

May 11, 2022



# Evolv Technology Reports Strong First Quarter Financial Results

*– Company Reaffirms Outlook for 2022 –*

- ***Q1 Revenue of \$8.7 million, up 118% year-over-year***
- ***Q1 Ending ARR of \$16.6 million, up 207% year-over-year***
- ***Q1 Ending Evolv Express® subscriptions of 910, up 227% year-over-year***

WALTHAM, Mass.--(BUSINESS WIRE)-- Evolv Technology (NASDAQ: EVLV), a global leader in weapons detection security screening, today announced financial results for its first quarter ended March 31, 2022 and reaffirmed its business outlook for 2022.

“We’re pleased to report solid first quarter results which were highlighted by strong growth in revenues, new customers and Evolv Express subscribers,” said Peter George, President and Chief Executive Officer of Evolv Technology. “Our results continue to reflect our expanding leadership position in North America as more facility operators adopt our solutions to digitally transform their security operations. Looking ahead, we believe we remain well positioned to execute on our strategic growth plans.”

## **Results for the First Quarter of 2022**

Total revenue for the first quarter of 2022 was \$8.7 million, an increase of 118% compared to \$4.0 million for the first quarter of 2021. Total Contract Value (“TCV”)<sup>1</sup> of orders booked for the first quarter of 2022 was \$19.2 million, an increase of 128% compared to \$8.4 million in the first quarter of 2021. Annual Recurring Revenue (“ARR”)<sup>2</sup> was \$16.6 million at the end of first quarter of 2022, an increase of 207% compared to \$5.4 million in the first quarter of 2021. Net loss for the first quarter of 2022 was (\$14.6) million, or (\$0.10) per basic and diluted share, compared to net loss of (\$13.8) million, or (\$1.32) per basic and diluted share, for the first quarter of 2021. Adjusted earnings (loss)<sup>3</sup> for the first quarter of 2022 was (\$19.1) million, or (\$0.13) per basic and diluted share, compared to (\$10.5) million, or (\$1.01) per basic and diluted share, for the first quarter of 2021. Adjusted EBITDA<sup>3</sup> for the first quarter of 2022 was (\$18.2) million, compared to (\$7.6) million for the first quarter of 2021. As of March 31, 2022, the Company had cash and cash equivalents of \$270.9 million compared to \$307.5 million as of December 31, 2021.

## **Company Reaffirms Outlook for 2022**

The Company today commented on its business outlook for 2022. The Company's outlook is based on the current indications for its business, which may change at any time.

|  | <b>2022 Business Outlook</b> |                     |
|--|------------------------------|---------------------|
| <b>Estimate (In millions)</b>                        | Issued March 14, 2022        | Issued May 11, 2022 |
| Total Revenue  | \$29-\$31                    | <i>No change</i>    |
| Annual Recurring Revenue <sup>2</sup> (ARR) at 12/31 | \$27-\$28                    | <i>No change</i>    |
| Adjusted EBITDA <sup>3</sup>                         | (\$65-\$67)                  | <i>No change</i>    |
| Cash and Cash Equivalents                            | \$220-\$230                  | <i>No change</i>    |

### **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 and other matters. The conference call may be accessed in the United States by dialing +1.877.692.8955 and using access code 774298. The conference call may be accessed outside of the United States by dialing +1.234.720.6979 and using the same access code. The conference call will be simultaneously webcast on the Company's investor relations website, which can be accessed at <http://ir.evolvtechnology.com>. A replay of the conference call will be available for a period of 30 days by dialing +1.866.207.1041 or +1.402.970.0847 and using access code 5434851 or by accessing the webcast replay on the Company's investor relations website at <http://ir.evolvtechnology.com>.

### **About Evolv Technology**

Evolv Technology (NASDAQ: EVLV) is a global leader in weapons detection security screening. Our mission is Evolv Technology (NASDAQ: EVLV) is a leader in weapons detection for security screening, securing the world's most iconic venues and companies. Its mission is enabling a better experience and better security for venues, creating a safer world to work, learn, and play by transforming physical security to make everywhere safer. It gives sports fans, theme park visitors, concertgoers, shoppers, employees, students, and others peace of mind so that they can gather without fear of violence. Its security screening has scanned more than 250 million people, second only to the Department of Homeland Security's Transportation Security Administration (TSA) in the United States, and its technology combines powerful, advanced sensors with proven artificial intelligence (AI), security ecosystem integrations, and comprehensive venue analytics to reliably detect threats 10 times faster than traditional metal detectors. Evolv Technology, Evolv Express®, Evolv Insights™, and Evolv Cortex AI™ are registered trademarks or trademarks of Evolv Technologies, Inc. in the United States and other jurisdictions. For more information, visit <https://evolvtechnology.com>.

<sup>1</sup> **We define Total Contract Value**, or TCV, of orders booked as the total value of the contract over the specified term. Our calculation of TCV is not adjusted for the impact of any known or projected future events (such as customer cancellations, upgrades or downgrades, or price increases or decreases). TCV should be viewed independently of, and not as a substitute for or forecast of, revenue and deferred revenue. Our calculation of TCV may differ from similarly titled metrics presented by other companies.

<sup>2</sup> **We define Annual Recurring Revenue**, or ARR, as subscription revenue and the recurring service revenue related to purchase subscriptions for the final month of the quarter normalized to a one-year period. Our calculation of ARR is not adjusted for the impact of any known or projected future events (such as customer cancellations, upgrades or downgrades, or price increases or decreases) that may cause any such contract not to be renewed on its existing terms. In addition, the amount of actual revenue that we recognize over any 12-

month period is likely to differ from ARR at the beginning of that period, sometimes significantly. This may occur due to new bookings, cancellations, upgrades, downgrades or other changes in pending renewals, as well as the effects of professional services revenue and acquisitions or divestitures. As a result, ARR should be viewed independently of, and not as a substitute for or forecast of, revenue and deferred revenue. Our calculation of ARR may differ from similarly titled metrics presented by other companies.

<sup>3</sup> **Non-GAAP Financial Measures** In this press release, the Company's adjusted gross profit, adjusted gross margin, adjusted EBITDA and adjusted earnings (loss) 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 gross profit and adjusted gross margin exclude one-time items which management believes provides a more meaningful representation of contribution margin. Adjusted EBITDA is defined as net income (loss) plus depreciation and amortization, share-based compensation, and certain other one-time expenses. Adjusted earnings (loss) is defined as net income (loss) plus stock-based compensation, change in fair value of derivative liability, change in fair value of contingent earn-out liability, change in fair value of contingently issuable common stock liability, change in fair value of public warrant liability, change in fair value of common stock warrant liability, restructuring expenses, loss on impairment of lease equipment, and certain other one-time expenses. 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 operational 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. A reconciliation of our non-GAAP financial measures to their most directly comparable GAAP measures has been provided in this press release.

### **Forward-Looking Statements**

Certain statements in this press release may constitute "forward-looking" statements and information, within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 that relate to our current expectations and views of future events including but not limited to statements regarding our ability to meet our business outlook for revenue and profitability. Forward-looking statements involve the Company's current expectations and projections relating to its financial condition, competitive position, future financial results, plans, objectives, and business. All statements other than statements of historical facts contained in this press release are forward-looking statements. In some cases, these forward-looking statements can be identified by words or phrases such as "may," "will," "expect," "should," "could," "anticipate," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "is/are likely to" or the negative of these terms or other similar expressions. These forward-looking statements are subject to risks,

uncertainties and assumptions, some of which are beyond our control. In addition, these forward-looking statements reflect the Company's current views with respect to future events and the Company's performance and are not a guarantee of future performance. Actual outcomes may differ materially from the information contained in the forward-looking statements as a result of a number of factors, including, without limitation 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; the Company's history of losses and lack of profitability; the Company's reliance on third party contract manufacturing; 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 ability for the Company to obtain, maintain, protect and enforce the Company's intellectual property rights; 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; 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; risk that the COVID-19 pandemic, including variants, vaccine roll-out efforts, and local, state, and federal responses to addressing the pandemic may have an adverse effect on the Company's business operations, as well as the Company's financial condition and results of operations; litigation and regulatory enforcement risks, including the diversion of management time and attention and the additional costs and demands on resources; and the risk factors set forth under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the Securities and Exchange Commission on March 28, 2022.

These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this press release. You should not put undue reliance on any forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

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

|  | <b>Three Months Ended<br/>March 31,</b> |                    |
|--|---|--------------------|
|  | <b>2022</b>                             | <b>2021</b>        |
| <b>Revenue:</b>  |   |                    |
| Product revenue  | \$ 5,194                                | \$ 2,502           |
| Subscription revenue   | 3,020                                   | 1,300              |
| Service revenue  | 501                                     | 197                |
| Total revenue  | <u>8,715</u>                            | <u>3,999</u>       |
| <b>Cost of revenue:</b>  |   |                    |
| Cost of product revenue  | 5,576                                   | 2,229              |
| Cost of subscription revenue   | 1,065                                   | 595                |
| Cost of service revenue  | 448                                     | 127                |
| Total cost of revenue  | <u>7,089</u>                            | <u>2,951</u>       |
| Gross profit   | <u>1,626</u>                            | <u>1,048</u>       |
| <b>Operating expenses:</b>   |   |                    |
| Research and development   | 4,286                                   | 3,612              |
| Sales and marketing  | 12,053                                  | 3,684              |
| General and administrative   | 11,093                                  | 2,899              |
| Loss from impairment of property and equipment                       | 96                                      | -                  |
| Total operating expenses   | <u>27,528</u>                           | <u>10,195</u>      |
| <b>Loss from operations</b>  | <u>(25,902)</u>                         | <u>(9,147)</u>     |
| Interest expense   | (142)                                   | (2,447)            |
| Interest income  | 209                                     | -                  |
| Change in fair value of derivative liability                         | —                                       | (1,425)            |
| Change in fair value of contingent earn-out liability                | 4,226                                   | -                  |
| Change in fair value of contingently issuable common stock liability | 1,472                                   | -                  |
| Change in fair value of public warrant liability                     | 5,586                                   | -                  |
| Change in fair value of common stock warrant liability               | —                                       | (736)              |
| Total other income (expense)   | <u>\$ 11,351</u>                        | <u>\$ (4,608)</u>  |
| Net loss and comprehensive loss – basic and diluted                  | <u>\$ (14,551)</u>                      | <u>\$ (13,755)</u> |
| Net loss per share – basic and diluted                               | <u>\$ (0.10)</u>                        | <u>\$ (1.32)</u>   |
| Weighted average common shares outstanding – basic and diluted       | <u>142,878,406</u>                      | <u>10,443,323</u>  |

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

|  | March 31,<br>2022 | December 31,<br>2021 |
|--|-------------------|----------------------|
| <b>Assets</b>                                  |                   |                      |
| Current assets:                                |                   |                      |
| Cash and cash equivalents                      | \$ 270,872        | \$ 307,492           |
| Restricted cash                                | 400               | 400                  |
|  | 8,589             | 6,477                |
| Accounts receivable, net                       |                   |                      |
| Inventory                                      | 7,181             | 5,140                |
| Current portion of contract assets             | 1,448             | 1,459                |
| Current portion of commission asset            | 1,477             | 1,645                |
| Prepaid expenses and other current assets      | 17,252            | 11,047               |
| Total current assets                           | <u>307,219</u>    | <u>333,660</u>       |
| Restricted cash, noncurrent                    | 275               | 275                  |
| Contract assets, noncurrent                    | 3,321             | 3,418                |
| Commission asset, noncurrent                   | 4,239             | 3,719                |
| Property and equipment, net                    | 25,282            | 21,592               |
| Operating lease right-of-use assets            | 2,287             | -                    |
| Other assets                                   | 1,275             | 401                  |
| Total assets                                   | <u>\$ 343,898</u> | <u>\$ 363,065</u>    |
| <b>Liabilities and Stockholders' Equity</b>    |                   |                      |
| Current liabilities:                           |                   |                      |
| Accounts payable                               | \$ 4,645          | \$ 6,363             |
| Accrued expenses and other current liabilities | 7,118             | 9,183                |
| Current portion of deferred revenue            | 7,433             | 6,690                |
| Current portion of deferred rent               | —                 | 135                  |
| Current portion of long-term debt              | 3,000             | 2,000                |
| Current portion of operating lease liabilities | 1,089             | —                    |
| Total current liabilities                      | <u>23,285</u>     | <u>24,371</u>        |
| Deferred revenue, noncurrent                   | 4,517             | 2,475                |
| Deferred rent, noncurrent                      | —                 | 333                  |
| Long-term debt, noncurrent                     | 6,950             | 7,945                |
| Operating lease liabilities, noncurrent        | 1,634             | —                    |
| Contingent earn-out liability                  | 18,128            | 20,809               |
| Contingently issuable common stock liability   | 3,792             | 5,264                |
| Public warrant liability                       | 5,444             | 11,030               |
| Total liabilities                              | <u>63,750</u>     | <u>72,227</u>        |
| Stockholders' Equity:                          |                   |                      |
| Preferred stock                                | -                 | -                    |
| Common stock                                   | 14                | 14                   |
| Additional paid-in capital                     | 399,424           | 395,563              |
| Accumulated deficit                            | (119,290)         | (104,739)            |
| Total stockholders' equity                     | <u>280,148</u>    | <u>290,838</u>       |
| Total liabilities and stockholders' equity     | <u>\$ 343,898</u> | <u>\$ 363,065</u>    |

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

|   | <b>Three Months Ended</b> |                  |
|---|---------------------------|------------------|
|   | <b>March 31,</b>          |                  |
|   | <b>2022</b>               | <b>2021</b>      |
| <b>Cash flows from operating activities:</b>                                      |                           |                  |
| Net loss  | \$ (14,551)               | \$ (13,755)      |
| Adjustments to reconcile net income to net cash provided by operating activities: |                           |                  |
| Depreciation and amortization   | 948                       | 452              |
| Write off of inventory  | 324                       | —                |
| Adjustment to property and equipment for sales type leases                        | (321)                     | —                |
| Loss from impairment of property and equipment                                    | 96                        | —                |
| Stock-based compensation  | 5,190                     | 1,082            |
| Noncash interest expense  | 5                         | 2,344            |
| Noncash lease expense   | 197                       | —                |
| Provision recorded for allowance for doubtful accounts                            | —                         | (63)             |
| Change in fair value of derivative liability                                      | —                         | 1,425            |
| Change in fair value of common stock warrant liability                            | —                         | 736              |
| Change in fair value of earn-out liability  | (4,226)                   | —                |
| Change in fair value of contingently issuable common stock                        | (1,472)                   | —                |
| Change in fair value of public warrant liability                                  | (5,586)                   | —                |
| Changes in operating assets and liabilities                                       |                           |                  |
| Accounts receivable   | (2,112)                   | (874)            |
| Inventory   | (6,985)                   | (433)            |
| Commission assets   | (351)                     | (391)            |
| Contract assets   | 108                       | (119)            |
| Prepaid expenses and other current assets   | (5,280)                   | (4,104)          |
| Accounts payable  | (1,867)                   | 1,194            |
| Deferred revenue  | 2,778                     | (621)            |
| Deferred rent   | (468)                     | (11)             |
| Accrued expenses and other current liabilities                                    | (2,065)                   | 1,100            |
| Operating lease liabilities   | (229)                     | —                |
| Net cash used in operating activities   | <u>(35,867)</u>           | <u>(12,038)</u>  |
| <b>Cash flows from investing activities:</b>                                      |                           |                  |
| Development of internal-use software  | (646)                     | -                |
| Purchases of property and equipment   | (323)                     | (2,522)          |
| Net cash used in investing activities   | <u>(969)</u>              | <u>(2,522)</u>   |
| <b>Cash flows from financing activities:</b>                                      |                           |                  |
| Proceeds from exercise of stock options   | 216                       | 455              |
| Repayment of financing obligations  | -                         | (359)            |
| Proceeds from long-term debt, net of issuance costs                               | -                         | 31,882           |
| Net cash provided by financing activities   | <u>216</u>                | <u>31,978</u>    |
| <b>Net increase (decrease) in Cash, cash equivalents and restricted cash</b>      | <u>(36,620)</u>           | <u>17,418</u>    |
| Cash, cash equivalents and restricted cash, beginning of period                   | 308,167                   | 4,704            |
| Cash, cash equivalents and restricted cash, end of period                         | <u>\$ 271,547</u>         | <u>\$ 22,122</u> |

**EVOLV TECHNOLOGY**  
**RECONCILIATION OF FORECASTED 2022 NET LOSS TO ADJUSTED EBITDA**  
(In thousands)  
(Unaudited)

|  | <b>Twelve Months Ended<br/>December 31, 2022</b> |             |
|--|--|-------------|
|  | <b>High</b>                                      | <b>Low</b>  |
| Net income (loss)  | \$ (83,000)                                      | \$ (85,000) |
| Adjustments to reconcile net income (loss) to Adjusted EBITDA: |  |             |
| Depreciation and amortization                                  | 6,000  | 6,000       |
| Stock-based compensation                                       | 11,000   | 11,000      |
| Other expense  | 1,000  | 1,000       |
| Adjusted EBITDA  | \$ (65,000)                                      | \$ (67,000) |

**EVOLV TECHNOLOGY**  
**SUMMARY OF KEY OPERATING STATISTICS**  
(Unaudited)

| <b>(\$ in thousands)</b>              | <b>December 31,<br/>2020</b> | <b>March 31,<br/>2021</b> | <b>June 30,<br/>2021</b> | <b>September 30,<br/>2021</b> | <b>December 31,<br/>2021</b> | <b>March 31,<br/>2022</b> |
|---------------------------------------|------------------------------|---------------------------|--------------------------|-------------------------------|------------------------------|---------------------------|
| New customers                         | 6                            | 13                        | 21                       | 23                            | 27                           | 44                        |
| Total contract value of orders booked | \$5,956                      | \$8,424                   | \$10,476                 | \$16,995                      | \$17,916                     | \$19,167                  |
| Annual recurring revenue              | \$4,034                      | \$5,424                   | \$7,423                  | \$9,932                       | \$12,907                     | \$16,641                  |
| Remaining performance obligation      | \$13,381                     | \$17,658                  | \$24,930                 | \$34,152                      | \$40,160                     | \$50,537                  |
| Contract value for units in backlog   | n/a                          | n/a                       | n/a                      | n/a                           | \$11,270                     | \$13,213                  |
| Net additions                         | 32                           | 64                        | 113                      | 176                           | 136                          | 207                       |
| Ending deployed units                 | 214                          | 278                       | 391                      | 567                           | 703                          | 910                       |

**EVOLV TECHNOLOGY**  
**RECONCILIATION OF GAAP TO ADJUSTED GROSS PROFIT AND GAAP OPERATING INCOME  
TO ADJUSTED OPERATING INCOME**  
(In thousands)  
(Unaudited)

|                          | <b>Three Months Ended<br/>March 31,</b> |             |
|--------------------------|---|-------------|
|                          | <b>2022</b>                             | <b>2021</b> |
| Revenue                  | \$ 8,715                                | \$ 3,999    |
| Cost of revenue          | 7,089                                   | 2,951       |
| Gross Profit             | 1,626                                   | 1,048       |
| Stock-based compensation | 60                                      | 5           |
| Adjusted Gross Profit    | \$ 1,686                                | \$ 1,053    |
| Gross Margin %           | 18.7%                                   | 26.2%       |
| Adjusted Gross Margin %  | 19.3%                                   | 26.3%       |

|                                       | <b>Three Months Ended<br/>March 31,</b> |             |
|---------------------------------------|---|-------------|
|                                       | <b>2022</b>                             | <b>2021</b> |
| Operating income (loss) GAAP          | \$ (25,902)                             | \$ (9,147)  |
| Stock-based compensation              | 5,190                                   | 1,082       |
| Restructuring expenses                | 324                                     | -           |
| Loss on impairment of lease equipment | 96                                      | -           |
| Other one-time expenses               | 1,107                                   | -           |
| Adjusted Operating Income (loss)      | \$ (19,185)                             | \$ (8,065)  |



**EVOLV TECHNOLOGY**  
**RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA**  
(In thousands)  
(Unaudited)

|  | <b>Three Months Ended<br/>March 31,</b> |             |
|--|---|-------------|
|  | <b>2022</b>                             | <b>2021</b> |
| Net income (loss)  | \$ (14,551)                             | \$ (13,755) |
| Depreciation & Amortization  | 948                                     | 452         |
| Stock-based compensation   | 5,190                                   | 1,082       |
| Interest and other income (expense)                                  | (67)                                    | 2,447       |
| Loss on disposal of property & equipment                             | -                                       | -           |
| Loss on extinguishment of debt                                       | -                                       | -           |
| Change in fair value of derivative liability                         | -                                       | 1,425       |
| Change in fair value of contingent earn-out liability                | (4,226)                                 | -           |
| Change in fair value of contingently issuable common stock liability | (1,472)                                 | -           |
| Change in fair value of public warrant liability                     | (5,586)                                 | -           |
| Change in fair value of common stock warrant liability               | -                                       | 736         |
| Restructuring expenses   | 324                                     | -           |
| Loss on impairment of lease equipment                                | 96                                      | -           |
| Other one-time expenses  | 1,107                                   | -           |
| Adjusted EBITDA  | \$ (18,237)                             | \$ (7,613)  |

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

|  | <b>Three Months Ended<br/>March 31,</b> |             |
|--|---|-------------|
|  | <b>2022</b>                             | <b>2021</b> |
| Net income (loss)  | \$ (14,551)                             | \$ (13,755) |
| Stock-based compensation   | 5,190                                   | 1,082       |
| Change in fair value of derivative liability                         | -                                       | 1,425       |
| Change in fair value of contingent earn-out liability                | (4,226)                                 | -           |
| Change in fair value of contingently issuable common stock liability | (1,472)                                 | -           |
| Change in fair value of public warrant liability                     | (5,586)                                 | -           |
| Change in fair value of common stock warrant liability               | -                                       | 736         |
| Restructuring expenses   | 324                                     | -           |
| Loss on impairment of lease equipment                                | 96                                      | -           |
| Other one-time expenses  | 1,107                                   | -           |
| Adjusted earnings (loss)   | \$ (19,118)                             | \$ (10,512) |
| Weighted average common shares outstanding – basic and diluted       | 142,878,406                             | 10,443,323  |
| Adjusted EPS   | \$ (0.13)                               | \$ (1.01)   |

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Source: Evolv Technology