



HyreCar Announces Record First Quarter 2021 Financial Results

May 13, 2021

First Quarter Revenue Increases 29% to \$7.45 Million, as Rental Days were 300,022 up 31%; Annualized Rental Day Run Rate passes 1.2 Million

LOS ANGELES--(BUSINESS WIRE)--May 13, 2021-- HyreCar Inc. (NASDAQ: HYRE), the carsharing marketplace for ridesharing and food/package delivery services, today reported financial results and provided a corporate update for the first quarter March 31, 2021.

First Quarter 2021 Financial Highlights

- Revenue was \$7.45 million, compared to \$5.78 million in the same period last year, an increase of 29%.
- Net Loss of (\$7.2) million and earnings per share of (\$0.37), compared to (\$4.1) million and (\$0.25) in the same period last year.
- Adjusted EBITDA of (\$3.4) million and adjusted EBITDA per share of (\$0.16), also referred to as adjusted net loss per share, compared to \$(3.3) million or (\$0.20) per share in the same period last year.
- Cash and Cash Equivalents were \$25.5 million as of March 31, 2021.

Additional First Quarter 2021 Highlights

- New drivers to the platform in the first quarter of 2021 were up 14.0% year over year.
- Number rental days on our platform increased 31% from approximately 230,000 in the first quarter of 2021 to 300,000 compared to the same period last year.
- Cost Per Booking decreased 39% for the first quarter 2021 compared to the same period last year due to improvements in marketing automations and acquisition strategies.
- Commercial bookings represented more than 60% of all cars rented on the platform.
- Cars listed from existing accounts was over 65% of the total gross cars listed.

"HyreCar's first-quarter revenues grew to \$7.4 million in the quarter, showing the resilience of our platform and the growing demand for our services as the country opens up," said Joe Furnari, Chief Executive Officer of HyreCar. "With the additional cars we are onboarding on a daily basis our daily rental rates continue to grow and we are well-positioned to take advantage of opportunities in rideshare and delivery as states continue to re-open."

Adjusted EBITDA is a non-GAAP financial measure. See the reconciliations of these measures to their respective most directly comparable GAAP measure below in this press release.

First Quarter 2021 Financial Discussion

Total revenue in the first quarter of 2021, increased 29% to a record \$7.4 million, compared to \$5.8 million, in the first quarter of 2020. Revenue growth in the first quarter was primarily driven by rental days increasing 31% to approximately 300,000 in the first quarter March 31, 2021.

Gross profit for the first quarter of 2021 was \$2.7 million, increasing from \$2.2 million in the same period last year. The 37% gross profit margin in the quarter was a sequential improvement from the full year gross profit margin of 33% for the year ended December 31, 2020.

Total operating expenses, consisting of general and administrative, sales and marketing, and research and development expenses were \$9.9 million in the first quarter of 2021, compared to \$6.3 million in the same period in the prior year. This was primarily due to a significantly higher Non-Cash Stock Based Compensation expense of \$3.8 million associated with some annual incentives as well as increased operations, sales, and technology expenses to drive higher business levels, and invest in operations and technology, in particular, to further accelerate the platform in 2021. Without this stock based compensation expense, operating expenses decreased versus the same period last year.

Net loss in the first quarter of 2021 totaled \$7.2 million, or (\$0.37) per share, compared to a net loss of \$4.1 million, or (\$0.25) per share, in the prior year. Adjusted net loss for the first quarter, after excluding certain non-cash stock-based compensation, depreciation and amortization, was \$3.4 million, or (\$0.16) per share. A reconciliation of net loss to adjusted net loss per share is included within this press release.

Subsequent to a successful secondary equity financing in February 2021, Cash and Cash Equivalents totaled \$25.5 million as of March 31, 2021.

Conference Call

Management will host an investor conference call at 1:30 p.m. PST (4:30 p.m. EST) on Thursday, May 13, 2021, to discuss HyreCar's first quarter 2021 financial results, provide a corporate update, and conclude with Q&A from participants. To participate in the call, please dial (866) 670-5260 (domestic) or (409) 217-8773 (international). The conference code is 3599448. This call is being webcast and can be accessed on the Investor Relations section of HyreCar's website at: <https://ir.hyrecar.com/>.

A replay of the webcast will be available approximately two hours after the conclusion of the call and remain available for approximately 90 calendar days.

About HyreCar

HyreCar Inc. (NASDAQ: HYRE) is a nationwide leader operating a carsharing marketplace for ridesharing in all 50 states and the District of Columbia via its proprietary technology platform. The Company has established a leading presence in Transportation as a Service (TaaS) through individual vehicle owners, dealers and OEM's, who have been disrupted by automotive asset sharing. By providing a unique opportunity through our safe, secure, and reliable marketplace, HyreCar is transforming the industry by empowering all to profit from TaaS. For more information please visit hyrekar.com.

Forward-Looking Statements

Statements in this release concerning HyreCar Inc.'s ("HyreCar" or the "Company") future expectations and plans, including, without limitation, HyreCar's future earnings, partnerships and technology solutions, its ability to add and maintain additional car listings on its platform from car dealers, and consumer demand for cars to be used for ridesharing, may constitute forward-looking statements for the purposes of the safe harbor provisions under the Private Securities Litigation Reform Act of 1995 and other federal securities laws and are subject to substantial risks, uncertainties and assumptions. You should not place reliance on these forward-looking statements, which include words such as "could," "believe," "anticipate," "intend," "estimate," "expect," "may," "continue," "predict," "potential," "project" or similar terms, variations of such terms or the negative of those terms. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee such outcomes. HyreCar may not realize its expectations, and its beliefs may not prove correct. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors, including, without limitation, market conditions and the factors described in the section entitled "Risk Factors" in HyreCar's most recent Annual Report on Form 10-K and HyreCar's other filings made with the U. S. Securities and Exchange Commission. All such statements speak only as of the date made. Consequently, forward-looking statements should be regarded solely as HyreCar's current plans, estimates, and beliefs. Investors should not place undue reliance on forward-looking statements. HyreCar cannot guarantee future results, events, levels of activity, performance or achievements. HyreCar does not undertake and specifically declines any obligation to update, republish, or revise any forward-looking statements to reflect new information, future events or circumstances or to reflect the occurrences of unanticipated events, except as may be required by applicable law.

Non-GAAP Financial Information

To supplement HYRE's financial information presented in accordance with generally accepted accounting principles in the United States of America, or GAAP, HYRE presents certain financial measures that are not prepared in accordance with GAAP, specifically adjusted EPS. These non-GAAP financial measures, which are defined below, should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. These non-GAAP financial measures are not based on any standardized methodology prescribed by GAAP and are not necessarily comparable to similarly-titled measures presented by other companies.

HYRE is presenting these non-GAAP financial measures to assist investors in seeing HYRE's operating results through the eyes of management and because HYRE believes that these measures provide a useful tool for investors to use in assessing HYRE's operating performance against prior period operating results and against business objectives. HYRE uses the non-GAAP financial measures in evaluating its operating results and for financial and operational decision-making purposes.

The accompanying tables provide more detail on the GAAP financial measures that are most directly comparable to the non-GAAP financial measures described above and the related reconciliations between these financial measures. HYRE has not reconciled adjusted EPS guidance to GAAP net income or GAAP net income per diluted share, respectively, because HYRE does not provide guidance for the reconciling items between these measures and GAAP net income or GAAP net income per diluted share, respectively. As certain of the items that impact GAAP net income and/or GAAP net income per diluted share cannot be reasonably predicted at this time, HYRE is unable to provide such guidance. Accordingly, a reconciliation to GAAP net income or GAAP net income per diluted share is not available without unreasonable effort.

The following table provides a reconciliation of net loss to Adjusted EBITDA for the three months ended March 31, 2021 and 2020:

	Three Months Ended March 31,	Three Months Ended March 31,
	2021	2020
Net loss	\$ (7,206,535) \$(4,058,216
Adjusted to exclude the following:		
Other expense (income), net	423	(29,629
Provision for income taxes	—	800
Depreciation and amortization	19,270	19,157
Stock-based compensation expense	3,767,674	415,172
Prior expenses expected to be settled in stock included in liabilities	—	363,155

Adjusted EBITDA \$ (3,419,168) \$(3,289,561)

HYRECAR INC.

CONSOLIDATED BALANCE SHEETS

(Unaudited)

	March 31,	December 31,
	2021	2020
Assets		
Current assets:		
Cash and cash equivalent	\$ 25,499,635	\$ 4,923,515
Restricted cash	751,625	—
Accounts receivable	132,827	109,366
Deferred offering costs	—	33,164
Insurance deposits	1,749,454	749,454
Other current assets	644,099	313,812
Total current assets	28,777,640	6,129,311
Property and equipment, net	7,624	8,425
Intangible assets, net	61,562	80,031
Other assets	—	95,000
Total assets	\$ 28,846,826	\$ 6,312,767
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Accounts payable	\$ 4,497,276	\$ 2,275,559
Accrued liabilities	826,724	4,359,348
Insurance reserve	1,747,134	2,113,039

Note payable, current portion	1,890,062	1,554,548
Deferred revenue	60,056	76,059
Total current liabilities	9,021,252	10,378,553
Note payable, net of current portion	109,113	444,627
Total liabilities	9,130,365	10,823,180
Commitments and contingencies (Note 3)	—	—
Stockholders' equity (deficit):		
Preferred stock, 15,000,000 shares authorized, par value \$0.00001, 0 shares issued and outstanding as of March 31, 2021 and December 31, 2020, respectively	—	—
Common stock, 50,000,000 shares authorized, par value \$0.00001, 20,353,429 and 17,741,713 issued and outstanding as of March 31, 2021 and December 31, 2020, respectively	203	177
Additional paid-in capital	71,158,828	39,725,445
Accumulated deficit	(51,442,570)	(44,236,035)
Total stockholders' equity (deficit)	19,716,461	(4,510,413)
Total liabilities and stockholders' equity (deficit)	\$ 28,846,826	\$ 6,312,767

HYRECAR INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020
Revenues	\$ 7,448,400	\$ 5,780,413
Cost of revenues	4,716,150	3,605,301

Gross profit	2,732,250		2,175,112	
Operating Expenses:				
General and administrative	5,704,453		3,228,172	
Sales and marketing	2,707,191		2,290,172	
Research and development	1,526,718		743,813	
Total operating expenses	9,938,362		6,262,157	
Operating loss	(7,206,112)	(4,087,045)
Other (income) expense				
Interest expense	1,906		19	
Other income	(1,483)	(29,648)
Total other income	423		(29,629)
Loss before provision for income taxes	(7,206,535)	(4,057,416)
Provision for income taxes	—		800	
Net loss	\$ (7,206,535)	\$ (4,058,216)
Weighted average shares outstanding - basic and diluted	19,234,382		16,424,969	
Weighted average net loss per share - basic and diluted	\$ (0.37)	\$ (0.25)

View source version on [businesswire.com](https://www.businesswire.com/news/home/20210513005995/en/): <https://www.businesswire.com/news/home/20210513005995/en/>

Scott Brogi

Chief Financial Officer
scott@HyreCar.com

John Evans
Investor Relations
415-309-0230
j.evans@HyreCar.com

Source: HyreCar Inc.