
SG FLEET COMMENCES SUPPLY OF VEHICLES FOR CARLY VEHICLE SUBSCRIPTION

- + Agreement signed today with SG Fleet to commercialise the supply of vehicles for Carly vehicle subscription
- + Vehicles now live on www.Carly.co and available for subscription in Sydney, Melbourne and Brisbane
- + Follows strategic investment of \$2.2 million in Collaborate by SG Fleet on 14 November 2019
- + SG Fleet CEO, Robbie Blau joined the Collaborate Board of Directors on 10 December 2019.

Collaborate Corporation Limited (ASX:CL8) (**Collaborate** or the **Company**) is pleased to announce that further to the announcement on 14 November 2019 of a \$2.2 million strategic investment in Collaborate by SG Fleet Management Pty Limited, a subsidiary of SG Fleet Group Limited (ASX:SGF) (**SG Fleet**), a vehicle supply agreement has been signed today with SG Fleet to facilitate the supply of vehicles to the **Carly** vehicle subscription platform.

In conjunction with the strategic investment announced on 14 November, SG Fleet committed to provide an initial batch of 100 vehicles to the **Carly** marketplace, with a significant number of additional vehicles to be supplied subject to demand and economic returns. The supply agreement has been finalised and the first 10 vehicles are now available for subscription on www.Carly.co in Sydney, Melbourne and Brisbane with further vehicles expected to go live before the end of December. The supply agreement is on normal commercial terms similar to other suppliers of vehicles to the **Carly** marketplace.

SG Fleet Group Limited is one of Australia's leading specialist providers of fleet management, vehicle leasing and salary packaging services. SG Fleet has a presence across Australia, as well as in the United Kingdom and New Zealand. The company employs approximately 700 staff and has approximately 140,000 vehicles under management.

In addition to the supply of vehicles, Collaborate and SG Fleet will work together to accelerate the growth of **Carly's** consumer demand channels for car subscription and leverage SG Fleet's significant experience and relationships in the business and government markets to realise the substantial opportunity in this area by allowing these customers, their clients and their staff to access car subscription via **Carly**.

The relationship with SG Fleet is important in terms of both supply and demand for the **Carly** business. The utilisation of vehicles will be assisted by expanded marketing campaigns and access to SG Fleet's substantial business and government customer base.

Robbie Blau, CEO of SG Fleet was also appointed as a non-executive director to the Collaborate Board on 10 December 2019 by SG Fleet following their strategic investment of \$2.2 million in November 2019.

Chris Noone, CEO of Collaborate commented: "SG Fleet have moved swiftly to take advantage of the strong demand for subscription vehicles being generated by **Carly**. I congratulate the SG Fleet and Carly management teams on making significant progress on vehicle supply so quickly. We are now well positioned to accelerate the growth of **Carly**'s consumer demand channels for car subscription and leverage SG Fleet's significant experience and relationships in the business and government markets in early 2020."

Carly generates revenues when vehicles are subscribed for via **Carly**, with a recent average revenue per month of \$303 per subscribed vehicle, based on an average monthly subscription value of \$863 per month (excluding GST). For more details refer to Collaborate's Investor Presentation released to the ASX on 2 July 2019.

The transition of consumer preferences from the purchase of vehicles to utilising vehicle subscription services is expected to take time and therefore, whilst the potential market size for the **Carly** subscription offering is extremely large, the business model is new and take up by consumers and market penetration cannot be predicted accurately. It is therefore not possible to quantify the financial impact of this supply agreement on Collaborate in any given time frame. However, the Directors of Collaborate believe that the committed supply of 100 vehicles is likely to have a material financial impact on Collaborate's business. This latest agreement with SG Fleet follows recent signing of agreements with automotive manufacturers and dealers including Hyundai and Suttons Motor Group and is further validation of the vital role that **Carly** plays in the rapidly evolving automotive industry.

Authorised by:

Chris Noone
CEO and Director
Collaborate Corporation Limited

About Collaborate Corporation Limited

Collaborate Corporation Limited is listed on the Australian Securities Exchange (ASX:CL8). It is Australia's leading listed company focused on 'collaborative consumption', 'peer-to-peer' or 'sharing economy' business model with a strong focus on mobility solutions. Collaborate's core business is www.DriveMyCar.com.au Australia's leading peer-to-peer car rental business, complemented by www.Carly.co, Australia's first flexible car subscription offering. Other businesses include www.MyCaravan.com.au a leading peer-to-peer caravan rental business; and www.Mobilise.com a rental marketplace for under-utilised assets. Through our proprietary trust and reputation platform, www.peerpass.com.au we create 'trust' between individuals and make it possible for people and companies to safely transact with each other in the sharing economy.