



## HyreCar Announces Record Second Quarter 2021 Financial Results

August 10, 2021

*Second Quarter Revenue Increases 62% to \$9.1 Million, as Rental Days exceeded 333,000 up 44% Year-over-Year;*

LOS ANGELES--(BUSINESS WIRE)--Aug. 10, 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 second quarter June 30, 2021.

### Second Quarter 2021 Financial Highlights

- Revenue was \$9.1 million, compared to \$5.6 million in 2020, an increase of 62% from the same quarter last year.
- Net Loss of (\$9.3) million and earnings per share of (\$0.45), compared to (\$3.8) million and (\$0.22) in the same period last year.
- Adjusted EBITDA of (\$7.1) million and adjusted EBITDA per share of (\$0.36), also referred to as adjusted net loss per share, compared to \$(1.7) million or (\$0.10) per share in the same period last year.
- Cash and Cash Equivalents were \$24.9 million as of June 30, 2021.

### Additional Second Quarter 2021 Highlights

- New drivers to the platform in the Second quarter of 2021 were up 49% year over year
- Number rental days on our platform increased 44% from approximately 231,000 in the Second quarter of 2021 to 333,000 compared to the same period last year
- Commercial bookings represented more than 75% of all cars rented on the platform
- Cars listed from existing accounts were over 55% of the total gross cars listed

"HyreCar's Second-quarter revenues grew to \$9.1 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. "In addition, recently secured millions of dollars of financing for our fleet partners, solidifies our ecosystem to help drivers and fleets participate in the transportation as a service industry through partnerships with some of the largest players in the gig ecosystem and are laying the groundwork for adding vehicles and drivers at scale over the next 18 month."

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.

### Second Quarter 2021 Financial Discussion

Total revenue in the second quarter of 2021, increased 62% to a record \$9.1 million, compared to \$5.6 million, in the second quarter of 2020. Revenue growth in the second quarter was primarily driven by rental days increasing 44% to approximately 333,000 in the Second quarter June 30, 2021.

Gross profit for the Second quarter of 2021 was \$0.8 million, adjusted for one-time expenses related to the claims portfolio transition to a single claims processor, our gross profit margin was 24%.

Total operating expenses, consisting of general and administrative, sales and marketing, and research and development expenses were \$10.1 million in the second quarter of 2021, compared to \$3.7 million in the same period in the prior year. This was primarily due to investments in marketing and sales to drive higher top of the funnel volume as well as technology and operations to continue scaling HyreCar for accelerated growth in 2021 and beyond.

Net loss in the second quarter of 2021 totaled \$9.3 million, or (\$0.45) per share, compared to a net loss of \$3.8 million, or (\$0.22) per share, in the prior year. Adjusted net loss for the Second quarter, after excluding certain non-cash stock-based compensation, depreciation and amortization, was \$7.1 million, or \$(0.36) per share. A reconciliation of net loss to adjusted net loss per share is included within this press release.

Cash and Cash Equivalents totaled \$24.9 million as of June 30, 2021.

### Conference Call

Management will host an investor conference call at 1:30 p.m. PST (4:30 p.m. EST) on Tuesday August 10, 2021, to discuss HyreCar's Second 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 7264267. 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 through our proprietary platform. The

Company has established a leading presence in Transportation-as-a-Service (“TaaS”) through vehicle owners and institutions, such as franchise car dealerships, independent car dealerships and rental car companies, 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 [hyrecar.com](http://hyrecar.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 and six months ended June 30, 2021 and 2020:

	<b>Three Months Ended</b>	<b>Three Months Ended</b>	<b>Six Months Ended</b>	<b>Six Months Ended</b>
	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Net loss	\$ (9,335,160 )	\$ (3,853,475 )	\$ (16,541,695 )	\$ (7,911,691 )
Adjusted to exclude the following:				
Other expense (income), net	(169 )	(6,493 )	254	(36,122 )
Provision for income taxes	800	—	800	800
Depreciation and amortization	19,269	19,159	38,539	38,316
Stock-based compensation expense	2,193,869	2,051,141	5,961,543	2,466,312
Prior expenses expected to be settled in stock included in liabilities	—	93,941	—	192,871

Adjusted EBITDA \$ (7,121,391 ) \$ (1,695,727 ) \$ (10,540,559 ) \$ (5,249,514 )

**HYRECAR INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(Unaudited)**

	<b>Three Months Ended</b>	<b>Three Months Ended</b>	<b>Six Months Ended</b>	<b>Six Months Ended</b>
	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Revenue	\$ 9,057,866	\$ 5,583,388	\$ 16,506,266	\$ 11,363,801
Cost of revenue	8,253,164	3,045,726	12,969,314	6,651,027
Gross profit	804,702	2,537,662	3,536,952	4,712,774
Operating Expenses:				
General and administrative	6,090,899	3,911,065	11,795,352	7,139,237
Sales and marketing	2,875,084	1,871,099	5,582,275	4,161,271
Research and development	1,173,248	615,466	2,699,966	1,359,279
Total operating expenses	10,139,231	6,397,630	20,077,593	12,659,787
Operating loss	(9,334,529 )	(3,859,968 )	(16,540,641 )	(7,947,013 )
Other (income) expense				
Interest expense	3,893	11,310	5,799	11,329
Other income	(4,062 )	(17,803 )	(5,545 )	(47,451 )
Total other income	(169 )	(6,493 )	254	(36,122 )
Loss before provision for income taxes	(9,334,360 )	(3,853,475 )	(16,540,895 )	(7,910,891 )
Provision for income taxes	800	—	800	800
Net loss	\$ (9,335,160 )	\$ (3,853,475 )	\$ (16,541,695 )	\$ (7,911,691 )
Weighted average shares outstanding - basic and diluted	20,521,674	17,181,496	19,881,584	16,803,232

Weighted average net loss per share - basic and diluted \$ (0.45 ) \$ (0.22 ) \$ (0.83 ) \$ (0.47 )

**HYRECAR INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**(Unaudited)**

	<b>June 30,</b>	<b>December 31,</b>
	<b>2021</b>	<b>2020</b>
Assets		
Current assets:		
Cash and cash equivalent	\$ 24,021,863	\$ 4,923,515
Restricted cash	877,586	—
Accounts receivable	101,615	109,366
Deferred offering costs	—	33,164
Insurance deposits	2,211,625	749,454
Other current assets	305,255	313,812
Total current assets	27,517,944	6,129,311
Property and equipment, net	6,823	8,425
Intangible assets, net	43,094	80,031
Other assets	—	95,000
Total assets	\$ 27,567,861	\$ 6,312,767
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Accounts payable	\$ 5,197,794	\$ 2,275,559
Accrued liabilities	5,627,276	4,359,348
Insurance reserve	1,990,482	2,113,039
Note payable, current portion	1,999,175	1,554,548
Deferred revenue	63,068	76,059
Total current liabilities	14,877,795	10,378,553
Note payable, net of current portion	—	444,627
Total liabilities	14,877,795	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 June 30, 2021 and December 31, 2020, respectively	—	—
Common stock, 50,000,000 shares authorized, par value \$0.00001, 20,961,319 and 17,741,713 issued and outstanding as of June 30, 2021 and December 31, 2020, respectively	209	177
Additional paid-in capital	73,467,587	39,725,445
Accumulated deficit	(60,777,730)	(44,236,035)
Total stockholders' equity (deficit)	12,690,066	(4,510,413 )
Total liabilities and stockholders' equity (deficit)	\$ 27,567,861	\$ 6,312,767

View source version on [businesswire.com](https://www.businesswire.com/news/home/20210810005949/en/): <https://www.businesswire.com/news/home/20210810005949/en/>

John Evans  
Investor Relations  
415-309-0230  
[j.evans@HyreCar.com](mailto:j.evans@HyreCar.com)

Source: HyreCar Inc.