

The Car Sharing Marketplace for Ridesharing



NASDAQ: **HYRE**

Investor Presentation
December 2019

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Company Overview

- **HyreCar is a car sharing marketplace for ridesharing, connecting owners of excess cars with drivers who need vehicles to drive for Uber and Lyft**
- **Driver Demand Outstripping Car Supply by 10x**
 - 50,000+ drivers are applying monthly to TNCs like Uber and Lyft ⁽¹⁾
 - ~40% of these drivers don't own a qualifying vehicle (too old, 2 door ...)
 - So HYPE attracts 20,000+ ridesharing drivers each month, which is more than 10x the amount of vehicles currently on the platform
- **High Growth, Highly Scalable Nationwide Business Model**
 - We can identify where driver demand is highest and scale there quickly
 - Our revenue tripled to ~\$10M in FY18 vs ~\$3M in FY17 and we are now at an annualized rate of over 6000,000 rental days – we simply need more cars
 - We are starting to leverage the 18,000 US Franchised Auto Dealers to scale car inventory to match this demand, via several OEM pilots
- **\$12.6M IPO June 2018, \$12.1M Secondary Offering in July 2019**
 - Strong cash position on the balance sheet with decreasing burn
 - Custom insurance coverage to secure both owners and drivers, just completed annual renewal with Y Risk / The Hartford at lower daily cost and added 2 new Revenue Share Tiers which will expand Net Margin

HyreCar Inc. (NASDAQ: HYPE)	
Stock Price ¹	\$2.62
52 Week Trading Range ¹	\$1.54 - \$8.03
Market Cap ¹	\$42.9M
Shares Outstanding ⁴	16.3M
Annual Revenue Growth ²	203%
LTM Revenue ³	\$14.1M
Gross Profit Margin ⁴	63.0%
Cash ⁴	\$13.1M
Headquarters	Los Angeles
FTE	100
Founded	2014

NOTES:

1) Closing Price as of November 29, 2019.

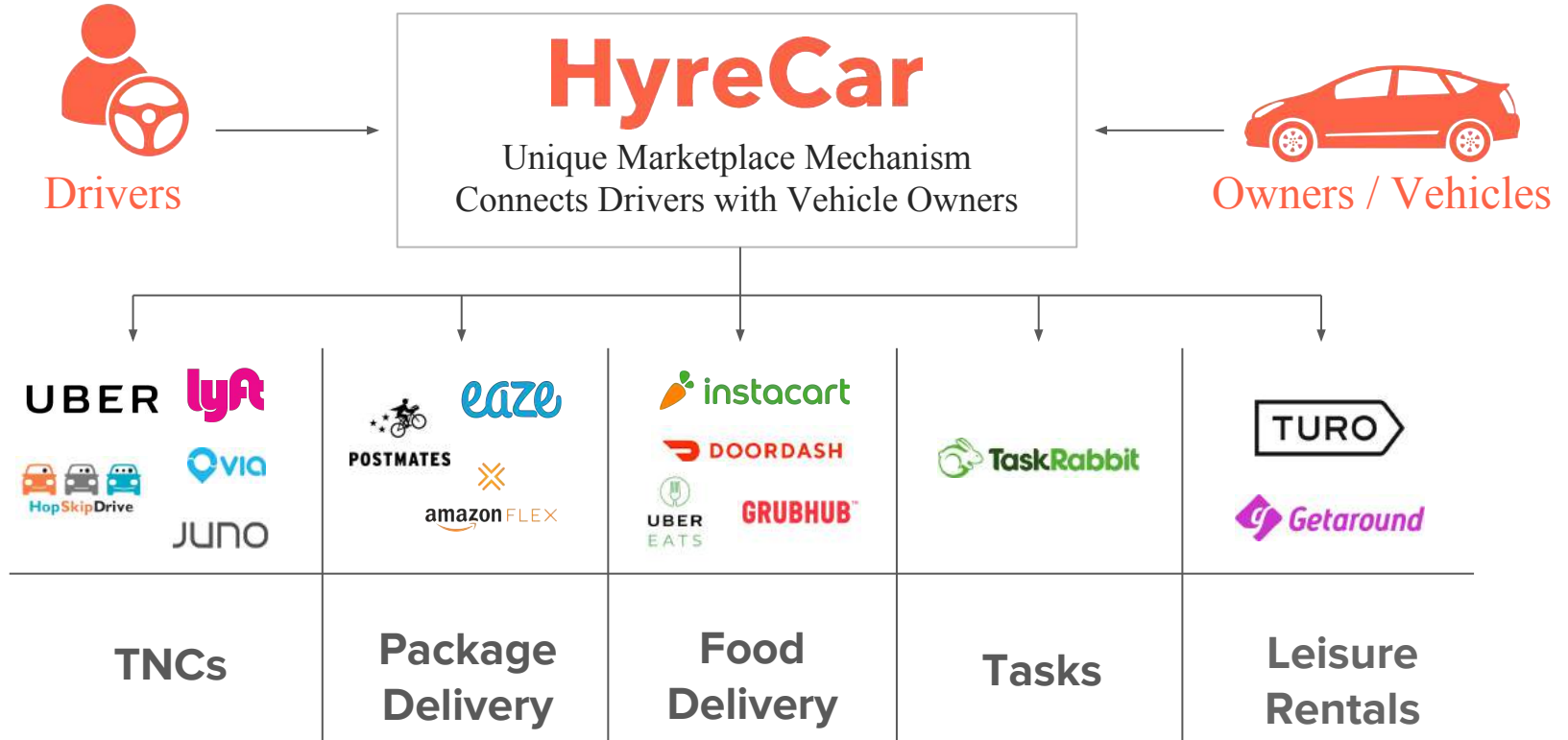
2) For the Fiscal Year Ending December 31, 2018.

3) For the Last Twelve Months Ending September 30, 2019.

4) For the Fiscal Quarter Ending September 30, 2019.

HyreCar Carsharing Opportunities

HyreCar



Disrupted Incumbents Need Solutions

HyreCar

Fleet Incumbents

Automobile
Manufacturers



Automobile
Rental



Automobile
Dealers



Insurance
Carriers



Gig Economy Players

UBER

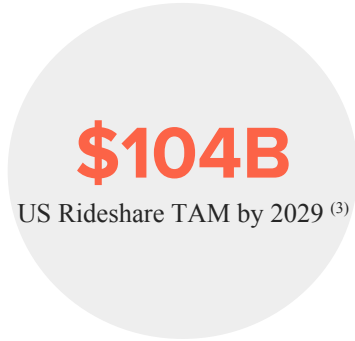
lyft

GRUBHUB

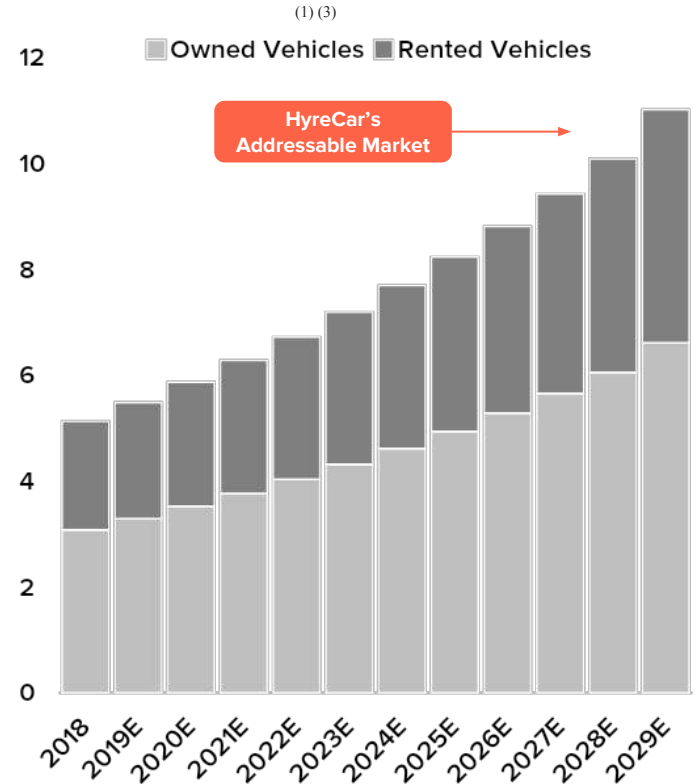
DOORDASH

amazon FLEX

Large Total Addressable Market



Estimated Owned Vehicles vs. Rented Vehicles



Goldman Sachs research estimates 40% YoY revenue growth in ridesharing during 2018 and estimates a CAGR of ~13% through 2030E ⁽⁴⁾



Lyft had **1.9** million drivers at the end of 2018 ⁽¹⁾

Uber and Lyft are adding 50,000+ drivers a month, but many don't have qualifying cars.



Uber had **3.9** million drivers at the end of 2018 ⁽²⁾

(1) Lyft S-1, March 1, 2019

(2) Uber S-1, April 11, 2019

(3) DA Davidson Initiation Report on Lyft

(4) Goldman Sachs – “The Future of Mobility”

Dealer Fleet Opportunity for Scaling Car Supply

It's easier to get 100 cars from 1 Dealer, than from 100 Individuals

Automotive News

“Retail Sales will decline slightly over the next decade, but Fleet sales will jump from 10% to almost half the market.”

- Automobile News Retailer Forum - NADA 2019

McKinsey & Company

“Evolving retail landscape requires dealerships to adapt drastically different business models and pursue different revenue streams.”

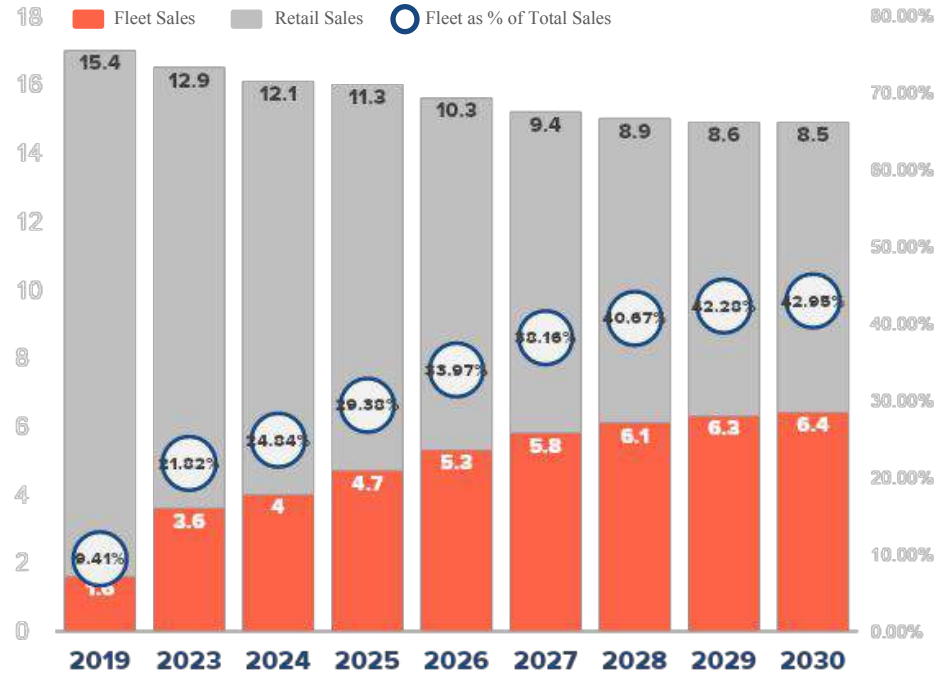
- McKinsey Center for Future Mobility - January 2019

HyreCar Commercial Dealer Activities Timeline:

- » Appointed Brian Allen head of Strategic Partnerships – **JAN 2019**
- » Established two car manufacturing pilots – **MAY 2019**
- » Hired an outside sales team – **JUN 2019**
- » Aligned internal support & sales to scale dealer groups – **JUL 2019**

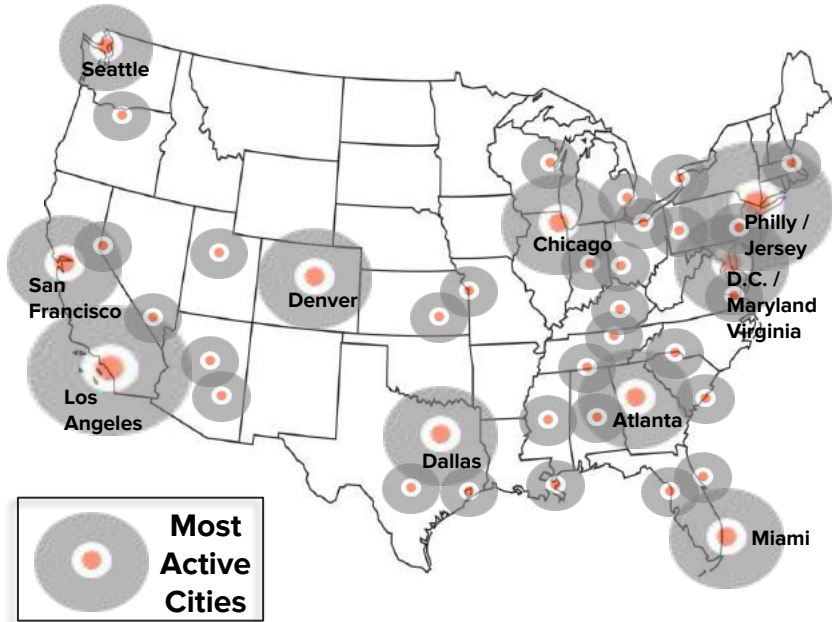
New Car Sales | Retail vs Fleet ⁽¹⁾

(Sales in millions)



Nationwide Footprint with Expanding Volume

Active in All 50 States



Quarterly Gross Billings and Rental Days



Strong Management Team and Board of

Directors Management Team



Joe Furnari
CEO



Scott Brogi
CEO



Henry Park
COO



Mike Furnari
CBDO



Brian Allan
Strategic Partnerships



Board of Directors



Grace Mellis
Chairman



Joe Furnari
CEO



Brooke
CMO



Jay Vijayan
Auto Technology



Michael Root
Member



Financial Highlights

Dynamic Platform & Revenue Growth

- Revenue CAGR of over 70% over the last two fiscal years
 - Q3 2019 revenue of \$3.7 million
 - Q3 2019 rental days of 146,000
 - Growth of daily active rentals
 - Value add for rideshare drivers with growing demand
-

Augmented Margin Profile at Scale

- Q3 2019 gross margin of 63%
 - Opportunities to increase gross margin long-term include ancillary subscription revenue and marginal reduction in insurance costs from increased economies of scale
 - HyreCar anticipates gross margins for fiscal year 2019 in the mid 60s%
 - HyreCar has been systematically reducing cash burn and will continue to do so via growth in the platform and intelligent allocation to software development, S&M, and G&A
-

Clean Balance Sheet & Cap Structure

- Cash balance as of September 30th, 2019 was more than \$13.0 Million
- No debt on the balance sheet
- Completed \$12.1 Million public offering of common stock subsequent in the second quarter
- 20%+ ownership by management (officers and directors)

HyreCar Dual Revenue Model

Daily Gross Revenue Example

Daily Net (GAAP) Revenue Example

National Average Daily Rental Rate	\$35.00
Driver Fee	\$3.50
Daily Insurance Fee	\$13.00
Daily Gross Billing Paid by Driver	\$51.50

HyreCar Owner Fee (22% avg rate)	\$7.70
HyreCar Driver Fee (10% rate)	\$3.50
Insurance Fee (100% of fee)	\$13.00
Daily Average Net Revenue	\$24.20

▶ **\$24.20** Daily Avg Net Rev
 x **60,000** Monthly Rental Days
 = **\$1.5M** Monthly Net Revenue

*Net Revenue Margin Up to **45%-47%***
*Compares to **28.5%** Net Margin for Lyft.²*

*Gross Profit Margin **60%+***

Opportunities for Margin Expansion:

- Reduction in direct insurance costs reduces COGS
- Addition of new higher revenue shares increases GPM
- Ancillary revenue subscriptions with dealerships just starting

1) Gross billings is a non-GAAP term and an important measure by which HyreCar evaluates and manages its business. The Company defines gross billings as the amount billed to drivers, without any adjustments for amounts paid to owners or refunds. Gross billings include transactions from both revenues recorded on a net and a gross basis.
 2) Net revenue margin refers to profit margins on gross billings, this compares to 28.5% for Lyft as reported in their S-1 on March 1, 2019.

Competitive Environment – Driver Cost

HyreCar

Commercial



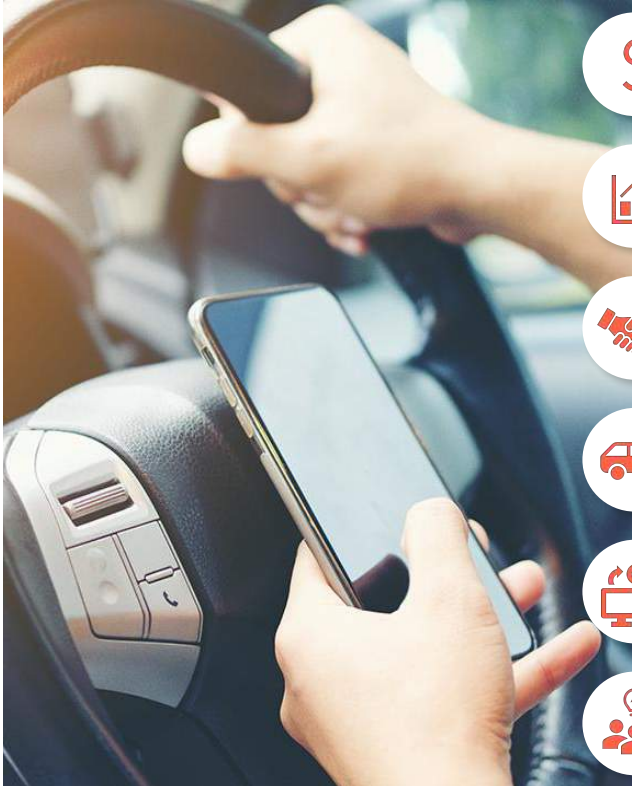
- » **LARGEST GEOGRAPHIC FOOTPRINT**
- » **LOWEST COST PROVIDER OF FLEET**
- » **ASSET LIGHT**
- » **PLATFORM AGNOSTIC**
- » **FLEXIBILITY ENABLES SPEED TO MARKET**

	HyreCar	Hertz	FLEXDRIVE	fair
Available Markets	All 50 states + DC	16 Cities	5 Cities	2 Cities
Rental Length & Age Requirement	Minimum 1 day rental, 21yrs+	Minimum 7 day rental, 25yrs+	Minimum 7 day rental, 25yrs+	Minimum 7 day rental, 21yrs+
Service Limitation	No Limits	Lyft & Uber Only	Lyft Only	Uber Only
Deposit	\$200	\$200	\$250	\$195
Average Weekly Rates	Owners set pricing ~\$210 per week	\$240 / Week + \$0.10 - \$0.30 per mile (depends on geo location), taxes, fees	** \$209/week – disqualified from Express Pay and driving bonuses	\$195 / Week + \$0.20 per mile, taxes, fees, mileage reqs
All-in Weekly Cost *	<u>\$322</u>	\$365	\$390	\$425

* Includes insurance, weekly cost assumes 1,000 miles driven per week, \$0.10 per mile (\$0.20 for fair) plus 15% taxes and fees applied to advertised competition pricing

** Assumes \$150 per week in driver bonuses (conservative given Uber/Lyft drivers are seeing \$500 starting bonuses)

Investment Highlights



Large Opportunity in Growing MaaS Industry (“Mobility-as-a-Service”)

Estimated \$100+ billion domestic market by 2029 ⁽¹⁾



Dynamic Growth Since IPO

Average QoQ growth in rental days of ~15% driving 106% YoY revenue growth in Q1 19



Large Opportunity in OEM / Franchise Dealer Partnerships

Direct sales model into more than 18,000 dealerships (accelerating vehicle onboarding)



Asset Light Business Model with Compelling Margin Profile at Scale

Recently added ancillary subscription revenue stream as well as decreased insurance costs



Scalable Technology Platform

Dynamic software solution enabling ease of use for drivers, renters and fleet owners



Strong Management Team with Meaningful Shareholder Alignment

Significant experience in highly relevant industries and over 20% ownership incentive

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