management believed that sufficient liquidity was available in the U.S. The Company may consider repatriating certain funds from its non-U.S. subsidiaries that are not needed to finance

local operations; however, any repatriation activities are not expected to result in a significant incremental tax liability to the Company.

The Organization for Economic Co-operation and Development (OECD) has a framework to implement a global minimum corporate tax of 15% for companies with global revenues and profits above certain thresholds (referred to as Pillar Two), with certain aspects of Pillar Two effective January 1, 2024 and other aspects effective January 1, 2025. Certain countries in which we operate have adopted legislation, and other countries are in the process of introducing legislation to implement Pillar Two. Due to the effective tax rates in which the Company operates, the Company meets certain safe harbor tests. As a result, there was no tax impact of Pillar Two for the year ended December 31, 2024.

The Company accounts for the 45X Credit under IAS 20, Accounting for Government Grants and Disclosure of Government Assistance, for certain parts for which it is the manufacturer as a reduction to production costs with a corresponding reduction to Income Tax Payable. The reduction to production costs of $4.4 million for the year ended December 31, 2024, from the 45X Credit related to parts manufactured by the company, is excluded from Federal and state income taxes.

9. Accrued Expenses and Other

Accrued expenses and other consisted of the following (in thousands):

	December 31,	
	2024	2023
Unvouchered payables	$ 46,043	$ 21,548
Accrued payroll expenses	13,068	15,778
Accrued interest	692	4,723
Non-income taxes payable	4,019	5,560
Other	27,361	22,602
Accrued expenses and other	$ 91,183	$ 70,211

10. Accrued Warranty Reserve

The following table presents changes in the accrued warranty reserve balances (in thousands):

	December 31,		
	2024	2023	2022
Beginning balance	$ 6,162	$ 5,476	$ 3,192
Provision for warranties issued	4,270	6,328	5,289
Payments	(2,432)	(3,980)	(1,868)
Warranty expirations	(1,107)	(1,662)	(1,137)
Ending balance	$ 6,893	$ 6,162	$ 5,476

11. Debt

The following table summarizes the Company's total debt (in thousands):

	December 31,	
	2024	2023
Senior Secured Credit Facility:		
Term loan facility	$ 233,875	$ 238,175
Revolving credit facility	—	—
Total secured credit facility	233,875	238,175
Convertible notes	425,000	425,000
Other debt	34,042	39,889
Total principal	692,917	703,064
Unamortized discount and issuance costs, total	(15,633)	(20,644)
Current portion of debt	(30,714)	(21,472)
Total long-term debt, net of current portion	$ 646,570	$ 660,948

Senior Secured Credit Facility

On October 14, 2020, the Company entered into a credit agreement (as amended, the "Credit Agreement") governing the Company's senior secured credit facility, consisting of (i) a $575 million senior secured 7-year term loan facility (the "Term Loan Facility") and (ii) a $200 million senior secured 5-year revolving credit facility (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Senior Secured Credit Facility"). The Credit Agreement was amended on February 23, 2021 (the "First Amendment"), on February 26, 2021 (the "Second Amendment") and again on March 2, 2023 (the "Third Amendment"). The First Amendment, in the case of Eurocurrency borrowings, lowered the London interbank offered rate floor to 50 basis points from 100 basis points and lowered the applicable margin to 325 basis points from 400 basis points per annum. The Second Amendment increased the borrowing capacity of the Revolving Credit Facility from $150 million to $200 million. The Third Amendment replaced the former discontinued Senior Secured Credit Facility reference rate of LIBOR, with the comparable active reference rate, SOFR.

The outstanding balance on the Term Loan Facility was $233.9 million and $238.2 million as of December 31, 2024 and 2023, respectively. The Term Loan Facility is presented in the accompanying consolidated balance sheets, net of debt discount and issuance costs of $7.9 million and $11.3 million at December 31, 2024 and 2023, respectively.

The Company had no outstanding balance under the revolving credit facility as of both December 31, 2024 and 2023, $28.0 million and $24.8 million in standby letters of credit as of December 31, 2024 and 2023, respectively, and availability of $172.0 million and $175.2 million as of December 31, 2024 and 2023, respectively.

Terms and Conditions of the Senior Secured Credit Facility

Interest Rates

The interest rates applicable to the loans under the Term Loan Facility equal, at the Company's election, to either, (x) for SOFR Loans at Adjusted Term SOFR (subject to a floor of 0.50%) plus 3.25% or (y) for Base Rate Loans at the higher of the Prime Rate, one half of 1.00% above the Federal Funds Rate or the Adjusted Term SOFR for one-month interest period, after giving effect to any floor plus 1.00%, plus 2.25%. Applicable interest rate at December 31, 2024 and 2023, were 9.55% and 10.15%, respectively.

For the years ended December 31, 2024 and 2023, interest expense related to the Term Loan Facility was $24.2 million and $32.4 million, respectively, of which, $20.6 million and $24.5 million, respectively, was contractual interest and $3.6 million and $7.9 million, respectively, was amortization of debt discount and issuance costs. The discount and issuance costs are amortized over the life of the debt using the effective interest rate method.

Prepayments and Amortization

The Term Loan Facility amortizes in equal quarterly installments in aggregate annual amounts equal to 1.00% per annum of the original principal amount of the loans funded thereunder and is due in October 2027. There is no scheduled amortization under the Revolving Credit Facility.

Loans under the Revolving Credit Facility may be voluntarily prepaid in whole, or in part, in each case without premium or penalty. Loans under the Term Loan Facility may be voluntarily prepaid in whole, or in part, in each case without premium or penalty (other than a 1% premium with respect to prepayments on account of certain "repricing events," subject to exceptions, occurring within 12 months of the closing date of the Senior Secured Credit Facility).

Additionally, the Term Loan Facility requires an annual excess cash flow calculation, for which the prescribed formula did not result in requiring the Company to make an advance principal payment for the year ended December 31, 2024.

Restrictive Covenants and Other Matters

The Revolving Credit Facility includes a springing financial maintenance covenant that is tested on the last day of each fiscal quarter if the outstanding loans and certain other credit extensions under the Revolving Credit Facility exceed 35% of the aggregate amount of commitments thereunder, subject to customary exclusions and conditions. If the financial maintenance covenant is triggered, the first lien net leverage ratio will be tested for compliance not to exceed 7.10 to 1.00. As of December 31, 2024, the Company was in compliance with all the required covenants.

The Senior Secured Credit Facility also contains affirmative and negative covenants customary for financings of this type, including covenants that restrict our incurrence of indebtedness and liens, dispositions, investments, acquisitions, restricted payments, and transactions with affiliates. The Senior Secured Credit Facility also includes customary events of default, including the occurrence of a change of control. In addition, the Senior Secured Credit Facility generally restricts the cash payment of dividends on the Company's capital stock, subject to certain exceptions such as payment of dividends on designated preferred stock issued after the closing date.

Guarantees and Security

The obligations under the Senior Secured Credit Facility are guaranteed by ATI Investment Sub, Inc., a wholly owned subsidiary of the Company, and its wholly owned domestic subsidiaries other than certain immaterial subsidiaries and other excluded subsidiaries. The obligations under the Senior Secured Credit Facility are secured by a first priority security interest in substantially all of the future property and assets of the guarantor and the borrower, Array Tech, Inc. (f/k/a Array Technologies, Inc.), including accounts receivable, inventory, equipment, general intangibles, intellectual property, investment property, other personal property, material owned real property, cash and proceeds of the foregoing.

Convertible Debt

On December 3, 2021 and December 9, 2021, the Company completed a $425 million private offering ($375 million and $50 million, respectively), of its 1.00% Convertible Senior Notes due 2028 (the "Convertible Notes"), resulting in proceeds of $413.3 million ($364.7 million and $48.6 million, respectively), after deducting the original issue discount of 2.75%. The Convertible Notes were issued pursuant to an indenture, dated December 3, 2021, between the Company and U.S. Bank National Association, as trustee (the "Indenture").

For each of the years ended December 31, 2024 and 2023, interest expense related to the Convertible Notes was $6.1 million, of which, $4.2 million was contractual interest and $1.9 million was amortization of debt discount and issuance costs. The discount and issuance costs will be amortized over the life of the debt using the effective interest rate of 1.5%.

The Convertible Notes are senior unsecured obligations of the Company and will mature on December 1, 2028, unless earlier converted, redeemed, or repurchased. The Convertible Notes bear interest at a rate of 1.00% per year, payable semiannually in arrears on June 1 and December 1 of each year, beginning on June 1, 2022. As of December 31, 2024 and 2023, the principal balance of the Convertible Notes was $425.0 million with unamortized discount and issuance costs of $7.5 million and $9.4 million, respectively, for a net carrying amount of $417.5 million and $415.6 million, respectively.

The Convertible Notes were not convertible during the year ended December 31, 2024, and none have been converted to date. As the average market price of the Company's common stock has not exceeded the exercise price since inception, there was no dilutive impact to earnings per share for the year ended December 31, 2024.

Redemption

At any time prior to the close of business on the business day immediately preceding June 1, 2028, the Convertible Notes are convertible at the option of the holders only under the following circumstances: (1) during any calendar quarter commencing after the calendar quarter ending on March 31, 2022 (and only during such calendar quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price then in effect on each applicable trading day; (2) during the five business day period after any ten consecutive trading day period (the "measurement period") in which the trading price per $1,000 principal amount of Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the Company's common stock and the conversion rate for the Convertible Notes on each such trading day; (3) if the Company calls such Convertible Notes for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date, but only with respect to the

Convertible Notes called (or deemed called) for redemption; or (4) upon the occurrence of specified corporate events as described in the Indenture. On or after June 1, 2028, until the close of business on the second scheduled trading day immediately preceding the maturity date, holders of the Convertible Notes may convert all or any portion of their Convertible Notes at any time regardless of the foregoing circumstances. Upon conversion of the Convertible Notes, the Company will pay cash up to the aggregate principal amount of the Convertible Notes to be converted and pay or deliver, as the case may be, cash, shares of the Company's common stock or a combination of cash and shares of the Company's common stock, at the Company's election, in respect of the remainder, if any, of the Company's conversion obligation in excess of the aggregate principal amount of the Convertible Notes being converted.

The Company may redeem (an "Optional Redemption") for cash all or any portion of the Convertible Notes, at its option, on or after December 6, 2025, if the last reported sale price of the Company'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 the Company provides notice of redemption at a redemption price equal to 100% of the principal amount of the Convertible Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. If the Company redeems less than all the outstanding Convertible Notes, at least $100 million aggregate principal amount of Convertible Notes must be outstanding and not subject to redemption as of the date of the relevant notice of redemption. No sinking fund is provided for the Convertible Notes.

The conversion rate for the Convertible Notes was initially, and remains currently, 41.9054 shares of the Company's common stock per $1,000 principal amount of the Convertible Notes, which is equivalent to a conversion price of approximately $23.86 per share of common stock or 10.1 million shares. The conversion price of the Convertible Notes represents a premium of approximately 32.5% to the last reported sale price of the Company's common stock on the Nasdaq Global Market on November 30, 2021. The conversion rate for the Convertible Notes is subject to adjustment under certain circumstances in accordance with the terms of the Indenture. In addition, following certain corporate events that occur prior to the maturity date of the Convertible Notes or if the Company delivers a notice of redemption in respect of the Convertible Notes, the Company will, under certain circumstances, increase the conversion rate of the Convertible Notes for a holder who elects to convert its Convertible Notes (or any portion thereof) in connection with such a corporate event or convert its Convertible Notes called (or deemed called) for redemption during the related Redemption Period (as defined in the Indenture), as the case may be.

If the Company undergoes a Fundamental Change (as defined in the Indenture), holders may require, subject to certain conditions and exceptions, the Company to repurchase for cash all or any portion of their Convertible Notes at a Fundamental Change Repurchase Price (as defined in the Indenture) equal to 100% of the principal amount of the Convertible Notes to be repurchased, plus accrued and unpaid interest, to, but excluding, the Fundamental Change Repurchase Date (as defined in the Indenture).

The Indenture includes customary covenants and sets forth certain events of default after which the Convertible Notes may be declared immediately due and payable and sets forth certain types of bankruptcy or insolvency events of default involving the Company or certain of its subsidiaries after which the Convertible Notes become automatically due and payable.

Capped Calls

In connection with the issuances of the Convertible Notes, the Company paid $52.9 million, in aggregate, to enter into capped call option agreements to reduce the potential dilution to holders of the Company's common stock after a conversion of the Convertible Notes. Specifically, upon the exercise of the capped call instruments issued pursuant to the agreements (the "Capped Calls"), the Company would receive shares of its common stock equal to approximately 17.8 million shares (a) multiplied by (i) the lower of $36.0200 or the then-current market price of its common stock, less (ii) the applicable exercise price, $23.86, and (b) divided by the then-current market price of its common stock. The results of this formula are that the Company would receive more shares as the market price of its common stock exceeds the exercise price and approaches the cap, which was initially, and remains currently, $36.02 per share.

Consequently, if the Convertible Notes are converted, then the number of shares to be issued by the Company would be effectively partially offset by the shares of common stock received by the Company under the Capped Calls as they are exercised. The formula above would be adjusted in the event of certain specified extraordinary events affecting the Company, including a merger; a tender offer; nationalization, insolvency or delisting of the Company's common stock; changes in law; failure to deliver; insolvency filing; stock splits, combinations, dividends, repurchases or similar events; or an announcement of certain of the preceding actions.

The Company can also elect to receive the equivalent value of cash in lieu of shares of common stock upon settlement, except in certain circumstances. The Capped Calls expire on December 1, 2028 and terminate upon the occurrence of certain extraordinary events such as a merger, tender offer, nationalization, insolvency, delisting, event of default, a change in law, failure to deliver, an announcement of certain of these events, or an early conversion of the Convertible Notes. Although intended to reduce the net number of shares of common stock issued after a conversion of the Convertible Notes, the Capped Calls were separately negotiated transactions, are not a part of the terms of the Convertible Notes, and do not affect the rights of the holders of the Convertible Notes.

The Company made a tax election to integrate the Convertible Notes and the Capped Calls. The accounting impact of this tax election makes the Capped Calls deductible as original issue discount interest for tax purposes over the term of the note, and as a result, established as deferred income tax asset of $10.8 million at inception, with an offsetting adjustment to additional paid-in capital on the consolidated balance sheets as of December 31, 2022.

At issuance the Company concluded that the Capped Calls met the criteria for equity classification because they are indexed to the Company's common stock and the Company has discretion to settle the Capped Calls in shares or cash. As a result, the amount paid for the Capped Calls was recorded as a reduction to additional paid-in capital.

Other Debt

Other debt consists of the debt obligations of STI Operations ("Other Debt"). Interest rates on Other debt range from 3.13% to 6.10% annually. Of the $33.8 million carrying value of the Other debt balance as of December 31, 2024, $14.9 million is denominated in Euros and $18.9 million is denominated in U.S. dollar. These debt obligations mature by 2027.

At December 31, 2024, STI Operations had three notes payable with a carrying value of $18.9 million outstanding, which resulted from a reverse factoring arrangements with a bank. The notes payable mature within a year from issuance and are included in the carrying value of Other debt of $33.8 million.

Aggregate Debt Maturities

Aggregate future debt maturities are as follows (in thousands):

	Amount
2025	$ 30,959
2026	9,925
2027	227,033
2028	425,000
2029	—
	$ 692,917

12. Redeemable Perpetual Preferred Stock

Series A Redeemable Perpetual Preferred Stock

The Company entered into a Securities Purchase Agreement (the "Series A Purchase Agreement") with certain investors (the "Series A Investor") pursuant to which, on August 11, 2021, the Company issued 350,000 shares of its newly designated Series A Shares and 7,098,765 shares of the Company's common stock for an aggregate purchase price of $346.0 million (the "Initial Closing"). Further, pursuant to the Series A Purchase Agreement, on September 27, 2021, the Company issued and sold to the Series A Investor 776,235 shares of common stock for an aggregate purchase price of $776 (the "Prepaid Forward Contract"). The Company used the net proceeds from the Initial Closing to repay the $102.0 million outstanding balance under its existing Revolving Credit Facility and prepay $100.0 million of the Company's Term Loan Facility. The Series A Shares have no maturity date.

The Series A Purchase Agreement required the Series A investor to purchase up to an additional 150,000 shares of Series A Shares and up to 3,375,000 shares of common stock (or up to 6,100,000 shares of common stock in the event of certain price-related adjustments) until June 30, 2023, subject to certain equitable adjustments pursuant to any stock dividend, stock split, stock combination, reclassification or similar transaction, for an aggregate purchase price up to $148.0 million (the "Put Option"). The Put Option expired effective June 30, 2023.

On January 7, 2022, pursuant to the Put Option, the Company issued and sold to the Series A Investor 50,000 shares of Series A Shares and 1,125,000 shares of the Company's common stock in an additional closing for an aggregate purchase price of $49.4 million (the "Additional Closing").

The Company evaluated the accounting for the instruments issued pursuant to the Series A Purchase Agreement and determined the Series A Shares and common stock issued in the Initial Closing, as well as the Prepaid Forward Contract and the Put Option are freestanding instruments accounted for in equity. The Series A Shares are recorded in temporary equity on the consolidated balance sheets as they have redemption features upon certain triggering events that are outside the Company's control, such as a fundamental change.

The proceeds of the Series A Shares, net of transaction costs and discount of $334.6 million have been allocated to each instrument based on its relative fair value. At the Initial Closing date, $229.8 million was allocated to the Series A Shares, $105.4 million to common stock, $12.4 million to the Put Option, which was recorded as a debit to additional paid-in-capital, and $11.7 million to the Prepaid Forward Contract.

Direct costs associated with the issuance of the Securities were $11.1 million, which along with the $4.4 million discount, have been accounted for as a reduction in the proceeds of the Securities. The net proceeds of $334.6 million have been allocated to Series A Shares of $229.8 million, common stock of $105.4 million and additional paid-in capital of $12.4 million for the committed financing put right.

The Additional Closing proceeds, net of transaction costs and discount of $1.3 million, were allocated among the Series A Shares and common stock based on the proceeds of $33.1 million and $15.9 million, respectively.

The Company has classified the Series A Shares as temporary equity and is accreting the carrying amount to its full redemption amount from the date of issuance to the earliest redemption date using the effective interest method. Such accretion totaled $27.5 million and $25.3 million for the years ended December 31, 2024 and 2023, respectively.

At issuance, the Company evaluated the accounting for the instruments issued pursuant to the Series A Purchase Agreement and determined the Series A Shares and common stock issued in the Initial Closing, as well as the Prepaid Forward Contract and the Put Option, are freestanding instruments that are classified in equity.

Dividends

On or prior to the fifth anniversary of the Initial Closing, the Company may pay dividends on the Series A Shares either in (i) cash at the then-applicable Cash Regular Dividend Rate (as defined below), (ii) through accrual to the Liquidation Preference at the Accrued Regular Dividend Rate of 6.25% (the “Permitted Accrued Dividends,”) or (iii) a combination thereof. Following the fifth anniversary of the Initial Closing, dividends are payable only in cash. To the extent the Company does not declare such dividends and pay in cash following the fifth anniversary of the Initial Closing, the dividends accrue to the Liquidation Preference (“Default Accrued Dividends”) at the then-applicable Cash Regular Dividend Rate plus 200 basis points. In the event there are Default Accrued Dividends outstanding for six consecutive quarters, the Company, at the option of the holders of the Series A Shares, will pay 100% of the amount of Default Accrued Dividends by delivering to such holder a number of shares of the Company’s common stock equal to the quotient of (i) the amount of Default Accrued Dividends divided by (ii) 95% of the 30-day VWAP of the Company’s common stock (“Non-Cash Dividend”).

The “Cash Regular Dividend Rate” of the Series A Shares means (i) initially, 5.75% per annum on the Liquidation Preference and (ii) increased by (a) 50 basis points on each of the fifth, sixth and seventh anniversaries of the Initial Closing and (b) 100 basis points on each of the eighth, ninth and tenth anniversaries of the Initial Closing. The “Accrued Regular Dividend Rate” on the Series A Shares means 6.25% per annum on the Liquidation Preference.

As used herein, “Liquidation Preference” means, with respect to the Series A Shares, the initial liquidation preference of $1,000 per share plus any accrued dividends of such share as the time of the determination.

During the year ended December 31, 2024, the Company accrued dividends on the Series A Shares at the Accrued Regular Dividend rate of 6.25% totaling $28.2 million. As of December 31, 2024 total accrued and unpaid dividends were $60.9 million.

The Series A Shares have similar characteristics of an "Increasing Rate Security" as described by SEC Staff Accounting Bulletin Topic 5Q, *Increasing Rate Preferred Stock*. As a result, the discount on Series A Shares is considered an unstated dividend cost that is amortized over the period preceding commencement of the perpetual dividend using the effective interest method, by charging imputed dividend cost against retained earnings, or additional paid in capital in the absence of retained earnings, and increasing the carrying amount of the Series A Shares by a corresponding amount. Accordingly, the discount is amortized over five years using the effective yield method.

Fees

During the six months ended June 30, 2023, the Company paid the Series A Investor a per annum cash commitment fee totaling $1.5 million on the unpurchased portion of the Put Option. The Put Option expired effective June 30, 2023.

Ranking and Liquidation Preference

The Series A Shares rank senior to the Company's common stock with respect to dividend rights and rights upon the voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company (a "Liquidation"). Upon a Liquidation, each of Series A Redeemable Share would be entitled to receive an amount per share (the "Liquidation, Redemption or Repurchase Amount") equal to the greater of (i) the Liquidation Preference of such share, plus all accrued and unpaid dividends (including any Accrued Dividends) thereon and (ii) an amount in cash equal to the sum of (a) 130.0% of the Initial Liquidation Preference (as defined below) of such share, minus (b) the cumulative amount of cash dividends paid in respect of such share prior to such payment. As used herein, "Liquidation Preference" means, with respect to any of the Series A Shares, the initial liquidation preference of $1,000 per share (the "Initial Liquidation Preference") plus any Accrued Dividends of such share as of the time of determination.

Redemption Rights

The Company may redeem all or any portion of the Series A Shares (in increments of not less than $200 million, based on the Liquidation Preference of the Series A Shares to be redeemed at such time or such lesser amount to the extent the Company chooses to redeem all of the outstanding shares of Series A Shares) for an amount in cash equal to the Liquidation, Redemption or Repurchase Amount. Upon a "Fundamental Change" (involving a change of control, bankruptcy, insolvency or liquidation of the Company as further described in the Certificate of Designations), each Holder shall have the right to require the Company to redeem all or any part of the Holder's Series A Shares for an amount in cash equal to the Liquidation, Redemption or Repurchase Amount.

Voting Rights

Each Holder of Series A Shares will have one vote per share on any matter on which Holders of Series A Shares are entitled to vote separately as a class (as described below), whether at a meeting or by written consent. The Holders of Series A Shares do not otherwise have any voting rights.

13. Common and Preferred Stock

Common Stock

Each holder of the Company's common stock shall be entitled to one vote for each share of common stock held as of the applicable record date on any matter that is submitted to a vote or for the consent of the stockholders of the Company. The holders of the Company's common stock shall be entitled to share equally, on a per share basis, in such dividends and other distributions of cash, property or shares of stock of the Company as may be declared by the Company's board of directors, subject to the preferences applicable to holders of preferred stock. In the event of a voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the Company, all assets of the Corporation of whatever kind available for distribution to the holders of the Company's common stock shall be divided among and paid ratably to the holders of common stock, subject to the preferences applicable to holders of preferred stock.

Preferred Stock

Preferred stock may be issued from time to time by the Company for such consideration as may be fixed by the Company's board of directors. The board of directors is authorized to provide for one or more series of preferred stock and to fix the designation of such series, the voting rights, preferences and relative, participating, optional and other special rights, and the qualifications, limitations or restrictions thereof, of such series of preferred stock and the number of shares of such series, as may be permitted under the General Corporation Law of the State of Delaware. The powers, preferences and relative, participating, optional and other special rights of, and the qualifications, limitations or restrictions thereof, of each series of preferred stock, if any, may differ from those of any and all other series at any time outstanding.

14. Revenue

The Company disaggregates its revenue from contracts with customers by sales recorded over time and sales recorded at a point in time. The following table presents the Company's disaggregated revenues (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Over-time revenue	$ 744,346	$ 1,417,217	$ 1,155,848
Point in time revenue	171,461	159,334	481,698
Total revenue	$ 915,807	$ 1,576,551	$ 1,637,546

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, unbilled receivables ("contract assets"), and deferred revenue ("contract liabilities") on the condensed consolidated balance sheets. The majority of the Company's contract amounts are billed as work progresses, in accordance with agreed-upon contractual terms, which generally coincide with the shipment of one or more phases of the project. For certain customer contracts, billing can occur in advance of shipment, resulting in contract liabilities. Billing sometimes occurs subsequent to revenue recognition, resulting in contract assets. The changes in contract assets and the corresponding amounts recorded in revenue relate to fluctuations in the timing and volume of billings.

Contract assets consisting of unbilled receivables are recorded within accounts receivable, net on the consolidated balance sheets on a contract-by-contract basis at the end of the reporting period and consisted of the following (in thousands):

	December 31,		
	2024	2023	2022
Unbilled receivables	$ 94,045	$ 102,603	$ 101,513

The Company also receives advances or deposits from its customers, before revenue is recognized, resulting in contract liabilities. The changes in contract liabilities (i.e., deferred revenue) relate to advanced orders and payments received by the Company.

Contract liabilities consisting of deferred revenue recorded on a contract-by-contract basis at the end of each reporting period were as follows (in thousands):

	December 31,		
	2024	2023	2022
Deferred revenue	$ 119,775	$ 66,488	$ 178,922

During the years ended December 31, 2024 and 2023, the Company converted $42.4 million and $161.2 million deferred revenue to revenue, respectively, which represented 64% and 90% of the prior years' deferred revenue balance, respectively.

Bill-and-Hold Arrangements

Revenue recognized for the Company's federal investment tax credit ("ITC") contracts and standalone system component sales is recorded at a point in time and recognized when obligations under the terms of the contract with the Company's customer are satisfied. Generally, this occurs with the transfer of control of the asset, which is typically upon delivery to the customer in line with shipping terms.

In certain situations, the Company recognizes revenue under a bill-and-hold arrangement with its customers. An example of such a situation is when customers purchase material prior to the start of construction of a solar project in order to meet the Five Percent Safe Harbor test to qualify for the ITC. Because the customers lack sufficient storage capacity to accept a large amount of material prior to the start of construction, they request that the Company keep the product in its custody. All bill-and-hold inventory is bundled or palletized in the Company's warehouses, separately identified as not belonging to the Company and ready for immediate transport to the customer project upon request. Additionally, title and risk of loss has passed to the customer and the Company does not have the ability to use the product or direct it to another customer.

During the year ended December 31, 2024, the Company recognized $1.9 million in revenue from one customer for the sale of goods and services that contained bill-and-hold obligations such as storage, handling and other custodial duties. During the year ended December 31, 2023 and 2022, the Company recognized $38.8 million, and $13.7 million, respectively, from three and one customer, respectively, that also contained bill-and-hold obligations.

Remaining Performance Obligations

As of December 31, 2024, the Company had $593.6 million of remaining performance obligations. The Company expects to recognize revenue on 97% of these performance obligations in the next twelve months.

15. Earnings per Share

The following table sets forth the computation of basic and diluted income (loss) per share (in thousands, except per share amounts):

	Year Ended December 31,		
	2024	2023	2022
Net income (loss)	$ (240,394)	$ 137,240	$ 4,432
Preferred dividends and accretion	55,670	51,691	48,054
Net income (loss) to common shareholders	(296,064)	85,549	(43,622)
Basic:			
Weighted average common shares outstanding	151,754	150,942	149,819
Earnings (loss) per share	$ (1.95)	$ 0.57	$ (0.29)
Diluted:			
Weighted average common shares outstanding	151,754	150,942	149,819
Effect of Restricted Stock and Performance Awards	—	1,080	—
Weighted average dilutive shares	151,754	152,022	149,819
Income (loss) per share	$ (1.95)	$ 0.56	$ (0.29)

Since the Company was in a loss position for the year ended December 31, 2024 and 2022, basic net loss per share to common shareholders is the same as diluted net loss per share to common stockholders, as the inclusion of all potential shares of common stock outstanding would have been anti-dilutive. At December 31, 2024, 2023 and 2022, 3,572,402, 2,362,982, and 2,165,217, respectively, of common stock equivalents were excluded from the calculation of diluted net loss per share to common stockholders, as they had an antidilutive effect.

There were no potentially dilutive common shares issuable pursuant to the Convertible Notes for the years ended December 31, 2024, 2023 and 2022, as the average market price of the Company's common stock has not exceeded the exercise price since their issuance.

16. Commitments and Contingencies

Litigation

The Company, in the normal course of business, is subject to claims and litigation. The Company reviews the status of each matter and assesses its potential financial exposure. If the potential loss from any claim or legal proceeding is considered probable and the amount can be reasonably estimated, the Company would accrue a liability for the estimated loss.

On May 14, 2021, a putative class action was filed in the U.S. District Court for the Southern District of New York against the Company and certain officers and directors alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, and Rule 10b-5, promulgated thereunder, and Sections 11, 12(a)(2) and 15 of the Securities Exchange Act of 1933 ("Plymouth Action"). The complaint alleges misstatements and/or omissions in the Company's registration statements and prospectuses related to the Company's October 2020 initial public offering ("IPO"), the Company's December 2020 offering, and the Company's March 2021 offering during the putative class period of October 14, 2020 through May 11, 2021. A consolidated amended class action complaint was filed on December 7, 2021 with additional allegations regarding misstatements and/or omissions in: (1) in the Company's Annual Report on Form 10-K and associated press release announcing results for the fourth quarter and full fiscal year 2020; and (2) in the Company's November 5, 2020 and March 9, 2021 earnings calls.

On June 30, 2021, a substantially similar second putative class action was filed in the Southern District of New York against the Company and certain officers and directors alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, and Rule 10b-5, promulgated thereunder, and Sections 11 and 15 of the Securities Exchange Act of 1933, which was consolidated with the Plymouth Action.

All Defendants in the Plymouth Action, including the Company, moved to dismiss the consolidated amended complaint. On May 19, 2023, the court granted the Company's motion to dismiss and, on July 5, 2023, denied a request from the Plymouth Action plaintiffs for leave to amend the consolidated amended complaint and dismissed the Plymouth Action in its entirety with prejudice.

On August 4, 2023, the lead plaintiffs filed a notice of appeal of the court's dismissal of the consolidated amended complaint to the U.S. Court of Appeals for the Second Circuit. After full briefing, the court of appeals heard oral argument on June 26, 2024 and the case is still pending decision by the court.

On July 16, 2021, a verified derivative complaint was filed in the Southern District of New York against certain officers and directors of the Company. The complaint alleges: (1) violations of Section 14(a) of the Securities Exchange Act of 1934 for misleading proxy statements, (2) breach of fiduciary duty, (3) unjust enrichment, (4) abuse of control, (5) gross mismanagement, (6) corporate waste, (7) aiding and abetting breach of fiduciary duty, and (8) contribution under sections 10(b) and 21D of the Securities Exchange Act of 1934.

On July 30, 2021, a second verified derivative complaint was filed in the Southern District of New York against certain officers and directors of the Company. The complaint alleges: (1) violations of Section 14(a) of the Securities Exchange Act of 1934 for causing the issuance of a false/misleading proxy statement, (2) breach of fiduciary duty, and (3) aiding and abetting breaches of fiduciary duty.

On August 24, 2021, the Southern District of New York derivative actions were consolidated, and the court appointed co-lead counsel. The consolidated cases remain stayed pending the outcome of the appeal of the Plymouth Action.

On August 3, 2022, a verified derivative complaint was filed in the Court of Chancery of the State of Delaware against certain officers and directors of the Company, asserting claims for: (1) breach of fiduciary duty and (2) unjust enrichment.

On August 11, 2022, a second verified derivative complaint was filed with the Court of Chancery against certain officers and directors of the Company, asserting claims for: (1) breach of fiduciary duty; (2) aiding and abetting breaches of fiduciary duty; (3) waste of corporate assets; (4) unjust enrichment; (5) insider selling; and (6) aiding and abetting insider selling.

On September 2, 2022, the derivative cases with the Court of Chancery were consolidated and the court appointed co-lead counsel. The consolidated cases remain stayed pending the outcome of the appeal of the Plymouth Action.

The Company continues to believe the claims alleged in the actions are without merit and intends to continue to vigorously defend its position in these matters. The Company has not recorded any material loss contingency in the consolidated balance sheets as of December 31, 2024.

Commercial Supplier Settlement

During March 2024, the Company reached a settlement with one of its vendors, in which the Company received $4.0 million in the form of a one-time $2.6 million cash payment due immediately, and $1.4 million in credits with the vendor which can be applied by the Company to future orders from the respective vendor. If the Company does not utilize all of the credits by January 2026, it will receive a one-time cash payment from the vendor for the remaining unused credit balance. During the year ended December 31, 2024 the Company recognized a $4.0 million reduction to cost of revenue on the consolidated statements of operations from the settlement, and has a receivable of $0.4 million included in Prepaid and other expenses, net on the consolidated balance sheet. Subsequent to December 31, 2024, the Company has collected the remaining outstanding amount.

The Company is party to various other legal proceedings, claims, governmental and/or regulatory inspections, inquiries and investigations arising out of the ordinary course of its business. The Company believes that, there are no other proceedings or claims pending against it, the ultimate resolution of which could have a material adverse effect on its financial condition or results of operations. In all cases, at each reporting period, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under ASC 450, Contingencies (ASC 450). Legal costs are expensed as incurred. It is possible that future results for any particular quarter or annual period may be materially affected by changes in our assumption or the effectiveness of the Company's strategies relating to these proceedings.

Contingent Consideration

Tax Receivable Agreement

Concurrent with the Former Parent's acquisition of Array Technologies Patent Holdings Co., LLC on July 8, 2016, Array Tech, Inc. entered into a TRA with the former majority shareholder of the Company. The TRA is valued based on the future expected payments under the agreement. The TRA provides for the payment by

Array Tech, Inc. to the former owners for certain federal, state, local and non-U.S. tax benefits deemed realized in post-closing taxable periods by the Company, from the use of certain deductions generated by the increase in the tax value of the developed technology. The TRA is accounted for as contingent consideration and changes in the fair value of the TRA are recognized in earnings. As of December 31, 2024 and 2023, the fair value of the TRA was $9.1 million and $10.4 million, respectively.

Estimating the amount of payments that may be made under the TRA is by nature imprecise. The significant fair value inputs used to estimate the future expected TRA payments to the former owners include the timing of tax payments, a discount rate, book income projections, timing of expected adjustments to calculate taxable income and the projected rate of use for attributes defined in the TRA.

Payments made under the TRA consider tax positions taken by the Company and are due within 125 days following the filing of the Company's U.S. federal and state income tax returns under procedures described in the agreement. The current portion of the TRA liability is based on tax returns. The TRA will continue until all tax benefit payments have been made or the Company elects early termination under the terms described in the TRA.

The following table summarizes the activity related to our estimated TRA obligation (in thousands):

	TRA Liability
Balance, December 31, 2022	$ 8,587
IRS Settlement	(1,200)
Fair value adjustment	2,976
Balance, December 31, 2023	10,363
Payments	(1,427)
Fair value adjustment	125
Balance, December 31, 2024	$ 9,061

The TRA liability requires significant judgment and is classified as Level 3 in the fair value hierarchy.

Surety Bond

The Company is required to provide surety bonds to various parties as required for certain transactions initiated during the ordinary course of business to guarantee the Company's performance in accordance with contractual or legal obligations. These off-balance sheet arrangements do not adversely impact the Company's liquidity or capital resources. As of December 31, 2024, the Company had surety bonds outstanding in the amount of $270.9 million.

Purchase Commitments

The Company has entered into various purchase agreements, including inventory-related agreements with its suppliers to purchase raw materials or parts. The Company had non-cancellable purchase obligations of $78.2 million at December 31, 2024.

17. Fair Value of Financial Instruments

The carrying values and the estimated fair values of debt financial instruments were as follows (in thousands):

	December 31, 2024		December 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Convertible Notes	$ 417,525	$ 311,525	$ 415,632	$ 416,500

The fair value of the Convertible Notes is estimated using Level 2 inputs, as they are not registered securities nor listed on any securities exchange but may be traded by qualified institutional buyers.

The fair value of the Term Loans and Other debt is estimated using Level 2 inputs. The carrying values of the Term Loans outstanding under the Senior Secured Credit facility recorded in consolidated balance sheets approximate fair value due to the variable interest rate.

Other debt totaling $33.8 million, consists of $14.9 million variable rate obligations and $18.9 million fixed rate obligations. Due to the relative short-term maturity of the fixed rate obligations, the Company believes the carrying value approximates fair value. The carrying value of the variable rate obligations approximate fair value due to the variable nature of the interest rates.

18. Equity-Based Compensation and Other Benefit Plans

2020 Equity Incentive Plan

On October 14, 2020, the Company's 2020 Equity Incentive Plan (the "2020 Plan") became effective. The 2020 Plan authorized 6,683,919 new shares, subject to adjustments pursuant to the 2020 Plan.

Restricted Stock Units

Pursuant to the 2020 Plan, the Company grants restricted stock units ("RSUs") to employees and board of director members. The fair value of the RSUs is determined using the market value of common stock on the grant date.

RSU activity under the 2020 Plan was as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding non-vested, December 31, 2021	930,409	$ 22.39
Shares granted	1,484,782	$ 10.93
Shares vested	(458,849)	$ 20.00
Shares forfeited	(255,518)	$ 15.42
Outstanding non-vested, December 31, 2022	1,700,824	$ 13.81
Shares granted	904,075	$ 17.89
Shares vested	(736,774)	$ 14.43
Shares forfeited	(197,616)	$ 16.43
Outstanding non-vested, December 31, 2023	1,670,509	$ 15.44
Shares granted	2,184,402	$ 9.54
Shares vested	(728,518)	$ 15.35
Shares forfeited	(478,232)	$ 13.19
Outstanding non-vested, December 31, 2024	2,648,161	$ 10.97

Performance Stock Units

The Company has granted performance stock units (“PSUs”) to certain executives. The PSUs cliff vest after three years and upon meeting certain revenue and adjusted EPS targets. The PSUs also contain a modifier based on the total stock return (“TSR”) compared to a certain index which modifies the number of PSUs that vest. The PSUs were valued using a Monte-Carlo simulation method on the date of grant based on the U.S. Treasury Constant Maturity rates. The following assumptions were used in the Monte Carlo simulation for computing the grant date fair value of the PSUs issued during the years ended December 31, 2024 and 2023:

	2024	2023
Volatility	79 %	90 %
Risk-free interest rate	4.62 %	3.74 %
Dividend yield	— %	— %

PSU activity under the 2020 Plan during the years ended December 31, 2024, 2023 and 2022, was as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
PSUs		
Outstanding non-vested, December 31, 2021	147,687	$ 27.75
Shares granted [1]	466,916	$ 10.88
Shares vested	—	$ —
Shares forfeited	(150,210)	$ 20.81
Outstanding non-vested, December 31, 2022	464,393	$ 11.96
Shares granted [1]	263,594	$ 19.22
Shares vested	—	$ —
Shares forfeited	(35,514)	$ 15.47
Outstanding non-vested, December 31, 2023	692,473	$ 14.54
Shares granted [1]	586,316	$ 11.74
Shares vested	—	$ —
Shares forfeited	(354,548)	$ 16.16
Outstanding non-vested, December 31, 2024	924,241	$ 12.76

[1] Number of PSUs granted is based on the attainment level of performance metric(s), by key executive officers and employees of the Company, estimated to be probable at the grant date. The actual number of shares to be issued will depend on the relative attainment of the performance metrics.

The aggregate fair value of RSU and PSU that vested during the years ended December 31, 2024, 2023 and 2022 was $9.5 million, $15.9 million and $5.9 million, respectively, which represented the market value of our common stock on the date that the RSUs or PSUs vested.

For the years ended December 31, 2024, 2023 and 2022, the Company recognized $10.3 million, $14.6 million and $14.8 million, respectively, in equity-based compensation, which is included in General and administrative expense on the consolidated statements of operations. At December 31, 2024, the Company had $19.6 million of unrecognized compensation costs related to RSUs and PSU, which are expected to be recognized over a weighted average of 2.1 years and 2.0 years, respectively.

Employee Stock Purchase Plan

The Company's Compensation Committee approved the Employee Stock Purchase Plan in December 2021. The Plan allows employees to purchase shares at a 15% discount off the lower of the stock price at the beginning or ending of the six months window through payroll deductions. The plan is considered compensatory in nature and the Company recorded equity-based compensation expense on the plan beginning in 2022. During the years ended December 31, 2024 and 2023, the Company recorded $0.2 million and $0.1 million, respectively, in equity-based compensation related to the Employee Stock Purchase Plan.

Deferred Compensation Plan

On May 21, 2024, the Human Capital Committee (the "Committee") of the Board of Directors (the "Board") of Array Technologies, Inc. adopted the Array Tech, Inc. Deferred Compensation Plan (the "Plan"). The Plan is a non-qualified deferred compensation plan intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"). Participation in the Plan is voluntary and is currently available to U.S. employees of the Company and its subsidiaries at the level of Vice President and above. Deferred compensation plan liabilities at December 31, 2024 were immaterial.

401(k) Plan

We have a defined contribution plan ("401(k) Plan") which allows eligible employees to contribute up to 75% of their compensation up to the Internal Revenue Service maximum. We match each employee's deferrals (contributions) at 100% for the first 3% and 50% of the fourth and fifth percentages of compensation and may make additional contributions at our discretion. Employees are immediately vested in the contributions made by us. Our contributions to the 401(k) Plan were $2.0 million, $1.9 million, and $1.5 million for the years ended December 31, 2024, 2023 and 2022, respectively, and are recorded in cost of revenue and general and administrative expense. We have made no discretionary contributions to the 401(k) Plan to date.

19. Leases

The Company accounts for its leases under ASC 842 *Leases* ("ASC 842"). The Company has elected to apply the short-term measurement and recognition exemption in which the right-of-use ("ROU") assets and lease liabilities are not recognized for short-term leases.

The following table summarizes the Company's ROU assets and lease liabilities (in thousands):

	Location on the Consolidated Balance Sheets	December 31, 2024	December 31, 2023
ROU Assets	Other assets	$ 16,384	$ 22,085
Lease liabilities, current portion	Other current liabilities	5,600	5,744
Lease liabilities, long-term portion	Other long-term liabilities	15,128	19,475
Total lease liabilities		$ 20,728	$ 25,219

The components of lease cost related to the Company's operating leases were as follows (in thousands):

	Year Ended December 31, 2024	2023	2022
Operating lease expense	$ 8,262	$ 8,188	$ 7,701
Variable lease expense	1,838	1,501	1,089
Short-term lease expense	48	86	327
Total lease expense	$ 10,148	$ 9,775	$ 9,117

Future minimum operating lease payments as of December 31, 2024, are as follows (in thousands):

	Operating Leases
2025	$ 5,156
2026	3,035
2027	2,968
2028	2,983
2029	3,047
Thereafter	11,268
Total lease payments	28,457
Less: Imputed lease interest	(7,729)
Total lease liabilities	$ 20,728

Other information pertaining to operating leases consists of the following:

	Year Ended December 31,		
	2024	2023	2022
Weighted average remaining lease-term	6.0 years	5.7 years	4.2 years
Weighted average discount rate	8.3 %	7.9 %	5.4 %

Supplemental cash flow and other information related to operating leases are as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Operating cash flows from operating leases	$ 7,042	$ 7,911	$ 5,380
Non cash investing activities:			
Lease liabilities arising from obtaining right-of-use assets	$ 849	$ 10,562	$ 12,558

In May 2024, the Company entered into a triple net lease (“NNN term lease”) with GDC Sunshine LLC (“Lessor”) for 13 1/2 years (162 full calendar months) for a new manufacturing and office facility in Bernaillo County, New Mexico. The NNN term lease agreement allows for an extension of one consecutive period of 10 years. The new facility that is mixed use and built for general purposes will be approximately 216,000 square feet when constructed.

The NNN term lease commences upon the earliest of several events, including the Lessor’s completion of the construction of the building, which is currently expected to occur in the fourth quarter of 2025 and will be accounted for as a finance lease.
Under the construction agreement with the Lessor, the Company contributed approximately $11.3 million to the construction costs of the facility during October 2024. Future minimum lease payments under the NNN term lease, assuming the Company executes the renewal option, are estimated to be $105.0 million at December 31, 2024, payable over the expected lease term beginning with the commencement date.

In connection with this NNN term lease and the Company’s planned acquisition of machinery and equipment related to the new facility, the Lessor and the Company entered into a series of transactions with Bernalillo County (the “County”) related to a tax abatement plan. These transactions had no net impact to the

consolidated financial statements of the Company. The tax abatement plan provides for the effective elimination of 75% of the real property taxes and 100% of the personal property taxes payable to the County by the Company and the Lessor during the term of the NNN term lease, and the abatement of 100% of the sales and use taxes that would be incurred by the Company and the Lessor related to the purchase and use of machinery and equipment.

20. Segment and Geographic Information

ASC 280 Segment Reporting establishes standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM") in deciding how to allocate resources and in assessing performance. The CODM is the Chief Executive Officer of the Company.

The Company works with engineering, procurement, and construction firms, to design a solar array to achieve the projects desired power output. The Company provides the solar tracking system components, which include standard and nonstandard parts. The Company delivers the fully functioning tracker systems for the project sites and provides commissioning services. Although the solar array may use different components and technology depending on the geography and type of system, the Company conducts its operations in the United States and internationally, primarily in Spain and Brazil and is expanding into other international markets through STI Operations.

The Company has two separate operating segments, Legacy Array and STI Operations, which are also reportable segments. Legacy Array consists primarily of amounts earned from the design and delivery of solar array's in the United States, and STI operations consists primarily of amounts earned from the design and delivery of solar array's outside of the United States.

The Company's CODM assesses the performance of each operating segment by using gross profit. This measure is also predominantly used in the annual budget and forecasting process. The CODM primarily uses the annual operating plan and the monthly financial results for Legacy Array and STI Operations when making decisions about the allocation of operating and capital resources to each segment.

The following tables summarize the financial results by segment during the periods presented (in thousands):

	Year Ended December 31, 2024		
	Array Legacy Operations	STI Operations	Consolidated
Segment revenue	$ 661,629	$ 254,178	$ 915,807
Less:			
Product cost (1)	353,034	225,517	578,551
Amortization of developed technology	14,558	—	14,558
Depreciation	2,045	90	2,135
Other costs (2)	21,961	925	22,886
Gross profit	$ 270,031	$ 27,646	$ 297,677
Total operating expenses	—	—	(524,682)
Total other expense, net	—	—	(23,571)
Income (loss) before income taxes			$ (250,576)
Segment assets	1,018,487	407,512	1,425,999
Capital expenditures	6,423	882	7,305
Depreciation and amortization	27,303	25,476	52,779
Interest income	12,767	4,010	16,777
Interest expense	32,516	2,309	34,825

	Year Ended December 31, 2023		
	Array Legacy Operations	STI Operations	Consolidated
Segment revenue	$ 1,172,827	$ 403,724	$ 1,576,551
Less:			
Product cost (1)	805,174	305,778	1,110,952
Amortization of developed technology	14,558	—	14,558
Depreciation (3)	1,348	—	1,348
Other costs (2) (3)	34,142	—	34,142
Gross profit	$ 317,605	$ 97,946	$ 415,551
Total operating expenses	—	—	(201,427)
Total other expense, net	—	—	(36,967)
Income (loss) before income taxes			$ 177,157
Segment assets	868,697	838,044	1,706,741
Capital expenditures	15,748	1,241	16,989
Depreciation and amortization	26,840	27,986	54,826
Interest income	3,985	4,345	8,330
Interest expense	40,982	3,247	44,229

	Year Ended December 31, 2022		
	Array Legacy Operations	STI Operations	Consolidated
Segment revenue	$ 1,267,883	$ 369,663	$ 1,637,546
Less:			
Product cost	1,047,772	310,557	1,358,329
Amortization of developed technology	14,558	—	14,558
Depreciation (3)	1,620	—	1,620
Other costs (2) (3)	50,321	—	50,321
Gross profit	$ 153,612	$ 59,106	$ 212,718
Total operating expenses	—	—	(230,851)
Total other expense, net	—	—	13,181
Income (loss) before income taxes			$ (4,952)
Segment assets	843,934	862,118	1,706,052
Capital expenditures	9,831	788	10,619
Depreciation and amortization	25,960	75,099	101,059
Interest income	504	2,677	3,181
Interest expense	34,272	2,422	36,694

(1) Includes 45X benefits realized in the amount of $137.8 million and $9.3 million for fiscal 2024 and 2023, respectively.

(2) Other is primarily comprised of outbound freight and certain overhead costs.

(3) Depreciation and Other for STI Operations for the years ended December 31, 2023 and 2022 is immaterial and included within the line item product cost.

The following table presents revenues by geographic region, based on the customers project location (in thousands):

	Year Ended December 31,		
	2024	2023	2022
U.S.	$ 643,481	$ 1,166,160	$ 1,286,064
Spain	83,742	99,160	129,292
Brazil	135,102	257,872	144,464
Australia	8,708	20,842	9,429
Remainder	44,774	32,517	68,297
Total revenue	$ 915,807	$ 1,576,551	$ 1,637,546

The following table presents property, plant and equipment, net by geographic region at the end of the period (in thousands):

	December 31,	
	2024	2023
U.S.	$ 20,058	$ 18,982
Spain	2,967	3,457
Brazil	13	3,305
Australia	471	554
Remainder	2,713	1,595
Total property, plant and equipment, net	$ 26,222	$ 27,893

ARRAY TECHNOLOGIES, INC.

AMENDED & RESTATED 2020 LONG-TERM INCENTIVE PLAN

ARTICLE I PURPOSE

This Array Technologies, Inc. Amended and Restated 2020 Long-Term Incentive Plan hereby amends and restates in the Array Technologies, Inc. 2020 Long-Term Incentive Plan in its entirety.

The purpose of this Array Technologies, Inc. Amended and Restated 2020 Long-Term Incentive Plan is to promote the success of the Company's business for the benefit of its stockholders by enabling the Company to offer Eligible Individuals cash and stock-based incentives in order to attract, retain and reward such individuals and strengthen the mutuality of interests between such individuals and the Company's stockholders. The Plan is effective as of the date set forth in Article XV.

ARTICLE II
DEFINITIONS

For purposes of the Plan, the following terms shall have the following meanings:

2.1 "Affiliate" means a corporation or other entity controlled by, controlling, or under control with the Company. The term "control" (including, with correlative meaning, the terms "controlled by" and "under common control with"), as applied to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of management and policies of such person, whether through the ownership of voting or other securities, by contract or otherwise.

2.2 "Applicable Law" means the requirements relating to the administration of equity- based awards and the related shares under U.S. state corporate law, U.S. federal and state securities laws, the rules of any stock exchange or quotation system on which the shares are listed or quoted and any other applicable laws, including tax laws, of any U.S. or non-U.S. jurisdictions where Awards are, or will be, granted under the Plan.

2.3 "Award" means any award under the Plan of any Stock Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Units, Performance Award, Other Stock- Based Award or Cash Award. All Awards shall be granted by, confirmed by, and subject to the terms of a written or electronic agreement executed by the Company and the Participant.

2.4 "Award Agreement" means the written or electronic agreement, contract, certificate, or other instrument or document evidencing the terms and conditions of an individual Award. Each Award Agreement shall be subject to the terms and conditions of the Plan.

2.5 "Board" means the Board of Directors of the Company.

2.6 "Cash Award" means an Award granted pursuant to Section 10.3 of the Plan and payable in cash at such time or times and subject to such terms and conditions as determined by the Committee in its sole discretion.

2.7 "Cause" means, unless otherwise determined by the Committee in the applicable Award Agreement, with respect to a Participant's Termination of Service, the following: (a) in the case where there is no employment agreement, offer letter, consulting agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such agreement in effect but it does not define "cause" (or words of like import)), the Participant's (i) commission of, or plea of guilty or no contest to, a felony or a crime involving moral turpitude or the commission of any other act involving willful malfeasance or material fiduciary breach with respect to the Company or an Affiliate; (ii) reporting to work under the influence of alcohol or illegal drugs or in the possession of illegal drugs; (iii) substantial and repeated failure to perform duties as reasonably directed by the person to whom the Participant reports; (iv) conduct that brings or is reasonably likely to bring the Company or an Affiliate negative publicity or into public disgrace, embarrassment, or disrepute; (v) gross negligence or willful misconduct with respect to the Company or an Affiliate; (vi) material violation of the Company's written policies or codes of conduct, including written policies related to discrimination, harassment, performance of illegal or unethical activities, or ethical misconduct; or (vii) any breach of any non-competition, non- solicitation, no-hire or confidentiality covenant between the Participant and the Company or an Affiliate; or (b) in the case where there is an employment agreement, offer letter, consulting agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines "cause" (or words of like import), "cause" as defined under such agreement; *provided*, *however*, that with regard to any agreement under which the definition of "cause" only applies on occurrence of a change in control, such definition of "cause" shall not apply until a change in control (as defined in such agreement) actually takes place and then only with regard to a termination thereafter.

2.8 "Change in Control" means and includes each of the following, unless otherwise determined by the Committee in the applicable Award Agreement or other written agreement with a Participant approved by the Committee:

(a) any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of Shares), becoming the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities, excluding for purposes herein, acquisitions pursuant to a Business Combination (as defined below) that does not constitute a Change in Control as defined herein;

(b) a merger, reorganization, or consolidation of the Company or in which equity securities of the Company are issued (each, a "Business Combination"), other than

a merger, reorganization or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its Parent) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity (or, as applicable, the Parent of the Company or such surviving entity) outstanding immediately after such merger or consolidation; *provided, however*, that a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person (other than those covered by the exceptions in Section 2.8(a)) acquires more than 50% of the combined voting power of the Company's then outstanding securities shall not constitute a Change in Control; or a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; *provided, however*, that a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person (other than those covered by the exceptions in Section 2.8(a)) acquires more than 50% of the combined voting power of the Company's then outstanding securities shall not constitute a Change in Control;

(c) during the period of two (2) consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new director(s) (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in (a) or (b)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the two (2) year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(d) a complete liquidation or dissolution of the Company or the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets other than the sale or disposition of all or substantially all of the assets of the Company to a person or persons who beneficially own, directly or indirectly, 50% or more of the combined voting power of the outstanding voting securities of the Company at the time of the sale.

For purposes of this Section 2.8, acquisitions of securities of the Company by Oaktree Capital Management, L.P., any of its respective affiliates, or any investment vehicle or fund controlled by or managed by, or otherwise affiliated with Oaktree Capital Management, L.P. shall not constitute a Change in Control. Notwithstanding the foregoing, with respect to any Award that is characterized as "nonqualified deferred compensation" within the meaning of Section 409A of the Code, an event shall not be considered to be a Change in Control under the Plan for purposes of payment of such Award unless such event is also a "change in ownership," a "change in effective control" or a "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Section 409A of the Code.

2.9 "Change in Control Price" means the highest price per Share paid in any transaction related to a Change in Control.

2.10 "Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time. Any reference to any section of the Code shall also be a reference to any successor provision and any guidance and treasury regulation promulgated thereunder.

2.11 "Committee" means any committee of the Board duly authorized by the Board to administer the Plan; *provided*, *however*, that unless otherwise determined by the Board, the Committee shall consist solely of two or more Qualified Members. If no committee is duly authorized by the Board to administer the Plan, the term "Committee" shall be deemed to refer to the Board for all purposes under the Plan. The Board will retain the right to exercise the authority of the Committee to the extent consistent with Applicable Law.

2.12 "Common Stock" means the common stock, $0.001 par value per share, of the Company.

2.13 "Company" means Array Technologies, Inc., a Delaware corporation, and its successors by operation of law.

2.14 "Consultant" means any natural person who is an advisor or consultant to the Company or its Affiliates.

2.15 "Disability" means, unless otherwise determined by the Committee in the applicable Award Agreement, with respect to a Participant's Termination of Service, that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment, *provided, however*, for purposes of an Incentive Stock Option, the term Disability shall have the meaning ascribed to it under Section 22(e)(3) of the Code. The determination of whether an individual has a Disability shall be determined by the Committee, and the Committee may rely on any determination that a Participant is disabled for purposes of benefits under any long-term disability plan in which a Participant participates that is maintained by the Company or any Affiliate.

2.16 "**Dividend Equivalents**" means a right granted to a Participant under the Plan to receive the equivalent value (in cash or Shares) of dividends paid on Shares.

2.17 "Effective Date" means the effective date of the Plan as defined in Article XV.

2.18 "Eligible Employees" means each employee of the Company or any of its Affiliates. An employee on a leave of absence may be an Eligible Employee.

2.19 "Eligible Individual" means an Eligible Employee, Non-Employee Director or Consultant who is designated by the Committee in its discretion as eligible to receive Awards subject to the conditions set forth herein.

2.20 "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time. Reference to a specific section of the Exchange Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

2.21 "Fair Market Value" means, for purposes of the Plan, unless otherwise required by any applicable provision of the Code or any regulations issued thereunder, as of any date and except as provided below, the last sales price reported for the Common Stock on the applicable

date: (a) as reported on the principal national securities exchange in the United States on which it is then traded or (b) if the Common Stock is not traded, listed or otherwise reported or quoted, the Committee shall determine in good faith the Fair Market Value in whatever manner it considers appropriate taking into account the requirements of Section 409A of the Code. For purposes of the grant of any Award, the applicable date shall be the trading day on which the Award is granted. For purposes of the exercise of any Award, the applicable date shall be the date a notice of exercise is received by the Committee or, if not a date on which the applicable market is open, the next day that it is open. Notwithstanding the foregoing, with respect to any Award granted on the pricing date of the Company's initial public offering, the Fair Market Value shall mean the initial public offering price of a Share as set forth in the Company's final prospectus relating to its initial public offering filed with the Securities and Exchange Commission.

2.22 "Family Member" means "family member" as defined in Section A.1.(a)(5) of the general instructions of Form S-8.

2.23 "Incentive Stock Option" means any Stock Option awarded to an Eligible Employee of the Company, its Subsidiaries and its Parents (if any) under the Plan intended to be, and designated as, an "Incentive Stock Option" within the meaning of Section 422 of the Code.

2.24 "Non-Employee Director" means a director or a member of the Board of the Company who is not an employee of the Company.

2.25 "Non-Qualified Stock Option" means any Stock Option awarded under the Plan that is not an Incentive Stock Option.

2.26 "Other Stock-Based Award" means an Award under Article X of the Plan that is valued in whole or in part by reference to, or is payable in or otherwise based on, Shares.

2.27 "Parent" means any parent corporation of the Company within the meaning of Section 424(e) of the Code.

2.28 "Participant" means an Eligible Individual to whom an Award has been granted pursuant to the Plan.

2.29 "Performance Award" means an Award granted to a Participant pursuant to Article IX hereof contingent upon achieving certain Performance Goals.

2.30 "Performance Goals" means goals established by the Committee as contingencies for Awards to vest and/or become exercisable or distributable.

2.31 "Performance Period" means the designated period during which the Performance Goals must be satisfied with respect to the Award to which the Performance Goals relate.

2.32 "Plan" means this Array Technologies, Inc. Amended and Restated 2020 Long-Term Incentive Plan, as amended from time to time.

2.33 "Qualified Member" means a member of the Board who is (a) a "non-employee director" within the meaning of Rule 16b-3(b)(3), and (b) "independent" under the listing standards or rules of the securities exchange upon which the Common Stock is traded, but only to the extent such independence is required in order to take the action at issue pursuant to such standards or rules.

2.34 "Reference Stock Option" has the meaning set forth in Section 7.1.

2.35 **"Restricted Stock"** means an Award of Shares under the Plan that is subject to restrictions under Article VIII.

2.36 "**Restricted Stock Units**" means an unfunded, unsecured right to receive, on the applicable settlement date, one Share or an amount in cash or other consideration determined by the Committee to be of equal value as of such settlement date, subject to certain vesting conditions and other restrictions.

2.37 **"Restriction Period"** has the meaning set forth in Section 8.3(a) with respect to Restricted Stock.

2.38 **"Rule 16b-3"** means Rule 16b-3 under Section 16(b) of the Exchange Act as then in effect or any successor provision.

2.39 **"Section 409A of the Code"** means the nonqualified deferred compensation rules under Section 409A of the Code and any applicable treasury regulations and other official guidance thereunder.

2.40 **"Securities Act"** means the Securities Act of 1933, as amended and all rules and regulations promulgated thereunder. Reference to a specific section of the Securities Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

2.41 "**Shares**" means shares of Common Stock.

2.42 **"Stock Appreciation Right"** shall mean the right pursuant to an Award granted under Article VII.

2.43 **"Stock Option"** or **"Option"** means any option to purchase Shares granted to Eligible Individuals granted pursuant to Article VI.

2.44 **"Subsidiary"** means any subsidiary corporation of the Company within the meaning of Section 424(f) of the Code.

2.45 **"Ten Percent Stockholder"** means a person owning stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company, its Subsidiaries or its Parent.

2.46 **"Termination of Service"** means the termination of the applicable Participant's employment with, or performance of services for, the Company and its Affiliates. Unless otherwise determined by the Committee, (a) if a Participant's employment or services with the Company and its Affiliates terminates but such Participant continues to provide services to the Company and its Affiliates in a non-employee capacity, such change in status shall not be deemed a Termination of Service with the Company and its Affiliates and (b) a Participant employed by, or performing services for, a Subsidiary or an Affiliate that ceases to be an Affiliate shall also be deemed to have incurred a Termination of Service provided the Participant does not immediately thereafter become an employee of the Company or another Affiliate. Notwithstanding the foregoing provisions of this definition, with respect to any Award that constitutes a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code, a Participant shall not be considered to have experienced a "Termination of Service" unless the Participant has experienced a "separation from service" within the meaning of Section 409A of the Code.

ARTICLE III
ADMINISTRATION

3.1 **Authority of the Committee**. The Plan shall be administered by the Committee. Subject to the terms of the Plan and Applicable Law, the Committee shall have full authority to grant Awards to Eligible Individuals under the Plan. In particular, the Committee shall have the authority to:

(a) determine whether and to what extent Awards, or any combination thereof, are to be granted hereunder to one or more Eligible Individuals;

(b) determine the number of Shares to be covered by each Award granted hereunder;

(c) determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder (including, but not limited to, the exercise or purchase price (if any), any restriction or limitation, any vesting schedule or acceleration thereof, or any forfeiture restrictions or waiver thereof, regarding any Award and the Shares relating thereto, based on such factors, if any, as the Committee shall determine, in its sole discretion);

(d) determine the amount of cash to be covered by each Award granted hereunder;

(e) determine whether, to what extent and under what circumstances grants of Options and other Awards under the Plan are to operate on a tandem basis and/or in conjunction with or apart from other awards made by the Company outside of the Plan;

(f) determine whether and under what circumstances an Award may be settled in cash, Shares, other property or a combination of the foregoing;

(g) determine whether, to what extent and under what circumstances cash, Shares or other property and other amounts payable with respect to an Award under the Plan shall be deferred either automatically or at the election of the Participant;

(h) modify, waive, amend or adjust the terms and conditions of any Award, at any time or from time to time, including but not limited to Performance Goals;

(i) determine whether a Stock Option is an Incentive Stock Option or Non-Qualified Stock Option;

(j) determine whether to require a Participant, as a condition of the granting of any Award, to not sell or otherwise dispose of Shares acquired pursuant to the exercise or vesting of an Award for a period of time as determined by the Committee, in its sole discretion, following the date of the acquisition of such Award or Shares; and

(k) modify, extend or renew an Award, subject to Article XII and Section 6.4(l).

3.2 **Guidelines**. Subject to Article XII hereof, the Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan and perform all acts, including the delegation of its responsibilities (to the extent permitted by Applicable Law and applicable stock exchange rules), as it shall, from time to time, deem advisable; to construe and interpret the terms and provisions of the Plan and any Award issued under the Plan (and any agreements or sub-plans relating thereto); and to otherwise supervise the administration of the Plan. The Committee may correct any defect, supply any omission or

reconcile any inconsistency in the Plan or in any agreement relating thereto in the manner and to the extent it shall deem necessary to effectuate the purpose and intent of the Plan. The Committee may adopt special rules, sub-plans, guidelines and provisions for persons who are residing in or employed in, or subject to, the taxes of any domestic or foreign jurisdictions to satisfy or accommodate applicable foreign laws or to qualify for preferred tax treatment of such domestic or foreign jurisdictions.

3.3 Decisions Final. Any decision, interpretation or other action made or taken in good faith by or at the direction of the Company, the Board or the Committee (or any of its members) arising out of or in connection with the Plan shall be within the absolute discretion of all and each of them, as the case may be, and shall be final, binding and conclusive on the Company and all employees and Participants and their respective heirs, executors, administrators, successors and assigns.

3.4 Procedures. If the Committee is appointed, the Board shall designate one of the members of the Committee as chairman and the Committee shall hold meetings, subject to the by- laws of the Company, at such times and places as it shall deem advisable, including, without limitation, by telephone conference or by written consent to the extent permitted by Applicable Law. A majority of the Committee members shall constitute a quorum. All determinations of the Committee shall be made by a majority of its members. Any decision or determination reduced to writing and signed by all of the Committee members in accordance with the by-laws of the Company, shall be fully effective as if it had been made by a vote at a meeting duly called and held. The Committee shall keep minutes of its meetings and shall make such rules and regulations for the conduct of its business as it shall deem advisable.

3.5 Designation of Consultants/Liability; Delegation of Authority.

(a) The Committee may designate employees of the Company and professional advisors to assist the Committee in the administration of the Plan and (to the extent permitted by Applicable Law) may grant authority to officers of the Company to grant Awards and/or execute agreements or other documents on behalf of the Committee.

(b) The Committee may employ such legal counsel, consultants and agents as it may deem desirable for the administration of the Plan and may rely upon any opinion received from any such counsel or consultant and any computation received from any such consultant or agent. Expenses incurred by the Committee or the Board in the engagement of any such counsel, consultant or agent shall be paid by the Company. The Committee, its members and any person designated pursuant to sub-section (a) above shall not be liable for any action or determination made in good faith with respect to the Plan. To the maximum extent permitted by Applicable Law, no officer of the Company or member or former member of the Committee or of the Board shall be liable for any action or determination made in good faith with respect to the Plan or any Award granted under it.

(c) The Committee may delegate any or all of its powers and duties under the Plan to a subcommittee of directors or to any officer of the Company, including the power to perform administrative functions and grant Awards; *provided* that such delegation does not (i) violate Applicable Law, or (ii) result in the loss of an exemption under Rule 16b-3(d)(1) for Awards granted to Participants subject to Section 16 of the Exchange Act in respect of the

Company. Upon any such delegation, all references in the Plan to the "Committee," shall be deemed to include any subcommittee or officer of the Company to whom such powers have been delegated by the Committee. The Committee may also appoint agents who are not executive officers of the Company or members of the Board to assist in administering the Plan, *provided*, *however*, that such individuals may not be delegated the authority to grant or modify any Awards that will, or may, be settled in Shares.

3.6 **Indemnification**. To the maximum extent permitted by Applicable Law and to the extent not covered by insurance directly insuring such person, each officer or employee of the Company or any of its Affiliates and member or former member of the Committee or the Board shall be indemnified and held harmless by the Company against any cost or expense (including reasonable fees of counsel acceptable to the Committee) or liability (including any sum paid in settlement of a claim with the approval of the Committee), and advanced amounts necessary to pay the foregoing at the earliest time and to the fullest extent permitted, arising out of any act or omission to act in connection with the administration of the Plan, except to the extent arising out of such officer's, employee's, member's or former member's own fraud or bad faith. Such indemnification shall be in addition to any right of indemnification the employees, officers, directors or members or former officers, directors or members may have under Applicable Law or under the by-laws of the Company or any of its Affiliates. Notwithstanding anything else herein, this indemnification will not apply to the actions or determinations made by an individual with regard to Awards granted to such individual under the Plan.

ARTICLE IV
SHARE LIMITATION

4.1 **Shares**. The aggregate number of Shares that may be issued or used for reference purposes or with respect to which Awards may be granted under the Plan shall not exceed 6,683,919 Shares (subject to any increase or decrease pursuant to this Article IV), which may be either authorized and unissued Shares or Shares held in or acquired for the treasury of the Company or both. The number of Shares that may be issued or used for reference purposes or with respect to which Awards may be granted under the Plan shall be subject to increase from time to time as determined by the Board. The aggregate number of Shares that may be issued or used with respect to any Incentive Stock Option shall not exceed 6,683,919 Shares (subject to any increase or decrease pursuant to Section 4.3). The maximum number of Shares subject to Awards granted during a single fiscal year to any Non-Employee Director, shall not exceed a total value of $500,000 (calculating the value of any Awards based on the grant date fair value for financial reporting purposes). Any Award under the Plan settled in cash shall not be counted against the foregoing maximum share limitations. If, after the Effective Date, any Award granted under the Plan is forfeited or otherwise expires, terminates or is canceled without the delivery of all Shares subject thereto, the number of Shares subject to such Award that were not issued with respect to such Award shall again become available to be delivered pursuant to Awards under the Plan. Notwithstanding anything to the contrary contained herein, Shares subject to an Award under the Plan shall not again be made available for issuance or delivery under the Plan if such Shares are (a) Shares tendered in payment of an Option, (b) Shares delivered or withheld by the

Company to satisfy any tax withholding obligation or (c) Shares covered by a stock-settled Stock Appreciation Right or other Awards that were not issued upon the settlement of the Award.

4.2 Substitute Awards. In connection with an entity's merger or consolidation with the Company or the Company's acquisition of an entity's property or stock, the Committee may grant Awards in substitution for any options or other stock or stock-based awards granted before such merger or consolidation by such entity or its Affiliate ("Substitute Awards"). Substitute Awards may be granted on such terms as the Committee deems appropriate, notwithstanding limitations on Awards in the Plan. Substitute Awards will not count against the overall share limit (nor shall Shares subject to a Substitute Award be added to the Shares available for Awards under the Plan as provided above), except that Shares acquired by exercise of substitute Incentive Stock Options will count against the maximum number of Shares that may be issued pursuant to the exercise of Incentive Stock Options under the Plan. Additionally, in the event that a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grants pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the Shares authorized for grant under the Plan (and Shares subject to such Awards shall not be added to the Shares available for Awards under the Plan as provided above); provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Eligible Employees or Non-Employee Directors prior to such acquisition or combination.

4.3 Adjustments.

(a) The existence of the Plan and the Awards granted hereunder shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, (ii) any merger or consolidation of the Company or any Affiliate, (iii) any issuance of bonds, debentures, or preferred or prior preference stock ahead of or affecting the Shares, (iv) the dissolution or liquidation of the Company or any Affiliate, (v) any sale or transfer of all or part of the assets or business of the Company or any Affiliate or (vi) any other corporate act or proceeding.

(b) Subject to the provisions of Section 11.1:

(i) If the Company at any time subdivides (by any split, recapitalization or otherwise) the outstanding Shares into a greater number of Shares, or combines (by reverse split, combination or otherwise) its outstanding Shares into a lesser number of Shares, then the respective exercise prices for outstanding Awards that provide for a Participant-elected exercise and the number of Shares covered by outstanding Awards shall be appropriately adjusted by the Committee to prevent dilution or enlargement of the rights granted to, or available for, Participants under the Plan.

(ii) Excepting transactions covered by Section 4.3(b)(i), if the Company effects any merger, consolidation, statutory exchange, spin-off, reorganization, sale or transfer of all or substantially all the Company's assets or business, or other corporate transaction or event in such a manner that the Company's outstanding Shares are converted into the right to receive (or the holders of Common Stock are entitled to receive in exchange therefor), either immediately or upon liquidation of the Company, securities or other property of the Company or other entity, then, subject to the provisions of Section 11.1, (A) the aggregate number or kind of securities that thereafter may be issued under the Plan, (B) the number or kind of securities or other property (including cash) to be issued pursuant to Awards granted under the Plan (including as a result of the assumption of the Plan and the obligations hereunder by a successor entity, as applicable), or (C) the exercise or purchase price thereof, shall be appropriately adjusted by the Committee to prevent dilution or enlargement of the rights granted to, or available for, Participants under the Plan.

(iii) If there shall occur any change in the capital structure of the Company other than those covered by Section 4.3(b)(i) or 4.3(b)(ii), any conversion, any adjustment, or any issuance of any class of securities convertible or exercisable into, or exercisable for, any class of equity securities of the Company, then the Committee shall adjust any Award and make such other adjustments to the Plan to prevent dilution or enlargement of the rights granted to, or available for, Participants under the Plan.

(iv) The Committee may adjust the Performance Goals applicable to any Awards to reflect any unusual or non-recurring events and other extraordinary items, impact of charges for restructurings, discontinued operations, and the cumulative effects of accounting or tax changes, each as defined by generally accepted accounting principles or as identified in the Company's financial statements, notes to the financial statements, management's discussion and analysis, or other Company public filing.

(v) Any such adjustment determined by the Committee pursuant to this Section 4.3(b) shall be final, binding and conclusive on the Company and all Participants and their respective heirs, executors, administrators, successors and permitted assigns. Any adjustment to, or assumption or substitution of, an Award under this Section 4.3(b) shall be intended to comply with the requirements of Section 409A of the Code and Treasury Regulation §1.424-1 (and any amendments thereto), to the extent applicable. Except as expressly provided in this Section 4.3 or in the applicable Award Agreement, a Participant shall have no additional rights under the Plan by reason of any transaction or event described in this Section 4.3.

ARTICLE V
ELIGIBILITY

5.1 **General Eligibility**. All current and prospective Eligible Individuals are eligible to be granted Awards. Eligibility for the grant of Awards and actual participation in the Plan shall be determined by the Committee in its sole discretion.

5.2 **Incentive Stock Options**. Notwithstanding the foregoing, only Eligible Employees who are employees of the Company, its Subsidiaries and its Parent (if any) are eligible to be granted Incentive Stock Options under the Plan. Eligibility for the grant of an Incentive Stock Option and actual participation in the Plan shall be determined by the Committee in its sole discretion.

5.3 **General Requirement**. The vesting and exercise of Awards granted to a prospective Eligible Individual are conditioned upon such individual actually becoming an Eligible Employee, Consultant or Non-Employee Director, respectively.

ARTICLE VI
STOCK OPTIONS

6.1 **Options**. Stock Options may be granted alone or in addition to other Awards granted under the Plan. Each Stock Option granted under the Plan shall be of one of two types: (a) an Incentive Stock Option or (b) a Non-Qualified Stock Option.

6.2 **Grants**. The Committee shall have the authority to grant to any Eligible Employee one or more Incentive Stock Options, Non-Qualified Stock Options, or both types of Stock Options; provided, however, that Incentive Stock Options may only be granted to an Eligible Employee who is an employee of the Company, its Subsidiaries or its Parents (if any). The Committee shall have the authority to grant any Consultant or Non-Employee Director one or more Non-Qualified Stock Options. To the extent that any Stock Option does not qualify as an Incentive Stock Option (whether because of its provisions or the time or manner of its exercise or otherwise), such Stock Option or the portion thereof which does not so qualify shall constitute a separate Non-Qualified Stock Option.

6.3 **Terms of Options**. Options granted under the Plan shall be evidenced by an Award Agreement and subject to the following terms and conditions and shall be in such form and contain such additional terms and conditions not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) Exercise Price. The exercise price per Share subject to a Stock Option shall be determined by the Committee at the time of grant, *provided* that the per share exercise price of a Stock Option shall not be less than 100% (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, 110%) of the Fair Market Value at the time of grant.

(b) Stock Option Term. The term of each Stock Option shall be fixed by the Committee, *provided* that no Stock Option shall be exercisable more than ten (10) years (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, five (5) years) after the date the Option is granted.

(c) Exercisability. Unless otherwise provided by the Committee in accordance with the provisions of this Section 6.3, Stock Options granted under the Plan shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at the time of grant. The Committee may, but shall not be required to, provide for an acceleration of vesting and exercisability in the terms of any Award Agreement upon the occurrence of a specified event.

(d) Method of Exercise. Subject to whatever installment exercise and waiting period provisions apply under Section 6.3(c), to the extent vested, Stock Options may be exercised in whole or in part at any time during the Option term, by giving written notice of exercise (which may be electronic) to the Company specifying the number of Shares to be purchased. Such notice shall be accompanied by payment in full of the exercise price (which shall equal the product of such number of Shares to be purchased multiplied by the applicable exercise price). The exercise price for the Stock Options may be paid upon such terms and conditions as shall be established by the Committee and set forth in the applicable Award Agreement. Without limiting the foregoing, the Committee may establish payment terms for the

exercise of Stock Options pursuant to which the Company may withhold a number of Shares that otherwise would be issued to the Participant in connection with the exercise of the Stock Option having a Fair Market Value on the date of exercise equal to the exercise price, or that permit the Participant to deliver cash or Shares with a Fair Market Value equal to the exercise price on the date of payment, or through a simultaneous sale through a broker of Shares acquired on exercise, all as permitted by Applicable Law. No Shares shall be issued until payment therefor, as provided herein, has been made or provided for.

(e) Non-Transferability of Options. No Stock Option shall be transferable by the Participant other than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the Participant's lifetime, only by the Participant. Notwithstanding the foregoing, the Committee may determine, in its sole discretion, at the time of grant or thereafter that a Non-Qualified Stock Option that is otherwise not transferable pursuant to this Section is transferable to a Family Member in whole or in part and in such circumstances, and under such conditions, as specified by the Committee. A Non-Qualified Stock Option that is transferred to a Family Member pursuant to the preceding sentence (i) may not be subsequently transferred other than by will or by the laws of descent and distribution and (ii) remains subject to the terms of the Plan and the applicable Award Agreement. Any Shares acquired upon the exercise of a Non- Qualified Stock Option by a permissible transferee of a Non-Qualified Stock Option or a permissible transferee pursuant to a transfer after the exercise of the Non-Qualified Stock Option shall be subject to the terms of the Plan and the applicable Award Agreement.

(f) Termination by Death or Disability. Unless otherwise provided in the applicable Award Agreement, or otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service is by reason of death or Disability, all Stock Options that are held by such Participant that are vested and exercisable at the time of the Participant's Termination of Service may be exercised by the Participant (or in the case of the Participant's death, by the legal representative of the Participant's estate) at any time within a period of one (1) year from the date of such Termination of Service, but in no event beyond the expiration of the stated term of such Stock Options; *provided, however*, that, in the event of a Participant's Termination of Service by reason of Disability, if the Participant dies within such exercise period, all unexercised Stock Options held by such Participant shall thereafter be exercisable, to the extent to which they were exercisable at the time of death, for a period of one (1) year from the date of such death, but in no event beyond the expiration of the stated term of such Stock Options.

(g) Involuntary Termination Without Cause. Unless otherwise provided in the applicable Award Agreement or otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service is by involuntary termination by the Company without Cause, all Stock Options that are held by such Participant that are vested and exercisable at the time of the Participant's Termination of Service may be exercised by the Participant at any time within a period of ninety (90) days from the date of such Termination of Service, but in no event beyond the expiration of the stated term of such Stock Options.

(h) Voluntary Resignation. Unless otherwise provided in the applicable Award Agreement or otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service is voluntary

(other than a voluntary termination described in Section 6.3(i) hereof), all Stock Options that are held by such Participant that are vested and exercisable at the time of the Participant's Termination of Service may be exercised by the Participant at any time within a period of ninety (90) days from the date of such Termination of Service, but in no event beyond the expiration of the stated term of such Stock Options.

(i) Termination for Cause. Unless otherwise provided in the applicable Award Agreement or determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service (x) is for Cause or (y) is a voluntary Termination of Service (as provided in Section 6.3(h)) after the occurrence of an event that would be grounds for a Termination of Service for Cause, all Stock Options, whether vested or not vested, that are held by such Participant shall thereupon immediately terminate and expire as of the date of such Termination of Service.

(j) Unvested Stock Options. Unless otherwise provided in the applicable Award Agreement or determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, Stock Options that are not vested as of the date of a Participant's Termination of Service for any reason shall terminate and expire as of the date of such Termination of Service.

(k) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined as of the time of grant) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by an Eligible Employee during any calendar year under the Plan and/or any other stock option plan of the Company, any Subsidiary or any Parent exceeds $100,000, such Options shall be treated as Non-Qualified Stock Options. In addition, if an Eligible Employee does not remain employed by the Company, any Subsidiary or any Parent at all times from the time an Incentive Stock Option is granted until three (3) months prior to the date of exercise thereof (or such other period as required by Applicable Law), such Stock Option shall be treated as a Non-Qualified Stock Option. Should any provision of the Plan not be necessary in order for the Stock Options to qualify as Incentive Stock Options, or should any additional provisions be required, the Committee may amend the Plan accordingly, without the necessity of obtaining the approval of the stockholders of the Company.

(l) Modification, Extension and Renewal of Stock Options. The Committee may (i) modify, extend or renew outstanding Stock Options granted under the Plan (provided that the rights of a Participant are not reduced without such Participant's consent and *provided*, *further* that such action does not subject the Stock Options to Section 409A of the Code without the consent of the Participant), and (ii) accept the surrender of outstanding Stock Options (to the extent not theretofore exercised) and authorize the granting of new Stock Options in substitution therefor (to the extent not theretofore exercised). Notwithstanding the foregoing, an outstanding Option may not be modified to reduce the exercise price thereof nor may a new Option at a lower price be substituted for a surrendered Option (other than adjustments or substitutions in accordance with Article IV), unless such action is approved by the stockholders of the Company.

(m) Other Terms and Conditions. The Committee may include a provision in an Award Agreement providing for the automatic exercise of a Non-Qualified Stock Option on a cashless basis on the last day of the term of such Option if the Participant has failed to exercise the Non-Qualified Stock Option as of such date, with respect to which the Fair Market Value of the Shares underlying the Non-Qualified Stock Option exceeds the exercise price of such Non- Qualified Stock Option on the date of expiration of such Option, subject to Section 14.4. Stock

Options may contain such other provisions, which shall not be inconsistent with any of the terms of the Plan, as the Committee shall deem appropriate.

ARTICLE VII
STOCK APPRECIATION RIGHTS

7.1 Stock Appreciation Rights. Stock Appreciation Rights may be granted alone ("Free Standing Stock Appreciation Right") or in conjunction with all or part of any Stock Option (a "Reference Stock Option") granted under the Plan ("Tandem Stock Appreciation Rights"). In the case of a Non-Qualified Stock Option, such rights may be granted either at or after the time of the grant of such Reference Stock Option. In the case of an Incentive Stock Option, such rights may be granted only at the time of the grant of such Reference Stock Option.

7.2 Terms of Stock Appreciation Rights. Stock Appreciation Rights granted under the Plan shall be evidenced by an Award Agreement and subject to the following terms and conditions and shall be in such form and contain such additional terms not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) Exercise Price. The exercise price per Share o subject to a Stock Appreciation Right shall be determined by the Committee at the time of grant, *provided* that the per Share exercise price of a Stock Appreciation Right shall not be less than 100% of the Fair Market Value of the Shares at the time of grant.

(b) Term. The term of each Free Standing Stock Appreciation Right shall be fixed by the Committee, but shall not be greater than ten (10) years after the date the right is granted. A Tandem Stock Appreciation Right or applicable portion thereof granted with respect to a Reference Stock Option shall terminate and no longer be exercisable upon the termination or exercise of the Reference Stock Option, except that, unless otherwise determined by the Committee, in its sole discretion, at the time of grant, a Tandem Stock Appreciation Right granted with respect to less than the full number of Shares covered by the Reference Stock Option shall not be reduced until, and then only to the extent that the exercise or termination of the Reference Stock Option causes, the number of Shares covered by the Tandem Stock Appreciation Right to exceed the number of Shares remaining available and unexercised under the Reference Stock Option.

(c) Exercisability. Unless otherwise provided by the Committee, Free Standing Stock Appreciation Rights granted under the Plan shall be exercised at such time or times and subject to such terms and conditions as shall be determined by the Committee at the time of grant. The Committee may, but shall not be required to, provide for an acceleration of vesting and exercisability in terms of any Award Agreement upon the occurrence of a specified event. A Tandem Stock Appreciation Rights shall be exercisable only at such time or times and to the extent that the Reference Stock Options to which they relate shall be exercisable in accordance with the provisions of Article VI, and shall be subject to the provisions of Section 6.3(c).

(d) Method of Exercise. Subject to whatever installment and waiting period provisions applied under Section 6.3(c), to the extent vested, a Free Standing Stock Appreciation Right may be exercised in whole or in part at any time in accordance with the applicable Award Agreement, by given written notice of exercise (which may be electronic) to the Company specifying the number of Stock Appreciation Rights being exercised. A Tandem

Stock Appreciation Right may be exercised by the Participant by surrendering the applicable portion of the Reference Stock Option. Upon such exercise and surrender, the Participant shall be entitled to receive an amount determined in the manner prescribed in this Section 7.2. Stock Options which have been so surrendered, in whole or in part, shall no longer be exercisable to the extent that the related Tandem Stock Appreciation Rights have been exercised.

(e) Payment. Upon the exercise of a Free Standing Stock Appreciation Right a Participant shall be entitled to receive, for each right exercised, up to, but no more than, an amount in cash and/or Shares (as chosen by the Committee in its sole discretion) equal in value to the excess of the Fair Market Value of one (1) Share on the date that the right is exercised over the Fair Market Value of one (1) Share on the date that the right was awarded to the Participant. Upon the exercise of a Tandem Stock Appreciation Right, a Participant shall be entitled to receive up to, but no more than, an amount in cash and/or Shares (as chosen by the Committee in its sole discretion) equal in value to the excess of the Fair Market Value of one (1) Share over the Stock Option exercise price per Share specified in the Reference Stock Option Award Agreement multiplied by the number of Shares in respect of which the Tandem Stock Appreciation Right shall have been exercised, with the Committee having the right to determine the form of payment.

(f) Deemed Exercise of Reference Stock Option. Upon the exercise of a Tandem Stock Appreciation Right, the Reference Stock Option or part thereof to which such Stock Appreciation Right is related shall be deemed to have been exercised for the purpose of the limitation set forth in Article IV of the Plan on the number of Shares to be issued under the Plan.

(g) Termination. Unless otherwise determined by the Committee at grant or, if no rights of the Participant are reduced, thereafter, subject to the provisions of the applicable Award Agreement and the Plan, upon a Participant's Termination of Service for any reason, Free Standing Stock Appreciation Rights may remain exercisable following a Participant's Termination of Service on the same basis as Stock Options would be exercisable following a Participant's Termination of Service in accordance with the provisions of Sections 6.3(f) through 6.3(j).

(h) Non-Transferability. No Free Standing Stock Appreciation Rights shall not be transferable by the Participant other than by will or by the laws of descent and distribution, and all such rights shall be exercisable, during the Participant's lifetime, only by the Participant. Tandem Stock Appreciation Rights shall be transferable only when and to the extent that the underlying Stock Option would be transferable under Section 6.3(e) of the Plan.

(i) Modification, Extension and Renewal of Stock Appreciation Rights. The Committee may (i) modify, extend or renew outstanding Stock Appreciation Rights granted under the Plan (*provided* that the rights of a Participant are not reduced without such Participant's consent and *provided*, *further* that such action does not subject the Stock Appreciation Rights to Section 409A of the Code without the consent of the Participant), and (ii) accept the surrender of outstanding Stock Appreciation Rights (to the extent not theretofore exercised) and authorize the granting of new Stock Appreciation Rights in substitution therefor (to the extent not theretofore exercised). Notwithstanding the foregoing, an outstanding Stock Appreciation Right may not be modified to reduce the exercise price thereof nor may a new Stock Appreciation Right at a lower price be substituted for a

surrendered Stock Appreciation Right (other than adjustments or substitutions in accordance with Article IV), unless such action is approved by the stockholders of the Company.

(j) Other Terms and Conditions. The Committee may include a provision in an Award Agreement providing for the automatic exercise of a Stock Appreciation Right on a cashless basis on the last day of the term of such Stock Appreciation Right if the Participant has failed to exercise the Stock Appreciation Right as of such date, with respect to which the Fair Market Value of the Shares underlying the Stock Appreciation Right exceeds the exercise price of such Stock Appreciation Right on the date of expiration of such Stock Appreciation Right, subject to Section 14.4. Stock Appreciation Rights may contain such other provisions, which shall not be inconsistent with any of the terms of the Plan, as the Committee shall deem appropriate.

ARTICLE VIII
RESTRICTED STOCK; RESTRICTED STOCK UNITS

8.1 Awards of Restricted Stock and Restricted Stock Units. Shares of Restricted Stock and Restricted Stock Units may be granted alone or in addition to other Awards granted under the Plan. The Committee shall determine the Eligible Individuals to whom, and the time or times at which, grants of Restricted Stock and/or Restricted Stock Units shall be made, the number of shares of Restricted Stock or Restricted Stock Units to be awarded, the price (if any) to be paid by the Participant (subject to Section 8.2), the time or times within which such Awards may be subject to forfeiture, the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the Awards. The Committee shall determine and set forth in the Award Agreement the terms and conditions for each Restricted Stock and Restricted Stock Unit Award, subject to the conditions and limitations contained in the Plan, including any vesting or forfeiture conditions during the applicable restriction period. The Committee may condition the grant or vesting of Restricted Stock and Restricted Stock Units upon the attainment of specified performance targets (including, the Performance Goals) or such other factor as the Committee may determine in its sole discretion.

8.2 Awards and Certificates. Restricted Stock and Restricted Stock Units granted under the Plan shall be evidenced by an Award Agreement and subject to the following terms and conditions and shall be in such form and contain such additional terms and conditions not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) Restricted Stock:

(i) Purchase Price. The purchase price of Restricted Stock shall be fixed by the Committee. The purchase price for shares of Restricted Stock may be zero to the extent permitted by Applicable Law, and, to the extent not so permitted, such purchase price may not be less than par value.

(ii) Legend. Each Participant receiving Restricted Stock shall be issued a stock certificate in respect of such shares of Restricted Stock, unless the Committee elects to use another system, such as book entries by the transfer agent, as evidencing ownership of shares of Restricted Stock. Such certificate shall be registered in the name of such Participant, and shall, in addition to such legends required by Applicable Law, bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock.

(iii) Custody. If stock certificates are issued in respect of shares of Restricted Stock, the Committee may require that any stock certificates evidencing such shares be held in custody by the Company until the restrictions thereon shall have lapsed, and that, as a condition of any grant of Restricted Stock, the Participant shall have delivered a duly signed stock power or other instruments of assignment (including a power of attorney), each endorsed in blank with a guarantee of signature if deemed necessary or appropriate by the Company, which would permit transfer to the Company of all or a portion of the shares subject to the Restricted Stock Award in the event that such Award is forfeited in whole or part.

(iv) Rights as a Stockholder. Except as provided in Section 8.3(a) and this Section 8.2(a) or as otherwise determined by the Committee in an Award Agreement, the Participant shall have, with respect to the shares of Restricted Stock, all of the rights of a holder of Shares, including, without limitation, the right to receive dividends, the right to vote such shares and, subject to and conditioned upon the full vesting of shares of Restricted Stock, the right to tender such shares; *provided* that, the Award Agreement shall specify on what terms and conditions the applicable Participant shall be entitled to dividends payable on the Shares.

(v) Lapse of Restrictions. If and when the Restriction Period expires without a prior forfeiture of the Restricted Stock, the certificates for such Shares shall be delivered to the Participant. All legends shall be removed from said certificates at the time of delivery to the Participant, except as otherwise required by Applicable Law or other limitations imposed by the Committee.

(b) Restricted Stock Units:

(i) Settlement. The Committee may provide that settlement of Restricted Stock Units will occur upon or as soon as reasonably practical after the Restricted Stock Units vest or will instead be deferred, on a mandatory basis or at the Participant's election, in a manner intended to comply with Section 409A of the Code.

(ii) Right as a Stockholder. A Participant will have no rights of a stockholder with respect to Shares subject to any Restricted Stock Unit unless and until Shares are delivered in settlement of the Restricted Stock Units.

(iii) Dividend Equivalents. If the Committee so provides, a grant of Restricted Stock Units may provide a Participant with the right to receive Dividend Equivalents. Dividend Equivalents may be paid currently or credited to an account for the Participant, settled in cash or Shares and subject to the same restrictions on transferability and forfeitability as the Restricted Stock Units with respect to which the Dividend Equivalents are granted and subject to other terms and conditions as set forth in the Award Agreement.

8.3 Restrictions and Conditions.

(a) Restriction Period.

(i) The Participant shall not be permitted to transfer shares of Restricted Stock awarded under the Plan or vest in Restricted Stock Units during the period or periods set by the Committee (the "Restriction Period") commencing on the date of such Award, as set forth in the applicable Award Agreement and such agreement shall set forth a vesting schedule and any event that would accelerate vesting of the Restricted Stock and/or Restricted Stock Units. Within these limits, based on service, attainment of Performance Goals

pursuant to Section 8.3(a)(ii) and/or such other factors or criteria as the Committee may determine in its sole discretion, the Committee may condition the grant or provide for the lapse of such restrictions in installments in whole or in part, or may accelerate the vesting of all or any part of any Restricted Stock Award or Restricted Stock Unit and/or waive the deferral limitations for all or any part of any Award.

(ii) If the grant of shares of Restricted Stock or Restricted Stock Units or the lapse of restrictions or vesting schedule is based on the attainment of Performance Goals, the Committee shall establish the objective Performance Goals and the applicable vesting percentage applicable to each Participant or class of Participants in the applicable Award Agreement prior to the beginning of the applicable fiscal year or at such later date as otherwise determined by the Committee and while the outcome of the Performance Goals are substantially uncertain. Such Performance Goals may incorporate provisions for disregarding (or adjusting for) changes in accounting methods, corporate transactions (including, without limitation, dispositions and acquisitions) and other similar types of events or circumstances.

(b) Termination. Unless otherwise provided in the applicable Award Agreement or determined by the Committee at grant or, if no rights of the Participant are reduced, thereafter, upon a Participant's Termination of Service for any reason during the relevant Restriction Period, all Restricted Stock or Restricted Stock Units still subject to restriction will be forfeited in accordance with the terms and conditions established by the Committee at grant or thereafter.

ARTICLE IX PERFORMANCE AWARDS

9.1 Performance Awards. The Committee may grant a Performance Award to a Participant payable upon the attainment of specific Performance Goals either alone or in addition to other Awards granted under the Plan. The Performance Goals to be achieved during the Performance Period and the length of the Performance Period shall be determined by the Committee upon the grant of each Performance Award. The conditions for grant or vesting and the other provisions of Performance Awards (including, without limitation, any applicable Performance Goals) need not be the same with respect to each Participant. Performance Awards may be paid in cash, Shares, other property or any combination thereof, in the sole discretion of the Committee as set forth in the applicable Award Agreement.

ARTICLE X
OTHER STOCK-BASED AND CASH AWARDS

10.1 Other Stock-Based Awards. The Committee is authorized to grant to Eligible Individuals Other Stock-Based Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to Shares, including but not limited to, Shares awarded purely as a bonus and not subject to restrictions or conditions, Shares in payment of the amounts due under an incentive or performance plan sponsored or maintained by the Company, stock equivalent units, and Awards valued by reference to book value of Shares. Other Stock-Based Awards may be granted either alone or in addition to or in tandem with other Awards granted under the Plan.

Subject to the provisions of the Plan, the Committee shall have authority to determine the Eligible Individuals, to whom, and the time or times at which, such Awards shall be made, the number of Shares to be awarded pursuant to such Awards, and all other conditions of the Awards. The Committee may also provide for the grant of Shares under such Awards upon the completion of a specified Performance Period. The Committee may condition the grant or vesting of Other Stock-Based Awards upon the attainment of specified Performance Goals as the Committee may determine, in its sole discretion.

10.2 Terms and Conditions. Other Stock-Based Awards made pursuant to this Article X shall be evidenced by an Award Agreement and subject to the following terms and conditions and shall be in such form and contain such additional terms and conditions not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) Non-Transferability. Subject to the applicable provisions of the Award Agreement and the Plan, Shares subject to Awards made under this Article X may not be transferred prior to the date on which the Shares are issued, or, if later, the date on which any applicable restriction, performance or deferral period lapses.

(b) Dividends. Unless otherwise determined by the Committee at the time of the grant of an Award, subject to the provisions of the Award Agreement and the Plan, the recipient of an Award under this Article X shall not be entitled to receive, currently or on a deferred basis, dividends or Dividend Equivalents in respect of the number of Shares covered by the Award.

(c) Vesting. Any Award under this Article X and any Shares covered by any such Award shall vest or be forfeited to the extent so provided in the Award Agreement, as determined by the Committee, in its sole discretion.

(d) Price. Shares under this Article X may be issued for no cash consideration. Shares purchased pursuant to a purchase right awarded under this Article X shall be priced, as determined by the Committee in its sole discretion.

10.3 Cash Awards. The Committee may from time to time grant Cash Awards to Eligible Individuals in such amounts, on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by Applicable Law, as it shall determine in its sole discretion. Cash Awards may be granted subject to the satisfaction of vesting conditions or may be awarded purely as a bonus and not subject to restrictions or conditions, and if subject to vesting conditions, the Committee may accelerate the vesting of such Awards at any time in its sole discretion. The grant of a Cash Award shall not require a segregation of any of the Company's assets for satisfaction of the Company's payment obligation thereunder.

ARTICLE XI
CHANGE IN CONTROL PROVISIONS

11.1 Benefits. In the event of a Change in Control, and except as otherwise provided by the Committee in an Award Agreement, a Participant's unvested Awards shall not vest automatically and a Participant's Awards shall be treated in accordance with one or more of the following methods as determined by the Committee:

(a) Awards, whether or not then vested, shall be continued, be assumed, or have new rights substituted therefor, as determined by the Committee in a manner consistent

with the requirements of Section 409A of the Code, and restrictions to which shares of Restricted Stock or any other Award granted prior to the Change in Control are subject shall not lapse upon a Change in Control and the Restricted Stock or other Award shall, where appropriate in the sole discretion of the Committee, receive the same distribution as other Shares on such terms as determined by the Committee; *provided* that the Committee may decide to award additional Restricted Stock or other Awards in lieu of any cash distribution. Notwithstanding anything to the contrary herein, for purposes of Incentive Stock Options, any assumed or substituted Stock Option shall comply with the requirements of Treasury Regulation Section 1.424-1 (and any amendment thereto).

(b) The Committee, in its sole discretion, may provide for the purchase of any Awards by the Company for an amount of cash equal to the excess (if any) of the Change in Control Price of the Shares covered by such Awards, over the aggregate exercise price of such Awards; *provided, however*, that if the exercise price of an Option or Stock Appreciation Right exceeds the Change in Control Price, such Award may be cancelled for no consideration.

(c) The Committee may, in its sole discretion, terminate all outstanding and unexercised Stock Options, Stock Appreciation Rights, or any Other Stock-Based Award that provides for a Participant-elected exercise, effective as of the date of the Change in Control, by delivering notice of termination to each Participant at least twenty (20) days prior to the date of consummation of the Change in Control, in which case during the period from the date on which such notice of termination is delivered to the consummation of the Change in Control, each such Participant shall have the right to exercise in full all of such Participant's Awards that are then outstanding (without regard to any limitations on exercisability otherwise contained in the Award Agreements), but any such exercise shall be contingent on the occurrence of the Change in Control, and, *provided* that, if the Change in Control does not take place within a specified period after giving such notice for any reason whatsoever, the notice and exercise pursuant thereto shall be null and void.

(d) Notwithstanding any other provision herein to the contrary, the Committee may, in its sole discretion, provide for accelerated vesting or lapse of restrictions, of an Award at any time.

ARTICLE XII
TERMINATION OR AMENDMENT OF PLAN

Notwithstanding any other provision of the Plan, the Board or the Committee may at any time, and from time to time, amend, in whole or in part, any or all of the provisions of the Plan (including any amendment deemed necessary to ensure that the Company may comply with any Applicable Law), or suspend or terminate it entirely, retroactively or otherwise; *provided, however*, that, unless otherwise required by Applicable Law or specifically provided herein, the rights of a Participant with respect to Awards granted prior to such amendment, suspension or termination, may not be impaired without the consent of such Participant and, *provided further*, that without the approval of the holders of the Shares entitled to vote in accordance with Applicable Law, no amendment may be made that would (i) increase the aggregate number of Shares that may be issued under the Plan (except by operation of Article IV); (ii) change the classification of individuals eligible to receive Awards under the Plan; (iii) reduce the exercise price of any Stock Option or Stock Appreciation Right; (iv) grant a new Stock Option, Stock

Appreciation Right or other Award in substitution for, or upon the cancellation of, any previously granted Stock Option or Stock Appreciation Right that has the effect of reducing the exercise price thereof; (v) exchange any Stock Option or Stock Appreciation Right for Common Stock, cash or other consideration when the exercise price per Share under such Stock Option or Stock Appreciation Right exceeds the Fair Market Value of a Share o; or (vi) take any other action that would be considered a "repricing" of a Stock Option or Stock Appreciation Right under the applicable listing standards of the national exchange on which the Common Stock is listed (if any). Notwithstanding anything herein to the contrary, the Board or the Committee may amend the Plan or any Award Agreement at any time without a Participant's consent to comply with Applicable Law, including Section 409A of the Code. The Committee may amend the terms of any Award theretofore granted, prospectively or retroactively, but, subject to Article IV or as otherwise specifically provided herein, no such amendment or other action by the Committee shall impair the rights of any holder without the holder's consent.

ARTICLE XIII UNFUNDED STATUS OF PLAN

The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payment as to which a Participant has a fixed and vested interest but which is not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any right that is greater than those of a general unsecured creditor of the Company.

ARTICLE XIV
GENERAL PROVISIONS

14.1 **Legend**. The Committee may require each person receiving Shares pursuant to a Stock Option or other Award under the Plan to represent to and agree with the Company in writing that the Participant is acquiring the Shares without a view to distribution thereof. In addition to any legend required by the Plan, the certificates for such Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer. All certificates for Shares delivered under the Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed or any national securities exchange system upon whose system the Common Stock is then quoted, and any Applicable Law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions. If the Shares are held in book-entry form, then the book-entry will indicate any restrictions on such Shares.

14.2 **Other Plans**. Nothing contained in the Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required, and such arrangements may be either generally applicable or applicable only in specific cases.

14.3 **No Right to Employment/Directorship/Consultancy**. Neither the Plan nor the grant of any Award hereunder shall give any Participant or other employee, Consultant or Non-

Employee Director any right with respect to continuance of employment, consultancy or directorship by the Company or any Affiliate, nor shall there be a limitation in any way on the right of the Company or any Affiliate by which an employee is employed or a Consultant or Non- Employee Director is retained to terminate such employment, consultancy or directorship at any time.

14.4 Withholding of Taxes. A Participant shall be required to pay to the Company or one of its Affiliates, as applicable, or make arrangements satisfactory to the Company regarding the payment of, any income tax, social insurance contribution or other applicable taxes that are required to be withheld in respect of an Award. The Committee may (but is not obligated to), in its sole discretion, permit or require a Participant to satisfy, all or any portion of the applicable taxes that are required to be withheld with respect to an Award by (i) the delivery of Shares (which are not subject to any pledge or other security interest) that have been both held by the Participant and vested for at least six (6) months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment under applicable accounting standards) having an aggregate Fair Market Value equal to such withholding liability (or portion thereof);

(ii) having the Company withhold from the Shares otherwise issuable or deliverable to, or that would otherwise be retained by, the Participant upon the grant, exercise, vesting or settlement of the Award, as applicable, a number of Shares with an aggregate Fair Market Value equal to the amount of such withholding liability; or (iii) by any other means specified in the applicable Award Agreement or otherwise determined by the Committee.

14.5 Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Plan. The Committee shall determine whether cash, additional Awards or other securities or property shall be used or paid in lieu of fractional Shares or whether any fractional shares should be rounded, forfeited or otherwise eliminated.

14.6 No Assignment of Benefits. No Award or other benefit payable under the Plan shall, except as otherwise specifically provided by law or permitted by the Committee, be transferable in any manner, and any attempt to transfer any such benefit shall be void, and any such benefit shall not in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of any person who shall be entitled to such benefit, nor shall it be subject to attachment or legal process for or against such person.

14.7 Clawback Provisions. All Awards (including any proceeds, gains or other economic benefit the Participant actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award) will be subject to any Company clawback policy, including any clawback policy adopted to comply with Applicable Laws (including the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder) as set forth in such clawback policy or the Award Agreement.

14.8 Listing and Other Conditions.

(a) Unless otherwise determined by the Committee, as long as the Common Stock is listed on a national securities exchange or system sponsored by a national securities association, the issuance of Shares pursuant to an Award shall be conditioned upon such Shares

being listed on such exchange or system. The Company shall have no obligation to issue such shares unless and until such Shares are so listed, and the right to exercise any Option or other Award with respect to such Shares shall be suspended until such listing has been effected.

(b) If at any time counsel to the Company shall be of the opinion that any sale or delivery of Shares pursuant to an Award is or may in the circumstances be unlawful or result in the imposition of excise taxes on the Company under Applicable Law, the Company shall have no obligation to make such sale or delivery, or to make any application or to effect or to maintain any qualification or registration under the Securities Act or otherwise, with respect to Shares or Awards, and the right to exercise any Option or other Award shall be suspended until, in the opinion of said counsel, such sale or delivery shall be lawful or will not result in the imposition of excise taxes on the Company.

(c) Upon termination of any period of suspension under this Section 14.8, any Award affected by such suspension which shall not then have expired or terminated shall be reinstated as to all Shares available before such suspension and as to Shares which would otherwise have become available during the period of such suspension, but no such suspension shall extend the term of any Award.

(d) A Participant shall be required to supply the Company with certificates, representations and information that the Company requests and otherwise cooperate with the Company in obtaining any listing, registration, qualification, exemption, consent or approval the Company deems necessary or appropriate.

14.9 **Governing Law**. The Plan and actions taken in connection herewith shall be governed and construed in accordance with the laws of the State of Delaware, without reference to principles of conflict of laws.

14.10 **Construction**. Wherever any words are used in the Plan in the masculine gender they shall be construed as though they were also used in the feminine gender in all cases where they would so apply, and wherever words are used herein in the singular form they shall be construed as though they were also used in the plural form in all cases where they would so apply.

14.11 **Other Benefits**. No Award granted or paid out under the Plan shall be deemed compensation for purposes of computing benefits under any retirement plan of the Company or its Affiliates nor affect any benefit or compensation under any other plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation.

14.12 **Costs**. The Company shall bear all expenses associated with administering the Plan, including expenses of issuing Shares pursuant to Awards hereunder.

14.13 **No Right to Same Benefits**. The provisions of Awards need not be the same with respect to each Participant, and such Awards to individual Participants need not be the same in subsequent years.

14.14 **Death/Disability**. The Committee may in its discretion require the transferee of a Participant to supply it with written notice of the Participant's death or Disability and to supply it with a copy of the will (in the case of the Participant's death) or such other evidence as the Committee deems necessary to establish the validity of the transfer of an Award. The Committee

may also require that the agreement of the transferee to be bound by all of the terms and conditions of the Plan.

14.15 **Section 16(b) of the Exchange Act**. It is the intent of the Company that the Plan satisfy, and be interpreted in a manner that satisfies, the applicable requirements of Rule 16b-3 as promulgated under Section 16 of the Exchange Act so that Participants will be entitled to the benefit of Rule 16b-3, or any other rule promulgated under Section 16 of the Exchange Act, and will not be subject to short-swing liability under Section 16 of the Exchange Act. Accordingly, if the operation of any provision of the Plan would conflict with the intent expressed in this Section 14.15, such provision to the extent possible shall be interpreted and/or deemed amended so as to avoid such conflict.

14.16 **Deferral of Awards**. The Committee may establish one or more programs under the Plan to permit selected Participants the opportunity to elect to defer receipt of consideration upon exercise of an Award, satisfaction of performance criteria, or other event that absent the election would entitle the Participant to payment or receipt of Shares or other consideration under an Award. The Committee may establish the election procedures, the timing of such elections, the mechanisms for payments of, and accrual of interest or other earnings, if any, on amounts, shares or other consideration so deferred, and such other terms, conditions, rules and procedures that the Committee deems advisable for the administration of any such deferral program.

14.17 **Section 409A of the Code**. The Plan and Awards are intended to comply with or be exempt from the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent. To the extent that any Award is subject to Section 409A of the Code, it shall be paid in a manner that will comply with Section 409A of the Code, including proposed, temporary or final regulations or any other guidance issued by the Secretary of the Treasury and the Internal Revenue Service with respect thereto. Notwithstanding anything herein to the contrary, any provision in the Plan that is inconsistent with Section 409A of the Code shall be deemed to be amended to comply with or be exempt from Section 409A of the Code and to the extent such provision cannot be amended to comply therewith or be exempt therefrom, such provision shall be null and void. The Company shall have no liability to a Participant, or any other party, if an Award that is intended to be exempt from, or compliant with, Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee or the Company and, in the event that any amount or benefit under the Plan becomes subject to penalties under Section 409A of the Code, responsibility for payment of such penalties shall rest solely with the affected Participants and not with the Company. Notwithstanding any contrary provision in the Plan or Award Agreement, any payment(s) of "nonqualified deferred compensation" (within the meaning of Section 409A of the Code) that are otherwise required to be made under the Plan to a "specified employee" (as defined under Section 409A of the Code) as a result of such employee's separation from service (other than a payment that is not subject to Section 409A of the Code) shall be delayed for the first six (6) months following such separation from service (or, if earlier, until the date of death of the specified employee) and shall instead be paid (in a manner set forth in the Award Agreement) upon expiration of such delay period.

14.18 **Successor and Assigns**. The Plan shall be binding on all successors and permitted assigns of a Participant, including, without limitation, the estate of such Participant and the executor, administrator or trustee of such estate.

14.19 **Severability of Provisions**. If any provision of the Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and the Plan shall be construed and enforced as if such provisions had not been included.

14.20 **Headings and Captions**. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

ARTICLE XV EFFECTIVE DATE OF PLAN

The Plan was originally adopted October 14, 2020. The amendment and restated of this plan became effective on December 17, 2024, which is the date of its adoption by the Board.

ARTICLE XVI TERM OF PLAN

No Award shall be granted pursuant to the Plan on or after the tenth (10th) anniversary of the earlier of the date that the Plan is adopted or the date of stockholder approval, but Awards granted prior to such tenth (10th) anniversary may extend beyond that date.

Exhibit 10.11

ARRAY TECHNOLOGIES, INC.

2020 LONG-TERM INCENTIVE PLAN

PERFORMANCE-BASED RESTRICTED STOCK UNIT GRANT NOTICE

Pursuant to the terms and conditions of the Array Technologies, Inc. 2020 Long-Term Incentive Plan, as amended from time to time (the "Plan"), Array Technologies, Inc., a Delaware corporation (the "Company"), hereby grants to the individual listed below ("you" or the "Participant") the number of performance-based restricted stock units (the "PSUs") set forth below. This award of PSUs (this "Award") is subject to the terms and conditions set forth herein and in the Performance-Based Restricted Stock Unit Agreement attached hereto as Exhibit A (the "Agreement"), which is incorporated herein by reference. Capitalized terms used but not defined herein shall have the meanings set forth in the Plan.

Type of Award: Performance-Based Restricted Stock Units

Participant: #ParticipantName#

Date of Grant: #GrantDate#

Total Target Number of PSUs: #QuantityGranted#

Vesting Schedule: Subject to Sections 2(c), 2(d) and 5 of the Agreement, the Plan and the other terms and conditions set forth herein, the PSUs shall vest in full on the Vesting Date (as such term is defined in Exhibit B hereto), so long as you remain continuously employed by the Company or an Affiliate from the Date of Grant through the Vesting Date.

By your acknowledgment on the Fidelity website, you agree to be bound by the terms and conditions of the Plan, the Agreement and this Performance-Based Restricted Stock Unit Grant Notice (this "Grant Notice"). You acknowledge that you have reviewed the Agreement, the Plan and this Grant Notice in their entirety and fully understand all provisions of the Agreement, the Plan and this Grant Notice. You hereby agree to accept as binding, conclusive and final all decisions or interpretations of the Committee regarding any questions or determinations that arise under the Agreement, the Plan or this Grant Notice. This Grant Notice may be executed in one or more counterparts (including portable document format (.pdf) and facsimile counterparts), each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement.

Notwithstanding any provision of this Grant Notice or the Agreement, if you have not executed this Grant Notice within 90 days following the Date of Grant set forth above, you will be deemed to have accepted this Award, subject to all of the terms and conditions of this Grant Notice, the Agreement and the Plan.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Grant Notice to be executed by an officer thereunto duly authorized, and the Participant has executed this Grant Notice, effective for all purposes as provided above.

ARRAY TECHNOLOGIES, INC.

Name: Terrance Collins
Title: Chief Human Resources Officer

PARTICIPANT

Name:

EXHIBIT A

PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT

This Performance-Based Restricted Stock Unit Agreement (together with the Grant Notice to which this Agreement is attached, this "Agreement") is made as of the Date of Grant set forth in the Grant Notice to which this Agreement is attached by and between Array Technologies, Inc., a Delaware corporation (the "Company"), and (the "Participant"). Capitalized terms used but not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1. **Award**. Effective as of the Date of Grant set forth in the Grant Notice (the "Date of Grant"), the Company hereby grants to the Participant the target number of PSUs set forth in the Grant Notice (the "Target Award") on the terms and conditions set forth in the Grant Notice, this Agreement and the Plan, which is incorporated herein by reference as a part of this Agreement. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control. To the extent vested, each PSU represents the right to receive one Share, subject to the terms and conditions set forth in the Grant Notice, this Agreement and the Plan. The percentage of the Target Award (if any) that may be earned by the Grantee will be determined in accordance with Exhibit B hereto. Unless and until the PSUs have become vested in the manner set forth in Exhibit B hereto, the Participant will have no right to receive any Shares or other payments in respect of the PSUs. Prior to settlement of this Award, the PSUs and this Award represent an unsecured obligation of the Company, payable only from the general assets of the Company.

2. **Earned PSUs; Vesting**.

(a) The PSUs shall become the "Earned PSUs" following the end of the Performance Period (as such term is defined in Exhibit B hereto) to the extent earned in accordance with the Performance Criteria set forth on Exhibit B (the "Performance Objectives").

(b) Except as otherwise set forth in Sections 2(c), 2(d) and 5, the Earned PSUs shall vest in full on the Vesting Date (as such term is defined in Exhibit B hereto). Unless and until the PSUs have become vested Earned PSUs, the Participant will have no right to receive any dividends or other distribution with respect to the PSUs. Except as provided pursuant to Sections 2(c) and 2(d), upon the Participant's Termination of Service prior to the vesting of the PSUs, any unvested PSUs (and all rights arising from such PSUs and from being a holder thereof) will terminate automatically without any further action by the Company and will be forfeited without further notice and at no cost to the Company.

(c) Notwithstanding anything in the Grant Notice, this Agreement or the Plan to the contrary, subject to Section 11, if prior to the Performance Period End Date (as such term is defined in Exhibit B hereto), the Participant experiences a Termination of Service (i) by the Company or an Affiliate without Cause or (ii) by the Participant for Good Reason (if the Participant is party to an employment agreement or offer letter with the Company or an Affiliate that contains a definition of Good Reason) (any such Termination of Service, a "Qualifying Termination"), the PSUs shall not terminate upon such Qualifying Termination and instead shall remain outstanding and eligible to become Earned PSUs in accordance with the terms of Exhibit B and to vest on the Performance Period End Date. The number of Earned PSUs, if any, will be prorated based on the number of the days that have elapsed in the Performance Period from the first day of the Performance Period to the date of such Qualifying Termination (but not more than 1,095 days) over 1,095 and, notwithstanding Section 4 hereof, shall be settled no later than March 31 of the year following the year in which the Performance Period End Date

occurs. If, prior to the Performance Period End Date, the Participant experiences a Termination of Service by reason of the Participant's death or by the Company due to his or her Disability, upon such termination, a number of PSUs shall be deemed to become Earned PSUs based on the Target Award multiplied by the number of the days that have elapsed in the Performance Period from the first day of the Performance Period to the date of such termination (but not more than 1,095 days) over 1,095, and such Earned PSUs shall vest as of such termination. If any such termination occurs after the end of the Performance Period but before the Vesting Date, the number of PSUs that become Earned PSUs shall be based on actual performance during the Performance Period as determined under Exhibit B hereto and shall be prorated as determined in accordance with this subsection (c) and the Earned PSUs shall be settled upon the Vesting Date or the date of termination, as applicable, depending on the nature of the termination as set forth herein.

(d) If, prior to the Performance Period End Date (as defined in Exhibit B), a Change in Control occurs, to the extent the PSUs are outstanding immediately prior to such Change in Control, the Committee shall determine the extent to which the Performance Objectives have been met as of the date of such Change in Control as if the Performance Period End Date were the date of such Change in Control and shall determine the number of Earned PSUs, if any. The number of Earned PSUs, if any, shall continue to vest based solely on time and shall vest on the Vesting Date, subject to the Participant remaining in continuous employment with the Company or an Affiliate through such date; provided, that, if the Participant experiences a Qualifying Termination within 24 months following the Change in Control or if the Participant experiences a Termination of Service by reason of the Participant's death or by the Company due to his or her Disability following the Change in Control, the Earned PSUs will automatically vest in full upon such termination.

3. **Dividend Equivalents**. In the event that the Company declares and pays a dividend in respect of its outstanding Shares and, on the record date for such dividend, the Participant holds PSUs granted pursuant to this Agreement that have not been settled, the Company shall record the amount of such dividend in a bookkeeping account and pay to the Participant an amount in cash equal to the cash dividends the Participant would have received if the Participant was the holder of record, as of such record date, of a number of Shares equal to the number of PSUs subject to the Target Award held by the Participant that have not been settled as of such record date, such payment to be made on the date on which such PSUs are settled in accordance with Section 4 and based on the number of PSUs that become Earned PSUs (the "Dividend Equivalents"). For purposes of clarity, if the PSUs (or any portion thereof) are forfeited by the Participant pursuant to the terms of this Agreement, then the Participant shall also forfeit the Dividend Equivalents, if any, accrued with respect to such forfeited PSUs. No interest will accrue on the Dividend Equivalents between the declaration and payment of the applicable dividends and the settlement of the Dividend Equivalents.

4. **Settlement of Earned PSUs**. As soon as administratively practicable following the vesting of any Earned PSUs subject to this award, but in no event later than 30 days after the date on which such Earned PSUs vest, the Company shall deliver to the Participant a number of Shares equal to the number of vested Earned PSUs subject to this Award. All Shares issued hereunder shall be delivered either by delivering one or more certificates for such shares to the Participant or by entering such shares in book-entry form, as determined by the Committee in its sole discretion. The value of Shares shall not bear any interest owing to the passage of time. Neither this Section 4 nor any action taken pursuant to or in accordance with this Agreement shall be construed to create a trust or a funded or secured obligation of any kind.

5. **Restrictive Covenants**. Notwithstanding any provision in this Agreement or the Plan to the contrary, in the event the Committee determines that the Participant has failed to abide by the

provisions of any confidentiality, non-competition or non-solicitation covenant in any agreement by and between the Company or any Affiliate and the Participant, then all PSUs that have not been settled as of the date of such determination, whether or not earned (and all rights arising from such PSUs and from being a holder thereof) will terminate automatically without any further action by the Company and will be forfeited without further notice and at no cost to the Company.

6. **Tax Withholding**. To the extent that the receipt, vesting or settlement of this Award results in compensation income or wages to the Participant for federal, state, local and/or foreign tax purposes, the Participant shall make arrangements satisfactory to the Company regarding the payment of, any income tax, social insurance contribution or other applicable taxes that are required to be withheld in respect of this Award, which arrangements include the delivery of cash or cash equivalents, Shares (including previously owned Shares (which is not subject to any pledge or other security interest), net settlement, a broker-assisted sale, or other cashless withholding or reduction of the amount of shares otherwise issuable or delivered pursuant to this Award), other property, or any other legal consideration the Committee deems appropriate. If such tax obligations are satisfied through net settlement or the surrender of previously owned Shares, the maximum number of Shares that may be so withheld (or surrendered) shall be the number of Shares that have an aggregate Fair Market Value on the date of withholding or surrender equal to the aggregate amount of such tax liabilities determined based on the greatest withholding rates for federal, state, local and/or foreign tax purposes, including payroll taxes, that may be utilized without creating adverse accounting treatment for the Company with respect to this Award, as determined by the Committee. Any fraction of a Share required to satisfy such tax obligations shall be disregarded and the amount due shall be paid instead in cash to the Participant. The Participant acknowledges that there may be adverse tax consequences upon the receipt, vesting or settlement of this Award or disposition of the underlying shares and that the Participant has been advised, and hereby is advised, to consult a tax advisor. The Participant represents that the Participant is in no manner relying on the Board, the Committee, the Company or an Affiliate or any of their respective managers, directors, officers, employees or authorized representatives (including attorneys, accountants, consultants, bankers, lenders, prospective lenders and financial representatives) for tax advice or an assessment of such tax consequences.

7. **Employment Relationship**. For purposes of this Agreement, the Participant shall be considered to be employed by the Company or an Affiliate as long as the Participant remains an employee of any of the Company, an Affiliate or a corporation or other entity (or a parent or subsidiary of such corporation or other entity) assuming or substituting a new award for this Award.

8. **Non-Transferability**. During the lifetime of the Participant, the PSUs may not be sold, pledged, assigned or transferred in any manner other than by will or by the laws of descent and distribution, unless and until the Shares underlying the PSUs have been issued, and all restrictions applicable to such shares have lapsed. Neither the PSUs nor any interest or right therein shall be liable for the debts, contracts or engagements of the Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means, whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

9. **Compliance with Applicable Law**. Notwithstanding any provision of this Agreement to the contrary, the issuance of Shares hereunder will be subject to compliance with all applicable requirements of applicable law with respect to such securities and with the requirements of any stock exchange or market system upon which the Common Stock may then be listed. No Shares will be issued

hereunder if such issuance would constitute a violation of any applicable law or regulation or the requirements of any stock exchange or market system upon which the Shares may then be listed. In addition, Shares will not be issued hereunder unless (a) a registration statement under the Securities Act is in effect at the time of such issuance with respect to the shares to be issued or (b) in the opinion of legal counsel to the Company, the shares to be issued are permitted to be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary for the lawful issuance and sale of any Shares hereunder will relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority has not been obtained. As a condition to any issuance of Shares hereunder, the Company may require the Participant to satisfy any requirements that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company.

10. **Rights as a Stockholder**. The Participant shall have no rights as a stockholder of the Company with respect to any Shares that may become deliverable hereunder unless and until the Participant has become the holder of record of such Shares, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of any such Shares, except as otherwise specifically provided for in the Plan or this Agreement.

11. **Execution of Receipts and Releases**. Any issuance or transfer of Shares or other property to the Participant or the Participant's legal representative, heir, legatee or distributee, in accordance with this Agreement shall be in full satisfaction of all claims of such Person hereunder. As a condition precedent to such payment or issuance, the Company may require the Participant or the Participant's legal representative, heir, legatee or distributee to execute (and not revoke within any time provided to do so) a release and receipt therefor in such form as it shall determine appropriate; provided, however, that any review period under such release will not modify the date of settlement with respect to vested Earned PSUs.

12. **No Right to Continued Employment, Service or Awards**. Nothing in the adoption of the Plan, nor the award of the PSUs thereunder pursuant to the Grant Notice and this Agreement, shall confer upon the Participant the right to continued employment by, or a continued service relationship with, the Company or any Affiliate, or any other entity, or affect in any way the right of the Company or any such Affiliate, or any other entity to terminate such employment or other service relationship at any time. The grant of the PSUs is a one-time benefit and does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Any future Awards will be granted at the sole discretion of the Company.

13. **Notices**. All notices and other communications under this Agreement shall be in writing and shall be delivered to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

If to the Company, unless otherwise designated by the Company in a written notice to the Participant (or other holder):

Array Technologies, Inc.
Attn: Chief Legal Officer
3901 Midway Place NE
Albuquerque, New Mexico 87109

If to the Participant, at the Participant's last known address on file with the Company.

Any notice that is delivered personally or by overnight courier or telecopier in the manner provided herein shall be deemed to have been duly given to the Participant when it is mailed by the Company or, if such notice is not mailed to the Participant, upon receipt by the Participant. Any notice that is addressed and mailed in the manner herein provided shall be conclusively presumed to have been given to the party to whom it is addressed at the close of business, local time of the recipient, on the fourth day after the day it is so placed in the mail.

14. **Consent to Electronic Delivery; Electronic Signature**. In lieu of receiving documents in paper format, the Participant agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company may be required to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports and all other forms of communications) in connection with this and any other Award made or offered by the Company. Electronic delivery may be via a Company electronic mail system or by reference to a location on a Company intranet to which the Participant has access. The Participant hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may be required to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature.

15. **Agreement to Furnish Information**. The Participant agrees to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirement imposed upon the Company by or under any applicable statute or regulation.

16. **Entire Agreement; Amendment**. This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the PSUs granted hereby; provided, however, that the terms of this Agreement shall not modify and shall be subject to the terms and conditions of any employment, consulting and/or severance agreement between the Company (or an Affiliate or other entity) and the Participant in effect as of the date a determination is to be made under this Agreement. Without limiting the scope of the preceding sentence, except as provided therein, all prior understandings and agreements, if any, among the parties hereto relating to the subject matter hereof are hereby null and void and of no further force and effect. The Committee may, in its sole discretion, amend this Agreement from time to time in any manner that is not inconsistent with the Plan; provided, however, that except as otherwise provided in the Plan or this Agreement, any such amendment that impairs the rights of the Participant shall be effective only if it is in writing and signed by both the Participant and an authorized officer of the Company. The Participant acknowledges and agrees that, without limiting the other provisions of this Agreement, no determination by the Committee under Exhibit B shall be treated as an amendment to this Agreement.

17. **Severability and Waiver**. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of such provision shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect. Waiver by any party of any breach of this Agreement or failure to exercise any right hereunder shall not be deemed to be a waiver of any other breach or right. The failure of any party to take action by reason of such breach or to exercise any such right shall not deprive the party of the right to take action at any time while or after such breach or condition giving rise to such rights continues.

18. **Company Recoupment of Awards**. A Participant's rights with respect to this Award shall in all events be subject to (a) any right that the Company may have under any Company recoupment policy or other agreement or arrangement with a Participant, or (b) any right or obligation that the Company may have regarding the clawback of "incentive-based compensation" under Section 10D of the Exchange Act and any applicable rules and regulations promulgated thereunder form time to time by the U.S. Securities and Exchange Commission, including pursuant to the Company's Clawback Policy.

19. **Governing Law**. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED THEREIN, EXCLUSIVE OF THE CONFLICT OF LAWS PROVISIONS OF DELAWARE LAW.

20. **Successors and Assigns**. The Company may assign any of its rights under this Agreement without the Participant's consent. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein and in the Plan, this Agreement will be binding upon the Participant and the Participant's beneficiaries, executors, administrators and the Person(s) to whom the PSUs may be transferred by will or the laws of descent or distribution.

21. **Headings; References; Interpretation**. Headings are for convenience only and are not deemed to be part of this Agreement. The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. All references herein to Sections shall, unless the context requires a different construction, be deemed to be references to the Sections of this Agreement. The word "or" as used herein is not exclusive and is deemed to have the meaning "and/or." All references to "including" shall be construed as meaning "including without limitation." Unless the context requires otherwise, all references herein to a law, agreement, instrument or other document shall be deemed to refer to such law, agreement, instrument or other document as amended, supplemented, modified and restated from time to time to the extent permitted by the provisions thereof. All references to "dollars" or "$" in this Agreement refer to United States dollars. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

22. **Counterparts**. The Grant Notice may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Delivery of an executed counterpart of the Grant Notice by facsimile or portable document format (.pdf) attachment to electronic mail shall be effective as delivery of a manually executed counterpart of the Grant Notice.

23. **Section 409A**. Notwithstanding anything herein or in the Plan to the contrary, the PSUs granted pursuant to this Agreement are intended to be exempt from the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent. Nevertheless, to the extent that the Committee determines that the PSUs may not be exempt from Section 409A of the Code, then, if the Participant is deemed to be a "specified employee" within the meaning of Section 409A of the Code, as determined by the Committee, at a time when the Participant becomes eligible for settlement of the PSUs upon his "separation from service" within the meaning of Section 409A of the

Code, then to the extent necessary to prevent any accelerated or additional tax under Section 409A of the Code, such settlement will be delayed until the earlier of: (a) the date that is six months following the Participant's separation from service and (b) the Participant's death. Notwithstanding the foregoing, the Company and its Affiliates make no representations that the PSUs provided under this Agreement are exempt from or compliant with Section 409A of the Code and in no event shall the Company or any Affiliate be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with Section 409A of the Code.

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EXHIBIT B

1. **Revenue PSUs and EPS PSUs**. Fifty percent of the number of target PSUs shall be designated as "Revenue PSUs" and 50% of the number of target PSUs shall be designated as "EPS PSUs". The "Performance Objectives" under the Award shall be based on (i) the average of the Revenues recorded by the Company for each of the three fiscal years in the Performance Period ("Average Revenue") and (ii) the average of the cumulative Adjusted EPS recorded by the Company for each of the three fiscal years in the Performance Period ("Average Adjusted EPS"). In the event that the number of Earned PSUs exceeds 200% of the Target Award, the total Earned PSUs as calculated with reference to the Revenue Payout Percentage and the EPS Payout Percentage will be reduced such that the product of (i) the Earned PSUs as calculated with reference to the Revenue Payout Percentage and the EPS Payout Percentage and (ii) the TSR Modifier shall not exceed 200% of the Target Award.

2. **Definitions**. All capitalized terms used in this Exhibit B, unless separately defined, have the meanings set forth in the Performance-Based Restricted Stock Unit Award Agreement to which this Exhibit B is attached. The terms set forth below, as used in this Exhibit B, shall have the following meanings:

a. "Adjusted EPS" shall mean the Company's annual Non-GAAP earnings per share, as announced by the Company in its earnings release, as adjusted to reflect any changes to accounting standards or tax law applicable to the Company, the advisory costs associated with any acquisition or divestiture activity of the Company.

b. "Performance Period" means January 1, 2024 through December 31, 2026, which is divided into three measurement intervals covering the 2024, 2025, and 2026 fiscal years for purposes of determining whether the Average Revenue and Average Adjusted EPS Performance Objectives have been met and in what ranges.

c. "Performance Period End Date" means December 31, 2026.

d. "Revenue" shall mean Company's annual revenue, inclusive of revenue attributable to acquisitions.

e. "Peer Companies" shall mean, collectively, Nextracker, Inc.; Shoals Technologies Group, Inc.; and FTC Solar, Inc., and each is a "Peer Company."

f. "Total Shareholder Return" shall mean the change in value expressed as a percentage of a given dollar amount invested in a company's most widely publicly traded stock over the Performance Period, taking into account both stock price appreciation (or depreciation) and the reinvestment of dividends (including the cash value of non-cash dividends) in such stock of the company. The 20 trading-day average closing price of the Shares and the shares of stock of Peer Companies, as applicable (i.e., the average closing prices over the 20 trading days prior to the first day of the Performance Period and ending on the first day of the Performance Period and the average closing prices over the final 20 trading days ending on and including the Performance Period End Date) will be used to value the Shares and the shares of stock of the Peer Companies, as applicable. Dividend reinvestment will be calculated using the closing price of a Share or the stock of the applicable Peer Company, as applicable, on the ex-dividend date or, if no trades were reported on such date, the latest preceding date for which a trade was reported.

g. "TSR Modifier" shall be the number set forth below.

TSR Rank	TSR Modifier
First	1.15x
Second	1.0x
Third	1.0x
Fourth	0.85x

h. "TSR Rank" shall mean the absolute ranking of the Company's Total Shareholder Return value in relation to the Total Shareholder Return values of the Peer Companies at the Performance Period End Date.

i. "Vesting Date" means the third anniversary of the Date of Grant.

3. Earning of Revenue PSUs. The number of Revenue PSUs that become Earned PSUs (if any) will be (a) the number of Revenue PSUs subject to the Target Award, multiplied by (b) the Revenue Payout Percentage specified below, multiplied by (c) the TSR Modifier. In the event that the Average Revenue is between "Threshold" and "Target" or "Target" and "Stretch", the Revenue Payout Percentage shall be interpolated on a straight-line basis. If the Average Revenue is above "Stretch", the Revenue Payout Percentage shall be 200%. If the Average Revenue is below "Threshold", the Revenue Payout Percentage shall be 0%.

Performance Range	Average Revenue	Revenue Payout Percentage
Stretch	$1,620,000,000	200%
Target	$1,350,000,000	100%
Threshold	$1,080,000,000	50%

4. Earning of EPS PSUs. The number of EPS PSUs that become Earned PSUs (if any) will be (a) the number of EPS PSUs subject to the Target Award, multiplied by (b) the EPS Payout Percentage specified below, multiplied by (c) the TSR Modifier. In the event that Average Adjusted EPS is between "Threshold" and "Target" or "Target" and "Stretch", the EPS Payout Percentage shall be interpolated on a straight-line basis. If the Average Adjusted EPS is above "Stretch", the EPS Payout Percentage shall be 200%. If the Average Adjusted EPS is below "Threshold", the EPS Payout Percentage shall be 0%.

Performance Range	Average Adjusted EPS	EPS Payout Percentage
Stretch	$1.46	200%
Target	$1.22	100%
Threshold	$0.98	50%

5. Determination of the Committee. The Committee shall determine the extent to which, if any, the Performance Objectives have been met and the number of PSUs that become Earned PSUs hereunder. The Committee shall make its final determination no later than 60 days following the end of the Performance Period. Earned PSUs shall vest and be settled as set forth in this Agreement. All determinations under this Exhibit B shall be made by the Committee and will be final and binding on the Participant.

ARRAY TECHNOLOGIES FOLLOW THE SUN. FOLLOW THE LEADER.

November 18, 2023

James Zhu
[redacted]

Dear James:

It is a pleasure to extend to you an offer of employment with Array Tech, Inc., a New Mexico corporation (the "Company"). I look forward to your contribution and success as Senior Vice President, Finance and Accounting reporting to the Chief Financial Officer. By accepting this offer, you agree to devote your full business time and attention to the business of the Company and to perform your duties hereunder faithfully, diligently and competently. During your employment with the Company, you shall have the normal duties, responsibilities, functions, and authority customarily exercised by the Senior Vice President, Finance and Accounting of a company of similar size and nature as the Company, subject to the power and authority of the Board of Directors of the Company (the "Board") to expand or limit such duties, responsibilities, functions, and authority. While employed by the Company, you agree not to serve as an officer, director, employee, consultant, or advisor to any other business (with or without compensation) without the Company's prior written consent.

The information below summarizes various employment details and benefits to which you will be entitled upon your acceptance of this offer and commencement of employment with the Company.

1. ***Effective Date of New Role***

The effective date of the new role is December 4, 2023.

2. ***Base Salary***

Your annual base salary (as adjusted from time to time, "Salary") during your employment with the Company will be $340,000, paid periodically in accordance with the Company's normal payroll practice for salaried employees. For any partial years of employment, the Salary shall be prorated based on your time at the Company.

3. ***Annual Bonus***

Your annual bonus target (as adjusted from time to time, the "Annual Bonus") will be 50% of your Salary and will be based on Company performance metrics in addition to your individual performance, as determined by the Board or the Human Capital Committee thereof. Bonuses are awarded at the sole discretion of the Company. This annual 50% bonus target will be capped at a payout of 200%. Your bonus eligibility and participation will begin on January 1, 2024. Bonus payments are subject to board of director approval and are scheduled to be paid before March 31st

following the end of the previous bonus plan year. For example, payments for the 2024 bonus plan year will be paid on or before March 31, 2025.

You will receive (i) a one-time cash bonus of $75,000 to assist with your relocation expenses associated with your physical and timely relocation to the Greater Phoenix Area ("Relocation Bonus"), payable with or prior to your second regularly payroll, subject to applicable withholdings. If your employment is terminated for Cause or you resign without Good Reason on or prior to the 18-month anniversary of the date of your relocation to the Greater Phoenix Area, you will be required to repay the prorated, remaining balance of your relocation bonus, within 30 days of the termination of your employment. In the event your employment is involuntarily terminated by the Company, your repayment of the $75,000 relocation allowance will be considered forgiven by the Company and will no longer be required by you.

You will be eligible to receive a one-time cash sign-on bonus of $85,000, minus any applicable withholdings. This will be payable with or prior to your second regularly scheduled payroll date subject to applicable withholdings. If you leave the Company within 18 months of your start date because of a Voluntary Resignation or discharge, you will be responsible for repaying Array the prorated, remaining balance of this one-time bonus, payable immediately in a lump sum at your termination of active employment. In the event your employment is involuntarily terminated by the Company, your repayment of the one-time $85,000 cash sign-on bonus will be considered forgiven by the Company and will no longer be required by you.

4. ***Long-Term Incentives***

Beginning in fiscal year 2024, you will be eligible to receive an annual equity grant under the Company's Long Term Incentive Plan (the "LTIP"), in the discretion of the Board or the Human Capital Committee thereof, with a target grant date fair value of $450,000 USD (the "Annual Equity Grant"). The above referenced Annual Equity Grants will be made on or about March 15, 2024, subject to applicable approvals.

5. ***Benefits and D&O Coverage***

Effective on the first day of employment with the Company, you will be entitled to participate in each of the benefit plans made available by the Company to its salaried employees, on terms no less favorable than those applicable to other salaried employees. Participation in Company benefit plans will be governed by and subject to the terms, conditions, and overall administration of such plans.

You will also be covered under all the Company's applicable director and officer ("D&O") insurance policies and entitled to enter into the Company's standard D&O indemnification agreement on the same terms and conditions as the directors and officers of the Company.

Your disability insurance coverage will be provided to you in two components:

i. Your employer provided Group LTD benefit covers 60% of your base salary and bonus to a maximum monthly benefit of $12,500.

ii. In addition, a new employer provided IDI benefit, provided through Unum, will cover 60% of your total compensation less Group LTD up to an additional $15,000 for a combined monthly maximum benefit of $27,500.

6. ***Vacation; Paid Time Off***

During your employment with the Company, you will be entitled to twenty (20) days of paid time off per calendar year, accrued on a pro rata basis and available throughout a calendar year, and you shall be entitled to holidays normally paid by the Company, in each case in accordance with the Company's policies and subject to the Company's employee handbook, as the same may be modified from time to time. Nothing stated herein shall be interpreted to conflict with applicable wage laws requiring the payment of all accrued but unpaid paid time off at the time employment is terminated for any reason.

7. ***Reimbursement of Expenses***

During your employment with the Company, the Company will reimburse you for all reasonable and documented out-of-pocket travel and other expenses incurred in performing duties and responsibilities under this letter agreement which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment, and other business expenses. All Company's reimbursement obligations pursuant to this Section 7 shall be subject to the Company's requirements with respect to reporting and documentation of such expenses.

8. ***Confidential Information, Non-Solicitation, Non-Disparagement and Invention Assignment***

By your acceptance of this letter agreement, you agree to execute and abide by the "Confidential Information, Non-Disparagement and Non-Solicitation Agreement" attached hereto as Exhibit A and the "Employee Inventions Assignment Agreement" attached hereto Exhibit B, which are incorporated herein by reference.

9. ***At-Will Employment***

We anticipate and are hopeful of a long and fruitful relationship. Your employment by the Company will be "at will," meaning that you and the Company may terminate your services at any time for any reason or no reason and without prior notice.

10. ***Representations***

You hereby represent and warrant to the Company that (i) the execution, delivery and performance of this letter agreement by you does not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which you are a party or by which you are bound, (ii) you are not a party to or bound by any employment agreement, non-compete agreement or confidentiality agreement with any person or entity other than the Company except for confidentiality agreements disclosed to the Company prior

to the date hereof, none of which would in any way limit your abilities to perform your duties to the Company. You hereby acknowledge and represent that you have consulted with independent legal counsel regarding your rights and obligations under this letter agreement and that you fully understand the terms and conditions contained herein.

11. ***Corporate Opportunities***

You shall submit to the Company all business, commercial and investment opportunities or offers presented or otherwise made available to you or of which you become aware at any time during the period of your employment which relate to the business of the Company or any Company affiliate ("Corporate Opportunities"). Unless approved by the Company, you shall not accept or pursue, directly or indirectly, any Corporate Opportunities on your own behalf or on behalf of any party other than the Company or any Company affiliate.

12. ***Cooperation***

During the period of your employment and thereafter, you shall provide reasonable cooperation with the Company in any internal investigation, any administrative, regulatory or judicial investigation or proceeding or any dispute with a third party as reasonably requested by the Company (including by being available to the Company upon reasonable notice for interviews and factual investigations, appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents which are or may come into your possession, all at times and on schedules and terms that are reasonably consistent with your other permitted activities and commitments). In the event the Company requires your cooperation in accordance with this provision, the Company shall pay your reasonable travel and other reasonable and documented out-of-pocket expenses related to such cooperation (such as lodging and meals) upon submission of invoices. In all cases, reasonable account shall be taken of the time commitment that would be involved in any request by the Company, your other professional and personal commitments and/or whether information or assistance can be obtained as effectively or sufficiently by other means or by other representatives within the Company.

13. ***General***

This letter agreement embodies the complete agreement and understanding among the parties and supersedes and preempts any prior understandings, agreements, or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way. The language used in this letter agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party. All issues and questions concerning the construction, validity, enforcement and interpretation of this letter agreement and the exhibits and schedules hereto shall be governed by, and construed in accordance with, the laws of the State of Arizona, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Arizona or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Arizona. Each party agrees to commence any

action, suit or proceeding arising out of this letter agreement or the transactions contemplated hereby in a United States District Court located in the District of Arizona, or in an Arizona State Court located in Maricopa County, Arizona, and irrevocably and unconditionally waives any objection to venue of any action, suit or proceeding arising out of this letter agreement or the transactions contemplated hereby in such courts and any claim that any such proceeding brought in such court has been brought in an inconvenient forum. No amendment, modification or waiver of this letter agreement shall be effective unless set forth in a written instrument executed by the Company and you. You may not assign your rights or obligations hereunder without the prior written consent of the Company.

All notices and other communications hereunder shall be in writing and shall be deemed to have been given: (i) five business days after being sent by first class mail, return receipt requested, postage prepaid, (ii) one business day after being sent by reputable overnight courier, (iii) upon personal delivery, or (iv) when sent by facsimile or email, if sent prior to 6:00 p.m. Pacific Time on a business day (or else on the next following business day), in each case to the addresses, and email addresses set forth below (provided that a party may change his or its notice information by providing written notice to the other party in accordance with the foregoing provisions of this paragraph):

Notices to you via email:
[redacted]

Notices to the Company via mail and email:

Array Tech, Inc.
3901 Midway Place NE
Albuquerque, NM 87109
Attention: Chief Legal Officer
Email: tyson.hottinger@arraytechinc.com

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My colleagues at the Company and I look forward to commencing what we believe will be a productive and mutually rewarding collaboration.

Please confirm your acceptance of this offer by signing below, returning the original to me, and keeping a copy for yourself.

Sincerely yours,

Array Tech, Inc.

By: _____
Name: Terrance L. Collins
Title: Chief Human Resources Officer

I accept the above offer of employment and agree to be bound by the terms of this letter agreement.

_____ 11/20/2023
James Zhu Date

3901 Midway Place NE
Albuquerque, NM 87109 USA
+1.505.881.7567
+1.855.TRACKPV (872.2578)
arraytechinc.com

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Exhibit A
Confidential Information, Non-Disparagement and Non-Solicitation Agreement

1. Definitions. Whenever used in this agreement the following words and phrases shall have the following respective meanings:
    a. "Company" shall mean Array Tech, Inc. together with all of its operating companies, subsidiaries, and affiliates.
    b. "Customers" shall mean and include each person or entity: (i) to which the Company has sold, furnished, or made a proposal to sell or furnish any products, goods, services, or equipment which comprise any part of the Company's products; or (ii) with which the Company has entered into an agreement, or made a sale of any kind.
    c. "Supplier" shall mean and include each person or entity from which the Company has acquired equipment, inventory, components, products, or services used by the Company to design, manufacture, fabricate, sell, or deliver any of the Company's products (all such persons or entities are collectively referred to as "Supplier").
    d. Unless otherwise specified in writing by the Company, and except as limited below in Section (1)(e), "Confidential Information" shall mean all information about the Company's business and affairs, regardless of the format of such information and whether such information has been separately identified as "confidential" or "proprietary," and whether such information is patentable, copyrightable, or otherwise protected by law. Without limiting the scope of the foregoing, Confidential Information includes (i) business plans, financial reports, financial data, employee data, Customer lists, Customer preferences, Customer needs, Customer requirements, forecasts, strategies, contract terms, current and future proposals and quotations, profit margins or markups, costs, expenses, Supplier terms and conditions, strategies, plans, and agreements with regard to Supplier(s), and all other business information; (ii) Trade Secrets; and (iii) product designs and/or specifications, algorithms, computer programs, mask works, inventions, unpublished patent applications, manufacturing or other technical or scientific know-how, specifications, technical drawings, diagrams, schematics, software or firmware code, semiconductor or printed circuit board layout diagrams, technology, processes, and any other Trade Secrets, discoveries, ideas, concepts, know-how, techniques, materials, formulae, compositions, information, data, results, plans, surveys, and/or reports of a technical nature or concerning research and development and/or engineering activity.
    e. "Confidential Information" excludes information which you can demonstrate (i) is in the public domain through no act or omission of yours in violation of any agreement to which you are a party with the Company or any policy of the Company or (ii) has become available to you on a non-confidential basis from a source other than the Company without breach of such source's confidentiality or non-disclosure obligations to the Company.
    f. "Trade Secrets" shall mean and include any compilation of data or information that would constitute a trade secret under applicable law.

2. Confidential Information. You acknowledge that, in the course of your employment with the Company, you will occupy a position of trust and confidence. You shall not, except in the course of the good faith performance of your duties to the Company, or as required by applicable law, without limitation in time and whether directly or indirectly, disclose to any person or entity, or use, any Confidential Information. You agree to deliver or return to the Company, at the Company's request at any time or upon termination or expiration of your employment or as soon thereafter as possible, (i) all documents, computers, computer tapes and disks, records, lists, data, drawings, prints, notes, written information, keys and other personal property furnished by the Company or prepared by you during the term of your employment by the Company, and (ii) all notebooks and other data relating to research or experiments or other work conducted by you in the scope of employment, and in each case, all copies thereof.

3. Prior Employment. During your employment with the Company, you shall be prohibited from using or disclosing any Confidential Information that you may have learned through any prior employment. If at any time during your employment with the Company you believe you are being asked to engage in work that will, or will be likely to, jeopardize any confidentiality or other obligations you may have to former employers, you shall immediately advise the Company so that your duties can be modified appropriately. You represent and warrant to the Company that you took nothing with you which belonged to any former employer when you left your prior employment positions and that you have nothing that contains any information which belongs to any former employer. If at any time you discover this is incorrect, you shall notify the Company and cooperate with the Company to take appropriate action. The Company does not want any such materials or information, and you shall not be permitted to use or refer to any such materials or information in the performance of your duties hereunder.

4. Non-Solicitation of Customers and Suppliers. During the 24 months subsequent to your termination from Company (the "Applicable Period") for any reason, whether voluntary or involuntary, you shall not, directly or indirectly, influence or attempt to influence Customers, Suppliers, licensees, licensors, franchisees, or other business relations of the Company to divert any of their business away from the Company or otherwise interfere with their relationship with the Company.

5. Non-Hire and Non-Solicitation of Employees. You recognize that you possess and will possess Confidential Information about other employees of the Company relating to their education, experience, skills, abilities, compensation and benefits, and inter-personal relationships with Customers of the Company. You recognize that the information you possess and will possess about these other employees is not and will not be generally known, is of substantial value to the Company in developing its business and in securing and retaining Customers and has been and will be acquired by you because of your business position with the Company. You agree that, during the Applicable Period, you will not, directly or indirectly, solicit, recruit, induce, or encourage or attempt to solicit, recruit, induce, or encourage any employee of the Company to terminate his or her employment or any other relationship with the Company, or otherwise interfere with their relationship with the Company; provided that you are not prohibited from making general solicitations of employment that are not targeted at the Company and its employees. You also agree that you will not convey any Confidential Information about other employees of the Company, including names and contact information, to any other person or entity.

6. Non-Disparagement. You agree to refrain from directly or indirectly making any derogatory or negative statements or communications regarding the Company or any of its employees, officers, board members, affiliates, products, services, or practices, provided that you may confer in confidence with your legal representatives and make truthful statements as required by law or legal process.

7. Remedies. If, at the time of enforcement of this agreement, a court holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum period, scope, or geographical area reasonable under such circumstances shall be substituted for the stated period, scope, or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope, or area permitted by law. Because your services are unique and because you have access to Confidential Information and Work Product, the parties hereto agree that the Company would suffer irreparable harm from a breach of this agreement by you and that money damages would not be an adequate remedy for any such breach. Therefore, in the event of a breach or threatened breach of this agreement, the Company and its successors, affiliates, or assigns, in addition to other rights and remedies existing in their favor, shall be entitled to specific performance and/or injunctive or other equitable relief from a court of competent jurisdiction in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security). In addition, in the event of a breach or violation by you of Section 4, 5 or 6, the Applicable Period shall be automatically extended by the amount of time between the initial occurrence of the breach or violation and when such breach or violation has been duly cured.

8. Additional Acknowledgements. In addition, you acknowledge that the provisions of this agreement are in consideration of your new or continued employment with the Company and additional good and valuable consideration as set forth in this agreement. You also acknowledge that (i) the restrictions contained in this agreement do not preclude you from earning a livelihood, nor do they unreasonably impose limitations on your ability to earn a living, (ii) the business of the Company is international in scope, and (iii) notwithstanding the state of formation or principal office of the Company or residence of any of its executives or employees (including you), the Company has business activities and have valuable business relationships within its respective industry throughout the United States of America. You agree and acknowledge that the potential harm to the Company of the non-enforcement of this agreement outweighs any potential harm to you of its enforcement by injunction or otherwise. You acknowledge that you have carefully read this agreement and consulted with legal counsel of your choosing regarding its contents, have given careful consideration to the restraints imposed upon you by this agreement and are in full accord as to their necessity for the reasonable and proper protection of Confidential Information of the Company now existing or to be developed in the future. You expressly agree and acknowledge that each and every restraint imposed by this agreement is reasonable with respect to subject matter, time period and geographical area.

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9. Survival of Provisions. The obligations contained in this agreement shall survive the termination or expiration of your employment with the Company and shall be fully enforceable thereafter.

Employee Name: James Zhu

Employee Signature: _____

Date: 11/20/2023

3901 Midway Place NE
Albuquerque, NM 87109 USA
+1.505.881.7567
+1.855.TRACKPV (872.2578)
arraytechinc.com

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Exhibit B
Employee Inventions Assignment Agreement

In consideration for my new or continued employment by Array Tech, Inc. ("Company"), and the compensation paid to me now and during my employment with Company, I, **James Zhu**, acknowledge and agree to the following (the "Agreement"):

1. Definitions. Whenever used in this Agreement the following words and phrases shall have the following respective meanings. Other words and phrases are defined within the context of the Agreement below and will have the respective meanings as identified within the body of the Agreement.
    a. "Intellectual Property Rights" means all discoveries, concepts, ideas, Inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work, Confidential Information, Copyrights, trademarks, mask work rights, patents and other intellectual property rights recognized by the laws of any jurisdiction or country.
    b. "Copyright" means the exclusive legal right to reproduce, perform, display, distribute and make derivative works of a work of authorship (including as a literary, software source code or artistic work) recognized by the laws of any jurisdiction or country.
    c. "Moral Rights" means all paternity, integrity, disclosure, withdrawal, special and any other similar rights recognized by the laws of any jurisdiction or country.
    d. "Inventions" means trade secrets, inventions, mask works, ideas, processes, formulas, software in source or object code, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques and any other proprietary technology and all Intellectual Property Rights therein.
    e. "Trade Secrets" means and includes any compilation of data or information that would constitute a trade secret under applicable law.
    f. "Confidential Information" means, unless otherwise specified in writing by the Company, all information about the Company's business and affairs, regardless of the format of such information and whether such information has been separately identified as "confidential" or "proprietary," and whether such information is patentable, copyrightable, or otherwise protected by law. Without limiting the scope of the foregoing, Confidential Information includes (i) business plans, financial reports, financial data, employee data, Customer lists, Customer preferences, Customer needs, Customer requirements, forecasts, strategies, contract terms, current and future proposals and quotations, profit margins or markups, costs, expenses, Supplier terms and conditions, strategies, plans, and agreements with regard to Supplier(s), and all other business information; (ii) Trade Secrets; and (iii) product designs and/or specifications, algorithms, computer programs, mask works, inventions, unpublished patent applications, manufacturing or other technical or scientific know-how, specifications, technical drawings, diagrams, schematics, software or firmware code, semiconductor or printed circuit board layout diagrams, technology, processes, and any other Trade

Secrets, discoveries, ideas, concepts, know-how, techniques, materials, formulae, compositions, information, data, results, plans, surveys, and/or reports of a technical nature or concerning research and development and/or engineering activity. "Confidential Information" excludes information which you can demonstrate (i) is in the public domain through no act or omission of yours in violation of any agreement to which you are a party with the Company or any policy of the Company or (ii) has become available to you on a non-confidential basis from a source other than the Company without breach of such source's confidentiality or non-disclosure obligations to the Company.

2. Inventions Retained by Me. Attached hereto as Exhibit A, is a list describing all Inventions, original works of authorship, developments, and improvements, which were made or owned by me prior to my employment with the Company and which belong to me or in which I have an interest (collectively, "Prior Inventions"). If no such list is attached, I represent that there are no such Prior Inventions.

3. Use of Prior Inventions. I agree that I will not incorporate, or permit to be incorporated, any Prior Invention into a Company product, process, machine, or otherwise without the Company's prior written consent. Notwithstanding the foregoing sentence, and unless Company and I agree otherwise, if, in the course of my employment with the Company, I incorporate a Prior Invention into a Company product, process, machine, or otherwise, the Company is hereby granted and shall have a non-exclusive, royalty-free, irrevocable, sublicensable, perpetual, transferrable, and fully-paid worldwide license to make, have made, modify, use, distribute, publicly perform, publicly display in any form or medium, offer to sell, and sell such Prior Invention as part of or in connection with such product, process, or machine. To the extent that any third parties have rights in any such Prior Inventions, I hereby represent and warrant that such third party or parties have validly and irrevocably granted to me the right to grant the license stated above.

4. Assignment of Inventions and Intellectual Property Rights.

   a. Subject to Section 2, and except for Prior Inventions set forth in Exhibit A, I hereby assign to Company (or to a third party as directed by Company) all my right, title, and interest in and to any and all Inventions and Intellectual Property Rights made, conceived, reduced to practice, or learned by me, either alone or with others, during the period of my employment by Company and that relate to the Company's or any Company affiliate's actual or anticipated business, research and development, or existing or future products or services ("Company Inventions"). To the extent required by applicable Copyright laws, I agree to assign in the future (when any copyrightable Inventions are first fixed in a tangible medium of expression) my Copyright rights in and to such Inventions. Any assignment of Company Inventions (and all Intellectual Property Rights with respect thereto) hereunder includes an assignment of all Moral Rights. To the extent such Moral Rights cannot be assigned to Company and to the extent the following is allowed by the laws in any country where Moral Rights exist, I hereby unconditionally and irrevocably waive the enforcement of such Moral Rights, and all claims and causes of action of any kind against Company or related to Company's customers, with respect to such rights. I further acknowledge and agree that neither my successors-in-interest nor legal heirs retain any Moral Rights in any Company Inventions (and any Intellectual Property Rights with respect thereto) assigned hereunder.

   b. During and after my employment with the Company, I agree to provide such assistance as the

Company may reasonably request to (i) apply for, obtain, perfect, and transfer to the Company (or to a third party as directed by Company) the Company Inventions in any jurisdiction in the world; and (ii) maintain, protect, and enforce the Company's rights and interests to Company Inventions which were developed, at least in part, by me and assigned to Company (or third party as directed by Company). In the event that I do not promptly cooperate with the Company's request to assist, as set forth above, I hereby irrevocably grant the Company a power of attorney to execute and deliver any such documents on my behalf and in my name and to do all other lawfully permitted acts to transfer, issue, prosecute, and maintain the Company Inventions to the full extent permitted by law.

5. Nonassignable Inventions – Exclusion States Only.[1] I recognize that this Agreement will not be deemed to require assignment of any Invention that is covered under certain state statutes that limit assignable inventions, such as California Labor Code section 2870(a) or Section 1060/2 of Chapter 765, Act 1060 of the Illinois Employee Patent Act (collectively, these, plus state laws similar to those mentioned above are referred to as "Specific Inventions Laws") except for those Inventions that are covered by a contract between Company and the United States or any of its agencies that require full title to such patent or Invention to be in the United States. If I am an employee based in a state with an enacted Specific Inventions Law, I have reviewed the applicable notification in Exhibit A ("Limited Exclusion Notification") regarding the foregoing Specific Inventions Law and agree that my signature acknowledges receipt of the notification.

6. Records; Obligation to Keep Company Informed; Confidentiality. During the period of my employment: (i) I agree to keep and maintain adequate and current records (in the form of invention disclosure forms, notes, sketches, drawings and in any other form that is required by Company) of all Intellectual Property Rights developed by me and all Company Inventions made by me, which records will be available to and remain the sole property of Company at all times; and (ii) I will promptly and fully disclose to Company in writing all Inventions authored, conceived, or reduced to practice by me, either alone or jointly with others. If I am a resident of state with Specific Inventions Laws (such as California, Illinois, Delaware, Kansas, Minnesota, North Carolina, Utah or Washington, for example), at the time of each such disclosure I will advise Company in writing of any Inventions that I believe fully qualify for protection under the provisions of the Specific Inventions Law; and I will at that time provide to Company in writing all evidence necessary to substantiate that belief. Company will keep in confidence and will not use for any purpose or disclose to third parties without my consent any confidential information disclosed in writing to Company pursuant to this Agreement relating to Inventions that qualify fully for protection under the Specific Inventions Law. I will preserve the confidentiality of any Invention that does not fully qualify for protection under the Specific Inventions Law. I further agree not to disclose at any time during or after the term of my employment, directly or indirectly, to any unauthorized person without the Company's prior written permission, any knowledge not available to the public which I acquire regarding Company's Intellectual Property Rights or other private or confidential matters acquired during the term of my employment.

7. Ownership of Work Product. I acknowledge and agree that all Intellectual Property Rights and all discoveries, concepts, ideas, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any

[1] This Section applies only to Company employees that are either residing in, or primarily work or receive pay in, states Specific Inventions Laws.

Confidential Information) and all registrations or applications related thereto, all other proprietary information, and all similar or related information (whether or not patentable) which relate to the Company's actual or anticipated business, research, and development or existing or future products or services and which are conceived, developed or made by you (whether alone or jointly with others, and whether before or after the date hereof) while employed by the Company ("Work Product"), belong to the Company. I agree that I shall promptly disclose such Work Product to the Company and, at the Company's expense, perform all actions reasonably requested by the Company (whether during or after the employment period) to establish and confirm the Company's ownership (including assignments, consents, powers of attorney and other instruments). I acknowledge and agree that all Work Product shall be deemed to constitute "works made for hire" under applicable law. The foregoing provisions of this section 7 shall not apply to any Work Product that you developed entirely on your own time without using the Company's equipment, supplies, facilities, or Trade Secret information, except for those inventions that (i) relate to the Company's business or actual or demonstrably anticipated research or development, or (ii) result from any work performed by you for the Company.

8. Publicity. I hereby consent to any and all uses and displays, by Company and its agents, of my name, voice, likeness, image, appearance and relevant background information in, on or in connection with any pictures, photographs, audio and video recordings, digital images, websites, advertising, sales and marketing brochures, books, magazines, other publications, CDs, DVDs, tapes and all other printed and electronic forms and media throughout the world, at any time during or after the period of my employment by Company, for all legitimate commercial or non-commercial purposes ("Permitted Use"). I understand that I will not receive any additional compensation for such Permitted Use and I hereby forever release Company and anyone working on behalf of Company from any and all claims, actions, damages, losses, costs, expenses and liability of any kind, arising under any legal or equitable theory whatsoever at any time during or after the period of my employment by Company, in connection with any Permitted Use.

9. Incorporation of Software Code. I agree that I will not incorporate into any Company software or otherwise deliver to Company any software code licensed under the GNU General Public License or Lesser General Public License or any other license that, by its terms, requires or conditions the use or distribution of such code on the disclosure, licensing, or distribution of any source code owned or licensed by Company except in strict compliance with Company's policies regarding the use of such software.

10. No License. I understand that this Agreement does not, and shall not be construed to, grant me any license or right of any nature with respect to information made available to me by the Company, including any Company Inventions and Intellectual Property Rights.

11. Return of Information. Prior to leaving employment with the Company or upon Company's request at any time during the my employment, I agree to promptly (i) deliver, provide, or return to the Company the original and all copies of any and all Confidential Information that I may have obtained, as well as any and all documents, records, property, files, drawings, tapes, plans, tools, and equipment that are in the my possession or control and that are Company's property; and (ii) delete or destroy all copies of any Confidential Information, documents, and materials not returned to the Company that remain in my possession or control, including those stored on any non-Company devices, networks, storage locations, and media in my possession or control.

12. General Provisions.

a. Representations and Acknowledgements. I represent that I have not entered into, and agree not to enter into, any oral or written agreement in conflict with this Agreement. I agree and acknowledge that all restrictions in this Agreement are reasonable under the circumstances of my employment and hereby waive any argument that this Agreement is invalid or unenforceable.

b. Severability. In case any one or more of the provisions, subsections, or sentences contained in this Agreement are, for any reason, held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect the other provisions of this Agreement, and this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement. If any one or more of the provisions contained in this Agreement are for any reason held to be excessively broad as to duration, geographical scope, activity or subject, it will be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law.

c. Governing Law; Consent to Personal Jurisdiction. This Agreement shall be governed by the laws of the state of Arizona. I hereby expressly consent to the personal jurisdiction and venue of the state and federal courts located in Maricopa County, Arizona for any lawsuit filed arising from or related to this Agreement.

d. Waiver. The waiver by Company of a breach of any provision of this Agreement by me shall not operate or be construed as a waiver of any other or subsequent breach by me. Company will not be required to give notice to enforce strict adherence to all terms of this Agreement.

e. Legal and Equitable Remedies. I agree that it may be impossible to assess the damages caused by my breach of this Agreement or any of its terms. I agree that any threatened or actual breach of this Agreement or any of its terms will cause immediate and irreparable injury to Company, and Company will have the right to enforce this Agreement and any of its provisions by injunction, specific performance, or other equitable relief, without bond and without prejudice to any other rights and remedies that Company may have for a breach or threatened breach of this Agreement.

f. Attorney Fees and Costs. In the event of a legal action or other proceeding arising under this Agreement, or a dispute regarding any alleged breach, default, claim, or misrepresentation arising out of or in connection with this Agreement, whether or not a lawsuit or other proceeding is commenced, the prevailing party shall be entitled to recover its reasonable attorney fees and costs, whether incurred before suit, during suit, or at the appellate level. The prevailing party shall also be entitled to recover any attorney fees and costs incurred in litigating the entitlement to attorney fees and costs, as well as determining or quantifying the amount of attorney fees and costs due to it.

g. Assignment. The Company may assign this Agreement to any subsidiary, affiliate, or successor. I agree that I may not assign this Agreement or any part hereof. Any purported assignment by me shall be null and void from the initial date of purported assignment.

h. Entire Agreement. This Agreement represents my entire understanding with the Company with respect to the subject matter of this Agreement and supersedes all previous understandings, written or oral, regarding the subject matter of this Agreement; provided, however, that I acknowledge that

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I have also entered into a Non-Disclosure, Non-Solicitation and Non-Competition Agreement with Company, which shall remain in full force and effect. This Agreement may be amended or modified only with the written consent of both me and Company. No oral waiver, amendment, or modification shall be effective under any circumstances whatsoever.

EMPLOYEE:

I HAVE READ, UNDERSTAND, AND ACCEPT THIS AGREEMENT AND HAVE BEEN GIVEN THE OPPORTUNITY TO REVIEW IT WITH INDEPENDENT LEGAL COUNSEL.

Employee Name: James Zhu

Employee Signature: _____

Date: 11/20/2023

COMPANY:

Array Tech, Inc.

By: _____

Name: Terrance L. Collins

Title: Chief Human Resources Officer

Date: 11.24.2023

AMENDED & RESTATED ARRAY TECHNOLOGIES, INC.
EXECUTIVE SEVERANCE & CHANGE IN CONTROL PLAN

Introduction

The purpose of the Plan is to provide separation pay and other benefits to executive officers of Array Technologies, Inc. (the "Company") and its Affiliates upon a Qualifying Termination. The Compensation Committee (the "Compensation Committee") of the Board of Directors of the Company (the "Board"), has adopted the Plan, effective on the Effective Date and has amended and restated the Plan, effective on the Restatement Date.

Unless otherwise provided herein, including as related to the time of payment of benefits hereunder as provided in Section 4.3 of the Plan, the Plan supersedes any and all severance plans, policies and/or practices of the Company and its Affiliates in effect for Eligible Employees that provide for severance payments under the circumstances described herein including offer letters or employment agreements that provide for the payment and provision of severance compensation and benefits to the Eligible Employee. The Severance Benefits payable under the Plan, as amended and restated, shall apply to Qualifying Terminations on and after the Restatement Date. In no event shall a Participant receive severance compensation and benefits under the Plan and under any other severance plan, policy or practice of the Company or any Affiliate or under any employment, severance-benefit, change in control or similar agreement with the Company or any of its Affiliates. The Severance Benefits are intended to be supplemental unemployment benefits and are not intended to be deferred compensation.

The Company, as the Plan sponsor, has the sole discretion to determine whether an employee may be considered eligible for Severance Benefits under the Plan, subject to applicable law. The Plan is unfunded, has no trustee, and is administered by the Compensation Committee.

All capitalized terms in this Introduction and not otherwise defined shall have the meaning ascribed to them in Article 2 below.

Article I. Establishment, Term and Purpose

1.1. Establishment of the Plan. The Company has established the Plan, effective as of the Effective Date. The Plan is intended to be an "employee welfare benefit plan" (within the meaning of Section 3(1) of ERISA) maintained for the purpose of providing benefits for a select group of management or highly compensated employees and it shall be administered and construed accordingly.

1.2. Term of the Plan. The Plan, as set forth herein, is effective as of the Restatement Date and will continue until terminated or amended by action of the Board or the Compensation Committee in accordance with Section 12.7.

1.3. Purpose of the Plan. The purpose of the Plan is to provide Severance Benefits to Eligible Employees in the event of a Qualifying Termination.

Article II. Definitions

When used in the Plan, the following terms shall have the meanings set forth below.

2.1. "Accrued Compensation" means (i) an Eligible Employee's Base Salary earned or accrued but unpaid through the Eligible Employee's Separation Date, (ii) reimbursement for reasonable business expenses incurred in the ordinary course of the Eligible Employee's duties and unreimbursed prior to the Eligible Employee's Separation Date and payable in accordance with Company policies as in effect from time to time; *provided, however,* that claims for such

reimbursement are submitted to the Company or an Affiliate within 30 days following the Eligible Employee's Separation Date and (iii) payment for all vested benefits pursuant to the terms of any applicable benefit plans and programs as in effect, and as amended from time to time, as of the Separation Date.

2.2. "Administrator" means the Compensation Committee, except that the Compensation Committee may delegate (i) to one or more of its members (or one or more other members of the Board, including the full Board) such of its duties, powers and responsibilities as it may determine, (ii) to one or more officers of the Company the power to exercise some or all of its authority in administering the Plan in accordance with the terms of the Plan and (iii) to such employees or other persons as it determines such ministerial tasks as it deems appropriate. In the event of any delegation described in the preceding sentence, the term "Administrator" shall include the person or persons so delegated to the extent of such delegation.

2.3. "Affiliates" means any corporation or other entity that stands in a relationship to the Company that would result in the Company and such corporation or other entity being treated as one employer under Sections 414(b) and 414(c) of the Code.

2.4. "Base Salary" means an Eligible Employee's annual base salary at the rate in effect on the Separation Date (or in the event that an Eligible Employee terminates his or her employment for Good Reason as a result of a material reduction in Base Salary, the annual base salary at the rate in effect immediately prior to such reduction).

2.5. "Beneficiary" means the Participant's estate.

2.6. "Cause" means: (i) the commission of a felony or other crime involving moral turpitude or the commission of any other act or omission involving dishonesty or fraud with respect to the Company or any of its Affiliates or any of their customers, vendors or suppliers, (ii) reporting to work under the influence of alcohol or under the influence or in the possession of illegal drugs, (iii) substantial and repeated failure to perform duties as reasonably directed by the Board or any other person to whom the Eligible Employee reports after notice of such failure and, if curable, an opportunity to permanently cure such failure within 30 days of such notice, (iv) breach of fiduciary duty, gross negligence or willful misconduct with respect to the Company or any of its Affiliates, (v) a willful and material failure to observe policies or standards of the Company regarding employment practices (including nondiscrimination and sexual harassment policies) as prescribed thereby from time to time after notice of such failure and, if curable, an opportunity to permanently cure such failure within 30 days of such notice or (vi) any breach by the Eligible Employee of any non-competition, non-solicitation, no-hire or confidentiality covenant between the Eligible Employee and the Company or any of its Affiliates or any material breach by the Eligible Employee of any provision of the Plan, or any agreement to which the Eligible Employee and the Company or any of its Affiliates are parties after notice of such failure and, if curable, an opportunity to permanently cure such failure within 30 days of such notice.

2.7. "Change in Control" means the first to occur of any of the following events:

(a) any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of shares of common stock of the Company), becoming the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities, excluding for purposes herein, acquisitions pursuant to a Business

Combination (as defined below) that does not constitute a Change in Control as defined herein;

(b) a merger, reorganization, or consolidation of the Company in which equity securities of the Company are issued (each, a "Business Combination"), other than a merger, reorganization or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent corporation (within the meaning of Section 424(e) of the Code)) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity (or, as applicable, the parent corporation of the Company or such surviving entity) outstanding immediately after such merger or consolidation; *provided, however*, that a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person (other than those covered by the exceptions in subsection (a) above) acquires more than 50% of the combined voting power of the Company's then outstanding securities shall not constitute a Change in Control; or a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; *provided, however*, that a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person (other than those covered by the exceptions in subsection (a) above) acquires more than 50% of the combined voting power of the Company's then outstanding securities shall not constitute a Change in Control;

(c) during the period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new director(s) (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in subsection (a) or (b) above) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(d) a complete liquidation or dissolution of the Company or the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets other than the sale or disposition of all or substantially all of the assets of the Company to a person or persons who beneficially own, directly or indirectly, 50% or more of the combined voting power of the outstanding voting securities of the Company at the time of the sale.

Notwithstanding the foregoing, to the extent any amount constituting "nonqualified deferred compensation" subject to Section 409A would become payable under the Plan, or the time or form of payment under the Plan would be affected, by reason of a Change in Control or a termination of employment following a Change in Control, to the extent necessary to avoid adverse tax consequences under Section 409A, a Change in Control shall not be deemed to have occurred unless the event or circumstances constituting the Change in Control would also constitute a change in the ownership or effective control of the Company, or a change in the ownership of a substantial portion of the Company's assets, within the meaning of Section 409A(a)(2)(A)(v) of the Code and the Treasury regulations thereunder.

2.8. "COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as from time to time amended and in effect.

2.9. "Code" means the United States Internal Revenue Code of 1986, as from time to time amended and in effect, or any successor statute as from time to time in effect.

2.10. "Confidential Information" means information about the business and affairs of the Company, its Affiliates and their respective clients, customers or business relations, including (without limitation) any proprietary knowledge, trade secrets, data, formulae, information and client and customer lists and all papers, resumes and records (including, without limitation, computer records) containing such information.

2.11. "Disability" means a physical or mental incapacity or disability of an Eligible Employee that renders the Eligible Employee unable to substantially perform his or her duties and responsibilities to the Company and its Affiliates (with or without any reasonable accommodation) (i) for 120 days in any 12-month period or (ii) for a period of 90 consecutive days in any 12-month period. If any question arises as to whether an Eligible Employee has a Disability, then at the request of the Administrator the Eligible Employee shall submit to a medical examination by a qualified third-party health care provider selected by the Administrator to determine whether the Eligible Employee has a Disability and such determination shall be conclusive of the issue for the purposes of the Plan. If such question shall arise and the Eligible Employee shall fail to submit to such medical examination, the Administrator's determination of the issue shall be conclusive of the issue for the purposes of the Plan.

2.12. "Effective Date" means March 8, 2022.

2.13. "Eligible Employee" means each executive officer of the Company who meets the eligibility requirements of Article 3.

2.14. "ERISA" means the Employee Retirement Income Security Act of 1974, as from time to time amended and in effect.

2.15. "Exchange Act" means the Securities Exchange Act of 1934, as from time to time amended and in effect.

2.16. "Good Reason" means: (i) a material reduction in the Eligible Employee's Base Salary without the Eligible Employee's consent, (ii) a relocation of the Eligible Employee's principal place of employment, without his or her consent, to a location more than fifty (50) miles from his or her then-current principal place of employment, or (iii) an adverse change in the Eligible Employee's position or title without his or her consent; *provided, that*, in any case, (x) written notice of the Eligible Employee's resignation for Good Reason must be delivered to the Company within 30 days after the occurrence of any such event in order for his or her resignation for Good Reason to be effective hereunder, (y) the Company shall have 30 days after receipt of such notice during which the Company may remedy the occurrence giving rise to the claim for Good Reason termination (if such occurrence is capable of being remedied), and, if the Company cures such occurrence within such 30-day period, there shall be no Good Reason, and (z) the Eligible Employee must actually resign within 90 days following the event constituting Good Reason.

2.17. "Participant" means an Eligible Employee who has satisfied and continues to satisfy the conditions for participation set forth in Article 3 and thereby becomes and continues to be eligible to receive and retain Severance Benefits under the Plan.

2.18. "Plan" means this Executive Severance & Change in Control Plan, as amended from time to time (to the extent permitted herein).

2.19. "Qualifying Termination" means the termination of an Eligible Employee's employment (i) by the Company or an Affiliate for any reason other than death, Disability or Cause, or (ii) by the Eligible Employee for Good Reason. An Eligible Employee shall not be treated as having a Qualifying Termination if his or her employment with the Company or an Affiliate terminates solely by reason of a sale, spin-off, transfer of business, or other disposition provided that he or she continues employment, or is otherwise offered continued employment, with his or her employer or a successor thereto immediately after such sale, spin-off, or other disposition occurs, under terms that are materially comparable in the aggregate to the terms in effect immediately before such sale, spin-off, or other disposition.

2.20. "Restatement Date" means April 5, 2024.

2.21. "Section 409A" means Section 409A of the Code and the Treasury regulations thereunder.

2.22. "Separation Agreement" means a separation agreement or general release in a form acceptable to the Company.

2.23. "Separation Date" means the Eligible Employee's last active day of employment with the Company and its Affiliates (or any successor thereto), as specified by the Company in the Separation Agreement.

2.24. "Severance Benefits" means the payment and provision of severance compensation and benefits as provided in Section 4.1 and 4.2 herein.

2.25. "Severance Period" means the number of months equal to 12 times the percentage of Base Salary that the Participant is eligible to receive under Section 4.1(a) or 4.2(a), as applicable.

Article III. Participation and Eligibility

3.1. Participant. Each Eligible Employee who (i) experiences a Qualifying Termination, (ii) complies with the conditions set forth in Article 6, (iii) satisfies the conditions of Section 3.2 regarding the execution and non-revocation of the Separation Agreement, and (iv) complies in all respects with the terms and conditions set forth in the Separation Agreement, shall be a Participant and shall be entitled to receive and retain the Severance Benefits described in the Plan.

3.2. Separation Agreement. As a condition of receiving benefits hereunder, an Eligible Employee who otherwise meets the requirements for participation under Section 3.1 shall be required to enter into an effective and irrevocable Separation Agreement with the Company or the employing Affiliate, which agreement shall include a release of all claims against the Company, its Affiliates, and its and their subsidiaries, employees, officers, directors, agents, employee benefit plans and representatives. The Separation Agreement must be executed within the time period requested by the Company or Affiliate and must become effective and irrevocable not later than the eighth day following the date of execution. Provided that the Eligible Employee complies in all respects with the terms and conditions of the Separation Agreement and the Plan, the Eligible Employee shall become and remain a Participant and the Company or an Affiliate shall provide the Participant with the payments and benefits set forth in Section 4.1 or 4.2, as applicable. An Eligible Employee's continued compliance with the conditions contained in the Plan and with the terms and conditions set forth in the Separation Agreement shall be an express condition to the Eligible Employee's status as a Participant and to his or her right to receive and retain the payments and benefits provided in Section 4.1 or 4.2, as applicable.

Article IV. Severance and Change of Control Benefits

4.1. Severance Benefits. An Eligible Employee who becomes a Participant due to a Qualifying Termination that does not occur upon or within 24 months after the consummation of a Change in Control shall be entitled to receive from the Company or an Affiliate, in addition to the Accrued Compensation, the following Severance Benefits:

(a) cash severance:

(i) for the Chief Executive Officer, an amount equal to 150% of the sum of the Participant's Base Salary plus target annual cash bonus; and

(ii) for all other Eligible Employees, an amount equal to 100% of the sum of the Participant's Base Salary;

(b) provided that the Participant timely elects to continue his or her coverage and that of any eligible dependents in the Company's group health plans under the federal law known as "COBRA" or similar state law, payment of the Company's monthly portion of the premium for such coverage for the Severance Period (or, if earlier, until the date the Participant becomes eligible for coverage under a subsequent employer health plan, whether the Participant enrolls in such coverage or not); *provided, however,* that if the payments or benefits to be provided pursuant to this Section 4.1(b) would subject the Company (or an Affiliate) or the Participant to adverse penalties or excise taxes, the Company (or an Affiliate) shall arrange to provide the Participant (or his or her qualified beneficiaries) with an alternative payment or benefit that avoids the penalty or excise tax;

(c) (i) all time-based restricted stock units that are outstanding and unvested on the Separation Date (after giving effect to any accelerated vesting provided under the terms of the award agreements evidencing such awards) shall continue to vest in accordance with their terms as if the Participant had continued to remain employed by the Company (or an Affiliate) through each applicable subsequent vesting date and (ii) all performance-based restricted stock units ("PSUs") that are outstanding on the Separation Date for which the performance period has not been completed will remain outstanding and eligible to vest based on actual achievement of the performance metrics through the applicable performance period, each as set forth in the award agreement evidencing such award of PSUs, pro-rated to reflect the portion of the performance period during which the Participant was employed by the Company (or an Affiliate); and

(d) except as expressly noted, participation in all Company employee benefit plans will end as of the Separation Date.

4.2. Change in Control Severance Benefits. An Eligible Employee who becomes a Participant due to a Qualifying Termination that occurs upon or within 24 months after the consummation of a Change in Control shall be entitled to receive from the Company or an Affiliate, in addition to the Accrued Compensation, the following Severance Benefits:

(a) cash severance: for all Eligible Employees, an amount equal to 200% of the sum of the Participant's Base Salary plus target annual cash bonus;

(b) provided that the Participant timely elects to continue his or her coverage and that of any eligible dependents in the Company's group health plans under the federal law known as "COBRA" or similar state law, payment of the Company's monthly portion of the premium for such coverage for the Severance Period (or, if earlier, until the date the Participant becomes eligible for coverage under a subsequent employer health plan, whether

the Participant enrolls in such coverage or not); *provided, however,* that if the payments or benefits to be provided pursuant to this Section 4.1(c) would subject the Company (or an Affiliate) or the Participant to adverse penalties or excise taxes, the Company (or an Affiliate) shall arrange to provide the Participant (or his or her qualified beneficiaries) with an alternative payment or benefit that avoids the penalty or excise tax;

(c) except to the extent that the terms of the award agreements evidencing awards granted prior to the Restatement Date provide for a different treatment, (i) all time-based restricted stock units that are outstanding and unvested on the Separation Date shall immediately become fully vested on the Separation Date and (ii) all Earned PSUs (as such term is defined in the award agreement evidencing such PSUs, and as determined by the Human Capital Committee of the Board based on actual performance immediately prior to any such Change in Control) that are outstanding on the Separation Date will automatically vest in full on the Separation Date; and

(d) except as expressly noted, participation in all Company employee benefit plans will end as of the Separation Date.

4.3. Timing of Payments. Except as otherwise provided in Article 9 or elsewhere herein, and provided that the Participant has complied with the terms and conditions of the Separation Agreement and the Plan, any payments due to the Participant shall be paid as follows:

(a) Payments due under Sections 4.1(a), 4.1(b), 4.2(a) and 4.2(b), shall be payable as a salary continuation in accordance with the Company's normal payroll practices, with each payment being due and payable on each scheduled payroll date, beginning within 60 days following the Separation Date, as soon as administratively practicable following the date on which the Separation Agreement becomes effective, with the first payment to include any payments that would have been paid during such period had payment started on the first scheduled payroll date after the Separation Date; *provided, that* to the extent a Participant is party to an agreement with the Company or an Affiliate on the Effective Date pursuant to which the Participant is entitled to a lump sum severance payment, that portion of the payments due under Sections 4.1(a) and 4.2(a) that is equal to the amount of such lump sum severance payment as of the Effective Date shall be paid in a lump sum no later than 60 days from the Separation Date, with the remainder of the payments made as salary continuation as provided for herein. Notwithstanding the foregoing, if the Separation Date occurs in one taxable year and the date that is 60 days following the Separation Date occurs in a second taxable year, to the extent required by Section 409A, such payments shall not be made prior to the first day of the second taxable year.

(b) In the case of any restricted stock units that vest pursuant to Section 4.1 or 4.2, as applicable, notwithstanding any contrary provision in the equity compensation plan under which such award was granted or in the award agreement evidencing such award, such shares shall be delivered as soon as administratively practicable after the Separation Agreement becomes effective, but in no event later than (i) 60 days following the Separation Date for any time-based restricted stock units that vest by their terms prior to such date and thereafter as soon as administratively practicable after the vesting date of such RSUs and (ii) for any PSUs, as soon as reasonably practicable following the vesting date of such PSUs, but in no event later than the March 15th of the year following the year in which the performance period ends, as set forth in the applicable award agreement (or any earlier date, after vesting, as may be required to avoid characterization as non-qualified deferred compensation under Section 409A). Notwithstanding the foregoing and subject to Article 9, if the Separation Date occurs in one taxable year and the date that is 60 days following the Separation Date occurs in

a second taxable year, to the extent required by Section 409A, such cash or shares shall not be delivered prior to the first day of the second taxable year.

(c) For the avoidance of doubt, if an Eligible Employee does not execute a Separation Agreement within the period specified in Section 3.2 or if an Eligible Employee or Participant subsequently revokes or breaches an executed Separation Agreement, the Eligible Employee shall not become a Participant, shall not be entitled to any Severance Benefits, and neither the Company nor any of its Affiliates shall have any further obligations to the Eligible Employee under the Plan. To the extent such breach occurs after an Eligible Employee becomes a Participant, the payment of Severance Benefits shall immediately cease, and any Severance Benefits already paid shall be subject to clawback by the Administrator. Regardless of whether the Eligible Employee executes or revokes the Separation Agreement, the Eligible Employee is entitled to receive the Accrued Compensation.

4.4. Voluntary Resignation; Termination for Death or Disability. If an Eligible Employee's employment terminates for any reason other than a Qualifying Termination, then the Eligible Employee shall not be entitled to receive Severance Benefits under the Plan and shall be entitled only to receive his or her Accrued Compensation. Notwithstanding the foregoing, if an Eligible Employee's employment terminates by reason of the Employee's death or disability (for purposes of this sentence, as defined in Treas. Reg. §1.409A-3(i)(A)), all time-based restricted stock units that are outstanding and unvested on the Separation Date shall immediately become fully vested on the Separation Date. Except as described in this Section 4.4, neither the Company nor any of its Affiliates shall have any further obligations to the Eligible Employee under the Plan.

4.5. Termination for Cause. If an Eligible Employee's employment terminates on account of termination by the Company or an Affiliate for Cause, or if after a Qualifying Termination, circumstances that would have given rise to termination for Cause are discovered, the Eligible Employee shall not be entitled to receive Severance Benefits and shall be entitled only to receive his or her Accrued Compensation. Except as described in this Section 4.5, neither the Company nor any of its Affiliates shall have any further obligations to such Eligible Employee or Participant as applicable under the Plan. Nothing in the Plan shall limit the Company's and Affiliates' rights to damages and other remedies in the event of misconduct that constitutes Cause.

4.6. Severance Benefits in the Event of Death of a Participant. If a Participant dies while any amount would still be payable to him or her hereunder had he or she continued to live, all such amounts, unless otherwise provided herein, shall be paid to the Participant's Beneficiary within the time period provided for under Section 4.1 or 4.2, as applicable.

Article V. Section 4999 Excise Tax.

Anything in the Plan to the contrary notwithstanding, in the event that it shall be determined that any payment or benefit made or provided, or to be made or provided, by the Company or any of its Affiliates (or any successor thereto) to or for the benefit of a Participant, whether pursuant to the terms of the Plan, any other agreement, plan, program or arrangement of or with the Company or any of its Affiliates (or any successor thereto) or otherwise (any such payment or benefit, individually, the "Payment" and collectively, the "Payments"), will be subject to the excise tax imposed by Section 4999 of the Code or any comparable tax imposed by any replacement or successor provision of United States tax law (the "Excise Tax"), then such Participant shall be entitled to receive (a) the amount of such Payments, reduced such that no portion thereof shall fail to be tax deductible under Section 280G of the Code (the "Limited Amount"), or (b) the full Payments, whichever results in the greatest after-tax proceeds to the Participant. Any amount paid under this Article 5 shall be subject to normal federal, state and local tax withholding requirements. In the event that it is determined that the aggregate amount of the Payments will be reduced in accordance with this Article 5, the Payments shall be reduced on a nondiscretionary basis in such a way as to minimize the reduction in the

economic value deliverable to the Participant. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A, and where more than one payment has the same value for this purpose and they are payable at different times, they will be reduced on a pro-rata basis. All determinations to be made under this Article 5 shall be made by the nationally recognized independent public accounting firm or valuation firm selected by the Company in its reasonable discretion ("Accounting Firm"). Any such determination by the Accounting Firm shall be binding upon the Company, its Affiliates and the Participant. All of the fees and expenses of the Accounting Firm in performing the determinations referred to in this Article 5 shall be borne solely by the Company or an Affiliate.

Article VI. Conditions to Receipt and Retention of Severance Benefits

Receipt and retention of Severance Benefits by an Eligible Employee is expressly conditioned upon the Eligible Employee's continued compliance with all non-competition, non-solicitation and/or confidentiality obligations contained in any applicable agreement between the Eligible Employee and the Company and/or any of its Affiliates or their respective subsidiaries, both before and after becoming a Participant. In the event an Eligible Employee fails to comply with any of these conditions: (i) the Eligible Employee shall cease to be entitled to receive any Severance Benefits, (ii) the Eligible Employee shall return any Severance Benefits previously paid to or for him or her, and (iii) the Company shall be entitled to recover any such Severance Benefits not returned by the Eligible Employee.

6.1. Non-Disparagement. Subject to the fourth sentence of Section 6.2, during an Eligible Employee's employment with the Company or an Affiliate, and continuing after the Separation Date, an Eligible Employee shall not, directly or indirectly, by any manner or means, in public or in private, disparage orally or in writing the Company or its Affiliates' business, management, products or services, and will not otherwise do or say anything that could disrupt the good morale of employees of the Company or any of its Affiliates or harm the interests or reputation of the Company or any of its Affiliates.

6.2. Confidentiality. Other than as required by applicable law or for the proper performance of his or her duties and responsibilities to the Company or any of its Affiliates during his or her employment with the Company or any of its Affiliates, no Eligible Employee shall disclose to any person or use any Confidential Information obtained by such individual incident to his or her employment or other association with the Company or any of its Affiliates. As of the Separation Date, Eligible Employees must return all such Confidential Information to the Company, materials that incorporate or reference such Confidential Information, and all copies thereof. The confidentiality condition under this Section 6.2 shall not apply to information which is generally known or readily available to the public at the time of disclosure or becomes generally known through no wrongful act on the part of the Eligible Employee or any other person having an obligation of confidentiality to the Company or any of its Affiliates. Notwithstanding the foregoing, nothing in the Plan limits, restricts or in any other way affects an Eligible Employee's communicating with any governmental agency or entity, or communicating with any official or staff person of a governmental agency or entity, concerning matters relevant to the governmental agency or entity, or requires an Eligible Employee to provide prior notice to the Company of the same. An Eligible Employee cannot be held criminally or civilly liable under any federal or state trade secret law for disclosing a trade secret (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (b) in a complaint or other document filed under seal in a lawsuit or other proceeding. Notwithstanding this immunity from liability, an Eligible Employee may be held liable if he or she unlawfully accesses trade secrets by unauthorized means.

Article VII. Withholding of Taxes; Funding

7.1. Withholding of Taxes; Taxes. The Company and any Affiliate shall be entitled to withhold from any amounts payable under the Plan all taxes as legally shall be required (including, without limitation, any United States federal taxes, and any other state, city, or local taxes). Regardless of the amount withheld or reported, each Eligible Employee shall be solely responsible for the payment of all taxes that become due as a result of a payment or other rights (including imputed income) to the him or her under the Plan.

7.2. Funding. The Plan shall be funded out of the general assets of the Company or an Affiliate as and when Severance Benefits are payable under the Plan. All Eligible Employees shall be solely general creditors of the Company and Affiliates.

Article VIII. Successors and Assignment

8.1. Successors to the Company. The Company or an Affiliate will require any successor (whether direct or indirect, by purchase, merger, consolidation, or otherwise) of all or substantially all of the business and/or assets of the Company or an Affiliate or of any division or subsidiary thereof to expressly assume and agree to perform the Company's or an Affiliate's obligations under the Plan in the same manner and to the same extent that the Company or the Affiliate would be required to perform them if no such succession had taken place.

8.2. Assignment by Eligible Employee or Participant. Except in the event of death, an Eligible Employee or Participant does not have the power to transfer, assign, anticipate, mortgage or otherwise encumber any rights or any amounts payable under the Plan, nor will any such rights or amounts payable under the Plan be subject to seizure, attachment, execution, garnishment or other legal or equitable process, or for the payment of any debts, judgments, alimony, or separate maintenance, or be transferable by operation of law in the event of bankruptcy, insolvency, or otherwise. In the event an Eligible Employee or Participant attempts to assign, transfer or dispose of such right, or if an attempt is made to subject such right to such process, such assignment, transfer or disposition will be null and void.

Article IX. Section 409A

9.1. The Plan is intended to comply with the requirements of Section 409A, to the extent applicable, and the Plan shall be interpreted consistently with the intent to avoid any tax under Section 409A. For the avoidance of doubt, however, no provision of the Plan shall transfer liability for taxes under Section 409A from the Eligible Employee or Participant to the Company, any Affiliate, or any other person. Accordingly, all provisions herein, or incorporated by reference, shall be construed and interpreted to comply with Section 409A and, if necessary, any such provision shall be deemed amended to comply with Section 409A and the regulations thereunder. If any payment or benefit cannot be provided or made at the time specified herein without incurring any accelerated or additional tax under Section 409A, then such benefit or payment shall be provided in full at the earliest time thereafter when such accelerated or additional tax will not be imposed, and vice versa. All payments to be made upon a separation, termination of employment, or similar event under the Plan may only be made upon a "separation from service" (as defined in Treas. Reg. §1.409A-l(h), after giving effect to the presumptions contained therein) to the extent required under Section 409A. For purposes of Section 409A, each payment made under the Plan shall be treated as a separate payment. In no event may an Eligible Employee or Participant, directly or indirectly, designate the calendar year of payment of any severance benefit payable hereunder.

9.2. Reimbursements provided under the Plan, if any, shall be made or provided in accordance with the requirements of Section 409A including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during a limited period of time specified in the Plan;

(ii) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year; (iii) the reimbursement of an eligible expense will be made no later than the last day of the calendar year following the year in which the expense is incurred; and (iv) the right to reimbursement is not subject to liquidation or exchange for another benefit.

9.3. To the maximum extent permitted under Section 409A, the Severance Benefits payable under the Plan are intended to comply with the "short-term deferral exception" under Treas. Reg. §1.409A-l(b)(4), and any remaining amount is intended to comply with the "separation pay exception" under Treas. Reg. §1.409A-l(b)(9)(iii). Any portion of the Severance Benefits that are payable under the Plan to a Participant during the six-month period following the Participant's Separation Date that does not qualify within either of the foregoing exceptions and constitutes deferred compensation subject to the requirements of Section 409A shall hereinafter be referred to as the "Excess Amount". If at the time of the Participant's separation from service, the Company's (or any entity required to be aggregated with the Company under Section 409A) stock is publicly traded on an established securities market or otherwise and the Participant is a "specified employee" (as defined in Section 409A and determined in the sole discretion of the Company (or any successor thereto) in accordance with the Company's (or any successor thereto) "specified employee" determination policy), then the Company shall postpone the commencement of the payment of the portion of the Excess Amount that is payable within the six-month period following the Participant's Separation Date for six months following the Participant's Separation Date. The delayed Excess Amount shall be paid in a lump sum to the Participant within 10 days following the date that is six months following the Participant's Separation Date and any remaining installments shall continue to be paid to the Participant in accordance with the original schedule provided herein. If the Participant dies during such six-month period and prior to the payment of the portion of the Excess Amount that is required to be delayed on account of Section 409A, such Excess Amount shall be paid to the personal representative of the Participant's Beneficiary within 60 days after the Participant's death.

Article X. Claims Procedures

10.1. Claims.

(a) Any request or claim for benefits under the Plan shall be deemed to be filed when a written request is made by the claimant or the claimant's authorized representative which is reasonably calculated to bring the claim to the attention of the Administrator.

(b) The Administrator, or its designee, shall advise the claimant, or such claimant's representative, in writing or in electronic form, of its decision within 90 days of receipt of the claim for Severance Benefits under the Plan, unless special circumstances require an extension of such 90-day period for not more than an additional 90 days. Where such extension is necessary, the claimant shall be given written notice of the delay before the expiration of the initial 90-day period, which notice shall set forth the reasons for the delay and the date the Administrator expects to render its decision.

(c) The Administrator's response to a claim shall (i) be in writing or in electronic form; and (ii) in the case of an adverse benefit determination: (A) set forth the reason(s) for the denial of benefits; (B) contain references to Plan provisions on which the denial is based; (C) describe the additional material and information, if any, necessary for the claim for benefits to be perfected and an explanation of why such material or information is necessary; and (D) describe the Plan's review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review.

10.2. Appeals.

(a) If the claimant or the claimant's authorized representative fails to appeal the Administrator's adverse benefit determination, in writing, within 60 days after its receipt by the claimant, the Administrator's determination shall become final and conclusive.

(b) If the claimant or the claimant's authorized representative appeals the Administrator's adverse benefit determination in a timely fashion, the Administrator shall reexamine all issues relevant to the original denial of benefits. Any such claimant or his or her duly authorized representative may review any relevant documents, records and other information, free of charge, including documents and records that were relied upon in making the benefit determination, documents submitted, considered or generated in the course of making the benefit determination (even if such documents were not relied upon in making the benefit determination), and documents that demonstrate compliance, in making the benefit determination, with the Plan's required administrative processes and safeguards. In addition, the claimant or his or her duly authorized representative may submit written comments, documents, records and other information relating to such claim for benefits. In the course of the review, the Administrator shall take into account all comments, documents, records and other information submitted by the claimant or his or her duly authorized representative relating to such claim, regardless of whether it was submitted or considered as part of the initial benefit determination.

(c) The Administrator shall advise the claimant or such claimant's representative, in writing or in electronic form, of its decision within 60 days of receipt of the written appeal, unless special circumstances require an extension of such 60-day period for not more than an additional 60 days. Where such extension is necessary, the claimant shall be given written notice of the delay before the expiration of the initial 60-day period, which notice shall set forth the reasons for the delay and the date the Administrator expects to render its decision. If the extension is necessary because the claimant has failed to submit the information necessary to decide the claim, the Administrator's period for responding to such claim shall be tolled from the date on which the notification of the extension is sent to the claimant until the date on which the claimant responds to the request for additional information. In the event of an adverse benefit determination on appeal, the Administrator shall advise the claimant, in a manner calculated to be understood by the claimant of: (i) the reason(s) for the adverse benefit determination; (ii) the Plan provisions on which the decision was based; (iii) the claimant's right to receive, upon request and free of charge, and have reasonable access to, copies of all documents, records and other information relevant to such claim; and (iv) a statement describing any voluntary appeals procedures offered by the Plan, the claimant's right to obtain information about such procedures, and a statement of the claimant's right to bring an action under Section 502(a) of ERISA.

10.3. Exhaustion. No legal action for benefits under the Plan may be brought until the claimant (i) has submitted a written claim for benefits in accordance with the procedures described by (a) above, (ii) has been notified by the Administrator that the claim is denied, (iii) has filed a written request for a review of the claim in accordance with the appeal procedure described in Section 10.2, and (iv) has been notified that the Administrator has denied the appeal. Notwithstanding the foregoing, if the Administrator does not respond to an Eligible Employee's claim or appeal within the relevant time limits specified in this Article 10, the Eligible Employee may bring legal action for benefits under the Plan pursuant to Section 502(a) of ERISA. In no event may any legal proceeding regarding entitlement to benefits or any aspect of benefits under the Plan be commenced later than the earlier of: (i) one year after the date on which the claimant receives a decision from the Administrator regarding his or her appeal; and (ii) the date otherwise prescribed by applicable law.

Article XI. Administration

The Administrator will be the administrator and the named fiduciary of the Plan for purposes of ERISA. The Administrator will be the sole judge of the application and interpretation of the Plan, and will have the discretionary authority to construe the provisions of the Plan and to resolve disputed issues of fact. The Administrator will have the sole authority to make determinations regarding eligibility for benefits. The decisions of the Administrator in all matters relating to the Plan that are within the scope of its authority (including, but not limited to, eligibility for benefits, Plan interpretations, and disputed issues of fact) will be final and binding on all parties.

Article XII. Miscellaneous

12.1. Employment Status. Except as may be provided under any other agreement between an Eligible Employee and the Company or an Affiliate, all employment with the Company and its Affiliates is "at will" and may be terminated by either the Eligible Employee or the Company or an Affiliate at any time, subject to applicable law. Nothing contained herein shall constitute an employment contract or guarantee of employment or confer any other rights except as set forth herein. Nothing in the Plan will be construed to create any right to employment or re-employment with the Company.

12.2. Other Payments. Except as otherwise provided in the Plan, no Eligible Employee shall be entitled to any cash payments or other Severance Benefits under any of the Company's or any Affiliate's then current severance pay policies or under any individual employment, severance or similar agreement for a termination that is covered by the Plan for the Eligible Employee. Except as otherwise provided in the Plan, acceptance of benefits under the Plan constitutes a waiver of any other separation or Severance Benefits from the Company, including without limitation any separation or Severance Benefits offered under a Participant's employment agreement or offer letter. In the event a Participant receives a judgment for or relating to any other separation benefits from the Company, the amounts paid out under the Plan will be reduced by such judgment.

12.3. Overpayments. If a Participant receives payments in excess of the amounts specified in Article 4, the Company, it its sole discretion, may elect to deduct such overpayments from any future payments to the Participant. If all payments have been made to the Participant, the Participant will be obligated to repay any overpayments upon demand from the Company.

12.4. Conflicts. The Plan document is the sole authority for any disputes regarding the Plan. In the event there is any conflict between the terms of the Plan and any other document or oral statements describing the terms of the Plan, the Plan document will control.

12.5. No Oral Promises. No person has the authority to modify or waive or vary the terms of the Plan. No oral promise of benefits or payments under or relating to the Plan will create a right in favor of any employee or impose any obligation on the Company or the Plan. Any interpretation of the Plan or obligation under or relating to the Plan must be in writing and signed by the Administrator or its designee to be binding.

12.6. Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular, and the singular shall include the plural.

12.7. Amendment or Termination. The Board or the Committee may, in their sole discretion, amend or terminate the Plan, in whole or in part, at any time and for any reason or no reason without the consent of Participants; *provided, that* the Plan may not be amended or terminated during the period commencing on the Change in Control and ending on the 12-month anniversary of such Change in Control, except for amendments that are required to comply with any changes in

applicable law, and provided further that no amendment to the Plan may discontinue or change any payments to a Participant who has entered into an effective Separation Agreement under the Plan prior to the effective date of the amendment or termination of the Plan. If the Plan is terminated, no Severance Benefits will be payable under the Plan to any Eligible Employee who has not entered into an effective Separation Agreement under the Plan prior to the effective date of such termination. For the avoidance of doubt, any Separation Agreement that took effect prior to the date the Plan is amended or terminated shall remain in full force and effect in accordance with its terms.

12.8. Governing Law. To the extent not preempted by the laws of the United States, the Plan shall be construed and enforced under and be governed in all respects by the laws of the State of New Mexico, without regard to the conflict of laws principles thereof. The sole and exclusive jurisdiction for any dispute or claim arising from this Agreement shall be the United States Federal District Court for the District of New Mexico.

12.9. Headings. The headings of the Plan are inserted for convenience of reference only and shall have no effect upon the meaning of provisions hereof.

12.10. Incompetency. In the event that the Administrator finds that a Participant is unable to care for his or her affairs because of illness or accident, then benefits payable hereunder, unless claim has been made therefor by a duly appointed guardian, committee, or other legal representative, may be paid in such manner as the Administrator shall determine, and the application thereof shall be a complete discharge of all liability for any payments or benefits to which such Participant was or would have been otherwise entitled under the Plan.

INDUSTRIAL TRIPLE NET LEASE

GDC SUNSHINE, LLC,

Landlord,

and

ARRAY TECH, INC.,

Tenant

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INDUSTRIAL TRIPLE NET LEASE

LEASE SUMMARY

LEASE DATE:	May ____, 2024 ("Lease Date")
LEASE:	This agreement, including all exhibits hereto.
LANDLORD:	GDC Sunshine, LLC, a New Mexico limited liability company ("Landlord")
LANDLORD'S ADDRESS:	c/o Garrett Development Corporation 6900 East Camelback Road, Suite 240 Scottsdale, Arizona 85251 Attention: Jeff Garrett
TENANT:	Array Tech, Inc., a New Mexico corporation ("Tenant")
TENANT'S ADDRESS:	(a) As of the commencement of the Term: 701 Atrisco Vista Boulevard NW Albuquerque, New Mexico 87121 With copy to: 3133 Frye Rd., Suite 600 Chandler, Arizona 85226 (b) Prior to the commencement of the Term: 3901 Midway Place NE Albuquerque, New Mexico 87109 With copy to: 3133 Frye Rd., Suite 600 Chandler, Arizona 85226
PREMISES:	Approximately 21.5622 acres of land known as Tract E-1 of the Plat of Tracts E-1, E-2, E-3, E-4 Westland Business Park recorded 11/17/2023 as DOC# 2023073547 (the "Land"), located at the southwest corner of Ladera Drive and Atrisco Vista Boulevard, in Bernalillo County ("County"), New Mexico, together with the building (the "Building") and surrounding parking, laydown yards, exterior storage areas, sidewalks, landscaping and other improvements and facilities (the "Site Improvements") to be constructed or located upon the Land, as shown on the Site Plan attached hereto as Exhibit A-1 ("Premises"). The Premises shall be prepared for Tenant's occupancy pursuant to the terms and conditions set forth in the Construction Agreement attached hereto as Exhibit B (the "Construction Agreement").
BUILDING ADDRESS:	701 Atrisco Vista Boulevard NW Albuquerque, New Mexico 87121

BUILDING SQUARE FOOTAGE:	Approximately 216,473 square feet ("SF").
PERMITTED USES:	Tenant shall use the Premises solely as an office and warehouse facility for purposes of assembly, manufacturing, warehousing and distribution of Tenant's product, truck parking, vehicle parking, laydown yards, outdoor storage and such additional ancillary uses as are permitted by applicable statutes, zoning by-laws, codes and other laws (the "Permitted Use"), subject to the further provisions of this Lease.
EXCLUSIVE:	During the Term, so long as the originally-named Tenant or a Permitted Transferee (as defined in Section 8.1) is occupying and using the entire Premises for the Permitted Uses, and an Event of Default (as defined in Article 17) by Tenant is not then occurring under the terms of this Lease, then Landlord agrees not to lease or sell the parcel of land identified as Tract E-2 of the Plat of Tracts E-1, E-2, E-3, E-4 Westland Business Park recorded 11/17/2023 as DOC# 2023073547 (the "Adjacent Property") or that certain parcel of land identified as Tract E-4 of the Plat of Tracts E-1, E-2, E-3, E-4 Westland Business Park recorded 11/17/2023 as DOC# 2023073547 (which is a portion of the West Adjacent Properties, as defined in Section 1.5), which Tracts are identified on the Plat attached hereto as Exhibit A-2, to any of the following solar tracking companies: NEXTracker, GameChange Solar, PV Hardware, or Soltec. Tract E-3 of the Plat of Tracts E-1, E-2, E-3, E-4 Westland Business Park recorded 11/17/2023 as DOC# 2023073547 will not be subject to this exclusive covenant.
COMMENCEMENT DATE:	The date ("Commencement Date") that is the first to occur of: (i) the date that Landlord's Work (as defined in the Construction Agreement) is Substantially Complete (as defined in the Construction Agreement), to be determined as provided in the Construction Agreement, and Landlord tenders possession of the Premises to Tenant; and (ii) any earlier date that Tenant, with Landlord's permission, commences the operation of its business on all or any portion of the Premises, as distinguished from early access solely for purposes of performing Tenant's Work (as defined in the Construction Agreement). Notwithstanding anything otherwise provided in this Lease, Landlord agrees not to commence construction of Landlord's Work prior to August 1, 2024. Pursuant to the terms and conditions set forth in the Construction Agreement, Tenant and its designated suppliers, contractors and installers will have early access to the Premises prior to the Commencement Date. For purposes of clarification, although Tenant commencing the operation of its business in the Premises will trigger the Commencement Date, it is not a condition precedent to the occurrence of the Commencement Date under Section (i) above.
TERM OF LEASE:	One hundred sixty-two (162) full calendar months, plus any partial calendar month at the beginning of the Term, beginning on the Commencement Date ("Initial Term"). "Term" as used in this Lease shall mean the Initial Term set forth above and, if applicable, the Extended Term (as defined in Article 38).

BASE RENT (Article 3):	An annual amount equal to the lesser of the actual Development Cost or the Maximum Development Cost (as such terms are defined in the Construction Agreement) multiplied by eight percent (8%), payable in equal monthly installments during each consecutive twelve (12) month period in the Term, commencing upon the expiration of the Rent Abatement (defined below). Base Rent shall increase annually by 3.5% at the commencement of each successive twelve (12) month period in the Term following the Rent Abatement (including, if applicable, the Extended Term).
RENT ABATEMENT:	As an inducement to Tenant entering into this Lease, Landlord has agreed to abate the monthly installments of Base Rent that would otherwise be payable for the first six (6) months of the Initial Term commencing on the Commencement Date (collectively, the "Rent Abatement"). During the Rent Abatement, only Base Rent is being abated and Tenant shall nevertheless be required to pay all other charges and amounts otherwise payable under this Lease, commencing as of the Commencement Date. If the Rent Abatement does not expire on the last day of a calendar month, Base Rent for the remainder of the calendar month in which the Rent Abatement expires shall be prorated based on the number of calendar days in such month after the Rent Abatement expires and shall be payable, on or before the first day of the next succeeding calendar month, together with payment of the first full monthly installment of Base Rent due for such month.
SECURITY DEPOSIT:	$625,066.00, payable within ten (10) days after the satisfaction or waiver of the Final Lease Contingency (as defined in Section 3(b)(iii) of the Construction Agreement). See Section 3.5.
GUARANTOR:	Array Technologies, Inc., a Delaware corporation (currently traded on NASDAQ as ARRY) ("Guarantor"). This Lease is subject to and conditioned upon the delivery by Tenant to Landlord, concurrently with the execution and delivery of this Lease by Tenant, of a Continuing Lease Guarantee ("Guarantee") executed by Guarantor, in the form provided by Landlord concurrent with the delivery of this Lease.
REAL ESTATE BROKERS DUE COMMISSION:	Jones Lang LaSalle and Colliers, representing Tenant, whose fees shall be paid by Landlord pursuant to a separate written agreement.

The Lease Summary is incorporated into and made a part of the Lease. In the event of any conflict between any information in the Lease Summary and the Lease, the Lease Summary shall control. This Lease includes Exhibits A-1, A-2, and B through K, all of which are made a part of this Lease.

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LEASE

By this Lease Landlord leases to Tenant and Tenant leases from Landlord the Premises, as set forth and described on the Lease Summary, for the Term set forth in the Lease Summary. The Lease Summary, including all terms defined thereon, are incorporated as part of this Lease.

1. **USE AND RESTRICTIONS ON USE**.

1.1 The Premises are to be used solely for the Permitted Uses set forth on the Lease Summary. Tenant shall not allow the Premises to be used for any improper, immoral, unlawful, or objectionable purpose, or commit any waste. Tenant shall not do, permit or suffer in, on, or about the Premises the sale of any alcoholic liquor without the written consent of Landlord first obtained. Subject to Landlord's obligations with respect to Landlord's Work, Tenant shall comply with all federal, state, county and local laws, statutes, by-laws, codes, ordinances, rules and regulations (collectively, "Laws") applicable to the Building and the Premises and Tenant's use and occupancy of the Building and the Premises, and Tenant shall promptly comply with all governmental orders and directions for the correction, prevention and abatement of any violations thereof, all at Tenant's sole expense. Tenant shall procure, at its sole cost and expense, any and all permits and licenses required by applicable Laws for Tenant's use and business to be conducted in the Premises. Tenant shall not do or permit anything to be done on or about the Premises or bring or keep anything into the Premises which will invalidate or prevent the procuring of any insurance protecting against loss or damage to the Premises, the Building or any of its contents by fire or other casualty or against liability for damage to property or injury to persons in or about the Building or the Premises or any part thereof. Tenant shall not bring upon the Premises or use the Premises or permit the Premises or any portion thereof to be used for the growing, manufacturing, administration, distribution (including without limitation, any retail sales), possession, use or consumption of any cannabis, marijuana or cannabinoid product or compound, regardless of the legality or illegality of the same.

1.2 (A) Tenant shall not, and shall not direct, suffer or permit any of its agents, contractors, employees, permittees, subtenants, occupants, vendors, licensees, invitees or anyone else for whom the Tenant is legally responsible pursuant to applicable law or elsewhere in this Lease (excluding Landlord and its employees, contractors and agents) on or about the Premises during the Term of this Lease or Tenant's occupancy of the Premises (collectively, the "Tenant Entities") to at any time handle, use, manufacture, store or dispose of in or about the Building or the Premises any (collectively "Hazardous Materials") flammables, explosives, radioactive materials, hazardous wastes or materials, toxic wastes or materials, or other similar substances, petroleum products or derivatives or any substance subject to regulation by or under any federal, state and local laws and ordinances relating to the protection of the environment or the keeping, use or disposition of environmentally hazardous materials, substances, or wastes, presently in effect or hereafter adopted, all amendments to any of them, and all rules and regulations issued pursuant to any of such laws or ordinances (collectively "Environmental Laws"), without the prior written consent of Landlord, in its sole discretion, nor shall Tenant suffer or permit any Hazardous Materials to be used in any manner not fully in compliance with all Environmental Laws, in or about the Building, the Premises, or the Land, or allow the environment to become contaminated with any Hazardous Materials. Notwithstanding the foregoing, Tenant may handle, store, use or dispose of (a) products containing small quantities of Hazardous Materials (such as aerosol cans containing insecticides, toner for copiers, paints, paint remover and the like) to the extent customary and necessary for the use of the Premises for general office purposes, and (b) materials essential to the normal and customary operations of Tenant consistent with the Permitted Uses set forth in the Lease Summary; provided that Tenant shall always handle, store, use, and dispose of any such Hazardous Materials in a safe and lawful manner and never allow such Hazardous Materials to contaminate the Building, the Premises, the Land or the environment. Upon the expiration or earlier termination of this Lease, Tenant shall promptly remove from the Building, the Premises and the Land, at its sole cost and expense, any and all

Hazardous Materials, including any equipment or systems containing Hazardous Materials, which are installed, brought upon, handled, used, manufactured, stored or released upon, in, under or about the Building, the Premises, or the Land by Tenant or any Tenant Entities. Tenant shall protect, defend, indemnify and hold each and all of the Landlord Entities (as defined in Article 27) harmless for, from and against any and all loss, claims, liability or costs (including court costs and attorneys' fees) incurred by reason of any actual or asserted failure of Tenant to fully comply with all applicable Environmental Laws, or the presence, handling, use or disposition in or from the Building or the Premises of any Hazardous Materials by Tenant or any Tenant Entities (even though permissible under all applicable Environmental Laws or the provisions of this Lease), or by reason of any actual or asserted failure of Tenant to keep, observe, or perform any provision of this Section 1.2.

(B) From time to time during the Term, if requested by Landlord, Tenant shall furnish to Landlord a list of all Hazardous Materials that are then being used, stored, handled, generated and/or are otherwise present in or about the Building, the Premises, or the Land. If requested by Landlord, Tenant shall also provide Landlord with copies of any Material Safety Data Sheets (as required by the Occupational Safety and Health Act) applicable to the use, storage and handling of such Hazardous Materials in or about the Building, the Premises, or the Land, and any required updates of such Material Safety Data Sheets. Tenant shall promptly provide Landlord with copies of all communications, permits or agreements with, from or issued by any governmental authority or agency relating in any way to the presence, release, threat of release, or placement of Hazardous Materials in or about the Building, the Premises, or the Land, or the generation, transportation, storage, use, treatment, or disposal in or about the Building, the Premises, or the Land, of any Hazardous Materials. If Landlord reasonably believes that the Building, the Premises, the Land or the environment has become contaminated with Hazardous Materials that must be removed under applicable Environmental Laws, Landlord, in addition to its other rights under this Lease, may enter upon the Building and the Premises in accordance with the entry provisions set forth in Article 16 of this Lease and obtain samples from the Building and/or the Premises, including without limitation the soil and groundwater under the Premises, for the purposes of analyzing the same to determine whether and to what extent the Premises or the environment has become so contaminated. All costs in connection with any such inspection, sampling and analysis by Landlord shall be paid by Landlord; provided, however, if such inspection, sampling and/or analysis discloses contamination for which Tenant is liable under the terms of this Lease, then Tenant shall reimburse Landlord all costs in connection therewith, payable as Additional Rent within thirty (30) days after invoice. Upon the expiration or earlier termination of this Lease: (a) Tenant shall promptly remove from the Building and the Premises, at its sole cost and expense, any and all Hazardous Materials brought onto the Premises by Tenant or Tenant Entities, including any equipment or systems containing Hazardous Materials; (b) Tenant shall represent to Landlord in writing that (i) Tenant has made a diligent effort to determine whether any Hazardous Materials are on, under or about the Building or the Premises, and (ii) all such Hazardous Materials brought onto the Premises by Tenant or Tenant Entities have been removed and the Building and the Premises are free from Hazardous Materials brought onto the Premises by Tenant or Tenant Entities; and (c) at the election of Landlord, upon written notice to Tenant, Tenant shall, at Tenant's sole cost and expense, (i) obtain a Phase I Environmental Site Assessment prepared by a licensed environmental professional in accordance with ASTM Standards and, if recommended by the Phase I for Hazardous Materials brought onto the Premises by Tenant or Tenant Entities, a Phase II Environmental Site Assessment, (ii) furnish copies of such assessments to Landlord upon receipt, and (iii) if applicable, perform and complete all remediation work recommended in such assessments in relation to Hazardous Materials brought onto the Premises by Tenant or Tenant Entities and return the Building and the Premises to the condition existing prior to the introduction of the Hazardous Materials identified in the assessments that were brought onto the Premises by Tenant or Tenant Entities. In any event, if Landlord at any time discovers that Tenant or any Tenant Entities caused or permitted the release of any Hazardous Materials on, under, from or about the Building or the Premises, Tenant shall, within thirty (30) days after

request by Landlord, submit to Landlord a comprehensive plan specifying the actions to be taken by Tenant to return the Building and the Premises to the condition existing prior to the introduction of such Hazardous Materials by Tenant or Tenant Entities. Upon Landlord's approval of such clean up plan, Tenant shall, at Tenant's sole cost and expense, without limitation on any rights and remedies of Landlord under this Lease or at law or in equity, immediately implement such plan and proceed to clean up such Hazardous Materials in accordance with all Environmental Laws and as required by such plan and this Lease.

1.3 Tenant may, at its sole cost and expense, pursue an environmental sustainability monitoring and certification program such as Energy Star®, Green Globes-CIEB, LEED, and the like, and Tenant shall be entitled to any applicable credits for any such green building certifications that may be obtained by Tenant. Landlord agrees to reasonably cooperate with Tenant, at no cost or obligation to Landlord, in connection with Tenant's efforts to obtain any such certification. Tenant shall have the right, at Tenant's sole cost and expense, to install on-site power facilities (i.e., solar) on the Premises, subject to Landlord's approval, which shall not be unreasonably withheld, conditioned or delayed, as provided in this Lease, either as part of the Tenant's Work (as defined in the Construction Agreement) or as part of any subsequent alterations (which are subject to the terms of Article 5), and Tenant shall have the right to any renewable energy credits resulting from on-site renewable energy generation, which credits may be retained or assigned by Tenant in its sole discretion during the Term, and which credits shall no longer accrue to the benefit of Tenant or any such assignee upon the expiration or earlier termination of this Lease and shall thereupon be deemed conveyed by Tenant to Landlord to the extent transferrable and shall accrue to the benefit of Landlord to the extent such credits remain applicable and available. All such programs and installations by Tenant shall be at the sole risk, cost and expense of Tenant, and Landlord shall have no liability therefor. Upon the expiration or earlier termination of this Lease or Tenant's right to possession of the Premises, Tenant shall, at Tenant's sole cost and expense, remove all such on-site power facilities installed on the Premises by Tenant and repair any damage caused by such removal, unless Landlord directs Tenant by written notice not to remove such installations, whereupon Tenant shall execute any necessary document to transfer title to the same to Landlord and Tenant shall in any event be deemed to have conveyed to Landlord all of Tenant's interest in the on-site power facilities.

1.4 (A) This Lease is contingent upon Tenant obtaining approval from the County of Tenant's application titled County of Bernalillo Economic Development Conduit Financing Application dated September 22, 2023, for industrial revenue bonds ("IRB Approval Contingency"). Tenant shall promptly and diligently, at Tenant's sole risk, cost and expense, pursue approval of the industrial revenue bonds. If, despite such good faith, diligent efforts by Tenant, the IRB Approval Contingency is not satisfied by May 31, 2024 (the "IRB Approval Contingency Period"), then Tenant shall have the right to terminate this Lease only upon written notice thereof given to Landlord on or before the expiration of the IRB Approval Contingency Period, whereupon this Lease shall terminate and be of no further force or effect, and Tenant will reimburse Landlord or its affiliate for Landlord's or such affiliate's actual documented costs incurred in connection with this Lease, not to exceed $1,100,000, plus pay to Landlord the additional agreed amount of $500,000 to compensate Landlord for its time and overhead incurred in connection with this Lease, payable within thirty (30) days after receipt of an invoice and supporting documentation of such costs. The obligation in the previous sentence shall survive the Tenant's notice to terminate this Lease, shall be secured by the Guarantor and the Lease shall not be terminated until such payment is made by Tenant to Landlord. If (i) Tenant does not give Landlord written notice terminating this Lease by the expiration of the IRB Approval Contingency Period or (ii) the County approves Tenant's application titled County of Bernalillo Economic Development Conduit Financing Application dated September 22, 2023 for industrial revenue bonds prior to the expiration of the IRB Approval Contingency Period, then Tenant shall be deemed to have waived the IRB Approval Contingency and shall have no further right to terminate this Lease under this Section 1.4(A). Landlord shall have no liability, expense, cost or risk whatsoever in connection with the IRB Agreements (as

defined below), or Tenant's application for the industrial revenue bonds or other incentive programs or packages provided by the State of New Mexico, Bernalillo County, the City of Albuquerque or any other entity, and Tenant agrees to fully indemnify and defend Landlord in connection with same; provided that, in entering into this Lease, Tenant is relying on Landlord's minimum cooperation in good faith to enable Tenant to receive the property tax benefits to be delivered in connection with the IRB Agreements, specifically that, prior to the expiration or earlier termination of this Lease (i) Landlord will not intentionally take action that it is prohibited from taking or fail to take action that it is required to take that will result in the termination of the IRB Agreements (for clarity purpose, this (i) does not require Landlord to cure any default of Tenant under the IRB Agreements), (ii) Landlord will take an initial advance of principal to finance Landlord's interest in the Premises and will promptly thereafter inform Tenant in writing the date and the amount of such advance as well as any other subsequent advances (if any), and (iii) Landlord will leave outstanding (i.e. not repaid) some portion of aggregate advances taken and provide Tenant with accurate reports of the amount outstanding each year and notify Tenant if such amount changes so as to enable Tenant to report such amount to the relevant governmental authority, as provided on Exhibit K. Except as expressly set forth in this Section 1.4(A), Landlord's sole obligations with respect to the IRB Agreements are set forth on Exhibit K attached hereto (herein and collectively, the "Landlord IRB Obligations"). Landlord agrees to reasonably cooperate with Tenant in good faith, at no expense, cost or risk to Landlord, in connection with Tenant's efforts to obtain such industrial revenue bonds, including but not limited to those related to construction of the Building, Tenant's Work, equipment, machinery, IT buildout, solar panels, furniture and/or real property taxes. If the County approves Tenant's application, all industrial revenue bond ("IRB"), payments in lieu of taxes ("PILOT") and/or other agreements required by the County or other applicable governmental authority in connection with the issuance of the industrial revenue bonds (or other incentive programs or packages), including but not limited to that certain lease agreement (i.e., the 2024A IRB Lease) to be entered into by and between the County (as the issuer of the bonds) and Landlord (as the owner of the Premises) (the "Landlord IRB") and a separate IRB to be issued by the County in connection with the financing of Tenant's Work (such IRB and all related documents, the "Tenant IRB"), are herein collectively referred to as the "IRB Agreements". The County approved Tenant's application titled County of Bernalillo Economic Development Conduit Financing Application dated September 22, 2023 for industrial revenue bonds on April 23, 2024. As such, the IRB Approval Contingency has been satisfied, the IRB Approval Contingency Period has expired and this Lease is no longer conditioned upon Tenant obtaining approval from the County of Tenant's application titled County of Bernalillo Economic Development Conduit Financing Application dated September 22, 2023, for industrial revenue bonds.

(B) Tenant shall be solely responsible for the timely and full performance of all monetary and nonmonetary covenants, conditions, obligations and liabilities (i) that are required to be performed on the part of Tenant and/or Landlord under the Tenant IRB, (ii) that are required to be performed on the part of Tenant under the Landlord IRB, and (iii) that are required to be performed on the part of Landlord under the Landlord IRB, excepting only the Landlord IRB Obligations. Landlord shall only be responsible for the performance of its obligations under this Lease and the Landlord IRB Obligations (as defined above). Landlord shall otherwise have absolutely no liability, obligation, expense, cost or risk whatsoever in connection with the IRB Agreements (except for the Landlord IRB Obligations), and Tenant agrees to fully indemnify and defend Landlord in connection with same; provided, however, Tenant shall not be obligated to indemnify or defend Landlord for claims caused by Landlord's negligent or willful misconduct that cause material damage to Tenant. Any failure of Landlord to pay any sum or perform any other obligation to be performed on the part of Landlord (as the owner and/or lessee of the Premises) under the Landlord IRB shall not be a default by Landlord under this Lease, except as expressly provided in this Section 1.4, because Tenant shall otherwise be solely and completely responsible for all payment and other obligations to be performed on the part of both Tenant and Landlord under the Landlord IRB. Notwithstanding anything to the contrary herein, (a) Landlord may, in its absolute and sole discretion, satisfy an obligation of and/or cure

a default under the terms of the IRB Agreements and if Landlord takes such action, Tenant shall not be released from its obligations to Landlord herein (which shall include, at a minimum, reimbursing Landlord for all documented costs and expenses in connection with any action taken by Landlord to satisfy an obligation and/or cure a default under the IRB Agreements), and (b) Tenant, may in its absolute and sole discretion, as its exclusive remedies therefor, pursue the remedy of specific performance, or satisfy an obligation of and/or cure a default of Landlord in the performance of the Landlord IRB Obligations (after first providing Landlord prompt written notice and a reasonable opportunity to cure), and if Tenant takes such action, Landlord shall reimburse Tenant for all documented costs and expenses in connection with such action taken by Tenant to satisfy and/or cure any such Landlord IRB Obligation. Notwithstanding anything to the contrary herein, under no circumstances shall Landlord be liable to Tenant or any other party for the termination of the IRB Agreements or the loss of the IRB. For clarity purposes, Landlord shall not be liable for any penalties, fees or payments due under the IRB Agreements, including, but not limited to, the PILOT nor shall Landlord be liable to Tenant or any other party for the payment of real property taxes or personal property taxes incurred due to the loss of the IRB and the termination of the IRB Agreements.

(C) This Lease is contingent upon Tenant's and Guarantor's Board of Directors approving the terms and conditions of this Lease and the Guarantee and ratifying Tenant's execution of this Lease and the Guarantee on or before June 7, 2024. If Tenant's and Guarantor's Board of Directors do not so approve, Tenant shall send to Landlord a written notice of non-approval and termination by 5:00 p.m. Albuquerque time on June 10, 2024 and this Lease and the Guarantee shall be null and void and of no further force and effect. In the instance of such notice of non-approval, Tenant will reimburse Landlord or its affiliate for Landlord's or such affiliate's actual documented costs incurred in connection with this Lease, not to exceed $1,100,000, plus pay to Landlord the additional agreed amount of $500,000 to compensate Landlord for its time and overhead incurred in connection with this Lease, payable within thirty (30) days after receipt of an invoice and supporting documentation of such costs. The obligation in the previous sentence shall survive the Tenant's written notice to terminate this Lease, shall be secured by the Guarantor pursuant to the Guarantee and this Lease and the Guarantee shall not be terminated until such payment is made by Tenant to Landlord. If Tenant does not deliver the written notice of non-approval by 5:00 p.m. Albuquerque Time on June 10, 2024, then Tenant shall be deemed to have waived the Board of Directors' approval contingency and shall have no further right to terminate this Lease or the Guarantee under this Section 1.4 (C) and it shall be deemed that this Lease and the Guarantee are in full force and effect and binding on Tenant and Guarantor.

1.5 On or before the Lease Date, Landlord shall record, or shall cause to be recorded, one or more Declarations of Easements, Covenants and Restrictions substantially in the form(s) attached hereto as Exhibit G (the "ECRs"), which shall provide for the maintenance and repair of a shared access drive aisle, curb cuts, drainage facilities, and utility easements between the Premises and the Adjacent Property, and those certain parcels of land located west of the Premises and Adjacent Property identified as Tracts E-3 and E-4 of the Plat of Tracts E-1, E-2, E-3, E-4 Westland Business Park recorded 11/17/2023 as DOC# 2023073547 (the "West Adjacent Properties"). Except as provided in the ECRs, the Premises, the Adjacent Property and each of the West Adjacent Properties shall be operated wholly independently. During the Term, Tenant shall perform, at Tenant's cost and expense, all monetary and non-monetary obligations of Landlord, as owner of the Premises, under the ECRs and any other Restrictions. During the Term, Landlord will not amend the ECRs in a commercially unreasonable manner or in any manner that (i) materially affects Tenant, the Premises, Tenant's use of the Premises, access to and/or from the Premises; or Tenant's rights under this Lease, or (ii) increases Tenant's monetary obligations by more than a de minimis amount if Tenant is the sole party required to pay such increased monetary obligations (i.e., increased monetary obligations that are allocated among the properties on a pro-rata basis are allowed), without Tenant's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. Tenant's use of the

Premises and the exercise of any rights set forth in this Lease are subject and subordinate to the ECRs and any other easements, restrictions and similar matters of record affecting the Premises from time to time.

2. **POSSESSION; LATE DELIVERY; EARLY DELIVERY**.

2.1 Landlord shall tender possession of the Premises to Tenant, and Tenant shall accept possession of the Premises, upon Substantial Completion of Landlord's Work, to be determined as provided in Exhibit B (the "Construction Agreement"). Tenant shall, at Landlord's request, execute and deliver a Commencement Date Memorandum provided by Landlord in the form of Exhibit C attached hereto, setting forth the actual Commencement Date, schedule of Base Rent (with amounts and dates), and scheduled expiration date of the Initial Term. Should Tenant fail to do so within thirty (30) days after Landlord's request, the information set forth in such memorandum provided by Landlord shall be conclusively presumed to be agreed and correct. Notwithstanding anything otherwise provided in this Lease, Tenant will not be permitted to move into or occupy the Premises until Landlord has received and approved copies of Tenant's insurance certificates as required under this Lease.

2.2 Landlord estimates that Substantial Completion of Landlord's Work will occur approximately fifteen (15) months after the later of (i) the date that Landlord receives all Permits (as defined in the Construction Agreement) that are required to complete Landlord's Work and (ii) the date that the Final Lease Contingency (as defined in the Construction Agreement) is satisfied or waived (the "Estimated Completion Date"). As used herein, "Initial Completion Deadline" shall mean the date that is ninety (90) days after the Estimated Completion Date and "Final Completion Deadline" shall mean the date that is one hundred eighty (180) days after the Estimated Completion Date, each of which deadlines shall be extended on a day-for-day basis for any delays that are not caused by Landlord, including, without limitation, Force Majeure Delay (as defined in Article 37) and Tenant Delay (as defined in the Construction Agreement). Notwithstanding anything contained in this Lease to the contrary: (a) if Landlord's Work is not Substantially Complete by the Initial Completion Deadline, as Tenant's sole and exclusive remedy, Tenant shall be entitled to one (1) day of free Base Rent (after the expiration of the Rent Abatement) for each day after the Initial Completion Deadline until the earlier of the date of Substantial Completion of Landlord's Work or the Final Completion Deadline; and (b) if Landlord's Work is not Substantially Complete by the Final Completion Deadline, as Tenant's sole and exclusive remedy, Tenant shall be entitled to two (2) days of free Base Rent (after the expiration of the Rent Abatement and day-for-day Base Rent abatement set forth immediately above) for each day after the Final Completion Deadline until the date of Substantial Completion of Landlord's Work. Further, notwithstanding anything contained in the preceding sentence to the contrary, Landlord's maximum monetary liability under this Section 2.2 shall not exceed an aggregate total amount of $150,000.

2.3 If Substantial Completion of Landlord's Work occurs prior to the Estimated Completion Date (the "Early Completion Date"), then Tenant shall pay to Landlord, as Additional Rent, an early completion bonus in an amount equal to the amount that Landlord is required to pay to the Building Contractor as an early completion bonus, as set forth in Landlord's contract with the Building Contractor, but in any event the amount payable by Tenant to Landlord pursuant to this Section shall not exceed $1,000 per day, which amount is currently estimated not to exceed an aggregate total of $44,000.

3. **RENT; SECURITY DEPOSIT**.

3.1 Tenant agrees to pay to Landlord the monthly installments of Base Rent set forth on the Lease Summary, on or before the first day of each full calendar month during the Term, commencing upon the expiration of the Rent Abatement. Rent for any period during the Term which is less than a full calendar month shall be a prorated portion of the Base Rent based upon the number of days in such month. Said Base

Rent shall be paid to Landlord, without deduction or offset and without notice or demand. All such rent amounts shall be paid, without cost to Landlord, in lawful money of the United States of America and shall be paid to Landlord at Landlord's Address set forth on the Lease Summary or by Electronic Funds Transfer ("EFT"), Automated Clearing House ("ACH") or wire transfer to the bank account specified by Landlord, or to such other person or at such other place and/or by such other methods as Landlord may from time to time designate in writing. Prior to the Commencement Date, Tenant agrees to cooperate with Landlord to complete all necessary forms in order to accomplish such method of payment. If Landlord agrees to accept payment of rent by means other than EFT, ACH or wire transfer, and if an Event of Default (as defined in Article 17) occurs during the Term, Landlord may require by notice to Tenant that all subsequent rent payments be made by EFT, ACH or wire transfer, without cost to Landlord. Tenant must implement such automatic payment system prior to the next scheduled rent payment or within ten (10) days after Landlord's notice, whichever is later. Notwithstanding anything to the contrary, Landlord may, in its sole discretion, allocate any rent Tenant pays to Landlord to any sums then due and payable hereunder and in any order or priority including first to the most delinquent sums then due and payable hereunder. Unless specified in this Lease to the contrary, all amounts and sums payable by Tenant to Landlord pursuant to this Lease in addition to Base Rent (other than amounts paid for the Security Deposit, Landlord's Work, Tenant's Share, Tenant's Work or other sums to be paid by Tenant as provided in the Construction Agreement) shall be deemed "Additional Rent."

3.2 Tenant recognizes that late payment of any Base Rent or other sum due under this Lease will result in administrative expense to Landlord, the extent of which additional expense is extremely difficult and economically impractical to ascertain. Tenant therefore agrees that if Base Rent or any other sum due under this Lease is not paid when due and payable pursuant to this Lease, a late charge shall be imposed in an amount equal to ten percent (10%) of the unpaid Base Rent or other payment. The amount of the late charge to be paid by Tenant shall be reassessed and added to Tenant's obligation for each successive month until paid. The provisions of this Section 3.2 in no way relieve Tenant of the obligation to pay Base Rent or other payments on or before the date on which they are due, nor do the terms of this Section 3.2 in any way affect Landlord's remedies pursuant to Article 18 of this Lease in the event said Base Rent or other payment is unpaid after date due.

3.3 In addition to Base Rent and other charges to be paid by Tenant under this Lease, Tenant shall reimburse to Landlord, simultaneously therewith, a sum equal to the aggregate of any local, county and/or state rent or transaction privilege taxes, gross receipts taxes, sales taxes, or similar taxes now or hereafter legally levied or imposed against, or on account of, any or all amounts payable under this Lease by Tenant or the receipt thereof by Landlord.

3.4 Except for Landlord's obligations expressly provided in this Lease, all Base Rent and Additional Rent hereunder shall be absolutely net to Landlord so that this Lease shall yield net to Landlord the Base Rent and Additional Rent to be paid each month during the Term of this Lease. All costs, expenses and obligations of every kind or nature whatsoever relating to the Building and the Premises that may arise or become due during the Term, including but not limited to costs and expenses of maintenance and repairs (including necessary replacements), insurance costs, taxes and assessments, payments in lieu of taxes, and the like shall be paid by Tenant, except as may be expressly set forth in this Lease. In the event Tenant fails to pay, perform or discharge any tax, imposition, payments in lieu of taxes, insurance premium, utility charge, maintenance, repair or replacement expense that it is obligated to pay or discharge under this Lease, Landlord may, but shall not be obligated to, pay, perform and/or discharge the same, and in that event Tenant shall reimburse Landlord for such amount, together with a reasonable fee for overhead not to exceed ten percent (10%), payable as Additional Rent within ten (10) days after invoice. In addition, Tenant shall not seek, or be entitled to, any abatement, deduction, deferment or reduction of Base Rent or other charges due hereunder, or any set off against the Base Rent or other charges due hereunder, nor shall Tenant's obligations

hereunder be otherwise affected by reason of the lawful or unlawful prohibition of, or restriction upon, Tenant's use of the Premises, or any portion thereof, or the interference with such use by any person or party, except to the extent as may otherwise be expressly provided elsewhere in this Lease. Subject to the express terms of this Lease, Landlord agrees not to interfere with Tenant's use of the Premises or any portion thereof. Tenant hereby waives all rights arising from any occurrence whatsoever, which may now or hereafter be conferred upon it by applicable Laws, except to the extent specifically provided in this Lease: (i) to modify, surrender or terminate this Lease or quit or surrender the Premises, or any portion thereof; or (ii) which would entitle Tenant to any abatement, reduction, suspension or deferment of Base Rent or other charges payable hereunder or of any obligations required to be performed by Tenant hereunder. Nothing herein contained, however, shall be deemed to require Tenant to pay or discharge any liens or mortgages of any character whatsoever which may exist or hereafter be placed upon the Premises by an affirmative act or omission of Landlord.

3.5 Tenant shall deposit the Security Deposit with Landlord as provided in the Lease Summary. Said sum shall be held by Landlord as security for the faithful performance by Tenant of all the terms, covenants and conditions of this Lease to be kept and performed by Tenant, including but not limited to the faithful performance by Tenant of all of the terms, covenants and conditions of the IRB Agreements whether required to be performed by Landlord (as the owner of the Premises), subject to the provisions of Section 1.4 hereof, or Tenant under the IRB Agreements, Tenant's obligations under the Construction Agreement, including but not limited to Tenant's Share, as well as Tenant's obligation to pay for the cost of and/or complete Tenant's Work, and all of Tenant's restoration and other obligations set forth in Article 24 (Surrender of Premises). If Tenant defaults with respect to any provision of this Lease, including the IRB Agreements and the Construction Agreement, Landlord may use any part of the Security Deposit for the payment of any rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, including any sums required under the IRB Agreements and/or the Construction Agreement, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion is so used, Tenant shall within five (5) days after written demand therefor, deposit with Landlord an amount sufficient to restore the Security Deposit to its original amount and Tenant's failure to do so shall be a material breach of this Lease. Except to such extent, if any, as shall be required by law, Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on such deposit. If Tenant shall fully and faithfully perform every provision of this Lease, including the IRB Agreements, to be performed by it, the Security Deposit or any balance thereof shall be returned to Tenant at such time after termination of this Lease when Landlord shall have determined that all of Tenant's obligations under this Lease have been fulfilled, including, but not limited to, all of Tenant's obligations set forth in Article 24 (Surrender of Premises).

4. **REAL ESTATE TAXES/IRB PAYMENTS.**

4.1 Tenant shall fully and timely pay, prior to delinquency, all amounts of every kind and nature required under the IRB Agreements, whether characterized as rent or additional rent, penalties, claw-backs, reimbursements or otherwise, herein referred to as the "IRB Payments" for ease of reference, and fully and timely perform all other obligations required under the IRB Agreements, whether such payment or performance is required to be paid or performed by Tenant or on behalf of Landlord, or by Landlord (as a party to any IRB Agreements), and Tenant shall defend, protect, indemnify and hold the Landlord Entities harmless from and against any and all loss, claims, liability or costs (including court costs and attorneys' fees) incurred by reason of Tenant's failure to fully and timely pay and perform any such obligations under or in any way related to the IRB Agreements. From and after the Commencement Date, Tenant shall also pay all real estate taxes, general and special assessments, if any, and all other charges, assessments, impositions and taxes of every kind and description levied on or assessed against the Premises, the Building,

the Site Improvements, and/or the leasehold estate, to the full extent of installments assessed, charged or accrued during the Term regardless of when same become due and/or payable (collectively, "Real Estate Taxes"). If Tenant is not the party receiving the bill, Landlord will provide to Tenant a copy of all bills received by Landlord for any IRB Payments and/or Real Estate Taxes promptly after Landlord's receipt thereof. Tenant shall make all such payments directly to the appropriate governmental authority at least twenty (20) days before delinquency and before any fine, interest or penalty shall become due or be imposed for nonpayment pursuant to the IRB Agreements or by operation of law. If the law expressly permits the payment of Real Estate Taxes, if any, in installments (whether or not interest accrues on the unpaid balance), Tenant may, at Tenant's election, utilize the permitted installment method, but shall pay each installment (with any applicable interest) at least twenty (20) days before delinquency and before any fine, interest or penalty shall become due or be imposed by operation of law for nonpayment. Any Real Estate Taxes relating to a tax period a part of which is not included within the Term shall be prorated so that Tenant shall pay only the portion thereof that relates to the tax period included within the Term. For avoidance of doubt, any Real Estate Taxes that become due and/or payable after the expiration or termination of the Term, which pertain to any period within the Term, shall be paid by Tenant when due, and such obligation of Tenant shall survive the expiration or termination of the Term. Tenant shall furnish to Landlord, at least seven (7) days before the date when any IRB Payments and/or Real Estate Taxes would become delinquent, receipts or other appropriate evidence evidencing their payment. Tenant also agrees to pay directly to the taxing authority, before delinquency, any and all taxes levied or assessed upon Tenant's furniture, fixtures, equipment and other personal property located in the Building or on the Premises.

4.2 Tenant shall have such rights to contest any amounts payable under any IRB Agreements that are expressly provided in the IRB Agreements. Except as provided immediately above, if applicable (due to the failure of the IRB Approval Contingency or the expiration of the IRB Agreements) and provided that Tenant has timely paid all Real Estate Taxes levied or assessed against the Premises, then upon written notice thereof to Landlord, Tenant shall have the right to contest or review by legal proceedings, as permitted under applicable law, any assessed valuation, real estate tax or assessment; provided further that, unless Tenant has paid such tax or assessment under protest, Tenant shall furnish to Landlord (a) proof reasonably satisfactory to Landlord that such protest or contest may be maintained without payment under protest, and (b) a surety bond or other security reasonably satisfactory to Landlord securing the payment of such contested item or items and all interest, penalties and costs in connection therewith upon the final determination of such contest or review. Landlord shall, if it determines it is reasonable to do so, and if so requested by Tenant, join in any proceeding for contest or review of such taxes or assessments, but the entire cost of such joinder in the proceedings (including all costs, expenses and attorneys' fees reasonably sustained by Landlord in connection therewith) shall be borne by Tenant. Any amount paid by Tenant and subsequently recovered as the result of such contest or review shall be for the account of Tenant. Tenant shall be liable for all penalties and interest payments in conjunction with any contest and shall indemnify Landlord for, from and against any and all costs resulting from such contest.

5. **ALTERATIONS**.

5.1 The initial improvements and work to be provided with respect to the Building and the Premises (which are defined as "Landlord's Work" and "Tenant's Work" in the Construction Agreement), and the terms, covenants and conditions applicable thereto, shall be as set forth in the Construction Agreement. Thereafter, during the Term, Tenant shall be permitted, at Tenant's sole cost and expense, so long as Tenant gives Landlord prior notice thereof (including a reasonable description of the alterations) and otherwise completes such work in compliance with this Lease, to do the following without Landlord's consent: (a) install unattached, movable trade fixtures that may be installed without drilling, cutting or otherwise defacing the Building; and (b) make minor, cosmetic alterations and improvements located exclusively within the interior of the Building, provided that the same (i) do not require plans and

specifications, (ii) are not structural in nature, (iii) are not visible from the exterior of the Building, (iv) do not affect or require modification of the Building's electrical, mechanical, plumbing, HVAC or other systems, and (v) do not cost more than $200,000 per project.

5.2 Except as provided in Section 5.1, Tenant shall not make or suffer to be made other alterations, additions, and improvements, including, but not limited to, the attachment of any fixtures or equipment in, on, or to the Building or the Premises, or any part thereof, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed by Landlord so long as the requested alterations, additions or improvements are in compliance with the terms hereof. It shall not be deemed unreasonable for Landlord to withhold its consent if the proposed work would (a) adversely affect the outside appearance, character or use of any portions of the Building or the Premises, (b) adversely affect the Building's roof, roof membrane, or any other any structural component of the Building, (c) adversely affect any base Building equipment, services or systems, or the proper functioning thereof, (d) in the commercially reasonable opinion of Landlord, lessen the value of the Building or the Premises, (e) violate or require a change in any occupancy certificate applicable to the Building or the Premises, unless Tenant pays for such change, or (f) trigger a legal requirement that would require any additional alterations to be made to the Building or the Premises, unless Tenant pays for such alterations. When applying for consent, Tenant shall, if requested by Landlord and reasonably necessary due to the scope of the work, furnish complete plans and specifications for such alterations, additions and improvements.

5.3 Any such alteration, addition or improvement by Tenant that is permitted hereunder or approved by Landlord shall be made by using either Landlord's contractor or a contractor reasonably approved by Landlord, in either event at Tenant's sole cost and expense. Landlord shall have the right from time to time as determined by Landlord to inspect, supervise and/or oversee the construction of such work. Landlord's right to inspect such work and approve Tenant's contractor shall not impose upon Landlord any responsibility for defective, incomplete or nonconforming work that Landlord discovers or fails to discover by any such review and/or inspection. In any event, after completion of Landlord's Work and Tenant's Work, with respect to any subsequent alteration, addition or improvement by Tenant that requires the prior written consent of Landlord, (a) Landlord may charge Tenant a construction management fee in connection with any alteration, addition or improvement that requires Landlord's consent, not to exceed five percent (5%) of the cost of such work, to cover Landlord's overhead as it relates to such proposed work, and (b) Tenant shall reimburse Landlord for all third-party costs actually incurred by Landlord in connection with the proposed work and the design thereof, with all such amounts being due as additional rent, within ten (10) days after invoice.

5.4 All alterations, additions or improvements proposed by Tenant shall be constructed in accordance with all applicable Laws and the construction, indemnification, insurance and contractor requirements that are applicable to Tenant's Work under the Construction Agreement. Tenant shall use materials of at least equal or better quality as the materials used in the original construction of the Building and Tenant's Work, and Tenant shall, prior to construction, provide the additional insurance required under Article 10, and also all such assurances to Landlord as Landlord shall reasonably require to assure payment of the costs thereof and to protect Landlord and the Premises against loss from mechanic's, materialmen's and other liens, including one or more of the following: notices of non-responsibility, waivers of lien, surety company performance bonds and funded construction escrows; without limiting the foregoing, Tenant shall post a notice of non-responsibility on the Premises (in multiple, conspicuous locations) in accordance with Section 48-2-11 of NMSA 1978, or any successor statute, and shall provide a copy of such notice to each contractor performing work on the Premises.

6. **REPAIR.**

6.1 After completion of Landlord's Work (as defined in the Construction Agreement), Landlord shall have no further obligation to alter, remodel, improve, repair, decorate or paint the Building or other parts of the Premises, except that Landlord shall repair and replace as necessary the foundation, structural load bearing walls, roof structure and roof membrane of the Building; provided, however: (i) if any such repair or replacement is required as a result of any act, inaction, neglect, fault or omission, including, but not limited to, poor or improper operation and maintenance, by Tenant or any Tenant Entities (as defined in Section 1.2), then Tenant shall pay to Landlord, as Additional Rent, the full cost of such repair or replacement, without amortization, together with a reasonable fee for overhead not to exceed ten percent (10%), payable in one lump sum payment within thirty (30) days after invoice; and (ii) Tenant will pay to Landlord the monthly amortization of any capital costs incurred in connection with the repair or replacement of the structural roof after the expiration of the initial roof warranty, with such amortization to be calculated on a straight-line basis over the useful life of the capital item together with interest at eight percent (8%) per annum, payable on a monthly basis until the earlier of the expiration of the Term or the expiration of the reasonably anticipated useful life of the capital item, as determined by Landlord in accordance with standard accounting practices, consistently applied. By taking possession of the Building and the Premises, Tenant accepts them as being in good order, condition and repair and in the condition in which Landlord is obligated to deliver them, subject to the provisions of the Construction Agreement, including without limitation punchlist and warranties. It is hereby understood and agreed that no representations respecting the condition of the Premises or the Building have been made by Landlord to Tenant, except as specifically set forth in the Construction Agreement or this Lease. Except as set forth in the Construction Agreement, Landlord shall not be liable for any failure to make any repairs or to perform any maintenance unless such failure shall persist for an unreasonable time after written notice of the need of such repairs or maintenance is given to Landlord by Tenant. If Landlord fails to complete any repairs or maintenance required of Landlord under this Section 6.1, and if such failure continues for thirty (30) days after Landlord receives written notice thereof from Tenant, or such longer period as may be reasonably required to complete the repairs or maintenance, so long as Landlord commences the work within said thirty (30) day period and thereafter diligently pursues the work to completion, then upon at least ten (10) days' advance written notice thereof from Tenant to Landlord, Tenant shall have the right to perform the required repairs or maintenance, and Landlord shall reimburse Tenant for the actual, out-of-pocket costs and expenses paid by Tenant to perform the same, together with a reasonable fee for overhead not to exceed ten percent (10%), payable in one lump sum payment within thirty (30) days after Landlord's receipt of a written request from Tenant, together with copies of paid invoices or other documentation substantiating such costs and expenses.

6.2 Except as set forth in Section 6.1, Tenant shall at its own cost and expense keep and maintain all parts of the Building, the Site Improvements and the Premises in good condition, promptly making all necessary repairs and replacements, whether ordinary or extraordinary, with materials and workmanship of the same character, kind and quality as the original, including but not limited to all tenant improvements, all mechanical and operating systems and equipment, all plumbing and other utility lines, water heaters and other appliances, windows, glass and plate glass, doors, skylights, entrances, interior walls and finish work, floors and floor coverings, heating and air conditioning/cooling systems, electrical systems and fixtures, sprinkler systems, plumbing and other utility lines, general maintenance (but not structural repairs or replacement) of the roof and roof membrane, dock boards, truck doors, dock bumpers, and all exterior improvements, including but not limited to drive aisles and parking areas (including snow removal, asphalt repairs, fixing and filling pot holes, resurfacing and restriping), walkways (including periodic sweeping and snow removal), drainage facilities, landscaping, signage, site lighting, reasonable and customary pest control services, and performance of regular removal of trash and debris, all as may be required under this Lease to keep the Building and the Premises in a good and first class condition. Tenant as part of its obligations

hereunder shall perform such cleaning and sanitizing as may be reasonably necessary to at all times keep and maintain the Premises in a clean, safe and sanitary condition. Tenant will, as far as possible keep all parts of the Premises from deterioration due to ordinary wear and from falling temporarily out of repair, and upon termination of this Lease in any way, Tenant will yield up the Building and the Premises to Landlord in the condition required by Article 24. Tenant shall, at its own cost and expense, repair any damage to the Building or the Premises resulting from and/or caused in whole or in part by the negligence or misconduct of Tenant or any Tenant Entities, or any other person entering upon the Premises as a result of Tenant's business activities or caused by Tenant's default hereunder. Tenant shall perform all required repair and maintenance work in compliance with the construction, indemnification, insurance and contractor requirements that are applicable to Tenant's Work under the Construction Agreement.

6.3 Tenant shall, at its own cost and expense, perform or cause to be performed regular servicing and maintenance of all heating and air conditioning/cooling systems and equipment serving the Building in accordance with the operation/maintenance manual from the equipment manufacturer. Tenant shall also, at its own cost and expense, use licensed maintenance contractors to perform required maintenance and repairs that affect the structure and/or critical systems and equipment of the Building (e.g. heating and air conditioning/cooling, but excluding routine maintenance such as filter replacement). Promptly upon receipt of a written request from Landlord, not more often than one time per calendar year, Tenant shall provide to Landlord maintenance reports setting forth in reasonable detail all maintenance, repair, replacement and other work completed during the immediately preceding calendar year.

6.4 All work required on the roof of the Building in connection with performing Tenant's maintenance obligations or exercising Tenant's rights under this Article 6, including any necessary repair, patching and/or replacement of the roof in connection therewith, shall be performed, at Tenant's sole cost and risk, only by vendors or contractors that have been pre-approved by Landlord and otherwise in a manner that will not damage the roof or void or adversely affect any roof warranties or guaranties. If any work by Tenant requires penetrations of the roof, or if otherwise required by Landlord, Tenant, at its sole cost and expense, shall retain the roofing contractor having a then existing warranty in effect on the roof to perform such work (to the extent that it involves the roof). Tenant shall keep the roof of the Building free of all trash and waste materials produced by Tenant or its agents or contractors and shall promptly notify Landlord in the event of any accident related to the roof.

6.5 If Tenant fails, refuses or neglects to make repairs and/or maintain the Building, the Site Improvements or the Premises, including without limitation all mechanical and operating equipment and systems and other components thereof, in accordance with the terms of this Article 6, and if such failure continues for thirty (30) days after Tenant receives written notice thereof from Landlord, or such longer period as may be reasonably required to complete the repairs or maintenance, so long as Tenant commences the work within said thirty (30) day period and thereafter diligently pursues the work to completion, then Landlord shall have the right, but not the duty, in addition to Landlord's other rights and remedies, upon giving Tenant reasonable written notice of Landlord's election to do so, to make such repairs or perform such maintenance on behalf of and for the account of Tenant. The cost of such work shall be paid by Tenant to Landlord, together with a reasonable fee for overhead not to exceed ten percent (10%), payable as Additional Rent within ten (10) days after invoice. In addition, if Landlord reasonably determines that Tenant is not performing its obligations under this Article 6 in a good and workmanlike manner, consistent with the commercially reasonable standards of similar first class properties in the same geographic market area as the Premises, then Landlord may, upon notice thereof to Tenant, elect to undertake the performance of any or all such obligations, whereupon the costs and expenses thereof, together with a reasonable fee for overhead not to exceed ten percent (10%), shall be paid by Tenant to Landlord, payable as Additional Rent within ten (10) days after invoice.

6.6 Except as provided in Article 20, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Building or the Premises, or to fixtures, appurtenances and equipment in the Building, so long as Landlord provides notice thereof to Tenant prior to performing such work (or as soon as reasonably practicable in the event of an emergency), schedules the work with Tenant (with Tenant agreeing to cooperate reasonably and in good faith with Landlord) and uses commercially reasonable efforts to perform its work in such a manner as to minimize interference with Tenant's use and occupancy of the Premises, considering the nature and extent of the applicable work and subject to prudent construction practices. Except to the extent, if any, prohibited by law, Tenant waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereafter in effect, and except to the extent of Tenant's rights of self help set forth in Section 6.1 of this Lease.

7. **LIENS.** Tenant shall keep the Premises and Tenant's leasehold interest in the Premises free from any liens arising out of any services, work or materials performed, furnished, or contracted for by Tenant, or obligations incurred by Tenant. Tenant will comply with all notice requirements on behalf of Landlord under Section 4.15 of the Landlord IRB (and provide any required notice to the County under Section 4.15 of the Landlord IRB) and in addition will give Landlord prompt written notice of the imposition of any such lien. Should any such lien be imposed, Tenant shall, at its sole cost and expense, cause the lien to be canceled and released of record, either by (a) promptly after notice to Tenant paying in full the claim giving rise to the lien, or (b) by (i) promptly after notice to Tenant filing a petition to cancel the lien with the district court of Bernalillo County, in accordance with Section 48-2-9 of NMSA 1978, or any successor statute, (ii) promptly depositing with the district court security in the amount set by the judge and of the type approved by the judge, or otherwise delivering such security to Landlord to deposit with the district court, and (iii) thereafter using good faith, diligent, best efforts to pursue the petition to successful completion by the judge of the district court issuing an order canceling the lien within thirty (30) days. In the event that Tenant fails, within sixty (60) days after the imposition of any such lien, or within such earlier time frame as may be required by Landlord's lender, to either cause the lien to be canceled and released of record or provide Landlord with insurance against the same issued by a major title insurance company or such other protection against the same as Landlord shall accept (such failure to constitute an Event of Default), Landlord shall have the right to cause the same to be canceled and released by such means as it shall deem proper, including payment of the claim giving rise to such lien, together with all related damages, court costs and attorney fees as may be set by the court. All such sums paid by Landlord and all expenses incurred by Landlord in connection therewith (including Landlord's attorney fees) shall be payable to Landlord by Tenant, as Additional Rent, within ten (10) days after invoice.

8. **ASSIGNMENT AND SUBLETTING**.

8.1 In connection with the Tenant IRB, Tenant shall have the right to assign and sublease Tenant's interest in this Lease to the County, in the form attached hereto as Exhibit I (the "County Sublease"), and the County shall have the right to subsequently assign and sublease the County's interest in this Lease pursuant to the County Sublease to Tenant. Tenant shall also have the right to assign this Lease or sublet the Building or the Premises (each, a "Permitted Transfer") to any entity that controls, is controlled by or is under common control with Tenant, or to any entity resulting from a merger, acquisition or consolidation with Tenant, or to any person or entity that acquires all or substantially all of the assets of Tenant's business conducted at the Premises, or to any person or entity that acquires all or substantially all of the equity ownership interests of Tenant, provided that: (i) an Event of Default by Tenant is not then occurring under this Lease; (ii) at least ten (10) days prior to such Permitted Transfer, Tenant delivers to Landlord notice of such contemplated Permitted Transfer; (iii) a fully executed copy of the assignment or sublease, the assumption of this Lease by the assignee and/or the acceptance of the sublease by the sublessee, as the case may be, which has been expressly consented to by Guarantor in writing, is delivered to Landlord;

and (iv) the Permitted Transfer is not entered into as a subterfuge to avoid the restrictions and provisions of this Article. For purposes of this provision, “control” shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract or otherwise. For the purpose of this Lease, any party that engages with Tenant in a Permitted Transfer is referred to herein as a "Permitted Transferee". Tenant acknowledges, and at Landlord’s request at the time of such Permitted Transfer shall confirm in writing, that in each instance Tenant and Guarantor shall remain liable for the performance of the terms and conditions of this Lease despite such Permitted Transfer. In addition, upon request by Landlord, Tenant shall cause Guarantor to execute and deliver to Landlord a reaffirmation and ratification of the Guarantee in form reasonably satisfactory to Landlord (which may be part of the assignment or sublease document delivered to Landlord as provided in Section 8.1(iii) above), as a condition precedent to the effectiveness of any such assignment or sublease.

8.2 Except as provided in Section 8.1, Tenant shall not assign or otherwise transfer any interest in this Lease, or sublet or license the whole or any part of the Building or the Premises, whether voluntarily or by operation of law, or permit the use or occupancy of the Building or the Premises by anyone other than Tenant (each, a “Transfer”), without the prior written consent of Landlord, such consent not to be unreasonably withheld, and said restrictions shall be binding upon any and all assignees of this Lease and subtenants of the Building or the Premises. Except pursuant to the indenture entered into by Tenant in connection with the Tenant IRB, in no event may Tenant encumber, mortgage or otherwise pledge this Lease or Tenant’s interest in the Premises as security for any debt of Tenant. In the event Tenant desires to sublet, or permit such occupancy of, the Building or the Premises, or any portion thereof, or assign this Lease, Tenant shall give written notice thereof to Landlord at least sixty (60) days but no more than one hundred twenty (120) days prior to the proposed effective date of such Transfer, which notice shall set forth the relevant terms of any sublease or assignment and the following information about the proposed assignee or sublessee: (a) name and address; (b) a detailed description of the proposed business to be carried on at the Premises; (c) complete and audited financial statements for the most recent two (2) fiscal years (including balance sheet, income statement, statement of cash flows, and supporting notes and schedules); and (d) such other information as Landlord may reasonably request to properly evaluate the proposed transaction.

8.3 Notwithstanding any Transfer, permitted or otherwise, Tenant shall at all times remain directly, primarily and fully responsible, and Guarantor shall remain liable under and in accordance with the terms of the Guarantee, for the payment of the Base Rent and Additional Rent specified in this Lease and for compliance with all of its other obligations under the terms, provisions and covenants of this Lease, including but not limited to all obligations under the IRB Agreements, subject to the provisions of Section 1.4 hereof. Upon the occurrence of an Event of Default, if the Premises or any part of them are then assigned or sublet, Landlord, in addition to any other remedies provided in this Lease or provided by law, may, at its option, collect directly from such assignee or subtenant all rents due and becoming due to Tenant under such assignment or sublease and apply such rent against any sums due to Landlord from Tenant under this Lease, and no such collection shall be construed to constitute a novation or release of Tenant from the further performance of Tenant’s obligations under this Lease. Tenant acknowledges, and at Landlord’s request at the time of any Transfer shall confirm in writing, that in each instance Tenant and Guarantor shall remain liable for the performance of the terms and conditions of this Lease despite such Transfer. In addition, upon request by Landlord, Tenant shall cause Guarantor to execute and deliver to Landlord a reaffirmation and ratification of the Guarantee in form reasonably satisfactory to Landlord, as a condition precedent to the effectiveness of any such Transfer.

8.4 In the event of any Transfer, Tenant shall pay to Landlord as Additional Rent an amount equal to fifty percent (50%) of any Increased Rent (as defined below), less the Costs Component (as defined below), when and as such Increased Rent is received by Tenant. As used in this Section, “Increased Rent”

shall mean the excess of (i) all rent and other consideration which Tenant is entitled to receive by reason of the Transfer, over (ii) the rent otherwise payable by Tenant under this Lease at such time. For purposes of the foregoing, any consideration received by Tenant in form other than cash shall be valued at its fair market value as determined by Landlord in good faith. The "Costs Component" is that amount which, if paid monthly, would fully amortize on a straight-line basis, over the entire period for which Tenant is to receive Increased Rent, the reasonable costs incurred by Tenant for leasing commissions and tenant improvements in connection with such Transfer.

8.5 Notwithstanding any other provision hereof, it shall be considered reasonable for Landlord to withhold its consent to any Transfer if: (a) at the time of either Tenant's notice of the proposed Transfer or the proposed effective date thereof, there shall exist any Event of Default by Tenant under this Lease; (b) the proposed assignee or sublessee has a tangible net worth (as shown on financial statements for such assignee or sublessee furnished to Landlord at the time of such Transfer), determined in accordance with generally accepted accounting principles, which is less than the combined tangible net worth of the original Tenant and Guarantor, as of the date of this Lease (as shown on the original financial statements of Tenant and Guarantor furnished to Landlord in connection with this Lease) or as of the date immediately preceding the effective date of the Transfer (as shown on updated financial statements for Tenant and Guarantor furnished to Landlord immediately prior to and in connection with entering into such Transfer); (c) the proposed assignee or sublessee is an entity with which Landlord is already in negotiation for other premises in the same general market area as the Premises; (d) the proposed assignee or sublessee is a governmental agency other than in relation to the IRB; (e) the proposed assignee or sublessee, or its intended use of the Premises, is incompatible with the character of occupancy of the Premises; (f) the payment for the sublease or assignment is determined in whole or in part based upon its net income or profits; or (g) the proposed transaction would subject the Premises to a use which would: (i) involve increased personnel or wear upon the Premises; (ii) require any addition to or modification of the Building or the Premises in order to comply with applicable Laws; or, (iii) involve a violation of Section 1.2. Tenant expressly agrees that for the purposes of any statutory or other requirement of reasonableness on the part of Landlord, Landlord's refusal to consent to any Transfer for any of the reasons described in this Section 8.5, shall be conclusively deemed to be reasonable.

8.6 In connection with any Transfer, Tenant will pay to Landlord a processing/administrative fee in the sum of $1,000.00, plus, on demand, a sum equal to not more than $5,000.00 per Transfer (so long as such Transfer does not include any modification or amendment of this Lease) for all of Landlord's documented out-of-pocket costs, including reasonable attorneys' fees, incurred in investigating and considering any proposed or purported Transfer, regardless of whether Landlord shall consent to, refuse consent, or determine that Landlord's consent is not required for, such Transfer. Any purported Transfer that does not comply with the provisions of this Article 8 shall, at the option of Landlord, be void. Any consent by Landlord shall be held to apply only to the specific Transfer thereby authorized and shall not constitute a waiver of the necessity for obtaining Landlord's consent to any subsequent Transfer.

8.7 If Tenant is a corporation, limited liability company, partnership or trust, any transfer or transfers of or change or changes within any twelve (12) month period in the number of the outstanding voting shares of the corporation, membership interests in the limited liability company, the general partnership interests in the partnership or the identity of the persons or entities controlling the activities of such partnership or trust resulting in the persons or entities owning or controlling a majority of such shares, membership interests, partnership interests or activities of such partnership or trust at the beginning of such period no longer having such ownership or control shall be regarded as equivalent to an assignment of this Lease to the persons or entities acquiring such ownership or control and shall be subject to all the provisions of this Article 8 to the same extent and for all intents and purposes as though such an assignment.

9. **INDEMNIFICATION.** None of the Landlord Entities shall be liable and Tenant hereby waives all claims against them for any damage to any property or any injury to any person in or about the Building or the Premises by or from any cause whatsoever (including without limiting the foregoing, rain or water leakage of any character from the roof, windows, walls, basement, pipes, plumbing works or appliances, the Building not being in good condition or repair, gas, fire, oil, electricity or theft), except to the extent caused by or arising from the gross negligence or willful misconduct of Landlord or its agents, employees or contractors. Tenant shall defend, protect, indemnify and hold the Landlord Entities harmless from and against any and all loss, claims, liability or costs (including court costs and attorneys' fees) incurred by reason of (a) any damage to any property (including but not limited to property of any Landlord Entity) or any injury (including but not limited to death) to any person occurring in, on or about the Building or the Premises to the extent that such injury or damage shall be caused by or arise from any act, neglect, fault, inaction, or omission by or of Tenant or any Tenant Entities to meet any standards imposed by any duty with respect to the injury or damage; (b) the conduct or management of any work or thing whatsoever done by the Tenant in or about the Building or the Premises; (c) Tenant's actual or asserted failure to comply with any and all Laws applicable to the condition or use of the Building, the Premises or their occupancy; (d) any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of the Tenant to be performed pursuant to this Lease; or (e) any failure of Tenant to pay when due, or perform when required, any monetary and nonmonetary obligations under the IRB Agreements (subject to the provisions of Section 1.4 hereof), whether set forth in those agreements as an obligation of Landlord, as the owner of the Premises, or Tenant. To the extent applicable, if at all, the indemnification obligations set forth above and elsewhere in this Lease, shall be limited by and subject to the provisions of Section 56-7-1 of NMSA 1978, or any successor statute. The provisions of this Article 9 shall survive the termination of this Lease with respect to any claims or liability accruing prior to such termination.

10. **INSURANCE**. Tenant shall keep in force throughout the Term the insurance coverages in the amounts and meeting all of the requirements set forth in Landlord's Insurance Requirements of Tenant attached to this Lease as Exhibit J and incorporated herein by reference.

11. **WAIVER OF SUBROGATION.** So long as their respective insurers do not prohibit it, Tenant and Landlord hereby mutually waive their respective rights of recovery against each other for any loss insured (or required to be insured under this Lease) by causes of loss – special form or other insurance now or hereafter existing for the benefit of the respective party but only to the extent of the net insurance proceeds payable under such policies. Each party shall obtain any special endorsements required by their insurer to evidence compliance with the aforementioned waiver.

12. **SERVICES AND UTILITIES.** Commencing as of the Commencement Date, Tenant shall connect and activate its accounts with the applicable providers and pay directly to such providers all charges for water, gas, heat, light, power, telephone, sewer, sprinkler system and other utilities and services used on or from the Building and the Premises, together with any deposits, taxes, penalties, and surcharges or the like pertaining thereto and any maintenance charges for utilities. Any such deposits for utilities or services that are charged to and paid by Landlord in order to commence service to the Building or the Premises shall be reimbursed by Tenant to Landlord, as Additional Rent, within ten (10) days after invoice. Tenant shall furnish all electric light bulbs, tubes and ballasts, battery packs for emergency lighting and fire extinguishers. Landlord shall in no event be liable for any interruption or failure of utility services on or to the Building or the Premises. Upon request of Landlord from time to time, Tenant shall provide monthly utility usage to Landlord in electronic or paper format or provide permission for Landlord to request information regarding Tenant's utility usage directly from the utility company.

13. **HOLDING OVER.** Tenant shall have the right to hold over in possession of the Premises for up to three (3) months after the expiration of the Term, provided Tenant gives Landlord at least ninety (90) days'

prior written notice thereof (the “Permitted Hold Over”). Except for the Permitted Hold Over, Tenant will not otherwise be permitted to hold over possession of the Building or the Premises after the expiration or earlier termination of this Lease, by lapse of time or otherwise, without the express written consent of Landlord, which consent Landlord may withhold in its sole and absolute discretion. If Tenant holds over after the expiration or termination of this Lease, with or without the express written consent of Landlord, including but not limited to a Permitted Hold Over, Tenant shall perform all of its obligations under this Lease and shall pay to Landlord (i) for the first three (3) months of any such hold over, an amount equal to one hundred fifteen percent (115%) of the Base Rent in effect at the expiration or termination of this Lease, (ii) for the next three (3) months of any such hold over, an amount equal to one hundred fifty percent (150%) of the Base Rent in effect at the expiration or termination of this Lease, and (iii) thereafter an amount equal to two hundred percent (200%) of the Base Rent in effect at the expiration or termination of this Lease, plus (iv) all other charges and items of Additional Rent otherwise payable under this Lease, all of which amounts shall be payable on a per month basis without reduction for partial months during the hold over. Acceptance by Landlord of any rent after the expiration or termination of this Lease shall not constitute consent to a hold over hereunder or result in an extension of this Lease. If Tenant holds over in possession in violation of this Article 13 for longer than thirty (30) days after written demand from Landlord that Tenant vacate and surrender the Premises, then Tenant shall also be liable for, and shall also pay to Landlord within ten (10) days after demand, all damages, including, without limitation, consequential damages, suffered by Landlord as a result of any such hold over, and Tenant shall indemnify, defend and hold Landlord and the other Landlord Entities harmless for, from and against all liabilities, damages, losses, claims, suits, costs and expenses (including reasonable attorneys’ fees and costs) arising from or relating to any such hold over tenancy, including without limitation, any claim for damages made by a succeeding tenant. Tenant’s indemnification obligation hereunder shall survive the expiration or earlier termination of this Lease. In any event, no provision of this Article 13 shall be deemed to waive Landlord’s right of reentry or any other right under this Lease or at law.

14. **SUBORDINATION.**

14.1 Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, this Lease shall be subject and subordinate at all times to any ground or underlying leases and to the lien of any mortgages or deeds of trust now or hereafter placed on, against or affecting the Premises, Landlord’s interest or estate in the Premises, or any ground or underlying lease (each, a “mortgage”); provided, however, that if the lessor, mortgagee, trustee, or holder of any such ground or underlying lease, mortgage or deed of trust (each, a “mortgagee”) elects to have Tenant’s interest in this Lease be superior to any such instrument, then, by notice to Tenant, this Lease shall be deemed superior, whether this Lease was executed before or after said instrument. Notwithstanding the foregoing, Tenant covenants and agrees to execute and deliver within ten (10) days after Landlord’s request such further instruments evidencing such subordination or superiority of this Lease as may be required by Landlord, so long as such instruments include reference to the fact that Tenant’s rights under this Lease shall not be disturbed on account of such subordination so long as Tenant has not committed an Event of Default under this Lease. Tenant’s failure to sign and return any such documents following an additional five (5) day cure period after notice shall constitute an immediate Event of Default. Notwithstanding the foregoing, Tenant's right to quiet possession of the Premises shall not be disturbed on account of such subordination so long as Tenant has not committed an Event of Default, pays all rent and otherwise observes and performs all of its obligations under this Lease, unless this Lease is otherwise terminated pursuant to its terms.

14.2 With respect to any mortgage existing as of the Lease Date, Landlord agrees to use commercially reasonable efforts to deliver to Tenant, at no cost to Landlord, such mortgagee’s commercially reasonable, standard subordination, non-disturbance and attornment agreement ("SNDA Agreement"), for execution by Tenant, mortgagee and Landlord (if required by mortgagee). It shall not be a default by

Landlord or a defense to the enforceability of this Lease in favor of Tenant if Landlord is unable to obtain delivery of such an SNDA Agreement to Tenant. Tenant shall cooperate in all respects with Landlord's efforts, provide all information reasonably required by such mortgagee and pay all fees and costs charged by such mortgagee in connection with procuring or attempting to procure such SNDA Agreement. Landlord shall not be required to institute any legal action or proceeding in order to obtain such SNDA Agreement and it shall not be a default by Landlord or a defense to the enforceability of this Lease in favor of Tenant if Landlord is unable to obtain delivery of such SNDA Agreement to Tenant.

14.3 As a condition precedent to the subordination of this Lease to any future mortgage, Landlord shall cause any future mortgagee to deliver to Tenant such future mortgagee's commercially reasonable, standard SNDA Agreement, for execution by Tenant, mortgagee and Landlord (if required by mortgagee). Tenant shall cooperate in all respects with Landlord's efforts, provide all information reasonably required by any such mortgagee and promptly execute such SNDA Agreement as provided in Section 14.1 above. Tenant shall cooperate in all respects with Landlord's efforts and provide all information reasonably required by such mortgagee. Landlord shall not be required to institute any legal action or proceeding in order to obtain such SNDA Agreement and it shall not be a default by Landlord or a defense to the enforceability of this Lease in favor of Tenant if Landlord is unable to obtain delivery of such SNDA Agreement to Tenant.

15. **RULES AND REGULATIONS.** Tenant shall faithfully observe and comply with all the rules and regulations as set forth in Exhibit D to this Lease.

16. **ENTRY BY LANDLORD**. Upon at least seventy-two (72) hours' advance notice to Tenant (or in cases of emergency such notice as is practicable under the circumstances), Landlord reserves and shall at all reasonable times have the right to enter the Building and the Premises to (i) inspect the Building and the Premises, (ii) show the Building and the Premises to prospective purchasers or mortgagees, (iii) during the last twelve (12) months of the Term, show the Building and the Premises to prospective tenants, and (iv) perform its maintenance and repair obligations and exercise its rights set forth in this Lease, without abatement of rent, and Landlord may for that purpose erect, use and maintain scaffolding, pipes, conduits and other necessary structures and open any wall, ceiling or floor in and through the Building where reasonably required by the character of the work required to be performed, provided entrance to the Building shall not be blocked thereby, and further provided that except in the case of an emergency, Landlord shall use commercially reasonable efforts to minimize any interference with the business of Tenant in the Building or on the Premises. Tenant shall have the right to accompany Landlord during Landlord's entry in the Building or upon the Premises, although Tenant's availability to accompany Landlord shall not affect Landlord's right to enter the Building and the Premises pursuant to the terms of this Section. In the event that Landlord damages any portion of any wall or wall covering, ceiling, or floor or floor covering within the Building, Landlord shall repair or replace the damaged portion to match the original as nearly as commercially reasonable but shall not be required to repair or replace more than the portion actually damaged. Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Building or the Premises, and any other loss occasioned by any action of Landlord authorized by this Article 16. Landlord shall have the right to use any and all means that Landlord may deem proper to obtain entry to any portion of the Building and the Premises in the event of an emergency, and the cost of repairing any damage occurring in doing so shall be borne by Tenant and paid to Landlord within five (5) days after Landlord's demand.

17. **DEFAULT**.

17.1 The following events shall be deemed to be "Events of Default" under this Lease, in addition to any other Events of Default provided for elsewhere in this Lease:

17.1.1 Tenant shall fail to pay when due any sum of money becoming due to or on behalf of Landlord under this Lease, whether such sum is any installment of the Base Rent reserved by this Lease or any other amount treated as Additional Rent under this Lease, or any other payment or reimbursement required by this Lease, or if Tenant shall fail to pay when due any sum payable by Tenant under the Construction Agreement or fund any escrow account as required in the Construction Agreement, and any such failure described above shall continue for a period of five (5) days after written notice that such payment was not made when due ("Monetary Default Notice"). Notwithstanding the foregoing, if any such Monetary Default Notice is given to Tenant, then for the twelve (12) month period commencing with the date of such Monetary Default Notice, the failure of Tenant to pay when due any sum of money becoming due under this Lease shall be an immediate Event of Default, without any requirement to send another Monetary Default Notice during such twelve (12) month period.

17.1.2 Tenant shall fail to pay when due any amounts payable pursuant to the IRB Agreements, as provided in Section 1.4 and/or Article 4, whether such amounts are characterized as rent or additional rent, penalties, claw-backs, reimbursements or otherwise, and whether such amounts are required to be paid by Landlord (as the owner) or Tenant under the IRB Agreements, all of which obligations under the IRB Agreements are agreed by Tenant to be the responsibility of Tenant (instead of Landlord), subject to the provisions of Section 1.4 hereof, and such failure continues for the lesser of (i) three (3) business days after written notice thereof from Landlord or (ii) the cure period (if any) provided under the IRB Agreements (if no cure period is provided under the IRB Agreements, such failure shall be an immediate default).

17.1.3 Tenant shall fail to timely and fully perform any term, provision, obligation or covenant of this Lease or the Construction Agreement that is not provided for in another Section of this Article 17, and shall not cure such failure within thirty (30) days (forthwith, if the failure involves a hazardous condition) after written notice of such failure to Tenant; provided, however, that such failure shall not be an Event of Default if such failure could not reasonably be cured during such thirty (30) day period, Tenant has commenced the cure within such thirty (30) day period and Tenant thereafter is diligently pursuing such cure to completion, provided that the total aggregate cure period shall not exceed ninety (90) days.

17.1.4 Tenant shall fail to timely and fully perform any term, provision, obligation or covenant of the IRB Agreements, except as provided for in Section 17.1.2, whether required to be performed on the part of Landlord (as the owner) or Tenant under the IRB Agreements, all of which obligations under the IRB Agreements are agreed by Tenant to be the responsibility of Tenant (instead of Landlord, except to the extent allocated to Landlord by the provisions of Section 1.4 hereof), and shall not cure such failure within the lesser of (i) ten (10) days after written notice thereof from Landlord or (ii) the cure period (if any) provided under the IRB Agreements (if no cure period is provided under the IRB Agreements, such failure shall be an immediate default).

17.1.5 Except for a Permitted Hold Over as provided in Article 13, Tenant shall fail to vacate the Premises immediately upon expiration or termination of this Lease, by lapse of time or otherwise, or upon termination of Tenant's right to possession only.

17.1.6 Tenant or Guarantor shall become insolvent, admit in writing its inability to pay its debts generally as they become due, file a petition in bankruptcy or a petition to take advantage of any insolvency statute, make an assignment for the benefit of creditors, make a transfer in fraud of creditors, apply for or consent to the appointment of a receiver of itself or of the whole or any substantial part of its property, or file a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws, as now in effect or hereafter amended, or any other applicable law or statute of the United States or any state thereof.

17.1.7 A court of competent jurisdiction shall enter an order, judgment or decree adjudicating Tenant or Guarantor bankrupt, or appointing a receiver of Tenant or Guarantor, or of the whole or any substantial part of its property, without the consent of Tenant or Guarantor, as the case may be, or approving a petition filed against Tenant or Guarantor seeking reorganization or arrangement of it under the bankruptcy laws of the United States, as now in effect or hereafter amended, or any state thereof, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of entry thereof.

17.1.8 A Transfer other than a Permitted Transfer shall occur without the prior written consent of Landlord.

17.1.9 Tenant shall fail to procure, maintain and deliver to Landlord evidence of the insurance policies and coverages as required under Article 10 and such failure shall continue for five (5) days after written notice thereof from Landlord.

17.1.10 Tenant shall fail to provide any estoppel certificate within the time frame set forth in Article 23, or any financial statement within the time frame set forth in Article 29, in either case where such failure continues for an additional five (5) days after a second written request from Landlord.

17.1.11 Tenant shall fail to cause any liens arising out of any services, work or materials performed, furnished, or contracted for by Tenant, or obligations incurred by Tenant, to be canceled and released of record, or to provide Landlord with insurance against the same issued by a major title insurance company or such other protection against the same as Landlord shall accept, within the time and as required by Article 7.

17.1.12 Tenant shall fail to execute and deliver to Landlord any and all such documents as may be reasonably required by Landlord to transfer all of Landlord's interest in the IRB Agreements to any successor-in-interest to Landlord, as required under Article 22 and within the time frame set forth in Article 22.

17.1.13 Tenant shall fail to deliver the Security Deposit to Landlord, when required pursuant to the Lease Summary.

17.1.14 Tenant shall fail to timely and fully perform its obligations under any other agreement related to the Building or the Premises whereby such failure could reasonably be expected to materially adversely affect the Building or the Premises.

18. **REMEDIES**.

18.1 Upon the occurrence of any of the Events of Default described or referred to in Article 17, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever, concurrently or consecutively and not alternatively:

18.1.1 Landlord may, at its election, terminate this Lease or terminate Tenant's right to possession only, without terminating this Lease.

18.1.2 Upon any termination of this Lease, whether by lapse of time or otherwise, or upon any termination of Tenant's right to possession without termination of this Lease, and in the event that Tenant does not have a good faith, bona fide dispute as to whether Landlord has the right to terminate this Lease, which has been communicated to Landlord by written notice thereof given within five (5) days after Tenant's receipt of notice from Landlord that Landlord considers this Lease or Tenant's right of possession

terminated (whereupon such dispute will be resolved judicially), (i) Tenant shall surrender possession and vacate the Building and the Premises immediately, and deliver possession thereof to Landlord, and (ii) Tenant hereby grants to Landlord full and free license to enter into and upon the Building and the Premises in compliance with applicable law and to repossess Landlord of the Building and the Premises as of Landlord's former estate and to expel or remove Tenant and any others who may be occupying or be within the Building or the Premises and to remove Tenant's signs and other evidence of tenancy and all other property of Tenant therefrom without being deemed in any manner guilty of trespass, eviction or forcible entry or unlawful detainer, and without incurring any liability for any damage resulting therefrom, Tenant waiving any right to claim damages for such re-entry and expulsion, and without relinquishing Landlord's right to rent or any other right given to Landlord under this Lease or by operation of law.

18.1.3 Upon any termination of this Lease, whether by lapse of time or otherwise, Landlord shall be entitled to recover as damages, all Base Rent and any amounts treated as Additional Rent under this Lease and other sums due and payable by Tenant on the date of termination, plus as liquidated damages and not as a penalty, an amount equal to the sum of: (a) an amount equal to the then present value of the Base Rent reserved in this Lease for the residue of the stated Term of this Lease and any amounts treated as Additional Rent under this Lease and all other sums provided in this Lease to be paid by Tenant, minus the amount of such rent loss that Tenant proves could be reasonably avoided; (b) the value of the time and expense necessary to obtain a replacement tenant or tenants, and the estimated expenses described in Section 18.1.4 relating to recovery of the Premises, preparation for reletting and for reletting itself; and (c) the cost of performing any other covenants which would have otherwise been performed by Tenant, including but not limited to all payment and other obligations related to the IRB Agreements, subject to the provisions of Section 1.4 hereof.

18.1.4 Upon any termination of Tenant's right to possession only without termination of this Lease:

18.1.4.1 Neither such termination of Tenant's right to possession nor Landlord's taking and holding possession thereof as provided in Section 18.1.2 shall terminate this Lease or release Tenant, in whole or in part, from any obligation, including Tenant's obligation to pay the Base Rent and any amounts treated as Additional Rent, under this Lease for the full Term, and if Landlord so elects Tenant shall continue to pay to Landlord the entire amount of the Base Rent as and when it becomes due and any amounts treated as Additional Rent under this Lease, including but not limited to all IRB Payments (as defined in Section 4.1), for the remainder of the Term plus any other sums provided in this Lease to be paid by Tenant for the remainder of the Term.

18.1.4.2 Landlord shall use commercially reasonable efforts to relet the Premises or portions thereof. Landlord and Tenant agree that nevertheless Landlord shall at most be required to use only the same efforts Landlord then uses to lease other properties owned by Landlord in the same general market area and that in any case that Landlord shall not be required to give any preference or priority to the showing or leasing of the Premises and that Landlord shall have the right to relet the Premises for a greater or lesser term than that remaining under this Lease, the right to relet only a portion of the Premises, and the right to change the character or use of the Premises. In connection with or in preparation for any reletting, Landlord may, but shall not be required to, make such repairs to the Premises as are necessary to satisfy Tenant's surrender obligations under this Lease, and Tenant shall pay the cost thereof, together with Landlord's expenses of reletting, including, without limitation, the portion of any alteration expenditures, redecorating costs and commissions incurred by Landlord in order to relet the Premises allocated to the unexpired portion of the Term (such costs to be prorated over the term of the replacement lease), within ten (10) days after Landlord's demand. Landlord shall not be required to observe any instruction given by Tenant about any reletting or accept any tenant offered by Tenant unless such offered tenant has a credit-worthiness acceptable

to Landlord and leases the entire Premises upon terms and conditions including a rate of rent (after giving effect to all expenditures by Landlord for tenant improvements, broker's commissions and other leasing costs) all no less favorable to Landlord than as called for in this Lease, nor shall Landlord be required to make or permit any assignment or sublease for more than the current term or which Landlord would not be required to permit under the provisions of Article 8.

18.1.4.3 Until such time as Landlord shall elect to terminate this Lease and shall thereupon be entitled to recover the amounts specified in such case in Section 18.1.3, Tenant shall pay to Landlord upon demand the full amount of all Base Rent and any amounts treated as Additional Rent under this Lease and other sums reserved in this Lease for the remaining Term, including but not limited to all IRB Payments (as defined in Section 4.1), along with those costs payable under Section 18.1.4.2, as the same shall then be due or become due from time to time, less only such consideration as Landlord may have received from any reletting of the Premises; and Tenant agrees that Landlord may file suits from time to time to recover any sums falling due under this Article 18 as they become due. Any proceeds of reletting by Landlord in excess of the amount then owed by Tenant to Landlord from time to time shall be credited against Tenant's future obligations under this Lease but shall not otherwise be refunded to Tenant or inure to Tenant's benefit.

18.2 Upon the occurrence of an Event of Default by Tenant, Landlord may (but shall not be obligated to) cure such default at Tenant's sole expense. Without limiting the generality of the foregoing, Landlord may, at Landlord's option, enter into and upon the Building and the Premises (i) in accordance with the provisions of Section 6.5, if Landlord determines in its sole discretion that Tenant is not acting within a commercially reasonable time given the circumstances (which, in the event of an emergency, may in Landlord's sole discretion be immediate entrance without notice) to maintain, repair or replace anything for which Tenant is responsible under this Lease or (ii) to otherwise effect compliance with its obligations under this Lease and correct the same, without being deemed in any manner guilty of trespass, eviction, forcible entry or unlawful detainer and without incurring any liability for any damage or interruption of Tenant's business resulting therefrom. and Tenant agrees to reimburse Landlord within ten (10) days after Landlord's demand as additional rent, for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, together with a reasonable fee for overhead not to exceed ten percent (10%).

18.3 Tenant understands and agrees that the Rent Abatement provided by Landlord under this Lease is conditioned on Tenant's full payment and performance of all its obligations under this Lease for the full Initial Term. Accordingly, Tenant agrees that if this Lease or Tenant's right to possession of the Building and the Premises leased hereunder shall be terminated as of any date ("Default Termination Date") prior to the expiration of the full Initial Term by reason of an Event of Default of Tenant, there shall be due and owing to Landlord as of the day prior to the Default Termination Date, in addition to all other amounts owed and to be owed by Tenant under this Lease, the then unamortized amount of the Rent Abatement, determined in the same manner as the remaining principal balance of a mortgage with interest at the rate of eight percent (8%) per annum, payable in level payments over the same length of time as from the expiration of the Rent Abatement to the end of the full Initial Term of this Lease, would be determined.

18.4 If, on account of any Event of Default by Tenant in Tenant's obligations under the terms and conditions of this Lease, it shall become necessary or appropriate for Landlord to employ or consult with an attorney or collection agency concerning or to enforce or defend any of Landlord's rights or remedies arising under this Lease or the Guarantee, or to collect any sums due from Tenant or Guarantor, Tenant agrees to pay all costs and fees so incurred by Landlord, including, without limitation, reasonable attorneys' fees and costs. If either party hereto participates in an action against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to have and recover from the other party reasonable attorneys'

fees, collection costs and other costs incurred in, and in preparation for, the action. **TENANT EXPRESSLY WAIVES ANY RIGHT TO: (A) TRIAL BY JURY; AND (B) SERVICE OF ANY NOTICE REQUIRED BY ANY PRESENT OR FUTURE LAW OR ORDINANCE APPLICABLE TO LANDLORDS OR TENANTS BUT NOT REQUIRED BY THE TERMS OF THIS LEASE OTHER THAN THOSE RELATED TO A COURT PROCEEDING.** Tenant hereby waives and agrees not to pursue or claim any excuse or offset to Tenant's obligations under this Lease based on the doctrines of impossibility, impracticality, frustration of contract, frustration of purpose or other similar legal principles.

18.5 If any Event of Default by Tenant occurs prior to Substantial Completion of Landlord's Work, as provided in the Construction Agreement, Landlord's remedies shall include, without limitation, the right, at Landlord's sole election, (i) to immediately cease construction and funding of any remaining incomplete Landlord's Work, with or without terminating this Lease, and/or (ii) if this Lease or Tenant's right to possession is terminated as provided above in this Article 18, to recover all portions of the Development Cost then incurred and funded by Landlord (provided that Landlord shall not recover any such portions of the Development Cost that it otherwise recovers through Base Rent paid by Tenant).

18.6 Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies provided in this Lease or any other remedies provided by law (all such remedies being cumulative), nor shall pursuit of any remedy provided in this Lease constitute a forfeiture or waiver of any rent due to Landlord under this Lease or of any damages accruing to Landlord by reason of the violation of any of the terms, provisions and covenants contained in this Lease.

18.7 No act or thing done by Landlord or its agents during the Term shall be deemed a termination of this Lease or an acceptance of the surrender of the Premises, and no agreement to terminate this Lease or accept a surrender of said Premises shall be valid, unless in writing signed by Landlord. No waiver by Landlord of any violation or breach of any of the terms, provisions and covenants contained in this Lease shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions and covenants contained in this Lease. Landlord's acceptance of the payment of rental or other payments after the occurrence of an Event of Default shall not be construed as a waiver of such Event of Default, unless Landlord so notifies Tenant in writing. Forbearance by Landlord in enforcing one or more of the remedies provided in this Lease upon an Event of Default shall not be deemed or construed to constitute a waiver of such Event of Default or of Landlord's right to enforce any such remedies with respect to such Event of Default or any subsequent Event of Default.

18.8 Upon expiration or termination of this Lease or Tenant's right to possession of the Premises, any and all property which may be removed from Building or the Premises by Landlord pursuant to the authority of this Lease or of law, to which Tenant is or may be entitled, may be handled, removed and/or stored, as the case may be, by or at the direction of Landlord but at the risk, cost and expense of Tenant, and Landlord shall in no event be responsible for the value, preservation or safekeeping thereof. Tenant shall pay to Landlord, upon demand, any and all expenses incurred in such removal and all storage charges against such property so long as the same shall be in Landlord's possession or under Landlord's control. At the election of Landlord, any property of Tenant not retrieved by Tenant from the Premises or from storage within thirty (30) days after written request from Landlord shall, at Landlord's option, be deemed conveyed by Tenant to Landlord under this Lease as by a bill of sale without further payment or credit by Landlord to Tenant.

18.9 Landlord shall be entitled to recover interest on all unpaid Base Rent, Additional Rent, late charges and other sums payable under this Lease, costs to recover possession of the Premises, costs to return the Premises to the condition required on surrender thereof by Tenant, costs to remove, store and/or dispose of Tenant's Property (as defined in Section 24.2), costs in connection with reletting the Premises (including,

without limitation, costs of repairs, alterations, additions and redecoration of the Premises, reasonable attorneys' fees and brokers' commissions), the unamortized amount of the Rent Abatement, attorneys' fees and costs in connection with enforcing this Lease and collecting sums due hereunder, and any and all other damages recoverable by Landlord under this Lease or applicable law, from the date first due until paid in full, at the rate of twelve percent (12%) per annum not to exceed the maximum rate permitted by Law ("Default Rate").

19. **QUIET ENJOYMENT.** Landlord represents and warrants that it has full right and authority to enter into this Lease and that Tenant, while paying the rental and performing its other covenants and agreements contained in this Lease, shall peaceably and quietly have, hold and enjoy the Premises during the Term, without hindrance or molestation from Landlord, subject to the terms and provisions of this Lease. Landlord shall not be liable for any interference or disturbance by third persons, nor shall Tenant be released from any of the obligations of this Lease because of such interference or disturbance.

20. **CASUALTY.**

20.1 During the Term, Landlord shall maintain causes of loss – special form property insurance covering Landlord's Work, in an amount not less than one hundred percent (100%) of the full replacement cost of Landlord's Work without depreciation (exclusive of the cost of excavations, foundations and footings), which insurance shall be for the sole benefit of Landlord and under its sole control. Tenant shall pay to Landlord, on the first day of each calendar month of the Term, the cost of such insurance maintained by Landlord, as estimated by Landlord from time to time. Landlord shall deliver to Tenant at least once annually a statement setting forth the actual insurance costs and expenses payable under this Section 20.1 for the immediately preceding calendar year or partial calendar year and the basis for computing the same, and if the amount due exceeds Tenant's payments hereunder for the applicable calendar year or partial calendar year, Tenant shall pay the deficiency to Landlord within ten (10) days after receipt of such statement. If payments made by Tenant for said calendar year or partial calendar year exceed the actual insurance costs and expenses for such calendar year or partial calendar year, Tenant shall be entitled to a credit against the next such payment(s) becoming due under this Section 20.1 (or to a refund if this Lease has expired). Tenant shall not take out separate insurance concurrent in form or contributing in the event of loss with that maintained by Landlord hereunder unless Landlord is included as a loss payee thereon. Tenant shall immediately notify Landlord whenever any such separate insurance is taken out and shall promptly deliver to Landlord the policy or policies of such insurance.

20.2 Tenant shall give Landlord prompt written notice of any damage to the Building or other improvements on the Premises caused by fire or other casualty, and shall properly secure the Building. Within sixty (60) days after Landlord's receipt of such notice, Landlord shall provide Tenant with a reasonable and good faith estimate of the timetable necessary to complete required repairs, as reasonably estimated by Landlord's architect (the "Damage Notice"). If neither party elects to terminate this Lease as provided below in this Section, then Landlord shall commence repair of the Building and other portions of the Premises as soon as reasonably possible after receipt by Landlord of the insurance proceeds and adjustment of the loss with Landlord's mortgagee, if any, and Landlord shall thereafter proceed with due diligence to rebuild and repair the Building and other portions of the Premises to substantially the condition existing upon the original completion of Landlord's Work. If Landlord shall fail to commence the rebuilding and repair within a reasonable time, which in no event shall be longer than six (6) months after the loss, or thereafter diligently continue and complete rebuilding and repair, Tenant shall have the right to take over such rebuilding and repair and Landlord shall cooperate in good faith to provide information and documentation as necessary for Tenant to effectuate its rights to rebuild and repair, including without limitation, causing insurance proceeds to be paid for such rebuilding and repair. Landlord shall not be required to repair or restore any of Tenant's Work, or any subsequent alterations, additions or improvements

made by or on behalf of Tenant. Landlord shall not restore or repair any of Tenant's furniture, fixtures, equipment or other personal property. Subject to Tenant's rights under this Lease, Tenant shall commence to restore all portions of the Building and the Premises that are not the obligation of Landlord to restore, promptly after Landlord's restoration work described above is complete. Notwithstanding the foregoing, if such damage materially and adversely affects Tenant's use and occupancy of the Building and occurs between the last twenty-four (24) and twelve (12) months of the Term (and Tenant has not exercised the Option to Extend or does not exercise the Option to Extend [if still available] within ten (10) days after request by Landlord), and Landlord's Damage Notice indicates that Landlord's repairs will take more than six (6) months to complete, then Landlord and Tenant shall each have the right to terminate this Lease upon written notice thereof given to the other party within ten (10) days after Landlord provides the Damage Notice. Further, notwithstanding the foregoing, if such damage materially and adversely affects Tenant's use and occupancy of the Building and occurs with less than twelve (12) months of the Term remaining (and Tenant has not exercised the Option to Extend or does not exercise the Option to Extend [if still available] within ten (10) days after request by Landlord), then Landlord and Tenant shall each have the right to terminate this Lease upon written notice thereof given to the other party within ten (10) days after Landlord provides the Damage Notice.

20.3 All insurance proceeds received by Landlord under the policies maintained by Landlord with respect to the Building and the Premises shall be for the sole benefit of Landlord and under the sole control of Landlord. Any and all insurance proceeds under Tenant's policies of property insurance specific to Tenant's Work, any subsequent alterations, additions or improvements and Tenant's furniture, fixtures, equipment and other personal property shall be paid to Tenant, and applied toward the cost of the repair and restoration of such items; provided, however, should Tenant or Landlord exercise any right in this Article 20 to terminate this Lease, then, in that event, any and all such insurance proceeds that become payable because of such damage or destruction to the Building and/or other portions of the Premises (exclusive of Tenant's furniture, fixtures, equipment and other personal property) shall be paid only to Landlord. Notwithstanding anything to the contrary contained in this Article 20, Landlord shall not have any obligation whatsoever to repair or restore the Building or other portions of the Premises to substantially the condition existing upon the original completion of Landlord's Work, if sufficient insurance proceeds to fully cover the repair and restoration are not received by Landlord (other than a lack of proceeds resulting from Landlord's failure to maintain the insurance required to be maintained under this Lease), unless Tenant pays the cost thereof in excess of the insurance proceeds received by Landlord, in which case Tenant shall deposit such amount into an escrow account to be disbursed proportionately to pay the costs of the repair work as such costs are incurred.

20.4 Whether or not Tenant is able to operate its business in the Building during any period of restoration and/or repair as provided herein or otherwise due to such casualty, Tenant shall continue to be obligated to pay all Base Rent, Additional Rent, and other monetary sums payable by Tenant pursuant to this Lease, including but not limited to all IRB Payments under the IRB Agreements (and seek recovery for such amounts from Tenant's Business Interruption Insurance proceeds or, to the extent such proceeds are exhausted, pay the same from Tenant's own funds as if self-insured).

21. **EMINENT DOMAIN.** If all or any substantial part of the Building or the Premises shall be taken or appropriated by any public or quasi-public authority under the power of eminent domain, or conveyance in lieu of such appropriation, either party to this Lease shall have the right, at its option, of giving the other, at any time within thirty (30) days after such taking, notice terminating this Lease; provided, however, Tenant may only terminate this Lease by reason of taking or appropriation if such taking or appropriation is so substantial as to materially interfere with Tenant's use, occupancy and operations of the Building (and cannot be mitigated); provided further, however, that a regulatory action, ordinance or Law limiting or temporarily prohibiting Tenant's right to enter or use the Building shall not be construed as a taking or appropriation

hereunder and Tenant shall have no right to rent abatement and no right to terminate this Lease as a result thereof. If neither party to this Lease shall so elect to terminate this Lease, the rental thereafter to be paid shall be adjusted on a fair and equitable basis under the circumstances. Landlord shall be entitled to any and all income, rent, award, or any interest whatsoever in or upon any such sum, which may be paid or made in connection with any such public or quasi-public use or purpose, and Tenant hereby assigns to Landlord any interest it may have in or claim to all or any part of such sums, other than any separate award which may be made with respect to Tenant's business equipment, trade fixtures and moving expenses; Tenant shall make no claim for the value of any unexpired Term.

22. **SALE BY LANDLORD.** In event of a sale or conveyance by Landlord of the Building or the Premises, the same shall operate to release Landlord from any future liability upon any of the covenants or conditions, expressed or implied, contained in this Lease in favor of Tenant, and in such event Tenant agrees to look solely to the responsibility of the successor in interest of Landlord in and to this Lease. Except as set forth in this Article 22, this Lease shall not be affected by any such sale and Tenant agrees to attorn to the purchaser or assignee. If any security has been given by Tenant to secure the faithful performance of any of the covenants of this Lease, Landlord may transfer or deliver said security, as such, to Landlord's successor in interest and thereupon Landlord shall be discharged from any further liability with regard to said security. Tenant shall, upon request, execute and deliver to Landlord any and all such documents as may be reasonably required by Landlord to transfer all of Landlord's interest in the IRB Agreements to any such purchaser or assignee of Landlord's interest in the Building or the Premises. Tenant's failure to execute and deliver any such documents within ten (10) days after a second written request from Landlord sent to Tenant in an envelope with the legend "SECOND REQUEST, FAILURE TO RESPOND WILL RESULT IN LEASE DEFAULT" shall be an immediate Event of Default by Tenant under this Lease. In addition, and notwithstanding the foregoing, if Tenant fails to execute and deliver any such documents within said ten (10) day period after such second written notice, at the election of Landlord, but without waiving any other rights or remedies available to Landlord, Landlord may prepare, execute, acknowledge and deliver such documents on behalf of Tenant, and Tenant hereby irrevocably appoints Landlord as Tenant's attorney in fact (coupled with an interest) with full power to do so.

23. **ESTOPPEL CERTIFICATES.** Within ten (10) days following any written request by either Landlord or Tenant, the other party shall execute and deliver to the requesting party, mortgagee, prospective assignee or subtenant, prospective purchaser or prospective mortgagee a sworn statement, in the form of Exhibit E attached hereto, or such other substantially similar form as may be reasonably required by Landlord's mortgagee, prospective mortgagee, prospective purchaser, prospective assignee or subtenant, certifying: (a) the date of commencement of this Lease; (b) the fact that this Lease is unmodified and in full force and effect (or, if there have been modifications to this Lease, that this Lease is in full force and effect, as modified, and stating the date and nature of such modifications); (c) the date to which the rent and other sums payable under this Lease have been paid; (d) the fact that there are no current defaults under this Lease by either Landlord or Tenant, except as specified in the statement; and (e) such other factual matters as may be reasonably requested. Landlord and Tenant intend that any statement delivered pursuant to this Article 23 may be relied upon by any mortgagee, beneficiary, purchaser, assignee or subtenant. In the event either party shall fail to execute and deliver any such instrument within the foregoing time period as requested, the requesting party shall send a completed estoppel certificate, along with a second request, which request shall state in bold, capitalized letters that the completed estoppel shall be deemed accurate if the party to whom it is sent does not respond to address any inaccuracies within five (5) business days after receipt of the second request. Upon the passing of such five (5) business-day period without response from the party to whom the estoppel certificate is so sent, the estoppel certificate shall be deemed accurate and may be relied upon by the requesting party or its designee.

24. **SURRENDER OF PREMISES**.

24.1 Landlord and Tenant shall cooperate to arrange for two (2) joint inspections of the Building and the Premises, the first to occur at least thirty (30) days (but no more than sixty (60) days) before the last day of the Term, and the second to occur not later than forty-eight (48) hours after Tenant has vacated the Building and the Premises. In the event of Tenant's failure to participate in either such inspection, Landlord's inspection at or after Tenant's vacating the Building and the Premises shall be conclusively deemed correct for purposes of determining Tenant's responsibility for repairs and restoration.

24.2 The Tenant's Work (as defined in the Construction Agreement), and all subsequent alterations, additions and improvements in, on, or to the Building or the Premises that are made or installed by Tenant or its contractors shall be and remain the property of Tenant during the Term. Upon the expiration or sooner termination of the Term, all Tenant's Work and subsequent alterations, additions and improvements to the Premises or the Building, other than items described in this Section 24.2 below, shall become a part of the realty and shall belong to Landlord without compensation, and title shall pass to Landlord under this Lease as by a bill of sale. At the end of the Term or sooner termination of this Lease, Tenant will peaceably deliver up to Landlord possession of the Building and the Premises, together with all Tenant's Work and subsequent alterations, additions and improvements to the Premises or the Building by whomsoever made, in the same condition as when received or first installed as more particularly provided on Exhibit F, broom clean and free of all debris, excepting only ordinary wear and tear and damage by fire or other casualty. Tenant's surrender obligations hereunder shall include the obligation to fill in the floor pits for Tenant's equipment with a concrete pad to match or exceed the surrounding floor slab as originally provided by Landlord and satisfy the geotechnical and structural recommendations provided by Landlord. Notwithstanding anything otherwise provided above or elsewhere in this Lease, Landlord shall have the right to require that (a) the entire floor slab be removed and replaced with a new floor slab, consistent with the original condition and quality originally delivered by Landlord as described in the Construction Drawings for Landlord's Work, and (b) all drive aisles, parking areas of any kind and truck court areas located on the Premises be repaved and resealed, consistent with the original condition and quality originally delivered by Landlord as described in the Construction Drawings for Landlord's Work. Further, notwithstanding anything otherwise provided above, if Landlord elects by notice given to Tenant at the time of approving any Tenant's Work or subsequent alterations, additions or improvements for which Tenant sought approval (provided that Tenant notifies Landlord in writing at the same time it seeks Landlord's approval that Landlord must also notify Tenant at the time of approval whether Tenant will be required to remove any of such Tenant's Work or subsequent alterations, additions or improvements), or at least thirty (30) days prior to expiration of the Term with respect to any alterations, additions or improvements made by Tenant without Landlord's approval, Tenant shall, at Tenant's sole cost, remove any such items designated by Landlord for removal (the "Required Removables"). Required Removables shall include, without limitation, all on-site power facilities (i.e., solar), including any installed fans and cranes, all exterior fencing, and all data/telecommunications equipment, cabling and wiring installed by or on behalf of Tenant, whether inside walls, under any raised floor or above any ceiling, all of which shall be removed in accordance with applicable Laws, unless Landlord elects by written notice thereof to Tenant not to require such removal. Tenant shall in any event, at Tenant's sole cost, remove upon the expiration or termination of this Lease, all of Tenant's furniture, furnishings, equipment, racking, movable partitions of less than full height from floor to ceiling, trade fixtures and other personal property ("Tenant's Property"). Any damage caused by the removal of the Required Removables and/or Tenant's Property shall be repaired by Tenant and the affected areas restored to substantially their condition existing prior to installation of such items, at the sole cost and expense of Tenant. Tenant shall, contemporaneously with its surrender of the Premises, perform such actions as are necessary to close out any and all obligations under the IRB Agreements, and execute any and all such documents as may be reasonably required by Landlord to evidence and effect Tenant's surrender of the

Premises, the close out of any and all obligations under the IRB Agreements, and the transfer to Landlord of any remaining rights under this Lease (which will thereafter accrue to the benefit of Landlord), including all rights and obligations of Tenant under the IRB Agreements. All obligations of Tenant under this Lease not fully performed as of the date of expiration or earlier termination of this Lease shall survive the expiration or earlier termination of this Lease.

25. **NOTICES.** Any notice or document required or permitted to be delivered under this Lease shall be emailed to the email addresses provided herein and addressed to the intended recipient, by fully prepaid registered or certified United States Mail return receipt requested, or by reputable independent contract delivery service for overnight delivery furnishing a written record of attempted or actual delivery, and shall be deemed to be delivered the earlier of (i) actual receipt, or (ii) one (1) business day after deposit with delivery service, or (iii) three (3) days after deposit with U.S. Postal Service for registered or certified mail, to the addressee at its address set forth on the Lease Summary, or at such other address as it has then last specified by written notice delivered in accordance with this Article 25, whether or not actually accepted or received by the addressee. Any such notice or document may also be personally delivered if a receipt is signed by and received from, the individual, if any, named in Tenant's Address. Landlord and Tenant may update their respective email addresses from time to time by providing notice to each other as set forth herein.

Email address for Tenant: [redacted]

Email address for Landlord: [redacted]

26. **SIGNAGE.** Tenant shall have the right, at Tenant's cost, to install signage on the Building, subject to all sign ordinances and other applicable Laws, after obtaining Landlord's prior approval (which approval shall not be unreasonably withheld, delayed or conditioned by Landlord). Tenant shall, at its cost, obtain any necessary permits or licenses for such signage. The fabrication and installation of all such signage shall be completed by Tenant at Tenant's sole cost and expense. Tenant shall maintain all such signage in good condition and repair, at Tenant's sole cost and expense, and shall indemnify, defend and hold harmless Landlord and the Landlord Entities for, from and against any injury, loss or damage arising from the installation, maintenance or removal of such signage. Upon the expiration or sooner termination of this Lease or Tenant's right to possession of the Premises following an Event of Default or upon Tenant's vacation or abandonment of the Premises, Tenant shall promptly remove all such signage and repair any and all damage caused by such removal. If Tenant at any time fails to promptly perform its maintenance obligations or remove such signage and repair any and all such damage, Landlord shall have the right to do so at Tenant's sole cost and expense and Tenant shall promptly reimburse Landlord for any such costs as Additional Rent, within ten (10) days after invoice. All obligations of Tenant under this Article 26 not fully performed as of the date of expiration or earlier termination of this Lease shall survive the expiration or earlier termination of this Lease.

27. **DEFINED TERMS AND HEADINGS.** The Article headings shown in this Lease are for convenience of reference and shall in no way define, increase, limit or describe the scope or intent of any provision of this Lease. Any indemnification or insurance of Landlord shall apply to and inure to the benefit of all the following "Landlord Entities", being Landlord, Landlord's investment manager, any mortgagee, and the trustees, boards of directors, officers, general partners, members, managers, beneficiaries, shareholders, employees and agents of each of them. Any option granted to Landlord shall also include or be exercisable by any of Landlord's trustees, beneficiaries, agents and employees, as the case may be. In any case where this Lease is signed by more than one person or entity as Landlord or Tenant, the obligations under this Lease shall be joint and several. The terms "Tenant" and "Landlord" or any pronoun used in place thereof shall indicate and include the masculine or feminine, the singular or plural number, individuals, firms

or corporations, and their and each of their respective successors, executors, administrators and permitted assigns, according to the context hereof.

28. **AUTHORITY.**

28.1 If Tenant signs as a corporation, limited liability company, partnership, trust or other legal entity each of the persons executing this Lease on behalf of Tenant represents and warrants that Tenant has been and is qualified to do business in the state in which the Premises are located, that the entity has full right and authority to enter into this Lease, and that all persons signing on behalf of the entity were authorized to do so by appropriate actions. Tenant agrees to deliver to Landlord, simultaneously with the delivery of this Lease, a corporate resolution, proof of due authorization by partners, opinion of counsel or other appropriate documentation reasonably acceptable to Landlord evidencing the due authorization of Tenant to enter into this Lease.

28.2 If Landlord signs as a corporation, limited liability company, partnership, trust or other legal entity each of the persons executing this Lease on behalf of Landlord represents and warrants that Landlord has full right and authority to enter into this Lease, and that all persons signing on behalf of the entity were authorized to do so by appropriate actions. Landlord agrees to deliver to Tenant, simultaneously with the delivery of this Lease, a corporate resolution, proof of due authorization by partners, opinion of counsel or other appropriate documentation reasonably acceptable to Landlord evidencing the due authorization of Landlord to enter into this Lease.

28.3 Tenant hereby represents and warrants that neither Tenant, nor any persons or entities holding any legal or beneficial interest whatsoever in Tenant, are (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"); (ii) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named on the following list that is published by OFAC: "List of Specially Designated Nationals and Blocked Persons." If the foregoing representation is untrue at any time during the Term, an Event of Default will be deemed to have occurred, without the necessity of notice to Tenant.

28.4 Landlord hereby represents and warrants that neither Landlord, nor any persons or entities holding any legal or beneficial interest whatsoever in Landlord, are (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"); (ii) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named on the following list that is published by OFAC: "List of Specially Designated Nationals and Blocked Persons." If the foregoing representation is untrue at any time during the Term, an Event of Default will be deemed to have occurred, without the necessity of notice to Landlord.

29. **FINANCIAL STATEMENTS.** Within ten (10) days after Landlord's request, Tenant shall deliver to Landlord copies of Tenant's and Guarantor's most recent audited financial statements, certified as being true and correct copies by an officer of Tenant or Guarantor, as the case may be, or if unaudited, certified as being true, complete and correct in all material respects by Tenant's or Guarantor's chief financial officer, as the case may be.

30. **COMMISSIONS.** Each of the parties represents and warrants to the other that it has not dealt with any broker or finder in connection with this Lease, except as described on the Lease Summary.

31. **TIME AND APPLICABLE LAW.** Time is of the essence of this Lease and all of its provisions. This Lease shall in all respects be governed by the laws of the state in which the Premises are located. Venue for any litigation between the parties hereto concerning this Lease or the occupancy of the Premises shall be initiated in the county in which the Premises are located.

32. **SUCCESSORS AND ASSIGNS.** Subject to the provisions of Article 8, the terms, covenants and conditions contained in this Lease shall be binding upon and inure to the benefit of the heirs, successors, executors, administrators and assigns of the parties to this Lease.

33. **ENTIRE AGREEMENT.** This Lease, together with its exhibits, contains all agreements of the parties to this Lease and supersedes any previous negotiations. There have been no representations made by the Landlord or any of its representatives or understandings made between the parties other than those set forth in this Lease and its exhibits. This Lease may not be modified except by a written instrument duly executed by the parties to this Lease.

34. **EXAMINATION NOT OPTION.** Submission of this Lease shall not be deemed to be a reservation of the Premises. Landlord shall not be bound by this Lease until it has received a copy of this Lease duly executed by Tenant and has delivered to Tenant a copy of this Lease duly executed by Landlord, and until such delivery Landlord reserves the right to exhibit and lease the Premises to other prospective tenants.

35. **RECORDATION.** Promptly after the satisfaction or waiver of the Final Lease Contingency, as provided in Section 3(b)(iii) of the Construction Agreement, Landlord and Tenant shall execute and record or register a Memorandum of Lease in the form attached to this Lease as Exhibit H, and Landlord shall pay all charges and taxes incident to such recording or registration. Upon the expiration or earlier termination of this Lease or any termination of Tenant's right of possession of the Premises by Landlord, Tenant shall, within twenty (20) days after written request from Landlord, execute and deliver to Landlord for recording a termination of the Memorandum of Lease in a form reasonably acceptable to the parties. If Tenant fails to execute and deliver to Landlord for recording such termination of the Memorandum of Lease within the time frame provided above, Tenant grants to Landlord a power of attorney to execute and record such termination of the Memorandum of Lease, which power of attorney is coupled with an interest and is non-revocable. The foregoing obligation regarding termination will be included in the Memorandum of Lease. Except as provided above, Tenant shall not record or register this Lease or any other short form memorandum hereof.

36. **COUNTERPARTS.** This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same Lease. In order to expedite the transaction contemplated herein, faxed signatures or signatures transmitted by electronic mail in so-called "pdf" format may be used in place of original signatures on this Lease. Landlord and Tenant intend to be bound by the signatures on the faxed or e-mailed document, are aware that the other party will rely on the faxed or e-mailed signatures, and hereby waive any defenses to the enforcement of the terms of this Lease based on such faxed or e-mailed signatures. Promptly following transmission of the faxed or e-mailed signatures, Tenant shall deliver to Landlord the original signatures of this Lease. This Lease shall not become effective or binding upon any of the signing parties unless and until all parties shall have executed and delivered to the other parties a fully executed and notarized original or counterpart (or photocopy or digital copy thereof).

37. **FORCE MAJEURE.** If Landlord or Tenant fails to perform timely any of its terms, covenants and conditions of this Lease on said party's part to be performed (other than the payment of monies), and such

failure is due in whole or in part to a strike, lock-out, labor trouble, inability to obtain labor or materials or reasonable substitutes therefor, actions or inactions of governmental agencies, failure of power or other utilities, governmental restrictions, regulations or controls, riots, insurrections, acts of terrorism, governmental quarantines, shelter-in-place and the like due to pandemics or epidemics, war, fuel shortages, accidents, casualties, acts of God, acts caused directly or indirectly by the other party (or their agents, employees, contractors, licensees or invitees), solvency of Landlord's construction lender, or any other cause beyond the reasonable control of Landlord or Tenant, as the case may be, which could not be overcome by reasonable diligence, then such party shall not be deemed in default of this Lease as a result of such failure and the period of time for the performance of such action shall be extended by the number of days that the performance is actually and solely delayed due to such causes ("Force Majeure Delay"). Notwithstanding the foregoing, Force Majeure Delay shall not excuse the payment of any monetary obligation under this Lease.

38. **OPTION TO EXTEND**.

38.1 Landlord hereby grants Tenant one (1) option ("Option to Extend Term") to extend the Term for the entire Premises only, in accordance with the terms of this Article. The Option to Extend Term shall extend the Term for an additional ten (10) consecutive years (the "Extended Term"), commencing upon the expiration of the Initial Term. If Tenant exercises the Option to Extend Term, all of the terms contained in this Lease shall continue in full force and effect during the Extended Term, except that (i) Base Rent shall be increased as provided in the Lease Summary, and (ii) there shall be no further Option to Extend Term after the expiration of the Extended Term, whether pursuant to the provisions of this Article or otherwise.

38.2 The Option to Extend Term shall be exercised, if at all, only by written notice ("Notice to Extend Term") delivered by Tenant to Landlord at least twelve (12) months, but not more than fifteen (15) months, prior to the expiration of the Initial Term. If Tenant does not deliver the Notice to Extend Term within the time period set forth herein, the Option to Extend Term shall lapse and Tenant shall have no right to extend the Term. If Tenant delivers the Notice to Extend Term in the manner and within the time frame herein provided, this Lease shall be deemed extended upon the terms specified in this Article without the need for any further notice or documentation. If Tenant does not deliver to Landlord the Notice to Extend Term within the time frame herein provided, this Lease shall expire upon the then-scheduled expiration date of the Initial Term, unless terminated earlier in accordance with the provisions of this Lease. The Notice to Extend Term shall be irrevocable and shall be binding upon both Landlord and Tenant without the need for any further documentation. Notwithstanding the foregoing, if either party shall request, within thirty (30) days after Landlord's receipt of the Notice to Extend Term, that both parties enter into an amendment documenting the Extended Term, then Landlord shall prepare and the parties shall promptly an appropriate amendment to this Lease. The failure of either or both Landlord or Tenant to execute such amendment shall not have the effect of nullifying Tenant's Notice to Extend Term, and this Lease shall nevertheless be extended for the Extended Term as herein provided.

38.3 The Option to Extend Term shall be exercisable by Tenant on the express conditions that at the time of the exercise of the Option to Extend Term and at all times prior to, and upon the date of, the commencement of the Extended Term, (i) Tenant or a Permitted Transferee shall be occupying and operating the entire Building and Premises for the Permitted Uses, and (ii) an Event of Default by Tenant or such Permitted Transferee shall not be then occurring, unless such restrictions are expressly waived in writing by Landlord (which election shall be in Landlord's sole discretion).

38.4 The Option to Extend Term is personal to the originally-named Tenant executing this Lease and any Permitted Transferee that has assumed the obligations of Tenant under this Lease, in a written assignment and assumption agreement delivered to Landlord. If said Tenant or Permitted Transferee

otherwise assigns this Lease, or sublets all or any portion of the Building or the Premises, (i) prior to the exercise of the Option to Extend Term, the Option to Extend Term shall lapse, or (ii) after the exercise of the Option to Extend Term, but prior to the commencement of the Extended Term, the Option to Extend Term shall lapse and this Lease shall expire as if the Option to Extend Term had not been exercised, unless such restriction is expressly waived in writing by Landlord (which election shall be in Landlord's sole discretion).

39. **LANDLORD DEFAULT.** In the event of a breach, default or noncompliance hereunder by Landlord, Tenant agrees, before exercising any right or remedy available Tenant, to give Landlord written notice of the claimed breach, default or noncompliance. If prior to its giving such notice Tenant has been notified in writing (by way of notice of assignment of rents and leases, or otherwise) of the address of any mortgagee (as defined in Article 14), concurrently with giving the notice to Landlord, Tenant agrees to also give notice by certified mail, return receipt requested, to such mortgagee. For the thirty (30) days following such notice (or such longer period of time as may be reasonably required to cure a matter that, due to its nature, cannot reasonably be remedied within thirty (30) days), Landlord shall have the right to cure the breach, default or noncompliance involved. If Landlord has failed to cure a default within said period, any such mortgagee shall have an additional thirty (30) days within which to cure the same or, if such default cannot be cured within that period, such additional time as may be necessary [up to a maximum of ninety (90) additional days] if within such thirty (30) day period said mortgagee has commenced and is diligently pursuing the actions or remedies necessary to cure the breach, default or noncompliance involved (including, but not limited to, commencement and prosecution of proceedings to foreclose or otherwise exercise its rights under its mortgage or other security instrument or ground lease, if necessary to effect such cure), in which event Tenant shall not be entitled to exercise any right or remedy available to it under this Lease so long as such actions or remedies are being diligently pursued by said mortgagee. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default, and Tenant's remedies shall be limited to self-help as set forth in Section 6.1, an injunction, specific performance and/or actual damages (but not special, indirect, consequential or punitive damages). If Tenant fails to give notice to Landlord and any mortgagee of a default within twelve (12) months after the occurrence of the events pursuant to which the default arises or would occur with notice as provided above, thereafter Tenant shall have no right to deem the same a default hereunder.

40. **LIMITATION OF LANDLORD'S LIABILITY.** Redress for any claim against Landlord under this Lease shall be limited to and enforceable only against and to the extent of Landlord's interest in the Premises. The obligations of Landlord under this Lease are not intended to be and shall not be personally binding on, nor shall any resort be had to the private properties of any of Landlord's trustees, directors, officers, partners, managers, members, beneficiaries, shareholders, employees or agents, and in no case shall Landlord be liable to Tenant hereunder for any lost profits, damage to business, or any form of special, indirect or consequential damages.

[SIGNATURES ON FOLLOWING PAGES]

[LANDLORD SIGNATURE PAGE TO INDUSTRIAL NET LEASE]

IN WITNESS WHEREOF, Landlord has executed this Lease as of the Lease Date set forth in the Lease Summary of this Lease.

LANDLORD:
GDC SUNSHINE, LLC,
a New Mexico limited liability company

By: GDC Sunshine Investors, LLC,
a New Mexico limited liability company,
its Sole Member

By: GDC-NM, LLC,
a New Mexico limited liability company,
its Member

By: Jeffrey D. and Elizabeth C. Garrett Trust dated
August 9, 2002, as amended,
its Sole Member

By: /s/ Jeff Garrett

Name: Jeff Garrett

Title: Trustee

ACKNOWLEDGEMENT

STATE OF ARIZONA)
) ss
COUNTY OF MARICOPA)

This instrument was acknowledged before me on the 31st day of May, 2024, by Jeff Garrett, on behalf of GDC Sunshine, LLC.

/s/ Christina Kelty
Notary Public
My Commission Expires On: 7/31/2024

[TENANT SIGNATURE PAGE TO INDUSTRIAL NET LEASE]

IN WITNESS WHEREOF, Tenant has executed this Lease as of the Lease Date set forth in the Lease Summary of this Lease.

TENANT:
ARRAY TECH, INC.,
a New Mexico corporation

By: /s/ Kevin G. Hostetler

Name: Kevin G. Hostetler

Title: Chief Executive Officer

ACKNOWLEDGEMENT

STATE OF **Arizona** **)**
) ss
COUNTY OF **Maricopa** **)**

This instrument was acknowledged before me on the 31st day of May, 2024, by Sonya Kanidis and N/A, on behalf of Array Tech, Inc.

/s/ Sonya Kanidis
Notary Public
My Commission Expires On: 4/19/2027

INSIDER TRADING POLICY

ARRAY TECHNOLOGIES, INC.

PURPOSE

This Insider Trading Policy (the "Policy") provides guidelines with respect to transactions in the securities of Array Technologies, Inc. (together with its subsidiaries, the "Company") and the handling of confidential information about the Company and the companies with which the Company does business. The Company's Board of Directors (the "Board") has adopted this Policy to promote compliance with federal, state, and foreign securities laws that prohibit certain persons who are aware of material nonpublic information about a company from: (i) trading in securities of that company; or (ii) providing material nonpublic information to other persons who may trade on the basis of that information. Regulators have adopted sophisticated surveillance techniques to identify insider trading transactions, and it is important to the Company to avoid even the appearance of impropriety.

PERSONS SUBJECT TO THE POLICY

This Policy applies to all directors, officers, and employees of the Company, as well as their respective family members and others in their households (collectively referred to as "Insiders"), and any other individuals the Chief Legal Officer ("CLO") may designate as Insiders because they have access to material nonpublic information concerning the Company. The Company may also determine that other persons should be subject to this Policy, such as contractors or consultants who have access to material nonpublic information. This Policy also applies to family members (as defined below), other members of a person's household and entities controlled by a person covered by this Policy, as described below.

TRANSACTIONS SUBJECT TO THE POLICY

This Policy applies to transactions in the Company's securities (collectively referred to in this Policy as "Company Securities"), including the Company's common stock, options to purchase common stock, or any other type of securities that the Company may issue, including (but not limited to) preferred stock, convertible debentures and warrants, as well as derivative securities that are not issued by the Company, such as exchange-traded put or call options or swaps relating to Company Securities.

INDIVIDUAL RESPONSIBILITY

Insiders have ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in Company Securities while in possession of material nonpublic information. Each individual is responsible for making sure that he or she complies with this Policy, and that any Family Member, household member or entity whose transactions are subject to this Policy, as discussed below, also comply with this Policy. In all cases, the responsibility for determining whether an individual is in possession of material nonpublic information rests with that individual, and any action on the part of the Company, the CLO or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under

applicable securities laws. You could be subject to severe legal penalties and disciplinary action by the Company for any conduct prohibited by this Policy or applicable securities laws, as described below in more detail under the heading "Consequences of Violations."

STATEMENT OF POLICY

It is the policy of the Company that no Insider of the Company (or any other person designated by this Policy or by the CLO as subject to this Policy) who is aware of material nonpublic information relating to the Company may, directly, or indirectly through Family Members or other persons or entities:

1. engage in transactions in Company Securities, except as otherwise specified in this Policy;
2. recommend the purchase or sale of any Company Securities;
3. Disclose material nonpublic information to persons within the Company whose jobs do not require them to have that information, or outside of the Company to other persons, including, but not limited to, family, friends, business associates, investors and expert consulting firms, unless any such disclosure is made in accordance with the Company's policies regarding the protection or authorized external disclosure of information regarding the Company; or
4. Assist anyone engaged in the above activities.

In addition, it is the policy of the Company that no Insiders who, in the course of working for the Company, learns of material nonpublic information about a company with which the Company does business, including a customer or supplier of the Company, may trade in that company's securities until the information becomes public or is no longer material. This prohibition includes so-called "Shadow Trading," in which Insiders uses material nonpublic information regarding the Company to trade in the securities of another, peer company.

There are no exceptions to this Policy, except as specifically noted herein. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure), or small transactions, are not excepted from this Policy. The securities laws do not recognize any mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

DEFINITION OF MATERIAL NONPUBLIC INFORMATION

Material Information: Information is considered "material" if a reasonable investor would consider that information important in making a decision to buy, hold, or sell securities. Any information that could be expected to affect a company's stock price, whether it is positive or negative, should be considered material. There is no bright-line standard for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances and is often evaluated by enforcement authorities with the benefit of hindsight. While it is not possible to define all categories of material information, some examples of information that ordinarily would be regarded as material are:

- Projections of future earnings or losses, or other earnings guidance;
- Changes to previously announced earnings guidance, or the decision to suspend earnings guidance;
- A pending or proposed merger, acquisition, or tender offer;
- A pending or proposed acquisition or disposition of a significant asset or subsidiary;
- A pending or proposed joint venture;
- A Company restructuring;
- Significant related party transactions;
- A change in dividend policy, the declaration of a stock split, or an offering of additional securities;
- Bank borrowings or other financing transactions out of the ordinary course;
- The establishment of a repurchase program for Company Securities;
- A change in the Company's pricing or cost structure;
- Major marketing changes;
- A change in management;
- A change in auditors or notification that the auditor's reports may no longer be relied upon;
- Development of a significant new product, process, or service;
- Pending or threatened significant litigation, or the resolution of such litigation;
- Impending bankruptcy or the existence of severe liquidity problems;
- The gain or loss of a significant customer or supplier;
- Significant cybersecurity incidents; and
- The imposition of a ban on trading in Company Securities or the securities of another company.

If you are unsure whether information is material, you should either consult the CLO before making any decision to disclose such information (other than to persons who need to know it) or to trade in or recommend securities to which that information relates or assume that the information is material.

When Information is Considered Public. Information that has not been disclosed to the public is generally considered to be nonpublic information. In order to establish that the information has been disclosed to the public, it may be necessary to demonstrate that the information has been widely disseminated. Information generally would be considered widely disseminated if it has been disclosed through the Dow Jones "broad tape," newswire services, a broadcast on widely- available radio or television programs, publication in a widely-available newspaper, magazine or news website, or public disclosure documents filed with the U.S. Securities and Exchange Commission (the "SEC") that are

available on the SEC's website. By contrast, information would likely not be considered widely disseminated if it is available only to the Company's employees, or if it is only available to a select group of analysts, brokers, and institutional investors.

Once information is widely disseminated, it is still necessary to afford the investing public with sufficient time to absorb the information. As a general rule, information should not be considered fully absorbed by the marketplace until after the second business day after the day on which the information is released. If, for example, the Company were to make an announcement on a Monday, you should not trade in Company Securities until Thursday. Depending on the particular circumstances, the Company may determine that a longer or shorter period should apply to the release of specific material nonpublic information.

TRANSACTIONS BY FAMILY MEMBERS AND OTHERS

This Policy applies to your family members who reside with you (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Company Securities are directed by you or are subject to your influence or control, such as parents or children who consult with you before they trade in Company Securities (collectively referred to as "Family Members"). You are responsible for the transactions of these other persons and therefore should make them aware of the need to confer with you before they trade in Company Securities, and you should treat all such transactions for the purposes of this Policy and applicable securities laws as if the transactions were for your own account. This Policy does not, however, apply to personal securities transactions of Family Members where the purchase or sale decision is made by a third party not controlled by, influenced by or related to you or your Family Members.

TRANSACTIONS BY ENTITIES THAT YOU INFLUENCE OR CONTROL

This Policy applies to any entities that you influence or control, including any corporations, partnerships, or trusts (collectively referred to as "Controlled Entities"), and transactions by these Controlled Entities should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account.

TRANSACTIONS UNDER COMPANY PLANS

This Policy does not apply in the case of the following types of transactions, which may become part of the Array long term incentive plan, except as specifically noted:

- **Stock Option Exercises**. This Policy does not apply to the exercise of an employee stock option acquired pursuant to the Company's plans, or to the exercise of a tax withholding right pursuant to which a person has elected to have the Company withhold shares subject to an option to satisfy tax withholding requirements. This Policy does apply, however, to any sale of stock as part of a broker-

assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

- **Restricted Stock Awards**. This Policy does not apply to the vesting of restricted stock, or the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock. The Policy does apply, however, to any market sale of restricted stock.
- **401(k) Plan**. This Policy does not apply to purchases of Company Securities in the Company's 401(k) plan resulting from your periodic contribution of money to the plan pursuant to your payroll deduction election. This Policy does apply, however, to certain elections you may make under the 401(k) plan, including: (a) an election to increase or decrease the percentage of your periodic contributions that will be allocated to the Company stock fund; (b) an election to make an intra-plan transfer of an existing account balance into or out of the Company stock fund; (c) an election to borrow money against your 401(k) plan account if the loan will result in a liquidation of some or all of your Company stock fund balance; and (d) an election to pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Company stock fund.
- **Employee Stock Purchase Plan**. This Policy does not apply to purchases of Company Securities in the employee stock purchase plan resulting from your periodic or lump sum contribution of money to the plan pursuant to the election you made at the time of your enrollment in the plan. This Policy does apply, however, to your initial election to participate in the plan, changes to your election to participate in the plan for any enrollment period, and to your sales of Company Securities purchased pursuant to the plan.
- **Dividend Reinvestment Plan**. This Policy does not apply to purchases of Company Securities under the Company's dividend reinvestment plan resulting from your reinvestment of dividends paid on Company Securities. This Policy does apply, however, to voluntary purchases of Company Securities resulting from additional contributions you choose to make to the dividend reinvestment plan, and to your election to participate in the plan or increase your level of participation in the plan. This Policy also applies to your sale of any Company Securities purchased pursuant to the plan.

TRANSACTIONS NOT INVOLVING A PURCHASE OR SALE

Bona fide gifts are not transactions subject to this Policy, unless the person making the gift has reason to believe that the recipient intends to sell the Company Securities while the Insider is aware of material nonpublic information, or the person making the gift is subject to the trading restrictions specified below under the heading "Additional Procedures" and the sales by the recipient of the Company Securities occur during a blackout period.

Further, transactions in mutual funds that are invested in Company Securities are not transactions subject to this Policy.

SPECIAL AND PROHIBITED TRANSACTIONS

The Company has determined that there is a heightened legal risk and/or the appearance of improper or inappropriate conduct if Insiders engage in certain types of transactions. It therefore is the Company's policy that any Insiders may not engage in any of the following transactions, or should otherwise consider the Company's preferences as described below:

Short-Term Trading. Short-term trading of Company Securities may be distracting to the person and may unduly focus the person on the Company's short-term stock market performance instead of the Company's long-term business objectives. For these reasons, any Insider who purchases Company Securities in the open market may not sell any Company Securities of the same class during the six months following the purchase (or vice versa).

Short Sales. Short sales of Company Securities (i.e., the sale of a security that the seller does not own) may evidence an expectation on the part of the seller that the securities will decline in value, and therefore have the potential to signal to the market that the seller lacks confidence in the Company's prospects. In addition, short sales may reduce a seller's incentive to seek to improve the Company's performance. For these reasons, short sales of Company Securities are prohibited. In addition, Section 16(c) of the Exchange Act prohibits officers and directors from engaging in short sales. Short sales arising from certain types of hedging transactions are governed by the paragraph below captioned "Hedging Transactions."

Publicly-Traded Options. Given the relatively short term of publicly-traded options, transactions in options may create the appearance that an Insider is trading based on material nonpublic information and focus an Insider's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in put options, call options or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy. (Option positions arising from certain types of hedging transactions are governed by the next paragraph below.)

Hedging Transactions. Hedging or monetization transactions can be accomplished through a number of possible mechanisms, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. Such hedging transactions may permit an Insider to continue to own Company Securities obtained through employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the Insider may no longer have the same objectives as the Company's other shareholders. Therefore, the Company prohibits Insiders from engaging in such transactions without pre-approval. Any Insider wishing to enter into such an arrangement must first submit the proposed transaction for approval by the CLO. Any request for pre-clearance of a hedging or similar arrangement must be submitted to the CLO at least two weeks prior to the proposed execution of documents evidencing the proposed transaction and must set forth a justification for the proposed transaction.

Margin Accounts and Pledged Securities. Securities held in a margin account as collateral for a margin loan may be sold by the broker without the customer's consent if the customer fails to meet a margin call.

Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledger is aware of material nonpublic information or otherwise is not permitted to trade in Company Securities, Insiders are prohibited from holding Company Securities in a margin account or otherwise pledging Company Securities as collateral for a loan. (Pledges of Company Securities arising from certain types of hedging transactions are governed by the paragraph above captioned "Hedging Transactions.")

Standing and Limit Orders. Standing and limit orders (except standing and limit orders under approved Rule 10b5-1 Plans, as described below) create heightened risks for insider trading violations similar to the use of margin accounts. There is no control over the timing of purchases or sales that result from standing instructions to a broker, and as a result the broker could execute a transaction when an Insider is in possession of material nonpublic information. The Company therefore discourages placing standing or limit orders on Company Securities. If an Insider determines that they must use a standing order or limit order, the order should be limited to five trading days and should otherwise comply with the restrictions and procedures outlined below under the heading "Additional Procedures."

PRE-CLEARANCE & BLACKOUTS

The Company has established additional procedures in order to assist the Company in the administration of this Policy, to facilitate compliance with laws prohibiting insider trading while in possession of material nonpublic information, and to avoid the appearance of any impropriety. These additional procedures are applicable only to those individuals described below.

Pre-Clearance Procedures. Directors, Accounting and Finance employees with the title Director or higher, all other employees with the title of Vice President or higher, legal department employees, any employees that assist with preparing earnings releases or SEC filings, any employees on the Company's Disclosure Committee, and any other persons designated by the CLO as being subject to these procedures, as well as the Family Members and Controlled Entities of such persons ("Covered Senior Persons"), may not engage in any transaction in Company Securities without first obtaining pre-clearance of the transaction from the CLO by filling out the Request for Pre-Clearance Form attached hereto as Addendum A and submitting such form to the CLO for execution at least two business days in advance of the proposed transaction. The CLO is under no obligation to approve a transaction submitted for pre-clearance and may determine not to permit the transaction. If a Senior Covered Persons seeks pre- clearance and permission to engage in the transaction is denied, then he or she should refrain from initiating any transaction in Company Securities and should not inform any other person of the restriction.

When a request for pre-clearance is made, the requestor should carefully consider whether he or she may be aware of any material nonpublic information about the Company and should describe fully those circumstances to the CLO. The requestor should also indicate whether he or she has effected any non-exempt "opposite-way" transactions within the past six months, and should be prepared to report the proposed transaction on an appropriate Form 4 or Form 5. The requestor should also be prepared to comply with SEC Rule 144 and file Form 144, if necessary, at the time of any sale.

If a Covered Senior Person seeks pre-clearance and permission to engage in the transaction is granted, then such trade must be effected within five business days of receipt of pre-clearance unless an exception is granted. Such person must promptly notify the CLO following the completion of the transaction. If the requestor becomes aware of material nonpublic information concerning the Company before the trade is executed, the preclearance shall be void and the trade must not be completed. A person who has not effected a transaction within the time limit may not engage in such transaction without again obtaining pre-clearance of the transaction from the CLO.

Quarterly Blackout Periods. Covered Senior Persons may not conduct any transactions involving Company Securities (other than as specified by this Policy), during a "Blackout Period" beginning fourteen calendar days prior to the end of each fiscal quarter and ending after the close of trading on the second full trading day following the date of the public release of the Company's earnings results for that quarter. In other words, these persons may only conduct transactions in Company Securities during the "Window Period" beginning after the close of trading on the second full trading day following the public release of the Company's quarterly earnings and ending fourteen days prior to the close of the next fiscal quarter.

Event-Specific Blackout Periods. From time to time, an event may occur that is material to the Company and is known by only a few directors, officers and/or employees, such as a cybersecurity incident. So long as the event remains material and nonpublic, the persons designated by the CLO may not trade Company Securities. In addition, the Company's financial results may be sufficiently material in a particular fiscal quarter that, in the judgment of the CLO, designated persons should refrain from trading in Company Securities even sooner than the typical Blackout Period described above. In that situation, the CLO may notify these persons that they should not trade in the Company's Securities, without disclosing the reason for the restriction. The existence of an event-specific trading restriction period or extension of a Blackout Period will not be announced to the Company as a whole and should not be communicated to any other person. Even if the CLO has not designated you as a person who should not trade due to an event-specific restriction, you should not trade while aware of material nonpublic information.

Exceptions. The quarterly trading restrictions and event-driven trading restrictions do not apply to those transactions to which this Policy does not apply, as described above under the headings "Transactions Under Company Plans" and "Transactions Not Involving a Purchase or Sale." Further, the requirement for pre-clearance, the quarterly trading restrictions and event-driven trading restrictions do not apply to transactions conducted pursuant to approved Rule 10b5-1 plans, described under the heading "Rule 10b5-1 Plans.

RULE 10b5-1 PLANS

Rule 10b5-1 under the Exchange Act provides a defense from insider trading liability under Rule 10b-5. In order to be eligible to rely on this defense, an Insider must enter into a Rule 10b5-1 plan for transactions in Company Securities that meets certain conditions specified in the Rule (a "Rule 10b5-1 Plan"). If the plan meets the requirements of Rule 10b5-1, Company Securities may be purchased or sold

without regard to certain insider trading restrictions. To comply with the Policy, a Rule 10b5-1 Plan must be approved by the CLO and meet the requirements of Rule 10b5-1. In general, a Rule 10b5-1 Plan must be entered into at a time when the person entering into the plan is not aware of material nonpublic information. Once the plan is adopted, the person must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. The plan must either specify the amount, pricing, and timing of transactions in advance or delegate discretion on these matters to an independent third party.

Any Rule 10b5-1 Plan must be submitted for approval five days prior to the entry into the Rule 10b5-1 Plan. No further pre-approval of transactions conducted pursuant to the Rule 10b5-1 Plan will be required.

Covered Senior Persons should note that the Company is required to report the entry into new plans by its officers and directors beginning with its Quarterly Report on Form 10-Q for the three and six months ended June 30, 2023.

For further information on Rule 10b5-1 Plans and their implementation, please see Addendum B hereto.

POST-TERMINATION TRANSACTIONS

This Policy continues to apply to transactions in Company Securities even after termination of service to the Company. If an individual is in possession of material nonpublic information when his or her service terminates, that individual may not trade in Company Securities until that information has become public or is no longer material. The pre-clearance procedures specified under the heading "Additional Procedures" above, however, will cease to apply to transactions in Company Securities upon the expiration of any Blackout Period or other Company-imposed trading restrictions applicable at the time of the termination of service.

CONSEQUENCES OF VIOLATIONS

The purchase or sale of securities while aware of material nonpublic information, or the disclosure of material nonpublic information to others who then trade in the Company's Securities, is prohibited by federal and state laws. Insider trading violations are pursued vigorously by the SEC, U.S. Attorneys, and state enforcement authorities as well as the laws of foreign jurisdictions.

Punishment for insider trading violations is severe and could include significant fines and imprisonment. While the regulatory authorities concentrate their efforts on the individuals who trade, or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading by company personnel.

In addition, an individual's failure to comply with this Policy may subject the individual to Company-imposed sanctions, including dismissal for cause, whether or not the employee's failure to comply results in a violation of law. Needless to say, a violation of law, or even an SEC investigation that does not result in prosecution, can tarnish a person's reputation and irreparably damage a career.

COMPANY ASSISTANCE

Any person who has a question about this Policy or its application to any proposed transaction may obtain additional guidance from the CLO.

ADDENDUM A

to Insider Trading Policy for Senior Covered Persons

REQUEST FOR PRIOR WRITTEN CLEARANCE TO TRADE IN COMPANY SECURITIES

Array Technologies, Inc.

I, _____, a designated "Covered Senior Person" as defined in the Insider Trading Policy (the "Policy") of Array Technologies, Inc. (the "Company"), request prior written clearance in accordance with the terms of the Policy to trade in securities of the Company no later than two business days prior to the proposed trade and provide the following information:

Details of Securities:

Nature of proposed trading: _____

Number of securities: _____

Class of securities: _____

I confirm that:

- I have read and understood the Policy and the proposed trading does not breach the Policy or any legal obligations referred to in it, and I hereby affirm that I am not in possession of any material non-public information ("MNPI") in relation to the Company, as defined in the Policy, and am undertaking the proposed trade in good faith.
- I acknowledge that in accordance with the Policy, I cannot trade in the Company's securities until clearance is given and I understand that any clearance given will be valid only for the period stated in the clearance.
- I understand that approval under the Policy (if given) will not be an endorsement of the above dealing and that I remain responsible for complying with applicable laws and the Policy.

Signed: _____

Name: _____

Date: _____

Legal Department Use – Clearance to be completed by Chief Legal Officer

Clearance given by: Signature _____ Date _____
Clearance valid for: ☐ 5 business days from the date of clearance (default period) ☐ business days from the date of clearance (default period)

ADDENDUM B

Rule 10b5-1 Trading Plan Guidelines

These Rule 10b5-1 Trading Plan Guidelines are applicable to any Company Insider designated to be a designated "Covered Senior Person" as described in the Company's Insider Trading Policy:

1. Every Rule 10b5-1 Trading Plan must be in writing.
2. Every Rule 10b5-1 Trading Plan must be entered into in good faith and not as part of a plan or scheme to evade the provisions of Rule 10b-5 or Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act").
3. Every Rule 10b5-1 Trading Plan must be entered into during a "Window Period" (as described in the Company's Insider Trading Policy) that is not closed.
4. Every Rule 10b5-1 Trading Plan must also be entered into when the particular Covered Senior Person is not otherwise aware of any material nonpublic information about the Company.
5. For Section 16 officers, a Rule 10b5-1 Trading Plan must provide for a period of at least the later of (i) 90 calendar days and (ii) two business days following the disclosure of the Company's financial results for the quarter between the establishment of a Rule 10b5-1 Trading Plan and the first trade to occur pursuant thereto. Any modification, amendment, or termination of a Rule 10b5-1 Trading Plan for Section 16 officers must also be subject to this waiting period.
6. For designated Covered Senior Persons not subject to Section 16, a Rule 10b5-1 Trading Plan must provide for a period of at least 30 days between the establishment of a Rule 10b5-1 Trading Plan and the first trade to occur pursuant to such plan. Any modification, amendment, or termination of a Trading Plan for designated Covered Senior Persons not subject to Section 16 must also be subject to this waiting period.
7. Every Rule 10b5-1 Trading Plan must fully comply with all requirements of Rule 10b5-1 of the Exchange Act, including, without limitation, the requirement that the Rule 10b5-1 Trading Plan (a) either expressly specify the amount, price and date of the sales (or purchases) of the Company's stock to be effected; or provide a formula, algorithm or computer program for determining when to sell (or purchase) the Company's stock, the quantity to sell (or purchase) and the price; (b) delegate decision-making authority with regard to these transactions to someone without any material nonpublic information about the Company; and (c) the Covered Senior Person act in good faith with respect to the Rule 10b5-1 Trading Plan for the duration of such plan.
8. Every Rule 10b5-1 Trading Plan must ensure that the Covered Senior Person fully complies with his or her obligations under Section 16 of the Exchange Act.
9. Every Rule 10b5-1 Trading Plan must fully comply with Rule 144 of the Securities Act of 1933, as amended, including, in the case of affiliates (as defined in Rule 144), the Form 144 filing requirements and the volume limitations for every "rolling" three-month period.

10. Every Rule 10b5-1 Trading Plan must provide that prior to any early termination of the plan the Covered Senior Person has consulted with, and received the approval of, the Company's Chief Legal Officer ("CLO") and be subject to the waiting periods described above.

11. Every Rule 10b5-1 Trading Plan must be approved in advance by the Company's CLO.

12. Any modification or amendment to an approved Rule 10b5-1 Trading Plan must be approved in advance by the Company's CLO, must be entered into during a Window Period that is not closed and must also be entered into when the particular Covered Senior Person is not otherwise aware of any material nonpublic information about the Company.

13. Covered Senior Persons may execute only one Rule 10b5-1 Trading Plan that provides for a single trade in a 12-month period.

14. While a Rule 10b5-1 Trading Plan is in effect for a Covered Senior Person may not maintain multiple overlapping plans except for (i) plans that exclusively authorize sell-to-cover transactions to satisfy tax withholding obligations, (ii) a series of separate Rule 10b5-1 Trading Plans with different broker-dealers or other agents acting on behalf of the person to execute trades of securities held in separate accounts, provided that the contracts with each broker-dealer or other agent, when taken together as a whole, meet all of the applicable conditions of Rule 10b5-1(c)(1), and (iii) a second plan whose trades will not commence until the expiration of the first plan.

15. While a Rule 10b5-1 Trading Plan is in effect for a Covered Senior Person, such Covered Senior Person must conduct all trading transactions in Company stock under the Rule 10b5-1 Trading Plan (unless sales are conducted under an effective Company filed registration statement).

16. All Rule 10b5-1 Trading Plans shall include a certification from the Covered Senior Person that (a) the Covered Senior Person is not aware of any material nonpublic information and (b) the Rule 10b5-1 Trading Plan was entered into in good faith and not part of a plan or scheme to evade the prohibitions of Rule 10b-5.

Note: Notwithstanding any approval of a Rule 10b5-1 Trading Plan, the Company and all of its employees and agents assume no liability for the consequences of any transaction made pursuant to any such Rule 10b5-1 Trading Plan.

If you have any doubts as to your responsibilities under these guidelines, seek clarification and guidance from the Company's CLO **before you act.** Do not try to resolve uncertainties on your own.

ADDENDUM C

Insider Trading Policy Checklist for Section 16 Officers, Directors and Other Designated "Covered Senior Persons"

You should ask the following questions and take the following actions before making any purchase, sale, or other transfer of shares of Company stock:

1. Have I previously adopted a Rule 10b5-1 Trading Plan in accordance with the Company's Rule 10b5-1 Trading Plan Guidelines? If "yes," then stop here—you can trade pursuant to the terms of your Rule 10b5-1 Plan. If "no," then go to question 2.
2. Are we inside a Window Period (as described in the Company's Insider Trading Policy)? If "no," then stop here – you cannot trade in Company stock. If "yes," then go to question 3.
3. If we are inside a Window Period, have I received notification that the Window Period has not been opened or has been closed? If "yes," then stop here – you cannot trade in Company stock. If "no," then go to question 4.
4. Do I have material non-public "inside" information about the Company? If "yes," then stop here – you cannot trade in Company stock. If "no," then go to question 5.
5. Have I purchased any Company stock (or has anyone purchased any Company stock with respect to which I am deemed a "beneficial owner") within the last six months? If "yes," then you cannot sell stock, but you may buy stock subject to the pre-clearance procedures discussed in question 7.
6. Have I sold any Company stock (or has anyone sold any Company stock with respect to which I am deemed a "beneficial owner") within the last six months? If "yes," then you cannot buy stock, but you may sell stock subject to the pre-clearance procedures discussed in question 7.
7. Have I pre-cleared my transaction with the Company's Chief Legal Officer or the Chief Financial Officer? If "no," then you must do so by contacting the Chief Legal Officer or the Chief Financial Officer and completing the pre-clearance review. You must affirmatively hear back from the Chief Legal Officer or the Chief Financial Officer for pre-clearance to be effective; no response does not mean that you have been pre-cleared. If "yes," then go to question 8.
8. You should request that a transaction confirmation be promptly sent to the Company so that the appropriate Form 4 may be timely filed with the SEC (the Form 4 must be filed with the SEC within two business days of the transaction).

List of Significant Subsidiaries of
Array Technologies, Inc.

Subsidiary Name	Jurisdiction
ATI Investment Sub, Inc.	Delaware
Array Tech, Inc. (f/k/a Array Technologies, Inc.)	New Mexico
Array Tech Australia (Pty) Ltd	Australia
Array Tech IRB Finance, LLC	New Mexico
Array Technologies UK Limited	United Kingdom
Array Tecnologia Do Brasil Ltda.	Brazil
Soluciones Técnicas Integrales Norland, S.L.U.	Spain
KTR Solar Tech, S.L.U.	Spain
STINorland Brasil Ltda	Brazil
STINorland Mexico, S.A. de C.V.	Mexico
STINorland South Africa (Pty) Ltd	South Africa
STINorland USA, Inc.	California
STISolar SpA	Chile

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-265884 and 333-249552 on Form S-8 of our reports dated February 28, 2025, relating to the financial statements of Array Technologies, Inc. and the effectiveness of Array Technologies, Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ DELOITTE & TOUCHE LLP

Tempe, Arizona

February 28, 2025

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S8 (No. 333-249552 and 333-265884) of Array Technologies, Inc. of our report dated March 22, 2023, relating to the consolidated financial statements, which appears in this Form 10-K.

/s/ BDO USA, P.C.

Austin, Texas

February 28, 2025

EXHIBIT 31.1

CERTIFICATION BY CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE EXCHANGE ACT

I, Kevin G. Hostetler, certify that:

1. I have reviewed this Annual Report on Form 10-K of Array Technologies, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Kevin G. Hostetler
Kevin G. Hostetler
Chief Executive Officer

Date: February 28, 2025

EXHIBIT 31.2

CERTIFICATION BY CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE EXCHANGE ACT

I, H. Keith Jennings, certify that:

1. I have reviewed this Annual Report on Form 10-K of Array Technologies, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ H. Keith Jennings
H. Keith Jennings
Chief Financial Officer

Date: February 28, 2025

EXHIBIT 32.1

CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Annual Report of Array Technologies, Inc. (the "Company") filed on Form 10-K for the year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Kevin G. Hostetler, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kevin G. Hostetler
Kevin G. Hostetler
Chief Executive Officer

Date: February 28, 2025

EXHIBIT 32.2

CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Annual Report of Array Technologies, Inc. (the "Company") filed on Form 10-K for the year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, H. Keith Jennings, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ H. Keith Jennings
H. Keith Jennings
Chief Financial Officer

Date: February 28, 2025

CLAWBACK POLICY
ARRAY TECHNOLOGIES, INC.

PURPOSE

This Clawback Policy (the "Policy") applies in the event that (i) Array Technologies, Inc. (together with its subsidiaries, the "Company"), is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to previously issued financial statements or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (any such covered restatement, a "Restatement"), and (ii) any payout of Performance-based Compensation (as defined below) by the Company was based on a miscalculation of performance results, as further set forth below.

COMPENSATION AND PERSONS SUBJECT TO THE POLICY

For the purposes of this Policy, (i) the term "Performance-based Compensation" means all bonuses and other incentive and equity compensation awarded to each of the Company's Covered Persons, the amount, payment and/or vesting of which was calculated based wholly, or in part, on the application of objective financial performance criteria measured during any part of the period covered by the Restatement and (ii) the term "Covered Person" shall refer to any person who has been designated (regardless of whether such designation is currently in effect and regardless of whether such person remains an employee of the Company) as an "officer" of the Company under Section 16(a) of the Securities Exchange Act of 1934. "Financial performance criteria" means any criterion or criteria that are determined and presented in accordance with the accounting principles used in the Company's financial statements, and any measures that are derived wholly or in part from such measures, as well as the Company's stock price and total shareholder return.

STATEMENT OF POLICY

If the Human Capital Committee (the "Committee") determines that the amount of any Performance-based Compensation actually paid or awarded to a Covered Person (the "Awarded Compensation") would have been a lower amount had it been calculated based on such restated financial statement, without regard to any taxes paid (the "Adjusted Compensation"), then the Committee shall, except as provided below, recover for the benefit of the Company the excess of the Awarded Compensation over the Adjusted Compensation (the "Excess Compensation").

The Committee shall be entitled to not seek recovery of Excess Compensation if the Committee determines that to do so would be (i) impracticable and (ii) one or more of the following conditions is satisfied:

a. after having made a reasonable and documented attempt to recover the Excess Compensation, the Committee determines the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount of Excess Compensation to be recovered;

b. the Company obtains an opinion of home country counsel, acceptable to Nasdaq, that recovery would violate home country law where that law was adopted prior to November 28, 2022; and/or

c. recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to Company employees, to fail to meet the requirements of the Internal Revenue Code of 1986, as amended, and the regulations thereunder.

The Committee shall determine the most appropriate manner to effect recovery pursuant to this policy, which may include making a written demand for repayment from the applicable Covered Person or offsetting amounts owed to such person by the Company, to the extent permissible under applicable law, including applicable tax law. If such Covered Person does not within a reasonable period tender repayment in response to such demand, and the Board determines that he or she is unlikely to do so, the Committee may, in addition to other remedies available to it, seek a court order against the Covered Person for such repayment.

The Company shall not indemnify any Covered Person against the loss of any Excess Compensation that is recouped pursuant to the terms of this Policy, or any claims relating to the Company's enforcement of its rights under this Policy.

Any determination or other action by the Committee pursuant to this policy shall be made and taken by a vote of a majority of its members.

This Policy shall apply to any performance-based compensation received by a Covered Person from and after the date such Covered Person first becomes subject to the terms hereof, and during the three fiscal years immediately preceding the date on which the Company is required to prepare a Restatement. For the avoidance of doubt, a Covered Person will be deemed to have received Awarded Compensation in the Company's fiscal period during which the financial reporting criteria specified in the award is attained, even if the Covered Person remains subject to additional payment conditions with respect to such award.

ADVICE OF EXPERTS

In making any determination or in taking or not taking any action under this Policy, the Committee may obtain and may rely on the advice of experts, including employees of and professional advisors to the Company. Any action taken by, or inaction of, the Committee relating to or pursuant to this Policy shall be within the absolute discretion of the Committee. Such action or inaction of the Committee shall be conclusive and binding on the Company, on each affected Covered Person and on each other person directly or indirectly affected by such action.

SEVERABILITY

If any provision of this Policy or the application of any such provision to any Covered Person shall be adjudicated to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Policy, and the invalid, illegal or unenforceable provisions shall be deemed amended to the minimum extent necessary to render any such provision or application enforceable.

AMENDMENTS

The Committee may amend, modify or terminate this Policy in whole or in part at any time in its sole discretion and may adopt such rules and procedures that it deems necessary or appropriate to implement this Policy or to comply with applicable laws and regulations.

NO IMPAIRMENT OF OTHER REMEDIES

The remedies under this Policy are in addition to, and not in lieu of, any legal and equitable claims the Company may have or any actions that may be imposed by law enforcement agencies, regulators or other authorities. The Company may adopt additional recoupment provisions in the future or amend existing requirements as required by law or regulation.