

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

FORM 10-K

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the year ended December 31, 2022

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 001-39132

EVmo, Inc.

(Exact name of registrant as specified in its charter)

Delaware

81-3028414

(State or other jurisdiction of incorporation or organization)

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

3201 N. Sepulveda Blvd. Manhattan Beach, CA 90266

(Address of principal executive offices) (Zip Code)

+1-310-926-2643

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	N/A	N/A

Securities registered pursuant to section 12(g) of the Act:

Common Stock, \$0.000001 par value per share

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

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

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 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, smaller reporting company, or an emerging growth company. See the 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered accounting firm that prepared or issued its audit report.

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

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

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

As of March 30, 2023, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was \$7,058,962 based on the closing price as reported on the OTC.

As of March 30, 2023, there were 71,302,649 shares of common stock, \$0.000001 par value per share, outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K (this “Report”) contains forward-looking statements within the meaning of the Securities Exchange Act of 1934 (the “Exchange Act”). These statements are based on our management’s beliefs and assumptions, and on information currently available to management. Forward-looking statements include the information concerning our possible or assumed future results of operations set forth under the headings “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Forward-looking statements also include statements in which words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “estimate,” “consider” or similar expressions are used.

Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions. Our future results may differ materially from those expressed in these forward-looking statements. Readers are cautioned not to put undue reliance on any forward-looking statements.

All brand names or trademarks appearing in this Report are the property of their respective holders. Unless the context requires otherwise, references in this Report to “EVmo,” the “Company,” “we,” “us,” and “our” refer to EVmo, Inc., a Delaware corporation, and its consolidated subsidiaries.

PART I

ITEM 1. BUSINESS

Corporate History

EVmo was initially formed on June 21, 2016 as a Delaware limited liability company under the name “YayYo, LLC.” The Company was subsequently converted into a Delaware corporation pursuant to Section 265 of the Delaware General Corporation Law (the “DGCL”). The Company now operates as a “C” corporation formed under the laws of the State of Delaware.

We became a reporting company when, on March 17, 2017, an offering circular on Form 1-A relating to a best-efforts offering of our common stock, par value \$0.000001 per share (the “Common Stock”) pursuant to “Regulation A+” of the Securities Act of 1933, as amended (the “Securities Act”), was qualified by the Securities and Exchange Commission (the “SEC”). Then, on November 15, 2019, we completed an initial public offering of 2,625,000 shares of Common Stock, at \$4.00 per share, for gross proceeds, before underwriting discounts and commissions and expenses, of \$10.5 million and our Common Stock was listed on the Nasdaq Capital Market (“Nasdaq”) under the ticker symbol “YAYO.”

On February 10, 2020, after being advised by Nasdaq that it believed we no longer met the conditions for continued listing, the Company announced its intent to voluntarily delist its Common Stock. Since delisting from Nasdaq, our Common Stock has been quoted and traded on the Pink Open Market, which is operated by OTC Markets Group, under the same ticker symbol. The delisting was effective on March 1, 2020.

In September 2020, we changed our name from YayYo, Inc. to Rideshare Rental, Inc., in order for our corporate brand to better reflect our principal businesses, ridesharing and vehicle rentals. In February 2021, we again changed our name to EVmo, Inc., to underscore our commitment to making a full transition to electric vehicles by the end of 2024.

Our address is 3201 N. Sepulveda Blvd. Manhattan Beach, CA 90266. Our telephone number is (310) 926-2643 and our website may be accessed at www.evmo.com.

Overview of the Company

EVmo, Inc. is a holding company operating principally through two wholly-owned subsidiaries: (i) Rideshare Car Rentals LLC, a Delaware limited liability company (“Rideshare”), and (ii) Distinct Cars, LLC, a Delaware limited liability company (“Distinct Cars”). Rideshare offers an online bookings platform (the “Rideshare Platform”) while Distinct Cars maintains a fleet of passenger vehicles and transit vans for use in the last-mile logistical space for rent to our customers who are drivers in the ridesharing and delivery gig industries, while also providing them with insurance coverage and issuing them insurance cards in their own names. This enables such drivers to meet the vehicle suitability and other requirements of rideshare and delivery gig companies such as Uber, Lyft, DoorDash and Grubhub. Through Rideshare and Distinct Cars, we seek to become a leading provider of rental vehicles to drivers in the ridesharing and delivery gig spaces, and an industry leader in supplying transit vans for last-mile logistics. “Gig” generally refers to a labor market characterized by the prevalence of short-term contracts or freelance work as opposed to permanent jobs.

Drivers can rent their vehicles using the Rideshare Platform, which enables them to check inventory and performance and review vehicle data. Drivers have the ability to book vehicles online by the day, week or month, at their option, make payments, check insurance, or extend their rental with a minimum of inconvenience, while at the same time incurring no maintenance expenses. Depending on the make and model of the requested vehicle, rental prices begin at \$39 per day or \$795 per month before insurance. The Rideshare Platform is available on desktop, iOS and Android devices. We initially launched the Rideshare Platform in Los Angeles, CA and have since expanded it in the following markets: Oakland, CA; Las Vegas, NV; Chicago, IL; Newark, NJ.

In March 2021, we formed another wholly owned subsidiary, EV Vehicles LLC, a Delaware limited liability company, which we intend to utilize as the corporate platform to implement our strategy to transition our entire fleet of rental vehicles from standard vehicles with internal combustion engines to electric by 2026.

We generate the vast majority of our revenues through the rental of our fleet vehicles. We also receive an immaterial amount of revenue in the form of fees assessed through the Rideshare Platform, such as late fees in the event that a vehicle rental expires without being extended by the driver and the vehicle has not yet been returned, or when the Rideshare Platform is used in a vehicle not owned by us.

Our Market

We service drivers in the ridesharing and delivery gig industries by providing them with qualifying vehicles and insurance, enabling them to work for Transportation Network Companies (“TNCs”) such as Uber and Lyft. We strongly believe this is a vibrant and growing market, as the advent of ridesharing and food delivery gigs over the last decade has permanently changed the transportation industry. The U.S. Department of Labor-Bureau of Labor Statistics in its April 2021 report stated that consumer expenditures on transportation were approximately \$1.1 trillion in 2019. Further, according to such statistics, transportation (including vehicle purchases and expenditures for gasoline and motor oil) was the second largest household expenditure after housing and the aggregate consumer spending on transportation was almost twice as large as that of healthcare and three times as large as entertainment. The use of rideshare and food delivery gig applications on smart phones has been transformative, allowing Uber, for example, to announce in mid-2016 that it had completed its two billionth ride only six months after it marked its first one billion rides.

One of the challenges the ridesharing and delivery gig industries faces is ensuring that driver growth keeps pace with the massive demand. Lyft recently reported an increase in active riders by over 940,000 in the first quarter of 2021 than in the fourth quarter of 2020, and that by the end of February 2021 rider growth had exceeded driver growth. Uber had 3.5 million active drivers on its platform during the first three months of the year but is also reporting a shortage. In April 2021, it announced a \$250 million stimulus to entice both former and new drivers to work for them.

Accordingly, the TNCs have actively taken steps to satisfy their driver demand by setting up programs designed to get eligible drivers into qualified cars. Uber has entered into multiple partnerships with car rental companies, and Lyft Express Driver is partnered with Hertz. We believe EVmo can be a major independent player in this space, since we also supply TNC drivers with qualifying vehicles, which we expect will eventually be electric vehicles, and provide them access to the Rideshare Platform, which is a driver-friendly mechanism to manage their vehicle rental and allowing them to generate income.

Our Growth Strategy

Our current growth strategy, which we formulated in early 2021, centers around our goal to transition our entire vehicle fleet to electric vehicles. We initiated this strategy for several reasons. First, we believe that industry trends are clear that electric vehicles will become the mainstay of the automobile market over the next 10 years. According to Forbes, EV sales in the United States in the second quarter of 2022 accounted for 5.6% of the total auto market, up from 2.7% in the second quarter of 2021. Further, per a report by Automotive News that relied on data collected by Experian, EV registrations in the U.S. were 60% higher in the first quarter of 2022 even as new car registrations overall dropped by 18%. California, our principal market, has the most EV sales over the last 10 years of any state in the U.S., per tracking done by Veloz, with a total of 1,304,581 sold out of 3,057,859 nationwide. We expect these trends will only accelerate as EV charging stations become more prevalent and major automobile manufacturers continue to gradually shift away from internal combustion engine vehicles to EVs. In January 2023, Goldman Sachs Research issued a report that predicts that EVs will constitute 16% of all global automobile sales by 2025, 33% by 2030, and greater than 50% soon after 2035, respectively.

Second, we believe that both drivers and riders will be increasingly drawn to electric vehicles for their environmental benefits, especially as they become comparable to combustion cars in terms of pricing, mileage and the number of available options to choose from. The demand for clean energy products is undeniable, and electric vehicles should be no exception as consumers continue to seek out eco-friendly alternatives.

Finally, we have concluded that governmental policies and mandates will ultimately force the hand of both the automobile industry and consumers. The Inflation Reduction Act of 2022 provides a tax credit of \$7,500 for qualifying EV purchases and the Biden Administration has set a goal of 50% EV sales in the U.S. by 2030. The governor of California has announced that by 2035 the state will require all new vehicles sold to be EVs or plug-in hybrid electrics. In Oregon, residents can receive a rebate of up to \$2,500 on the purchase or lease of a qualifying electric vehicle.

While we will incur a considerable short-term operating expense in turning over our fleet, we firmly believe that the reputational and brand benefits we will realize from being known as a TNC vehicle provider with an entirely electric fleet will quickly allow us to differentiate ourselves and significantly grow our business. The trends we describe above will directly impact the ridesharing and delivery gig industries, as we believe that both TNC drivers and riders will increasingly express a preference for electric vehicles. As an early industry leader in this area, we believe that we will be well-positioned to market ourselves successfully and become profitable, using our current business model of vehicle rentals to TNC drivers. Currently, approximately 35% of our fleet is electric or plug-in hybrid. By the end of 2023, we expect over 50% of our fleet to be electric or plug-in hybrid vehicles with continue effort to be 100% electric or plug-in hybrid by the end of 2025.

Impact of COVID-19 on our Business

On January 30, 2020, the World Health Organization declared the outbreak of the coronavirus disease (COVID-19) a “Public Health Emergency of International Concern,” and on March 11, 2020, it characterized the outbreak as a “pandemic.” In response, numerous states and cities ordered their residents to cease traveling to non-essential jobs and to curtail all unnecessary travel, and similar restrictions were recommended by the federal government. Beginning in the first quarter of 2020, which saw the initial rapid spread of COVID-19, rideshare companies were severely and negatively impacted, as demand plummeted. Consequently, the Company experienced a decline in revenue during the first half of 2020, which had a negative impact on our cash flows, but we then saw a positive upward movement in revenue during the second half of 2020, which continued through fiscal 2021. Currently, through fiscal 2022, the demand for Rideshare remains high with little impact remaining from the COVID-19 pandemic.

Given the current prevalence of FDA-approved eligible vaccines across most age groups, the marked decrease in the number of COVID-19 infections, hospitalizations and deaths in 2022, and the resulting easement of pandemic restrictions in our active markets, we are optimistic that COVID-19 will not have a material impact on our operations in the current fiscal year. However, certain factors- including, for example, a new, more aggressive and deadly variant that is resistant to the vaccines could alter our prediction.

Implications of Being an Emerging Growth Company and a Smaller Reporting Company

We qualify as an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012, as amended (the “JOBS Act”). As an “emerging growth company,” we may take advantage of specified reduced disclosure and other requirements that are otherwise applicable generally to public companies. These provisions include, but are not limited to:

- requiring only two years of audited financial statements in addition to any required unaudited interim financial statements, with a correspondingly reduced “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in our periodic filings made under the Securities Act;
- reduced disclosure about our executive compensation arrangements;
- no non-binding shareholder advisory votes on our executive compensation, including any golden parachute arrangements; and
- exemption from compliance with the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to Section 404(b) of the Sarbanes Oxley Act of 2002 (“SOX”).

We may take advantage of these exemptions for up to five years or such earlier time that we are no longer an emerging growth company. We will continue to remain an emerging growth company until the earliest of the following: (i) the last day of the fiscal year following the fifth anniversary of the date of the completion of our initial public offering; (ii) the last day of the fiscal year in which our total annual gross revenue is equal to or more than \$1.07 billion; (iii) the date on which we have issued more than \$1 billion in nonconvertible debt during the previous three years; or (iv) the date on which we are deemed to be a large accelerated filer under the rules of the SEC.

We are also a “smaller reporting company” as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and have elected to take advantage of certain of the scaled disclosures available to smaller reporting companies. To the extent that we continue to qualify as a smaller reporting company after we cease to qualify as an emerging growth company, certain of the exemptions available to us as an emerging growth company may continue to be available to us as a smaller reporting company, including exemption from compliance with the auditor attestation requirements pursuant to SOX and reduced disclosure about our executive compensation arrangements. We will continue to be a “smaller reporting company” until we have \$250 million or more in public float (based on the price of our Common Stock) measured as of the last business day of our most recently completed second fiscal quarter or, in the event we have no public float or a public float that is less than \$700 million, annual revenues of \$100 million or more during the most recently completed fiscal year.

We may choose to take advantage of some, but not all, of these exemptions. We have taken advantage of reduced reporting requirements in this Report. Accordingly, the information contained herein may be different from the information you receive from other public companies in which you hold stock. In addition, the JOBS Act provides that an emerging growth company may take advantage of an extended transition period for complying with new or revised accounting standards, delaying the adoption of these accounting standards until they would apply to private companies. We have elected to avail ourselves of the extended transition period for complying with new or revised financial accounting standards. As a result of the accounting standards election, we will not be subject to the same implementation timing for new or revised accounting standards as other public companies that are not emerging growth companies which may make comparison of our financials to those of other public companies more difficult.

Our Business Model and Our Future Opportunities

We have developed what we believe is an innovative and effective business model in which we not only provide ridesharing and delivery gig drivers with the necessary technology to operate, through the Rideshare Platform, but also the vehicles themselves, via Distinct Cars, should the driver either not have a qualified vehicle to use or prefers to not use a personal vehicle for this type of work. Our two principal operating subsidiaries have a rare corporate synergy that enables us to both diversify and create complementary revenue streams. Further, as we continue our transition to electric vehicles, we believe we are in the vanguard of a new era in commercial transportation and that our early presence in this industry will further distinguish us from a competitive standpoint.

Prior to 2020, we only supplied vehicles to drivers in the ridesharing space but we expanded our service in that year to the delivery gig space, which has provided us with another form of service diversity, one with fewer barriers to entry. The requirements for vehicles operated by delivery gig drivers are significantly less onerous than those operated by rideshare drivers, as delivery gig drivers are not transporting people.

We currently have four priorities: diversifying our revenues by expanding into different markets in North America and continuing our transition to electric vehicles; improving our operating efficiencies, particularly through training our sales force; meeting our customers' expectations by continuing to provide TNC drivers with quality vehicles and reliable service via the Rideshare Platform; and disciplined capital and fleet management, in which our management team allocates our resources effectively.

Rideshare Car Rentals, LLC

In October 2017, the Company created Rideshare in order to launch the Rideshare Platform, a booking platform developed, coded and wholly-owned by us, and used primarily to rent our Distinct Car vehicles to TNC ridesharing and delivery gig drivers. The Rideshare Platform commercially markets the Distinct Cars fleet (and to a lesser extent the vehicles of other fleet owners and selected individual car owners) to ridesharing and delivery gig drivers. The Company initially launched the Rideshare Platform in Los Angeles, CA and has since expanded it to Oakland, CA; Las Vegas, NV; Chicago, IL; Newark, NJ.

The Rideshare Platform's functionality provides drivers with access to certain data emitted from their respective Distinct Cars rental vehicle(s) through a personal Rideshare dashboard. Vehicle owners can also access and manage data emitted from their personal vehicle(s) under rental to a third-party from the Rideshare Platform inventory dashboard and can further manage the other aspects of the vehicle rental transaction through the Rideshare Platform, including rental extension options. All transactional aspects of the rental vehicle(s) (including, but not limited to, background checks, terms, deposits and insurance costs) are run securely through the Rideshare Platform. In addition, our Rideshare website not only effectively monetizes the Distinct Cars vehicle fleet, but also generates revenue by charging transactional fees to other vehicle owners and ridesharing and delivery gig drivers for all rental transactions consummated on the Rideshare Platform. The Rideshare Platform is available on desktop, iOS and Android devices.

Most importantly, all passenger vehicles and transit vans made available on the Rideshare Platform not owned by us are fully qualified by the Company and guaranteed to meet the necessary TNC qualification requirements.

Distinct Cars

In June 2017, the Company formed Distinct Cars for the purpose of developing a fleet management business to couple with the Rideshare Platform, which was then under development. Distinct Cars maintains a fleet of new standard and, increasingly and ultimately exclusively, electric passenger vehicles and transit vans for the logistical space to be rented directly to drivers in the ridesharing and delivery gig economies through the Rideshare Platform. The Company's fleet of vehicles, under lease contract and maintained by Distinct Cars, as well as other third-party vehicles, have been made commercially available for rental bookings on the Rideshare Platform. Distinct Cars markets and manages short and long-term vehicle rentals to ridesharing and delivery gig economy drivers. As of the date of this Report, approximately half of these drivers are located in greater Los Angeles while the other half are located in the other six cities where we have operations.

In August 2017, we entered into a leasing arrangement for an initial group of twelve (12) vehicles, with the intent of testing our concept within the ridesharing industry. Following the Company's proof of concept period, we expanded in December 2017 by adding an additional 135 vehicles to our fleet. As of January 3, 2022, Distinct Cars includes a fleet of approximately 1,000 vehicles- including standard internal combustion engine and electric passenger vehicles as well as transit vans for the last-mile logistical space- under lease contract. Generally, professional ridesharing and delivery gig economy drivers contract for vehicle rental periods ranging from less than three days to six months. The rental vehicles made available to TNC drivers by the Company are configured and guaranteed to be compliant with the same vehicle requirements promulgated by the largest private ridesharing TNCs, Uber and Lyft.

The Company believes that customers will rent vehicles offered by Distinct Cars in order to reduce the complexity and cost associated with vehicle ownership, and to guarantee compliance with the TNC vehicle requirements. Depending on the make and model of the requested vehicle, our rental prices begin at \$39 per day or \$795 per month. Under our full-service rental agreement,

the Company provides and fully maintains the vehicle; the services provided include preventive and regular maintenance, advanced diagnostics through our GPS solution software, emergency road service, fleet services, and safety programs, through our Company-operated facilities.

Commercial Fleet Purchase Programs

As of December 31, 2022 our fleet consists of Tesla Model 3, Hyundai Elantra, Chevy Bolt, Hyundai Ionic, Kia Forte, Nissan Sentra and Nissan Altimas. Through direct ordering from OEM Manufacturers and dealers, we are able to procure vehicles at or below MSRP pricing through bulk purchases and developed relationship channels.

Vehicles are financed through several developed capital lease financing partners: ACME Financing, Utica Leasing, Liberty Commercial and NFS Leasing.

Additionally, we have added an operating lease partner, Spring Free EV, to assist with additional electric vehicle procurement and financing.

Neither partnership is in the form of a supply or requirements contract. We submit, on an as-needed basis, purchase orders for vehicles and these orders are fulfilled on the general terms established at the inception of the partnership program, including below-MSRP pricing.

Vehicle and Driver Requirements

We generally impose the same requirements on both drivers and vehicles as those of Uber and Lyft. Any driver who wishes to rent a car from us or use the Rideshare Platform in their own vehicle is screened and evaluated to ensure that he or she:

- is at least 21 years of age;
- has had an in-state driver's license for at least one year;
- passes a background check, including a clean driving record; and
- has or will qualify for in-state auto insurance in their own name.

As noted, each of our Distinct Cars vehicles meets both Uber and Lyft vehicular requirements. If a driver does not rent a vehicle from our fleet we obtain a motor vehicle report for his or her vehicle at the outset of their use of the Rideshare Platform, and renew it every six months. The requirements any vehicle using the Rideshare Platform, whether from Distinct Cars or not, must meet are as follows:

- The vehicle must have four doors and be able to transport a minimum of four passengers;
- The vehicle model must be 15 years old or newer;
- The vehicle's title cannot be salvaged, reconstructed or rebuilt; and
- The vehicle must be in good physical condition with no cosmetic damage, including no missing pieces, commercial branding, or "paint jobs."

Also, a vehicle used by a ridesharing driver must be able to pass an inspection test, which typically includes headlights, tail-lights, indicator lights, stop lights, foot brakes, emergency/parking brake, steering mechanism, windshield, heat and air conditioning, front, rear and side windows, front seat adjustment mechanism, door controls (open, close, lock), horn, speedometer, body condition/ damage, muffler and exhaust system, condition or tires, interior and exterior rear-view mirrors and safety belts for driver and passengers.

Insurance

As of the date of this Report, the Company, together with our managing general underwriter, American Business Insurance Services, Inc. (the "MGU"), maintains an insurance policy on behalf of the Company. Under the policy the MGU handles all back-end insurance generation and processing through an application programming interface (API) connection with the Company's databases. We believe that this MGU insurance policy has made it possible for us to maintain our Rideshare Platform, which allows the Company to have other third-party fleet owners supply vehicles to drivers through our platform and have them covered under the terms of our insurance policy. Our insurance policy provides physical damage and liability coverage to all rideshare drivers under the Rideshare Platform. Under the terms of our policy, both Rideshare Platform drivers acquiring vehicles through Distinct Cars as well as owners of their own vehicles are provided with an insurance ID card that lists each party's name and the vehicle VIN number. Our Rideshare Platform customers pay daily (for the duration of the rental period) to become designated as a supplemental insured party under the Company's insurance policy. Under the terms of our policy, insurance coverage is valid from the date of commencement of the rental period up until the date that the vehicle is returned.

Further, the Company's car liability and physical damage insurance policies cover both third-party vehicle owners as well as ridesharing and delivery gig drivers under rental contract. These policies provide insurance on all listed vehicles, provided that the coverage is suspended during periods when the ridesharing driver under rental contract with the Company is actively operating on either the Uber or Lyft platform.

In September 2022, the Company added Premier Mobility Insurance Company to place additional physical damage insurance for our owned and leased fleet.

Intellectual Property

As of the date of this Report, we have two registered trademarks “YayYo®” and the service mark for a stylized design representing an automobile that is present in our web sites and our marketing materials. We have no applications for other trademarks at present. We have no patents or copyrights.

Human Capital

As of the date of this Report, we had approximately 27 full-time employees, all of which are based at our offices. None of our employees are subject to a collective bargaining agreement, and we believe that our relations with our employees generally are good.

Regulation

We are subject to a number of U.S. federal and state and foreign laws and regulations that involve matters central to our business. These laws and regulations may involve privacy, data protection, intellectual property, competition, consumer protection, export taxation or other subjects. Many of the laws and regulations to which we are subject are still evolving and being tested in courts and could be interpreted in ways that could harm our business. In addition, the application and interpretation of these laws and regulations often are uncertain, particularly in the new and rapidly evolving industry in which we operate. Because laws and regulations have continued to develop and evolve rapidly, it is possible that we may not be, or may not have been, compliant with each such applicable law or regulation. In addition to the foregoing, we are also subject to the following:

- Governmental regulations affect almost every aspect of our business, including the classification of ridesharing and delivery gig economy drivers as either independent contractors or employees, the fair treatment of our employees, wage and hour issues, and our financing activities with customers. We could also be susceptible to claims or related actions if we fail to operate our business in accordance with applicable laws;
- Federal and state governments in our markets have increasingly placed restrictions and limitations on the vehicles sold in the market in an effort to combat perceived negative environmental effects. For example, in the U.S., vehicle manufacturers are subject to federally mandated corporate average fuel economy standards which will increase substantially through 2025. Furthermore, numerous states, including California, have adopted or are considering requiring the sale of specified numbers of zero-emission vehicles. Significant increases in fuel economy requirements and new federal or state restrictions on emissions on vehicles and automobile fuels in the U.S. could adversely affect prices of and demand for the new vehicles that we rent;
- We are subject to a wide range of environmental laws and regulations, including those governing: discharges into the air and water; the operation and removal of storage tanks; and the use, storage and disposal of hazardous substances. In the normal course of our operations we use, generate and dispose of materials covered by these laws and regulations. We face potentially significant costs relating to claims, penalties and remediation efforts in the event of non-compliance with existing and future laws and regulations; and
- The Financial Accounting Standards Board is currently evaluating several significant changes to generally accepted accounting standards in the U.S., including the rules governing the accounting for leases. Any such changes could significantly affect our reported financial position, earnings and cash flows.

While we are actively working to mitigate the impact of vehicle-related regulations through our strategy of transitioning our vehicle fleet to electric, until such time as at least the majority of our fleet has switched, we will remain subject to such regulations.

Changes in the U.S. legal and regulatory environment that affect our operations, including laws and regulations relating to taxes, automobile related liability, insurance rates, insurance products, consumer privacy, data security, employment matters, licensing and franchising, automotive retail sales, cost and fee recovery and the banking and financing industry could disrupt our business, increase our expenses or otherwise have a material adverse effect on our results of operations, financial condition, liquidity and cash flows.

Competition

The market for providing vehicles to TNC drivers is competitive. We believe our principal competitors to be regional car rental companies with capabilities to provide the rental of vehicles for use by drivers who work for ridesharing and delivery gig platforms, and Lyft Express, which makes rental vehicles available to Lyft drivers. National car rental companies such as Hertz and Avis also have programs directed at ridesharing and delivery drivers. These companies are all larger and better-resourced than we are at present and have superior market presence and reputation.

However, we believe we enjoy a competitive advantage vis-à-vis the above companies through our ability to directly rent cars to our customers from our Distinct Cars fleet and the high functionality of the Rideshare Platform. We also believe that our transition

to electric vehicles over the coming years will enhance our brand and further distinguish us from our competitors.

Additional Information

Our website address is www.evmo.com. This site includes a link to the Rideshare Platform site, located at www.ridesharerental.com. It also includes all of the press releases we have issued since our formation and an investor relations page. Our investor relations page includes a link to all of our registration statements and periodic reports posted on the SEC's EDGAR site, including but not limited to our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Exchange Act. These reports are available free of charge and may be accessed via our investor relations website as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC.

ITEM 1A. RISK FACTORS

Under current SEC rules, as a smaller reporting company, we are not required to provide risk factor disclosure in this Report or in any of our periodic reports until such time as we no longer qualify as a smaller reporting company. However, we included a comprehensive set of risk factors in a registration statement on Form S-1 that was declared effective by the SEC on December 23, 2021, and can be accessed here: <https://www.sec.gov/ix?doc=/Archives/edgar/data/0001691077/000149315221031270/forms-1a.htm>. Most of these risk factors remain applicable to our business and operations.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

We lease and maintain our principal offices at 2301 N. Sepulveda Blvd. Manhattan Beach, CA 90266, which is where the majority of our operational staff conducts its activities on a day-to-day basis. We do not currently own any real estate.

ITEM 3. LEGAL PROCEEDINGS

We have included a description of the pending legal proceedings or potential claims against us whose outcome may, either individually or in the aggregate, have a material adverse effect on the Company's business, financial condition, operating results, or cash flows, in Note 12 to the audited financial statements for the fiscal year ended December 31, 2022 included elsewhere in this Report.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

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

Market Information

The Common Stock is currently quoted on the OTC Markets, also known as the “Pink Sheets.” The ticker symbol remains “YAYO,” which is based on our original name. From the date of our initial public offering in November 2019 until February 10, 2020, the Common Stock was traded on the Nasdaq Capital Market, but we voluntarily delisted from that exchange as of that date.

Holders

As of March 30, 2023, there were approximately 1,070 holders of record of our Common Stock.

Dividends

To date, we have not paid any dividends to the holders of Common Stock and do not anticipate doing so for the foreseeable future.

Securities Authorized for Issuance under Equity Compensation Plans

Pursuant to outstanding SEC guidance, we have disclosed this information in Part III of this Report, under “Item 12- SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT- Equity Compensation Plan Information.”

Stock Performance Graph

As a smaller reporting company, we are not required to provide a stock performance graph in this Report.

Unregistered Sales of Equity Securities

There were no unregistered sales of equity securities by the Company in fiscal 2022. The Company issued 100,000 shares of Common Stock to Mr. Shawn Mesaros as consideration for services and support in connection with the Common Stock offering completed on January 6, 2022.

Stock Repurchases

We have not made any repurchases of the Common Stock since our initial public offering in November 2019.

ITEM 6. [RESERVED]

No disclosure is required under this item at this time.

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

Our Corporate History and Background

EVmo was initially formed on June 21, 2016 as a Delaware limited liability company under the name “YayYo, LLC.” The Company was subsequently converted into a Delaware corporation pursuant to Section 265 of the Delaware General Corporation Law (the “DGCL”). The Company now operates as a “C” corporation formed under the laws of the State of Delaware.

We became a reporting company when, on March 17, 2017, an offering circular on Form 1-A relating to a best-efforts offering of our Common Stock pursuant to “Regulation A+” of the Securities Act of 1933, as amended (the “Securities Act”), was qualified by the Securities and Exchange Commission (the “SEC”). Then, on November 15, 2019, we completed an initial public offering of 2,625,000 shares of Common Stock, at \$4.00 per share, for gross proceeds, before underwriting discounts and expenses, of \$10.5 million and our Common Stock was listed on the Nasdaq Capital Market (“Nasdaq”) under the ticker symbol “YAYO.”

On February 10, 2020, after being advised by Nasdaq that it believed we no longer met the conditions for continued listing, the Company announced its intent to voluntarily delist its Common Stock. Since delisting from Nasdaq, our Common Stock has been quoted and traded on the Pink Open Market, which is operated by OTC Markets Group, under the same ticker symbol. The delisting was effective on March 1, 2020.

In September 2020, we changed our name from YayYo, Inc. to Rideshare Rental, Inc., in order for our corporate brand to better reflect our principal businesses, ridesharing and vehicle rentals. In February 2021, we again changed our name to EVmo, Inc., to

underscore our commitment to making a full transition to electric vehicles by the end of 2024. In January 2022, we completed a follow-on offering of 27,400,000 shares of our Common Stock, at \$0.50 per share, for gross proceeds, before underwriting discounts and expenses, of \$13,700,000.

We are a holding company operating principally through two wholly-owned subsidiaries: Rideshare and Distinct Cars. The Rideshare Platform provides TNC drivers with an online booking platform, while Distinct Cars maintains a fleet of passenger vehicles and transit vans for use in the last-mile logistical space for rent to our TNC driver customers, enabling such drivers to meet the vehicle suitability and other requirements of rideshare and delivery gig companies such as Uber, Lyft, DoorDash and Grubhub. Through Rideshare and Distinct Cars, we seek to become a leading provider of rental vehicles to drivers in the ridesharing and delivery gig spaces, and an industry leader in supplying transit vans for last-mile logistics.

Impact of COVID-19 on our business

On January 30, 2020, the World Health Organization declared the outbreak of the coronavirus disease (COVID-19) a “Public Health Emergency of International Concern,” and on March 11, 2020, it characterized the outbreak as a “pandemic.” In response, numerous states and cities ordered their residents to cease traveling to non-essential jobs and to curtail all unnecessary travel, and similar restrictions were recommended by the federal government. Beginning in the first quarter of 2020, which saw the initial rapid spread of COVID-19, rideshare companies were severely and negatively impacted, as demand plummeted. Consequently, the Company experienced a decline in revenue during the first half of 2020, which had a negative impact on our cash flows, but we then saw a positive upward movement in revenue during the second half of 2020, which continued through fiscal 2021. Currently, through fiscal 2022, the demand for Rideshare remains high with little impact remaining from the COVID-19 pandemic.

Given the current prevalence of FDA-approved eligible vaccines across most age groups, the marked decrease in the number of COVID-19 infections, hospitalizations and deaths in 2022, and the resulting easement of pandemic restrictions in our active markets, we are optimistic that COVID-19 will not have a material impact on our operations in the current fiscal year. However, certain factors- including, for example, a new, more aggressive and deadly variant that is resistant to the vaccines could alter our prediction.

Principles of consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Distinct Cars and RideShare. (As of the date of this Report, our other wholly-owned subsidiary, EV Vehicles, has no material assets and generates no revenue,) All significant intercompany transactions and balances have been eliminated.

Consolidated Results of Operations—Year ended December 31, 2022, Compared to Year ended December 31, 2021.

Total Revenues

Revenue for the year ended December 31, 2022 was \$12,558,427, an increase of \$2,322,797 or 22.69% compared to revenue for the year ended December 31, 2021 of \$10,235,630. The increase is attributed to improved operating results stemming from, in part, drivers who regularly extend their vehicle rentals through Rideshare and an increase in the size of Distinct Cars’ vehicle fleet.

Cost of Revenues

Cost of revenues for the year ended December 31, 2022 were \$10,068,469, an increase of \$1,517,015 or 17.74% compared to cost of revenues for the year ended December 31, 2021 of \$8,551,454. Depreciation expense on the vehicles is included in cost of revenues. The increase is due to higher depreciation expenses due to an increase in fleet size and higher repairs and maintenance, including body shop expenses to redeploy vehicles. For the years ended December 31, 2022 and 2021 our cost of revenue including vehicle depreciation was 19.8% and 22.0% of our revenue, respectively. The increase in the cost of revenue is mainly attributed to an increase in body shop-related expenses, depreciation expense, auto maintenance expenses and registration expenses due to the increase in fleet size in 2022.

If we exclude vehicle depreciation, gross profit the year ended December 31, 2022 was \$5,465,531, an increase of \$799,183 or 17.1% compared to gross profit for the year ended December 31, 2021 of \$4,666,348. Excluding vehicle depreciation, gross margin the year ended December 31, 2022 was 43.5%, as compared to gross margin for the year ending December 31, 2021 of 45.5%.

Selling and Marketing Expenses

Selling and marketing expenses for the year ended December 31, 2022 were \$348,277 representing an increase of \$65,096 or 23.0% over the year ended December 31, 2021 of \$283,181. The increase is attributed to targeted marketing efforts to rent the additions to our fleet in each of our five operations locations.

General and Administrative Expenses

General and administrative expenses for the year ended December 31, 2022 were \$6,451,021, representing a decrease of \$1,946,128 or 23.2% below the year ended December 31, 2021 of \$8,397,149. This decrease is attributable to spending efficiency, reduction of legal fees/settlements, and reduced professional fees.

Total Operating Expenses

Total operating expenses for the year ended December 31, 2022 were \$7,042,287, representing a decrease of \$1,837,796 or 20.7% compared to the year ended December 31, 2021 of \$8,880,083. The decrease is due to the aggregate reasons described in the expense-related disclosure above.

Interest Expense, Net

Interest and financing expenses for the year ended December 31, 2022 were \$2,589,898 compared to \$6,296,524 for the year ended December 31, 2021. The decrease in interest and financing cost for the year ended December 31, 2022 was due to the completion of our capital raise in January 2022.

Gain on Forgiveness of Debt

Gain on forgiveness of debt for the year ended December 31, 2022 was \$0 as compared to \$8,000 for the same period in 2021, as, during the year ended December 31, 2021, a small balance remaining on an Economic Impact Disaster Loan granted by the Small Business Administration Loan was forgiven.

Net Loss

The net loss for the year ended December 31, 2022 was \$(7,142,227), representing an improvement of \$7,842,651 or 52.3% compared to the net loss for the year ended December 31, 2021 of \$(14,984,878). The increase and improvement is due to the aggregate reasons described in the expense-related disclosure above.

Liquidity, Capital Resources and Plan of Operations

In November 2019, we completed our initial public offering of Common Stock, and sold a total of 2,625,000 common shares at a price of \$4.00 per share. Total gross proceeds from the offering were \$10,500,000, before deducting underwriting discounts and other offering expenses.

In January 2021, we received \$500,000 from one of our stockholders in exchange for a convertible note. The note was convertible into shares of Common Stock at \$0.50 per share and was converted into 1,000,000 shares of Common Stock in February 2021.

In April 2021, as part of a securities purchase agreement, we issued and sold to an investor a 12.5% original issue discount convertible promissory note and a Common Stock purchase warrant. The note had an original principal amount of \$2,250,000, with an original issue discount of \$250,000. It bore interest at a fixed rate of ten percent (10%), was convertible into shares of Common Stock at a price of \$3.00 per share (subject to adjustment), and was to mature on January 12, 2022. The warrant granted the investor the right to purchase 187,500 shares of Common Stock at an exercise price of \$3.00, subject to adjustment; it is exercisable at any time within five (5) years of the date of issuance and additional warrants, each for 93,750 shares of Common Stock with an exercise price of \$3.00 per share, were to be issued by the Company to the investor each month that the note remains outstanding.

In July 2021, we entered into a term loan, guarantee and security agreement we entered into with EICF Agent LLC, as agent for the lenders, and Energy Impact Credit Fund I, LP, as lender, providing for a secured term loan facility in an aggregate principal amount of up to \$15.0 million, consisting of a \$7.5 million closing date term loan facility and up to \$7.5 million of borrowings under a delayed draw term loan facility. The initial loan was fully drawn on the closing date. The term loan agreement will mature on July 9, 2026.

In connection with the term loan, we entered into an exchange agreement with the investor who we entered into the securities purchase agreement in April 2021. As part of the exchange agreement, the investor agreed to exchange the note we issued to it in April 2021 for 230,375 shares of Series B Preferred Stock, and a warrant. The warrant granted the investor the right to purchase 93,750 shares of Common Stock at an exercise price of \$3.00, subject to adjustment. This warrant is exercisable in full at any time within five (5) years of the date of issuance. Additional warrants on substantially identical terms were issued by the Company to the investor monthly until such time as the Preferred Stock was redeemed or converted in full, after which a final warrant was issued. All of the shares of Series B Preferred Stock were converted by their holder into shares of Common Stock, or redeemed by us, in the first quarter of 2022.

In January 2022, we completed a follow-on offering of 27,400,000 shares of Common Stock at a price of \$0.50 per share, for total gross proceeds of \$13,700,000.

Current Assets, Liabilities and Working Capital

At December 31, 2022, the Company's current assets totaled \$2,625,891, current liabilities totaled \$7,583,679, and working capital was a deficit of \$4,957,788. At December 31, 2021, the Company's current assets totaled \$4,077,934, current liabilities totaled \$7,051,073, and working capital was a deficit of \$2,973,139.

Regarding current liabilities, the amounts categorized as accounts payable and accrued expenses totaled \$2,051,926 and \$4,940,580 as of December 31, 2022 and 2021, respectively, a decrease of \$2,888,654 or 58.5%.

Since inception, our principal sources of operating funds have been: (i) proceeds from equity financings, including two public offerings of our Common Stock and the private sales of our Common Stock to certain investors in transactions exempt from registration under the Securities Act; (ii) the term loan for \$7.5 million described above; and (iii) revenues generated from our operations. As of December 31, 2022, the Company had \$1,702,942 in cash and cash equivalents. As of the date of this Report, we do not believe that we have sufficient capital to finance our operating expenses for the remainder of this fiscal year and the Company is actively seeking new sources of capital.

Capital Expenditures

During the year ended December 31, 2022, the Company had capital expenditures of \$16,807,593 in leased vehicles. Most of the Company's vehicles are financed with leases. At December 31, 2022 the Company had \$27,702,758 of rental vehicles, net of accumulated depreciation in the amount of \$7,001,331, totaling \$20,701,427 in net rental vehicles. At December 31, 2021 the Company had \$13,514,619 of rental vehicles, net of accumulated depreciation in the amount of \$4,627,300, totaling \$8,887,319 in net rental vehicles. Additionally, the Company purchased \$132,000 in kiosks for the launch of the Trek World project in Illinois. A contract is in place with Trek World to guarantee the costs of the kiosks through rental of the vehicles and a revenue share potential on the point-of-sale device merchant fees. Should Trek World terminate the rental agreements. Payment in full for the \$132,000 is to be reimbursed at termination of the rentals from Trek World. The Company's rental vehicles and kiosks are depreciated over their estimated useful life of five years. The lease terms for those rental vehicles that are leased are generally for one to three years and the Company has the right to purchase the leased vehicle at the end of the lease terms.

Statement of Cash Flows

Cash Flows from Operating Activities

Net cash expended by operating activities for the year ended December 31, 2022 totaled \$(7,453,435), which was a increase of \$5,999,241 from the net cash generated from operating activities of \$(1,454,194) for the same period in 2021. The decrease is primarily due to the acquisition of leased vehicles increasing the fleet size.

Cash Flows from Financing Activities

Net cash generated from financing activities for the year ended December 31, 2022 totaled \$7,434,449, which was an increase of \$2,465,882 from the net cash expended in financing activities of \$4,968,567 for the same period in 2021. The change is principally due to the capital raise completed in January 2022.

Current Plan of Operations

Our plan of operations is currently focused on the growth and ongoing development of our operating businesses: (i) the Rideshare Platform, offered through Rideshare, (ii) our vehicle fleet, which is commercially available through Distinct Cars, and (iii) our fleet management initiatives. We expect to incur substantial expenditures in the foreseeable future for the continuing operations of our businesses. We embarked on our EV strategy in 2021, in which we set a goal to replace our entire fleet of vehicles with all electric vehicles by 2026. At this time, we cannot reliably estimate the timing or aggregate amount of all of the costs associated with these efforts and, as of the date of this Report, we cannot continue to execute our EV strategy until such time as we have secured new sources of capital.

We continually reevaluate our plan of operations to determine how we can most effectively utilize our resources. The completion of any aspect of our plan of operations is highly dependent upon the availability of cash to implement that aspect of the plan and other factors, several of which are beyond our control. There can be no assurance that our current capital resources will be adequate to continue to fund our ongoing operations, nor can there be any assurance that, should we require additional capital, we will successfully obtain it on favorable terms, or at all. The potential inadequacy of our existing capital or the inability to secure additional capital could have a material adverse effect on us, including the possibility that we would have to sell or forego a portion or all of our assets or cease operations. If we discontinue our operations, we may not have sufficient funds to pay any amounts to our stockholders.

If our operating businesses fail to achieve anticipated financial results, our existing capital will likely be depleted more quickly than we anticipate and our ability to raise additional capital in the future to fund our operations would likely be seriously impaired. If in

the future we are not able to demonstrate favorable financial results or projections from our operating businesses, we may not be able to raise the capital we need to continue operations.

Our working capital requirements depend upon numerous factors and there can be no assurance that our current cash resources will be sufficient to fund our short-term operations. We have determined that our long-term operations will require new sources of capital, which we are actively working to obtain at this time.

Contractual Obligations, Commitments and Contingencies

The Company periodically enters into a series of monthly vehicle leasing agreements with ACME Auto Leasing, Utica Leasing Company, NFS Financial Services, Liberty Financial and Spring Free EV each with an approximate lease term of 12 to 60 months. As of December 31, 2022 and December 31, 2021, the Company had total principal lease obligations before residuals and interest expense in the amount of \$13,675,268 and \$3,989,210, respectively. The Company owes monthly payments under each lease agreement ranging from approximately \$285 per month to \$1,150 per month. At the end of the term of most lease agreements, we have the right to purchase ownership and title of the subject vehicle for a nominal payment. In addition, the lease agreements are subject to and secured by a grant of a purchase money security interest on each leased vehicle. We expect the useful life of each vehicle to be approximately five years but also expect to cycle vehicles at three years.

We lease and maintain our principal offices at 2301 N. Sepulveda Blvd. Manhattan Beach, CA 90266 where the majority of our operational staff conducts its activities on a day-to-day basis. We do not currently own any real estate.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risk

In the ordinary course of our business, we are impacted by increasing interest rates. Future financing of leased vehicles cost is accelerated due the rising interest rates along with some of our vehicle leases adjust as the prime rates change. Additionally, our current note payable with Energy Impact Partners monthly interest costs accelerate as prime rates are increases.

Foreign currency exchange rates, or that may otherwise arise from transactions in derivatives do not have an impact on our business.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States, or U.S. GAAP. Preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs and expenses and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable. In many instances, we could have reasonably used different accounting estimates and in other instances changes in the accounting estimates are reasonably likely to occur from period to period. This applies in particular to useful lives of non-current assets and valuation allowance for deferred tax assets. Actual results could differ significantly from our estimates. To the extent that there are material differences between these estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving our judgments and estimates.

There is one material deviation from GAAP related to ASC 842. The lease balances presented represent remaining principal balances of each lease as of December 31, 2022. The disclosure identifies the future interest payments to represent the full lease payment obligations. The current treatment is a material deviation from GAAP and ASC 842 but consistent with prior year treatment. An ASC 842 study is planned for 2023 and the Company expects to modify and adjust to comply with ASC 842 by fiscal year end 2023.

Equipment and Rental Vehicles

Equipment and Rental Vehicles are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When equipment is retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of equipment and rental vehicles is provided using the straight-line method for substantially all assets with estimated lives as follows:

Computer equipment	5 years
Vehicles	5 years

The Company has not changed its estimate for the useful lives of its equipment and rental vehicles, but would expect that a decrease in the estimated useful lives of equipment and rental vehicles of one year would result in an annual increase to depreciation expense of approximately \$675,000, and an increase in the estimated useful lives of equipment and rental vehicles of one year would result in an annual decrease to depreciation expense of approximately \$450,000.

Income Taxes

The Company accounts for income taxes in accordance with ASC Topic 740, *Income Taxes*. ASC 740 requires a company to use the asset and liability method of accounting for income taxes, whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion, or all of, the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment. The Company has not changed its methodology for estimating the valuation allowance. A change in valuation allowance affect earnings in the period the adjustments are made and could be significant due to the large valuation allowance currently established.

Under ASC 740, a tax position is recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit is recorded. The adoption had no effect on the Company’s consolidated financial statements.

Revenue Recognition

The Company recognizes revenue from renting its fleet of cars to ridesharing and delivery gig drivers. Revenue is recognized based on the rental agreements which are generally on a weekly basis. The Company recognizes revenue in accordance with FASB ASC 606, *Revenue From Contracts with Customers*.

We consider a signed contract or other similar documentation reflecting the terms and conditions under which products will be provided to be persuasive evidence of an arrangement. Collectability is assessed based on a number of factors, including payment history and the creditworthiness of a customer. If it is determined that collection is not reasonably assured, revenue is not recognized until collection becomes reasonably assured, which is generally upon receipt of cash.

Stock-Based Compensation

The Company records stock-based compensation in accordance with FASB ASC Topic 718, *Compensation – Stock Compensation*. FASB ASC Topic 718 requires companies to measure compensation cost for stock-based employee compensation at fair value at the grant date and recognize the expense over the employee’s requisite service period. The Company recognizes in the statement of operations the grant-date fair value of stock options and other equity-based compensation issued to employees and non-employees.

Contingencies

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The Company’s management, in consultation with its legal counsel as appropriate, assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company, in consultation with legal counsel, evaluates the perceived merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought therein. If the assessment of a contingency indicates it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company’s financial statements. If the assessment indicates a potentially material loss contingency is not probable, but is reasonably possible, or is probable, but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss, if determinable and material, would be disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a smaller reporting company, we are not required to provide this information.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

See “Index to Consolidated Financial Statements” which appears on page F-1 of this Annual Report on Form 10-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain a set of disclosure controls and procedures (as that term is defined in Rule 13a-15(e) under the Exchange Act). Disclosure controls and procedures are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC. Disclosure controls and procedures are, without limitation, also intended to ensure that such information is gathered and communicated to management, including our chief executive officer (“CEO”) and chief financial officer (“CFO”), or persons performing similar functions, as appropriate, to facilitate timely decisions regarding required disclosure.

In accordance with Rule 13a-15(b) under the Exchange Act, as of the end of the period covered by this Report, an evaluation was carried out under the supervision and with the participation of our management, including our CEO and CFO, to assess the effectiveness of our disclosure controls and procedures as of December 31, 2022. Based on that evaluation, our CEO and CFO have concluded that, at December 31, 2022, such disclosure controls and procedures were not effective. We elaborate on the basis for this conclusion in the discussion contained in our “Management’s Report on Internal Control over Financial Reporting” below.

Changes in Internal Controls over Financial Reporting

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during our most recently completed fiscal year that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls

Our disclosure controls and procedures are designed to provide reasonable, not absolute, assurance that the objectives of our disclosure control system are met. Because of inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected. Our CEO and CFO have concluded, based on their evaluation as of the end of the fiscal year covered by this Report, that our disclosure controls and procedures were not effective as a result of a control issue described herein; however, it is possible that this evaluation failed to identify other control issues that would have reinforced this conclusion, and for which we have not yet initiated any remedial action.

Management’s Report on Internal Control over Financial Reporting

As required by SEC rules and regulations for the implementation of Section 404 of the Sarbanes-Oxley Act, our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements for external reporting purposes in accordance with GAAP. Our internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of our company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect errors or misstatements in our consolidated financial statements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management assessed the effectiveness of our internal control over financial reporting at December 31, 2022. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission COSO (2013 framework). Based on those criteria, management determined that we did not maintain effective internal control over financial reporting at December 31, 2022.

Our management has concluded that our internal control over financial reporting contains a material weakness. 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 the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

We do not have sufficient segregation of duties within our accounting functions, which is a basic internal control. Due to our size and nature, segregation of all conflicting duties may not always be possible and may not be economically feasible. However, to the extent possible, the initiation of transactions, the custody of assets, and the recording of transactions should be performed by separate individuals. Management weighed the impact of our failure to have a proper segregation of duties on our assessment of our disclosure controls and procedures and has concluded that the resulting control deficiency represented a material weakness.

To address this material weakness, management has implemented procedures to ensure that the financial statements balances included herein fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented. In 2021, the Company improved oversight relating to its accounting and finance functions, but has yet to hire a sufficient number of additional accounting and finance staff to fully address the material weakness identified herein. Therefore, as of the date of this Report, this material weakness still exists and is the basis for our conclusion that our disclosure controls and procedures were, at December 31, 2022, and remain, not effective.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

The following sets forth information about our directors and executive officers as of the date of this Report:

Name	Age	Position
Stephen M. Sanchez	56	Chief Executive Officer, Director and Acting Board Chair
Ryan Saathoff	49	Chief Financial Officer
Michael Harris	42	Chief Operating Officer
Douglas M. Mox	55	Director
John P. O'Neill	64	Director

Executive Officers

Stephen M. Sanchez has been one of our directors since January 2020 and has served as the Company's Chief Executive Officer on a part-time basis since February 2021. Mr. Sanchez has over 30 years of experience in the logistics industry, particularly in the design, implementation and operation of last-mile delivery services. Since November 2019, Mr. Sanchez also serves as the CEO of PDQ Pickup LLC, a moving and logistics company, or PDQ Pickup. From August 2019 until November 2019, Mr. Sanchez was the Chief Operating Officer of PDQ Pickup. From January 2018 until August 2019, Mr. Sanchez was Senior Vice President of Operations and Business Development for Boxbot, Inc., a robotics company focusing on the development and sale of autonomous last-mile delivery vehicles. From November 2015 until January 2018, Mr. Sanchez was Senior Manager of Final Mile Process Engineering for Amazon, Inc. From September 2014 until November 2015, Mr. Sanchez served as Vice President/Director of Supply Chain – Hub and Network Planning, for LaserShip Inc., a regional provider of same-day and next-day delivery services. Mr. Sanchez, who is a veteran of the U.S. Navy, also has held positions of increasing responsibility with affiliates of DHL International GmbH, as well as with National Express Corporation and United Parcel Service. We believe that Mr. Sanchez is qualified to serve as a director of our company as a result of his extensive leadership experience in logistics and business development.

Ryan Saathoff has served as the Company's Chief Financial Officer on a part-time basis since April 2020. In addition, Mr. Saathoff is the founder, CEO, and managing partner at RG Alliance, a privately-held full back office solutions company, with over 50 employees and 10% of its business outside the U.S. He has served as CEO of RG Alliance since 2012, and is responsible for all strategic outcome planning, financial strategy, process optimization, and leveraging business intelligence from key metrics. In that role, he has been significantly involved in supporting his clients through multiple large public and private financial acquisitions and has guided several client executive teams in taking their companies public. He also serves on the boards of several non-profit companies and is affiliated with numerous professional and industry associations. Mr. Saathoff holds a Bachelor of Arts degree from California State University, San Marcos.

Michael Harris has served as the Company's Chief Operating Officer since January 2022. Effective January 3, 2023, Michael Harris was appointed Chief Operating Officer ("COO") of the Company. Mr. Harris, who had previously served as the Company's Executive Vice President, Operations and Engineering, succeeds Gregory Miller, who resigned as COO in August 2022. The Board approved and ratified Mr. Harris's promotion to COO at a meeting held on November 29, 2022. Mr. Harris, 42, joined the Company in March 2021 as Vice President of Engineering. Prior to then, he worked at OnTrac for over 5 years as senior manager of industrial engineering and for 12 years at FedEx Ground Shipping as an engineering manager. Mr. Harris holds a bachelor of science degree from West Virginia University and a Master of Business Administration from Mount St. Mary's University.

Board of Directors

Departures:

Terren S. Peizer was appointed the Executive Chairman of the Board of Directors in February 2021. Mr. Peizer resigned and Chairman of the Board and from the Board of Directors on February 10, 2023.

Harbant S. Sidhu served as a director of the Company beginning in January 2020. Mr. Sidhu resigned as a member of the Board of Directors on January 3, 2023.

Current Board of Directors:

Douglas M. Mox has been one of our directors since January 2020. Mr. Mox has extensive experience in financial management and strategic planning, as well as logistics, engineering and operations. Since January 2013, Mr. Mox has been the Chief Operating Officer of Grace Thomas Investment, a private equity firm. Prior thereto, Mr. Mox, who has a B.S. degree in aviation management/logistics, worked as a senior manager at DHL Worldwide Express, an affiliate of DHL International GmbH, and as an industrial engineering manager for United Parcel Service. The Company believes that Mr. Mox is qualified to serve as a director of the Company as a result of his financial expertise and his extensive experience in the private equity and logistics industries.

John P. O'Neill has been one of our directors since January 2020. Mr. O'Neill is a 45-year veteran of the logistics industry and has worked both in the U.S. and internationally over the course of his career. Since 1990, Mr. O'Neill has been employed by affiliates of DHL International GmbH in positions of increasing responsibility in the U.S. and throughout Asia. From March 2013 through April 2020, Mr. O'Neill was the Deputy Managing Director of DHL-Sinotrans International Air Courier, in Beijing. Mr. O'Neill returned to the U.S. and retired from DHL at the end of April 2020. Currently he provides consulting services in the logistics industry and actively manages various investments. The Company believes that Mr. O'Neill is qualified to serve as a director of the Company as a result of his extensive leadership experience in the logistics industry.

Stephen M. Sanchez has been one of our directors since January 2020 and has served as the Company's Chief Executive Officer on a part-time basis since February 2021. Mr. Sanchez has over 30 years of experience in the logistics industry, particularly in the design, implementation and operation of last-mile delivery services. Since November 2019, Mr. Sanchez also serves as the CEO of PDQ Pickup LLC, a moving and logistics company, or PDQ Pickup. From August 2019 until November 2019, Mr. Sanchez was the Chief Operating Officer of PDQ Pickup. From January 2018 until August 2019, Mr. Sanchez was Senior Vice President of Operations and Business Development for Boxbot, Inc., a robotics company focusing on the development and sale of autonomous last-mile delivery vehicles. From November 2015 until January 2018, Mr. Sanchez was Senior Manager of Final Mile Process Engineering for Amazon, Inc. From September 2014 until November 2015, Mr. Sanchez served as Vice President/Director of Supply Chain – Hub and Network Planning, for LaserShip Inc., a regional provider of same-day and next-day delivery services. Mr. Sanchez, who is a veteran of the U.S. Navy, also has held positions of increasing responsibility with affiliates of DHL International GmbH, as well as with National Express Corporation and United Parcel Service. We believe that Mr. Sanchez is qualified to serve as a director of our company as a result of his extensive leadership experience in logistics and business development. Mr. Sanchez has been serving as the acting Board Chair since the resignation from the Board of Mr. Peizer on February 10, 2023.

CORPORATE GOVERNANCE

Board of Directors

The Board of Directors oversees our business affairs and monitors the performance of management. In accordance with our corporate governance principles, the Board of Directors does not involve itself in day-to-day operations of the Company. The directors keep themselves informed through discussions with the Chief Executive Officer, other senior executives and by reading the reports and other materials that we send them, and by their participation in Board of Directors and committee meetings.

Term of Office

Each of our current directors, with the exception of our Executive Chairman Terren S. Peizer, was elected to the Board in January 2020 in accordance with Section 3 of the Company's By-Laws. Mr. Peizer was appointed to the Board by a unanimous vote of the directors in connection with an expansion of the Board that was authorized in February 2021. Since the current term of office for each director is one year, and the Board has not yet scheduled an annual meeting of Company shareholders or arranged to take action by unanimous written consent of a majority of Company shareholders, each director may, as of the date of this Report, be considered a "holdover director."

The Board size was expanded in February 2021 from five to seven members, although the Board has yet to take action to fill the vacancies in its membership. At such time as the Board has been fully constituted, it intends to take action to elect its membership either at a meeting of Company shareholders or by unanimous written consent of a majority of Company shareholders.

Director Independence

Our Board of Directors is comprised of a majority of “independent directors” as defined under Rule 803 of the NYSE American Company Guide (“Rule 803”). Although we are not currently listed on the NYSE American (or any other national securities exchange), we are using Rule 803’s definition of “independence” to make this determination. Rule 803 provides that an “independent director” is a person other than an executive officer or employee of the company or any other individual having a relationship which, in the opinion of the Company’s Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Rule 803 further provides that a director cannot be considered independent if:

- the director is, or at any time during the past three (3) years was, an employee of the Company, not including interim employment that lasted less than one (1) year;
- the director or a family member of the director accepted any compensation from the Company in excess of \$120,000 during any period of twelve (12) consecutive months within the three (3) years preceding the independence determination (subject to certain exemptions, including, among other things, compensation for Board or Board committee service);
- the director who is a family member of a person who served as an executive officer of the Company at any time during the past three (3) years;

- the director or a family member of the director is a partner in, controlling shareholder of, or an executive officer of an entity to which the Company made, or from which the company received, payments in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenue for that year or \$200,000, whichever is greater (subject to certain exemptions);
- the director or a family member of the director is employed as an executive officer of an entity where, at any time during the past three (3) years, any of the executive officers of the Company served on the compensation committee of such other entity; or
- the director or a family member of the director is a current partner of the Company's outside auditor, or at any time during the past three (3) years was a partner or employee of the Company's outside auditor, and who worked on the Company's audit.

Under such definitions, our Board has undertaken a review of the independence of each director. Based on information provided by each director concerning his or her background, employment and affiliations, our Board has determined that Douglas M. Mox and John P. O'Neill are all independent directors of the Company. However, our Common Stock is not currently quoted or listed on any national exchange or interdealer quotation system with a requirement that a majority of our Board be independent and, therefore, the Company is not subject to any director independence requirements.

Board Leadership Structure and Risk Oversight

The Board oversees our business and considers the risks associated with our business strategy and decisions. The Board currently implements its risk oversight function as a whole. Each of the Board committees, as set forth below, will also provide risk oversight in respect of its areas of concentration and reports material risks to the board for further consideration.

Board of Directors Meetings and Attendance

During the fiscal year ended December 31, 2022, the Board of Directors held three (3) meetings. There was a quorum present at each meeting.

Code of Ethics

Although we are not required to do so, as our Common Stock is not listed on a national securities exchange in which an adopted Code of Ethics would be a listing requirement, our Board plans at some point to adopt a written code of business conduct and ethics (a "Code") that applies to our directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting officer or controller, or persons performing similar functions. We intend to post on our website a current copy of the Code and all disclosures that are required by law in regard to any amendments to, or waivers from, any provision of the Code.

Committees of the Board of Directors

Our Board has established an audit committee and a compensation committee. The composition and responsibilities of each of the committees of our Board is described below. Members serve on these committees until their resignation or until as otherwise determined by our Board of Directors.

Audit Committee

We have established an audit committee consisting of Douglas M. Mox and John P. O'Neill (the "Audit Committee"). The Audit Committee's duties, which are specified in our Audit Committee Charter, include, but are not limited to:

- reviewing and discussing with management and the independent auditor the annual audited financial statements, and recommending to the Board whether the audited financial statements should be included in our annual disclosure report;
- discussing with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of our financial statements;
- discussing with management major risk assessment and risk management policies;
- monitoring the independence of the independent auditor;
- verifying the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law;
- reviewing and approving all related-party transactions;

- inquiring and discussing with management our compliance with applicable laws and regulations;
- pre-approving all audit services and permitted non-audit services to be performed by our independent auditor, including the fees and terms of the services to be performed;
- appointing or replacing the independent auditor;

- determining the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work;
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or reports which raise material issues regarding our financial statements or accounting policies; and
- approving reimbursement of expenses incurred by our management team in identifying potential target businesses.

Consistent with the requirements of Rule 803, the Audit Committee is composed exclusively of independent directors, at least one of whom has past employment experience in finance or accounting, holds a professional certification in accounting, or has some other comparable experience or background that results in the individual being “financially sophisticated,” including but not limited to being a CEO, CFO or other senior officer with financial oversight. However, neither of Messrs. Mox or O’Neill qualifies as an “Audit Committee financial expert,” as that term is defined in current SEC regulations. The Board size has recently been expanded and we expect that one if not more than one of our new directors to be added to the Board will so qualify.

During the fiscal year ended December 31, 2022, the Audit Committee held one meeting.

Compensation Committee

We have established a compensation committee of the Board of Directors, which consists of Douglas Mox and Stephen M. Sanchez, the former of whom is an independent director. Mr. Mox is also a non-employee director, as defined pursuant to Rule 16b-3 promulgated under the Exchange Act, or Rule 16b-3, and an outside director, as defined pursuant to Section 162(m) of the Internal Revenue Code, or Section 162(m). Mr. Sanchez is the chairman of the compensation committee. The compensation committee’s duties, which are specified in our Compensation Committee Charter, include, but are not limited to:

- reviews, approves and determines, or makes recommendations to our board of directors regarding, the compensation of our executive officers;
- administers our equity compensation plans;
- reviews and approves, or makes recommendations to our board of directors, regarding incentive compensation and equity compensation plans; and
- establishes and reviews general policies relating to compensation and benefits of our employees.

During the fiscal year ended December 31, 2022, the Compensation Committee held one meeting.

Nominating Committee

We do not currently have a nominating committee. Instead of having such a committee, our Board of Directors historically has searched for and evaluated qualified individuals to become nominees for membership on our Board of Directors. The directors recommend candidates for nomination for election or reelection and, as necessary, to fill vacancies and newly created directorships.

We do not have a policy regarding the consideration of any director candidates which may be recommended by our stockholders, including the minimum qualifications for director candidates, nor has our Board of Directors established a process for identifying and evaluating director nominees. We have not adopted a policy regarding the handling of any potential recommendation of director candidates by our stockholders, including the procedures to be followed. In the event such a proposal is made, all members of our Board will participate in the consideration of director nominees.

Family Relationships

There are no family relationships among any of our officers or directors.

Involvement in Certain Legal Proceedings

To our knowledge, none of our current directors or executive officers has, during the past ten years:

- been convicted in a criminal proceeding or been subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
- had any bankruptcy petition filed by or against the business or property of the person, or of any partnership, corporation or business association of which he was a general partner or executive officer, either at the time of the bankruptcy filing or within two years prior to that time;
- been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction or federal or state authority, permanently or temporarily enjoining, barring, suspending or otherwise limiting, his involvement in any type of business, securities, futures, commodities, investment, banking, savings and loan, or insurance activities, or to be associated with persons engaged in any such activity;
- been found by a court of competent jurisdiction in a civil action or by the SEC or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
- been the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated (not including any settlement of a civil proceeding among private litigants), relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and- desist order, or removal or prohibition order, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Except as set forth above and in our discussion below in “Certain Relationships and Related Transactions,” none of our directors or executive officers has been involved in any transactions with us or any of our directors, executive officers, affiliates or associates which are required to be disclosed pursuant to the rules and regulations of the SEC.

Shareholder Communications

Currently, we do not have a process for shareholders to send communications to the Board of Directors. To date, no shareholders have made any recommendations to us to adopt such a policy.

Delinquent Section 16(a) Reports

Based solely upon a review of copies of such forms filed on Forms 3, 4, and 5, and amendments thereto furnished to us, we believe as of the date of this Report that our current executive officers, directors and greater than 10 percent beneficial owners have filed on a timely basis all Section 16(a) reports required to be filed during the year ended December 31, 2022.

ITEM 11. EXECUTIVE COMPENSATION

The following table provides information regarding the compensation earned for the years ended December 31, 2022 and 2021, for (i) all individuals serving as our principal executive officer or acting in a similar capacity during 2022 (“PEO”), and (ii) our two most highly compensated executive officers other than the PEO who were serving as executive officers at the end of 2022:

Name and principal Position	Year	Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Non-Qualified Deferred Compensation Earnings	All Other Compensation	Total
Stephen M. Sanchez <i>Chief Executive Officer (1)</i>	2022	\$309,750	\$ 0	0 \$	\$ 4,406	\$ 0	\$ 0	\$ 0	\$ 314,156
	2021	\$262,500	\$ 0	0 \$	\$ 36,536	\$ 0	\$ 0	\$ 0	\$ 299,036
Ryan Saathoff <i>Chief Financial Officer (2)</i>	2022	\$249,996	\$ 0	0 \$	\$ 17,601	\$ 0	\$ 0	\$ 0	\$ 267,600
	2021	\$196,500	\$ 0	0 \$	\$ 17,601	\$ 0	\$ 0	\$ 0	\$ 214,101
Gregory Miller <i>Chief Operating Officer (3)</i>	2022	\$100,108	\$ 0	0 \$	\$ 0	\$ 0	\$ 0	\$ 0	\$ 100,108
	2021	\$187,500	\$ 0	0 \$	\$ 0	\$ 0	\$ 0	\$ 0	\$ 187,500
Ramy El-Batrawi <i>Former Chief Executive Officer (4)</i>	2022	\$ 0	\$ 0	0 \$	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	2021	\$ 0	\$ 0	0 \$	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Laurie DiGiovanni <i>Former Chief Operating Officer (5)</i>	2022	\$ 0	\$ 0	0 \$	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	2021	\$ 53,846	\$ 0	0 \$	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,846

- (1) Mr. Sanchez was appointed Chief Executive Officer in February 2021, Prior to then, he served as chairman of the Board, for which he was compensated 5,000 non-qualified stock options each fiscal quarter, which compensation he still receives as he remains on the Board as a non-independent director. That compensation is reflected in the “Director Compensation” table below.
- (2) Mr. Saathoff has served as Chief Financial Officer since April 2020.
- (3) Mr. Miller was appointed Chief Operating Officer in April 2021 and served until June 2022.
- (4) Mr. El-Batrawi served as Chief Executive Officer from February 2020 until February 2021. He did not take any compensation for his service during this period.
- (5) Ms. DiGiovanni served as Chief Operating Officer during the entirety of 2020 and the first quarter of 2021.

Bonuses

No bonuses were paid to any executive officers in 2022 or 2021.

Employment Agreements

No current executive officer of the Company has, as of the date of this Report, entered into an employment agreement with the Company. Upon the entry into any such employment agreement, the Company will file it with a future periodic report.

Director Compensation

Directors are currently compensated for their service on the Board through a quarterly grant of 5,000 non-qualified stock options, entitling the director to receive one share of Common Stock for each option granted at a strike price of the closing price of the Common Stock as of the grant date. Directors do not receive any additional compensation for their service on a Board committee, if any.

Name	Year	Fees Earned		Stock Awards	Option Awards	Non-Equity Incentive	All Other Compensation	Total
		or Paid	 					
Stephen M. Sanchez Acting Board Chair	2022	\$ 0		\$ 0	\$ 4,406	\$ 0	\$ 0	\$ 4,406
	2021	\$ 0		\$ 0	\$36,536	\$ 0	\$ 0	\$36,536
Douglas M. Mox	2022	\$ 0		\$ 0	\$ 4,406	\$ 0	\$ 0	\$ 4,406
	2021	\$ 0		\$ 0	\$36,536	\$ 0	\$ 0	\$36,536
John P. O'Neill	2022	\$ 0		\$ 0	\$ 4,406	\$ 0	\$ 0	\$ 4,406
	2021	\$ 0		\$ 0	\$36,536	\$ 0	\$ 0	\$36,536
Harbant S. Sidhu**	2022	\$ 0		\$ 0	\$ 4,406	\$ 0	\$ 0	\$ 4,406
	2021	\$ 0		\$ 0	\$36,536	\$ 0	\$ 0	\$36,536
Terren S. Peizer* Executive Chairman	2022	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	2021	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

*- Mr. Peizer joined the Board as its Executive Chairman in February 2021. He did not take any compensation for his service as a director. Mr. Peizer resigned from the board of directors and as Executive Chairman on February 10, 2023

**-Mr. Sidhu resigned from the Board of Directors on January 3, 2023.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows the beneficial ownership of our Common Stock (our only outstanding calls of voting securities) as of December 31, 2022, of (i) each person known to us to be the beneficial owner of at least five percent (5%) of our outstanding Common Stock; (ii) each director; (iii) each executive officer; and (iv) all directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC, and generally includes voting power and/or investment power with respect to the securities held. Shares of Common Stock subject to options and warrants currently exercisable or exercisable within 60 days as of December 31, 2022, are deemed outstanding and beneficially owned by the person holding such options or warrants for purposes of computing the number of shares and percentage beneficially owned by such person, but are not deemed outstanding for purposes of computing the percentage beneficially owned by any other person. Except as indicated in the footnotes to this table, the persons or entities named have sole voting and investment power with respect to all shares of our Common Stock shown as beneficially owned by them.

The percentages in the table below are based on an aggregate of 69,802,649 outstanding shares of Common Stock. Unless otherwise indicated, the principal mailing address of each of the persons below is c/o EVmo, Inc., 3201 N. Sepulveda Blvd. Manhattan Beach, CA 90266. The Company's executive office is also located at 2301 N. Sepulveda Blvd. Manhattan Beach, CA 90266.

Name of Beneficial Owner	Title	Amount Beneficially Owned	Total Percentage
Officers and Directors (1)			
Terren S. Peizer (2)	Executive Chairman	12,616,819	18.07%
Ryan Saathoff	Chief Financial Officer	275,000(3)	*%
Gregory Miller	Chief Operating Officer	0	*%
Chief Executive Officer and			
Stephen M. Sanchez	Director	130,556(4)	*%
Douglas M. Mox	Director	50,000(5)	*%
John P. O'Neill	Director	398,987(6)	*%
Harbant S. Sidhu	Director	105,000(7)	*%
All Officers and Directors as a Group		13,576,362	19.45%
Greater than 5% Stockholders			
Acuitas Group Holdings, LLC (8)		12,616,819	18.07%
Ault Alliance, Inc. (9)		10,000,000	14.33%
Cavalry Fund I Management, LP (10)		4,962,502	7.11%

*- less than 1.0%

- (1) Unless otherwise indicated, the principal address of the named directors and officers of the Company is c/o YayYo, Inc., 2301 N. Sepulveda Blvd. Manhattan Beach, CA 90266.
- (2) Mr. Peizer is the sole member of Acuitas Group Holdings, LLC. He has sole voting and investment power over these shares.
- (3) This total includes non-qualified stock options to purchase up to an aggregate of 62,500 shares of Common Stock.
- (4) This total includes non-qualified stock options to purchase up to an aggregate of 50,000 shares of Common Stock.
- (5) Mr. Mox's entire beneficial ownership at present consists of non-qualified stock options.
- (6) This total includes non-qualified stock options to purchase up to an aggregate of 50,000 shares of Common Stock.
- (7) This total includes non-qualified stock options to purchase up to an aggregate of 50,000 shares of Common Stock.
- (8) Please see footnote (2) above.
- (9) Based on a Schedule 13G/A filed on February 13, 2023, the address of Ault Alliance, Inc (formerly BitNile Holdings Inc.). is 11411 Southern Highlands Parkway, Suite 240, Las Vegas, NV 89141. The signatories of the Schedule 13G filed by Ault Alliance, Inc. are its executive chairman, Milton C. Ault, III and David J. Katzoff. To the best of the Company's knowledge, Messrs. Ault and Katzoff may be deemed to share voting and investment power over these shares.
- (10) Based on a Schedule 13G/A filed on February 13, 2023, Cavalry Fund I Management, LLC is identified as the general partner of Cavalry Fund I LP., both of which report ownership of 4,962,502 shares of Common Stock. Thomas Walsh is identified therein as the manager of Cavalry Fund I Management, LLC and, to the best of the Company's knowledge, may be deemed to have voting and investment power over these shares. The address of Mr. Walsh and these affiliated entities is stated in the Schedule 13G/A as 82 E. Allendale Rd., Ste. 5B, Saddle River, NJ 07458.

Equity Compensation Plan Information

On November 30, 2016, the Board of Directors of the Company adopted the 2016 Equity Incentive Plan (the “2016 Plan”) that governs equity awards to our employees, directors, officers, consultants and other eligible participants. Under the 2016 Plan there are 10,000,000 shares of common stock reserved for issuance.

The types of awards permitted under the 2016 Plan include qualified incentive stock options and non-qualified stock options. Each option shall be exercisable at such times and subject to such terms and conditions as the Board may specify.

The Board of Directors has the power to amend, suspend or terminate the 2016 Plan without stockholder approval or ratification at any time or from time to time. No change may be made that increases the total number of shares of our common stock reserved for issuance pursuant to incentive awards or reduces the minimum exercise price for options or exchange of options for other incentive awards, unless such change is authorized by our stockholders within one year.

Outstanding Equity Awards at Fiscal Year-End Table

OUTSTANDING EQUITY AWARDS AT DECEMBER 31, 2022

The following table sets forth all unexercised options and unvested restricted stock that have been awarded to our named executives by the Company and were outstanding as of December 31, 2022.

Name and principal Position	Equity incentive plan awards:					Equity incentive plan awards: Market or payout value of unearned shares, units or other rights that have not vested (\$)		
	Number of securities underlying unexercised options exercisable (#)	Number of securities underlying options unexercisable (#)	Number of securities underlying unexercised unearned options (#)	Option exercise price (\$)	Option expiration date	Number of shares or units of stock that have not vested (#)	Market value of shares or units of stock that have not vested	Number of unearned shares, units or other rights that have not vested (#)
Ryan Saathoff	62,500	0	0	\$ 0.22	7/25/2025	0	0	0
Stephen M. Sanchez	5,000			\$ 0.22	7/8/2025			
	5,000			\$ 0.21	10/8/2025			
	5,000			\$ 0.53	1/6/2026			
	5,000			\$ 3.80	4/6/2026			
	5,000			\$ 2.12	7/6/2026			
	5,000			\$ 0.94	10/6/2026			
	5,000			\$ 0.55	1/6/2027			
	5,000			\$ 0.39	4/7/2027			
	5,000			\$ 0.36	7/7/2027			
	5,000	0	0	\$ 0.30	9/7/2027	0	0	0
Douglas M. Mox	5,000			\$ 0.22	7/8/2025			
	5,000			\$ 0.21	10/8/2025			
	5,000			\$ 0.53	1/6/2026			
	5,000			\$ 3.80	4/6/2026			
	5,000			\$ 2.12	7/6/2026			
	5,000			\$ 0.94	10/6/2026			
	5,000			\$ 0.55	1/6/2027			
	5,000			\$ 0.39	4/7/2027			
	5,000			\$ 0.36	7/7/2027			
	5,000	0	0	\$ 0.30	9/7/2027	0	0	0
John P. O'Neill	5,000			\$ 0.22	7/8/2025			
	5,000			\$ 0.21	10/8/2025			
	5,000			\$ 0.53	1/6/2026			
	5,000			\$ 3.80	4/6/2026			
	5,000			\$ 2.12	7/6/2026			

	5,000		\$	0.94	10/6/2026				
	5,000		\$	0.55	1/6/2027				
	5,000		\$	0.39	4/7/2027				
	5,000		\$	0.36	7/7/2027				
	5,000	0	\$	0.30	9/7/2027	0	0	0	0
<hr/>									
Harbant S.	5,000		\$	0.22	7/8/2025				
Sidhu	5,000		\$	0.21	10/8/2025				
	5,000		\$	0.53	1/6/2026				
	5,000		\$	3.80	4/6/2026				
	5,000		\$	2.12	7/6/2026				
	5,000		\$	0.94	10/6/2026				
	5,000		\$	0.55	1/6/2027				
	5,000		\$	0.39	4/7/2027				
	5,000		\$	0.36	7/7/2027				
	5,000	0	\$	0.30	9/7/2027	0	0	0	0

Indemnification of Directors and Officers

We have agreed to indemnify the underwriters against specified liabilities, including liabilities under the Securities Act, and to contribute to payments the underwriters may be required to make in respect thereof.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

As of the date of this Report, there is only one transaction in which:

- we have been or are to be a participant;
- the amount involved exceeded or exceeds the lesser of \$120,000 or one percent of our total assets at the end of our last two completed fiscal years; and
- any of our directors, executive officers or holders of more than 5% of our outstanding capital stock, or any immediate family member of, or person sharing the household with, any of these individuals or entities, had or will have a direct or indirect material interest.

During the fiscal year ended December 31, 2022, the Company's Executive Chairman, Terren S. Peizer, extended a short-term note payable to the Company in an amount totaling \$600,000. Further, that note was exchanged on February 10, 2023 for a long-term note payable of \$1,600,000.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Gries and Associates ("Gries") served as the Company's independent registered public accounting firm for the fiscal year ended December 31, 2022.

AJ Robbins CPA, LLC ("AJ Robbins") served as the Company's independent registered public accounting firm for the fiscal years ended December 31, 2021 and 2020.

On January 13, 2022, AJ Robbins submitted a letter of resignation to the Board and the Audit Committee. The resignation, which was effective immediately, resulted from the retirement of the managing member of AJ Robbins and the related unwinding of the business. On January 20, 2022, the Board appointed Gries as the Company's independent registered public accounting firm for the fiscal year ended December 31, 2022.

Aggregate fees billed by the Company's independent registered public accounting firm over the last two fiscal years are set forth below:

	2022	2021
Audit fees and quarterly reviews (1)	\$ 131,000	\$ 131,000
Audit related fees	-	-
Tax fees	-	-
All other fees (2)	3,000	65,250

(1) Audit fees include fees for audit or review services in accordance with generally accepted auditing standards, such as statutory audits and services rendered for compliance with Section 404 of the Sarbanes-Oxley Act.

(2) Other fees include services performed in connection with financing activities during fiscal year, paid to AJ Robbins for final review of the capital raise details completed in January 2022.

Pre-Approval of Services

Our Audit Committee has not adopted policies and procedures for pre-approval of audit or non-audit services to be performed by the independent registered public accounting firm. The Audit Committee pre-approved the engagements for all services performed by the independent registered public accounting firm referred to above.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

Financial Statement Schedules

Our consolidated financial statements are listed on the Index to Financial Statements on this annual report on Form 10-K beginning on page F-1.

All financial statement schedules are omitted because they are not applicable, or the required information is shown in the financial statements or notes thereto.

Exhibits

Most of the documents listed in the Exhibit Index of this Report have been incorporated by reference to this Report, in each case as indicated therein (and are numbered in accordance with Item 601 of Regulation S-K).

Certain of the agreements filed or incorporated as exhibits to this Report contain representations and warranties by the parties to the agreements that have been made solely for the benefit of the parties to the agreement. These representations and warranties:

- may have been qualified by disclosures that were made to the other parties in connection with the negotiation of the agreements, which disclosures are not necessarily reflected in the agreements;
- may apply standards of materiality that differ from those of a reasonable investor; and
- were made only as of specified dates contained in the agreements and are subject to subsequent developments and changed circumstances.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date that these representations and warranties were made or at any other time. Investors should not rely on them as statements of fact.

ITEM 16. FORM 10-K SUMMARY

Not applicable.

EVmo, Inc.
Consolidated Financial Statements
December 31, 2022 and 2021

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Gries & Associates, LLC
Certified Public Accountants
501 S. Cherry Street Ste 1100
Denver, Colorado 80246

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders
EVmo, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of EVmo, Inc. (the Company), which comprise the balance sheet as of December 31, 2022 and 2021, and the related statements of Operations, Changes in Stockholder's Equity, and Cash Flows for the years then ended, and the related notes to the financial statements. In our opinion, except for the effects on the financial statements of not properly accounting for ASC 842, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the period then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the entity has not properly accounted for the accounting standard 842, *Leases*, for the year ended December 31, 2022. The current impact on the financial statements is unable to be determined at the date of this report, but the impact would likely have an effect on the fixed assets, notes payable, interest accruals, and profit and loss statement.

Basis for Opinion

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

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

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

Emphasis of Matters-Risks and Uncertainties

The Company is not able to predict the ultimate impact that COVID -19 will have on its business. However, if the current economic conditions continue, the pandemic could have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Company plans to operate.

Gries & Associates, LLC

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

Denver, Colorado
April 21, 2023
PCAOB #6778

blaze@griesandassociates.com

501 S. Cherry Street Suite 1100, Denver, Colorado 80246

(O)720-464-2875 (M)773-255-5631 (F)720-222-5846

EVmo, Inc.
Condensed Consolidated Balance Sheets
As of December 31, 2022 and December 31, 2021

	<u>December 31,</u>	<u>December 31,</u>
	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 1,702,942	\$ 1,853,928
Accounts receivable	919,245	751,450
Prepaid expenses	3,704	609,701
Deferred offering costs	-	862,855
Total current assets	<u>2,625,891</u>	<u>4,077,934</u>
Property and equipment, net	165,781	45,601
Rental vehicles, net	20,701,427	8,887,319
Right of use asset	-	149,759
Other assets	2,439,099	100,000
TOTAL ASSETS	\$ 25,932,197	\$ 13,260,613
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current Liabilities:		
Accounts payable (including \$446,963 and \$670,047 to related party)	\$ 1,834,808	\$ 3,784,315
Credit Cards	171,154	-
Accrued expenses	217,118	1,156,265
Notes payables, current (net of discount of \$0 and \$0)	531,250	156,225
Customer deposit - related party	-	-
Finance lease obligations, current	4,829,349	1,810,374
Operating lease obligations, current	-	143,894
Total current liabilities	<u>7,583,679</u>	<u>7,051,073</u>
Advance from related parties, non-current	600,000	
Note payable, net of current portion (net of discount of \$953,256 and \$1,246,566)	6,459,244	6,097,209
Finance lease obligations, net of current portion	8,845,919	2,178,836
Operating lease obligations, net of current portion	-	12,988
TOTAL LIABILITIES	<u>23,488,842</u>	<u>15,340,106</u>
Commitments and contingencies	-	-
Series B Preferred stock, \$0.000001 par value; 230,550 shares authorized; nil and 230,375 shares issued and outstanding	-	2,303,750
<u>STOCKHOLDERS' EQUITY</u>		
Preferred stock, \$0.000001 par value; 10,000,000 shares authorized; nil shares issued and outstanding	-	-
Common stock, \$0.000001 par value; 90,000,000 shares authorized; 69,802,649 and 35,758,149 shares issued and outstanding	70	36
Additional paid-in capital	53,244,383	39,275,591
Accumulated deficit	(50,801,098)	(43,658,870)
Total stockholders' equity	<u>2,443,355</u>	<u>(4,383,243)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 25,932,197</u>	<u>\$ 13,260,613</u>

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

EVmo, Inc.
Condensed Consolidated Statements of Operations
For the Years Ended, 2022 and 2021

	2022	2021
Revenue	\$ 12,558,427	\$ 10,235,630
Cost of revenue*	10,068,469	8,551,454
*includes vehicle depreciation	80.17%	83.55%
Gross profit	2,489,959	1,684,176
	19.83%	16.45%
Operating expenses:		
Selling and marketing expenses	348,277	283,181
Product development	242,990	199,753
General and administrative expenses	6,451,021	8,397,149
Total operating expenses	7,042,287	8,880,083
Loss from operations	(4,552,329)	(7,195,907)
Other income (expense):		
Interest and financing costs	(2,589,898)	(7,880,513)
Other income	-	83,541
Gain on forgiveness of debt	-	8,000
Total other income (expense)	(2,589,898)	(7,788,971)
Net loss	\$ (7,142,227)	\$ (14,984,878)
Weighted average shares outstanding :		
Basic	69,802,649	35,058,508
Diluted	69,802,649	35,058,508
Loss per share		
Basic	\$ (0.10)	\$ (0.43)
Diluted	\$ (0.10)	\$ (0.43)

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

EVmo, Inc.
Condensed Consolidated Statements of Stockholders' Equity
For the Years Ended, 2022 and 2021

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount			
Balance, Dec 31, 2021	35,769,524	\$ 36	\$ 39,275,591	\$ (43,658,870)	\$ (4,383,243)
Issuance of common stock for cash	27,400,000	28	13,700,000		13,700,028
Issuance of common stock for exercise of stock options	91,500	1	69,996		69,997
Issuance of common stock for conversion of convertible debt	6,235,675	2	64,063		64,065
Issuance of common stock for financing cost	-	-	-		-
Stock option expense			26,116		26,116
Net loss				(1,510,052)	(1,510,052)
Balance, March 31, 2022	69,496,399	67	53,135,766	(45,168,922)	7,966,911
Issuance of common stock for cash					-
Issuance of common stock for exercise of stock options	196,875		42,328		42,328
Stock option expense			22,868		22,868
Net Loss				(1,201,757)	(1,201,757)
Balance, June 30, 2022	69,693,274	67	53,200,962	(46,370,679)	6,830,350
Issuance of common stock for exercise of stock options	9,375	3	2,013		2,013
Stock option expense			9,204		9,204
Net Loss				(2,924,512)	(2,924,512)
Balance, September 30, 2022	69,702,649	3	53,212,179	(49,295,191)	3,917,055
Issuance of common stock for exercise of stock options	100,000	-	23,000		23,000
Stock Option expense			9,204		9,204
Net Loss				(1,505,907)	(1,505,907)
Balance, December 31, 2022	69,802,649	70	53,244,383	(50,801,098)	2,443,355
Balance, December 31, 2020	31,981,374	\$ 32	\$ 29,750,864	\$ (28,673,992)	\$ 1,076,904
Issuance of common stock for cash	100,000	-	50,000	-	50,000
Issuance of common stock for exercise of stock options	35,000	-	15,400	-	15,400
Issuance of common stock for cashless exercise of stock options	960,550	1	(1)	-	-
Issuance of common stock for settlement of litigation	225,000	-	1,103,750	-	1,103,750
Issuance of common stock for conversion of convertible debt	1,000,000	1	499,999	-	500,000
Issuance of common stock for settlement agreement	825,000	1	3,240,599	-	3,240,600
Issuance of common stock for financing cost	600	-	1,440	-	1,440
Beneficial conversion feature associated with convertible debt	-	-	30,000	-	30,000
Stock option expense	-	-	193,587	-	193,587
Net loss				(4,417,663)	(4,417,663)

Balance, March 31, 2021	35,127,524	35	34,885,638	(33,091,655)	1,794,018
Issuance of common stock for exercise of stock options	260,000		71,700		71,700
Beneficial conversion feature associated with convertible debt			810,634		810,634
Value of warrants issued with convertible debt			488,133		488,133
Fair value of warrants issued for financing costs			457,417		457,417
Stock option expense			104,387		104,387
Net loss				<u>(1,836,674)</u>	<u>(1,836,674)</u>
Balance, June 30, 2021	35,387,524	35	36,817,909	(34,928,329)	1,889,615
Issuance of common stock for exercise of stock options	26,875		5,778		5,778
Issuance of common stock for cashless exercise of stock options	312,500	1	(1)		-
Issuance of common stock for settlement of litigation	31,250		42,018		42,018
Value of warrants issued with note payable	-		778,697		778,697
Fair value of warrants issued for financing costs	-		503,690		503,690
Stock option expense			58,253		58,253
Net loss				<u>(4,777,328)</u>	<u>(4,777,328)</u>
Balance, September 30, 2021	35,758,149	36	38,206,344	(39,705,657)	(1,499,277)

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

EVmo, Inc.
Condensed Consolidated Statements of Cash Flows
For the Years Ended, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (7,142,227)	\$ (14,984,878)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,324,366	2,124,728
Stock option expense	131,798	391,661
Amortization of debt discounts	293,310	1,712,871
Common stock issued for financing costs	34	1,440
Preferred stock issued for financing costs	-	53,750
Common stock issued for settlement agreement	-	3,240,600
Common stock issued for litigation settlement	-	42,018
Gain on Forgiveness of Debt	-	(8,000)
Fair value of warrants issued for financing costs	40,916	1,992,474
Operating lease expense	149,759	108,462
Changes in operating assets and liabilities:		
Accounts receivable	(167,795)	(632,211)
Vehicle Deposits	(794,952)	-
Prepaid expenses and other assets	(414,263)	(485,840)
Accounts payable	(1,949,506)	3,303,094
Accrued expenses	(939,147)	889,561
Credit Cards	171,154	-
Customer deposit - related party	-	(150,000)
Operating lease liability	(156,882)	(101,339)
Net cash used in operating activities	<u>(7,453,435)</u>	<u>(2,501,609)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(132,000)	(47,051)
Net cash used in investing activities	<u>(132,000)</u>	<u>(47,051)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of common stock	13,700,000	50,000
Proceeds from exercise of stock options	44,344	95,324
Proceeds from advance from related parties	600,000	503,766
Repayment of advance from related parties	-	(603,766)
Proceeds from convertible note payable	-	2,500,000
Proceeds from notes payable, net	-	6,900,000
Repayment of notes payable	(156,250)	(809,519)
Redemption of Preferred Stock	(2,303,750)	-
Repayment of finance lease obligations	(5,312,750)	(4,271,107)
Payment of deferred offering costs	862,855	(35,000)
Net cash provided by (used in) financing activities	<u>7,434,449</u>	<u>4,329,698</u>
NET INCREASE (DECREASE) IN CASH	<u>(150,986)</u>	<u>1,781,038</u>
CASH, BEGINNING OF PERIOD	<u>1,853,928</u>	<u>72,890</u>
CASH, END OF PERIOD	<u>\$ 1,702,942</u>	<u>\$ 1,853,928</u>
CASH PAID FOR:		
Interest	\$ 2,589,898	\$ 157,809
Income taxes	<u>\$</u>	<u>-</u>
SUPPLEMENTAL NON-CASH INVESTING AND FINANCING ACTIVITIES		
Payment of accounts payable/accrued expenses with common stock	\$ -	\$ 1,103,750
Finance lease obligations	<u>\$ 13,675,268</u>	<u>\$ 5,692,784</u>

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

EVmo, Inc.
Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

Note 1 - Organization and Basis of Presentation

Organization and Line of Business

EVmo, Inc. (the “Company”) was incorporated on June 21, 2016 under the laws of the state of Delaware originally as a limited liability company and subsequently converted to a Delaware C corporation. The Company was originally incorporated under the name of YayYo, Inc. and changed its name to Rideshare Rental, Inc. on September 11, 2020. On March 1, 2021, the Company changed its name from Rideshare Rental, Inc. to EVmo, Inc. The accompanying financial statements are retroactively restated to present the Company as a C corporation from June 21, 2016. The Company primarily rents vehicles to drivers for ridesharing Transportation Network Companies (“TNCs”) such as Uber and Lyft, as well as drivers in the delivery gig-economy.

Basis of Presentation

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (GAAP) with one exception. The lease balances are remaining principal balances of each leasing as of December 31, 2022. The disclosure above identifies the future interest payments to represent the full lease payment obligations. The current treatment is a material deviation from GAAP and ASC 842 but consistent with prior year treatment. An ASC 842 study is planned for 2023 and the Company expects to modify and adjust to comply with ASC 842 by fiscal year end 2023.

Risk and Uncertainties

On January 30, 2020, the World Health Organization declared the outbreak of the coronavirus disease (COVID-19) a “Public Health Emergency of International Concern,” and on March 11, 2020, it characterized the outbreak as a “pandemic.” In response, numerous states and cities ordered their residents to cease traveling to non-essential jobs and to curtail all unnecessary travel, and similar restrictions were recommended by the federal government. Beginning in the first quarter of 2020, which saw the initial rapid spread of COVID-19, rideshare companies were severely and negatively impacted, as demand plummeted. Consequently, the Company experienced a decline in revenue during the first half of 2020, which had a negative impact on our cash flows, but we then saw a positive upward movement in revenue during the second half of 2020, which continued through fiscal 2021. Currently, through fiscal 2022, the demand for Rideshare remains high with little impact remaining from the COVID-19 pandemic.

Given the current prevalence of FDA-approved eligible vaccines across most age groups, the marked decrease in the number of COVID-19 infections, hospitalizations and deaths in 2022, and the resulting easement of pandemic restrictions in our active markets, we are optimistic that COVID-19 will not have a material impact on our operations in the current fiscal year. However, certain factors- including, for example, a new, more aggressive and deadly variant that is resistant to the vaccines could alter our prediction.

In the ordinary course of our business, we are impacted by increasing interest rates. Future financing of leased vehicles cost is accelerated due the rising interest rates along with some of our vehicle leases adjust as the prime rates change. Additionally, our current note payable with Energy Impact Partners monthly interest costs accelerate as prime rates are increases.

Note 2 – Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned operating subsidiaries, Distinct Cars, LLC and RideShare Car Rentals, LLC. All significant intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. It is possible that accounting estimates and assumptions may be material to the Company due to the levels of subjectivity and judgment involved.

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

Cash Equivalents

For the purpose of the statement of cash flows, cash equivalents include time deposits, certificate of deposits, and all highly liquid debt instruments with original maturities of three months or less.

Property and Equipment and Rental Vehicles

Property and Equipment and Rental Vehicles are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When equipment is retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of equipment and rental vehicles is provided using the straight-line method for substantially all assets with estimated lives as follows:

Computer equipment	5 years
Officer furniture	7 years
Leasehold improvements	15 years or term of lease whichever is less
Vehicles	5 years

Long-Lived Assets

The Company applies the provisions of ASC Topic 360, *Property, Plant, and Equipment*, which addresses financial accounting and reporting for the impairment or disposal of long-lived assets. ASC 360 requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amounts. In that event, a loss is recognized based on the amount by which the carrying amount exceeds the fair value of the long-lived assets. Loss on long-lived assets to be disposed of is determined in a similar manner, except that fair values are reduced for the cost of disposal. Based on its review at December 31, 2022, the Company determined that no impairment charge was necessary.

Revenue Recognition

The Company recognizes all of its material revenue from renting its fleet of cars to TNC drivers. Revenue is recognized generally on a weekly basis based on the rental agreements. The Company recognizes revenue in accordance with FASB ASC 606, *Revenue From Contracts with Customers*.

Income Taxes

The Company accounts for income taxes in accordance with ASC Topic 740, *Income Taxes*. ASC 740 requires a company to use the asset and liability method of accounting for income taxes, whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion, or all of, the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Under ASC 740, a tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. The adoption had no effect on the Company's consolidated financial statements.

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

Stock-Based Compensation

The Company records stock-based compensation in accordance with FASB ASC Topic 718, *Compensation – Stock Compensation*. FASB ASC Topic 718 requires companies to measure compensation cost for stock-based employee compensation at fair value at the grant date and recognize the expense over the employee's requisite service period. The Company recognizes in the statement of operations the grant-date fair value of stock options and other equity-based compensation issued to employees and non-employees. There were 8,847,842 warrants and 673,750 options outstanding as of December 31, 2022 and 3,918,750 warrants and 766,750 options outstanding as of December 31, 2021.

Basic and Diluted Earnings Per Share

Earnings per share is calculated in accordance with ASC Topic 260, *Earnings Per Share*. Basic earnings per share ("EPS") is based on the weighted average number of common shares outstanding. Diluted EPS is based on the assumption that all dilutive securities are converted. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase shares of the Company's common stock, par value \$0.000001 (the "Common Stock") at the average market price during the period. Due to the net loss incurred potentially dilutive instruments would be anti-dilutive. Accordingly, diluted loss per share is the same as basic loss for all periods presented. There were 9,521,592 and 4,685,500 potentially dilutive options and warrants outstanding at December 31, 2022 and 2021.

Advertising Costs

The Company expenses the cost of advertising as incurred. Advertising costs for the years ended December 31, 2022 and 2021 were \$348,277 and \$283,181, respectively.

Fair Value Measurements

The Company applies the provisions of ASC 820-10, "*Fair Value Measurements and Disclosures*." ASC 820-10 defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The three levels of valuation hierarchy are defined as follows:

- Level 1 inputs to the valuation methodology are quoted, unadjusted prices for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, as well as other than quoted prices for identical assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

For certain financial instruments, the carrying amounts reported in the balance sheets for cash and current liabilities, including convertible notes payable, each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest.

At December 31, 2022 and 2021, the Company did not identify any liabilities that are required to be presented on the balance sheet at fair value.

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

Recent Accounting Pronouncements

In December 2019, the FASB issued ASU 2019-12, *Simplifying the Accounting for Income Taxes* which amends ASC 740 *Income Taxes* (ASC 740). This update is intended to simplify accounting for income taxes by removing certain exceptions to the general principles in ASC 740 and amending existing guidance to improve consistent application of ASC 740. This update is effective for fiscal years beginning after December 15, 2021. The guidance in this update has various elements, some of which are applied on a prospective basis and others on a retrospective basis with earlier application permitted. The Company is currently evaluating the effect of this ASU on the Company's consolidated financial statements and related disclosures.

In August 2020, the FASB issued ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40)—Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*. ASU 2020-06 reduces the number of accounting models for convertible debt instruments and convertible preferred stock. For convertible instruments with conversion features that are not required to be accounted for as derivatives under Topic 815, *Derivatives and Hedging*, or that do not result in substantial premiums accounted for as paid-in capital, the embedded conversion features no longer are separated from the host contract. ASU 2020-06 also removes certain conditions that should be considered in the derivatives scope exception evaluation under Subtopic 815-40, *Derivatives and Hedging—Contracts in Entity's Own Equity*, and clarify the scope and certain requirements under Subtopic 815-40. In addition, ASU 2020-06 improves the guidance related to the disclosures and earnings-per-share (EPS) for convertible instruments and contract in an entity's own equity. ASU 2020-06 is effective for public business entities that meet the definition of a SEC filer, excluding entities eligible to be smaller reporting companies as defined by the SEC, which includes the Company, for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The FASB specified that an entity should adopt the guidance as of the beginning of its annual fiscal year. The Company is currently evaluating the impact this ASU will have on its consolidated financial statements.

Management does not believe that any recently issued, but not yet effective, accounting standards could have a material effect on the accompanying financial statements. As new accounting pronouncements are issued, we will adopt those that are applicable under the circumstances.

Note 3 – Property and Equipment

At December 31, 2022 and 2021 equipment consisted of the following:

	2022	2021
Computer equipment	\$ 138,046	\$ 6,046
Office furniture	17,401	17,401
Leasehold improvement	<u>29,650</u>	<u>29,650</u>
	185,097	53,097
Less accumulated depreciation	(19,316)	(7,496)
Equipment, net	<u>\$ 165,781</u>	<u>\$ 45,601</u>

Depreciation expense for equipment for the years ended December 31, 2022 and 2021 was \$11,820 and \$3,358, respectively.

Note 4 – Rental Vehicles

At December 31, 2022 and 2021 all of the Company's rental vehicles consisted of the following:

	2022	2021
Rental vehicles	\$ 27,702,758	\$ 13,514,619
	27,702,758	13,514,619
Less accumulated depreciation	(7,001,331)	(4,627,300)
Rental vehicles, net	<u>\$ 20,701,427</u>	<u>\$ 8,887,319</u>

The Company's rental vehicles are depreciated over their estimated useful life of five years. Depreciation expense for leased assets for the years ended December 31, 2022 and 2021 was \$2,975,572 and \$2,121,370, respectively. A majority of the rental vehicles are leased with terms generally for 12 to 36 months and the Company has the right to purchase the vehicles at the end of the lease terms.

**Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021**

Note 5 – Notes Payable

Notes payable at December 31, 2022 and 2021 consisted of the following:

	2022	2021
Notes payable to individual investors; accrue interest at 8% per annum; principal payments equal to 1/12 of original balance plus interest due quarterly; due from dates ranging from August 9, 2020 to March 26, 2021; unsecured. Paid in Full July 2021.	\$ -	\$ -
Note Payable – Terren Peizer. 0% Interest. Secured by Warrants issued.	600,000	-
Notes payable to a finance company, interest at LIBOR plus 10% per annum; monthly principal payments of 0.4166% of principal balance beginning August 1, 2022, with unpaid principal due on July 9, 2026 (A)	7,343,750	7,500,000
Total notes payable	7,943,750	7,500,000
Unamortized debt discount	(953,256)	(1,246,566)
Notes payable, net discount	6,990,494	6,253,434
Less current portion	(531,250)	(156,225)
Long-term portion	\$ 6,459,244	\$ 6,097,209

- (A) On July 9, 2021 (the “Closing Date”), the Company entered into a Term Loan, Guarantee and Security Agreement (the “Term Loan Agreement”) with EICF Agent LLC (“EICF”), as agent for the lenders, and Energy Impact Credit Fund I, LP, as lender (the “Lender”), providing for a secured term loan facility in an aggregate principal amount of up to \$15.0 million (collectively, the “Term Loans”), consisting of a \$7.5 million closing date term loan facility (the “Closing Date Term Loan”) and up to \$7.5 million of borrowings under a delayed draw term loan facility (the “Delayed Draw Term Loan Facility”). The Closing Date Term Loan was fully drawn on the Closing Date, while the Delayed Draw Term Loan Facility is available upon the satisfaction of certain conditions precedent specified in the Term Loan Agreement. The Term Loan Agreement matures on July 9, 2026. Borrowings under the Term Loan Agreement bear interest at the London Interbank Offered Rate (“LIBOR”), plus a margin of 10.0%. As a condition precedent to the Agent and the Lender entering into the Term Loan Agreement, the Company issued to the Lender a common stock purchase warrant, dated as of the Closing Date (the “Warrant”), which grants the Lender the right to purchase up to 1.5 million shares of the common stock of the Company, par value \$0.000001 (the “Common Stock”), at an exercise price of \$2.10, subject to adjustment as set forth in the Warrant. The Warrant is subject to vesting, with 450,000 shares of Common Stock exercisable as of the Closing Date and the remainder exercisable only in the event that the Company borrows under the Delayed Draw Term Loan Facility or fails to consummate a qualifying equity transaction on or before October 7, 2021. The Warrant has no expiration date. In addition, in October 2021, the Company was required to issue to Lender a warrant for 900,000 shares of Common Stock at an exercise price of \$0.93 per share as a penalty since the Company was unable to raise equity capital within 90 days of the date of this agreement.

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

In connection with the issuance of this note payable, the Company also issued a warrant to purchase 450,000 shares of its Common Stock at an exercise price of \$2.10 per share. The aggregate relative fair value of these warrants was \$778,697 and was recorded as a discount on the note payable and as additional paid in capital. In addition, the Company incurred \$600,000 of cost related to this note payable. The total discount of \$1,378,697 is being amortized over the term of the notes payable. In addition, after the public offering and conversion of most of the Series B Preferred Stock, the two warrants issued to Energy Impact Credit Fund I, LP in 2021 for 450,000 shares and 900,000 shares of Common Stock, respectively, were subject to adjustment according to their terms. The warrant for 450,000 shares has been adjusted to one for 711,656 shares at an exercise price of \$1.33 and the warrant for 900,000 shares has been adjusted to one for 1,174,311 at an exercise price of \$0.71 per share.

A roll forward of notes payable including debt discount from December 31, 2019 to December 31, 2022 is below:

Notes payable, December 31, 2019	\$ 287,378
Issued for cash	342,675
Lease obligation converted to note payable	355,438
Forgiveness of note payable	(184,775)
Repayments	(15,486)
Amortization of debt discounts	<u>30,316</u>
Notes payable, December 31, 2020	815,546
Issued for cash	7,500,000
Payment of cost associated with issuance of note payable	(600,000)
Debt discount related to notes payable	(778,697)
Forgiveness of note payable	(8,000)
Repayments	(809,519)
Amortization of debt discounts	<u>134,104</u>
Notes payable, December 31, 2021	6,253,434
Issued for cash	600,000
Repayments	(156,250)
Amortization of debt discounts	<u>293,310</u>
Notes payable, December 31, 2022	<u><u>\$ 6,990,494</u></u>

Future payments under note payable obligations are as follows:

Years ending December 31,	
2023	\$ 531,250
2024	750,000
2025	750,000
2026	5,312,500
2027	<u>600,000</u>
Thereafter	<u><u>\$ 7,943,750</u></u>

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

Note 6 – Convertible Notes

There are no convertible notes as of December 31, 2022

Note 7 – Financing Lease Obligations

Lease obligations at December 31, 2022 and 2021 consisted of the following:

	2022	2021
Lease obligations	\$ 13,675,268	\$ 3,989,210
Less current portion	(4,829,349)	(1,810,374)
Long-term portion	<u>\$ 8,845,919</u>	<u>\$ 2,178,836</u>

A roll forward of lease obligations from December 31, 2019 to December 31, 2022 is below:

Lease obligations, December 31, 2019	\$ 2,400,565
New lease obligations	3,705,417
Disposal of leased vehicles	(975,215)
Lease obligation converted to note payable	(355,438)
Payments on lease obligations	<u>(2,422,451)</u>
Lease obligations, December 31, 2020	2,352,878
New lease obligations	5,907,439
Payments on lease obligations	<u>(4,271,107)</u>
Lease obligations, December 31, 2021	3,989,210
New lease obligations	14,220,738
Payments on lease obligations	<u>(4,534,680)</u>
Lease obligations, December 31, 2022	<u><u>\$ 13,675,268</u></u>

Future payments under lease obligations are as follows:

Years Ending December 31,	
2023	\$ 6,772,207
2024	7,294,234
2025	2,945,382
2026	636,269
Total payments	<u>17,648,092</u>
Amount representing interest	<u>(3,972,824)</u>
Lease obligation, net	<u><u>\$ 13,675,268</u></u>

The lease balances are remaining principal balances of each leasing as of December 31, 2022. The disclosure above identifies the future interest payments to represent the full lease payment obligations. The current treatment is a material deviation from GAAP and ASC 842 but consistent with prior year treatment. An ASC 842 study is planned for 2023 and the Company expects to modify and adjust to comply with ASC 842 by fiscal year end 2023.

Note 8 – Operating Lease Obligations

The Company determines whether a contract is or contains a lease at inception of the contract and whether that lease meets the classification criteria of a finance or operating lease. When available, the Company uses the rate implicit in the lease to discount lease payments to present value; however, the Company's leases do not provide a readily determinable implicit rate. Therefore, the Company discounts lease payments based on an estimate of its incremental borrowing rate.

The Company leases its corporate office space under an operating lease that expires in 2023. The Company accounts for this lease under the provisions of ASC 842 Leases. As of December 31, 2022, EVMO has closed out the lease for the facility located at 195 S. Robertson Blvd, Beverly Hills, CA 90211 and relocated to 2301 N. Sepulveda Blvd, Manhattan Beach, CA 90266. The current lease of the facility expires within 12 months and is not subject to ASC 842 due to the short-term nature of the lease. As of December 31, 2022, there are not right of use facility lease assets or obligations under ASC 842 rules.

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

The table below presents the lease related assets and liabilities recorded on the Company's consolidated balance sheets as of December 31, 2022:

	Classification on Balance Sheet	December 31, 2022
Assets		
Operating lease assets	Operating lease right of use assets	<u>\$ 0</u>
Total lease assets		<u>\$ 0</u>
Liabilities		
Current liabilities		
Operating lease liability	Current operating lease liability	<u>\$ 0</u>
Noncurrent liabilities		
Operating lease liability	Long-term operating lease liability	<u>0</u>
Total lease liability		<u><u>\$ 0</u></u>

Lease obligations at December 31, 2022 consisted of the following:

Years Ending December 31,	
2023	\$ 0
2024	<u>0</u>
Total payments	<u>0</u>
Less: imputed interest	<u>(0)</u>
Total obligation	<u>0</u>
Less: current portion	<u>(0)</u>
Non-current capital leases obligations	<u><u>\$ 0</u></u>

The lease expense for the years ended December 31, 2022 was \$159,225. The cash paid under operating leases for the years ended December 31, 2022 was \$192,000.

Note 9 – Stockholders' Equity

The Company has authorized 100,000,000 shares of capital stock, which consists of 90,000,000 shares of Common Stock, \$0.000001 par value per share, and 10,000,000 shares of preferred stock, \$0.000001 par value per share.

Series B Preferred Stock

There is no outstanding Series B Preferred Stock as of December 31, 2022.

In January 2022, EVMO issued 6,310,000 shares of Common Stock for the conversion of 220,850 shares of Series B Preferred Stock. The remaining 9,525 outstanding shares of Series B Preferred Stock were redeemed by the Company.

Common Stock

During the year ended December 31, 2022, the Company:

- Issued 27,400,000 shares of Common Stock in a registered public offering for gross proceeds of \$13,700,000.
- Issued 6,310,000 shares of Common Stock for the conversion of 220,850 shares of Series B Preferred Stock. The remaining 9,525 outstanding shares of Series B Preferred Stock were redeemed by the Company.
- Issued 100,000 shares of Common Stock for services and support rendered during the Capital Raise completed on January 6, 2022 to Shawn Mesaros.

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

Stock Options

The following is a summary of stock option activity:

	<u>Options Outstanding</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Contractual Life</u>	<u>Aggregate Intrinsic Value</u>
Outstanding, December 31, 2021	766,750	\$ 0.53	3.76	\$ 98,937
Granted	218,000	0.28	4.27	0
Forfeited	(104,750)			
Exercised	(206,250)	0.215		
Outstanding, December 31, 2022	104,750	\$ 0.45	3.19	\$ 161,575
Exercisable, December 31, 2022	673,750	\$ 0.45	3.19	\$ 161,575

The exercise price for options outstanding and exercisable at December 31, 2022:

Outstanding		Exercisable	
Number of Options	Exercise Price	Number of Options	Exercise Price
20,000	\$ 0.21	20,000	\$ 0.21
268,750	0.215	268,750	0.215
15,000	0.12	15,000	0.12
230,000	0.53	230,000	0.53
20,000	0.94	20,000	0.94
20,000	2.12	20,000	2.12
20,000	3.80	20,000	3.8
20,000	0.39	20,000	0.39
20,000	0.55	20,000	0.55
20,000	0.30	20,000	0.30
20,000	0.36	20,000	0.36
673,750		673,750	

For options granted during the year ended December 31, 2022 where the exercise price equaled the stock price at the date of the grant, the weighted-average fair value of such options was \$0.28 and the weighted-average exercise price of such options was \$0.28. No options were granted during the year ended December 31, 2022 where the exercise price was less than the stock price at the date of grant or the exercise price was greater than the stock price at the date of grant.

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

The fair value of the stock options is being amortized to stock option expense over the vesting period. The Company recorded stock option expenses of \$131,798 and \$391,661 during the years ended December 31, 2022 and 2021, respectively. At December 31, 2022, the unamortized stock option expense was \$8,800.

The assumptions used during the year ended December 31, 2022 and 2021 in calculating the fair value of options granted using the Black-Scholes option-pricing model for options granted are as follows:

	2022	2021
Risk-free interest rate	0.25% - 0.79%	0.33% - 0.99%
Expected life of the options	5.0 years	5.0 years
Expected volatility	160%-185%	180%-195%
Expected dividend yield	0%	0%

Warrants

The following is a summary of warrant activity:

	Warrants Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Outstanding, December 31, 2021	4,454,717	\$ 2.53	3.17	\$ -
Granted	4,393,125	0.34	4.80	
Forfeited	-			
Exercised	-			
Outstanding September 30, 2022	<u>8,847,842</u>	<u>\$ 1.44</u>	<u>4.21</u>	
Exercisable, September 30, 2022	<u>8,847,842</u>	<u>\$ 1.44</u>	<u>4.21</u>	

The exercise price for warrants outstanding at December 31, 2022:

Outstanding and Exercisable		
Number of Warrants	Exercise Price	
1,500,000	\$ 4.00	
65,625	5.00	
65,625	5.00	
187,500	3.00	
93,750	3.00	
93,750	3.00	
711,656	1.33	
93,750	3.00	
93,750	3.00	
93,750	3.00	
1,174,311	0.71	
93,750	3.00	
93,750	3.00	
93,750	3.00	
128,125	0.50	
625,000	0.40	
3,640,000	0.33	
8,847,842		

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

Note 10 – Related Party Transactions

During the fiscal year 2022, the Company is engaged with RG Alliance Group LLC (“RGA”) to perform internal accounts payable, bookkeeping, internal financial reporting and audit support. RGA is 51% owned by Ryan Saathoff, CFO. Total professional fees expensed in 2022 for RGA is \$160,544.

On September 30, 2022, the Company agreed to a Note Payable with its then-Executive Chairman, Terren Peizer, of \$600,000 to assist with collateral required to add Premier Mobility Insurance Company and enhance the Company’s physical damage insurance program.⁹

In fiscal year 2022, the Company rented Transit Vans to PDQ Pickup LLC (“PDQ”). PDQ is owned by Terren Peizer and its CEO is Steve Sanchez, also the Company’s CEO. The total revenue generated from the van rentals in 2022 was \$135,565.

Note 11 – Income Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. A full valuation allowance is established against all net deferred tax assets as of December 31, 2022 and 2021 based on estimates of recoverability. While the Company has optimistic plans for its business strategy, it determined that such a valuation allowance was necessary given the current and expected near term losses and the uncertainty with respect to its ability to generate sufficient profits from its business model. Because of the impacts of the valuation allowance, there was no income tax expense or benefit for the years ended December 31, 2022 and 2021.

A reconciliation of the differences between the effective and statutory income tax rates for the years ended December 31, 2022 and 2021:

	2022		2021	
	Amount	Percent	Amount	Percent
Federal statutory rates	\$ (1,499,868)	21.0%	\$ (3,146,825)	21.0%
State income taxes	(499,956)	7.0%	(1,048,941)	7.0%
Permanent differences	339,243	-2.3%	1,842,891	-12.3%
Valuation allowance against net deferred tax assets	1,904,836	-12.7%	2,352,875	-15.7%
Effective rate	\$ 0	0.0%	\$ -	0.0%

At December 31, 2022 and 2021, the significant components of the deferred tax assets are summarized below:

	2022	2021
Deferred income tax asset		
Net operation loss carryforwards	7,410,145	5,262,153
Accrued expenses	71,649	314,805
Total deferred income tax asset	7,481,794	5,576,958
Less: valuation allowance	(7,481,794)	(5,576,958)
Total deferred income tax asset	\$ -	\$ -

The valuation allowance increased by \$1,904,836 and \$2,352,875 in 2022 and 2021, respectively, as a result of the Company generating additional net operating losses.

The Company has recorded as of December 31, 2022 and 2021 a valuation allowance of \$7,481,794 and \$5,576,958, respectively, as it believes that it is more likely than not that the deferred tax assets will not be realized in future years. Management has based its assessment on the Company’s lack of profitable operating history.

The Company conducts an analysis of its tax positions and has concluded that it has no uncertain tax positions as of December 31, 2022 and 2021.

The Company has net operating loss carry-forwards of approximately \$25,900,000. Such amounts are subject to IRS code section 382 limitations and expire in 2031. The 2019, 2020, 2021, and 2022 tax year is still subject to audit.

Note 12 – Contingencies

Legal Proceedings

From time to time, the Company may become involved in lawsuits and other legal proceedings that arise in the course of business. Litigation is subject to inherent uncertainties, and it is not possible to predict the outcome of litigation with a specific degree of confidence. The Company is currently not aware of any legal proceedings or potential claims against it whose outcome would be likely, individually or in the aggregate, to have a material adverse effect on the Company's business, financial condition, operating results, or cash flows, other than those described below.

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

Legal Proceedings

From time to time, the Company may become involved in lawsuits and other legal proceedings that arise in the course of business. Litigation is subject to inherent uncertainties, and it is not possible to predict the outcome of litigation with total confidence. The Company is currently not aware of any litigation or asserted potential litigation against it whose outcome would be likely, individually or in the aggregate, to have a material adverse effect on the Company's business, financial condition, operating results, or cash flows, other than those described below.

Anthony Davis v. YayYo, Inc., and Ramy El-Batrawi: No 20STCV09143
Robert Vanech v. YayYo, Inc., and Ramy El-Batrawi, No. 21STCV45724

These two cases *Anthony Davis v. YayYo, Inc., and Ramy El-Batrawi: No 20STCV09143 (Davis) and Robert Vanech v. YayYo, Inc., and Ramy El-Batrawi, No. 21STCV45724 (Vanech)* raise similar claims against the Company by two former executives who worked briefly for the Company in 2016-17. The Davis complaint was filed on March 5, 2020, in the Los Angeles Superior Court by plaintiff Anthony Davis, who like Vanech was hired by the Company as its CEO (Davis) or CFO (Vanech) and as directors on or about December 2016. Both Vanech's and Davis's employment with the Company ended after several months. As part of their compensation, Davis/Vanech allege that they expected to receive stock options in the Company. In their respective pleadings, both Davis and Vanech admit that each person resigned from their executive officer and director positions but assert that they did not receive certain compensation in the form of stock options. The Company denies liability and has asserted that it has paid Davis and/or Vanech all amounts due to them under their respective employment agreements/settlement agreements, while also asserting that both Davis and Vanech failed to exercise their respective stock options before they expired on December 31, 2018. The Company filed a demurrer to each plaintiff's amended complaint, which the Superior Court granted in part and denied in part. Plaintiff Davis has since filed a second amended complaint on October 8, 2021, to which the Company has filed an answer. The Company's position is that the lawsuits entirely lack merit, and the Company intends to defend each case vigorously. Plaintiffs have now filed a motion to consolidate the two actions-based similarity of the facts (and defenses) and that motion is pending. The cases, whether consolidated or not, are expected to go to trial later in 2023 and will be decided in two bench trials or pursuant to summary judgement.

The Company's position as to both lawsuits is that Davis' and Vanech's claims entirely lack merit, and the Company intends to defend against the lawsuits vigorously.

Zada v. EVMO, Inc and Rami El-Batrawi, Los Angeles Superior Court No. 21STCV43510

On November 29, 2021, a complaint was filed by Norman Zada, a Company shareholder, against EVmo and El-Batrawi alleging breach of contract and fraud in connection with the plaintiff's purchase of 20,000 shares of Common Stock in February 2018 that the plaintiff claims he did not receive for over three years. By the time the plaintiff was able to acquire the 20,000 shares, the value of the stock had dropped to \$1.90 per share. By virtue of the allegedly late delivery of shares, the plaintiff alleges damages of approximately \$94,420. Other allegations of wrongdoing on Mr. El-Batrawi's behalf are included in the complaint but add nothing of a material nature to the legal dispute. Both El-Batrawi and EVmo presently intend to file demurrers to the Complaint and if necessary vigorously defendant the lawsuit on the merits.

Bellridge Capital, LP, v. EVmo, Inc., 1:21-cv-07091-PGG (Filed in Southern District of New York)

In the first half of 2021, a warrant holder, Bellridge Capital, LP ("Bellridge"), sought to exercise a warrant for 1,500,000 shares, with a stated exercise price of \$4.00 per share, for a nominal amount, claiming that an anti-dilution adjustment had been triggered in 2020, which had reduced the exercise price to such amount. The Company rejected the exercise, on the basis that the warrant had previously been amended to remove that anti-dilution adjustment. In September 2021, the warrant holder brought suit for damages in the Southern District of New York. In March 2023, the parties to this litigation entered into a settlement agreement. Please see Note 14- "Subsequent Events" below.

Note 13 – Settlements

Ivan Rung v. YayYo, Inc., Ramy El-Batrawi, et al., 20STCV27876 and Michael Vanbecelaere v. YayYo, Inc., Ramy El-Batrawi, et al., 20STCV28066 (Vanbecelaere)(hereafter the "State Cases")

On July 22 and July 23, 2020, respectively, two actions were filed in the Los Angeles Superior Court. The complaints underlying the State Cases differ from the consolidated federal securities cases discussed below (*In re YayYo Securities Litigation*) only by a few words and some random punctuation marks, and are therefore virtually identical. The State Cases litigation was stayed pending the outcome of the federal securities cases, as to which, as noted below, the parties announced a settlement in principle last year. Please see the disclosure concerning *In re YayYo Securities Litigation* immediately below for further information regarding the final disposition of the State Cases litigation.

Jason Hamlin v. YayYo, Inc., Ramy El-Batrawi, et al., 20-cv-8235 (SVW) and William Koch v. YayYo, Inc., Ramy El-Batrawi, et al., 20-cv-8591 (SVW)(now consolidated as “In re YayYo Securities Litigation”)

These two actions were filed on September 9, 2020 and September 18, 2020, respectively, in the United States District Court for the Central District of California. Plaintiffs Jason Hamlin and William Koch each claim to have purchased the Common Stock as part of the IPO and, like the plaintiffs in the State Cases, purport to bring a securities class action pursuant to Sections 11 and 15 of the Securities Act, as well as and Section 17(a) and 10(b)(5) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) on behalf of all purchasers of the Common Stock in the IPO. The first amended complaint, like the State Cases, alleges false statements and material omissions of material fact in connection with the SEC filings distributed in connection with the IPO. The defendants include directors of the Company and the underwriters of the IPO, WestPark Capital, Inc. and Aegis Capital Corp. The federal court consolidated the two matters for all practical purposes. As with the State Cases, the Company denied liability and asserted that it accurately and completely disclosed all material facts and circumstances in its SEC filings, and that the complaint’s alleged violations of securities laws are baseless. The parties to the federal court litigation announced on October 21, 2021 that they had reached a settlement, which received preliminary approval by the district court on January 13, 2022, allowing the notice of the proposed settlement to be distributed to all class members, who unless they object or drop out, will be bound by the multi-million dollar settlement. The Company’s portion of the settlement was \$1 million paid out in equal installments every three months over the course of 2022. These payments have been and will continue to be timely made. Executive Chairman Terren Peizer provided his personal guarantee for the whole amount due to the plaintiffs.

Notes to Consolidated Financial Statements
For Year Ended December 31, 2022 and 2021

On July 12, 2022, the district court presiding over *In re YayYo Securities Litigation* signed an order and final judgment with respect to the settlement described herein. The plaintiffs in the State Cases were bound by this settlement and therefore the State Cases were subject to dismissal by operation of law. On October 19, 2022, the court presiding over the State Cases signed the order of dismissal.

Konop v. El-Batrawi, et al., 1:20-cv-1379- MN (Filed in Del. District Court)

On October 12, 2020, a complaint was filed in Delaware District Court, which complaint was subsequently transferred to the U.S. District Court for the Central District of California and assigned as a related case to the judge in *In re YayYo Securities Litigation*. This case was a purported shareholder derivative action, in which the Company was a nominal defendant, alleging that the Company's executive officers and directors at the time of its IPO made false and misleading statements relating to the Company's business, operations, and future prospects and that the directors breached their fiduciary duties in doing so. Upon the settlement and dismissal of *In re YayYo Securities Litigation*, this case was also subject to a motion to dismissal, which the district court granted and the action was terminated on September 19, 2022.

Note 14 – Subsequent Events

Subsequent to December 31, 2022, the following reportable events have taken place:

- Mr. Sidhu resigned from the Board of Directors on January 3, 2023;
- Mr. Peizer resigned from the Board of Directors and as Executive Chairman of the Company on February 10, 2023;
- On February 10, 2023, Mr. Peizer, agreed to provide short-term liquidity financing to the Company in the amount of \$1,000,000. As consideration for Mr. Peizer's action, the Company issued to Acuitas Group Holdings, LLC, a California limited liability company and the personal investment vehicle of Mr. Peizer ("Acuitas"), a secured promissory note in the principal amount of \$1,600,000 (the "Note"), which was then exchanged for an earlier promissory note in the principal amount of \$600,000, issued by the Company to Mr. Peizer on September 30, 2022, which earlier note was then cancelled. The Note is convertible into shares of Common Stock, at the option of Mr. Peizer, at a conversion price of \$0.1156 per share. In addition, the Company issued to Acuitas a Common Stock purchase warrant for 13,840,830 common shares, which is exercisable at a price of \$0.1156 (the "Warrant"). The Note and the Warrant were issued in reliance on the exemption from registration pursuant to Section 4(a)(2) of the Securities Act;
- On February 16, 2023, the Company received correspondence from EICF constituting a notice of events of default and reservation of rights (the "Notice of Default") under the Term Loan Agreement. The Notice of Default purports that certain events of default under the Term Loan Agreement have occurred and are continuing, including a failure by the Company to: (i) timely deliver a required financial report, (ii) timely deliver a required liquidity certificate, (iii) maintain the maximum net leverage ratio required under a financial covenant, and (iv) maintain the minimum liquidity required under a financial covenant. EICF has informed the Company in the Notice of Default that EICF and the lenders are now entitled to exercise any and all default-related rights and remedies, that any delay in doing so should not be construed as a consent to or waiver of any of the purported events of default, and that any outstanding amounts under the Term Loan Agreement, including the principal of \$7.5 million and any accrued but unpaid interest, may become due or payable. Further, EICF may realize the collateral pledged under the Term Loan Agreement, which consists of substantially all of the property and assets of the Company; and
- On March 16, 2023, the Company and Bellridge entered into a settlement agreement relating to the litigation between them described in Note 12- "Contingencies" above (the "Settlement Agreement"). The Settlement Agreement provides for the immediate issuance by the Company to Bellridge of 1,500,000 shares of Common Stock and an aggregate cash payment by the Company to Bellridge of \$1,620,000 over a 36-month period, subject to downward adjustment if the market price of the Common Stock exceeds certain thresholds set forth in the Settlement Agreement. Upon execution of the Settlement Agreement by the parties, and contingent upon the obligations of the Company as set forth therein being fulfilled, the complaint brought by Bellridge was dismissed with prejudice.

EXHIBIT INDEX

Exhibit No.	Description
3.1	<u>Amended and Restated Certificate of Incorporation of YayYo, Inc. (incorporated by reference to Exhibit 2.4 contained in the Company's Form 1-A filed on December 15, 2016).</u>
3.2	<u>Amended and Restated By-laws of YayYo, Inc. (incorporated by reference to Exhibit 3.4 contained in the Company's Form S-1/A filed on June 7, 2018).</u>
3.3	<u>Certificate of Designation, Preferences and Rights of Series A Convertible Preferred Stock (incorporated by reference to Exhibit 2.5 contained in the Company's Form 1-A filed on December 15, 2016).</u>
3.4	<u>Certificate of Designation, Preferences and Rights of Series B Convertible Preferred Stock (incorporated by reference to Exhibit 3.1 contained in the Company's current report on Form 8-K filed on July 14, 2021).</u>
3.5	<u>Certificate of Correction for the Certificate of Designation, Preferences and Rights of Series B Convertible Preferred Stock (incorporated by reference to Exhibit 3.2 contained in the Company's current report on Form 8-K filed on July 14, 2021).</u>
4.1*	<u>Description of Securities</u>
4.2	<u>Warrant, dated March 8, 2018 (incorporated by reference to Exhibit 4.3 contained in the Company's annual report on Form 10-K filed on March 31, 2020).</u>
4.3	<u>Form of Warrant issued to Energy Impact Credit Fund I, LP (incorporated by reference to Exhibit 10.2 contained in the Company's current report on Form 8-K filed on July 14, 2021).</u>
4.4	<u>Form of Warrant issued to bridge lender (incorporated by reference to Exhibit 10.4 contained in the Company's current report on Form 8-K filed on July 14, 2021).</u>
10.1+	<u>2016 Equity Incentive Plan (incorporated by reference to Exhibit 10.4 contained in the Company's Form S-1/A filed on June 7, 2018).</u>
10.2	<u>Term Loan, Guarantee and Security Agreement with EICF Agent LLC and Energy Impact Credit Fund I, LP (incorporated by reference to Exhibit 10.1 contained in the Company's current report on Form 8-K filed on July 14, 2021).</u>

21.1	<u>List of Subsidiaries of the Company (incorporated by reference to Exhibit 21.1 to the Company's annual report on Form 10-K filed on March 31, 2021)</u>
31.1*	<u>Certification of Principal Executive Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certification of Principal Financial and Accounting Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1*	<u>Certification of Principal Executive Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2*	<u>Certification of Principal Financial and Accounting Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Schema
101.CAL*	Inline XBRL Taxonomy Calculation Linkbase
101.DEF*	Inline XBRL Taxonomy Definition Linkbase
101.LAB*	Inline XBRL Taxonomy Label Linkbase
101.PRE*	Inline XBRL Taxonomy Presentation Linkbase
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed or furnished herewith.

+ Indicates a management contract or compensatory plan, contract or arrangement in which directors or executive officers participate.

SIGNATURES

Pursuant to the requirements of Section 3 or 15(d) of the Securities Exchange Act of 1934, this registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 21, 2023

EVmo, Inc.

By: /s/ Stephen M. Sanchez

Stephen M. Sanchez
Chief Executive Officer and Director

By: /s/ Ryan Saathoff

Ryan Saathoff
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Stephen M. Sanchez</u> Stephen M. Sanchez	Chief Executive Officer and Director (Principal Executive Officer)	April 21, 2023
<u>/s/ Ryan Saathoff</u> Ryan Saathoff	Chief Financial Officer (Principal Financial Officer)	April 21, 2023
<u>/s/ Douglas M. Mox</u> Douglas M. Mox	Director	April 21, 2023
<u>/s/ John P. O'Neill</u> John P. O'Neill	Director	April 21, 2023