



INVESTOR PRESENTATION

Carly Holdings Limited (ASX:CL8) (**Carly** or the **Company**) is pleased to release a new investor presentation with key updates including:

- + Details of the revised vehicle supply strategy whereby Carly will leverage its own capital to secure more direct control of vehicles to meet increasing demand for subscription vehicles
- + Improvements in key metrics during March Quarter 2021
- + Commitment by Turners Automotive Group, Carly's New Zealand platform partner, to expand their electric fleet vehicle fleet to 150 vehicles by December 2021
- + Environmental, Social & Corporate Governance (ESG) benefits of the car subscription model
- + Improved insurance policy performance metrics resulting in discounted premiums from March 2021
- + Details of the Renounceable Rights Issue announced on 15 April 2021.

This announcement was authorised to be given to ASX by the Board of Directors of Carly Holdings Limited.

Authorised by:

Chris Noone
CEO and Director
Carly Holdings Limited

For more information please contact:

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Carly Holdings Limited
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About Carly Holdings Limited

Carly Holdings Limited (ASX:CL8) www.carly.co/investors is listed on the Australian Securities Exchange. It is Australia's leading listed company focused on providing innovative mobility solutions for consumers and the automotive industry. Carly Holdings operates www.DriveMyCar.com.au Australia's leading peer-to-peer car rental business, and www.Carly.co, Australia's first flexible car subscription service.





Leading the Transition to Car Subscription

Investor Presentation

30 April 2021



Disclaimer

The material herein is a presentation of non-specific background information about the current activities of Carly Holdings Limited (Carly Holdings or the Company). It is information given in summary form and does not purport to be complete.

All persons should seek appropriate professional investment advice in reviewing or considering this presentation and all other information with respect to Carly Holdings, its business, financial performance and operations. Neither the provision of this presentation nor the information contained therein, or any associated communication to any person should be taken as constituting financial advice regarding the purchase or dealing of shares in Carly Holdings. This presentation does not purport to provide all information that might reasonably be required to complete a detailed assessment of Carly Holdings.

Individuals should conduct their own investigation of investment and financial parameters relevant to their personal requirements for investment purposes. The presentation may contain forward looking statements regarding the intentions of the Company, and these will be affected by many other factors beyond the control of the Company.

Forward-looking statements include, but are not limited to, statements concerning Carly Holdings' planned strategies and programs and other statements that are not historical facts. Although Carly Holdings believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. The presentation must be considered in the light of these uncertainties and investments in Carly Holdings should be considered as speculative in nature.

The presentation is not a prospectus or similar disclosure document and does not constitute an invitation to apply for shares in Carly Holdings or ASX:CL8.

Key updates – April 2021

Continual Improvement in Key Metrics

Subscription Transaction Value Growth	85%	Mar 21 Qtr vs Mar 20 Qtr
Growth in Subscribers	74%	Mar 2020 to Mar 2021
Subscription Retention Period	5.31 mths	Mar 2021
Corporate Vehicle Utilisation	83%	Mar Qtr 2021
Reduction in insurance claims	28%	2020/21 vs 2019/20
Insurance Premium Cost Reduction	9.1%	From 22 Mar 2021

Funds raised to be leveraged to increase supply of vehicles & take advantage of growth opportunities

Carly Subscription proposition validated and delivering strong key metrics

Change to Vehicle Supply Strategy

In addition to the existing vehicle supply model whereby vehicle providers retain ownership, Carly will secure a number of vehicles by leveraging its own capital. This may involve indirect control of vehicle supply, direct purchase, lease or a combination of models.

Under the new strategy, Carly will define which vehicles are purchased, when the vehicles are available, the price at which they are subscribed and where they will be located. This will enable Carly to more adequately satisfy demand for vehicles from consumers and businesses

Renounceable Rights Issue to Fund Growth

3 for 4 Rights Issue to raise up to \$3.39 million to primarily fund growth in the supply of vehicles available for subscription, demand generation and working capital. One free attaching option for every three New Shares exercisable at \$0.16 each. Major shareholders SG Fleet and Willoughby Capital have confirmed their intention to take up their rights totaling over \$1.5 million. The minimum subscription under the Entitlement Issue is \$3.15 million.

Carly Holdings Overview

The Company

Carly Holdings is innovating in the rapidly evolving automotive and mobility markets in Australia.

Major shareholders include leaders in the automotive industry **SG Fleet, Turners Automotive and RACV**

Industry Experience

10+ years' experience operating DriveMyCar, Australia's largest peer-to-peer car rental platform.

Leveraging proprietary technology and extensive industry partnerships.

The Ideal Solution

Carly, **Australia's first flexible car subscription service** launched in March 2019.

A monthly recurring payment covers all expenses, just add fuel.

The use of a car without the long-term burden of debt or ownership; Carly offers a more flexible alternative to finance or outright purchase.

Uniquely Positioned

We enable the existing \$55 billion p.a. auto industry to derive a **new source of revenue from their vehicles** by providing a complete car subscription solution.

Our capital light business model means we direct the majority of our capital towards investment in technology and marketing.

Market Opportunity

38% of Australians* would consider subscribing to a car rather than purchasing or leasing.

New car sales have been declining and dealer profit margins are being squeezed.

Consumers and businesses are wary of long-term debt.

Car subscription adoption has been accelerating during COVID-19.

*Carly commissioned Omnipoll survey (June 2020)

What is a Carly Car Subscription?

A fast, flexible and low-risk way for individuals and businesses to access quality new or used vehicles online for 30 days+

The key benefits of Carly Subscription are:

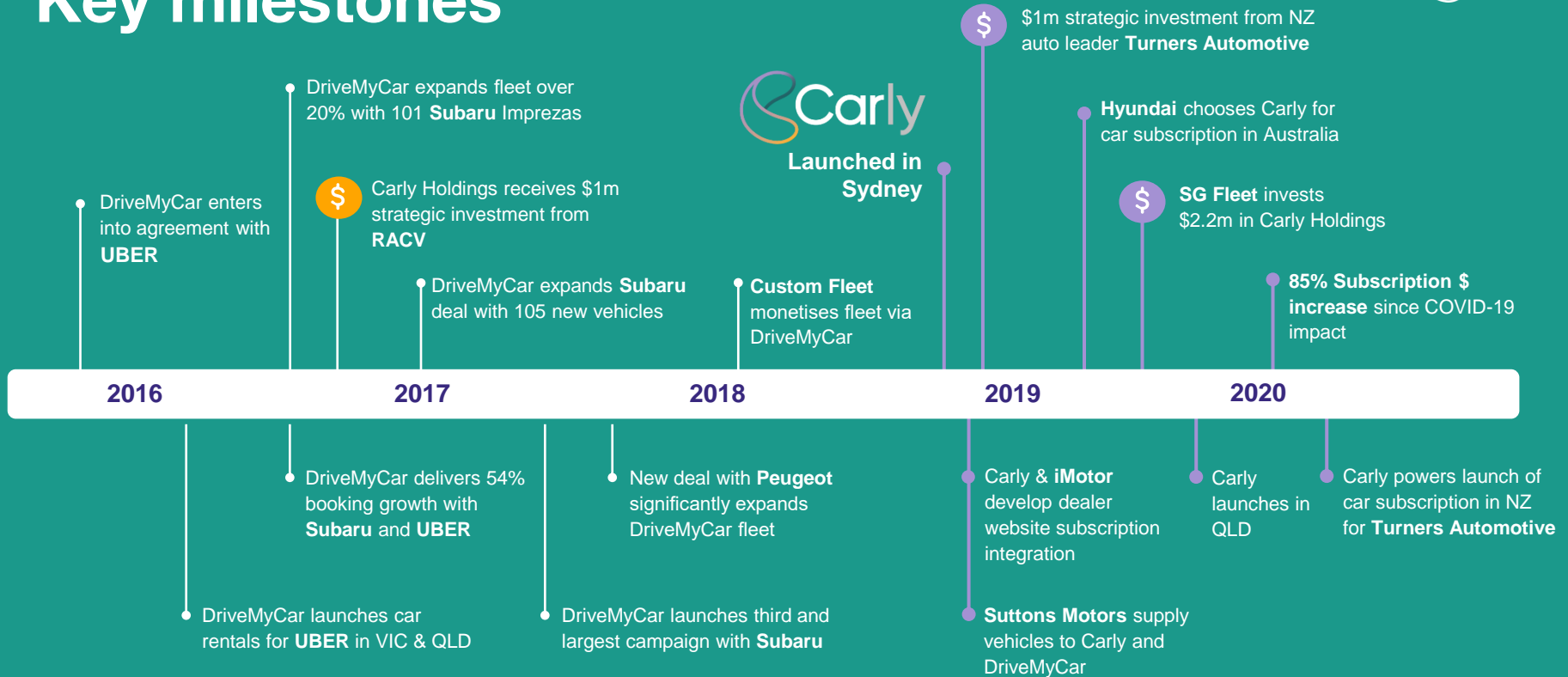
- one simple monthly subscription fee includes registration, insurance, maintenance and roadside assistance costs
- exclusive car use
- no break fees
- no upfront deposits
- minimum 30 day term and cancel with 30 days notice
- ability to switch the vehicle to suit changing needs
- **not** a long-term financial commitment or debt

The subscriber simply covers the cost of fuel and tolls



Carly business customer
Lust Liquor, Sydney

Key milestones



Carly Holdings Board of Directors



Chris Noone

Chief Executive Officer
and Director

Chris has led the evolution of Carly Holdings since 2014 and forged transformative automotive partnerships with Uber, RACV and Hyundai, SG Fleet and Turners Automotive. He has been responsible for development and launch of many innovative companies that have defined the digital market in Europe, Asia & Australia incl. Hasbro Interactive, Vodafone & ninemsn.



Robbie Blau

Non-Executive Director

Robbie is CEO of ASX-listed company SG Fleet. He has significant experience in the fleet management and leasing industry. Previously, Robbie founded Nucleus Corporate Finance in South Africa in 1999, where he advised a listed entity Super Group Limited, on corporate advisory and strategic projects. He also worked as a commercial attorney for 5 years at Werksmans Attorneys.



Todd Hunter

Non-Executive Director

Todd is the Group CEO of Turners Automotive, a New Zealand based integrated automotive financial service group. Todd is a strong and experienced senior executive, with a background in marketing, sales and accounting in both large global and domestic businesses. He is a Chartered Accountant and has worked with EY, Microsoft and NZ Post.



Adrian Bunter

Non-Executive Director

Adrian has over 25 years' experience in accounting, finance and corporate advisory. He is an executive director of Venture Advisory, one of Australia's leading specialist technology, media and telecommunications financial advisory firms. Adrian is a member of the Executive Committee of leading angel investing group, Sydney Angels & is a director of 8common Ltd.



Stephen Abolakian

Non-Executive Director

Stephen is an accomplished executive with experience across property development, finance, capital raising and operations. He is the Managing Director of Hyecorp Property Group. Hyecorp is associated with Willoughby Capital, Carly Holding's largest shareholder. Stephen has a Bachelor of Economics from USYD and holds a Diploma of Financial Markets from FINSIA



Michelle Vanzella

Non-Executive Director

Michelle has an extensive combination of customer, marketing, digital, data and commercial legal skills built up across multiple industries including technology, retail, property and financial services. She practiced Corporate and Commercial Law at Allens and has held senior executive positions with iconic brands including Westfield, Suncorp and AAMI.

Corporate Structure

As at 31 March 2021

Shares on issue	56.5 m
Options on issue	4.3 m
Market capitalisation	\$5.9 m

Carly has no debt

Top Shareholders

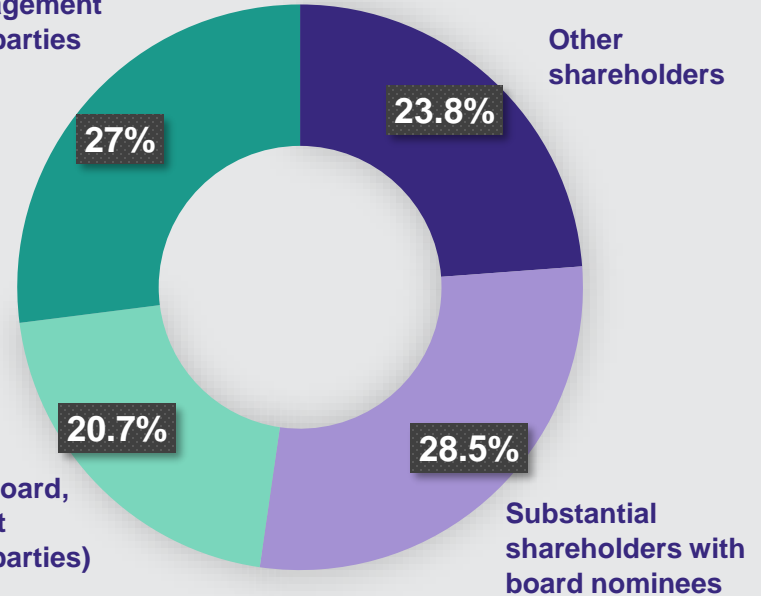
Willoughby Capital Pty Ltd	24.7%
SG Fleet Management Pty Limited	19.6%
Turners Automotive Group Limited	8.8%
RACV Investment Holdings Pty Ltd	2.6%

Top 20 Shareholders 76.2%

Number of Shareholders 711

Board, management and related parties

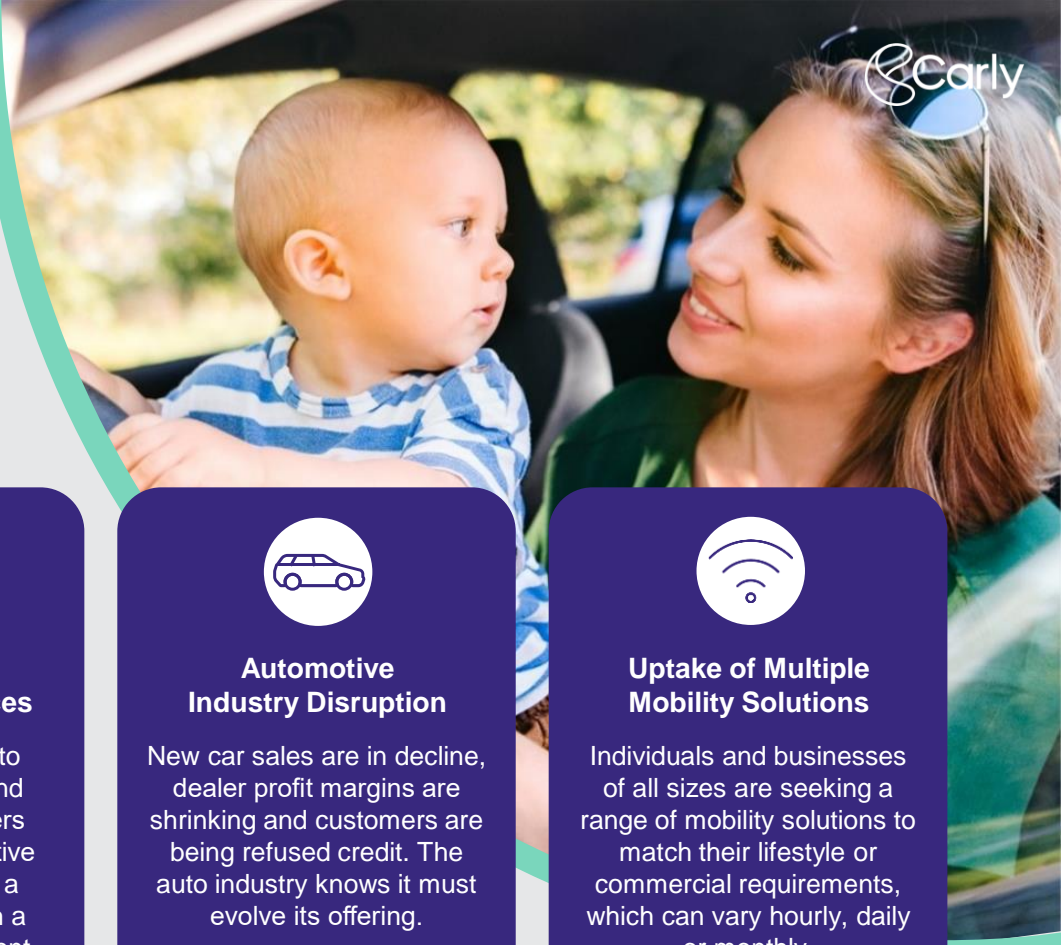
Top 20 (ex-Board, management and related parties)



Renounceable Rights Issue

On 15 April 2021 Carly Holdings announced a renounceable rights issue to raise up to \$3.39 million to primarily fund growth in the supply of vehicles available for subscription, demand generation and working capital. Major shareholders SG Fleet and Willoughby Capital have confirmed their intention to take up their rights under the Entitlement Issue totalling over \$1.5 million. The minimum subscription under the Entitlement Issue is \$3.15 million. The Rights Issue will be offered on the basis of three New Shares for every four Shares held, together with one free attaching option for every three New Shares. The free attaching options will be exercisable at \$0.16 each and expire on 31 May 2023.

The way people access cars is changing rapidly



Shift from Car Ownership to Access

Ownership is increasingly being seen as a burden as it is inflexible and requires long-term financial commitment. People value access to cars that meet their needs at a particular time.



Rise in use of Subscription Services

From mobile phones to on-demand movies and food, subscription offers an attractive and effective solution to accessing a range of products with a simple recurring payment.



Automotive Industry Disruption

New car sales are in decline, dealer profit margins are shrinking and customers are being refused credit. The auto industry knows it must evolve its offering.



Uptake of Multiple Mobility Solutions

Individuals and businesses of all sizes are seeking a range of mobility solutions to match their lifestyle or commercial requirements, which can vary hourly, daily or monthly.

Carly website

***NEW*
Homepage**

The homepage features a navigation bar with links for Home, About Us, How it works, Contact Us, and Sign Up. The main content includes a 'Subscribe to your next car' banner with a silver SUV image, a 'Why Carly Subscription?' section with a smartphone image, a 'Flexibility and Control' section with a list of benefits, and a 'Featured cars' section with four car thumbnails. At the bottom, a 'How it works?' section is divided into five numbered steps: 1. Choose a car, 2. Sign up and subscribe in minutes, 3. Drive away, 4. Cancel anytime, and 5. (unlabeled step with a magnifying glass icon).

The search results page shows a filter bar at the top with options for Availability, Price, Make, Body type, Year, Distance, Number of seats, and Lifestyle. Below the filter bar, it says 'Choose from 123 cars' and 'Sort by relevance'. The results are displayed in a grid of car cards. Each card shows a car image, the model name, the price per month, and the distance to the nearest dealer. The visible results include: 2019 Hyundai IONIQ (\$245/month, 0-4 km), 2020 Hyundai IONIQ (\$260/month, 0-4 km), 2020 Hyundai IONIQ (\$280/month, 0-4 km), 2019 Hyundai IONIQ (\$287/month, 0-4 km), 2016 Holden Captiva (\$147/month, 0-13 km), 2020 Hyundai Tucson (\$231/month, 0-5 km), 2020 SKODA Octavia (\$231/month, 0-20 km), and 2020 SKODA Octavia (\$231/month, 0-20 km).

Results page

The car details page for a 2018 Hyundai i30 shows a large image of the car, a price comparison table, and a list of specifications. The price comparison table shows three options: Entry (\$210/month), Medium (\$245/month), and Large (\$294/month). The specifications table lists details such as Gear (Automatic), Drive Type (Front-wheel drive), Fuel (Petrol), and more. A 'SUBSCRIBE' button is located at the bottom of the price comparison section.

Car details page

A start-up with a head start

Carly is a first-mover in the Australian car subscription market; leveraging the experience, partnerships and proprietary technology developed by **DriveMyCar**, Australia's first and largest peer-to-peer car rental platform



Carly has strong market potential:

- No dominant competitors
- 62% of Carly Holdings revenue
- Significant industry partnerships

Turners.
Automotive Group

 HYUNDAI

 sgfleet



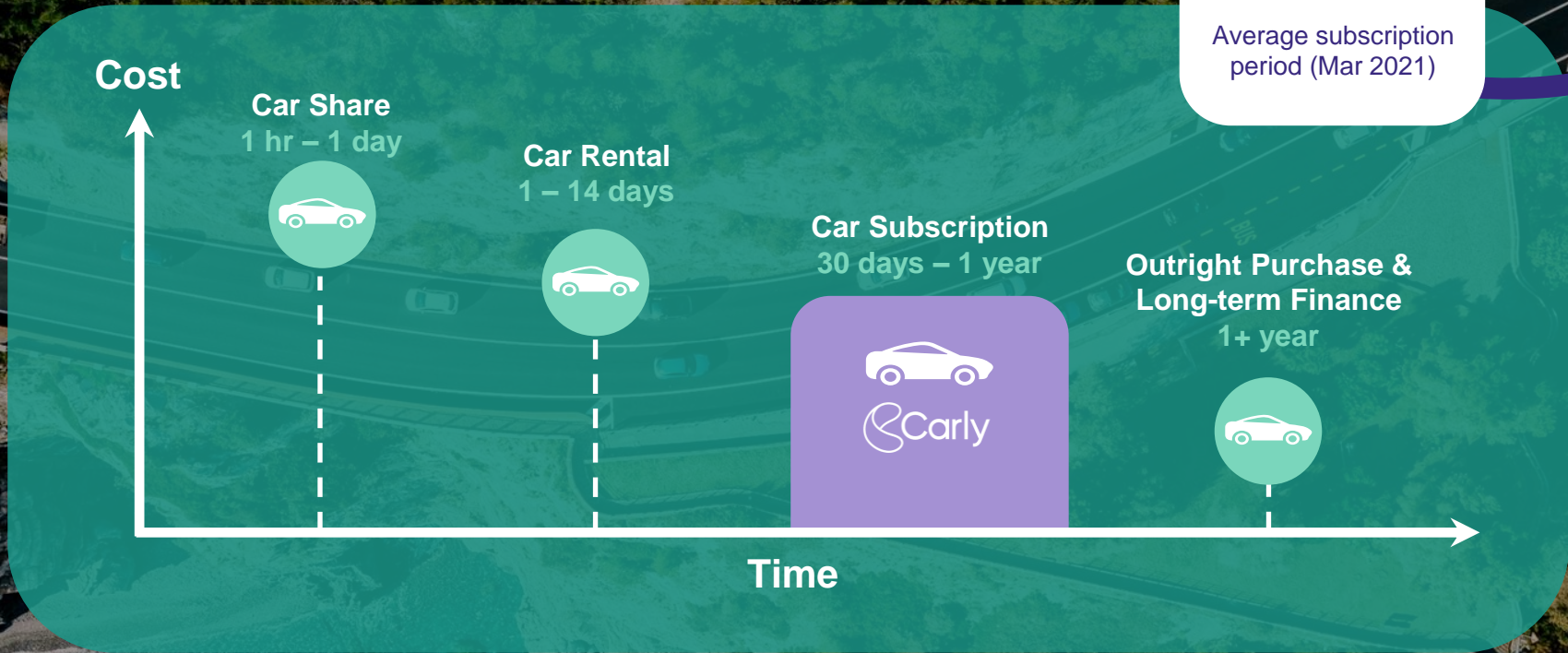
DriveMyCar operates in key rental markets:

- Long-term car rental
- Rideshare rental
- Accident replacement rental
- 10+ years' experience
- Over \$10.4m paid to owners
- Over 466,000 rental days delivered

Car subscription has been identified as a larger opportunity with fewer competitors than car rental and is **the primary focus for Carly Holdings in the future**

Subscription fills a large gap in the mobility market

5.3 months
Average subscription period (Mar 2021)



Carly connects subscribers with suppliers of vehicles



Carly does not compete with the automotive industry, Carly enables the industry to *evolve* and *survive*

Car subscription market potential

The new and used car sales market in Australia is valued at **\$55 billion p.a**

AFR - Apr 2020



38%

of Australians would consider a car subscription for their next vehicle

Carly commissioned OmniPoll research conducted (Jun 2020).

59%

'Probably Would' or 'Definitely Would' be interested in car subscription in the US

JD. Power Mobility Disruptors ©2018 J.D. Power (Jun 2018).

10%

of all new vehicle sales in the US and Europe could be via vehicle subscription programs by 2025 - 2026

Frost & Sullivan: Future of Vehicle Subscription-Business Models and Opportunities in North America & Europe, 2025 (Oct 2018).

Car Subscription Market Penetration Potential

(Value of cars on subscription as a proportion of new and used car sales)

1%
\$550m

5%
\$2.75b

10%
\$5.5b

The right time for Car Subscription

Many businesses have been severely impacted by COVID-19, however **Carly car subscription revenue increased** as people sought lower risk, vehicle access solutions that do not require long-term financial commitment.



74%

Growth in subscribers
Subscription growth continued despite COVID-19 and movement restrictions

MAR 2020

MAR 2021

85%

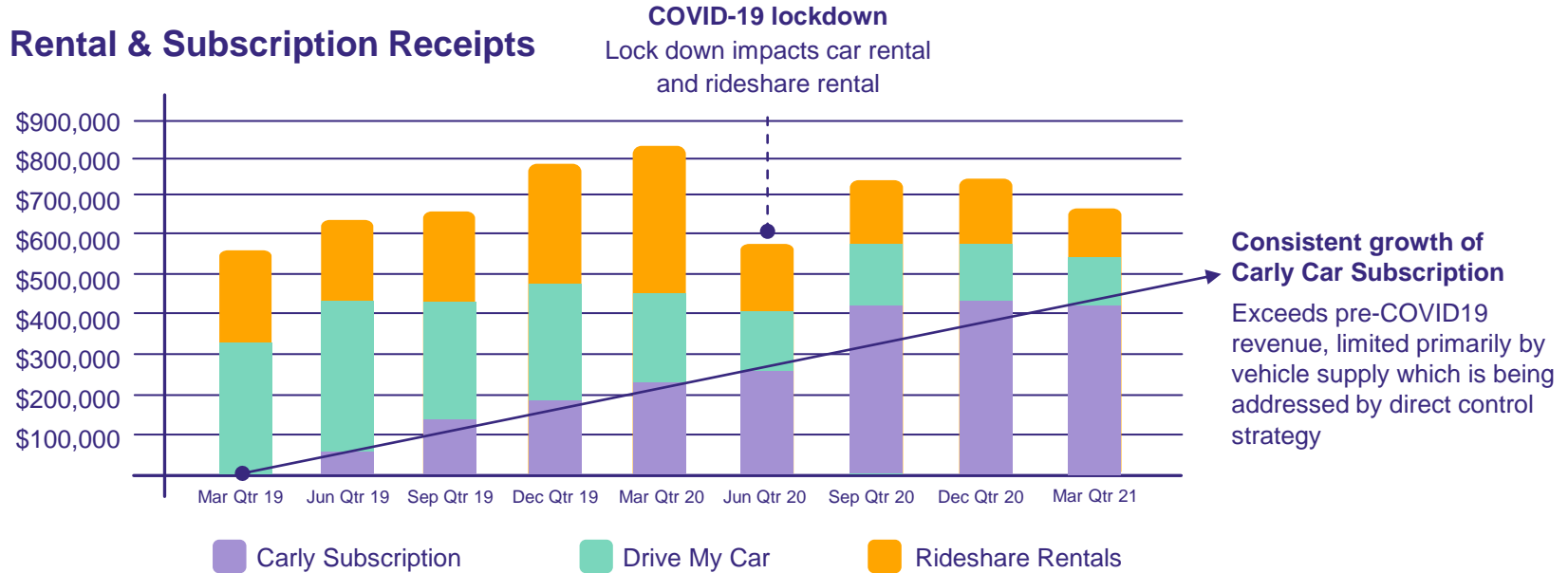
Growth in subscription transaction value
Growth since the period prior to COVID-19 restrictions

MAR QTR 2020

MAR QTR 2021

It is likely that COVID-19 related concerns and increased uncertainty will accelerate the shift to car subscription.

Car subscription grows despite COVID-19



5.3 months

Avg retention period (Mar 2021)

23 months

Longest subscription period (Mar 2021)

Vehicle Supply Market Conditions

The onset of the Covid-19 pandemic has not dampened consumer and business demand for vehicles; however, it has had a negative impact on vehicle supply, caused by manufacturing plant closures and shortages of microchips which are now prevalent in all new vehicles. While new vehicles are in short supply, prices for used vehicles have increased by approximately 30%. These supply disruptions are expected to last for the greater part of 2021.

The vehicle supply disruptions create a **challenge** and an **opportunity** for Carly and the company is amending its vehicle supply strategy accordingly:

- **Opportunity:** Subscription is increasingly attractive as vehicle users seek flexibility in uncertain times and when their ideal next car purchase is currently too expensive or not available due to production delays
- **Challenge:** The global vehicle supply disruptions are also impacting Carly's ability to increase its fleet via the existing capital light business model at the same pace as the increase in demand

SOLUTION: Carly will deploy a portion of the capital raised in the April/May 2021 renounceable rights issue to secure vehicles for a medium/long term period.



Addressing the Supply Challenge

Increasing Vehicle Supply

In addition to the existing vehicle supply model whereby vehicle providers retain ownership, Carly will secure a number of vehicles by leveraging its own capital. This may involve indirect control of vehicle supply, direct purchase, lease or a combination of models

Improving Margin

Greater control of vehicles will enable Carly to retain a higher proportion of revenue which will deliver higher margin and enable more funds to be allocated to vehicle handover and management

Taking Control of Type, Timing, Pricing and Location

Under the new strategy, Carly will define which vehicles are purchased, when the vehicles are available, the price at which they are subscribed and where they will be located. This will enable Carly to more adequately satisfy demand for vehicles from consumers and businesses

Expanding the Footprint

Carly will manage the vehicles secured under the new strategy and intends to establish 'high street' retail handover locations, the first of which is planned for the inner west of Sydney. This will enable Carly to manage the subscription lifecycle more effectively and provide an excellent opportunity to develop the Carly brand image through a branded location

More cars, specifically chosen to match type and location of demand

Handover location to improve customer service and brand awareness

Realising Opportunities

Vehicle supply restrictions also present significant demand opportunities for Carly. The lack of suitable new vehicles and the increased cost of used vehicles means customers that previously wished to buy or finance vehicles are seeking other options, such as subscription. Carly is leveraging its industry relationships to access many of these opportunities

New Vehicle On Order

Customers are waiting for up to six months for dealers to deliver new vehicles. Carly is working with dealers to support their customers to fill the gap with subscription vehicles

Used Vehicle Too Expensive

Customers are delaying vehicle upgrades as used vehicles are currently more expensive. Carly is an ideal short-term solution if an existing vehicle is no longer suitable

End of Lease

Vehicle leases are expiring however replacement vehicles are not always available. Carly is working with vehicle leasing providers to arrange temporary vehicles

Guaranteed Future Value (GFV)

Dealers are accepting vehicles back from customers under GFV contracts, however replacement vehicles are often not available. Carly is working with dealers to subscribe the existing vehicle or another vehicle to the customer

Business Expansion

Many businesses are expanding, however their ideal vehicle choices are not currently available. Carly can support their growth while the business maintains the flexibility to upsize or downsize a subscription fleet and purchase or finance vehicles in the future



ESG & benefits of Car Subscription

Subscription is positively positioned relative to Environmental, Social & Corporate Governance (ESG) concerns

Subscription increases utilisation of existing vehicles

- Subscription enables more efficient use of under-utilised vehicles
- Increasing existing vehicle utilisation reduces consumption of raw materials

Increasing access to Electric Vehicles (EVs)

- EVs produce less carbon dioxide emissions than Internal Combustion Engine vehicles
- Carly is working in partnership with Hyundai to make EVs more accessible, to increase EV uptake and to increase overall utilisation of EVs by individuals and businesses
- Hyundai Ioniq EV and PHEV vehicles are now available for subscription with Carly
- Subscription allows people to trial EVs without risk of a long term financial commitment to a vehicle that may not suit their needs.

Offering newer vehicles that meet Australian vehicle low emission standards

- Newer vehicles are more energy efficient and produce less carbon dioxide emissions
- Average age of vehicles in the Carly fleet is approximately 3 years vs. an average age of 10.1 years for Australian vehicles.
- All vehicles in the Carly fleet are serviced according to manufacturer requirements to ensure safety and to reduce emissions.



38%

of Australians would consider subscribing to a car rather than purchasing or leasing

47%

of people with children would consider subscribing to, rather than purchasing their next car

69%

GEN Z
(18-24 yrs)

50%

MILLENNIALS
(25-34 yrs)

indicated they would prefer a no-strings-attached car subscription option

Australians' attitudes towards Car Subscription

Interest in Car Subscription has increased since COVID-19...

Of those considering car subscription,

42%

are more likely to consider a subscription now compared to 6 months ago

46%

would consider car subscription *and...*

24%

are more likely to choose it **NOW**

31% of people surveyed were **extremely or very worried about their financial situation** due to the pandemic.
Of these...

OmniPoll

Carly commissioned Omnipoll* survey (Jun 2020)

* Survey conducted in June 2020 by OmniPoll amongst a national sample of 1228 people aged 18+. Respondents were drawn from the online consumer panel managed by Lightspeed Research, OmniPoll's online partner. Sample quotas were set for each state, city and regional area, by sex and age. To reflect the overall population distribution, results were post-weighted to Australian Bureau of Statistics data (Census 2016) on age, highest level of schooling completed, sex and area.

ATO Product Ruling

Carly has secured a product ruling from the **Australian Taxation Office** that provides a clear framework for Carly subscribers using cars for **business or work purposes to claim tax deductions**.

The ATO Product Ruling is **exclusive to Carly** and does not apply to any other car subscription offerings.

Carly is the only car subscription offering that can currently provide certainty of tax deductibility on car subscription payments.

Benefits for Carly's customers



Businesses that use Carly can claim the full dollar amount of the Subscription Fee as a deduction if the cars are used in carrying out business and/or provided to employees for their usage.



Businesses that reimburse employees can claim a deduction for the full dollar amount of all the Subscription Fees reimbursed to employees for the period of the subscription, as long as the car is used for business.



Individuals can claim Subscription Fee payments as a deduction in their income tax return if the vehicle is being used for business or work purposes.

The Product Ruling (PR 2020/11) is only a ruling on the application of taxation law. It is only binding on the ATO if the Scheme is implemented in the specific manner outlined in the product ruling.



Industry leading partnerships



Rentals for rideshare drivers and the first accident replacement rental solution for Uber



Supply of new Mitsubishi, Renault, KIA, Subaru, Nissan vehicles



Supply of new and ex-lease vehicles



Carly launched the first manufacturer subscription service in Australia



Integrated subscription functionality developed for I-Motor's 700 dealer websites



DriveMyCar is preferred car rental provider for fleet management clients



No. 3 Carly Holdings shareholder. Carly platform powers Turners Subscription in New Zealand



Supply of rental fleet in key locations



Rideshare rental program for Peugeot vehicle range



Accident replacement rental solution developed for RACV insurance customers



Supplier of near new vehicles



Supply of new luxury vehicles



No. 2 Carly Holdings shareholder. Demand referral agreement and supply of vehicles



Experiential marketing campaigns for launch of Impreza and XV featuring over 200 vehicles

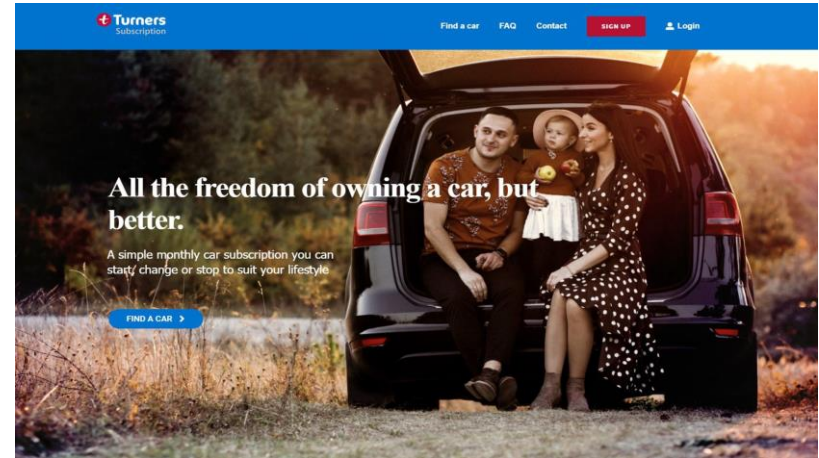


Supply of new Audi and Skoda vehicles

Turners Automotive Group grows car subscription in New Zealand

Turners subscription is achieving significant traction in New Zealand:

- Turners Subscription *powered by* Carly launched in September 2020
- Followed on from AUD \$1M in investment from Turners Automotive Group - the largest seller of cars in NZ
- **140% increase** in vehicles listed on the platform 31 Mar 2021 vs 31 Jan 2021
- Strong focus on electric vehicles (EV). Turners have committed to listing **150 EVs for subscription** by Dec 2021



Carly provides:

Subscription Software

Customer Service

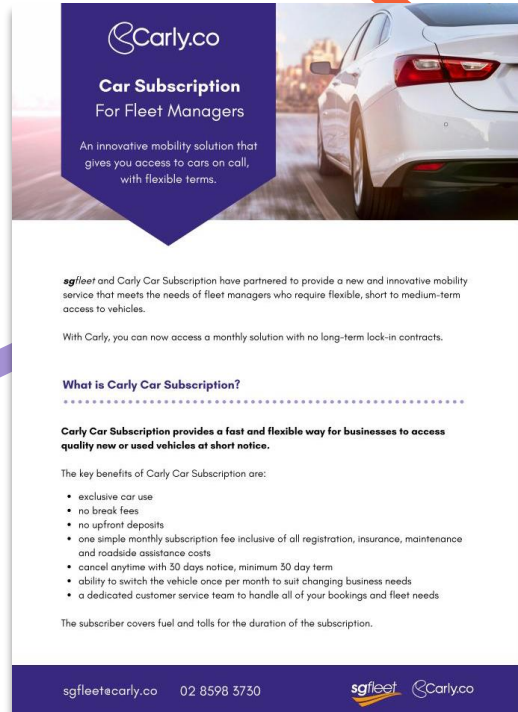
Turners manages:

Fleet Management & Operations

Marketing

SG Fleet strategic investment, vehicle supply and B2B referral partnership

- SG Fleet invested **A\$2.2 million** in **Carly Holdings** in November 2019
- A dominant player in fleet management and leasing, SG Fleet **manage over 140,000 vehicles** and supply Carly and DMC with vehicles
- The B2B collaboration enables SG Fleet to **offer subscription services to its customers and derive a new revenue stream**, and provides Carly with access to business and government demand channels
- Ongoing development of this partnership provides an opportunity to further **leverage SG Fleet's operational experience and auto industry relationships**



Carly.co
Car Subscription
For Fleet Managers

An innovative mobility solution that gives you access to cars on call, with flexible terms.

sgfleet and Carly Car Subscription have partnered to provide a new and innovative mobility service that meets the needs of fleet managers who require flexible, short to medium-term access to vehicles.

With Carly, you can now access a monthly solution with no long-term lock-in contracts.



What is Carly Car Subscription?

Carly Car Subscription provides a fast and flexible way for businesses to access quality new or used vehicles at short notice.

The key benefits of Carly Car Subscription are:

- exclusive car use
- no break fees
- no upfront deposits
- one simple monthly subscription fee inclusive of all registration, insurance, maintenance and roadside assistance costs
- cancel anytime with 30 days notice, minimum 30 day term
- ability to switch the vehicle once per month to suit changing business needs
- a dedicated customer service team to handle all of your bookings and fleet needs

The subscriber covers fuel and tolls for the duration of the subscription.

sgfleet@carly.co 02 8598 3730  

The first subscription service to partner with a manufacturer and their dealer network

- Hyundai is the **third largest car brand in Australia**
- Working with Carly to offer a **co-branded subscription** offering for its vehicle range
- Supported by Hyundai-funded marketing campaign
- Provides a **new way for consumers to access Hyundai vehicles**
- Delivers **both supply and demand** for Carly



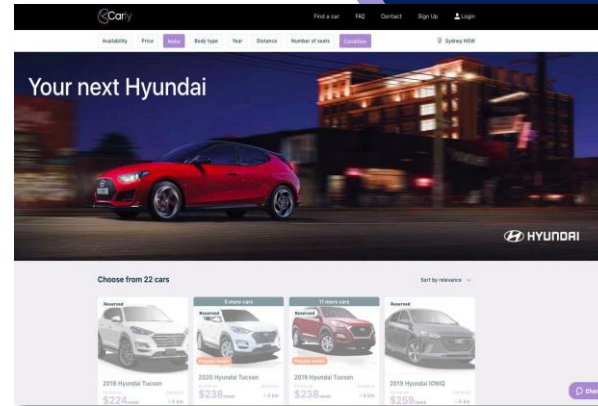
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The future of personal mobility will not be based solely around vehicle ownership and Hyundai will adapt to changing consumer demands.

Through this partnership we will provide consumers with more choice, and an alternative to purchasing a vehicle, which for some drivers may better suit their ever-evolving lifestyles.

JW Lee
CEO
Hyundai Australia

”



Revenue and margins per subscription are improving

COMPARISON OF QUARTERLY RESULTS

	AVERAGE SUBSCRIPTION VALUE		COST OF SALES		GROSS MARGIN	
SEP 2019	\$799		\$169		\$93	
DEC 2020	\$839	5% increase	\$143	15% decrease	\$117	25.8% increase

*All values are per month, per vehicle excluding GST

Upselling to higher value subscription plans, as well as increases in average end user prices supported by lower cost of sales, have driven material increases in revenue and gross margin.

Carly qualified for the maximum Claims Experience Discount on the motor fleet insurance policy for the year ended March 2021. This rebate will support further costs of sales reductions when paid in June 2021.

Due to the low rate of claims, the motor fleet insurance premium for the 2021/22 policy year has been reduced by 9.1%. This reduction was achieved despite a general increase in motor insurance premiums across the industry.

Improving insurance metrics

CLAIMS PER
10,000 DAYS

YEAR ON YEAR

4.8

Rental
only

April 18 – Mar 19

4.2

Rental +
Subscription

April 19 – Mar 20

7 MONTHS

3.7

Rental +
Subscription

April 20 – Oct 20

2.6

Subscription
only

April 20 – Oct 20

9.1% reduction in motor fleet insurance premium costs achieved for 2021/22 policy year due to substantially lower claims arising from Carly's subscription model vs. the traditional car rental model.

CLAIMS/
LOSS RATIO

YEAR ON YEAR

71%

Rental only

April 18 – Mar 19

64%

Rental +
Subscription

April 19 – Mar 20

LAST 12 MONTHS

39%

Rental +
Subscription

April 20 – Mar 21

The **Claims/Loss Ratio** is a measure of the value of insurance claims vs premium paid. As car subscription accounts for 62% of total rental and subscription receipts (Mar Qtr 2021) the lower incidence of claims resulting from the car subscription model is having a significantly positive impact on the Claims/Loss Ratio and delivering rebates and premium discounts

Carly's competitive advantage



10+ years experience in the industry



Substantial industry partnerships



Online customer acquisition



Mass market proposition



Proprietary technology platform



No deposit and no long-term financial commitment



Direct and licensing income



Industry enabler, not a competitor



Capital-light business model supplemented by direct control of vehicle supply



PeerPass verification platform



ATO Product Ruling



FY21 Growth Opportunities

Increased Control Over Vehicle Supply

Carly will supplement the existing vehicle fleet provided by automotive manufacturers, dealers and fleet management companies with vehicles that are more directly controlled by Carly, enabling supply to increase more rapidly and for the acquisition of vehicles to meet specific demand criteria

Referral Partnerships

Car subscription is a simple online proposition that is suited to customer referrals from aligned companies. Carly will expand on existing referral relationships with ServCorp, Student VIP, I-Motor and Hyundai

Business & Government

Carly will leverage the relationship with SG Fleet to offer subscription to its customers and will focus on acquisition of business and corporate customers

Electric, Hybrid & Hydrogen Vehicles

Subscription is an ideal model to introduce consumers and businesses to new vehicle technologies in a low risk and flexible way that alleviates initial concerns about driving range, battery life and depreciation

Why invest in Carly Holdings?

Consumers & businesses are ready

Access to vehicles is increasingly preferred to ownership. Carly provides flexible and cost-effective ways to access vehicles instead of relying on traditional car rental, outright purchase and long-term finance. 38% of Australians would consider subscription for their next car.

The automotive industry is ready

The automotive industry is ready. The industry is experiencing enormous challenges - manufacturers and dealers must evolve to survive.

Carly Holdings is creating **new ways to access vehicles** that consumers and businesses are demanding in a \$55 billion p.a. market

Car Subscription is gaining traction

Carly has grown steadily since launch in March 2019 and has secured partnerships with leading automotive industry players. Average subscription period is 5.3 months

Carly is best placed to win

Over 10 years experience in an adjacent market, industry partnerships, capital-light and direct acquisition business model, proprietary technology and a market-leading car subscription offering, already on a growth trajectory.

Carly Holdings is the **only ASX-listed business** focusing on the sizeable car subscription opportunity in Australia and New Zealand





W: www.carly.co/investors

E: shareholder@carly.co

Sign up to our investor newsletter

<http://carly.co/investors/newsletter>



Appendices

- I. Improving Subscription Plan Economics
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Improving subscription plan economics

REVENUE SHARE

2.1%

Increase in **average Carly revenue share** from new subscription plans*

New subscription plans were launched on 1 Sep 2020. The 2.1% increase will support improvements in profit margin in future quarters

AVERAGE RETENTION PERIOD

5.0

Months
Jun 2020

5.3

Months
Mar 2021

↑ 6%

Longer retention periods **decrease** customer acquisition and vehicle handover costs

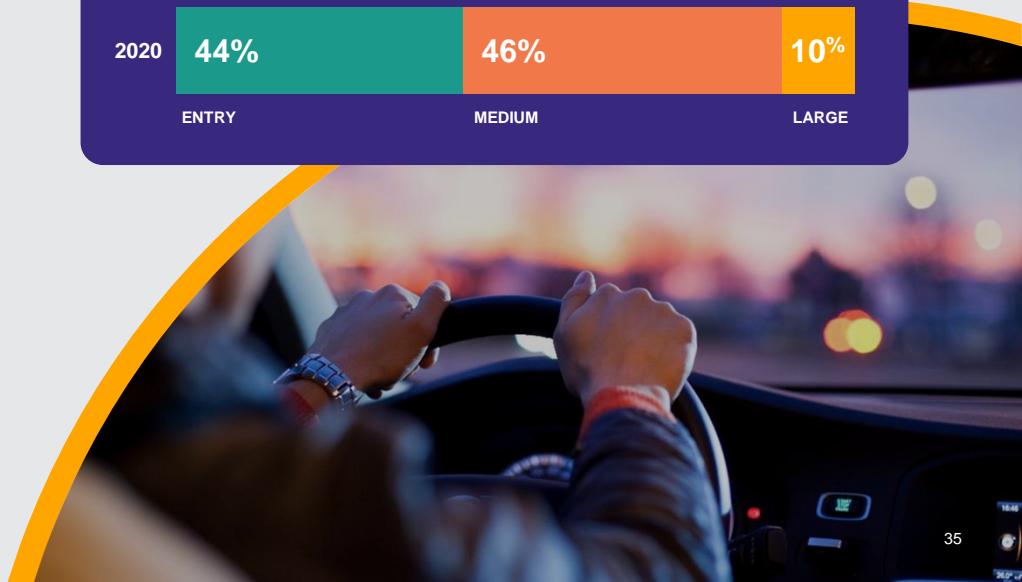
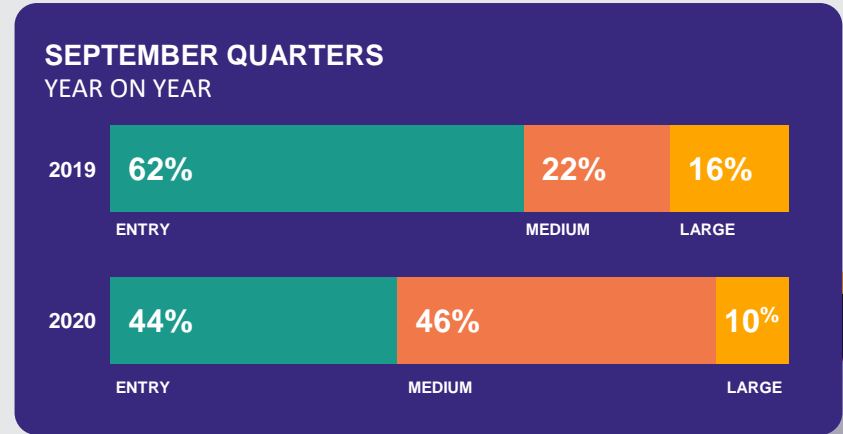


*Old plan vs new plan based on average vehicle value and subscription plan split Sep Qtr 2020

Upselling to higher price subscription plans

Through sales and marketing initiatives, Carly upsold a higher proportion of customers from ‘Entry’ to ‘Medium’ subscription plans, resulting in revenue and margin improvements.

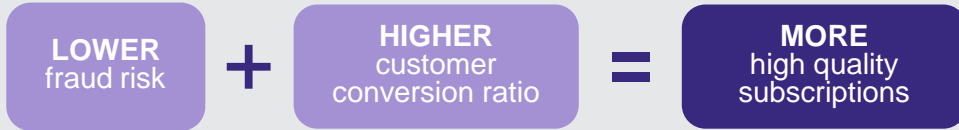
ENTRY	MOST POPULAR MEDIUM	LARGE
From \$115 / week	From \$133 / week	From \$147 / week
1	1	2
\$3,000	\$2,000	\$1,000
1,000 km	2,000 km	2,800 km
30 cents	15 cents	10 cents



Experience delivers lower risk and higher conversion

Competitors compensate by charging large upfront fees that restrict customer uptake or ignore risk altogether.

The experience of completing over 4,000 monthly recurring vehicle transactions **means that Carly can deliver:**



Other subscription providers do not have the experience, knowledge and technical capability to reduce risk the way that Carly can deliver through **peerpass>>**

*The effectiveness of the PeerPass platform enabled the achievement of a lower than industry average Claims Loss Ratio of 39% for its insurance policy in 2020/21.



peerpass>>

Developed by Carly, **peerpass>>** is used to verify customers and reduce risk.

It's effectiveness has been proven through year-on-year lower Claims Loss Ratios than most traditional rental companies*

Media Coverage

Sophia

Consumer Case Study



Lust Liquor

Business Case Study



Sunrise

Carly featured on Sunrise

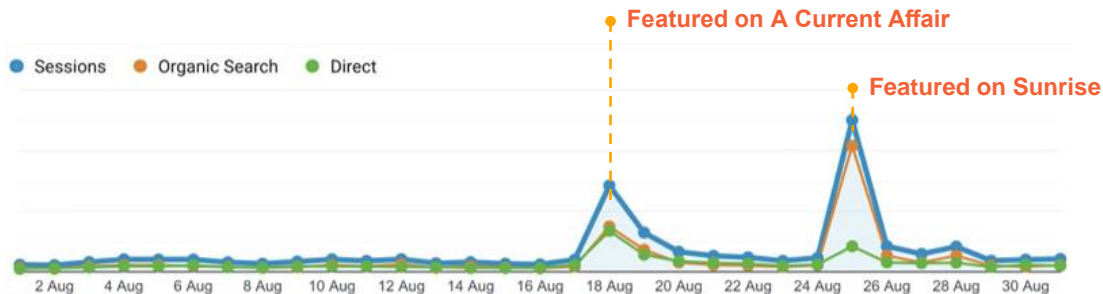


A Current Affair

Carly featured on A Current Affair



After Carly was featured on **Sunrise** and **A Current Affair**, the number of people searching for Carly on Google **increased dramatically**



Carly in the News



Car Subscriptions soaring



Tax win for Carly subscribers



Australians are swapping their wheels for car subscriptions



Car subscriptions are revving up



Carly has joined forces with one of Victoria's leading automotive groups



Subscribing to a car could help you survive the pandemic and save on your finances



The \$700 million fleet management group SG Fleet has taken a stake in Carly



Netflix Style Car Subscription Company Reboots



Hyundai pairs with Carly car subscription service



Genesis Chooses Carly for Car Subscription in Australia

The auto industry and consumers realise the value of Car Subscription

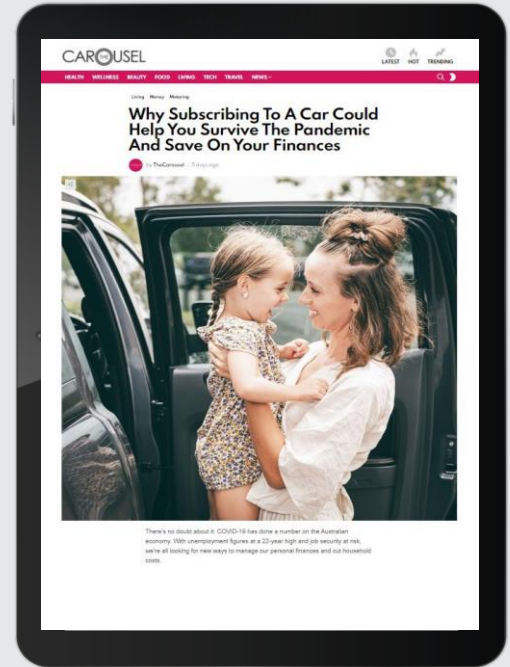


CARLY, the Australian car subscription provider has had all-time record subscription sales in the quarter to June 2020 in spite of, or possibly because of, the challenging sales numbers in the 'conventional' car market.

The company says that the number of live Carly car subscriptions increased by 43 percent during the June 2020 quarter.

"Like many businesses, Carly had to deal with the impact of COVID-19 during the June 2020 quarter but it proved resilient and achieved the highest quarterly growth in subscriptions since the beginning of FY20."

7 AUG 2020 | **Go Auto News**



3 SEP 2020 | **The Carousel**