



HyreCar Announces Full-Year 2021 Results

March 15, 2022

Full-Year Revenues Increased 41% to \$35.7 Million

2021 Rental Days Increased 27% to 1,286,000

LOS ANGELES--(BUSINESS WIRE)--Mar. 15, 2022-- 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 year ended December 31, 2021.

Full-Year 2021 Financial Highlights

- Revenue was \$35.7 million, compared to \$25.2 million in 2020, an increase of 41%.
- Net Loss of (\$26.0) million and earnings per share of (\$1.26), compared to (\$15.2) million and (\$0.87) in 2020.
- Adjusted EBITDA of (\$19.3) million and Adjusted EBITDA per share of (\$0.93), compared to (\$11.0) million or (\$0.63) per share in 2020.
- Cash, Cash Equivalents and Restricted Cash were \$14.7 million as of December 31, 2021.

Full-Year 2021 Operating Highlights

- New drivers to the platform were up 57% year-over-year
- Number rental days on our platform increased 27% from approximately 1,014,000 in 2020 to 1,286,000 in 2021
- Vehicles rented from larger fleet operators represented more than 75% of all cars rented on the platform
- Launch of enhanced dynamic pricing allowed us to better scale healthy revenue with driver risk profiles
- Became an official vehicle solution provider for drivers using the Uber platform

"I am proud of how HyreCar's team managed the year despite external challenges including COVID, supply chain and lean car inventories while navigating macroeconomic-related headwinds," said Joe Furnari, Chief Executive Officer of HyreCar. "Our team capitalized on foundational investments and exciting partnerships with Uber as well as agreements with AmeriDrive and Cogent Bank to expand lending capacity that enables HyreCar to continue building supply on our platform."

"I am pleased to report that our fiscal year revenue grew 41% to \$35.7 million, up from \$25.2 million in fiscal year 2020," said Furnari. "While Q4 volume and revenue levels continued to be impacted by constraints affecting the car market supply, HyreCar continued to improve gross margins, reduced cash operating expenditure in line with guidance, and re-invested some of those savings into scaling its platform. With the gig economy continuing to grow and new customers increasingly entering the industry, the Company expects 2022 to be a year of significant growth."

"Leveraging the Company's strengths, solidified platform, and new Growth Organization, we are focused on creating value beyond our marketplace, expanding our strategic partnerships and relationships, and continuing to increase vehicle supply while more effectively engaging and retaining our drivers in 2022."

Full-Year 2021 Financial Highlights

Total revenue for the full year of 2021 increased 41%, to a record \$35.7 million, compared to \$25.2 million, in the full year of 2020. Revenue growth in the full year was primarily driven by increased rental days that rose 27% during the year as a result of pricing optimization and enhancements.

Gross profit totaled \$9.8 million for the year ended December 31, 2021, an increase of 18% compared to \$8.3 million recognized during the year ended December 31, 2020. The increase in gross profit was primarily attributed to higher rental days, and favorable pricing, partially offset by higher insurance and claims-related costs.

Total operating expenses, consisting of sales and marketing, general and administrative, and research and development expenses were \$37.8 million in the full year of 2021, compared to \$23.5 million in the same period a year ago. These additional operating expenses, including additional stock-based compensation, were incurred to enable and support growth and scale across all functional areas. These expenses included costs incurred for the enhancement of the technology platform, on-going efforts at stimulating demand and visibility through marketing, as well as growing our customer support/sales organization.

Net loss in the full year of 2021 totaled \$(26.0) million, or (\$1.26) per share, compared to a net loss of \$(15.2) million, or \$(0.87) per share, in the prior year.

Adjusted EBITDA, after excluding certain non-cash stock-based compensation, depreciation and amortization, was \$(19.3) million, or \$(0.93) per share. A reconciliation of net loss to Adjusted EBITDA is included within this press release.

Conference Call

Management will host an investor conference call at 1:15 p.m. PDT (4:15 p.m. EDT) on Tuesday, March 15, 2022, to discuss HyreCar's full-year 2021 financial results, provide a corporate update, and conclude with Q&A from participants. To listen to the conference call, interested parties within the

U.S. should dial 1-866-777-2509 (domestic) or 1-412-317-5413 (international). All callers should dial in approximately 10 minutes prior to the scheduled start time and ask to be joined into the HyreCar Inc. conference call.

The conference call will also be available through a live webcast that can be accessed at <https://services.choruscall.com/mediaframe/webcast.html?webcastid=vIQz5JwG>. The webcast replay will be available for three months, and can be accessed through the above links.

About HyreCar

HyreCar Inc. (NASDAQ: HYRE) is a national carsharing marketplace for ridesharing, food, and package delivery via its proprietary technology platform. The Company has established a leading presence in Mobility as a Service (MaaS) through individual vehicle owners, dealers, rental agencies, and OEMs that wish to participate in new mobility trends. By providing a unique opportunity through our safe, secure, and reliable marketplace, HyreCar is transforming the industry by empowering all to profit from Mobility as a Service.

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 years ended December 31, 2021 and 2020:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Net loss	\$ (25,953,717)	\$ (15,220,901)
Adjusted to exclude the following:		
Other expense (income), net	(2,024,048)	(32,588)
Provision for income taxes	526	800
Depreciation and amortization	77,035	76,834
Stock-based compensation expense	8,176,941	3,303,211

Payroll tax expense related to stock-based compensation expense	227,263	77,303
Changes to the liabilities for insurance reserves	217,151	780,147
Adjusted EBITDA	\$ (19,278,849) \$ (11,015,194)	

HYRECAR INC.

CONSOLIDATED BALANCE SHEETS

	December 31, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalent	\$ 11,499,136	\$ 4,923,515
Restricted cash	3,248,271	-
Accounts receivable	162,586	109,366
Deferred offering costs	-	33,164
Insurance and security deposits	95,000	749,454
Other current assets	1,061,520	313,812
Total current assets	16,066,513	6,129,311
Property and equipment, net	5,265	8,425
Intangible assets, net	372,592	80,031
Other assets	-	95,000
Total assets	\$ 16,444,370	\$ 6,312,767
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Accounts payable	\$ 5,567,233	\$ 2,275,559
Accrued liabilities	2,877,438	4,359,348

Insurance reserve	2,330,190	2,113,039
Note payable, current portion	-	1,554,548
Deferred revenue	52,192	76,059
Total current liabilities	10,827,053	10,378,553
Note payable, net of current portion	-	444,627
Total liabilities	10,827,053	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 December 31, 2021 and 2020, respectively	-	-
Common stock, 50,000,000 shares authorized, par value \$0.00001, 21,609,409 and 17,741,713 shares issued and outstanding as of December 31, 2021 and 2020, respectively	216	177
Additional paid-in capital	75,806,853	39,725,445
Accumulated deficit	(70,189,752)	(44,236,035)
Total stockholders' equity (deficit)	5,617,317	(4,510,413)
Total liabilities and stockholders' equity (deficit)	\$ 16,444,370	\$ 6,312,767

HYRECAR INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2021	Year Ended December 31, 2020
Revenue	\$ 35,716,031	\$ 25,231,741
Cost of revenue	25,942,684	16,961,450

Gross profit	9,773,347	8,270,291
Operating Expenses:		
General and administrative	21,944,369	12,332,147
Sales and marketing	10,012,937	8,141,675
Research and development	5,793,280	3,049,158
Total operating expenses	37,750,586	23,522,980
Operating loss	(27,977,239)	(15,252,689)
Other (income) expense		
Interest (income) expense	(12,139)	24,299
Other (income) expense	(2,011,909)	(56,887)
Total other (income) expense	(2,024,048)	(32,588)
Loss before provision for income taxes	(25,953,191)	(15,220,101)
Provision for income taxes	526	800
Net loss	\$ (25,953,717)	\$ (15,220,901)
Weighted average shares outstanding - basic and diluted	20,635,940	17,557,868
Weighted average net loss per share - basic and diluted	\$ (1.26)	\$ (0.87)

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