

# HELBIZ

## Helbiz Announces Second Quarter 2022 Financial Results

August 15, 2022

1H22 Revenue Up 92% Y/Y, Q2 Revenue Up 46% Y/Y  
Strong Mobility Metrics: QAPUs Up 90% Q/Q And Trips Up 71% Q/Q  
Helbiz Live and Kitchen Generate 44% of 1H22 Revenue vs. Zero in 1H21  
Intense Focus on Cost Efficiency, Cash Preservation and Drive Toward Profitable Operations

NEW YORK--(BUSINESS WIRE)--Aug. 15, 2022-- Helbiz Inc. ("Helbiz" or "the Company") (Nasdaq: HLBZ), a global leader in micro-mobility, today reported its financial results for the three and six months ended June 30, 2022.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20220815005631/en/>



### Second Quarter and First Half 2022 Business and Financial Highlights

#### Financial

- First half revenue of \$7.7 million, up 92% y/y
- Second quarter revenue of \$4.4 million up 46% y/y
- Raised \$10 million via new issue of convertible notes in the second quarter
- Rationalized cost structure to more efficiently use cash and reduce future funding requirements

#### Mobility

- Quarterly Active Platform Users ("QAPUs") up 90% q/q, Trips up 71% q/q
- Mobility revenue of \$2.7 million, up 72% q/q
- Driving toward profitable Mobility

1H22 Revenue Up 92% Y/Y, Q2 Revenue Up 46% Y/Y Strong Mobility Metrics: QAPUs Up 90% Q/Q And Trips Up 71% Q/Q Helbiz Live and Kitchen Generate 44% of 1H22 Revenue vs. Zero in 1H21 Intense Focus on Cost Efficiency, Cash Preservation and Drive Toward Profitable Operations (Graphic: Business Wire)

operations by reducing cost of revenue by 17% y/y

- Expanded global footprint with entry into Australia market

#### Media

- Completion of the first Serie B season as streaming partner generating \$6 million over the season
- Amazon Prime Video integration with Helbiz Live
- Serie B 2022-2023 season available on Helbiz Live on all devices and smart TVs in Italy

#### Kitchen

- Helbiz Kitchen revenue nearly doubled sequentially as awareness builds
- Completed administrative steps for ITA AIRWAYS project

Helbiz Chief Executive Officer Salvatore Palella said, "Now that we have established a solid foundation for growth, we are intensely focused on operating profitably. Our primary services have been introduced to consumers, our operating infrastructure is in place, and now we need to drive scale while spending efficiently and effectively. We saw an early indication of success, with mobility cost of revenue declining meaningfully in Q2."

Commenting on other achievements in the quarter, Palella said, "Performance in Q2 was solid, with substantial top line growth and clear progress in the micro-mobility business. We expanded into Australia, our first step in Asia Pacific, and grew our existing footprint with new licenses in the U.S. and Italy. We also expanded the size of the fleet and the types of e-vehicles offered."

Palella said, "Even as we drive toward profitable operations in the near-term, we are not losing sight of the massive opportunity in front of us. We are also strengthening the foundation for long-term growth. The due diligence for the transaction with Wheels is underway. Furthermore, last week we announced our entry into taxi hailing, a natural extension of our mobility services. We look forward to sharing more news on these long-term initiatives in the months ahead."

Helbiz Chief Financial Officer Giulio Profumo said, “From top to bottom, the whole team at Helbiz is focused on getting to profitable operations as quickly as possible. We are cutting unnecessary costs and spending more effectively on necessary expenses. The reduction in mobility cost of revenue this quarter is gratifying, an early indication that our efforts are seeing results. We intend to aggressively manage costs in the near term, even as we also invest to drive aggressive growth.”

Profumo said, “Second quarter revenue grew significantly both yearly and sequentially, due to the incremental contribution from Media and Kitchen. Importantly, growth was solid in our core mobility business and we are improving margins as we bring down mobility cost of revenue. Even with our cost-control focus, we are investing effectively and efficiently in talent, advertising, marketing, and R&D to sustain our pace of expansion.”

Profumo said, “To fund our multiple growth opportunities, we raised another \$5 million in July and August. Looking forward, we will deploy more vehicles, pursue more micro-mobility licenses, and drive expansion in Asia Pacific. We are excited about our potential in the months ahead.”

#### Conference Call Details

**What:** 2022 Q2 Results

**When:** Monday, August 15, 2022

**Time:** 4:30 p.m. EDT

**Where:**

Live Dial-in Details: [Webcast Link](#)

North America (toll-free): +1 (800) 715-9871

International: +1 (646) 307-1963

Conference ID: 4146974

**Replay Available:** <https://investors.helbiz.com/>

#### About Helbiz

Helbiz is a global leader in micro-mobility services. Launched in 2015 and headquartered in New York City, the company offers a diverse fleet of vehicles including e-scooters, e-bicycles and e-mopeds all on one convenient, user-friendly platform with over 40 licenses in cities around the world. Helbiz utilizes a customized, proprietary fleet management technology, artificial intelligence and environmental mapping to optimize operations and business sustainability. Helbiz is expanding its urban lifestyle products and services to include live streaming services, food delivery, financial services and more, all accessible within its mobile app. For additional information, please visit [www.helbiz.com](http://www.helbiz.com).

#### Forward-Looking Statements

Certain statements made in this press release are “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “anticipate”, “believe”, “expect”, “estimate”, “plan”, “outlook”, and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements reflect the current analysis of existing information and are subject to various risks and uncertainties. As a result, caution must be exercised in relying on forward-looking statements. Due to known and unknown risks, actual results may differ materially from the Company’s expectations or projections. The following factors, among others, could cause actual results to differ materially from those described in these forward-looking statements: (i) the failure to meet projected development and production targets; (ii) changes in applicable laws or regulations; (iii) the affect of the COVID-19 pandemic on the Company and its current or intended markets; and (iv) other risks and uncertainties described herein, as well as those risks and uncertainties discussed from time to time in other reports and other public filings with the Securities and Exchange Commission (the “SEC”) by the Company. Additional information concerning these and other factors that may impact the Company’s expectations and projections can be found in its periodic filings with the SEC, including its Quarterly Report on Form 10-Q for the quarter ended June 30, 2022. The Company’s SEC filings are available publicly on the SEC’s website at [www.sec.gov](http://www.sec.gov). Any forward-looking statement made by us in this press release is based only on information currently available to Helbiz and speaks only as of the date on which it is made. Helbiz undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise, except as required by law.

#### HELBIZ, INC.

**Condensed Consolidated Balance Sheets**  
*(in thousands, except share and per share data)*  
*(unaudited)*

	<b>June 30,</b>	<b>December</b>
	<b>2022</b>	<b>31,</b>
	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,480	\$ 21,143
Accounts receivables	1,788	451
Contract assets – Media rights	1,806	2,758
VAT receivables	2,843	2,992
Prepaid and other current assets	4,458	4,681
<b>Total current assets</b>	<b>13,375</b>	<b>32,025</b>
Property, equipment and deposits, net	11,234	7,616
Goodwill	9,791	10,696
Intangible assets, net	1,493	2,075
Other assets	1,539	1,212

<b>TOTAL ASSETS</b>	<b>\$ 37,433</b>	<b>\$ 53,623</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Account payables	\$ 14,182	\$ 10,536
Accrued expenses and other current liabilities	4,000	3,806
Deferred revenues	3,651	1,585
Warrant liabilities	210	1,596
Short term financial liabilities and capital leases, net	30,597	25,473
<b>Total current Liabilities</b>	<b>52,640</b>	<b>42,996</b>
Other non-current liabilities	502	419
Non-current financial liabilities, net	17,557	18,057
<b>TOTAL LIABILITIES</b>	<b>70,699</b>	<b>61,472</b>
Commitments and contingencies	(A)	
<b>STOCKHOLDERS' DEFICIT</b>		
Preferred stock, \$0.00001 par value; 100,000,000 shares authorized; none issued and outstanding	—	—
Class A Common stock, \$0.00001 par value; 285,774,102 shares authorized and; 26,393,183 and 16,289,209 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively.	114,888	101,454
Class B Common stock, \$0.00001 par value; 14,225,898 shares authorized and; 14,225,898 shares issued and outstanding at June 30, 2022 and December 31, 2021.	—	—
Accumulated other comprehensive (loss) income	(1,150)	(621)
Accumulated deficit	(147,004)	(108,682)
<b>Total Stockholders' deficit</b>	<b>(33,266)</b>	<b>(7,849)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 37,433</b>	<b>53,623</b>

**(A) Commitments and Contingencies**

**Leases**

The Company entered into various non-cancellable operating lease agreements for office facilities, e-mopeds leases, corporate vehicles' licensing, and corporate housing entered into by the Company with lease periods expiring through 2024. These agreements require the payment of certain operating expenses, such as non-refundable taxes, repairs and insurance and contain renewal and escalation clauses. The terms of the leases provide for payments on a monthly basis and sometimes on a graduated scale. The Company recognizes rent expense on a straight-line basis over the lease period and has accrued for rent expense incurred but not paid. Lease expenses under operating leases were \$746 and \$1,484 for the three and six months ended on June 30, 2022, respectively; and \$657 and \$1,119 for the three and six months ended on June 30, 2021, respectively.

Additionally, the Company entered into various non-cancellable capital lease agreements for 3,750 eScooters and R&D equipment with financial institutions. The capital lease agreements included within Financial liabilities on the condensed consolidated balance sheet as of June 30, 2022 amounted to \$2,792, of which \$2,649 is related to the 3,750 eScooters and \$143 is related to the R&D equipment. The capital lease agreements for the 3,750 eScooters have a duration between 12 to 18 months while the R&D equipment agreement has a duration of 36 months. The eScooters/R&D equipment under the lease are collateral for the lease obligations and are included within property, plant and equipment on the condensed consolidated balance sheet as of June 30, 2022 (Refer to Note. 7 Property, equipment and deposits, net for further information). Lease expenses under capital leases were accounted as interest expenses for \$83 and \$112 for the three and six months ended on June 30, 2022, respectively.

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	<u>Operating leases</u>	<u>Capital leases</u>
Year ending December 31:		
2022	895	2,193
2023	588	777
2024	124	60
Thereafter	41	15
<b>Total minimum lease payments</b>	<b>1,648</b>	<b>3,045</b>
Less: Amounts representing interest not yet incurred		252
Present value of capital lease obligations		<b>2,792</b>
Less: Current portion		2,701
Long-term portion of capital lease obligations		91

**Litigation**

From time to time, the Company may become involved in legal proceedings arising in the ordinary course of business. There are currently no material legal proceedings against the Company, and the Company is not aware of investigations being conducted by a governmental entity into the Company. The Company does not disclose litigation with a remote possibility of an unfavorable outcome.

**Condensed Consolidated Statements of Operations and Comprehensive Loss**  
*(in thousands, except share and per share data)*  
*(unaudited)*

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
<b>Revenue</b>	<b>\$ 4,358</b>	<b>\$ 2,982</b>	<b>\$ 7,670</b>	<b>\$ 3,997</b>
Operating expenses:				
Cost of revenue (B)	10,267	6,073	21,606	10,577
General and administrative (B)	6,436	2,638	13,115	6,592
Sales and marketing (B)	3,415	1,275	6,013	2,408
Research and development (B)	638	588	1,382	1,164
<b>Total operating expenses</b>	<b>20,756</b>	<b>10,574</b>	<b>42,116</b>	<b>20,741</b>
<b>Loss from operations</b>	<b>(16,398)</b>	<b>(7,592)</b>	<b>(34,447)</b>	<b>(16,744)</b>
Non-operating income (expenses), net				
Interest expense, net	(1,512)	(566)	(3,492)	(1,064)
Gain (loss) on extinguishment of debts	(2,065)	—	(2,065)	—
Change in fair value of warrant liabilities	441	—	1,386	(4,127)
Other income (expenses), net	(199)	12	(507)	(260)
<b>Total non-operating income (expenses), net</b>	<b>(3,335)</b>	<b>(554)</b>	<b>(4,679)</b>	<b>(5,452)</b>
Income Taxes	(7)	(18)	(12)	(33)
<b>Net loss</b>	<b>\$ (19,740)</b>	<b>\$ (8,164)</b>	<b>\$ (39,137)</b>	<b>\$ (22,229)</b>
<b>Deemed Dividends and Deemed Dividends equivalents</b>	<b>\$ —</b>	<b>\$ (37)</b>	<b>\$ —</b>	<b>\$ (72)</b>
<b>Net loss per share attributable to common stockholders</b>	<b>\$ (19,740)</b>	<b>\$ (8,201)</b>	<b>\$ (39,137)</b>	<b>\$ (22,301)</b>
<b>Net loss per share attributable to common stockholders, basic and diluted</b>	<b>\$ (0.57)</b>	<b>\$ (0.36)</b>	<b>\$ (1.21)</b>	<b>\$ (1.01)</b>
<b>Weighted-average number of shares outstanding used to compute net loss per share, basic and diluted</b>	<b>34,737,852</b>	<b>22,666,617</b>	<b>32,438,971</b>	<b>22,134,945</b>
Net loss	(19,740)	(8,164)	(39,137)	(22,229)
Other comprehensive (loss) income, net of tax:				
Changes in foreign currency translation adjustments	\$ (206)	\$ (46)	\$ (529)	\$ (39)
<b>Net loss and comprehensive income, excluded Deemed Dividends and Deemed Dividends equivalents</b>	<b>\$ (19,946)</b>	<b>\$ (8,210)</b>	<b>\$ (39,666)</b>	<b>\$ (22,268)</b>

(B) Includes stock-based compensation for employees and services received, as follows

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Stock-based compensation				
Cost of revenue	\$ 2	\$ 5	\$ 12	\$ 17
General and administrative	804	423	1,799	1,593
Sales and marketing	161	47	343	214
Research and development	34	71	98	307
<b>Total Stock-based compensation expenses</b>	<b>\$ 1,001</b>	<b>\$ 546</b>	<b>\$ 2,252</b>	<b>\$ 2,131</b>

**HELBIZ, INC.**  
**Condensed Consolidated Statements of Cash Flows**  
*(in thousands, except share and per share data)*  
*(unaudited)*

	Six months ended June 30,	
	2022	2021
<b>Operating activities</b>		

<b>Net loss</b>	<b>\$ (39,137)</b>	<b>\$ (22,229)</b>
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,661	3,331
Loss on disposal of assets	116	238
Non-cash interest expenses and amortization of debt discount	2,971	509
Change in fair value of warrant liabilities	(1,386)	4,128
Change in fair value of accounts payables	(304)	—
(Gain) or Loss on extinguishment of debts	2,065	—
Share-based compensation	2,252	2,131
Other non-cash items related to licensing	—	748
Changes in operating assets and liabilities:		
Prepaid and other current assets	2,617	(38)
Security deposits	(5)	22
Accounts receivables	(1,337)	(360)
Accounts payables	3,935	(196)
Accrued expenses and other current liabilities	2,263	1,240
Other non-current liabilities	83	(137)
<b>Net cash used in operating activities</b>	<b>(23,206)</b>	<b>(10,613)</b>
<b>Investing activities</b>		
Purchase of property, equipment, and deposits	(3,586)	(4,913)
Deposit for Letter of Intent	(1,000)	
Purchase of intangible assets	(117)	(308)
Acquisition of business, net of cash acquired	—	(1,987)
<b>Net cash used in investing activities</b>	<b>(4,703)</b>	<b>(7,208)</b>
<b>Financing activities</b>		
Proceeds from issuance of financial liabilities, net	10,248	18,156
Repayment of financial liabilities	(1,495)	(2,505)
Proceeds from issuance of financial liabilities, due to related party - Officer	380	2,010
Proceeds from settlement of Subscription receivables	—	4,033
Proceeds from sale of Class A common shares, net	—	955
Payments of offering costs and underwriting discounts and commissions	—	(1,193)
<b>Net cash provided by financing activities</b>	<b>9,133</b>	<b>21,456</b>
Increase (decrease) in cash and cash equivalents, and restricted cash	(18,776)	3,635
Effect of exchange rate changes	306	(39)
Net increase (decrease) in cash and cash equivalents, and restricted cash	(18,470)	3,596
Cash and cash equivalents, and restricted cash, beginning of year	21,253	790
Cash and cash equivalents, and restricted cash, end of year	<b>\$ 2,783</b>	<b>\$ 4,386</b>
<b>RECONCILIATION OF CASH, CASH EQUIVALENT AND RESTRICTED CASH TO THE CONSOLIDATED BALANCE SHEET</b>		
Cash and cash equivalents	2,480	4,277
Restricted cash, included in Current assets	193	—
Restricted cash, included in Other assets, non-current	110	109
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for:		
Interest	\$ 517	\$ 556
Income taxes, net of refunds	\$ 12	\$ 2
<b>Non-cash investing &amp; financing activities</b>		
Issuance of Class A common shares – for warrant exercise	\$ —	\$ 10,567
Issuance of Class A common shares – for settlement of lease	—	1,747
Issuance of common stock – MiMoto Smart Mobility S.r.l. Acquisition	—	10,389
Convertible notes converted into common shares	14,326	—
Increasing of Financial liabilities for derecognition of Beneficial conversion features (BCF) - Adoption of ASU 2020-06	3,371	—
Purchase of vehicles with financing agreement	3,328	—
Prepaid expenses related to D&O insurance, included in Account payable	402	—
Issuance of Warrants - in conjunction with Convertible Notes issuance	603	—
Issuance of common shares – Commitment shares and share based compensation for Convertible Notes issuance	695	—

*Note: For more accompanying notes to the condensed consolidated financial statements above, please refer to the Company's quarterly report on Form 10-Q filed with Securities and Exchange Commission (the "SEC") for the quarter ended June 30, 2022.*

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