November 10, 2026

Evolv Technology Reports Third Quarter Financial Results

- ***Q3'26 Revenue of $47.3 million, up 10% year-over-year***
- ***Q3'26 Ending ARR[1] of $140.5 million, up 20% year-over-year***
- ***Q3'26 Net Loss of $(15.6) million, with Net Profit Margin of (32.9)%***
- ***Q3'26 Adjusted EBITDA[2] of $4.7 million, with Adjusted EBITDA Margin[2] of 10.0%***
- ***Q3'26 Ending Cash, Cash Equivalents, Marketable Securities, and Restricted Cash of $66.9 million, up $3.5 million sequentially***
- ***Q3'26 Remaining Performance Obligation of $325.8 million, up $13.2 million sequentially***

WALTHAM, Mass.--(BUSINESS WIRE)-- Evolv Technologies Holdings, Inc. (NASDAQ: EVLV), a leading security technology company pioneering AI-powered screening solutions designed to help create safer experiences, today announced financial results for the quarter ended September 30, 2026.

“Our third-quarter results reflect the significant progress we have made building a stronger, more scalable and increasingly predictable business,” said John Kedzierski, President and Chief Executive Officer of Evolv Technology. “We delivered double-digit revenue growth, with ARR growing faster than revenue, against a challenging prior-year comparison, as last year's results included the largest contract in our history. We expanded our recurring revenue base and strengthened our renewal and expansion motion highlighted by strong net revenue retention in the quarter. That progress, combined with the investments we are making in sales capacity and product innovation, gives us increasing confidence in the path ahead for 2027 and in the long-term model we outlined at Investor Day, with revenue growth expected to ramp toward an approximately 25% CAGR through 2031.”

Results for the Third Quarter of 2026

Total revenue for the third quarter of 2026 was $47.3 million, an increase of 10% compared to $42.9 million for the third quarter of 2025. Annual Recurring Revenue (“ARR”)[1] was $140.5 million at the end of the third quarter of 2026, an increase of 20% compared to $117.2 million at the end of the third quarter of 2025. Net loss for the third quarter of 2026 was $(15.6) million, or $(0.09) per basic and diluted share, compared to net loss of $(1.8) million, or $(0.01) per basic and diluted share, in the third quarter of 2025. Adjusted loss[2] for the third quarter of 2026 was $(2.9) million, or $(0.02) per diluted share, compared to adjusted loss[2] of $(3.4) million, or $(0.02) per diluted share, for the third quarter of 2025. Adjusted EBITDA[2] for the third quarter of 2026 was $4.7 million compared to $5.1 million in the third quarter of 2025. As of September 30, 2026, the Company had cash, cash equivalents, and marketable securities of $66.9 million.

Results for the First Nine Months of 2026

Total revenue for the nine months ended September 30, 2026 was $137.4 million, an increase of 28% compared to $107.4 million for the nine months ended September 30, 2025. Net loss for the nine months ended September 30, 2026 was $(29.9) million, or $(0.17) per basic and diluted share, compared to $(44.0) million, or $(0.26) per basic and diluted share, in the nine months ended September 30, 2025. Adjusted loss[2] for the nine months ended September 30, 2026 was $(9.3) million, or $(0.05) per diluted share, compared to adjusted loss[2] of $(11.5) million, or $(0.07) per diluted share, for the nine months ended September 30, 2025. Adjusted EBITDA[2] for the nine months ended September 30, 2026 was $13.1 million compared to $9.3 million in the nine months ended September 30, 2025.

Outlook for 2026

The Company today commented on its business outlook for 2026. The Company's outlook is based on the current indications for its business, which may change at any time. The Company expects 2026 revenue of $182 million to $185 million, representing approximately 25% to 27% year-over-year growth, with the range dependent on the mix of new unit deployments between purchase subscription and pure subscription models. The Company expects ending ARR at December 31, 2026 to increase to approximately $148 to $150 million, reflecting growth of approximately 23% to 25% year-over-year. The Company expects Adjusted EBITDA[2] in 2026 to be between $15.5 and $16.5 million with Adjusted EBITDA[2] margins in the high single digits.

Estimate	Issued August 11, 2026	**Issued November 10, 2026**
Total Revenue *(Millions)*	$180-$185	$182-$185
Ending ARR[1] at 12/31/26 *(Millions)*	$148-$150	$148-$150
Adjusted EBITDA[2] *(Millions)*	$15-$16	$15.5-$16.5
Adjusted EBITDA Margin[2]	High Single Digits	High Single Digits

Company to Host Live Conference Call and Webcast

The Company’s management team plans to host a live conference call and webcast at 4:30 p.m. Eastern Time today to discuss the financial results as well as management’s outlook for the business. The conference call will be webcast live at http://ir.evolvtechnology.com.

About Evolv Technology

Evolv (NASDAQ: EVLV) is designed to transform human security by helping organizations detect potential threats, mitigate risk, and enhance safety using AI-powered security solutions with robust insights. Our technology has helped to create efficient and positive security screening experiences for the world’s most iconic venues and companies as well as schools, hospitals, and public spaces. Evolv’s mission is to create a safer world to live, work, learn, and play. Evolv’s advanced systems have scanned more than 5 billion people since 2019. Evolv Express® and Evolv eXpedite™ have been awarded the U.S. Department of Homeland Security (DHS) SAFETY Act Designation as a Qualified Anti-Terrorism Technology (QATT). Evolv and its products have been awarded numerous awards which can be viewed on our Certifications and Awards web page. Evolv®, Evolv Express®, Evolv Insights®, and Evolv eXpedite™ are registered trademarks or trademarks of Evolv Technologies, Inc. in the United States and other jurisdictions. For more information, visit evolv.com.

[1] **We define Annual Recurring Revenue**, or ARR, as the sum of subscription revenue and the recurring service revenue related to purchase subscriptions for the final month of the

quarter all multiplied by twelve. The amount of revenue that we recognize over any 12-month period is likely to differ from ARR at the beginning of that period, sometimes significantly due to differences in our recurring and non-recurring revenue streams. To the extent that we are negotiating a renewal or upgrade with a customer after the expiration of the subscription and we are continuing to provide service to that customer, we may continue to include that associated revenue in ARR. If a customer notifies us that it is not renewing its subscription, we will continue to include associated revenue in ARR through the natural expiration of the subscription term. ARR should be viewed independently of, and not as a substitute for or forecast of, revenue or deferred revenue. Our calculation of ARR may differ from similarly titled metrics presented by other companies.

[2] **Non-GAAP Financial Measures** In this press release, the Company's adjusted operating expenses, adjusted gross profit (loss), adjusted gross margin, adjusted operating income (loss), adjusted EBITDA, adjusted EBITDA margin, adjusted earnings (loss), adjusted earnings (loss) per diluted share, and free cash flow are not presented in accordance with generally accepted accounting principles (GAAP) and are not intended to be used in lieu of GAAP presentations of results of operations. Adjusted operating expenses is defined as operating expenses less stock-based compensation expense, non-recurring employee restructuring and other separation costs, and other non-recurring legal and regulatory costs, which management believes provides a more meaningful representation of on-going operating expense levels. Other non-recurring legal and regulatory costs include non-recurring legal, accounting and professional fees related to the internal investigation, subsequent restatement, certain non-recurring regulatory, litigation and legal matters, as well as fees related to the Securities and Exchange Commission investigation, net of estimated insurance recoveries. Adjusted gross profit and adjusted gross margin exclude stock-based compensation expense, amortization of capitalized stock-based compensation, and non-recurring employee restructuring and other separation costs, which management believes provides a more meaningful representation of contribution margin. Adjusted operating income (loss) is defined as loss from operations, excluding stock-based compensation expense, amortization of capitalized stock-based compensation, non-recurring employee restructuring and other separation costs, and other non-recurring legal and regulatory costs, which management believes provides a more meaningful representation of operating results. Adjusted EBITDA and Adjusted EBITDA margin is defined as net income (loss) plus depreciation and amortization, stock-based compensation, interest expense (income), (benefit) provision for income taxes, change in fair value of contingent earn-out liability, change in fair value of contingently issuable/returnable common stock liability/asset, loss on remeasurement of common stock receivable, change in fair value of public warrant liability, loss on disposal of leased equipment, non-recurring employee restructuring and other separation costs, and other non-recurring legal and regulatory costs, which management believes provides a more meaningful representation of operating results. Adjusted earnings (loss) and Adjusted earnings (loss) per diluted share are defined as net income (loss) plus stock-based compensation, amortization of capitalized stock-based compensation, change in fair value of contingent earn-out liability, change in fair value of contingently issuable/returnable common stock liability/asset, loss on remeasurement of common stock receivable, change in fair value of public warrant liability, non-recurring employee restructuring and other separation costs, and other non-recurring legal and regulatory costs, which management believes provides a more meaningful representation of operating results. We define free cash flow as net cash provided by operating activities less purchases of property and equipment and capitalized internal-use software costs. The amounts for each three-month period presented are derived from the difference between the current and preceding quarter year-to-date Statements of Cash Flows for each respective fiscal year.

Management presents non-GAAP financial measures because it considers them to be important supplemental measures of performance. Management uses non-GAAP financial measures for planning purposes, including analysis of the Company's performance against prior periods, the preparation of operating budgets and to determine appropriate levels of operating and capital investments. Management also believes non-GAAP financial measures provide additional insight for analysts and investors in evaluating the Company's financial and operating performance. However, non-GAAP financial measures have limitations as an analytical tool and are not intended to be an alternative to financial measures prepared in accordance with GAAP. We intend to provide non-GAAP financial measures as part of our future earnings discussions and, therefore, the inclusion of non-GAAP financial measures will provide consistency in our financial reporting. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures included in this press release. The Company is unable to provide a reconciliation of Adjusted EBITDA to net income (loss) and Adjusted EBITDA margin to net profit margin, each measure's most directly comparable GAAP financial measure, on a forward-looking basis without unreasonable effort, because items that impact these GAAP financial measures are not within the Company's control and/or cannot be reasonably predicted. These items may include, but are not limited to, predicting forward-looking share-based compensation, changes in the fair value of contingent earn out liabilities, changes in the fair value of contingently issuable/returnable common stock liabilities/assets, and changes in fair value of public warrant liabilities. Such information may have a significant, and potentially unpredictable, impact on the Company's future financial results.

[3] **Recurring revenue** includes the recurring portion of revenue associated with pure subscription contracts and hardware purchase subscription contracts. **Non-recurring revenue** includes revenue that is non-recurring in nature, such as product revenue, shipping revenue, revenue from installation, training, and professional services, and short-term rental revenue.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. All statements contained in this press release other than statements of historical facts are forward-looking statements, including without limitation statements regarding our strategy, goals, business model, demand for our products, market opportunities, strategic partnerships, and future financial and operational results. Words such as "believe," "may," "will," "expect," "should," "could," "anticipate," "aim," "estimate," "intend," "plan," "potential," "continue," "project," "target," "forecast," "is/are likely to," or the negative of these terms or other similar expressions are intended to identify forward-looking statements, though not all forward-looking statements use these words or expressions. The forward-looking statements in this press release are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the amount of insurance reimbursements expected to be received for defense

costs for counsel and consultants in connection with the securities litigation and related Securities and Exchange Commission (the “SEC”) and Department of Justice matters, and the following: our history of losses and ability to reach profitability; our reliance on reseller partners; expectations regarding the Company’s strategies and future financial performance, including its future business plans or objectives, prospective performance and opportunities and competitors, revenues, products and services, pricing, operating expenses, market trends, liquidity, cash flows and uses of cash, capital expenditures; our ability to renew customer contracts, our ability to renew customer contracts at terms favorable to the Company, the Company’s reliance on third party contract manufacturing and distribution, and a global supply chain; the Company recognizes a substantial portion of its revenue ratably over the term of its agreements, and, as a result, downturns or upturns in sales may not be immediately reflected in its operating results; the rate of innovation required to maintain competitiveness in the markets in which the Company competes; the competitiveness of the market in which the Company competes; the failure of our products to detect threats could result in injury or loss of life, which could harm our brand, reputation, and results of operations; the loss of designation of our Evolv Express® system as a Qualified Anti-Terrorism Technology under the Homeland Security SAFETY Act; risks related to our business model, which is predicated, in part, on building a customer base that will generate a recurring stream of revenues through the sale of our subscription contracts; the ability for the Company to obtain, maintain, protect and enforce the Company’s intellectual property rights and use of “open source” software; the concentration of the Company’s revenues on a single solution; the Company’s ability to timely design, produce and launch its solutions, the Company’s ability to invest in growth initiatives and pursue acquisition opportunities; the limited liquidity and trading of the Company’s securities; risks related to existing and changing tax laws; geopolitical risk and changes in applicable laws or regulations; the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; operational risk; risks related to material weaknesses in our internal control over financial reporting and our remediation plans and efforts, including related costs; risks related to increasing attention to and evolving expectations for sustainability initiatives; the impact of fluctuating general economic and market conditions and reductions in spending; the need for additional capital to support business growth, which might not be available on acceptable terms, if at all; and litigation and regulatory enforcement risks, including the diversion of management time and attention and the additional costs and demands on resources. These and other important factors discussed in our most recent report on Form 10-Q or 10-K filed with the SEC could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. The forward-looking statements in this press release are based upon information available to us as of the date hereof, and while we believe such information forms a reasonable basis for such statements, it may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should review this press release and the documents that we reference in this press release with the understanding that our actual future results, levels of activity, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. Except as required by applicable law, we undertake no obligation to update or revise any forward-looking statements contained in this press release whether as a result of any new information, future events or otherwise.

EVOLV TECHNOLOGY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(In thousands, except share and per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue:				
Product revenue	$ 12,332	$ 9,242	$ 34,861	$ 14,092
Subscription revenue	24,488	22,685	72,421	62,122
Service revenue	9,509	7,808	27,060	21,224
License fee and other revenue	1,016	3,115	3,084	9,963
Total revenue	47,345	42,850	137,426	107,401
Cost of revenue:				
Cost of product revenue	11,253	7,960	33,206	16,495
Cost of subscription revenue	9,841	10,923	27,208	27,713
Cost of service revenue	2,605	2,338	7,323	5,753
Cost of license fee and other revenue	97	323	589	766
Total cost of revenue	23,796	21,544	68,326	50,727
Gross profit	23,549	21,306	69,100	56,674
Operating expenses:				
Research and development	6,126	5,608	17,792	15,207
Sales and marketing	13,168	11,715	38,534	34,494
General and administrative	18,657	12,579	46,199	44,789
Restructuring costs	—	—	—	2,662
Total operating expenses	37,951	29,902	102,525	97,152
Loss from operations	(14,402)	(8,596)	(33,425)	(40,478)
Other (expense) income, net				
Interest expense	(982)	(713)	(2,909)	(714)
Interest income	540	436	1,543	1,049
Other income (expense), net	(18)	(44)	(72)	117
Change in fair value of contingent earn-out liability	—	7,521	374	2,297
Change in fair value of contingently issuable/returnable common stock liability/asset	(255)	2,178	1,249	(69)
Loss on remeasurement of common stock receivable	(530)	—	(530)	—
Change in fair value of public warrant liability	83	(2,578)	3,862	(6,160)
Total other (expense) income, net	(1,162)	6,800	3,517	(3,480)
Loss before income taxes	(15,564)	(1,796)	(29,908)	(43,958)
(Benefit from) provision for income taxes	—	—	$ (37)	$ 62
Net loss	$ (15,564)	$ (1,796)	$ (29,871)	$ (44,020)
Net loss attributable to common stockholders – basic and diluted	$ (15,564)	$ (1,796)	$ (29,871)	$ (44,020)
Weighted average common shares outstanding – basic and diluted	181,158,098	172,790,098	179,454,691	166,327,570
Net loss per share – basic and diluted	$ (0.09)	$ (0.01)	$ (0.17)	$ (0.26)
Net income (loss)	$ (15,564)	$ (1,796)	$ (29,871)	$ (44,020)
Other comprehensive (loss) income				
Cumulative translation adjustment	(1)	26	27	(105)
Total other comprehensive (loss) income	(1)	26	27	(105)
Total comprehensive loss	$ (15,565)	$ (1,770)	$ (29,844)	$ (44,125)

EVOLV TECHNOLOGY
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)
(Unaudited)

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 61,910	$ 49,150
Marketable securities	4,951	19,885
Accounts receivable, net	50,412	30,841
Inventory	5,793	9,317
Current portion of contract assets	1,561	878
Current portion of commission asset	5,726	6,062
Prepaid expenses and other current assets	19,685	35,169
Total current assets	150,038	151,302
Contract assets, noncurrent	13	15
Commission asset, noncurrent	8,141	7,867
Property and equipment, net	132,818	127,522
Operating lease right-of-use assets	10,974	12,303
Other assets	1,077	5,400
Total assets	$ 303,061	$ 304,409
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 10,733	$ 9,770
Accrued expenses and other current liabilities	36,581	35,293
Current portion of deferred revenue	87,385	74,924
Current portion of operating lease liabilities	3,116	2,989
Total current liabilities	137,815	122,976
Deferred revenue, noncurrent	19,419	16,716
Long-term debt	28,811	28,596
Operating lease liabilities, noncurrent	9,230	10,654
Contingent earn-out liability, noncurrent	—	374
Contingently issuable common stock liability, noncurrent	—	1,809
Public warrant liability, noncurrent	—	3,862
Total liabilities	195,275	184,987
Stockholders' equity:		
Preferred stock, $0.0001 par value; 100,000,000 authorized at September 30, 2026 and December 31, 2025; no shares issued and outstanding at September 30, 2026 and December 31, 2025	—	—
Common stock, $0.0001 par value; 1,100,000,000 shares authorized at September 30, 2026 and December 31, 2025; 181,233,753 and 175,399,488 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively	18	18
Additional paid-in capital	525,555	507,347
Accumulated other comprehensive loss	(114)	(141)
Accumulated deficit	(417,673)	(387,802)
Stockholders' equity	107,786	119,422
Total liabilities and stockholders' equity	$ 303,061	$ 304,409

EVOLV TECHNOLOGY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net loss	$ (29,871)	$ (44,020)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	21,415	17,859
Write-off of inventory and change in inventory reserve	60	2,016
Loss on disposal of property and equipment	333	3,503
Stock-based compensation	19,369	15,816
Amortization of debt issuance costs	862	195
Amortization of premium on marketable securities, net of change in accrued interest	241	10
Non-cash lease expense	1,329	1,263
Change in allowance for expected credit losses	150	66
Change in fair value of earn-out liability	(374)	(2,297)
Change in fair value of contingently issuable/returnable common stock liability/asset	(1,249)	69
Loss on remeasurement of common stock receivable	530	—
Change in fair value of public warrant liability	(3,862)	6,160
Changes in operating assets and liabilities		
Accounts receivable	(19,721)	(20,557)
Inventory	6,472	11,079
Commission assets	62	(719)
Contract assets	(681)	(137)
Other assets	165	437
Prepaid expenses and other current assets	8,266	(17,331)
Accounts payable	7,244	1,845
Deferred revenue	15,164	11,596
Accrued expenses and other current liabilities	2,078	16,902
Operating lease liability	(1,297)	(657)
Net cash provided by operating activities	26,685	3,098
Cash flows from investing activities:		
Development of internal-use software	(4,081)	(4,311)
Purchases of property and equipment	(25,411)	(29,109)
Purchases of marketable securities	(14,833)	(34,481)
Proceeds from maturities of marketable securities	29,526	24,675
Net cash used in investing activities	(14,799)	(43,226)
Cash flows from financing activities:		
Proceeds from exercise of stock options	847	8,406
Proceeds from long-term debt	—	26,316
Net cash provided by financing activities	847	34,722
Effect of exchange rate changes on cash and cash equivalents	27	(105)
Net increase (decrease) in cash and cash equivalents	12,760	(5,511)
Cash and cash equivalents		
Cash and cash equivalents at beginning of period	49,150	37,015
Cash and cash equivalents at end of period	$ 61,910	$ 31,504

The following table summarizes operating cash flows for each period presented:

	Nine Months Ended September 30,	
	2026	**2025**
Net loss	$ (29,871)	$ (44,020)
Adjustments to reconcile net loss to net cash provided by operating activities	38,804	44,660
Changes in operating assets and liabilities	17,752	2,458
Net cash provided by operating activities	$ 26,685	$ 3,098

The following table is the reconciliation of GAAP net cash provided by operating activities to non-GAAP free cash flow:

	Three Months Ended September 30,	
	2026	2025
Net cash provided by operating activities	$ 17,962	$ 3,524
Purchases of property and equipment	(13,274)	(13,810)
Capitalized internal-use software	(1,441)	(1,199)
Free cash flow	$ 3,247	$ (11,485)

EVOLV TECHNOLOGY
SUMMARY OF KEY OPERATING STATISTICS
(Unaudited)

	Three Months Ended or as of,						
($ in thousands)	**March 31, 2025**	**June 30, 2025**	**September 30, 2025**	**December 31, 2025**	**March 31, 2026**	**June 30, 2026**	**September 30, 2026**
New customers	54	63	62	64	48	70	51
Annual recurring revenue	$ 105,990	$ 110,516	$ 117,200	$ 120,467	$ 127,300	$ 132,680	$ 140,510
Recurring revenue[3]	$ 25,753	$ 26,379	$ 28,684	$ 29,547	$ 31,176	$ 32,087	$ 32,548
% of total revenue	80%	81%	67%	77%	67%	73%	69%
Non-recurring revenue[3]	$ 6,254	$ 6,165	$ 14,166	$ 8,957	$ 15,152	$ 11,666	$ 14,797
% of total revenue	20%	19%	33%	23%	33%	27%	31%

EVOLV TECHNOLOGY
RECONCILIATION OF GAAP OPERATING EXPENSES TO ADJUSTED OPERATING EXPENSES
(In thousands)
(Unaudited)

	Three Months Ended,						
	March 31, 2025	**June 30, 2025**	**September 30, 2025**	**December 31, 2025**	**March 31, 2026**	**June 30, 2026**	**September 30, 2026**
Operating expenses, GAAP	$ 33,539	$ 33,711	$ 29,902	$ 26,613	$ 32,071	$ 32,503	$ 37,951
Stock-based compensation	(4,660)	(5,265)	(5,121)	(5,006)	(5,272)	(6,602)	(6,627)
Non-recurring employee restructuring and other separation costs	(2,137)	(827)	(6)	—	—	—	—
Other non-recurring legal and regulatory costs	(3,561)	(5,979)	36	2,225	99	(903)	(4,778)
Adjusted operating expenses	$ 23,181	$ 21,640	$ 24,811	$ 23,832	$ 26,898	$ 24,998	$ 26,546

EVOLV TECHNOLOGY

RECONCILIATION OF GAAP GROSS PROFIT TO ADJUSTED GROSS PROFIT, GAAP GROSS MARGIN TO ADJUSTED GROSS MARGIN AND GAAP INCOME (LOSS) FROM OPERATIONS TO ADJUSTED OPERATING INCOME (LOSS)

(In thousands)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ 47,345	$ 42,850	$ 137,426	$ 107,401
Cost of revenue	23,796	21,544	68,326	50,727
Gross profit, GAAP	23,549	21,306	69,100	56,674
Stock-based compensation	302	269	868	770
Amortization of capitalized stock-based compensation	217	114	572	324
Non-recurring employee restructuring and other separation costs	—	—	—	6
Adjusted gross profit	$ 24,068	$ 21,689	$ 70,540	$ 57,774
Gross margin %	49.7%	49.7%	50.3%	52.8%
Impact of adjustments from Gross profit, GAAP to Adjusted gross profit	1.1%	0.9%	1.0%	1.0%
Adjusted gross margin %	50.8%	50.6%	51.3%	53.8%

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Loss from operations, GAAP	$ (14,402)	$ (8,596)	$ (33,425)	$ (40,478)
Stock-based compensation	6,929	5,390	19,369	15,816
Amortization of capitalized stock-based compensation	217	114	572	324
Non-recurring employee restructuring and other separation costs	—	6	—	2,976
Other non-recurring legal and regulatory costs	4,778	(36)	5,582	9,504
Adjusted loss from operations	$ (2,478)	$ (3,122)	$ (7,902)	$ (11,858)

EVOLV TECHNOLOGY

RECONCILIATION OF GAAP NET INCOME (LOSS) TO ADJUSTED EBITDA AND NET PROFIT MARGIN TO ADJUSTED EBITDA MARGIN

(In thousands)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net loss	$ (15,564)	$ (1,796)	$ (29,871)	$ (44,020)
Depreciation and amortization	7,477	6,541	21,415	17,859
Stock-based compensation	6,929	5,390	19,369	15,816
Interest expense (income)	442	277	1,366	(335)
(Benefit) provision for income taxes	—	—	(37)	62
Change in fair value of contingent earn-out liability	—	(7,521)	(374)	(2,297)
Change in fair value of contingently issuable/returnable common stock liability/asset	255	(2,178)	(1,249)	69
Loss on remeasurement of common stock receivable	530	—	530	—
Change in fair value of public warrant liability	(83)	2,578	(3,862)	6,160
Loss on disposal of leased equipment	(15)	1,870	255	3,503
Non-recurring employee restructuring and other separation costs	—	6	—	2,976
Other non-recurring legal and regulatory costs	4,778	(36)	5,582	9,504
Adjusted EBITDA	$ 4,749	$ 5,131	$ 13,124	$ 9,297
Net profit margin %	(32.9)%	(4.2)%	(21.7)%	(41.0)%
Impact of adjustments from Net loss to Adjusted EBITDA	42.9%	16.2%	31.2%	49.7%
Adjusted EBITDA margin %	10.0%	12.0%	9.5%	8.7%

EVOLV TECHNOLOGY
RECONCILIATION OF GAAP NET INCOME (LOSS) TO ADJUSTED EARNINGS (LOSS)
(In thousands, except share and per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Net loss	$ (15,564)	$ (1,796)	$ (29,871)	$ (44,020)
Stock-based compensation	6,929	5,390	19,369	15,816
Amortization of capitalized stock-based compensation	217	114	572	324
Change in fair value of contingent earn-out liability	—	(7,521)	(374)	(2,297)
Change in fair value of contingently issuable/returnable common stock liability/asset	255	(2,178)	(1,249)	69
Loss on remeasurement of common stock receivable	530	—	530	—
Change in fair value of public warrant liability	(83)	2,578	(3,862)	6,160
Non-recurring employee restructuring and other separation costs	—	6	—	2,976
Other non-recurring legal and regulatory costs	4,778	(36)	5,582	9,504
Adjusted loss	$ (2,938)	$ (3,443)	$ (9,303)	$ (11,468)
Weighted average common shares outstanding – diluted	181,158,098	172,790,098	179,454,691	166,327,570
Net loss per share – diluted	$ (0.09)	$ (0.01)	$ (0.17)	$ (0.26)
Impact of adjustments from Net loss to Adjusted loss	0.07	(0.01)	0.12	0.19
Adjusted loss per share – diluted	$ (0.02)	$ (0.02)	$ (0.05)	$ (0.07)

*Stock-based compensation, amortization of capitalized stock-based compensation, and non-recurring restructuring and other employee separation costs were recorded in the condensed consolidated statements of operations and comprehensive loss (income) as follows. Prior period amounts are being shown for comparative purposes:

	Three Months Ended,						
	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026	September 30, 2026
Stock-based compensation:							
Cost of product revenue	$ 8	$ 17	$ 32	$ 39	$ 58	$ 34	$ 24
Cost of subscription revenue	137	167	146	135	138	120	161
Cost of service revenue	67	74	72	80	100	94	112
Cost of license fee and other revenue	7	24	19	20	19	3	5
Research and development	1,115	1,154	1,227	1,252	1,280	1,343	1,388
Sales and marketing	1,048	1,710	1,480	1,330	1,566	1,975	2,000
General and administrative	1,972	2,401	2,414	2,424	2,426	3,284	3,239
Restructuring costs	525	—	—	—	—	—	—
Total stock-based compensation	$ 4,879	$ 5,547	$ 5,390	$ 5,280	$ 5,587	$ 6,853	$ 6,929
Amortization of capitalized stock-based compensation:							
Cost of subscription revenue	$ 59	$ 60	$ 63	$ 82	$ 86	$ 104	$ 115
Cost of service revenue	44	47	51	68	75	90	102
Total amortization of capitalized stock-based compensation	$ 103	$ 107	$ 114	$ 150	$ 161	$ 194	$ 217
Non-recurring employee restructuring and other separation costs:							
Cost of service revenue	$ —	$ 6	$ —	$ —	$ —	$ —	$ —
Research and development	—	31	—	—	—	—	—
Sales and marketing	—	613	6	—	—	—	—
General and administrative	—	183	—	—	—	—	—
Restructuring costs	2,137	—	—	—	—	—	—
Total non-recurring employee restructuring and other separation costs	$ 2,137	$ 833	$ 6	$ —	$ —	$ —	$ —

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