

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 Report (Date of earliest event reported): December 27, 2022

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

Delaware (State or other jurisdiction of incorporation or organization)	001-35504 (Commission File Number)	61-1488595 (I.R.S. Employer Identification No.)
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10344 Sam Houston Park Drive <i>(Address of Principal Executive Offices)</i>	Suite 300 Houston TX <i>(Address of principal executive offices and zip code)</i>	77064 <i>(Zip Code)</i>
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(Former name or former address, if changed since last report)

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	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	FET	NYSE

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 8.01. Other Events.*Mandatory Conversion of 9.000% Convertible Senior Secured Notes due 2025 into Common Stock*

On December 27, 2022, the average of the daily volume-weighted average prices of the common stock, par value \$0.01 per share (the “Common Stock”), of Forum Energy Technologies, Inc. (the “Company”) measured over a 20 consecutive trading day period exceeded \$30.00, triggering a mandatory conversion event for its 9.000% Convertible Senior Secured Notes due 2025 (the “Notes”), issued pursuant to the Indenture, dated as of August 4, 2020 (the “Indenture”), by and among the Company, the guarantors listed on the signature pages thereto and U.S. Bank Trust Company, National Association, as successor to U.S. Bank National Association, as trustee, collateral agent and conversion agent. As a result, \$122,761,286 aggregate principal amount of outstanding Notes are mandatorily converting into shares of Common Stock (plus cash in lieu of fractional shares) pursuant to the terms of the Indenture (the “Mandatory Conversion”). In connection with the Mandatory Conversion, the Company is issuing approximately 4.5 million shares of Common Stock. The date of the Mandatory Conversion is January 3, 2023 (the “Mandatory Conversion Date”), and the settlement of the Mandatory Conversion in accordance with the Indenture is scheduled for January 5, 2023, which is two business days following the Mandatory Conversion Date. Interest will be paid to holders of the Notes up to, but not including, the Mandatory Conversion Date.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Exhibit Title or Description
99.1	Press Release dated December 27, 2022.
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

SIGNATURES

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.

Date: January 3, 2023

FORUM ENERGY TECHNOLOGIES, INC.

/s/ John C. Ivascu

John C. Ivascu

Executive Vice President, General Counsel, Chief Compliance Officer and
Corporate Secretary



FOR IMMEDIATE RELEASE

Forum Energy Technologies Announces Mandatory Conversion of 9.00% Convertible Senior Secured Notes

- Approximately \$123 million, or 48%, of 9.00% Convertible Senior Secured Notes due August 2025 to convert into approximately 4.5 million shares of FET common stock
- Over \$11 million reduction in annualized interest payments

Houston, Texas, December 29, 2022 – Forum Energy Technologies, Inc. (NYSE: FET) today announced the satisfaction of the mandatory conversion requirements under its 9.00% Convertible Senior Secured Notes due August 2025 (the “2025 Notes”). In connection with the conversion, \$122.8 million or 47.8% of the 2025 Notes will convert into approximately 4.5 million shares of FET common stock on January 3, 2023, with a settlement date of January 5, 2023. The remaining approximately \$134.2 million in aggregate principal of the 2025 Notes are not subject to any optional or further mandatory conversion provisions. FET’s annualized interest payments will decline by over \$11 million following the conversion.

As adjusted for the conversion and the recently announced sale leaseback, FET’s net debt would have been approximately \$93 million as of September 30, 2022, or 2.0 times trailing twelve months Adjusted EBITDA. Availability under FET’s ABL credit facility would remain \$127 million as of that date. See Table 1 for Adjusted EBITDA to Net Income reconciliation.

Neal Lux, President and Chief Executive Officer, remarked, “First, I would like to welcome our newest shareholders to the FET family. In addition, I want to thank FET’s employees for their hard work and dedication to achieve this important milestone.

“From the third quarter 2020 to the third quarter 2022, and including our recently announced sale-leaseback transaction, we have reduced our net debt by approximately \$215 million. As we look ahead, we will continue to execute our strategy of delivering technology that makes energy production more efficient, safer and cleaner. The strong macro environment and our ability to capture market share position us to increase revenue and profit margins. Importantly, the reduction in cash interest associated with this debt conversion will bolster our free cash flow generation. The future is brighter than ever for FET.”

FET is a global company, serving the oil, natural gas, industrial and renewable energy industries. FET provides value added solutions that increase the safety and efficiency of energy exploration and production. We are an environmentally and socially responsible company headquartered in Houston, TX with manufacturing, distribution and service facilities strategically located throughout the world. For more information, please visit www.f-e-t.com.

Forward Looking Statements and Other Legal Disclosure

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the company expects, believes or anticipates will or may occur in the future are forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this press release specifically include the expectations of plans, strategies, objectives and anticipated financial and operating results of the company, including any statement about the company's future financial position, liquidity and capital resources, operations, performance, acquisitions, returns, capital expenditure budgets, new product development activities, costs and other guidance included in this press release.

These statements are based on certain assumptions made by the company based on management's experience and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the company, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. Among other things, these include the volatility of oil and natural gas prices, oilfield development activity levels, the availability of raw materials and specialized equipment, the company's ability to deliver backlog in a timely fashion, the availability of skilled and qualified labor, competition in the oil and natural gas industry, governmental regulation and taxation of the oil and natural gas industry, the company's ability to implement new technologies and services, the availability and terms of capital, and uncertainties regarding environmental regulations or litigation and other legal or regulatory developments affecting the company's business, impacts associated with COVID-19, and other important

factors that could cause actual results to differ materially from those projected as described in the company's filings with the U.S. Securities and Exchange Commission.

Any forward-looking statement speaks only as of the date on which such statement is made, and the company undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

Company Contact

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Table 1.

	Three Months Ended			
	September 30, 2022	June 30, 2022	March 31, 2022	December 30, 2021
Adjusted EBITDA reconciliation (1)				
Net income (loss)	16.5	9.3	(9.2)	(19.6)
Interest expense	8.1	7.8	7.6	7.9
Depreciation and amortization	9.1	9.5	9.6	10.2
Income tax expense	1.3	1.7	1.9	-3.1
Restructuring, transaction and other costs	1.0	1.4	3.7	1.8
Inventory and other working capital adjustments	(0.8)	(2.1)	-	3.3
Gain on foreign exchange, net ⁽²⁾	(18.2)	(12.8)	(5.8)	1.8
Stock-based compensation expense	0.8	0.7	1.1	1.9
Adjusted EBITDA	\$ 17.8	\$ 15.5	\$ 8.9	\$ 4.2

(1) The company believes that the presentation of EBITDA is useful to investors because EBITDA is an appropriate measure of evaluating the company's operating performance and liquidity that reflects the resources available for strategic opportunities including, among others, investing in the business, strengthening the balance sheet, repurchasing the company's securities and making strategic acquisitions. In addition, EBITDA is a widely used benchmark in the investment community.

(2) Foreign exchange, net primarily relates to cash and receivables denominated in U.S. dollars by some of our non-U.S. subsidiaries that report in a local currency, and therefore the loss has no economic impact in dollar terms.