

Helium Investment Thesis

Executive Summary

Helium is a Decentralized Wireless (DeWi) network that leverages everyday individuals and businesses to deploy cost-effective hotspots for IoT and mobile connectivity. By distributing the cost of infrastructure across a community of operators—each incentivized by token rewards—Helium offers a unique, bottom-up approach to building telecom coverage. This creates a more localized, scalable network expansion model than traditional, centrally managed carriers.

Key Catalysts

1. HIP 138 (January 2025)*

- Consolidates subDAO tokens (IOT, MOBILE) back into HNT as the single, unified token.
- Centralizes all value accrual under one token, simplifying the economics and strengthening HNT's role as the **primary** store of network value.

2. Carrier Offload Partnerships

- Partnerships with established telcos (e.g., Telefónica) allow for **wholesale traffic offload**, generating additional revenue streams without requiring intensive direct customer acquisition.
- Enhances the network's credibility among mainstream telecom players, broadening Helium's potential market reach.

3. Large Addressable Market

- Global telecom is \$1.7 trillion, with MVNOs (Mobile Virtual Network Operators) accounting for \$87 billion.
- Helium's **dual coverage** for IoT and cellular taps multiple verticals, positioning the network for **multi-service** revenue growth as both segments expand.

4. Cost Leadership & Scalability

- Hotspots cost only \$250–\$500 to set up, promoting rapid coverage growth at minimal cost to Helium itself.
- Users benefit from **competitive plan pricing** (often \ \$20/month vs. \$60–\$90 at incumbents), driving subscriber adoption and usage.

Tokenomics

Data Credits (DCs):

Each DC costs **\ \$0.00001** and is created by burning HNT. This means whenever users or enterprises consume network services, HNT is permanently removed from the supply.

HNT as the Core Token Post-HIP 138:

By consolidating IOT and MOBILE tokens back into HNT, **all** network activity—from IoT data transfer to mobile coverage—drives HNT demand. This single-token model amplifies **value capture** and provides clearer signals for both operators and investors.

Valuation Considerations

Current FDV (~\$1.9B):

This valuation implies investor anticipation of significant future revenue growth, yet still represents a modest fraction of the \$1.7T telecom space.

Revenue Multiples:

An industry-standard multiple (e.g., ~8x revenue for high-growth platforms) indicates the market expects hundreds of millions in eventual annual revenue—still a small fraction of the broader telecom market. If Helium's carrier offload strategy and retail user growth continue, **scaling from tens of millions to hundreds of millions in revenue** could be well within reach.

Burn-to-Issuance Dynamics:

As Helium's network usage expands, HNT burn (for DCs) may begin to offset new token issuance, supporting **long-term supply/demand balance**.

Investment Case

Helium merges **decentralized infrastructure ownership** with crypto-driven incentives to tackle one of the largest global industries. The Data Credit system directly links network usage to token burn, creating a powerful feedback loop between real-world adoption and HNT scarcity. Carrier partnerships enable a B2B2C revenue path, and HIP 138's simplified token framework sharpens HNT's role as the singular nexus of Helium's value.

For investors seeking exposure to **real-world infrastructure disruption**, Helium offers a scalable, capital-light model with significant upside. By bridging IoT and cellular connectivity on the same decentralized network—and adopting a single-token approach that aligns usage growth with token demand—Helium is well-positioned to capture a meaningful slice of the telecom market over the coming years.



DePIN