

CARLY TO LAUNCH SALARY PACKAGED CAR SUBSCRIPTIONS FOR ELECTRIC VEHICLES WITH SG FLEET

Carly Holdings Limited (ASX:CL8) is pleased to announce that Carly Car Subscription will launch salary packaged car subscriptions to enable subscribers to take advantage of the fringe benefits tax (FBT) exemption for electric vehicles and significantly reduce the cost of subscribing to an electric vehicle. The anticipated cost saving for a salary packaged subscriber earning a salary of \$100,000 per annum is 35% compared to a standard subscription.

Carly has secured an exclusive product ruling from the Australian Taxation Office to provide a clear framework and certainty around the application of the FBT exemption, which provides significant cost savings for salary packaged electric vehicle subscriptions for periods as short as 3 months. As the ruling is exclusive to Carly, no other car subscription provider can rely on this ruling.

Carly will go to market by expanding its existing relationship with SG Fleet (ASX:SGF), a leading fleet management, vehicle leasing and salary packaging provider in Australia, to make salary packaged electric vehicle subscriptions available to employees who currently have access to salary packaging services provided by SG Fleet.

Key highlights:

- The Australian Taxation Office has today published ATO Product Ruling (PR 2024/14) which applies exclusively to salary packaged subscriptions provided by Carly Car Subscription.
- The ATO Product Ruling confirms that eligible electric vehicles priced under the Luxury Car Tax threshold, currently \$91,387, are exempt from fringe benefits tax when paid via salary sacrifice under a salary packaged subscription for a minimum period of 3 months
- Carly will launch a salary packaged car subscription product to enable employees to salary sacrifice the associated costs and also take advantage of the FBT exemption for electric vehicles. A Carly car subscription includes choice of car from a wide range of EV models, insurance, registration, CTP, maintenance and roadside assistance
- The anticipated cost saving for a salary packaged electric vehicle subscription compared to a standard vehicle subscription from Carly for an employee on an annual salary of \$100,000 is approximately 35%
- Carly has partnered with SG Fleet, a leading fleet management, vehicle leasing and salary packaging provider in Australia, and Carly's second largest shareholder, to make salary packaged subscriptions for electric vehicles available to employees who currently have access to salary packaging services provided by SG Fleet. The benefits of a salary packaged subscription are available when the payment is salary sacrificed from pre tax income



- The launch of electric vehicle salary packaged subscriptions will support the expansion of Carly's core car subscription offering and the recently launched [EV Trial](#) which enables prospective electric vehicle purchasers to try an EV for a month or more, before buying
- By providing shorter term and lower cost options for accessing electric vehicles, Carly is supporting the Australian Government's National Electric Vehicle Strategy - a national agreed framework to get more EVs on the road and give Australians access to the benefits that come with them – cheaper to run and better for the climate.

The FBT exemption for electric vehicles was announced by the Australian Federal Government to accelerate the adoption of electric vehicles. Novated leases for electric vehicles accounted for approximately 35% - 40%¹ of all novated leases and enable employees to pay for vehicle costs pre-tax and take advantage of the FBT exemption. Carly's launch of a salary packaged subscription product will bring similar benefits but with more flexibility, with a minimum subscription term of only 3 months. The salary packaged subscription product will support the growth of Carly's car subscription and EV Trial propositions.

With a minimum period of only 3 months, Carly's salary packaged subscription product provides an easy, cost-effective and low risk way to experience electric vehicles. Customers can continue the subscription on a month to month basis or confidently make the decision to lease or buy an EV for the longer term, after having trialled the experience via subscription.

Carly provides a range of electric vehicles from its own fleet and also sourced from leading automotive dealers and manufacturers including MG MG4, BYD Seal & Atto 3 and Genesis GV60. Carly's long term supply relationship with Hyundai also offers access to Kona, IONIQ5 and IONIQ6 models.

Chris Noone, CEO of Carly Car Subscription commented "The launch of salary packaged electric vehicle subscriptions by Carly marks a turning point in the transition to EVs, providing a short term and cost effective way to try EVs without the need for outright purchase or long term financial commitment. We are especially excited to expand our relationship with SG Fleet and to provide automotive manufacturers and dealers with easy and cost efficient ways for customers to experience their EVs".

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

1. National Automotive Leasing and Salary Packaging Association Media Release 6 March 2024

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About Carly Carly Holdings Limited (ASX:CL8) is an Australian company leading the growth of the car subscription industry in Australia & New Zealand and supporting the transition to electric vehicles. [Carly Car Subscription](#) is a flexible alternative to buying or financing a vehicle, for individuals and businesses, with insurance, registration and servicing included in one monthly payment. Average subscription period is over 5 months. [EV Trial](#) enables prospective electric vehicle purchasers to try an EV before they buy and salary packaged car subscription reduces the cost of driving an EV. Carly has secured auto industry leaders SG Fleet (ASX:SGF) and Turners Automotive (ASX:TRA) as significant shareholders, joining long-term shareholder, RACV and OEM partner, Hyundai. For more information visit: <https://investors.carly.co>



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