

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2023

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: **001-39136**

**micromobility.com, Inc.**

(Exact name of registrant specified in its charter)

**Delaware**

(State or Other Jurisdiction of Incorporation or Organization)

**84-3015108**

(I.R.S. Employer Identification No.)

**500 Broome Street, New York, NY 10013**

(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(917) 675-7157**

Securities Registered Pursuant to Section 12(b) of the Exchange Act:

Title of Each Class	Trading Symbol(s)	Name of Exchange on which Registered
None	None	None

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☐ No ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting securities held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter, June 30, 2023, was approximately \$5.5 million based upon the closing sale price of \$16.95.

As of April 9, 2024, there were 45,185,172 shares of the registrant's common stock, \$0.00001 par value, outstanding.



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### Explanatory Note

All per share amounts in this annual report (except where otherwise indicated) account for (i) a 1:50 reverse stock split of our common stock that occurred on March 30, 2023 and (ii) a 1:150 reverse stock split of our common stock that occurred on December 4, 2023.

On August 12, 2023, the Company’s issued and outstanding shares of Class B common stock were automatically converted into shares of Class A common stock and such Class B Shares thereafter ceased to be an authorized class of the Company’s capital stock. As there is currently only one class of common stock, all references in this annual report to common stock are to Class A common Stock unless the context requires otherwise.

### Forward-Looking Statements

Statements contained in this annual report and any documents incorporated by reference herein that are not strictly historical may be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act and Section 21E of the Exchange Act and involve a number of risks and uncertainties. There are a number of important factors that could cause actual events to differ materially from those suggested or indicated by such forward-looking statements, many of which are outside of the control of the Company, and you should not place undue reliance on any such forward-looking statements. 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.

The forward-looking statements made herein speak only as of the date hereof and the Company does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise, except as required by law.

## PART I

### ITEM 1. BUSINESS

#### General

We provide innovative and sustainable transportation solutions that help people move seamlessly within cities. Our journey began with e-scooters in Italy in 2018, and today we have evolved into a multi-modal micro-mobility ecosystem offering micro-mobility electric vehicles.

We primarily offer short-term rentals of shares e-vehicles in several cities and service areas (such as university campuses), in the United States and Italy. Since the start of our 2023 fiscal year, we have had to significantly reduce the number of cities and service areas in which we operate and the size of our fleets of vehicles in those cities in response to the cost of our operations, our ability to attract a necessary number of new customers, the failure of the micromobility in general to meet expected growth projections and general financial market conditions. We may need to further reduce our shared micromobility operations to meet our continued budget constraints.

Our micromobility offerings also include a Wheels vehicle, a sit-down e-scooter, rentable on a monthly basis. We also generate a minor portion of our revenue by selling advertising opportunities related to our offerings.

We also operated Helbiz Kitchen, our service through which users can order food for delivery through our mobile app, and Helbiz Media, our wholly-owned subsidiary dedicated to the acquisition and distribution of content over an internally developed stand-alone app. In an effort to focus our operations on our micromobility services and to reduce our operating costs, we discontinued our Helbiz Kitchen operations and we significantly reduced Helbiz Media operations in our fiscal 2023.

#### Our Platform

Helbiz is built around its technology and operational strengths.

#### Technology

##### *Seamlessly Integrated Ecosystem*

We have built an ecosystem of tools, software and hardware for consumers, operations, and drivers. Instead of relying on a variety of limited third-party solutions, every tool we use is crafted in-house in conjunction with each other to create an ecosystem that was specifically built around our operations, practices and needs. The result is a framework with total operational control. Our main mobile platforms are our Helbiz app for consumers and our Helbiz Driver App for operational drivers managing our fleet. Both platforms are built on our proprietary “Core Platform Engine”.

#### Operational Strength

A driver network and infrastructure were built to ensure that vehicles are properly distributed, batteries charged and maintained. Every city we operate in has a local on-ground operations team, drivers with extensive local knowledge and a global support system. The long-term success, of any micro-mobility operator is directly linked to the quality and efficiency of operations.

#### Benefits of the Our Mobility Platform

##### Key Benefits for Users

Across our mobile platforms and consumer offerings we strive to create an experience that becomes a seamless extension of the user, intuitively creating a convenient, affordable, and reliable experience when interacting with their city. We aim to offer our user a convenient, affordable and reliable experience.

- *Convenience*

We designed our proprietary technology to provide a convenient and frictionless user experience and well distributed, maintained and charged fleets across a variety of modes to suit the users’ needs. We strive to reduce the friction of moving and to always ensure available vehicles in your vicinity that allow you to beat traffic with ease without the hassle of having to deal with congestion, parking, ownership or cash transactions.

- *Affordability*

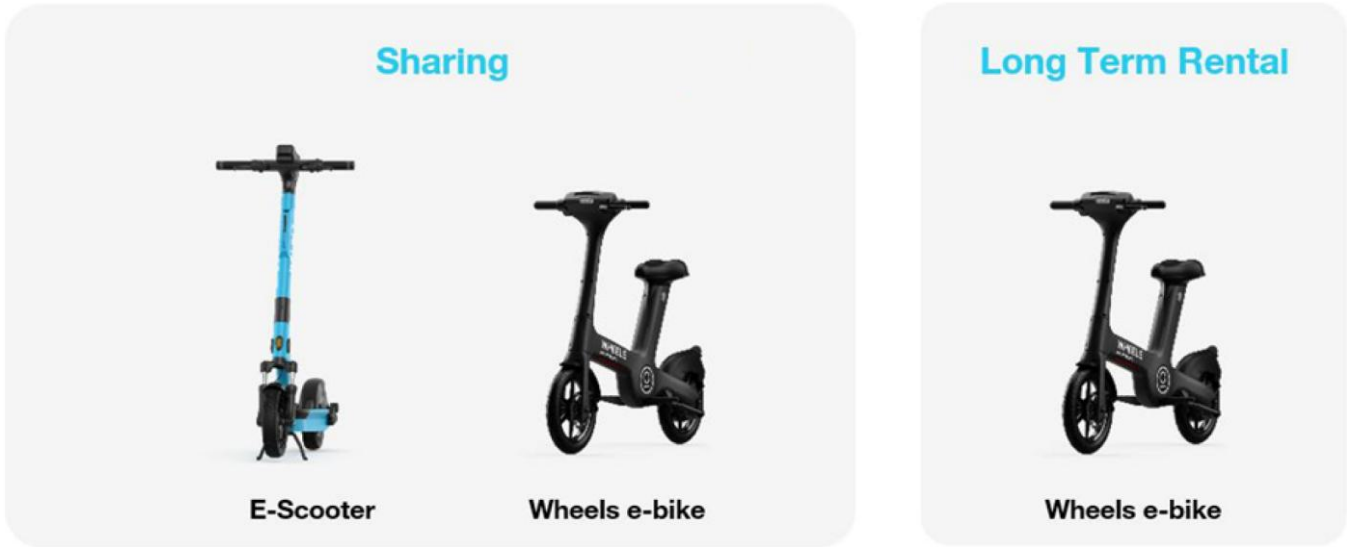
We believe everyone has the right to move freely on their own terms, and have the ability to optimize across cost, time and comfort. Our dockless e-vehicles enable customers to move and connect with their city at a low cost. For commuters and frequent riders, we have an unlimited subscription plan, allowing users to take up to 50, 30-minute trips for a fixed monthly price.

- *Reliability*

Our mission is to be reliable enough to the point where our customers do not need to rely on cars or other modes of transportation or to plan ahead of time. We strive to properly serve cities and maintain e-vehicle density to meet the demand in all areas so that users always have access to a charged vehicle when they need one. We aim to continue to improve our quality, service, offerings and hardware, while accurately optimizing our operating structure.

Our Offerings and Products

We offer our users the opportunity to take advantage of several modes of micromobility options.



- *E-Scooter and Wheels e-Bikes*

We have established a network of shared owned e-scooters and Wheels e-bikes in a number of cities serving the needs of a diverse demographic looking for affordable, efficient, green and more active alternatives for short trips.

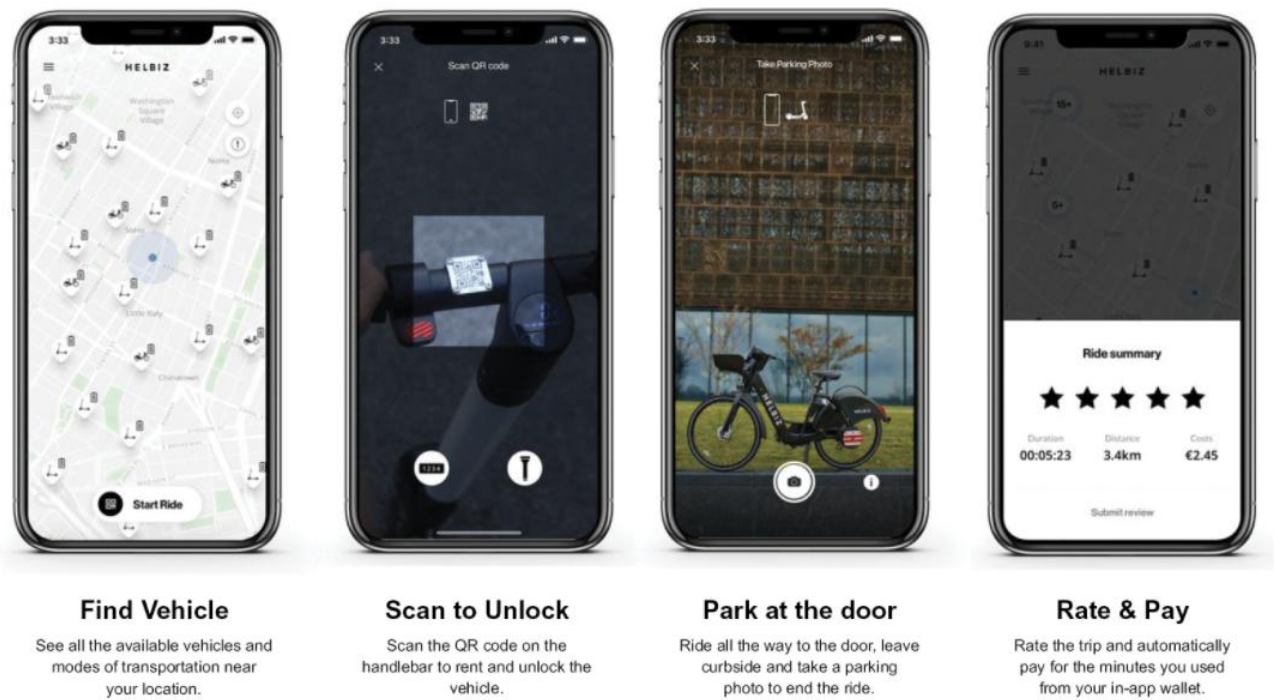
- *Wheels Long-Term Rental/Sales*

Wheels offers a long-term rental option allowing riders to rent their own sit-down scooter for personal use.

The Rider Experience

Our mission is to provide sustainable mobility solutions that solve the transportation needs of our riders and enable them to reach their destinations quickly, conveniently and affordably. This mission all starts with the Helbiz app, the core part of the our experience which connect our users with our vast network of vehicles and platforms.

The Helbiz app provides users the ability to get around and connect with their city through a variety of transportation modes. The Helbiz app is designed to be fast, intuitive, and frictionless enabling users to rent and ride with ease. Our typical rental process can be summarized in the four steps in the following graphics:



Additional app functionality includes the ability to book and reserve vehicles, briefly pause and lock a vehicle in ride, an extensive help toolkit and spoken, written and in-app support 24 hours per day in six languages. We are dedicated to continuing to improve our platform and features to continue to offer the best experience in the industry.

## Subscription Plans

In addition to our pay-as-you-ride per minute ride structure, we also offer a subscription plan for riders on a monthly basis. We see our subscription plan as an important step toward providing a convenient transportation alternative that address our riders' preferences and budgets to make micro-mobility through us their commute of choice. Our subscription plan is purchased upfront and guarantees access to a set amount of time, and all subscriptions can be cancelled at any time.

Types of subscriptions include:

- *Wheels Long-Term Rental*

Wheels offers a long-term rental option allowing riders to rent their own sit-down scooter for personal use. The subscription can be canceled any time after return of the vehicle.

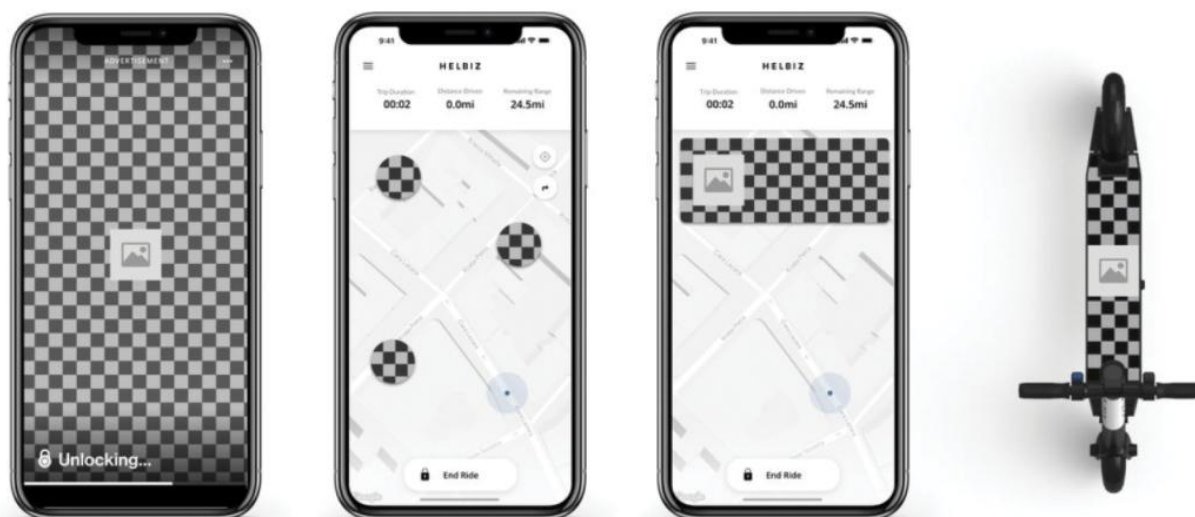
- *Helbiz Plus*

Take 50 trips with each trip of maximum 30 minutes on our e-scooters and e-bikes on a monthly basis for a fixed price.

## The Advertisement Experience

Our users are always on the move and interacting with their local communities. Advertisers have the opportunity to put relevant content in front of them at every stage of this journey. Unlike other ad platforms, we interact directly with consumers and their environment while they are on-the-go. We have understood this unique opportunity since our early days, but only begun to fully translate it into a value adding ad product suite in late 2020 as our reach and potential significantly increased.

While we are actively working on expanding our offering and tools it currently includes:



- *Unlock advertisement:* which uses us as a digital billboard to show a full screen video message every time a user unlocks one of our vehicles globally, in a specific city or targeted area;
- *Location based advertisements:* which trigger advertisements when a user is in the vicinity of a specific location;
- *Map branding:* which enables companies to sponsor pins, parking spots or specific locations on the map; and
- *Vehicle co-branding:* which custom wraps our vehicles for a maximum-visibility, full-takeover campaign, paid per vehicle on a daily basis.

## Field Operations Excellence

Along with vehicle quality and the user app experience, we aim to differentiate our shared mobility service through field operations. In each city in which we operate, our operation team is tasked with ensuring that our vehicles are properly distributed, charged, maintained and always ready to rent. Some of the operations teams are inhouse while others are outsourced.

## Sales & Marketing

We are marketing our offering to users through brand advertising, direct marketing and fostering rapid adoption through on-street presence and strategic partnerships. We use a variety of broad campaigns from television ads to strategic joint partnerships with strong local brands to promote our platform and extend our service to existing loyal user bases. Our direct marketing is made up of promotions, referrals and time-based incentives where we attract consumers through a tailored combination, depending in the city, of sponsored search, targeted social media, push & text notifications and email campaigns.

## Other business lines

### *Helbiz Media*

We formed Helbiz Media, our wholly-owned subsidiary dedicated to the acquisition and distribution of content over Helbiz Live, a new internally developed app that is separate from our micro-mobility app. Helbiz Live was included in our monthly subscription: Helbiz Plus (formerly know as Helbiz Unlimited), our offering of unlimited monthly e-bike and e-scooter use for a fixed fee, and we may make it available through other subscription models. Helbiz Media was charged with acquiring the rights to stream media content on Helbiz Live, with a focus on acquiring the rights to broadcast sporting events. The first content that Helbiz Media has acquired, for the Italian territory, were approximately 390 regular season games in the Italian Serie B soccer league. League Serie B took care of the TV productions of all matches and provided the feeds to Helbiz Media. Helbiz Live expanded its content offering (i) in October 2021 by acquiring the rights to broadcast on its app in Italy two live soccer matches per day during the German Cup (*DFB-Pokal*) and highlights of each round of the German Cup as well as weekly highlights of NFL football games and other NFL branded content (ii) in November 2021 by partnering with ESPN to broadcast on its App in Italy (a) two NCAA college football games and two NCAA men's college basketball games per week, (b) 10 NCAA football bowl games, including the semifinals and finals and (c) 20 NCAA men's basketball tournament games, including the semi-finals and the finals and (iii) in March 2022 by acquiring the rights to stream live and on demand up to four Major League Baseball games weekly, in addition to all playoff games, for three seasons.

In June 2023, the Company received communications from LNPB, the main live content provider, notifying that it was terminating early the agreements related to the commercialization and broadcast of the LNPB content. The communications also requested the immediate payment of the invoices overdue amounting to \$11,394. In February 2024, the Company entered into a Settlement agreement with LNPB. In detail, the main amended term was the full satisfaction of the Company's obligations under the original agreements in exchange of a payment of \$5,392, divided in three payments on or prior November 30, 2024, half of the amount has been paid in March 2024. As a result of the early termination of LNPB agreements, Helbiz Media significantly reduced its operations. Helbiz Media represented approximately 41.9% of our revenue in our 2022 fiscal year and 40.4% of our revenue in our 2023 fiscal year.

### *Helbiz Kitchen*

Helbiz Kitchen, was a delivery-only "ghost kitchen" restaurant concept that specializes in preparing healthy-inspired, high-quality, fresh, made-to-order meals. Users were able to order meals on our mobile App for delivery to their home, office or other desired location, and we would prepare and deliver such meals using our e-vehicles.

We launched Helbiz Kitchen in June 2021 with a pilot ghost kitchen in Milan, Italy. Our approximately 21,500 square foot facility in Milan offered six menus of dishes (pizza, hamburgers, poke, salads, sushi and ice cream) for 12 hours a day, seven days a week. We discontinued the Helbiz Kitchen operations in our fiscal 2023. We did not consider revenue from Helbiz Kitch to be material in either our fiscal 2022 or fiscal 2023.

## Competition

We provide transportation services, particularly those in the urban micro-mobility category (generally, intra-city trips that less than five miles). As a result, we compete with other modes and providers of transport. For our e-scooter and e-bike sharing services, this includes busses, subways, bicycles, cars, trains, motorcycles, scooters and walking, among other short-distance transportation modes.

Our services compete directly with many transportation-as-a-service ("TaaS") companies. The market for TaaS networks is intensely competitive and characterized by rapid changes in technology, shifting rider needs and frequent introductions of new service and offerings. We expect competition to continue, both from current competitors, who may be well-established and enjoy greater resources or other strategic advantages, as well as new entrants into the market, some of which may become significant competitors in the future. Our main competitors in the micro-mobility sharing market vary by market but include Lime and Lyft. We also compete with car sharing services such as Uber and Lyft, certain non-ridesharing TaaS network companies, public transportation, taxicab, and livery companies as well as traditional automotive manufacturers, such as BMW, which have entered the TaaS market, among others.

We believe the essential competitive factors in our market include the following:

- coverage and availability of access;
- scale of network;
- product design;
- ease of adoption and use;
- partnerships and integrations;
- branding;
- safety;
- innovation;
- regulatory relations; and
- prices.

Many of our competitors and potential competitors are larger and have greater brand name recognition, longer operating histories, larger marketing budgets, established marketing relationships, access to larger customer bases and significantly greater resources for the development of their offerings. For additional information about the risks to our business related to competition, see our Risk Factors.

### **Strategy**

We have suspended our strategies previously disclosed in in our prior annual report. Those strategies centered on growth. Given our current financial condition and the difficulty of raising capital, our current strategy is to focus our operations on our micromobility offerings in the cities and service areas in which we operate that have the most potential for profitable operations and to continue rentals of our Wheels vehicle. We are considering several options to achieve this strategy including, among others, selling the rights that we have to provide micromobility services in certain cities or regions in which we operate (or selling the subsidiaries offering those services), ceasing to offer micromobility services in certain cities or regions in which we operate and/or reducing the scope of offerings in certain cities or regions in which we operate.

### **Seasonality**

Each city and region where we operate or intend to operate has unique seasonality, events and weather that can increase or decrease rider demand for our platform. We expect to experience different levels of seasonality in each market in which we operate, typically correlated to changes in the number of local residents and visitors. Ride volume can also be impacted by general trends in business or travel and tourism. Certain holidays can have an impact on ride volume on the holiday itself or during the preceding and subsequent weekends. In addition, rain, snow and cold weather tend to increase the demand for car-based transportation but reduce the demand for e-scooter and e-bike rentals.

### **Intellectual Property**

We generally rely on trademark, copyright and trade secret laws and employee and third-party non-disclosure agreements to protect our intellectual property and proprietary rights. We are currently in the process of pursuing trademark protection for our name and logos in the United States. Although we believe that our pending trademark applications will be granted by the United States Patent and Trademark Office, such trademarks might not be granted, might be challenged, invalidated, or circumvented or might not provide competitive advantages to us.

We also plan to rely on patents to protect our intellectual property and proprietary technology, to the extent feasible, and plan to consult with intellectual property counsel to determine what patents we may be able to file to protect our intellectual property. Wheels has already made strides in this area with a number of key innovations, such as our micro-controller technology that allows users to control all vehicle functions via Bluetooth, WiFi, and cellular networks. One of the unique features we have filed a patent for is a pedal-less bike body specifically designed for micro-mobility sharing use, which sets us apart from competitors and offers users a distinctive mode of transportation. Another important innovation is the electrical integration of helmets into the chassis of our Wheels devices, promoting safety, as the helmet can be unlocked and locked when the device is in use or not. To promote hygiene in our shared-use service, we have developed an anti-microbial film inside the helmets, enabling users to replace the film rather than reusing the previous customer's film. Furthermore, we hold patents on the use of gear motors to improve climb performance for hill climbs, providing a better experience for users in hilly terrain. As of the date of this annual report, we have filed a patent application in the United States for our smart parking technology (patent application number: 16/673,518). Although we believe that some of our technology may be patentable, such patents might not be granted, might be challenged, invalidated, or circumvented, or the rights granted thereunder or under licensing agreements might not provide competitive advantages to us. We believe that due to the rapid pace of technological innovation for technology, mobile, and internet products, our ability to establish and maintain a position of technological leadership in the ridesharing industry depends more on the skills of our development personnel than the legal protection afforded our existing technology.



Our success depends in part, upon our proprietary software technology and proprietary App. We have not yet protected our software through copyright or other regulatory measures. Our standard intellectual property confidentiality and assignment agreement with employees, consultants and others who participate in the development of our software might be breached, we might not have adequate remedies for any breach, or our trade secrets might not otherwise become known to or independently developed by competitors. Our efforts to protect our proprietary technology might not prevent others from developing and designing products or technology similar to or competitive with those of ours. Our success depends in part, on our continued ability to license and use third-party technology that is integral to the functionality of our products and App. This includes functions such as our payment gateway that we use for handling credit card payments, subscriptions and wallet top-ups (which we license through Stripe), interfacing with vehicles from certain suppliers (such as our license with Segway), hosting our server infrastructure (provided by Amazon Web Services) and hosting our data for analytics (provided by Google Cloud). An inability to continue to procure or use such technology likely would have a material adverse effect on our business, operating results or financial condition.

Our intellectual property is secured to a syndicated loan and security agreement entered into in 2021 and amended in 2023.

#### **Authorizations and licenses in force**

We work closely with the cities where we operate to determine the local services we provide. This includes determining fleet size, deployment locations, hours of operation and pricing. After local operations begin, we revise these determinations using real-time data. We consider compliance with requirements around parking, deployment and redistribution, and rider education to be of the utmost importance. We operate in the following cities in the following countries.

##### ***Italy***

We operates in Italy in the micro-mobility environment. As of April 9, 2024, we hold licenses in 7 cities in Italy for approximately 2,000 e-vehicles, though the number of vehicles that we offer in these cities is significantly less than that. As of April 9, 2024, we operate in 5 cities Parma, Modena, Pisa, San Benedetto and Turin.

##### ***United States***

In 2019, we started our expansion to the United States. As of April 9, 2024, we hold 2 sharing licenses, in Tampa (Florida) and Santa Monica (California).

#### **Insurance**

Although we pride ourselves on our commitment to safety, the sheer volume of users increases the likelihood of serious injury or property damage as a result of the use of our vehicles. To mitigate our exposure to liability from any such injuries or damage, we provide general liability insurance in the cities where we operate to cover third-party bodily injury or property damage resulting from one of our vehicles. The insurance does not cover instances where the user is at fault, but rather damages arising from faulty vehicles or maintenance issues. Additionally, such general liability insurance is required in the U.S. and Italian cities in which we operate and seek to operate.

Insurance in the micro-mobility industry is unique as it is a limited marketplace. There are only a handful of carriers that will write insurance for it and even less for multi city operators. We have our insurance policies with Apollo Underwriting Ltd. covering the U.S. market and Societa' Reale Mutua Assicurazione for the Italian market. These policies give us the ability to purchase coverage if and when we get permits for additional cities.

#### **Suppliers**

We subcontract the manufacturing, assembly and testing of our vehicles to third-party suppliers mainly located in Asia.

The typical supply chain timeline requires on average six-months from manufacturing the e-vehicles, delivery to deploying in the relevant markets. The process depends on the typical supply lines running via sea, train and air. A mix of local suppliers and suppliers based in Asia, are responsible for providing us spare parts for our e-vehicles.

Overall, we depend upon a limited number of third parties to perform these functions, some of which are only available from single sources with which we have flexible contracts in place. In particular, we rely on:

- Stripe for the processing of customer payments;
- Segway Group for the supply of our electric fleet, excluding Wheels; and
- I-Walk for the supply of Wheels electric fleet.

## Stripe

Under the terms of our arrangement, the service fees for debit and credit card transactions are not calculated on a monthly transaction volume basis. Instead, Stripe provides a consistent billing mechanism that remains in effect as long as the account is open, without the need for expiration dates or custom agreements. This means that our partnership with Stripe continues indefinitely, ensuring a stable and predictable fee structure for all card payments processed through our account.

## Segway

According to our agreement with Segway, we acquired approximately 7,000 e-scooters in 2020. Unlike traditional usage-based billing models, Segway implements a fixed fee structure for its technology licensing. This fixed fee applies to any vehicle that has an active SIM card, irrespective of the months of activity or the extent of usage. Each active SIM card comes with a specified amount of data included. Should the usage exceed the included data amount, additional consumption is billed on a pay-as-you-go basis. This pricing model simplifies financial planning for our fleet operations by eliminating variability in monthly fees based on usage, ensuring that costs are predictable and aligned with our operational needs. Furthermore, our partnership agreement with Segway is automatically renewed every year. This arrangement provides us with a continuous and uninterrupted access to Segway's licensed technology, facilitating long-term planning and stability for our e-scooter fleet operations.

## Employees

As of March 31, 2024, we have 39 full-time employees, no part-time employees. None of our employees are subject to a collective bargaining agreement, and we believe that our relations with our employees generally are good.

The following table sets out the number of our employees on a full-time basis:

Position	Employees
Management and administration	14
Operations	10
Customer Support	4
Technology/Research & Development	11
<b>Total</b>	<b>39</b>

## Material Agreements

In addition to our compensation agreements with management and other material agreements described elsewhere in this annual report, we have entered into the following material agreements under which we still have obligations or rights:

### Loan and Security Agreement

On March 23, 2021, we entered into a Loan and Security Agreement (the "Loan and Security Agreement") and other related agreements with four institutional lenders. Under the terms of the Loan and Security Agreement, the aggregate principal amount of the loan was \$15 million dollars and we received net proceeds of \$11.9 million thereunder. We are required to pay back such loan and any accrued and unpaid interest thereon on December 1, 2023.

The loan carries interest at 9.2% per annum, which increases in the event of a default under the loan to 13.2%. The interest of the loan is due monthly, but no payments need be made directly by us during the first year as twelve months of interest payments were held in reserve and the first interest payments are paid from that reserve until it is reduced to zero. At closing, we were required to pay in advance an intellectual property insurance premium of 3.5% per annum (or part thereof).

In connection with the loan, we granted the lenders a security interest in certain intellectual property held by us. In the event of a default, the lenders may acquire that intellectual property to settle any amounts due under the loan.

On December 8, 2023, we entered into an Assignment and Release Agreement (the "Assignment Agreement") by and among the holder of the obligations under the Agreement (the "Assignor") and YA II PN, Ltd. (the "Assignee"). Pursuant to that Assignment Agreement, in exchange for the settlement amount of approximately \$3.6 million, the Assignor assigned and conveyed the aggregate principal amount outstanding (the "Principal") under a loan agreement the Company entered into with the Assignor on March 23, 2021, to the Assignee. In connection with the Assignment Agreement, we also agreed to grant the Assignee conversion rights subject to the outstanding balance of \$5,750,000 (the "New Principal"), the remaining principal, subject to a conversion price of \$1.25 per share of common stock of the Company (the "Conversion Price"). As a result, the Assignee may convert the New Principal in its sole discretion at any time on or prior to maturity at the Conversion Price. We may not convert any portion of the New Principal if such conversion would result in the Assignee beneficially owning more than 4.99% of our then issued common stock, provided that such limitation may be waived by the Assignee with 65 days' notice.

## **Acquisition of Wheels Labs, Inc.**

On November 18, 2022, we acquired all of the issued and outstanding shares of capital stock of Wheels Labs, Inc. (“Wheels”), and Wheels became our wholly-owned subsidiary when another wholly-owned subsidiary (“Merger Sub”) merged with and into Wheels (the “Merger”). In connection with the Merger, we entered into an Amended and Restated Agreement and Plan of Merger (the “Amended Merger Agreement”) on October 24, 2022 with Wheels and Merger Sub and an Escrow Agreement with Wheels, Merger Sub, an escrow agent and an authorized representative of certain security holders of Wheels.

Pursuant to the Amended Merger Agreement, in exchange for all of the outstanding share capital of Wheels, Merger Sub merged with and into Wheels and became our wholly-owned subsidiary. The following is a summary of the Amended Merger Agreement, and we suggest that you review the entire Agreement, which is attached as an exhibit to this Current Report, if you would like to have a deeper understanding of its terms.

### **Consideration**

In exchange for all of the outstanding share capital of Wheels, we issued to security holders of Wheels approximately 6,751,823 Series A convertible preferred stock equal to six and ninety-nine hundredths (6.99%) of our total issued and outstanding common stock immediately prior to the Closing (as may be adjusted downwards pursuant to the terms and conditions of the Amended Merger Agreement). The Series A convertible preferred stock converted into 904 shares of the Company’s Class A common stock upon the approval of the majority of the holders of the Company’s common stock to allow for such issuance under Nasdaq Rule 5635 (the “Stockholder Approval”).

### **Serie B Licenses**

On June 7, 2021, we entered into two agreements with Lega Nazionale Professionisti Serie B (“League Serie B”) to acquire the rights to broadcast approximately 390 regular season soccer games in Serie B for the next three seasons, on a non-exclusive basis. Additionally, Helbiz Media has been appointed by the League Serie B as the exclusive distributor of the Serie B international media rights. Pursuant to the agreements with the League Serie B, Helbiz Media will commercialize such international rights on behalf of the League Serie B. Under these agreements, Serie B will take care of the TV productions of all matches and will provide the feeds to Helbiz Media. The agreements that we entered into with League Serie B for rights outside of Italy gives us the right to distribute the rights to third parties to broadcast the Serie B games outside of Italy, including Helbiz Media itself. We have guaranteed Serie B a minimum annual payment of €2.5 million (approximately \$3 million) in connection with the distribution of the rights outside of Italy, and any amounts received after €2.5 million (approximately \$3 million) will be divided among us and League Serie B.

The agreements that we entered into with Serie B for rights in Italy are non-exclusive rights. The rights to broadcast in Italy have been sold to two other over-the-top providers pursuant to agreements on the same terms as well as to one provider for terrestrial and/or cable and satellite broadcast. We are required to pay €12 million (approximately \$14 million) per year in connection with these right.

In June 2023, the Company received communications from League Serie B notifying if of League Serie B’s early termination of the agreements related to the commercialization and broadcast of the LNPN content. The communications also requested the immediate payment of the invoices overdue amounting to \$11.4 million. In February 2024, the Company entered into a Settlement agreement with LNPN pursuant to which the Company’s obligations under the original agreements will be satisfied in exchange of a payment of \$5.4 million, divided in three payments on or prior November 30, 2024.

### **SEPA**

On March 8, 2023, we entered into a SEPA with Yorkville (the “March SEPA”, and together with the October SEPA and the March SEPA, the “SEPA”). Pursuant to the March SEPA, we have the right, but not the obligation, to sell to Yorkville up to \$50,000,000 of shares of Class A common stock at our request any time during the commitment period commencing on March 8, 2023 and terminating on the earliest of (i) the first day of the month following the 24-month anniversary of the March SEPA and (ii) the date on which Yorkville shall have made payment of any advances requested pursuant to the March SEPA for shares of our Class A common stock equal to the commitment amount of \$50,000,000. Each sale we request under the March SEPA (an “Advance”) may be for a number of shares of Class A common stock equal to the greater of: (i) an amount equal to 100% of the average daily traded amount of the shares during the five Trading Day immediately preceding the delivery of an Advance Notice, or (ii) 5,000,000 shares of common stock. The shares would be purchased at 95.0% of the Option 1 Market Price, which is the lowest VWAP (the daily volume weighted average price of our Class A common stock for the applicable date on the Nasdaq Capital Market as reported by Bloomberg L.P. during regular trading hours) in each of the three consecutive trading days commencing on the trading day following our submission of an Advance Notice to Yorkville, or 92.0% of the Option 2 Market Price, which is the VWAP during the period commencing upon receipt of such Advance Notice and ending on 4:00 p.m. on such day. An Advance with an Option 2 Market Price can only be selected with the consent of Yorkville. The purchase would be subject to certain limitations, including that Yorkville could not purchase any shares that would result in it owning more than 9.99% of our Class A common stock or any shares that, aggregated with any related transaction, would exceed 48,119,674, unless shareholder approval was obtained allowing for issuances in excess of the Exchange Cap. The Exchange Cap will not apply under certain circumstances, including to the extent that (and only for so long as) the average price for all shares of Class A common stock purchased pursuant to the March SEPA shall equal or exceed the Minimum Price (as defined in Nasdaq Listing Rule 5635(d)).

In addition, subject to the mutual consent of the Company and Yorkville, we may, from time to time, request pre-advance loans from Yorkville, in the aggregate not to exceed \$50,000,000 and pursuant to the terms and conditions set forth in the March SEPA and the accompanying promissory note attached thereto. Pre-Advance Loans may be repaid with cash (including the proceeds of an Advance) or in shares of Class A common stock if the holder elects to convert the promissory note issued in connection with such Pre-Advance Loan.

In connection with the execution of the March SEPA, we agreed to pay a commitment fee of \$750,000 as consideration for its irrevocable commitment to purchase the shares of Class A common stock upon the terms and subject to the satisfaction of the conditions set forth in the March SEPA. Such commitment fee is due at the earlier of one month of the date of the March SEPA or the first takedown thereunder.

As of April 9, 2024, we have drawn down approximately \$22.3 million in exchange for the issuance of 43,922,159 shares of common stock.

#### **Agreements with Everli S.P.A.**

In the first quarter of 2024, we entered into two agreements with Everli S.P.A. (“Everli”). Everli was founded in 2014 and offers its grocery delivery service across cities in Europe. It is a related party as our President and Chief Executive Officer has a majority equity interest in Everli. One of the agreements was a Service Supply Agreement entered into with our wholly-owned subsidiary, Helbiz Media Italia Srl, and the other is an Agreement on Business Cooperation entered into with our wholly-owned subsidiary, Helbiz DOO.

The Service Supply Agreement concerns Helbiz Media providing design, development, and communication ideas to Everli. Under the terms of the agreement, Everli is to pay us €6 million, approximately \$6.5 million, in exchange for our provision of “supply services for Everli according to the consolidated industry practice, from the design phase of the various work streams to the realization of the proposed solutions shared and approved by the client.” There is no timeline for the payment of the funds due under this agreement, and to date no funds have been received under this agreement. The Service Supply Agreement expires on March 1, 2025 unless renewed for successive 60 day periods.

The Agreement on Business Cooperation is an agreement pursuant to which we will provide Everli with (i) software development services and (ii) services for preparing for an initial public offering. Pursuant to the Agreement on Business Cooperation, Everli is to pay us an initial payment of €200 thousands, approximately \$220 thousands, within five days of entering into the agreement and a monthly payment of €100 thousands, approximately \$110 thousands. This agreement has no fixed term and may be terminated by either party with 30 days’ notice.

#### **Loan from Palella Holdings LLC**

On January 31, 2024, we issued a note to Palella Holdings LLC, an entity in which our CEO is the sole shareholder, in exchange for net proceeds of \$1,000,000. Pursuant to the terms of the note, we are to pay Palella Holdings LLC \$1,000,000 on an interest free basis on January 31, 2025. The note is convertible into shares of our common stock at a conversion price to be agreed upon between us and Palella Holding LLC at the time of such conversions.

### **ITEM 1A. RISK FACTORS**

*Investing in our securities involves risks. Before you make a decision to buy our securities, in addition to the risks and uncertainties discussed above under “Forward-Looking Statements,” you should carefully consider the specific risks set forth herein. If any of these risks actually occur, it may materially harm our business, financial condition, liquidity and results of operations. As a result, the market price of our securities could decline, and you could lose all or part of your investment. Additionally, the risks and uncertainties described in this Annual Report are not the only risks and uncertainties that we face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may become material and adversely affect our business.*

#### **Summary of Risk Factors**

The following is a summary of certain risks that may affect our business, industry and/or financial condition and results of operations:

- ***Our limited operating history may make it difficult to evaluate the success of our business to date and to assess our future viability.***
- ***We have realized significant operating losses to date and expects to incur losses in the future.***
- ***We will need additional capital to fund our operations, which, if obtained, could result in substantial dilution or significant debt service obligations. We may not be able to obtain additional capital on commercially reasonable terms, which could adversely affect our liquidity and financial position.***
- ***Issuance of shares of class A common stock pursuant to our SEPA or upon the exercise or conversion of options, warrants or convertible securities will further dilute the outstanding shares of shares of common stock and could adversely impact the price of our Class A common stock.***
- ***Our financial statements for the fiscal year ended December 31, 2023 include an explanatory paragraph from our auditor indicating that there is substantial doubt about our ability to continue as a going concern.***
- ***We have debts and may incur additional debts in the future. Our debt repayment obligations may limit our available resources and the terms of debt instruments may limit our flexibility in operating our business.***
- ***If we breach covenants under our outstanding debts, we could be held in default under such loans, which could accelerate our repayment dates and result in the transfer of our intellectual property.***
- ***The market for micro-mobility vehicle sharing is in an early stage of growth, and if such market does not continue to grow, grows more slowly than we expect or fails to grow as large as we expect, our business, financial condition and results of operations could be adversely affected.***
- ***If we are unable to efficiently grow and further develop our network of shared vehicles and manage the related risks, our business, financial condition and results of operations could be adversely affected.***
- ***If we fail to cost-effectively attract new riders, or to increase utilization of our platform by existing riders, our business, financial condition and results of operations could be adversely affected.***
- ***We could be subject to claims from riders third parties that are harmed whether or not our platform is in use, which could adversely affect our business, brand, financial condition and results of operations.***
- ***We will face significant market competition in the transportation industry.***
- ***We face intense competition and could lose market share to competitors, which could adversely affect our business, financial condition, and results of operations.***
- ***We depend upon a limited number of third-party manufacturers to produce and test our products and to maintain our payment platform.***

- *Any disruptions in the operations of, or the loss of, any of these third parties could adversely affect our business.*
- *Our vehicles may experience quality problems from time to time, which could result in product recalls, injuries, litigation, enforcement actions and regulatory proceedings, and could adversely affect our business, brand, financial condition, and results of operations.*
- *We may become subject to claims, lawsuits, government investigations and other proceedings that may adversely affect our business, financial condition, and results of operations.*
- *We have had to reduce our operations and may need to reduce them further.*
- *We depend on key personnel and may not be able to attract and retain qualified personnel necessary for the design, development, marketing, and sale of our services.*
- *We rely on third-party payment processors to process payments made by riders on our platform, and if we cannot manage our relationships with such third parties and other payment-related risks, our business, financial condition, and results of operations could be adversely affected.*
- *We rely on other third-party service providers and if such third parties do not perform adequately or terminate their relationships, our costs may increase and our business, financial condition and results of operations could be adversely affected.*
- *Our marketing efforts to help grow our business may not be effective.*
- *Our future success depends on our ability to keep pace with rapid technological changes that could make our current or future technologies less competitive or obsolete.*
- *We are subject to intense competition.*
- *We will require intellectual property protection and may be subject to the intellectual property claims of others.*
- *We may become subject to claims by third parties asserting that we or our employees have infringed or misappropriated their intellectual property or claiming ownership of what we regard as our own intellectual property.*
- *We may become involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time consuming and unsuccessful, and have a material adverse effect on the success of our business.*
- *Our business is subject to a wide range of laws and regulations, many of which are evolving, and failure to comply with such laws and regulations could adversely affect our business, financial condition, and results of operations.*
- *Any actual or perceived security or privacy breach could interrupt our operations and adversely affect our reputation, brand, business, financial condition, and results of operations.*
- *Changes in laws or regulations relating to privacy, data protection or the protection or transfer of personal data, or any actual or perceived failure by us to comply with such laws and regulations or any other obligations relating to privacy, data protection or the protection or transfer of personal data, could adversely affect our business.*
- *Systems failures and resulting interruptions in the availability of our website, applications, platform, or offerings could adversely affect our business, financial condition and results of operations.*
- *Our business could be adversely impacted by changes in the Internet and mobile device accessibility of users and unfavorable changes in or our failure to comply with existing or future laws governing the Internet and mobile devices.*
- *We rely on mobile operating systems and application marketplaces to make our apps available to the riders, subscribers, and users on our platform, and if we do not effectively operate with or receive favorable placements within such application marketplaces and maintain high rider reviews, our usage or brand recognition could decline and our business, financial results and results of operations could be adversely affected.*
- *Defects, errors or vulnerabilities in our applications, backend systems or other technology systems and those of third-party technology providers could harm our reputation and brand and adversely impact our business, financial condition, and results of operations.*
- *We may be subject to theft, loss, or misuse of personal data about our employees, customers, or other third parties, which could increase our expenses, damage our reputation, or result in legal or regulatory proceedings.*
- *The price of our common stock likely will be volatile like the stocks of other early-stage companies.*
- *Our common stock was delisted from the Nasdaq Capital Market*
- *We have broad discretion in the use of our existing cash, cash equivalents and may not use them effectively.*
- *We have never paid dividends on our common stock, and we do not anticipate paying any cash dividends on our common stock in the foreseeable future.*
- *Sales of a substantial number of shares of our common stock in the public market by our existing stockholders could cause our stock price to decline.*
- *We have authorized shares of preferred stock and the issuance of any such shares could contain preferred or super voting power.*

## **Risks Related to Our Business and Industry**

***Our limited operating history may make it difficult to evaluate the success of our business to date and to assess our future viability.***

We were incorporated as a Delaware corporation in October 2015 for the purpose of becoming a seamless transportation and payment ecosystem for micro-mobility vehicle sharing. Since inception, we have devoted substantially all of our resources to building our intellectual property portfolio, planning our business, raising capital and providing general and administrative support for these operations. Further, we have no history of profitability. If we do not generate positive cash flow in a timely manner and attain profitability, we may not be able to remain in business. We are also subject to business risks associated with new business enterprises, including risks relating to the development and testing of our product, software, initial and continuing regulatory compliance, privacy and data storage matters, vendor manufacturing costs, product production and assembly, and the competitive and regulatory environments in the multiple regions in which we operate. We expect our financial condition and operating results to fluctuate significantly from quarter to quarter and year to year due to a variety of factors, many of which are beyond our control. Consequently, any predictions made about our future success or viability may not be as accurate as they could be if we had a longer operating history. In addition, as an early-stage company, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown circumstances. It is difficult to forecast our future results, and we have limited insight into trends that may emerge and affect our business. The estimated costs and timelines that we have developed to achieve our growth projections are subject to inherent risks and uncertainties involved in the transition from a start-up company. Market conditions, many of which are outside of our control and subject to change, including general economic conditions, the impacts and ongoing uncertainties created by the COVID-19 pandemic, the war in Ukraine and the Middle East, fuel and energy prices, regulatory requirements and incentives, competition and the pace and extent of vehicle electrification generally, will impact demand for our business, prospects, financial condition and operating results.

***We have realized significant operating losses to date and expects to incur losses in the future.***

We have operated at a loss since inception, and we expect these losses to continue into at least our 2024 fiscal year if not beyond. Our net loss for the years ended December 31, 2023, and 2022 was \$62.1 million and \$82.1 million, respectively. We might not ever be profitable or generate sufficient profits to distribute dividends to our shareholders. Until we achieve profitability, we will have to seek other sources of capital to continue operations.

***We will need additional capital to fund our operations, which, if obtained, could result in substantial dilution or significant debt service obligations. We may not be able to obtain additional capital on commercially reasonable terms, which could adversely affect our liquidity and financial position.***

We expect that we will need to obtain additional financing, either through borrowings, private offerings, public offerings, or some type of business combination, such as a merger, or buyout to continue operating and to expand our business. We may be unable to acquire the additional funding necessary to expand our business as intended or even to continue operating. Accordingly, if we are unable to generate adequate cash from operations, and if we are unable to find sources of funding, it may be necessary for us to sell all or a portion of our assets, enter into a business combination, or reduce or eliminate operations. These possibilities, to the extent available, may be on terms that result in significant dilution to shareholders, in per share value and/or voting power, or that result in shareholders losing all of their investment in the Company.

If we are able to raise additional capital, we do not know what the terms of any such capital raising would be. In addition, any future sale of our equity securities would dilute the ownership and control of current equity holders and could be at prices substantially below our per share price in our initial public offering, at which our shares have previously been sold in the public market or at which our publicly traded warrants may be exercised.

Capital raises were the primary reason that the total outstanding shares at our common stock increased from 2,172 at December 31, 2021, to 37,129 at March 24, 2023 and to 45,185,172 as of April 9, 2024. Our continued need for capital may result in such hyper dilution in the future. We may seek to increase cash reserves through the sale of additional equity or debt securities or through the sale of assets (including operating subsidiaries). The sale of convertible debt securities or additional equity securities could result in additional and potentially substantial dilution to shareholders. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict our operations and liquidity. In addition, our ability to obtain additional capital on acceptable terms is subject to a variety of uncertainties. Financing might not be available in amounts or on terms acceptable to us, if at all. Any failure to raise additional funds on favorable terms could have a material adverse effect on our liquidity and financial condition.

***Issuance of shares of class A common stock pursuant to our SEPA or upon the exercise or conversion of options, warrants or convertible securities will further dilute the outstanding shares of shares of common stock and could adversely impact the price of our Class A common stock.***

We have entered into SEPAs pursuant to which we could issue shares of class A common stock in materially large amounts. In the past eighteen months, we have sold 44,170,960 shares of common stock (out of 45,185,172 currently outstanding) pursuant to the SEPAs for approximately \$55.8 million. Additionally, in 2021 and 2022, we converted approximately \$43.8 million held by the counterparty to the SEPAs into approximately 14,187 shares of Class A common stock. Any issuances of class A common stock pursuant to the SEPA or upon the conversion of outstanding convertible debt (totaling approximately \$9.2 million as of April 9, 2024).

In tandem with the hyper dilution caused by our equity issuances, the market price of our common stock has markedly decreased. By way of example, the per share price for a share of our common stock has dropped from \$41,175 as at December 31, 2021, to \$982.50 at December 30, 2022, to \$0.073 at December 31, 2023 to \$0.0080 at April 9, 2024. The per share price of our class A common stock may be adversely affected by any such future dilutive stock issuances.

***Our financial statements for the fiscal year ended December 31, 2023 include an explanatory paragraph from our auditor indicating that there is substantial doubt about our ability to continue as a going concern.***

The auditor's opinion accompanying our audited financial statements for the year ended December 31, 2023, include an explanatory paragraph indicating that there is substantial doubt about our ability to continue as a going concern as a result of recurring losses from operations and negative cash flows. Since inception, we have devoted substantially all of our resources to initiating our micro-mobility services in various cities, building our intellectual property portfolio, planning our business, raising capital and providing general and administrative support for these operations. We expect our financial condition and operating results to fluctuate significantly from quarter to quarter and year to year due to a variety of factors, many of which are beyond our control.

***We have debts and may incur additional debts in the future. Our debt repayment obligations may limit our available resources and the terms of debt instruments may limit our flexibility in operating our business.***

As of December 31, 2023, we had total outstanding notes and bonds in a principal amount of approximately \$16.8 million, mostly comprised of unsecured loans from an Italian bank and institutional investors, funds provided under a Loan and Security Agreement and convertible debentures and notes issued to Yorkville. Subject to the limitations under the terms of our existing debt, we may incur additional debt, secure existing or future debt or refinance our debt. In particular, we may need to incur additional debts to fund our activities, and the terms of such financing may not be attractive.

Since our common stock has been delisted from the Nasdaq Capital Market, the dollar volume of our publicly traded shares has significantly decreased. We believe that this decrease in the dollar volume of our shares makes it harder for convertible note holders to have their notes repaid through the conversion of debt than in cash, which in turn increases our need for future financings.

Even if the holders of our convertible debentures convert all of those debentures into shares of common stock, we will use a substantial portion of our cash flows, cash on hand and/or capital raises to pay the principal and interest on our indebtedness. These payments will reduce the funds available for working capital, capital expenditures and other corporate purposes and will limit our ability to obtain additional financing for working capital or making capital expenditures for expansion plans and other investments, which may in turn limit our ability to implement our business strategy. Our debt may also increase our vulnerability to downturns in our business, in our industry or in the economy as a whole and may limit our flexibility in terms of planning or reacting to changes in our business and in the industry and could prevent us from taking advantage of business opportunities as they arise. Our business might not generate sufficient cash flow from operations and future financing might not be available in sufficient amounts or on favorable terms to enable us to make timely and necessary payments under the terms of our indebtedness or to fund our activities.

In addition, the terms of certain of our debt facilities subject us to certain limitations in the operation of our business, due to restrictions on incurring additional debt and encumbrances, carrying out corporate reorganizations, selling assets, paying dividends or making other distributions. Any debt that we incur or guarantee in the future could be subject to additional covenants that could make it difficult to pursue our business strategy, including through potential acquisitions or divestitures.

***If we breach covenants under our outstanding debts, we could be held in default under such loans, which could accelerate our repayment dates and result in the transfer of our intellectual property.***

If we were to default on any of our debt, we could be required to make immediate repayment, other debt facilities may be cross-defaulted or accelerated, and we may be unable to refinance our debt on favorable terms or at all, which would have a material adverse effect on our financial position.

In addition, in connection with the loan under the Loan and Security Agreement entered into with various creditors on March 23, 2021 and subsequently amended and assigned, we granted a security interest in our intellectual property. If we were to default and our intellectual property were to be acquired, we could not continue our operations as currently carried out.

## Risks Related to Our Business Operations

### Risks to Our Micro-Mobility Business

***The market for micro-mobility vehicle sharing is in an early stage of growth, and if such market does not continue to grow, grows more slowly than we expect or fails to grow as large as we expect, our business, financial condition and results of operations could be adversely affected.***

The market for micro-mobility vehicle sharing is new and unproven, and it is uncertain whether demand for our services will grow and achieve wide market acceptance. Our success depends on the willingness of people to widely adopt micro-mobility vehicle sharing. If the public does not perceive such sharing as beneficial, or chooses not to adopt it as a result of concerns regarding safety, affordability or for other reasons, whether as a result of incidents on our platform or on our competitors' platforms or otherwise, then the market for our micro-mobility sharing network may not further develop, may develop more slowly than we expect or may not achieve the growth potential we expect, any of which could adversely affect our business, financial condition and results of operations.

***If we are unable to efficiently grow and further develop our network of shared vehicles and manage the related risks, our business, financial condition and results of operations could be adversely affected.***

While some major cities have widely adopted micro-mobility vehicle sharing, new markets might not accept, or existing markets might not continue to accept, micro-mobility vehicle sharing, and even if they do, we might not be able to execute our business strategy. Even if we are able to successfully develop and implement our network of shared vehicles, there may be heightened public skepticism of this nascent service offering. In particular, there could be negative public perception surrounding micro-mobility vehicle sharing, including the overall safety and the potential for injuries occurring as a result of accidents involving an increased number of bikes, scooters and mopeds on the road. Such negative public perception may result from incidents on our platform or incidents involving competitors' offerings.

We use a limited number of external suppliers for our vehicles, and a continuous, stable and cost-effective supply of vehicles that meet our standards is critical to our operations. We expect to continue to rely on external suppliers in the future and might not be able to maintain our existing relationships with these suppliers and continue to be able to source our vehicles on a stable basis, at a reasonable price or at all.

The supply chain for vehicles exposes us to multiple potential sources of delivery failure or shortages. In the event that the supply of vehicles or key components is interrupted or there are significant increases in prices, our business, financial condition and results of operations could be adversely affected. Additionally, changes in business conditions, force majeure, governmental changes and other factors beyond our control or that we do not presently anticipate could also affect our suppliers' ability to deliver on a timely basis.

We incurred significant costs related to the design, purchase, sourcing and operations of our micro-mobility network and expect to continue incurring such costs as we expand our network of shared vehicles. The prices of our vehicles may fluctuate depending on factors beyond our control including market and economic conditions, tariffs and demand. Substantial increases in prices of these assets or the cost of our operations would increase our costs and reduce our margins, which could adversely affect our business, financial condition and results of operations.

Our vehicles or components thereof may experience quality problems or defects from time to time, which could result in decreased usage of our micro-mobility network. We might not be able to detect and fix all defects in our vehicles. Failure to do so could result in lost revenue, litigation or regulatory challenges, including personal injury or products liability claims, and harm to our reputation.

We envision expanding our current core business to include other sharing services. Failure to provide these additional services as envisioned or at all, could affect our growth prospects and operating results.

The revenue that we generate from our network of shared offerings may fluctuate from quarter to quarter due to, among other things, seasonal factors including weather. Our limited operating history makes it difficult for us to assess the exact nature or extent of the effects of seasonality on our network of shared offerings, however, we expect the demand for vehicle rentals to decline over the winter season and increase during more temperate and dry seasons. Any of the foregoing risks and challenges could adversely affect our business, financial condition and results of operations.

***If we fail to cost-effectively attract new riders, or to increase utilization of our platform by existing riders, our business, financial condition and results of operations could be adversely affected.***

Our success depends in part on our ability to cost-effectively attract new riders, retain existing riders and increase utilization of our platform by current riders. Our riders have a wide variety of options for transportation, including personal vehicles, rental cars, taxis, public transit and other ridesharing and bike and scooter sharing offerings. Rider preferences may also change from time to time. To expand our rider base, we must appeal to new riders who have historically used other forms of transportation or other micro-mobility sharing platforms. Our reputation, brand and ability to build trust with existing and new riders may be adversely affected by complaints and negative publicity about us, our offerings on our platform, or our competitors, even if factually incorrect or based on isolated incidents. Further, if existing and new riders do not perceive our vehicles to be reliable, safe and affordable, or if we fail to offer new and relevant offerings and features on our platform, we may not be able to attract or retain riders or to increase their utilization of our platform. As we continue to expand into new geographic areas and into other modes of transportation, we will be relying in part on referrals from existing riders to attract new riders, and therefore we must take efforts to ensure that existing riders remain satisfied with our offerings. If we fail to continue to grow our rider base, retain existing riders or increase the overall utilization of our platform by existing riders, our business, financial condition and results of operations could be adversely affected. Although we may grow our ride base in cities where we operate, if we do not enter new markets, fails to do so on the scale that we anticipate or loses permits to operate in those cities in which we currently offer micro-mobility services, the growth in our overall rider base may fall below our expectations. If we do not achieve sufficient utilization of our asset-intensive micro-mobility network, our business, financial condition and results of operations could be adversely affected.



***We could be subject to claims from riders third parties that are harmed whether or not our platform is in use, which could adversely affect our business, brand, financial condition and results of operations.***

We are subject to claims, lawsuits, investigations and other legal proceedings relating to injuries to riders or third parties that are attributed to us through our offerings, and such claims, lawsuits, investigations and other proceedings may increase in the future. Although we fundamentally disagree with many of the lawsuits against us, as of December 31, 2023 and December 31, 2022, we concluded that certain losses on litigation were probable and reasonably estimable. As a result, we recorded in our audited financial statement for our 2023 fiscal year and our 2022 fiscal year accruals for legal contingencies amounting to \$4.0 million and \$2.7 million, respectively.

With the acquisition of Wheels, we acquired potential liability to several proceedings that began prior to the acquisition or that may be brought in connection with events that occurred prior to our involvement with Wheels. We may be subject to personal injury claims whether or not such injury actually occurred as a result of activity on our platform. Regardless of the outcome of any legal proceeding, any injuries to, or deaths of, any riders or third parties could result in negative publicity and harm to our brand, reputation, business, financial condition and results of operations. Our insurance policies and programs may not provide sufficient coverage to adequately mitigate the potential liability we face, especially where any one incident, or a group of incidents, could cause disproportionate harm, and we may have to pay high premiums or deductibles for coverage and, for certain situations, we may not be able to secure coverage at all.

As we expand our micro-mobility network, we may be subject to an increasing number of claims, lawsuits, investigations or other legal proceedings related to injuries to, or deaths of, riders. Any such claims arising from the use of our vehicles, regardless of merit or outcome, could lead to negative publicity, harm to our reputation and brand, significant legal, regulatory or financial exposure or decreased use of our vehicles. Furthermore, certain assets and components we design, and manufacture could contain design or manufacturing defects, which could also lead to injuries or death to riders. We might not be able to detect, prevent, or fix all defects, and failure to do so could harm our reputation and brand or result in personal injury or products liability claims or regulatory proceedings. Any of the foregoing risks could adversely affect our business, financial condition, and results of operations.

***We will face significant market competition in the transportation industry.***

Our micro-mobility sharing services compete with all other providers of short-distance transport including busses, subways, bicycles, cars, trams, motorcycles, mopeds, scooters and walking, among other transportation modes. Some of these modes of transport may be perceived as cheaper, more convenient, safer, healthier or more comfortable than using our vehicles.

In addition to competing with these other modes of transport, we more specifically competes with micro-mobility sharing platforms. If the cost, ease of use, safety or other perceived advantages of these platforms are deemed by significant portions of the public to be superior to our platform, we may not achieve a user base that is sufficient to achieve profitability. Our main competitors in the micro-mobility sharing market include Lyft, Lime and Bird. We also compete with bike sharing services like Spin, car sharing services such as Uber and Lyft, certain non-ridesharing “Transportation as a Service”, or “TaaS” network companies, taxicab and livery companies as well as traditional automotive manufacturers, such as BMW, which have entered the TaaS market, among others.

These competitors have greater financial, technical, marketing, research and development, manufacturing and other resources, greater name recognition, longer operating histories or a larger user base than we do. They may be able to devote greater resources to the development, promotion and sale of offerings and offer lower prices than us, which could adversely affect our results of operations. Further, they may have greater resources to deploy towards the research, development, and commercialization of new technologies, including e-scooters, e-bikes or e-scooters, or they may have other financial, technical or resource advantages. These factors may allow our competitors to derive greater revenue and profits from their existing user bases, attract and retain new riders at lower costs or respond more quickly to new and emerging technologies and trends. Our current and potential competitors may also establish cooperative or strategic relationships amongst themselves or with third parties that may further enhance their resources and offerings. If we are unable to compete successfully, our business, financial condition and results of operations could be adversely affected.

***We face intense competition and could lose market share to competitors, which could adversely affect our business, financial condition, and results of operations.***

The market for TaaS networks is intensely competitive and characterized by rapid changes in technology, shifting rider needs and frequent introductions of new services and offerings. We expect competition to continue, both from current competitors and new entrants in the market that may be well-established and enjoy greater resources or other strategic advantages. If we are unable to anticipate or react to these competitive challenges, our competitive position could weaken, or fail to improve, and we could experience a decline in revenue or growth stagnation that could adversely affect our business, financial condition, and results of operations.

***Our reputation, brand, and the network effects among riders on our platform are important to our success, and if we are not able to continue developing our reputation, brand and network effects, our business, financial condition, and results of operations could be adversely affected.***

We believe that building a strong reputation and brand as a safe, reliable, and affordable platform and continuing to increase the strength of the network effects among riders on our platform are critical to our ability to attract and retain customers. The successful development of our reputation, brand and network effects will depend on a number of factors, many of which are outside our control. Negative perception of our platform or company may harm our reputation, brand, and networks effects, including as a result of:

- complaints or negative publicity about the company, riders, our offerings or our policies and guidelines, even if factually incorrect or based on isolated incidents;
- illegal, negligent, reckless or otherwise inappropriate behavior by users or third parties;
- a failure to offer riders competitive ride pricing;
- a failure to provide a range of ride types sought by riders;
- actual or perceived disruptions or defects in our platform, such as privacy or data security breaches, site outages, payment disruptions or other incidents that impact the reliability of our offerings;
- litigation over, or investigations by regulators into, our platform;
- users' lack of awareness of, or compliance with, our policies;
- changes to policies that users or others perceive as overly restrictive, unclear or inconsistent with our values or mission or that are not clearly articulated;
- a failure to detect a defect in our vehicles or other offerings;
- a failure to enforce our policies in a manner that users perceive as effective, fair and transparent;
- a failure to operate our business in a way that is consistent with our values and mission;
- inadequate or unsatisfactory user support service experiences;
- illegal or otherwise inappropriate behavior by our management team or other employees or contractors;
- negative responses by riders to new offerings on our platform;
- accidents, defects or other negative incidents involving riders on our platform;
- perception of our treatment of employees and our response to employee sentiment related to political or social causes or actions of management; or
- any of the foregoing with respect to our competitors, to the extent such resulting negative perception affects the public's perception of us or our industry as a whole.

If we do not successfully develop our brand, reputation and network effects and successfully differentiate our offerings from competitive offerings, our business may not grow, we may not be able to compete effectively, and we could lose existing riders or fail to attract new riders, any of which could adversely affect our business, financial condition, and results of operations.

***Any failure to offer high-quality user support may harm our relationships with users and could adversely affect our reputation, brand, business, financial condition, and results of operations.***

Our ability to attract and retain riders depends in part on the ease and reliability of our offerings, including our ability to provide high-quality support. Users on our platform depend on our support organization to resolve any issues relating to our offerings, such as being overcharged for a ride or reporting a safety incident. Our ability to provide effective and timely support largely depends on our ability to attract and retain service providers who are qualified to support users and sufficiently knowledgeable regarding our offerings. As we expand our geographic reach and mobility sharing platforms, we will face challenges related to providing quality support services at scale. Any failure to provide efficient user support, or a market perception that we do not maintain high-quality support, could adversely affect our reputation, brand, business, financial condition, and results of operations.

***Failure by us to deal effectively with fraud, theft and vandalism could harm our business.***

We may in the future incur losses from various types of fraud, including use of stolen or fraudulent credit card data or claims of unauthorized payments by a rider. Bad actors use increasingly sophisticated methods to engage in illegal activities involving personal information, such as unauthorized use of another person's identity, account information or payment information and unauthorized acquisition or use of credit or debit card details, bank account information and mobile phone numbers and accounts. Under current credit card practices, we may be liable for rides facilitated on our platform with fraudulent credit card data, even if the associated financial institution approved the credit card transaction. Despite measures we have taken to detect and reduce the occurrence of fraudulent or other malicious activity on our platform, we cannot guarantee that any of our measures will be effective or will scale efficiently with our business. Any failure to adequately detect or prevent fraudulent transactions could harm our reputation or brand, result in litigation or regulatory action and lead to expenses that could adversely affect our business, financial condition, and results of operations.

Additionally, because our vehicles are accessible to the public where they have last been parked or where we have decided to place them, they are vulnerable to harm from the public. Bad actors could decide to steal, vandalize, or otherwise harm or destroy our vehicles. For example, shared scooters and bikes have been burned or damaged in recent protests in France, and swappable batteries in shared vehicles have been targeted for theft for the black-market resale of their components. Any such damage or destruction to our vehicles could result in a loss of revenue and additional expenses to replace or repair the damaged vehicle.

***We depend upon a limited number of third-party manufacturers to produce and test our products and to maintain our payment platform. Any disruptions in the operations of, or the loss of, any of these third parties could adversely affect our business.***

We subcontract all of our manufacturing, assembly and testing of our vehicles. Our payment platform was developed by third parties. We depend upon a limited number of third parties to perform these functions, some of which are only available from single sources with which we do not have long-term contracts. In particular, we rely on:

- Stripe, Inc. for payment processing,
- Segway Group for supplying our fleet of electric vehicles, excluding Wheels' vehicle and
- I-Walk for Wheels' vehicles.

Our reliance on sole or limited source vendors involves risks. These risks include possible shortages of key components, product performance shortfalls, and reduced controls over delivery schedules, manufacturing capability, quality assurance, quantity, and costs, among others. For example, our roll out of e-bike services in the second half of 2020 was slowed by the failure of a third-party manufacturer to provide a sufficient supply of reliable e-bikes that met our operational standards. Our operations also may be harmed by lengthy or recurring disruptions at any of the facilities of our manufacturers. These disruptions may include, without limitation, labor strikes, work stoppages, fire, earthquake, flooding, or other natural disasters. These disruptions could cause significant delays in shipments until we are able to shift the products from an affected manufacturer to another manufacturer. The loss of a significant third-party manufacturer or the inability of a third-party manufacturer to meet performance and quality specifications or delivery schedules could harm our business.

***Our vehicles may experience quality problems from time to time, which could result in product recalls, injuries, litigation, enforcement actions and regulatory proceedings, and could adversely affect our business, brand, financial condition, and results of operations.***

Our vehicles may contain defects in their design, materials and construction or may be improperly maintained or repaired. These defects or improper maintenance or repair could unexpectedly interfere with the intended operations of the vehicles, which could result in injuries to riders. Failure to detect, prevent or fix defects or to properly maintain or repair vehicles could result in a variety of consequences including product recalls, injuries, litigation, enforcement actions and regulatory proceedings, among others. The occurrence of real or perceived quality problems or material defects in our current or future e-bikes, e-scooters and e-scooters could result in negative publicity, regulatory proceedings, enforcement actions or lawsuits filed against us, particularly if riders are injured. Even if injuries to riders are not the result of any defects in or the failure to properly maintain or repair our vehicles or other offerings, we may incur expenses to defend or settle any claims and our brand and reputation may be harmed. With the acquisition of Wheels, we have acquired liability that may have attached to Wheels prior to our acquisition of Wheels and of which we may not be fully aware. Any of the foregoing risks could also result in decreased usage of our network of shared transportation modes and adversely affect our business, brand, financial conditions, and results of operations.

## **General Risks to Our Business**

***We may become subject to claims, lawsuits, government investigations and other proceedings that may adversely affect our business, financial condition, and results of operations.***

We may become subject to claims, lawsuits, arbitration proceedings, government investigations and other legal and regulatory proceedings in the ordinary course of business, including those involving personal injury, property damage, worker classification, labor and employment, anti-discrimination, commercial disputes, competition, consumer complaints, intellectual property disputes, compliance with regulatory requirements and other matters, and we may become subject to additional types of claims, lawsuits, government investigations and legal or regulatory proceedings as our business grows and as we deploy new offerings, including proceedings related to product liability or acquisitions, securities issuances or business practices.

For example, we were a defendant in a putative class action suit in New York relating to an initial coin offering of a crypto currency, the HBZ coin, conducted by HBZ Systems PTE Ltd. ("HBZ Systems") in early 2018. Although HBZ Systems has some common ownership with us, we consider it an unrelated party. Following the initial coin offering, HBZ Systems had entered into an arms'-length loan agreement pursuant to which we received a loan of \$1,361,717 with a 9% interest rate per annum (as disclosed in our financial statements), fully repaid during 2021. we received no other funds from HBZ Systems.

As part of the loan agreement, we and HBZ Systems also entered into a Software Development and Service Agreement ("Software Development and Service Agreement"). Pursuant to the Software Development and Service Agreement, we agreed to design and create a shared mobility platform, integrate the HBZ coin as a payment method on that shared mobility platform, and integrate the purchasing and transfer of HBZ coins directly into the platform. By March 2019, we had provided all of the services required under the Software Development and Service Agreement and the HBZ coin had been successfully integrated into the platform. Ultimately, the efforts to create a viable long-term coin were unsuccessful. Despite our efforts, there was minimal adoption from customers of the HBZ coin. In light of the significant expenses associated with keeping the HBZ coin on the platform, in August 2019, we and HBZ Systems mutually agreed to remove the HBZ coin from the our platform.

Although this suit was dismissed with prejudice, plaintiffs appealed the dismissal, and in October 2021, the plaintiffs won their appeal to have the suit not dismissed. Defending this litigation required a substantial amount of funds and our management's time. The plaintiffs brought this action again in New York in March 2022.

The results of any such claims, lawsuits, arbitration proceedings, government investigations or other legal or regulatory proceedings cannot be predicted with certainty. Any claims against us, whether meritorious or not, could be time-consuming, result in costly litigation, be harmful to our reputation, require significant management attention and divert significant resources. Determining whether to maintain reserves for litigation and the amount of any such reserves is a complex and fact-intensive process that requires significant subjective judgment and speculation. It is possible that a resolution of one or more such proceedings could result in substantial damages, settlement costs, fines and penalties that could adversely affect our business, financial condition, and results of operations. These proceedings could also result in harm to our reputation and brand, sanctions, consent decrees, injunctions or other orders requiring a change in our business practices. Any of these consequences could adversely affect our business, financial condition, and results of operations. Furthermore, under certain circumstances, we have contractual and other legal obligations to indemnify and to incur legal expenses on behalf of our business and commercial partners and current and former directors and officers.

A determination in, or settlement of, any legal proceeding, whether we are party to such legal proceeding or not, that involves our industry, could harm our business, financial condition, and results of operations. In addition, we may include arbitration provisions in our terms of service with the riders on our platform. These provisions are intended to streamline the litigation process for all parties involved, as arbitration can in some cases be faster and less costly than litigating disputes in state or federal court. However, arbitration may become more costly for us, or the volume of arbitration could increase to a point where it becomes burdensome, and the use of arbitration provisions may subject us to certain risks to our reputation and brand, as these provisions have been the subject of increasing public scrutiny. To minimize these risks to our reputation and brand, we may limit our use of arbitration provisions or be required to do so in a legal or regulatory proceeding, either of which could increase litigation costs and exposure.

Further, with the potential for conflicting rules regarding the scope and enforceability of arbitration on a jurisdictional basis, there is a risk that some or all of the arbitration provisions we use could be subject to challenge or may need to be revised to exempt certain categories of protection. If our arbitration agreements were found to be unenforceable, in whole or in part, or specific claims are required to be exempted from arbitration, we could experience an increase in costs to litigate disputes and the time involved in resolving such disputes, and we could face increased exposure to potentially costly lawsuits, each of which could adversely affect our business, financial condition and results of operations.

***If competitors acquire rights to our intellectual property, or to intellectual property that we license, it will be easier for those competitors to offer products similar to those of ours.***

Although we own an array of proprietary technology that supplements and advances the technology, it may be possible for a third party to copy or otherwise obtain and use our technology without authorization, develop similar technology independently or design around the patents we own or licenses. If any of our patents fail to protect the relevant technology, it will be easier for competitors to offer products similar to us. In addition, effective copyright, trademark, and trade secret protection may be unavailable or limited in certain countries. Moreover, we may be required to license our intellectual property to third parties.

***We have had to reduce our operations and may need to reduce them further.***

We had intended to expand our micro-mobility sharing platform to new cities, to offer additional types of shared vehicles and to offer additional micro-mobility options in our existing cities. Instead, we have reduced our operations by eliminating our Helbiz Media and Helbiz Kitchen operations and by reducing the number of cities in which we offer our micro-mobility sharing platform and the fleets offered through our platform. Additional reductions in our operations will likely decrease our revenue and could make us a less appealing option for investors and strategic partners.

***We depend on key personnel and may not be able to attract and retain qualified personnel necessary for the design, development, marketing, and sale of our services.***

Our future success depends on the efforts of key personnel, especially Salvatore Palella, the Chief Executive Officer. The loss of services of any key personnel may have an adverse effect on us. We might not be successful in attracting and retaining the personnel we require to develop and market our business and conduct operations. The loss of one or more of our key employees or inability to attract, retain and motivate qualified personnel could negatively impact our ability to design, develop, and sell our service.

***If regional instability were to spread, our operations could be adversely affected***

We conduct a substantial portion of our operations in Italy. In February 2022, Russia invaded Ukraine and the resulting war is ongoing. As a member of the North Atlantic Treaty Organization (“NATO”), if the war in Ukraine were to spread into a NATO country, Italy would be required, pursuant to the terms of NATO membership, to treat such action as an attack on its own territory. Any spread of the conflict in Ukraine to other European countries, especially NATO ones, could cause Italy to join such conflict. Such spread of the conflict could cause us to curtail or suspend our Italian operations, affect the commuting and spending patterns of our users or adversely affect the Italian economy. Additionally, the consequences of the continued war in the Middle East are unknown and could complicate our operations in Europe or the United States.

***We rely on third-party payment processors to process payments made by riders on our platform, and if we cannot manage our relationships with such third parties and other payment-related risks, our business, financial condition, and results of operations could be adversely affected.***

We rely on a limited number of third-party payment processors to process payments made by the riders, subscribers, and users on our platform. If any of our third-party payment processors terminates their relationship with us or refuses to renew an agreement with us on commercially reasonable terms, we would need to find an alternate payment processor and may not be able to secure similar terms or replace such payment processor in an acceptable timeframe. Further, the software and services provided by third-party payment processors may not meet our expectations, contain errors or vulnerabilities, be compromised or experience outages. Any of these risks could cause us to lose our ability to accept online payments or other payment transactions on our platform, any of which could make our platform less convenient and attractive to users and adversely affect our ability to attract and retain riders. Nearly all of our riders’, subscribers’ and users’ payments are made by credit card, debit card or through third-party payment services, which subject us to certain regulations and to the risk of fraud. We may in the future offer new payment options to riders that may be subject to additional regulations and risks. We are also subject to a number of other laws and regulations relating to the payments we accept from riders, including with respect to money laundering, money transfers, privacy and information security. If we fail to comply with applicable rules and regulations, we may be subject to civil or criminal penalties, fines or higher transaction fees and may lose our ability to accept online payments or other payment card transactions, which could make our offerings less convenient and attractive to riders. If any of these events were to occur, our business, financial condition and results of operations could be adversely affected.

Additionally, our payment processors require us to comply with payment card network operating rules, which are set and interpreted by the payment card networks. The payment card networks could adopt new operating rules or interpret or re-interpret existing rules in ways that might prohibit us from providing certain offerings to some users, be costly to implement or difficult to follow. We have agreed to reimburse our payment processors for fines they are assessed by payment card networks if we or the users on our platform violate these rules. Any of the foregoing risks could adversely affect our business, financial condition, and results of operations.

***We rely on other third-party service providers and if such third parties do not perform adequately or terminate their relationships, our costs may increase and our business, financial condition and results of operations could be adversely affected.***

Our success depends in part on our relationships with other third-party service providers. For example, we rely on third-party encryption and authentication technologies licensed from third parties that are designed to securely transmit personal information provided by riders on our platform. Further, from time to time, we may enter into strategic commercial partnerships in connection with the development of new technology, the provision of new or enhanced offerings for users on our platform and our expansion into new markets. If any of our partners terminates their relationship with us or refuses to renew their agreement with us on commercially reasonable terms, we would need to find an alternate provider, and may not be able to secure similar terms or replace such providers in an acceptable timeframe. We also rely on other software and services supplied by third parties, such as communications and internal software, and our business may be adversely affected to the extent such software and services do not meet our expectations, contain errors or vulnerabilities, are compromised or experience outages. Any of these risks could increase our costs and adversely affect our business, financial condition, and results of operations. Further, any negative publicity related to any of our third-party partners, including any publicity related to quality standards or safety concerns, could adversely affect our reputation and brand, and could potentially lead to increased regulatory or litigation exposure.

We incorporate technology from third parties into our platform. We cannot be certain that our licensors are not infringing the intellectual property rights of others or that the suppliers and licensors have sufficient rights to the technology in all jurisdictions in which we may operate. Some of our license agreements may be terminated by our licensors for convenience. If we are unable to obtain or maintain rights to any of this technology because of intellectual property infringement claims brought by third parties against our suppliers and licensors or against us, or if we are unable to continue to obtain the technology or enter into new agreements on commercially reasonable terms, our ability to develop our platform containing that technology could be severely limited and our business could be harmed. Additionally, if we are unable to obtain necessary technology from third parties, we may be forced to acquire or develop alternate technology, which may require significant time and effort and may be of lower quality or performance standards. This would limit and delay our ability to provide new or competitive offerings and increase our costs. If alternate technology cannot be obtained or developed, we may not be able to offer certain functionality as part of our offerings, which could adversely affect our business, financial condition, and results of operations.

***Our marketing efforts to help grow our business may not be effective.***

Promoting awareness of our offerings is important to our ability to grow our business and to attract new riders, subscribers and users and can be costly. Although we believed that much of the growth in our rider, subscriber and user base would be attributable to our paid marketing initiatives, our ridership in the past year has decreased. Our marketing efforts currently include referrals, affiliate programs, free or discount trials, partnerships, display advertising, television, billboards, radio, video, content, direct mail, social media, email, hiring and classified advertisement websites, mobile “push” communications, search engine optimization and keyword search campaigns. We may not be able to increase our user base without a substantial increase in the amount that we spend on our marketing efforts. Even if we successfully increase revenue as a result of our paid marketing efforts, we may not offset the additional marketing expenses we incur.

If our marketing efforts are not successful in promoting awareness of our offerings or attracting new riders, subscribers, or users, or if we are not able to cost-effectively manage marketing expenses, our results of operations could be adversely affected. Any of the foregoing risks could harm our business, financial condition, and results of operations.

***Our future success depends on our ability to keep pace with rapid technological changes that could make our current or future technologies less competitive or obsolete.***

Rapid, significant, and disruptive technological changes continue to impact the industries in which we operate. Our competitors or others might develop technologies that are more effective than current or future technologies, or that render our technologies less competitive or obsolete. If competitors introduce superior Technologies and we cannot make upgrades to our process to remain competitive, our competitive position, and in turn our business, revenues, and financial condition, may be materially and adversely affected. Further, many of our competitors may have superior financial and human resources deployed toward research and development efforts. We are relatively constrained financial and human resources may limit our ability to effectively keep pace with relevant technological changes.

***We are subject to intense competition.***

We currently face significant competition in our markets and expect that intense competition will continue. Our competes primarily based on:

- comprehensiveness of product solutions;
- product performance and quality;
- user interface;
- design and engineering capabilities;
- compliance with industry standards;
- time to market;
- cost;
- new product innovations; and
- customer support.

This competition has resulted and is expected to continue to result in declining average selling prices for our products and services. We anticipate that additional competitors will enter our markets as a result of growth opportunities in wireless telecommunications, the trend toward global expansion by foreign and domestic competitors, technological and public policy changes and relatively low barriers to entry in selected segments of the industry.

Many of our current and potential competitors have advantages over us, including without limitation:

- existing royalty-free cross-licenses to competing and emerging technologies;
- longer operating histories and presence in key markets;
- access to in-house semiconductor manufacturing facilities;
- greater name recognition;
- access to larger customer bases;
- greater access to capital markets; and
- greater financial, sales and marketing, manufacturing, distribution, technical and other resources than we have.

As a result of these factors, these competitors may be more successful than us. These competitors may have more established relationships and distribution channels. These competitors also have established or may establish financial or strategic relationships among themselves or with our existing or potential customers, resellers or other third parties. These relationships may affect customers’ decisions. Accordingly, new competitors or alliances among competitors could emerge and rapidly acquire significant market share our detriment.

## Risks Related to Our Intellectual Property

***We will require intellectual property protection and may be subject to the intellectual property claims of others.***

We rely on intellectual property for operation of our platform, including the operation of our mobile app, the renting of our vehicles, the tracking and maintenance of our vehicles, the receipt of payment for rentals and the rights to broadcast media content. If a third party challenges the continued use of such intellectual property or if we are unable to maintain licenses that we have for the use of such intellectual property, our competitive position could suffer. Notwithstanding our efforts to protect our use of the intellectual property, our competitors may independently develop or license similar or alternative technologies or products that are equal to or superior to us without infringing on any of our intellectual property rights.

***If we are unable to protect our intellectual property rights or if our intellectual property rights are inadequate for our technology and products, our competitive position could be adversely affected.***

Our commercial success depends in large part on our ability to obtain and maintain intellectual property protection in the United States and other countries with respect to proprietary technology that we use and license. We rely on trade secrets, patent, copyright and trademark laws, and confidentiality and other agreements with employees and third parties, all of which offer only limited protection. We will seek to protect our proprietary position by filing and prosecuting patent applications for utility patents in the United States and abroad related to our platform and products that are important to our business and, to the extent permitted by local law, also record our copyrights and trademarks and take such additional reasonable steps as are available to otherwise protect our trade secrets and other intellectual property.

Our business relies on our proprietary technology platform, but we have no patents or limited patent applications to protect the intellectual property underlying this platform. The steps we have taken to protect our proprietary rights and the steps that licensors take to protect intellectual property that we license may not be adequate to preclude misappropriation of our proprietary information or infringement of our intellectual property rights, both inside and outside the United States. If we or such licensors are unable to obtain and maintain patent protection for technology and products that we use, or if the scope of the patent protection obtained is not sufficient, competitors could develop and commercialize platforms and products similar or superior to us, and our ability to successfully commercialize our platforms and products may be adversely affected. We are also possible that we will fail to identify patentable aspects of inventions made in the course of our development and commercialization activities until it is too late to obtain patent protection on them.

Because the issuance of a patent is not conclusive as to inventorship, scope, validity, or enforceability, issued patents may be challenged in the courts or patent offices in the United States and abroad. Such challenges may result in the loss of patent protection, the narrowing of claims in such patents or the invalidity or unenforceability of such patents, which could limit the ability to stop others from using or commercializing similar or identical technology, products, or platforms, or limit the duration of the patent protection for technology and products. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing. Therefore, if we file one or more patent applications to protect our technology, we cannot be certain that we will be the first to make the technology claimed in the pending patent applications, or that we will be the first to file for patent protection of such technology.

Protecting against the unauthorized use of patented technology, trademarks and other intellectual property rights is expensive, difficult and may in some cases not be possible. In some cases, we may also be difficult or impossible to detect third-party infringement or misappropriation of our intellectual property rights, even in relation to issued patent claims or recorded copyrights or trademarks and proving any such infringement may be even more costly and difficult.

***Obtaining and maintaining patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and patent protection could be reduced or eliminated for non-compliance with these requirements.***

The United States Patent and Trademark Office, or U.S. PTO, and various foreign national or international patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. Periodic maintenance fees on any issued patent are due to be paid to the U.S. PTO and various foreign national or international patent agencies in several stages over the lifetime of the patent. While an inadvertent lapse can, in many cases, be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance may result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of patent rights include, but are not limited to, failure to timely file national and regional stage patent applications based on our international patent application, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. If we apply for patents but fail to maintain the patent applications or any issued patents covering our products, our competitors might be able to enter the market, which would have a material adverse effect on our business.

***We may become subject to claims by third parties asserting that we or our employees have infringed or misappropriated their intellectual property or claiming ownership of what we regard as our own intellectual property.***

Our commercial success depends upon our ability to develop, manufacture, market and sell our products, and to use our related proprietary technologies without violating the intellectual property rights of others. We may become party to, or threatened with, future adversarial proceedings or litigation regarding intellectual property rights with respect to our products, including interference or derivation proceedings before the U.S. PTO. Third parties may assert infringement claims against us or third parties from whom we license intellectual property based on existing patents or patents that may be granted in the future. If we are found to infringe a third party's intellectual property rights, we could be required to obtain a license from such third party to continue commercializing our products. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Under certain circumstances, we could be forced, including by court order, to cease commercializing the applicable product candidate. In addition, in any such proceeding or litigation, we could be found liable for monetary damages. A finding of infringement could prevent us from commercializing our platform and products or force us to cease some of our business operations, which could materially harm our business. Any claims by third parties that we or parties from whom we license intellectual property have misappropriated their trade secrets could have a similar negative impact on our business.

***We may become involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time consuming and unsuccessful, and have a material adverse effect on the success of our business.***

Competitors may infringe upon patents we license or may acquire or misappropriate or otherwise violate our intellectual property rights, including our trade secrets, even if done inadvertently. To counter infringement or unauthorized use or disclosure, litigation may be necessary in the future to enforce or defend our intellectual property rights, to protect our trade secrets or to determine the validity and scope of our own intellectual property rights or the proprietary rights of others. Also, third parties may initiate legal proceedings against us to challenge the validity or scope of intellectual property rights we own or license. These proceedings can be expensive and time consuming. Many of our current and potential competitors have the ability to dedicate substantially greater resources to defend their intellectual property rights than we can. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating our intellectual property. Litigation could result in substantial costs and diversion of management resources, which could harm our business and financial results. In addition, in an infringement proceeding, a court may decide that a patent owned or licensed by us is invalid or unenforceable or may refuse to stop the other party from using the technology at issue on the grounds that the patents do not cover the technology in question. An adverse result in any litigation proceeding could put one or more patents at risk of being invalidated, held unenforceable or interpreted narrowly. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, we could have a material adverse effect on the value of our securities.

***If we are not able to adequately prevent disclosure of trade secrets and other proprietary information, the value of our technology could be significantly diminished.***

We rely on trade secrets to protect our proprietary technologies to the fullest extent possible. However, trade secrets are difficult to protect. We rely in part on confidentiality agreements with current and former employees, consultants, manufacturers, vendors, and other advisors to protect our trade secrets and other proprietary information. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, we cannot guarantee that we have executed these agreements with each party that may have or has had access to our trade secrets. Any party with whom we executed such an agreement may breach that agreement and disclose our proprietary information, including trade secrets, and we may not be able to obtain adequate or timely remedies for such breaches.

Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive, and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or completely unwilling to protect trade secrets. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them, or those to whom they disclose such trade secrets, from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor or other third-party, our competitive position would be harmed.

***We may not be able to protect our intellectual property rights throughout the world.***

Filing, prosecuting, and defending patents on all of our products throughout the world would be prohibitively expensive. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and, further, may be able to export otherwise infringing products to territories where we have patent protection but where enforcement is not as strong as that in the United States. These products may compete with our products in jurisdictions where we do not have any issued patents and our patent claims or other intellectual property rights may not be effective or sufficient to prevent them from so competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents or other intellectual property protection, particularly those relating to manufacturing, which could make it difficult for us to stop the infringement of any patents we obtain or the marketing of competing products in violation of our proprietary rights generally. As a result, proceedings to enforce patent rights in certain foreign jurisdictions could result in substantial cost and divert our efforts and attention from other aspects of our business and could be unsuccessful.



***Intellectual property rights do not necessarily address all potential threats to our competitive advantage.***

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business, or permit us to maintain a competitive advantage. The following examples are illustrative:

- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights;
- Our competitors might conduct research and development activities in the United States and other countries that provide a safe harbor from patent infringement claims for certain research and development activities, as well as in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- We may not develop additional proprietary technologies that are patentable; and
- the patents of others may have an adverse effect on our business.

**Risks Related to Government Regulation**

***Our business is subject to a wide range of laws and regulations, many of which are evolving, and failure to comply with such laws and regulations could adversely affect our business, financial condition, and results of operations.***

We are subject to a wide variety of laws in Europe, the United States, and other jurisdictions. Laws, regulations, and standards governing issues such as ridesharing, product liability, personal injury, text messaging, subscription services, intellectual property, consumer protection, taxation, privacy, data security, competition, terms of service, mobile application accessibility, and vehicle sharing are often complex and subject to varying interpretations, in many cases due to their lack of specificity. As a result, their application in practice may change or develop over time through judicial decisions or as new guidance or interpretations are provided by regulatory and governing bodies, such as federal, state, and local administrative agencies.

The ridesharing industry and our business model is relatively nascent and rapidly evolving. New laws and regulations and changes to existing laws and regulations continue to be adopted, implemented, and interpreted in response to the industry and related technologies. As we expand our business into new markets or introduces new offerings into existing markets, regulatory bodies or courts may claim that we or users on our platform are subject to additional requirements, or that we are prohibited from conducting business in certain jurisdictions, or that users on our platform are prohibited from using the platform, either generally or with respect to certain offerings.

Certain jurisdictions and governmental entities require us to obtain permits, pay fees or penalties or comply with certain other requirements to provide vehicle sharing offerings. These jurisdictions and governmental entities may reject our applications for permits or deny renewals, delay our ability to operate, increase their fees or charge new types of fees, any of which could adversely affect our business, financial condition, and results of operations. Additionally, many of the permits that we have received are for set periods of time and need to be renewed every one to two years. If governmental authorities were to revoke any permit that we had previously been granted or deny the renewal of any of our permits, our rider base and the associated revenues would decrease.

Regulatory bodies may enact new laws or promulgate new regulations that are adverse to our business, or they may view matters or interpret laws and regulations differently than they have in the past or in a manner adverse to our business. Such regulatory scrutiny or action may create different or conflicting obligations on us from one jurisdiction to another.

The industry is relatively nascent and is rapidly evolving and increasingly regulated. We could be subject to intense and even conflicting regulatory pressure from national, regional, and municipal regulatory authorities. Adverse changes in laws or regulations at all levels of government or bans on or material limitations to our offerings could adversely affect our business, financial condition, and results of operations.

Our success, or perceived success, and increased visibility may also drive some businesses that perceive our business model negatively to raise their concerns to local policymakers and regulators. These businesses and their trade association groups, or other organizations may take actions and employ significant resources to shape the legal and regulatory regimes in jurisdictions where we may have, or seek to have, a market presence in an effort to change such legal and regulatory regimes in ways intended to adversely affect or impede our business and the ability of riders to utilize our platform.

Any of the foregoing risks could harm our business, financial condition, and results of operations.

## **Risks Related to Customer Privacy, Cybersecurity and Data**

***Any actual or perceived security or privacy breach could interrupt our operations and adversely affect our reputation, brand, business, financial condition, and results of operations.***

Our business involves the collection, storage, processing and transmission of users' personal data and other sensitive data. An increasing number of organizations, including large online and off-line merchants and businesses, other Internet companies, financial institutions, and government institutions, have disclosed breaches of their information security systems and other information security incidents, some of which have involved sophisticated and highly targeted attacks. Because techniques used to obtain unauthorized access to or to sabotage information systems change frequently and may not be known until launched, we may be unable to anticipate or prevent these attacks. Unauthorized parties may in the future gain access to our systems or facilities through various means, including gaining unauthorized access into our systems or facilities or those of our service providers, partners or users on our platform, or attempting to fraudulently induce our employees, service providers, partners, users or others into disclosing rider names, passwords, payment card information or other sensitive information, which may in turn be used to access our information technology systems, or attempting to fraudulently induce employees, partners or others into manipulating payment information, resulting in the fraudulent transfer of funds to criminal actors. In addition, users on our platform could have vulnerabilities on their own mobile devices that are entirely unrelated to our systems and platform but could mistakenly attribute their own vulnerabilities to us. Further, breaches experienced by other companies may also be leveraged against us. For example, credential stuffing attacks are becoming increasingly common and sophisticated actors can mask their attacks, making them increasingly difficult to identify and prevent. Certain efforts may be state-sponsored or supported by significant financial and technological resources, making them even more difficult to detect.

Although we use systems and processes that are designed to protect users' data, prevent data loss and prevent other security breaches, these security measures cannot guarantee security. Our information technology and infrastructure may be vulnerable to cyberattacks or security breaches, and third parties may be able to access our users' personal information and limited payment card data that are accessible through those systems. Employee error, malfeasance or other errors in the storage, use or transmission of personal information could result in an actual or perceived privacy or security breach or other security incident. Although we have policies restricting the access to the personal information we store, we may be subject to accusations in the future of employees violating these policies.

Any actual or perceived breach of privacy or security could interrupt our operations, result in our platform being unavailable, result in loss or improper disclosure of data, result in fraudulent transfer of funds, harm our reputation and brand, damage our relationships with third-party partners, result in significant legal, regulatory and financial exposure and lead to loss rider confidence in, or decreased use of, our platform, any of which could adversely affect our business, financial condition and results of operations. Any breach of privacy or security impacting any entities with which our shares or discloses data (including, for example, third-party technology providers) could have similar effects. Further, any cyberattacks, or security and privacy breaches directed at our competitors could reduce confidence in the ridesharing industry as a whole and, as a result, reduce confidence in us.

Additionally, defending against claims or litigation based on any security breach or incident, regardless of their merit, could be costly and divert management's attention. Our insurance coverage might not be adequate for data handling or data security liabilities actually incurred, that insurance will continue to be available to us on commercially reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have an adverse effect on our reputation, brand, business, financial condition, and results of operations.

***Changes in laws or regulations relating to privacy, data protection or the protection or transfer of personal data, or any actual or perceived failure by us to comply with such laws and regulations or any other obligations relating to privacy, data protection or the protection or transfer of personal data, could adversely affect our business.***

We receive, transmits and stores personally identifiable information and other data relating to the users on our platform. Numerous local, municipal, state, federal and international laws and regulations address privacy, data protection and the collection, storing, sharing, use, disclosure, and protection of certain types of data. These laws, rules and regulations evolve frequently, and their scope may continually change, through new legislation, amendments to existing legislation and changes in enforcement, and may be inconsistent from one jurisdiction to another. Changes in laws or regulations relating to privacy, data protection and information security, particularly any new or modified laws or regulations that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer or disclosure, could greatly increase the cost of providing our offerings, require significant changes to our operations or even prevent us from providing certain offerings in jurisdictions in which we currently operate and in which we may operate in the future.

Further, as we continue to expand our geographic reach, our platform offerings and user base, we may become subject to additional privacy-related laws and regulations. Additionally, we have incurred, and may continue to incur, significant expenses in an effort to comply with privacy, data protection and information security standards and protocols imposed by law, regulation, industry standards or contractual obligations. In particular, with laws and regulations imposing new and relatively burdensome obligations, and with substantial uncertainty over the interpretation and application of these and other laws and regulations, we may face challenges in addressing their requirements and making necessary changes to our policies and practices and may incur significant costs and expenses in an effort to do so.

Despite our efforts to comply with applicable laws, regulations and other obligations relating to privacy, data protection and information security, it is possible that our practices, offerings or platform could be inconsistent with, or fail or be alleged to fail to meet all requirements of, such laws, regulations or obligations. The failure, or the failure by third-party providers or partners, to comply with applicable laws or regulations or any other obligations relating to privacy, data protection or information security, or any compromise of security that results in unauthorized access to, or use or release of personally identifiable information or other rider data, or the perception that any of the foregoing types of failure or compromise has occurred, could damage our reputation, discourage new and existing riders from using our platform or result in fines or proceedings by governmental agencies and private claims and litigation, any of which could adversely affect our business, financial condition and results of operations. Even if not subject to legal challenge, the perception of privacy concerns, whether or not valid, may harm our reputation and brand and adversely affect our business, financial condition and results of operations.

***Systems failures and resulting interruptions in the availability of our website, applications, platform, or offerings could adversely affect our business, financial condition and results of operations.***

Our systems, or those of third parties upon which we rely, may experience service interruptions or degradation because of hardware and software defects or malfunctions, distributed denial-of-service and other cyberattacks, human error, earthquakes, hurricanes, floods, fires, natural disasters, power losses, disruptions in telecommunications services, fraud, military or political conflicts, terrorist attacks, computer viruses, ransomware, malware, or other events. Our systems also may be subject to break-ins, sabotage, theft, and intentional acts of vandalism, including by our employees. Some of our systems are not fully redundant and our disaster recovery planning may not be sufficient for all eventualities. Our business interruption insurance may not be sufficient to cover all of our losses that may result from interruptions in service as a result of systems failures and similar events.

We will likely experience system failures and other events or conditions from time to time that interrupt the availability or reduce or affect the speed or functionality of our offerings. These events have resulted in, and similar future events could result in, losses of revenue. A prolonged interruption in the availability or reduction in the availability, speed or other functionality of our offerings could adversely affect our business and reputation and could result in the loss of users. Moreover, to the extent that any system failure or similar event results in harm or losses to the users using our platform, we may make voluntary payments to compensate for such harm or the affected users could seek monetary recourse or contractual remedies from us for their losses and such claims, even if unsuccessful, would likely be time-consuming and costly for us to address.

***Our business could be adversely impacted by changes in the Internet and mobile device accessibility of users and unfavorable changes in or our failure to comply with existing or future laws governing the Internet and mobile devices.***

Our business depends on users' access to our platform via a mobile device and the Internet. We may operate in jurisdictions that provide limited Internet connectivity, particularly as we expand internationally. Internet access and access to a mobile device are frequently provided by companies with significant market power that could take actions that degrade, disrupt, or increase the cost of users' ability to access our platform. In addition, the Internet infrastructure that we and users of our platform rely on in any particular geographic area may be unable to support the demands placed upon it. Any such failure in Internet or mobile device accessibility, even for a short period of time, could adversely affect our results of operations.

Moreover, we are subject to a number of laws and regulations specifically governing the Internet and mobile devices that are constantly evolving. Existing and future laws and regulations, or changes thereto, may impede the growth and availability of the Internet and online offerings, require us to change our business practices or raise compliance costs or other costs of doing business. These laws and regulations, which continue to evolve, cover taxation, privacy and data protection, pricing, copyrights, distribution, mobile and other communications, advertising practices, consumer protections, the provision of online payment services, unencumbered Internet access to our offerings and the characteristics and quality of online offerings, among other things. Any failure, or perceived failure, by us to comply with any of these laws or regulations could result in damage to our reputation and brand and loss in business and result in proceedings or actions against us by governmental entities or others, which could adversely impact our results of operations.

***We rely on mobile operating systems and application marketplaces to make our apps available to the riders, subscribers, and users on our platform, and if we do not effectively operate with or receive favorable placements within such application marketplaces and maintain high rider reviews, our usage or brand recognition could decline and our business, financial results and results of operations could be adversely affected.***

We depend in part on mobile operating systems, such as Android and iOS, and their respective application marketplaces to make our apps available to riders, subscribers, and users on our platform. Any changes in such systems and application marketplaces that degrade the functionality of these apps or give preferential treatment to competitors' apps could adversely affect our platform's usage on mobile devices. If such mobile operating systems or application marketplaces limit or prohibit us from making our apps available, make changes that degrade the functionality of our apps, increase the cost of using our apps, impose terms of use unsatisfactory to us or modify their search or ratings algorithms in ways that are detrimental to us, or if our competitors' placement in such mobile operating systems' application marketplace is more prominent than the placement of our apps, overall growth in our riders, subscribers and user base could slow. For example, for several days in April 2020, Google Play removed our mobile app from their store out an abundance of caution for an alleged violation of Google Play's policies regarding COVID-19. During this time, our mobile app continued to function, but it was not available for download on phones operating on the Android system. Although we appealed this problem and resolved it without needing to change our app or business plan or issue any clarifying statements, any future problem of a similar nature or otherwise related to the foregoing risks could adversely affect our business, financial condition, and results of operations.

As new mobile devices and mobile platforms are released, there is no guarantee that certain mobile devices will continue to support our platform or effectively roll out updates to our app. Additionally, to deliver a high-quality app, we need to ensure that our offerings are designed to work effectively with a range of mobile technologies, systems, networks, and standards. We may not be successful in developing or maintaining relationships with key participants in the mobile industry that enhance riders', subscribers' and users' experiences. If users of our platform encounter any difficulty accessing or using our apps on their mobile devices or if we are unable to adapt to changes in popular mobile operating systems, our business, financial condition, and results of operations could be adversely affected.

***Defects, errors or vulnerabilities in our applications, backend systems or other technology systems and those of third-party technology providers could harm our reputation and brand and adversely impact our business, financial condition, and results of operations.***

The software underlying our platform is highly complex and may contain undetected errors or vulnerabilities, some of which may only be discovered after the code has been released. The third-party software that we incorporate into our platform may also be subject to errors or vulnerability. Any errors or vulnerabilities discovered in our code or from third-party software after release could result in negative publicity, a loss of users or loss of revenue and access or other performance issues. Such vulnerabilities could also be exploited by malicious actors and result in exposure of data of users on our platform, or otherwise result in a data breach as defined under various laws and regulations. We may need to expend significant financial and development resources to analyze, correct, eliminate or work around errors or defects or to address and eliminate vulnerabilities. Any failure to timely and effectively resolve any such errors, defects or vulnerabilities could adversely affect our business, financial condition and results of operations as well as negatively impact our reputation or brand.

***We may be subject to theft, loss, or misuse of personal data about our employees, customers, or other third parties, which could increase our expenses, damage our reputation, or result in legal or regulatory proceedings.***

Our business relies on the use of customer accounts linked to bank accounts or credit cards as well as tracking certain movements of our customers. The theft, loss, or misuse of personal data collected, used, stored, or transferred by us to run our business could result in significantly increased business and security costs or costs related to defending legal claims. Global privacy legislation, enforcement, and policy activity in this area are rapidly evolving and expanding, creating a complex regulatory compliance environment. Costs to comply with and implement these privacy-related and data protection measures could be significant. In addition, even our inadvertent failure to comply with federal, state, or international privacy-related or data protection laws and regulations could result in proceedings against us by governmental entities or others.

### **General Risks**

***A pandemic, epidemic, or outbreak of an infectious disease in the United States or worldwide, including the outbreak of the novel strain of coronavirus disease, COVID-19, could adversely affect our business.***

If a pandemic, epidemic, or outbreak of an infectious disease occurs in the United States or worldwide or is extended through new variants, our business may be adversely affected. The severity, magnitude and duration of any such pandemic would be uncertain and rapidly changing. For example, adverse market conditions resulting from the spread of COVID-19 materially adversely affected our business and value of our common stock. For example,

- for fear of spreading the virus further, several cities where we operate suspended micro-mobility services (including Miami which suspended the e-scooter services that we offered from March 2020 to October 2020); and
- We suspended our services in some cities (like our e-bike services in Washington, D.C. which have yet to resume) and had to delay the projected start of services in new markets.

***Any global systemic political, economic, and financial crisis (as well as the indirect effects flowing therefrom) could negatively affect our business, results of operations, and financial condition.***

In recent times, several major systemic economic and financial crises negatively affected global business, banking, and financial sectors. Most recently, the COVID-19 pandemic has disrupted global supply chains and reduced U.S. G.D.P. significantly and led to unprecedented claims of unemployment. Additionally, fear of higher inflation has unsettled financial markets and, if such higher inflation materializes, global economic health could be jeopardized. These types of crises, including the prolonged decrease in economic growth or insolvency of major countries, could cause turmoil in global markets that often result in declines in electronic products sales from which we generate income through our products and services. For example, there could be knock-on effects from these types of crises on our business, including significant decreases in ridership of our devices; insolvency of key suppliers resulting in product delays; customer insolvencies; and counterparty failures negatively impacting our treasury operations. Any future systemic political, economic, or financial crisis could cause revenue for the ridesharing industry as a whole to decline dramatically, which could reduce our revenues. Further, in times of market instability, sufficient external financing may not be available to us on a timely basis, on commercially reasonable terms, or at all. If sufficient external financing is not available when needed to meet capital requirements, we may be forced to curtail our expansion, modify plans, or delay the deployment of new or expanded services until we obtain such financing. Thus, any future global economic crisis could materially and adversely affect our results of operations.

***Our operational results could also be materially and adversely affected by natural disasters (such as earthquakes), shortages or interruptions in the supply of utilities (such as shortages in electricity caused by changes in governmental energy policy), in the locations in which we, or our customers or suppliers operate or by industrial accidents, fires or explosions.***

The frequency and severity of natural disasters and severe weather has been increasing, in part due to climate change or systemic regional geological changes that manifest in damaging earthquakes. We have operations in locations subject to natural disasters, such as flooding, earthquakes, tsunamis, and droughts as well as interruptions or shortages in the supply of utilities, such as water and electricity, or access to land, air, or sea infrastructures, that could disrupt operations. Thus, if one or more natural disasters, shortage or interruptions to the supply of utilities (such as shortages in electricity caused by a nuclear-free energy policy) that results in a prolonged disruption to our operations or those of our customers or suppliers, or if any of our vendor facilities were to be damaged or cease operations as a result of an explosion or fire, it could reduce our ability to provide our services and may cause us to lose important customers, thereby having a potentially adverse and material impact on our operational and financial performance.

### **Risks Related to Our Common Stock and Organizational Structure**

***The price of our common stock likely will be volatile like the stocks of other early-stage companies.***

The stock markets in general and the markets for early-stage stocks have experienced extreme volatility. The market for the common stock of smaller companies such as ours is characterized by significant price volatility when compared to the shares of larger, more established companies that trade on a national securities exchange and have large public floats, and we expect that our share price will be more volatile than the shares of such larger, more established companies for the indefinite future. In 2023, the closing price of our common stock on the Nasdaq Capital Market fluctuated between a high of \$3,195 to a low of \$0.073.

In addition to the factors discussed in this “Risk Factors” section, price declines in our common stock could also result from general market and economic conditions and a variety of other factors, including:

- continued hyper dilution of our common stock;
- adverse actions taken by regulatory agencies with respect to our products;
- announcements of technological innovations, patents or new products by our competitors;
- regulatory developments in the United States and foreign countries;
- any lawsuit involving us or our product candidates;
- announcements concerning our competitors, or the industry in which we compete in general;
- developments concerning any strategic alliances or acquisitions we may enter into;
- actual or anticipated variations in our operating results;
- changes in recommendations by securities analysts or lack of analyst coverage;
- deviations in our operating results from the estimates of analysts;
- our inability, or the perception by investors that we will be unable, to continue to meet all applicable requirements for continued listing of our common stock on the Nasdaq Capital Market, and the possible delisting of our common stock;
- sales of our common stock by our executive officers, directors and principal stockholders or sales of substantial amounts of common stock; and
- loss of any of our key management personnel.

In the past, following periods of volatility in the market price of a particular company’s securities, litigation has often been brought against that company. Any such lawsuit could consume resources and management time and attention, which could adversely affect our business.

### ***Our common stock was delisted from the Nasdaq Capital Market***

On December 20, 2023, our common stock was delisted from the Nasdaq Capital Market for failure to meet continued listing requirements. As a result, our common stock trades upon the OTC Pink Sheets. Historically, stock that trades on the OTC Pink Sheets has had a lower volume than a stock that trades on a national securities exchange. We believe that the resulting material adverse consequences include:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that our common stock is a “penny stock” which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

### ***We have broad discretion in the use of our existing cash, cash equivalents and may not use them effectively.***

Our management will have broad discretion in the application of our existing cash, cash equivalents. Because of the number and variability of factors that will determine our use of our existing cash, cash equivalents and the net proceeds, their ultimate use may vary substantially from their currently intended use. Our management might not apply our cash resources in ways that ultimately increase the value of your investment. The failure by our management to apply these funds effectively could harm our business. Pending their use, we may invest our cash resources in short-term, investment-grade, interest-bearing securities. These investments may not yield a favorable return to our stockholders.

### ***We have never paid dividends on our common stock, and we do not anticipate paying any cash dividends on our common stock in the foreseeable future.***

We have never declared or paid cash dividends on our common stock. We do not anticipate paying any cash dividends on our common stock in the foreseeable future. We currently intend to retain all available funds and any future earnings to fund the development and growth of our business. As a result, capital appreciation, if any, of our common stock will be our stockholders’ sole source of gain for the foreseeable future.

### ***Sales of a substantial number of shares of our common stock in the public market by our existing stockholders could cause our stock price to decline.***

Sales of a substantial number of shares of our common stock in the public market or the perception that these sales might occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. For example, capital raises were the primary reason that the total outstanding shares at our common stock increased from 2,172 at December 31, 2021, to 37,129 at March 24, 2023 and to 45,185,172 as of April 9, 2024. In tandem with the hyper dilution caused by our equity issuances, the market price of our common stock markedly decreased from a per share price of \$41,175 as at December 31, 2021, to \$982.50 at December 30, 2022, to \$0.073 at December 31, 2023 to \$0.0080 at April 9, 2024. The per share price of our class A common stock may be adversely affected by any such future dilutive stock issuances.

### ***We have authorized shares of preferred stock and the issuance of any such shares could contain preferred or super voting power.***

We are authorized to issue shares of preferred stock, the terms of which may be set by our Board of Directors without any additional input from our shareholders. If we were to issue shares of preferred stock with preferred or super voting power, something that we believe could occur in connection with the retirement of significant debt or a larger capital raise, the holders of our common stock could lose a significant portion of their voting power and the ability to control the direction of our company. The holders of any such preferred stock with preferred or super voting power may have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. This concentrated control may have the effect of delaying, preventing or deterring a change in control of the Company, could deprive our stockholders of an opportunity to receive a premium for their capital stock as part of a sale of the securities, and might ultimately affect the market price of shares of common stock.

## **ITEM 1B. UNRESOLVED STAFF COMMENTS**

None.

## **ITEM 1C. CYBERSECURITY**

### ***Risk Management and Strategy***

The Company recognizes the critical importance of developing, implementing, and maintaining good cybersecurity measures to safeguard its information systems and protect its data's confidentiality, integrity, and availability.

As part of the Company’s overall risk management system, the Company has diligently protected and secured physical, virtual, and cloud assets. The Company has deployed monitoring systems, multifactor authentication (MFA), and single-sign-on (SSO) to ensure user accounts are protected from external cybersecurity threats.

### ***Risks from Cybersecurity Threats***

As of the date of this filing, the Company has not encountered any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that materially affected or are reasonably likely to materially affect the Company, including its business strategy, results of operations or financial condition. The Company's strategy is to mitigate risks preventatively; however, no assurances can be provided that there will not be incidents in the future or that they will not materially affect the Company.

### ***Governance***

The Company's Board of Directors is responsible for identifying the principal risks of the Company's business and ensuring that those risks are effectively managed. The Company's Chief Technology Officer is responsible for assessing and managing the Company's risks from cybersecurity threats and has multiple years of prior work experience in roles involving information technology. The Chief Technology Officer is informed about, and monitors the prevention, detection, mitigation and remediation of, cybersecurity incidents through his management of, and participation in, the monitoring systems and processes described above. The Chief Technology Officer reports information about such risks to the Company's Chief Executive Officer and Chief Financial Officer, who then would report information to the Company's Board of Directors. When appropriate, the Chief Technology Officer would be invited by management to present information to the Company's Board of Directors.

### **ITEM 2. PROPERTIES**

Our headquarter is located at 500 Broome Street, New York, NY. Additionally, in each area in which we operate we lease an industrial space for the storage, repair and charging of our vehicles.

We do not currently own any real estate and do not intend to purchase any real estate in the near term.

### **ITEM 3. LEGAL PROCEEDINGS**

From time to time, we may become involved in legal proceedings arising in the ordinary course of the business. There are currently no material legal proceedings against us or that have been against us, and we are not aware of investigations being conduct by a governmental entity into our company.

### **ITEM 4. MINE SAFETY DISCLOSURES**

None.

## PART II

### ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

#### Market Information

##### Common Stock

Our Class A common stock was listed on the Nasdaq Capital Market under the symbol "HLBZ" until December 20, 2023 at which date it was traded on the OTC Pink Sheets. The following table sets forth, for the periods indicated the high and low closing prices of our common stock on the Nasdaq Capital Market or OTC Pink Sheets as reported by Yahoo Finance.

	High Closing Price	Low Closing Price
<b>Fiscal Year 2024 (quarter ended)</b>		
March 31, 2024	\$ 0.070	\$ 0.005
<b>Fiscal Year 2023 (quarter ended)</b>		
December 31, 2023	\$ 8.85	\$ 0.073
September 30, 2023	\$ 19.35	\$ 8.40
June 30, 2023	\$ 435.00	\$ 16.95
March 31, 2023	\$ 3,195.00	\$ 549.00

The last reported sales price for our shares of common stock on the Nasdaq Capital Market as of April 9, 2024, was \$0.0080 per share. As of April 9, 2024, we had approximately 93 shareholders of record for our common stock.

#### Transfer Agent

The transfer agent for our common stock is Continental Stock Transfer & Trust Company. The transfer agent and warrant agent's telephone number and address is (212) 509-4000 and 1 State Street, 30<sup>th</sup> Floor, New York, NY. 10004.

#### Dividends

We have never declared or paid any cash dividends on our common stock. For the foreseeable future, we intend to retain any earnings to finance the development and expansion of our business and do not anticipate paying any cash dividends on our common stock. Any future determination to pay dividends will be at the discretion of the Board of Directors and will depend upon then existing conditions, including our financial condition and results of operations, capital requirements, contractual restrictions, business prospects and other factors that the board of directors considers relevant.

#### Nasdaq Compliance

On December 20, 2023, our common stock was delisted from the Nasdaq Capital Market for failure to meet continued listing requirements. As a result, our common stock trades upon the OTC Pink Sheets. Historically, stock that trades on the OTC Pink Sheets has had a lower volume than a stock that trades on a national securities exchange. We believe that the resulting material adverse consequences include:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that our common stock is a "penny stock" which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

#### Unregistered Sales of Equity Securities and Use of Proceeds

There have been no sales of unregistered equity securities that we have not previously disclosed in filings with the U.S. Securities and Exchange Commission.

### ITEM 6. [RESERVED]

### ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements and the related notes. Some of the information contained in this discussion and analysis or set forth elsewhere, including information with respect to its plans and strategy for our business and related financing, includes forward-looking statements that involve risks, uncertainties and assumptions. You should read the "Forward-Looking Statements" and "Risk Factors" for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.*

*The following discussion refers to our financial results for the years ended December 31, 2023, December 31, 2022. For purposes of this following discussion the terms "we", "our" or "us" or "the Company" and similar references refers to micromobility.com, Inc. and its affiliates. Except for per share data and as otherwise indicated, all dollar amounts set out herein are in thousands.*



## Overview

micromobility.com, Inc. (formerly known as Helbiz, Inc., and, together with its subsidiaries, “micromobility.com” or the “Company”) was incorporated in the state of Delaware in October 2015 with its headquarters in New York, New York. The Company is an intra-urban transportation company that seeks to help urban areas reduce their dependency on individually owned cars by offering affordable, accessible, and sustainable forms of personal transportation, specifically addressing first and last mile transport.

Founded on proprietary technology platforms, the Company’s core business is the offering of electric vehicles in the sharing environment. Through its Mobility App, the Company offers an intra-urban transportation solution that allows users to instantly rent electric vehicles.

The Company currently has a strategic footprint with office in New York. The Company currently has electric vehicles operating in the United States and Europe.

### *2022 Wheels Business Combination*

On November 18, 2022, micromobility.com, Helbiz Merger Sub, Inc. a wholly owned subsidiary of micromobility.com and Wheels Labs, Inc. (“Wheels”), entered into an Amended and Restated Agreement and Plan of Merger (the “Merger Agreement”) for the sale and purchase (the “Business Combination”) of the entire issued corporate capital of Wheels pursuant to which the equity holders of Wheels sold their capital stock in Wheels to micromobility.com. The Business Combination closed on November 18, 2022. Wheels is an international group operating in the micro-mobility business by sharing e-vehicles through an IT platform.

### *Recent events*

On March 30, 2023, the Company enacted a one-for-fifty (1:50) reverse split of the Company’s issued and outstanding shares of common stock and a change in name from “Helbiz, Inc.” to “micromobility.com, Inc.”. On December 4, 2023, the Company enacted an additional one-for-one-hundred-fifty (1:150) reverse split of the Company’s issued and outstanding shares of common stock.

On June 15, 2023 and June 28, 2023, the Company received communications from the main live content provider, LNPB (Lega Nazionale Professionisti Serie B), notifying the early termination of the agreements related to the commercialization and broadcast of the Italian Serie B content. The communications also requested the immediate payment of the invoices overdue amounting to \$11,394. In February 2024, the Company entered into a Settlement agreement with LNPB. In detail, the main amended term was the full satisfaction of the Company’s obligations under the original agreements in exchange of a payment of \$5,392, divided in three payments on or prior November 30, 2024, half of the amount has been paid in March 2024.

During the year ended December 31, 2023, the Company decided to close the business line related to the food delivery services, which was in a start-up phase.

On December 20, 2023, our common stock was delisted from the Nasdaq Capital Market for failure to meet continued listing requirements. As a result, our common stock trades upon the OTC Pink Sheets.

## Consolidated Results of Operations

The following tables set forth our results of operations for the periods presented and as a percentage of our net revenue for those periods. Percentages presented in the following tables may not sum due to rounding.

## Comparison of the Years ended December 31, 2023, and 2022

The following table summarizes our consolidated results of operations for the years ended December 31, 2023, and 2022.

	Year ended December 31,	
	2023	2022
<b>Revenue</b>	<b>\$ 9,844</b>	<b>\$ 15,538</b>
Operating expenses:		
Cost of revenue	28,975	41,625
General and administrative	22,917	25,569
Impairment of assets	16,683	10,390
Sales and marketing	2,837	8,712
Research and development	2,439	2,741
<b>Total operating expenses</b>	<b>73,851</b>	<b>89,037</b>
<b>Loss from operations</b>	<b>(64,007)</b>	<b>(73,499)</b>
Total non-operating income (expenses), net	2,010	(8,551)
Income Taxes	(58)	(24)
<b>Net loss</b>	<b>\$ (62,055)</b>	<b>\$ (82,074)</b>

	Year ended December 31,	
	2023	2022
<b>Revenue</b>	<b>100%</b>	<b>100%</b>
Operating expenses:		
Cost of revenue	294%	268%
General and administrative	233%	165%
Sales and marketing	29%	56%
Research and development	25%	18%
Impairment of assets	169%	67%
<b>Total operating expenses</b>	<b>750%</b>	<b>573%</b>
<b>Loss from operations</b>	<b>(650)%</b>	<b>(473)%</b>
Total non-operating income (expenses), net	20%	(55)%
Income Taxes	(1)%	(0)%
<b>Net loss</b>	<b>(630)%</b>	<b>(528)%</b>

### Net Revenue

	Year Ended December 31,		% Change
	2023	2022	
Mobility Revenues	\$ 5,269	\$ 8,430	(37)%
Media Revenues	3,975	6,507	(39)%
Other Revenues	600	601	(0)%
<b>Total Net Revenues</b>	<b>\$ 9,844</b>	<b>\$ 15,538</b>	<b>(37)%</b>

Total Net revenues decreased by \$5,694, or 37%, from \$15,538 for the year ended December 31, 2022, to \$9,844 for the year ended December 31, 2023. This decrease was primarily due to: a) the decrease of Media revenues for the early termination of the LNBP agreements, and b) the decrease of Mobility revenues driven by the Company's strategy to exit not profitable market in order to decrease the operating cash burn.

### Mobility revenues

Mobility revenues decreased by \$3,161, or 37%, from \$8,430 for the year ended December 31, 2022, to \$5,269 for the year ended December 31, 2023.

As shown in the paragraph *Mobility - Key Financial Measures and Indicators*, Trips and AAPUs decreased in the mobility business in the periods analyzed. The decreases are explained by the Company's strategy to decrease the Company's operating cash which resulted in closing multiple locations in Italy and United States, during the year.

### Media revenues

On June 15, 2023, and June 28, 2023, the Company received communications from the main live content provider, LNBP, notifying the early termination of the agreements related to the commercialize and broadcast of the Italian Serie B content. The early termination generated a significant decrease in Media revenues.

Media revenues decreased by \$2,532, or 39%, from \$6,507 for the year ended December 31, 2022, to \$3,975 for the year ended December 31, 2023. The decrease is mainly explained by the early termination of LNBP agreements.

## Cost of Revenue

	Year Ended December 31,		% Change
	2023	2022	
<b>Mobility - Cost of revenues</b>	<b>\$ 16,739</b>	<b>\$ 20,463</b>	<b>(18)%</b>
<i>Of which Amortization, Depreciation and write-off</i>	<i>7,937</i>	<i>5,675</i>	<i>40%</i>
<b>Media - Cost of revenues</b>	<b>10,001</b>	<b>19,154</b>	<b>(48)%</b>
<b>Other - Cost of revenues</b>	<b>2,235</b>	<b>2,008</b>	<b>11%</b>
<b>Total - Cost of revenues</b>	<b>28,975</b>	<b>41,625</b>	<b>(30)%</b>

Cost of Revenue decreased by \$12,650 or 30%, from \$41,625 for the year ended December 31, 2022, to \$28,975 for the year ended December 31, 2023. This decrease was primarily due to: a) the early termination of the LNPB agreements, occurred in June 2023 and b) the decrease of Mobility activities driven by the Company's strategy to exit not profitable market in order to decrease the operating cash burn.

### Mobility Cost of revenues

Mobility cost of revenues shows a decrease of \$3,724 or 18% mainly driven by the closing of multiple locations in Italy and United States, in line with the Company's strategy to decrease the operating cash used by the micro-mobility business. Mobility cost of revenues recorded during the year ended December 31, 2023, is also highly impacted by the vehicle deposits write-offs amounting to \$3,010. Removing the mentioned 2023 write-offs, considered a non-recurring transaction, the decrease of the Mobility Cost of revenues would result in a \$6,734 or 33%, for the year ended December 31, 2023, compared to the year ended December 31, 2022.

### Media Cost of revenues

Cost of Revenues related to Media decreased by \$9,153, or 48% in the year ended December 31, 2023, compared to the year ended December 31, 2022. The decrease is mainly driven by the decrease in media content acquired during the period, including the early termination of LNPB agreements, occurred in June 2023.

## Sales and marketing

	Year Ended December 31,		% Change
	2023	2022	
<b>Sales and marketing</b>	<b>\$ 2,837</b>	<b>\$ 8,712</b>	<b>(67)%</b>

Sales and marketing expenses decreased by \$5,875 or 67%, from \$8,712 for the year ended December 31, 2022, to \$2,837 for the year ended December 31, 2023.

The decrease is explained by the Company's strategy to decrease the Company's operating cash burn. In detail, during 2023 the Company took the following actions: a) drastically reduced the marketing campaigns in terms of budget, b) exited from multiple consultancy agreements with communication and marketing providers, and c) decrease the workforce involved in the marketing department.

## Research and Development

	Year Ended December 31,		% Change
	2023	2022	
<b>Research and development</b>	<b>\$ 2,439</b>	<b>\$ 2,741</b>	<b>(11)%</b>

Research and Development expenses decreased by \$302 or 11% from \$2,741 for the year ended December 31, 2022, to \$2,439 for the year ended December 31, 2023. The 26% decrease is mainly driven by the exiting of a few IT engineering employees, not replaced.

## General and Administrative

	Year Ended December 31,		% Change
	2023	2022	
<b>General and administrative</b>	<b>\$ 22,917</b>	<b>\$ 25,569</b>	<b>(10)%</b>
<i>Of which Stock-based Compensation</i>	<i>351</i>	<i>2,856</i>	<i>(88)%</i>

General and Administrative expenses decreased by \$2,652 or 10% from \$25,569 for the year ended December 31, 2022, to \$22,917 for the year ended December 31, 2023.

The decrease is mainly driven by the following reasons: a) reduction of stock-based compensation by \$2,505 or 88%, highly impacted by the decrease of the Company's market capitalization, and b) decrease of D&O insurance costs for \$2.4 million, renegotiated during 2023; c) partially compensated by \$2.7 million of expenses recorded for increase in litigation accruals.

## Impairment of assets

The decline in the Company's market capitalization, the reduction of the mobility operations, and the adverse macroeconomic environment were the main impairment indicators for the years ended December 31, 2023, and 2022. As a result, during the years ended December 31, 2023, and 2022, the Company identified impairment indicators which indicate that the fair values of Wheels and MiMoto assets, respectively were below their carrying values.

The table below shows the Impairment of assets composition for the years ended December 31, 2023, and 2022.

	Year Ended December 31,	
	2023	2022
Goodwill	\$ 13,826	\$ 9,264
Intangible assets, net	2,857	1,126
<b>Total Impairment of assets</b>	<b>\$ 16,683</b>	<b>\$ 10,390</b>

## Total non-operating income (expense), net

	Year ended December 31,		
	2023	2022	% Change
Interest expense, net	\$ (6,010)	\$ (7,141)	(16)%
Gain (loss) on extinguishment of financial debts	12,032	(2,065)	(683)%
SEPA financial income (expenses), net	(4,215)	—	—
Other income (expenses), net	202	655	(69)%
<b>Total non-operating income (expenses), net</b>	<b>\$ 2,010</b>	<b>\$ (8,551)</b>	<b>(124)%</b>

Non-operating income (expense), net, decreased by 124% or \$10,561 from \$8,551 of expenses for the year ended December 31, 2022, to \$2,010 of income for the year ended December 31, 2023.

### Interest expenses, net

Interest expenses decreased by \$1,131, or 16%, from \$7,141 for the year ended December 31, 2022, to \$6,010 for the year ended December 31, 2023. Such decrease is mainly driven by the overall decrease of the Company's financial liabilities.

### Gain (loss) on extinguishment of financial debts

Loss on extinguishment of debt amounted to \$2,065 for the year ended December 31, 2022, while a gain of \$12,032 was recorded for the year ended December 31, 2023.

The loss recorded in 2022 was related to the 2021 Convertible debt amendment which has been considered as an extinguishment of the original 2021 Convertible Notes.

The 2023 gain is mainly related to the settlement of the secured loan; in detail, on November 27, 2023, the Company entered into a Settlement and Release Agreement with the institutional lender, amending the original loan agreement which had a principal outstanding of \$15,000. The main amended term was the full satisfaction of the obligations under the original loan agreement in exchange of a payment of \$3,595, on or prior December 8, 2023. The difference between the principal and the amount settled, amounting to \$11,405 represents the gain.

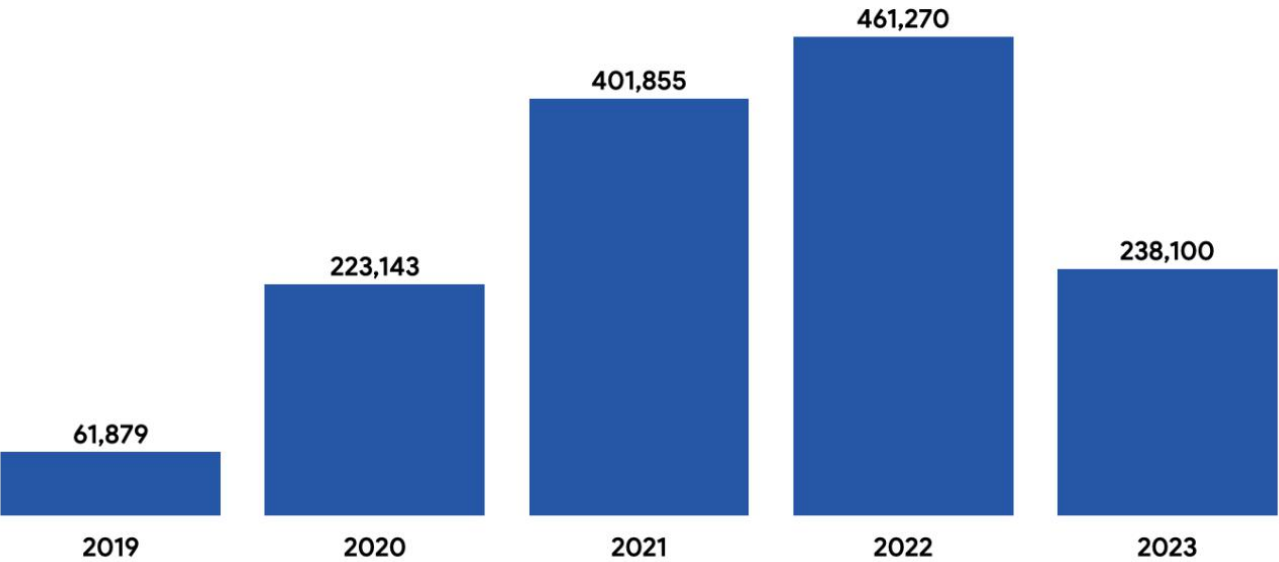
### SEPA financial income (expenses), net

At inception of the two 2023 SEPAs the legal and Commitment fees amounted to \$1,611 have been recorded as *SEPA financial expenses*. The Company also recorded as *SEPA financial income (expenses), net*, the difference between the purchase price of each Advance Notice delivered to YA II PN (92% or 95% of the Market Price), Ltd and the fair value of the Class A Common Shares issued to YA II PN, Ltd on the date of the Advance Notice for a cumulative expenses, net of \$2,604.

Key Financial Measures and Indicators

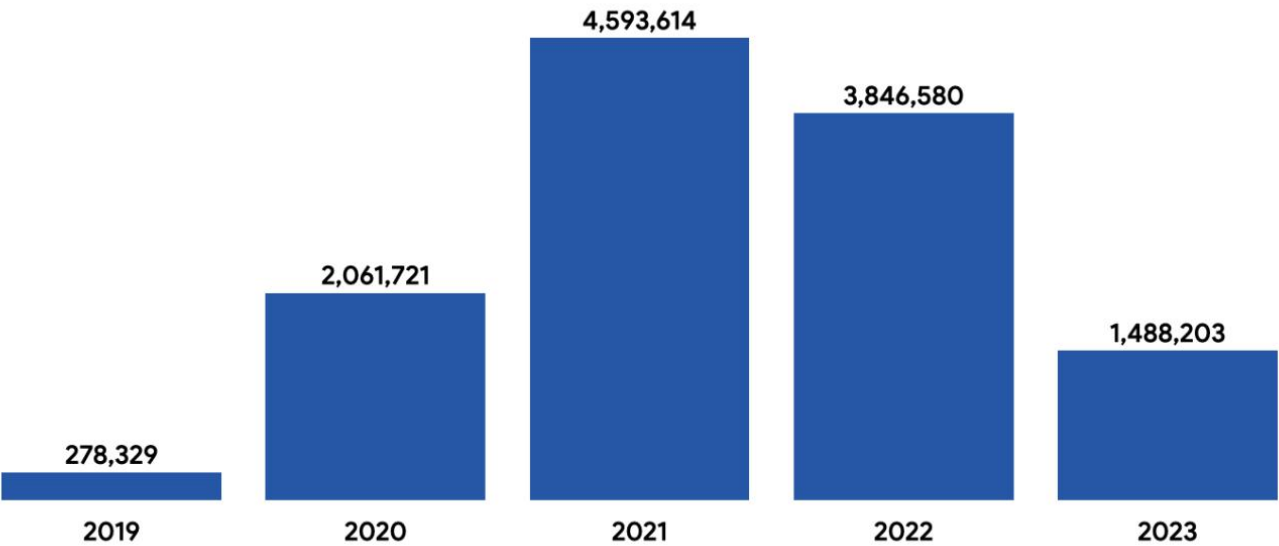
**Annual Active Platform Users (“AAPU”).** We define AAPUs as the number of unique users who completed a ride on our Mobility platform at least once in a given year. While a unique user can use multiple product offerings on our platform in a given year, that unique user is counted as only one AAPU. We use AAPUs to assess the adoption of our platform and frequency of transactions, which are key factors in our penetration of the markets in which we operate.

AAPUs



**Trips.** We define Trips as the number of completed rides in a given year. To further clarify, a single-use Helbiz ride is recognized as a unique “Trip” upon completion of each ride. We believe that Trips is a useful metric to measure the usage of our platform.

Trips



**Active Markets.** We track the number of active markets (cities).

***Italian licenses***

We are an operator in Italy in the micro-mobility environment. In 2023, we provided e-mobility services in the following Italian cities:

- e-scooter services: Rome, Milan, Turin, Naples, Parma, Palermo, Collegno, Pisa, Modena, Ravenna, Bari, Cesena, Catania and San Benedetto del Tronto.

In detail, during the year ended December 31, 2023, we closed the following areas: Rome, Milan, Naples, Collegno, Bari, Cesena and Ravenna.

***United States licenses***

In 2023, we provided e-mobility services, either sharing or long-term rental proposal, in the following United States areas:

- Miami Lakes (Florida), Miami Dade (Florida), Orlando (Florida), Tampa (Florida), Honolulu (Hawaii) Los Angeles (California), Santa Monica (California), University of Massachusetts (Massachusetts), New York (New York) and Austin (Texas);

In detail, during the year ended December 31, 2023, we closed the following areas: Miami Lakes (Florida), Miami Dade (Florida), Orlando (Florida), Honolulu (Hawaii) Los Angeles (California), University of Massachusetts (Massachusetts) and Austin (Texas).

## Liquidity and Capital Resources

Since our inception, we have financed our operations primarily with proceeds from outside sources of invested capital. We have had, and expect that we will continue to have, an ongoing need to raise additional cash from outside sources to fund our operations and expand our business. If we are unable to raise additional capital when desired, our business, financial condition and results of operations would be harmed. Successful transition to attaining profitable operations depends upon achieving a level of revenues adequate to support our cost structure.

As of December 31, 2023, our principal sources of liquidity were cash and cash equivalents of \$128, and SEPA agreement entered during the year ended December 31, 2023.

On March 8, 2023, the Company entered into another Standby Equity Purchase Agreement (“2023 March SEPA”) with YA II, Ltd. Pursuant to the 2023 March SEPA, the Company has the right, but not the obligation, to sell to YA up to \$50,000 of its shares of Class A Common Stock at any time during the 24 months. To request a purchase, the Company submits an Advance Notice to YA specifying the number of shares, it intends to sell. As of December 31, 2023 only \$28,146 remained available under the March 2023 SEPA.

We plan to continue to fund our operations and expansion plan, including the new business lines through debt and equity financing, for the next twelve months.

We may be required to seek additional equity or debt financing. Our future capital requirements will depend on many factors, including our growth and expanded operations, including the new business lines. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us or at all.

## Indebtedness

The following table summarizes our indebtedness as of December 31, 2023.

	Weighted Average Interest Rate	Maturity Date	December 31, 2023	December 31, 2022
Secured convertible loan, net	9%	2024	3,764	—
Convertible debts, net	5%	2024	3,217	14,372
Secured loan, net	13%	2023	—	14,224
Unsecured loans, net	7%	Various	7,715	10,935
Other financial liabilities	N/A	Various	672	886
<b>Total Financial Liabilities, net</b>			<b>15,370</b>	<b>40,418</b>
<b><i>Of which classified as Current Financial Liabilities, net</i></b>			<b><i>13,528</i></b>	<b><i>33,244</i></b>
<b><i>Of which classified as Non-Current Financial Liabilities, net</i></b>			<b><i>1,842</i></b>	<b><i>7,174</i></b>

Our financial liabilities, net decreased by 62% or \$25,048 from \$40,418 for the year ended December 31, 2022, to \$15,370 for the year ended December 31, 2023.

The decrease is mainly explained by the Company’s strategy to decrease its financial exposure. In detail, during 2023 the Company took the following actions: a) settlement agreement with the Secured loan holders, partially compensated by the opening of a new secured convertible loan, and b) repayment of unsecured loans and convertible debts, using SEPA Advance Notices.

## Leases liabilities

We entered into various non-cancellable operating and finance lease agreements for office facilities, permit and brand licensing, e-mopeds leases, e-scooter leases, corporate vehicles' licensing, and corporate housing with lease periods expiring through 2028. 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.

Future annual minimum lease payments as of December 31, 2023, are as follows:

Year ended December 31,	Leases	
	Operating	Finance
2024	\$ 454	\$ 72
2025	184	15
2026	191	—
Thereafter	213	—
<b>Total minimum lease payments</b>	<b>\$ 1,042</b>	<b>\$ 87</b>
Less: Amounts representing interest not yet incurred		(4)
Present value of finance lease obligations		83
Less: Current portion		67
Long-term portion of finance lease obligations		15

The main operating lease agreement is related to the store located at 500 Broome Street, New York, NY. The cumulative lease payments for the next years are \$760.

## Securities outstanding as of December 31, 2023

As of December 31, 2023, we had the following outstanding securities:

	December 31, 2023
Class A Common Shares	8,856,230
<b>Total Common Shares outstanding</b>	<b>8,856,230</b>
Preferred stock	—
<b>Total Preferred Stock outstanding</b>	<b>—</b>
Warrants	2,641
Stock Option Plans	1,062
Restricted Stocks granted	21
<b>Total Warrants, Restricted Stocks and Stock Options outstanding</b>	<b>3,724</b>

## Common Shares and Preferred stocks

As of December 31, 2023, the Company's charter authorized the issuance of up to 900,000,000 shares of Class A common stock, \$0.00001 par value per share, and 100,000,000 shares of preferred stock at \$0.00001 par value per share.

## Standby Equity Purchase Agreement

On March 8, 2023, the Company entered into a Standby Equity Purchase Agreement ("SEPA") with YA II PN, Ltd. Pursuant to the SEPA, the Company has the right, but not the obligation, to sell to Yorkville up to \$50,000 of its shares of Class A Common Stock at any time during the 24 months. To request a purchase, the Company would submit an advance notice to YA II PN, Ltd. specifying the number of shares it intends to sell. The advance notice would state that the shares would be purchased at either:

- (i) 95.0% of the Option 1 Market Price, which is the lowest VWAP (the daily volume weighted average price of Company's Class A common stock for the applicable date) in each of the three consecutive trading days commencing on the trading day following the Company's submission of an advance notice, or
- (ii) 92.0% of the Option 2 Market Price, which is the VWAP of the pricing period set out in the advance notice and consented to by YA II PN, Ltd.

At inception the Company did not identify any day one impact for the SEPA agreement except for \$750 as Commitment fees to be paid to YA II PN, Ltd and legal fees amounted to \$269.

During the year ended December 31, 2023, the Company delivered multiple advance notices for the sale of 8,522,159 shares of Class A Common Stock, resulting in cumulative gross proceeds of \$21,854. As a result, on December 31, 2023, \$28,146 remained available under the March 2023 SEPA.



## **Related Party Transactions**

### *CEO conversion of deferred salaries*

During the year ended December 31, 2023, our majority shareholder and CEO converted a portion of his deferred salaries, totaling \$78, into 87 shares of Class A Common Stock.

### *Board members conversion of deferred salaries*

During the year ended December 31, 2023, board members converted a portion of their deferred salaries, totaling \$69, into 1,062 Warrants to purchase shares of Class A Common Stock with a strike price of \$174.00 and 5-years from issuance as expiration date.

During the year ended December 31, 2023, a board member who served as consultant before joining the Board converted portion of his previous invoices, totaling \$90, into 397 shares of Class A Common Stock, generating a gain for the Company amounted to \$25.

### *CEO Purchase of Series B Preferred Stock*

On March 13, 2023, the Company issued 3,000 Series B Preferred Stock to the Company's CEO for an aggregate purchase price of \$0.5. Series B had no voting rights, except that each share of Series B was entitled to 80,000 votes at a shareholder meeting on whether to enact a reverse stock split. Holder of the Company's Series B was required to vote any proposal for a reverse stock split on a "mirrored" basis. This meant that the Series B holder was required to cast their votes "For" and "Against" each such proposal in the same proportions as the holders of Company's Class A Common stock eligible and voting at the Special Meeting cast their votes, in the aggregate. On March 30, 2023, the Company's Series B Preferred Stock have been redeemed following the stockholder meeting for \$0.01 per share. As of December 31, 2023, there were 0 shares of Series B Preferred Stock issued and outstanding.

### *Conversion of Class B Common Stock*

On August 12, 2023, the 1,897 shares of Class B common stock automatically converted into 1,897 shares of Class A common stock. On August 12, 2021, the Company issued the Class B Common Stock to the Company's CEO, with the clause of an automatic conversion into Class A Common Stock on the second anniversary of the issuance (August 12, 2023).

### *Related party shipping*

During the year ended December 31, 2023, the Company recorded as Cost of Revenues \$56 for shipping services provided by a related party. The service provider is a Company whose CEO is a parent of the CEO of micromobility.com.

### *2022 transactions*

During the twelve months ended December 31, 2022, our majority shareholder and CEO has lent Helbiz funds on an interest-free basis for cumulative gross proceeds of \$492. The amount has been repaid between a combination of cash for \$237 and issuances of 527,425 shares of Class A Common Stock for \$254.

On November 18, 2022, Wheels Business Combination date, our majority shareholder and CEO purchased from a Wheels investor, a Wheels unsecured note for its principal amount \$750. On November 22, 2022, Helbiz Inc CEO converted the entire amount into 4,019,293 shares of Class A Common Stock.

## **Contractual Obligations and Commitments**

### *LNPB Commitment*

During 2021, the Company decided to enter into a new business line: the acquisition, commercialization and distribution of contents including live sport events to media partners and final viewers. In order to commercialize and broadcast media contents, the Company entered into non-cancellable Content licensing and Service agreements with multiple partners such as LNPB. In June 2023, the Company received communications from LNPB, the main live content provider, notifying that it was terminating early the agreements related to the commercialization and broadcast of the LNPB contents. The communications also requested the immediate payment of the invoices overdue amounting to \$11,394. In February 2024, the Company entered into a Settlement agreement with LNPB. In detail, the main amended term was the full satisfaction of the Company's obligations under the original agreements in exchange of a payment of \$5,392, divided in three payments on or prior November 30, 2024, half of the amount has been paid in March 2024. As a result of the early termination of LNPB agreements, Helbiz Media significantly reduced its operations.

## Litigation

The Company is from time to time involved in legal proceedings, claims, and regulatory matters, indirect tax examinations or government inquiries and investigations that may arise in the ordinary course of business. Certain of these matters include speculative claims for substantial or indeterminate amounts of damages.

As of December 31, 2023, and December 31, 2022, the Company concluded that certain losses on litigation were probable and reasonable estimable; as a result, the Company recorded as Accruals for legal contingencies, included in *Other Current liabilities*; \$3,978 and \$2,710, respectively.

The Company recorded \$2,701 and \$650 on the Consolidated statement of operations for the years ended December 31, 2023 and December 31, 2022, respectively; included in *General & Administrative expenses* for additional contingency losses over litigations reasonably estimated and categorized as probable.

As of December 31, 2023, legal contingencies related to Wheels amounted to \$1,613 while \$2,365 are related to micromobility.com. In detail, Wheels has been named in various lawsuits related to the use of Wheels's vehicles in US cities and in certain matters involving California Labor Code violations and the classification of individuals as independent contractors rather than employees. Micromobility.com claims are related to a previous investor who has claimed financial losses for breaching contractual obligations.

The range of loss for the Company's legal contingencies accrued is between \$800 to \$7,041 which represents the range between the amount already settled with the counterparts and the amount claimed deducting insurance coverage.

The Company is also involved in certain claims where the losses are not considered to be reasonably estimable or possible; for these claims the range of potential loss is between \$0 to \$3,050.

## Critical Accounting Estimates

Our management's discussion and analysis of financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with US GAAP. The preparation of our consolidated financial statements and related disclosures requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, costs and expenses and the disclosure of contingent assets and liabilities in our consolidated financial statements. We base our estimates on historical experience, known trends and events and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions.

We consider an accounting estimate to be critical if: (1) the accounting estimate requires us to make assumptions about matters that were highly uncertain at the time the accounting estimate was made, and (2) changes in the estimate that are reasonably likely to occur from period to period, or use of different estimates that we reasonably could have used in the current period, would have a material impact on our financial condition or results of operations.

## Business Combinations

We account for acquisitions of entities or asset groups that qualify as businesses using the acquisition method of accounting. In detail, the acquisition method required that the purchase price of the acquisition is allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values at the acquisition date. The excess of the purchase price over those fair values is recorded as goodwill. During the measurement period, which may be up to one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded in the consolidated statements of operations.

## Emerging Growth Company Status

Under the JOBS Act, an "emerging growth company" can take advantage of an extended transition period for complying with new or revised accounting standards. This provision allows an emerging growth company to delay the adoption of new or revised accounting standards that have different transition dates for public and private companies until those standards would otherwise apply to private companies. We meet the definition of an emerging growth company and have elected to use this extended transition period for complying with new or revised accounting standards until the earlier of the date we (i) are no longer an emerging growth company, or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements and the reported results of operations contained therein may not be directly comparable to those of other public companies.

## **Off-Balance Sheet Arrangements**

Helbiz did not have, during the periods presented, and it does not currently have, any off-balance sheet arrangements, as defined in the rules and regulations of the Securities and Exchange Commission.

## **ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Year Ended December 31, 2023 and 2022

<a href="#">Report of Independent Registered Public Accounting Firm</a> (PCAOB ID 688)	F-2
Financial Statements	
<a href="#">Consolidated Balance Sheets as of December 31, 2023, and 2022</a>	F-3
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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of  
**micromobility.com Inc.**

### **Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of micromobility.com Inc. (the “Company”) as of December 31, 2023 and 2022 the related consolidated statements of operations and comprehensive loss, convertible preferred stock and stockholders’ deficit and cash flows for each of the two years in the period ended December 31, 2023, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

### **Explanatory Paragraph – Going Concern**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As more fully described in No. 2, the Company has incurred significant losses and needs to raise additional funds to meet its obligations and sustain its operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in No. 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

### **Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Marcum LLP

Marcum LLP

We have served as the Company’s auditor since 2021.

New York, NY  
April 16, 2024

**MICROMOBILITY.COM, INC.**  
**(Formerly Helbiz, Inc.)**  
**Consolidated Balance Sheets**  
*(in thousands, except share and per share data)*

	December 31, 2023	December 31, 2022
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 128	\$ 429
Account receivables	704	1,345
Prepaid media rights	49	2,366
VAT receivables	928	3,054
Prepaid and other current assets	1,219	4,051
<b>Total current assets</b>	<b>3,028</b>	<b>11,245</b>
Property, equipment and deposits, net	2,435	9,237
Right of use assets	1,180	2,872
Other assets	389	707
Goodwill	—	13,826
Intangible assets, net	—	3,267
<b>TOTAL ASSETS</b>	<b>\$ 7,032</b>	<b>\$ 41,154</b>
<b>LIABILITIES, CONVERTIBLE PREFERRED STOCK, AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Accounts payable	\$ 11,598	\$ 14,359
Account payable related to media rights	11,394	7,732
Accrued expenses and other current liabilities	9,482	8,885
Deferred revenues	1,558	3,047
Operating lease liabilities	462	1,463
Finance lease liabilities	67	2,002
Short term financial liabilities, net	13,528	33,244
<b>Total current liabilities</b>	<b>48,089</b>	<b>70,732</b>
Non-current financial liabilities, net	1,842	7,174
Operating lease liabilities	861	1,719
Other non-current liabilities	42	433
<b>TOTAL LIABILITIES</b>	<b>\$ 50,834</b>	<b>\$ 80,058</b>
Commitments and contingencies	<i>Note 14</i>	
<b>CONVERTIBLE PREFERRED STOCK</b>		
Series A Convertible Preferred Stock, \$0.00001 par value; 8,000,000 shares authorized at December 31, 2023; none issued and outstanding at December 31, 2023 and 6,751,823 issued and outstanding at December 31, 2022.	\$ —	\$ 945
<b>STOCKHOLDERS' DEFICIT</b>		
Preferred Stock, \$0.00001 par value; 100,000,000 shares authorized at December 31, 2023; none issued and outstanding at December 31, 2023.	—	—
Class A Common stock, \$0.00001 par value; 900,000,000 shares authorized and; 8,856,230 and 21,802 shares issued and outstanding at December 31, 2023 and December 31, 2022, respectively.	210,339	152,996
Class B Common stock, \$0.00001 par value; 1,897 shares authorized, issued and outstanding at December 31, 2022 and none authorized as of December 31, 2023. Class B Common Stocks have been removed from the authorized capital stock of the Company.	—	—
Accumulated other comprehensive loss	(2,144)	(2,904)
Accumulated deficit	(251,997)	(189,942)
<b>Total stockholders' deficit</b>	<b>\$ (43,802)</b>	<b>\$ (39,850)</b>
<b>TOTAL LIABILITIES, CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 7,032</b>	<b>\$ 41,154</b>

*The accompanying notes are an integral part of these consolidated financial statements.*

**MICROMOBILITY.COM, INC.**  
(Formerly Helbiz, Inc.)

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

	Year Ended December 31,	
	2023	2022
<b>Revenue</b>	<b>\$ 9,844</b>	<b>\$ 15,538</b>
Operating expenses:		
Cost of revenues	28,975	41,625
General and administrative	22,917	25,569
Impairment of goodwill and intangible assets	16,683	10,390
Sales and marketing	2,837	8,712
Research and development	2,439	2,741
<b>Total operating expenses</b>	<b>73,851</b>	<b>89,037</b>
<b>Loss from operations</b>	<b>(64,007)</b>	<b>(73,499)</b>
Non-operating income (expenses), net		
Interest expense, net	(6,010)	(7,141)
SEPA financial expenses, net	(4,215)	—
Gain (Loss) on extinguishment of financial debts	12,032	(2,065)
Other financial income, net	202	655
<b>Total non-operating income (expenses), net</b>	<b>2,010</b>	<b>(8,551)</b>
Income tax (expenses), net	(58)	(24)
<b>Net loss</b>	<b>\$ (62,055)</b>	<b>\$ (82,074)</b>
<b>Deemed Dividends and Deemed Dividends equivalents</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Net loss attributable to common stockholders</b>	<b>\$ (62,055)</b>	<b>\$ (82,074)</b>
<b>Net loss per share attributable to common stockholders, basic and diluted</b>	<b>\$ (42.90)</b>	<b>\$ (9,360.49)</b>
<b>Weighted-average number of shares outstanding used to compute net loss per share, basic and diluted</b>	<b>1,446,391</b>	<b>8,768</b>
<b>Net loss</b>	<b>\$ (62,055)</b>	<b>\$ (82,074)</b>
Other comprehensive (loss) income, net of tax:		
Changes in foreign currency translation adjustments	\$ 760	\$ (2,283)
<b>Net loss and comprehensive income</b>	<b>\$ (61,295)</b>	<b>\$ (84,357)</b>

*The accompanying notes are an integral part of these consolidated financial statements.*

**MICROMOBILITY.COM, INC.**  
(Formerly Helbiz, Inc.)

**Statements of Convertible Preferred Stock and Stockholders' Deficit**

*(in thousands, except share and per share data which account for two reverse Splits occurred during year ended December 31, 2023)*

	SERIES A CONVERTIBLE PREFERRED	Class A Common Stock		Class B Common Stock		Accumulated	Accumulated Other Comprehensive	TOTAL STOCKHOLDERS'
	STOCK	Shares	Amount	Shares	Amount	Deficit	(Loss) Income	DEFICIT
<b>Balance at January 1, 2022</b>	<b>\$ —</b>	<b>2,384</b>	<b>\$ 101,454</b>	<b>1,897</b>	<b>\$ —</b>	<b>\$ (108,682)</b>	<b>\$ (621)</b>	<b>\$ (7,849)</b>
Issuance of shares of common stock— for Conversion of Convertible Notes	—	14,183	43,785	—	—	—	—	43,785
Reclassification of bifurcated embedded conversion option pursuant to the adoption of accounting pronouncement ASU 2020-06	—	—	(4,187)	—	—	816	—	(3,371)
Issuance of Warrants	—	—	790	—	—	—	—	790
Issuance of shares of common stock – Commitment shares for Convertible Notes issuance	—	20	399	—	—	—	—	399
Issuance of shares of common stock – for legal services rendered in connection with issuance of convertible notes	—	60	451	—	—	—	—	451
Issuance of shares of common stock – for Advance Notices under SEPA	—	3,080	3,169	—	—	—	—	3,169
Issuance of shares of common stock – for legal services rendered in connection with SEPA	—	157	220	—	—	—	—	220
Issuance of shares of common stock - for Settlement of Account Payables	—	168	770	—	—	—	—	770
Issuance of shares of common stock - for Settlement of Financial Liabilities	—	1,440	2,443	—	—	—	—	2,443
Issuance of shares of common stock - for Settlement of Payroll Liabilities	—	247	335	—	—	—	—	335
Issuance of Series A Preferred Stock - for Wheels business combination	945	—	—	—	—	—	—	—
Reclassification of Liability warrants to Equity Warrants	—	—	56	—	—	—	—	56
Share based compensation	—	62	3,310	—	—	—	—	3,310
Changes in currency translation adjustment	—	—	—	—	—	—	(2,283)	(2,283)
Net loss	—	—	—	—	—	(82,074)	—	(82,074)
<b>Balance at December 31, 2022</b>	<b>\$ 945</b>	<b>21,802</b>	<b>\$ 152,996</b>	<b>1,897</b>	<b>\$ —</b>	<b>\$ (189,942)</b>	<b>\$ (2,904)</b>	<b>\$ (39,850)</b>

	SERIES A – CONVERTIBLE PREFERRED	Class A Common Stock		Class B Common Stock		Accumulated	Accumulated Other Comprehensive	TOTAL STOCKHOLDERS'
	STOCK	Shares	Amount	Shares	Amount	Deficit	(Loss) Income	DEFICIT
<b>Balance as of January 1, 2023</b>	<b>\$ 945</b>	<b>21,802</b>	<b>\$ 152,996</b>	<b>1,897</b>	<b>\$ —</b>	<b>\$ (189,942)</b>	<b>\$ (2,904)</b>	<b>\$ (39,850)</b>
Issuance of shares of common stock – for Advance Notices under SEPA	—	8,829,072	54,192	—	—	—	—	54,192
Issuance of shares of common stock – for Conversion of Convertible Notes	—	691	1,296	—	—	—	—	1,296
Issuance of common stock – for Conversion of Series A Convertible Preferred Stocks	(945)	904	945	—	—	—	—	945
Issuance of shares of common stock and warrants – for various operating and investing activities	—	1,089	452	—	—	—	—	452
Share based compensation	—	775	456	—	—	—	—	456
Class B shares of common stock conversion into Class A shares of common stock	—	1,897	—	(1,897)	—	—	—	—
Changes in currency translation adjustment	—	—	—	—	—	—	760	760
Net loss	—	—	—	—	—	(62,055)	—	(62,055)
<b>Balance as of December 31, 2023</b>	<b>\$ —</b>	<b>8,856,230</b>	<b>\$ 210,339</b>	<b>—</b>	<b>\$ —</b>	<b>\$ (251,997)</b>	<b>\$ (2,144)</b>	<b>\$ (43,802)</b>

*The accompanying notes are an integral part of these consolidated financial statements.*



**MICROMOBILITY.COM, INC.**  
(Formerly Helbiz, Inc.)

**Consolidated Statements of Cash Flows**

*(in thousands, except share and per share data which account for two reverse Splits occurred during year ended December 31, 2023)*

	Year Ended December 31,	
	2023	2022
<b>Operating activities</b>		
<b>Net loss</b>	<b>\$ (62,055)</b>	<b>\$ (82,074)</b>
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	5,529	6,158
Loss on disposal of assets	3,173	193
Non-cash interest expenses	2,267	5,768
Loss (Gain) on extinguishment of debts	(12,032)	2,065
Share-based compensation	456	3,310
Impairment losses	16,683	10,390
Amortization of right-of-use assets	1,363	1,706
Other non-cash activities	(84)	(1,465)
Changes in operating assets and liabilities:		
Prepaid and other current assets	6,072	2,890
Other assets	292	(348)
Accounts receivable	641	(894)
Accounts payable	1,268	7,733
Accrued expenses and other current liabilities	(710)	1,529
Other non-current liabilities	(333)	(57)
<b>Net cash used in operating activities</b>	<b>(37,470)</b>	<b>(43,095)</b>
<b>Investing activities</b>		
Purchase of property, equipment, and deposits	(1,258)	(3,151)
Purchase of intangible assets	(235)	(222)
Acquisition of business, net of cash acquired	—	(3,167)
<b>Net cash used in investing activities</b>	<b>(1,493)</b>	<b>(6,540)</b>
<b>Financing activities</b>		
Proceeds from issuance of financial liabilities, net	14,548	32,265
Repayment of financial liabilities	(31,109)	(5,489)
Proceeds from issuance of financial liabilities, to related party – Officer	—	492
Repayment of financial liabilities, to related party – Officer	—	(237)
Proceeds from sale of shares Class A common stock, net	54,192	3,169
Payments of offering costs and underwriting discounts and commissions	—	(605)
<b>Net cash provided by financing activities</b>	<b>37,631</b>	<b>29,595</b>
Increase (decrease) in cash and cash equivalents, and restricted cash	(1,332)	(20,040)
Effect of exchange rate changes	740	(475)
Net increase (decrease) in cash and cash equivalents, and restricted cash	(593)	(20,515)
Cash and cash equivalents, and restricted cash, beginning of year	737	21,252
Cash and cash equivalents, and restricted cash, end of year	<u>\$ 143</u>	<u>\$ 737</u>
<b>RECONCILIATION OF CASH, CASH EQUIVALENT AND RESTRICTED CASH TO THE CONSOLIDATED BALANCE SHEET</b>		
Cash and cash equivalents	128	429
Restricted cash, included in Other current assets	15	276
Restricted cash, included in Other assets, non-current	—	32
<b>Total cash and cash equivalents, and restricted cash</b>	<u>143</u>	<u>737</u>

**Supplemental disclosure of cash flow information**

Cash paid for:		
Interest, net	\$ 3,448	\$ 1,375
Income taxes, net of refunds	\$ 58	\$ 28
<b>Non-cash investing &amp; financing activities</b>		
Convertible debts converted into Common Stock	\$ 1,296	\$ 43,785
Issuance of common stock – for settlement of financial liabilities	—	2,443
Issuance of common stock – for Preferred share conversion	945	—
Issuance of common stock - for Settlement of Payroll Liabilities	182	—
Issuance of common stock - for Settlement of Account payables	151	—
Issuance of common stock – for purchasing Intangible Assets	50	—
Issuance of warrants - for Settlement of Account payables	69	—
Issuance of common stock – Commitment shares for Convertible Notes issuance	—	399

Issuance of common stock – Legal services for Convertible Notes issuance	—	451
Issuance of Warrants - in conjunction with Convertible Notes issuance	—	790
Derecognition of Beneficial conversion features (BCF) - for adoption of ASU 2020-06	—	4,187
Issuance of Series A Convertible Preferred Stocks	—	945
Adoption of ASU 842 – Recognition of ROU Assets and liabilities	—	4,273

*The accompanying notes are an integral part of these consolidated financial statements.*

**MICROMOBILITY.COM, INC.**  
**(Formerly Helbiz, Inc.)**

**Notes to Consolidated Financial Statements**

**(in thousands, except share and per share data which account for two reverse Splits occurred during year ended December 31, 2023)**

**1. Description of Business and Basis of Presentation**

**Description of Business**

micromobility.com, Inc. (formerly known as Helbiz, Inc., and, together with its subsidiaries, “micromobility.com” or the “Company”) was incorporated in the state of Delaware in October 2015 with its headquarters in New York, New York. The Company is an intra-urban transportation company that seeks to help urban areas reduce their dependency on individually owned cars by offering affordable, accessible, and sustainable forms of personal transportation, specifically addressing first and last mile transport.

Founded on proprietary technology platforms, the Company’s core business is the offering of electric vehicles in the sharing environment. Through its Mobility App, the Company offers an intra-urban transportation solution that allows users to instantly rent electric vehicles.

The Company currently has electric vehicles operating in the United States and Europe.

**Basis of Presentation**

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and include the accounts of the Company and its wholly- owned subsidiaries. All intercompany balances and transactions have been eliminated.

The Company uses the U.S. dollar as the functional currency. For foreign subsidiaries where the U.S. dollar is the functional currency, gains, and losses from remeasurement of foreign currency balances into U.S. dollars are included in the consolidated statements of operations. For the foreign subsidiary where the local currency is the functional currency, translation adjustments of foreign currency financial statements into U.S. dollars are recorded to a separate component of accumulated other comprehensive loss.

Two reverse stock splits of 1:50 and 1:150 were approved by Company’s shareholders and Board of Directors, during 2023. The Company’s consolidated financial statements were adjusted to reflect the two reverse stock splits. In detail, the Company retroactively restated the Common shares data as if the reverse stock splits have been occurred on January 1, 2022.

**2. Going Concern and Management’s Plans**

The Company has experienced recurring operating losses and negative cash flows from operating activities since its inception. To date, these operating losses have been funded primarily from outside sources of invested capital. The Company had, and expects to continue to have, an ongoing need to raise additional cash from outside sources to fund its operations. Attaining profitable operations depends upon achieving a level of revenues adequate to support the Company’s cost structure. These conditions raise substantial doubt about the Company’s ability to continue as a going concern within one year after the date that the financial statements are issued.

The Company plans to continue to fund its operations through debt and equity financing. Debt or equity financing may not be available on a timely basis on terms acceptable to the Company, or at all.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business and, as such, the financial statements do not include any adjustments relating to the recoverability and classification of recorded amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

**3. Significant Accounting Policies and Use of Estimates**

**Use of Estimates**

The preparation of financial statements in conformity with US GAAP generally requires management to make estimates and assumptions that affect the reported amount of certain assets, liabilities, revenues, and expenses, and the related disclosure of contingent assets and liabilities. Specific accounts that require management estimates include determination of fair values of warrant and financial instruments, purchase price allocation for business combinations, useful lives of intangible assets, property and equipment and valuation allowance for deferred income taxes.

Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

## Segment Information

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources to an individual segment and in assessing performance. The Company's Chief Executive Officer, Salvatore Palella, is the Company's CODM. The CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance.

For the year-ended December 31, 2023, and 2022, the Company has determined to have operated in two operating segments, Mobility and Media. During the years ended December 31, 2023, and 2022, the Company generated revenues in the United States and Europe and as of December 31, 2023, and 2022, the Company had material assets located outside of the United States, primarily in Italy.

## Revenue Recognition

The Company generates its revenue from its two operating segments: Mobility and Media.

Mobility revenues are related to the offering of electric vehicles in the sharing environment. Through its Mobility App, Helbiz offers an intra-urban transportation solution that allows users to instantly rent electric vehicles. Those Mobility revenues are recorded in accordance with Accounting Standards Codification Topic 842 ("ASC 842").

Media revenues are related to the international distribution and broadcasting of media content, including live sports events. The Company recorded Media revenues in accordance with Accounting Standards Codification Topic 606 ("ASC 606").

### *Mobility Revenues*

Mobility revenues are recognized for rental and rental related activities where an identified asset, is transferred to the customer and the customer has the ability to control that asset in accordance with ASC 842.

The Company generates mobility revenues from its fleet of electric vehicles. The Company operates a fleet of sharing electric vehicles, comprised of both owned vehicles and vehicles leased from third-party leasing companies. In order to rent a Company's electric vehicle, a rider downloads the Mobility App and accepts the Terms of Conditions ("ToC"). The ToC defines the Company's offering, the fees charged, each party's rights and obligations and payment terms. After accepting the ToC, a rider selects and unlocks an electric vehicle, the rider has the right and the ability to control the selected electric vehicle for the desired term of the arrangement. As a result, the Company either leases or subleases the rented vehicle to the rider. The duration of the agreement varies between a single ride, for pay-per-ride agreement up to monthly for Unlimited subscription. In all those agreements, the Company is the accounting lessor or sublessor, as applicable, in accordance with ASC 842.

Due to the short-term nature of those arrangements, the Company classifies these rentals as operating leases. The revenues generated from single-use rides are recognized upon completion of each ride, while revenues generated from mobility subscription are recognized evenly over the rental period, which is typically a month or less. The Company records deferred rent arising from prepayment of rides made by customers.

The Company has made an accounting policy election to not separate non-lease components from lease components, the entire consideration received from subscribers is treated as lease rental and therefore it is recognized on a straight-line basis.

Additionally, the Company made an accounting policy election not to gross up the revenue with the related taxes. Rather, it is presenting the revenues after excluding the taxes (i.e., net of sales taxes and VAT). As a result, a liability is recorded upon completion of each ride for the related taxes.

Mobility revenues also includes an immaterial amount related to partnership and advertising revenues related to co-branding of the fleet and advertising on the Mobility App.

## Media Revenues

Media Revenues are mainly composed by three sub-categories:

- a) *Commercialization of Media rights (B2B)*
- b) *Live Subscriptions (B2C)*
- c) *Advertising fees*

- a) *Commercialization of Media rights (B2B)*: Media Revenues are mainly composed of international commercialization and distribution of media content to media partners, in the Business to Business (“B2B”) environment. In detail, the Company recorded revenues in connection with the commercialization of the rights to broadcast, outside of Italy, the Italian Lega Serie BKT football (“LNPB”).

The Company applied the following steps to achieve the core principle of ASC 606.

1. *Identification of the Contract, or Contracts, with a Customer*. The Company has signed an agreement with each media partner who operates in the broadcast and media market.

2. *Identification of the Performance Obligations in the Contract*. The Company is responsible for delivering the media content to the media partner. As a result, the Company identified only one performance obligation: the delivery of media content to the media partner.

3. *Determination of the Transaction Price*. The Company analyzed the following criteria, using management judgement, to determine if the Company is acting as Principal or Agent in those transactions.

i) *Controlling the goods or services before they are transferred to customers*. The Company, in all active agreements, is the only part responsible for providing the service to the media partners. In detail, the Company obtained the media content rights from LNPB and controlled the rights, before entering into agreements with media partners. Additionally, based on the service agreements, the Company is the only responsible for providing the media content to the media partners.

ii) *Inventory Risk*. ASC 606 clarifies that an entity might have inventory risk in a service arrangement if it is committed to pay the service provider even if the entity is unable to identify a customer to purchase the service. As described in the criteria “*Controlling the goods or services before they are transferred to customers*” the Company obtained the audiovisual rights from LNPB before entering into agreements with media partners.

iii) *Discretion in establishing prices*. Based on the agreement with LNPB, the Company has full discretion in determining the price and payment terms.

The Company concluded that it acts as Principal in those service agreements as it obtained control over the media content rights, it has inventory risk, and it has discretion in establishing the prices. As result, the Company is entitled to recognize the gross selling price as transaction price.

In addition, the Company excludes all sales taxes and withholding taxes required by governmental authorities from the measurement of the transaction price.

4. *Allocation of the Transaction Price to the Performance Obligations in the Contract*. As explained above, 2. Identification of the Performance Obligations in the Contract, the Company determined that the contract contains only one performance obligation, as a result, there is no allocation of the transaction price.

5. *Recognition of Revenue when, or as, the Company Satisfies a Performance Obligation*. The Company identified one performance obligation: the delivery of media content. Revenues are recognized ratably over the licensing period in conjunction with the distribution of the media content to the media partners.

- b) *Live subscriptions (B2C)*: For the broadcasting of the media content, the Company is also present in the Business to Customer (“B2C”) environment, through its entertainment App, Helbiz Live. In this environment, the Media subscriptions revenues are related to agreements with final customers. In detail, every time the customers accept the Terms of Conditions (“ToC”), included in the Helbiz Live App, and pay the monthly or annual fees the Company identified the presence of a formal agreement. The performance obligation related to the mentioned agreements is represented by the availability of the media content to the final customer. As a result, in accordance with the principles described by ASC 606 “Revenue Requirements from Subscription Business”, the Company recognizes revenues over time by measuring the progress of occurrence of the media content, toward complete satisfaction of the performance obligation.
- c) *Advertising Fees*: The advertising revenues are related to agreements with partners for advertising activities in the Company’s entertainment App: Helbiz Live. Those fees are recognized as revenues on a straight-line basis over the contractual period with the partner, in line with the satisfaction of the related performance obligation. The Company is only responsible for fulfilling its obligation to provide a space in the Helbiz Live App, during the live content.

## ***Other revenues***

The Company also generated revenues from food delivery offerings, which are recognized as revenues on a straight-line basis over the contractual period, in line with the satisfaction of the related performance obligations, as defined in ASC 606.

## **Cost of revenues**

Cost of revenues primarily consists of operative costs related to the Mobility and Media offerings.

- Costs incurred in connection to Mobility offerings include but is not limited to: personnel-related costs both internal and external, credit card processing fees, battery charging costs, electric vehicles repair and maintenance costs, van and warehouses under operating leases, data center and networking expenses, software expenses directed related to the operations, ride insurance costs, depreciation and write-off of rental vehicles, amortization and expenses related to the obtainment of operating licenses and other direct costs.
- Costs incurred in connection to Media offerings includes content licensing, access costs, licensing and credit cards processing fees.

## **Research and development**

Research and development expenses primarily consist of personnel-related compensation costs for employees in engineering and product development, both internal and external. Such expenses include costs related to the Company's technology initiatives, as well as expenses associated with ongoing improvements to existing products and platforms. Research and development expenses are expensed as incurred.

## **Sales and marketing**

Sales and marketing expenses primarily consist of advertising expenses, business development expenses, customer support costs, product marketing costs, personnel-related compensation costs and depreciation and write-off expense of customer relationship acquired. Sales and marketing costs are expensed as incurred.

## **General and administrative**

General and administrative expenses primarily consist of personnel-related compensation costs, professional service fees, D&O insurance, lease expenses for offices and corporate houses, depreciation and amortization expenses of fixed and intangible assets other than rental vehicles or related to them, and other corporate costs.

## **Income Taxes**

Deferred income taxes are recorded for the expected tax consequences of temporary differences between the tax basis of assets and liabilities for financial reporting purposes and amounts recognized for income tax purposes. The Company periodically reviews the recoverability of deferred tax assets recorded on the consolidated balance sheet and provides valuation allowances as deemed necessary to reduce such deferred tax assets to the amount that will, more likely than not, be realized. A full valuation allowance was recorded against the deferred tax assets as of December 31, 2023, and 2022.

Income tax expense consists of taxes currently payable and changes in deferred tax assets and liabilities calculated according to local tax rules.

Significant judgment is required in determining any valuation allowance recorded against deferred tax assets. In assessing the need for a valuation allowance, the Company considers all available evidence for each jurisdiction including past operating results, estimates of future taxable income and the feasibility of ongoing tax planning strategies. In the event that the Company changes its determination of the amount of deferred tax assets that can be realized, the Company will adjust its valuation allowance with a corresponding impact to income tax expense in the period in which such determination is made.

The amount of deferred tax provided is calculated using tax rates enacted at the balance sheet date. The impact of tax law changes is recognized in periods when the change is enacted.

A two-step approach is applied in the recognition and measurement of uncertain tax positions taken or expected to be taken in a tax return. The first step is to determine if the weight of available evidence indicates that it is more likely than not that the tax position will be sustained in an audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement.

The Company's policy is to recognize interest and penalty expenses associated with uncertain tax positions as a component of income tax expense in the Consolidated statements of operations and comprehensive loss. As of December 31, 2023, and 2022, the Company had no accrued interest or penalties related to uncertain tax positions and no amounts have been recognized in the Company's consolidated statements of operations and comprehensive loss.

### **Stock-Based Compensation**

The Company accounts for stock-based compensation expense in accordance with the fair value recognition and measurement provisions of U.S. GAAP, which requires compensation cost for the grant-date fair value of stock-based awards to be recognized over the requisite service period. The Company accounts for forfeitures when they occur. The fair value of stock-based awards, granted or modified, is determined on the grant date at fair value, using appropriate valuation techniques.

#### ***Service-Based Awards***

The Company records stock-based compensation expense for service-based stock options and restricted stock on a straight-line basis over the requisite service period. For stock options with only service-based vesting conditions, the Company utilizes Black-Scholes option-pricing model as valuation model, which incorporates the following assumptions:

- *Expected term*: it represents the period of time that the options are expected to be outstanding and is estimated using the midpoint between the requisite service period and the contractual term of the option, under the safe harbor method.
- *Risk-free interest rate*: based on the U.S. Treasury yield curve in effect at the time of grant with a term equal to the expected term.
- *Expected dividend yield*: the Company has not paid and does not anticipate paying dividends on common stock, as a result is 0.0%.
- *Volatility*: the Company estimated the volatility using historical volatility over the expected terms.

For restricted stock, granted under the employee stock purchase plan, subject only to a service condition for vesting, the Company measures the awards based on the market price of its common stock at the grant date.

#### ***Performance-Based Awards***

The Company has granted common stock that vest upon the satisfaction of a performance condition. The performance-based conditions generally are satisfied upon achieving specified performance targets, such as our financial or operating metrics, and/or the occurrence of a qualifying event, defined as the earlier of (i) the closing of certain specific liquidation or change in control transactions, or (ii) an initial public offering ("IPO"). The Company records stock-based compensation expense for performance-based equity awards only if performance-based conditions are considered probable to be satisfied.

#### ***Market-Based Awards***

We have granted stock options that vest only upon the satisfaction of all the following conditions: service-based conditions, performance-based conditions, and market-based conditions. The performance-based condition is satisfied upon achieving specified performance targets, such as the occurrence of a qualifying event, as described above for performance-based awards. The market-based conditions are satisfied upon the achievement of specified Company's market valuations.

The Company records stock-based compensation expense for market-based equity awards such as stock options on an accelerated attribution method over the requisite service period. We determine the requisite service period by comparing the derived service period to achieve the market-based condition and the explicit service-based period, using the longer of the two service periods as the requisite service period.

## Concentration of Credit Risk

Cash and cash equivalents, restricted cash are potentially subject to credit risk concentration. Cash and cash equivalents and restricted cash consist of cash deposits which typically exceed insured limits and are placed with international financial institutions. The Company has not experienced any material losses related to these concentrations during the periods presented.

## Cash and Cash Equivalents

The Company maintains cash in bank deposits in different currencies, mainly the U.S. Dollar and Euro.

## Foreign Currency

The Company has operations in foreign countries whose functional currency is the local currency. All assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the exchange rate on the balance sheet date. Revenue and expenses are translated at the average exchange rate applicable during the period. Translation gains and losses are included as a component of accumulated other comprehensive loss in stockholders' equity. Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in other income and expenses in the accompanying consolidated statements of operations and comprehensive loss when incurred.

## Leases

The Company adopted ASC 842 as of January 1, 2022, using the modified retrospective approach. The Company elected to apply the transition method that allows companies to continue applying the guidance under the lease standard in effect at that time in the comparative periods presented in the consolidated financial statements and recognize a cumulative-effect adjustment to the opening balance of retained earnings on the date of adoption.

The Company elected the package of practical expedients available in the leasing transition guidance, and therefore did not reassess whether existing or expired contracts contain leases, lease classification, or initial direct costs. Additionally, the Company has elected the practical expedient to not separate lease and non-lease components for all of the Company's leases. The Company also has elected the short-term lease exception for all classes of assets, and therefore does not apply the recognition requirements for leases of 12 months or less. Lease payments may be fixed or variable; however, only fixed payments are included in the Company's lease liability calculation. For certain leases, the Company also applies a portfolio approach to account for right-of-use assets and lease liabilities that are similar in nature and have nearly identical contract provisions.

The Company determines if an arrangement is or contains a lease at contract inception by assessing whether the arrangement contains an identified asset and whether the lessee has the right to control such asset. The Company determines the classification and measurement of its leases upon lease commencement.

### *Lessee*

The Company's leases include real estate property to support its operations, research and development equipment and electric vehicles used by riders to provide sharing services on the Mobility App. The Company records the right-of-use asset and lease liability at the present value of lease payments over the term. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options.

When the discount rate implicit in the lease cannot be readily determined, the Company estimates its incremental borrowing rate to discount the lease payments based on information available. The Company determines its incremental borrowing rate based on the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments in a similar economic environment.

Operating leases are included in right-of-use assets, operating lease liabilities current and non-current on the consolidated balance sheets. Lease costs for the Company's operating leases are recognized on a straight-line basis primarily within operating expenses over the lease term. Variable lease payments are recognized primarily in operating expenses in the period in which the obligation for those payments is incurred.

Finance leases are included in property, equipment, and deposits, net, and finance lease liabilities current and non-current on the consolidated balance sheets. Finance lease assets are amortized on a straight-line basis over the shorter of the estimated useful lives of the assets or the lease term in operating expenses on the consolidated statements of operations. The interest component of finance leases is recorded as interest expenses on the consolidated statements of operations and recognized using the effective interest method over the lease term.



## Property, and Equipment

Property, and equipment consist of equipment, computers and software, furniture and fixtures, and rental electric vehicles including vehicles leased under finance leases. Property, and equipment are stated at cost less accumulated depreciation. Depreciation is computed using a straight-line method over the estimated useful life of the related asset. Depreciation for property and equipment commences once they are ready for our intended use. Maintenance and repairs are charged to expense as incurred, and improvements and betterments are capitalized. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the consolidated balance sheet and any resulting gain or loss is reflected in the consolidated statement of operations in the period realized.

The table below, shows the useful lives for the depreciation calculation using the straight-line method:

	Useful life
Equipment	5 years
Computers and Software	3 years
Furniture and fixtures	7 years
Rental e-Bikes	2 years
Rental e-Scooters	1.5 years

Leasehold improvements are amortized on a straight-line basis over the shorter of the remaining term of the lease, or the useful life of the assets.

## Vehicle Deposits

Vehicle Deposits consist of capital advances made in connection to purchase orders submitted to vehicle's manufacturers. The Company analyzed the nature of the deposits and classified as non-current assets the deposits expected to be converted into fixed assets, such as new Mobility vehicles.

## Acquisitions

The Company accounts for acquisitions of entities or asset groups that qualify as businesses using the acquisition method of accounting. In detail, the acquisition method required that the purchase price of the acquisition is allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values at the acquisition date. The excess of the purchase price over those fair values is recorded as goodwill. During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded in the consolidated statements of operations.

## Goodwill

Goodwill represents the excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired in a business combination. Goodwill is not subject to amortization but is tested for impairment on an annual basis during the fourth quarter or whenever events or changes in circumstances indicate the carrying value of the reporting unit may be in excess of its fair value. As part of the annual goodwill impairment test, the Company first performs a qualitative assessment to determine whether further impairment testing is necessary. If, as a result of its qualitative assessment, it is more-likely-than-not that the fair value of the Company's reporting unit is less than its carrying amount, the quantitative impairment test will be required. Alternatively, the Company may bypass the qualitative assessment and perform a quantitative impairment test.

## Intangible assets, net

Intangible assets are carried at cost and amortized on a straight-line basis over their estimated useful lives, which range from one to five years. Intangible assets resulting from the acquisition of entities are accounted for using the purchase method of accounting based on management's estimate of the fair value of assets received.

Intangible assets, net is mainly composed by operating permits and licenses awarded or acquired by the Company, which allow the Company to operate operating the sharing business. The Company tests intangible assets for impairment whenever events or changes in circumstances (qualitative indicators) indicate that intangible assets might be impaired.

## **Impairment of Long-Lived Assets**

The Company reviews long-lived assets, including property, equipment, and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Such events and changes may include: significant changes in performance relative to expected operating results, changes in asset use, negative industry or economic trends, and changes in the Company's business strategy. The Company measures the recoverability of these assets first by comparing the carrying amounts to the future undiscounted cash flows that the assets or the asset group are expected to generate. If such assets or asset groups are considered to be impaired, an impairment loss would be recognized if the carrying amount of the asset exceeds the fair value of the asset.

## **Fair Value of Financial Instruments and Fair Value Measurements**

The Company determines the fair value of financial assets and liabilities using the fair value hierarchy established in the accounting standards. The hierarchy describes three levels of inputs that may be used to measure fair value, as follows:

Level 1 — Quoted prices in active markets for identical assets and liabilities.

Level 2— Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3— Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurements. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

The Company's financial instruments include cash and cash equivalents, warrants, convertible debts, equity compensation, common stocks, temporary equity, promissory notes, and loans. Management believes that the carrying amounts of cash and cash equivalents, accounts payable, accounts receivable, and short-term debts approximate the fair value due to the short-term nature of those instruments. Embedded derivatives and certain warrants are classified as Level 3 in the fair value hierarchy as they are valued using significant unobservable inputs or data in inactive markets. We use a third-party valuation specialist to assist management in its determination of the fair value of its Level 3. These fair value measurements are highly sensitive to changes in these significant unobservable inputs and significant changes in these inputs would result in a significantly higher or lower fair value.

The fair value of the shares of common stock underlying the stock option and temporary equity have been historically determined by using a third-party valuation specialist to assist management in its determination. Management determines the fair value of the Company's common stock and temporary equity by considering a number of objective and subjective factors including: the valuation of comparable companies, sales of redeemable convertible preferred stock to unrelated third parties, the Company's operating and financial performance, the lack of liquidity of common stock, and general and industry specific economic outlook, amongst other factors.

## **Financial Liabilities**

The Company accounts Financial Liabilities between Current and Non-current liabilities based on the re-payment terms and conditions.

At the issuance of each financial instrument the Company evaluates the presence of: embedded derivatives, other instruments issued in conjunction of the financial transactions such as warrants. In case the Company identified more than one financial instrument or embedded derivatives, the Company allocates the gross proceeds, at issuance date. The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance.

For subsequent measurement of embedded derivatives and warrants classified as liability the Company followed the applicable authoritative guidance which required subsequent adjustments of the instruments at fair value with impact on the Consolidated Statement of Operations. For warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of additional paid-in capital at the time of issuance.

## **Net Loss Per Share Attributable to Common Stockholders**

The Company follows the two-class method when computing net loss per common share when shares are issued that meet the definition of participating securities. The two-class method determines net income (loss) per common share for each class of common stock and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common stockholders for the period to be allocated between common stock and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed. The Company's redeemable convertible preferred stock contractually entitles the holders of such shares to participate in dividends but does not contractually require the holders of such shares to participate in the Company's losses.

Basic net loss per share is computed by dividing the net loss by the weighted-average number of shares of common stock outstanding during the period, net of shares of common stock held in escrow account. The diluted net loss per share is computed by giving effect to all potentially dilutive securities outstanding for the period. For periods in which the Company reports net losses, diluted net loss per common share attributable to common stockholders is the same as basic net loss per common share attributable to common stockholders, because potentially dilutive common stocks are not assumed to have been issued if their effect is anti-dilutive.

#### **Recent Accounting Pronouncements Not Yet Adopted**

In November 2023, the FASB issued ASU No. 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures”, which amends and enhances the disclosure requirements for reportable segments. All disclosure requirements under this standard will also be required for public entities with a single reportable segment. The new standard will be effective for the Company for fiscal years beginning after December 15, 2023, including interim periods within fiscal years beginning after December 15, 2024. The Company is currently assessing the impact of adopting this standard on the consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09, “Improvements to Income Tax Disclosures”, which requires companies to provide disaggregated information about a reporting entity’s effective tax rate reconciliation as well as information on income taxes paid. The new requirements will be effective for public business entities for fiscal periods beginning after December 15, 2024. The Company is currently assessing the impact of adopting this standard on the consolidated financial statements.

#### **4. Business Combination**

##### **Wheels Labs, Inc – 2022 Business Combination**

On November 18, 2022 (“Business Combination date”), the Company acquired 100% of the equity interest of Wheels Labs, Inc. (“Wheels”), an international group operating in the micro-mobility business by sharing e-vehicles through an IT platform. The business combination was expected to contribute to the growth of the Company’s core business through the offering of an additional type of micro-mobility vehicle to riders.

The acquisition of Wheels has been accounted for as a business combination. The Company estimated the purchase price of the acquisition has to be \$4,145, composed of:

- \$945 which represents the total fair value of the 6,751,823 Series A Convertible Preferred Stocks issued to Wheels shareholders on the Business Combination date, and
- \$3,200 paid in cash to Wheels during the due diligence phase.

The fair value of the Company’s Series A Convertible Preferred Stocks issued to Wheels shareholders have been estimated assuming two scenarios:

- a) conversion of the Series A Convertible Preferred Stocks into Company’s common stock within four months. The result of this scenario is a function of the Company’s common stock fair value and the conversion rate, and
- b) Series A Convertible Preferred Stocks not converted into shares of Class A Common Stock for the first twelve months after issuance. In this scenario, the fair value has been estimated through an option pricing method backsolve calculation.

The Company assigned a 95% probability to scenario a) and 5% to scenario b). Fair value measurements are highly sensitive to changes in these inputs; significant changes in these inputs would result in a significantly higher or lower fair value.

##### **Valuation Assumptions for Purchase Price Allocation**

Company’s valuation assumptions used to estimate the acquired assets and assumed liabilities require significant estimates, especially with respect to intangible assets, property and equipment, legal contingencies and deferred taxes. In determining the fair value of intangible assets acquired, the Company had to make assumptions about the future performance of the acquired businesses, including among other things, the forecasted revenue growth attributable to the asset groups and projected operating expenses inclusive of expected synergies, future cost savings, and other benefits expected to be achieved by combining the businesses acquired with the Company. The intangible assets acquired were primarily comprised of government relationships and trade names and trademarks. The Company utilized widely accepted income-based, market-based, and cost-based valuation approaches to perform the preliminary purchase price allocations.

The estimated fair value of the government relationships was determined using the multi-period excess earnings method and the estimated fair value of the trade names and trademarks was determined using the relief from royalty method. Both methods required forward looking estimates that were discounted to determine the fair value of the intangible asset using a risk-adjusted discount rate that was reflective of the level of risk associated with future estimates associated with the asset group that could be affected by future economic and market conditions.

The fair value measurement of the assets and liabilities was based on significant inputs not observable in the market and thus represents a Level 3 measurement. The Company utilized a discounted cash flow method, with a discount rate of 14.4%. The following table summarizes the allocation of the fair value of the assets acquired and liabilities assumed, prepared with the assistance of a valuation specialist, at the Business Combination date.

Government relationships	\$	2,400
Rental vehicles		1,126
Trade name and trademarks		900
Other current assets		535
Right of use assets under operating leases		274
Cash and cash equivalents		33
<b>Total identifiable assets acquired</b>	<b>\$</b>	<b>5,268</b>
Trade payables		(4,592)
Financial liabilities		(4,736)
Accrued expenses and other current liabilities		(1,660)
Legal contingencies – Refer to Note 14 Commitment and contingencies		(2,060)
Sales tax payables		(1,306)
Deferred revenues		(322)
Short-term operating lease liability		(274)
<b>Total Liabilities assumed</b>	<b>\$</b>	<b>(14,950)</b>
<b>Goodwill</b>		<b>13,826</b>
<b>Total acquisition fair value consideration</b>	<b>\$</b>	<b>4,145</b>

Business combination costs amounting to \$1,069 are related to legal and financial advisor costs. Based on their nature, the Company recorded the costs in general and administrative expenses in the consolidated statements of operations for the year ended December 31, 2022.

Goodwill - not deductible for tax purpose – included in the Mobility segment, was primarily attributable to: a) assembled workforce which represents the presence of a skilled employee base who possesses expertise in the micromobility environment that are important for the expansion plan and , b) expected operating synergies and monetization opportunities arising from the business combination, including the ability to obtain further licenses in the electric sharing environment in Europe and United States and gain efficiencies with the combined use of know-how, technology, and existing processes.

Government relationships and Trade name and trademarks accounted as Intangible Assets were amortized on a straight-line basis over their estimated useful life 3 years. Government relationships represented the operating e-vehicle sharing agreements with municipalities, entered by Wheels in previous years. Trade name and trademarks represented the values of the Wheels name and brand recognized by customers and the value of the patents associated with the Wheels vehicles.

Assumed legal contingencies were related to lawsuits for the usage of Wheels’s vehicles and for violations of the California Labor Code for the classification of individuals as independent contractors rather than employees. At the business combination date, the Company has determined that the range of the potential loss on such contingencies is \$0 to \$3,264 and the probable and reasonable estimable negative outcomes on such contingencies was \$2,060, based on settlements already entered, rulings and the advice of legal counsel. Significant judgment was required to determine both the probability and the estimated amount of any potential losses and many of the legal proceedings were early in the discovery stage and unresolved.

The results of operations for the acquired business have been included in the consolidated statements of operations for the period after the Business Combination date, November 18, 2022. Revenues and Net Loss of Wheels included in the Company's consolidated statement of operations from the acquisition date through December 31, 2022, are as follows.

	From November 18, 2022, to December 31, 2022
Revenues	\$ 286
Net Loss	(1,628)

#### Pro forma combined results

Pro forma consolidated revenues and earnings for the twelve months ended December 31, 2022, calculated as if Wheels had been acquired as of January 1, 2022, are as follows:

	(unaudited) Year Ended December 31, 2022
Revenues	\$ 21,196
Net Loss	(111,484)

The pro forma adjustments reflect the transaction accounting adjustments, in accordance with U.S. GAAP. No autonomous entity adjustments have been identified and recorded as pro forma adjustments. Additionally, the pro forma adjustments do not reflect management's adjustments for potential synergies and dis-synergies. The pro forma combined financial statements do not necessarily reflect what the combined results of operations would have been had the acquisition occurred on the dates indicated. In detail, the pro forma adjustments are mainly related to the amortization of Customer and Government relationships and trade name and trademarks. They also may not be useful in predicting the future results of operations of the combined company. The actual results of operations may differ significantly from the pro forma amounts reflected herein due to a variety of factors.

#### 5. Revenue Recognition

The table below shows the revenues breakdown for the years ended on December 31, 2023, and 2022.

	Year Ended December 31,	
	2023	2022
<b>Mobility Revenues (ASC 842)</b>	<b>\$ 5,269</b>	<b>\$ 8,430</b>
Pay per ride	4,414	6,742
Mobility Subscriptions	675	1,331
Partnerships fees	180	357
<b>Media Revenues (ASC 606)</b>	<b>\$ 3,975</b>	<b>\$ 6,507</b>
Commercialization of Media rights (B2B)	2,089	4,177
Live subscriptions (B2C)	1,414	1,740
Advertising fees	473	590
<b>Other Revenues (ASC 606)</b>	<b>\$ 600</b>	<b>\$ 601</b>
<b>Total Revenues</b>	<b>\$ 9,844</b>	<b>\$ 15,538</b>

The table below shows the Deferred revenues roll-forward from January 1, 2022, to December 31, 2022, and from January 1, 2023, to December 31, 2023.

Deferred Revenues	January 1, 2023	Additions	2023 Revenues	FX rate Adj	December 31, 2023
Mobility	1,775	2,166	(2,181)	(202)	1,558
Media	1,272	2,750	(3,975)	(46)	—
<b>Total</b>	<b>\$ 3,047</b>	<b>\$ 4,916</b>	<b>(6,156)</b>	<b>(248)</b>	<b>\$ 1,558</b>

Deferred Revenues	January 1, 2022	Additions	Wheels Business combination	2022 Revenues	FX rate Adj	December 31, 2022
Mobility	1,202	2,757	322	(2,417)	(89)	1,775
Media	383	7,539	—	(6,507)	(142)	1,272
Other	—	24	—	(24)	—	—
<b>Total</b>	<b>\$ 1,585</b>	<b>\$ 10,320</b>	<b>\$ 322</b>	<b>\$ (8,948)</b>	<b>\$ (231)</b>	<b>\$ 3,047</b>

Deferred revenues related to prepaid customer wallets will be recorded as Mobility Revenues when riders take a ride.

As of December 31, 2023, Media Deferred Revenue was zero as a result of the early termination of the agreements entered into with LNPNB (Lega Nazionale Professionisti Serie B) for the commercialization of media rights. In detail, on June 15, 2023, and June 28, 2023, the Company received communications from the main live content provider, LNPNB, notifying the early termination of the agreements related to the commercialization and broadcast of the Italian Serie B content.

## 6. Prepaid Media rights

Prepaid Media rights are composed by media rights to commercialize and broadcast sports events (live and highlights). The table below shows the Prepaid Media rights roll-forward from January 1, 2022, to December 31, 2022, and from January 1, 2023, to December 31, 2023.

Prepaid Media rights	January 1, 2022	Additions	2022 COGS	FX rate Adj	December 31, 2022
Media rights	2,758	13,550	(13,767)	(175)	2,366
<b>Total</b>	<b>\$ 2,758</b>	<b>\$ 13,550</b>	<b>\$ (13,767)</b>	<b>\$ (175)</b>	<b>\$ 2,366</b>

Prepaid Media rights	January 1, 2023	Additions	2023 COGS	FX rate Adj	December 31, 2023
Media rights	2,366	5,101	(7,449)	31	49
<b>Total</b>	<b>\$ 2,366</b>	<b>\$ 5,101</b>	<b>\$ (7,449)</b>	<b>\$ 31</b>	<b>\$ 49</b>

## 7. VAT Receivables

VAT Receivables amounted to \$928 and \$3,054 as of December 31, 2023, and 2022, respectively. VAT receivables are mainly related to the Italian VAT (22%), recorded by mobility and Media businesses. VAT receivables will be collected or offset with other tax liabilities within the year ended December 31, 2024.

## 8. Goodwill

The table below shows the Goodwill roll-forward from January 1, 2022, to December 31, 2022, and from January 1, 2023, to December 31, 2023.

	January 1, 2022	Business Combination	Impairment	FX rate Adj	December 31, 2022
MiMoto Goodwill	10,696	—	(9,264)	(1,432)	—
Wheels Goodwill	—	13,826	—	—	13,826
<b>Total</b>	<b>\$ 10,696</b>	<b>\$ 13,826</b>	<b>\$ (9,264)</b>	<b>\$ (1,432)</b>	<b>\$ 13,826</b>

	January 1, 2023	Business Combination	Impairment	FX rate Adj	December 31, 2023
Wheels Goodwill	13,826	—	(13,826)	—	—
<b>Total</b>	<b>\$ 13,826</b>	<b>\$ —</b>	<b>\$ (13,826)</b>	<b>\$ —</b>	<b>\$ —</b>

As part of the Company's impairment analysis, the fair value of the reporting units were determined using the income approach. The determination of the fair value of the Company's reporting units requires management to make a number of estimates and assumptions, which include, but are not limited to: the projected future business and financial performance of the Company's reporting unit; forecasts of revenue, operating income, depreciation, amortization, and capital expenditures; discount rates; terminal growth rates; and consideration of the impact of the current adverse macroeconomic environment. Although the Company believes its estimates of fair value are reasonable, actual financial results could differ from those estimates due to the inherent uncertainty involved in making such estimates.

#### *MiMoto Impairment*

In September 2022, the Company identified impairment indicators which indicate that the fair values of MiMoto assets, related to the e-mopeds business, were below their carrying values. The decline in the Company's market capitalization and the reduction of operating e-mopeds were the main impairment indicators. As of September 30, 2022, the Company completed a quantitative impairment test for the Mobility reporting unit, comparing the estimated fair value of the reporting unit to its carrying value, including goodwill and intangible assets. As a result, the Company impaired the carrying value of MiMoto Goodwill of \$9,264 and MiMoto Intangible assets of \$1,126, which are included within Impairment of assets in the consolidated statements of operations for the twelve months ended December 31, 2022.

#### *Wheels Impairment*

On November 18, 2022, the Company completed a business combination with Wheels. As a result of the business combination the Company identified a Goodwill which was primarily attributable to the expected operating synergies and monetization opportunities arising from the business combination, including the ability to obtain further licenses in the electric sharing environment in Europe and United States and gain efficiencies with the combined use of know-how, technology, and existing processes.

In June 30 2023, the Company identified impairment indicators which indicate that the fair values of Mobility assets were below their carrying values. The decline in the Company's market capitalization was the main impairment indicator. The Company completed a quantitative impairment test for the Mobility reporting unit, comparing the estimated fair value of the reporting unit to its carrying value, including goodwill and intangible assets. In detail, for the June 2023 impairment testing, as compared to December 2022 testing, the Company reduced the estimated future cash flows used in the impairment assessment, including revenues, margin, and capital expenditures to reflect the Company's best estimates at this time. The updates to the estimated future cash flows each had a significant impact to the estimated fair value of the reporting unit. As a result, the Company impaired the net carrying value of Wheels Goodwill of \$13,826 and Wheels Intangible assets, net of \$2,619, which are included within Impairment of assets in the consolidated statements of operations for the twelve months ended December 31, 2023.

### 9. Property, equipment and deposits, net

Property, equipment and deposits, net consist of the following:

	December 31, 2023	December 30, 2022
Sharing electric vehicles	\$ 14,702	\$ 15,128
<i>Of which under finance lease agreements</i>	—	3,260
Furniture, fixtures, and equipment	1,379	1,411
<i>Of which under finance lease agreements</i>	177	177
Computers and software	1,069	1,045
Leasehold improvements	1,758	714
<b>Total property and equipment, gross</b>	<b>18,908</b>	<b>18,298</b>
Less: accumulated depreciation	(16,473)	(12,136)
<b>Total property and equipment, net</b>	<b>\$ 2,435</b>	<b>\$ 6,162</b>
Vehicle deposits	—	3,075
<b>Total property, equipment and deposits, net</b>	<b>\$ 2,435</b>	<b>\$ 9,237</b>

The following table summarizes the loss on disposal and depreciation expenses recorded in the consolidated statement of operations for the years ended on December 31, 2023, and 2022.

	Year Ended December 31,	
	2023	2022
Cost of revenues	\$ 7,397	\$ 4,932
<i>Of which write-off and loss on disposal</i>	3,133	193
Research & Development	59	44
General & administrative	456	439
<i>Of which write-off and loss on disposal</i>	51	—
<b>Total depreciation and loss on disposal expenses</b>	<b>\$ 7,913</b>	<b>\$ 5,416</b>

The Company recorded \$3,010 as Cost of Revenues for the write-off of vehicle deposits. In detail, the Company early terminated supply agreements with vehicle manufacturers and lost the deposits.

## 10. Intangible assets, net

Intangible assets consist of the following:

	December 31, 2023	December 31, 2022
Government Relationships	—	2,400
Trade name and trademarks	—	900
Licenses	—	126
Other Intangible assets	—	87
<b>Total Intangible assets, Gross</b>	<b>\$ —</b>	<b>\$ 3,513</b>
Less: accumulated amortization	—	(246)
<b>Total Intangible assets, net</b>	<b>\$ —</b>	<b>\$ 3,267</b>

The following table summarizes the amortization expenses and impairment recorded in the consolidated statement of operations, for the years ended on December 31, 2023, and 2022:

	Year Ended December 31,	
	2023	2022
Cost of revenues	\$ 540	\$ 743
Impairment of intangible assets	2,857	1,126
Sales & marketing	—	192
General & administrative	214	2
<b>Total Amortization and Impairment expenses</b>	<b>\$ 3,611</b>	<b>\$ 2,063</b>

## 11. Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consist of the following:

	December 31, 2023	December 31, 2022
Legal contingencies – refer to Note 14 Commitments and Contingencies	\$ 3,978	\$ 2,710
Payroll liabilities	3,144	2,693
Accrued expenses	1,920	2,369
Sales tax payables	440	1,113
<b>Total accrued expenses and other current liabilities</b>	<b>\$ 9,482</b>	<b>\$ 8,885</b>

## 12. Current and Non-current financial liabilities, net

The Company's financial liabilities consisted of the following:

	Weighted Average Interest Rate	Maturity Date	December 31, 2023	December 31, 2022
Secured Convertible loan, net	9%	2024	3,764	—
Secured loan, net	13%	2023	—	14,224
Convertible debts, net	5%	2024	3,217	14,372
Unsecured loans, net	7%	Various	7,715	10,935
Other financial liabilities	N/A	Various	672	886
<b>Total Financial Liabilities, net</b>			<b>15,370</b>	<b>40,418</b>
<i>Of which classified as Current Financial Liabilities, net</i>			<i>13,528</i>	<i>33,244</i>
<i>Of which classified as Non-Current Financial Liabilities, net</i>			<i>1,842</i>	<i>7,174</i>



The table below shows the amounts recorded as *Interest expense, net* on the statements of operations for the years ended on December 31, 2023, and December 31, 2022:

	Year Ended December 31,	
	2023	2022
Convertible debts	\$ (3,144)	\$ (4,423)
Secured loan	(1,948)	(2,055)
Unsecured loans	(728)	(548)
Secured Convertible loan	(169)	—
Other interest expenses	(21)	(115)
<b>Total Interest expenses, net</b>	<b>\$ (6,010)</b>	<b>\$ (7,141)</b>

The Company categorized as convertible debts the following instruments issued to YA II PN, Ltd. (the “Note holder”): a) three convertible notes issued in 2021 (“2021 Convertible notes”) under a Securities Purchase Agreement (the “2021 SPA”), b) six convertible notes issued in 2022 (“2022 Convertible notes”) under three Securities Purchase Agreements (the “2022 SPAs”), c) a convertible promissory note issued on December 1, 2022 under a Standby Equity Purchase Agreement (“SEPA”) dated October 31, 2022 (“2022 SEPA Convertible note”), d) four convertible promissory note issued during year ended December 31, 2023 under Standby Equity Purchase Agreements (“2023 SEPA Convertible notes”).

### **2021 Convertible notes**

#### Original terms and conditions

On October 12, 2021 (“closing date”), the Company entered into a Securities Purchase Agreement (the “2021 SPA”) with the Note holder, pursuant to the terms of the 2021 SPA, the Company issued to the Note holder the followings: (i) 20 shares of Class A common stock as a commitment fee, at closing date (ii) a first 2021 convertible note in the principal amount of \$15,000, at closing date (iii) 133 Warrants to buy 133 shares of Class A common stock with an exercise price of \$150,000 per share, subsequently amended to \$22,500, and five years as expiration date, (iv) a second 2021 convertible note in the principal amount of \$10,000, issued on October 27, 2021, and (v) a third 2021 convertible note in the principal amount of \$5,000, issued on November 12, 2021. In exchange for the issuances of the commitment Shares, the three 2021 convertible notes and the warrants, the Company received from the Note holder proceeds of \$30,000.

The 2021 convertible notes matured on the one-year anniversary date of the issuance and matured interest at a rate of 5% per annum.

The 2021 convertible notes were convertible by the Note holder upon issuance. The conversion price was settled to be the lower of a fixed conversion price or 92.5% of the lowest daily volume-weighted average price of the Class A Common Stock during the five consecutive trading days immediately preceding the conversion date, provided that the conversion price may not be less than the Floor Price.

#### Amendments

On April 15, 2022, and on May 17, 2022, the Company amended certain terms of the 2021 Convertible Notes. In detail, the main amended terms were the Fixed Conversion Price from \$150,000 to \$22,500 and the Floor Price settled as \$1,875 for all the 2021 Convertible notes.

The Company considered the amendments as an extinguishment of the original 2021 Convertible Notes. As a result, the net carrying values of the original 2021 Convertible Notes have been derecognized and the amended 2021 Convertible Notes have been recorded at their fair values on the date of the amendment. On April 15, 2022, the fair value of the amended 2021 Convertible Notes have been estimated as the principal amounts and accrued interests and unpaid interests.

The difference between the two amounts, amounting to \$2,065 which represents the debt discounts on April 15, 2022, has been recorded in the statements of operations for the year ended December 31, 2022, as *Loss on extinguishment of financial debt*.

### Conversions

The 2021 convertible notes have been fully converted into shares of Class A common stock during the year ended December 31, 2022. In detail, the note holder converted \$31,007 (of which \$30,000 as principal and \$1,007 as accumulated interests) of the 2021 Convertible Notes into 5,097 shares of Class A Common Stock.

### **2022 Convertible notes**

#### Original terms and conditions

During 2022, the Company entered into three Securities Purchase Agreements (the “2022 SPAs”) with YA II PN, Ltd. (the “Note Holder”), pursuant to the terms of the 2022 SPAs, the Company received from the Note holder cumulative proceeds for \$23,000 and issued: (i) 20 shares of Class A common stock as a commitment fee, (ii) 133 Warrants to buy 134 shares of Class A common stock with five-year expiration date, and with an exercise price of \$22,500 per share for 67 Warrants and \$12,500 per share for the remaining 67 Warrants, and (iii) six convertible notes (the “2022 Convertible notes”) with one-year maturity date from issuance, 5% as annual interest rate and 15% as default interest rate.

The 2022 Convertible notes were convertible by the Note Holder upon issuance. The conversion price was settled to be the lower of a fixed conversion price or 92.5% of the lowest daily volume-weighted average price of the Class A Common Stock during the five consecutive trading days immediately preceding the conversion date, provided that the conversion price may not be less than the Floor Price.

#### Repayments/Conversions

During the year ended December 31, 2023, the Company repaid in cash the 2022 Convertible Notes for a cumulative payment of \$10,563 (of which \$9,250 was principal, \$295 was accumulated interest, and \$1,018 was redemption premium interest).

During the year ended December 31, 2022, and 2023, the Company issued 9,086 and 691 shares of Class A Common Stock, in satisfaction of conversion requests of \$12,778 (of which \$12,485 as principal and \$293 as accumulated interests) and \$1,296 (of which \$1,250 as principal and \$46 as accumulated interests); respectively.

As a result of the above conversion and repayments, on December 31, 2023, the Company has no outstanding principal or accumulated interest under the 2022 Convertible Notes.

### **2022 SEPA Convertible Note**

#### Original terms and conditions

On December 1, 2022, the Company issued a Convertible Promissory Note (“2022 SEPA Convertible Note” or “2022 SEPA Note”) to the Note Holder pursuant to the SEPA dated October 31, 2022. The SEPA Note had a principal amount of \$5,000 with 10% issuance discount, January 31, 2023 as maturity date, 0% as annum interest rate and 15% as annum default interest rate.

#### Repayment

During the year ended December 31, 2022, the Company repaid in cash the 2022 SEPA Note for \$790; the remaining \$4,210 has been repaid in cash during the year ended December 31, 2023.

As a result of the mentioned re-payments on December 31, 2023, the Company has no outstanding principal or accumulated interest under the 2022 SEPA Convertible Note.

## 2023 SEPA Convertible Notes

The 2023 SEPA March Convertible Notes are composed by four instruments; the table below presents the main terms and conditions of the notes.

	2023 SEPA Convertible Notes			
	HLBZ-11	HLBZ-12	HLBZ-13	HLBZ-14
Principal	\$ 4,500	\$ 1,200	\$ 1,500	\$ 4,000
Issuance discount	10%	10%	15%	15%
Issuance date	3/8/2023	8/25/2023	10/26/2023	11/13/2023
Maturity date	10/31/2023	1/31/2024	2/29/2024	3/31/2024
Payment Premium	5%	5%	5%	5%
Default Interest rate	15%	15%	15%	15%
Fixed Conversion Price	\$ 3,750.00	\$ 37.50	\$ 37.50	\$ 37.50

The Company has the option to repay the 2023 SEPA Convertible Notes through the following or a combination of the two:

- repay in cash on or before the maturity date,
- repay by submitting one or a series of advance notices under the 2023 SEPAs, on or before the Maturity date.

During the year ended December 31, 2023, the Company fully repaid in cash three of the four 2023 SEPA Convertible Notes (HLBZ-11 / HLBZ-12 / HLBZ-13) for a cumulative payment of \$7,560 (of which \$7,200 was principal, and \$360 were payment premium). In addition, the Company partially repaid in cash HLBZ-14 for a cumulative payment of \$459 (of which \$437 was principal, and \$22 were payment premium)

As a result of the above repayments, on December 31, 2023, the Company has \$3,610 as outstanding principal and accumulated interest, partially offset by \$393 of debt issuance discount.

### Secured loan

On March 23, 2021, the Company entered into a \$15,000 secured term loan facility with an institutional lender. The loan agreement has a maturity date of December 1, 2023. At inception, the Company prepaid interest and an insurance premium for \$2,783, while during the year ended December 31, 2023, and 2022 the Company paid interests for \$1,171 and \$1,121, respectively.

On November 27, 2023, the Company entered into a Settlement and Release Agreement with the institutional lender, amending the original loan agreement. In detail, the main amended term was the full satisfaction of the obligations under the original loan agreement in exchange of a payment of \$3,595, on or prior December 8, 2023. The Company paid \$3,595 on December 8, 2023.

The Company considered the amendment as an extinguishment of the original loan agreement. As a result, the net carrying value of the original Secured loan has been derecognized and the new amount of \$3,595 has been recorded as debt on the date of the amendment.

The difference between the two amounts, amounting to \$11,405 has been recorded in the statements of operations for the year ended December 31, 2023, as *Gain on extinguishment of financial debt*.

### Secured convertible loan

On December 8, 2023, the Company entered into a Secured Loan Agreement with YA II PN, Ltd. (the "Note holder"). The secured loan has a principal amount of \$5,750, with 37.5% issuance discount, December 8, 2024 as maturity date, 9.25% as annum interest rate and 13.25% as annum default interest rate.

The secured loan shall be convertible into shares of the Company's Class A common stock at the option of the Note Holder, who could convert any portion of the outstanding and unpaid conversion amount into fully paid and nonassessable shares of Common Stock in accordance with the Conversion Price defined as \$1.25.

At inception, the secured loan and its embedded options were recorded as short-term financial debt at fair value approximated with its principal amount, \$5,750. This should subsequently be amortized to par over the period of the Secured Convertible Note.

As of December 31, 2023, the Company has \$5,784 outstanding as principal and accumulated interests, partially offset by \$2,020 of debt discount.

## Unsecured loans

### Foreign unsecured loans

In 2020 and 2021, the Company, through one of its wholly-owned Italian subsidiaries, obtained long-term loans for Euro 5,500 (approximately \$6,100) from a bank. Additionally, as a result of the business combination with MiMoto the Company inherited three unsecured long-term loans for cumulative \$920. As of December 31, 2023, in line with the re-payment plan, the Company has \$3,253 outstanding as principal and accumulated interests, partially offset by debt discounts amounting to \$99. The Company recorded the loans between *Current* and *Non-Current Financial liabilities* based on the repayment terms.

### 2022 unsecured loans

On July 15, 2022, the Company issued an Unsecured Note to an investor in exchange for 2,000 Euro (approximately \$2,210). The Unsecured Note has 6.75% as interest on an annual basis, and July 15, 2027, as original maturity date and interests due on a quarterly basis. As of December 31, 2023, the Company has \$2,428 outstanding as principal and accumulated interests, categorized as *Short-term financial liabilities, net*. The classification as current liabilities as of December 31, 2023, was driven by the non-payment of the quarterly interest which trigger the short-term categorization. Refer to subsequent events paragraph for additional information regarding the settlement agreement reached with the investor.

On July 12, 2022, the Company issued a Promissory Note to an investor in exchange for \$2,000. The Promissory Note had 1.5% as interest rate on quarterly basis, and October 15, 2022, as original maturity date. The Company extended the maturity date to July 5, 2023, in exchange for a 50% increase in the interest rate during such extension. During October and November 2023, the Company fully repaid the note for \$2,091; as a result, as of December 31, 2023, the Company has no outstanding principal, or interests related to the Promissory Note.

### Wheels unsecured debts

On November 18, 2022, as a result of the Business Combination with Wheels, the Company assumed the fair value of an unsecured loan amounted to \$3,439. The loan assumed was in default under Wheels, as a result right after the Business Combination on November 18, 2022, the Company and the investor entered into a Loan Amendment which restructured the loan with the following terms and conditions:

- \$1,439 of the amount outstanding converted into 834 shares of Class A Common Stock, and
- \$2,000, restructured with a new payment plan, Maturity date May 1, 2025, and annual interest rate of 12%.

On December 28, 2023, the Company entered into a second Loan Amendment which restructured the loan with the following terms and conditions:

- \$1,400 of the amount outstanding to be paid in cash on the earliest of: a) December 15, 2024, b) the date the Company will receive gross cash proceeds of at least \$3 million from the offer and sale of any combination of Company's equity securities or debt securities in a single transaction, or c) the date the Company will receive aggregate gross cash proceeds of at least \$6 million from the offer and sale of any combination of Company's equity securities or debt securities over the course of any series of transactions commencing from December 28, 2023. The interest shall cease to accrue from the amendment date; and
- \$734 of the amount outstanding converted into 928,942 shares of Class A Common Stock.

As of December 31, 2023, in line with the new re-payment plan, the Company has \$2,134 outstanding as principal and accumulated interests, recorded as Short-term financial liabilities. Refer to subsequent events paragraph for additional information regarding the issuance of the Class A Common Shares to the investor.

## 13. Leases

### Operating leases

The Company has operating leases for office spaces, warehouse facilities, corporate houses, and certain company vehicles. The leases have remaining lease terms of one month to 4 years.

The table below presents the operating lease-related assets and liabilities recorded on the consolidated balance sheets.

<i>Operating leases</i>	December 31,	
	2023	2021
<i>Assets</i>		
Right-of-use Assets under operating leases	\$ 1,180	2,872
<i>Liabilities</i>		
Current Operating leases liabilities	\$ 462	1,464
Non-current Operating leases liabilities	861	1,719
<b>Total Operating lease liabilities</b>	<b>\$ 1,323</b>	<b>3,183</b>

The table below presents the operating lease remaining lease terms and discount rate applied.

	December 31,	
	2023	2022
Weighted-average remaining lease term (years)	3.27	2.78
Weighted-average discount rate	9.63%	8.93%

The table below presents the impact on the statement of operations related to the operating leases for the years ended December 31, 2023, and December 31, 2022, including expenses related to lease agreements with an initial term of 12 months or less.

	December 31,	
	2023	2022
Cost of revenues	1,369	1,604
General and administrative	972	1,190
<b>Total Operating lease expenses</b>	<b>\$ 2,341</b>	<b>\$ 2,794</b>

#### Finance leases

During the year ended December 31, 2022, the Company entered into various non-cancellable finance lease agreements for 3,750 eScooters and R&D equipment with financial institutions.

During the year ended December 31, 2023, the Company entered into an agreement with the financial institution who leased the 2,950 E-scooters. Based on the agreement, the Parties agreed to waive all the overdue invoices by paying only the bargain purchase option. The Company recorded a gain of \$825 for the waiver.

During the year ended December 31, 2023 the Company terminated one finance lease agreement and acquired the 800 E-scooters prior to the expiration date of the lease pursuant to a Termination Agreement. The Company recorded a loss amounted to \$206 for penalties related to the early termination and late payments.

The table below presents the finance lease-related assets and liabilities recorded on the consolidated balance sheets.

<i>Finance leases</i>	December 31,	
	2023	2022
<i>Assets</i>		
Sharing vehicles leased gross	\$ —	3,260
R&D equipment leased gross	177	177
Accumulated Depreciation	(103)	(1,743)
<b>Total property and equipment related to finance leases, net</b>	<b>\$ 74</b>	<b>1,694</b>
<i>Liabilities</i>		
Current finance leases liabilities	\$ 67	2,002
Non-current finance leases liabilities	15	71
<b>Total finance lease liabilities</b>	<b>\$ 83</b>	<b>2,073</b>

The table below presents the finance lease remaining lease terms and discount rate applied.

	December 31,	
	2023	2022
Weighted-average remaining lease term (years)	1.25	0.38
Weighted-average discount rate	9.17%	8.30%

The table below presents the impact on the statement of operations related to the finance leases for the year ended December 31, 2023, and December 31, 2022.

	December 31,	
	2023	2022
Cost of revenues – Depreciation	—	1,699
Cost of revenues – Write-off	—	27
Research & Development – Depreciation	59	44
<b>Total Operating expenses related to finance leases</b>	<b>\$ 59</b>	<b>\$ 1,770</b>
Gain (Loss) on extinguishment of financial debts	618	—
Interests expenses	(12)	(117)
<b>Total Non - Operating income (expenses) related to finance leases</b>	<b>\$ 606</b>	<b>\$ (117)</b>

Future annual minimum lease payments as of December 31, 2023, are as follows:

<i>Year ended December 31,</i>	Leases	
	Operating	Finance
2024	\$ 454	\$ 72
2025	184	15
2026	191	—
Thereafter	213	—
<b>Total minimum lease payments</b>	<b>\$ 1,042</b>	<b>\$ 87</b>
Less: Amounts representing interest not yet incurred		(4)
Present value of finance lease obligations		83
Less: Current portion		67
Long-term portion of finance lease obligations		15

#### 14. Commitments and Contingencies

##### Media rights – Purchase Commitments

During 2021, the Company entered into a new business line: the acquisition, commercialization and distribution of media content including live sports events to media partners and final viewers. In order to commercialize and broadcast media content, the Company entered into non-cancellable content licensing and service agreements with multiple partners such as LNPB, ESPN and MLB.

In June 2023, the Company received communications from LNPB, the main live content provider, notifying the early termination of the agreements related to the commercialization and broadcast of the LNPB content. The communications also requested the immediate payment of the invoices overdue amounting to \$11,394. Refer to subsequent events paragraph for additional information regarding the settlement agreement reached with LNPB.

## Litigation

The Company is from time to time involved in legal proceedings, claims, and regulatory matters, indirect tax examinations or government inquiries and investigations that may arise in the ordinary course of business. Certain of these matters include speculative claims for substantial or indeterminate amounts of damages.

The Company records a liability when the Company believes that it is both probable that a loss has been incurred and the amount can be reasonably estimated. If the Company determines that a loss is reasonably possible and the loss or range of loss can be estimated, the Company discloses the possible loss in the consolidated financial statements. The Company reviews the developments in contingencies that could affect the amount of the provisions that have been previously recorded. The Company adjusts provisions and changes to disclosures accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. Significant judgment is required to determine both the probability and the estimated amount of any potential losses and many of the legal proceedings are early in the discovery stage and unresolved.

As of December 31, 2023, and December 31, 2022, the Company concluded that certain losses on litigation were probable and reasonable estimable; as a result, the Company recorded as Accruals for legal contingencies, included in *Other Current liabilities*; \$3,978 and \$2,710, respectively.

The Company recorded \$2,701 and \$650 on the Consolidated statement of operations for the years ended December 31, 2023 and December 31, 2022, respectively; included in *General & Administrative expenses* for additional contingency losses over litigations reasonably estimated and categorized as probable.

As of December 31, 2023, legal contingencies related to Wheels amounted to \$1,613 while \$2,365 are related to micromobility.com. In detail, Wheels has been named in various lawsuits related to the use of Wheels's vehicles in US cities and in certain matters involving California Labor Code violations and the classification of individuals as independent contractors rather than employees. Micromobility.com claims are related to previous investor who claimed financial losses for breaching contractual obligations.

The range of loss for the Company's legal contingencies accrued is between \$800 to \$7,041 which represents the range between the amount already settled with the counterparts and the amount claimed deducting insurance coverage.

The Company is also involved in certain claims where the losses are not considered to be reasonably estimable or possible; for these claims the range of potential loss is between 0 to \$3,050.

## 15. Common Stock

As of December 31, 2023, the Company's charter authorized the issuance of up to 900,000,000 shares of common stock of common stock at \$0.00001 par value per share, and 100,000,000 shares of preferred stock at \$0.00001 par value per share.

## 16. Standby Equity Purchase Agreements

During year ended December 31, 2023, the Company entered into two Standby Equity Purchase Agreements ("2023 SEPAs") with an investor. The 2023 SEPAs terms and conditions represent: i) at inception - a *purchased put option* on the Company's Class A common stock and, ii) upon delivery of an advance notice - a *forward contract* on the Company's Class A common stock. Neither the *purchased put option* nor the *forward contract* qualify for equity classification.

As a result of the above classification of the 2023 SEPAs, at inception the Company expensed as *SEPA's transactions costs* the legal and commitment fees that exceeded the fair value of the purchased put options. The settlement of forward contracts initiated by the Company were recorded as other *SEPA financial income (expense), net*.

The table below presents the impact on the consolidated statement of operations related to the 2023 SEPAs for the year ended December 31, 2023, and 2022.

	December 31,	
	2023	2022
SEPAs transaction costs	\$ (1,611)	\$ —
Other SEPA financial income (expenses), net	\$ (2,604)	\$ —
<b>Total SEPA financial income (expenses), net</b>	<b>\$ (4,215)</b>	<b>\$ —</b>

#### ***October 2022 SEPA***

On October 31, 2022, the Company entered into a Standby Equity Purchase Agreement (“2022 SEPA”) with YA II PN, Ltd. Pursuant to the SEPA, the Company had the right, but not the obligation, to sell to Yorkville up to \$13,900 of its shares of Class A Common Stock at any time during the 24 months. To request a purchase, the Company submitted an Advance Notice to YA II PN, Ltd. specifying the number of shares, it intended to sell.

During the year ended December 31, 2023, and 2022, the Company delivered multiple advance notices for the sale of 7,977 and 3,080 shares of Class A Common Stock, resulting in cumulative gross proceeds of \$10,108 and \$3,792, respectively. As a result, on December 31, 2023, the Company has no availability under the 2022 SEPA.

#### ***January 2023 SEPA***

On January 24, 2023, the Company entered into a Standby Equity Purchase Agreement (“SEPA”) with YA II PN, Ltd. Pursuant to the SEPA, the Company had the right, but not the obligation, to sell to Yorkville up to \$20,000 of its shares of Class A Common Stock at any time during the 24 months. To request a purchase, the Company submitted an advance notice to YA II PN, Ltd. specifying the number of shares it intended to sell.

At inception the Company recorded as SEPA transaction costs \$592 for Commitment fees and legal fees.

During the year ended December 31, 2023, the Company delivered multiple advance notices for the sale of 237,744 shares of Class A Common Stock, resulting in cumulative gross proceeds of \$19,628. As a result, on December 31, 2023, \$372 remained available under the January 2023 SEPA.

#### ***March 2023 SEPA***

On March 8, 2023, the Company entered into a Standby Equity Purchase Agreement (“SEPA”) with YA II PN, Ltd. Pursuant to the SEPA, the Company has the right, but not the obligation, to sell to Yorkville up to \$50,000 of its shares of Class A Common Stock at any time during the 24 months. To request a purchase, the Company would submit an advance notice to YA II PN, Ltd. specifying the number of shares it intends to sell. The advance notice would state that the shares would be purchased at either:

- (i) 95.0% of the Option 1 Market Price, which is the lowest VWAP (the daily volume weighted average price of Company’s Class A common stock for the applicable date) in each of the three consecutive trading days commencing on the trading day following the Company’s submission of an advance notice, or
- (ii) 92.0% of the Option 2 Market Price, which is the VWAP of the pricing period set out in the advance notice and consented to by YA II PN, Ltd.

At inception the Company did not identify any day one impact for the SEPA agreement except for \$750 as Commitment fees to be paid to YA II PN, Ltd and legal fees amounted to \$269. The mentioned legal and Commitment fees have been recorded as SEPA transaction costs.

During the year ended December 31, 2023, the Company delivered multiple advance notices for the sale of 8,522,159 shares of Class A Common Stock, resulting in cumulative gross proceeds of \$21,854. As a result, on December 31, 2023, \$28,146 remained available under the March 2023 SEPA.

### **17. Equity warrants**

As of December 31, 2023, the Company has the following outstanding warrants classified as equity component: 1,125 Public Warrants, 267 Convertible Note Warrants, and 1,062 Warrants issued to Board members.



The tables below show the equity warrant roll-forward from January 1, 2022, to December 31, 2022, and from January 1, 2023, to the year ended December 31, 2023.

	Options Outstanding, number of shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Life (in years)
<b>As of January 1, 2022</b>	<b>1,165</b>	<b>\$ 78,953</b>	<b>4.53</b>
Issued	133	\$ 86,250	—
Reclassified from Liability warrants	93	\$ 18,750	—
Exercised	—	—	—
<b>As of December 31, 2022</b>	<b>1,392</b>	<b>\$ 73,674</b>	<b>3.71</b>
Issued	1,062	\$ 174	—
Exercised	—	—	—
<b>As of December 31, 2023</b>	<b>2,454</b>	<b>\$ 41,857</b>	<b>3.41</b>

On April 27, 2023, two independent board members converted a portion of their deferred salaries, totaling \$69, into 1,062 Warrants to purchase shares of Class A Common Stock with a strike price of \$174 and 5-years from issuance as expiration date.

## 18. Share based compensation

The Company has four equity compensation plans for the issuance of shares of Company's Class A common stock to employees, officers, and directors of the Company: the 2020 Equity Incentive Plan (2020 Plan), the 2020 CEO Performance Award, 2021 Omnibus Incentive Plan (2021 Plan) and 2023 Omnibus Incentive Plan (2023 Plan) which have all been approved by the Company's shareholders.

These plans provide for the issuance of incentive stock options ("ISOs"), nonqualified stock options ("NSOs"), SARs, restricted stock, RSUs, performance-based awards, and other awards.

The following table summarizes the Company's shares of Class A common stock reserved for future issuance as of December 31, 2023.

	December 31, 2023
Remaining shares available for future issuance under 2021 Omnibus Incentive Plan	52
Remaining shares available for future issuance under 2023 Omnibus Incentive Plan	33,000

### 2020 Equity Incentive Plan

On April 1, 2020, the Company adopted the 2020 Equity Incentive Plan (2020 Plan) under which the Company may issue options to purchase its common stock to selected employees, officers, and director of the Company. Upon original approval, the Company reserved 1,600,000 shares of the Company's common stock for issuance under the 2020 Plan. Under the 2020 Plan, nonqualified stock options are to be granted at a price that is not less than 100% of the fair value of the underlying common stock at the date of grant. Stock options vest between 25% and 50% on the first anniversary of the date of grant and ratably each month over the ensuing 36-month period. The maximum term for stock options granted under the 2020 Plan might not exceed ten years from the date of grant. The entire 2020 Plan has been granted by previously hired employees, officers, and Director.

On August 12, 2021, the 2020 Plan has been assumed by GRNV and the 1,600,000 options to buy 1,600,000 Helbiz Holding's shares of Class A common stock became 988 (7,409,701 before the two Reverse splits) options to buy shares of micromobility.com's (GRNV) Class A Common Stock, the conversion has been made using the Conversion ratio.

### 2020 CEO Performance Award

On April 1, 2020, the Company adopted the 2020 CEO Performance Award under which the Company issued options to purchase its Class A common stock to its CEO and Founder. The Company reserved 600,000 shares of the Company's common stock for issuance under the 2020 CEO Performance Award. Under the 2020 CEO Performance Award, nonqualified stock options are granted at IPO price. The Company considers August 12, 2021, as the Grant Date for the 80 (600,000 before the two Reverse splits) stock options issued under the Plan.

The CEO Performance Awards vests upon the satisfaction of all three of the following conditions: (i) a service condition, (ii) a market condition, and (iii) a performance condition. The service condition is satisfied over a period of ten years. The performance condition is considered satisfied on August 12, 2021, with the business combination with GRNV. The market condition will be satisfied in 20 different tranches, with each related to a certain Market capitalization Milestone. The lowest tranche is \$500,000 the highest is \$100,000,000. No shares under the CEO Performance Award are considered vested as of the Company's listing.

As of December 31, 2023, \$607 of stock compensation expenses remains unrecognized under the 2020 CEO Performance Award and will be recorded over a weighted average 3.03 years.

## 2021 Omnibus Incentive Plan

On August 12, 2021, the Company adopted the 2021 Omnibus Incentive Plan (2021 Plan) under which the Company may issue equity incentives to selected employees, officers, and director of the Company. The 2021 Plan permits the grant of Incentive Stock Options, Non-statutory Stock Options, Restricted Stock, Restricted Stock Units, Stock Appreciation Rights, Performance Units and Performance Shares.

Under the 2021 Plan, stock options are to be granted at a price that is not less than 100% of the fair value of the underlying common stock at the date of grant. Awards for employee vest 25% on the first anniversary of the date of grant and ratably each month over the ensuing 36-month period. Awards for independent board member vest ratably each quarter over the ensuing 4-quarter period. The maximum term for stock options granted under the 2021 Plan might not exceed ten years from the date of grant.

Upon original approval, the Company reserved 112 (839,129 before the two Reverse splits) shares of the Company's Class A common stock for issuance under the 2021 Plan.

## 2023 Omnibus Incentive Plan

The Company adopted the 2023 Omnibus Incentive Plan (the "2023 Plan") under which the Company may issue equity incentives to selected employees, officers, and director of the Company. The 2023 Plan permits the grant of Incentive Stock Options, Non-statutory Stock Options, Restricted Stock, Restricted Stock Units, Stock Appreciation Rights, Performance Units and Performance Shares.

Under the 2023 Plan, stock options are to be granted at a price that is not less than 100% of the fair value of the underlying common stock at the date of grant. Awards for employee vest 25% on the first anniversary of the date of grant and ratably each month over the ensuing 36-month period. Awards for independent board member vest ratably each quarter over the ensuing 4-quarter period. The maximum term for stock options granted under the 2023 Plan might not exceed ten years from the date of grant.

Upon original approval, the Company reserved 33,000 shares of the Company's Class A common stock for issuance under the 2023 Plan, no equity incentives have been issued as of December 31, 2023, under the 2023 Plan.

## Common Stocks issued outside equity incentive Plans - in exchange for services rendered

During the twelve months ended December 31, 2023, and December 31, 2022, the Board of Directors approved the issuance of shares of Class A Common Stock to the Company's third-party consultants in exchange for professional services rendered. The summary of Class A common stock issued to consultants and the related fair value at issuance is as follows.

	Number of Class A Common Stock	Weighted Average Fair value
<b>As of January 1, 2022</b>		
Granted	279	\$ 3,600.00
Vested and issued	(279)	\$ 3,600.00
Canceled and forfeited	—	—
<b>As of December 31, 2022</b>	—	—
Granted	29,172	\$ 4.26
Vested and issued	(775)	\$ 157.50
Canceled and forfeited	—	—
<b>As of December 31, 2023, shares to be issued</b>	<b>28,397</b>	<b>\$ 0.07</b>

## Stock Options

The summary of stock option activities for all the Company's Equity incentive plans is as follows.

	Options Outstanding, number of shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value
<b>As of January 1, 2022</b>	<b>1,091</b>	<b>\$ 20,700</b>	<b>8.29</b>	<b>\$ 24,507</b>
Granted	—	—	—	—
Exercised	—	—	—	—
Canceled and forfeited	(4)	\$ 48,975	—	—
<b>As of December 31, 2022</b>	<b>1,087</b>	<b>\$ 21,000</b>	<b>7.14</b>	<b>\$ —</b>
Granted	—	—	—	—
New options granted for Rounding after the reverse splits	13	\$ 16,200	—	—
Canceled and forfeited	(37)	\$ 16,200	—	—
<b>As of December 31, 2023</b>	<b>1,062</b>	<b>\$ 21,101</b>	<b>6.13</b>	<b>\$ —</b>
<b><i>Of which Vested as of December 31, 2023</i></b>	<b>952</b>			

## Restricted Common Stock

During 2021, we have granted restricted common stocks to a newly hired officer; the vesting is based on service condition. The following table summarizes the activity related to our restricted common stock for the years ended December 31, 2023, and December 31, 2022.

	Number of Shares	Weighted-Average Grant- Date Fair Value per Share
<b>As of January 1, 2022</b>	<b>30</b>	<b>\$ 58,350</b>
Granted	—	—
Vested	(16)	—
Canceled and forfeited	—	—
<b>Unvested Restricted common stock as of December 31, 2022</b>	<b>14</b>	<b>\$ 58,350</b>
Granted	—	—
Vested	(5)	—
Canceled and forfeited	(9)	—
<b>Unvested Restricted common stock as of December 31, 2023</b>	<b>—</b>	<b>\$ —</b>

## Stock-Based Compensation Expense

Stock-based compensation expense is allocated based on (i) the cost center to which the award holder belongs, for employees, and (ii) the service rendered to the Company, for third-party consultants. The following table summarizes total stock-based compensation expense by account for the years ended December 31, 2023, and 2022.

	Year Ended December 31,	
	2023	2022
Cost of revenue	\$ 0	15
Research and development	44	161
Sales and marketing	10	278
SEPA financial expenses	53	—
General and administrative	351	2,856
<b>Total stock-based compensation expense</b>	<b>\$ 458</b>	<b>3,310</b>

## 19. Income Taxes

The components of loss before income taxes consist of the following.

	December 31,	
	2023	2022
United States	\$ (47,174)	\$ (41,342)
Foreign	(14,823)	(40,708)
<b>Total</b>	<b>\$ (61,997)</b>	<b>\$ (82,050)</b>

The components of the provision (benefit) for income taxes consist of the following.

	December 31,	
	2023	2022
Current:		
Federal	\$—	\$—
State	—	—
Foreign	58	24
<b>Total</b>	<b>58</b>	<b>24</b>
Deferred:		
Federal	—	—
State	—	—
Foreign	—	—
<b>Total</b>	<b>—</b>	<b>—</b>
<b>Provision (benefit) for income taxes</b>	<b>\$ 58</b>	<b>24</b>

A reconciliation of the U.S. statutory income tax rate to the Company's effective tax rate is as follows.

	December 31,	
	2023	2022
Income tax provision at statutory rate	21%	21%
State income taxes, net of federal benefit	2%	3%
Foreign tax differential	1%	2%
Stock issuance cost	(1)%	0%
Goodwill Impairment	(5)%	(3)%
Other adjustments	(1)%	0%
Change in valuation allowance	(17)%	(23)%
Effective tax rate	(0.09)%	(0.03)%

The components of the Company's net deferred tax assets and liabilities are as follows.

	December 31,	
	2023	2022
Deferred tax assets:		
Net operating loss carryforwards	\$ 84,336	\$ 76,640
Accruals and reserves	1,148	674
Research & development	1,859	1,026
Lease liability	184	230
Stock Compensation	1,634	1,633
Fixed assets	55	—
Intangibles	328	—
<b>Total deferred tax assets</b>	<b>89,544</b>	<b>80,203</b>
Deferred tax liabilities:		
Intangibles	—	(564)
Fixed assets	—	(447)
Right of use assets	(140)	(198)
<b>Total deferred tax liabilities</b>	<b>(140)</b>	<b>(1,209)</b>
Net deferred tax assets	\$ 89,404	\$ 78,994
Valuation Allowance	(89,404)	(78,994)
<b>Ending Balance</b>	<b>\$ —</b>	<b>\$ —</b>

Assessing the realizability of deferred tax assets requires the determination of whether it is more-likely-than-not that some portion or all the deferred tax assets will not be realized. In assessing the need for a valuation allowance, the Company considered all sources of taxable income available to realize deferred tax assets, including the future reversal of existing temporary differences, forecasts of future taxable income, and tax planning strategies. Based on the weight of available evidence, which includes the Company's historical cumulative net losses, the Company recorded a full valuation allowance. The valuation allowance increased by \$10,410 and \$54,855 as of the years ended December 31, 2023, and 2022, respectively.

As of December 31, 2023, the Company has net operating loss carryforwards for federal and state income tax purposes of approximately \$250,154 and \$217,493, respectively. As of December 31, 2022, the Company has net operating loss carryforwards for federal and state income tax purposes of approximately \$234,183 and \$205,882, respectively. Of the total federal net operating loss carryforwards, \$249,598 do not expire, and the remaining carryforwards begin to expire in 2036 if not used prior to that time. The Company has income tax NOL carryforwards related to international operations of approximately \$77,600 which do not expire. Utilization of the net operating loss carryforwards may be subject to a substantial annual limitation due to ownership changes that may have occurred previously or that could occur in the future, as provided by Section 382 of the Internal Revenue Code of 1986, as well as similar state provisions. Such annual limitation could result in the expiration of net operating losses and credits before their utilization.

ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. As of December 31, 2023, and 2022, there were no unrecognized tax benefits. The Company recognizes accrued interest and penalties as income tax expense. No amounts were accrued for the payment of interest and penalties as of December 31, 2023, and 2022. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position in the next year.

The Company is subject to income taxes in the federal, various state and foreign jurisdictions and is generally open for examination from the year ended December 31, 2020, forward.

The Tax Cuts and Jobs Act of 2017 ("TCJA") amended Section 174 to require capitalization of all research and developmental ("R&D") costs incurred in tax years beginning after December 31, 2021. These costs are required to be amortized over five years if the R&D activities are performed in the U.S., or over 15 years if the activities were performed outside the U.S. The Company capitalized approximately \$2,965 and \$5,577 of R&D expenses incurred as of the years ended December 31, 2023, and 2022, respectively.

On August 16, 2022, the Inflation Reduction Act ("IRA") was signed into law in the United States. Among other provisions, the IRA includes a 15.0% corporate minimum tax rate applied to certain large corporations and a 1.0% excise tax on corporate stock repurchases made after December 31, 2022. We do not expect the IRA to have a material impact on our consolidated financial statements.

## 20. Net Loss Per Share

Net income (loss) per share is computed by dividing net loss by the weighted-average number of shares of common stock outstanding during the period (considering a retroactive application of the reverse splits).

The following table sets forth the computation of basic and diluted net loss per share.

	Year Ended December 31,	
	2023	2022
Net loss adjusted for Deemed Dividends and Deemed Dividends equivalents	\$ (62,055)	\$ (82,074)
<b>Weighted-average number of shares outstanding used to compute net loss per share attributable to common stockholders, basic and diluted</b>	1,446,391	8,768
<b>Net loss per share attributable to common stockholders, basic and diluted</b>	<b>\$ (42.90)</b>	<b>\$ (9,360.49)</b>

The following potentially dilutive outstanding shares (considering a retroactive application of the reverse splits) were excluded from the computation of diluted net loss per share for the periods presented because including them would have had an anti-dilutive effect, or issuance of such shares is contingent upon the satisfaction of certain conditions which were not satisfied by the end of the period.

	Year Ended December 31,	
	2023	2022
2020 Equity Incentive Plan	954	979
Warrants outstanding	2,641	1,579
Convertible debts	96,267	6,822
Secured Convertible Note	4,626,595	—
Common Stocks to be issued for Conversion of Wheels unsecured debt	928,942	—
2020 CEO Performance Award	80	80
2021 Omnibus Plan	28	42
Common Stocks to be issued outside equity incentive Plans	28,397	87
<b>Net loss per share attributable to common stockholders, basic and diluted</b>	<b>5,683,904</b>	<b>9,587</b>

## 21. Segment and geographic information

We determine our operating segments based on how the chief operating decision maker ("CODM") manages the business, allocates resources, makes operating decisions, and evaluates operating performance.

As of December 31, 2023, and 2022, the Company has three operating and reportable segments; of which one named Helbiz Kitchen is considered not material and included in All Other.

Segment	Description
<b>Mobility</b>	Mobility offering allow consumer to move around the city using green and electric vehicles as scooters, bikes and mopeds.

	Mobility also includes partnership and sponsorship agreements.
<b>Media</b>	Commercialization of media rights to professional partner (B2B) and content offerings allow consumer to watch live events on the App Helbiz Live (B2C).
<b>All Other</b>	All Other are mainly related to delivery offerings.

Our segment operating performance measures are segment Revenue and Cost of Revenue. The CODM does not evaluate operating segments using asset information and, accordingly, we do not report asset information by segment. The following table provides information about our segments and a reconciliation of the total segment Revenue and Cost of revenue to loss from operations:

	Year Ended December 31,	
	2023	2022
<b>Revenue</b>		
Mobility	\$ 5,269	\$ 8,430
Media	3,975	6,507
All Other	600	601
<b>Total segment revenues</b>	<b>\$ 9,844</b>	<b>\$ 15,538</b>
Operating expenses:		
Cost of revenues		
Mobility	(16,739)	(20,463)
Media	(10,001)	(19,154)
All Other	(2,235)	(2,008)
<b>Total Cost of revenues</b>	<b>\$ (28,975)</b>	<b>\$ (41,625)</b>
Reconciling Items:		
Research and development	(2,439)	(2,741)
Sales and marketing	(2,837)	(8,712)
General and administrative	(22,917)	(25,569)
Impairment of Assets	(16,683)	(10,390)
<b>Loss from operations</b>	<b>\$ (64,007)</b>	<b>\$ (73,499)</b>

Revenue by geography is based on where the trip was completed, or media content occurred. The following table set forth revenue by geographic area for the years ended December 31, 2023, and December 31, 2022.

	Year Ended December 31,	
	2023	2022
<b>Revenue</b>		
Italy	\$ 7,616	\$ 13,355
United States	2,228	2,183
<b>Total Revenues</b>	<b>\$ 9,844</b>	<b>\$ 15,538</b>

Long-lived assets, net includes property and equipment, intangible assets, goodwill, and other assets. The following table sets forth long-lived assets, net by geographic area as of December 31, 2023, and December 31, 2022.

	December 31,	
	2023	2022
Italy	\$ 1,273	\$ 5,575
United States	2,644	23,669
All other countries	87	665
<b>Total long-lived assets</b>	<b>\$ 4,004</b>	<b>\$ 29,909</b>

## 22. Related Party Transactions

### *CEO conversion of deferred salaries*

During the year ended December 31, 2023, our majority shareholder and CEO converted a portion of his deferred salaries, totaling \$78, into 87 shares of Class A Common Stock.

### ***Board member conversion of deferred salaries***

During the year ended December 31, 2023, board members converted a portion of their deferred salaries, totaling \$69, into 1,062 Warrants to purchase shares of Class A Common Stock with a strike price of \$174.00 and 5-years from issuance as expiration date.

During the year ended December 31, 2023, a board member who served as consultant before joining the Board converted portion of his previous invoices, totaling \$90, into 397 shares of Class A Common Stock, generating a gain for the Company amounted to \$25.

### ***CEO Purchase of Series B Preferred Stock***

On March 13, 2023, the Company issued 3,000 Series B Preferred Stock to the Company's CEO for an aggregate purchase price of \$0.5. Series B had no voting rights, except that each share of Series B was entitled to 80,000 votes at a shareholder meeting on whether to enact a reverse stock split. Holder of the Company's Series B was required to vote any proposal for a reverse stock split on a "mirrored" basis. This meant that the Series B holder was required to cast their votes "For" and "Against" each such proposal in the same proportions as the holders of Company's Class A Common stock eligible and voting at the Special Meeting cast their votes, in the aggregate. On March 30, 2023, the Company's Series B Preferred Stock have been redeemed following the stockholder meeting for \$0.01 per share. As of December 31, 2023, there were 0 shares of Series B Preferred Stock issued and outstanding.

### ***Conversion of Class B Common Stock***

On August 12, 2023, the 1,897 shares of Class B common stock automatically converted into 1,897 shares of Class A common stock. On August 12, 2021, the Company issued the Class B Common Stock to the Company's CEO, with the clause of an automatic conversion into Class A Common Stock on the second anniversary of the issuance (August 12, 2023).

### ***Related party shipping***

During the year ended December 31, 2023, the Company recorded as Cost of Revenues \$56 for shipping services provided by a related party. The service provider is a Company whose CEO is a parent of the CEO of micromobility.com.

### ***2022 transactions***

During the twelve months ended December 31, 2022, our majority shareholder and CEO has lent Helbiz funds on an interest-free basis for cumulative gross proceeds of \$492. The amount has been repaid between a combination of cash for \$237 and issuances of 527,425 shares of Class A Common Stock for \$254.

On November 18, 2022, Wheels Business Combination date, our majority shareholder and CEO purchased from a Wheels investor, a Wheels unsecured note for its principal amount \$750. On November 22, 2022, Helbiz Inc CEO converted the entire amount into 4,019,293 shares of Class A Common Stock.

## **23. Subsequent Events**

The Company has determined, for recognition or disclosure in these financial statements, the following material subsequent events.

### **Usage of March 2023 SEPA and repayment of SEPA Convertible Note**

The Company delivered Advance Notices for the sale of 35,400,000 Class A Common Shares, resulting in cumulative gross proceeds of \$462; of which \$122 was used for partially repaid the SEPA Convertible Note.

### **Amendment of SEPA Convertible Note**

The Company and the Note holder agreed to amend the original SEPA Convertible Note Maturity date from March 31, 2024 to December 31, 2024.

### **LNPB Settlement agreement**

In February 2024, the Company entered into a Settlement agreement with LNPB pursuant to which the Company's obligations under the original agreements, amounting to \$11,394, will be satisfied in exchange of a payment of \$5.4 million, divided in three payments on or prior November 30, 2024. The first of the settlement amount has been paid in March 2024.



## **Agreements with Everli S.P.A.**

In the first quarter of 2024, we entered into two agreements with Everli S.P.A. (“Everli”). Everli was founded in 2014 and offers its grocery delivery service across cities in Europe. It is a related party as our President and Chief Executive Officer has a majority equity interest in Everli. One of the agreements was a Service Supply Agreement entered into with our wholly-owned subsidiary, Helbiz Media and the other is an Agreement on Business Cooperation entered into with our wholly-owned subsidiary, Helbiz Serbia.

The Service Supply Agreement required Helbiz Media to provide design, development, and communication ideas and activities to Everli. Under the terms of the agreement, Everli is to pay the Company €6 million, approximately \$6.5 million, in exchange for our provision of “supply services for Everli according to the consolidated industry practice, from the design phase of the various work streams to the realization of the proposed solutions shared and approved by the client.” There is no timeline for the payment of the funds due under this agreement, and to date no funds have been received under this agreement. The Service Supply Agreement expires on March 1, 2025.

The Agreement on Business Cooperation is an agreement pursuant to which Helbiz Serbia will provide Everli with (i) software development services and (ii) services for preparing for an initial public offering. Pursuant to the Agreement on Business Cooperation, Everli is to pay us an initial payment of €200 thousands, approximately \$220 thousands, within five days of entering into the agreement and a monthly payment of €100 thousands, approximately \$110 thousands. This agreement has no fixed term and may be terminated by either party with 30 days’ notice.

## **Unsecured loan – settlement agreement**

In March 2024, the Company entered into a Settlement agreement with the 6.75% Unsecured Note holder pursuant to which the Company’s obligations under the original agreements, amounting to \$2,428 (2,202 Euro), will be satisfied in exchange of a payment of \$1,102 (995 Euro), to be paid within June 30, 2024.

## **Unsecured loan – issuance of Class A shares**

In March 2024, the Company issued 928,942 shares of Class A Common Stock to the holder of the Wheels unsecured note for settling \$734 of the amount outstanding.

## **Related-party Convertible Note**

On January 31, 2024, we issued a note to Palella Holdings LLC, an entity in which our CEO is the sole shareholder, in exchange for net proceeds of \$1,000,000. Pursuant to the terms of the note, we are to pay Palella Holdings LLC \$1,000,000 on an interest free basis on January 31, 2025. The note is convertible into shares of our common stock at a conversion price to be agreed upon between us and Palella Holding LLC at the time of such conversions.

## **ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES**

We have not had any disagreements with our accountants or auditors that would need to be disclosed pursuant to Item 304 of Regulation S-K promulgated under the Securities Act of 1933.

### **ITEM 9A. CONTROLS AND PROCEDURES**

#### **Evaluation of Disclosure Controls and Procedures**

Our management, with the participation of our principal executive officer and our principal financial officer, evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2023. Based on such evaluation, due to a material weakness in internal control over financial reporting described below, our principal executive officer and principal financial officer concluded our disclosure controls and procedures (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) were not effective as of such date to provide reasonable assurance that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure information required to be disclosed by us in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

#### **Material Weakness**

Our management's conclusion that our disclosure controls and procedures were ineffective was due to the identification of material weaknesses in our internal control over financial reporting in connection with the preparation of our year-end Financial Statements. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements would not be prevented or detected on a timely basis. Our management identified the following material weaknesses in our internal control over financial reporting:

- We have insufficiently designed and operating controls surrounding the accounting policies and controls, including standardized reconciliation schedules to ensure the company's books and records are maintained in accordance with GAAP.
- Due to the company's size and nature, segregation of all duties may not be possible and may not be economically feasible.

Notwithstanding the identified material weaknesses, management believes that the consolidated financial statements included in this Form 10-K present fairly, in all material respects, our consolidated financial position, consolidated results of operations, and consolidated cash flows as of and for the periods presented in accordance with U.S. GAAP.

#### **Changes in Internal Control Over Financial Reporting**

Other than the replacement of our Chief Financial Officer, our internal control over financial reporting has not changed during the fourth quarter covered by this Annual Report on Form 10-K.

### **ITEM 9B. OTHER INFORMATION**

During the quarter ended December 31, 2023, no director or officer of the Company adopted or terminated a contract, instruction or written plan for the purchase or sale of securities of the Company intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) and/or a non-Rule 10b5-1 trading arrangement.

### **ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.**

Not applicable.

## PART III

### ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

#### Executive Officers

The following table sets forth certain information regarding our executive officers as of the date of this annual report.

Name	Age	Position	Held Position Since
Salvatore Palella	35	Chief Executive Officer, Chairman	October 2015
Gian Luca Spriano	41	Chief Financial Officer	December 2023

**Salvatore Palella, Chief Executive Officer.** Mr. Palella has served as our Chief Executive Officer and the sole member of our board of directors since 2015. Mr. Palella, a serial entrepreneur, founded our company in 2015, at the age of 29, with a mission to solve the first- and last-mile transportation problem of cities around the world through an innovative and scalable transportation rental platform designed for the sharing economy. Originally from Acireale, Italy, Mr. Palella began his career in the fast-food industry in the United Kingdom, and then moved to Milan at age 17 to study at Università Cattolica del Sacro Cuore. At the age of 19, he founded his first business, a company that specialized in the production and distribution of vending machines for fresh-squeezed orange juice.

He is also the sole shareholder and CEO of Palella Holdings LLC, a Company investing in multiple start-ups such as Everli S.p.A.

**Gian Luca Spriano, Chief Financial Officer.** Mr. Spriano has served as our Chief Financial Officer from December 2023. He previously served us as Head of Business Development starting from July 2018. He was focusing on building Helbiz's brand awareness in Europe, the United States and Canada while simultaneously driving the individual city application initiatives and serving as the point for government relations. He is also involved in other Companies where Mr. Palella has the majority equity interest, such as Palella Holdings LLC where he served as the Chief Financial Officer and Everli S.p.A. where he served as Chairman.

Prior to joining us, Mr. Spriano worked in the Executive Office of the Secretary General at the UN, collaborating with the Climate Action Team and the Sustainable Development Unit, and directly supporting the Secretary General and his climate change initiatives.

Mr. Spriano received his J.D. in International European Law from the University of Turin and an LLM in International Financial Law.

#### Our Board of Directors

Our Board of Directors consists of four members, Salvatore Palella, Guy Adami, Velco Farina and Lee Stern. Mr. Palella is our Chairman.

Each of our directors serves for a term of one year ending on the date of the subsequent annual meeting of stockholders following the annual meeting at which such director was elected. Notwithstanding the foregoing, each director is to serve until his successor is elected and qualified or until his death, resignation or removal. Our Board appoints our officers and each officer is to serve until his successor is appointed and qualified or until his or her death, resignation or removal.

Set forth below is biographical information related to each of our independent directors. Biographical information for Mr. Palella is provided above under "Management – Executive Officers" in this annual report. Mr. Palella was appointed to the Board of Directors effective August 12, 2021.

**Lee Stern**, age 70, was appointed to the Board of Directors effective November 27, 2020. Mr. Stern has an accomplished career with over 25 years of providing debt solutions to middle market companies and expertise across multiple industries and as of April 26, 2021, he will join Centre Lane Partners, LLC as a Managing Director. Since April 2021 Mr. Stern has been a managing director of Centre Lane Partners. From 2014 to April 2021, Mr. Stern served as Managing Director of Monroe Capital LLC, responsible for origination of both sponsor and non-sponsor transactions. Prior to Monroe, Mr. Stern was a Managing Director at Levine Leichtman Capital Partners from 2012 to 2013, and was formerly a Director and founding member of Kohlberg Kravis Roberts & Co's mezzanine debt business from 2009 to 2012. Prior to KKR, Mr. Stern was a Managing Director at Blackstone/GSO Capital Partners from 2005 to 2009, responsible for senior and mezzanine investments. Prior to Blackstone, he was a founding employee of a Nasdaq public company Technology Investment Capital Corp. from 2002 to 2005. From 1985 to 2002, Mr. Stern worked for Drexel Burnham Lambert, Kidder, Peabody & Co., Nomura Securities International, Inc., and Thomas Weisel Partners. Mr. Stern holds a B.A. degree from Middlebury College and an M.B.A. from the Wharton School of the University of Pennsylvania.

**Guy Adami**, age 58. Mr. Adami was appointed to the Board of Directors effective August 12, 2021. He is an original member of CNBC's Fast Money. He is currently the Director of Advisor Advocacy at Private Advisor Group in Morristown, New Jersey. Private Advisor Group is comprised of a network of nearly 600 advisors with assets approaching \$17B. He has held numerous key leadership roles in the financial services industry. He began his career at Drexel Burnham Lambert in 1986 and was quickly promoted to Vice President and head gold trader at the firm. In 1996, he joined Goldman Sachs as their head gold trader and one of the many proprietary traders within the Fixed Income Currency and Commodity division. In the spring of 2000, Adami joined the U.S. Equities division of Goldman Sachs where he was put in charge of the firm's Industrial/Basic Material group. Mr. Adami is the Vice Chairman of the NJ Chapter of The Leukemia and Lymphoma Society, who named him their "Man of the Year" in 2015. He also sits on the national board of Invest in Others, and Big Brothers Big Sisters.

**Velco Farina**, age 50, is an Industrial Engineer with a MBA from SDA Bocconi and UCLA Anderson. Mr. Farina is a senior executive whose career started in management consulting at Bain & Co., Sapient and McKinsey. In 2007 he moved to New York City and the enterprise world at American Express, where he served in multiple roles, from product management to international strategy and innovation and partnerships until 2016. He then became the Chief Operating Officer of Kunai, a scrappy professional service agency, and grew it 10x into the tech engine of Fortune 500 financial institutions that it is today. Next he became the founding Managing Director of the innovation lab for Kaleyra a communication-platform-as-a-service company, recently acquired by Tata Communications. After moving back to Europe, Mr. Farina worked as Amazon Web Services Principal for the Financial Services EMEA market. Currently, Mr. Farina serves on the Board of Directors of Torch Systems and sits on the Strategic Board of DIP Capital.

Mr. Farina earned a MS from Politecnico di Milano, an MBA from SDA Bocconi School of Management at Bocconi University, an MBA from the Anderson School of Management at University of California, Los Angeles, and an edX Honor Code Certificate from Massachusetts Institute of Technology.

## **Board Leadership Structure**

The Board believes that it should maintain the flexibility to select the Chairman of the Board and adjust its board leadership structure from time to time. Mr. Palella is currently serving as both our Chief Executive Officer and the Chairman of the Board. The Board determined that having its Chief Executive Officer also serve as the Chairman of the Board provides it with optimally effective leadership and is in its best interests and those of its stockholders. Mr. Palella founded and has led our company since its inception. The Board believes that Mr. Palella's strategic vision for the business, his in-depth knowledge of our operations, the mobility industry, and his experience serving as the Chairman of the Board and Chief Executive Officer since our inception make him well qualified to serve as both Chairman of the Board and Chief Executive Officer.

## **Role of the Board in Risk Oversight**

One of the key functions of the Board is informed oversight of our risk management process. The Board does not have a standing risk management committee, but rather administers this oversight function directly through the Board as a whole, as well as through various standing committees of the Board that address risks inherent in their respective areas of oversight. In particular, the Board is responsible for monitoring and assessing strategic risk exposure and our audit committee has the responsibility to consider and discuss our major financial risk exposures and the steps our management will take to monitor and control such exposures, including guidelines and policies to govern the process by which risk assessment and management is undertaken. The audit committee also monitors compliance with legal and regulatory requirements. Our compensation committee also assesses and monitors whether our compensation plans, policies and programs comply with applicable legal and regulatory requirements. Our nominating and corporate governance committee monitors the effectiveness of our governance guidelines.

## **Board Committees**

In August 2021, the Board established an audit committee, a compensation committee and a nominating committee, each of which have the composition and responsibilities described below. Members will serve on these committees until their resignation or until otherwise determined by the Board. Each committee operates under a charter previously approved by the Board. Copies of each charter are posted on the Corporate Governance section of our website at micromobility.com. Our website and the information contained on, or that can be accessed through, our website is not deemed to be incorporated by reference in, and is not considered part of, this annual report.

### **Audit Committee**

Our audit committee consists of Lee Stern, Massimo Velco Farina and Guy Adami. Mr. Lee Stern serving as audit committee chairperson. The Board has determined that Lee Stern and Guy Adami each meet the requirements for independence and financial literacy under the current Nasdaq listing standards and SEC rules and regulations, including Rule 10A-3. In addition, the Board has determined that Lee Stern qualifies as an "audit committee financial expert" within the meaning of Item 407(d) of Regulation S-K promulgated under the Securities Act. This designation does not impose any duties, obligations, or liabilities that are greater than are generally imposed on members of the audit committee and the Board. The audit committee is responsible for, among other things:

- selecting a qualified firm to serve as the independent registered public accounting firm to audit our financial statements;
- helping to ensure the independence and overseeing the performance of the independent registered public accounting firm;
- reviewing and discussing the scope and results of the audit with the independent registered public accounting firm and reviewing, with management and that firm, our interim and year-end operating results;
- reviewing our financial statements and critical accounting policies and estimates;
- reviewing the adequacy and effectiveness of our internal controls;
- developing procedures for employees to submit concerns anonymously about questionable accounting, internal accounting controls, or audit matters;
- overseeing our policies on risk assessment and risk management;
- overseeing compliance with our code of business conduct and ethics;
- reviewing related party transactions; and
- approving or, as permitted, pre-approving all audit and all permissible non-audit services (other than de minimis non-audit services) to be performed by the independent registered public accounting firm.

The audit committee operates under a written charter, which satisfies the applicable rules of the SEC and the listing standards of Nasdaq, and which is available on our website. All audit services to be provided to us and all permissible non-audit services, other than *de minimis* non-audit services, to be provided to us by our independent registered public accounting firm will be approved in advance by the audit committee.

### **Compensation Committee**

Our compensation committee consists of Lee Stern and Guy Adami. The Board has determined that the composition of the compensation committee will meet the requirements for independence under the current Nasdaq listing standards and SEC rules and regulations. Each member of the committee is a non-employee director, as defined in Rule 16b-3 promulgated under the Exchange Act. The compensation committee is responsible for, among other things:

- reviewing, approving and determining, or making recommendations to the Board regarding, the compensation of our executive officers, including the Chief Executive Officer;
- making recommendations regarding non-employee director compensation to our full Board of Directors;
- administering our equity compensation plans and agreements with our executive officers;
- reviewing, approving and administering incentive compensation and equity compensation plans; and
- reviewing and approving our overall compensation philosophy.

The compensation committee operates under a written charter, which satisfies the applicable rules of the SEC and the listing standards of Nasdaq, and which is available on our website.

### **Nominating Committee**

Our nominating and corporate governance committee consists of Lee Stern and Guy Adami. Mr. Guy Adami is the chairperson of the nominating and corporate governance committee. The Board has determined that the composition of the nominating and corporate governance committee will meet the requirements for independence under the current Nasdaq listing standards and SEC rules and regulations. The nominating and corporate governance committee is responsible for, among other things:

- identifying, evaluating and selecting, or making recommendations to the Board regarding nominees for election to the Board of Directors and its committees;
- considering and making recommendations to the Board regarding the composition of the Board of Directors and its committees;
- developing and making recommendations to the Board regarding corporate governance guidelines and matters;
- overseeing our corporate governance practices;
- overseeing the evaluation and the performance of the Board and individual directors; and
- contributing to succession planning.

The nominating and corporate governance committee operates under a written charter, which satisfies the applicable rules of the SEC and the Nasdaq listing standards and is available on our website.

### **Compensation Committee Interlocks and Insider Participation**

None of the members of the compensation committee is or has been at any time one of our officers or employees. None of our executive officers currently serves, or in the past fiscal year has served, as a member of the Board or compensation committee (or other Board of Directors committee performing equivalent functions or, in the absence of any such committee, the entire Board of Directors) of any entity that has one or more executive officers serving as a member of the Board or compensation committee.

### **Code of Ethics**

The Board has adopted a Code of Business Conduct and Ethics that applies to all of our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. The code of ethics codifies the business and ethical principles that govern all aspects of our business. We did not waive any provisions of the code of business ethics during the year ended December 31, 2020. We have previously filed our form of code of ethics as an exhibit to our registration statement in connection with our initial public offering. You may review our code of ethics by accessing our public filings at the SEC's web site at [www.sec.gov](http://www.sec.gov). In addition, a copy of the code of ethics will be provided without charge upon request to us in writing.

### **Limitation on Liability and Indemnification of Directors and Officers**

The Certificate of Incorporation limits our directors' liability to the fullest extent permitted under the "DGCL". The DGCL provides that directors of a corporation will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except for liability:

- for any transaction from which the director derives an improper personal benefit;
- for any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- for any unlawful payment of dividends or redemption of shares; or
- for any breach of a director's duty of loyalty to the corporation or its stockholders.

If the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of our directors will be eliminated or limited to the fullest extent permitted by the DGCL, as so amended.

Delaware law and the Bylaws provide that we will, in certain situations, indemnify our directors and officers and may indemnify other employees and other agents, to the fullest extent permitted by law. Any indemnified person is also entitled, subject to certain limitations, to advancement, direct payment, or reimbursement of reasonable expenses (including attorneys' fees and disbursements) in advance of the final disposition of the proceeding.

In addition, we entered into separate indemnification agreements with our directors and officers. These agreements, among other things, require us to indemnify our directors and officers for certain expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by a director or officer in any action or proceeding arising out of their services as one of our directors or officers or any other company or enterprise to which the person provides services at our request.

We maintain a directors' and officers' insurance policy pursuant to which our directors and officers are insured against liability for actions taken in their capacities as directors and officers. We believe these provisions in the Certificate of Incorporation, Bylaws and these indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers, or control persons, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

## ITEM 11. EXECUTIVE COMPENSATION

### Introduction

We are an emerging growth company, as defined in the JOBS Act. As an emerging growth company, we will be exempt from certain requirements related to executive compensation, including, but not limited to, the requirements to hold a nonbinding advisory vote on executive compensation and to provide information relating to the ratio of total compensation of our Chief Executive Officer to the median of the annual total compensation of all of our employees, each as required by the Investor Protection and Securities Reform Act of 2010, which is part of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

This section provides an overview of our executive compensation programs, including a narrative description of the material factors necessary to understand the information disclosed in the summary compensation table below.

For the year ended December 31, 2023, our named executive officers (“Named Executive Officers” or “NEOs”) were:

- Salvatore Palella, Chief Executive Officer; and
- Gian Luca Spriano, Chief Financial Officer.

The objective of our compensation program is to provide a total compensation package to each NEO that will enable us to attract, motivate and retain outstanding individuals, align the interests of our executive team with those of our equity holders, encourage individual and collective contributions to the successful execution of our short- and long-term business strategies and reward NEOs for performance.

### Compensation of Directors and Executive Officers

The following table presents information regarding the total compensation (excluding equity based compensation reported) awarded to, earned by, and paid to our named executive officers for services rendered to us in all capacities for the years indicated.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	All other Compensation (\$)	Total (\$)
Salvatore Palella, Chief Executive Officer	2023	\$ 918,019	\$ 1,125,000	\$ 354,977 <sup>(1)</sup>	\$ 2,397,996 <sup>(2)</sup>
	2022	\$ 919,516	\$ 745,572	\$ 350,340 <sup>(1)</sup>	\$ 2,015,428 <sup>(2)</sup>
Gian Luca Spriano, Chief Financial Officer	2023	\$ 141,955	\$ —	\$ —	\$ 141,955
	2022	\$ 86,615	\$ —	\$ —	\$ 86,615

(1) This amount relates to health insurance and housing expenses provided under their employment agreements.

(2) Excludes any foregone interest on amounts that we had lent our Chief Executive Officer.

### Employment Arrangements with Named Executive Officers

#### Salvatore Palella

On April 1, 2020, we entered into an employment agreement with Salvatore Palella with a term expiring on April 1, 2025.

The agreement is subject to automatic renewal for a five-year term unless either party provides written notice not to renew no later than 180 days prior to the end of the then current or renewal term.

Pursuant to the terms and provisions of the agreement: (a) Mr. Palella is appointed as our Chief Executive Officer and will undertake and perform the duties and responsibilities normally and reasonably associated with such office; (b) we shall pay to Mr. Palella an annual salary of \$900,000; (c) we shall pay Mr. Palella the following bonuses: (i) \$500,000 when the Company becomes publicly traded, (ii) \$35,000 for each city in which the Company launches mobility operations in, (iii) \$50,000 for each city in which the Company launches food delivery services, and (iv) \$250,000 when the Company starts a fintech business line per region; (d) we shall pay the housing costs up to \$25,000 per month; (e) we shall provide Mr. Palella with health insurance coverage with a national health insurance company; (f) Mr. Palella shall have five days of sick leave per calendar year; and (g) Mr. Palella shall have 20 paid vacation days per calendar year. Additionally, we paid to Mr. Palella an extra annual bonus of \$285,000 for the Company’s annual performance.

On April 1, 2020, we entered into two non-qualified stock-option agreements with Mr. Palella.

- Under the 2020 Plan, Mr. Palella awarded 1,484,721 stock options (considering the conversion ratio of 4.63 applied in the reverse merger), of which 742,435 vested on April 1, 2021, and 20,619 will vest every month after the twelve-month anniversary for 36 months.
- Under the CEO Performance Award, Mr. Palella awarded 600,000 options to purchase our Class A common stock. We consider the grant date of the Award, August 12, 2021. The Award vests upon the satisfaction of the market conditions. In detail, the market conditions will be satisfied in 20 different tranches, with each related to a certain Market capitalization Milestone. The lowest tranche is \$500 million the highest is \$100 billion; each of the twenty tranches has 30,000 options to buy 30,000 shares of Class A common stock. As of December 31, 2022, none of the tranches have been vested.

### ***Gian Luca Spriano***

On December 15, 2023, we entered into an employment agreement with Gianluca Spriano with no expiration date. Pursuant to the terms and provisions of the agreement: (a) Mr. Spriano is appointed as our Chief Financial Officer and will undertake and perform the duties and responsibilities normally and reasonably associated with such office; (b) we shall pay to Mr. Spriano an annual salary of \$175,000.

### **Outstanding Equity Awards at 2023 Fiscal Year-End for Executive Officers**

The following table sets forth information as of December 31, 2023 relating to outstanding equity awards for each of our executive officers and our director:

<b>Outstanding Equity Awards at Year End Table</b>					
<b>Name</b>	<b>Number of Securities Underlying Unexercised Options (exercisable)</b>	<b>Number of Securities Underlying Unexercised Options (unexercisable)</b>	<b>Number of Securities Underlying Unexercised Unearned Options</b>	<b>Option Exercise Price</b>	<b>Option Expiration Date</b>
Salvatore Palella – 2020 Plan	198	0	8	\$ 16,200	4/1/2030
Salvatore Palella – 2020 CEO Performance Award	80	0	80	\$ 61,050	4/1/2030
Gian Luca Spriano	4	0	1	\$ 16,200	4/1/2030

### **Director Compensation**

During 2023, the independent directors of the Board received cash compensation as follows: \$75,000 as standard compensation plus \$10,000 if they served as Chairman of a Company's Committee. We reimburse our non-employee directors for reasonable travel and out-of-pocket expenses incurred in connection with attending board of director and committee meetings.

### **ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

As of April 9, 2024, none of:

- our directors or Named Officers;
- all directors and executive officers as a group; or
- any shareholder (or group of shareholders known to us;

beneficially owned more than 1% of our issued and outstanding shares. Beneficial ownership is determined according to the rules of the Commission, which generally provide that a person has beneficial ownership of a security if he, she or it possesses sole or shared voting or investment power over that security, including options and warrants that are currently exercisable or exercisable within 60 days. In computing the number of shares of Common Stock beneficially owned by a person and the percentage ownership, the Company deemed outstanding shares of its Common Stock subject to options and warrants held by that person that are currently exercisable or exercisable within 60 days of the Closing Date. The Company did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person.



### ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Other than employment and other agreements set out elsewhere in this annual report, the following summarizes those of transactions since January 1, 2023 to which we have been a participant in which the amount involved exceeded or will exceed \$63,000, and in which any of our directors, executive officers or beneficial owners of more than 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest, other than equity and other compensation, termination, change in control and other arrangements, which are described in the section entitled “*Executive Compensation*.” Described below are certain other transactions with our directors, executive officers and stockholders.

#### *CEO conversion of deferred salaries*

During the year ended December 31, 2023, our majority shareholder and CEO converted a portion of his deferred salaries, totaling \$78,000 into 87 shares of common stock.

#### *Board member conversion of deferred salaries*

During the year ended December 31, 2023, board members converted a portion of their deferred salaries, totaling \$69,000 into 1,062 Warrants to purchase shares of common stock with a strike price of \$174.00 and 5-years from issuance as expiration date.

During the year ended December 31, 2023, a board member who served as consultant before joining the Board converted portion of his previous invoices, totaling \$90,000 into 397 shares of common stock, generating a gain for the Company amounted to \$25,000.

#### *CEO Purchase of Series B Preferred Stock*

On March 13, 2023, the Company issued 3,000 Series B Preferred Stock to the Company’s CEO for an aggregate purchase price of \$0.5. Series B had no voting rights, except that each share of Series B was entitled to 80,000 votes at a shareholder meeting on whether to enact a reverse stock split. Holder of the Company’s Series B was required to vote any proposal for a reverse stock split on a “mirrored” basis. This meant that the Series B holder was required to cast their votes “For” and “Against” each such proposal in the same proportions as the holders of Company’s Class A Common stock eligible and voting at the Special Meeting cast their votes, in the aggregate. On March 30, 2023, the Company’s Series B Preferred Stock have been redeemed following the stockholder meeting for \$0.01 per share. As of March 31, 2023, there were 0 shares of Series B Preferred Stock issued and outstanding.

#### *Conversion of Class B Common Stock*

On August 12, 2023, the 1,897 shares of Class B common stock automatically converted into 1,897 shares of Class A common stock. On August 12, 2021, the Company issued the Class B Common Stock to the Company’s CEO, with the clause of an automatic conversion into Class A Common Stock on the second anniversary of the issuance (August 12, 2023).

#### *Related party shipping*

During the year ended December 31, 2023, the Company recorded as Cost of Revenues \$56 for shipping services provided by a related party. The service provider is a Company whose CEO is a parent of the CEO of micromobility.com.

#### *Everli*

As described in Item 1, in the first quarter of 2024, we entered into two agreements with Everli S.p.A. It is a related party as our President and Chief Executive Officer has a majority equity interest in Everli S.p.A. One of the agreements was a Service Supply Agreement entered into with our wholly-owned subsidiary, Helbiz Media Italia S.r.l., and the other is an Agreement on Business Cooperation entered into with our wholly-owned subsidiary, Helbiz DOO.

#### *Loan from Palella Holdings LLC*

On January 31, 2024, we issued a note to Palella Holdings LLC, an entity in which our CEO is the sole shareholder, in exchange for net proceeds of \$1,000,000. Pursuant to the terms of the note, we are to pay Palella Holdings LLC \$1,000,000 on an interest free basis on January 31, 2025. The note is convertible into shares of our common stock at a conversion price to be agreed upon between us and Palella Holding LLC at the time of such conversions.

### ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The following table sets forth fees billed to us by our independent auditors for the years ended December 31, 2023 and 2022 for (i) services rendered for the audit of our annual consolidated financial statements and the review of our quarterly consolidated financial statements, (ii) services rendered that are reasonably related to the performance of the audit or review of our consolidated financial statements that are not reported as Audit Fees, and (iii) services rendered in connection with tax preparation, compliance, advice and assistance.

SERVICES	2023	2022
Audit fees	\$ 470	\$ 700
Audit-related fees	—	—
Tax fees	—	—
All other fees	—	—
<b>Total fees</b>	<b>\$ 470</b>	<b>\$ 700</b>

Audit fees and audit related fees represent amounts billed for professional services rendered for the audit of our annual consolidated financial statements and the review of our interim consolidated financial statements. Before our independent accountants were engaged to render these services, their engagement was approved by our Directors.

## PART IV

### ITEM 15. EXHIBITS AND CONSOLIDATED FINANCIAL STATEMENTS SCHEDULE

The following exhibits are filed as part of this registration statement. Exhibit numbers correspond to the exhibit requirements of Regulation S-K.

Exhibit No.	Description
2.1	<a href="#"><u>Merger Agreement and Plan of Reorganization dated February 8, 2021 by and among, Helbiz, Inc., Salvatore Palella as Representative of the Shareholders of the Helbiz, Inc., GreenVision Acquisition Corp. and GreenVision Merger Sub Inc. (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K, filed on February 8, 2021)*</u></a>
2.2	<a href="#"><u>First Amendment dated April 8, 2021 to Merger Agreement and Plan of Reorganization (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K, filed on April 9, 2021)*</u></a>
3.1	<a href="#"><u>Amended and Restated Certificate of Incorporation of Helbiz, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed on August 13, 2021)*</u></a>
3.2	<a href="#"><u>Certificate of Designation for Series A Preferred Stock, dated November 17, 2022 (incorporated by reference to Exhibit 10.2 to the current report on Form 8-K filed on November 25, 2022)</u></a>
3.3	<a href="#"><u>Certificate of Designation of Preferences, Rights, and Limitations of Series B Preferred Stock filed on March 13, 2023 (incorporated by reference to Exhibit 3.1 to the current report on Form 8-K filed on March 13, 2023)</u></a>
4.1	<a href="#"><u>Specimen Public Warrant Certificate (incorporated by reference to Exhibit 4.3 to Helbiz's registration statement on Form S-1 filed on October 21, 2019)*</u></a>
4.2	<a href="#"><u>Warrant Agreement between Continental Stock Transfer &amp; Trust Company and Helbiz (incorporated by reference to Exhibit 4.5 to Helbiz's registration statement on Form S-1 filed on October 21, 2019)*</u></a>
4.3	<a href="#"><u>Convertible Promissory Note dated as of December 1, 2022 between Helbiz, Inc. and YA II PN, Ltd. (incorporated by reference to Exhibit 4.1 to the current report on Form 8-K filed on December 1, 2022)</u></a>
4.4	<a href="#"><u>Convertible Promissory Note dated as of March 8, 2022, between the Company and YA II PN, Ltd. (incorporated by reference to Exhibit 4.1 to the current report on Form 8-K filed on March 13, 2023)</u></a>
10.1	<a href="#"><u>Form of Subscription Agreement by and among GreenVision Acquisition Corp. and certain institutional and accredited investors (incorporated by reference to Exhibit 10.1 to Helbiz's current report on Form 8-K filed on March 11, 2021)*</u></a>
10.2	<a href="#"><u>Form of Registration Rights Agreement, dated as of August 12, 2021, by and among GreenVision Acquisition Corp and certain shareholders of Helbiz Holdings (incorporated by reference to Annex B of the Definitive Proxy Statement filed on July 26, 2021)*</u></a>
10.3	<a href="#"><u>Form of Lock-Up Agreement (incorporated by reference to Exhibit 10.3 to the Registrants Current Report on Form 8-K, filed on August 13, 2021)*</u></a>
10.4	<a href="#"><u>Form of warrant to PIPE Investors (incorporated by reference to Exhibit 10.2 to Helbiz's current report on Form 8-K filed on March 11, 2021)*</u></a>
10.5	<a href="#"><u>GreenVision Acquisition Corp. 2021 Omnibus Incentive Plan (incorporated by reference to Annex D of the Definitive Proxy Statement filed on July 26, 2021)*</u></a>
10.6	<a href="#"><u>Form of Indemnification Escrow Agreement (incorporated by reference to Exhibit 10.6 to the Registrant's Current Report on Form 8-K, filed on August 13, 2021)*</u></a>
10.7	<a href="#"><u>Form of Convertible Debenture issued pursuant to the SPA (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K, filed on October 18, 2021)*</u></a>
10.8	<a href="#"><u>Form of Warrant issued under the SPA (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K, filed on October 18, 2021)*</u></a>
10.9	<a href="#"><u>Employment Agreement of Salvatore Palella, dated April 1, 2020 (incorporated by reference to Exhibit 10.10 to the Registrant's registration statement on Form S-1, filed on October 27, 2021)*</u></a>
10.10	<a href="#"><u>Employment Agreement of Giulio Profumo, dated March 2, 2020 (incorporated by reference to Exhibit 10.11 to the Registrant's registration statement on Form S-1, filed on October 27, 2021)*</u></a>
10.11	<a href="#"><u>Securities Purchase Agreement, dated April 15, 2022, between the Company and YA II PN, Ltd. (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on April 15, 2022)</u></a>
10.12	<a href="#"><u>Securities Purchase Agreement, dated August 15, 2022, between the Company and YA II PN, Ltd. (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on August 15, 2022)</u></a>
10.13	<a href="#"><u>Securities Purchase Agreement, dated August 23, 2022, between the Company and YA II PN, Ltd. (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on August 23, 2022)</u></a>
10.14	<a href="#"><u>Agreement and Plan of Merger, dated October 24, 2022, by and among Helbiz, Inc. Helbiz Merger Sub Inc., and Wheels Labs, Inc. (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on October 28, 2022)</u></a>
10.15	<a href="#"><u>Standby Equity Purchase Agreement, dated October 31, 2022, by and between Helbiz, Inc. and YA II PN, Ltd. (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on October 31, 2022)</u></a>
10.16	<a href="#"><u>Security Agreement, dated November 10, 2022, among YA II PN, Ltd. and the debtors named therein (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on November 14, 2022)</u></a>
10.17	<a href="#"><u>Amended and Restated Agreement and Plan of Merger, dated November 18, 2022, by and among Helbiz, Inc. Helbiz Merger Sub Inc., and Wheels Labs, Inc. (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on November 25, 2022)</u></a>

10.17	<a href="#"><u>Amended and Restated Agreement and Plan of Merger, dated November 18, 2022, by and among Helbiz, Inc. Helbiz Merger Sub Inc., and Wheels Labs, Inc. (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on November 25, 2022).</u></a>
10.18	<a href="#"><u>Supplemental Agreement dated as of December 1, 2022 to the Standby Equity Purchase Agreement dated as of October 31, 2022 between Helbiz, Inc. and YA II PN, Ltd. (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on December 1, 2022).</u></a>
10.19	<a href="#"><u>Standby Equity Purchase Agreement, dated January 24, 2023, by and between Helbiz, Inc. and YA II PN, Ltd.(incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on January 17, 2023)</u></a>
10.20	<a href="#"><u>Standby Equity Purchase Agreement, dated March 13, 2023, by and between Helbiz, Inc. and YA II PN, Ltd. (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K filed on March 13, 2023)</u></a>
10.21	<a href="#"><u>Convertible Note issued to Palella Holdings LLC on January 31, 2024</u></a>
10.22	<a href="#"><u>Service Supply Agreement</u></a>
10.23	<a href="#"><u>Business Cooperation Agreement</u></a>
21.1	<a href="#"><u>List of subsidiaries of Helbiz, Inc.</u></a>
23.1	<a href="#"><u>Consent of Marcum LLP</u></a>
24.1	<a href="#"><u>Powers of Attorney (the signature page to this registration statement)</u></a>
31.1	<a href="#"><u>Certification of Principal Executive Officer pursuant to Securities Exchange Act of 1934 Rule 13a-14(a) or 15d-14(a)*</u></a>
31.2	<a href="#"><u>Certification of Principal Accounting Officer pursuant to Securities Exchange Act of 1934 Rule 13a-14(a) or 15d-14(a)*</u></a>
32.1	<a href="#"><u>Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350*</u></a>
32.2	<a href="#"><u>Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350*</u></a>

\* Previously filed and incorporated herein by reference

## ITEM 16. FORM 10-K SUMMARY

We have elected not to provide a summary of the information provided in this annual report on Form 10-K.

## SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**micromobility.com, Inc.**

Date: April 16, 2024

By: /s/ Salvatore Palella  
Name: Salvatore Palella  
Title: President, Chief Executive Officer

## SIGNATURES

Each person whose signature appears below constitutes and appoints Salvatore Palella his or her attorney-in-fact, with the power of substitution, for him or her in any and all capacities, to sign any amendments to this Annual Report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact, or his or her substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Capacity	Date
<u>/s/ Gian Luca Spriano</u> Gian Luca Spriano	Chief Financial Officer	April 16, 2024
<u>/s/ Salvatore Palella</u> Salvatore Palella	Chairman of the Board and Chief Executive Officer	April 16, 2024
<u>/s/ Lee Stern</u> Lee Stern	Director	April 16, 2024
<u>/s/ Velco Farina</u> Velco Farina	Director	April 16, 2024
<u>/s/ Guy Adami</u> Guy Adami	Director	April 16, 2024



**MICROMOBILITY.COM INC.****UNANIMOUS WRITTEN CONSENT OF  
THE BOARD OF DIRECTORS  
IN LIEU OF A SPECIAL MEETING****Dated as of January 31, 2024**

Pursuant to Delaware General Corporation Law, the undersigned members of the board of directors (the “Board”) of micromobility.com Inc., a Delaware corporation (the “Company”), hereby consent to the adoption of the following resolutions in lieu of holding a special meeting:

**WHEREAS**, the Company intends issue a convertible note, dated as of January 31, 2024 (the “Note”) to Palella Holdings LLC, a Delaware limited liability company or its assigns (the “Investor”) for a principal amount of up to \$1,000,000 over a 12 month term, subject to certain terms and conditions as specifically set forth in the Note, the form of which is attached hereto as Exhibit A; and

**WHEREAS**, the Note will be convertible into shares of common stock of the Company (the “Common Stock”).

**NOW THEREFORE, BE IT**

**RESOLVED**, that the Board approves the issuance of the shares of the Common Stock underlying the Note upon the conversion of the Note, in accordance with the terms by the Company of the Note and the form of the Note is hereby ratified, confirmed, adopted and approved in all respects;

**RESOLVED**, that in the good faith judgment of the directors of the Company, the terms of the Note are fair, just and equitable, and in the best interest of the Company;

**RESOLVED**, that the proper officers of the Company be, and each of them hereby is, empowered to approve or authorize, as the case may be, such further action and the preparation, execution, and delivery of all such further instruments and documents in the name and on behalf of the Company, and to pay all such expenses and taxes, as in their judgment shall be necessary, proper, or advisable in order to carry out the intent and accomplish the purposes of the foregoing resolutions;

**RESOLVED**, that as used in the foregoing resolutions, the term “the proper officers” of the Company shall mean the President, Chief Executive Officer and Chief Financial Officer of the Company, and each of them; and that the proper officers of the Company be, and each of them acting alone hereby is, authorized and empowered, acting in the name and on behalf of the Company, to take such action and to execute and deliver all agreements, documents, and instruments referred to expressly or generally in the preceding resolutions, and any amendments, supplements, or modifications to any of such agreements, documents, and instruments; such actions, agreements, documents, instruments, amendments, supplements, and modifications shall be in such form and substance as the proper officer executing the same may, in his or her sole discretion, deem to be in the best interest of the Company in connection with or arising out of the actions contemplated by the foregoing resolutions;

**RESOLVED**, that any and all actions heretofore taken by the directors or the proper officers of the Company on behalf of the Company in furtherance of the actions authorized or contemplated by these foregoing resolutions be, and they hereby are, ratified, affirmed and approved in all respects, including, without limitation, the execution and delivery of any documents and instruments, including amendments, supplements, or modifications thereto as have been necessary or appropriate in order to effectuate the actions contemplated by the foregoing resolutions;

**RESOLVED**, that this Unanimous Written Consent of the Board in Lieu of a Special Meeting may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument and that facsimile and PDF signatures shall be deemed to have the same effect as originals; and be it further

**RESOLVED**, that this Unanimous Written Consent of the Board in Lieu of a Special Meeting shall be filed with the minutes of meetings of the Board and shall be treated for all purposes as action taken at a meeting.

[Signature Page Follows]

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**IN WITNESS WHEREOF**, the undersigned, by affixing their signatures hereto, do hereby consent to, authorize and approve the foregoing action in their capacities as the members of the Board of Directors of micromobility.com Inc.

/s/ Salvatore Palella

Salvatore Palella, Chairman of the Board

/s/ Lee Stern

Lee Stern, Director

/s/ Guy Adami

Guy Adami, Director

/s/ Velco Farina

Velco Farina, Director

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Exhibit A

FORM OF

CONVERTIBLE NOTE

DUE JANUARY 31, 2025

constituting a principal amount of up to \$1,000,000 issued by micromobility.com Inc.





**HELBIZ**

**CONTRATTO DI FORNITURA SERVIZI A  
EVERLI SPA**

GENNAIO 2024

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## **CONTRATTO DI FORNITURA SERVIZI**

Tra

**HELBIZ MEDIA ITALIA SRL** con sede legale a Milano, in Piazza del Liberty 8 , Codice Fiscale e P. IVA 11803000964 iscritta al Registro delle Imprese della CCIAA di Milano, in persona dell'amministratore unico e legale rappresentante, Spriano Gian Luca Maria Stefano ,

(di seguito, "**Helbiz**" o "**Fornitore**");

e

**EVERLI SPA** , con sede legale in Milano in Via Ludovico D'Aragona 11 , Codice Fiscale e P. IVA 04297730238, in persona del legale rappresentante, Sig. Zocchi Andrea Giuseppe di seguito, l' "Agenzia"),

(di seguito, "**Everli**" o "**Committente**");

### **PREMESSE**

- Helbiz è una microweb tv ed un'agenzia di marketing e comunicazione fondata nel 2021 e che ha sviluppato un approccio completamente innovativo con riferimento alle campagne marketing per grandi brand, basato sulla creazione di contenuti: (i) audiovisiva e pubblicitari con trasmissione su frequenze terrestri in tecnica digitale, via cavo, via satellite, via internet; (ii) lanciati da comunità di *influencer* mediante piattaforme social, (iii) conformi a specifiche linee guida, centralmente elaborate;
- Everli svolge la propria attività di commercio al dettaglio via internet di prodotti alimentari e non, fondata nel 2014;
- Everli nell'ambito della fase di ristrutturazione in corso riconosce l'importanza di rilanciare la propria attività e prepararsi aggredire il mercato con una strategia commerciale, di marketing, di comunicazione, con una struttura produttiva e soluzioni creative per rimanere competitiva nel settore;
- Everli, in considerazione dell'elevata specializzazione nel settore dei servizi offerti da Helbiz e delle sue professionalità, è interessata a servirsi delle idee di progettazione, sviluppo e comunicazione offerte del Fornitore.
- Le parti si sono reciprocamente manifestate la volontà di concludere il contratto di fornitura servizi mediante l'impiego di risorse interne, collaboratori e fornitori altamente qualificati per il lancio della nuova immagine (branding) sul mercato (di seguito, il "**Contratto**").

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### **TUTTO CIÒ PREMESSO**

Le parti convengono e stipulano quanto segue.

#### **Art. 1 – Premesse**

1.1. Le premesse formano parte integrante e sostanziale del presente Contratto.

#### **Art. 2 - Oggetto**

2.1. Con il presente Contratto Helbiz si obbliga nei confronti di Everli, che accetta, a proseguire le attività di progettazione e di sviluppo strategico, commerciale, creativo e produttivo dei contenuti del brand di Everli.

2.2. L'attività erogata da Helbiz per Everli si articolerà come segue:

- Rielaborazione del brand e monitoraggio del contesto competitivo e analisi di target e trend per la definizione della migliore strategia di comunicazione in ambito marketing e in ambito di palinsesto interno, grazie all'analisi strategica del team Helbiz e dei suoi collaboratori
- Definizione del modello di commerciale e supporto nella ricerca di clienti per campagne brand. rafforzare il posizionamento del Marchio sul mercato di riferimento, con il supporto del team Helbiz e dei suoi collaboratori al fine di accrescere gli utenti della piattaforma.
- delineare un piano ed un budget annuale per il marketing e la comunicazione del Marchio, indicandone finalità ed obiettivi,

affinché marketing e comunicazione siano linea con gli scopi e le strategie concordate;

- supervisione alla progettazione e sviluppo della linea grafica delle campagne di comunicazione web e social, rilascio di template grafici, content layout e navigation paths per tutti i canali che si intendono utilizzare declinati secondo i segmenti tematici da promuovere e le lingue dei mercati target;
- monitorare la risposta del pubblico alle strategie comunicative adottate, valutarne l'efficacia e, se necessario, intervenire per modificarle;
- sviluppare le attività di comunicazione istituzionali e di prodotto;

### **Art. 3 – Obblighi delle parti**

3.1. Helbiz, in esecuzione del presente Contratto, si impegna a prestare i servizi di fornitura servizi per Everli secondo la prassi consolidata del settore, dalla fase di progettazione dei vari stream di lavoro alla realizzazione delle soluzioni proposte e condivise e approvate dal cliente.

3.2. Everli si impegna a prestare la propria collaborazione e a fornire la documentazione necessaria al fine dell'espletamento dei servizi.

### **Art. 4 - Durata del contratto**

4.1. Il presente Contratto avrà la durata di mesi 12 decorrere dalla data di sottoscrizione, con scadenza il 31/01/2025, con rinnovo tacito di pari durata, in assenza di disdetta via pec 60 giorni prima della scadenza.

### **Art. 5 - Corrispettivo e condizioni di pagamento**

A titolo di corrispettivo per tutte le prestazioni fornite nell'ambito del presente Contratto Everli si obbliga a corrispondere in favore di Helbiz un corrispettivo pari a euro 6.000.000,00€ (seimilioni/00 euro) oltre IVA.

Restano escluse dal computo del corrispettivo le eventuali spese vive che saranno corrisposte dietro presentazione di giustificativi di spesa. Il fornitore fornirà una rendicontazione puntuale al cliente, che consuntivi le risorse e i collaboratori attivati.

### **Art. 6 - Modalità di esecuzione**

6.1. Il Fornitore si impegna ad operare con professionalità nell'esecuzione della propria attività di fornitura servizi e consulenziale e a mettere a disposizione del Committente le proprie risorse umane e tecniche, garantendo la competenza nonché la professionalità propria e dei propri dipendenti e collaboratori.

### **Art. 7 – Obbligo di riservatezza**

7.1. Helbiz si impegna, durante la vigenza del presente Contratto e per i successivi 2 (due) anni decorrenti dalla scadenza dello stesso, a non divulgare e a non rivelare a terzi le informazioni, le cognizioni, i documenti, i disegni, i dati tecnici e quant'altro relativo alla Everli.

### **Art. 8 - Divieto di cessione**

8.1. Le parti dichiarano che le prestazioni di cui al presente Contratto hanno natura strettamente personale e in quanto tali non possono essere cedute.

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## **Art. 9 – Proprietà Intellettuale**

9.1. Con la sottoscrizione del presente contratto Helbiz irrevocabilmente riconosce che la Committente è titolare unica, ab origine, in via definitiva ed esclusiva e senza limiti di tempo e di spazio, di ogni diritto di proprietà industriale e intellettuale e di ogni altro possibile diritto proprietario e di godimento comunque esistente ai sensi di ogni legge applicabile in merito alle attività Everli e su ognuno e tutti i risultati, siano essi preliminari, intermedi o finiti, dell'attività inventiva e/o creativa comunque posta in essere da Helbiz, in esecuzione del presente contratto. La Committente ha pertanto il diritto esclusivo, fra l'altro, anche e in via meramente esemplificativa, di usare, registrare, riprodurre, elaborare, distribuire, comunicare e/o mettere a disposizione del pubblico, cedere, dare in licenza e a qualsiasi altro titolo disporre, in qualsiasi modo, di ognuno e tutti i diritti anzidetti, per intero, senza limiti di tempo e di spazio, in via esclusiva e definitiva.

9.2 Ad ogni buon conto e per quanto eventualmente occorra, Helbiz, con la sottoscrizione del presente Contratto, cede - ora per allora - alla Committente o ai terzi da quest'ultima indicati, in via definitiva, esclusiva e senza limiti di tempo e di spazio, ogni suo possibile diritto di proprietà industriale e intellettuale e/o altro possibile diritto proprietario e di godimento comunque esistente ai sensi di ogni legge applicabile sui contenuti Everli e sui risultati, preliminari, intermedi e finiti tutti, della propria attività inventiva e/o creativa resa in esecuzione del presente contratto; e ciò a fronte di un compenso che le Parti si danno atto e riconoscono aver già ricompreso nella retribuzione complessiva del Collaboratore prevista dal precedente Articolo 5 del presente Contratto.

9.3 Anche successivamente alla cessazione del presente Contratto, Helbiz sarà tenuta a prestare tutta la collaborazione richiesta dalla Committente al fine di procurare alla Committente medesima la formale registrazione/intestazione in nome di quest'ultima o dei terzi da questa indicati, la protezione, la fruizione e il mantenimento dei diritti tutti contemplati dai precedenti paragrafi del presente Articolo. Tutti i costi relativi a tale cooperazione prestata dopo la cessazione del rapporto professionale saranno a carico della Committente.

9.4 Fermo restando quanto sopra, le disposizioni contenute nel presente Contratto non potranno essere interpretate in modo da conferire ad una parte alcun diritto o interesse rispetto a marchi commerciali, progetti, diritti di proprietà intellettuale o industriale, denominazione commerciale, insegna o slogan o di altro segno distintivo dell'altra parte.

## **Art. 10 - Invalidità o inefficacia parziale**

10.1. L'invalidità o inefficacia di qualsiasi disposizione del presente Contratto non comporterà in nessun caso l'invalidità o l'inefficacia dell'intero Contratto. Tuttavia, le parti convengono sin da ora di negoziare in buona fede al fine di sostituire le disposizioni oggetto di declaratoria di invalidità o inefficacia con altre in grado di determinare, per quanto legalmente possibile, sostanzialmente gli stessi effetti, facendo riferimento all'oggetto e alle finalità del presente Contratto.

## **Art. 12 - Rinuncia**

12.1. Il mancato o ritardato esercizio da parte di una delle parti di uno dei diritti, poteri o facoltà ad essa attribuiti in virtù del presente Contratto non opererà come una rinuncia circoscritta al singolo caso e non ne impedirà l'esercizio successivo. L'eventuale concessione di proroghe o di altre forme di dilazione di una parte a favore di un'altra non modificheranno in alcun modo le responsabilità individuate dal presente Contratto a carico di ciascuna parte.

## **Art. 13 – Foro competente**

13.1. Qualsiasi controversia relativa alla interpretazione e/o alla esecuzione del presente Contratto sarà devoluta alla competenza esclusiva del Foro di Milano

## **Art. 14 - Data Privacy**

14.1. Helbiz dichiara di attenersi nella esecuzione del presente Contratto alla vigente normativa prevista dal testo del Regolamento generale sulla protezione dei dati, anche noto come GDPR (*General Data Protection Regulation*) approvato con Regolamento UE 2016/679 del Parlamento Europeo e del Consiglio del 27 aprile 2016 e applicabile a decorrere dal 25 maggio 2018.

## **Art. 15 - Comunicazioni**

15.1. Le comunicazioni tra le parti dovranno avvenire per iscritto a mezzo raccomandata A/R o a mezzo PEC, ai recapiti indicati in epigrafe.

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Ogni modifica al domicilio o agli indirizzi sopra indicati dovrà essere immediatamente comunicata alle parti, secondo le modalità previste dal presente articolo. Fintanto che le parti non abbiano proceduto a notificare tali cambiamenti nel modo sopra illustrato, le comunicazioni eseguite con le presenti regole e agli indirizzi sopra indicati saranno ritenuti validi.

**Art. 16 - Oneri e spese**

16.1. Gli oneri fiscali, le spese contrattuali, nonché quelle di registrazione relative al presente atto sono poste a carico del Fornitore.

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Le parti dichiarano di aver negoziato, in posizione paritetica, il contenuto e i termini di ciascuna delle clausole contenute nel presente Contratto e che, pertanto, allo stesso non è applicabile la disciplina di cui agli articoli 1341 e 1342 del Codice Civile.

Milano, lì 31/01/2024

**HELBIZ MEDIA ITALIA SRL**  
//signed//

**EVERLI SPA**  
//signed//

## UGOVOR O POSLOVNOJ SARADNJI

AGREEMENT ON BUSINESS  
COOPERATION

Zaključen dana 22.02.2024. godine između:

Concluded on 22nd of February 2024 by and  
between:

1. **HELBIZ DOO Beograd-Novi Beograd**, sa registrovanim sedištem na adresi Milutina Milankovića 92, Beograd, Republika Srbija, matični broj: 21465445, PIB: 111339665 (u daljem tekstu „**Pružalac usluga**”), koga zastupa direktor Katarina Cvetković

1. **HELBIZ DOO Beograd-Novi Beograd**, with registered seat at 92 Milutina Milankovića Street, Belgrade, Republic of Serbia, ID number: 21465445, TIN: 111339665 (hereinafter referred to as the “**Contractor**”), represented by Katarina Cvetkovic, Director

i

and

2. **EVERLI S.P.A.**, sa registrovanim sedištem na adresi Via D’Aragona Ludovico 11, CAP 20132, Milano, Republika Italija, PIB: 04297730238 (u daljem tekstu „**Naručilac usluga**”), koje zastupa direktor Jonathan Hannestad.

2. **EVERLI S.P.A.**, with registered seat at Via D’Aragona Ludovico 11, CAP 20132, Milano, Republic of Italy, TIN: 04297730238 (hereinafter referred to as the “**Company**”), represented by Jonathan Hannestad, Director.

U daljem tekstu, Pružalac usluga i Naručilac usluga mogu biti pojedinačno označeni kao „**Ugovorna strana**”, a zajedno kao „**Ugovorne strane**”.

Hereinafter, the Contractor and the Company may be individually referred to as the “**Contracting Party**” and together as the “**Contracting Parties**”.

Imajući u vidu interese Ugovornih strana i potrebu za uspostavljanjem poslovne saradnje i izvršenje posla od strane Pružaoca usluge, Ugovorne strane zaključuju ovaj Ugovor o poslovnoj saradnji (u daljem tekstu „**Ugovor**”) i saglasne su o sledećem:

Having in mind the interests of the Contracting Parties and the need to establish business cooperation and performance of work by the Contractor, the Contracting Parties conclude this Agreement on Business Cooperation (hereinafter the “**Agreement**”) and agree as follows:

PREDMET UGOVORA  
Član 1.

Predmet ovog Ugovora je pružanje usluga od strane Pružaoca usluga za potrebe Naručioca usluga, kao i regulisanje međusobnih prava i obaveza u vezi sa pružanjem usluga.

SUBJECT MATTER OF THE AGREEMENT  
Article 1

The subject matter of this Agreement is the provision of services by the Contractor for the needs of the Company, as well as the regulation of mutual rights and obligations related to the provision of services.

Pružalac usluga će pružati usluge:  
- **razvoja softvera**, što uključuje, ali se ne ograničava na istraživanje, razvoj, programiranje, dizajn, testiranje i konfigurisanje razvijenog softvera, testiranje, otkrivanje i rešavanje problema

The Contractor shall provide:  
- **software development services**, including but not limited to research, development, programming, design, testing and configuration of the developed software, testing, detection, and resolution of

tokom operativnog procesa programiranja, ažuriranje softverskog proizvoda i/ili usluge podrške na redovnoj ili periodičnoj osnovi, kao i

- **usluge pripremanja za izlazak na berzu**, što uključuje, ali se ne ograničava na snimanje postojećih tehničkih procesa i evaluaciju spremnosti, pripremanje strategije i akcionog plana, kao i operativno sprovođenje i prilagođavanje istog (u daljem tekstu „Usluge“).

problems during the operational process of programming, updating the software product and/or support services on a regular or periodic basis as well as

- **services for preparing for an Initial Public Offering (IPO)**, including but not limited to monitoring of existing technical processes and readiness evaluation, development of strategy and action plan, as well as the operational implementation and adjustment thereof (hereinafter referred to as the “Services”).

Tim koji će pružati Usluge u skladu sa ovim Ugovorom biće sastavljen od zaposlenih na neodređeno vreme kod Pružaoca usluga i biće predvođen od strane Nemanje Stanića koji je tehnički direktor Pružaoca usluga.

The team that will provide the Services in accordance with this Agreement shall be comprised of the Contractor's full time employees and will be led by Nemanja Stancic who is the Technical Director of the Contractor.

## **OBAVEZE PRUŽAOCA USLUGE** **Član 2.**

Pružalac usluge se obavezuje da:

- poverene poslove izvrši savesno, blagovremeno i u skladu sa pravilima struke;
- pruža Usluge angažovanjem kvalifikovanih lica sa potrebnim iskustvom za pružanje Usluga;
- odmah po nalogu Naručioca posla pristupi otklanjanju uočenih nedostataka i propusta u obavljanju posla;
- redovno, bez odlaganja, obaveštava Naručioca usluge o svim aspektima pružanja Usluga koje utiču na rad i poslovanje Naručioca usluge.

Pružalac usluge izjavljuje i garantuje da:

- može da pruži Usluge i da ispuni svoje obaveze preuzete ovim Ugovorom;

## **OBLIGATIONS OF CONTRACTOR** **Article 2**

The Contractor undertakes to:

- perform the entrusted tasks conscientiously, in a timely manner and in accordance with the rules of the profession;
- provides the Services by hiring qualified people with the necessary experience to provide the Services;
- eliminate any omission in the performance of the work immediately upon the order of the Company;
- regularly, without delay, informs the Company about all aspects of the Services' provision that affect the work and business of the Company.

The Contractor declares and warrants that:

- It can provide the Services and fulfill its obligations under the Agreement;
- It possesses the knowledge, technology, and know-how necessary

- poseduje znanje, tehnologiju i know-how potreban da blagovremeno pruži Usluge visokog kvaliteta;

- je u potpunosti odgovoran za kvalitet i adekvatnost pruženih Usluga u skladu sa potrebama Naručioca usluge.

to provide the high-quality Services in a timely manner;

- it is fully responsible for the quality and adequacy of the Services provided in accordance with the needs of the Company.

#### **OBAVEZE NARUČIOCA USLUGE** **Član 3.**

Naručilac usluge se obavezuje da:

- blagovremeno isplaćuje naknadu za pružene Usluge;
- blagovremeno obavještava Pružaoca usluga dostavljajući pisane zahteve i neophodne informacije za izvršenje posla.

Ugovorne strane se obavezuju da u cilju realizacije ovog Ugovora sarađuju i prema dobrim poslovnim običajima međusobno dostavljaju informacije i potrebnu dokumentaciju.

#### **OBLIGATIONS OF THE COMPANY** **Article 3**

The Company is obliged to:

- timely pay the fee for the provided Services;
- timely inform the Contractor by submitting written requests and necessary information for the execution of the work.

The Contracting Parties undertake to cooperate for the purpose of implementing this Agreement and to provide each other with information and necessary documentation in accordance with good business practice.

#### **NAKNADA** **Član 4.**

Naručilac usluga je dužan da plati inicijalnu naknadu za pružanje Usluga koje su predmet ovog Ugovora u iznosu od 200.000,00 evra (u daljem tekstu „Inicijalna naknada“).

Ugovorne strane su saglasne da je Naručilac usluga dužan da Pružaocu usluga plati Inicijalnu naknadu u roku od 5 dana od dana zaključenja ovog Ugovora, pri čemu je Pružalac usluga dužan da Naručiocu usluga dostavi fakturu za plaćanje Inicijalne naknade.

Za mesečno pružanje Usluga koje su predmet ovog Ugovora, Naručilac usluga je dužan da Pružaocu usluga plaća mesečnu

#### **REMUNERATION** **Article 4**

The Company is obliged to pay the initial fee for provision of the Services which are subject matter of this Agreement in the amount of EUR 200,000.00 (hereinafter referred to as the "Initial Fee").

The Contracting Parties agree that the Company is obliged to pay the Initial Fee to the Contractor within 5 days from the date of conclusion of this Agreement, whereby the Contractor is obliged to provide the Company with an invoice for payment of the Initial Fee.

For monthly provision of the Services which are subject matter of this Agreement, the Company is obliged to pay to the Contractor the monthly fee in the amount of EUR



naknadu u iznosu od 100.000,00 evra (u daljem tekstu „Mesečna naknada”).

100,000.00 EUR (hereinafter referred to as the “Monthly Fee”).

Ugovorne strane su saglasne da je Naručilac usluga dužan da Pružaocu usluga plaća Mesečnu naknadu najkasnije 3 dana pre završetka tekućeg meseca, pri čemu je Pružalac usluga dužan da Naručiocu usluga mesečno dostavi fakture za plaćanje Mesečne naknade.

The Contracting Parties agree that the Company is obliged to pay the Monthly Fee to the Contractor no later than 3 days before the end of the current month, whereby the Contractor is obliged to monthly provide the Company with an invoice for payment of the Monthly Fee.

#### **TRAJANJE UGOVORA** **Član 5.**

#### **DURATION OF AGREEMENT** **Article 5**

Ugovorne strane saglasno konstatuju da se Ugovor zaključuje na neodređeno vreme.

The Contracting Parties agree that the Agreement is concluded for an indefinite period.

#### **VIŠA SILA** **Član 6.**

#### **FORCE MAJEURE** **Article 6**

Za potrebe ovog Ugovora, viša sila označava svaki događaj ili okolnost koji se pojavljuje nakon zaključenja Ugovora i koji je van razumne kontrole Ugovorne strane, koji sprečava ili odlaže ispunjenje obaveze Ugovorne strane ili ostvarivanje njenih prava prema ovom Ugovoru.

For the purposes of this Agreement, force majeure means any event or circumstance that occurs after the conclusion of the Agreement and is beyond the reasonable control of the Contracting Party, which prevents or delays the fulfillment of the Contracting Party's obligation or exercise of its rights under this Agreement.

Takvi događaji obuhvataju: rat, građanski rat, zemljotres, požar, poplave, epidemiju, pandemiju, uvođenje vanrednog stanja.

Such events include war, civil war, earthquake, fire, flood, epidemic, pandemic, state of emergency.

Viša sila ne obuhvata:

Force majeure does not include:

- bilo koji događaj koji proistekne iz nemara ili voljnog delovanja Ugovorne strane ili njenih podizvođača, agenata ili zaposlenih,
- bilo koji događaj koji je Ugovorna strana razumno mogla da izbegne ili prevaziđe tokom izvršenja Usluga.

- any event arising out of the negligence or willful act of the Contracting Party or its subcontractors, agents, or employees;
- any event which the Contracting Party could reasonably have avoided or overcome during the performance of the Services.

Ugovorna strana koja je pogođena slučajem više sile, preduzeće sve potrebne mere za otklanjanje nemogućnosti ispunjavanja svojih dužnosti u roku i obavestice drugu Ugovornu stranu u pisanoj formi o tome što

The Contracting Party affected by a case of force majeure shall take all necessary measures to eliminate the inability to perform its duties on time and shall notify the other Contracting Party in writing as

je pre moguće, ali ne kasnije od 5 (pet) radnih dana nakon što se slučaj dogodio. Takođe, obavestiti drugu Ugovornu stranu nakon ponovnog uspostavljanja normalnih uslova u što kraćem roku, ali ne kasnije od 5 (pet) radnih dana nakon ponovnog uspostavljanja normalnih uslova.

Ugovorna strana koja se poziva na slučaj više sile mora preduzeti sve potrebne mere da se ublaže posledice takvog događaja. Dokumenti, potvrđeni od strane nadležnih organa, koji dokazuju slučaj više sile dostavljaju se drugoj Ugovornoj strani u roku od 15 (petnaest) radnih dana od momenta kada se slučaj dogodio.

Ako obaveštenje o početku i kraju događaja više sile nije u skladu sa navedenim rokovima i uslovima, Ugovorna strana nema pravo da se poziva na višu silu i neispunjavanje bilo koje od svojih obaveza smatra se kršenjem ovog Ugovora.

Ukoliko slučaj više sile i/ili njeni efekti podrazumevaju suspenziju ovog Ugovora u trajanju od najmanje 3 (tri) meseca, Ugovorne strane će se u roku od 15 (petnaest) radnih dana dogovoriti o načinu na koji će se Ugovor dalje sprovoditi ili o njegovom raskidu.

#### NAKNADA ŠTETE

##### Član 7.

Kada je jedna Ugovorna strana odgovorna za nekažnjeno ispunjenje/neispunjenje Ugovora, druga Ugovorna strana ima pravo na naknadu štete u skladu sa opštim pravilima o naknadi štete usled kršenja obaveza iz Ugovora.

Pružalac usluge je odgovoran za sve radnje i aktivnosti svojih predstavnika, uključujući, ali ne ograničavajući se na zaposlene, druga lica angažovana van radnog odnosa, kao i podizvođače koji su angažovani od strane Pružaoca usluge za izvršenje Usluga.

soon as possible, but not later than 5 (five) working days after the case happened. It shall also notify the other Contracting Party after the re-establishment of normal conditions as soon as possible, but not later than 5 (five) working days after the re-establishment of normal conditions.

The Contracting Party invoking a case of force majeure must take all necessary measures to mitigate the consequences of such an event. Documents, certified by the competent authorities, proving the case of force majeure shall be delivered to the other Contracting Party within 15 (fifteen) working days from the moment when the case occurred.

If the notification of the beginning and end of a force majeure event is not in accordance with the stated terms and conditions, the Contracting Party has no right to invoke force majeure and failure to fulfil any of its obligations shall be considered a violation of this Agreement.

If a case of force majeure and/or its effects imply the suspension of this Agreement for at least 3 (three) months, the Contracting Parties shall agree within 15 (fifteen) working days on the manner in which this Agreement will be further implemented or about its termination.

#### COMPENSATION FOR DAMAGES

##### Article 7

When the Contracting Party is liable for improper performance/non-performance of the Agreement, the other Contracting Party is entitled to compensation in accordance with the general rules on compensation for damage due to breach of obligations under the Agreement.

The Contractor is responsible for all actions and activities of its representatives, including, but not limited to employees, other persons engaged outside of an employment relationship, as well as subcontractors who are engaged by the Contractor to perform the Services.

**PRESTANAK UGOVORA**  
**Član 8.**

Ovaj Ugovor može prestati u sledećim slučajevima:

- a) uz saglasnost Ugovornih strana potpisivanjem sporazuma o raskidu Ugovora;
- b) svaka Ugovorna strana može jednostrano raskinuti Ugovor nakon pisanog obaveštenja poslatog drugoj Ugovornoj strani ako druga Ugovorna strana ne ispunjava svoje obaveze iz Ugovora. Raskid Ugovora će stupiti na snagu danom kada obaveštenje o raskidu primi druga Ugovorna strana koja ne ispunjava obaveze;
- c) svaka Ugovorna strana može jednostrano da raskine ovaj Ugovor bez obrazloženja uz ostavljanje roka od 30 dana od dana prijema pisanog obaveštenja o raskidu.

**SALVATORNA KLAUZULA**  
**Član 9.**

Ukoliko neki član ili deo ovog Ugovora postane nevažeći, nedozvoljen ili neprimenjiv, preostali članovi i dalje ostaju na snazi, osim ukoliko prethodno pomenuti član ili njegov deo sadrži bitne odredbe.

Ugovorne strane prihvataju da potpisivanjem aneksa zamene uklonjenu odredbu sa važećom koja odgovara komercijalnoj i ekonomskoj svrsi nevažeće, nedozvoljene ili neprimenjive odredbe.

**POVERLJIVOST**  
**Član 10.**

**TERMINATION OF THE AGREEMENT**  
**Article 8**

This Agreement may be terminated in the following cases:

- a) with the consent of the Contracting Parties by signing the agreement on termination of the Agreement;
- b) either Contracting Party can unilaterally terminate the Agreement upon written notice sent to the other Contracting Party if the other Contracting Party does not fulfill its obligations from this Agreement. Termination of the Agreement shall enter into force on the day when the notice of termination is received by the other Contracting Party which is not fulfilling its obligations;
- c) either Contracting Party may unilaterally terminate this Agreement without explanation, with a notice period of 30 days from the date of receipt of the written notice of termination.

**SALVATORY CLAUSE**  
**Article 9**

If any Article or part of this Agreement becomes invalid, void or inapplicable, the remaining Articles shall remain in full force and effect, unless the said Article or its part contains material provisions.

The Contracting Parties agree to replace, by signing an annex, the provision removed with a valid one that corresponds to the commercial and economic purpose of an invalid, void or inapplicable provision.

**CONFIDENTIALITY**  
**Article 10**



Pružalac usluge se obavezuje da tokom trajanja Ugovora i nakon njegovog prestanka, bez obzira na način prestanka, tretira sve informacije i dokumente koje dobije tokom njegovog trajanja kao poslovnu tajnu, i da ne otkriva takve informacije trećim licima bez prethodne izričite saglasnosti Naručioca usluge.

The Contractor undertakes to treat all information and documents received during the duration of the Agreement and after its termination, regardless of the manner of its termination, as a business secret, as well as not to disclose such information to third parties without the prior express consent of the Company.

Pružalac usluge se obavezuje da postupa u dobroj veri i da čuva poslovnu tajnu u vezi sa svim poverljivim informacijama, uključujući, ali ne ograničavajući se na:

The Contractor undertakes to act in good faith and to keep business secret in relation to all confidential information, including, but without limiting to:

- cene Naručioca usluge;
- uslove poslovanja;
- pronalazke;
- inovacije;
- know-how (praktično znanje);
- poslovne strategije;
- programe;
- konfiguracione datoteke i podatke;
- marketinške planove;
- tehničku dokumentaciju;
- sve druge tehničke, komercijalne i poslovne informacije, odnosno informacije u vezi sa poslovanjem Naručioca usluge i razvojem softvera.

- prices of the Company;
- business conditions;
- inventions;
- innovation;
- know-how (practical knowledge);
- business strategies;
- programs;
- configuration files and data;
- marketing plans;
- technical documentation;
- all other technical, commercial, and business information, i.e. information related to the business of the Company and software development.

Pružalac usluge neće:

The Contractor will not:

- otkriti bilo koju odredbu ovog Ugovora trećem licu, osim lica koja učestvuju u ispunjavanju Ugovora;
- koristiti informacije i dokumente dobijene za vreme trajanja Ugovora za druge svrhe osim onih koje se odnose na ispunjenje obaveza iz ovog Ugovora.

- disclose any provision of this Agreement to a third party, other than persons participating in the performance of the Agreement;
- use the information and documents obtained during the term of the Agreement for purposes other than those related to the fulfillment of obligations from this Agreement.

Pružalac usluge neće snositi odgovornost u slučaju otkrivanja informacija ako:

The Contractor will not be liable in case of disclosure of information if:

- je informacija učinjena dostupnom uz pisani pristanak Naručioca usluge;
- je dužan da otkrije informaciju u skladu sa važećim propisima.

- the information is made available with the written consent of the Company;
- it is obliged to disclose information in accordance with applicable regulations.

Ako je Pružalac usluge dužan da saopšti poverljive informacije kako bi ispunio

obaveze proistekle iz važećih propisa, dužan je da se konsultuje sa Primaocem usluge o obimu i obliku takvog saopštavanja, u meri u kojoj je to u konkretnoj situaciji moguće.

If the Contractor is obliged to disclose confidential information in order to fulfill the obligations arising from the applicable regulations, it is obliged to consult with the Company on the scope and form of such disclosure, to the extent possible in the specific situation.

#### **PRAVA INTELJEKTUALNE SVOJINE** **Član 11.**

Pružalac usluge ovim isključivo i trajno ustupa i prenosi na Naručioca usluge sva prava, svojinu i interes na svim pronalascima, originalnim autorskim delima, radovima razvoja softvera, unapređenjima softvera, idejama, otkrićima, autorskim pravima, pravima na zaštitu topografije, poluprovodničkih proizvoda i poslovnim tajnama (zajednički „Prava intelektualne svojine“) koji su sačinjeni, nastali, razvijeni ili primenjeni od strane Pružaoca usluge (bilo samostalno ili zajedno sa drugim licima) tokom pružanja Usluga Naručiocu usluge ili koji su nastali kao rezultat pružanja Usluga.

Naručilac usluge je ovlašćen, bez obaveze bilo kakvih dodatnih plaćanja ili dodatnih odobrenja Pružaoca usluge i/ili trećih lica, i bez bilo kakvog ograničenja, da koristi, prerađuje, prilagođava, menja, izvrši dekompilaciju i/ili izvrši bilo koju drugu promenu na predmetu Prava intelektualne svojine ili njegovom delu, za bilo koju svrhu, i/ili da implementira i inkorporira taj predmet Prava intelektualne svojine ili njegov deo u drugi predmet Prava intelektualne svojine i/ili da sačinjava kopije i/ili da prenosi sva ova Prava intelektualne svojine na bilo koje treće lice.

Ugovorne strane su saglasne da je u naknadu za Usluge iz ovog Ugovora uključena bilo koja naknada za sticanje i upotrebu Prava intelektualne svojine od strane Naručioca usluge.

Na zahtev Naručioca usluge, Pružalac usluge će blagovremeno sačiniti bilo koja dodatna dokumenta potrebna za zaštitu prava koja Naručilac usluge ima na bilo kom Pravu

#### **INTELLECTUAL PROPERTY RIGHTS** **Article 11**

The Contractor hereby exclusively and permanently assigns and transfers to the Company all rights, ownership and interest in all inventions, original copyrighted works, development of a software works, improvements of software, ideas, discoveries, copyrights, rights to protection of topography, semiconductor products and business secrets (jointly the “Intellectual Property Rights“) which are made, created, developed or applied by the Contractor (either alone or together with other persons) during the provision of the Services for the Company or which have arisen as a result of the provision of the Services.

The Company is authorized, without obligation of any additional payments or additional approvals of the Contractor and/or third parties, and without any restriction, to use, process, adapt, change, decompile and/or make any other change on the subject of the Intellectual Property Rights or part thereof, for any purpose, and/or to implement and incorporate that subject of the Intellectual Property Rights or part thereof into another subject of the Intellectual Property Rights and/or to make copies and/or transfer all the Intellectual Property Rights to any third person.

The Contracting Parties agree that remuneration for the Services under this Agreement includes any fee for the acquisition and use of the Intellectual Property Rights by the Company.

At the request of the Company, the Contractor shall promptly prepare any additional documents necessary for the protection of the rights that the Company

intelektualne svojine ustupljenom u skladu sa ovim Ugovorom.

has over any of the Intellectual Property Rights assigned in accordance with this Agreement.

Tokom ili nakon prestanka važenja ovog Ugovora, Pružalac usluge neće kopirati ili značajno reprodukovati za sebe ili za bilo koje treće lice bilo koji rezultat rada izvršenog za Naručioca usluge po osnovu ovog Ugovora, bez saglasnosti Naručioca usluge.

During or after the termination of this Agreement, the Contractor shall not copy or reproduce for itself or for any third party any result of the work performed for the Company under this Agreement, without consent of the Company.

**ZAVRŠNE ODREDBE**  
**Član 12.**

**FINAL PROVISIONS**  
**Article 12**

Sve izmene i/ili dopune Ugovora vršiće se u formi aneksa koji je potpisan od strane zastupnika obe Ugovorne strane.

All amendments and/or supplements to the Agreement shall be made in the form of an annex signed by the representatives of both Contracting Parties.

Na sve što nije regulisano ovim Ugovorom primenjuju se važeći propisi u Republici Srbiji.

To everything not regulated by this Agreement the applicable regulations of the Republic of Serbia shall apply.

Sve sporove u vezi sa izvršenjem Ugovora Ugovorne strane će pokušati da reše sporazumno.

All disputes related to the execution of the Agreement shall be settled amicably by Contracting Parties.

Ukoliko se nastali spor ne može rešiti sporazumno, ugovara se nadležnost suda u Beogradu.

If the dispute cannot be resolved by agreement, the Contracting Parties agree on jurisdiction of the court in Belgrade.

**Član 13.**

**Article 13**

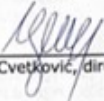
Ovaj Ugovor sačinjen je u dva (2) istovetna primerka, po jedan (1) za svaku Ugovornu stranu.

This Agreement is made in two (2) identical copies, one (1) for each Contracting Party.

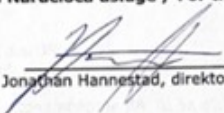
Ovaj Ugovor je sačinjen u formi dvojezičnog (srpsko-engleskog) dokumenta, pri čemu će u slučaju bilo kakvog neslaganja biti merodavna verzija na srpskom jeziku.

This Agreement is executed in form of bilingual (Serbian-English) document, whereby in case of any discrepancy the Serbian language version shall prevail.

**Za Pružaoca usluge / For the Contractor:**

  
Katarina Cvetković, direktor / Director

**Za Naručioca usluge / For the Company:**

  
Jonathan Hannestad, direktor / Director

**Entity name (jurisdiction)**

Helbiz, Inc. (Delaware)  
 Helbiz Holdings, Inc. (Delaware)  
 Micromobility.com Retail LLC (New York)  
 Helbiz Kitchen, Inc. (Delaware)  
 Wheels Labs, Inc (Delaware)  
 Wheels Labs Operations, Inc. (California)  
 JJC Imports, LLC (Delaware)  
 Helbiz OK LLC (Oklahoma)  
 Helbiz DC LLC (District of Columbia)  
 Helbiz Racing LLC (Delaware)  
 Helbiz FL LLC (Delaware)  
 Helbiz CA LLC (Delaware)  
 Helbiz NC LLC (Delaware)  
 Helbiz VA LLC (Virginia)  
 Helbiz AZ LLC (Arizona)  
 Helbiz Illinois LLC (Illinois)  
 Helbiz GA LLC (Delaware)  
 Helbiz IN LLC (Indiana)  
 Helbiz IA LLC (Iowa)  
 Helbiz BC Operations, Inc. (Canada)  
 MiMoto Smart Mobility S.r.l. (Italia)  
 Helbiz Australia PTY LTD (Australia)  
 Helbiz Europe Ltd (Ireland)  
 Helbiz Italia S.r.l. (Italia)  
 Helbiz Media Italia S.r.l. (Italia)  
 Helbiz Kitchen Italia S.r.l. (Italia)  
 Helbiz France SaS (France)  
 Wheels France SaS (France)  
 Wheels Labs Sweden AB (Sweden)  
 Helbiz Operations Spain S.L. (Spain)  
 MYGO MOVILIDAD S.L. (Spain)  
 Helbiz Portugal Lda (Portugal)  
 Trapeze Velvet, Unipessoal Lda (Portugal)  
 Helbiz DOO (Serbia)  
 Helbiz Delivery DOO Beograd (Serbia)  
 Helbiz U.K. Ltd (United Kingdom)  
 Wheels Labs Limited (United Kingdom)  
 Wheels Labs GmbH (Switzerland)  
 Wheels Labs GmbH I.GR (Germany)  
 Wheels Labs GmbH (Austria)  
 Wheels Labs Belgium (Belgium)  
 Prossedi SP. Z 0.0. (Poland)  
 Wheels Labs Netherlands Holding B.V. (Netherlands)  
 Wheels Labs Netherlands Transportation B.V. (Netherlands)



INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in the Registration Statement of micromobility.com Inc. on Form S-3 File No. 333-267783 of our report dated April 16, 2024, which includes an explanatory paragraph as to the Company's ability to continue as a going concern with respect to our audits of the consolidated financial statements of micromobility.com Inc. as of December 31, 2023 and 2022 and for the years ended December 31, 2023 and 2022, which report is included in this Annual Report on Form 10-K of micromobility.com Inc. for the year ended December 31, 2023.

/s/ Marcum, LLP

Marcum LLP  
New York, NY  
April 16, 2024

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Salvatore Palella, certify that:

1. I have reviewed this annual report on Form 10-K of micromobility.com, Inc. for the year ended December 31, 2023;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 16, 2024

/s/ Salvatore Palella

Salvatore Palella

Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gian Luca Spirano, certify that:

1. I have reviewed this annual report on Form 10-K of micromobility.com, Inc. for the year ended December 31, 2023;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 16, 2024

/s/ Gian Luca Spirano

Gian Luca Spirano

Chief Financial Officer (acting Principal Accounting Officer)

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of micromobility.com, Inc. (the “Company”) on Form 10-K for the year ended December 31, 2023, as filed with the Securities and Exchange Commission (the “Report”), I, Salvatore Palella, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as added by §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. To my knowledge, the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Dated: April 16, 2024

/s/ Salvatore Palella

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Salvatore Palella

Chief Executive Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of micromobility.com, Inc. (the “Company”) on Form 10-K for the year ended December 31, 2023, as filed with the Securities and Exchange Commission (the “Report”), I, Gian Luca Spirano, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as added by §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. To my knowledge, the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Dated: April 16, 2024

/s/ Gian Luca Spirano

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Gian Luca Spirano  
Chief Financial Officer