UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2026

OR

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

For the transition period from __________ to __________

Commission File No. 001-38823

HYLIION HOLDINGS CORP.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	83-2538002
(State or Other Jurisdiction of Incorporation)	**(IRS Employer Identification No.)**
1202 BMC Drive, Suite 100, Cedar Park, TX	**78613**
(Address of Principal Executive Offices)	**(Zip Code)**

(833) 495-4466
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

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

Title of each class	**Trading symbol(s)**	**Name of each exchange on which registered**
Common Stock, par value $0.0001 per share	HYLN	NYSE American LLC

As of August 3, 2026, 178,597,218 shares of common stock, par value $0.0001 per share, were outstanding.

HYLIION HOLDINGS CORP.
FORM 10-Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2026
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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

HYLIION HOLDINGS CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollar amounts in thousands, except share data)

	June 30, 2026	December 31, 2025
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	$ 13,166	$ 22,938
Accounts receivable, net	2,673	489
Inventory	1,162	—
Prepaid expenses and other current assets	3,621	4,597
Short-term investments	51,011	69,427
Assets held for sale	—	1,181
Total current assets	71,633	98,632
Property and equipment, net	36,317	40,461
Operating lease right-of-use assets	2,444	3,468
Other assets	987	1,004
Long-term investments	68,208	59,994
Total assets	$ 179,589	$ 203,559
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 1,490	$ 3,142
Current portion of operating lease liabilities	2,469	2,726
Accrued expenses and other current liabilities	5,473	3,995
Total current liabilities	9,432	9,863
Operating lease liabilities, net of current portion	577	1,646
Other liabilities	41	41
Total liabilities	10,050	11,550
Commitments and contingencies (Note 10)		
Stockholders' equity		
Common stock, $0.0001 par value; 250,000,000 shares authorized; 189,207,288 and 187,878,790 shares issued at June 30, 2026 and December 31, 2025, respectively; 178,597,218 and 177,268,720 shares outstanding as of June 30, 2026 and December 31, 2025, respectively	19	19
Additional paid-in capital	416,317	413,122
Treasury stock, at cost	(14,132)	(14,132)
Accumulated deficit	(232,665)	(207,000)
Total stockholders' equity	169,539	192,009
Total liabilities and stockholders' equity	$ 179,589	$ 203,559

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

HYLIION HOLDINGS CORP.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollar amounts in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Revenues				
Research and development services	$ 4,944	$ 1,515	$ 7,776	$ 2,004
Total revenues	4,944	1,515	7,776	2,004
Cost of revenues				
Research and development services	4,578	1,384	7,200	1,861
Total cost of revenues	4,578	1,384	7,200	1,861
Gross profit	366	131	576	143
Operating expenses				
Research and development	9,495	10,137	17,165	22,367
Selling, general and administrative	6,427	5,963	12,608	12,044
Exit and termination (benefits) costs	(258)	(346)	(672)	1,077
Total operating expenses	15,664	15,754	29,101	35,488
Loss from operations	(15,298)	(15,623)	(28,525)	(35,345)
Interest income	1,370	2,209	2,860	4,677
Net loss	$ (13,928)	$ (13,414)	$ (25,665)	$ (30,668)
Net loss per share, basic and diluted	$ (0.08)	$ (0.08)	$ (0.14)	$ (0.18)
Weighted-average shares outstanding, basic and diluted	178,441,616	175,308,965	178,057,282	174,829,257

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

HYLIION HOLDINGS CORP.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Dollar amounts in thousands, except share data)

	Six Months Ended June 30, 2026						
	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance at December 31, 2025	187,878,790	$ 19	(10,610,070)	$ (14,132)	$ 413,122	$ (207,000)	$ 192,009
Exercise of common stock options and vesting of restricted stock units, net	1,048,434	—	—	—	—	—	—
Share-based compensation	—	—	—	—	1,452	—	1,452
Net loss	—	—	—	—	—	(11,737)	(11,737)
Balance at March 31, 2026	188,927,224	$ 19	(10,610,070)	$ (14,132)	$ 414,574	$ (218,737)	$ 181,724
Exercise of common stock options and vesting of restricted stock units, net	280,064	—	—	—	1	—	1
Share-based compensation	—	—	—	—	1,742	—	1,742
Net loss	—	—	—	—	—	(13,928)	(13,928)
Balance at June 30, 2026	189,207,288	$ 19	(10,610,070)	$ (14,132)	$ 416,317	$ (232,665)	$ 169,539

	Six Months Ended June 30, 2025						
	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance at December 31, 2024	184,428,472	$ 18	(10,610,070)	$ (14,132)	$ 408,315	$ (149,812)	$ 244,389
Exercise of common stock options and vesting of restricted stock units, net	1,414,392	1	—	—	(444)	—	(443)
Share-based compensation	—	—	—	—	1,295	—	1,295
Net loss	—	—	—	—	—	(17,254)	(17,254)
Balance at March 31, 2025	185,842,864	$ 19	(10,610,070)	$ (14,132)	$ 409,166	$ (167,066)	$ 227,987
Exercise of common stock options and vesting of restricted stock units, net	203,342	—	—	—	(89)	—	(89)
Share-based compensation	—	—	—	—	1,386	—	1,386
Net loss	—	—	—	—	—	(13,414)	(13,414)
Balance at June 30, 2025	186,046,206	$ 19	(10,610,070)	$ (14,132)	$ 410,463	$ (180,480)	$ 215,870

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

HYLIION HOLDINGS CORP.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollar amounts in thousands)

	Six Months Ended June 30,	
	2026	**2025**
Cash flows from operating activities		
Net loss	$ (25,665)	$ (30,668)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	4,225	2,428
Amortization and accretion of investments, net	(419)	(992)
Noncash lease expense	1,024	992
Gain on disposal of assets, including assets held for sale	(472)	(585)
Share-based compensation	3,194	2,681
Carrying value adjustment to assets held for sale	—	1,590
Changes in operating assets and liabilities:		
Accounts receivable	(2,184)	764
Inventory	(1,162)	—
Prepaid expenses and other assets	1,338	1,920
Accounts payable	153	1,015
Accrued expenses and other liabilities	1,478	(1,962)
Operating lease liabilities	(1,326)	(1,182)
Net cash used in operating activities	(19,816)	(23,999)
Cash flows from investing activities		
Purchase of property and equipment	(2,086)	(11,575)
Proceeds from sale of property and equipment	1,853	800
Receipt of security deposit	—	41
Purchase of investments	(34,727)	(18,397)
Proceeds from sale and maturity of investments	45,003	60,026
Net cash provided by investing activities	10,043	30,895
Cash flows from financing activities		
Proceeds from exercise of common stock options	1	—
Taxes paid related to net share settlement of equity awards	—	(532)
Net cash provided by (used in) financing activities	1	(532)
Net (decrease) increase in cash and cash equivalents and restricted cash	(9,772)	6,364
Cash and cash equivalents and restricted cash, beginning of period	23,603	9,892
Cash and cash equivalents and restricted cash, end of period	$ 13,831	$ 16,256
Supplemental disclosure of noncash investing and financing activities:		
Acquisitions of property and equipment included in accounts payable and accrued expenses and other current liabilities	$ 56	$ 447

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

HYLIION HOLDINGS CORP.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollar amounts in thousands, except as separately indicated)

Note 1. Overview

Hyliion Holdings Corp. is a Delaware corporation headquartered in Cedar Park, Texas, that designs and develops the KARNO™ Power Module for stationary and mobile applications and provides research and development ("R&D") services. References to the "Company," "Hyliion," "we," "our," or "us" in this report refer to Hyliion Holdings Corp. and its wholly owned subsidiary, unless expressly indicated or the context otherwise requires.

The KARNO Power Module is a complete, fully integrated, enclosed, fuel agnostic power generating solution, including balance of plant systems such as cooling, controls, fuel, and air handling, that generates electricity on command in stationary power generation applications powered by KARNO Cores. The KARNO Core is a heat-powered generator that uses linear motors in a four-shaft system to generate electricity. Heat is generated through the flameless oxidation of fuels while achieving near zero emissions without aftertreatment systems.

Note 2. Disposals

In November 2023, the Company initiated the wind-down of its powertrain business (the "Plan"), the majority of which activities were completed in 2025. See Note 2 to the consolidated financial statements in our 2025 Annual Report for additional information. The Company has not accounted for the impacts of the Plan as a discontinued operation as the underlying intellectual property has not been abandoned or sold. The Company recognized net (benefits) costs related to the Plan, consisting primarily of recoveries from sales of assets, of $(0.3) million and $(0.3) million during the three months ended June 30, 2026 and 2025, respectively, and $(0.7) million and $1.1 million during the six months ended June 30, 2026 and 2025, respectively, which are included in exit and termination (benefits) costs in the condensed consolidated statements of operations. Remaining accrued liabilities associated with the Plan were immaterial at June 30, 2026.

Note 3. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of Hyliion Holdings Corp. and its wholly owned subsidiary. Intercompany transactions and balances have been eliminated upon consolidation. The condensed consolidated financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and in accordance with the rules and regulations of the United States Securities and Exchange Commission ("SEC"), which permit reduced disclosure for interim periods. The condensed consolidated balance sheet at December 31, 2025 was derived from audited financial statements for the fiscal year then ended, but does not include all necessary disclosures required with respect to annual financial statements. In the opinion of the Company, these condensed consolidated financial statements include all recurring adjustments and normal accruals necessary for a fair presentation of the Company's financial position, results of operations and cash flows for the dates and periods presented. These condensed consolidated financial statements and accompanying notes should be read in conjunction with the Company's 2025 Annual Report. Results for interim periods are not necessarily indicative of the results to be expected for a full fiscal year or for any future period.

These condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business. The Company is an early-stage growth company and has generated negative cash flows from operating activities since inception. At June 30, 2026, the Company had total equity of $169.5 million, inclusive of cash and cash equivalents of $13.2 million and total investments of $119.2 million. Based on this, the Company has sufficient funds to continue to execute its business strategy for the next twelve months from the issuance date of the financial statements included in this Quarterly Report on Form 10-Q.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the balance sheet date, as well as reported amounts of expenses during the reporting period. The Company's most significant estimates and judgments involve revenue, inventory, income taxes and valuation of share-based compensation. Management bases its estimates on historical experience and on various other assumptions believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates, and such differences could be material to the Company's condensed consolidated financial statements.

Segment Information

ASC 280, *Segment Reporting*, defines operating segments as components of an enterprise where discrete financial information is available that is evaluated regularly by the chief operating decision-maker ("CODM") in deciding how to allocate resources and in assessing performance. The Company operates as a single operating segment from which all revenue and net income (loss) are derived and for which all assets are attributed. The Company's CODM is the chief executive officer, who has ultimate responsibility for the operating performance of the Company and the allocation of resources. The CODM assesses performance for the single operating segment and decides how to allocate resources based on consolidated net income (loss), which is reported on the condensed consolidated statements of operations, and does not segment the business for internal reporting or decision making. The CODM uses net income (loss), including the significant expense categories presented below, in the annual budgeting and forecasting process and monitors actual results against the budget and forecast on a quarterly basis. The CODM considers budget-to-actual variances in net income (loss) when making decisions about the allocation of operating and capital resources, including the level of investment in research and development activities related to the KARNO Power Module, spending on commercialization efforts, and resources devoted to performance under the Company's government contracts. The CODM also uses net income (loss) to monitor the Company's operating cash requirements and to evaluate the sufficiency of the Company's liquidity to fund planned operations.

The significant expense categories and amounts that are regularly provided to the CODM and included in the reported measure of segment loss for the three and six months ended June 30, 2026 and 2025 are summarized as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Total revenues	$ 4.9	$ 1.5	$ 7.8	$ 2.0
Total cost of revenues	4.6	1.4	7.2	1.9
Gross profit	0.4	0.1	0.6	0.1
Administrative and office	1.7	1.6	3.3	3.2
Depreciation and amortization	2.1	1.3	4.2	2.4
Facilities	1.3	1.5	2.5	2.9
Personnel	7.1	6.3	14.2	12.6
Product development, exclusive of other costs presented	2.0	3.4	2.2	9.7
Professional services	1.5	1.5	2.9	2.9
Exit and termination costs	(0.3)	(0.3)	(0.7)	1.1
Other operating expense	0.3	0.4	0.6	0.7
Total operating expenses	15.7	15.7	29.2	35.5
Other income, net	1.4	2.2	2.9	4.7
Net loss	$ (13.9)	$ (13.4)	$ (25.7)	$ (30.7)

Concentration of Supplier Risk

The Company is dependent on certain suppliers, many of which are single source suppliers, and the inability of these suppliers to deliver necessary components of the Company's products in a timely manner at prices, quality levels and volumes that are acceptable, or the Company's inability to efficiently manage these components from these suppliers, could have a material adverse effect on the Company's business, prospects, financial condition and operating results.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity date of 90 days or less at the time of purchase to be cash and cash equivalents only if in checking, savings or money market accounts. Cash and cash equivalents include cash held in banks and money market accounts and are carried at cost, which approximates fair value. The Company maintains cash in excess of federally insured limits at financial institutions, which it believes are of high credit quality, and has not incurred any losses related to these balances to date. The Company believes its credit risk, with respect to these financial institutions, to be minimal.

Restricted Cash

The Company has provided its corporate headquarters lessor with a letter of credit for $0.7 million to secure the performance of the Company's lease obligations, backed by a restricted cash deposit to pay any draws on the letter of credit by the lessor. Total cash and cash equivalents and restricted cash as presented in the condensed consolidated statements of cash flows is summarized as follows:

	June 30, 2026	December 31, 2025	June 30, 2025	December 31, 2024
Cash and cash equivalents	$ 13,166	$ 22,938	$ 15,591	$ 9,227
Restricted cash included in other assets	665	665	665	665
	$ 13,831	$ 23,603	$ 16,256	$ 9,892

Accounts Receivable, Net

Accounts receivable are stated at the invoiced amount, net of an allowance for credit losses. The Company estimates expected credit losses on its receivables and maintains an allowance at a level considered adequate to provide for those losses based on its evaluation of current conditions as of the balance sheet date, changes in the character and size of the receivable balance, historical loss experience, and other pertinent factors. At June 30, 2026 and December 31, 2025, accounts receivable included amounts receivable from a single customer of $2.5 million and $0.5 million, respectively. At June 30, 2026 and December 31, 2025, there was no allowance for credit losses on customer receivables.

The Company adopted ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets,* during the quarter ended March 31, 2026, applying the practical expedient under which the Company assumes that current conditions as of the balance sheet date do not change for the remaining life of its current accounts receivable in estimating expected credit losses. There was no material impact as a result of the adoption of this ASU.

Investments

The Company's investments consist of corporate bonds, U.S. treasury and agency securities, state and local municipal bonds and commercial paper, all of which are classified as held-to-maturity, with a maturity date of 36 months or less at the time of purchase. The Company determines the appropriate classification of investments at the time of purchase and re-evaluates such designation as of each balance sheet date. Investments are classified as held-to-maturity when the Company has the positive intent and ability to hold the securities to maturity.

Held-to-maturity securities are stated at amortized cost, adjusted for amortization of premiums and accretion of discounts to maturity, and any expected credit losses. Such amortization, along with interest, is included in interest income. The Company estimates expected credit losses for held-to-maturity investments by considering relevant available information and assessing the risk of loss over the assets' contractual life. The Company's portfolio of held-to-maturity investments is of a high credit quality with minimal expected credit losses. The Company uses the specific identification method to determine the cost basis of securities sold.

Fair Value Measurements

ASC 820, *Fair Value Measurements*, clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based upon assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level I: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Company can access at the measurement date;

Level II: Significant other observable inputs other than level I prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data; and

Level III: Significant unobservable inputs that reflect the Company's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

An asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company believes its valuation methods are appropriate and consistent with other market participants. However, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Company's financial instruments consist of cash and cash equivalents and restricted cash, accounts receivable, investments, accounts payable and accrued expenses. The carrying value of cash and cash equivalents and restricted cash, accounts receivable, accounts payable and accrued expenses approximate fair value because of the short-term nature of those instruments. The fair value of investments is based on quoted prices for identical or similar instruments in markets that are not active. As a result, investments are classified within Level II of the fair value hierarchy.

Inventory

As of June 30, 2026, we have not yet commercialized the KARNO Power Module. Unless such components are capitalizable, costs incurred for components acquired prior to our determination of reaching a commercial stage are expensed as R&D costs, resulting in zero cost basis for those components. As a result, certain components on hand have a zero cost basis, and inventory capitalized in future periods that incorporates these components will reflect carrying amounts, and related cost of revenue upon sale, that are lower than would result had those components been initially capitalized.

When inventory may be utilized in performance of our contracts with the United States Department of the Navy's Office of Naval Research ("ONR"), we capitalize that inventory including certain allocations of overhead, labor, and other direct costs and classify it as work-in-process inventory. When this inventory is designated to and utilized in an activity, we record either an R&D or a cost of revenue charge in the period in which the utilization occurs.

All inventory recorded on the balance sheet at June 30, 2026 is classified as work-in-process. Inventory is valued using the specific identification cost method and is stated at the lower of cost or net realizable value. We review our inventory to determine whether its carrying value exceeds the net amount we expect to realize upon the ultimate sale of the inventory.

Revenue

The Company follows five steps to recognize revenue from contracts with customers under ASC 606, Revenue from Contracts with Customers, which are:

- Step 1: Identify the contract(s) with a customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract; and
- Step 5: Recognize revenue when (or as) a performance obligation is satisfied.

U.S. Government Contracts

In September 2024, the Company was awarded a best effort cost-plus-fixed-fee contract of up to $16.0 million by the ONR to research the suitability of its KARNO Power Module for Navy ships and stationary power generation applications. Under the agreement, the Company will provide R&D services through February 2027, including delivery of up to seven KARNO Cores and testing of power module systems. The ONR contract represented a significant change in business strategy toward providing R&D activities in the ordinary course of business in addition to developing Power Modules for stationary and mobile applications.

In July 2025, the Company was awarded a Phase II best effort cost-plus-fixed-fee contract of up to $1.5 million by the ONR to demonstrate the conceptual feasibility of the Phase I effort contract awarded in July 2024 for up to $0.2 million and to show development progress towards successful application. Under the Phase II agreement, including the exercised option, the Company will provide R&D services through July 2027, including design reviews, simulations, and reporting.

There is a single research and development services performance obligation in each of these contracts that is measured over time as the services are performed. The Company generally invoices monthly, which corresponds directly with the value to the customers of the performance completed to date based on the cost of labor and materials utilized, and recognizes revenue in the amount that it has a right to invoice. Payment is ordinarily due within 90 days of invoice submission. Cost of R&D services revenue includes labor, allocated fringe and overhead, and inventory.

All revenue during the three and six months ended June 30, 2026 and 2025 was recognized over time. The portion of our revenues from significant customers is summarized as follows and is attributable to customers located in the U.S.:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Customer A	100 %	87 %	100 %	77 %
Customer B	—	13	—	23
	100 %	100 %	100 %	100 %

In July 2026, the Company was awarded a best effort cost-plus-fixed-fee contract of up to $41.7 million by the ONR. This contract provides for the design, development, construction, testing and delivery of 2-megawatt and 3-megawatt KARNO power generation systems at locations identified by ONR. The Company expects to begin performance on this contract in the fourth quarter of 2026, increasing performance in the second and third quarters of 2027, and continuing through mid-2029.

Research and Development Expense

R&D costs did not meet the requirements to be recognized as an asset as the associated future benefits were at best uncertain and there was no alternative future use at the time the costs were incurred. R&D costs include, but are not limited to, outsourced engineering services, allocated facilities costs, depreciation on equipment utilized in R&D activities, internal engineering and development expenses, materials, internally-developed software and employee-related expenses (including salaries, benefits, travel, and share-based compensation) related to development of the Company’s products and services.

Recent Accounting Pronouncements

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, to improve the guidance in Topic 270, Interim Reporting, by improving the navigability of the required interim disclosures and clarifying when that guidance is applicable, including additional guidance on what disclosures should be provided in interim reporting periods. The pronouncement is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. We are currently evaluating the impact of adoption.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, to modernize the accounting for software costs that are accounted for under Subtopic 350-40, Intangibles—Goodwill and Other—Internal-Use Software. The pronouncement is effective for fiscal years beginning after December 15, 2027 and interim periods within that fiscal year. We are currently evaluating the impact of adoption.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40),* and clarified by ASU 2025-01, to enable investors to better understand the major components of an entity’s income statement. The pronouncement is effective for fiscal years beginning after December 15, 2026 and interim periods beginning after December 15, 2027, and we expect a material impact to our disclosures as a result of adoption.

Note 4. Investments

The amortized cost, unrealized gains and losses, fair value and maturities of our held-to-maturity investments at June 30, 2026 and December 31, 2025 are summarized as follows:

	June 30, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Commercial paper	$ 4,960	$ —	$ (3)	$ 4,957
Corporate bonds and notes	114,259	196	(178)	114,277
	$ 119,219	$ 196	$ (181)	$ 119,234

	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Commercial paper	$ 4,868	$ 1	$ —	$ 4,869
U.S. government agency bonds	3,000	—	—	3,000
State and municipal bonds	1,000	—	—	1,000
Corporate bonds and notes	120,553	492	(17)	121,028
	$ 129,421	$ 493	$ (17)	$ 129,897

	June 30, 2026		December 31, 2025	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in one year or less	$ 51,011	$ 51,007	$ 69,427	$ 69,586
Due after one year through five years	68,208	68,227	59,994	60,311
	$ 119,219	$ 119,234	$ 129,421	$ 129,897

Note 5. Fair Value Measurements

The fair value measurements of our financial assets at June 30, 2026 and December 31, 2025 are summarized as follows:

	Fair Value Measurements at June 30, 2026			
	Level I	Level II	Level III	Total
Cash and cash equivalents	$ 13,166	$ —	$ —	$ 13,166
Restricted cash	665	—	—	665
Held-to-maturity investments:				
Commercial paper	—	4,957	—	4,957
Corporate bonds and notes	—	114,277	—	114,277
	$ 13,831	$ 119,234	$ —	$ 133,065

	Fair Value Measurements at December 31, 2025			
	Level I	Level II	Level III	Total
Cash and cash equivalents	$ 22,938	$ —	$ —	$ 22,938
Restricted cash	665	—	—	665
Held-to-maturity investments:				
Commercial paper	—	4,869	—	4,869
U.S. government agency bonds	—	3,000	—	3,000
State and municipal bonds	—	1,000	—	1,000
Corporate bonds and notes	—	121,028	—	121,028
	$ 23,603	$ 129,897	$ —	$ 153,500

Note 6. Leases

Subsequent to June 30, 2026, the Company entered into an amendment to the lease of its Cedar Park, Texas headquarters facilities. The amendment extends the lease term for the Company's approximately 125,000 square foot facility by 63 months, through July 2032, and provides for total base rent of approximately $9.8 million over the extension period, inclusive of a three-month rent abatement, and a tenant improvement allowance of up to $0.6 million. The Company retains two options to further extend the lease term by five years each. The lease term for the subleased approximately 27,000 square foot facility was not extended and will expire in April 2027. The Company will remeasure the related operating lease right-of-use asset and lease liability as of the amendment date in the third quarter of 2026.

In February 2025, the Company executed a sublease for a portion of its corporate office through April 2027. Sublease operating income which is included as reductions to R&D and selling, general and administrative expense in the condensed consolidated statements of operations for the three months ended June 30, 2026 and 2025 was $0.1 million and $0.1 million, respectively, and $0.2 million and $0.1 million, respectively, for the six months ended June 30, 2026 and 2025.

Note 7. Property and Equipment, Net

Property and equipment, net at June 30, 2026 and December 31, 2025 is summarized as follows:

	June 30, 2026	December 31, 2025
Production machinery and equipment	$ 46,797	$ 46,905
Vehicles	379	379
Leasehold improvements	5,653	5,551
Office furniture and fixtures	300	287
Computers and related equipment	2,347	2,273
	55,476	55,395
Less: accumulated depreciation	(19,159)	(14,934)
Total property and equipment, net	$ 36,317	$ 40,461

Note 8. Share-Based Compensation

During the six months ended June 30, 2026 and 2025, the Company granted 4.0 million and 4.3 million restricted stock units, respectively, which will vest over a period of one to three years, inclusive of the units described below with underlying closing stock price thresholds. During the six months ended June 30, 2026 and 2025, 0.6 million and 0.1 million restricted stock units, respectively, were forfeited. Share-based compensation expense for the three months ended June 30, 2026 and 2025 was $1.7 million and $1.4 million, respectively. Share-based compensation expense for the six months ended June 30, 2026 and 2025 was $3.2 million and $2.7 million, respectively.

The Company granted 2.3 million restricted stock units in the six months ended June 30, 2026 that are subject to vest between February 11, 2026 and December 31, 2028 contingent upon achieving underlying closing stock price thresholds. Through June 30, 2026, there was no achievement of underlying closing stock price thresholds on these awards. These awards were valued at $1.57 per unit using a Monte Carlo simulation including a blend of historical and implied share volatility of 105% and a risk-free rate of 3.48%.

Note 9. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities at June 30, 2026 and December 31, 2025 are summarized as follows:

	June 30, 2026	December 31, 2025
Accrued professional services and other	$ 2,118	$ 1,342
Accrued compensation and related benefits	2,730	2,028
Other accrued liabilities	625	625
	$ 5,473	$ 3,995

Note 10. Commitments and Contingencies

Economic Incentive Agreement

During the quarter ended March 31, 2024, in connection with our operations in Cedar Park, Texas, the Company entered into an agreement with the Cedar Park Economic Development Corporation ("EDC") that superseded prior agreements, whereby the Company would receive cash grants up to $1.1 million from the EDC at various measurement dates during the term of the agreement contingent upon the Company fulfilling and maintaining certain occupancy, investment, and employment requirements. The requirements must be met on or before specific measurement dates and maintained throughout the term of the agreement, which expires effective December 31, 2029. The Company has received payments to date of $0.4 million which are refundable as applicable performance requirements were not met and are included within accrued expenses and other current liabilities at June 30, 2026. Under the agreement, the EDC has the right to file a security interest to all assets of the Company.

Legal Proceedings

The Company is periodically involved in legal proceedings, legal actions and claims arising in the normal course of business, including proceedings relating to product liability, intellectual property, safety and health, employment and other matters. The Company believes that the outcome of such legal proceedings, legal actions and claims will not have a significant adverse effect on the Company's financial position, results of operations or cash flows.

Note 11. Net Loss Per Share

The computation of basic and diluted net loss per share for the three and six months ended June 30, 2026 and 2025 is summarized as follows (in thousands, except share and per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator:				
Net loss attributable to common stockholders	$ (13,928)	$ (13,414)	$ (25,665)	$ (30,668)
Denominator:				
Weighted average shares outstanding, basic and diluted	178,441,616	175,308,965	178,057,282	174,829,257
Net loss per share, basic and diluted	$ (0.08)	$ (0.08)	$ (0.14)	$ (0.18)

Potential common shares excluded from the computation of diluted net loss per share because including them would have had an anti-dilutive effect for the three and six months ended June 30, 2026 and 2025 are summarized as follows:

	Three and Six Months Ended June 30,	
	2026	2025
Unexercised stock options	169,495	183,975
Unvested restricted stock units	9,837,512	8,671,144
	10,007,007	8,855,119

Note 12. Subsequent Events

At-the-Market Offering Program

On August 11, 2026, the Company entered into an at-the-market sales agreement (the “Sales Agreement”) with Needham & Company, LLC and Northland Securities, Inc. (each, a “Sales Agent” and collectively, the “Sales Agents”). Under the terms of the Sales Agreement, the Company may offer and sell, from time to time at its sole discretion, shares of its common stock, par value $0.0001 per share (the “Common Stock”), having an aggregate offering price of up to $100 million (the “Shares”) through the Sales Agents. Pursuant to the Sales Agreement, the Shares may be offered and sold through the Sales Agents in transactions deemed to be an “at the market offering” as defined in Rule 415(a)(4) under the Securities Act, including sales made directly on or through the NYSE American or any other existing trading market for the Common Stock, in negotiated transactions (including block trades) at market prices prevailing at the time of sale or at prices related to such prevailing market prices and/or any other method permitted by law. Under the terms of the Sales Agreement, the Company may also sell the Shares to a Sales Agent as principal for its own account at a price agreed upon at the time of sale. Pursuant to the Sales Agreement, the Company has agreed to pay the applicable Sales Agent a commission of up to 3.0% of the aggregate gross proceeds from each sale of the Shares and has agreed to provide the Sales Agents with customary expense reimbursement. The Sales Agreement contains customary representations, warranties and agreements of the Company, and customary conditions to completing future sale transactions, indemnification rights and obligations of the parties and termination provisions. The Company has no obligation to sell, and the Sales Agents have no obligation to buy or sell, any of the Shares under the Sales Agreement and the Company or the Sales Agents may at any time suspend sales under the Sales Agreement. Through the date of this filing, no shares had been sold.

Government Contract Award

As discussed in Note 3, in July 2026 the Company was awarded a best effort cost-plus-fixed fee contract of up to $41.7 million by the ONR.

Lease Amendment

As discussed in Note 6, in July 2026 the Company entered into an amendment extending the lease of its Cedar Park, Texas facilities.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

References to the “Company,” “Hyliion,” “we,” “our,” or “us” in this report refer to Hyliion Holdings Corp. and its wholly owned subsidiary Hyliion Inc., unless expressly indicated or the context otherwise requires. The following discussion should be read in conjunction with our unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this report and our audited consolidated financial statements and related notes thereto in our 2025 Annual Report.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (“Form 10-Q”) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements, other than statements of historical fact, contained in this Form 10-Q are forward-looking statements, including, but not limited to, statements regarding our strategy, prospects, plans, objectives, future operations, future revenue and earnings, projected margins and expenses, markets for our services, potential acquisitions or strategic alliances, financial position, and liquidity and anticipated cash needs and availability. The words “anticipates,” “believes,” “targets,” “should,” “contemplates,” “estimates,” “expects,” “intends,” “may,” “could,” “plans,” “projects,” “will,” “would,” “potential,” “remains,” “continues,” “likely,” or variations of such words and similar expressions or the negatives thereof are intended to identify forward-looking statements. However, not all forward-looking statements contain these identifying words. These forward-looking statements represent our management’s expectations as of the date of this filing and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. We cannot guarantee the accuracy of the forward-looking statements, and you should be aware that results and events could differ materially and adversely from those contained in the forward-looking statements due to a number of risks and uncertainties including, but not limited to, those described in the section entitled “Risk Factors” included in our 2025 Annual Report on Form 10-K, this Form 10-Q, and in other documents we file from time to time with the U.S. Securities and Exchange Commission (the “Commission” or the “SEC”) that disclose risks and uncertainties that may affect our business. Readers are urged to carefully review and consider the various disclosures made in this Form 10-Q and in other documents we file from time to time with the Commission. Furthermore, such forward-looking statements speak only as of the date of this Form 10-Q. Except as required by law, we do not undertake, and expressly disclaim any duty, to publicly update or revise these statements, whether as a result of new information, new developments, or otherwise and even if experience or future changes make it clear that any projected results expressed in this Form 10-Q or future quarterly reports, *press releases or company statements will not be realized. Unless specifically indicated otherwise, the forward-looking statements in this Form 10-Q do not reflect the potential impact of any investments, divestitures, mergers, acquisitions or other business combinations that have not been completed as of the date of this filing. In addition, the inclusion of any statement in this Form 10-Q does not constitute an admission by us that the events or circumstances described in such statement are material. We qualify all of our forward-looking statements by these cautionary statements. In addition, the industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors including those described in the section entitled "Risk Factors" included in our 2025 Annual Report on Form 10-K and in this Form 10-Q. These and other factors could cause our results to differ materially from those expressed in this Form 10-Q.*

Overview

Hyliion is committed to creating innovative solutions that enable clean, efficient, and flexible electricity production while contributing positively to the environment in the energy economy. Hyliion's primary product offering, the KARNO Power Module, is a modular, fully enclosed, fuel-agnostic and fully integrated power generating solution. The KARNO Power Module is powered by the KARNO Core, a heat powered linear generator, to produce electricity with significant improvements in efficiency, emissions and lifecycle cost compared to conventional generation technologies. Hyliion's KARNO Power Modules enable effective power generation using a wide range of fuel sources, including conventional fuels such as natural gas, propane or diesel, waste fuels such as landfill gas, wellhead gas, and zero carbon fuels such as renewable hydrogen and ammonia. Hyliion is initially targeting the data center, defense, commercial, and industrial sectors with a locally-deployable generator designed to meet a wide range of power generation needs. The Company intends to scale up its KARNO Power Module solution to address larger utility-scale power needs and plans to develop future variants for industrial waste heat, nuclear, household use and e-mobility applications such as vehicles and marine vessels. Additionally, the KARNO Power Module technology is well-suited to provide combined heat and power in various stationary applications.

KARNO Power Modules

The KARNO technology emerged out of General Electric's long-running R&D investments in aerospace and metal additive manufacturing across multiple industries and in areas such as generator thermal and performance design. Originally envisioned as a range-extending power source for our Hypertruck powertrain system, we now intend to commercialize the KARNO Power Module as a standalone product targeting power generation, defense, and e-mobility markets, as well as related R&D services that we have undertaken pursuant to contracts with the United States government. We believe that the unique capabilities of the KARNO Power Module will make it competitive in the market for distributed power systems, competing favorably against conventional generating systems and new alternative power systems such as fuel cells and other linear generators. The KARNO Power Module and KARNO Core technology, including the technology that we acquired from General Electric, and the technology developed by Hyliion subsequent to the acquisition, is protected by numerous patents and trademarks which we believe provide us with extensive and lasting protection for our intellectual property.

The Science of the KARNO Power Module

The KARNO Power Module is distinguished from conventional generating systems that rely on reciprocating internal combustion engines or gas turbines to drive a rotating shaft. Instead, the KARNO Core that powers the KARNO Power Module uses an innovative thermal converter to power a linear electricity generating system. The KARNO Core produces linear motion from temperature differences within the system. Heat is generated through flameless oxidation of fuels, such as natural gas, hydrogen, or propane. The thermal energy heats helium gas enclosed within a sealed cylinder, causing it to expand and drive linear motion in a connected piston-shaft system. The shaft includes a sequence of permanent magnets that pass through electrical coils as the system oscillates, generating electricity. Subsequently, the countermotion generated by a piston at the opposite end of the shaft flows the helium gas to the cold side of a piston in an adjacent shaft, where excess heat is efficiently dissipated. This cyclical process continues, resulting in a continuous source of electrical power as long as heat is supplied to the KARNO Core.

Linear generators present several advantages over conventional generators, including higher thermal efficiency, lower emissions and reduced maintenance, benefits that are partly attributable to the generator's simplified design with few moving parts. Additionally, they exhibit high power density and higher efficiency by circumventing the mechanical losses linked to rotating components such as bearings and gears while producing less noise and vibration. In the case of the KARNO Core, each shaft relies on a single moving part and utilizes a pressurized helium bearing system in place of oil-based lubricants.

Thermal converters offer the advantages of fuel flexibility and high operating efficiency. The KARNO Core stands out for its ability to maximize heat transfer between components and working fluids. Enabled by advances in additive manufacturing systems, parts are designed with many intricate flow channels for the movement of heat, coolant, helium and exhaust gases such that contact surface areas for heat transfer are maximized. This enables the KARNO Power Module to achieve high levels of efficiency.

The KARNO Power Module is expected to surpass the efficiency of many conventional generating systems when employing various fuel sources and its high efficiency is expected to remain consistent across a broad range of output power levels. In comparison, fuel cells reach peak efficiency at low power levels but experience diminishing efficiency as output increases towards full power. Internal combustion engines typically achieve peak efficiency within a limited operational output range and may suffer increased wear at low power levels. The KARNO Power Module offers a distinct advantage in power adjustment by modulating the rate of heat introduction, enabling seamless power adjustments without compromising efficiency.

We anticipate that the KARNO Power Module will initially achieve an electrical generating efficiency of approximately 45%, calculated by considering the usable power output in relation to the energy from the fuel source. We believe that ongoing engineering improvements are expected to increase the KARNO Power Module's efficiency to 50% or higher in future design iterations. High efficiency is expected to remain relatively consistent across a wide range of output power levels, spanning from tens of kilowatts to multiple megawatts. In contrast, internal combustion diesel or natural gas generators typically operate within an efficiency range of 25% to 40% over a similar power spectrum, while the U.S. electrical power grid is estimated to operate at an efficiency between 33% and 40%. Notably, best-in-class grid-level combined cycle gas turbine powerplants can obtain efficiencies above 50% but often incur transmission and distribution losses between 5% and 10% which the KARNO Power Module is expected to circumvent by being located near the point of power consumption.

Conventional generators emit pollutants because of incomplete combustion of fuel-air mixtures and sub-optimal operating conditions, with the formation of nitrous-oxide (“NOx”) and carbon monoxide (“CO”) compounds being particularly prominent. Unlike conventional generators, the KARNO Power Module is designed for continuous flameless oxidation of the fuel at lower temperatures and extended reaction times. This is achieved partly through the recirculation of exhaust gases, which serves to prolong oxidation, and by pre-heating incoming air. As a result, the KARNO Power Module is anticipated to achieve ultra-low levels of emissions, with NOx and CO emissions expected to be reduced by over 95% compared to best-in-class diesel or natural gas engines and meeting South Coast Air Quality Management District (“SCAQMD”) Rule 1110.3 emission standards without the need for aftertreatment.

One of the notable advantages of the KARNO Power Module in comparison to traditional generating units is the expected reduction in maintenance requirements and cost. Conventional generators typically incur periodic and usage-based maintenance expense that can range between 5% to 20% of their total operating cost throughout their lifespan, influenced by factors such as utilization and operating parameters. The KARNO Power Module's primary advantage arises from having only a single moving part per shaft (4 shafts per 200 kW KARNO Core), which glides on low friction helium bearings. This innovative design mitigates efficiency losses attributed to friction, enhancing the system's operational longevity and eliminating the need for oil-based lubricants.

The KARNO Power Module derives advantages from its expected capability to operate across a diverse spectrum of over 20 available fuel sources and fuel blends. These include natural gas, propane, gasoline, jet fuel, and alternative fuels like biodiesel, hydrogen and ammonia. Moreover, the KARNO Power Module can seamlessly transition between these fuels or fuel blends. This versatility enables a single KARNO Power Module to adapt to different use cases. For example, the KARNO Power Module may operate on natural gas for prime power generation when a pipeline connection is available, on waste gas near a landfill or dairy farm, and switch to locally stored diesel fuel for continuous generation if its primary fuel supply is interrupted. Furthermore, we expect that as hydrogen becomes more widely available, the KARNO Power Module will be able to adapt to this cleaner fuel. As the energy landscape evolves, we believe that the KARNO Power Module's fuel-agnostic nature positions it as a flexible solution to electricity generation needs, enhancing energy security.

Benefits of the KARNO Power Module Versus Conventional Competitors

We believe the versatility and operating characteristics of the KARNO Power Module make it an effective system for a variety of conventional and emerging electricity generating applications. Key attributes of the KARNO Power Module distinguish it from its conventional generator counterparts:

- *Efficiency*: The anticipated operating efficiency of the KARNO Power Module could result in lower marginal cost of electricity generation versus conventional generating systems and, in some markets, grid power.
- *Low Maintenance*: With only a single moving part per shaft, the simplicity of the KARNO Power Module is expected to reduce both periodic maintenance expenses and overhaul costs and deliver longer uptime.
- *Fuel Agnostic*: While many traditional generators operate on a single fuel source or require system modification to achieve fuel flexibility, the KARNO Power Module is designed to be fuel-agnostic and can switch between fuel choices during operation with few or no modifications.
- *Low Noise and Vibration*: Unlike conventional generators, the KARNO Power Module operates without internal combustion, resulting in a significantly lower noise level under normal operating conditions of approximately 67 decibels at six feet.
- *High Power Density*: The unique architecture and features of the KARNO Power Module that are enabled by advances in additive manufacturing are expected to enable the KARNO Power Module to achieve a high power density relative to competing power generation technologies.
- *Modularity*: The DC output of the KARNO Power Module allows multiple KARNO Power Modules to be connected on a single bus to achieve higher power outputs without impacting other performance characteristics.

Market Opportunity

As economies and industries evolve, the demand for electricity is accelerating, driven by the electrification of society, urbanization, increasing industrial output and technological growth. Electricity powers factories, drives the digital revolution, supports healthcare, education, and financial services, and serves as the foundation of economic productivity. Additional drivers include the projected widespread growth of artificial intelligence, automation, expanding data centers and the electrification of transportation. However, as global energy demand rises, traditional centralized power generation and distribution models face mounting challenges.

The aging of grid transmission infrastructure is creating new challenges as operators work to balance the availability of affordable, reliable power with maintaining grid stability and integrating new sources of clean power generation. The addition of intermittent renewable power generation further complicates grid management, emphasizing the need for resilient and adaptive electricity systems. Distributed power generation offers a solution by decentralizing electricity production, reducing transmission needs and delivering power closer to points of consumption.

We believe that Hyliion's KARNO Power Module is an innovative solution in the emerging distributed generation space, offering a reliable power generator that combines high efficiency, fuel flexibility, and low emissions. Designed for both stationary and mobile applications, the KARNO Power Module addresses many of the challenges that have traditionally limited the widespread adoption of onsite power solutions. These include high operating costs, reliability issues, complex maintenance, noise pollution, space constraints, and dependency on limited fuel sources.

Hyliion's initial KARNO Power Module product is a 200 kW system that is power-dense and easy to deploy. It features a compact, space-efficient rectangular design with a footprint of approximately 25 square feet, housing a single four-shaft linear generating unit and integrated balance-of-plant components. The KARNO Power Module supports fuel switching during operation without power loss, while flexible deployment options allow it to operate in grid-following, grid-forming, or islanded configurations (when paired with an external inverter), making it suitable for a wide range of applications. Additionally, the KARNO Power Module features real-time monitoring of over 1,000 operational parameters through its KARNO Cloud® platform, enabling proactive diagnostics, predictive maintenance, and performance optimization, ensuring maximum uptime. With cloud connectivity, users gain instant access to remote monitoring and control features, providing insights into system performance, fuel efficiency, and system health.

Beyond the 200 kW variant, Hyliion is advancing the development of a larger Multi-MW (2 MW+) KARNO system, which integrates multiple 200 kW KARNO Core units operating in tandem in a compact containerized footprint. The Multi-MW KARNO system will target key market segments such as data centers and industrial prime power applications. We are also developing a modular 800 kW system consisting of four KARNO Core units that is planned to be delivered to the U.S. Navy in 2026 as part of our project with ONR. We believe that this modular and scalable approach enables seamless power expansion while maintaining high efficiency and reliability. By utilizing multiple 200 kW generating blocks, the system offers built-in redundancy and the flexibility for customers to customize capacity to match their power needs.

Hyliion also plans to expand the KARNO product line over time with both larger and smaller capacity versions, adjusting power levels by varying the number of generator shafts and component sizes. Initially, the KARNO Power Module will target power applications ranging from 200 kW to the low megawatt range, addressing a broad spectrum of distributed generation needs. With its ability to deliver reliable, fuel-flexible, and highly efficient power, the KARNO Power Module is uniquely positioned to serve a variety of key market segments, including:

- *Data Centers:* As cloud computing, artificial intelligence, machine learning, and edge computing continue to expand, data centers are projected to consume an increasing share of global energy demand. Onsite power generation is an emerging solution for new data center developments, although conventional generating technologies often face local resistance due to noise or emissions concerns. Hyliion's Multi-MW KARNO system is being designed to meet the needs of data center developers by providing a scalable, fuel-flexible onsite power solution with significantly reduced levels of noise and emissions than conventional diesel or natural gas generators. Capable of operating on more than 20 different fuels, the KARNO Power Module enables data center developers to minimize onsite generation infrastructure. Its ability to easily transition between pipeline-supplied fuels, such as hydrogen or natural gas, and onsite stored fuels, like methanol or diesel, eliminates the need for separate backup generation systems, reducing capital and operational costs. Additionally, as data center rack power densities rise to support increased AI workloads, Hyliion's KARNO Power Module's native 800V DC architecture simplifies power system design and enhances site resiliency.
- *Commercial & Industrial:* As electricity demand increases and grid infrastructure struggles, microgrids and onsite prime power solutions are becoming essential for industries facing high consumption charges, peak demand pricing, and grid reliability concerns. Businesses, industrial sites, and remote facilities increasingly seek localized power generation to mitigate rising energy costs, monetize assets, and improve operational resilience. With relatively high efficiency, fuel adaptability and low maintenance needs, KARNO Power Modules provide a cost-effective alternative to grid electricity, allowing businesses to optimize energy costs while ensuring uninterrupted operations. Its ability to integrate with energy storage and renewable sources is expected to enable installation of effective hybrid energy solutions. Additionally, the KARNO Power Module's cogeneration capabilities may allow industries to utilize both electricity and thermal energy, improving overall system efficiency and recovering usable waste heat.
- *Defense:* Defense organizations around the world are pursuing advanced energy solutions to support modern, rapidly evolving, distributed operations across land, sea, air, and autonomous platforms. Hyliion's fuel-agnostic KARNO platform is engineered to meet these changing mission profiles with a combination of versatility, efficiency, and durability. Designed to operate on over 20 fuels, including JP-8 and its variants, diesel, ammonia, and hydrogen, the KARNO system enhances logistical adaptability across diverse applications. Its low acoustic and thermal signatures support stealth and operational security, while its high fuel efficiency enables longer runtimes and reduced refueling needs. Built with minimal moving parts and robust architecture, the KARNO technology delivers extended maintenance intervals and high system uptime under challenging conditions. Whether deployed in forward operating bases, shipboard power systems, microgrids, or unmanned autonomous platforms, we expect that the scalable KARNO Power Module can deliver reliable, next-generation power for the strategic and tactical demands of global defense operations.
- *Vehicle Charging:* The adoption of electric vehicles ("EVs") is placing increasing strain on grid capacity, a challenge expected to grow with the introduction of commercial EVs, including buses, delivery vans, and heavy-duty trucks. These vehicles require substantial power for charging, intensifying grid demands. While Direct Current ("DC") fast charging technology and infrastructure are evolving to meet this need, many commercial operators cite limited grid capacity and high electricity costs as barriers to scaling their EV fleets. We believe the KARNO Power Module offers an advantaged solution for commercial EV charging. Its native DC output integrates with DC fast charging infrastructure, eliminating power losses associated with conversion. Additionally, the KARNO Power Module's compact footprint and quiet operation will make it suitable for deployment in space-constrained locations, such as urban charging hubs, fleet depots, and remote charging stations where grid access is limited or expensive. When paired with onsite energy storage systems and renewable energy sources like solar or wind, KARNO Power Modules can enable resilient and sustainable microgrids for EV charging.
- *Biogas (Landfill, Wastewater & Digester Gas):* Biogas sourced from landfills, wastewater treatment plants, and dairy digesters represents a growing market as industries and municipalities seek to convert methane-rich waste gases into electricity and prevent methane, a potent greenhouse gas, from escaping into the environment or being flared. Current power generation technologies often struggle to process biogas due to contaminants such as hydrogen sulfide and siloxanes, as well as moisture and fluctuating gas compositions, necessitating preconditioning and purification before the fuel can be utilized. We believe the KARNO Power Module's advanced architecture and corrosion-resistant

materials enable it to operate with minimal gas preconditioning, making it a cost-effective, high-performance solution for converting waste gas into reliable power.

- *Oil & Gas and Syngas:* The oil and gas industry is electrifying due to growing power needs across drilling, production, refining, and transportation operations. However, wellhead and flare gas, byproducts of oil and gas extraction, are often wasted due to insufficient pipeline capacity or poor gas quality, leading to lost energy and increased emissions. The KARNO Power Module enables conversion of waste gas into usable electricity with minimal pre-treatment, enabling onsite power generation and grid integration. We believe the KARNO Power Module's fuel flexibility, use of corrosion-resistant materials, and ability to handle variable fuel quality make it a suitable technology of choice for oilfield electrification while significantly reducing emissions. Additionally, the KARNO Power Module's fuel-agnostic capability allows it to generate clean electricity from hydrogen-rich syngas, a valuable byproduct of gasification or industrial processes.
- *Mobility:* The KARNO Power Module is designed to be particularly suitable for applications that require a source of electric power in mobile applications such as electric vehicles, railroad locomotives, remote power generation and marine vessels. Compared to conventional power sources, the KARNO Power Module is expected to offer higher efficiency, lower emissions, quieter operation, reduced maintenance needs and the flexibility to operate on a wider range of fuel sources. Additionally, the KARNO Power Module's high power density, modularity and native DC power output offer an added advantage where space constraints and integration are considerations.
- *Backup Power:* The market for local backup power generators is well established and positioned to grow due to decreasing grid reliability, the increasing share of intermittent renewable energy sources, rising extreme weather events, and the need for uninterrupted power. Also, the grid balancing and servicing market is expanding as utilities and independent power producers seek fast-ramping, distributed generation assets to balance supply and demand fluctuations. Innovative business models such as Resiliency-as-a-Service and Virtual Power Plants have emerged to leverage distributed generation assets for grid resilience. With growing concerns over emissions from internal combustion engine-powered generators in the backup power market, we believe the KARNO Power Module presents an opportunity to provide solutions for end users that desire a lower emissions profile and in the event emissions regulations are further tightened.
- *Waste Heat:* In hard-to-decarbonize industrial sectors such as cement, glass, and primary metals production, vast amounts of high-grade waste heat (1000°C+) are released during manufacturing processes. Traditionally, much of this thermal energy is lost due to limited efficient recovery solutions. Since the KARNO Power Module uses heat as its primary energy source to generate electricity, high-temperature industrial waste heat is expected to be able to be directly utilized to produce clean electricity, enabling industries to recover wasted energy, improve efficiency, and reduce emissions.

KARNO Power Module Development

Research and Development

Most of our current activities are focused on the R&D of our KARNO Power Module. We undertake significant testing and validation of our products and components to ensure that they will meet the demands of our customers. Our R&D activities primarily take place at our facility in Cincinnati, Ohio and at our headquarters in Cedar Park, Texas. Our R&D is primarily focused on:

- development of the KARNO Core and KARNO Power Module including testing and validation;
- integration of the KARNO Core and KARNO Power Module technology into various applications;
- accelerated lifetime testing to improve reliability, maintainability and system-level robustness;
- development of battery systems that can be used as a starter power source for the KARNO Power Module or as a load buffer solution;
- data analytics; and
- alternative products for existing and in-development components and technology.

Since acquiring the KARNO technology from GE in September 2022, Hyliion has made significant investments in research and development to commercialize the 200 kW KARNO Power Module while simultaneously developing an 800 kW system for the U.S. Navy. This 800 kW platform is also intended to serve as the foundational building block for future multi-megawatt KARNO systems targeting data centers and other large scale applications. Early efforts focused on the development of a 125 kW KARNO Core, which was successfully operated in our Ohio facility and utilized for extensive testing and further advancements. Through this system, we validated the ability of the KARNO Core's fuel oxidation system to operate on a wide range of fuel sources, including natural gas, hydrogen, gas mixtures, and untreated landfill and Permian Basin well gas.

Additionally, testing of the oxidation system demonstrated very low levels of pollutant emissions in the exhaust stream. The 125 kW KARNO Core also served as a platform for developing and validating key components that are now incorporated into the higher-power 200 kW KARNO Power Module slated for market launch. These advancements include improved helium gas bearings for greater durability, a magnetic encoder for precise shaft position detection and optimized printed components to increase KARNO Core power, efficiency and manufacturing speed. The 200 kW KARNO Core also incorporates a larger Hyliion-designed linear electric motor.

We have completed the design and sourcing of initial components for the balance-of-plant systems that support KARNO Core operation for the 200 kW system, including the system enclosure. The balance-of-plant includes cooling, pressure control, fuel, battery, high and low voltage, inlet air and exhaust systems. Development work also includes control software, safety systems, the human-to-machine interface and the physical integration of systems. Validation of essential operating parameters, including efficiency, emissions and reliability, are also part of R&D activities.

In 2025, we delivered two early adopter KARNO Power Modules to the U.S. Navy, along with two additional units for internal testing and Underwriters Laboratories ("UL") certification. The Navy units are currently undergoing testing under our R&D contract with ONR and are performing in line with expectations. We have also completed development work enabling the Navy Power Modules to operate on liquid diesel fuel, a key requirement for shipboard applications, and to seamlessly switch between liquid and gaseous fuels under operation. We believe that initial KARNO Power Module deployments, along with our ongoing testing and development efforts, will validate critical design specifications, including projected operating life, maintenance requirements and durability.

In 2025, key R&D activities included design enhancements to the regenerator, a critical printed component that functions as a thermal capacitor by storing heat as helium cycles between hot and cold temperature regions within the system. The regenerator is a critical component needed to achieve the KARNO Power Module's target power and overall system efficiency. Early testing identified opportunities to improve the regenerator's heat storage and transfer capability, leading to a redesigned architecture that has demonstrated improved performance during subsequent testing. Additional design enhancements were also made to improve the thermal insulation of other system components, further reducing heat loss. Development efforts continue to focus on optimizing the regenerator and related components, with the objective of converting more thermal energy into electrical output, thereby increasing both power output and overall system efficiency.

Also in 2025, we insourced linear electric motor production following an unsuccessful effort to outsource this work to a contract manufacturer. This transition is accelerating the ramp-up in motor production capacity and enabling greater control over manufacturing quality.

In 2026, R&D activities have focused on testing and validating KARNO Power Module operation and software controls while building additional units for early adopter customers for field testing, including the U.S. Navy. We project that we remain on track to complete approximately 10 early adopter units during 2026. To date, testing of both engineering development units and customer units has been conducted at our Ohio facility, allowing engineers to closely monitor system operation and rapidly incorporate design enhancements intended to improve performance and reliability. Later in 2026, these initial units are expected to be deployed to customer sites, where they will undergo continued testing and validation while simultaneously operating in their intended commercial environments.

In the second quarter, we successfully completed the non-recurring portion of Underwriters Laboratories ("UL") certification testing for the KARNO Power Module, a key milestone required before delivering units to customer sites. Testing included the linear electric motor, battery system, and complete Power Module. Individual production units will continue to undergo final operational testing before receiving final UL certification until completion of facility level certification, which is expected in the coming months.

Recent accomplishments include the successful demonstration of uninterrupted operation while switching among hydrogen, natural gas, and diesel fuels, validating the system's fuel agnostic architecture in which both gaseous and liquid fuels are supported within a single integrated system rather than through separate hardware configurations. Following this milestone, we began extended durability testing of the complete KARNO Power Module using diesel as the primary fuel source.

We also successfully demonstrated the operation of multiple Power Modules as a single coordinated generating system. During testing, two 200 kW units automatically shared changing electrical loads while maintaining stable power delivery. This capability is important for applications with variable electrical demand and supports development of a standardized 800 kW building block for future multi megawatt power plant configurations.

Development also continues on design enhancements intended to increase the generator's power output and efficiency toward design specifications. These efforts include further optimization of the regenerator to increase its thermal storage capacity during operating cycles, as well as improvements to the thermal insulation of other system components to further reduce heat losses.

Another major R&D objective in 2026 has been optimizing the throughput of our additive manufacturing fleet. Following the acquisition of approximately two dozen additive printers over the past two years, we have focused on increasing printer speed and throughput while simultaneously optimizing the design of printed Power Module components for manufacturability and performance. We are encouraged by the progress to date and have identified machine enhancements that we believe can increase print speeds by a factor of two to three, depending on the specific part and printer model. Based on these expected improvements, together with anticipated technological advances in next generation additive manufacturing systems expected to become available in the coming quarters, we currently expect to accelerate planned purchases of additional printers from 2028 into 2027. Additional testing and validation remain necessary before these improvements can be confirmed, but initial results have been encouraging.

Research and Development Services

We provide R&D services to third parties, including the ONR. In September 2024, Hyliion was awarded a cost-plus-fixed-fee contract of up to $16.0 million by the ONR to assess the suitability of the KARNO Power Module for Navy vessels and stationary power applications. The contract aligns with ONR's objective of leveraging advanced technology to reduce its carbon footprint while enhancing operating capabilities. Upon successful validation and demonstration, the KARNO Power Module could be used as an electric power system in future platforms and for stationary power needs. In 2025, we delivered two KARNO Cores under this contract which we have been testing at our R&D facility in Cincinnati. In 2026, we expect to deliver additional KARNO Cores, including a four-core 800 kW KARNO Power Module system. The U.S. Navy has identified its USX-1 Defiant vessel as the platform for KARNO Core sea trials, supporting both ship propulsion and auxiliary power. The 800 kW KARNO Power Module being built for the vessel under this contract is in assembly, with completion expected during 2026. We will also expand testing to include long duration operation, diesel fuel integration, simulation of ship motion and the ability of the system to operate in extreme temperature environments.

In July 2026, the Company was awarded a cost-plus-fixed-fee contract of up to $41.7 million by the ONR in support of the High Efficiency/Low Maintenance Ultra Reliable ("HELMUR") Megawatt Scale Power Generation Units program. Under the 36-month contract, the Company will design, develop, construct, test and deliver 2-megawatt and 3-megawatt KARNO power generation systems to locations identified by ONR. The contract also includes work to advance the Company's core technology, develop alternative core components to enhance system capabilities and reduce supply-chain risk associated with magnet availability, and further develop additive manufacturing processes. Work under the contract will be performed primarily in Cedar Park, Texas and is expected to be completed by July 2029. Funding for the contract was obligated at the time of award using fiscal year 2025 and 2026 Navy research, development, test and evaluation appropriations.

We will continue to provide R&D services to third parties under existing contracts and anticipate entering into additional R&D agreements in 2026 and 2027 with ONR and other government customers. Customers engage Hyliion to explore and validate the KARNO Power Module's capabilities tailored to their specific requirements. Key areas of interest include testing its low-emissions flameless oxidation system and evaluating applications that leverage the KARNO Power Module's high power output, compact configuration and versatility, including the ability to easily transition between fuels. R&D services may also involve testing the KARNO Power Module under various operating conditions, including harsh environments, and in mobile applications to assess its performance. Certain customers seek to measure and validate the KARNO Power Module's low emissions profile and test different power configurations to ensure the technology aligns with their operational and environmental needs.

Key Factors Affecting Operating Results

We believe that our performance and future success depend on several factors that present significant opportunities for us but also pose risks and challenges, including but not limited to economic uncertainties, supply chain disruptions, inflation, high interest rates, and other risks discussed below and referenced in Part II, Item 1A "Risk Factors."

Commercialization of KARNO Power Module

Our focus remains on the continued development and testing of our fuel-agnostic KARNO Power Module, together with the deployment of initial units with early adopter customers. We are targeting commercialization of the 200 kW KARNO Power Module following completion of these initial deployments and once sufficient testing and operating experience has been obtained to validate reliable operation and achievement of our design criteria. We anticipate that a substantial portion of our capital resources and efforts in the near future will be focused on these activities. The amount and timing of our future funding requirements will depend on many factors, including but not limited to the pace of completing initial KARNO Power Module testing and validation, the timing of KARNO Power Module commercialization, the pace at which we invest in KARNO Core additive printing capacity, our plans for manufacturing KARNO Power Module components (whether in-house or through outsourcing to third parties), the range of product offerings we plan to bring to market and external market factors beyond our control.

Key Components of Statements of Operations

Revenue

We generate revenue by providing R&D services under contracts with third parties, including the U.S. government. Additionally, we expect to begin generating product revenue following the commercialization of our KARNO Power Module.

Cost of Revenue

Cost of revenue includes costs associated with R&D services revenue, such as direct costs, including labor and materials, and applicable overhead costs.

Research and Development Expense

R&D expenses consist primarily of costs incurred for the discovery and development of our KARNO Power Module, which include:

- personnel-related expenses including salaries, benefits, travel and share-based compensation, for personnel performing R&D activities;
- fees paid to third parties such as contractors for outsourced engineering services and to consultants;
- expenses related to components for development and testing, materials, supplies and other third-party services;
- depreciation for equipment used in R&D activities; and
- allocation of general overhead costs.

We expect to continue to invest in R&D activities to achieve operational and commercial goals.

Selling, General and Administrative Expense

Selling, general and administrative expenses consist of personnel-related expenses for our corporate, executive, finance, information technology, sales, marketing and other administrative functions, expenses for outside professional services, including legal, audit and accounting services, as well as expenses for facilities, software licenses, depreciation, amortization, travel, sales and marketing costs. Personnel-related expenses consist of salaries, benefits and share-based compensation. Factors that also affect selling, general and administrative expense include the total number of employees, costs incurred as a result of operating as a public company, including compliance with the rules and regulations of the U.S. Securities and Exchange Commission, legal, audit, insurance, investor relations activities and other administrative and professional services.

Exit and Termination Costs

Exit and termination costs consist primarily of recoveries from resale of assets.

Other Income

Other income currently consists primarily of interest income earned on our investments.

Results of Operations

Comparison of Three Months Ended June 30, 2026 to Three Months Ended June 30, 2025

Our results of operations for the three months ended June 30, 2026 (the "current quarter") and 2025 on a consolidated basis are summarized as follows (in thousands, except share and per share data):

	Three Months Ended June 30,			
	2026	2025	$ Change	% Change
Revenues				
Research and development services	$ 4,944	$ 1,515	$ 3,429	226.3 %
Total revenues	4,944	1,515	3,429	226.3 %
Cost of revenues				
Research and development services	4,578	1,384	3,194	230.8 %
Total cost of revenues	4,578	1,384	3,194	230.8 %
Gross profit	366	131	235	179.4 %
Operating expenses				
Research and development	9,495	10,137	(642)	(6.3)%
Selling, general and administrative expenses	6,427	5,963	464	7.8 %
Exit and termination (benefits) costs	(258)	(346)	88	(25.4)%
Total operating expenses	15,664	15,754	(90)	(0.6)%
Loss from operations	(15,298)	(15,623)	325	(2.1)%
Interest income	1,370	2,209	(839)	(38.0)%
Net loss	$ (13,928)	$ (13,414)	$ (514)	3.8 %
Net loss per share, basic and diluted	$ (0.08)	$ (0.08)	$ —	— %
Weighted-average shares outstanding, basic and diluted	178,441,616	175,308,965	3,132,651	1.8 %

Revenue and Cost of Revenues

Revenue for R&D services increased $3.4 million and associated cost of revenues increased $3.2 million due to the timing of performance of the R&D services. The remaining amount of revenue that we may recognize under these contracts was up to $5.7 million as of June 30, 2026. We may incur losses in the performance of these contracts.

In July 2026, we were awarded an additional contract of up to $41.7 million by the ONR on a best effort basis. We expect to begin performance on this contract in the fourth quarter of 2026, increasing performance in the second and third quarters of 2027, and continuing through mid-2029. These contracts can be cancelled by the United States government at any time for, among other reasons, convenience.

We do not expect to generate significant R&D services revenue following substantial completion of the September 2024 ONR contract discussed in Note 3, "Summary of Significant Accounting Policies" of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Form 10-Q, until performance under the July 2026 contract increases substantially, which we expect to occur around mid-2027.

Research and Development

R&D expenses decreased $0.6 million due to significant efforts toward performance of our contracts with the ONR.

Selling, General and Administrative Expenses

Selling, general, and administrative expenses increased $0.5 million attributable primarily to personnel expense, offset by other smaller changes.

Exit and Termination (Benefits) Costs

Exit and termination benefits decreased by $0.1 million as a result of the adoption of the Plan and items discussed in Note 2, "Disposals" of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Form 10-Q, including recoveries from assets sold.

Interest Income

Interest income decreased $0.8 million primarily due to the decline in our investment balance.

Comparison of Six Months Ended June 30, 2026 to Six Months Ended June 30, 2025

The following table summarizes our results of operations on a consolidated basis for the six months ended June 30, 2026 (the "current six months") and 2025 (in thousands, except share and per share data):

	Six Months Ended June 30,			
	2026	2025	$ Change	% Change
Revenues				
Research and development services	$ 7,776	$ 2,004	$ 5,772	288.0 %
Total revenues	7,776	2,004	5,772	288.0 %
Cost of revenues				
Research and development services	7,200	1,861	5,339	286.9 %
Total cost of revenues	7,200	1,861	5,339	286.9 %
Gross profit	576	143	433	302.8 %
Operating expenses				
Research and development	17,165	22,367	(5,202)	(23.3)%
Selling, general and administrative expenses	12,608	12,044	564	4.7 %
Exit and termination (benefits) costs	(672)	1,077	(1,749)	N/A
Total operating expenses	29,101	35,488	(6,387)	(18.0)%
Loss from operations	(28,525)	(35,345)	6,820	(19.3)%
Interest income	2,860	4,677	(1,817)	(38.8)%
Net loss	$ (25,665)	$ (30,668)	$ 5,003	(16.3)%
Net loss per share, basic and diluted	$ (0.14)	$ (0.18)	$ 0.04	(22.2)%
Weighted-average shares outstanding, basic and diluted	178,057,282	174,829,257	3,228,025	1.8 %

Revenue and Cost of Revenues

Revenue for R&D services increased $5.8 million and associated cost of revenues increased $5.3 million due to the timing of performance of the R&D services. The remaining amount of revenue that we may recognize under these contracts was up to $5.7 million as of June 30, 2026. We may incur losses in the performance of these contracts.

In July 2026, we were awarded an additional contract of up to $41.7 million by the ONR on a best effort basis. We expect to begin performance on this contract in the fourth quarter of 2026, increasing performance in the second and third quarters of 2027, and continuing through mid-2029. These contracts can be cancelled by the United States government at any time for, among other reasons, convenience.

We do not expect to generate significant R&D services revenue following substantial completion of the September 2024 ONR contract discussed in Note 3, "Summary of Significant Accounting Policies" of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Form 10-Q, until performance under the July 2026 contract increases substantially, which we expect to occur around mid-2027.

Research and Development

R&D expenses decreased $5.2 million due to significant efforts toward performance of our contracts with the ONR, including the production of capitalized inventory that may either be utilized for future revenue generation under these contracts or for R&D activities.

Selling, General and Administrative Expenses

Selling, general, and administrative expenses increased $0.6 million attributable primarily to personnel expense, offset by other smaller changes.

Exit and Termination (Benefits) Costs

Exit and termination costs decreased by $1.7 million as a result of the adoption of the Plan and items discussed in Note 2, “Disposals” of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Form 10-Q, including recoveries from assets sold.

Interest Income

Interest income decreased $1.8 million primarily due to the decline in our investment balance.

Liquidity and Capital Resources

At June 30, 2026, our total current assets were $71.6 million, consisting primarily of cash and cash equivalents of $13.2 million, short-term investments of $51.0 million, accounts receivable of $2.7 million and prepaid expenses of $3.6 million. Our total current liabilities were $9.4 million and were primarily comprised of accounts payable, accrued expenses and operating lease liabilities. We also had $68.2 million of investments in longer-term liquid securities which we maintain to generate higher income on capital that we do not expect to spend in the next 12 months.

We believe the credit quality and liquidity of our investment portfolio at June 30, 2026 is strong and will provide sufficient liquidity to satisfy operating requirements, working capital purposes and strategic initiatives. The unrealized gains and losses of the portfolio may remain volatile as changes in the general interest rate environment and supply and demand fluctuations of the securities within our portfolio impact daily market valuations. To mitigate the risk associated with this market volatility, we deploy a relatively conservative investment strategy focused on capital preservation and liquidity whereby no investment security may have a final maturity of more than 36 months from the date of acquisition or a weighted average maturity exceeding 18 months. Eligible investments under the Company’s investment policy bearing a minimum credit rating of A1, A-1, F1 or higher for short-term investments and A2, A, or higher for longer-term investments include money market funds, commercial paper, certificates of deposit and municipal securities. Additionally, all of our debt securities are classified as held-to-maturity as we have the intent and ability to hold these investment securities to maturity, which minimizes any realized losses that we would recognize prior to maturity. However, even with this approach we may incur investment losses as a result of unusual or unpredictable market developments, and we may experience reduced investment earnings if the yields on investments deemed to be low risk remain low or decline further due to unpredictable market developments. In addition, these unusual and unpredictable market developments may also create liquidity challenges for certain of the assets in our investment portfolio.

Based on our past performance, we believe our current and long-term assets will be sufficient to continue to execute on our business strategy and meet our capital requirements for the next twelve months. Our primary short-term cash needs are costs associated with KARNO Power Module development, building our initial deployment units and capital investments for additive printer acquisitions and other assets. Longer term, our capital needs will be determined by our go-to-market strategy as well as governmental R&D, which may include development of our own KARNO Power Module manufacturing capacity or outsourcing this work to third parties or business partners. We have up to $6.1 million remaining authorized for repurchases under our $20 million share repurchase program but have currently paused any additional repurchases. Based on current projections of operating expenses, capital spending, working capital growth and historical share repurchases, we expect to have approximately $115 million to $120 million in cash, short-term and long-term investments remaining on our balance sheet at the end of 2026. This projection assumes the completion of approximately $10 million to $15 million of equipment financing during 2026 under the proposed arrangement described below, and does not assume any sales of common stock under our at-the-market offering program. The equipment financing remains subject to credit approval and agreement execution, and the amount and timing of any fundings will depend on equipment delivery and acceptance. The financing may be delayed, completed for a lesser amount, or not completed at all.

We have accepted a proposal from an equipment financing provider for up to $15 million of financing that would be secured by certain of our additive manufacturing, CNC machining and other production equipment, and paid a good faith deposit in July 2026. The proposal is non-binding, and the financing remains subject to the provider's credit approval, equipment inspection and execution of definitive documentation, and may not be completed on the proposed terms or at all. If completed, we expect to make monthly payments over a five-year term and to account for the arrangement as a secured borrowing. We expect to use any proceeds to fund capital investments supporting KARNO Power Module commercialization and for general corporate purposes.

In August 2026, we entered into an at-the-market sales agreement with Needham & Company, LLC and Northland Securities, Inc., under which we may sell, from time to time at our discretion, shares of our common stock having an aggregate offering price of up to $100 million. We are not obligated to sell any shares under the program, and any sales will depend on market conditions, our capital needs and other factors. Sales under the program, if any, would provide an additional source of liquidity to accelerate investments in assets needed for growth following commercialization, primarily additive printing machines and related assets, and would be dilutive to existing stockholders. We expect to use the ATM program opportunistically based on our capital requirements, and market conditions. Sales of shares under the program, if any, may cause dilution to stockholders. For additional information, see “Part II—Item 5. Other Information—At-the-Market Offering Program.”

We expect to continue to incur net losses in the short term as we execute on our strategic initiatives by completing the development and commercialization of the KARNO Power Module with customer deployments anticipated to continue throughout 2026. However, actual results could vary materially and adversely as a result of a number of factors including, but not limited to, those discussed in Part II, Item 1A. “Risk Factors.”

The amount and timing of our future funding requirements will depend on many factors, including the scope and results of our R&D efforts, the breadth of product offerings we plan to commercialize, the growth of sales, working capital needs, and our long-term manufacturing plan for the KARNO Power Module, including the pace of investments in additive manufacturing assets and the methods of financing those investments, as well as factors that are outside of our control. We regularly evaluate our funding needs and sources of capital and may seek external funding in the appropriate circumstances. While we believe that we have sufficient capital to support the anticipated commercialization of the KARNO Power Module, we do anticipate that, at some time, we will seek further capital to accelerate these growth investments, whether through sales under our at-the-market program or other financing sources. Any such financing may include equity or debt securities and may not be available on acceptable terms, or at all. With our current cash and investments, we believe we are well positioned to be deliberate and opportunistic in determining the timing and structure of any additional capital raise.

During the periods presented, we did not have any relationships with unconsolidated organizations or financial partnerships, such as structured finance or special purpose entities, which were established for the purpose of facilitating off-balance sheet arrangements.

Cash Flows

Net cash, cash equivalents and restricted cash provided by or used in operating activities, investing activities and financing activities for the six months ended June 30, 2026 and 2025 is summarized as follows (in thousands):

	Six Months Ended June 30,	
	2026	**2025**
Cash from operating activities	$ (19,816)	$ (23,999)
Cash from investing activities	10,043	30,895
Cash from financing activities	1	(532)
	$ (9,772)	$ 6,364

Cash from Operating Activities

For the six months ended June 30, 2026, cash flows used in operating activities were $19.8 million. Cash used primarily related to a net loss of $25.7 million, adjusted for a $1.7 million change in working capital accounts and $7.6 million in non-cash expenses (including $3.2 million related to share-based compensation, $4.2 million related to depreciation and amortization, $1.3 million related to prepaid expenses and other current assets, and $1.6 million related to accounts payable, accrued expenses and other current liabilities, partially offset by $2.2 million related to accounts receivable and $1.2 million related to inventory).

For the six months ended June 30, 2025, cash flows used in operating activities were $24.0 million. Cash used primarily related to a net loss of $30.7 million, adjusted for a $0.6 million change in working capital accounts and $6.1 million in non-cash expenses (including $2.7 million related to share-based compensation, $2.4 million related to depreciation and amortization, $1.9 million related to prepaid expenses and other current assets, and $1.6 million in assets held for sale carrying value adjustments, partially offset by $0.9 million related to accounts payable, accrued expenses and other liabilities and $0.6 million related to gain on asset sales).

Cash from Investing Activities

For the six months ended June 30, 2026, cash flows provided by investing activities were $10.0 million. Cash provided related to the sale or maturity of investments of $45.0 million and the proceeds from sale of assets of $1.9 million, offset by the purchase of investments of $34.7 million and acquired property and equipment of $2.1 million.

For the six months ended June 30, 2025, cash flows provided by investing activities were $30.9 million. Cash provided related to the sale or maturity of investments of $60.0 million and the proceeds from sale of assets of $0.8 million, offset by the purchase of investments of $18.4 million and acquired property and equipment of $11.6 million.

Cash from Financing Activities

For the six months ended June 30, 2026, cash flows provided by financing activities were nominal.

For the six months ended June 30, 2025, cash flows used in financing activities were $0.5 million, primarily due to taxes paid related to the net share settlement of equity awards.

Critical Accounting Policies and Estimates

In preparing our condensed consolidated financial statements, we applied the same critical accounting policies as described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, supplemented by those described below, that affect judgments and estimates of amounts recorded for certain assets, liabilities, revenues and expenses.

Inventory

As of June 30, 2026, we have not yet commercialized the KARNO Power Module. Unless such components are capitalizable, costs incurred for components acquired prior to our determination of reaching a commercial stage are expensed as R&D costs, resulting in zero cost basis for those components. As a result, certain components on hand have a zero cost basis, and inventory capitalized in future periods that incorporates these components will reflect carrying amounts, and related cost of revenue upon sale, that are lower than would result had those components been initially capitalized.

When inventory may be utilized in performance of our contracts with the ONR, we capitalize that inventory including certain allocations of overhead, labor, and other direct costs and classify it as work-in-process inventory. When this inventory is designated to and utilized in an activity, we record either an R&D or a cost of sale charge in the period in which the utilization occurs.

All inventory at June 30, 2026 is classified as work-in-process. Inventory is valued using the specific identification cost method and is stated at the lower of cost or net realizable value. We review our inventory to determine whether its carrying value exceeds the net amount we expect to realize upon the ultimate sale of the inventory.

Share-Based Compensation

We account for share-based payments that involve the issuance of shares of our common stock to employees and non-employees and meet the criteria for share-based awards as share-based compensation expense based on the grant-date fair value of the award. The Company has elected to recognize the adjustment to share-based compensation expense in the period in which forfeitures occur. We recognize compensation expense for awards with only service conditions on a straight-line basis over the requisite service period for the entire award.

If we were to utilize different assumptions, including the estimate of underlying share volatility of our market-conditioned awards, share-based compensation cost could be under or overstated. If there are any modifications or cancellations of the underlying unvested securities, we may be required to accelerate any remaining unearned share-based compensation cost or incur incremental cost. Share-based compensation cost affects our research and development and selling, general and administrative expenses.

The Company granted 2.3 million restricted stock units in the six months ended June 30, 2026 that are subject to vest between February 11, 2026 and December 31, 2028 contingent upon achieving underlying closing stock price thresholds. Through June 30, 2026, there was no achievement of underlying closing stock price thresholds on these awards. These awards were valued at $1.57 per unit using a Monte Carlo simulation including a blend of historical and implied share volatility of 105% and a risk-free rate of 3.48%.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined in Rule 12b-2 under the Exchange Act. As a result, pursuant to Item 305(e) of Regulation S-K, we are not required to provide the information required by this Item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Based on our management's evaluation (with the participation of our Principal Executive Officer and Principal Financial Officer) of the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, our Principal Executive Officer and Principal Financial Officer have concluded that, at June 30, 2026, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to our management, including our Principal Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time in the ordinary course of business, the Company may be named as a defendant in legal proceedings related to various issues, including workers' compensation claims, tort claims, or contractual disputes. We are not currently involved in any material legal proceedings.

ITEM 1A. RISK FACTORS

A description of the risk factors associated with our business is contained in the "Risk Factors" section of our 2025 Annual Report. There have been no material changes to our Risk Factors as therein previously reported.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES

Issuer Purchases of Equity Securities

The following table provides information regarding repurchases of our Common Stock during the quarter ended June 30, 2026:

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs[(1)]	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs[(2)]
April 1 - 30, 2026	—	$ —	—	$ 6,144,349
May 1 - 31, 2026	—	$ —	—	$ 6,144,349
June 1 - 30, 2026	—	$ —	—	$ 6,144,349
Total	—		—	

(1) Share repurchases are conducted under our share repurchase program announced in December 2023, which has no expiration date, authorizing the repurchase of up to $20 million in shares. A total of 10,610,070 shares were purchased under this program, which has been paused.

(2) This column includes the total value of shares available for repurchase under the Company's share repurchase program. Shares under our share repurchase program may be repurchased in open market transactions, including pursuant to a trading plan adopted in accordance with Rule 10b5-1 of the Securities Exchange Act of 1934, or through privately negotiated transactions. The timing, manner, price and amount of repurchases will be determined at our discretion and the share repurchase program may be suspended, terminated or modified at any time for any reason.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

At-the-Market Offering Program

On August 11, 2026, the Company entered into an at-the-market sales agreement (the “Sales Agreement”) with Needham & Company, LLC and Northland Securities, Inc. (each, a “Sales Agent” and collectively, the “Sales Agents”). Under the terms of the Sales Agreement, the Company may offer and sell, from time to time at its sole discretion, shares of its common stock, par value $0.0001 per share (the “Common Stock”), having an aggregate offering price of up to $100 million (the “Shares”), through the Sales Agents. Pursuant to the Sales Agreement, the Shares may be offered and sold through the Sales Agents in transactions deemed to be an “at the market offering” as defined in Rule 415(a)(4) under the Securities Act, including sales made directly on or through the NYSE American or any other existing trading market for the Common Stock, in negotiated transactions (including block trades) at market prices prevailing at the time of sale or at prices related to such prevailing market prices and/or any other method permitted by law. Under the terms of the Sales Agreement, the Company may also sell the Shares to a Sales Agent as principal for its own account at a price agreed upon at the time of sale. Pursuant to the Sales Agreement, the Company has agreed to pay the applicable Sales Agent a commission of up to 3.0% of the aggregate gross proceeds from each sale of the Shares and has agreed to provide the Sales Agents with customary expense reimbursement. The Sales Agreement contains customary representations, warranties and agreements of the Company, and customary conditions to completing future sale transactions, indemnification rights and obligations of the parties and termination provisions. The Company has no obligation to sell, and the Sales Agents have no obligation to buy or sell, any of the Shares under the Sales Agreement and the Company or the Sales Agents may at any time suspend sales under the Sales Agreement.

The Company expects to use the net proceeds from the sales of the Shares for general corporate purposes, which may include, among other things, capital expenditures.

Shares sold under the Sales Agreement, if any, will be issued pursuant to the Company’s shelf registration statement on Form S-3 (No. 333-293712), which was declared effective by the Securities and Exchange Commission on March 5, 2026, and a prospectus supplement, dated August 11, 2026, as the same may be amended or supplemented.

The foregoing description of the Sales Agreement is not complete and is qualified in its entirety by reference to the entire Sales Agreement, a copy of which is attached hereto as Exhibit 1.1, and which is incorporated herein by reference. A copy of the opinion of Vinson & Elkins L.L.P. relating to the legality of the issuance and sale of the Shares is attached hereto as Exhibit 5.1.

This Quarterly Report on Form 10-Q shall not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

During the three months ended June 30, 2026, none of our officers or directors (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934) adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933).

ITEM 6. EXHIBITS

Exhibit Number	Description
1.1*	Sales Agreement, dated August 11, 2026, by and among Needham & Company, LLC, Northland Securities, Inc. and Hyliion Holdings Corp.
3.1	Second Amended and Restated Certificate of Incorporation of the Company, dated October 1, 2020 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 7, 2020).
3.2	Amended and Restated Bylaws of the Company, dated October 1, 2020 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 7, 2020).
5.1*	Opinion of Vinson & Elkins L.L.P.
10.1*	Sixth Amendment to Industrial Lease, dated July 31, 2026, by and between GSNTR ATX 1200 BMC Drive Owner LP, GSNTR ATX 1202 BMC Drive Owner LP, and Hyliion Inc.
23.1*	Consent of Vinson & Elkins L.L.P. (included in Exhibit 5.1).
31.1*	Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibits 101)

* Filed herewith.

** Furnished herewith.

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, thereunto duly authorized.

Date: August 11, 2026

HYLIION HOLDINGS CORP.

/s/ Thomas Healy

Name:	Thomas Healy
Title:	Chief Executive Officer (Principal Executive Officer)

/s/ Jon Panzer

Name:	Jon Panzer
Title:	Chief Financial Officer (Principal Financial Officer)

Hyliion Holdings Corp.

Shares of Common Stock

SALES AGREEMENT

August 11, 2026

Needham & Company, LLC
250 Park Avenue
New York, New York 10177

Northland Securities, Inc.
150 South Fifth Street, Suite 3300
Minneapolis, MN 55402

Ladies and Gentlemen:

Hyliion Holdings Corp., a Delaware corporation (the "Company"), confirms as follows its agreements with Needham & Company, LLC and Northland Securities, Inc. (collectively, the "Sales Agents", and individually, a "Sales Agent").

1. *Issuance and Sale of Shares.*

(a) On the basis of the representations, warranties and agreements of the Company herein contained and subject to all the terms and conditions of this Sales Agreement (the "Agreement"), the Company agrees that, from time to time during the term of this Agreement, it may issue and sell through the Sales Agents shares of common stock of the Company, par value $0.0001 per share (the "Common Stock"), having a maximum aggregate sales price of up to $100,000,000 (the "Placement Shares"); *provided*, *however*, that in no event shall the Company issue or sell through the Sales Agents such number or dollar amount of Placement Shares that would (i) exceed the number or dollar amount of shares of Common Stock registered on the effective Registration Statement (as defined below) pursuant to which the offering is being made, (ii) exceed the number of authorized but unissued shares of Common Stock (less shares of Common Stock issuable upon exercise, conversion or exchange of any outstanding securities of the Company or otherwise reserved from the Company's authorized capital stock), (iii) exceed the number or dollar amount of shares of Common Stock permitted to be sold by the Company under Form S-3 (including General Instruction I.B.6. thereof, if applicable) or (iv) exceed the number or dollar amount of shares of Common Stock for which the Company has filed a Prospectus Supplement (as defined below) (the lesser of clauses (i), (ii), (iii) and (iv), the "Maximum Amount"). Notwithstanding anything to the contrary contained herein, the parties hereto agree that compliance with the limitations set forth in this Section 1 on the number or dollar amount of Placement Shares that may be issued and sold under this Agreement shall be the sole responsibility of the Company and the Sales Agents shall have no obligation in connection with such compliance. The issuance and sale of Placement Shares through the Sales Agents will be effected pursuant to the Registration Statement filed by the Company with the Securities and Exchange Commission (the "Commission") on February 25, 2026 and declared effective by the Commission on March 5, 2026, although nothing in this Agreement shall be construed as requiring the Company to issue shares of Common Stock.

(b) The Company has filed, in accordance with the provisions of the Securities Act of 1933, as amended (the "Act"), and the rules and regulations of the Commission thereunder (collectively referred to as the "Rules and Regulations"), with the Commission a registration statement on Form S-3 (File No.

333-293712), including a base prospectus and together with such amendments thereto as may have been required to the date of this Agreement, relating to the Common Stock to be issued from time to time by the Company, and which incorporates by reference documents that the Company has filed or will file in accordance with the provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations of the Commission thereunder (collectively, the "Exchange Act Rules and Regulations"). The Company has prepared a prospectus supplement to the base prospectus included as part of the Registration Statement, which prospectus supplement relates to the Placement Shares to be issued from time to time by the Company pursuant to this Agreement (the "Prospectus Supplement"). The Company will furnish to each Sales Agent, for use by such Sales Agent, copies of the base prospectus included as part of such registration statement, as supplemented by the Prospectus Supplement. The Company may file one or more additional registration statements from time to time that will contain a base prospectus and a related prospectus supplement, if applicable (which shall be a Prospectus Supplement), with respect to the Placement Shares. Except where the context otherwise requires, any such registration statement, including the amendments thereto, the exhibits and any schedules thereto, the documents otherwise deemed to be part thereof, included or incorporated by reference therein, and including any information contained in a Prospectus (as defined below) subsequently filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations ("Rule 424(b)") or deemed to be a part of such registration statement pursuant to the Rules and Regulations (including Rule 430B thereof), and any registration statement relating to the offering contemplated by this Agreement and filed pursuant to Rule 462(b) of the Rules and Regulations ("Rule 462(b)") is herein called the "Registration Statement." The base prospectus or base prospectuses, including all documents incorporated by reference therein, included in the Registration Statement, as it may be supplemented, if applicable, by the Prospectus Supplement, in the form in which such prospectus or prospectuses and/or Prospectus Supplement have most recently been filed by the Company with the Commission pursuant to Rule 424(b), together with any then-issued Issuer Free Writing Prospectuses (as defined below), is herein called the "Prospectus."

(c) Any reference herein to the Registration Statement, any base prospectus, any Prospectus Supplement, the Prospectus or any Issuer Free Writing Prospectus shall be deemed to refer to and include the documents, if any, that are or are deemed to be incorporated by reference therein or from which information is so incorporated by reference (the "Incorporated Documents"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, any base prospectus, any Prospectus Supplement, the Prospectus or any Issuer Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act on or after the most recent effective date of the Registration Statement, or the respective dates of the base prospectus, such Prospectus Supplement, the Prospectus or such Issuer Free Writing Prospectus, as the case may be, and deemed to be incorporated by reference therein. For purposes of this Agreement, all references to the Registration Statement, the Prospectus or any amendment or supplement thereto shall be deemed to include the most recent copy filed with the Commission pursuant to its Electronic Data Gathering Analysis and Retrieval system or, if applicable, the Interactive Data Electronic Application system when used by the Commission (collectively, "EDGAR").

2. *Placements.* Each time that the Company wishes to issue and sell Placement Shares hereunder (each, a "Placement"), it will notify one of the Sales Agents, which Sales Agent the Company may select in its sole discretion from time to time (in each case, a "Designated Sales Agent") by email notice (or other method mutually agreed to by the Company and the Designated Sales Agent) (each such notice, a "Placement Notice") containing the parameters in accordance with which the Company desires such Placement Shares to be sold, which at a minimum shall include the maximum number or amount of Placement Shares to be sold, the time period during which sales are requested to be made, any limitation on the number or amount of Placement Shares that may be sold in any day on which the Common Stock is traded on the NYSE American (the "Exchange") (any such day, a "Trading Day") and any minimum price below which sales may not be made, the form of which is attached hereto as Schedule 1. The Placement Notice shall originate from any of the individuals from the Company set forth on Schedule 3 (with a copy to each of the other individuals from the Company listed on such Schedule 3), and shall be addressed to each of the individuals from the Designated Sales Agent set forth on Schedule 3, as such Schedule 3 may be amended from time to time. The Placement Notice shall be effective upon receipt by the Designated Sales Agent unless and until (a) the Designated Sales Agent declines in writing, which declination must occur prior to 8:30 a.m., Eastern Time, on the Trading Day following the Trading Day

on which such Placement Notice is delivered to the Designated Sales Agent, to accept the terms contained therein for any reason, in its sole discretion, (b) the Designated Sales Agent suspends sales under the Placement Notice for any reason in its sole discretion in accordance with this Agreement, (c) the entire number or amount of the Placement Shares thereunder or under this Agreement have been sold, (d) the Company amends, supersedes, suspends or terminates the Placement Notice or (e) this Agreement has been terminated under the provisions of Section 11. The amount of any discount, commission or other compensation to be paid by the Company to the Designated Sales Agent in connection with the sale of the Placement Shares shall be calculated in accordance with the terms set forth in Schedule 2. Notwithstanding the foregoing, in the event the Company engages a Sales Agent for a sale of Placement Shares in a Placement that would constitute a "distribution" within the meaning of Rule 100 of Regulation M under the Exchange Act ("Regulation M"), the Company will provide such Sales Agent, at such Sales Agent's written request and upon reasonable advance notice to the Company, on or prior to the Settlement Date (as defined below), the opinions of counsel, accountants' letters and officers' certificates pursuant to Section 8 hereof, each dated the Settlement Date, and such other documents and information as the Sales Agent shall reasonably request. It is expressly acknowledged and agreed that neither the Company nor the Sales Agents will have any obligation whatsoever with respect to a Placement or any Placement Shares unless and until the Company delivers a Placement Notice to the Designated Sales Agent and the Designated Sales Agent does not decline (and the Company does not amend, supersede, suspend or terminate) such Placement Notice pursuant to the terms set forth above, and then only upon the terms specified therein and herein. In the event of a conflict between the terms of this Agreement and the terms of a Placement Notice, the terms of the Placement Notice will control with respect to the matters covered thereby.

3. *Sale of Placement Shares by the Designated Sales Agent.* On the basis of the representations, warranties and agreements of the Company herein contained and subject to all the terms and conditions of this Agreement, upon the Designated Sales Agent's acceptance of the terms of a Placement Notice, and unless the sale of the Placement Shares described therein has been declined, suspended or otherwise terminated in accordance with the terms of this Agreement, the Designated Sales Agent, for the period specified in the Placement Notice, will use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable laws and regulations and the rules of the Exchange to sell such Placement Shares up to the number or amount specified in, and otherwise in accordance with the terms of, such Placement Notice. The Designated Sales Agent will provide written confirmation to the Company no later than the opening of the Trading Day immediately following the Trading Day on which it has made sales of Placement Shares hereunder setting forth the number or amount of Placement Shares sold on such Trading Day, the average price at which Placement Shares were sold and the gross proceeds generated from such sales. Subject to the terms of the Placement Notice, the Designated Sales Agent may sell Placement Shares by any method permitted by law deemed to be an "at the market offering" as defined in Rule 415(a)(4) of the Rules and Regulations, including sales made directly on or through the Exchange or any other existing trading market for the Common Stock, in negotiated transactions (including block trades) at market prices prevailing at the time of sale or at prices related to such prevailing market prices and/or any other method permitted by law. The Company acknowledges and agrees that (a) there can be no assurance that the Designated Sales Agent will be successful in selling Placement Shares, (b) the Designated Sales Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Placement Shares for any reason other than a failure by the Designated Sales Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable laws and regulations to sell such Placement Shares as required under this Agreement and (c) the Designated Sales Agent shall be under no obligation to purchase Placement Shares on a principal basis pursuant to this Agreement, except as otherwise agreed by the Designated Sales Agent and the Company in a separate written agreement setting forth the terms of such sale.

4. *Suspension of Sales.*

(a) The Company or the applicable Designated Sales Agent may, upon notice to the other party in writing (including by email correspondence to each of the individuals of the other party set forth on Schedule 3, if receipt of such correspondence is actually acknowledged by any of the individuals to whom the notice is sent, other than automatic reply) or by telephone (confirmed immediately by verifiable facsimile transmission or email correspondence to each of the individuals of the other party set forth on

Schedule 3), suspend any sale of Placement Shares (each, a "Suspension"); *provided*, *however*, that such Suspension shall not affect or impair any party's obligations with respect to any Placement Shares sold hereunder prior to the receipt of such notice. While a Suspension is in effect, any obligation under Sections 7(s), 7(t), and 7(u) with respect to the delivery of certificates, opinions and comfort letters to the Sales Agents, shall be waived. Each of the parties agrees that no notice under this Section 4 shall be effective against the other party unless notice is sent by one of the individuals named on Schedule 3 hereto to one of the individuals named on Schedule 3 hereto, as such Schedule may be amended from time to time.

(b) Notwithstanding any other provision of this Agreement, during any period in which the Company is, or would reasonably be deemed to be, in possession of material non-public information, the Company and the Sales Agents agree that (i) no sale of Placement Shares will take place, (ii) the Company shall not request the sale of any Placement Shares and shall cancel any effective Placement Notices instructing the Sales Agent to make any sales and (iii) the Sales Agents shall not be obligated to sell or offer to sell any Placement Shares.

5. *Settlement and Delivery*.

(a) Unless otherwise specified in the applicable Placement Notice, settlement for sales of Placement Shares will occur on the first Trading Day (or such other day as is industry practice for regular-way trading) following the date on which such sales are made (each, a "Settlement Date"). The amount of proceeds to be delivered to the Company on a Settlement Date against receipt of the Placement Shares sold (the "Net Proceeds") will be equal to the aggregate gross sales price received by the Designated Sales Agent, after deduction of (i) the Designated Sales Agent's commission, discount or other compensation for such sales payable by the Company pursuant to Section 2 hereof, (ii) any other amounts due and payable by the Company to the Designated Sales Agent pursuant to Section 7(i) of this Agreement and (iii) any transaction fees imposed by any governmental or self-regulatory organization in respect of such sales, *provided* that in the case of clauses (ii) and (iii) hereof, such amounts are detailed and itemized in a written statement delivered to the Company no later than 8:00 p.m., Eastern Time, on the Trading Day prior to the Settlement Date or as otherwise agreed upon by the parties hereto.

(b) On or before each Settlement Date, the Company will, or will cause its transfer agent to, electronically transfer the Placement Shares being sold by crediting the Designated Sales Agent's or its designee's account (provided the Designated Sales Agent shall have given the Company written notice of such designee at least one Trading Day prior to the Settlement Date) at The Depository Trust Company through its Deposit and Withdrawal at Custodian System or by such other means of delivery as may be mutually agreed upon by the parties hereto, which in all cases shall be duly authorized, freely tradeable, transferable, registered shares of Common Stock in good deliverable form. On each Settlement Date, the Designated Sales Agent will deliver the related Net Proceeds in same day funds to an account designated by the Company on or prior to the Settlement Date. In addition to and in no way limiting the rights and obligations set forth in Section 9 hereto, the Company agrees that if the Company or its transfer agent (if applicable), defaults in its obligation to deliver duly authorized, freely tradeable, transferable, registered Placement Shares on a Settlement Date, the Company will (i) hold the Designated Sales Agent harmless against any loss, claim, damage, or reasonable and documented out-of-pocket expense (including reasonable and documented legal fees and expenses), promptly following such default, arising out of or in connection with such default by the Company or its transfer agent (if applicable), (ii) pay to the Designated Sales Agent any commission, discount or other compensation to which it would otherwise have been entitled absent such default and (iii) take all necessary action to cause the full amount of any Net Proceeds that were delivered to the Company's account with respect to such settlement, together with any costs incurred by the Designated Sales Agent in connection with recovering such Net Proceeds, to be immediately returned to the Designated Sales Agent no later than 5:00 p.m., New York City time, on such Settlement Date, by wire transfer of immediately available funds to an account designated by the Designated Sales Agent.

(c) Under no circumstances shall the Company cause or request the offer or sale of any Placement Shares if, after giving effect to the sale of such Placement Shares, the aggregate number or gross sales proceeds of Placement Shares sold pursuant to this Agreement would exceed the lesser of (i) together with all sales of Placement Shares under this Agreement, the Maximum Amount, (ii) the amount available for offer and sale under the then-effective Registration Statement and (iii) the amount authorized from time to time to be issued and sold under this Agreement by the Company's board of directors or a duly authorized committee thereof, and notified to the Designated Sales Agent in writing. Under no circumstances shall the Company cause or request the offer or sale of any Placement Shares pursuant to this Agreement at a price lower than the minimum price authorized from time to time by the Company's board of directors or a duly authorized committee thereof, and notified to the Designated Sales Agent in writing. Notwithstanding anything to the contrary contained herein, the parties hereto acknowledge and agree that compliance with the limitations set forth in this Section 5(c) on the number or dollar amount of Placement Shares that may be issued and sold under this Agreement from time to time shall be the sole responsibility of the Company, and the Sales Agents shall have no obligation in connection with such compliance.

6. *Representations and Warranties of the Company*

The Company represents, warrants and covenants to each Sales Agent that as of the date of this Agreement and as of each Applicable Time (as defined below), unless such representation, warranty or covenant specifies a different date or time:

(a) The Company and the transactions contemplated by this Agreement meet the requirements for and comply with the conditions for the use of Form S-3 (including General Instructions I.A and I.B.1.) under the Act. The Registration Statement has been filed with the Commission and has been declared effective by the Commission under the Act prior to the issuance of any Placement Notice by the Company. The Prospectus Supplement will name the Sales Agents as the agent engaged by the Company in the section entitled "Plan of Distribution." The Registration Statement and the offer and sale of Placement Shares as contemplated hereby meet the requirements of Rule 415 under the Rules and Regulations and comply in all material respects with such Rule. The Company has not received, and has no notice from the Commission of, any notice pursuant to Rule 401(g)(1) under the Act objecting to the use of the shelf registration statement form. Any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement have been so described or filed. Copies of the Registration Statement, the Prospectus and any such amendments or supplements and all documents incorporated by reference therein that were filed with the Commission on or prior to the date of this Agreement have been delivered to the Sales Agents and their counsel, or are available through EDGAR. The Company has not distributed and, prior to the later to occur of each Settlement Date and completion of the distribution of the Placement Shares, will not distribute any offering material in connection with the offering or sale of the Placement Shares other than the Registration Statement and the Prospectus and any Issuer Free Writing Prospectus to which the Sales Agents have consented, any such consent not to be unreasonably withheld, conditioned or delayed.

(b) No order preventing or suspending the use of the Prospectus Supplement, the Prospectus or any Issuer Free Writing Prospectus has been issued by the Commission, and no stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto has been issued, and no proceeding for that purpose has been initiated or threatened by the Commission. On the date the Registration Statement became or becomes effective (the "Effective Date"), on the date any Prospectus Supplement, the Prospectus, any Issuer Free Writing Prospectus or any amendment or supplement thereto was or is filed with the Commission pursuant to the Act or the Exchange Act, at each Applicable Time and at all times during the period through and including any Settlement Date and when any post-effective amendment to the Registration Statement becomes effective, the Registration Statement, the Prospectus and any Issuer Free Writing Prospectus (in each case, as amended or as supplemented, if applicable), including the financial statements, if any, included or incorporated by reference therein, did and will comply in all material respects with all applicable requirements of the Act, the Exchange Act, the Exchange Act Rules and Regulations and the Rules and Regulations, and did and will contain all statements required to be stated therein in accordance with the Act, the Exchange Act, the Exchange Act Rules and Regulations and the Rules and Regulations. There are no contracts or other documents that are required under the Act to be filed as exhibits to the Registration Statement that are not so filed.

When it became, becomes or is deemed to become effective, no part of the Registration Statement or any amendment or supplement thereto did, does or will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Prospectus and any amendment and supplement thereto, as of its date and at each Applicable Time, did not, does not and will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Each Issuer Free Writing Prospectus, as of its issue date and as of each Applicable Time, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement or the Prospectus, including any document incorporated by reference therein that has not been superseded or modified.

As used in this subsection and elsewhere in this Agreement:

"Applicable Time" means (i) each Representation Date (as defined below), (ii) the time of each sale of any Placement Shares pursuant to this Agreement and (iii) each Settlement Date.

"Issuer Free Writing Prospectus" means any "issuer free writing prospectus," as defined in Rule 433 of the Rules and Regulations ("Rule 433"), relating to the Placement Shares that (i) is required to be filed with the Commission by the Company or (ii) is exempt from filing pursuant to Rule 433(d)(5)(i), in each case, in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

The foregoing representations and warranties in this Section 6(b) do not apply to any statements or omissions made in reliance on, and in conformity with, information relating to the Sales Agents furnished in writing to the Company by the Sales Agents specifically for inclusion in the Registration Statement, the Prospectus Supplement, the Prospectus or any Issuer Free Writing Prospectus, or any amendment or supplement thereto. The Company acknowledges that the statements set forth in the 7th paragraph under the caption "Plan of Distribution" in the Prospectus Supplement (the "Sales Agents Information") constitute the only information relating to the Sales Agents furnished in writing to the Company by the Sales Agents specifically for inclusion in the Registration Statement, the Prospectus Supplement, the Prospectus and any Issuer Free Writing Prospectus.

(c) In connection with the offering of the Placement Shares, (i) at the times specified in Rule 164 and Rule 433 of the Rules and Regulations and (ii) as of the date hereof, the Company was not and is not an "ineligible issuer" (as defined in Rule 405 of the Rules and Regulations ("Rule 405")), without taking account of any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an ineligible issuer.

(d) The Incorporated Documents, when they were or are filed with the Commission, as the case may be, complied or will comply in all material respects with the requirements of the Act and the Exchange Act, as applicable, and the Rules and Regulations and the Exchange Act Rules and Regulations, as applicable; and any further documents filed and incorporated by reference subsequent to the Effective Date shall, when they are filed with the Commission, comply in all material respects with the requirements of the Act and the Exchange Act, as applicable, and the Rules and Regulations and the Exchange Act Rules and Regulations, as applicable. Each Incorporated Document did not, and any further documents filed and incorporated by reference therein will not, when filed with the Commission, contain an untrue statement of a material fact or omit to state a material fact required to be stated in such document or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(e) The Company does not own, directly or indirectly, any shares of stock or any other equity or long-term debt securities of any corporation or have any equity interest in any corporation, firm, partnership, joint venture, association or other entity, other than (i) the subsidiaries listed in Exhibit 21 to the Company's most recent Annual Report on Form 10-K (collectively, the "Subsidiaries"), (ii) those subsidiaries not required to be listed on Exhibit 21 by Item 601 of Regulation S-K under the Exchange Act, (iii) those subsidiaries formed since the last day of the most recently ended fiscal year, and (iv) as disclosed in the Registration Statement and the Prospectus. The Company and each of its Subsidiaries is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization. The Company and each of its Subsidiaries has full corporate power and authority to conduct all the activities conducted by it, to own or lease all the assets owned or leased by it and to conduct its business as described in the Registration Statement and the Prospectus. The Company and each of its Subsidiaries is duly licensed or qualified to do business and in good standing as a foreign corporation or such other entity in all jurisdictions in which the nature of the activities conducted by it or the character of the assets owned or leased by it makes such license or qualification necessary, except to the extent that the failure to be so licensed or qualified or be in good standing or have such power or authority would not, individually or in the aggregate, have a material adverse effect or would not reasonably be expected to have a material adverse effect on the Company and its Subsidiaries, taken as a whole, or their respective assets, businesses, operations, earnings, properties, prospects, conditions (financial or other), stockholders' equity or results of operations, or prevent or materially interfere with consummation of the transactions contemplated hereby (such effect is referred to herein as a "Material Adverse Effect"). Except as set forth in the Registration Statement or in the Prospectus, all of the outstanding shares of capital stock of each Subsidiary have been duly authorized and validly issued, are fully paid and nonassessable and free of any preemptive or similar rights, and are wholly owned by the Company free and clear of all claims, liens, charges, security interests, rights of first refusal and encumbrances; there are no securities outstanding that are convertible into or exercisable or exchangeable for capital stock of any Subsidiary. The Company and its Subsidiaries are not engaged in any discussions or a party to any agreement or understanding, written or oral, regarding the acquisition of an interest in any corporation, firm, partnership, joint venture, association or other entity where such discussions, agreements or understandings would require disclosure in, or amendment to, the Registration Statement. Complete and correct copies of the Second Amended and Restated Certificate of Incorporation of the Company, as amended from time to time (the "Certificate of Incorporation"), and of the Amended and Restated Bylaws of the Company, as amended from time to time (the "Bylaws"), and the organizational documents of each of its Subsidiaries and all amendments thereto have been delivered to the Sales Agents and their counsel, or are available through EDGAR.

(f) The Company has authorized, issued and outstanding capital stock as set forth in, or incorporated by reference into, the Prospectus Supplement as of the date set forth therein (other than the grant of additional equity awards or options under the Company's equity incentive and stock option plans and agreements, or changes in the number of outstanding shares of Common Stock of the Company due to the issuance of shares upon the exercise or conversion of securities exercisable for, or convertible into, Common Stock outstanding on the date hereof) and such authorized capital stock conforms in all material respects to the description thereof set forth in the Registration Statement and the Prospectus. All of the outstanding shares of capital stock of the Company have been duly authorized, validly issued, are fully paid and nonassessable, were issued in compliance with all applicable state and federal securities laws and, except as disclosed in or contemplated by the Registration Statement or the Prospectus, are not subject to any preemptive rights, rights of first refusal or similar rights. The Placement Shares have been duly authorized and, when issued and delivered by the Company against payment therefor as contemplated hereby, will be validly issued, fully paid and nonassessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, and will be registered pursuant to Section 12 of the Exchange Act; no preemptive rights, rights of first refusal or similar rights exist with respect to any of the Placement Shares or the issue and sale thereof. The description of the capital stock of the Company included or incorporated by reference in the Registration Statement, the Prospectus Supplement and the Prospectus is complete and accurate in all material respects. The Placement Shares, when issued, will conform to the description thereof set forth in or incorporated into the Prospectus. Except as set forth in the Prospectus Supplement and the Prospectus, the Company does not have outstanding any options to purchase, or any rights or warrants to subscribe for, or any other securities or obligations convertible into, or any other contracts or commitments to issue or sell, any shares of capital stock, or any such warrants, convertible securities or obligations. The issuance and sale of the Placement Shares as contemplated hereby will not cause any holder of any share capital, securities convertible into or exchangeable or exercisable for share capital or options, warrants or other rights to purchase share capital or any other securities of the Company to have any right to acquire any preferred shares or other securities of the Company.

(g) At the time the Registration Statement was originally declared effective, and at the time the Company's most recent Annual Report on Form 10-K was filed with the Commission, the Company met the then-applicable requirements for the use of Form S-3 under the Act, including, but not limited to, General Instruction I.B.1. of Form S-3. As of the date hereof, the Company meets the requirements for use of Form S-3 under the Act specified in Conduct Rule 5110(h)(1) of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The aggregate market value of the outstanding voting and non-voting common equity (as defined in Rule 405) of the Company held by persons other than affiliates of the Company (pursuant to Rule 144 of the Rules and Regulations, those that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company) (the "Non-Affiliate Shares"), was equal to or greater than $75 million (calculated by multiplying (i) the highest price at which the common equity of the Company closed on the Exchange within 60 days of the date of this Agreement by (ii) the number of Non-Affiliate Shares). The Company is not a shell company (as defined in Rule 405) and has not been a shell company for at least 12 calendar months previously and if it has been a shell company at any time previously, has filed current Form 10 information (as defined in Instruction I.B.6. of Form S-3) with the Commission at least 12 calendar months previously reflecting its status as an entity that is not a shell company.

(h) The financial statements, together with the related notes and schedules, included or incorporated by reference in the Registration Statement or the Prospectus present fairly, in all material respects, the financial condition of the Company and its consolidated Subsidiaries as of the respective dates thereof and the results of operations, cash flows and changes in stockholders' equity of the Company and its consolidated Subsidiaries for the respective periods covered thereby, and have been prepared in conformity with generally accepted accounting principles applied on a consistent basis throughout the entire period involved except as may be set forth in the related notes included therein. No other financial statements or schedules (historical or pro forma) are required by the Act, the Exchange Act, the Exchange Act Rules and Regulations or the Rules and Regulations to be included or incorporated by reference in the Registration Statement or the Prospectus. To the extent applicable, any pro forma financial statements, information or data included or incorporated by reference in the Registration Statement and the Prospectus comply with the requirements of Regulation S-X of the Act, including, without limitation, Article 11 thereof, fairly present the information set forth therein, in all material respects, and the assumptions used in the preparation of such pro forma financial statements and data are reasonable, the pro forma adjustments used therein are appropriate to give effect to the circumstances referred to therein and the pro forma adjustments have been properly applied to the historical amounts in the compilation of those statements and data. Grant Thornton LLP (the "Accountant"), who have reported on the consolidated financial statements and schedules of the Company, are and, during the periods covered by their report were, an independent registered public accounting firm with respect to the Company within the meaning of, and as required by, the Act, the Rules and Regulations and the Public Company Accounting Oversight Board (United States) ("PCAOB"). To the Company's knowledge, the Accountant is not in violation of the auditor independence requirements of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") with respect to the Company. The other financial and statistical data included and incorporated by reference in the Registration Statement and the Prospectus present accurately and fairly the information shown therein and have been compiled on a basis consistent with the audited financial statements incorporated by reference in the Registration Statement and the Prospectus and the books and records of the Company. All disclosures contained in the Registration Statement, the Prospectus and any Issuer Free Writing Prospectus regarding "non-GAAP financial measures" (as such term is defined in the Rules and Regulations) comply with Regulation G of the Exchange Act and Item 10(e) of Regulation S-K under the Act, to the extent applicable. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement and the Prospectus fairly presents the information called for in all material respects and has been prepared in all material respects in accordance with the Commission's rules and guidelines applicable thereto. The Prospectus delivered to the Sales Agents for use in connection with the sale of the Placement Shares pursuant to this Agreement will be identical to the versions of the Prospectus created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(i) Except as set forth in the Registration Statement or the Prospectus, (i) no person, as such term is defined in Rule 1-02 of Regulation S-X under the Rules and Regulations (each, a "Person"), has the right, contractual or otherwise, to cause the Company to issue or sell to such Person any Common Stock or shares of any other capital stock or other securities of the Company and (ii) no Person has any preemptive rights, resale rights, rights of first refusal, rights of co-sale or any other rights (whether pursuant to a "poison pill" provision or otherwise) to purchase any Common Stock or shares of any other capital stock or other securities of the Company. Except as contemplated by this Agreement, no Person has the right to act as an underwriter or as a financial advisor to the Company in connection with the offer and sale of the Placement Shares.

(j) Except as set forth in the Registration Statement or the Prospectus, subsequent to the respective dates as of which information is given in the Registration Statement and the Prospectus, (i) there has not been any Material Adverse Effect, the occurrence of any development that the Company reasonably expects would result in a Material Adverse Effect or any material adverse change, or any development that would reasonably be expected to result in a material adverse change, in the general affairs, business, management, condition (financial or otherwise), earnings, results of operations, properties, operations, assets, liabilities or prospects of the Company and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business (a "Material Adverse Change"), (ii) there has not been any material change in the capitalization or long-term indebtedness of the Company (other than in connection with the exercise or settlement of equity awards or options to purchase the Common Stock granted pursuant to the Company's equity incentive and/or stock option plans from the shares reserved therefor as described in the Registration Statement and the Prospectus, the exercise or redemption of warrants described in the Registration Statement and the Prospectus, and the grant of equity awards or stock options in the ordinary course of business and consistent with the past practice of the Company), (iii) neither the Company nor any of its Subsidiaries has incurred, except in the ordinary course of business as described in the Registration Statement or the Prospectus, any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations), nor has the Company or any of its Subsidiaries entered into any material transactions other than pursuant to this Agreement and the transactions referred to herein and (iv) the Company has not paid, made or declared any dividends or other distributions of any kind on any class of its capital stock or the capital stock of any Subsidiary.

(k) The Company is not, will not become as a result of or after giving effect to the transactions contemplated hereby (including the offer and sale of the Placement Shares), and will not conduct its business in a manner that would require the Company to register as an "investment company," as such term is defined in the Investment Company Act of 1940, as amended (the "Investment Company Act").

(l) Neither the issuance, sale and delivery of the Placement Shares nor the application of the proceeds thereof by the Company as described in the Registration Statement and the Prospectus will violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(m) Except as set forth in the Registration Statement, or the Prospectus, there are no actions, suits or proceedings pending or, to the knowledge of the Company, threatened against or affecting the Company, any of its Subsidiaries or any of its or their officers in their capacity as such, before or by any federal or state court, commission, regulatory body, administrative agency or other governmental body, domestic or foreign, wherein an unfavorable ruling, decision or finding would have a Material Adverse Effect. There are no current or, to the Company's knowledge, pending legal, governmental or regulatory audits or investigations, actions, suits or proceedings that are required under the Act to be described in the Registration Statement or the Prospectus that are not so described.

(n) Neither the Company nor any of its Subsidiaries is (i) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or any other contract, agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound or to which any of the property or assets of the Company or any of its Subsidiaries are subject or (ii) in violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, which default or violation, in the cases of clauses (i) or (ii), would reasonably be expected to have a Material Adverse Effect. To the knowledge of the Company, no other party under any material contract or other instrument to which it or any of its Subsidiaries is a party is in default in any respect thereunder, which default would reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries is or would reasonably be expected to be in violation of any provision of its certificate or articles of incorporation or bylaws or similar organizational documents. Neither the Company nor any of its Subsidiaries has (i) failed to pay any dividend or sinking fund installment on preferred stock or (ii) defaulted on any installment or other payment on indebtedness for borrowed money or on any rental on one or more long-term leases, which defaults, individually or in the aggregate, would have a Material Adverse Effect.

(o) No consent, approval, authorization or order of, or any filing or declaration with, any court, arbitrator or governmental or regulatory agency or body is required for the consummation of the transactions contemplated hereby, except such as have been obtained under the Act or the Rules and Regulations and such as may be required under state securities or Blue Sky laws, the bylaws and rules of FINRA or the Exchange in connection with the sale of the Placement Shares by the Sales Agents.

(p) The Company has full corporate power and authority to enter into this Agreement and perform the transactions contemplated hereby. This Agreement has been duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable against the Company in accordance with the terms hereof, except that the enforcement (A) of this Agreement may be subject to (i) bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance or other similar laws relating to creditor's rights generally and (ii) general principles of equity and the discretion of the court before which any proceeding therefor may be brought (collectively, the "Enforceability Exceptions") and (B) of the indemnification and contribution obligations and provisions of this Agreement may be limited by applicable law or considerations of public policy. The execution and performance of this Agreement and the consummation of the transactions contemplated hereby (including the issuance and sale of the Placement Shares) will not result in the creation or imposition of any lien, charge or encumbrance upon any of the assets of the Company or any of its Subsidiaries pursuant to the terms or provisions of, or result in a breach or violation of any of the terms or provisions of, or conflict with or constitute a default under, or give any party a right to terminate any of its obligations under, or result in the acceleration of any obligation under, (i) the certificate or articles of incorporation or bylaws or other organizational documents of the Company or any of its Subsidiaries, (ii) any indenture, mortgage, deed of trust, voting trust agreement, loan agreement, bond, debenture, note agreement or other evidence of indebtedness, lease, contract or other agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company, any of its Subsidiaries or any of its or their properties is bound or affected, or (iii) violate or conflict with any judgment, ruling, decree, order, statute, rule or regulation of any court or other governmental agency or body applicable to the business or properties of the Company or any of its Subsidiaries, which lien, charge, encumbrance, breach, violation, conflict, default, termination or acceleration, in the cases of clauses (ii) or (iii), would have a Material Adverse Effect.

(q) Except as set forth in the Registration Statement or the Prospectus, the Company and its Subsidiaries have good and marketable title in fee simple to all items of real property owned by them, good and valid title to all personal property described in the Registration Statement or the Prospectus as being owned by them, free and clear of all liens, charges, encumbrances, claims or restrictions, except such as are not material to the business of the Company or its Subsidiaries. The Company and its Subsidiaries have valid, subsisting and enforceable leases for the properties. Any real or personal property described in the Registration Statement or the Prospectus as being leased by the Company and any of its Subsidiaries is held by them under valid, existing and enforceable leases, except those that (A) do not materially interfere with the use made or proposed to be made of such property by the Company or any of its Subsidiaries or (B) would not be reasonably expected, individually or in the aggregate, to have a Material Adverse Effect. The Company and its Subsidiaries own or lease all such properties as are necessary to their operations as now conducted or as proposed to be conducted, except where the failure to so own or lease would not have a Material Adverse Effect. Each of the properties of the Company and its Subsidiaries complies with all applicable codes, laws and regulations (including, without limitation, building and zoning codes, laws and regulations and laws relating to access to such properties), except for such failures to comply that would not, individually or in the aggregate, reasonably be expected to interfere in any material respect with the use made and proposed to be made of such property by the Company and its Subsidiaries or otherwise have a Material Adverse Effect. None of the Company or its Subsidiaries has received from any governmental or regulatory authorities any notice of any condemnation of, or zoning change affecting, the properties of the Company and its Subsidiaries, and the Company knows of no such condemnation or zoning change that is threatened, except for such that would not reasonably be expected to interfere in any material respect with the use made and proposed to be made of such property by the Company and its Subsidiaries or otherwise would have, individually or in the aggregate, a Material Adverse Effect.

(r) All contracts to which the Company or any of its Subsidiaries is a party that are required to be described in the Registration Statement or to be filed as an exhibit to the Registration Statement are so described or filed as required. All contracts to which the Company or any of its Subsidiaries is a party that are expressly referenced in the Prospectus have been duly authorized, executed and delivered by the Company or such Subsidiary, constitute valid and binding obligations of the Company or such Subsidiary and are enforceable against and by the Company or such Subsidiary in accordance with the terms thereof, subject to the Enforceability Exceptions.

(s) None of the Company, any of its Subsidiaries or any of their respective directors, officers or controlling persons has taken, directly or indirectly, any action designed, or that would reasonably be expected to cause or result, under the Exchange Act or otherwise, in, or that has constituted, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Placement Shares.

(t) Except as set forth in the Registration Statement or the Prospectus, no holder of securities of the Company has rights, contractual or otherwise, to require the Company to register any securities pursuant to the Registration Statement, or to include any securities in the Registration Statement or the offering contemplated thereby, whether as a result of the filing or effectiveness of the Registration Statement, the sale of the Placement Shares as contemplated hereby or otherwise, which rights have not been duly waived in a writing furnished to the Sales Agents by the holder thereof as of the date hereof.

(u) The Common Stock is registered under Section 12(b) of the Exchange Act and is currently listed on the Exchange under the trading symbol "HYLN." There is no action pending by the Company or, to the Company's knowledge, by the Exchange designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act or delisting the Common Stock from the Exchange, nor has the Company received any notification that the Commission or the Exchange is contemplating terminating such registration or listing. The Company is in compliance in all material respects with all applicable listing requirements of the Exchange.

(v) (i) To the Company's knowledge, the Company and each of its Subsidiaries owns or has adequate rights to use all trademarks, trade names, domain names, patents, patent rights, mask works, copyrights, technology, know-how (including trade secrets and other unpatented or unpatentable proprietary or confidential information, systems or procedures), service marks, trade dress rights and other intellectual property and registrations and applications for registration for any of the foregoing (collectively, "Intellectual Property"), in each case, sufficient to conduct its business as now conducted and as now proposed to be conducted, and, to the Company's and its Subsidiaries' knowledge, there are no ownership rights of third parties to any such Intellectual Property owned by the Company and its Subsidiaries and none of the foregoing Intellectual Property rights owned or licensed by the Company or any of its Subsidiaries is invalid or unenforceable, (ii) the Company has no knowledge of any infringement by it or any of its Subsidiaries of Intellectual Property rights of others, and there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others that the Company and its Subsidiaries infringe or otherwise violate any Intellectual Property rights of others, where such infringement or violation could have a Material Adverse Effect, (iii) the Company is not aware of any infringement, misappropriation or violation by others of, or conflict by others with, rights of the Company or any of its Subsidiaries with respect to any Intellectual Property, (iv) there is no suit, proceeding or claim pending against the Company or any of its Subsidiaries or, to the knowledge of the Company and its Subsidiaries, any employee of the Company or any of its Subsidiaries, regarding Intellectual Property infringement, challenging the Company's and its Subsidiaries' rights in or to any such Intellectual Property or alleging other infringement of Intellectual Property, that could have a Material Adverse Effect, and the Company is unaware of any facts which could form a reasonable basis for any such action, suit, proceeding or claim, (v) to the Company's knowledge, there is no third-party U.S. patent or published U.S. patent application that contains claims for which an "interference proceeding" (as defined in 35 U.S.C. § 135) has been commenced against any patent or patent application described in the Prospectus as being owned by or licensed to the Company and (vi) the Company and its Subsidiaries have not received any written notice alleging infringement with respect to any patent or any written notice challenging the validity, scope or enforceability of any Intellectual Property owned by or licensed to the Company or any of its Subsidiaries, in each case the loss of which patent or Intellectual Property (or loss of rights thereto) would be reasonably expected to have a Material Adverse Effect. The Company and its Subsidiaries have taken all reasonable steps necessary to secure their interests in Intellectual Property developed for the Company by their employees and contractors (including, but not limited to, assignments of such Intellectual Property) from such employees and contractors and to protect the confidentiality of all of their confidential information and trade secrets and that of third parties in their possession to the extent contractually required to do so.

(w) None of the Intellectual Property or technology (including information technology and outsourced arrangements) employed by the Company or the Subsidiaries has been obtained or is being used by the Company or the Subsidiaries in violation of any contractual obligation binding on the Company or any of the Subsidiaries or, to the knowledge of the Company and its Subsidiaries, any of their respective officers, directors or employees. The Company and the Subsidiaries own or have a valid right to access and use all computer systems, networks, hardware, software, databases, websites and equipment used by the Company and the Subsidiaries to process, store, maintain and operate data, information and functions used in connection with the business of the Company and the Subsidiaries (the "Company IT Systems"). The Company IT Systems are adequate for, and operate and perform in all material respects as required in connection with, the operation of the business of the Company and the Subsidiaries as currently conducted, except as would not be reasonably expected to have a Material Adverse Effect.

(x) The Company and each of its Subsidiaries have, in all material respects, filed all federal, state, local and foreign tax returns that have been required to be filed and has paid all taxes and assessments shown thereon to the extent that such taxes or assessments have become due. Neither the Company nor any of its Subsidiaries has any tax deficiency, penalty or assessment that has been or, to the knowledge of the Company, would reasonably be asserted or threatened against it that would have a Material Adverse Effect. On each Settlement Date, all stock transfer or other taxes (other than income taxes) that are required to be paid in connection with the sale and transfer of the Placement Shares to be sold hereunder will be, or will have been, fully paid or provided for by the Company and all laws imposing such taxes will be or will have been fully complied with.

(y) The Company and its Subsidiaries own or possess all authorizations, approvals, orders, licenses, registrations, other certificates and permits of and from all governmental regulatory officials and bodies, necessary to conduct their respective businesses as contemplated in the Registration Statement and the Prospectus, except where the failure to own or possess all such authorizations, approvals, orders, licenses, registrations, other certificates and permits would not have a Material Adverse Effect. To the Company's knowledge, there is no proceeding pending or threatened that may cause any such authorization, approval, order, license, registration, other certificate or permit to be revoked, withdrawn, cancelled, suspended or not renewed; and the Company and each of its Subsidiaries is conducting its business in compliance in all material respects with all laws, rules and regulations applicable thereto (including, without limitation, all applicable federal, state and local environmental laws and regulations); the Company has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that would give rise to a notice of non-compliance with any such laws, rules and regulations, and is not aware of any pending change or contemplated change to any applicable laws, rules and regulations or governmental positions; in each case that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(z) The Company and each of its Subsidiaries maintains or is covered by insurance of the types and in the amounts as the Company reasonably believes are adequate for its business and customary for companies engaged in similar businesses in similar industries.

(aa) Other than as contemplated by this Agreement, the Company has not incurred and will not incur any liability for any finder's or broker's fee or agent's commission in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

(ab) The Company is in compliance, in all material respects, with, and there has been no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply with, all applicable provisions of the Sarbanes-Oxley Act and the rules and regulations of the Commission thereunder. Each of the principal executive officer and the principal financial officer of the Company (or each former principal executive officer of the Company and each former principal financial officer of the Company, as applicable) has made all certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act with respect to all reports, schedules, forms, statements and other documents required to be filed or furnished to the Commission. For purposes of the preceding sentence, "principal executive officer" and "principal financial officer" shall have the meanings given to such terms in the Sarbanes-Oxley Act.

(ac) Neither the Company nor any of its Subsidiaries nor, to the best of the Company's knowledge, any director, officer, agent, employee or other person associated with or acting on behalf of the Company or any of its Subsidiaries has, directly or indirectly, (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (ii) made any unlawful payment from corporate funds to any foreign or domestic government official or employee or foreign or domestic political party or campaign, (iii) violated any provision of the Foreign Corrupt Practices Act of 1977 or any comparable applicable law in another jurisdiction, or (iv) made any bribe, illegal rebate, payoff, influence payment, kickback or other unlawful payment. The Company, its Subsidiaries and to the Company's knowledge, each of their respective affiliates have instituted and maintain, and will continue to maintain, policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

(ad) The books, records and accounts of the Company and its Subsidiaries accurately and fairly reflect, in reasonable detail, the transactions in, and dispositions of, the assets of, and the results of operations of, the Company and its Subsidiaries. The Company and each of its Subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization, (ii) transactions are recorded as necessary to permit preparation of the Company's consolidated financial statements in accordance with generally accepted accounting principles and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as set forth in the Registration Statement or the Prospectus, the Company's internal control over financial reporting is effective and the Company is not aware of any material weaknesses in its internal control over financial reporting. Except as set forth in the Registration Statement or the Prospectus, since the date of the latest audited financial statements included or incorporated by reference in the Registration Statement or the Prospectus, there has been no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

(ae) The Company has established and maintains disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e)); such disclosure controls and procedures have been designed to ensure that material information relating to the Company and its Subsidiaries is made known to the Company's principal executive officer and principal financial officer by others within those entities, particularly during the period in which the Company's Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as the case may be, is being prepared. The Company's certifying officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of a date within 90 days prior to the filing date of the Form 10-K for the most recently ended fiscal year (such date, the "Evaluation Date"). The Company presented in its Form 10-K for the most recently ended fiscal year the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date and the disclosure controls and procedures are effective. Since the Evaluation Date, there have been no significant changes in the Company's disclosure controls or, to the Company's knowledge, in other factors that could significantly affect the Company's disclosure controls.

(af) There are no affiliations or associations between any member of FINRA and any of the Company's officers, directors or, to the knowledge of the Company, any 5% or greater securityholders, except as set forth in the Registration Statement and the Prospectus. Neither the Company nor any of the Subsidiaries (i) is required to register as a "broker" or "dealer" in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or is a "person associated with a member" or "associated person of a member" (within the meaning set forth by FINRA).

(ag) Neither the Company nor any of its Subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or representative of the Company or any of its Subsidiaries is a government, individual or entity that is, or is owned or controlled by an individual or entity that is (i) the subject of any sanctions administered or enforced by the Office of Foreign Assets Control of the U.S. Treasury Department, the United Nations Security Council, the European Union, His Majesty's Treasury or other relevant sanctions authority ("Sanctions"), nor (ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Burma/Myanmar, Cuba, Iran, Libya, North Korea and Sudan). The Company and its Subsidiaries have not engaged in, and are not now engaged in, and will not engage in any dealings or transactions with any government, individual or entity, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions, and have instituted and maintain policies and procedures designed to promote and achieve compliance with such Sanctions. The Company and its Subsidiaries will not, directly or indirectly, use the proceeds of the issuance and sale of the Placement Shares, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person (A) to fund or facilitate any activities or business of or with any government, individual or entity or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions, except to the extent permitted for a person required to comply with Sanctions; or (B) in any other manner that will result in a violation of Sanctions by any government, individual or entity (including any government, individual or entity participating in the offering, whether as underwriter, advisor, investor or otherwise).

(ah) The operations of the Company and its Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, the money laundering laws of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines administered or enforced by any applicable governmental agency (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(ai) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) each of the Company and each of its Subsidiaries (A) is in compliance with all applicable rules, laws and regulations relating to pollution, the protection of health or the environment, and the use, transportation, treatment, storage and disposal of, or exposure to, hazardous or toxic substances or wastes ("Environmental Laws") and (B) has received and is in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses as described in the Registration Statement and the Prospectus, (ii) none of the Company nor any of its Subsidiaries has received any notice from any governmental authority or third party, or otherwise has knowledge, of any asserted claim under Environmental Laws, and (iii) no facts currently exist that could subject the Company or any of its Subsidiaries to liability under Environmental Laws, including any liability for remediation of any releases or threatened releases of hazardous or toxic substances.

(aj) The statistical, industry-related and market-related data included or incorporated by reference in the Registration Statement and the Prospectus are based on or derived from sources the Company reasonably and in good faith believes are reliable and accurate, and such data agrees with the sources from which they are derived, and the Company has obtained the written consent to the use of such data from such sources to the extent required.

(ak) The Company and each of its Subsidiaries is in compliance in all material respects with all applicable provisions of the Employee Retirement Income Security Act of 1974, including the regulations and published interpretations thereunder ("ERISA"); no "reportable event" (as defined in

ERISA) has occurred with respect to any “pension plan” (as defined in ERISA) for which the Company and each of its Subsidiaries would have any liability; each of the Company and each of its Subsidiaries has not incurred and does not expect to incur liability under (i) Title IV of ERISA with respect to termination of, or withdrawal from, any “pension plan” or (ii) Sections 412 or 4971 of the Internal Revenue Code of 1986, including the regulations and published interpretations thereunder (the “Code”); and each “pension plan” for which the Company or any Subsidiary would have any liability that is intended to be qualified under Section 401(a) of the Code is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, which would reasonably be expected to cause the loss of such qualification.

(al) No material labor dispute with the employees of the Company or any of its Subsidiaries exists or, to the knowledge of the Company, is imminent or threatened.

(am) Except as provided by applicable law or as described in or contemplated by the Registration Statement and the Prospectus, no Subsidiary is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such Subsidiary’s capital stock, from repaying to the Company any loans or advances to such Subsidiary from the Company or from transferring any of such Subsidiary’s property or assets to the Company or any other Subsidiary of the Company.

(an) The Company and its Subsidiaries have operated their business in a manner compliant in all material respects with all privacy and data protection laws and regulations applicable to the Company’s and its Subsidiaries’ collection, handling, and storage of their customers’ data. The Company and its Subsidiaries have taken commercially reasonable steps to maintain policies and procedures designed to ensure the integrity and security of the data collected, handled or stored in connection with the delivery of their product offerings. The Company and its Subsidiaries have commercially reasonable policies and procedures in place designed to ensure privacy and data protection laws are complied with and take commercially reasonable steps to comply in all material respects with such policies and procedures.

(ao) No forward-looking statement (within the meaning of Section 27A of the Act and Section 21E of the Exchange Act) contained in the Registration Statement and the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(ap) The Company is not a party to any agreement with an agent or underwriter for any other “at the market” or continuous equity transaction.

(aq) The Company acknowledges and agrees that Sales Agents have informed the Company that the Sales Agents may, to the extent permitted under the Act and the Exchange Act, purchase and sell Common Stock for its own account while this Agreement is in effect, *provided*, that (i) no such purchase or sales shall take place while a Placement Notice is in effect (except to the extent the Sales Agents may engage in sales of Placement Shares purchased or deemed purchased from the Company as a “riskless principal” or in a similar capacity) and (ii) the Company shall not be deemed to have authorized or consented to any such purchases or sales by the Sales Agents.

(ar) No statement, representation or warranty made by the Company in this Agreement or made in any certificate or document required by this Agreement to be delivered to the Sales Agents was or will be, when made, inaccurate, untrue or incorrect.

Any certificate signed by an officer of the Company and delivered to the Sales Agents or to counsel for the Sales Agents pursuant to or in connection with this Agreement shall be deemed to be a representation and warranty by the Company, as applicable, to the Sales Agents as to the matters set forth therein.

7. *Agreements of the Company.*

The Company covenants and agrees with each Sales Agent as follows:

(a) The Company will not, either prior to the first Applicable Time or thereafter during such period as the Prospectus is required by law to be delivered in connection with sales of the Placement Shares by a Designated Sales Agent or a dealer, file any amendment or supplement to the Registration Statement or the Prospectus relating to the Placement Shares, unless a copy thereof shall first have been submitted to the Sales Agents for approval within a reasonable period of time prior to the filing thereof (*provided*, *however*, that the failure of the Company to obtain the Sales Agents' approval shall not relieve the Company of any obligation or liability hereunder, or affect the Sales Agents' right to rely on the representations and warranties made by the Company in this Agreement).

(b) So long as delivery of the Prospectus relating to any Placement Shares may be required to be delivered by a Designated Sales Agent or any dealer under the Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172 of the Rules and Regulations or any similar rule), the Company will notify the Sales Agents promptly, and will confirm such advice in writing, (i) when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed, in each case, other than documents incorporated by reference, (ii) of any request by the Commission for amendments or supplements to the Registration Statement or the Prospectus or for additional information related to the offering of the Placement Shares or to the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus, (iii) of its receipt of notice or its knowledge of the issuance or threatened issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or preventing or suspending the use of the Prospectus Supplement, the Prospectus or any Issuer Free Writing Prospectus or the initiation of any proceedings for that purpose or the threat thereof, (iv) of the suspension of the qualification of the Placement Shares for offering and sale in any jurisdiction, or the initiation or threatening of any proceeding for that purpose, and (v) of receipt by the Company or any representative or counsel to the Company of any other communication from the Commission relating to the Company, the Registration Statement, the Prospectus Supplement, the Prospectus or the issuance and sale of the Placement Shares. If at any time the Commission shall issue any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of the Prospectus Supplement, the Prospectus or any Issuer Free Writing Prospectus, the Company will make every reasonable effort to obtain the withdrawal of such order as soon as reasonably practicable. If the Company has omitted any information from the Registration Statement pursuant to Rule 430B of the Rules and Regulations, the Company will comply with the provisions of and make all requisite filings with the Commission pursuant to said Rule 430B and notify the Sales Agents promptly of all such filings, if not available on EDGAR. The Company will cause each amendment or supplement to the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Act or, in the case of any document to be incorporated by reference therein, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed. If the Company elects to rely upon Rule 462(b) under the Act, the Company shall file a registration statement under Rule 462(b) with the Commission in compliance with Rule 462(b) by 10:00 p.m., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for such Rule 462(b) registration statement or give irrevocable instructions for the payment of such fee pursuant to the Rules and Regulations. So long as delivery of the Prospectus relating to any Placement Shares may be required to be delivered by a Designated Sales Agent or any dealer under the Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172 of the Rules and Regulations or any similar rule), the Company will comply with all requirements imposed upon it by the Act, as from time to time in force, and to file on or before their respective due dates all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Sections 13(a), 13(c), 14, 15(d) or any other provision of or under the Exchange Act.

(c) The Company will furnish to the Sales Agents, without charge, written and electronic copies of each of the Registration Statement and of any pre- or post-effective amendment thereto, including financial statements and schedules, and all exhibits thereto, the Prospectus (including all documents incorporated by reference therein), the Prospectus Supplement, each Issuer Free Writing Prospectus and all amendments and supplements thereto that are filed with the Commission during any period that a Prospectus relating to the Placement Shares is required to be delivered under the Act, in each case as soon as reasonably practicable and in such quantities as the Sales Agents may from time to time reasonably request and, at the Sales Agents' request, will also furnish copies of the Prospectus to each exchange or market on which sales of the Placement Shares may be made; *provided*, *however*, that the

Company shall not be required to furnish any document (other than the Prospectus) to the Sales Agents to the extent such document is available on EDGAR.

(d) The Company will use its reasonable best efforts to comply with all requirements imposed upon it by the Act and the Exchange Act as from time to time in force, so far as necessary to permit the sales of, or dealings in, the Placement Shares as contemplated by the provisions hereof and the Prospectus.

(e) So long as delivery of the Prospectus relating to any Placement Shares may be required to be delivered by a Designated Sales Agent or any dealer under the Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172 of the Rules and Regulations or any similar rule), the Company will prepare and file with the Commission, promptly upon the Sales Agents' reasonable request, any amendments or supplements to the Registration Statement or the Prospectus that, in the Sales Agents' reasonable opinion, may be necessary or advisable in connection with the distribution of the Placement Shares by the Sales Agents (*provided*, *however*, that the failure of the Sales Agents to make such request shall not relieve the Company of any obligation or liability hereunder, or affect the Sales Agents' right to rely on the representations and warranties made by the Company in this Agreement); *provided*, *however*, that the Company may delay any such amendment or supplement if, in the judgment of the Company, it is in the best interest of the Company to do so, provided that no Placement Notice is in effect during such time. The Company consents to the use of the Prospectus Supplement, the Prospectus, each Issuer Free Writing Prospectus and any amendment or supplement thereto by the Sales Agents and by all dealers to whom the Placement Shares may be sold, both in connection with the offering or sale of the Placement Shares and for any period of time thereafter during which the Prospectus is required by law to be delivered in connection therewith. If during such period of time any event shall occur that in the judgment of the Company or counsel to the Sales Agents should be set forth in the Prospectus in order to make any statement therein, in the light of the circumstances under which it was made, not misleading, or if it is necessary to supplement or amend the Prospectus to comply with law, the Company will notify the Sales Agents to suspend the offering of Placement Shares during such period and the Company will forthwith prepare and duly file with the Commission an appropriate supplement or amendment thereto, and will deliver to the Sales Agents, without charge, such number of copies of such supplement or amendment to the Prospectus as the Sales Agents may reasonably request. If at any time following issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information contained in the Registration Statement, the Prospectus Supplement or the Prospectus or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at that subsequent time, not misleading, the Company will promptly notify the Sales Agents and, if requested by the Sales Agents, will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(f) The Company will use its reasonable best efforts and cooperate with the Sales Agents in connection with the registration or qualification of the Placement Shares for offer and sale under the state or foreign securities or Blue Sky laws of such jurisdictions as the Sales Agents may request and to maintain such registration or qualification in effect for so long as required for the distribution of the Placement Shares (but in no event for less than one year from the date of this Agreement); *provided*, that in no event shall the Company be obligated to qualify to do business in any jurisdiction where it is not now so qualified or to take any action that would subject it to general service of process in any jurisdiction where it is not now so subject. In each applicable jurisdiction, the Company will file such statements and reports as may be required by the laws of such jurisdiction to continue such registration or qualification in effect for so long as required for the distribution of the Placement Shares (but in no event for less than one year from the date of this Agreement).

(g) The Company will, so long as required under the Rules and Regulations, furnish to its stockholders as soon as practicable after the end of each fiscal year an annual report (including a balance sheet and statements of income, stockholders' equity and cash flow of the Company and its consolidated Subsidiaries, if any, certified by independent public accountants) and, as soon as practicable after the end of each of the first three quarters of each fiscal year (beginning with the fiscal quarter ending after the Effective Date), consolidated summary financial information of the Company and its Subsidiaries, if any, for such quarter in reasonable detail, provided that the Company will be deemed to have furnished such statement to its stockholders to the extent it is available on EDGAR.

(h) The Company will make generally available to holders of its securities as soon as practicable, but in no event later than 15 months after the end of the Company's current fiscal quarter, an earning statement covering a period of 12 months that satisfies the provisions of Section 11(a) of the Act (including Rule 158 of the Rules and Regulations), provided that the Company will be deemed to have furnished such statement to its securityholders to the extent it is available on EDGAR.

(i) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company will pay or reimburse if paid by the Sales Agents all costs and expenses incident to the performance of the obligations of the Company under this Agreement and in connection with the transactions contemplated hereby, including but not limited to costs and expenses of or relating to (i) the preparation, printing and filing of the Registration Statement and exhibits to it, the Prospectus Supplement, the Prospectus, any Issuer Free Writing Prospectus and any amendment or supplement to any of the foregoing, including any fees required by the Commission in connection therewith, (ii) the preparation and delivery of certificates, if any, representing the Placement Shares, including any stock or other transfer taxes and any capital duties, stamp duties or other duties or taxes payable upon the sale, issuance or delivery of the Placement Shares to the Sales Agents, (iii) furnishing (including costs of shipping and mailing) such copies of the Registration Statement, the Prospectus Supplement, the Prospectus and any Issuer Free Writing Prospectus, and all amendments and supplements thereto, as may be requested by the Sales Agents for use in connection with the offering and sale of the Placement Shares, (iv) the listing of the Placement Shares on the Exchange, (v) any filings required to be made in connection with clearance of the offering of the Placement Shares with FINRA (including the reasonable and documented fees, disbursements and other charges of counsel for the Sales Agents in connection therewith), (vi) the registration or qualification of the Placement Shares for offer and sale under state or foreign securities or Blue Sky laws and the preparation, printing and distribution of any Blue Sky memoranda (including the reasonable and documented fees, disbursements and other charges of counsel to the Sales Agents in connection therewith), (vii) fees, disbursements and other charges of counsel to the Company and of the Accountant, (viii) the transfer agent for the Placement Shares and (ix) all other reasonable and documented costs and expenses of the Sales Agents incident to the performance of its obligations hereunder not otherwise specifically provided for herein, including the fees, disbursements and other charges of counsel to the Sales Agents (in addition to those set forth in clauses (v) and (vi)); *provided*, *however*, that in no event under this clause (ix), when taken together with costs and expenses incurred under clauses (v) and (vi), shall the Company be required to pay or reimburse any Sales Agents costs and expenses in excess of $125,000 in connection with the establishment of the at-the-market program and $10,000 for each periodic update of the at-the-market program.

(j) The Company will not at any time, directly or indirectly, (i) take any action designed or that would reasonably be expected to cause or result in, or that will constitute, stabilization of the price of the shares of Common Stock to facilitate the sale or resale of any of the Placement Shares or (ii) sell, bid for, or purchase Common Stock in violation of Regulation M, or pay anyone any compensation for soliciting purchases of the Placement Shares other than the Sales Agents.

(k) The Company will conduct its affairs in such a manner so as to reasonably ensure that neither it nor any of its Subsidiaries will be or become, at any time prior to the termination of this Agreement, required to register as an "investment company" under the Investment Company Act.

(l) The Company will use the Net Proceeds in the manner set forth in the Prospectus under the caption "Use of Proceeds."

(m) The Company and the Subsidiaries will maintain and keep accurate books and records reflecting their assets and maintain internal accounting controls in a manner designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and including those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company, (ii) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of the Company's consolidated financial statements in accordance with generally accepted accounting principles, (iii) provide reasonable assurance that receipts and expenditures of the Company are being made only in accordance with management's and the Company's directors' authorization and (iv) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that would have a material effect on its financial statements. The Company and the Subsidiaries will maintain such controls and other procedures, including, without limitation, those required by Sections 302 and 906 of the Sarbanes-Oxley Act, and the applicable regulations thereunder that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure and to ensure that material information relating to the Company or the Subsidiaries is made known to them by others within those entities, particularly during the period in which such periodic reports are being prepared.

(n) Without the prior written consent of the Designated Sales Agent, the Company will not, directly or indirectly, offer to sell, sell, contract to sell, grant any option to sell or otherwise dispose of any shares of Common Stock (other than the Placement Shares offered pursuant to this Agreement) or securities convertible into or exchangeable or exercisable for shares of Common Stock, warrants or any rights to purchase or acquire, shares of Common Stock during the period beginning on the second Trading Day immediately prior to the date on which any Placement Notice is delivered to the Designated Sales Agent hereunder and ending on the second Trading Day immediately following the final Settlement Date with respect to Placement Shares sold pursuant to such Placement Notice (or, if the Placement Notice has been terminated or suspended prior to the sale of all Placement Shares covered by a Placement Notice, the date of such suspension or termination); and will not directly or indirectly in any other "at the market offering" or continuous equity transaction offer to sell, sell, contract to sell, grant any option to sell or otherwise dispose of any Common Stock (other than the Placement Shares offered pursuant to this Agreement) or securities convertible into or exchangeable or exercisable for shares of Common Stock, warrants or any rights to purchase or acquire, shares of Common Stock prior to the later of the termination of this Agreement and the tenth Trading Day immediately following the final Settlement Date with respect to Placement Shares sold pursuant to such Placement Notice; *provided*, *however*, that such restrictions will not be required in connection with the Company's issuance, grant or sale of (i) shares of Common Stock, options or other rights to purchase or otherwise acquire shares of Common Stock or shares of Common Stock issuable upon the exercise of options or settlement of equity awards, including any Common Stock sold on behalf of an employee to cover tax withholding obligations, pursuant to any employee or director equity incentive, stock option, compensation or benefits plan or arrangement, stock ownership plan or dividend reinvestment plan (but not shares of Common Stock subject to a waiver to exceed plan limits in its dividend reinvestment plan) of the Company whether now in effect or hereafter implemented, (ii) shares of Common Stock issuable upon conversion of securities or the exercise of warrants, options or other rights in effect or outstanding, and disclosed in filings by the Company available on EDGAR or otherwise in writing to the Sales Agents and (iii) shares of Common Stock or securities convertible into or exchangeable for shares of Common Stock as consideration for mergers, acquisitions, other business combinations or strategic alliances occurring after the date of this Agreement which are not issued for capital raising purposes.

(o) On or prior to the date of the first Placement Notice, the Company will use its reasonable best efforts to maintain the listing of the Placement Shares or cause the Placement Shares to be listed on the Exchange, as applicable.

(p) The Company will, at any time during the pendency of a Placement Notice, advise the Sales Agents promptly after it shall have received notice or obtained knowledge thereof, of any information or fact that would alter or affect in any material respect any opinion, certificate, letter or other document required to be provided to the Sales Agents pursuant to this Agreement.

(q) The Company will cooperate with any reasonable due diligence review conducted by the Sales Agents, their representatives and their counsel in connection with the transactions contemplated hereby, including, without limitation, providing information and making available documents and senior corporate officers, during regular business hours and at the Company's principal offices, as the Sales Agents may reasonably request.

(r) The Company agrees that on or prior to such dates as the Act shall require, the Company will (i) file a prospectus supplement with the Commission under the applicable paragraph of Rule 424(b), which prospectus supplement will set forth, within the relevant period, the number or amount of Placement Shares sold through the Sales Agents, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agents with respect to such Placement Shares, and (ii) deliver such number of copies of each such prospectus supplement to each exchange or market on which such sales were effected as may be required by the rules or regulations of such exchange or market; *provided*, that, unless a prospectus supplement containing such information is required to be filed under the Act, the requirement of this Section 7(r) may be satisfied by Company's inclusion in the Company's Form 10-K or Form 10-Q, as applicable, of the number or amount of Placement Shares sold through the Sales Agents, the Net Proceeds to the Company and the compensation payable by the Company to the Sales Agents with respect to such Placement Shares during the relevant period.

(s) On or prior to the date on which the Company first delivers a Placement Notice and each time the Company:

(i) files the Prospectus relating to the Placement Shares or amends or supplements (other than a prospectus supplement relating solely to an offering of securities other than the Placement Shares) the Registration Statement or the Prospectus relating to the Placement Shares by means of a post-effective amendment, sticker or supplement but not by means of incorporation of documents by reference into the Registration Statement or the Prospectus relating to the Placement Shares;

(ii) files an annual report on Form 10-K under the Exchange Act (including any Form 10-K/A containing amended financial information or a material amendment to the previously filed Form 10-K);

(iii) files a quarterly report on Form 10-Q under the Exchange Act; or

(iv) files a current report on Form 8-K containing amended financial information (other than information "furnished" pursuant to Items 2.02 or 7.01 of Form 8-K) under the Exchange Act (each date of filing of one or more of the documents referred to in clauses (i) through (iv) shall be a "Representation Date"),

the Company shall furnish the Sales Agents (but in the case of clause (iv) above only if the Sales Agents reasonably determine that the information contained in such Form 8-K is material at a time when a Placement Notice is pending or in effect and the Sales Agents request a certificate within three Trading Days of the Company's filing of such Form 8-K) with a certificate, in the form substantially similar to the form attached hereto, dated the Representation Date, modified, as necessary, to relate to the Registration Statement and the Prospectus as amended or supplemented. The requirement to provide a certificate under this Section 7(s) shall be waived for any Representation Date occurring at a time during which no Placement Notice is pending or a Suspension is in effect, which waiver shall continue until the earlier to occur of the date on which the Company delivers instructions for the sale of Placement Shares hereunder (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the Company subsequently decides to sell Placement Shares following a Representation Date when no Placement Notice was pending or a Suspension was in effect and did not provide the Sales Agents with a certificate under this Section 7(s), then before the Company delivers the instructions for the sale of Placement Shares or the Sales Agents sell any Placement Shares pursuant to such instructions, the Company shall provide the Sales Agents with a certificate in conformity with this Section 7(s) dated as of the date that the instructions for the sale of Placement Shares are issued.

(t) On or prior to the date of the first Placement Notice and within five Trading Days of each Representation Date with respect to which the Company is obligated to deliver a certificate pursuant to Section 7(s) for which no Suspension or waiver is applicable, the Company shall cause to be furnished to the Sales Agents a written opinion and negative assurance letter of Vinson & Elkins L.L.P. ("Company Counsel"), or other counsel satisfactory to the Sales Agents, in form and substance satisfactory to Sales Agents and their counsel, modified, as necessary, to relate to the Registration Statement and the Prospectus as then amended or supplemented; *provided*, *however*, Company Counsel shall not be required to furnish to the Sales Agent more than one opinion and one negative assurance letter under this Agreement per each filing of an annual report on Form 10-K and quarterly report on Form 10-Q; *provided, further*, that in lieu of such opinion or negative assurance letter for subsequent Representation Dates, Company Counsel may furnish the Sales Agents with a letter (a "Reliance Letter") to the effect that the Sales Agents may rely on a prior opinion or negative assurance letter delivered under this Section 7(t) to the same extent as if it were dated the date of such letter (except that statements in such prior opinion or negative assurance letter shall be deemed to relate to the Registration Statement and the Prospectus as amended or supplemented as of the date of the Reliance Letter).

(u) On or prior to the date of the first Placement Notice and within five Trading Days of each Representation Date with respect to which the Company is obligated to deliver a certificate pursuant to Section 7(s) for which no Suspension or waiver is applicable, the Company shall cause the Accountant to furnish the Sales Agents with letters (the "Comfort Letters"), dated the date the Comfort Letter is delivered, which shall meet the requirements set forth in this Section 7(u); *provided*, that if requested by the Sales Agents, the Company shall cause a Comfort Letter to be furnished to the Sales Agents within 10 Trading Days of the date of occurrence of any material transaction or event, including the restatement of the Company's financial statements. The Comfort Letter shall be in a form and substance reasonably satisfactory to the Sales Agents, (i) confirming that they are an independent registered public accounting firm within the meaning of the Act and the PCAOB, (ii) stating, as of such date, the conclusions and findings of such firm with respect to the financial information and other matters ordinarily covered by accountants' "comfort letters" to underwriters in connection with registered public offerings (the first such letter, the "Initial Comfort Letter") and (iii) updating the Initial Comfort Letter with any information that would have been included in the Initial Comfort Letter had it been given on such date and modified as necessary to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter.

(v) If, immediately prior to the third anniversary of the initial effective date of the Registration Statement (the "Renewal Date"), any of the Placement Shares remain unsold and this Agreement has not been terminated, the Company will, in its sole discretion, prior to the Renewal Date, file a new shelf registration statement or, if applicable, an automatic shelf registration statement relating to the Common Stock that may be offered and sold pursuant to this Agreement (which shall include a prospectus reflecting the number or amount of Placement Shares that may be offered and sold pursuant to this Agreement), in a form satisfactory to the Sales Agents and their counsel, and, if such registration statement is not an automatic shelf registration statement, will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Date. The Company will take all other reasonable actions necessary or appropriate to permit the public offer and sale of the Placement Shares to continue as contemplated in the expired registration statement and this Agreement. From and after the effective date thereof, references herein to the "Registration Statement" shall include such new shelf registration statement or such new automatic shelf registration statement, as the case may be.

(w) If, from and after the date of this Agreement, the Company is no longer eligible to use Form S-3 (including pursuant to General Instruction I.B.6.) at the time it files with the Commission an annual report on Form 10-K or any post-effective amendment to the Registration Statement, then it shall promptly notify the Sales Agents and, within two Business Days after the date of filing of such annual report on Form 10-K or amendment to the Registration Statement, the Company shall, file a new prospectus supplement with the Commission reflecting the number of shares of Common Stock available to be offered and sold by the Company under this Agreement pursuant to General Instruction I.B.6. of

Form S-3; *provided*, *however*, that the Company may delay the filing of any such prospectus supplement for up to 30 days if, in the reasonable judgment of the Company, it is in the best interest of the Company to do so, provided that no Placement Notice is in effect or pending during such time. Until such time as the Company shall have effected such compliance, the Company shall not notify the Sales Agents to resume the offering of Placement Shares.

(x) The Company represents and agrees that, without the prior written consent of the Sales Agents, and each Sales Agent represents and agrees that, without the prior written consent of the Company, each of the Company and the Sales Agents (including its agents and representatives, other than a Sales Agent in its capacity as such) has not made and will not make, use, prepare, authorize, approve or refer to any written communication that constitutes an offer to sell or solicitation of an offer to buy Placement Shares hereunder or otherwise make any offer relating to the Placement Shares that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a "free writing prospectus" (as defined in Rule 405), required to be filed with the Commission. Any such free writing prospectus the use of which has been consented to by the Company and the Sales Agents, as the case may be, is herein called a "Permitted Free Writing Prospectus." The Company represents and agrees that it has treated and will treat, as the case may be, each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus and that it has complied and will comply, as the case may be, with the requirements of Rules 164 and 433 of the Rules and Regulations applicable to any Permitted Free Writing Prospectus, including timely filing with the Commission, where required, recordkeeping and legending. For the purposes of clarity, the parties hereto agree that all free writing prospectuses, if any, listed in Schedule 4 hereto are Permitted Free Writing Prospectuses.

8. *Conditions of the Obligations of the Sales Agents.*

The obligations of the Sales Agents hereunder with respect to a Placement will be subject to the continuing accuracy and completeness of the representations and warranties made by the Company herein, to the due performance by the Company of its obligations hereunder, to the completion by the Sales Agents of a due diligence review satisfactory to the Sales Agents, and to the continuing satisfaction (or waiver by the Sales Agents in their sole discretion) of the following additional conditions:

(a) The Registration Statement shall be effective and shall be available for the (i) resale of all Placement Shares issued to the Sales Agents and not yet sold by the Sales Agents and (ii) sale of all Placement Shares contemplated to be issued by any Placement Notice. All filings required by Rule 424 shall have been made, including timely filing of the Prospectus Supplement pursuant to Rule 424(b).

(b) (i) No stop order suspending the effectiveness of the Registration Statement or preventing or suspending the use of the Prospectus Supplement, the Prospectus or any Issuer Free Writing Prospectus shall have been issued and no proceedings for that purpose shall be pending or threatened by the Commission; (ii) no order suspending the qualification or registration of the Placement Shares under the securities or Blue Sky laws of any jurisdiction shall be in effect and no proceeding for such purpose shall be pending before or threatened or contemplated by any applicable governmental authorities; (iii) the Company shall not have received any request for additional information from the Commission or any other federal or state governmental authority during the period of effectiveness of the Registration Statement, the response to which would require any post-effective amendments or supplements to the Registration Statement or the Prospectus; (iv) there shall not have occurred or be continuing any event that makes any material statement made in the Registration Statement or the Prospectus or any material Incorporated Document untrue in any material respect or that requires the making of any changes in the Registration Statement, the Prospectus or Incorporated Documents so that, in the case of the Registration Statement, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and, in the case of the Prospectus, so that it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) The Sales Agents shall not have advised the Company that the Registration Statement or the Prospectus, or any amendment or supplement thereto, contains an untrue statement of fact that in the

Sales Agents' reasonable opinion is material, or omits to state a fact that in the Sales Agents' reasonable opinion is material and is required to be stated therein or is necessary to make the statements therein not misleading.

(d) Except as contemplated in the Prospectus, or disclosed in the Company's reports filed with the Commission, (i) there shall not have been (A) a Material Adverse Change or any material adverse change, on a consolidated basis, in the authorized capital stock of the Company, (B) any Material Adverse Effect or the occurrence of any development that the Company reasonably expects would result in a Material Adverse Effect or (C) any downgrading in or withdrawal of the rating assigned to any of the Company's securities (other than asset-backed securities), if any, by any rating organization or a public announcement by any rating organization that it has under surveillance or review its rating of any of the Company's securities (other than asset-backed securities), if any, and (ii) neither the Company nor any of its Subsidiaries shall have sustained any material loss or interference with its business or properties from fire, explosion, flood or other casualty, whether or not covered by insurance, or from any labor dispute or any court or legislative or other governmental action, order or decree, if in the judgment of the Sales Agents (without relieving the Company of any obligation or liability it may otherwise have), any such development makes it impracticable or inadvisable to proceed with the offering of the Placement Shares on the terms and in the manner contemplated in the Prospectus.

(e) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, there shall have been no litigation or other proceeding instituted against the Company, any of its Subsidiaries or any of its or their officers or directors in their capacities as such, before or by any federal, state or local court, commission, regulatory body, administrative agency or other governmental body, domestic or foreign, in which litigation or proceeding an unfavorable ruling, decision or finding would, in the judgment of the Sales Agents, have a Material Adverse Effect or if, in the judgment of the Sales Agents, any such development makes it impracticable or inadvisable to proceed with the offering of the Placement Shares on the terms and in the manner contemplated in the Prospectus.

(f) Each of the representations and warranties of the Company contained herein shall be true and correct in all respects (in the case of any representation and warranty containing a materiality or Material Adverse Effect qualification) or in all material respects (in the case of any other representation and warranty), and all covenants and agreements contained herein to be performed on the part of the Company and all conditions contained herein to be fulfilled or complied with by the Company shall have been duly performed, fulfilled or complied with.

(g) The Sales Agents shall have received the opinion and negative assurance letter from Company Counsel required to be delivered pursuant to Section 7(t) on or before the date on which delivery of such opinion and negative assurance letter is required pursuant to Section 7(t).

(h) The Sales Agents shall have received an opinion and negative assurance letter from White & Case LLP, counsel to the Sales Agents, on or before the date on which delivery of the opinion of Company Counsel is required pursuant to Section 7(t), which opinion and negative assurance letter shall be reasonably satisfactory in all respects to the Sales Agents, and the Company shall have furnished to such counsel such documents as they may request to enable counsel to the Sales Agents to pass upon such matters.

(i) The Sales Agents shall have received the Comfort Letter required to be delivered pursuant to Section 7(u) on or before the date on which such delivery of such Comfort Letter is required pursuant to Section 7(u).

(j) The Sales Agents shall have received the certificate required to be delivered pursuant to Section 7(s) on or before the date on which delivery of such certificate is required pursuant to Section 7(s).

(k) On or prior to the date of the first Placement Notice and at subsequent Representation Dates as may be requested by the Sales Agents, the Company shall deliver to the Sales Agents a certificate of the Secretary of the Company and attested to by an executive officer of the Company, dated as of such date and in form and substance satisfactory to the Sales Agents and their counsel, certifying as to (i) the Certificate of Incorporation of the Company, (ii) the Bylaws of the Company, (iii) the resolutions of the board of directors of the Company or a duly authorized committee thereof authorizing the execution, delivery and performance of this Agreement and the issuance of the Placement Shares and (iv) the incumbency of the officers duly authorized to execute this Agreement and the other documents contemplated by this Agreement.

(l) The Placement Shares shall be qualified for sale in such jurisdictions as the Sales Agents may reasonably request and each such qualification shall be in effect and not subject to any stop order or other proceeding.

(m) Either (i) the Placement Shares shall have been approved for listing on the Exchange, subject only to notice of issuance, or (ii) the Company shall have filed an application for listing of the Placement Shares on the Exchange at, or prior to, the issuance of the first Placement Notice and the Exchange shall have reviewed such application and/or not provided any objections thereto. Trading in the Common Stock shall not have been suspended on the Exchange and the Common Stock shall not have been delisted from the Exchange.

(n) All filings with the Commission required by Rule 424(b) or Rule 433 under the Act to have been filed prior to the issuance of any Placement Notice hereunder shall have been made within the applicable time period prescribed for such filing by Rule 424(b) (without reliance on Rule 424(b)(8)) or Rule 433, as applicable.

(o) If applicable, FINRA shall have raised no objection to the terms of the offering contemplated hereby and the amount of compensation allowable or payable to the Sales Agents as described in the Prospectus.

(p) On each date on which the Company is required to deliver a certificate pursuant to Section 7(s), the Company shall have furnished to the Sales Agents such further information, opinions, certificates, letters and other documents, in addition to those specifically mentioned herein, as the Sales Agents may have reasonably requested. All such information, opinions, certificates, letters and other documents shall have been in compliance with the provisions hereof.

(q) There shall not have occurred any event that would permit the Sales Agents to terminate this Agreement pursuant to Section 11(a).

9. *Indemnification and Contribution.*

(a) The Company will indemnify and hold harmless the Sales Agents, their partners, members, directors, officers, employees, agents and affiliates and each person, if any, who controls a Sales Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, from and against any and all losses, claims, liabilities, expenses and damages (including any and all investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted), to which they, or any of them, may become subject under the Act, the Exchange Act or other federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, liabilities, expenses or damages arise out of or are based on any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, Prospectus Supplement, the Prospectus or any amendment or supplement thereto or any Issuer Free Writing Prospectus or any "issuer information" filed or required to be filed pursuant to Rule 433(d) of the Rules and Regulations, or the omission or alleged omission to state in such document a material fact required to be stated in it or necessary to make the statements in it not misleading in the light of the circumstances in which they were made; *provided*, *however*, that the Company will not be liable to the extent that such loss, claim, liability, expense or damage arises from the sale of the Placement Shares to any person by a Sales Agent and is based on the Sales Agents Information. This indemnity agreement will be in addition to any liability that the Company might otherwise have.

(b) Each Sale Agent, severally and not jointly, agrees to indemnify and hold harmless the Company, each director of the Company, each officer of the Company who signs the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the

Act or Section 20 of the Exchange Act, to the same extent as the foregoing indemnity from the Company to the Sales Agents, as set forth in Section 9(a), but only insofar as losses, claims, liabilities, expenses or damages arise out of or are based on any untrue statement or omission or alleged untrue statement or omission made in reliance on and in conformity with the Sales Agents Information. This indemnity will be in addition to any liability that the Sales Agents might otherwise have.

(c) Any party that proposes to assert the right to be indemnified under this Section 9 shall, promptly after receipt of notice of commencement of any action against such party in respect of which a claim is to be made against an indemnifying party or parties under this Section 9, notify each such indemnifying party in writing of the commencement of such action, enclosing with such notice a copy of all papers served, but the omission so to notify such indemnifying party will not relieve it from any liability that it may have to any indemnified party under the foregoing provisions of this Section 9 unless, and only to the extent that, such omission results in the loss of substantive rights or defenses by the indemnifying party. If any such action is brought against any indemnified party and it notifies the indemnifying party of its commencement, the indemnifying party will be entitled to participate in and, to the extent that it elects by delivering written notice to the indemnified party promptly after receiving notice of the commencement of the action from the indemnified party, jointly with any other indemnifying party similarly notified, to assume the defense of the action, with counsel reasonably satisfactory to the indemnified party. After notice from the indemnifying party to the indemnified party of its election to assume the defense, the indemnifying party will not be liable to the indemnified party for any legal or other expenses except as provided below and except for the reasonable and documented costs of investigation incurred by the indemnified party in connection with the defense. The indemnified party will have the right to employ its own counsel in any such action, but the fees, expenses and other charges of such counsel will be at the expense of such indemnified party unless (i) the employment of counsel by the indemnified party has been authorized in writing by the indemnifying party, (ii) the indemnified party has reasonably concluded (based on advice of counsel) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, (iii) a conflict or potential conflict exists (based on advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party), or (iv) the indemnifying party has not in fact employed counsel reasonably satisfactory to the indemnified party to assume the defense of such action within a reasonable time after receiving notice of the commencement of the action, in each of which cases the reasonable and documented fees, disbursements and other charges of counsel will be at the expense of the indemnifying party or parties. It is understood that the indemnifying party or parties shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable and documented fees, disbursements and other charges of more than one separate firm (plus local counsel) admitted to practice in such jurisdiction at any one time for all such indemnified party or parties. All such reasonable and documented fees, disbursements and other charges will be reimbursed by the indemnifying party promptly as they are incurred. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (A) includes an unconditional release of such indemnified party, in form and substance reasonably satisfactory to the indemnified party, from all liability on any claims that are the subject matter of such action and (B) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party. An indemnifying party will not be liable for any settlement of any action or claim effected without its written consent (which consent will not be unreasonably withheld or delayed).

(d) If an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for reasonable and documented fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by this Section 9 effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

(e) If the indemnification provided for in this Section 9 is applicable in accordance with its terms but for any reason is held to be unavailable to or insufficient to hold harmless an indemnified party under this Section 9 in respect of any losses, claims, liabilities, expenses and damages referred to therein, then each applicable indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable (including any investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted, but after deducting any contribution received by the Company from persons other than the Sales Agents, such as persons who control the Company within the meaning of the Act, officers of the Company who signed the Registration Statement and directors of the Company, who also may be liable for contribution) by such indemnified party as a result of such losses, claims, liabilities, expenses and damages in such proportion as shall be appropriate to reflect the relative benefits received by the Company, on the one hand, and the Sales Agents, on the other hand. The relative benefits received by the Company, on the one hand, and the Sales Agents, on the other hand, shall be deemed to be in the same proportion as the total Net Proceeds from the sale of the Placement Shares (before deducting expenses) received by the Company bear to the total compensation received by the Sales Agents from the sale of the Placement Shares on behalf of the Company. If, but only if, the allocation provided by the foregoing sentence is not permitted by applicable law, the allocation of contribution shall be made in such proportion as is appropriate to reflect not only the relative benefits referred to in the foregoing sentence but also the relative fault of the Company, on the one hand, and the Sales Agents, on the other hand, with respect to the statements or omissions that resulted in such loss, claim, liability, expense or damage, or action in respect thereof, as well as any other relevant equitable considerations with respect to such offering. Such relative fault shall be determined by reference to whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or the Sales Agents, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Sales Agents agree that it would not be just and equitable if contributions pursuant to this Section 9(e) were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss claim, liability, expense or damage, or action in respect thereof, referred to above in this Section 9(e) shall be deemed to include, for purposes of this Section 9(e), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 9(e), the Sales Agents shall not be required to contribute any amount in excess of the commissions received by it and no person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) will be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 9(e), any person who controls a party to this Agreement within the meaning of the Act will have the same rights to contribution as that party, and each director and officer of the Company who signed the Registration Statement will have the same rights to contribution as the Company, subject in each case to the provisions hereof. Any party entitled to contribution, promptly after receipt of notice of commencement of any action against any such party in respect of which a claim for contribution may be made under this Section 9(e), will notify any such party or parties from whom contribution may be sought, but the omission so to notify will not relieve the party or parties from whom contribution may be sought from any other obligation it or they may have under this Section 9(e). No party will be liable for contribution with respect to any action or claim settled without its written consent if such consent is required pursuant to Section 9 hereof.

(f) The indemnity and contribution agreements contained in this Section 9 and the representations and warranties of the Company contained in this Agreement shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of the Sales Agents, (ii) acceptance of any of the Placement Shares and payment therefor or (iii) any termination of this Agreement.

10. *[Reserved]*.

11. *Termination.*

(a) The obligations of the Sales Agents under this Agreement may be terminated and each Sales Agent may terminate this Agreement with respect to itself at any time, by notice to the Company from such Sales Agent, without liability on the part of such Sales Agent to the Company if, in the sole judgment of such Sales Agent, (i) there has been, since the time of execution of this Agreement or since the date as of which information is given in the Prospectus, any Material Adverse Effect, any Material Adverse Change or any development that would reasonably be expected to result in a Material Adverse Effect or a Material Adverse Change, whether or not arising in the ordinary course of business, which individually or in the aggregate, in the sole judgment of such Sales Agent is material and adverse and makes it impractical or inadvisable to sell the Placement Shares or to enforce contracts for the sale of the Placement Shares, (ii) trading in any of the equity securities of the Company shall have been suspended or limited by the Commission or by the Exchange or trading of any securities of the Company on any exchange or in the over-the-counter market shall have occurred and be continuing, (iii) trading in securities generally on the Exchange shall have been suspended or limited or minimum or maximum prices shall have been generally established on the Exchange, or material governmental restrictions shall have been imposed upon trading in securities generally by the Exchange, by order of the Commission or any court or other governmental authority or by the Exchange, (iv) a banking moratorium shall have been declared by either federal or New York State authorities or any material disruption of the securities settlement or clearance services in the United States shall have occurred, or (v) any material adverse change in the financial or securities markets in the United States or elsewhere or in political, financial or economic conditions in the United States or elsewhere, any outbreak or material escalation of hostilities, a declaration of a national emergency or war, or other calamity or crisis, either within or outside the United States, shall have occurred, the effect of which is such as to make it, in the sole judgment of such Sales Agent, impracticable or inadvisable to sell the Placement Shares or to enforce contracts for the sale of the Placement Shares. If this Agreement is terminated pursuant to this Section 11(a), neither party shall have any liability to the other party, except that Sections 7(i), 9 and 13 hereof shall remain in full force and effect notwithstanding such termination. If a Sales Agent elects to terminate this Agreement as provided in this Section 11(a), such Sales Agent shall provide the required notice as specified in Section 13.

(b) The Company shall have the right, by giving five days' prior notice as hereinafter specified to terminate this Agreement with respect to any Sales Agent in its sole discretion at any time after the date of this Agreement. Any such termination shall be without liability of any party to any other party except that the provisions of Sections 7(i), 9 and 13 hereof shall remain in full force and effect notwithstanding such termination.

(c) Each Sales Agent shall have the right, by giving five days' prior notice as hereinafter specified to terminate this Agreement with respect to itself in its sole discretion at any time after the date of this Agreement. Any such termination shall be without liability of any party to any other party except that the provisions of Sections 7(i), 9 and 13 hereof shall remain in full force and effect notwithstanding such termination.

(d) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 11(a), (b), or (c) above or otherwise by mutual agreement of the parties; *provided*, *however*, that any such termination by mutual agreement shall in all cases be deemed to provide that Sections 7(i), 9, 10 and 13 hereof shall remain in full force and effect. To the extent this Agreement is terminated by a Sales Agent or by the Company with respect to a Sales Agent, this Agreement shall terminate only with respect to such Sales Agent and shall remain in full force and effect with respect to the Company and the other Sales Agent, unless and until terminated.

(e) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided*, *however*, that such termination shall not be effective until the close of business on the date of receipt of such notice by a Sales Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of Placement Shares, such Placement Shares shall settle in accordance with the provisions of this Agreement.

12. *No Fiduciary Relationship.*

Notwithstanding any preexisting relationship, advisory or otherwise, between the parties or any oral representations or assurances previously or subsequently made by the Sales Agents, the Company acknowledges and agrees that (a) the offering and sale of the Placement Shares pursuant to this

Agreement is an arm's-length commercial transaction between the Company and the Sales Agents, (b) each Sales Agent is acting solely as agent in connection with the public offering of the Placement Shares and in connection with each transaction contemplated by this Agreement and the process leading to such transactions, and the Sales Agents have not assumed an advisory or fiduciary responsibility in favor of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether the Sales Agents have advised or are currently advising the Company on other matters) or any other obligation to the Company except the obligations expressly set forth in this Agreement, (c) the Sales Agents and their affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company and the Sales Agents have no obligation to disclose or account to the Company for any of such differing interests, and (d) the Company has consulted its own legal, tax, accounting and financial advisors to the extent it deemed appropriate, is capable of evaluating and understanding, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement and has not relied upon the Sales Agents or legal counsel for the Sales Agents for any legal, tax, accounting and financial advice in connection with the offering and sale of the Placement Shares. The Company hereby waives any claim, and agrees that it will not claim, that the Sales Agents or their affiliates have rendered advisory services of any nature or respect, or owe a fiduciary or similar duty to the Company, in connection with the sale of Placement Shares under this Agreement or the process leading thereto. The Company agrees that the Sales Agents and their affiliates shall not have any liability (whether direct or indirect, in contract, tort or otherwise) to it in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on its behalf or in right of it or the Company, employees or creditors of Company.

13. *Miscellaneous.*

(a) Notice given pursuant to any of the provisions of this Agreement shall be in writing and, unless otherwise specified, shall be mailed or delivered (a) if to the Company, at the office of the Company, Hyliion Holdings Corp., 1202 BMC Drive, Suite 100, Cedar Park, TX, Attention: Jose Oxholm, Chief Legal and Compliance Officer, email: jose.oxholm@hyliion.com and Jon Panzer, Chief Financial Officer, email: jon.panzer@hyliion.com, with a copy (which shall not constitute notice) to Vinson & Elkins L.L.P., 1114 Avenue of the Americas, 32nd Floor, New York, New York 10036, Attention: Brenda Lenahan, email: BLenahan@velaw.com, or (b) if to the Sales Agents, at the offices of Needham & Company, LLC, 250 Park Avenue, New York, NY 10177, Attention: Corporate Finance Department, Matthew Castrovince, email: mcastrovince@needhamco.com, and at the offices of Northland Securities, Inc., 150 South Fifth Street, Suite 3300, Minneapolis, Minnesota 55402, with a copy (which shall not constitute notice) to White & Case LLP, 1221 Avenue of the Americas, New York, NY 10020, Attention: Drew Valentine and Adam Johnson, email: drew.valentine@whitecase.com and adam.johnson@whitecase.com. Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose. Each such notice or other communication shall be deemed given (i) when delivered personally on or before 4:30 p.m., New York City time, on a Business Day or, if such day is not a Business Day, on the next succeeding Business Day, (ii) on the next Business Day after timely delivery to a nationally-recognized overnight courier, (iii) on the Business Day actually received if deposited in the U.S. mail (certified or registered mail, return receipt requested, postage prepaid) and (iv) by Electronic Notice as set forth in the following paragraph. For purposes of this Agreement, "Business Day" shall mean any day on which the Exchange and commercial banks in New York City are open for business.

An electronic communication ("Electronic Notice") shall be deemed written notice for purposes of this Section 13(a) if sent to the electronic mail address specified by the receiving party in this Section 13(a). Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives actual acknowledgment of receipt from the person to whom notice is sent, other than automatic reply. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form ("Nonelectronic Notice"), which shall be sent to the requesting party within 10 days of receipt of the written request for Nonelectronic Notice.

(b) This Agreement has been and is made solely for the benefit of the Sales Agents, the Company, and the persons referred to in Section 9, and their respective successors and permitted assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. The term "successors and assigns" as used in this Agreement shall not include a purchaser, as such purchaser, of Placement Shares. Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party; *provided*, *however*, that the Sales Agents may assign their rights and obligations hereunder to an affiliate thereof without obtaining the Company's consent; *provided*, *further*, that no such assignment by the Sales Agents shall relieve the Sales Agents of any of their obligations hereunder.

(c) The parties acknowledge and agree that all share-related numbers contained in this Agreement shall be adjusted to take into account any stock split, stock dividend or similar event effected with respect to the Common Stock.

(d) This Agreement (including all schedules and exhibits attached hereto and Placement Notices issued pursuant hereto) constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. Neither this Agreement nor any term hereof may be amended except pursuant to a written instrument executed by the Company and the Sales Agents.

(e) This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State and without regard to principles of conflicts of laws. Unless stated otherwise, specified times of day refer to New York City time.

(f) No implied waiver by a party shall arise in the absence of a waiver in writing signed by such party. No failure or delay in exercising any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power, or privilege hereunder.

(g) This Agreement may be signed in two or more counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed Agreement by one party to the other may be made by facsimile or electronic transmission (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law) and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

(h) In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable as written by a court of competent jurisdiction, then such provision shall be given full force and effect to the fullest possible extent that it is valid, legal and enforceable, and the remainder of the terms and provisions herein shall be construed as if such invalid, illegal or unenforceable term or provision was not contained herein, but only to the extent that giving effect to such provision and the remainder of the terms and provisions hereof shall be in accordance with the intent of the parties as reflected in this Agreement.

(i) **EACH OF THE COMPANY AND THE SALES AGENTS HEREBY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM BASED UPON, RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.**

(j) Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in New York City, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection with any of the transactions contemplated hereby, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum, or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy (certified or registered mail, return receipt requested) to such party at the address in effect for notices under Section 13(a) of this Agreement and agrees that such service shall constitute good and sufficient notice of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law.

(k) For purposes of this Agreement:

(i) The section, exhibit and schedule headings herein are for convenience only and shall not affect the construction hereof.

(ii) Words defined in the singular shall have a comparable meaning when used in the plural, and vice versa.

(iii) The words "hereof," "hereto," "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(iv) Wherever the word "include," "includes" or "including" is used in this Agreement, it shall be deemed to be followed by the words "without limitation."

(v) References herein to any gender shall include each other gender.

(vi) References herein to any law, statute, ordinance, code, regulation, rule or other requirement of any governmental authority shall be deemed to refer to such law, statute, ordinance, code, regulation, rule or other requirement of any governmental authority as amended, reenacted, supplemented or superseded in whole or in part and in effect from time to time and also to all rules and regulations promulgated thereunder.

(vii) All references in this Agreement to financial statements and schedules and other information that is "contained," "included" or "stated" in the Registration Statement or the Prospectus (and all other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information that is incorporated by reference in the Registration Statement or the Prospectus, as the case may be.

(viii) All references in this Agreement to the Registration Statement, the Prospectus or any amendment or supplement to any of the foregoing shall be deemed to include the copy filed with the Commission pursuant to EDGAR; all references in this Agreement to any Issuer Free Writing Prospectus (other than any Issuer Free Writing Prospectuses that, pursuant to Rule 433, are not required to be filed with the Commission) shall be deemed to include the copy thereof filed with the Commission pursuant to EDGAR; and all references in this Agreement to "supplements" to the Prospectus shall include, without limitation, any supplements, "wrappers" or similar materials prepared in connection with any offering, sale or private placement of any Placement Shares by the Sales Agents outside of the United States.

[*Signature pages follow*]

Please confirm that the foregoing correctly sets forth the agreement among the Company and the Sales Agents.

Very truly yours,

Hyliion Holdings Corp.

By: /s/ Jon Panzer
Name: Jon Panzer
Title: Chief Financial Officer

Confirmed as of the date first
above mentioned:

Needham & Company, LLC

By: /s/ Matthew Castrovince
Name: Matthew Castrovince
Title: Managing Director

NORTHLAND SECURITIES, INC.

By: /s/ Robert Schnell
Name: Robert Schnell
Title: Managing Director

SCHEDULE 1

Form of Placement Notice

From: Hyliion Holdings Corp.

To: [Needham & Company, LLC] [Northland Securities, Inc.]
Attention: [_____]

Subject: Placement Notice

Date: [____], 20[____]

Ladies and Gentlemen:

Pursuant to the terms and subject to the conditions contained in the Sales Agreement between Hyliion Holdings Corp., a Delaware corporation (the "Company"), and Needham & Company, LLC [(the "Designated Sales Agent")] and Northland Securities, Inc. [(the "Designated Sales Agent")], dated August 11, 2026, the Company hereby requests that the Designated Sales Agent sell up to [___] shares of the Company's common stock, par value $0.0001 per share (the "Shares"), at a minimum price of $[___] per share, during the time period beginning [month, day, time] and ending [month, day, time][until all Shares that are the subject of this Placement Notice are sold].

[ADDITIONAL SALES PARAMETERS MAY BE ADDED, SUCH AS THE MAXIMUM AGGREGATE OFFERING PRICE, SPECIFIC DATES THE SHARES MAY NOT BE SOLD ON, THE MAXIMUM NUMBER OF SHARES THAT MAY BE SOLD ON ANY SINGLE DAY, COMMISSION AMOUNT THE MANNER IN WHICH SALES ARE TO BE MADE BY THE DESIGNATED SALES AGENT, AND/OR THE CAPACITY IN WHICH THE DESIGNATED SALES AGENT MAY ACT IN SELLING SHARES (AS PRINCIPAL, AGENT, OR BOTH).]

SCHEDULE 2

Compensation

The Company shall pay to the Designated Sales Agent in cash, upon each sale of Placement Shares pursuant to the Sales Agreement of which this Schedule 2 forms a part, an amount up to 3% of the aggregate gross proceeds from each sale of Placement Shares.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sales Agreement.

SCHEDULE 3

Notice Parties

The Company

Jon Panzer, email: jon.panzer@hyliion.com
Jose Oxholm, email: jose.oxholm@hyliion.com

The Sales Agents

Needham & Company, LLC

Matthew Castrovince, email: mcastrovince@needhamco.com
Brandon Lebow, email: blebow@needhamco.com
Navdeep Saini, email: nsaini@needhamco.com

Northland Securities, Inc.

Robert Schnell, email: rschnell@northlandcapitalmarkets.com
Gavin Murphy, email: gmurphy@northlandcapitalmarkets.com
Valencia Day, email: vday@northlandcapitalmarkets.com

SCHEDULE 4

Permitted Free Writing Prospectus

[None.]

Form of Representation Date Certificate

HYLIION HOLDINGS CORP.

OFFICER'S CERTIFICATE

[**DATE**]

The undersigned, [Jon Panzer], the duly qualified and elected Chief Financial Officer of Hyliion Holdings Corp., a Delaware corporation (the "Company"), does hereby certify in the undersigned's capacity and on behalf of the Company, pursuant to Section 7(s) of the Sales Agreement, dated August 11, 2026 (the "Sales Agreement"), by and between the Company and Needham & Company, LLC, that to the best of the knowledge of the undersigned:

(a) Each of the representations and warranties of the Company contained in the Sales Agreement are true and correct in all respects (in the case of any representation and warranty containing a materiality or Material Adverse Effect qualification) or in all material respects (in the case of any other representation and warranty), in each case, as of the date hereof with the same force and effect as if expressly made on and as of the date hereof.

(b) Each of the covenants required to be performed by the Company under the Sales Agreement on or prior to the date hereof has been duly, timely and fully performed and each condition required to be satisfied or fulfilled under the Sales Agreement on or prior to the date hereof has been duly, timely and fully satisfied or fulfilled.

(c) The Company does not possess any material non-public information.

(d) Each of Vinson & Elkins L.L.P. and White & Case LLP is entitled to rely on this Officer's Certificate in connection with the opinion that each firm is rendering pursuant to the Sales Agreement.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sales Agreement.

[*Signature pages follow*]

IN WITNESS WHEREOF, the undersigned, in such individual's respective capacity as Chief Financial Officer of the Company, has executed this Officer's Certificate on behalf of the Company as of the date first written above.

By:
Name: Jon Panzer
Title:
Date:

[*Signature Page to Officer's Certificate*]

Vinson&Elkins

Exhibit 5.1

August 11, 2026

Hyliion Holdings Corp.
1202 BMC Drive, Suite 100
Cedar Park, Texas 78613

Ladies and Gentlemen:

We have acted as counsel to Hyliion Holdings Corp., a Delaware corporation (the "Company"), with respect to certain legal matters in connection with the offer and sale from time to time (the "Offering") by the Company of shares of the Company's common stock, par value $0.0001 per share (the "Securities"), with an aggregate sales price of up to $100.0 million, which may be offered and sold from time to time pursuant to the Sales Agreement, dated August 11, 2026 (the "Sales Agreement"), by and among the Company, Needham & Company, LLC and Northland Securities, Inc. (together, the "Sales Agents").

A copy of the Sales Agreement was filed with the Securities and Exchange Commission (the "Commission") as an exhibit to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2026.

The Securities will be offered for sale pursuant to a prospectus supplement dated August 11, 2026 (the "Prospectus Supplement"), that will be filed with the Commission pursuant to Rule 424(b)(5) on or after August 11, 2026, to a prospectus dated March 5, 2026 (as amended and supplemented by the Prospectus Supplement, the "Prospectus") that constitutes a part of the Company's Registration Statement on Form S-3 (Registration No. 333-293712), filed with the Commission on February 25, 2026 (the "Registration Statement") and declared effective by the Commission on March 5, 2026.

In rendering the opinions set forth below, we have reviewed (i) the Sales Agreement; (ii) the Registration Statement; (iii) the Prospectus Supplement; (iv) the Prospectus; (v) the Second Amended and Restated Certificate of Incorporation of the Company; (vi) the Amended and Restated Bylaws of the Company; (vii) resolutions (the "Resolutions") adopted by the Board of Directors of the Company relating to the Registration Statement, the Offering, the Sales Agreement and related matters, including those resolutions authorizing the Company's Chief Executive Officer and Chief Financial Officer (each individually a "Pricing Officer," and collectively, the "Pricing Officers") to, among other things, effect sales under the Sales Agreement; and (viii) such other certificates, statutes and other instruments and documents as we considered appropriate for purposes of the opinions hereafter expressed. In addition, we have reviewed such questions of law as we considered appropriate. As to matters of fact relevant to the opinions expressed below, and as to factual matters arising in connection with our review of corporate documents, records and other documents and writings, we have relied upon certificates and other communications of corporate officers of the Company, without further investigation as to the facts set forth therein.

For purposes of rendering the opinions set forth below, we have made the following assumptions:

(i) each document submitted to us for review is accurate and complete, each such document that is an original is authentic, each such document that is a copy conforms to an authentic original, and all signatures on each such document are genuine;

(ii) each person signing the documents that we reviewed has the legal capacity and authority to do so;

(iii) each certificate from governmental officials reviewed by us is accurate, complete and authentic, and all official public records are accurate and complete;

(iv) no stop orders suspending the Registration Statement's effectiveness will have been issued and remain in effect, in each case, at the time the Securities are offered or issued as contemplated by the Registration Statement and the Prospectus;

(v) all Securities will be issued and sold in compliance with applicable federal and state securities laws and in the manner stated in the Registration Statement, Prospectus, Prospectus Supplement and Sales Agreement; and

(vi) the Sales Agreement has been duly authorized and validly executed and delivered by the Sales Agents and constitutes a legal, valid and binding obligation of the Sales Agents, and the Sales Agents have the requisite organizational and legal power and authority to perform their obligations under the Sales Agreement.

Based on the foregoing, and subject to the assumptions, qualifications, limitations and exceptions set forth herein, we are of the opinion that the Securities to be issued and sold by the Company as contemplated by the Sales Agreement have been duly authorized for issuance and, upon approval of the terms of any sale of Securities pursuant to the Sales Agreement by a Pricing Officer pursuant to the Resolutions and payment and delivery in accordance with the Sales Agreement, the Prospectus Supplement and the Prospectus, will be validly issued, fully paid and non-assessable.

The foregoing opinions are limited in all respects to the Delaware General Corporation Law (including the applicable provisions of the Delaware Constitution and the reported judicial decisions interpreting these laws) and the federal laws of the United States of America as in effect on the date hereof, and we undertake no duty to update or supplement the foregoing opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. We express no opinion as to the effect of the laws of any other jurisdiction, domestic or foreign, or to any matter other than as expressly set forth above, and no opinion on any other matter may be inferred or implied herefrom.

We hereby consent to the filing of this opinion as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2026, to be filed on or about the date hereof, and to the use of our name in the Prospectus Supplement under the caption "Legal Matters." By giving such consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Vinson & Elkins L.L.P.

Vinson & Elkins L.L.P.

SIXTH AMENDMENT TO INDUSTRIAL LEASE

This SIXTH Amendment to Industrial Lease (the "Sixth Amendment") is made and entered into as of July 31, 2026, by and among **GSNTR ATX 1200 BMC DRIVE OWNER LP**, a Delaware limited partnership ("Building 1 Owner"), **GSNTR ATX 1202 BMC DRIVE OWNER LP**, a Delaware limited partnership ("Building 2 Owner") (Building 1 Owner and Building 2 Owner are collectively referred to herein as "Landlord"), and **HYLIION INC.**, a Delaware corporation ("Tenant").

RECITALS:

WHEREAS, IGX Brushy Creek, LLC, a Texas limited liability company ("IGX"), and Tenant executed that certain Industrial Lease dated as of February 5, 2018 (the "Original Lease"), as amended by that certain First Amendment to Industrial Lease dated as of December 1, 2020 (the "First Amendment"), that certain Second Amendment to Industrial Lease dated as of June 2, 2021 (the "Second Amendment"), as amended by that certain Third Amendment to Industrial Lease dated as of December 17, 2021 (the "Third Amendment"), that certain Fourth Amendment to the Industrial Lease dated as of November 14, 2023 (the "Fourth Amendment"), and that certain Fifth Amendment to the Industrial Lease dated as of May 22, 2024 (the "Fifth Amendment"), pursuant to which Tenant leases from Landlord certain premises consisting of approximately 26,908 square feet of space located in Suite 100 of Building 1 located at 1200 BMC Drive, Cedar Park, Texas 78613 (the "1200 Space"), and 124,780 square feet of space constituting the entire Building 2 located at 1202 BMC Drive, Cedar Park, Texas 78613 (the "1202 Space"). The Original Lease, as so amended, is herein referred to as the "Lease".

WHEREAS, Dogwood Propco TX III, L.P., a Delaware limited partnership ("Dogwood") is the successor-in-interest to IGX and Landlord is the successor-in-interest to Dogwood.

WHEREAS, Landlord and Tenant desire to modify the Lease on the terms and conditions set forth below.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. Defined Terms; Recitals. Unless otherwise expressly defined herein, all capitalized terms used herein shall have the meanings set forth for such terms in the Lease. The recitals set forth above are hereby incorporated into the body of this Sixth Amendment as if fully restated herein.

2. Extension Term. As of May 1, 2027 (the "Extension Term Commencement Date"), the Term for the 1202 Space only shall be extended for an additional period of sixty-three (63) full calendar months (the "Extension Term"), so that the Termination Date of the Lease shall thereby be July 31, 2032. The Term with respect to the 1200 Space shall expire as of April 30, 2027 ("Prior Expiration Date"). On the Prior Expiration Date, Tenant shall vacate, quit, and surrender to Landlord the 1200 Space in accordance with the terms of the Lease. Effective as of 11:59 p.m. Cedar Park, Texas time on the Prior Expiration Date, that portion of the Premises consisting of the 1200 Space shall be subtracted from the Premises and the Lease shall be deemed terminated with respect thereto. From and after the Prior Expiration Date, the Premises shall contain only the 124,780 rentable square feet in the 1202 Space. Should the 1200 Space not be surrendered in accordance with the requirements of the Lease by the Prior Expiration Date, Tenant shall

be considered to be holding over in the 1200 Space and the provisions of Section 22 of the Original Lease shall apply with respect to such holdover.

3. Base Rent. Tenant shall continue to pay Base Rent as provided in the Lease through the day before the Extension Term Commencement Date. From and after the Extension Term Commencement Date, the Base Rent in the amounts set forth below shall be payable to Landlord in accordance with the provisions of the Lease.

Period	Monthly Base Rent
5/1/27 – 4/30/28	$150,775.83
5/1/28 – 4/30/29	$156,052.99
5/1/29 – 4/30/30	$161,514.84
5/1/30 – 4/30/31	$167,167.86
5/1/31 – 4/30/32	$173,018.74
5/1/32 – 7/31/32	$179,074.39

Notwithstanding the foregoing, provided there is no Event of Default under the Lease, Tenant's obligation to pay Base Rent shall be abated for the first three (3) calendar months after the Extension Term Commencement Date (i.e., May 1, 2027 through and including July 31, 2027, the "Abatement Period"). If Tenant commits an Event of Default, then the remaining unamortized amount of all sums so abated (which such abated sums shall be amortized on a straight-line basis over the Extension Term) shall be immediately due and payable to Landlord. Notwithstanding such abatement of Base Rent, all other sums due under the Lease shall be payable as provided in the Lease including, without limitation, Real Property Taxes, Insurance and Common Area Services costs.

4. Additional Rent. Tenant shall continue to pay Tenant's pro rata share of Additional Expenses in accordance with Section 3 of the Original Lease during the Extension Term, except that effective as of May 1, 2027, Tenant's pro rata share shall be decreased to 53.98%, being the 124,780 rentable square feet in the 1202 Space divided by the rentable square footage of the Building (i.e., 231,180 rentable square feet). Tenant shall pay all other sums due under the Lease with respect to the 1202 Space for the balance of the Term, as extended hereby.

5. Tenant Improvements. Tenant hereby acknowledges that (a) Landlord shall have no obligation whatsoever to perform any work to the Premises in connection with this Sixth Amendment, (b) Tenant is familiar with and has inspected the Premises, and (c) Tenant shall accept the Premises on an "AS-IS," "WHERE-IS" basis; provided that, none of the foregoing shall relieve Landlord of its maintenance and repair obligations set forth in the Lease. Provided no Event of Default by Tenant exists or would exist but for the passage of time or the giving of notice or both, commencing on the Extension Term Commencement Date, Landlord shall contribute up to a maximum amount of $623,900.00 (the "TI Allowance") towards the costs of certain alterations to the 1202 Space to be constructed by Tenant ("Tenant Improvements"), which payment shall be made by Landlord to Tenant within 30 days following (i) completion of such Tenant Improvements, (ii) Landlord's receipt of Tenant's invoice substantiating the costs related thereto, (iii) Landlord's receipt of final lien waivers from all contractors and subcontractors who performed work or provided materials for such Tenant Improvements in excess of $25,000.00, and (iv) Landlord's receipt of a copy of the final permit approved by the applicable governing authority to the extent required for such Tenant Improvements. Landlord shall be under no obligation to pay for any alterations or Tenant Improvements to the Premises in excess of the TI Allowance. Further, the TI Allowance shall only be

available for Tenant's use through October 31, 2027, and Tenant hereby waives any and all rights to any unused portion of the TI Allowance remaining as of November 1, 2027. Such Tenant Improvements shall be deemed alterations for purposes of the Lease, and, therefore, shall be governed by Section 10 of the Lease, and, further, shall be subject to Landlord's reasonable approval of the plans and specifications related thereto.

6. Extension Options. Tenant shall retain its two (2) options to extend the Term pursuant to Exhibit E of the Original Lease as amended by Section 8 of the Second Amendment during the Extension Term.

7. Security Deposit. During the Extension Term, Tenant shall continue to maintain (i) the Security Deposit pursuant to Section 5 of the Original Lease, as amended by Section 10 of the Second Amendment and (ii) the Letter of Credit pursuant to Section 11 of the Second Amendment.

8. Estoppel. Tenant hereby represents, warrants and agrees that: to the best of Tenant's knowledge, (i) there exists no breach, default or event of default by Landlord under the Lease, or any event or condition which, with the giving of notice or passage of time or both, would constitute a breach, default or event of default by Landlord under the Lease; (ii) the Lease continues to be a legal, valid and binding agreement and obligation of Tenant; and (iii) Tenant has no current offset or defense to its performance or obligations under the Lease.

9. Prohibited Persons and Transactions. Tenant represents and warrants that Tenant is not, and covenants and agrees that Tenant will not become, a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Assets Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated Nationals and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action, and Tenant covenants and agrees that it will not assign, sublease, or otherwise transfer the Lease to any such persons or entities (and any such assignment, sublease or other transfer shall be void).

10. UBTI and REIT Qualification. Landlord and Tenant agree that all rent payable by Tenant to Landlord shall qualify as "rents from real property" within the meaning of both Sections 512(b)(3) and 856(d) of the Internal Revenue Code of 1986, as amended (the "Code") and the U.S. Department of Treasury Regulations promulgated thereunder (the "Regulations"). In the event that Landlord, in its sole and absolute discretion, determines that there is any risk that all or part of any rent shall not qualify as "rents from real property" for the purposes of Sections 512(b)(3) or 856(d) of the Code and the Regulations promulgated thereunder, Tenant agrees (a) to cooperate with Landlord by entering into such amendment or amendments as Landlord deems necessary to qualify all rents as "rents from real property," and (b) to permit an assignment of this Lease; provided, however, that any adjustments required pursuant to this Section shall be made so as to produce the equivalent rent (in economic terms) payable prior to such adjustment.

11. Cannabis. Tenant acknowledges and agrees that Tenant's use of the Premises shall not include, and neither the Premises nor any portion of the Building shall be used for, the use, growing, producing, processing, storing (short- or long term), distributing, transporting, or selling of cannabis, cannabis derivatives, or any cannabis containing substances (collectively, "Cannabis"), or any uses related

to the same, nor shall Tenant permit, allow, or suffer any person claiming by or through Tenant to bring any Cannabis onto the Premises or any portion of the Building.

12. Brokers. Tenant hereby represents and warrants to Landlord that Tenant has not engaged or dealt with any broker, finder, or agent, other than JLL and HPI (collectively, "Brokers"), in connection with the negotiation and/or execution of this Sixth Amendment, and Tenant agrees to indemnify and save Landlord harmless from any claim, demand, damage, liability, cost or expense (including, without limitation, attorneys' fees) paid or incurred by Landlord as a result of any claim for brokerage or other commissions or fees made by any broker, finder, or agent (other than Brokers), whether or not meritorious, employed or engaged or claiming employment or engagement by, through, or under Tenant. Brokers shall be compensated by Landlord pursuant to the terms of a separate commission agreement.

13. Effect of Amendment. Except as expressly amended hereby, the Lease shall continue in full force and effect and unamended. In the event of any conflict or inconsistency between the provisions of the Lease (other than this Sixth Amendment) and this Sixth Amendment, the provisions of this Sixth Amendment shall control. From and after the date hereof, references to the "Lease" (including, without limitation, any and all references contained in this Sixth Amendment) shall mean the Lease as amended by this Sixth Amendment.

14. Designated Countries. Tenant represents, warrants, and certifies that it (a) does not meet any of the ownership, control, or headquarters criteria listed in Subchapter H, Chapter 5 of the Texas Property Code ("Subchapter H"), including Section 5.253 thereof, (b) is not a governmental entity of a Designated Country (as defined in Subchapter H), (c) is not an individual prohibited from purchasing, acquiring, owning or leasing real property under Subchapter H, (d) is not an Organization (as defined in Subchapter H) or a Company (as defined in Subchapter H) that is (1) headquartered in a Designated Country, (2) directly or indirectly held or controlled by the government of a Designated Country, (3) owned by or the majority of stock or other ownership interest of which is held or controlled by individuals described in Subdivision (4) of Section 5.253 of Subchapter H, or (4) designated by the Governor of the State of Texas under Section 5.254 of Subchapter H, and (e) has not otherwise been designated by the Governor of the State of Texas as being prohibited from purchasing, acquiring, owning or leasing real property under Subchapter H. If the foregoing representations are untrue at any time, Tenant shall notify Landlord immediately in writing, and an Event of Default will be deemed to have occurred, without the necessity of notice delivered by or to Tenant. Tenant hereby agrees to defend (with counsel reasonably acceptable to Landlord), indemnify and hold harmless Landlord and Landlord's affiliates from and against any and all losses, claims, demands, causes of action, damages and expenses arising from or related to any such breach of the foregoing certifications, representations, warranties and covenants. The provisions of this subsection shall survive expiration or earlier termination of this Lease.

15. Binding Effect. This Sixth Amendment will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

16. Headings. The paragraph headings that appear in this Sixth Amendment are for purposes of convenience of reference only and are not in any sense to be construed as modifying the substance of the paragraphs in which they appear.

17. Counterparts. This Sixth Amendment may be executed in one or more counterparts, each of which will constitute an original, and all of which together shall constitute one and the same agreement.

Executed copies hereof may be signed by electronic means, as well as delivered by e-mail and, upon receipt, shall be deemed originals and binding upon the parties hereto. Without limiting or otherwise affecting the validity of executed copies hereof that have been delivered by e-mail, at either party's request the parties will use best efforts to deliver originals as promptly as possible after execution.

18. Governing Law. This Sixth Amendment shall be governed by and construed in accordance with the laws of the state in which the Premises are located.

19. Authority. The parties represent and warrant to each other that it has full power, right and authority to execute and perform this Sixth Amendment and all corporate actions necessary to do so have been duly taken.

20. Binding Agreement. Submission of this Sixth Amendment shall not be deemed to be an offer or an acceptance of the terms herein, and neither Landlord nor Tenant shall be bound by the terms herein until Landlord has delivered to Tenant, or to Tenant's agent, or designated representative, a fully executed copy of this Sixth Amendment (which may be delivered in counterparts as described above), signed by both of the parties in the spaces herein provided.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have executed this Sixth Amendment on the dates set forth below, to be effective for all purposes, however, as of the date first set forth above.

TENANT:

HYLIION INC.,
a Delaware corporation

By: /s/ Thomas Healy______________________
Name: Thomas Healy______________________
Title:CEO__
Date Signed:____

LANDLORD:

GSNTR ATX 1200 BMC DRIVE OWNER LP
a Delaware limited partnership

By: GSNTR ATX Logistics GP LLC,
a Delaware limited liability company,
its general partner

By: Princeton Meadows JV LLC,
a Delaware limited liability company,
its sole member

By: Princeton Meadows Member, LLC,
a Delaware limited liability company,
its co-manager

By: GS REIT Operating Partnership L.P.,
a Delaware limited partnership,
its sole member

By: Goldman Sachs Asset Management, L.P.,
a Delaware limited partnership,
its investment adviser

By: /s/ Dirk Degenaars
Name: Dirk Degenaars
Title: Managing Director

GSNTR ATX 1202 BMC DRIVE OWNER LP
a Delaware limited partnership

By: GSNTR ATX Logistics GP LLC,
a Delaware limited liability company,
its general partner

By: Princeton Meadows JV LLC,
a Delaware limited liability company,
its sole member

By: Princeton Meadows Member, LLC,
a Delaware limited liability company,
its co-manager

By: GS REIT Operating Partnership L.P.,
a Delaware limited partnership,
its sole member

By: Goldman Sachs Asset Management, L.P.,
a Delaware limited partnership,
its investment adviser

By: /s/ Dirk Degenaars
Name: Dirk Degenaars
Title: Managing Director

EXHIBIT 31.1

Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Thomas Healy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hyliion Holdings Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2026	By:	/s/ Thomas Healy
		Thomas Healy
		Chief Executive Officer
		(Principal Executive Officer)

EXHIBIT 31.2

Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Jon Panzer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hyliion Holdings Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2026

By: /s/ Jon Panzer
Jon Panzer
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

In connection with the Quarterly Report of Hyliion Holdings Corp. (the "Company") on Form 10-Q for the period ended June 30, 2026, as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Thomas Healy, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of, and for, the periods presented in this Report.

Date: August 11, 2026	By:	/s/ Thomas Healy
	Name:	Thomas Healy
	Title:	Chief Executive Officer (Principal Executive Officer)

The foregoing certification is being furnished solely to accompany the report pursuant to 18 U.S.C. Section 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

In connection with the Quarterly Report of Hyliion Holdings Corp. (the “Company”) on Form 10-Q for the period ended June 30, 2026, as filed with the Securities and Exchange Commission on or about the date hereof (the “Report”), I, Jon Panzer, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of, and for, the periods presented in this Report.

Date: August 11, 2026	By:	/s/ Jon Panzer
	Name:	Jon Panzer
	Title:	Chief Financial Officer (Principal Financial Officer)

The foregoing certification is being furnished solely to accompany the report pursuant to 18 U.S.C. Section 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.