

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): July 6, 2020

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.)

10344 Sam Houston Park Drive Suite 300 Houston TX 77064  
(Address of Principal Executive Offices) (Zip Code)  
(Address of principal executive offices and zip code)

281 949-2500  
Registrant's telephone number, including area code

(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(s)	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. o

**Item 8.01. Other Events.**

On July 6, 2020, Forum Energy Technologies, Inc. (the “**Company**”) issued a press release announcing the commencement of an offer to exchange (the “**Exchange Offer**”) its outstanding 6.250% Senior Notes due 2021 (the “**Old Notes**”) for newly issued 9.00% Convertible Senior Secured Notes due 2025, as well as a solicitation of consents to proposed amendments with respect to the Old Notes. A copy of the release is furnished herewith as Exhibit 99.1 and incorporated herein by reference.

Also on July 6, 2020, the Company issued a press release providing an update on market conditions. A copy of the release is furnished herewith as Exhibit 99.2 and incorporated herein by reference.

The preliminary prospectus related to the Exchange Offer contains updated risk factor disclosure relating to the Company’s business. Accordingly, the Company is filing information for the purpose of supplementing and updating the risk factor disclosure contained in the Company’s prior public filings, including those discussed under the heading, “Risk Factors,” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2019 and its subsequent filings with the Securities and Exchange Commission. The updated disclosure is attached hereto as Exhibit 99.3 to this Current Report on Form 8-K and is incorporated herein by reference in its entirety.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Exhibit Title or Description</b>
<a href="#">99.1</a>	<a href="#">Press Release, dated July 6, 2020.</a>
<a href="#">99.2</a>	<a href="#">Press Release, dated July 6, 2020.</a>
<a href="#">99.3</a>	<a href="#">Updated Risk Factor.</a>
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: July 6, 2020

**FORUM ENERGY TECHNOLOGIES, INC.**

*/s/ John C. Ivascu*

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John C. Ivascu

Senior Vice President, General Counsel, Chief Compliance Officer and Secretary



## **Forum Energy Technologies, Inc. Announces Commencement of Exchange Offer and Consent Solicitation for 6.25% Senior Notes due 2021**

**HOUSTON--(BUSINESS WIRE)--July 6, 2020**-Forum Energy Technologies, Inc. ("Forum" or the "Company") (NYSE: FET) today announced it has commenced an offer to exchange its existing notes for new 9.00% convertible secured notes due 2025. The new notes will pay interest at the rate of 9.00% (as compared to the rate of 6.25% on the existing notes). Of such interest, 6.25% will be payable in cash and 2.75% will be payable in cash or additional notes, at the Company's option. The new notes will mature five years from issuance (as compared to the maturity of October 1, 2021 on the existing notes). The new notes will be secured by a first lien on substantially all of the Company's assets, except for revolving credit facility collateral, which will secure the new notes on a second lien basis (while the existing notes will remain unsecured). The new notes will also be convertible into common stock as described in more detail below.

Investors who participate in the exchange offer will receive \$1,000 principal amount of new notes for each \$1,000 principal amount of existing notes tendered; provided, that the tenders are submitted by 5:00 p.m. ET on July 17, 2020, unless extended. In addition, Holders who submit tenders by 5:00 p.m. ET on July 17, 2020 will receive a pro rata portion of a total payment of \$3,500,000 in cash. Holders who tender after July 17, 2020 will not be eligible to receive any cash fee and will only receive \$950 of new notes per \$1,000 of existing notes. Holders who participate in the exchange offer will also be giving their consents to eliminate certain restrictive covenants and events of default in the existing notes. The exchange offer will expire on July 31, 2020, unless extended. Accrued and unpaid interest on the existing notes that are exchanged will be paid in cash.

The exchange offer is conditioned on minimum participation of at least 95% of the outstanding existing notes. Unless this minimum condition is satisfied or waived, the Company will not be obligated to consummate the exchange. Holders of approximately \$217 million principal amount, or 66.14%, of the Company's \$328 million of existing 6.25% Senior Notes due 2021 have agreed to support the exchange offer by the Company.

Any existing notes that remain outstanding after closing of the exchange offer will be effectively subordinated to the new notes with respect to substantially all the assets of the Company. In addition, the covenants for the existing notes will be eliminated upon the receipt of the requisite majority consents.

A portion of the new notes equal to \$150 million total principal amount (or 46% of the new notes minimum aggregate principal amount, subject to certain adjustments) will be mandatorily convertible into common stock on a pro rata basis at a conversion price of \$1.35 per share, subject, however, to the condition that the average of the daily trading prices for the common stock over the preceding 20-trading day period is at least \$1.50 per share. The conversion price of \$1.35 per share represents a premium of 178.4% to the closing price of the Company's common stock on July 2, 2020. Investors in the new notes will also have optional conversion rights in the event that the Company elects to redeem the new notes in cash and at the final maturity of the new notes. The conversion of the new notes into more than 20% of the Company's common stock will require shareholder approval. A failure to obtain such approval by June 30, 2021 will constitute an event of default under the new notes.

The description above includes only a summary of certain key terms of the exchange offer. The complete terms and conditions of the exchange offer are contained in a registration statement on Form S-4 for the new notes, including a prospectus, which is subject to change, filed today by the Company with the Securities and Exchange Commission, which registration statement is not yet effective. Investors are urged to carefully read the prospectus before making any decision with respect to the exchange offer.

BofA Securities, Wells Fargo Securities, LLC, Citigroup Global Markets Inc. and J.P. Morgan Securities LLC are acting as the dealer managers for the exchange offer. The exchange offer is being made, and the new notes are being offered and issued, only to holders of existing notes. Copies of the prospectus pursuant to which the exchange offer is being made may be obtained from D.F. King & Co., Inc., the information agent and exchange agent for the exchange offer, at (866) 864-7961 (toll-free) or (212) 269-5550 (for banks and brokers), email [forum@dfking.com](mailto:forum@dfking.com) or access the website [www.dfking.com/forum](http://www.dfking.com/forum). Questions regarding the terms and conditions of the exchange offer should be directed to BofA Securities at (980) 388-3646 or [debt\\_advisory@bofa.com](mailto:debt_advisory@bofa.com).

The Company will also pay a retail broker's fee of \$2.50 in cash per \$1,000 principal amount of tendered notes, subject to a cap of \$1,000 in cash per investor and subject to completion of the required documentation.

None of the Company, the dealer managers, the trustee with respect to the existing notes and the new notes, the information and exchange agent or any affiliate of any of them makes any recommendation as to whether holders of the existing notes should exchange their existing notes for new notes in the exchange offer, and no one has been authorized by any of them to make such a recommendation. Holders must make their own decision as to whether to tender existing notes and, if so, the principal amount of existing notes to tender.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This press release is for informational purposes only and is not an offer to purchase or a solicitation of an offer to purchase or sell any securities, nor shall there be any sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

### **About Forum**

Forum Energy Technologies, Inc. is a global oilfield products company, serving the drilling, downhole, subsea, completions and production sectors of the oil and natural gas industry. The Company's products include highly engineered capital equipment as well as products that are consumed in the drilling, well construction, production and transportation of oil and natural gas. Forum is headquartered in Houston, TX with manufacturing and distribution facilities strategically located around the globe. For more information, please visit [www.f-e-t.com](http://www.f-e-t.com).

### **For further information contact:**

Investor Contact  
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## **Forum Energy Technologies, Inc. Provides Market Update**

**HOUSTON--(BUSINESS WIRE)--July 6, 2020**—Forum Energy Technologies, Inc. (“Forum” or the “Company”) (NYSE: FET) ) today provided the following update on the status of its business:

During the first half of 2020, the COVID-19 pandemic and associated actions taken around the world to mitigate the spread of Coronavirus caused a significant decline in economic activity and oil demand. At the same time, the OPEC+ oil producing nations increased production in a war for market share, which further exacerbated the imbalance between supply and demand. The combination of these shocks in both supply and demand caused a significant decline in oil prices during the first quarter 2020 and created an extremely challenging market for all sub-sectors of the oil and natural gas industry throughout the second quarter 2020.

Due to the poor market conditions, exploration and production companies in North America are under pressure to reduce existing production and minimize capital and maintenance expenditures. As a result, Forum has experienced a material reduction in demand for many of its products and thus, its revenue. The Company expects this to have a significant negative impact on demand for its products and results of operations over the next several quarters.

In response to the decline in demand for its products and reductions in revenue, Forum has implemented several cost reduction actions, including lowering headcount, reducing salaries for executive officers and the broader workforce, suspension of the Company’s matching contribution to the U.S. and Canada defined contribution plans, furloughs for select employee groups and closing certain facilities.

In light of these market conditions, the Company has engaged with certain of its stakeholders and recently announced an exchange transaction to improve its maturity profile and enhance its financial flexibility. If these efforts, including the proposed transaction, are not successful, the Company will need to consider other restructuring alternatives, including bankruptcy, which could result in significant costs and the Company’s debt and equityholders receiving diminished recovery on their investments.

### **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 regarding the timing of closing of the transaction.

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, 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, the effects of the COVID-19 pandemic and uncertainties regarding environmental regulations or litigation and other legal or regulatory developments affecting the Company's business, 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.

### **About Forum**

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### **For further information contact:**

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**RISK FACTOR**

***A long and protracted restructuring could cause us to lose key management employees and otherwise adversely affect our business.***

If we fail to consummate the Exchange Offer and Consent Solicitation, any alternative we pursue, whether in or out of court, may take substantially longer to consummate than the Exchange Offer and Consent Solicitation. A protracted financial restructuring could disrupt our business and would divert the attention of our management from the operation of our business and implementation of our business plan. It is possible that such a prolonged financial restructuring or bankruptcy proceeding would cause us to lose many of our key management employees. Such losses of key management employees would likely make it difficult for us to complete a financial restructuring and may make it less likely that we will be able to continue as a viable business.

The uncertainty surrounding a prolonged financial restructuring could also have other adverse effects on us. For example, it could also adversely affect:

- our ability to raise additional capital;
- our ability to capitalize on business opportunities and react to competitive pressures;
- our ability to attract and retain employees;
- our liquidity;
- how our business is viewed by investors, lenders, strategic partners or customers; and
- our enterprise value.

Even if we are successful with the Exchange Offer, avoidance of an in-court restructuring under the U.S. Bankruptcy Code in the future is not guaranteed and we expect to continue to restructure our remaining obligations and will likely attempt to undertake other financing and refinancing alternatives, the success of which cannot be predicted at this time.