
**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): **April 2, 2025**

Lucid Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

001-39408

(Commission File
Number)

85-0891392

(I.R.S. Employer Identification No.)

7373 Gateway Boulevard

Newark, CA

(Address of Principal Executive Offices)

94560

(Zip Code)

Registrant's telephone number, including area code: **(510) 648-3553**

(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 (see General Instruction A.2. below):

- 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:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class A Common Stock, \$0.0001 par value per share	LCID	The Nasdaq Stock Market LLC

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.

Private Offering of Convertible Senior Notes

On April 2, 2025, Lucid issued a press release announcing the commencement of a private offering, subject to market and other conditions, of \$1,000,000,000 aggregate principal amount of its Convertible Senior Notes due 2030 (the “**notes**”). Lucid also expects to grant the initial purchasers of the notes an option to purchase, for settlement within a 13-day period beginning on, and including, the date Lucid first issues the notes, up to an additional \$100,000,000 aggregate principal amount of the notes. The notes will be offered only to persons reasonably believed to be qualified institutional buyers (as defined in the Securities Act) pursuant to Rule 144A under the Securities Act. The full text of the press release is attached as Exhibit 99.1 hereto and incorporated by reference herein.

Capped Call Transactions

In connection with the offering, Lucid expects to enter into privately negotiated capped call transactions with one or more of the initial purchasers of the notes or their respective affiliates and/or other financial institutions (the “**option counterparties**”). The capped call transactions will cover, subject to anti-dilution adjustments substantially similar to those applicable to the notes, the number of shares of Lucid’s Class A common stock, par value \$0.0001 per share (“**Lucid’s common stock**”), that will initially underlie the notes. The capped call transactions are expected generally to reduce potential dilution to Lucid’s common stock upon conversion of the notes and/or offset any cash payments that Lucid could be required to make in excess of the principal amount of any converted notes upon conversion thereof, as the case may be, with such reduction and/or offset subject to a cap. If the initial purchasers exercise their option to purchase additional notes, Lucid expects to enter into additional capped call transactions with the option counterparties.

In connection with establishing their initial hedges of the capped call transactions, Lucid expects the option counterparties or their respective affiliates to enter into various derivative transactions with respect to Lucid’s common stock, and/or purchase Lucid’s common stock concurrently with or shortly after the pricing of the notes. This activity could increase (or reduce the size of any decrease in) the market price of Lucid’s common stock or the notes at that time.

In addition, the option counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to Lucid’s common stock and/or purchasing or selling Lucid’s common stock or other securities of Lucid in secondary market transactions following the pricing of the notes and prior to the maturity of the notes (and may do so in connection with any repurchase of the notes and/or during any observation period related to a conversion of notes). This activity could also cause or avoid an increase or a decrease in the market price of Lucid’s common stock or the notes, which could affect noteholders’ ability to convert the notes and, to the extent the activity occurs during any observation period related to a conversion of the notes, it could affect the number of shares and value of the consideration that noteholders will receive upon conversion of the notes.

Repurchases of Outstanding 2026 Notes

Concurrently with the offering, Lucid expects to enter into one or more separate and individually negotiated transactions with one or more holders of its existing 1.25% Convertible Senior Notes due 2026 (the “**2026 notes**”) to repurchase for cash a portion of the 2026 notes on terms to be negotiated with each such holder (each, a “**note repurchase**”). The terms of each note repurchase are anticipated to be individually negotiated with each holder of the 2026 notes and will depend on several factors, including the market price of Lucid’s common stock and the trading price of the 2026 notes at the time of each such note repurchase. No assurance can be given as to how much, if any, of these 2026 notes will be repurchased or the terms on which they will be repurchased.

Lucid expects that holders of the 2026 notes that sell their 2026 notes to Lucid in any note repurchase transaction may enter into or unwind various derivatives with respect to Lucid’s common stock and/or purchase or sell shares of Lucid’s common stock in the market to hedge their exposure in connection with these transactions. In particular, Lucid expects that many holders of the 2026 notes employ a convertible arbitrage strategy with respect to the 2026 notes and have a short position with respect to Lucid’s common stock that they would close, through purchases of Lucid’s common stock and/or the entry into or unwind of economically equivalent derivatives transactions with respect to Lucid’s common stock, in connection with Lucid’s repurchase of their 2026 notes for cash. This activity could increase (or reduce the size of any decrease in) the market price of Lucid’s common stock or the notes at that time and could result in a higher effective conversion price for the notes.

Ayar Prepaid Forward Transaction

In connection with the pricing of the notes, Lucid expects Ayar Third Investment Company (“***Ayar***”), a wholly-owned subsidiary of the Public Investment Fund, the sovereign wealth fund of the Kingdom of Saudi Arabia, to enter into a privately negotiated prepaid forward transaction (the “***prepaid forward transaction***”) with a forward counterparty that is an affiliate of one of the initial purchasers of the notes (the “***forward counterparty***”), pursuant to which Ayar will purchase a number of shares of Lucid’s common stock with delivery expected to occur on or about the maturity date for the notes, subject to the ability of the forward counterparty to elect to settle all or a portion of the prepaid forward transaction early. Subject to the conditions set forth in the agreement governing the prepaid forward transaction, the prepaid forward transaction will be settled physically, subject to Ayar’s option to elect cash settlement of the prepaid forward transaction.

The prepaid forward transaction is generally intended to facilitate privately negotiated derivative transactions, including swaps, between the forward counterparty or its affiliates and investors in the notes relating to Lucid’s common stock by which investors in the notes will hedge their investments in the notes. As a result, the prepaid forward transaction is expected to allow the investors to establish hedge positions that generally correspond to (but may be greater than) commercially reasonable initial hedges of their investment in the notes. In the event of such greater initial hedges, investors may offset such greater portion by purchasing shares of Lucid’s common stock on or shortly after the day of pricing of the notes. In connection with establishing their initial hedge of the prepaid forward transaction, the forward counterparty or its affiliates may enter into one or more derivative transactions with respect to Lucid’s common stock with the investors of the notes concurrently with or after the pricing of the notes. None of Lucid, Ayar or the forward counterparty will control how investors of the notes may use such derivative transactions. Any such trades by the forward counterparty or its affiliates would be on a principal basis and without any agreement, arrangement or understanding between, or with, Ayar or Lucid on how those parties would hedge their own positions.

Ayar’s entry into the prepaid forward transaction with the forward counterparty and the entry by the forward counterparty into derivative transactions in respect of Lucid’s common stock with the investors of the notes, particularly if investors purchase shares of Lucid’s common stock on or shortly after the pricing date as described above, could have the effect of increasing (or reducing the size of any decrease in) the market price of Lucid’s common stock concurrently with, or shortly after, the pricing of the notes and effectively raising the initial conversion price of the notes.

In addition, such investors may enter into other transactions relating to Lucid’s common stock or the notes in connection with or in addition to such derivative transactions, including the purchase or sale of shares of Lucid’s common stock. As a result, the existence of the prepaid forward transaction, such derivative transactions and any related market activity could cause more purchases or sales of shares of Lucid’s common stock over the term of the prepaid forward transaction than there otherwise would have been had Ayar not entered into the prepaid forward transaction. Such purchases or sales could potentially increase (or reduce the size of any decrease in) or decrease (or reduce the size of any increase in) the market price of Lucid’s common stock and/or the price of the notes.

The forward counterparty or its affiliates may also modify their hedge positions by entering into or unwinding one or more derivative transactions with respect to Lucid’s common stock and/or purchasing or selling shares of Lucid’s common stock or other securities of Lucid in secondary market transactions at any time following the pricing of the notes and prior to the maturity of the notes. These activities could also cause or avoid an increase or a decrease in the market price of Lucid’s common stock or the notes, which could affect the ability of noteholders to convert the notes and, to the extent the activity occurs following conversion or during any observation period related to a conversion of notes, it could affect the amount and value of the consideration that noteholders will receive upon conversion of the notes.

Lucid will not be a party to the prepaid forward transaction. In connection with Ayar agreeing to enter into and fund the prepaid forward transaction, Lucid intends to pay a periodic cash fee to Ayar, which shall initially accrue at a rate of 0.5% per annum on the amount of prepaid forward transaction and be recalculated to reflect any early settlement of the prepaid forward transaction.

A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 8.01. Neither this Current Report on Form 8-K nor the press release constitutes an offer to sell, or the solicitation of an offer to buy the notes or the shares of Lucid's common stock, if any, issuable upon conversion of the notes.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Press Release dated April 2, 2025
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 Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: April 2, 2025

Lucid Group, Inc.

By: /s/ Taoufiq Boussaid

Name: Taoufiq Boussaid

Title: Chief Financial Officer

Lucid Group, Inc. Announces Proposed Convertible Senior Notes Offering

NEWARK, CALIFORNIA (PRNewswire) April 2, 2025 — Lucid Group, Inc. (Nasdaq: LCID) today announced its intention to offer, subject to market and other conditions, \$1,000,000,000 aggregate principal amount of convertible senior notes due 2030 in a private offering to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. Lucid also expects to grant the initial purchasers of the notes an option, for settlement within a period of 13 days from, and including, the date the notes are first issued, to purchase up to an additional \$100,000,000 principal amount of notes.

The Notes

The notes will be senior, unsecured obligations of Lucid, will accrue interest payable semi-annually in arrears, and will mature on April 1, 2030, unless earlier repurchased, redeemed, or converted. Noteholders will only have the right to convert their notes in certain circumstances and during specified periods. Lucid will settle conversions of notes by paying or delivering, as applicable, cash, shares of its Class A common stock, or a combination of cash and shares of its common stock, at Lucid's election. The notes will be redeemable, in whole or in part (subject to certain limitations), for cash at Lucid's option at any time, and from time to time, on or after April 6, 2028 and on or before the 31st scheduled trading day immediately before the maturity date, but only if the last reported sale price per share of Lucid's common stock exceeds 130% of the conversion price for a specified period of time and certain liquidity conditions are satisfied. The redemption price will be equal to the principal amount of the notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. The interest rate, initial conversion rate and other terms of the notes will be determined at the pricing of the offering.

Lucid intends to use the net proceeds of the offering, after deducting the initial purchasers' discounts and commissions and its estimated offering expenses, to (i) repurchase a portion of its outstanding 1.25% Convertible Senior Notes due 2026 and (ii) pay the cost of the capped call transactions described below. To the extent there are any remaining net proceeds from this offering, Lucid intends to use such remainder for general corporate purposes.

Capped Call Transactions

In connection with the offering, Lucid expects to enter into privately negotiated capped call transactions with one or more of the initial purchasers of the notes or their respective affiliates and/or other financial institutions. The capped call transactions will cover, subject to anti-dilution adjustments substantially similar to those applicable to the notes, the number of shares of Lucid's common stock that will initially underlie the notes. The capped call transactions are expected generally to reduce potential dilution to Lucid's common stock upon conversion of the notes and/or offset any cash payments that Lucid could be required to make in excess of the principal amount of any converted notes upon conversion thereof, as the case may be, with such reduction and/or offset subject to a cap. If the initial purchasers exercise their option to purchase additional notes, Lucid expects to enter into additional capped call transactions with the capped call counterparties.

Repurchases of Outstanding 2026 Notes

Concurrently with the offering, Lucid expects to enter into one or more separate and individually negotiated transactions with one or more holders of the 2026 notes to repurchase for cash a portion of the 2026 notes on terms to be negotiated with each holder.

Ayar Prepaid Forward Transaction

In connection with the pricing of the notes, Lucid expects Ayar Third Investment Company ("Ayar"), a wholly-owned subsidiary of the Public Investment Fund of Saudi Arabia to enter into a privately negotiated prepaid forward transaction with a forward counterparty that is an affiliate of one of the initial purchasers, pursuant to which Ayar will purchase a number of shares of Lucid's common stock with delivery expected to occur on or about the maturity date for the notes, subject to the ability of the forward counterparty to elect to settle all or a portion of the prepaid forward transaction early. Subject to the conditions set forth in the agreement governing the prepaid forward transaction, the prepaid forward transaction will be settled physically, subject to Ayar's option to elect cash settlement of the prepaid forward transaction. Lucid will not be a party to the prepaid forward transaction.

The prepaid forward transaction is generally intended to facilitate privately negotiated derivative transactions, including swaps, between the forward counterparty or its affiliates and investors in the notes relating to Lucid's common stock by which investors in the notes will hedge their investments in the notes. Ayar's entry into the prepaid forward transaction with the forward counterparty and the entry by the forward counterparty into derivative transactions in respect of Lucid's common stock with the investors of the notes could have the effect of increasing (or reducing the size of any decrease in) the market price of Lucid's common stock concurrently with, or shortly after, the pricing of the notes and effectively raising the initial conversion price of the notes.

The offer and sale of the notes and any shares of Lucid's common stock issuable upon conversion of the notes have not been, and will not be, registered under the Securities Act or any other securities laws, and the notes and any such shares cannot be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, the notes or any shares of Lucid's common stock issuable upon conversion of the notes, nor will there be any sale of the notes or any such shares, in any state or other jurisdiction in which such offer, sale or solicitation would be unlawful.

Additional information about the transactions described in this press release can be found in the Current Report on Form 8-K that Lucid intends to file with the Securities and Exchange Commission on the same date of this press release.

About Lucid Group

Lucid (NASDAQ: LCID) is a Silicon Valley-based technology company focused on creating the most advanced EVs in the world. The award-winning Lucid Air and new Lucid Gravity deliver best-in-class performance, sophisticated design, expansive interior space and unrivaled energy efficiency. Lucid assembles both vehicles in its state-of-the-art, vertically integrated factory in Arizona. Through its industry-leading technology and innovations, Lucid is advancing the state-of-the-art of EV technology for the benefit of all.

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Forward-Looking Statements

This communication includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "shall," "expect," "anticipate," "believe," "seek," "target," "continue," "could," "may," "might," "possible," "potential," "predict" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding the anticipated terms of the notes being offered, the completion, timing and size of the proposed offering and capped call transactions, the anticipated effects of entering into the capped call transactions, the intended use of the net proceeds from the offering, including the 2026 notes repurchases, and the anticipated terms of the prepaid forward transaction. Actual events and circumstances may differ from these forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties. Among those risks and uncertainties are market conditions, including market interest rates, the trading price and volatility of Lucid's common stock and risks relating to Lucid's business, including those factors discussed under the heading "Risk Factors" in Part I, Item 1A of Lucid's Annual Report on Form 10-K for the year ended December 31, 2024, as well as in other documents Lucid has filed or will file with the Securities and Exchange Commission. If any of these risks materialize or Lucid's assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that Lucid currently does not know or that Lucid currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. Lucid may not consummate the proposed offering described in this press release and, if the proposed offering is consummated, cannot provide any assurances regarding the final terms of the offering or the notes or its ability to effectively apply the net proceeds as described above. In addition, forward-looking statements reflect Lucid's expectations, plans or forecasts of future events and views as of the date of this communication. Lucid anticipates that subsequent events and developments will cause Lucid's assessments to change. However, while Lucid may elect to update these forward-looking statements at some point in the future, Lucid specifically disclaims any obligation to do so. Accordingly, undue reliance should not be placed upon the forward-looking statements.