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# Evolv Technology

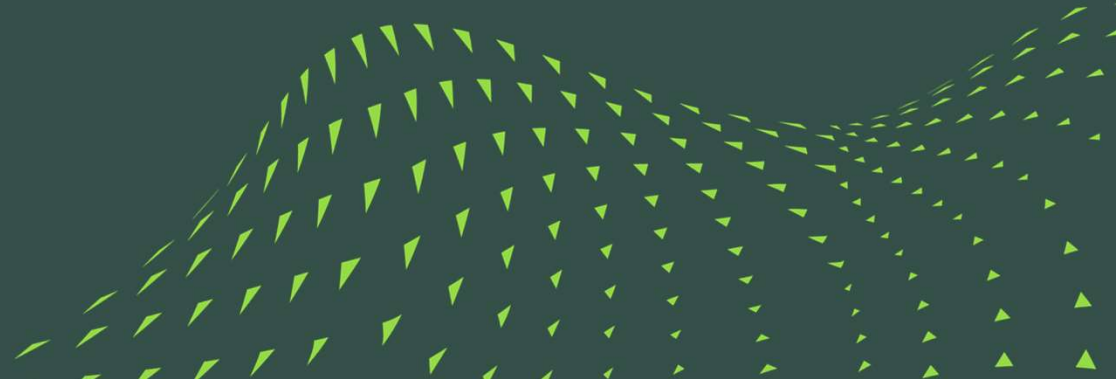
Investor Presentation – August 2023

Peter George, President and CEO

Mark Donohue, CFO

Brian Norris, SVP Finance and IR

**EVLV**  
Nasdaq Listed



# Safe Harbor

These slides and accompanying oral presentation contain forward looking statements. All statements, other than statements of historical fact, included in these slides and accompanying oral presentation regarding Evolv Technology's strategy, future operations, future financial position, future revenue, future total contract value of orders booked (TCV), projected expenses, prospects and plans and objectives of management are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "estimate," "expect," "intend," "may," "might," "plan," "project," "will," "would," "should," "could," "can," "predict," "potential," "continue," "objective," or the negative of these terms, and similar expressions intended to identify forward-looking statements. However, not all forward-looking statements contain these identifying words. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievement to be materially different from those expressed or implied by the forward-looking statements. Forward-looking statements in these slides and accompanying oral presentation include, but are not limited to, statements about our future market opportunity and financial performance. These forward-looking statements reflect our current views about future events and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Factors that could materially affect actual results, levels of activity, performance or achievements include those listed under the caption "Risk Factors" in our periodic filings with the SEC. If any of these risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what we projected. Any forward-looking statement you see or hear during this presentation reflects our current views with respect to future events and is subject to these and other risks, uncertainties, and assumptions relating to our operations, results of operations, growth strategy, and liquidity. We assume no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise.

# Evolv Technology at a Glance

- **Leader in AI-based weapons detection** for security screening
- **Confluence of several major trends** including escalating gun violence, C19 reopening, SaaS and Big Data
- **AI-powered software** delivered via a Security-as-a-Service subscription model
- Large market opportunity with **\$20B TAM**
- **Compelling value proposition** for customers
- **Proven strategy** for growth



# Security has Changed Forever

Any Given Sunday



Evolv Technology







# Our Mission

A safer world for people to live,  
work, learn, and play.

# Guns Continue to be the Weapon Used in Mass Causality Events

Every Day in America...

**321**

People are Shot

**111** Die

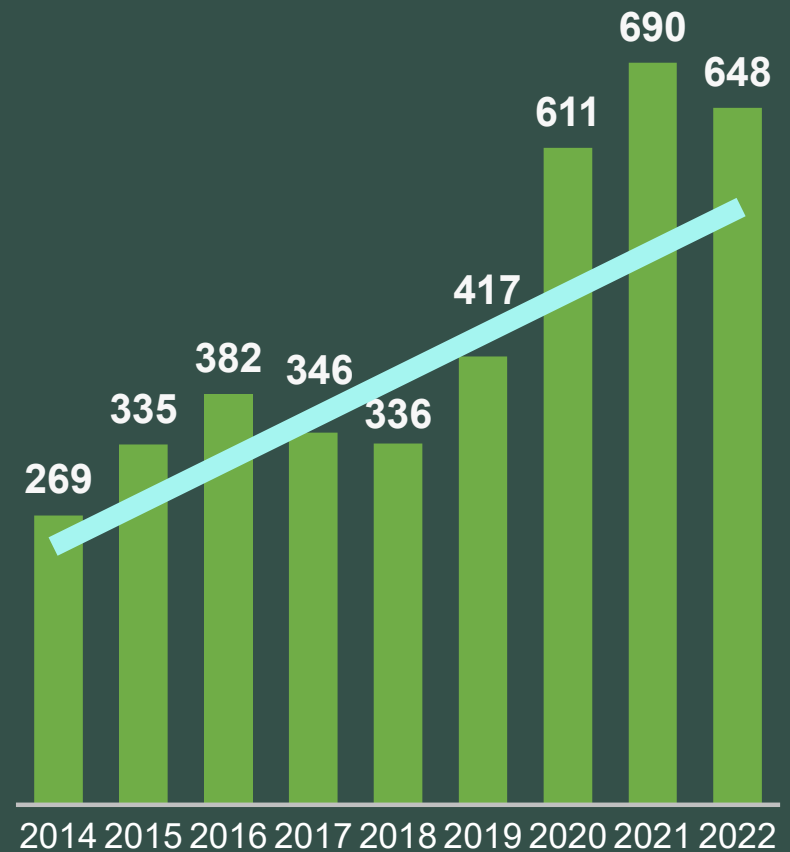
**22**

Children ( $\leq$  age 17) are Shot

**5** Die

Source: Brady United

## Mass Shootings



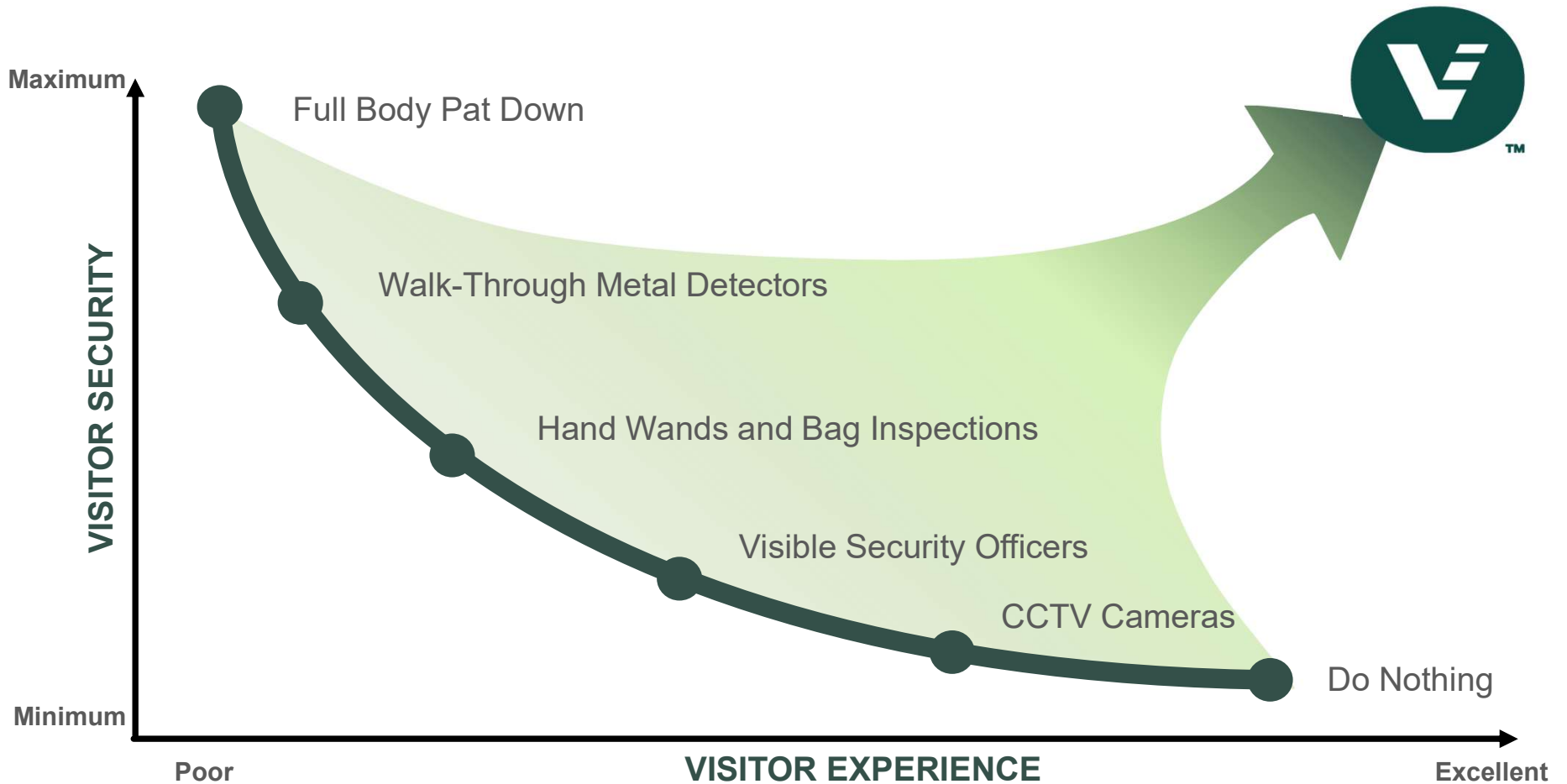
Source: Gun Violence Archive

# Key Challenges Facing Our Customers

- Ever-increasing threat environment
- Poor visitor experience
- Costly security labor shortage
- Challenging worker retention
- Lack of visibility into security and visitor data



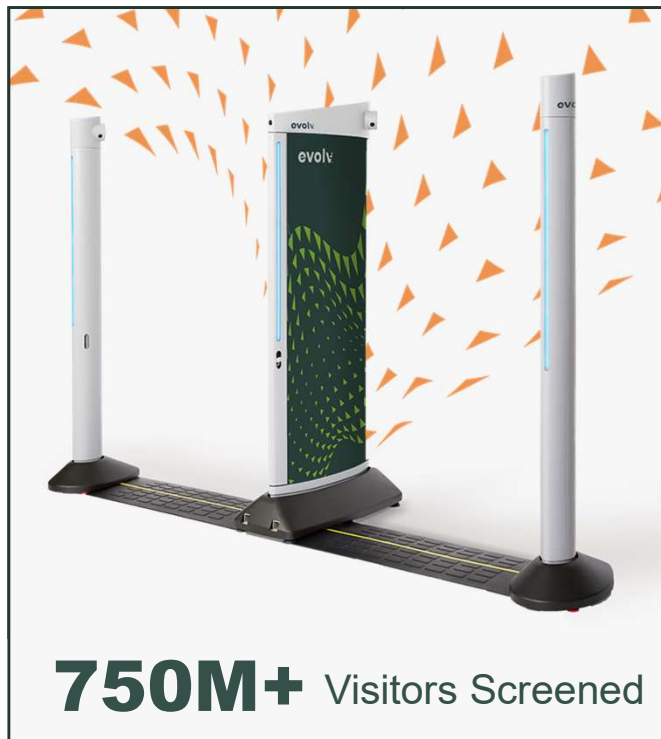
# Evolv Has Solved the Protection Paradox



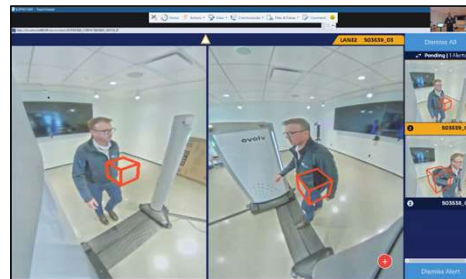


# Evolv Technology

*The Leader in AI-Based Weapons Detection for Touchless Security Screening*



- **10X faster** than metal detectors
- **Differentiates** between weapons and personal items
- Updates and data analytics delivered **via cloud**
- **Integrates** into existing venue infrastructure
- **Over 100** core and licensed patents



# Large and Underpenetrated Market Opportunity

Focused on key end markets where we have established domain expertise and have referenceable customers.



## Education

U.S. school districts in urban or suburban areas with >10k student enrollment



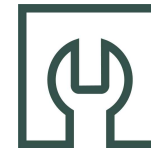
## Healthcare

U.S. hospital systems with 5+ hospitals in network



## Sports & Entertainment

Professional sports, performing arts, and theme parks



## Industrial Workplaces

Distribution centers & warehouses with >100 full time employees



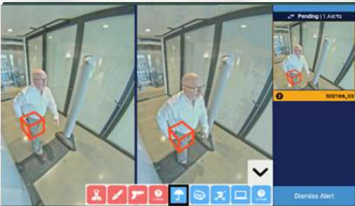
## Metro Verticals

Tourist locations, convention centers, houses of worship, casinos

**\$20B MARKET OPPORTUNITY**

**Our near-term focus is \$6B-\$8B**

# Why Customers Choose Evolv Express



**Unmatched  
Security**



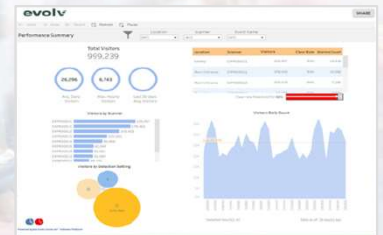
**Superior  
Visitor  
Experience**



**Significant  
Cost  
Benefit**



**Employee  
Retention**



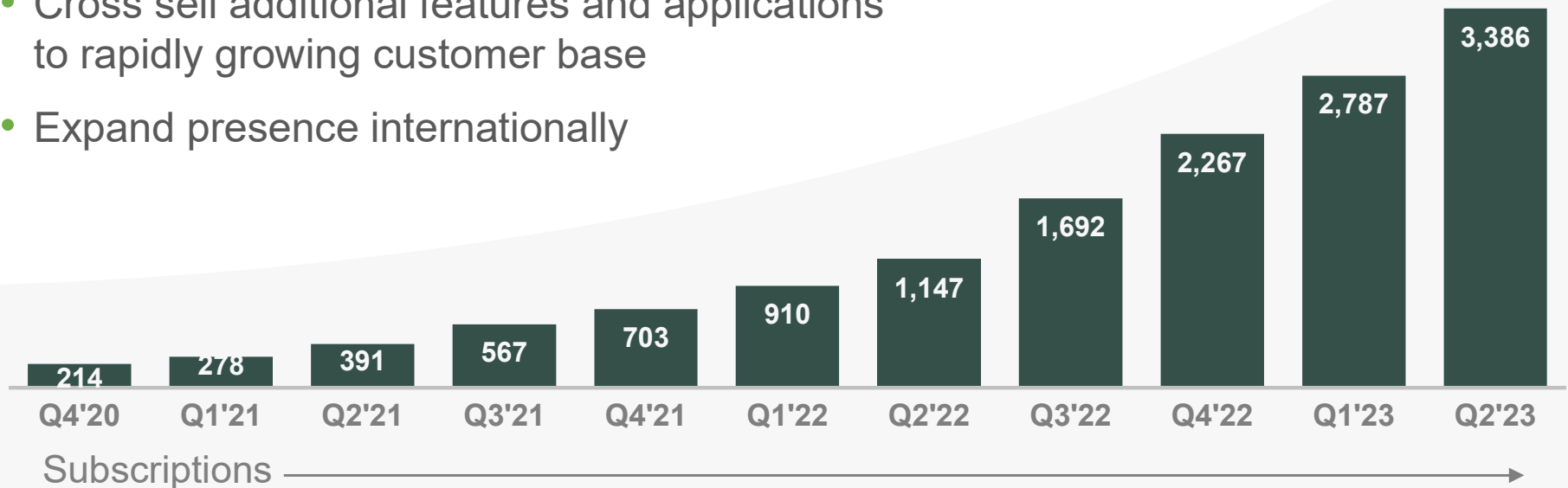
**Operational  
Insight**





## Well-Defined Strategy for Growth

- Extend penetration of AI-based weapons detection market thru high velocity SaaS sales machine
- Drive sales leverage thru channel enablement
- Cross sell additional features and applications to rapidly growing customer base
- Expand presence internationally



# Highly Visible and Predictable Model

- **Innovative Software-as-a-Service** model
- **Four-year, non-cancellable** SaaS contracts
- **Monthly subscription** optimizes visibility
- **Strong contributions** from channel partners
- **Compressing sales cycles**
- **Contracts** enable add-ons and expansions

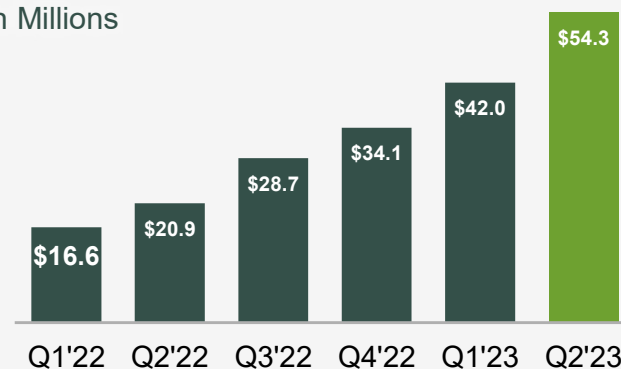


# Strong Q2'23 Financial Results

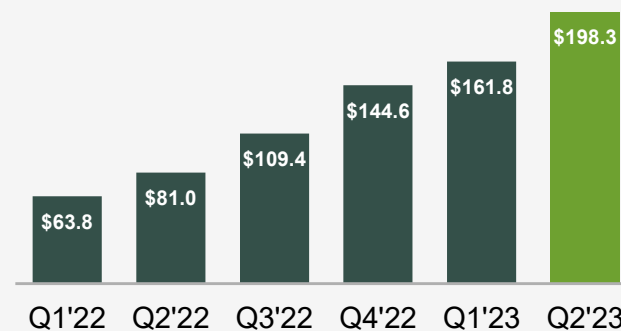
## Key Highlights

- Revenue growth of 119% in Q2'23
- ARR growth of 160% YoY in Q2'23
- RPO growth of 145% YoY in Q2'23
- Subscription growth of 195% YoY to 3,386
- Adjusted gross margin expanded to 38% vs. 9% in Q1'22
- Adjusted EBITDA improved 16% YoY

**ARR**  
\$ in Millions



**Remaining Performance Obligation**  
\$ in Millions



# Target Operating Model

## Estimating Five-Year Revenue CAGR of 30%-40%

(Non-GAAP – % of Revenue)	2022	Levers	Long-Term Target
<b>Gross Margin</b>	3%	Pricing, BOM, Subscription, Channel	<b>60-70%</b>
<b>R&amp;D</b>	27%	Disruptive Innovation	<b>15-20%</b>
<b>S&amp;M</b>	65%	Scale and Coverage	<b>25-30%</b>
<b>G&amp;A</b>	54%	Scale and Automation	<b>10-12%</b>
<b>Adjusted EBITDA</b>	(125%)	Investing in High Growth	<b>10-15%</b>

## *Tracking Toward the Rule of 40+*

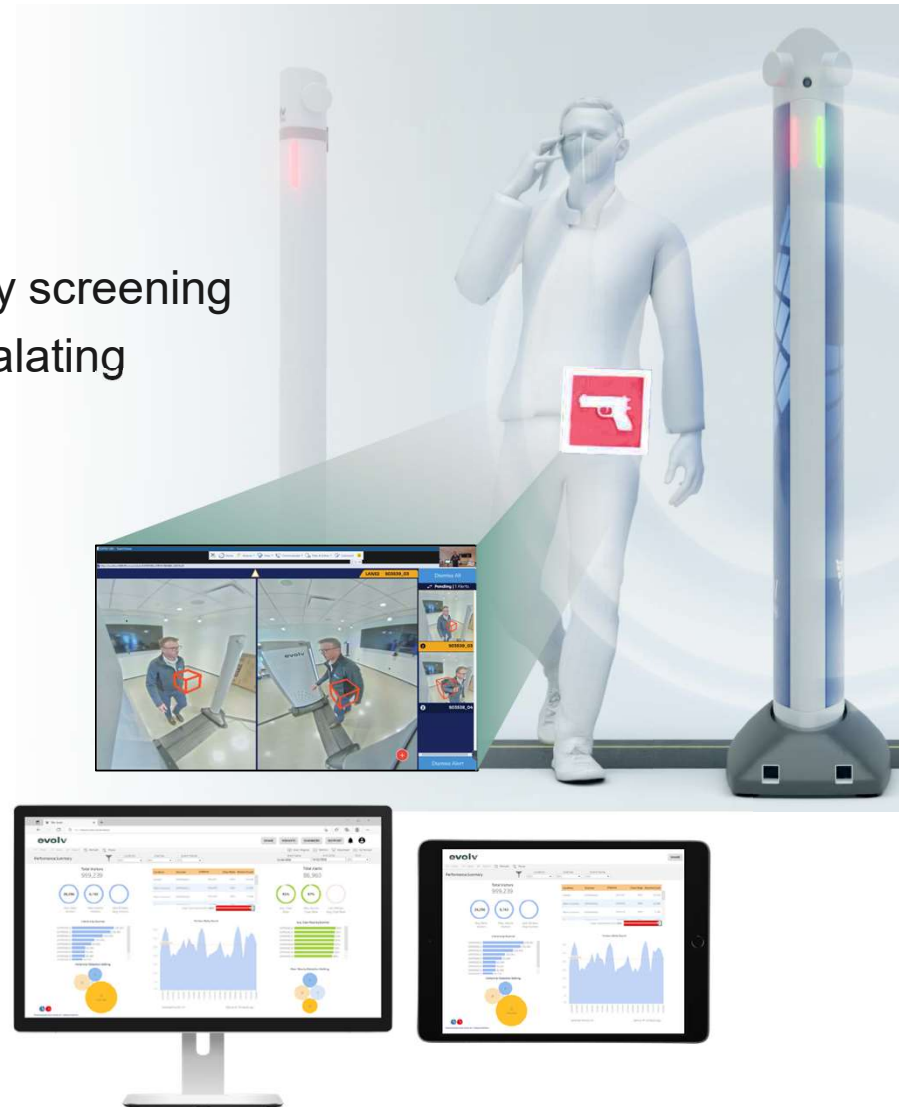
*(Revenue Growth + EBITDA Margin)*



# Summary Investment Thesis

- **Leader in AI-based weapons detection** for security screening
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# Thank you

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