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): February 29, 2024

WORKHORSE GROUP INC.
(Exact name of registrant as specified in its charter)

Nevada	001-37673	26-1394771
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

3600 Park 42 Drive, Suite 160E, Sharonville, Ohio 45241
(Address of principal executive offices) (zip code)

1 (888) 646-5205
(Registrant's telephone number, including area code)

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 (see General Instruction A.2. below):

☐ 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))

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. ☐

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, $0.001 par value per share	WKHS	The Nasdaq Capital Market

Item 1.01. Entry into Material Definitive Agreements.

As previously reported, on December 27, 2023, Workhorse Group Inc. (the "Company") issued a (i) green senior secured convertible note for the principal amount of $20,000,000 (the "Note") that is convertible into shares of the Company's common stock, par value of $0.001 per share (the "Common Stock") and (ii) warrant (the "Warrant") to purchase 25,601,639 shares of Common Stock to High Trail Special Situations LLC (the "Holder"). The Company has previously redeemed $7,500,000 principal amount of the Note on the Partial Redemption Dates (as defined in the Note) provided in the Note. On February 29, 2024, the Company entered into a First Amendment to Green Senior Secured Convertible Note Due 2026 (the "Note Amendment") with the Holder pursuant to which (i) the Company redeemed $10,000,000 principal amount of the Note using funds in a controlled account that had been pledged as collateral securing the Company's obligations under the Note, thereby reducing the outstanding principal amount of the Note to $2,500,000, and (ii) the parties amended the Note to remove February 15, 2024 and March 1, 2024 as Partial Redemption Dates, permit the Company to prepay the Note at its option, subject to certain conditions, and delete the minimum liquidity covenant. In connection with the Note Amendment, the Company entered into a letter agreement (the "Exchange Agreement") whereby the Company exchanged the Warrant with the Holder for a total of 8,500,000 shares of Common Stock, whereupon the Warrant was cancelled (the "Exchange"). The Exchange was made pursuant to the exemption registration under the Securities Act of 1933, as amended (the "Securities Act"), provided under Section 3(a)(9) of the Securities Act.

The Note Amendment contains customary representations, warranties, covenants, and other agreements by the Company and the Holder. The representations, warranties, covenants, and other agreements made in the Note Amendment were made only for purposes of such agreement and as of specific dates, were solely for the benefit of the parties to such agreement and may be subject to limitations agreed upon by the contracting parties. The above description of the Exchange Agreement and the Note Amendment do not purport to be complete and are qualified in their entirety by the complete text of such agreements, a form of which is filed as Exhibit 10.1 and 10.2, respectively, and incorporated herein by reference.

The terms and conditions of the Note, the Securities Purchase Agreement and the agreements, instruments and documents entered into in connection with the Note, and Securities Purchase Agreement are further described in the Company's Current Reports on Form 8-K filed with the Securities and Exchange Commission on December 12, 2023 and December 27, 2023.

Item 3.02 Unregistered Sales of Equity Securities.

Please see Item 1.01 of this Current Report on Form 8-K for a description of the Exchange Agreement, which is incorporated herein by reference.

Item 9.01. Exhibits.

Exhibit No.	Description
10.1	Letter Agreement, dated February 29, 2024
10.2	First Amendment to Green Senior Secured Convertible Note Due 2026, dated February 29, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

WORKHORSE GROUP INC.

Date: March 1, 2024

By: /s/ James D. Harrington
Name: James D. Harrington
Title: Chief Administrative Officer,
General Counsel and Secretary

Exhibit 10.1

[Certain portions of this document have been omitted pursuant to Item 601(b)(10) of Regulation S-K and, where applicable, have been marked with "[*]" to indicate where omissions have been made. The marked information has been omitted because it is (i) not material and (ii) is the type that the registrant treats as private or confidential.]

[*]

February 29, 2024

Workhorse Group Inc.
3600 Park 42 Dr. Suite 160
Sharonville, OH 45241
Attn: Bob Ginnan

Re: Agreement to Exchange Warrant to Purchase Common Stock (Warrant No. WKHSW-1)

To the addressees set forth above:

Reference is made to that certain Securities Purchase Agreement (the "**Securities Purchase Agreement**"), dated as of December 12, 2023, by and between Workhorse Group Inc., a Nevada corporation (the "**Company**"), and [*] (the "**Holder**") pursuant to which the Company issued (i) that certain Green Senior Secured Convertible Note due 2026, Certificate No. A-1 (the "**Green Note**") and (ii) that certain Warrant to Purchase Common Stock (Warrant No. WKHSW-1) (the "**Warrant**"). Terms used but not defined herein shall have the meaning ascribed to them in the Securities Purchase Agreement.

For valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. The Company and the Holder are executing and delivering this letter agreement (this "**Agreement**") in reliance upon the exemption from securities registration afforded by Section 3(a)(9) of the 1933 Act.

2. On the date hereof, the Company shall exchange the Warrant from the Holder for a total of eight million five hundred thousand (8,500,000) shares of Common Stock (the "**Exchange Shares**"), whereupon the Warrant will be canceled.

3. Concurrent with the execution of this Agreement, the Company and the Holder shall deliver to one another a fully executed copy of an amendment to the Green Note, in the form attached hereto as Exhibit A.

4. The Exchange Shares will be validly issued, fully paid and nonassessable and free from all preemptive or similar rights or Liens with respect to the issuance thereof, with the Holder being entitled to all rights accorded to a holder of Common Stock with respect thereto. The Company shall cause its transfer agent to credit the Exchange Shares to the Holder's account with The Depositary Trust Company upon delivery pursuant to this Agreement. Certificates and any other instruments evidencing the Exchange Shares shall not bear any restrictive or other legend.

5. The Company shall promptly pay all reasonable and documented out-of-pocket expenses and costs of the Holder (including, without limitation, the reasonable and documented attorney fees and expenses of counsel for the Holder) in connection with the preparation, negotiation, execution and approval of this Agreement and the transactions contemplated hereby.

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6. By no later than 9:15 a.m., New York City time on March 1, 2024, the Company shall file a Current Report on Form 8-K disclosing all the material terms of the transactions contemplated by this Agreement (the "**Form 8-K**"). From and after the issuance of the Form 8-K, the Company shall have disclosed all material, nonpublic information (if any) provided to the Holder by the Company or any of its subsidiaries or any of their respective officers, directors, employees or agents and neither the Holder nor any of its officers, directors, employees or agents shall be in possession of any material, non-public information regarding the Company or any of its Subsidiaries.

7. The Holder agrees that, beginning on the date hereof and ending on the earlier to occur of (i) the date on which a Termination Event (as defined below) occurs and (ii) May 30, 2024 (the "**Selling Restrictions Period**"), the maximum number of Exchange Shares that High Trail may sell in any one (1) Trading Day period shall be twelve percent (12%) of the composite aggregate trading volume of shares of Common Stock on such Trading Day, as reported by Bloomberg Financial Markets. The Selling Restrictions Period will automatically terminate upon the earliest of: (i) a Fundamental Change (as defined in the Green Note) or public announcement of a proposed Fundamental Change, (ii) a material breach of the Transaction Documents by the Company and (iii) a Default (as defined in the Green Note) or an Event of Default (as defined in the Green Note), to the extent any Green Note is then outstanding (each a "**Termination Event**").

8. This Agreement shall constitute a Transaction Document for all purposes under the Purchase Agreement. Except as amended herein, the Transaction Documents are hereby ratified and reaffirmed and shall continue to be in full force and effect and the Company acknowledges, confirms and agrees that all of the Company's obligations owing to the Holder under the Transaction Documents are hereby reaffirmed and shall remain in full force and effect.

The agreement set forth in this Agreement is limited to the extent specifically set forth above and shall in no way serve to amend or waive compliance with any terms, covenants or provisions of the Securities Purchase Agreement or the Green Note, other than as expressly set forth above.

Any breach of the terms and conditions of this Agreement will constitute an Event of Default under and as defined by the Green Note.

[Signature Pages Follow]

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which counterparts together shall constitute but one and the same instrument.

Very truly yours,

WORKHORSE GROUP INC.

By: _____
Name:
Title:

AGREED AND ACCEPTED:

[*]

By: _____
Name:
Title:

[Certain portions of this document have been omitted pursuant to Item 601(b)(10) of Regulation S-K and, where applicable, have been marked with "[*]" to indicate where omissions have been made. The marked information has been omitted because it is (i) not material and (ii) is the type that the registrant treats as private or confidential.]

FIRST AMENDMENT TO GREEN SENIOR SECURED CONVERTIBLE NOTE DUE 2026

This FIRST AMENDMENT TO GREEN SENIOR SECURED CONVERTIBLE NOTE DUE 2026 (this "**Amendment**"), dated February 29, 2024, is entered into by and among Workhorse Group Inc., a Nevada corporation, (the "**Company**"), U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**"), and the investor listed on the Schedule of Buyers (the "**Buyer**") attached to the Purchase Agreement (as defined below). The Company and the Buyer each may be hereinafter referred to as a "**Party**" and together as the "**Parties**." Unless otherwise noted herein, capitalized terms used without being defined herein have the meanings ascribed in the Note (as defined below).

RECITALS

Whereas, pursuant to that certain Securities Purchase Agreement, dated as of December 12, 2023, (as amended, supplemented or otherwise modified from time to time, the "**Purchase Agreement**"), by and among the Parties, the Company issued that certain Green Senior Secured Convertible Note due 2026, Certificate No. A-1 (the "**Note**"), to the Buyer on December 27, 2023.

Whereas, the Parties wish to amend the Note, effective as of the date hereof, subject to and contingent upon the Company's (i) performance of Section 2.2 of this Amendment, including the payment by the Company of the Paydown Amount (as defined below) to reduce the Principal Amount of the Note by such amount upon effectiveness of this Amendment and (ii) payment of the Exchange Shares (as defined in that certain letter agreement, dated as of the date hereof, by and between the Company and the Buyer (the "**Letter Agreement**")) to the Buyer.

Whereas, pursuant to Section 17 of the Note, the Note may be amended with the written consent of the Company, the Trustee and the Required Holders (as defined in the Purchase Agreement); and

Whereas, as of the date hereof, the Buyer constitutes the Required Holders.

Now, Therefore, in consideration of these recitals and the mutual covenants, representations, warranties and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, agree as follows:

ARTICLE I
AMENDMENT OF NOTE

1.1 Definition of "Controlled Account". The definition of "Controlled Account" set forth in the Note is hereby amended and restated in its entirety to read as follows:

""**Controlled Account**" has the meaning set forth in **Section 8(J)(ii)**."

1.2 Definition of "Holder Directed Control Account". The definition of "**Holder Directed Controlled Account**" is hereby deleted.

1.3 Definition of "Partial Redemption Date". The definition of "Partial Redemption Date" set forth in the Note is hereby amended and restated in its entirety to read as follows:

""**Partial Redemption Date**" means, with respect to this Note, (A) the first calendar day of each month beginning on January 1, 2024 (excluding March 1, 2024), (B) the fifteenth calendar day of each month beginning on January 15, 2024 (excluding February 15, 2024) and (C) if not otherwise included in **clause (A)** or **(B)**, the Maturity Date."

1.4 Definition of "Prepayment Equity Conditions". Section 1 of the Note is hereby amended to include the definition of "Prepayment Equity Conditions" set forth as follows:

""**Prepayment Equity Conditions**" will be deemed to be satisfied as of any prepayment date pursuant to Section 4(C) hereof if all of the following conditions are satisfied as of each Trading Day beginning on, and including, the date on which the Prepayment Notice is received and ending on, and including, such prepayment date: (A) the shares issuable pursuant to this Note are Freely Tradable; (B) the Holder is not in possession of any material non-public information provided by or on behalf of the Company or by or on behalf of any of its employees, agents or advisors; (C) the issuance of such shares, if any, will not be limited by **Section 7(K)**; (D) the Company is in compliance with **Section 7(E)(i)** and such shares, if any, will satisfy **Section 7(E)(ii)**; (E) no pending, proposed or intended Fundamental Change has occurred that has not been abandoned, terminated or consummated; (F) no Default will have occurred and be continuing and no Event of Default will have occurred which has not been waived; and (G) the issuance of such shares, if any, would not require stockholder approval under the applicable rules of the Nasdaq (or the then principal Eligible Exchange on which the Common Stock is listed for trading), unless such stockholder approval has been obtained."

1.5 Definition of "Prepayment Notice". Section 1 of the Note is hereby amended to include the definition of "Prepayment Notice" set forth as follows:

""**Prepayment Notice**" has the meaning set forth in **Section 4(C)**."

1.6 Prepayment: Section 4(C) of the Note is hereby amended and restated in its entirety to read as follows:

"(C) The Company may prepay in cash the Note on any date on which the Prepayment Equity Conditions are satisfied, without penalty or premium, without the consent of the Holder; *provided*, that the Company shall provide the Holder and the Trustee with written notice of the occurrence and amount of such prepayment at least three (3) Trading Days in advance of such prepayment (such notice, the "**Prepayment Notice**"), during which the Holder may continue to convert the Note pursuant to the terms thereof; *provided*, *however*, that no prepayment hereunder shall be allowed if (i) such prepayment is for an amount less than the entire Principal Amount of the Note then outstanding or (ii) a material breach of the Transaction Documents by the Company has occurred."

1.7 Minimum Liquidity Covenant. Section 8(J) of the Note is hereby amended and restated in its entirety to read as follows:

"(i) [Reserved.]

(ii) The Company shall have on the dates set forth below such amounts of Cash and Cash Equivalents set forth across from such date that are unrestricted and unencumbered, other than by Liens, restrictions and encumbrances securing the obligations to the holders of the Notes and the Other Notes, if any, held in one or more deposit accounts located in the United States and subject to one or more Control Agreements entered into in favor of the Collateral Agent (each a "**Controlled Account**"). On or prior to first (1st) Business Day following such dates, the Company shall provide to the Holder a certification executed on behalf of the Company by the Chief Financial Officer of the Company, certifying whether or not the Company has satisfied such requirement.

December 31, 2023	$	25,000,000
January 31, 2024	$	13,500,000

(iii) On or prior to the first (1st) Business Day of each calendar month (or, if earlier, promptly upon becoming aware of an Event of Default has occurred as a result of a breach of **Section 8(D)**, **Section 8(E)**, **Section 8(F)**, **Section 8(G)**, **Section 8(K)**, or **Section 8(T)** hereof), the Company shall provide to the Holder and the Trustee a certification, in the form attached hereto as Exhibit B executed on behalf of the Company by the Chief Financial Officer of the Company, certifying whether or not the Company has satisfied the requirements of **Section 8(D)**, **Section 8(E)**, **Section 8(F)**, **Section 8(G)**, **Section 8(K)** and **Section 8(T)** during the immediately preceding calendar month. On or prior to the first (1st) Business Day of each Fiscal Quarter, beginning with the Fiscal Quarter ending December 31, 2023 (or, if earlier, promptly upon becoming aware that an Event of Default has occurred as a result of a breach of **Section 8(L)** hereof), the Company shall provide to the Holder and the Trustee a certification, executed on behalf of the Company by the Chief Financial Officer of the Company, certifying whether or not the Company has satisfied the requirements of **Section 8(L)** during the immediately preceding Fiscal Quarter. Each such certification delivered pursuant to **Section 8(J)(ii)** and this **Section 8(J)(iii)** shall be referred to as a "**Compliance Certificate**". If the Company determines in its sole discretion that such information constitutes material non-public information, then the Company will so indicate in the certification provided pursuant to **Section 8(J)(ii)** and this **Section 8(J)(iii)** and the Company will concurrently disclose such material non-public information on a Current Report on Form 8-K or otherwise."

1.8 Form of Covenant Compliance Certificate. Exhibit B of the Note is hereby amended and restated in its entirety and replaced with Exhibit A hereto.

ARTICLE II
MISCELLANEOUS

2.1 Representations and Warranties of the Company. The Company hereby represents and warrants to the Buyer and the Trustee as follows:

2.1.1 Each of this Amendment and the Note (as amended hereby), constitutes a legal, valid and binding obligation of the Company, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

2.1.2 As of the date hereof and immediately after giving effect to the terms of this Amendment, the representations and warranties of the Company and its Subsidiaries set forth in the Purchase Agreement are true and correct in all material respects (or, in the case of any such representation or warranty qualified by materiality or Material Adverse Effect (as defined in the Purchase Agreement), in all respects), other than as provided in Schedule 2.1.2 hereto or to the Schedules to the Purchase Agreement or any such representation or warranty given as of a particular date in which case they are true and correct in all material respects (or, in the case of any such representation or warranty qualified by materiality or Material Adverse Effect, in all respects) as of such date.

2.2 Conditions of Effectiveness. This Amendment shall become effective as of the first date on which each of the following conditions shall have been satisfied (such date, the "**Amendment Effective Date**"):

2.2.1 The Buyer (or its counsel) shall have received counterparts of this Amendment, duly executed by the Company, the Trustee and the Buyer.

2.2.2 The Buyer shall have received a wire transfer of immediately available funds from the Company in the amount of ten million dollars ($10,000,000) (the "**Paydown Amount**").

2.2.3 The Buyer shall have received, in exchange for the Warrant (as defined in the Letter Agreement) from the Company in reliance upon the exemption from securities registration afforded by Section 3(a)(9) of the Securities Act of 1933, as amended, a total of eight million five hundred thousand (8,500,000) Exchange Shares pursuant to the Letter Agreement.

2.2.4 Company shall have paid all reasonable and documented out-of-pocket expenses and costs of the Buyer (including, without limitation, the reasonable and documented attorney fees and expenses of counsel for the Buyer) in connection with the preparation, negotiation, execution and approval of this Amendment.

2.3 Upon Effectiveness. Upon the effectiveness of this Amendment, the outstanding Principal Amount of the Note shall be immediately reduced to two million five hundred thousand dollars ($2,500,000).

2.4 Counterparts. This Amendment may be executed by one or more of the Parties on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Amendment and/or any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures (as defined below), electronic deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. As used herein, "**Electronic Signatures**" means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record. A party's electronic signature (complying with the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), as amended from time to time, or other applicable law) of this Amendment shall have the same validity and effect as a signature affixed by the party's hand.

2.5 Disclosure of Amendment. By no later than 9:15 a.m., New York City time on March 1, 2024, the Company shall file a Current Report on Form 8-K disclosing all the material terms of the transactions contemplated by this Amendment (the "**Form 8-K**"). From and after the issuance of the Form 8-K, the Company shall have disclosed all material, nonpublic information (if any) provided to the Buyer by the Company or any of its subsidiaries or any of their respective officers, directors, employees or agents and neither the Buyer nor any of its officers, directors, employees or agents shall be in possession of any material, non-public information regarding the Company or any of its Subsidiaries.

2.6 Jurisdiction. All questions concerning the construction, validity, enforcement and interpretation of this Amendment shall be determined in accordance with the provisions of the Note.

2.7 Ratification of Transaction Documents. This Amendment shall constitute a Transaction Document (as defined in the Purchase Agreement) for all purposes under the Purchase Agreement. Except as amended herein, the Transaction Documents are hereby ratified and reaffirmed and shall continue to be in full force and effect and the Company acknowledges, confirms and agrees that all of the Company's obligations owing to the Buyer and the Trustee under the Transaction Documents are hereby reaffirmed and shall remain in full force and effect.

2.8 Default; Event of Default. No Default has occurred and is continuing and no Event of Default has occurred or resulted from the consummation of the transactions contemplated by this Amendment and the Company hereby acknowledges and agrees that, as of the date hereof, assuming the effectiveness of the amendments provided herein, it is not aware of any prospective Event of Default.

2.9 Validity. The Company hereby represents, warrants, and covenants that this Amendment has been duly authorized, executed, and delivered to the Buyer and the Trustee by the Company, is enforceable in accordance with its terms, and is in full force and effect, except as enforceability may be limited by applicable equitable principles or by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally.

2.10 Violation of Law or other Agreement. The Company hereby represents, warrants, and covenants that the execution, delivery, and performance of this Amendment by the Company will not violate any requirement of law or contractual obligation of the Company and will not result in, or require, the creation or imposition of any Lien on any of their properties or revenues (other than Liens in favor of the Buyer).

2.11 Governing Law; Waiver of Jury Trial. Section 18 (Governing Law; Waiver of Jury Trial) of the Note is hereby incorporated into this Amendment by reference*mutatis mutandis*.

2.12 Captions. The headings contained in this Amendment are for reference purposes only and shall not affect in any way the meaning or interpretation of this Amendment. Except as otherwise indicated, all references in this Amendment to "Sections" are intended to refer to the Sections or Articles of the Note.

2.13 Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Amendment or to statements made in the recitals.

2.14 Trustee Authorization. The Buyer party hereto, who for the avoidance of doubt, constitutes all Holders as of the date of this Amendment, hereby authorizes and directs the Trustee to execute this Amendment.

[*Signature page follows*]

COMPANY:

WORKHORSE GROUP INC.

By: _____
Name:
Title:

BUYER:

[*]

By: _____
Name:
Title:

TRUSTEE:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

By: _____
Name:
Title: