Helium (HNT)

Tokenholder Report

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Q1 2026

Blockworks Advisory

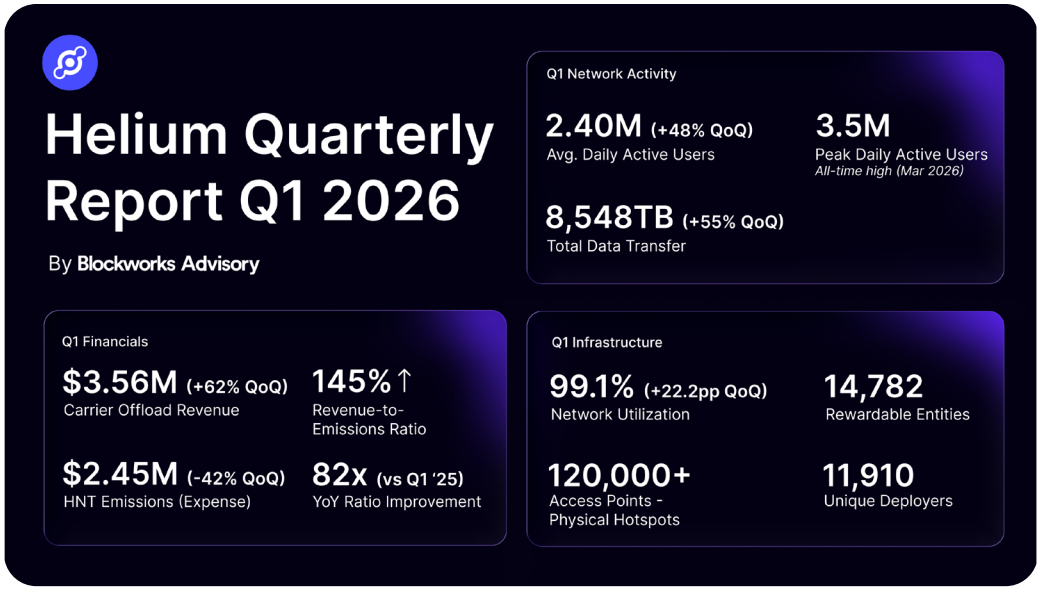
Table of Contents

Executive Summary

Helium's Q1 2026 results reinforce the transition from discretionary-supported growth to durable, usage-led expansion. Network revenue, as the sum of aggregate Data Credit (DC) burn, normalized to $3.9M (-25.6% QoQ), but revenue quality improved materially as carrier offload became the clear center of gravity. Carrier Offload DC burn rose to $3.56M (+62.2% QoQ), while the discretionary data credit burn line associated with the Helium Mobile MVNO business unit effectively ceased, confirming that non-recurring Q4 effects largely subsided.

The core protocol health signal strengthened meaningfully in Q1: sustainable offload revenue-to-emissions coverage increased to 145.1% from 51.9% in Q4, with HNT emissions falling to $2.45M (-42.0% QoQ). Protocol cash flow improved to $1.43M (+44.0% QoQ), reflecting stronger organic monetization and lower emissions pressure. Taken together, Q1 extends the path toward self-sustaining network economics on a cleaner baseline.

Total mobile data transfer reached 8,547.5 TB in Q1 (+55.0% QoQ), driven by 8,281.1 TB of carrier offload (+63.8% QoQ). Daily active users averaged 2.40M (+47.9% QoQ) and peaked at 3.5M on March 14. Over the same period, deployer growth remained measured at +0.7% QoQ, underscoring the fact that demand and throughput are scaling faster than network footprint expansion.



Management Commentary

Helium continues to build on the momentum established in 2025, with daily active users and daily data transfer both trending higher to start the year. Following Q4's record of 2.53 million daily active users and 5,513 TB of data transferred, Q1 has extended that trajectory, reinforcing that what was once a novel deployment model has matured into a reliable layer of production carrier infrastructure.

The Network's real-world relevance has never been more visible. In Q1, Helium provided connectivity to support surges in mobile traffic at some of the densest US-based events, including the Super Bowl and Mardi Gras. More regional events like the Okeechobee Music and Arts Festival in Florida also demonstrate where the high agency deployment model is successful. Regardless of scale, each occasion produced meaningful spikes in traffic, with the Network absorbing the load without disruption. These are not proof-of-concept deployments. They are steady demonstrations of a Network delivering on its promise of seamless offload, event after event.

On the development side, the team shipped a significant upgrade to Helium World, the primary interface for deployers. The update introduced fleet-level wallet views, redesigned navigation, and improved access to traffic and coverage data. The goal is to give deployers the tools they need to manage and grow their deployments with greater confidence, an important investment as the Network continues to expand.

The industry backdrop continues to move in Helium's favor with evidence from this quarter being especially concrete. Legacy carriers have signaled meaningful capital discipline heading into 2026, with Dell'Oro Group projecting a decline in global telecom capex following a flat 2025. Verizon alone reduced its capex guidance by 6% for 2026 and is targeting $5 billion in operating cost savings for the year. That macro pressure is showing up in vendor earnings as well. Ericsson reported a 10% YoY decline in total sales in Q1 2026, with Americas revenue falling 18% as North American carriers pulled back on network spending following a period of accelerated investment.

The RAN market, which generated about $45 billion in recent years, has contracted to approximately $35 billion as telcos reduce 5G rollout investments. For Helium, a carrier environment that is under financial pressure to expand coverage while reducing balance sheet spend is precisely the environment where a high-quality, low-cost offload Network proves its value most clearly. Carriers are not spending less because demand is shrinking. Quite the opposite, and the traditional infrastructure model has become cost-prohibitive as industrial-grade alternatives are maturing, such as Helium.

Looking further ahead, discussions at Mobile World Congress in Barcelona offered a clear signal: the path to 6G will require substantially denser base-station infrastructure, particularly for the high-bandwidth, low-latency applications expected to define the next generation of wireless. Helium's track record with indoor coverage, interoperability, and community-driven deployment positions it well for that transition, and the team has been deepening its engagement in Washington on telecom policy, including bipartisan conversations about how decentralized networks can support critical systems such as first-responder coverage.

For investors, the thesis remains consistent: HNT offers exposure to a structural shift in how wireless infrastructure is built, operated, and financed. The combination of measurable usage growth, improving protocol economics, and a policy and technology environment that increasingly validates the decentralized model makes Helium an increasingly compelling proposition as the broader telecom transition accelerates.

Financials

Helium Income Statement

	Q1 '26	Q4 '25	Q3 '25	Q2 '25	Q1 ' 25
Total Revenue	$ 3.9M	$ 5.2M	$ 2.8M	$ 948.5K	$ 555.3K
Mobile	*$ 3.9M*	*$ 5.2M*	*$ 2.8M*	*$ 938.3K*	*$ 543.8K*
IOT Network	*$ 22.1K*	*$ 11.5K*	*$ 10K*	*$ 10.3K*	*$ 11.4K*
Total Expenses	$ (2.5M)	$ (4.2M)	$ (8.7M)	$ (16.1M)	$ (18.8M)
HNT Emissions	$ (2.5M)	$ (4.2M)	$ (8.7M)	$ (16.1M)	$ (18.8M)
Net Income	$ 1.4M	$ 995.6K	$ (5.9M)	$ (15.1M)	$ (18.3M)
oEPT*	$0.007	$0.005	-$0.031	-$0.081	-$0.101

*Outstanding Earnings per Token (oEPT) measures quarterly net income divided by the total outstanding token supply, reflecting per-token profitability.

Data as of April 1, 2026 | Source: Blockworks Research

Helium Income Statement Q1 2026. Source: Blockworks

Income Statement Notables

Revenue Mix Normalizes While Organic Offload Accelerates

Carrier Offload DC burn, the primary revenue driver for the Network representing organic usage from carriers, reached $3.56M, up 62.2% QoQ from $2.19M in Q4. This carrier-driven growth continues to validate deepening partnership utilization. Q1 total revenue was $3.9M, down 25.6% QoQ from $5.2M in Q4, attributed exclusively to the discontinued discretionary burn program associated with the Helium Mobile subscription business. Mobile remained the dominant contributor at 99.4% ($3.86M), with IoT at $22.1K (~0.6%).

Emissions Compression Continues

Q1 protocol expenses totaled $2.45M, consisting entirely of HNT emissions, down 42.0% QoQ from $4.23M in Q4 and down 71.9% from Q4 '24's $8.71M. While non-cash, emissions remain the singular dilution effect for token holders. With the post-halving regime now in place, quarter-to-quarter changes in this line are increasingly driven by market pricing.

Sustainable Coverage Steps Higher

Looking ahead, organic network use driven by Carrier Offload remains the primary indicator of protocol health. Q1's 62.2% QoQ growth in carrier-driven DC burn ($2.19M → $3.56M) demonstrates continued momentum in the network's core value proposition.

Excluding the discretionary-linked Helium Mobile subscription line, sustainable DC burn revenue from Carrier Offload totaled $3.56M against HNT emissions of $2.45M, achieving a 145.1% revenue-to-emissions ratio. This coverage metric is calculated on the basis of DC burned at the protocol's $0.50/GB rate. Because carrier partnership agreements are structured at rates below this level, the effective revenue yield per GB is lower than the headline DC burn figure implies. Adjusting for this would moderate the ratio, however the directional improvement from Q4's 51.9% remains significant and reflects genuine and meaningful demand-side growth.

On this basis, protocol economics improved meaningfully as recurring demand scaled and the non-recurring Q4 component rolled off. The key takeaway for token holders is that Q1 quality of revenue improved even as total reported revenue normalized from Q4's elevated base.

Cash Flow Notables

	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
Net Cash from Operating Activities	**$ 1.4M**	**$ 995.6K**	**$ (5.9M)**	**$ (15.1M)**	**$ (18.3M)**
Data Credit Burn*	$ 3.9M	$ 5.2M	$ 2.8M	$ 938.3K	$ 543.8K
HNT Emissions	$ (2.5M)	$ (4.2M)	$ (8.7M)	$ (16.1M)	$ (18.8M)
Net Cash from Investing Activities	-	-	-	-	-
Net Cash from Financing Activities	-	**$ (2.3M)**	-	-	-

Helium Cash Flows Q1 2026. Source: Blockworks

Operating Cash Flow Moves Higher QoQ

Q1 protocol cash flow was $1.43M, up from $996K in Q4, a $438K improvement driven by the convergence of stronger organic revenue and lower emissions expense. Carrier Offload and organic network usage generated $3.56M in DC burn revenue, up 62.2% from $2.19M in Q4, while HNT emissions declined to $2.45M, down 42.0% from $4.23M.

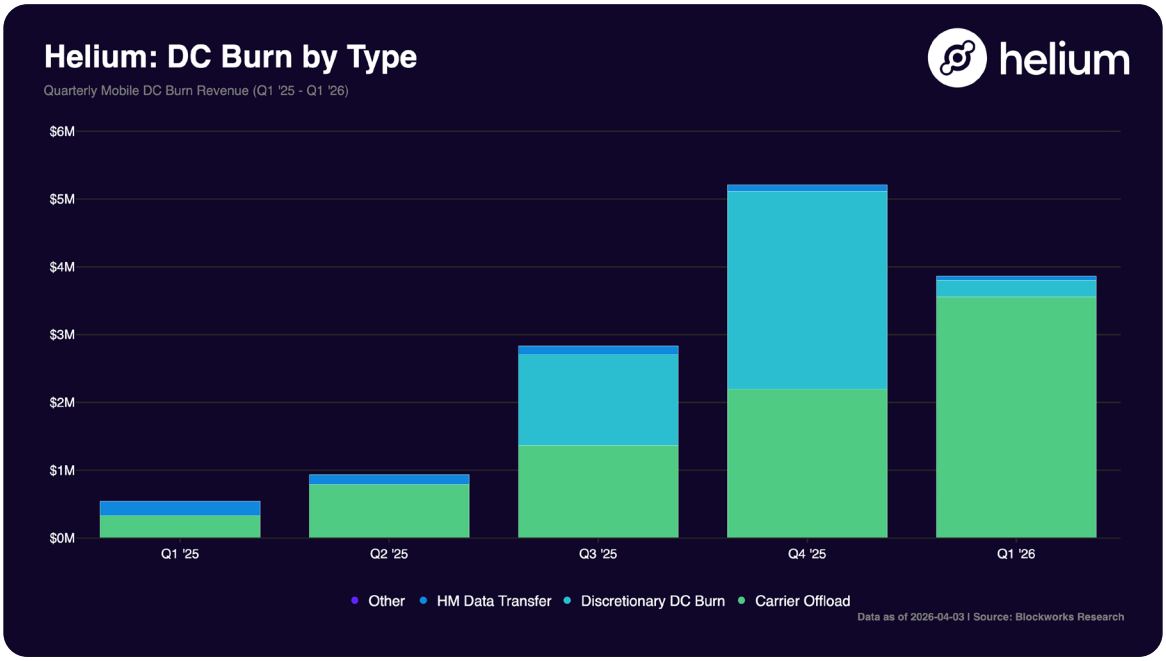
Discretionary Burn Effect Largely Rolled Off

Q4 included a large discretionary component through Helium Mobile subscriber revenue routing into HNT purchases and inorganic DC burn. That activity was effectively eliminated in Q1, indicating the Helium Mobile subscriber discretionary uplift has rolled off. Current quarter economics are therefore cleaner for evaluating go-forward sustainability through organic carrier demand, with remaining DC burn dynamics reflecting carrier offload agreements rather than discretionary programs from the subscriber business.

Cash Flow Read-Through for Q2

Path to sustained profitability: With the Helium Mobile discretionary burn program largely removed, operating cash flow and coverage dynamics improved alongside offload growth. Key drivers for continued improvement include continued evolution of carrier partnership pricing toward closer alignment between contracted rates and protocol-defined DC burn costs, disciplined emission governance, and continued network utilization growth in both domestic and international markets.

Revenue Drivers



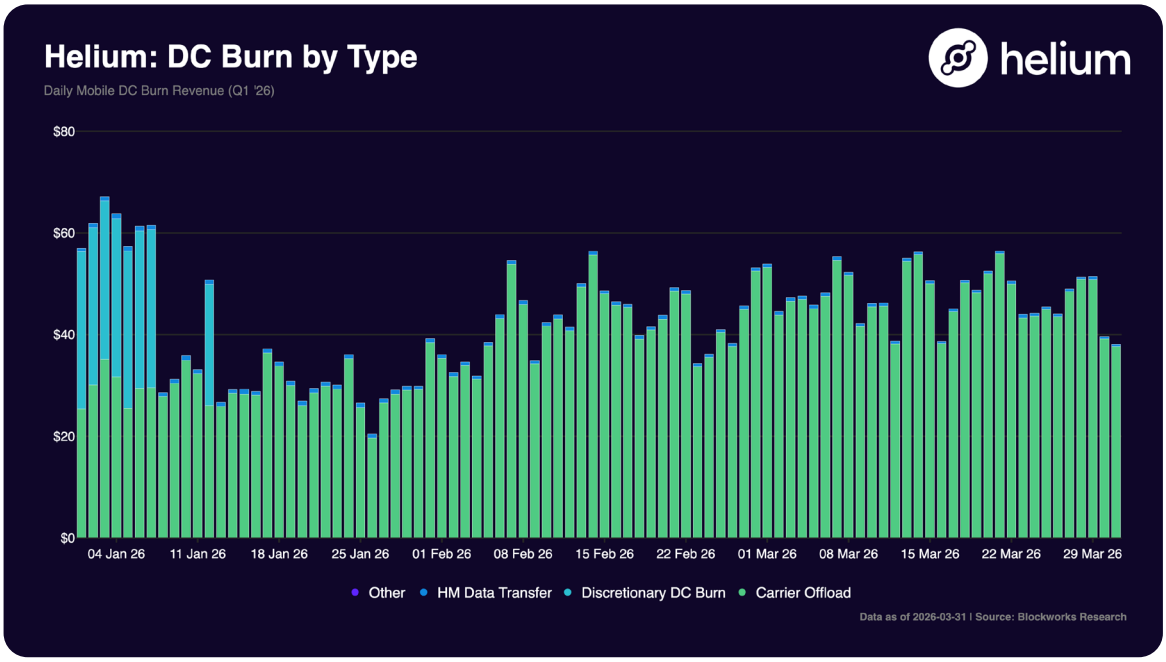
Helium DC Burn by Type Quarterly 2026. Source: Blockworks

Revenue Mix Re-centers on Organic Offload

Q1 '26 revenue mix reflected a structural shift toward organic carrier demand as discretionary-era contribution largely rolled off. Carrier Offload contributed $3.56M (92.1% of Mobile DC burn), growing 62.2% QoQ from $2.19M in Q4 '25 as carrier utilization scaled. This organic revenue stream, driven by actual network usage from carrier partnerships, remains the core economic engine of the protocol. Helium Mobile Data Transfer added $64.1K (1.7%), a smaller contribution than Q4's $94.2K as direct service-provider usage moderated.

The discretionary DC burn line, associated with the Helium Mobile subscription business contributed $240.9K (6.2%) in Q1, down 91.8% QoQ from $2.92M in Q4. While still present in early Q1 data, this line no longer drives reported quarter totals and should not be treated as the go-forward baseline for protocol economics.

Intra-Quarter Momentum Shows Offload Scaling Through Exit



Helium DC Burn by Type Q1 2026. Source: Blockworks

Q1 '26 showed sequential strengthening in organic offload economics as the quarter progressed. Carrier Offload increased from $915K in January to $1.18M in February (+29.1% MoM), then to $1.46M in March (+23.7% MoM). On that trajectory, the offload share of monthly Mobile DC burn expanded from 77.4% in January to 98.4% in February and 98.7% in March. This progression indicates that by quarter end, reported Mobile DC burn was overwhelmingly tied to recurring carrier utilization rather than discretionary mechanics.

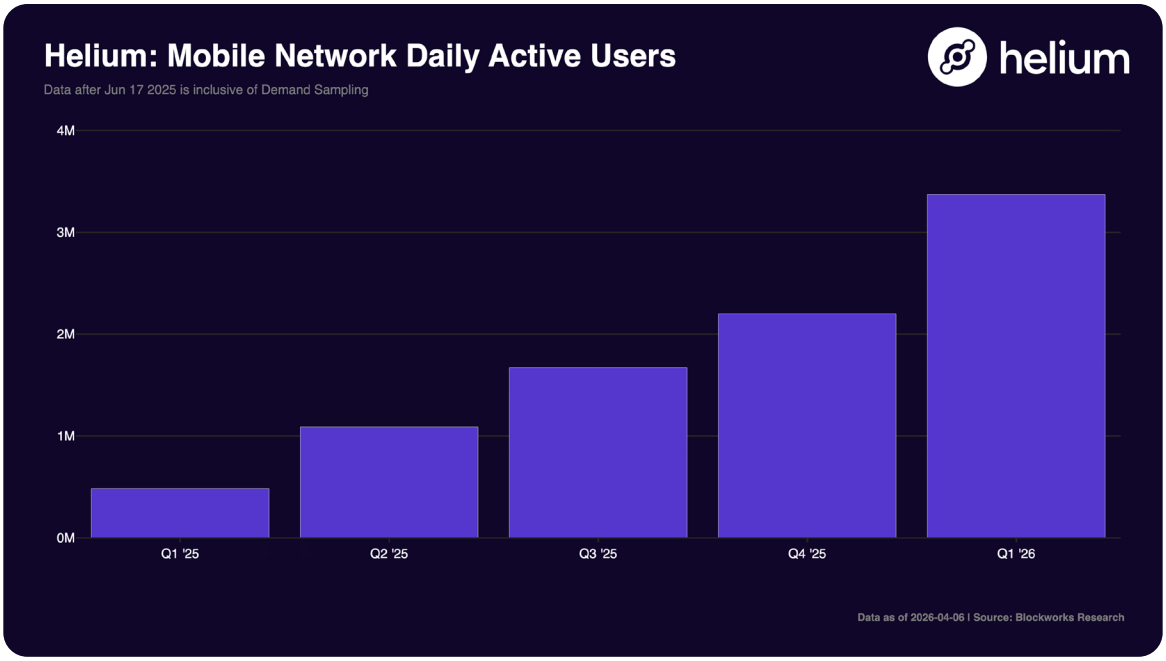
Q1 monthly totals also support this read-through: Total Mobile DC burn was $1.18M in January, $1.20M in February, and $1.48M in March. The January mix still reflected residual discretionary-linked burn, while February and March reflect a cleaner organic baseline.

IoT Scale and Share

Q1 '26 IoT DC-burn revenue was ~$22.1K (~0.6% of total network revenue), up 92.6% QoQ versus $11.5K in Q4. Daily IoT burn averaged ~$246/day in Q1 versus ~$125/day in Q4, indicating improved throughput on a still-small absolute base. IoT continues to provide a small recurring contribution, but the quarter's dominant economic signal remains carrier offload expansion.

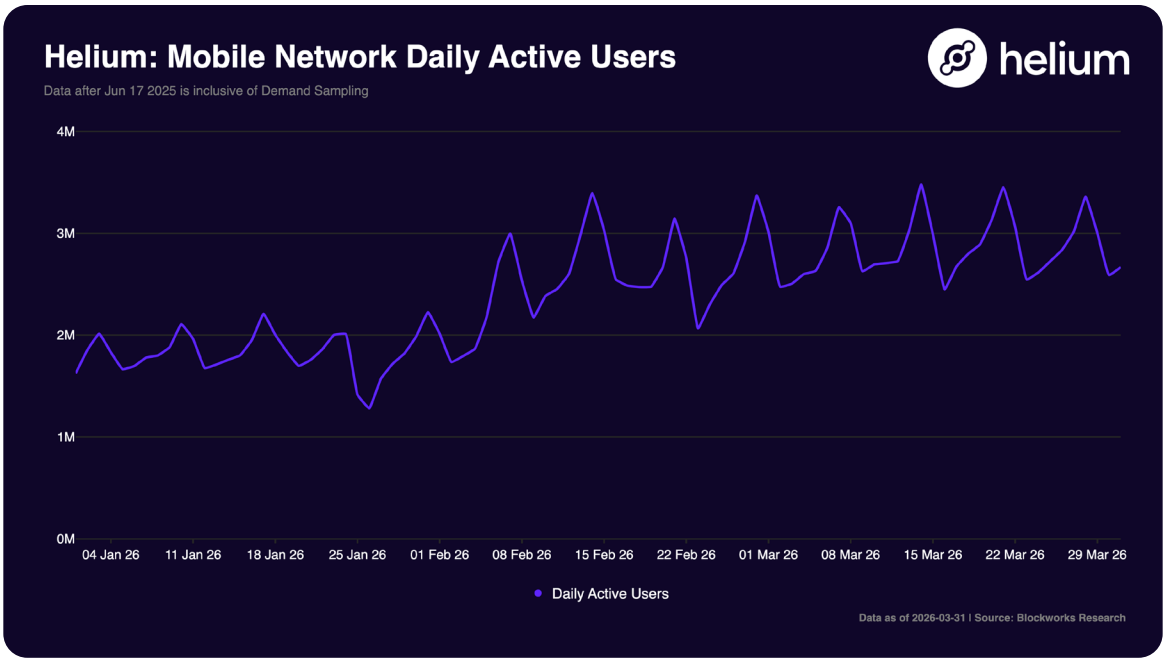
Network Analysis

Daily Active Users



Helium Mobile Network DAU Quarterly 2026. Source: Blockworks

Q1 2026 marked another step-up in daily network engagement, with daily active users averaging 2.40M across the quarter, up 47.9% from 1.62M in Q4. The growth trajectory accelerated through the quarter, with March averaging 2.81M daily active users versus 1.96M in January, representing 43.7% intra-quarter growth.

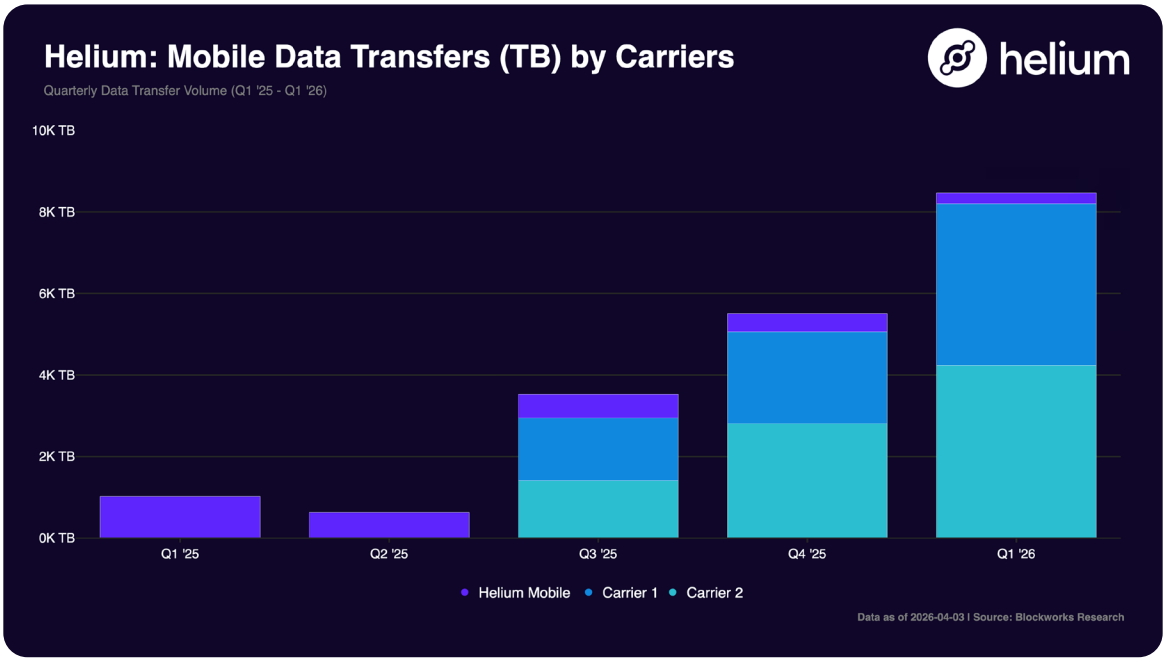


Helium Mobile Network DAU Q1 2026. Source: Blockworks

User engagement peaked at 3.5M on March 14, establishing a new high for the current series. The sustained expansion from January through March reflects deeper carrier utilization and broader recurring usage as offload demand scaled.

Total data transfer growth continued to outpace user growth. Combined mobile transfer volume (offload plus service-provider) reached 8,547.5 TB in Q1, up 55.0% from 5,513.3 TB in Q4. With transfer growth running ahead of user growth (+55.0% QoQ), per-user throughput continued to improve as offload traffic deepened.

Carrier Performance and Distribution



Helium Mobile Data Transfers by Carriers Quarterly 2026. Source: Blockworks

Sequential Data Transfer Growth Accelerates

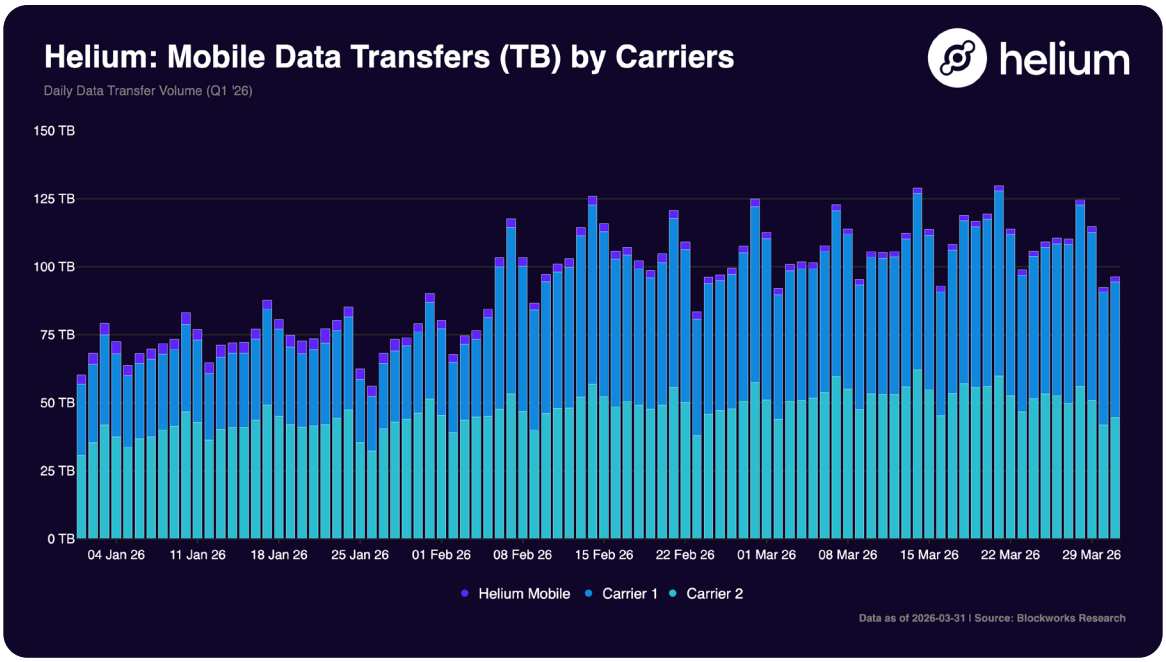
In Q1 2026, Helium's mobile network processed 8,547.5 TB of total data transfers, up 55.0% from Q4's 5,513.3 TB. Carrier Offload alone reached 8,281.1 TB, up 63.8% from 5,055.9 TB in Q4. This continuation in offload growth validates Helium's role as a scaling wholesale infrastructure layer.

Carrier Volume Distribution

Q1 carrier breakout data shows a two-carrier structure remains in place:

- Carrier 2: 4,239.2 TB (51.2% of offload volume)
- Carrier 1: 3,964.2 TB (47.9% of offload volume)

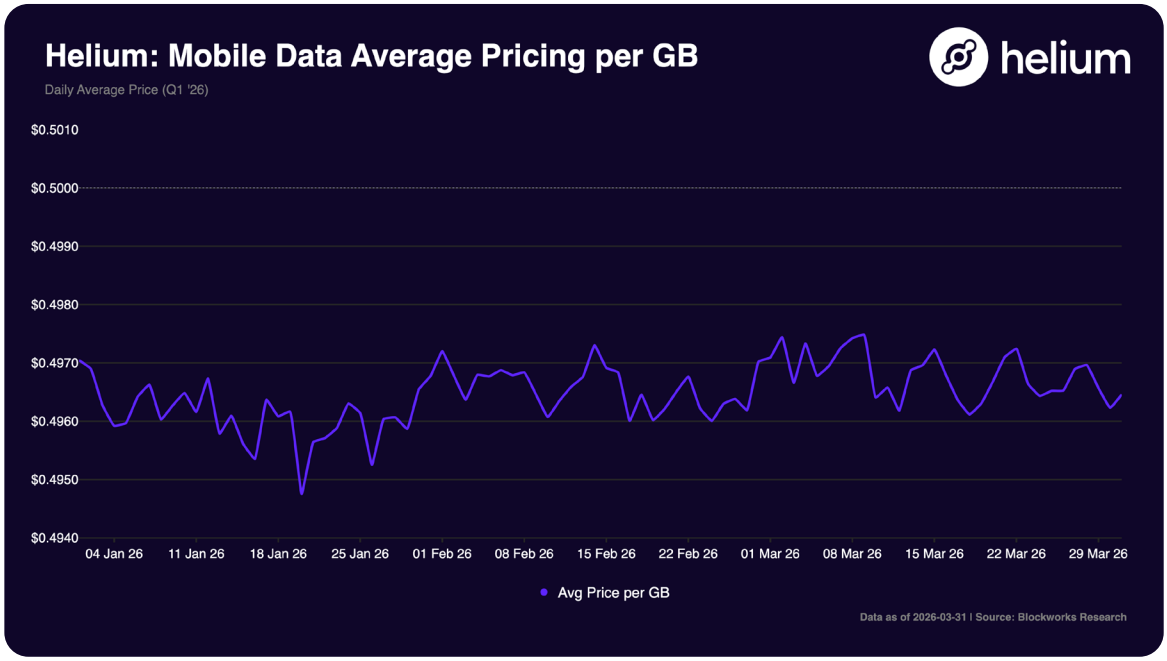
Compared with Q4, leadership rotated by volume from Carrier 1 to Carrier 2. Together, the two carriers still account for essentially all identified offload traffic, reinforcing both network relevance and concentration risk.



Helium Mobile Data Transfers by Carriers Q1 2026. Source: Blockworks

Total network traffic expansion remained offload-led. Helium Mobile service-provider transfer volume was 266.4 TB in Q1, down 41.7% from 457.4 TB in Q4, indicating Q1 growth was driven primarily by wholesale carrier usage.

Network Pricing Stability

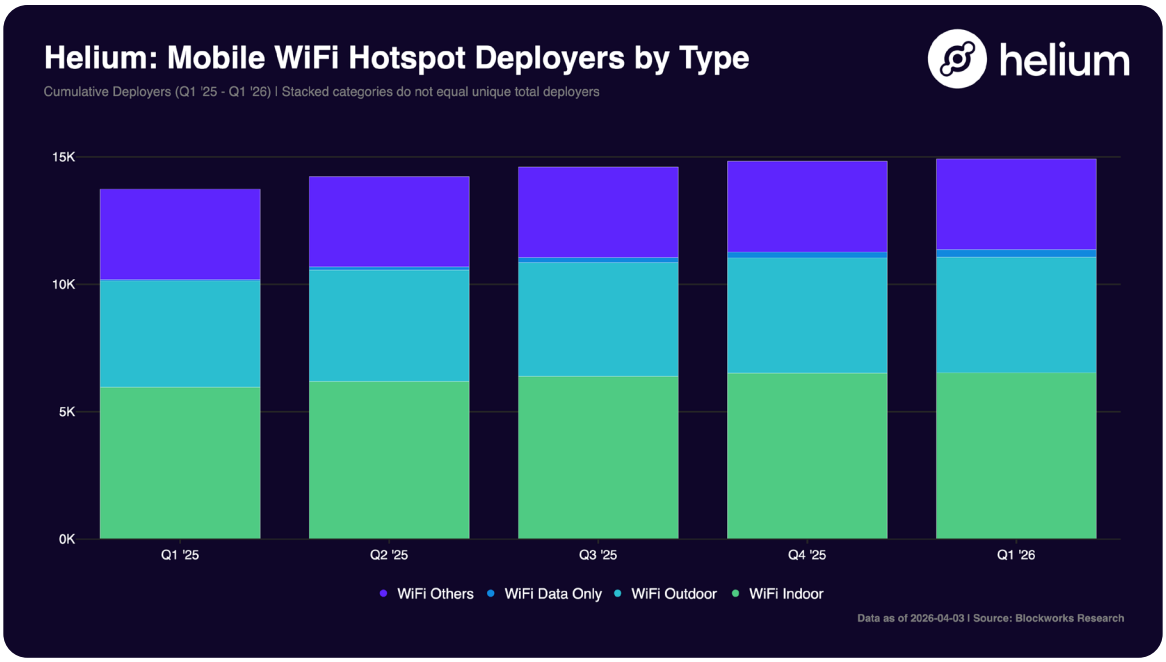


Helium Mobile Data Average Pricing per GB, 2026. Source: Blockworks

Helium pricing remained stable through Q1. Average network pricing was $0.4965/GB in Q1 versus $0.4960/GB in Q4, effectively flat around the protocol's $0.50/GB reference level. This keeps the quarter's growth narrative usage-led rather than price-led. It is worth noting that this rate reflects the protocol's internal DC burn pricing rather than the contracted rate paid by carrier partners, which is typically lower. The difference between carrier-negotiated pricing and the protocol's burn rate represents an implicit Network subsidy that supports current DC burn levels. As carrier volumes continue to scale, the alignment between contracted rates and protocol-level burn pricing will become an increasingly relevant variable in evaluating long-term revenue quality.

Mobile Hotspot Infrastructure Growth

Network Coverage and Deployer Base



Helium Mobile WiFi Hotspot Deployers by Type Quarterly 2026. Source: Blockworks

Q1 '26 ended with 11,910 total Mobile WiFi deployers, up 0.7% QoQ from 11,824 in Q4 and up 2.3% from 11,648 in Q3. The deployment base expanded modestly across categories in the same series: Indoor deployers reached 6,528 (+0.4% QoQ), Outdoor 4,543 (+0.3% QoQ), Other 3,557 (flat QoQ), and Data-Only 290 (+23.4% QoQ). This quarter added a net 86 deployers versus 176 net adds in Q4, reinforcing a measured-growth profile in network footprint.

The key structural signal remains the divergence between demand growth and footprint growth. Carrier offload transfer volume rose 63.8% QoQ in Q1 (5,055.9 TB → 8,281.1 TB) against only 0.7% QoQ deployer growth. That spread supports a network-maturation read: existing coverage density is increasingly sufficient to absorb incremental traffic, with utilization scaling faster than physical footprint. Data-Only growth remains notable despite its smaller absolute base. The +23.4% QoQ increase in Data-Only deployers suggests continued operator interest in backhaul-oriented deployment models while the broader footprint grows at a slower pace.

Product & Ecosystem Updates

Awards & Recognition

Network Validation at Flagship Events: While no major third-party award announcements were highlighted in Q1, Helium published two high-visibility performance validations. During Super Bowl weekend in the Bay Area, the network reached 113,000 unique subscribers on peak day. During Mardi Gras in New Orleans, Helium reported 100,000+ daily unique subscribers across Carnival weekend, including a Fat Tuesday peak of 143,000 and a 550%+ increase versus the average Tuesday baseline. Together, these events served as public proof points for carrier-grade traffic handling on decentralized infrastructure.

Community Deployments

From regional venue rollouts to national preparation agreements, Q1 showed broader on-the-ground deployment traction:

- RDI Multi-Site Expansion: Helium disclosed RDI-led deployments across 272 Jack's Restaurants in the Southeast and 88 Green Valley Grocery locations in Las Vegas, extending network presence into high-frequency commercial footprints.
- YMCA Expansion Path: Helium reported that an initial Birmingham YMCA deployment expanded into a broader national agreement to prepare YMCA facilities for Helium connectivity.
- Trade Association Channel Access: Helium also cited partnerships with AHOA/ASOA trade-group channels, signaling potential access to a wider pipeline of hospitality and convenience-store locations.

Product Updates

UI/UX (Helium World Rebuild): On March 17, Helium World launched a major deployer experience upgrade. New users can onboard without 24-word seed phrases, reward splitting is built directly into the product flow, and hotspot management now runs through a full web dashboard across desktop and mobile.

Hardware & Deployment Motion: Q1 enterprise messaging emphasized turnkey installs and USD-denominated reporting for venue owners, helping reduce operational friction for non-crypto operators evaluating Helium deployments.

IoT Fleet Tooling: On March 27, Helium introduced Gateway Fleet Onboarding support for IoT. The multi-gateway architecture allows operators to manage larger LoRaWAN gateway fleets from a centralized control layer while preserving per-gateway identity on-network.

Incentives & Emissions

HIP 148 Implementation in Q1: The Mobile mapping-reward reallocation framework (HIP-148) was deployed in early January 2026. In practice, this removed mapping allocation from Mobile emissions and shifted incentive weight toward data transfer and service-provider pools while simplifying service-provider reward structure.

Additional Rewards-Eligibility Simplification: A February core-dev release proposal removed CDR verification as a gating requirement for PoC reward eligibility, continuing the quarter's broader push to reduce deployer friction in incentive mechanics.

Closing Summary & Outlook

Helium continued to progress toward sustainable protocol economics in Q1, with Carrier Offload DC burn reaching $3.56M (+62.2% QoQ) while total expenses declined to $2.45M (-42.0% QoQ). On a sustainable basis, offload revenue covered 145.1% of emissions on a protocol-level DC burn basis, up from 51.9% in Q4, validating that the quarter's core economic improvement came from recurring demand rather than discretionary activity.

Total revenue was $3.9M, down 25.6% QoQ from Q4's elevated level, but composition improved materially. Discretionary burn from the Helium Mobile subscriber business effectively ended in Q1 versus $2.92M in Q4, and offload represented the dominant share of Mobile DC burn by quarter end. This mix shift supports a cleaner go-forward baseline for evaluating protocol health.
Network infrastructure absorbed demand growth efficiently. Total mobile transfer volume rose 55.0% QoQ to 8,547.5 TB, including 8,281.1 TB of carrier offload (+63.8% QoQ). Daily active users averaged 2.40M (+47.9% QoQ), peaking at 3.5M on March 14. Average daily offload connections increased to 3.37M (+53.4% QoQ), while the deployer base grew only 0.7% QoQ to 11,910.

Treasury assets ended the quarter at $2.26M, down 24.3% from $2.99M in Q4. The decline primarily reflects mark-to-market dynamics in a treasury that remains concentrated in HNT.

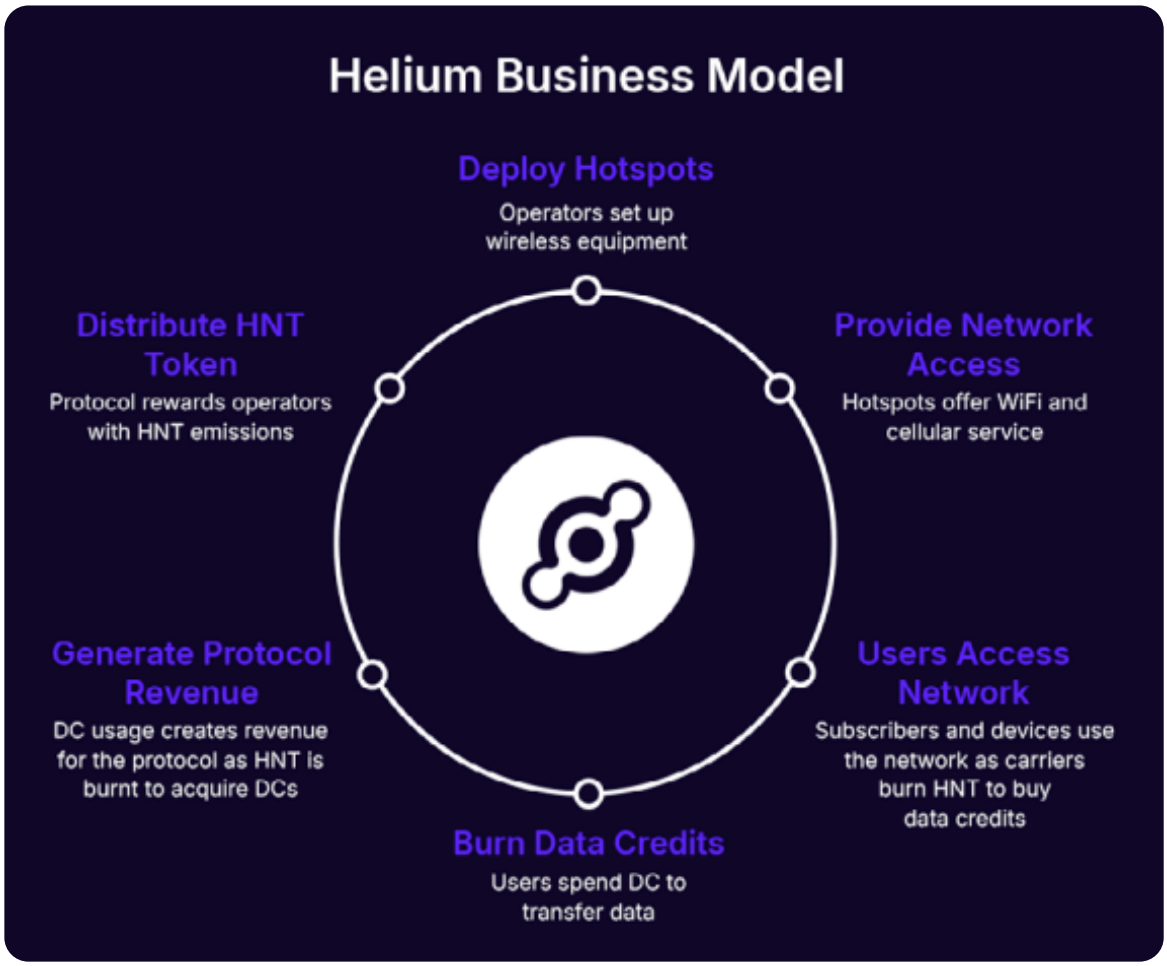
The protocol enters Q2 with stronger organic demand, improved sustainable coverage, and clear operating leverage. If carrier offload utilization continues to scale while footprint growth remains disciplined, Helium remains positioned to extend progress toward durable, self-sustaining network economics. As carrier partnerships continue to mature and converge with protocol-level pricing, it ultimately stabilizes margin structure and solidifies long-term token holder value.

Appendix

What is Helium?

Helium is a decentralized wireless network protocol that enables individuals and organizations to deploy and operate wireless infrastructure in exchange for cryptocurrency rewards. The network operates through a dual-token system: HNT (the protocol's native token) and Data Credits (DC), which are burned to pay for network usage. Helium's infrastructure supports multiple wireless networks with Mobile (5G/cellular) being the primary consumer of data as of Q4 2025 and IoT (LoRaWAN) as the legacy network with lower data consumption.

Business Model Overview



Helium Business Model Overview. Source: Blockworks

Revenue Model

Helium generates protocol revenue through Data Credit (DC) burn. Network users (whether retail subscribers, carrier partners, or IoT device operators) must burn DC to access network services. DCs are created by burning HNT at a fixed exchange rate ($0.00001 per DC), creating deflationary pressure on the HNT token supply as network usage increases. Protocol revenue is measured in USD-equivalent DC burn. Note that wholesale carrier agreements may be structured at per-GB rates below the protocol's reference price, with the Network subsidizing the difference through DC burn at the standard rate to support onboarding and utilization growth.

Cost Structure

The protocol's primary expense is HNT token emissions, which are distributed to network participants as incentives:

- **Data Transfer Rewards**: Paid to hotspots that actively route user data

Emissions follow a predetermined schedule but can be adjusted through governance proposals, resulting in the vast majority of emissions going to Data Transfer Rewards. The USD value of emissions fluctuates with HNT token price.

Path to Profitability

Helium achieves profitability when DC burn revenue exceeds HNT emission costs. As of Q4 2025, revenue covered 55% of emissions (excluding discretionary DC burn), up from 17% in Q3, indicating improving unit economics as the network scales.

Carrier Offload (Wholesale)

Carrier Offload represents the primary revenue source for Helium via partnerships with traditional telecommunications carriers who route traffic through Helium's decentralized infrastructure. Revenue is generated on a per-gigabyte basis as carriers burn DC to access network capacity. This wholesale channel provides high-volume, lower-margin revenue compared to retail subscriptions.

Helium Mobile (Retail MVNO)

Helium Mobile operates as a Mobile Virtual Network Operator (MVNO) offering direct cellular service to consumers. Revenue is generated through:

- **Subscription Fees**: Fixed monthly plans ($15-$30/month)
- **Data Transfer Charges**: Usage-based fees for data consumed on the network, included in Carrier Offload revenue numbers

IoT Network

The IoT network supports low-power, long-range connectivity for Internet of Things devices using LoRaWAN technology. Revenue is generated through DC burn for data transmission. As of Q4 2025, IoT represents <1% of total protocol revenue.

Network Infrastructure

Hotspots

Hotspots are wireless access points deployed by individuals and organizations that provide network coverage. Types include:

1. **Indoor Mobile Hotspots**: WiFi-based cellular offload in homes and businesses
2. **Outdoor Mobile Hotspots**: Macro-coverage for street-level connectivity
3. **Data-Only Hotspots**: Backhaul-only deployments without RF coverage requirements

Hotspots earn rewards in two ways:

1. **Proof-of-Coverage Rewards**: Paid for providing validated network coverage (Proof-of-Coverage)
2. **Data Transfer Rewards**: Paid for actively routing user traffic

Network Quality Metrics

The protocol tracks key performance indicators including:

- **Download/Upload Speeds**: Median throughput delivered to end users
- **Latency**: Time for data transmission
- **Utilization Rate**: Percentage of hotspots actively serving data traffic
- **Coverage**: Geographic availability of network services

Key Terminology

DC Burn: The process of destroying Data Credits to pay for network usage. DC burn is the protocol's primary revenue metric and is measured in USD equivalent.

HNT: Helium Network Token, the protocol's native cryptocurrency used for governance, staking, and converting to Data Credits.

Data Credits (DC): Non-transferable tokens created by burning HNT, used exclusively to pay for network services. Fixed at $0.00001 per DC.

Emissions: HNT tokens distributed to network participants as incentives. Measured in USD-equivalent based on HNT token price.

MVNO: Mobile Virtual Network Operator - a wireless service provider that does not own the underlying network infrastructure but leases capacity from traditional

carriers.

Carrier Offload: The practice of traditional telecommunications carriers routing traffic through alternative networks (in this case, Helium) to reduce congestion and infrastructure costs.

SubDAO: Sub-Decentralized Autonomous Organization - specialized networks operating within the Helium ecosystem (Mobile, IoT) with independent governance and economic parameters.

Proof-of-Coverage (PoC): A consensus mechanism where hotspots validate their physical location and coverage provision.