



Complete Solaria Raises \$10 Million in Convertible Debenture to Pay Off Carlyle Debt

Lehi, Utah (June 17, 2024) – [Complete Solaria, Inc.](#) (“Complete Solaria” or the “Company”) (Nasdaq: CSLR), a leading solar technology, services, and installation company, today announced a private placement under Section 4(a)(2) of the Securities Act of 1933, as amended, of \$10 million Convertible Senior Notes to an entity affiliated with Thurman J. Rodgers, Chief Executive Officer of CSLR (the “TJR Notes”).

Cantor Fitzgerald & Co. served as Sole Financial Advisor to Complete Solaria and Cooley LLP acted as legal counsel to the Company in connection with the transaction, whose terms are summarized below:

Standard Rule 144A terms. The notes will be convertible at the option of the holder, into common stock of CSLR and will contain all general customary investor protections found within Rule 144A convertible securities.

12% coupon, 5-year term. The notes will be general senior unsecured obligations of the Company and will accrue an interest payable semi-annual in arrears at a rate of 12% per year. The notes will mature July 1, 2029 unless earlier converted, redeemed or repurchased.

\$2.00 conversion price, an approximate 33% conversion premium. The initial conversion rate is 500 shares of CSLR common stock per \$1,000 principal amount of Notes, equivalent to an initial conversion price of \$2.00 per share, which represents a conversion premium of approximately 33% to the agreed upon reference price of CSLR's common stock on the Nasdaq Global Market, currently about \$1.50 per share.

Soft calls: \$3.00 July 2027; \$2.60 July 2028. The Company may not redeem the notes prior to July 5th, 2026, thereafter until July 1, 2027 subject to the share price trading at \$3.00 per share for 20 out of 30 consecutive trading days. Then from July 1, 2028 until maturity, subject to the share price trading at \$2.60 per share for 20 out of 30 consecutive trading days.

Additional participation. Thurman J. Rodgers and the Company have agreed to a multilateral 90-day right, to offer up to \$10 million of additional notes to any interested parties on identical terms and conditions as the TJR Notes.

T.J. Rodgers, Complete Solaria's CEO, said, "We have an executed contract which specifies that after we pay our private equity debt provider, Carlyle, \$10 million in cash (and meet other non-financial conditions) our obligation is terminated. For the last six months, that unfulfilled obligation has prevented the Company from raising working capital for our business, even just to buy solar panels to install, because our vendors currently sell to us on a cash-only basis. That working capital shortage dropped our revenue from \$20.7 million in Q4'23 to \$10.0 million in Q1'24 to an estimated \$6 million this quarter – despite our current \$18.6 million backlog (510 jobs)."

Rodgers continued, "The financials for this relatively standard five-year convertible debenture are for a 12% coupon on the debt and an approximate conversion premium on the reference \$1.50 stock market price, leading to a \$2.00 strike price on the options underlying the bonds. In non-banker language, I paid \$10 million for 5 million Complete Solaria five-year options with a \$2.00 strike price. I am confident in this investment because it will be "in the money" if our share price goes over \$2.00 at any time in the next five years. And, it's a win-win deal for the Company, which will replace its \$35.8 million of 20% debt riddled with restrictive covenants with \$10 million of 12% debt with no covenants."

Brian Wuebbels, Complete Solaria's COO and Acting CFO, said, "We have been paying \$4.4 million per year to service our debt – and this deal, combined with the upcoming elimination of our \$31.8 million private debt with Kline-Hill – will cut that \$4.4 million payment to \$1.2 million. That's \$3.2 million per year more to the bottom line."

About Complete Solaria

Complete Solaria is a solar company with unique technology and end-to-end customer offering, which includes financing, project fulfillment and customer service. Complete Solaria's digital platform together with premium solar products enable one-stop service for clean energy needs for customers wishing to make the transition to a more energy-efficient lifestyle. For more information visit www.completesolaria.com and follow us on [LinkedIn](#).

Forward Looking Statements

This press release may contain certain forward-looking statements within the meaning of the federal securities laws with respect to the referenced transactions. These forward-looking statements generally are identified by the words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would," and similar expressions, but the absence of these words does not mean that a statement is not a forward-looking statement. Forward-looking statements are forecasts, predictions, projections and other statements about future events that are based on current expectations, hopes, beliefs, intentions, strategies and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this press release the price of Complete Solaria's securities may be volatile due to a variety of factors, including changes in the applicable competitive or

regulatory landscapes, variations in operating performance across competitors, changes in laws and regulations affecting Complete Solaria's business, and changes in the combined capital structure; the ability to implement business plans, forecasts, and the evolution of the markets in which Complete Solaria will compete.

Readers should carefully consider the foregoing factors and the other risks and uncertainties described in the "Risk Factors" section of Form 10-K filed with the Securities and Exchange Commission (the "SEC") on April 1, 2024. Such filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Complete Solaria assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.

For investor inquiries, please contact:

Complete Solaria, Inc.

Marc P. Griffin

Phone: +1 (646) 277-1290

CompleteSolariaIR@icrinc.com

Source: Complete Solaria, Inc.