

## Tyler Technologies, Inc. Prices Offering of \$525 Million Convertible Senior Notes due 2026

PLANO, Texas - Tyler Technologies, Inc. (NYSE: TYL) today announced the pricing of its offering of \$525,000,000 aggregate principal amount of 0.25% convertible senior notes due 2026 (the "Notes") in a private offering to "qualified institutional buyers" pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). Tyler will not issue any convertible senior notes due 2028. The issuance and sale of the Notes are scheduled to settle on March 9, 2021, subject to customary closing conditions. Tyler also granted the initial purchasers of the Notes a 13-day option to purchase up to an additional \$75,000,000 aggregate principal amount of Notes.

The Notes will be senior, unsecured obligations of Tyler and will accrue interest at a rate of 0.25% per annum, payable semi-annually in arrears on March 15 and September 15 of each year, beginning on September 15, 2021. The Notes will mature on March 15, 2026, unless earlier repurchased, redeemed or converted. Before September 15, 2025, holders of the Notes will have the right to convert their Notes only upon the occurrence of certain events. From and including September 15, 2025, holders of the Notes may convert their Notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date. Tyler will settle conversions of the Notes either entirely in cash or in a combination of cash and shares of its common stock, at Tyler's election. However, upon conversion of any Notes, the conversion value, which will be determined proportionately over a period of multiple trading days, will be paid in cash up to the principal amount of the Notes being converted. The initial conversion rate of the Notes is 2.0266 shares of common stock per \$1,000 principal amount of Notes (which represents an initial conversion price of approximately \$493.44 per share of common stock). The initial conversion price represents a premium of approximately 30.0% over the last reported sale price of Tyler's common stock on the New York Stock Exchange of \$379.56 per share on March 4, 2021. The conversion rate and conversion price of the Notes will be subject to adjustment upon the occurrence of certain events.

The Notes will be redeemable, in whole or in part, for cash at Tyler's option at any time, and from time to time, on or after March 15, 2024 and on or before the 30th scheduled trading day immediately before the maturity date, but only if the last reported sale price per share of Tyler's common stock exceeds 130% of the conversion price for a specified period of time. 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. Holders of the Notes will have the right to require Tyler to repurchase their Notes upon the occurrence of a fundamental change (as defined in the indenture governing the Notes) at a cash repurchase price equal to the principal amount of the Notes to be repurchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change repurchase date.

Tyler estimates that the net proceeds from the offering will be approximately \$516.6 million (or approximately \$590.8 million if the initial purchasers fully exercise their option to purchase additional Notes), after deducting the initial purchasers' discounts and commissions and estimated offering expenses. Tyler intends to use the net proceeds from the offering to fund a portion of the purchase price of its previously announced acquisition of NIC Inc. (the "NIC Acquisition"), to pay fees and expenses related to the NIC Acquisition, and, in the event that the NIC Acquisition does not close, for general corporate purposes (which may include future acquisitions).

The offer and sale of the Notes and any shares of 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 common stock issuable upon conversion of the Notes, nor will there be any offer, solicitation or sale of the Notes or any such shares, in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful.

### **About Tyler Technologies**

Tyler Technologies, Inc. (NYSE: TYL) provides integrated software and technology services to the public sector. Tyler's end-to-end solutions empower local, state and federal government entities to operate more efficiently and connect more transparently with their constituents and with each other. By connecting data and processes across disparate systems, Tyler's solutions are transforming how clients gain actionable insights that solve problems in their communities. Tyler has more than 27,000 successful installations across more than 11,000 sites, with clients in all 50 states, Canada, the Caribbean, Australia and other international locations. Tyler has been named to Government Technology's GovTech 100 list five times and has been recognized three times on Forbes' "Most Innovative Growth Companies" list.

## Forward-Looking Statements

This press release includes forward-looking statements, including statements regarding the completion of the offering and the expected amount and intended use of the net proceeds. Forward-looking statements represent Tyler's current expectations regarding future events and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those indicated in, or implied by, the forward-looking statements. Among those risks and uncertainties are market conditions, the satisfaction of the closing conditions related to the offering and risks relating to Tyler's business, including those described in periodic reports that Tyler files from time to time with the Securities and Exchange Commission. Tyler may not consummate the offering described in this press release and, if the offering is consummated, cannot provide any assurances regarding its ability to effectively apply the net proceeds as described above. The forward-looking statements included in this press release speak only as of the date of this press release, and Tyler does not undertake to update the statements included in this press release for subsequent developments, except as may be required by law.

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