**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 10-Q

**(MARK ONE)**
**☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarter ended June 30, 2023**

**☐ 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 as Specified in Its Charter)

| **Delaware** | **84-3015108** |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

**32 Old Slip, New York, NY 10005**
(Address of principal executive offices)

**(917) 675-7157**
(Issuer's telephone number)

(Former name or former address, if changed since last report.)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Class A Common Stock, $0.00001 par value | MCOM | The Nasdaq Stock Market LLC |
| Redeemable warrants, each warrant exercisable for one share of Class A Common Stock | MCOMW | The Nasdaq Stock Market LLC |

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 (§232.405 of this chapter) 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 definitions of “large accelerated filer”, “accelerated filer”, “smaller reporting company”, and “emerging growth company” in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☐ | Accelerated filer | ☐ |
| Non-accelerated filer | ☒ | Smaller reporting company | ☒ |
| | | Emerging growth company | ☒ |

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 14, 2023, 130,726,127 shares of Class A common stock, par value $0.00001 per share, were issued and outstanding and 0 shares of Class B common stock, par value $0.00001 per share, were issued and outstanding.

**MICROMOBILITY.COM, INC.**

**FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2023**

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## PART 1 – FINANCIAL INFORMATION

**Item 1. Interim Financial Statements.**

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

**Condensed Consolidated Balance Sheets**
***(in thousands, except share and per share data)***
***(unaudited)***

| | June 30, 2023 | December 31, 2022 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 512 | $ 429 |
| Accounts receivables | 597 | 1,345 |
| VAT receivables | 1,781 | 3,054 |
| Prepaid and other current assets | 2,423 | 6,417 |
| **Total current assets** | **5,313** | **11,245** |
| Goodwill | — | 13,826 |
| Property, equipment and deposits, net | 3,555 | 9,237 |
| Intangible assets, net | 322 | 3,267 |
| Right of use assets | 2,134 | 2,872 |
| Other assets | 633 | 707 |
| **TOTAL ASSETS** | **$ 11,957** | **$ 41,154** |
| | | |
| **LIABILITIES AND STOCKHOLDERS' DEFICIT** | | |
| Current liabilities: | | |
| Accounts payable | $ 13,265 | $ 14,359 |
| Accounts payable related to media rights | 11,269 | 7,732 |
| Accrued expenses and other current liabilities | 8,377 | 8,885 |
| Deferred revenues | 1,692 | 3,047 |
| Operating lease liabilities | 1,037 | 1,463 |
| Finance lease liabilities | 436 | 2,002 |
| Short term financial liabilities, net | 25,156 | 33,244 |
| **Total current Liabilities** | **61,232** | **70,732** |
| Other non-current liabilities | 358 | 362 |
| Operating lease liabilities | 1,432 | 1,719 |
| Finance lease liabilities | 44 | 71 |
| Non-current financial liabilities, net | 6,721 | 7,174 |
| **TOTAL LIABILITIES** | **69,787** | **80,058** |
| Commitments and contingencies | *Note 11* | |
| | | |
| **CONVERTIBLE PREFERRED STOCK** | | |
| Series A Convertible Preferred Stock, $0.0001 par value; 8,000,000 shares authorized at June 30, 2023; none issued and outstanding at June 30, 2023 and 6,751,823 issued and outstanding at December 31, 2022. | $ — | $ 945 |
| | | |
| **STOCKHOLDERS' DEFICIT** | | |
| Preferred stock, $0.00001 par value; 100,000,000 shares authorized; none issued and outstanding | — | — |
| Class A Common stock, $0.00001 par value; 285,774,102 shares authorized and; 49,041,609 and 3,264,576 shares issued and outstanding at June 30, 2023 and December 31, 2022, respectively. | 188,038 | 152,996 |
| Class B Common stock, $0.00001 par value; 14,225,898 shares authorized and; 284,518 shares issued and outstanding at June 30, 2023 and December 31, 2022. | — | — |
| Accumulated other comprehensive loss | (2,153) | (2,904) |
| Accumulated deficit | (243,715) | (189,942) |
| **Total Stockholders' deficit** | **(57,830)** | **(39,850)** |
| **TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT** | **$ 11,957** | **41,154** |

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

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

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

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| **Revenue** | **$ 3,495** | **$ 4,358** | **$ 7,414** | **$ 7,670** |
| Operating expenses: | | | | |
| Cost of revenue | 12,522 | 10,267 | 23,589 | 21,606 |
| General and administrative | 5,239 | 6,436 | 11,471 | 13,115 |
| Sales and marketing | 925 | 3,415 | 2,164 | 6,013 |
| Research and development | 766 | 638 | 1,610 | 1,382 |
| Impairment of assets | 16,444 | — | 16,444 | — |
| **Total operating expenses** | **35,897** | **20,756** | **55,278** | **42,116** |
| | | | | |
| **Loss from operations** | **(32,402)** | **(16,398)** | **(47,864)** | **(34,447)** |
| | | | | |
| Non-operating income (expenses), net | | | | |
| Interest expense, net | (1,865) | (1,512) | (3,566) | (3,492) |
| Gain (loss) on extinguishment of financial debts | 431 | (2,065) | 431 | (2,065) |
| Change in fair value of warrant liabilities | 24 | 441 | 58 | 1,386 |
| SEPA financial income (expenses), net | (495) | — | (2,703) | — |
| Other income (expenses), net | 122 | (199) | (90) | (507) |
| **Total non-operating income (expenses), net** | **(1,783)** | **(3,335)** | **(5,871)** | **(4,679)** |
| | | | | |
| Income Taxes | (34) | (7) | (37) | (12) |
| **Net loss** | **$ (34,219)** | **$ (19,740)** | **$ (53,773)** | **$ (39,137)** |
| | | | | |
| **Net loss per share attributable to common stockholders, basic and diluted** | **$ (1.45)** | **$ (28.41)** | **$ (3.70)** | **$ (60.32)** |
| | | | | |
| **Weighted-average number of shares outstanding used to compute net loss per share, basic and diluted** | 23,560,896 | 14,551,809 | 694,757 | 648,779 |
| | | | | |
| Net loss | (34,219) | (19,740) | (53,773) | (39,137) |
| | | | | |
| Other comprehensive (loss) income, net of tax: | | | | |
| Changes in foreign currency translation adjustments | 998 | (206) | 751 | (529) |
| | | | | |
| **Net loss and comprehensive income, excluded Deemed Dividends and Deemed Dividends equivalents** | **$ (33,218)** | **$ (19,946)** | **$ (53,022)** | **$ (39,666)** |

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

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

**Condensed Consolidated Statements of Convertible Preferred Stock and Stockholders' Deficit for the three and six months ended June 30, 2023**

***(in thousands, except share and per share data)***
***(unaudited)***

| | Class A Common Stock | | Class B Common Stock | | Accumulated | Accumulated Other Comprehensive (Loss) | TOTAL STOCKHOLDERS' |
|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | Deficit | Income | DEFICIT |
| **Balance as of April 1, 2023** | **5,624,297** | **$ 173,889** | **284,518** | **$ —** | **$ (209,496)** | **$ (3,151)** | **$ (38,758)** |
| Issuance of common shares – for Advance Notices under SEPA | 43,157,584 | 13,627 | — | — | — | — | 13,627 |
| Issuance of common shares - for Settlement of Payroll Liabilities | 42,515 | 104 | — | — | — | — | 104 |
| Issuance of warrants - for Settlement of Account payables | — | 69 | — | — | — | — | 69 |
| Issuance of common shares - for Settlement of Account Payables | 195,162 | 250 | — | — | — | — | 250 |
| Share based compensation | 22,051 | 99 | — | — | — | — | 99 |
| Changes in currency translation adjustment | — | — | — | — | — | 998 | 998 |
| Net loss | — | — | — | — | (34,219) | — | (32,219) |
| **Balance as of June 30, 2023** | **49,041,609** | **$ 188,038** | **284,518** | **$ —** | **$ (243,715)** | **$ (2,153)** | **$ (57,830)** |

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

| | SERIES B – PREFERRED STOCK | SERIES A – CONVERTIBLE PREFERRED STOCK | Class A Common Stock Shares | Class A Common Stock Amount | Class B Common Stock Shares | Class B Common Stock Amount | Accumulated Deficit | Accumulated Other Comprehensive (Loss) Income | TOTAL STOCKHOLDERS' DEFICIT |
|---|---|---|---|---|---|---|---|---|---|
| **Balance as of January 1, 2023 (Retroactive application of the reverse split ratio 1:50)** | $ — | **$ 945** | **3,264,576** | **$ 152,996** | **284,518** | **$ —** | **$ (189,942)** | **$ (2,904)** | **(39,850)** |
| Issuance of common shares – for Advance Notices under SEPA | — | — | 45,258,102 | 31,732 | — | — | — | — | 31,732 |
| Issuance of common shares – for Conversion of Convertible Notes | — | — | 103,689 | 1,296 | — | — | — | — | 1,296 |
| Issuance of common stock – for Conversion of Series A Convertible Preferred Stocks | — | (945) | 135,645 | 945 | — | — | — | — | 945 |
| Issuance of common shares – for purchasing Intangible Assets | — | — | 6,869 | 50 | — | — | — | — | 50 |
| Issuance of common shares – for settlement of Payroll liabilities | — | — | 55,515 | 182 | — | — | — | — | 182 |
| Issuance of common shares - for Settlement of Account payables | — | — | 101,000 | 151 | — | — | — | — | 151 |
| Issuance of warrants - for Settlement of Account payables | — | — | — | 69 | — | — | — | — | 69 |
| Share based compensation | — | — | 116,213 | 615 | — | — | — | — | 615 |
| Issuance of Series B Preferred Stock | 0 | — | — | — | — | — | — | — | 0 |
| Redemption of Series B Preferred Stock | (0) | — | — | — | — | — | — | — | (0) |
| Changes in currency translation adjustment | — | — | — | — | — | — | — | 751 | 751 |
| Net loss | — | — | — | — | — | — | (53,773) | — | (53,773) |
| **Balance as of June 30, 2023** | $ — | $ — | **49,041,609** | **188,038** | **284,518** | **$ —** | **$ (243,715)** | **$ (2,153)** | **$ (57,830)** |

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

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

**Condensed Consolidated Statements of Convertible Preferred Stock and Stockholders' Deficit for the three and six months ended June 30, 2022**

***(in thousands, except share and per share data)***
***(unaudited)***

| | Class A Common Stock | | Class B Common Stock | | Accumulated | Accumulated Other Comprehensive (Loss) | TOTAL STOCKHOLDERS' |
|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | Deficit | Income | DEFICIT |
| **Balance as of April 1, 2022 (Retroactive application of the reverse split ratio 1:50)** | **374,000** | **$ 105,180** | **284,518** | **$ —** | **$ (127,263)** | **$ (944)** | **$ (23,027)** |
| Issuance of Warrants - in conjunction with Convertible Notes issuance | — | 603 | — | — | — | — | 603 |
| Issuance of common shares – Commitment shares for Convertible Notes issuance | 3,000 | 399 | — | — | — | — | 399 |
| Issuance of common shares – to legal advisors for Convertible Note issuance | 4,000 | 296 | — | — | — | — | 296 |
| Issuance of common shares – for Conversion of 2021 Convertible Notes | 144,853 | 7,516 | — | — | — | — | 7,516 |
| Issuance of common shares - for Settlement of Account Payable | 1,587 | 117 | — | — | — | — | 117 |
| Share based compensation | 425 | 776 | — | — | — | — | 776 |
| Changes in currency translation adjustment | — | — | — | — | — | (206) | (206) |
| Net loss | — | — | — | — | (19,740) | — | (19,740) |
| **Balance as of June 30, 2022** | **527,865** | **$ 114,888** | **284,518** | **$ —** | **$ (147,004)** | **$ (1,150)** | **$ (33,266)** |

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

| | Class A Common Stock | | Class B Common Stock | | Accumulated | Accumulated Other Comprehensive (Loss) | TOTAL STOCKHOLDERS' |
|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | Deficit | Income | DEFICIT |
| **Balance as of January 1, 2022 (Retroactive application of the reverse split ratio 1:50)** | **325,784** | **$ 101,454** | **284,518** | **$ —** | **$ (108,682)** | **$ (621)** | **$ (7,849)** |
| ASU No. 2020-06 - modified retrospective method | — | (4,187) | — | — | 816 | — | (3,371) |
| Issuance of common shares – for Conversion of 2021 Convertible Notes | 192,993 | 14,326 | — | — | — | — | 14,326 |
| Issuance of Warrants - in conjunction with Convertible Notes issuance | — | 603 | — | — | — | — | 603 |
| Issuance of common shares – Commitment shares for Convertible Notes issuance | 3,000 | 399 | — | — | — | — | 399 |
| Issuance of common shares – to legal advisors for Convertible Note issuance | 4,000 | 296 | — | — | — | — | 296 |
| Issuance of common shares - for Settlement of Account Payable | 543 | 48 | — | — | — | — | 48 |
| Share based compensation | 1,545 | 1,948 | — | — | — | — | 1,948 |
| Changes in currency translation adjustment | — | — | — | — | — | (529) | (529) |
| Net Loss | — | — | — | — | (39,137) | — | (39,137) |
| **Balance as of June 30, 2022** | **527,865** | **$ 114,888** | **284,518** | **$ —** | **$ (147,004)** | **$ (1,150)** | **$ (33,266)** |

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

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

**Condensed Consolidated Statements of Cash Flows**
***(in thousands, except share and per share data)***
***(unaudited)***

| | Six months ended June 30, 2023 | Six months ended June 30, 2022 |
|---|---|---|
| **Operating activities** | | |
| **Net loss** | **$ (53,773)** | **$ (39,137)** |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities: | | |
| Impairment losses | 16,444 | — |
| Depreciation and amortization | 3,561 | 2,661 |
| Loss on disposal of assets | 3,054 | 116 |
| Non-cash interest expenses and amortization of debt discount | 1,186 | 2,971 |
| Amortization of Right-of-use assets | 889 | |
| Share-based compensation | 615 | 2,252 |
| (Gain) or Loss on extinguishment of debts | (431) | 2,065 |
| Change in fair value of warrant liabilities | (59) | (1,386) |
| Changes in operating assets and liabilities: | | |
| Accounts receivables | 748 | (1,337) |
| Prepaid and other assets | 4,737 | 2,617 |
| Security deposits | 49 | (5) |
| Accounts payables | 2,744 | 3,631 |
| Accrued expenses and other current liabilities | (1,598) | 2,263 |
| Other non-current liabilities | (4) | 83 |
| **Net cash used in operating activities** | **(21,836)** | **(23,206)** |
| | | |
| **Investing activities** | | |
| Purchase of property, equipment, and vehicle deposits | (279) | (3,586) |
| Purchase of intangible assets | (235) | (117) |
| Deposit for Letter of Intent | — | (1,000) |
| **Net cash used in investing activities** | **(514)** | **(4,703)** |
| | | |
| **Financing activities** | | |
| Proceeds from issuance of financial liabilities, net | 4,642 | 10,248 |
| Repayment of financial liabilities | (14,368) | (1,495) |
| Proceeds from issuance of financial liabilities, due to related party - Officer | | 380 |
| Proceeds from sale of Class A common shares, net | 31,732 | — |
| **Net cash provided by financing activities** | **22,006** | **9,133** |
| | | |
| Increase (decrease) in cash and cash equivalents, and restricted cash | (344) | (18,776) |
| Effect of exchange rate changes | 809 | 306 |
| Net increase (decrease) in cash and cash equivalents, and restricted cash | 464 | (18,470) |
| Cash and cash equivalents, and restricted cash, beginning of year | 736 | 21,253 |
| Cash and cash equivalents, and restricted cash, end of year | $ 1,200 | $ 2,783 |
| | | |
| **RECONCILIATION OF CASH, CASH EQUIVALENT AND RESTRICTED CASH TO THE CONSOLIDATED BALANCE SHEET** | | |
| Cash and cash equivalents | 512 | 2,480 |
| Restricted cash, included in Current assets | 688 | 193 |
| Restricted cash, included in Other assets, non-current | | 110 |
| **Supplemental disclosure of cash flow information** | | |
| Cash paid for: | | |
| Interest | $ 2,334 | $ 517 |
| Income taxes, net of refunds | $ 37 | $ 12 |
| ***Non-cash investing & financing activities*** | | |
| Issuance of common shares – for Conversion of Convertible Notes | 1,296 | 14,326 |
| Issuance of common shares – for conversion of Series A Preferred Shares | 945 | — |
| Issuance of common shares - for Settlement of Payroll Liabilities | 182 | — |
| Issuance of common shares - for Settlement of Account payables | 151 | — |
| Issuance of warrants - for Settlement of Account payables | 69 | — |
| Issuance of common shares – for purchasing Intangible Assets | 50 | — |
| Derecognition of Beneficial conversion features (BCF) - Adoption of ASU 2020-06 | — | 3,371 |
| Purchase of vehicles with financing agreement | — | 3,328 |
| Issuance of common shares – Commitment shares and share based compensation for Convertible Notes issuance | — | 695 |
| Issuance of Warrants - in conjunction with Convertible Notes issuance | — | 603 |

| | | |
|---|---|---|
| Prepaid expenses related to D&O insurance, included in Account payable | — | 402 |

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

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

**Notes to Condensed Consolidated Financial Statements**
***(in thousands, except share and per share data)***
***(Unaudited)***

## 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. Additionally, the Company is operating two other business lines: (i) the acquisition and broadcasting of media content including live sport event, and (ii) food delivery services.

The Company currently has a strategic footprint with offices in New York, Los Angeles, Milan, and Belgrade, with additional operational teams around the world. The Company currently has electric vehicles operating in the United States and Europe.

### *Recent events*

A reverse stock split of 1:50 was approved by Company’s shareholders and Board of Directors. The Company’s financial statements were adjusted to reflect the reverse stock split.

The Company’s Board of Directors also approved a change in name from “Helbiz, Inc.” to “micromobility.com, Inc.” (the “Company Name Change”).

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.

***Basis of Presentation***

These accompanying unaudited condensed 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 condensed 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.

The condensed consolidated balance sheet as of December 31, 2022, included herein was derived from the audited financial statements as of that date. Certain information and note disclosures normally included in the financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. As such, the information included in this Quarterly Report on Form 10-Q should be read in conjunction with the audited consolidated financial statements and the related notes thereto as of, and for the year ended, December 31, 2022, included in our Annual Report on Form 10-K.

The accompanying unaudited condensed consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to state fairly the Company's financial position, results of operations, comprehensive loss, stockholders' equity, and cash flows, but are not necessarily indicative of the results of operations to be anticipated for any future annual or interim period.

**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 expansion plan and related operations. Successful transition to 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 and expansion plan 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 condensed 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. Summary of Significant Accounting Policies and Use of Estimates**

***Use of Estimates***

The preparation of financial statements in conformity with U.S. 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.

***Recent Accounting Pronouncements Adopted***

In June 2016, the FASB issued ASU 2016-13—Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. This ASU requires an entity to use a current expected credit loss methodology to measure impairments of certain financial assets and to recognize an allowance for its estimate of lifetime expected credit losses. The main objective of this update is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. The standard is effective for public companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022. Effective January 1, 2023, we adopted ASU 2016-13 on a prospective basis. The impact of adoption of this standard on our condensed consolidated financial statements was not material.

**4. Revenue Recognition**

The table below shows the revenues breakdown for the three and six months ended on June 30, 2023 and on June 30, 2022.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| ***Mobility Revenues (ASC 842)*** | **$ 1,694** | **$ 2,716** | **$ 3,272** | **$ 4,293** |
| Pay per ride | 1,385 | 2,187 | 2,577 | 3,392 |
| Mobility Subscriptions | 249 | 360 | 584 | 648 |
| Partnerships fees | 59 | 169 | 110 | $ 253 |
| ***Media Revenues (ASC 606)*** | **$ 1,521** | **$ 1,489** | **$ 3,608** | **$ 3,145** |
| Commercialization of Media rights (B2B) | 815 | 1,052 | 2,122 | 2,348 |
| Advertising fees | 102 | 156 | 197 | 206 |
| Live subscriptions (B2C) | 604 | 281 | 1,289 | 591 |
| ***Other Revenues (ASC 606)*** | **$ 280** | **$ 153** | **$ 534** | **$ 232** |
| **Total Revenues** | **$ 3,495** | **$ 4,358** | **$ 7,414** | **$ 7,670** |

The table below shows the Deferred revenues roll-forward from January 1, 2023 to June 30, 2023.

| Deferred Income | January 1, 2023 | FX Rate adj | Additions | Q1 2023 Revenue | March 31, 2023 | FX Rate adj | Additions | Q2 2023 Revenue | June 30, 2023 |
|---|---|---|---|---|---|---|---|---|---|
| Mobility | $ 1,775 | 2 | 407 | (423) | 1,761 | 1 | 558 | (628) | 1,692 |
| Media | 1,272 | 19 | 1,832 | (2,086) | 1,037 | (4) | 488 | (1,521) | — |
| **Total** | **$ 3,047** | **$ 21** | **$ 2,239** | **$ (2,509)** | **$ 2,798** | **$ (3)** | **$ 1,046** | **$ (2,149)** | **$ 1,692** |

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

As of June 30, 2023, Media Deferred Income was zero as a result of the early termination of the agreements entered into with LNPB for the commercialization of media rights.

## 5. Prepaid and other current assets

Prepaid and other current assets consist of the following:

| | June 30, 2023 | December 31, 2022 |
|---|---|---|
| Restricted cash | $ 688 | $ 276 |
| Prepaid media rights | 48 | 2,366 |
| Prepaid insurances | 372 | 1,809 |
| Security deposits for leasing vehicles | — | 883 |
| Prepaid expenses | 1,315 | 1,083 |
| **Total prepaid and other current assets** | **$ 2,423** | **$ 6,417** |

## 6. Property, equipment and vehicle deposits, net

Property and equipment consist of the following:

| | June 30, 2023 | December 31, 2022 |
|---|---|---|
| Sharing electric vehicles | $ 15,075 | $ 15,128 |
| *Of which under finance lease agreements* | *2,501* | *3,260* |
| Furniture, fixtures, and equipment | 1,629 | 1,411 |
| *Of which under finance lease agreements* | *177* | *177* |
| Computers and software | 1,050 | 1,045 |
| Leasehold improvements | 798 | 714 |
| **Total property and equipment, gross** | **18,552** | **18,298** |
| Less: accumulated depreciation | (14,998) | (12,136) |
| **Total property and equipment, net** | **$ 3,555** | **$ 6,162** |
| Vehicle deposits | — | 3,075 |
| **Total property, equipment and deposits, net** | **$ 3,555** | **$ 9,237** |

The following table summarizes the loss on disposal and depreciation expenses recorded in the condensed consolidated statement of operations for the three and six months ended on June 30, 2023, and 2022.

| | Three Months Ended June 30, | | | | Six Months Ended June 30, | | | |
|---|---|---|---|---|---|---|---|---|
| | 2023 | | 2022 | | 2023 | | 2022 | |
| Cost of revenues | $ | 4,338 | $ | 1,008 | $ | 5,688 | $ | 1,947 |
| *Of which write-off of vehicle deposits* | | *3,021* | | — | | *3,021* | | — |
| Research & Development | | 15 | | — | | 29 | $ | 15 |
| General & administrative | | 106 | $ | 109 | | 214 | $ | 222 |
| **Total depreciation and loss on disposal expenses** | **$** | **4,458** | **$** | **1,117** | **$** | **5,931** | **$** | **2,184** |

## 7. Impairment of assets

During the three months ended 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. As a result, the Company impaired the net carrying value of Goodwill of $13,826 and Intangible assets of $2,619, which are included within Impairment of assets in the condensed consolidated statements of operations.

As part of the Company's impairment analysis, the fair value of the reporting unit was 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. In detail, for the June 30, 2023 impairment testing, as compared to December 31, 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. 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.

The table below shows the Impairment of assets composition for the three and six months ended June 30, 2023.

| | Three months ended June 30, 2023 | | Six months ended June 30, 2023 | |
|---|---|---|---|---|
| Goodwill | $ | 13,826 | $ | 13,826 |
| Intangible assets, net | | 2,618 | | 2,618 |
| **Total Impairment of assets** | **$** | **16,444** | **$** | **16,444** |

## 8. Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consist of the following:

| | June 30, 2023 | | December 31, 2022 | |
|---|---|---|---|---|
| Legal contingencies – refer to Note 11 Commitments and Contingencies | $ | 2,591 | $ | 2,710 |
| Payroll liabilities | | 3,248 | | 2,693 |
| Accrued expenses | | 2,115 | | 2,369 |
| Sales tax payables | | 440 | | 1,113 |
| **Total accrued expenses and other current liabilities** | **$** | **8,394** | **$** | **8,885** |

Payroll liabilities and Accrued expenses presented in the table above are related to the normal course of business, while Sales tax payables and Legal contingencies are mainly related to liabilities arising from prior periods by Wheels Labs, Inc. ("Wheels"), an entity that we acquired in November 2022.

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

The Company's Financial liabilities consisted of the following:

| | Weighted Average Interest Rate | Maturity Date | June 30, 2023 | December 31, 2022 |
|---|---|---|---|---|
| Convertible debts, net | 9% | 2023 | 5,649 | 14,372 |
| Secured loan, net | 13% | 2023 | 14,544 | 14,224 |
| Unsecured loans, net | 8% | Various | 10,586 | 10,935 |
| Warrants liabilities | N/A | — | 26 | 84 |
| Other financial liabilities | N/A | Various | 1,071 | 802 |
| **Total Financial Liabilities, net** | | | **31,877** | **40,418** |
| ***Of which classified as Current Financial Liabilities, net*** | | | ***25,156*** | ***33,244*** |
| ***Of which classified as Non-Current Financial Liabilities, net*** | | | ***6,721*** | ***7,174*** |

The table below shows the amounts recorded as *Interest expense, net* on the statements of operations for the three and six months ended on June 30, 2023 and June 30, 2022:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| Convertible debts | $ 1,044 | $ 811 | $ 1,976 | $ 2,194 |
| Secured loan | 599 | 516 | 1,139 | 973 |
| Unsecured loans | 217 | 185 | 441 | 325 |
| Other interest (income) expenses | 6 | — | 11 | — |
| **Total Interest expenses, net** | **$ 1,865** | **$ 1,512** | **$ 3,566** | **$ 3,492** |

As of June 30, 2023, the Company categorized as convertible debts the following instruments issued to YA II, Ltd. (the “Note Holder”): a) one convertible note issued in 2022 (“2022 Convertible debts”) under a Securities Purchase Agreement and b) a convertible promissory note issued on March 8, 2023 under a Standby Equity Purchase Agreement (“January 2023 SEPA”) dated January 24, 2023 (“2023 SEPA Convertible note”).

***2022 Convertible debts***

As a result of the below conversion and repayments, on June 30, 2023, the Company had $1,202 as outstanding principal and accumulated interests.

*Repayments*

During the six months ended June 30, 2023, the Company partially repaid in cash the 2022 Convertible Notes for a cumulative payment of $9,228 (of which $8,047 was principal, $294 was accumulated interest, and $887 was redemption premium interest).

*Conversion into Class A Common Shares*

During the six months ended June 30, 2023, the Company issued 103,689 Class A Common Shares in satisfaction of conversion requests of $1,296 in principal and interest.

***2022 SEPA Convertible Note***

On December 1, 2022, the Company issued a Convertible Promissory Note ("2022 SEPA Convertible Note") to the Note Holder pursuant to the SEPA dated October 31, 2022. The 2022 SEPA Convertible Note had a principal amount of $5,000 with 10% issuance discount, as maturity date of January 31, 2023, a 0% annual interest rate and a 15% annual default interest rate. During the three months ended March 31, 2023, the Company completed the repayment initiated in 2022 by cash payments amounted to $4,210.

As a result of the mentioned re-payments on June 30, 2023, the Company has no outstanding principal or accumulated interest under the 2022 SEPA Convertible Note.

***2023 SEPA Convertible Note***

On March 8, 2023, the Company issued a Convertible Promissory Note ("2023 SEPA Convertible Note") to the Note Holder pursuant to the SEPA dated January 24, 2023. The 2023 SEPA Convertible Note had a principal amount of $4,500 with 10% issuance discount, a maturity date of September 15, 2023, a 5% annual interest rate and a 15% annual default interest rate. The 2023 SEPA Convertible Note shall be convertible into shares of the Company's Class A common shares at a Fixed Conversion Price of $25.

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

- repay in cash the 2023 SEPA Convertible Note on or before the Maturity date,

- repay the 2023 SEPA Convertible Note by submitting one or a series of Advance Notices under the SEPA entered in January 2023, on or before the Maturity date. If any time during while the 2023 SEPA Convertible Note is outstanding, the Company delivers an Advance Notice under the January 2023 SEPA, at least one half of the proceeds of any such Advance Notice shall be used as an Advance Repayment or for the repayment of other amounts due from the Company to the Holder, unless waived by the Note Holder.

The Company has also the option to redeem the 2023 SEPA Convertible Note ("redemption option"), provided that the trading price of the Company's Class A Common Shares is less than the fixed Conversion Price of $25.

**10. Leases**

*Operating leases*

During the six months ended June 30, 2023, the Company entered into a 5-years lease agreement for a store located at 500 Broome Street, New York, NY; the cumulative lease commitment for the 5-year term is $865. At inception, the Company recorded $674 as ROU assets and the operating lease liability, using an Internal Borrowing rate of 14%.

The table below presents the impact on the condensed consolidated statement of operations related to the operating leases for the three and six months ended June 30, 2023, including expenses related to lease agreements with an initial term of 12 months or less. Amounts presented for the three and six months ended June 30, 2022, have been recorded under ASC 840.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| Cost of revenues | $ 395 | $ 471 | $ 781 | $ 879 |
| General and administrative | $ 261 | $ 275 | $ 556 | $ 605 |
| **Total Operating lease expenses** | **$ 656** | **$ 746** | **$ 1,337** | **$ 1,484** |

*Finance leases*

The table below presents the impact on the condensed consolidated statement of operations related to the finance leases for the three and six months ended June 30, 2023 and 2022.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| Cost of revenues | $ 429 | $ 419 | $ 976 | $ 552 |
| Research & Development | $ 15 | $ 15 | $ 29 | $ 15 |
| **Total Operating expenses related to finance leases** | **$ 444** | **$ 434** | **$ 1,005** | **$ 567** |
| | | | | |
| Interest expenses | 3 | 3 | 8 | 3 |
| Gain (loss) on extinguishment of financial debts | 431 | — | 431 | — |
| **Total Non - Operating expenses related to finance leases** | **434** | **3** | **439** | **3** |

## 11. Commitments and Contingencies

***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 June 30, 2023 and December 31, 2022, the Company concluded that certain losses on litigations were probable and reasonable estimable; as a result, the Company recorded $2,591 and $2,710, respectively, as Accruals for legal contingencies, included in *Other Current liabilities*.

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. The range of loss for the Wheels legal contingencies accrued is between $585 to $3,784 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 $200.

**12. Standby Equity Purchase Agreements**

During the six months ended June 30, 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 shares and, ii) upon delivery of an Advance Notice - a *forward contract* on the Company's Class A common shares. 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 condensed consolidated statement of operations related to the 2023 SEPAs for the three and six months ended June 30, 2023 and 2022.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| SEPAs transaction costs | $ — | $ — | $ (1,611) | $ — |
| Other SEPA financial income (expenses), net | $ (495) | $ — | $ (1,092) | $ — |
| **Total SEPA financial income (expenses), net** | **$ (495)** | **$ —** | **$ (2,703)** | **$ —** |

***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 has 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 would submit an Advance Notice to YA II PN, Ltd. specifying the number of shares it intends to sell.

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

During the six months ended June 30, 2023, the Company delivered multiple Advance Notices for the sale of 35,661,584 Class A Common Shares, resulting in cumulative gross proceeds of $19,628. As a result, on June 30, 2023 only $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 six months ended June 30, 2023, the Company delivered multiple Advance Notices for the sale of 8,400,000 Class A Common Shares, resulting in cumulative gross proceeds of $906.

## 13. Share based compensation expenses

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 three and six months ended June 30, 2023 and 2022.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| Cost of revenue | 1 | 2 | 3 | 12 |
| Research and development | (7) | 34 | 25 | 98 |
| Sales and marketing | (1) | 161 | 25 | 343 |
| SEPA financial expenses | — | — | 186 | — |
| General and administrative | 139 | 804 | 410 | 1,799 |
| **Total Share based compensation expenses, net** | **133** | **1,001** | **649** | **2,252** |
| ***Of which related to shares not issued for services rendered during the period, accrued as Account payables*** | **34** | **224** | **34** | **304** |

### *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 1,200,000 shares of the Company's Class A common stock for issuance under the 2023 Plan, no equity incentives have been issued as of June 30, 2023, under the 2023 Plan.

## 14. Net Loss Per Share - Dilutive outstanding shares

The following potentially dilutive outstanding shares (considering a retroactive application of the conversion ratio) 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.

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| 2020 Equity Incentive Plan | 145,311 | 147,097 | 145,311 | 147,097 |
| Public Warrants | 168,728 | 154,728 | 168,728 | 154,728 |
| Convertible Notes * | 276,228 | 864,397 | 276,228 | 864,397 |
| Convertible Notes Warrants | 40,000 | 30,000 | 40,000 | 30,000 |
| GRNV Sponsor Private Warrants | 28,000 | 42,000 | 28,000 | 42,000 |
| Class B Common Shares - Held in escrow for indemnification purpose | — | 32,000 | — | 32,000 |
| 2020 CEO Performance Award | 12,000 | 12,000 | 12,000 | 12,000 |
| 2021 Omnibus Plan | 4,125 | 7,375 | 4,125 | 7,375 |
| Common Stocks to be issued outside equity incentive Plans | 299,013 | 3,112 | 299,013 | 3,112 |
| Warrants issued to Bod members | 159,324 | — | 159,324 | — |
| **Total number of Common Shares not included in the EPS Basic and diluted** | **1,132,729** | **1,292,709** | **1,132,729** | **1,292,709** |

* *The number of Common Shares presented is based on the principal plus accumulated interests outstanding as of 6.30.2023 divided by the related Floor Prices.*

**15. Segment and geographic information**

The following table provides information about our segments and a reconciliation of the total segment Revenue and Cost of revenue to loss from operations.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| **Revenue** | | | | |
| Mobility | 1,694 | 2,716 | 3,272 | 4,293 |
| Media | 1,521 | 1,489 | 3,608 | 3,145 |
| All Other | 280 | 153 | 534 | 232 |
| **Total Revenue** | **$ 3,495** | **$ 4,358** | **$ 7,414** | **$ 7,670** |
| | | | | |
| **Cost of revenue** | | | | |
| Mobility | (7,220) | (5,019) | (11,817) | (9,657) |
| Media | (4,296) | (4,675) | (9,906) | (10,950) |
| All Other | (1,006) | (574) | (1,855) | (999) |
| **Total Cost of revenue** | **$ (12,522)** | **$ (10,267)** | **$ (23,579)** | **$ (21,606)** |
| | | | | |
| Reconciling Items: | | | | |
| Impairment of Assets | (16,444) | — | (16,444) | — |
| General and administrative | (5,239) | (6,436) | (11,471) | (13,115) |
| Sales and marketing | (925) | (3,415) | (2,164) | (6,013) |
| Research and development | (766) | (638) | (1,610) | (1,382) |
| **Loss from operations** | **$ (32,402)** | **$ (16,398)** | **$ (47,864)** | **$ (34,447)** |

Revenue by geography is based on where a trip was completed, or media content occurred. The following table set forth revenue by geographic area for the three and six months ended June 30, 2023 and 2022.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| **Revenue** | | | | |
| Italy | 2,749 | 3,709 | 5,897 | 6,661 |
| United States | 746 | 649 | 1,517 | 1,009 |
| **Total Revenue** | **$ 3,495** | **$ 4,358** | **$ 7,414** | **$ 7,670** |

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 June 30, 2023 and December 31, 2022.

| **Non-Current Assets** | June 30, 2023 | December 31, 2022 |
|---|---|---|
| Italy | $ 2,010 | $ 5,575 |
| United States | 4,092 | 23,669 |
| All other countries | 542 | 665 |
| **Total Non-Current Assets** | **$ 6,644** | **$ 29,909** |

## 16. Related Party Transactions

***CEO conversion of deferred salaries***

During the six months ended June 30, 2023, our majority shareholder and CEO converted a portion of his deferred salaries, totaling $78, into 13,000 Class A Common Shares, with no gain or loss recorded.

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

During the six months ended June 30, 2023, two independent board members converted a portion of their deferred salaries, totaling $69, into 159,324 Warrants to purchase Class A Common Shares with a strike price of $1.16 and 5-years from issuance as expiration date. The conversion did not generate any gain or loss.

During the six months ended June 30, 2023, one independent board members who served as consultant before joining the Board converted portion of his previous invoices, totaling $90, into 59,524 Class A Common Shares, generating a gain for the Company amounted to $25 recorded as Sales and Marketing.

***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 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 shares 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.

***Related party shipping***

During the three months ended June 30, 2023, the Company recorded as Cost of Revenues $56 for shipping services provided by a related party. In detail, the service provider is a Company whose CEO is a parent of the CEO of micromobility.com.

## 17. Subsequent Events

***Nasdaq delisting letter***

On August 4, 2023, the Company received a Staff Delisting Determination letter from the Nasdaq Listing Qualifications Department, advising the Company that as of August 4, 2023, the Company's class A common stock had a closing bid price of $0.10 or less for at least ten consecutive trading days and is subject to Nasdaq Listing Rule 5810(c)(3)(A)(iii). The Company filed an appeal on August 11, 2023 with The Nasdaq Capital Market and has been given a hearing date for October 12, 2023. Until that date, the Company's public status will remain unchanged.

**2023 SEPA and Convertible debts repayment**

From July 1, 2023, to date, the Company delivered Advance Notices under the March 2023 SEPA, for the sale of 81,400,000 Class A Common Shares, resulting in cumulative gross proceeds of $7,530 of which $2,684 was used for repaying Convertible debts.

**Conversion of Class B Common shares**

On August 12, 2023, the 284,518 shares of Class B common stock automatically converted into 284,518 shares of Class A common stock. On August 12, 2021, the Company issued the Class B Common Shares with the clause of an automatic conversion into Class A Common Shares on the second anniversary of the issuance (August 12, 2023).

## Item 2. 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 our plans and strategy for our business and related financing, includes forward-looking statements that involve risks, uncertainties and assumptions. You should read the "Special Note Regarding Forward-Looking Statements" and "Riskl 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 the financial results of micromobility.com, Inc. for the six months ended June 30, 2023, and 2022. For purposes of this following discussion the terms "we", 'our" or "us" or "the Company" and similar references refer to micromobility.com, Inc. and our 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 headquarter in New York, New York. The Company is an intra-urban transportation company that seeks to help urban areas reduce their dependence 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. Additionally, the Company is operating two other business lines: (i) the acquisition, commercialization and distribution of media content including live sport events, and (ii) food delivery services through a "ghost kitchen" concept.

The Company currently has a strategic footprint with offices in New York, Los Angeles, Milan, and Belgrade, with additional operational teams around the world. The Company currently has electric vehicles operating in the United States and Europe.

### *Recent events*

On March 30, 2023, the Company held a special meeting of stockholders at which the Company's stockholders approved a proposal to amend the Company's Restated Certificate of Incorporation to effect a reverse stock split of the Company's common stock (the "Reverse Stock Split").

On March 30, 2023, the Company's Board of Directors approved 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." (the "Company Name Change"). On March 30, 2023, the Company filed with the Secretary of State of the State of Delaware a certificate of amendment to its Restated Certificate of Incorporation to effect the Reverse Stock Split and the Company Name Change. The Reverse Stock Split became effective on March 30, 2023.

As a result of the effectiveness of the Reverse Stock Split, every fifty shares of the Company's issued and outstanding common stock were automatically combined, converted and changed into one share of the Company's common stock, without any change in the number of authorized shares or the par value per share. In addition, a proportionate adjustment was made to the per share exercise price and the number of shares issuable upon the exercise of all outstanding stock options, restricted stock units and warrants to purchase shares of common stock and the number of shares reserved for issuance pursuant to the Company's equity incentive compensation plans. No fractional shares have been issued in connection with the Reverse Stock Split, any fractional shares resultant from the Reverse Stock Split have been rounded up to the next whole share.

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.

### 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 Three and Six Months June 30, 2023 and 2022***

The following table summarizes our consolidated results of operations for the three and six months ended June 30, 2023, and for the three and six months ended June 30, 2022, respectively:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| **Revenue** | $ **3,495** | $ **4,358** | $ **7,414** | $ **7,670** |
| Operating expenses: | | | | |
| Cost of revenue | 12,522 | 10,267 | 23,589 | 21,606 |
| General and administrative | 5,239 | 6,436 | 11,471 | 13,115 |
| Sales and marketing | 925 | 3,415 | 2,164 | 6,013 |
| Research and development | 766 | 638 | 1,610 | 1,382 |
| Impairment of assets | 16,444 | — | 16,444 | — |
| **Total operating expenses** | **35,897** | **20,756** | **55,278** | **42,116** |
| | | | | |
| **Loss from operations** | **(32,402)** | **(16,398)** | **(47,864)** | **(34,447)** |
| Total non-operating income (expenses), net | (1,783) | (3,335) | (5,871) | (4,679) |
| Income Taxes | (34) | (7) | (37) | (12) |
| **Net loss** | $ **(34,219)** | $ **(19,740)** | $ **(53,773)** | $ **(39,137)** |

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| **Revenue** | **100%** | **100%** | **100%** | **100%** |
| Operating expenses: | | | | |
| Cost of revenue (1) | 358% | 236% | 318% | 282% |
| General and administrative (1) | 150% | 148% | 155% | 171% |
| Sales and marketing (1) | 26% | 78% | 29% | 78% |
| Research and development (1) | 22% | 15% | 22% | 18% |
| Impairment of assets | 471% | — | 222% | — |
| **Total operating expenses** | **1,027%** | **476%** | **746%** | **549%** |
| | | | | |
| **Loss from operations** | **(927)%** | **(376)%** | **(646)%** | **(449)%** |
| Total non-operating income (expenses), net | (51)% | (77)% | (79)% | (61)% |
| Income Taxes | (1)% | (0)% | (0)% | (0)% |
| **Net loss** | $ **(979)%** | $ **(453)%** | $ **(725)%** | $ **(510)%** |

(1) Includes stock-based compensation for employees and services received, as follows

| **Stock-based Compensation** | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| Cost of revenue | 1 | 2 | 3 | 12 |
| Research and development | (7) | 34 | 25 | 98 |
| Sales and marketing | (1) | 161 | 25 | 343 |
| Non-operating (income) expenses, net | — | — | 186 | — |
| General and administrative | 139 | 804 | 410 | 1,799 |
| **Total Share based compensation expenses, net** | **133** | **1,001** | **649** | **2,252** |

***Net Revenues***

| | Three Months Ended June 30, | | | Six Months Ended June 30, | | |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | % Change | 2023 | 2022 | % Change |
| ***Mobility Revenues*** | **$ 1,694** | **$ 2,716** | **(38)%** | **$ 3,272** | **$ 4,293** | **(24)%** |
| Pay per ride | 1,385 | 2,187 | (37)% | 2,577 | 3,392 | (24)% |
| Mobility Subscriptions | 249 | 360 | (31)% | 584 | 648 | (10)% |
| Partnerships fees | 59 | 169 | (65)% | 110 | $ 253 | (57)% |
| ***Media Revenues*** | **$ 1,521** | **$ 1,489** | **2%** | **$ 3,608** | **$ 3,145** | **15%** |
| Commercialization of Media rights (B2B) | 815 | 1,052 | (23)% | 2,122 | 2,348 | (10)% |
| Advertising fees | 102 | 156 | (35)% | 197 | 206 | (4)% |
| Live subscriptions (B2C) | 604 | 281 | 115% | 1,289 | 591 | 118% |
| ***Other Revenues*** | **$ 280** | **$ 153** | **83%** | **$ 534** | **$ 232** | **130**% |
| **Total Revenues** | **$ 3,495** | **$ 4,358** | **(20)%** | **$ 7,414** | **$ 7,670** | **(3)%** |

Total revenue decreased by $863, or 20%, for the three months ended June 30, 2023, compared with the three months ended June 30, 2023, and decreased by $256, or 3% for the six months ended June 30, 2023, compared with the three months ended June 30, 2022. This decrease was primarily due to the decrease of mobility revenues.

*Mobility revenues*

Mobility revenues decreased by $1,021, or 24%, in the six months ended June 30, 2023 compared with six months ended June 30, 2022 and decreased by $1,022, or 38%, from 2,716 for the three months ended June 30, 2022, to $1,694 for the three months ended June 30, 2023. As shown in the paragraph *Mobility - Key Financial Measures and Indicators,* Trips and QAPUs decreased in the mobility business in the periods analyzed. The decreases are explained by the Company's strategy to decrease the operating cash used by the micro-mobility business in order to achieve the goal of becoming cash positive which resulted in closing some of the operating markets.

*Media revenues*

Media revenues increased by $463, or 15%, in the six months ended June 30, 2023 compared with six months ended June 30, 2022 and increased by $32, or 2%, from $1,489 for the three months ended June 30, 2022, to $1,521 for the three months ended June 30, 2023. The increases for the three and six months can be mainly explained by the increase in Live subscribers which drove the increase in Live subscription revenues.

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 commercialize and broadcast of the Italian Serie B content. As a result, the Company foresees a decrease of Media revenues in the next periods, considering that Commercialization of Media rights (B2B) was related to one of the LNPB agreements.

***Cost of Revenues***

| | Three months ended June 30, | | | Six months ended June 30, | | |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | % Change | 2023 | 2022 | % Change |
| **Mobility - Cost of revenues** | **$ 7,220** | **$ 5,019** | **44%** | **$ 11,827** | **$ 9,657** | **22%** |
| *Of which Amortization, Depreciation and write-off* | *4,610* | *1,257* | 267% | *6,190* | *2,428* | 155% |
| **Media - Cost of revenues** | **4,296** | **4,675** | **(8)%** | **9,906** | **10,950** | **(10)%** |
| *Of which content licensing* | *3,198* | *3,473* | (8)% | *7,449* | *7,983* | (7)% |
| **Other - Cost of revenues** | **1,006** | **574** | **75%** | **1,855** | **999** | **86%** |
| **Total - Cost of revenues** | **12,522** | **10,268** | **22%** | **23,589** | **21,606** | **9%** |

Cost of Revenue increased by $2,254 or 22% and by 1,983, or 9% in the three and six months ended June 30, 2023 compared with three and six months ended June 30, 2022. The increases are mainly explained by the vehicle deposit write-offs of $3,021 recorded in the three months ended June 30, 2023.

*Mobility Cost of revenues*

As explained above, the Mobility Cost of Revenues for the three and six months ended June 30, 2023 are highly impacted by the vehicle deposit write-offs. Removing the write-offs of $3,021 would result in a $831 or 17% and $862 or 9%, decreases of the Mobility Cost of revenues for the three and six months ended June 30, 2023, compared to the three and six months ended June 30, 2022.

The Mobility Cost of revenues decreases resulted from the removal of the non-recurring write-off are explained by the Company's strategy to decrease the operating cash used by the micro-mobility business in order to achieve the goal of becoming cash positive which resulted in closing some of the operating markets.

*Media Cost of revenues*

Cost of Revenues related to Media decreased by $379, or 8%, and by $1,044, or 10%, in the three and six months ended June 30, 2023, compared to the three and six months ended June 30, 2022, respectively. The decrease was mainly driven by the decrease in media content acquired during the period, in line with the Company's strategy to decrease the operating cash used by the media business. Additionally, following the early termination of the LNPB agreements the Company foresees a significant decrease of Media Cost of revenues in the next periods; considering that during three and six months ended June 30, 2023, LNPB expenses recorded as Media Cost of revenues amounted to $3,307 and $7,358, respectively.

***Sales and marketing***

| | Three months ended June 30, | | % Change | Six months ended June 30, | | % Change |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | | 2023 | 2022 | |
| Sales and marketing | **$ 925** | **$ 3,415** | **(73)%** | **$ 2,164** | **$ 6,013** | **(64)%** |

Sales and marketing expenses decreased by $2,490 or 73%, and by $3,849 or 64% in the three and six months ended June 30, 2023, compared to the three and six months ended June 30, 2022, respectively.

The decreases are explained by the Company's strategy to decrease the Company's operating cash burn.

***Research and Development***

| | Three months ended June 30, | | % Change | Six months ended June 30, | | % Change |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | | 2023 | 2022 | |
| Research and development | **$ 766** | **$ 638** | 20% | **$ 1,610** | **$ 1,382** | 16% |

Research and Development expenses increased by $128 or 20%, and by $228 or 16% in the three and six months ended June 30, 2023, compared to the three and six months ended June 30, 2022, respectively. Such increase is mainly driven by the Wheels IT engineering team.

***General and Administrative***

| | Three months ended June 30, | | % Change | Six months ended June 30, | | % Change |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | | 2023 | 2022 | |
| General and administrative | **$ 5,239** | **$ 6,436** | (19)% | **$ 11,471** | **$ 13,115** | (13)% |
| *Of which Stock-based Compensation* | *139* | *804* | (83)% | *410* | *1,799* | (77)% |

General and Administrative expenses decreased by $1,197 or 19%, and by $1,644 or 13% in the three and six months ended June 30, 2023, compared to the three and six months ended June 30, 2022, respectively.

One of the main drivers of such decreases are the reduction of stock- based compensation by $665 or 83% and $1,389 or 77% in the three and six months ended June 30, 2023, compared to the three and six months ended June 30, 2022, respectively.

**Impairment of Assets**

During the three months ended 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. As a result, the Company impaired the net carrying value of Goodwill of $13,826 and Intangible assets of $2,619, which are included within Impairment of assets in the condensed consolidated statements of operations.

As part of the Company's impairment analysis, the fair value of the reporting unit was 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.

The table below shows the Impairment of assets composition for the three and six months ended June 30, 2023.

| | Three months ended June 30, 2023 | Six months ended June 30, 2023 |
|---|---|---|
| Goodwill | $ 13,826 | $ 13,826 |
| Intangible assets, net | 2,618 | 2,618 |
| **Total Impairment of assets** | **$ 16,444** | **$ 16,444** |

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

| | Three months ended June 30, 2023 | Three months ended June 30, 2022 | % Change | Six months ended June 30, 2023 | Six months ended June 30, 2022 | % Change |
|---|---|---|---|---|---|---|
| Interest expense, net | $ (1,865) | $ (1,512) | 23% | $ (3,566) | $ (3,492) | 2% |
| Change in fair value of warrant liabilities | 24 | 441 | (95)% | 58 | 1,386 | (96)% |
| Gain (loss) on extinguishment of financial debts | 431 | (2,065) | (121)% | 431 | (2,065) | (121)% |
| SEPA financial income (expenses), net | (495) | — | — | (2,703) | — | — |
| Other income (expenses), net | 122 | (199) | (161)% | (90) | (507) | (82)% |
| **Total non-operating income (expenses), net** | **$ (1,783)** | **$ (3,334)** | **(47)%** | **$ (5,871)** | **$ (4,679)** | **25%** |

Non-operating income (expense), net decreased by 47% or $1,552 comparing the three months ended June 30, 2023 with the three months ended June 30, 2022; and increased by 25% or $1,192 comparing the six months ended June 30, 2023 with the six months ended June 30, 2022.

*Interest expenses, net*

Interest expenses increased by $353, or 23%, from $1,1512 for the three months ended June 30, 2022, to $1,865 for the three months ended June 30, 2023, and by $74, or 2%, from $3,492 for the six months ended June 30, 2022, to $3,566 for the six months ended June 30, 2023. Such increase is mainly driven by the 10% redemption premium interest, partially compensated by the decrease of the financial debts.

*Gain (loss) on extinguishment of financial debts*

Loss on extinguishment of debt amounted to $2,065 for the three and six months ended June 30, 2022 while a gain of $431 was recorded for the three and six months ended June 30, 2023. The 2023 gain is composed by two different transactions with E-scooters lessors:

a) a gain of $637 was for a waiver received from the lessor of 2,950 E-scooters. In detail, the Company and the financial institution agreed to waive all the overdue invoices by paying only the bargain purchase option;

b) a loss of $206 mainly for penalties related to the early termination of a finance lease agreement. In detail, the Company acquired the 800 E-scooters under finance lease, prior to the expiration date of the lease pursuant to a Termination Agreement.

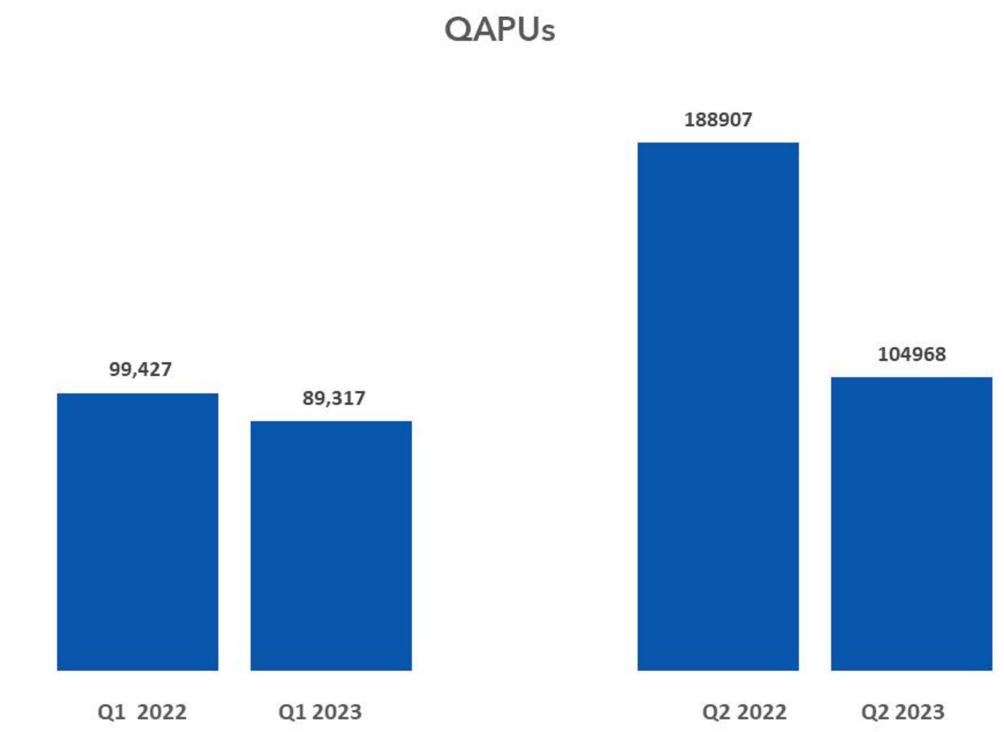
The loss recorded in 2022 is related to the 2021 Convertible debt amendment which has been considered as an extinguishment of the original 2021 Convertible Notes.

*SEPA financial income (expenses), net*

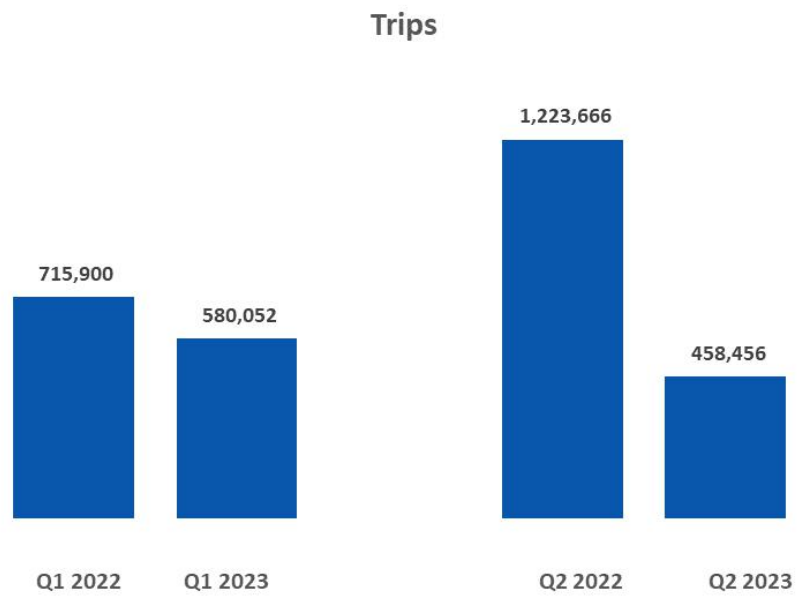
At inception of the two 2023 SEPAs the legal and Commitment fees amounted to $1,611 have been recorded as *SEPA financial expenses*. The Company also recorded as *SEPA financial income (expenses), net,* the difference between the purchase price of each Advance Notice delivered to YA II PN (92% or 95% 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.

**Mobility - Key Financial Measures and Indicators**

**Quarterly Active Platform Users.** We define QAPUs as the number of unique users who completed a ride on our platform at least once in three months. While a unique user can use multiple product offerings on our platform in a given quarter, that unique user is counted as only one QAPU. We use QAPUs 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.




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



**Active Markets**. We track the number of active markets (cities) that we operate in.

***Italy***

We are a substantial operator in Italy in the micro-mobility environment, based on number of licenses awarded, and number of vehicles authorized. During the six months ended June 30, 2023, we provided sharing electric mobility services in the following cities: Rome, Milan, Turin, Naples, Parma, Palermo, Pisa, Modena, Ravenna, Bari, Fiumicino, San Benedetto del Tronto, Grottammare, Cesena and Catania;

***United States of America***

During the six months ended June 30, 2023, we provided sharing electric mobility services in the following cities: Los Angeles, (California), Sacramento, (California), Santa Monica (California), Austin (Texas), Honolulu (Hawaii), Orlando (Florida), Miami Lakes (Florida), Miami Dade (Florida), University of Massachusetts (Massachusetts), Bowling Green (Kentucky) and St. John University (New York).

**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 June 30, 2023, our principal sources of liquidity were cash and cash equivalents of $512, excluding restricted cash of $688 (included in prepaid and other current assets) and SEPA agreement entered during the six months ended June 30, 2023.

- On March 8, 2023, the Company entered into another Standby Equity Purchase Agreement (“2023 March SEPA”) with YA. 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.

We collect the fees from riders using a third-party processing payment provider. We collect the fees between 2 to 5 days after the completion of the ride. We also collect charges and fees from partners for specific advertising or co-branding activities, within 30 days from the events.

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.

***Cash Flows***

The following table summarizes our cash flows activities:

| | June 30, 2023 | June 30, 2022 |
|---|---|---|
| Net cash used in operating activities | $ (21,836) | $ (23,206) |
| Net cash used in investing activities | (514) | (4,703) |
| Net cash provided (used) by financing activities | 22,006 | (9,133) |
| Effect of exchange rate changes | 809 | 306 |
| **Net (decrease) increase in cash, cash equivalents and restricted cash** | **$ 464** | **$ (18,470)** |

*Operating Activities*

During the six months ended June 30, 2023, operating activities used $21,836 of cash, resulting from our net loss of $53,773, partially offset by net changes in operating assets and liabilities for $6,677 and non-cash expenses for $25,261.

Net changes in operating assets and liabilities consisted primarily in the decrease in prepaid assets for $4,737, increase in accounts payable for $2,744, decrease in accounts receivable of $748, and decrease in Other Assets of $49, partially offset by the decrease in accrued expenses and other current liabilities of $1,598 and decrease in other non-current liabilities of $4.

Non-cash expenses are mainly related to: (i) Impairment and loss on disposal of Assets for $20,006, (ii) depreciation and amortization, of assets for $3,561, (iii) non-cash interest expenses for $1,186, (iv) amortization of ROU Assets for $889, and (v) Share based compensation for $615, partially offset by (v) changes in fair value of financial instruments for $59 and (vi) Gain/Loss on extinguishment of debts for $431.

*Investing Activities*

During the six months ended June 30, 2023, investing activities used $514 of cash. The Company invested $279 in purchase of property, equipment and deposits, and $235 in purchase of intangible assets.

*Financing Activities*

During the six months ended June 30, 2023, financing activities provided $22,006 of cash, mostly proceeds from the issuance of common stock for $31,732 under SEPA agreements, and financial liabilities for $4,642, partially offset by the repayment of financial liabilities for $14,368.

***Indebtedness***

The following table summarizes our indebtedness as of June 30, 2023:

| | Weighted Average Interest Rate | Maturity Date | June 30, 2023 |
|---|---|---|---|
| Convertible debts, net | 9% | 2023 | 5,649 |
| Secured loan, net | 13% | 2023 | 14,544 |
| Unsecured loans, net | 8% | Various | 10,586 |
| Warrants liabilities | N/A | — | 26 |
| Other financial liabilities | N/A | Various | 1,071 |
| **Total Financial Liabilities, net** | | | **31,877** |
| ***Of which classified as Current Financial Liabilities, net*** | | | ***25,156*** |
| ***Of which classified as Non-Current Financial Liabilities, net*** | | | ***6,721*** |

As of June 30, 2023, the Company categorized as convertible debts the following instruments issued to YA II, Ltd. (the "Note Holder"): a) one convertible note issued in 2022 ("2022 Convertible debts") under a Securities Purchase Agreement and b) a convertible promissory note issued on March 8, 2023 under a Standby Equity Purchase Agreement ("January 2023 SEPA") dated January 24, 2023 ("2023 SEPA Convertible note").

***2022 Convertible debts***

As a result of the below conversion and repayments, on June 30, 2023, the Company had $1,202 as outstanding principal and accumulated interests.

*Repayments*

During the six months ended June 30, 2023, the Company partially repaid in cash the 2022 Convertible Notes for a cumulative payment of $9,228 (of which $8,047 was principal, $294 was accumulated interest, and $887 was redemption premium interest).

*Conversion into Class A Common Shares*

During the six months ended June 30, 2023, the Company issued 103,689 Class A Common Shares in satisfaction of conversion requests of $1,296 in principal and interest.

***2022 SEPA Convertible Note***

On December 1, 2022, the Company issued a Convertible Promissory Note ("2022 SEPA Convertible Note") to the Note Holder pursuant to the SEPA dated October 31, 2022. The 2022 SEPA Convertible Note had a principal amount of $5,000 with 10% issuance discount, as maturity date of January 31, 2023, a 0% annual interest rate and a 15% annual default interest rate. During the three months ended March 31, 2023, the Company completed the repayment initiated in 2022 by cash payments amounted to $4,210.

As a result of the mentioned re-payments on June 30, 2023, the Company has no outstanding principal or accumulated interest under the 2022 SEPA Convertible Note.

***2023 SEPA Convertible Note***

On March 8, 2023, the Company issued a Convertible Promissory Note ("2023 SEPA Convertible Note") to the Note Holder pursuant to the SEPA dated January 24, 2023. The 2023 SEPA Convertible Note had a principal amount of $4,500 with 10% issuance discount, a maturity date of September 15, 2023, a 5% annual interest rate and a 15% annual default interest rate. The 2023 SEPA Convertible Note shall be convertible into shares of the Company's Class A common shares at a Fixed Conversion Price of $25.

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

- repay in cash the 2023 SEPA Convertible Note on or before the Maturity date,

- repay the 2023 SEPA Convertible Note by submitting one or a series of Advance Notices under the SEPA entered in January 2023, on or before the Maturity date. If any time during while the 2023 SEPA Convertible Note is outstanding, the Company delivers an Advance Notice under the January 2023 SEPA, at least one half of the proceeds of any such Advance Notice shall be used as an Advance Repayment or for the repayment of other amounts due from the Company to the Holder, unless waived by the Note Holder.

The Company has also the option to redeem the 2023 SEPA Convertible Note ("redemption option"), provided that the trading price of the Company's Class A Common Shares is less than the fixed Conversion Price of $25.

***Leases liabilities***

We entered into various non-cancellable operating and finance lease agreements for office facilities, permit and brand licensing, 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.

During the three months ended June 30, 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 $637 for the waiver.

During the three months ended June 30, 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.

Future annual minimum lease payments as of June 30, 2023, are as follows:

| | Leases | |
|---|---|---|
| *Year ending December 31,* | Operating | Finance |
| 2023 | $ 822 | $ 413 |
| 2024 | 479 | 60 |
| 2025 | 340 | 15 |
| Thereafter | 403 | — |
| **Total minimum lease payments** | **$ 2,044** | **$ 488** |
| Less: Amounts representing interest not yet incurred | | (8) |
| Present value of finance lease obligations | | 480 |
| Less: Current portion | | 436 |
| Long-term portion of finance lease obligations | | 44 |

***Securities outstanding as of June 30, 2023***

As of June 30, 2023, we had the following outstanding securities:

| | June 30, 2023 |
|---|---|
| Class A Common Shares | 49,041,609 |
| Class B Common Shares | 284,518 |
| **Total Common Shares outstanding** | **49,326,127** |
| | |
| Public Warrants | 196,728 |
| Convertible Note Warrants | 40,000 |
| Board of Directors Warrants | 159,324 |
| 2020 Equity Incentive Plan (Stock Options) | 145,311 |
| 2020 CEO Performance (Stock Options) | 12,000 |
| 2021 Omnibus Plan (Stock Options) | 4,125 |
| **Total Warrants and Stock Options outstanding** | **557,488** |

*Common Shares*

As of June 30, 2023, the Company's charter authorized the issuance of up to 285,774,102 shares of Class A common stock, $0.00001 par value per share, 14,225,898 of Class B common shares 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.

***Media rights – Purchase Commitments***

During 2021, the Company entered 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, ESPN and MLB.

On June 15, 2023 and June 28, 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 contents. The communications also requested the immediate payment of the invoices overdue amounting to $11,269 . The Company continues to have dialogue with respect to a payment plan with the LNPB.

Considering the early termination of the LNPB agreements, future annual minimum payments related to Media rights' agreements as of June 30, 2023, are as follows.

| | | Amount |
|---|---|---|
| Year ending December 31: | | |
| 2023 – Of which $11,269 related to LNPB invoices | $ | 11,411 |
| 2024 | | 77 |
| **Total** | **$** | **11,488** |

**Related Party Transactions**

***CEO conversion of deferred salaries***

During the six months ended June 30, 2023, our majority shareholder and CEO converted a portion of his deferred salaries, totaling $78, into 13,000 Class A Common Shares.

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

During the six months ended June 30, 2023, two independent board members converted a portion of their deferred salaries, totaling $69, into 159,324 Warrants to purchase Class A Common Shares with a strike price of $1.16 and 5-years from issuance as expiration date.

During the six months ended June 30, 2023, one independent board members who served as consultant before joining the Board converted portion of his previous invoices, totaling $90, into 59,524 Class A Common Shares, 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 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 shares 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.

**Related party shipping**

During the three months ended June 30, 2023, the Company recorded as Cost of Revenues $56 for shipping services provided by a related party. In detail, the service provider is a Company whose CEO is a parent of the CEO of micromobility.com.

**Critical Accounting Policies and Significant Judgments and Estimates**

Our management's discussion and analysis of financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with US GAAP. The preparation of our condensed 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 condensed 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.

Our significant accounting policies are described in greater detail in Note 3, "Summary of Significant Accounting Policies and Use of Estimates" to our consolidated financial statements as of December 31, 2022 and in Note 3, "Summary of Significant Accounting Policies and Use of Estimates" to our condensed consolidated financial statements as of June 30, 2023. We believe that the following accounting policies are those most critical to the judgments and estimates used in the preparation of our condensed consolidated financial statements.

**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.

**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.

***Emerging Growth Company***

We are an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the independent registered public accounting firm attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. We have elected to use such extended transition period which means that when a standard is issued or revised and we have different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our consolidated financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

***Off-Balance Sheet Arrangements***

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

**Accounting Pronouncement Adopted in the Current Year**

In June 2016, the FASB issued ASU 2016-13—Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. This ASU requires an entity to use a current expected credit loss methodology to measure impairments of certain financial assets and to recognize an allowance for its estimate of lifetime expected credit losses. The main objective of this update is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. The standard is effective for public companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022. Effective January 1, 2023, we adopted ASU 2016-13 on a prospective basis. The impact of adoption of this standard on our condensed consolidated financial statements was not material.

## Item 3. Quantitative and Qualitative Disclosures about Market Risks

Not applicable.

## Item 4. 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 June 30, 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 a material weakness in our internal control over financial reporting in connection with the preparation of our 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 weakness 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 U.S. GAAP.

Notwithstanding the identified material weakness, management believes that the condensed consolidated financial statements included in this Form 10-Q 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*

There has been no change in our internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. However, we expect to make changes to our internal control over financial reporting in the future to remediate the material weakness identified above.

## PART II - OTHER INFORMATION

### Item 1. Legal Proceedings

From time to time, we are involved in legal proceedings arising in the ordinary course of business, and we may continue to be involved in such legal proceedings. Currently, there are several product liability claims against us none of which, other than as discussed below, is material by itself. If several of these claims were to be decided against our interest or if our product liability insurance were not to cover several of these claims, we might need to divert resources from our operations to pay for such claims, and our results of operations would be correspondingly affected.

The claims against us that we deem as potentially material are:

- We were served with a claim against us by the sponsor of the special purpose acquisition company with which we merged in August 2021 for an alleged failure to timely register shares of our Class A common stock. We are assessing the best methods to proceed in connection with this claim; and

- We have entered into a settlement agreement with a party that had a claim against us from prior to our acquisition of Wheels. Under the terms of the settlement agreement, we are to pay a total of $675,000 in seven monthly payments ending in November 2023.

Our subsidiary, Wheels, has been named in various lawsuits related to the use of Wheels's vehicles in U.S. cities and in certain matters involving California Labor Code violations and the classification of individuals as independent contractors rather than employees. We have estimated the range of loss for the Wheels legal contingencies accrued as between $585,000 to $3.8 million which represents the range between the amount already settled with the counterparts and the amount claimed deducting insurance coverage.

As of June 30, 2023, we concluded that certain losses on litigations were probable and reasonable estimable. As a result, we recorded an aggregate of approximately $2,591,000 in our unaudited interim financial statement for the period ended June 30, 2023 as “Accruals” for legal contingencies.

### Item 1A. Risk Factors

Although as a Smaller Reporting Company we are not required to provide this information, we refer you to the sections of our annual report on Form 10-K and our registration statement on Form S-3 entitled “Risk Factors”. In addition to the risk factors contained in those documents and in our other filings with the U.S. Securities and Exchange Commission available on its Edgar filing website, we would like to draw your attention to the following risks:

***We have hyper-diluted our shareholders' ownership position, and we may continue to do so.***

We operate at a loss and have needed to raise capital to continue to fund operations. Many of these capital raises have been in the form of equity offerings, including hybrid offerings such as debt that is convertible into shares of our common stock. Each such equity raise diluted the economic ownership and voting power of our shareholders of Class A Common Stock prior to such raise. In the aggregate these equity raises were the primary reason that:

- the total outstanding shares of our class A common stock increased from approximately 325,800 at December 31, 2021 to 130,726,127 at August 14, 2023;

- in the three months ended June 30, 2023, the total outstanding shares of our class A common stock increased from 5,624,297 to 49,041,609; and

- since the end of our most recent fiscal quarter on June 30 to the date hereof, the number of our outstanding shares of Class A common stock has increased 167% from 49,041,609 to 130,726,127

We expect that we will need to obtain additional equity financing to fund our operations. Such financings may be on terms that continue to 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. Such financings may be at prices substantially below our per share price or our per share net tangible book value.

***The market price of shares of our Class A Common Stock has dropped dramatically and may continue to do so.***

The market value of a share of our Class A Common Stock has dropped dramatically. By way of example:

- When we conducted our business combination and ceased to be a Special Purpose Acquisition Corporation in August 2021, each share of Class Common Stock had a value of approximately $500 per share. As of August 11, 2023, the closing price for a share of our Class A Common Stock was approximately $0.071 per share; and

- The closing price of a share of our Class A Common Stock on June 30, 2022 was $32.50 and fell to $0.113 by June 30, 2023.

This dramatic decrease in in the per share price of our common stock is due to multiple factors including the hyper dilution of our Class A Common Stock, our inability to increase our revenues as anticipated or to operate at a profit, our inability to execute our business plan as envisioned and a negative market perception of the operation and viability of our enterprise. If the per share price of our Class A Common Stock further deteriorates, the value of any investment you have made, or may make, in our Company will correspondingly decline.

***We have few shareholders with significant ownership positions, and it could become difficult to find a sufficient number of shareholders to obtain approval for actions requiring shareholder approval or to obtain a quorum to hold shareholder meetings.***

As of August 14, 2023, no shareholder individually, or to our knowledge in a group, owns more than 2% of our common stock (excluding warrants and convertible securities for which the exercise price or conversion price exceeds our current market price). As a result, we will need to conduct an extensive proxy campaign to ensure that we receive more than 50% of the votes of the common stock for any matter requiring more than 50% of the vote of the common stock, and such a campaign may not be successful. For those matters that only require a majority of the votes attending a shareholder meeting, we may have difficulty obtaining a quorum. Our bylaws and Delaware law require a quorum of 33.33% to conduct a shareholder meeting. Because of our diverse and retail-centered shareholder base, we may only be able to obtain a quorum after an extensive and expensive proxy campaign, if we can obtain a quorum at all. Our ability to obtain a quorum could be adversely affected by any additional issuances of common stock as a part of equity capital raises.

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If we are unable to obtain a quorum, we may be unable to take necessary corporate actions without creating additional classes of preferred stock with preferred voting power. Any such issuance of preferred stock with preferred voting power would decrease the ability of our common stockholders to control management and, in most instances, would violate Nasdaq's continued listing standards and would lead to the delisting of our Class A common shares from the Nasdaq Capital Market.

***We have received multiple letters from Nasdaq stating that we are not in compliance with their continued listing requirements, and we might not be able to regain compliance or may cease to be in compliance with additional listing requirements. If as a result of the non-compliance Nasdaq delists our Class A Common Stock, the liquidity and market price of our Class A Common Stock could decline or cease to exist.***

Our Class A Common Stock is currently listed on the Nasdaq Capital Market. In order to maintain that listing, we must satisfy certain continued listing requirements. If we are deficient in maintaining the necessary listing requirements, our common stock may be delisted.

We have received multiple letters from Nasdaq indicating that we are not in compliance with their continued listing requirements, including:

- On August 4, 2023, we received a Staff Delisting Determination letter from the Nasdaq Listing Qualifications Department (the "Staff") of the Nasdaq Stock Market LLC ("Nasdaq"), advising us that as of August 4, 2023, our class A common stock had a closing bid price of $0.10 or less for at least ten consecutive trading days and is subject to Nasdaq Listing Rule 5810(c)(3)(A)(iii) (the "Low Price Stocks Rule"). Accordingly, unless we request an appeal of this Staff Delisting Determination, the Staff has advised us that our class A common stock will be scheduled for delisting from The Nasdaq Capital Market on August 15, 2023, and a Form 25-NSE will be filed with the Securities and Exchange Commission (the "SEC"), which will remove our class A common stock from listing and registration on Nasdaq.

- On June 15, 2023, we received a letter from the Staff indicating we were not in compliance with the continued listing requirement that we maintain a minimum bid price of $1.00 per share. We have 180 days from receipt of such notice (until December 12, 2023) to remedy such non-compliance. To regain compliance, the Company must maintain a closing bid price of $1.00 or more for ten consecutive business days. In the event we do not regain compliance within the 180-day period, our Class A Common Stock and publicly traded warrants may be subject to delisting.

- On May 2, 2023 we received a letter from Nasdaq indicating we were not in compliance with their continued listing requirement that we maintain a market value for our shares of Class A Common Stock together with our publicly traded warrants in excess of $35 million. We have 180 days from receipt of such notice (until October 30, 2023) to remedy such non-compliance, unless such period is extended at Nasdaq's discretion. To regain compliance, our Class A Common Stock together with our publicly traded warrants must be valued at over $35 million or more for ten consecutive business days.

If Nasdaq after the applicable compliance periods proceeds to delisting and we are not able to remedy the non-compliance, Nasdaq would delist our common stock from trading on its exchange. If we are not able to list our securities on another national securities exchange, we expect our securities could be quoted on the OTCQB or the "pink sheets." If this occurs, we could face material adverse consequences, including:

- 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.

If we are delisted and are unable to have our securities quoted on the OTCQB or "pink sheets" or similar bulletin board, our shareholders would not be able to resell their securities in a public market.

**Item 2. 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 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Item 5. Other Information**

None.

## Item 6. Exhibits

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

| Exhibit No. | Description | Incorporated by Reference | | | Filed/Furnished Herewith |
|---|---|---|---|---|---|
| | | Form | Exhibit | Filing Date | |
| 31.1* | Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act | | | | X |
| 31.2* | Certification of Principal Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act | | | | X |
| 32.1** | Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act | | | | X |
| 32.2** | Certification of Principal Accounting Officer Pursuant to Section 906 of the Sarbanes-Oxley Act | | | | X |
| 101.INS* | Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. | | | | X |
| 101.SCH* | Inline XBRL Taxonomy Extension Schema Document | | | | X |
| 101.CAL* | Inline XBRL Taxonomy Extension Calculation Linkbase Document | | | | X |
| 101.DEF* | Inline XBRL Taxonomy Extension Definition Linkbase Document | | | | X |
| 101.LAB* | Inline XBRL Taxonomy Extension Label Linkbase Document | | | | X |
| 101.PRE* | Inline XBRL Taxonomy Extension Presentation Linkbase Document | | | | X |
| 104* | Inline XBRL for the cover page of this Quarterly Report on Form 10-Q, included in the Exhibit 101 Inline XBRL Document Set. | | | | X |

* Filed herewith.

** Furnished herewith.

## SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**micromobility.com, Inc.**

Date:August [--], 2023

By: /s/ Salvatore Palella
Name: Salvatore Palella
Title: Chief Executive Officer

Date:August [--], 2023

By: /s/ Giulio Profumo
Name: Giulio Profumo
Title: Chief Financial Officer

**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 quarterly report on Form 10-Q of micromobility.com, Inc;

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: August [--], 2023

/s/ Salvatore Palella
Salvatore Palella
Chief Executive Officer

**EXHIBIT 31.2**

**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, Giulio Profumo, certify that:

1. I have reviewed this quarterly report on Form 10-Q of micromobility.com, Inc.;

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: August [--], 2023

/s/ Giulio Profumo
Giulio Profumo
Chief Financial Officer

**EXHIBIT 32.1**

**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 Quarterly Report of micromobility.com, Inc. (the “Company”) on Form 10-Q for the quarterly period ended June 30, 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: August [--], 2023

/s/ Salvatore Palella

Salvatore Palella
Chief Executive Officer

**EXHIBIT 32.2**

**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 Quarterly Report of micromobility.com, Inc. (the “Company”) on Form 10-Q for the quarterly period ended June 30, 2023, as filed with the Securities and Exchange Commission (the “Report”), I, Giulio Profumo, 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: August [--], 2023

/s/ Giulio Profumo
Giulio Profumo
Chief Financial Officer