

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

**FORM 8-K**

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

Date of Report (Date of earliest event reported): **June 10, 2022**

**Desktop Metal, Inc.**

(Exact name of registrant as specified in its charter)

<b>Delaware</b> (State or other jurisdiction of incorporation)	<b>001-38835</b> (Commission File Number)	<b>83-2044042</b> (IRS Employer Identification No.)
<b>63 Third Avenue</b> <b>Burlington, Massachusetts</b> (Address of principal executive offices)		<b>01803</b> (Zip Code)

**(978) 224-1244**

Registrant's telephone number, including area code

N/A

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

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.0001 per share	DM	New York Stock Exchange

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

Emerging growth company

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

**Item 2.05. Costs Associated with Exit or Disposal Activities.**

On June 10, 2022, the Board of Directors of Desktop Metal, Inc. (the “Company”) approved a strategic integration and cost optimization initiative that includes a global workforce reduction of approximately 12%, facilities consolidation, and other operational savings measures (the “Initiative”). The purpose of the Initiative is to streamline the Company’s operational structure, reducing its operating expenses and managing its cash flows. The Company has commenced workforce reductions in the United States and is reviewing workforce changes in other countries, the timing of which will vary according to local regulatory requirements. The Company is also conducting a facility rationalization assessment and assessing other operational savings measures. As a result of the Initiative, the Company anticipates \$20 million of non-GAAP cost savings to be realized in the second half of 2022 and at least \$100 million of aggregate cost savings to be realized over the next 24 months. The Company anticipates that the Initiative will be substantially complete by the end of 2023.

The Company estimates it will incur one-time termination benefits and associated costs related to the strategic integration and cost optimization initiative of approximately \$14.0 million, of which approximately \$11.0 million are expected to be incurred in the second quarter of 2022 and the remaining approximately \$3.0 million are expected to be incurred by the end of 2023. The Company estimates that \$6.2 million of these charges will result in future cash expenditures. Lease termination costs associated with the initiative have yet to be determined, pending completion of a facility rationalization assessment, and other costs related to operational savings measures associated with the Initiative have yet to be determined. As a result, the costs to be incurred for each of the foregoing measures and the total cost and charges to be incurred in connection with the Initiative cannot reasonable be estimated at this time. The Company will amend this Current Report on Form 8-K to disclose such costs and charges when they have been determined

The Company anticipates that the initiative will be substantially complete by the end of 2023.

**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.*****Resignation of Executive Officer***

In connection with the Initiative described in Item 2.05 of this Form 8-K, on June 10, 2022, the Board of Directors of the Company determined that Michael Jafar will cease to serve as the President and Chief Executive Officer of Desktop Health, effective as of June 30, 2022. The Company intends to enter into a separation agreement with Mr. Jafar setting forth the terms of his separation from the Company.

***Appointment of Executive Officer***

On June 10, 2022, the Company appointed Thomas Nogueira as its Chief Operating Officer, effective as of June 10, 2022 (the “Effective Date”). Mr. Nogueira, age 38, served as the Company’s Senior Vice President of Global Operations from December 2021 to June 2022, where he managed the Company’s global manufacturing, supply chain and facilities. From April 2018 to November 2021, he served as the Company’s Vice President of Operations and, from February 2017 to March 2018, as the Company’s Director of Manufacturing Operations. Prior to joining the Company, Mr. Nogueira held roles of increasing responsibility at 24M Technologies, Inc. (“24M”), a lithium-ion battery developer and manufacturer, including Senior Director of Program Management & Operations, where he oversaw all aspects of 24M’s manufacturing process. Prior to 24M, Mr. Nogueira held various operations, engineering and program management roles at A123 Systems LLC and the General Electric Company. Mr. Nogueira holds a B.S. in Chemical Engineering from the Worcester Polytechnic Institute and is a graduate of the GE Operations Management Leadership Program.

In connection with his appointment, Mr. Nogueira will be entitled to an annual base salary in the amount of \$400,000 and a grant of \$500,000 of Restricted Stock Units based on the closing price of the Company’s common stock on the Effective Date. Mr. Nogueira will also be eligible for an annual bonus of up to \$240,000 in accordance with the Company’s annual bonus program. On June 12, 2022, Mr. Nogueira and the Company entered into an offer letter, effective as of June 12, 2022. Pursuant to the offer letter, in the event Mr. Nogueira’s employment is terminated by the Company without cause, subject to his execution and non-revocation of a release of claims, he will be entitled to receive his base salary for a period of 9 months and COBRA benefits, if elected, until the earlier of 9 months or the date he becomes eligible for coverage under another employer’s plan.

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**Item 7.01. Regulation FD Disclosure.**

On June 13, 2022, the Company issued a press release announcing the Initiative. A copy of the press release is attached to this Current Report on Form 8-K (the “Current Report”) as Exhibit 99.1.

The information in Exhibit 99.1 is furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and such information shall not be deemed to be incorporated by reference into any of the Company’s filings under the Securities Act of 1933, as amended, or the Exchange Act.

**Forward-looking Statements**

This Current Report contains certain forward-looking statements within the meaning of the within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this Current Report that do not relate to matters of historical fact should be considered forward-looking statements, including the timing of completion of, the costs incurred, and the future charges related to, the Reorganization, and the impact of the Reorganization on the Company’s business, finances, and operations.

Forward-looking statements generally are identified by the words such as “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “strategy,” “future,” “opportunity,” “plan,” “may,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this Current Report, including but not limited to, the risks and uncertainties set forth under the heading “Risk Factors” in the Company’s Quarterly Report on Form 10-Q filed on May 10, 2022 and the Company’s other filings with the U.S. Securities and Exchange Commission. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and the Company assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.

**Item 9.01 Financial Statements and Exhibits.**

<b>Exhibit Number</b>	<b>Description</b>
99.1	<a href="#">Press Release of Desktop Metal, Inc., dated June 13, 2022</a>
104	Cover Page Interactive Data File (formatted as inline XBRL)

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**SIGNATURES**

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

**Desktop Metal, Inc.**

Date: June 13, 2022

By: /s/ Meg Broderick  
Name: Meg Broderick  
Title: General Counsel and Corporate Secretary

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## Desktop Metal Announces Strategic Integration and Cost Optimization Initiative to Accelerate Additive Manufacturing 2.0 and Drive Value to Shareholders

- Simplified operational structure, to include a consolidated global facilities footprint, reducing expenses and supporting continued revenue growth, driving margin expansion and path to profitability
- Workforce reductions of approximately 12% to drive cost synergies and productivity gains from integration of businesses acquired in 2021
- Projected to result in \$40 million of annualized run rate non-GAAP cost savings, \$20 million of which is to take place in the second half of 2022, and at least \$100 million of aggregate cost savings over the next 24 months
- Continued investments in driving product and technology innovation, and reinforcing Desktop Metal's leading go-to-market and customer service efforts to support growing, diverse customer base
- Positions Desktop Metal to drive the 3D printing industry's most ambitious agenda targeting Additive Manufacturing 2.0 to deliver mass production solutions that enable sustainable, decentralized manufacturing worldwide

BOSTON--(BUSINESS WIRE)-- Desktop Metal, Inc. (NYSE: DM), a global leader in additive manufacturing technologies for mass production, today announced a strategic integration and cost optimization initiative that is projected to result in approximately \$40 million of annualized run rate non-GAAP cost savings, \$20 million of which is to take place in the second half of 2022, and at least \$100 million of aggregate cost savings over the next 24 months.

"In 2021, we demonstrated significant growth, expanding our portfolio of products into new markets and innovative materials," said Ric Fulop, Founder and CEO of Desktop Metal. "While the acquisitions we completed in 2021 contributed to this growth and to our total market opportunity as we focused initially on harvesting product and go-to-market synergies, they also increased our cost base and global facilities footprint. Today's announcement of our strategic integration and cost optimization initiative is the result of a comprehensive portfolio and business operations review conducted across all functions at Desktop Metal."

Fulop added, "As outlined on prior financial results calls, we have been focused on identifying opportunities to optimize our expense structure while maintaining our growth opportunities. We believe this initiative, which builds on steps we began to take in the second half of 2021 to integrate our teams, positions Desktop Metal to meet our near- and long-term financial commitments and supports our path to profitability."

"We look forward to combining industry leading innovation with disciplined cost management to drive value for shareholders as we continue our mission to achieve a double digit share of the rapidly growing additive manufacturing market by the end of the decade. We value the dedicated team at Desktop Metal, including our departing colleagues, for all their hard work and contributions towards this goal."

### Cost Optimization Details

Following several strategic acquisitions in 2021, this initiative includes an approximately 12% reduction of the global workforce, consolidation of facilities, and tighter focus on products and development programs that prioritize near-term revenue and margin expansion across high-growth applications, streamlining the business to yield a more efficient and effective operating model.

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Desktop Metal is announcing the impact on the U.S. workforce to its employees today. The Company is continuing to review international workforce changes, the timing of which will vary according to local regulatory requirements.

### **Streamlined Cross-Brand Operating Structure**

A key element of the initiative announced today is aligning the operational structure of Desktop Metal and its acquired portfolio of brands under the Company's corporate umbrella. Key functions such as engineering, manufacturing, marketing, finance, legal, human resources and customer service will now be fully consolidated under Desktop Metal.

The growing number of customers of those brands – which includes Desktop Health, ETEC, and ExOne, as well as Adaptive3D, Aerosint, Aidro, Desktop Labs, Figur and Forust – will benefit from improved responsiveness and quality of support from Desktop Metal.

### **Robust Liquidity Position to Drive Value Creation**

As of March 31, 2022, Desktop Metal had over \$317 million in cash, cash equivalents, and short-term investments on an as-adjusted basis after giving effect to the receipt of proceeds from the offering of \$115 million aggregate principal amount of convertible notes in May 2022 (less the initial purchasers' discounts, and commissions and our estimated offering expenses).

Desktop Metal estimates it will incur one-time termination benefits and associated costs related to the strategic integration and cost optimization initiative of approximately \$14.0 million, of which approximately \$11.0 million are expected to be incurred in the second quarter of 2022 and the remaining approximately \$3.0 million are expected to be incurred by the end of 2023. Desktop Metal estimates that \$6.2 million of these charges will result in future cash expenditures. Lease termination costs associated with the initiative have yet to be determined, pending completion of a facility rationalization assessment. Desktop Metal anticipates that the initiative will be substantially complete by the end of 2023.

Desktop Metal's cash balance combined with the impacts from the integration and cost optimization initiative announced today provides the Company with a strong liquidity position to reach breakeven on an adjusted EBITDA basis, fund its long-term growth trajectory, and advance its leadership in Additive Manufacturing 2.0, disrupting applications with breakthrough 3D printing technologies and materials.

### **About Desktop Metal**

Desktop Metal, Inc., based in Burlington, Massachusetts, is accelerating the transformation of manufacturing with an expansive portfolio of 3D printing solutions, from rapid prototyping to mass production. Founded in 2015 by leaders in advanced manufacturing, metallurgy, and robotics, the company is addressing the unmet challenges of speed, cost, and quality to make additive manufacturing an essential tool for engineers and manufacturers around the world. Desktop Metal was selected as one of the world's 30 most promising Technology Pioneers by the World Economic Forum, named to MIT Technology Review's list of 50 Smartest Companies, and the 2021 winner of Fast Company's Innovation by Design Award in materials and Fast Company's Next Big Things in Tech Award for sustainability. For more information, visit [www.desktopmetal.com](http://www.desktopmetal.com).

### **Forward-looking Statements**

This press release contains certain forward-looking statements within the meaning of the federal securities laws, including statements about Desktop Metal's strategic integration and cost savings initiatives, expected restructuring charges, anticipated cost savings, long-term growth, market share, liquidity and profitability, are forward-looking statements. Forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual

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future events to differ materially from the forward-looking statements in this document, including but not limited to, the risks and uncertainties set forth in Desktop Metal, Inc.'s filings with the U.S. Securities and Exchange Commission. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Desktop Metal, Inc. assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. There is no guarantee Desktop Metal will achieve the cost savings it expects.

## **CONTACTS**

### **Investor Relations:**

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