

HELBIZ

Helbiz Signs Merger Agreement with Wheels, Potentially Doubling Full Year Revenue

October 25, 2022

The combined company will offer a new patented vehicle, expand United States presence, deepen technology sharing, add a long term personal rentals business and potentially double Helbiz's annual revenue

NEW YORK--(BUSINESS WIRE)--Oct. 25, 2022-- Helbiz, Inc. (NASDAQ: HLBZ), a leader in micro-mobility, today announced that it has signed an Agreement and Plan of Merger with Wheels Labs, Inc. ("Wheels"). Wheels was founded in 2018 and is led by veterans of the micro-mobility and shared transportation industries. Wheels was founded by Jonathan and Joshua Viner, investments were led by Ben Boyer, General Partner of Tenaya Capital; Duncan Davidson, a founding partner at Bullpen Capital; and Tarkan Maner, former CEO at Wyse and Nexenta and current Chief Commercial Officer at Nutanix. Wheels CEO Marco McCottry — who had prior stints at leading micro-mobility players Bird, Ofo and Uber — will lead Helbiz's North American micro-mobility business upon completion of the merger which is expected to close in November 2022 subject to standard closing conditions

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20221025005676/en/>



Wheels would bring to Helbiz a user base of over five million people, proprietary next generation hardware, exclusive IP including the industry's first shareable helmet system, exclusive contracts serving B2B partners and universities along with a team to accelerate U.S. expansion. Notably, the merger will bring Helbiz into the large Los Angeles market through Wheels' impressive presence there. Wheels' vehicle is created in-house, patented, and unique in the market. It is an easy-to-operate sitdown scooter featuring patented onboard helmet storage that can bring micro-mobility to a wider audience.

"In Wheels, we have found the right partner for the next phase of growth for our company," said Helbiz Founder and CEO Salvatore Palella. "Wheels is unique in the micro-mobility sector due to its impressive vehicle, proprietary technology, and deep operating expertise. As a combined company, Helbiz will expand its access to markets —including the only operator to serve every L.A. neighborhood — further differentiate our business model, and extend our technology leadership. This merger creates an even stronger foundation to power our growth going forward."

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differentiate our business model, and extend our technology leadership. This merger creates an even stronger foundation to power our growth going forward."

"The addition of their long-term rental business for individuals and organizations on our revenue will be significant," Palella said. "We will use it to bring value and achieve profitability."

"The acquisition of Wheels would expand Helbiz's core mobility business, bolstering the combined company's ability to operate in 67 markets globally," said Helbiz CFO Giulio Profumo. "On a combined basis, the company expects to deliver over \$25 million in revenue for the full year of 2022, doubling Helbiz's annual revenue compared to the 12 months ended December 31, 2021. With the addition of Wheels' direct partnerships with universities and businesses along with month-to-month rentals for individuals, Helbiz will be better positioned to provide targeted mobility solutions to its growing customer base."

"We intend to restructure the combined company to accelerate our path to profitability by a combination of higher margin from the Wheels business, operational savings from redundancies across both companies, and reductions in the cost of revenue," said Profumo. "The combined company expects to achieve positive gross profit margin within the next nine months and expects to achieve profitability at the operating level within the next 24 months. The combination creates a more resilient business model, and Helbiz remains focused on achieving profitable operations, while continuing to invest to drive aggressive growth. We are excited about our potential in the months ahead."

Helbiz expects Wheels to bring to Helbiz a diversified business model which combines dockless rental licenses in cities, direct partnerships with universities or businesses and month-to-month rentals for individuals. Partnerships with universities and businesses enable rapid access to new markets by eliminating the need to secure new licenses from local governments. Wheels is the exclusive micro-mobility vendor for E&I Cooperative Services, which enables efficient access to university procurement. Direct engagements with organizations allow for more predictable and consistent use of products. Furthermore, month-to-month rental enables Wheels to be a preferred vehicle among food delivery drivers. Notably, Wheels has a direct partnership with Uber Eats to enable new drivers to easily secure a vehicle.

"We are passionate and proud about the company we've built, and we are excited about this next phase with Helbiz," said Wheels CEO Marco McCottry. "The combined company can bring our sitdown scooter to even more people. Helbiz has an excellent team with a depth of technology ability

that I believe can accelerate our growth and opportunities. With the combined resources and increased efficiency, we will be able to accelerate our personal and corporate long term rental business, bring Wheels to a global audience and build a path to profitability.”

Initially, Helbiz users will see links within the app to switch to the Wheels app to rent their vehicles. In the coming months, Helbiz intends to introduce a fully integrated app.

The companies have prepared an investor presentation which can be viewed at investors.helbiz.com. Closing is subject to standard procedures and filings.

About Helbiz

Helbiz is a global leader in micro-mobility services. Launched in 2015 and headquartered in New York City, the company offers a diverse fleet of vehicles including e-scooters, e-bicycles and e-mopeds all on one convenient, user-friendly platform with over 50 licenses in cities around the world. Helbiz utilizes a customized, proprietary fleet management technology, artificial intelligence and environmental mapping to optimize operations and business sustainability. Helbiz is expanding its urban lifestyle products and services to include live streaming services, food delivery and more, all accessible within its mobile app. For additional information, please visit www.helbiz.com.

About Wheels

Wheels is a last-mile, shared electric mobility platform whose seated form factor changes the landscape in dockless mobility. In addition to being seated, Wheels devices have a low center of gravity and 14-inch wheels to help navigate uneven pavement surfaces. Wheels has launched a first-of-its-kind integrated helmet system that can give riders physical access to a shareable helmet with every ride they take. Wheels is headquartered in West Hollywood, California. Learn more at www.takewheels.com.

Forward-Looking Statements

Certain statements made in this press release are “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. 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. As a result, caution must be exercised in relying on forward looking statements. Due to known and unknown risks, actual results may differ materially from the Company’s expectations or projections. The following factors, among others, could cause actual results to differ materially from those described in these forward-looking statements: (i) the failure to meet projected development and production targets; (ii) changes in applicable laws or regulations; (iii) the affect of the COVID-19 pandemic on the Company and its current or intended markets; and (iv) other risks and uncertainties described herein, as well as those risks and uncertainties discussed from time to time in other reports and other public filings with the Securities and Exchange Commission (the “SEC”) by the Company. Additional information concerning these and other factors that may impact the Company’s expectations and projections can be found in its periodic filings with the SEC, including its Annual Report on Form 10-K for the fiscal year ended December 31, 2021. The Company’s SEC filings are available publicly on the SEC’s website at www.sec.gov. Any forward-looking statement made by us in this press release is based only on information currently available to Helbiz and speaks only as of the date on which it is made. Helbiz undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise, except as required by law.

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Source: Helbiz, Inc.