

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): **January 21, 2025**

Evolv Technologies Holdings, Inc.
(Exact name of registrant as specified in its charter)

Delaware <small>(State or other jurisdiction of incorporation)</small>	001-39417 <small>(Commission File Number)</small>	84-4473840 <small>(IRS Employer Identification No.)</small>
500 Totten Pond Road, 4th Floor Waltham, Massachusetts <small>(Address of principal executive offices)</small>		02451 <small>(Zip Code)</small>

(781) 374-8100
Registrant's telephone number, including area code

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.0001 per share	EVLV	The Nasdaq Stock Market
Warrants to purchase one share of Class A common stock	EVLVW	The Nasdaq Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On January 23, 2025, Evolv Technologies Holdings, Inc. (the “Company”) issued a press release providing business updates on select strategic metrics of the Company for the three-month period ended December 31, 2024, the Company’s pending restatement effort and other regulatory matters (the “Press Release”). The full text of the Press Release is furnished as Exhibit 99.1 to this Current Report on Form 8-K. The transcript referenced in Item 7.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.02 disclosure.

Item 2.05 Costs Associated with Exit or Disposal Activities.

On January 21, 2025, the Board approved a reduction in force involving 40 employees in all organizations across the Company, representing approximately 14% of the Company’s workforce. This action is part of the Company’s initiative to increase its annualized run rate cash savings as the Company seeks further flexibility to pursue its investment strategy with certain growth opportunities.

The Company expects to incur pre-tax charges of approximately \$2.3 million for the reduction in force, substantially all of which is expected to be incurred in the first quarter of 2025. These charges consist of one-time termination charges arising from severance obligations of approximately \$2.0 million, extended eligibility for the vesting of certain equity awards originally scheduled to vest on or before March 1, 2025, resulting in incremental non-cash expense of approximately \$0.2 million (which amount is based on the Company’s stock price as of January 22, 2025) and other customary employee benefit payments in connection with a reduction in force of approximately \$0.1 million. This reduction in force is expected to result in approximately \$9.0 million of annualized run rate cash savings, which primarily includes the reduction in force and excludes potential hiring of new employees or other additions to the Company’s costs and expenses. The Company expects that the reduction in force will be substantially completed by March 31, 2025. The Company may incur additional expenses not currently contemplated due to events associated with the reduction in force. The charges that the Company expects to incur in connection with the reduction in force and annualized run rate cash savings are estimates and are subject to a number of assumptions, and actual results may differ materially.

Item 7.01 Regulation FD Disclosure.

A copy of the transcript of the prepared remarks from the Company’s Chief Executive Officer to accompany this Current Report on Form 8-K and the Press Release is incorporated by reference into this Item 7.01 disclosure and attached hereto as Exhibit 99.2.

The information in Item 2.02 and Item 7.01 of this Current Report on Form 8-K (including Exhibits 99.1 and 99.2) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Forward-looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Company intends for such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including statements regarding the anticipated costs, savings, effects and date of completion of the reduction in force. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause the Company’s actual results and actions to be materially different from any future results or actions expressed or implied by the forward-looking statements, including, but not limited to, the factors discussed under the caption “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023 filed with the Securities and Exchange Commission (“SEC”) on February 29, 2024, as any such factors may be updated from time to time in the Company’s other filings with the SEC, including the Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 and the Quarterly Report on Form 10-Q for the quarter ended June 30, 2024. The forward-looking statements in this Current Report on Form 8-K are based upon information available to the Company as of the date hereof, and while the Company believes such information forms a reasonable basis for such statements, it may be limited or incomplete, and the Company’s statements should not be read to indicate that Company has 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.

Except as required by applicable law, the Company does not plan to publicly update or revise any forward-looking statements contained in this Current Report on Form 8-K, whether as a result of any new information, future events or otherwise.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release, dated January 23, 2025
99.2	Transcript of Chief Executive Officer Prepared Remarks, dated January 23, 2025
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Evolv Technologies Holdings, Inc.

Date: January 23, 2025

By: /s/ Rachel Roy
Name: Rachel Roy
Title: General Counsel and Secretary

**Investor Relations:**

Brian Norris
Senior Vice President of Finance and Investor Relations
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Evolv Technology Provides Business Update

– *Company Reaffirms Outlook for Positive Adjusted EBITDA¹ by Q2 2025* –

– *Company Provides Update on Restatement Effort and Regulatory Inquiry* –

Waltham, Massachusetts – January 23, 2025 – Evolv Technologies Holdings, Inc. (NASDAQ: EVLV) (the “Company” or “Evolv Technology”), a leading security technology company pioneering AI-based solutions designed to create safer experiences, today provided an update on select strategic metrics for the three-month period ended December 31, 2024². The Company also provided an update on its pending restatement effort and other regulatory matters.

According to preliminary estimates which are subject to change, for the three-month period ended December 31, 2024, the Company:

- Surpassed 6,000 Evolv Express units deployed globally with the activation of approximately 470 new multi-year subscriptions;
- Added approximately 60 new customers across multiple industries including education, healthcare, professional sports and live entertainment, tourist attractions and industrial workplaces;
- Added nearly 100 additional school buildings and now serves over 1,200 school buildings;
- Added over 30 additional hospital buildings and now serves over 450 hospital buildings;
- Booked its first orders of Evolv eXpedite™, the Company’s new AI-based weapons detection solution for bags; and
- Ended the quarter with cash, cash equivalents, marketable securities and restricted cash of approximately \$52 million on December 31, 2024 and no debt.

“We’re pleased with our solid finish to 2024. During the fourth quarter, we saw strong new customer adoption across a broad range of industries, significant expansion by our existing customers, exciting market traction of Evolv eXpedite and the resolution of certain regulatory matters,” said John Kedzierski, President and Chief Executive Officer of Evolv Technology. “Looking ahead to 2025, we remain focused on achieving positive Adjusted EBITDA in the second quarter with positive free cash flow in the fourth quarter. We thank our customers, partners, employees, and shareholders for their continued support of our mission to make the world a safer and more enjoyable place for people to live, work, learn, and play.”

Restatement Update

The Company today also provided an update on its restatement efforts as previously disclosed in the Company’s press release dated October 25, 2024. The Company submitted to The Nasdaq Market LLC (“Nasdaq”) on January 17, 2025, a plan of compliance to address how it intends to regain compliance with the Nasdaq Listing Rule 5250(c)(1) as a result of the delayed filing of the Company’s Quarterly Report on Form 10-Q for the period ended September 30, 2024 (the “Quarterly Report”). If accepted, Nasdaq can grant an exception of up to 180 calendar days from the filing’s due date as extended by Rule 12b-25, or until May 19, 2025, to regain compliance. In partnership with AlixPartners LLP, a leading global business advisory firm, the Company is working expeditiously to complete the restatement effort and file the Quarterly Report and the restated financial statements. The Company will host a publicly accessible conference call to review the financial results once they have been filed.

FTC Inquiry Update

On November 26, 2024, the Company announced that it had resolved the United States Federal Trade Commission's (FTC) inquiry into certain aspects of the Company's prior marketing claims. As part of that resolution, the Company agreed to offer a limited number of its K-12 education customers the option to cancel the remainder of their current contracts with the Company during a 60-day cancellation period. In total, this group of customers³ represented approximately 237 Evolv Express units, approximately \$3.9 million of the Company's Annual Recurring Revenue⁴ and approximately \$10.5 million of the Company's Remaining Performance Obligation⁵. Per the terms of the resolution, a notice was sent to this limited group of customers about their contract cancellation option. As of January 23, 2025, no customers had exercised their contract cancellation rights provided by the resolution. The vast majority of the cancellation rights available to this group of customers are scheduled to expire by March 14, 2025.

¹ Non-GAAP Financial Measures. In this press release, adjusted EBITDA 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 EBITDA is defined as net income (loss) plus depreciation and amortization, share-based compensation, interest expense (income), loss on extinguishment of debt, 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, loss on impairment of lease equipment, and certain other one-time expenses. Free cash flow is calculated as cash provided from operating activities less capital expenditures. 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. The Company has relied upon the exception in Item 10(e)(1)(i)(B) of Regulation S-K as the Company is unable to provide a reconciliation of each measure's most directly comparable GAAP financial measure (net income in the case of Adjusted EBITDA and operating cash flow in the case of free cash flow), 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 derivative liabilities, changes in the fair value of contingent earn out liabilities, changes in the fair value of contingently issuable common stock liabilities 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.

² Subject to completion of pending restatement effort as announced by the Company on October 25, 2024 ("The Board of Evolv Technology Determines that Certain Financial Statements Should Not Be Relied Upon").

³ "Customer(s)" means school(s) or school district(s) in the K-12 range that purchased or otherwise contracted for the use of Evolv Express between the period April 1, 2022, to June 30, 2023. Excluded from this definition is any school or school district that: (1) participated in a pilot program of at least 30 days prior to such purchase or contract; (2) purchased 15 or more Evolv Express units; or (3) purchased or contracted for, and deployed, additional Evolv Express units more than 45 days after initially deploying Evolv Express at a school.

⁴ 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.

⁵ We define Remaining Performance Obligation, or RPO, as estimated revenues expected to be recognized in the future related to performance obligations that are unsatisfied or partially satisfied as of the end of the quarter.

About Evolv Technology

Evolv Technology (NASDAQ: EVLV) is designed to transform human security to make a safer, faster, and better experience for the world's most iconic venues and companies as well as schools, hospitals, and public spaces, using industry leading artificial intelligence (AI)-powered screening and analytics. Its mission is to transform security to create a safer world to live, work, learn, and play. Evolv has digitally transformed the gateways in many places where people gather by enabling seamless integration combined with powerful analytics and insights. Evolv's advanced systems have scanned more than two billion people since 2019. Evolv has been awarded the U.S. Department of Homeland Security (DHS) SAFETY Act Designation as a Qualified Anti-Terrorism Technology (QATT) as well as the Security Industry Association (SIA) New Products and Solutions (NPS) Award in the Law Enforcement/Public Safety/Guarding Systems category, as well as Sport Business Journal's (SBJ) awards for "Best In Fan Experience Technology" and "Best In Sports Technology". Evolv®, Evolv Express®, Evolv Insights®, Evolv Visual Gun Detection™, Evolv eXpedite™, and Evolv Eva™ are registered trademarks or trademarks of Evolv Technologies, Inc. in the United States and other jurisdictions. For more information, visit evolv.com.

Forward-looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend for 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 other than statements of historical fact are statements that could be deemed forward-looking statements, including statements made in the President and Chief Executive Officer's quotes, and statements regarding the Company's future financial and operational results, the expected timing of the Company's restatement efforts and the filing of the Company's Quarterly Report and the restated financial statements, and the Company's ability to regain compliance with Nasdaq's requirements for continued listing. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results and actions to be materially different from any future results or actions expressed or implied by the forward-looking statements, including, but not limited to, the factors discussed under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on February 29, 2024, as any such factors may be updated from time to time in our other filings with the SEC, including the Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, as well as risks related to our leadership transition. 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. Except as required by applicable law, we do not plan to publicly 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 Technologies Holdings Inc
Transcript of Chief Executive Officer Prepared Remarks
January 23, 2025

Presenter
John Kedzierski

Transcript:

Hello, my name is John Kedzierski and I'm the CEO of Evolv Technology.

On behalf of all the employees of Evolv, we wish you and your loved ones a happy and healthy new year. We are excited about 2025, which we see as a year of inflection for the company.

I've spent a little over two decades across technology and security. I've now been on the job for a little more than a month and I wanted to take a moment to reflect on what I have observed and the opportunities I see to drive the business forward. In discussions with the board, the directors impressed upon me the need for regular and transparent communications.

I intend to engage with our shareholders, employees, customers and suppliers regularly.

Speaking of which, I've had a chance to get to know my new colleagues here at Evolv and I've done a deep dive into the business.

I'm more excited now than when I was when I accepted this role.

The team is energized and talented and truly mission-driven.

Evolv has a tremendous opportunity to further its growth, continue to innovate to address hard security problems and help create a safer world while generating profits for our shareholders.

I believe Evolv's products are transformational, including the Gen 2 of our Evolv Express and our new Expedite system.

While I've spent much time with our Evolv team, I've also been able to see the product in action with customers. I recently attended an installation at Chicago Area School and it's a short story that I wanna share. While we were deploying the product, a brave student walked up to us to see if they could try it out. We told her, "Sure, walk right through." She went to empty her pockets of keys and wallet and phone and we told her, "You don't have to do that." And she walked right through. She did, nothing happened and you could see the skepticism on her face. We then gave her a test piece then asked her to walk through again. The system alerted immediately with our red box shown clearly around the weapon. Her reaction said it all, "What we do is important."

That was a second generation product at that school.

Our new Gen 2 is a single SKU for both indoor and outdoor deployments and can be deployed in one lane or two lane configs, replacing a collection of SKUs with our Gen 1 product.

Last week I visited another client, also a school in the Washington DC area. I was really impressed how they deployed our system at a very large scale, how efficiently they were able to get students into the door, into the classroom and how they communicated to me the impact that our technology has had on safety inside their school. What I learned from both these

customers is how important a role our technology can play in the communities that we serve.

I wanna fast forward to business performance. We are in a quiet period while we restate our earnings but I can share some details. In 2024, Evolv faced a number of regulatory and legal challenges. Despite those headwinds, I'm very pleased with the team's performance.

They showed resilience and grit in delivering for Evolv. We saw continued demand for our solution demonstrating that our portfolio fulfills a critical market need in a unique way. For the three month period ending December 31st, 2024, we surpassed 6,000 Evolv Express units deployed. We activated approximately 470 new multi-year subscriptions.

We added about 60 new customers across multiple industries that included education, healthcare, professional sports, live entertainment, tourist attractions and industrial workplaces. We added nearly 100 additional school buildings and we now serve over 1200 buildings. We added over 30 additional hospital buildings and now serve over 450 hospital buildings in total. We also booked our first orders of Evolv Expedite, our new AI powered solution for screening bags. That's a great sign. We first introduced that product to the market only months ago and we already have orders.

We ended the quarter with cash and cash equivalents of approximately \$52 million and we have no debt.

However, we have more work to do. We can be even better.

I've also had a look at our organization and the efficiency of our team and our structure. We are announcing today that we are going to get leaner as a company and optimize our OpEx spend.

Of course, we will continue to prioritize excellence in customer service.

Customers are at the center of everything that we do at Evolv. I'm confident that these cost moves, which will positively impact our cash flow and put us on a path to profitability will not impact organizational effectiveness.

Finally, I'd like to note that we are making progress on restating our financials. Our team and our audit committee are hard at work I personally check on their progress every day. I can't predict exactly when those financial statements will be ready, but we are making meaningful progress and I don't see unsurmountable roadblocks today.

Getting accurate financials out to our shareholders is my number one immediate priority and the number one priority for all our team members that are working on it.

I'm thrilled to be leading this organization.

Evolv has great technology and great potential. We are bringing in top talent and driving toward a more efficient organization.

Through all that, we remain focused on the mission, creating a safer world and driving solutions for our customers and value for our shareholders. I look forward to speaking with you soon and certainly no later than on our next earnings call. Thank you.