August 26, 2026

Cerence Announces Repurchase of $10 Million of 1.50% Convertible Senior Notes Due 2028

BURLINGTON, Mass., Aug. 26, 2026 (GLOBE NEWSWIRE) -- Cerence Inc. (NASDAQ: CRNC) ("Cerence AI" or "the Company"), a global leader pioneering conversational AI-powered user experiences, today announced that, in light of its current cash position and outlook for future cash generation, the Company entered into privately negotiated transactions with certain holders of its 1.50% Convertible Senior Notes Due 2028 (the "Notes"), pursuant to which the Company agreed to repurchase $10 million aggregate principal amount of the Notes from such holders at a cash repurchase price equal to 92.75% of their principal amount, together with the accrued and unpaid interest thereon to (but not including) the settlement date.

The repurchase of the Notes at a price below par represents a strategic decision by the Company to utilize its cash reserves efficiently. The transaction will reduce interest expense, eliminate potential dilution from refinancing the Notes being repurchased, and lower leverage – intended to deliver a net positive outcome for shareholders. Assuming completion of the repurchase of the Notes, the Company will continue to evaluate cash on hand and the market for the remaining $170 million of Notes through maturity in 2028.

This press release does not constitute an offer to sell or a solicitation of an offer to buy the Notes, nor shall there be any offer or sale of our securities in any state or jurisdiction in which the offer, solicitation, or sale would be unlawful prior to the registration or qualification thereof under the securities laws of any such state or jurisdiction.

To learn more about Cerence AI, visit www.cerence.ai, and follow the company on LinkedIn.

About Cerence Inc.
Cerence Inc. (NASDAQ: CRNC) is a global industry leader in creating intuitive, seamless, AI-powered experiences across automotive and transportation. Leveraging decades of innovation and expertise in voice, generative AI, and large language models, Cerence powers integrated experiences that create safer, more connected, and more enjoyable journeys for drivers and passengers alike. With more than 525 million cars shipped with Cerence technology, the company partners with leading automakers, transportation OEMs, and technology companies to advance the next generation of user experiences. Cerence is headquartered in Burlington, Massachusetts, with operations globally and a worldwide team dedicated to pushing the boundaries of AI innovation. For more information, visit www.cerence.ai.

Forward Looking Statements
Statements in this press release regarding: the completion of the repurchase of the Notes, and the associated reduction in interest expense, potential dilution reduction and lower leverage; Cerence's intent for the Note repurchases to drive value to shareholders; Cerence's ability to repay the remaining Notes at maturity; and management's future

expectations, anticipations, intentions, estimates, assumptions, beliefs, goals, objectives, targets, plans, priorities, outlook or prospects constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that are not statements of historical fact (including statements containing the words “believes,” “plans,” “goal,” “objective,” “anticipates,” “projects,” “forecasts,” “expects,” “intends,” “continues,” “will,” “may,” or “estimates” or similar expressions) should also be considered to be forward-looking statements. Although we believe forward-looking statements are based upon reasonable assumptions as of the date of this press release, such statements involve known and unknown risk, uncertainties and other factors, which may cause actual results or performance of the company to be materially different from any future results or performance expressed or implied by such forward-looking statements including but not limited to: the highly competitive and rapidly changing market in which we operate; the possibility that the repurchase of Notes does not occur as planned; adverse conditions in the automotive industry or the global economy more generally; volatility in the political, legal and regulatory environment in which we operate, including trade, tariffs and other policies implemented by the United States, actions taken by other countries in response or other changes in law and regulation applicable to us; the ongoing conflicts in Ukraine and the Middle East; risks of international operations, including in China; automotive production curtailment or delays; changes in customer forecasts and the timing and receipt of royalty reports; our inability to control and successfully manage our expenses and cash position; our inability to deliver improved financial results from process optimization efforts and cost reduction actions; pricing pressures from our customers; the impact on our business of the transition to a lower level of fixed license contracts, including the failure to achieve such a transition; our failure to win, renew or implement service contracts; the cancellation or postponement of existing contracts; the loss of business from any of our largest customers; effects of customer defaults; a decrease in the level of professional services projects; fluctuations in our financial and operating results, including as a result of licensing transactions and litigation settlements or judgments; our inability to successfully introduce and drive customer adoption of new products, applications and services; our strategies to increase cloud offerings and deploy generative AI and large language models (LLMs) and shift to more recurring revenue streams; the inability to expand into adjacent or non-auto markets; the inability to recruit and retain qualified personnel; cybersecurity and data privacy incidents and compliance with global privacy and data security requirements; failure to protect our intellectual property; adverse developments related to our intellectual property enforcement litigation, the outcome of such litigation, or remedies that could be awarded in connection with such litigation; risks and challenges posed by the development and use of artificial intelligence; the evolving regulatory landscape governing artificial intelligence; defects or interruptions in service with respect to our products; supply chain interruptions; fluctuating currency rates and interest rates; inflation; financial and credit market volatility; restrictions on our current and future operations under the terms of our debt; the use of cash to service or repay our debt; the use of cash to repurchase shares under our stock repurchase program; the ability to repurchase shares of our common stock under our repurchase program at favorable prices or at all; and our inability to generate sufficient cash from our operations; and the other factors discussed in our most recent Annual Report on Form 10-K, quarterly reports on Form 10-Q, and other filings with the Securities and Exchange Commission. We disclaim any obligation to update any forward-looking statements as a result of developments occurring after the date of this document.

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Source: Cerence Operating Company