

# Ideanomics, Inc. Reports Q2 2021 Financial Results

written by Raj Shah | August 17, 2021

August 17, 2021 ([Source](#)) –

- Revenues for the quarter ended June 30, 2021, was \$33.2 million and gross profit of \$9.3 million
- \$396 million cash at quarter end providing a deep pool of capital for investment in our Ideanomics Mobility & Capital business units
- Ideanomics has the only made in America EV tractor in the market at this time
- US Hybrid relocates to new, larger, Headquarters to accommodate the expected commercial demand
- Ideanomics Capital and Ideanomics Mobility teams began working together, changing the business model for our customers from the CapEx to OpEx line, including VaaS, CaaS and Energy as a service (EaaS)
- WAVE announces adoption of its inductive wireless charging system by Twin Transit Authority in Washington
- Ideanomics positions to WAVE to become the “Charger of Choice”
- Dr. Abas Goodarzi, Ideanomics Chief Scientist, Receives IEEE PELS Vehicle and Transportation Systems Achievement Award
- Ideanomics is executing on one of the most compelling, vertically integrated, offerings in the EV sector.

[Ideanomics](#) (NASDAQ: [IDEX](#)) (“Ideanomics” or the “Company”), a global company focused on driving the adoption of commercial electric vehicles and associated energy services, announced today its second quarter 2021 operating results for the period ended June 30, 2021 (a full copy of the Company’s quarterly 10-Q

report is available at [www.sec.gov](http://www.sec.gov)).

Conference Call: Ideanomics' management, including Alf Poor (Chief Executive Officer), Conor McCarthy (Chief Financial Officer), Kristen Helsel (Chief Revenue Officer) and Tony Sklar (SVP of Investor Relations), will host live an earnings release conference call at 4:30 pm ET, Monday, August 16, 2021. Time permitting, Ideanomics management will answer questions during the live Q&A session. A replay of the earnings call will be available soon after the conclusion of the event.

To join the webcast, please visit the 'Events & Presentations' section of the Ideanomics corporate website (<http://www.ideanomics.com/>), or copy/paste this link: <https://78449.themediaframe.com/dataconf/productusers/ssc/mediaframe/45816/indexl.html>

"Ideanomics is executing on what we believe is one of the most compelling, vertically integrated, offerings in the EV sector." said Alf Poor, CEO of Ideanomics. "We have best-in-class, leading technologies, with the talent to leverage our presence in the most significant global markets."

## **Selected Business Updates and Highlights**

- People
  - Kristen Helsel joins as Chief Revenue Officer
  - Dr. Abas Goodarzi joins as Chief Scientist via US Hybrid acquisition
- Significant Deals
  - WAVE's inductive chargers to power Twin Transit Authority in WA State
  - Treeletrik signs deal to supply 200,000 E-Motorbikes to Indonesia
- Technology & Product
  - US Hybrid acquisition – Hydrogen Fuel Cells, Vehicle

- Integration, DC DC and other components
- Solecstrac acquisition – EV tractor with battery swapping

## **Ideanomics Second Quarter 2021 Operating Results**

Revenue for the quarter was \$33.2 million which represents the sixth consecutive quarter of growth demonstrating the increasing strength of Ideanomics' business. This quarter includes the first revenues from US Hybrid and Solecstrac. Both of these businesses were acquired late in the second quarter and consequently their financial results are only included from the date of acquisition. Revenue from Electric Vehicles was \$6.1 million up from \$0.7 million in the second quarter of 2020. Revenue from charging, batteries and powertrains was \$2.7 million, there were no revenues in this category in the corresponding quarter in 2020.

## **Gross Profit**

Gross profit for the second quarter was \$9.3 million which represented a Gross Margin of 28%. Gross profit for the second quarter of 2020 was \$0.3 million.

## **About Ideanomics**

**Ideanomics** is a global company focused on the convergence of financial services and industries experiencing technological disruption. The Ideanomics Mobility division is a service provider which facilitates the adoption of electric vehicles by commercial fleet operators through offering vehicle procurement, finance and leasing, and energy management solutions under an innovative sales to financing to charging (S2F2C) business model. Ideanomics Capital is focused on disruptive fintech solutions for the financial services industry. Together, Ideanomics Mobility and Ideanomics Capital provide global customers and partners with leading technologies and services

designed to improve transparency, efficiency, and accountability, and offer shareholders the opportunity to participate in high-potential growth industries.

### **Safe Harbor Statement**

This press release contains certain statements that may include “forward looking statements”. All statements other than statements of historical fact included herein are “forward-looking statements.” These forward-looking statements are often identified by the use of forward-looking terminology such as “believes,” “expects” or similar expressions, involve known and unknown risks and uncertainties, and include statements regarding our intention to transition our business model to become a next-generation financial technology company, our business strategy and planned product offerings, our intention to phase out our oil trading and consumer electronics businesses, and potential future financial results. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company’s actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of risks and uncertainties, such as risks related to: our ability to continue as a going concern; our ability to raise additional financing to meet our business requirements; the transformation of our business model; fluctuations in our operating results; strain to our personnel management, financial systems and other resources as we grow our business; our ability to attract and retain key employees and senior management; competitive pressure; our international operations; and other risks and uncertainties disclosed under the sections entitled “Risk Factors” and

“Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our most recent Form 10-K and Form 10-Q filed with the Securities and Exchange Commission, and similar disclosures in subsequent reports filed with the SEC, which are available on the SEC website at [www.sec.gov](http://www.sec.gov). All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these risk factors. Other than as required under the securities laws, the Company does not assume a duty to update these forward-looking statements.

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IDEANOMICS, INC.										
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited) (USD in thousands)										
	Three Months Ended					Six Months Ended				
	June 30, 2021		June 30, 2020			June 30, 2021		June 30, 2020		
Revenue from sales of products (including from a related party of \$1, \$7, \$2 and \$7 for the three and six months ended June 30, 2021 and 2020, respectively)	\$	7,410		\$	4,585		\$	11,957	\$	4,588
Revenue from sales of services	25,807			107			53,969			482
Total revenue	33,217			4,692			65,926			5,070
Cost of revenue from sales of products (including from a related party of \$4 , \$2, \$11 and \$2 for the three and six months ended June 30, 2021 and 2020, respectively)	6,591			4,323			10,945			4,325
Cost of revenue from sales of services	17,325			114			34,838			446
Total cost of revenue	23,916			4,437			45,783			4,771
Gross profit	9,301			255			20,143			299
Operating expenses:										
Selling, general and administrative expenses	13,076			6,725			25,081			12,552
Research and development expense	235			—			245			—

Professional fees	7,439	2,372	12,607	4,128
Impairment losses	–	6,200	–	7,088
Change in fair value of contingent consideration, net	(2,402)	746	(1,907)	1,279
Litigation settlement	–	–	5,000	–
Depreciation and amortization	1,635	481	2,763	957
<b>Total operating expenses</b>	<b>19,983</b>	<b>16,524</b>	<b>43,789</b>	<b>26,004</b>
<b>Loss from operations</b>	<b>(10,682)</b>	<b>(16,269)</b>	<b>(23,646)</b>	<b>(25,705)</b>
Interest and other income (expense):				
Interest expense, net	(563)	(8,890)	(980)	(12,047)
Equity in loss of equity method investees	(358)	(12)	(417)	(15)
Loss on disposal of subsidiaries, net	(1,234)	–	(1,446)	–
Conversion expense	–	(2,266)	–	(2,266)
Gain on remeasurement of investment	2,915	–	2,915	–
Other income (expense, net)	990	1,015	988	989
<b>Loss before income taxes and non-controlling interest</b>	<b>(8,932)</b>	<b>(26,422)</b>	<b>(22,586)</b>	<b>(39,044)</b>
Income tax benefit (expense)	(1,061)	–	11,855	–
<b>Net loss</b>	<b>(9,993)</b>	<b>(26,422)</b>	<b>(10,731)</b>	<b>(39,044)</b>
Deemed dividend related to warrant repricing	–	(184)	–	(184)
<b>Net loss attributable to common shareholders</b>	<b>(9,993)</b>	<b>(26,606)</b>	<b>(10,731)</b>	<b>(39,228)</b>
Net loss attributable to non-controlling interest	203	28	367	300
<b>Net loss attributable to IDEX common shareholders</b>	<b>\$ (9,790)</b>	<b>\$ (26,578)</b>	<b>\$ (10,364)</b>	<b>\$ (38,928)</b>
<b>Earnings (loss) per share</b>				
<b>Basic</b>	<b>\$ (0.02)</b>	<b>\$ (0.15)</b>	<b>\$ (0.03)</b>	<b>\$ (0.23)</b>
<b>Diluted</b>	<b>\$ (0.02)</b>	<b>\$ (0.15)</b>	<b>(0.03)</b>	<b>\$ (0.23)</b>
<b>Weighted average shares outstanding:</b>				
<b>Basic</b>	<b>433,098,279</b>	<b>180,034,278</b>	<b>412,230,966</b>	<b>168,946,960</b>
<b>Diluted</b>	<b>433,098,279</b>	<b>180,034,278</b>	<b>412,230,966</b>	<b>168,946,960</b>

## IDEANOMICS, INC.

### CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited) (USD in thousands)

	June 30, 2021		December 31, 2020	
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$	395,642	\$	165,764
Accounts receivable, net		4,039		7,400
Available-for-sale security		15,360		–
Inventory		3,573		–
Prepaid expenses		12,069		2,629
Amount due from related parties		294		240
Other current assets		1,291		3,726
Held for sale assets (Fintech Village)		7,068		–

<b>Total current assets</b>	<b>439,336</b>		<b>179,759</b>	
Property and equipment, net	1,058		330	
Fintech Village	—		7,250	
Intangible assets, net	107,352		29,705	
Goodwill	104,193		1,165	
Long-term investments	32,457		8,570	
Operating lease right of use assets	12,423		7,117	
Other non-current assets	1,232		516	
<b>Total assets</b>	<b>\$ 698,051</b>		<b>\$ 234,412</b>	
<b>LIABILITIES, CONVERTIBLE REDEEMABLE PREFERRED STOCK, REDEEMABLE NON-CONTROLLING INTEREST AND EQUITY</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 8,456		\$ 5,057	
Deferred revenue	1,707		1,129	
Accrued salaries	5,710		1,750	
Amount due to related parties	1,111		882	
Other current liabilities	8,210		1,920	
Current portion of operating lease liabilities	1,940		430	
Current contingent consideration	11,712		1,325	
Promissory note-short term	1,228		568	
Convertible promissory note due to third parties	81,244		—	
Asset retirement obligations	4,653		—	
<b>Total current liabilities</b>	<b>125,971</b>		<b>13,061</b>	
Asset retirement obligations	—		4,653	
Deferred tax liabilities	2,971		—	
Operating lease liability-long term	10,530		6,759	
Non-current contingent consideration	4,637		7,635	
Other long-term liabilities	1,284		535	
<b>Total liabilities</b>	<b>145,393</b>		<b>32,643</b>	
<b>Commitments and contingencies (Note 18)</b>				
<b>Convertible redeemable preferred stock and Redeemable non-controlling interest:</b>				

Series A – 7,000,000 shares issued and outstanding, liquidation and deemed liquidation preference of \$3,500,000 as of June 30, 2021 and December 31, 2020	1,262		1,262	
Redeemable non-controlling interest	7,716		7,485	
<b>Equity:</b>				
Common stock – \$0.001 par value; 1,500,000,000 shares authorized, 466,354,487 shares and 344,906,295 shares issued and outstanding as of June 30, 2021 and December 31, 2020, respectively	466		345	
Additional paid-in capital	894,285		531,866	
Accumulated deficit	(357,245)		(346,883)	
Accumulated other comprehensive income	730		1,256	
<b>Total IDEX shareholder's equity</b>	<b>538,236</b>		<b>186,584</b>	
Non-controlling interest	5,444		6,438	
<b>Total equity</b>	<b>543,680</b>		<b>193,022</b>	
<b>Total liabilities, convertible redeemable preferred stock, redeemable non-controlling interest and equity</b>	<b>\$ 698,051</b>		<b>\$ 234,412</b>	

SOURCE Ideanomics