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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Earliest Event Reported: May 9, 2023

ARRAY TECHNOLOGIES, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	001-39613	83-2747826
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS 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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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 whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 2.02 Results of Operations and Financial Condition

On May 9, 2023, Array Technologies, Inc. (the "Company") issued a press release setting forth its financial results for the quarter ended March 31, 2023. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference herein. The information included in Item 2.02 of this Current Report on Form 8-K and the exhibits attached hereto are being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, regardless of any general incorporation language in any such filing.

Item 7.01 Regulation FD Disclosure

On May 9, 2023, at 5:00 p.m. Eastern Time, the Company will make a presentation about its first quarter 2023 earnings as noted in the press release described in Item 2.02 above. A copy of the presentation slides is attached hereto as Exhibit 99.2. Additionally, the Company has posted the presentation on its website at www.arraytechinc.com. The information furnished pursuant to Item 7.01, including Exhibit 99.2, shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that Section, and shall not be incorporated by reference in any filing under the Securities Act, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Exhibit Title or Description
99.1	Press Release of Array Technologies, Inc., dated May 9, 2023
99.2	Investor Presentation of Array Technologies, Inc., dated May 9, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Array Technologies, Inc.

Date: May 9, 2023	By:	/s/ Tyson Hottinger
		Name: Tyson Hottinger
		Title: Chief Legal Officer

May 9, 2023

Array Technologies, Inc. Reports Financial Results for the First Quarter 2023 – Delivers strong results, with revenue of $376.8 million and gross margin of 26.9%

First Quarter 2023 Highlights

- Revenue of $376.8 million
- Net income to common shareholders of $13.6 million
- Adjusted EBITDA[1] of $67.0 million
- Basic and diluted net income per share of $0.09
- Adjusted diluted net income per share[1] of $0.25
- Executed contracts and awarded orders at March 31, 2023 totaling $1.6 billion

[1] A reconciliation of the most comparable GAAP measure to its Non-GAAP measure is included below.

ALBUQUERQUE, NM — (GLOBE NEWSWIRE) — Array Technologies (NASDAQ: ARRY) ("Array" or "the Company"), a leading provider of tracker solutions and services for utility-scale solar energy projects, today announced financial results for its first quarter ended March 31, 2023

"In the first quarter we grew revenue 25% from the prior year as we had favorable project timing to close out March in our Array Legacy Segment. Adjusted EBITDA for the quarter was $67.0 million which was a $66.2 million improvement from the prior year and was anchored by a 26.9% gross margin, which represents the highest levels since first quarter 2020. Additionally, in the first quarter we delivered $41.9 million of free cash flow leaving our end of quarter cash balance at $147.8 million," said Kevin Hostetler, Chief Executive Officer. "The margin performance was driven by favorable project mix and one-time benefits from lower-than-expected logistics costs as both ocean and domestic trucking rates came in lower than forecasted. It does not reflect benefits related to either the domestic content provisions or manufacturing credits included in the IRA, which we continue to view as potential upside."

Mr. Hostetler continued, "When we compare Array's performance this quarter to a year ago, the contrast is striking. We have not only continued to grow the business organically but have improved profitability at the same time. The meaningful expansion in our gross margin year over year represents our improved contracting process but is also indicative of the significant improvements we have made in our operational execution and our product and pricing strategies. While there were some one-time benefits this quarter, that should not overshadow the maturing of our operating system, which has allowed us to identify and take advantage of the opportunities as they arose."

"I will note that we did have a slowdown in our order activity this quarter, which was not unexpected. Our pipeline remains strong, but many of our customers are still awaiting final IRA guidelines around domestic content before issuing final award and are delaying project start dates to provide more time to evaluate its provisions. This dynamic was largely contemplated when we evaluated our orderbook entering the year and reflected on the lower end of the revenue range we provided. As we are now further into the year and have a better understanding of how these delays are impacting the second half of the year, we are slightly reducing the top end of the revenue range to reflect this market dynamic. That said, we remain confident in our gross margin outlook and on the back of our strong first quarter performance, we are holding our adjusted EBITDA and adjusted EPS ranges," concluded Mr. Hostetler.

First Quarter 2023 Financial Results

Revenue increased 25% to $376.8 million, compared to $300.6 million for the prior-year period resulting from both an increase in the total number of MWs shipped and an increase in ASP due to improved pass through pricing to our customers.

Gross profit increased 281% to $101.2 million compared to $26.6 million in the prior year period, driven by both higher volume and an increase in gross profit as a percent of revenue in both operating segments. Gross margin increased to 26.9% from 8.8% driven by an improvement in pass through pricing to customers in addition to a one-time benefit from lower-than-expected logistics costs in the first quarter of 2023.

Operating expenses decreased to $53.7 million compared to $64.9 million during the same period in the prior year. The decrease is primarily related to lower amortization expense related to the STI acquisition in addition to costs related to the STI acquisition in the first quarter of 2022 with no comparable costs in the first quarter of 2023.

Net income to common stockholders was $13.6 million compared to a net loss of $37.5 million during the same period in the prior year, and basic and diluted income per share were $0.09 compared to basic and diluted loss per share of $0.25 during the same period in the prior year.

Adjusted EBITDA increased to $67.0 million, compared to $0.7 million for the prior-year period.

Adjusted net income was $37.3 million compared to adjusted net income of $0.5 million during the same period in the prior year and adjusted basic and diluted adjusted net income per share was $0.25 compared to adjusted diluted net income per share of $0.00 during the same period in the prior year.

Executed Contracts and Awarded Orders

Total executed contracts and awarded orders at March 31, 2023 were $1.6 billion, with $1.3 billion from our Array Legacy Operations segment and $0.3 billion from STI Norland.

Full Year 2023 Guidance

For the year ending December 31, 2023, the company expects:

- Revenue to be in the range of $1,800 million to $1,900 million
- Adjusted EBITDA[2] to be in the range of $240 million to $265 million
- Adjusted net income per share[2] to be in the range of $0.75 to $0.85

[2] A reconciliation of projected adjusted EBITDA and adjusted net income per share, which are forward-looking measures that are not prepared in accordance with GAAP, to the most directly comparable GAAP financial measures, is not provided because we are unable to provide such reconciliation without unreasonable effort. The inability to provide a quantitative reconciliation is due to the uncertainty and inherent difficulty predicting the occurrence, the financial impact and the periods in which the components of the applicable GAAP measures and non-GAAP adjustments may be recognized. The GAAP measures may include the impact of such items as non-cash share-based compensation, revaluation of the fair-value of our contingent consideration, and the tax effect of such items, in addition to other items we have historically excluded from adjusted EBITDA and adjusted net income per share. We expect to continue to exclude these items in future disclosures of these non-GAAP measures and may also exclude other similar items that may arise in the future (collectively, “non-GAAP adjustments”). The decisions and events that typically lead to the recognition of non-GAAP adjustments are inherently unpredictable as to if or when they may occur. As such, for our 2023 outlook, we have not included estimates for these items and are unable to address the probable significance of the unavailable information, which could be material to future results.

Conference Call Information

Array management will host a conference call today at 5:00 p.m. Eastern Time to discuss the Company's financial results.
The conference call can be accessed live over the phone by dialing (877)-451-6152 (domestic) or (201)-389-0879 (international). A telephonic replay will be available approximately three hours after the call by dialing (844)-512-2921, or for international callers, (412)-317-6671. The passcode for the live call and the replay is 13737846. The replay will be available until 11:59 p.m. (ET) on May 23, 2023.

Interested investors and other parties can listen to a webcast of the live conference call by logging onto the Investor Relations section of the Company's website at http://ir.arraytechinc.com. The online replay will be available for 30 days on the same website immediately following the call.

To learn more about Array Technologies, please visit the company's website at http://ir.arraytechinc.com.

About Array Technologies, Inc.

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

Investor Relations Contact:
Array Technologies, Inc.
Investor Relations
505-437-0010
investors@arraytechinc.com

Forward-Looking Statements
This press release 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 projected future results of operations, business strategies, our continued integration of STI Norland and industry and regulatory environment. Forward-looking statements include statements that are not historical facts and can be identified by terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "seek," "should," "will," "would" or similar expressions and the negatives of those terms.

Array's actual results and the timing of events could materially differ from those anticipated in such forward-looking statements as a result of certain risks, uncertainties and other factors, including without limitation: changes in the demand for solar energy projects; competition from conventional and renewable energy sources that may offer products and solutions that are less expensive or otherwise perceived to be more advantageous than solar energy solutions; a loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment; failure to retain key personnel or failure to attract additional qualified personnel; defects or performance problems in our products that could result in loss of customers, reputational damage, a loss of revenue, and warranty, indemnity and product liability claims; a drop in the price of electricity derived from the utility grid or from alternative energy sources; our ability to successfully integrate the business of STI Norland into our business or achieve the anticipated benefits of the acquisition of STI Norland; challenges in our ability to consolidate the financial reporting of our acquired foreign subsidiaries; the effect of the capped call transactions on the value of our 1.00% Convertible Senior Notes due 2028 (the "Convertible Notes") and the market price of our common stock; the potential of the fundamental change repurchase feature of the Convertible Notes to delay or prevent an otherwise beneficial attempt to acquire us; delays, disruptions or quality control problems in our product development operations; the risks of severe weather events, natural disasters and other catastrophic events; our ability to manage the financial regulatory and competitive risks of our continued expansion into new markets; developments in alternative technologies that may have an effect on demand for our offerings; the effects of a further increase in interest rates, or a reduction in the availability of tax equity or project debt capital in the global financial markets, which could make it difficult for customers to finance the cost of a solar energy system and could reduce the demand for our products; changes to tax laws and regulations that are applied adversely to us or our customers; existing electric utility industry policies and regulations, and any subsequent changes, that may present technical, regulatory and economic barriers to the purchase and use of solar energy systems; the interruption of the flow of materials from international vendors, including as a result of the imposition of additional duties, tariffs and other charges or restrictions on imports and exports; changes in the global trade environment, including the imposition of import tariffs; economic, political and market conditions, including the Russian-Ukraine conflict, uncertain credit and global financial markets resulting from increasing inflation and interest rates along with recent bank failures, and the COVID-19 pandemic; the reduction, elimination or expiration of government incentives for, or regulations mandating the use of, renewable energy and solar energy specifically; our ability to, obtain, maintain, protect, defend or enforce, our intellectual property and other proprietary rights; significant changes in the costs of raw materials; the determination to restate prior period financial statements could negatively affect investor confidence and raise reputational issues; the implementation of the IRA may not deliver as much growth as we are anticipating; our ability to remediate our material weaknesses on a timely basis or at all; the effect of our substantial indebtedness on our financial condition; the occurrence of cybersecurity incidents, including unauthorized disclosure of personal or sensitive data or theft of confidential information; and the other risks and uncertainties described in more detail in the Company's most recent Annual Report on Form 10-K and other documents on file with the SEC, each of which can be found on our website www.arraytechinc.com

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.

Non-GAAP Financial Information

This press release includes certain financial measures that are not presented in accordance with U.S. generally accepted accounting principles ("GAAP"), including Adjusted EBITDA, Adjusted Net Income and Adjusted Net Income per share. We define Adjusted EBITDA as net income (loss) plus (i) other (income) expense, (ii) foreign currency (gain) loss, (iii) preferred dividends and accretion, (iv) interest expense, (v) income tax (benefit) expense, (vi) depreciation expense, (vii) amortization of intangibles, (viii) equity-based compensation, (ix) change in fair value of derivative assets, (x) change in fair value of contingent consideration, (xi) certain legal expense, (xii) certain acquisition costs, and (xiii) other costs. We define Adjusted Net Income as net income (loss) plus (i) amortization of intangibles, (ii) amortization of debt discount and issuance costs (iii) preferred accretion, (iv) equity-based compensation, (v) change in fair value of derivative assets, (vi) change in fair value of contingent consideration, (vii) certain legal expense, (viii) certain acquisition related costs, (ix) other costs, and (x) income tax (expense) benefit of adjustments. A detailed reconciliation between GAAP results and results excluding special items ("non-GAAP") is included within this presentation. We calculate net income (loss) per share as net income (loss) to common shareholders divided by the basic and diluted weighted average number of shares outstanding for the applicable period and we define Adjusted Net Income per share as Adjusted Net Income (as detailed above) divided by the basic and diluted weighted average number of shares outstanding for the applicable period.

We believe that these non-GAAP financial measures are provided to enhance the reader's understanding of our past financial performance and our prospects for the future. Our management team uses these non-GAAP financial measures in assessing the Company's performance, as well as in planning and forecasting future periods. The non-GAAP financial information is presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly titled non-GAAP measures used by other companies.

Among other limitations, Adjusted EBITDA and Adjusted Net Income do not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments; do not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations; do not reflect income tax expense or benefit; and other companies in our industry may calculate Adjusted EBITDA and Adjusted Net Income differently than we do, which limits their usefulness as comparative measures. Because of these limitations, Adjusted EBITDA and Adjusted Net Income should not be considered in isolation or as substitutes for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA and Adjusted Net Income on a supplemental basis. You should review the reconciliation of net income (loss) to Adjusted EBITDA and Adjusted Net Income below and not rely on any single financial measure to evaluate our business.

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

	March 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 147,756	$ 133,901
Accounts receivable, net	414,712	421,183
Inventories	254,624	233,159
Income tax receivables	3,163	3,532
Prepaid expenses and other	46,381	39,434
Total current assets	866,636	831,209
Property, plant and equipment, net	25,864	23,174
Goodwill	428,173	416,184
Other intangible assets, net	379,374	386,364
Deferred income tax assets	—	16,466
Derivative assets	63,320	—
Other assets	30,802	32,655
Total assets	$ 1,794,169	$ 1,706,052
LIABILITIES, REDEEMABLE PERPETUAL PREFERRED STOCK AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 200,585	$ 170,430
Accrued expenses and other	58,795	54,895
Accrued warranty reserve	1,443	3,690
Income tax payable	11,833	6,881
Deferred revenue	151,343	178,922
Current portion of contingent consideration	1,811	1,200
Current portion of debt	34,382	38,691
Other current liabilities	10,393	10,553
Total current liabilities	470,585	465,262
Deferred income tax liabilities	73,051	72,606
Contingent consideration, net of current portion	6,914	7,387
Other long-term liabilities	13,939	14,808
Long-term warranty	4,469	1,786
Long-term debt, net of current portion	705,827	720,352
Total liabilities	1,274,785	1,282,201
Commitments and contingencies (Note 12)		
Series A Redeemable Perpetual Preferred Stock of $0.001 par value - 500,000 authorized; 412,739 and 406,389 shares issued as of March 31, 2023 and December 31, 2022, respectively; liquidation preference of $412.7 million and $406.4 million at respective dates	312,054	299,570
Stockholders' equity		

(in thousands, except per share and share amounts)

	March 31, 2023		December 31, 2022	
Preferred stock of $0.001 par value - 4,500,000 shares authorized; none issued at respective dates		—		—
Common stock of $0.001 par value - 1,000,000,000 shares authorized; 150,822,974 and 150,513,104 shares issued at respective dates		150		150
Additional paid-in capital		426,221		383,176
Accumulated deficit		(241,338)		(267,470)
Accumulated other comprehensive income		22,297		8,425
Total stockholders’ equity		207,330		124,281
Total liabilities, redeemable perpetual preferred stock and stockholders’ equity	$	1,794,169	$	1,706,052

Array Technologies, Inc. and Subsidiaries
Consolidated Statements of Operations *(unaudited)*
(in thousands, except per share amounts)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Revenue	$ 376,773	$ 300,586
Cost of revenue	275,594	273,999
Gross profit	101,179	26,587
Operating expenses		
General and administrative	38,142	45,425
Change in fair value of contingent consideration	1,338	(3,731)
Depreciation and amortization	14,241	23,237
Total operating expenses	53,721	64,931
Income (loss) from operations	47,458	(38,344)
Other income (expense)		
Other income, net	194	743
Foreign currency gain (loss)	(194)	3,863
Change in fair value of derivative assets	(1,950)	—
Interest expense	(9,500)	(6,942)
Total other (expense)	(11,450)	(2,336)
Income (loss) before income tax (benefit) expense	36,008	(40,680)
Income tax (benefit) expense	9,876	(14,743)
Net income (loss)	26,132	(25,937)
Preferred dividends and accretion	12,484	11,606
Net income (loss) to common shareholders	$ 13,648	$ (37,543)
Income (loss) per common share		
Basic	$ 0.09	$ (0.25)
Diluted	$ 0.09	$ (0.25)
Weighted average number of common shares outstanding		
Basic	150,607	148,288
Diluted	151,795	148,288

Array Technologies, Inc. and Subsidiaries
Consolidated Statements of Cash Flows *(unaudited)*
(in thousands)

	Three Months Ended March 31,	
	2023	**2022**
Operating activities:		
Net income (loss)	$ 26,132	$ (25,937)
Adjustments to net income (loss):		
Provision for bad debts	233	145
Deferred tax expense	4,555	4,349
Depreciation and amortization	14,533	23,608
Amortization of debt discount and issuance costs	2,826	1,710
Equity-based compensation	3,366	4,508
Contingent consideration	1,338	(3,731)
Warranty provision	436	594
Write-down of inventories	1,847	409
Change in fair value of derivative assets	1,950	—
Changes in operating assets and liabilities, net of business acquisition		
Accounts receivable	6,238	(44,268)
Inventories	(23,312)	(46,250)
Income tax receivables	369	(21,924)
Prepaid expenses and other	(6,947)	11,558
Accounts payable	30,155	59,419
Accrued expenses and other	3,900	7,027
Income tax payable	4,952	(8,760)
Lease liabilities	824	6,085
Deferred revenue	(27,579)	(18,639)
Net cash provided by (used in) operating activities	45,816	(50,097)
Investing activities:		
Purchase of property, plant and equipment	(3,883)	(2,357)
Acquisition of STI, net of cash acquired	—	(373,816)
Net cash used in investing activities	(3,883)	(376,173)
Financing activities:		
Proceeds from Series A issuance	—	33,098
Proceeds from common stock issuance	—	15,885
Series A equity issuance costs	(750)	(175)
Common stock issuance costs	—	(450)
Proceeds from revolving credit facility	—	52,000
Proceeds from issuance of other debt	6,469	6,229
Principal payments on term loan facility	(11,075)	(4,368)
Principal payments on other debt	(17,206)	—
Contingent consideration payments	(1,200)	(1,483)

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

	Three Months Ended March 31,	
	2023	2022
Net cash provided by (used in) financing activities	(23,762)	100,736
Effect of exchange rate changes on cash and cash equivalent balances	(4,316)	7,355
Net change in cash and cash equivalents	13,855	(318,179)
Cash and cash equivalents, beginning of period	133,901	367,670
Cash and cash equivalents, end of period	$ 147,756	$ 49,491
Supplemental Cash Flow Information		
Cash paid for interest	$ 7,980	$ 3,039
Cash paid for income taxes	$ 2,522	$ —
Non-cash Investing and Financing Activities		
Dividends accrued on Series A Preferred	$ 6,350	$ 6,189
Stock consideration paid for acquisition of STI	$ —	$ 200,224

Array Technologies, Inc.
Adjusted EBITDA and Adjusted Net Income Reconciliation *(unaudited)*
(in thousands, except per share amounts)

The following table reconciles net income (loss) to Adjusted EBITDA:

	Three Months Ended March 31,	
	2023	2022
Net income (loss)	$ 26,132	$ (25,937)
Preferred dividends and accretion	12,484	11,606
Net income (loss) to common shareholders	$ 13,648	$ (37,543)
Other expense, net	(194)	(743)
Foreign currency (gain) loss	194	(3,863)
Preferred dividends and accretion	12,484	11,606
Interest expense	9,500	6,942
Income tax (benefit) expense	9,876	(14,743)
Depreciation expense	745	588
Amortization of intangibles	13,788	23,138
Equity-based compensation	3,340	4,508
Change in fair value of derivative assets	1,950	—
Change in fair value of contingent consideration	1,338	(3,731)
Legal expense[a]	303	1,046
M&A[b]	—	11,183
Other costs [c]	—	2,346
Adjusted EBITDA	**$ 66,972**	**$ 734**

[a] Represents certain legal fees and other related costs associated with (i) action against a competitor in connection with violation of a non-competition agreement and misappropriation of trade secrets for which a judgement has been entered in our favor, (ii) actions filed against the company and certain officers and directors alleging violations of the Securities Exchange Acts of 1934 and 1933, and (iii) other litigation/settlements. We consider these costs not representative of legal costs that we will incur from time to time in the ordinary course of our business.

[b] Represents fees related to the acquisition of STI Norland.

[c] For the three months ended March 31, 2022, other costs represent costs associated with the transition of CEOs as well as other one-time payroll related costs that we do not anticipate to repeat in the future.

Array Technologies, Inc.
Adjusted EBITDA and Adjusted Net Income Reconciliation *(unaudited)*
(in thousands, except per share amounts)

The following table reconciles net income (loss) to Adjusted Net Income:

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net income (loss)	$ 26,132	$ (25,937)
Preferred dividends and accretion	12,484	11,606
Net income (loss) to common shareholders	$ 13,648	$ (37,543)
Amortization of intangibles	13,788	23,138
Amortization of debt discount and issuance costs	2,826	1,710
Preferred accretion	6,135	5,353
Equity based compensation	3,340	4,508
Change in fair value of derivative assets	1,950	—
Change in fair value of contingent consideration	1,338	(3,731)
Legal expense[(a)]	303	1,046
M&A [(b)]	—	11,183
Other costs[(c)]	—	2,346
Income tax expense of adjustments[(d)]	(6,044)	(7,551)
Adjusted Net Income	**$ 37,284**	**$ 459**
Income (loss) per common share		
Basic	$ 0.09	$ (0.25)
Diluted	$ 0.09	$ (0.25)
Weighted average number of common shares outstanding		
Basic	150,607	148,288
Diluted	151,795	148,288
Adjusted net income (loss) per common share		
Basic	$ 0.25	$ —
Diluted	$ 0.25	$ —
Weighted average number of common shares outstanding		
Basic	150,607	148,288
Diluted	151,795	148,288

[(a)] Represents certain legal fees and other related costs associated with (i) action against a competitor in connection with violation of a non-competition agreement and misappropriation of trade secrets for which a judgement has been entered in our favor, (ii) actions filed against the company and certain officers and directors alleging violations of the Securities Exchange Acts of 1934 and 1933, and (iii) other litigation/settlements. We consider these costs not representative of legal costs that we will incur from time to time in the ordinary course of our business.

[(b)] Represents fees related to the acquisition of STI Norland.

[(c)] For the three months ended March 31, 2022, other costs represent costs associated with the transition of CEOs as well as other one-time payroll related costs that we do not anticipate to repeat in the future.

[d] Represents the estimated tax impact of all Adjusted Net Income add-backs, excluding those which represent permanent differences between book versus tax.


ARRAY
May 9, 2023
Array Technologies 1Q
2023 Earnings Call

Disclaimer

Forward-Looking Statements and Other Information

This presentation contains forward-looking statements, as the term is used within federal securities laws. All statements other than those of historical fact which appear in this presentation, including (without limitation) statements regarding our future results, financial positions, operations, business strategies, plans, objectives, expectations, intentions, and predictions, are forward-looking statements. Additional indicators that a statement is forward-looking may include the use of descriptors or qualifiers, such as: "anticipate," "believe," "could," "seek," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "will," "would" or similar expressions and the negatives of those terms.

Important factors that could cause actual results to differ materially from our expectations include: (i) changes in the demand for solar energy projects; (ii) competition from conventional and renewable energy sources that may offer products and solutions that are less expensive or otherwise perceived to be more advantageous than solar energy solutions; (iii) a loss of one or more of our significant customers, their inability to perform under their contracts, or their default in payment; (iv) failure to retain key personnel or failure to attract additional qualified personnel; (v) defects or performance problems in our products that could result in loss of customers, reputational damage, a loss of revenue, and warranty, indemnity and product liability claims; (vi) a drop in the price of electricity derived from the utility grid or from alternative energy sources; (vii) our ability to successfully integrate the business of STI Norland into our business or achieve the anticipated benefits of the acquisition of STI Norland; (viii) challenges in our ability to consolidated the financial reporting of our acquired foreign subsidiaries; (ix) the effect of the capped call transactions on the value of our 1.00% Convertible Senior Notes due 2028 (the "Convertible Notes") and the market price of our common stock; (x) the potential of the fundamental change repurchase feature of the Convertible Notes to delay or prevent an otherwise beneficial attempt to acquire us; (xi) delays, disruptions or quality control problems in our product development operations; (xii) the risks of severe weather events, natural disasters and other catastrophic events; (xiii) our ability to manage the financial regulatory and competitive risks of our continued expansion into new markets; (xiv) developments in alternative technologies that may have an effect on demand for our offerings; (xv) the effects of a further increase in interest rates, or a reduction in the availability of tax equity or project debt capital in the global financial markets, which could make it difficult for customers to finance the cost of a solar energy system and could reduce the demand for our products; (xvi) changes to tax laws and regulations that are applied adversely to us or our customers; (xvii) existing electric utility industry policies and regulations, and any subsequent changes, that may present technical, regulatory and economic barriers to the purchase and use of solar energy systems; (xviii) the interruption of the flow of materials from international vendors, including as a result of the imposition of additional duties, tariffs and other charges or restrictions on imports and exports; (xix) changes in the global trade environment, including the imposition of import tariffs; (xx) economic, political and market conditions, including the Russian-Ukraine conflict, uncertain credit and global financial markets resulting from increasing inflation and interest rates along with recent bank failures, and the COVID-19 pandemic; (xxi) the reduction, elimination or expiration of government incentives for, or regulations mandating the use of, renewable energy and solar energy specifically; (xxii) our ability to, obtain, maintain, protect, defend or enforce, our intellectual property and other proprietary rights; (xxiii) significant changes in the costs of raw materials; (xxiv) the determination to restate prior period financial statements could negatively affect investor confidence and raise reputational issues; (xxv) the implementation of the IRA may not deliver as much growth as we are anticipating; (xxvi) our ability to remediate our material weaknesses on a timely basis or at all; (xxvii) the effect of our substantial indebtedness on our financial condition; and (xxviii) the occurrence of cybersecurity incidents, including unauthorized disclosure of personal or sensitive data or theft of confidential information.

These forward-looking statements are only predictions. They relate to future events, performance, and variables, and involve risks and uncertainties both known and unknown. It is possible that levels of activity, performance or achievements will materially differ from what is implied by the forward-looking statements contained within this presentation and associated materials and explication. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as guarantees of future events, or implications of certainty. The forward-looking statements in this presentation represent our expectations as of the date the presentation was created. We anticipate that subsequent events and developments will cause our expectations to change. We undertake no obligation to update any forward-looking statement to reflect events or developments after the date on which the statement is made or to reflect the occurrence of unanticipated events except to the extent required by applicable law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date after the date of this presentation.

Non-GAAP Financial Information

This presentation includes certain financial measures that are not presented in accordance with U.S. generally accepted accounting principles ("GAAP"), including Adjusted EBITDA, Adjusted Net Income and Adjusted Net Income per share. We define Adjusted EBITDA as net income (loss) to common shareholders plus (i) other (income) expense, (ii)foreign currency (gain) loss, (iii) preferred dividends and accretion, (iv) interest expense, (v) income tax (benefit) expense, (vi) depreciation expense, (vii) amortization of intangibles, (viii) equity-based compensation, (ix) change in fair value of derivative assets, (x) change in fair value of contingent consideration, (xi) certain legal expense, (xii) certain acquisition costs, and (xiii) other costs. We define Adjusted Net Income as net income (loss) to common shareholders plus (i) amortization of intangibles, (ii) amortization of debt discount and issuance costs (iii) preferred accretion, (iv) equity-based compensation, (v) change in fair value of derivative assets, (vi) change in fair value of contingent consideration, (vii) certain legal expense, (viii) certain acquisition related costs, (ix) other costs, and (x) income tax (expense) benefit of adjustments. A detailed reconciliation between GAAP results and results excluding special items ("non-GAAP") is included within this presentation. We calculate net income (loss) per share as net income (loss) to common shareholders divided by the basic and diluted weighted average number of shares outstanding for the applicable period and we define Adjusted Net Income per share as Adjusted Net Income (as detailed above) divided by the basic and diluted weighted average number of shares outstanding for the applicable period.

We present non-GAAP measures when we believe that the additional information is useful and meaningful to investors. Non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with GAAP. See the Appendix for the reconciliations of certain non-GAAP financial measures to the comparable GAAP measures.

Market and Industry Data

This presentation also contains information regarding our market and our industry that is derived from third-party research and publications. That information may rely upon a number of assumptions and limitations, and we have not independently verified its accuracy or completeness.

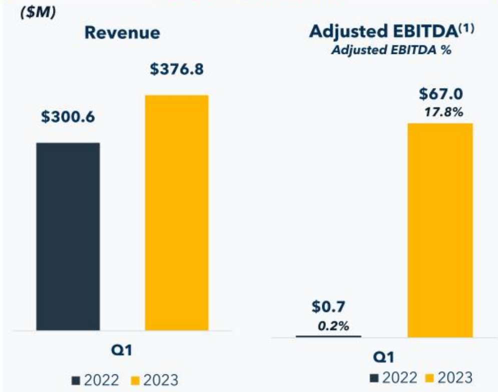

Business Update
Kevin Hostetler, CEO
ARRAY

Executive Summary

Highlights

- Total revenue growth of 25% to $376.8 million
- Gross Margin of 26.9%, an expansion of 1810 bps from Q1 2022
- Adjusted EBITDA (1) increased to $67.0 million, from $0.7 million in Q1 2022
- Free cash flow (2) increased to $41.9 million from ($52.5) million in Q1 2022

Selected Financials



(1) See Appendix for reconciliation of non-GAAP measures to the closest GAAP measure
(2) Free Cash Flow calculated as cash from (used in) operating activities less purchase of property, plant and equipment

ARRAY

Market & Industry Update

Current 2023 Environment

- Setting foundation for future IRA implementation
- Overall demand health and pipeline remains strong in the U.S.
- Uncertainty around IRA domestic content guidelines contributing to U.S. project and order delays
- Array continues disciplined product and pricing principles
- Earnings benefit of IRA still uncertain
- International business executing as expected

Anticipated 2024 Dynamics

- IRA provisions on domestic content and the resulting supply chain dynamics will be clarified
- Top-of-funnel projects accelerate through order process
- Project timing returns to normalized cadence
- Array well-positioned for market expansion with complete suite of product and software offerings
- IRA benefits deliver incremental profitability and cashflow

Business Update

Key Business Accomplishments

- Improved Contracting Framework provided more consistent, profitable results
- Six consecutive quarters of gross margin expansion
- Launch of OmniTrack and STI H250
- 400 bps improvement in past due shipments
- Working Capital Efficiency led to 38-day improvement in cash conversion cycle

Current Focus Areas

- Deliver on Organizational Efficiency resulting from digital transformation and process-improvement initiatives
- Solidify long-term capital deployment strategy and leverage goals
- Flawless launch of OmniTrack, STI H250, and SmartTrack enhancements
- Remediate material weaknesses and strengthen internal controls

Financial Update

Nipul Patel, CFO

ARRAY

1Q 2023 Financial Results

1Q Snapshot

($ in millions, except EPS Data)	Three Months Ended March 31, 2023 2023	2022	Y/Y
Revenue	**$376.8**	**$300.6**	***+$76.2***
Gross margin	**26.9%**	**8.8%**	***+ 1810 bps***
Net income (loss) to Common Shareholders	**$13.6**	**($37.5)**	***+$51.1***
Diluted EPS	**$0.09**	**($0.25)**	***$0.34***
Adjusted EBITDA(1)	**$67.0**	**$0.7**	***+$66.3***
Adjusted net income(1)	**$37.3**	**$0.5**	***+$36.8***
Adjusted, Diluted EPS(1)	**$0.25**	**$0.00**	***+$0.25***
Free Cash Flow(2)	**$41.9**	**($52.5)**	***+$94.4***

(1) See Appendix for reconciliation of non-GAAP measures to the closest GAAP measure
(2) Free Cash Flow calculated as cash from (used in) operating activities less purchase of property, plant and equipment

Q/Q Comparison

- Revenue up 25% from volume and ASP growth
- Gross margin increased to 26.9% from 8.8% driven by projects with improved pass-through pricing, favorable project mix, and freight favorability
- Adjusted EBITDA increased to $67.0 million, compared to $0.7 million for the prior-year period
- Free cash flow of $41.9 million, a $94.4 million improvement from prior year on better working capital efficiency and improved profitability

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Updated FY 2023 Guidance

Full Year Ending December 31, 2023	
Revenue	**$1.80 billion to $1.90 billion** *Prior: $1.80 billion to $1.95 billion*
Adjusted EBITDA(1)	**$240 million to $265 million** *Prior: $240 million to $265 million*
Adjusted net income per common share(1)	**$0.75 to $0.85** *Prior: $0.75 to $0.85*

Segment Specifics

	Legacy Array	STI Norland
Revenue	**$1.375 billion to $1.425 billion** *Prior: $1.375 billion to $1.475 billion*	**$425 million to $475 million** *Prior: $425 million to $475 million*
Gross Margin	**Low Twenties** *Prior: Low Twenties*	**Low Twenties** *Prior: Low Twenties*

(1) A reconciliation of projected adjusted EBITDA and adjusted net income per share, which are forward-looking measures that are not prepared in accordance with GAAP, to the most directly comparable GAAP financial measures, is not provided because we are unable to provide such reconciliation without unreasonable effort. The inability to provide a quantitative reconciliation is due to the uncertainty and inherent difficulty predicting the occurrence, the financial impact and the periods in which the components of the applicable GAAP measures and non-GAAP adjustments may be recognized. The GAAP measures may include the impact of such items as non-cash share-based compensation, revaluation of the fair-value of our contingent consideration, amortization of intangible assets and the tax effect of such items, in addition to other items we have historically excluded from adjusted EBITDA and adjusted net income per share. We expect to continue to exclude these items in future disclosures of these non-GAAP measures and may also exclude other similar items that may arise in the future (collectively, "non-GAAP adjustments"). The decisions and events that typically lead to the recognition of non-GAAP adjustments are inherently unpredictable as to if or when they may occur. As such, for our 2023 outlook, we have not included estimates for these items and are unable to address the probable significance of the unavailable information, which could be material to future results.

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Appendix
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Adjusted EBITDA Reconciliation

	Three Months Ended March 31,	
	2023	2022
Net income (loss)	$ 26,132	$ (25,937)
Preferred dividends and accretion	12,484	11,606
Net income (loss) to common shareholders	$ 13,648	$ (37,543)
Other expense, net	(194)	(743)
Foreign currency (gain) loss	194	(3,863)
Preferred dividends and accretion	12,484	11,606
Interest expense	9,500	6,942
Income tax (benefit) expense	9,876	(14,743)
Depreciation expense	745	588
Amortization of intangibles	13,788	23,138
Equity-based compensation	3,340	4,508
Change in fair value of derivative assets	1,950	—
Change in fair value of contingent consideration	1,338	(3,731)
Legal expense[(a)]	303	1,046
M&A[(b)]	—	11,183
Other costs [(c)]	—	2,346
Adjusted EBITDA	**$ 66,972**	**$ 734**

[(a)] Represents certain legal fees and other related costs associated with (i) action against a competitor in connection with violation of a non-competition agreement and misappropriation of trade secrets for which a judgement has been entered in our favor, (ii) actions filed against the company and certain officers and directors alleging violations of the Securities Exchange Acts of 1934 and 1933, and (iii) other litigation/settlements. We consider these costs not representative of legal costs that we will incur from time to time in the ordinary course of our business.

[(b)] Represents fees related to the acquisition of STI Norland.

[(c)] For the three months ended March 31, 2022, other costs represent costs associated with the transition of CEOs as well as other one-time payroll related costs that we do not anticipate to repeat in the future.

Adjusted Net Income Reconciliation

	Three Months Ended March 31,	
	2023	2022
Net income (loss)	$ 26,132	$ (25,937)
Preferred dividends and accretion	12,484	11,606
Net income (loss) to common shareholders	$ 13,648	$ (37,543)
Amortization of intangibles	13,788	23,138
Amortization of debt discount and issuance costs	2,826	1,710
Preferred accretion	6,135	5,353
Equity based compensation	3,340	4,508
Change in fair value of derivative assets	1,950	—
Change in fair value of contingent consideration	1,338	(3,731)
Legal expense[(a)]	303	1,046
M&A [(b)]	—	11,183
Other costs[(c)]	—	2,346
Income tax expense of adjustments[(d)]	(6,044)	(7,551)
Adjusted Net Income	**$ 37,284**	**$ 459**

[(a)] Represents certain legal fees and other related costs associated with (i) action against a competitor in connection with violation of a non-competition agreement and misappropriation of trade secrets for which a judgement has been entered in our favor, (ii) actions filed against the company and certain officers and directors alleging violations of the Securities Exchange Acts of 1934 and 1933, and (iii) other litigation/settlements. We consider these costs not representative of legal costs that we will incur from time to time in the ordinary course of our business.

[(b)] Represents fees related to the acquisition of STI Norland.

[(c)] For the three months ended March 31, 2022, other costs represent costs associated with the transition of CEOs as well as other one-time payroll related costs that we do not anticipate to repeat in the future.

Adjusted EPS Reconciliation

	Three Months Ended March 31, 2023	2022
Income (loss) per common share		
Basic	$ 0.09	$ (0.25)
Diluted	$ 0.09	$ (0.25)
Weighted average number of common shares outstanding		
Basic	150,607	148,288
Diluted	151,795	148,288
Adjusted net income (loss) per common share		
Basic	$ 0.25	$ —
Diluted	$ 0.25	$ —
Weighted average number of common shares outstanding		
Basic	150,607	148,288
Diluted	151,795	148,288