

**Fleet Conference
& Exhibition**

MAY 23-24
ROSEHILL GARDENS
BLACKROUSE SYDNEY

AND FLEET AWARDS

Transitioning to Net Zero Emissions and the Crucial Role of EV's

RUSSELL WANG

Business Development Manager

KINTO

CHRIS NOONE

Chief Executive Officer

CARLY CAR SUBSCRIPTION



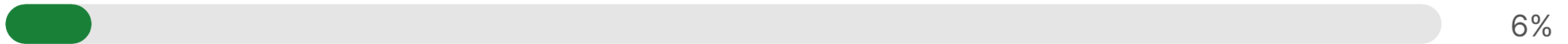
Do you believe car subscription can provide fleet managers with increased flexibility and control over their vehicle fleet, while helping to reduce costs and mitigate risks?

Multiple Choice Poll  17 votes  17 participants

Yes - 16 votes



No - 1 vote



The rise of subscription



Why the growth?

- Convenience
- Personalisation
- Up to date products and services
- Good price
- When we want it, where we want it
- Pay by the week, month or year

Imagine



Engineer

2 hours



Home care
nurse

1 day



Interstate
travel

1 week



Accident
Replacement

3 weeks



Projects

6 months

One invoice for
fleet &
subscription

Efficiency

Convenience



Is your fleet seamless or does it seem less?

KiNTO®



KiNTO®

Total mobility solution with
cost efficiency



Fleet

Carshare

Rental

Subscription

Benefits of subscription



Improved efficiency with digital
Self-serve



Agility and flexibility
Change vehicles quickly based
on your changing needs – new
employees



Reduced operational burden
No rego, insurance, repairs etc



Access to a wide range of vehicles
Fit for purpose vehicles

Benefits of subscription



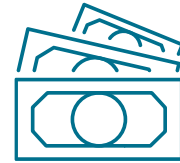
Improved safety and environmental impacts

Newer safe hybrid vehicles



Increased driver satisfaction

Swap cars for holidays



Cost savings

Monitor vehicle utilisation before purchase



Convenience

One invoice for your fleet and mobility

Improved efficiency – Pool cars

Current situation

- Purchase a vehicle – 4 mth lead time
- Fund the vehicles – long term commitment of Capex or finance
- You store the keys make sure they don't get lost
- Employee checks availability with you and books the vehicle often using a spreadsheet
- You sign the key and vehicle in and out
- Fuel receipts are reimbursed
- If the vehicles aren't used you still pay for them

Digital solution

- You get vehicles now.
- Financial benefits - no need for Capex or finance
- NO key storage – opens with phone
- Employees use app to check availability, book vehicle so no signing in and out. Recorded in a monthly statement so full accountability
- Easy refuelling with the included fuel card
- Add or remove vehicles quickly as required
- You only pay for what you use

Improved efficiency – Projects

Current situation

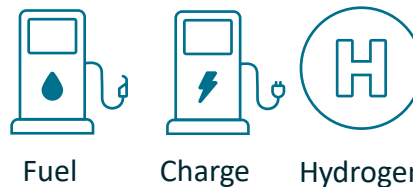
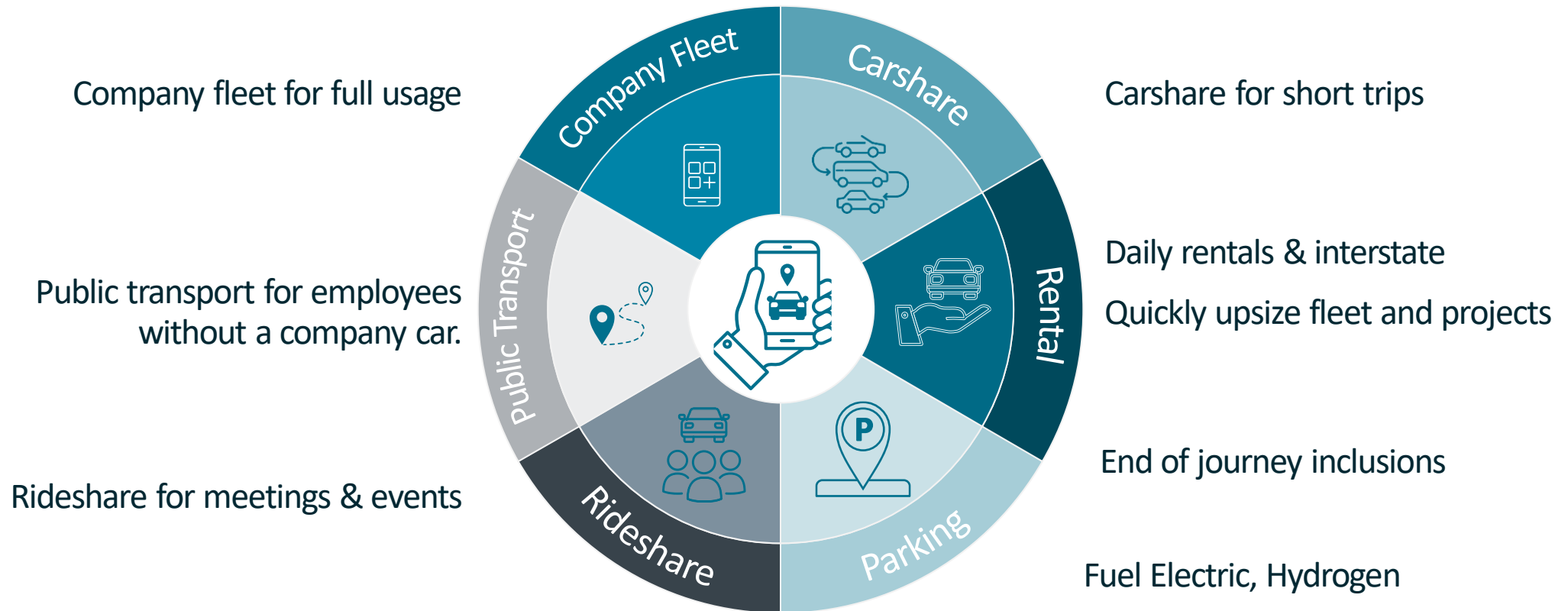
- Have spare vehicles in storage ready to go
- Fund the vehicles – long term commitment of Capex or finance
- Cost to store vehicles

Subscription

- Upsize when you need and you get vehicles now.
- Financial benefits - no need for Capex or finance
- Once the project is over you hand the vehicle back
- No storage costs

The Future of subscription

One monthly payment



Total mobility solution with
cost efficiency



Subscription

Fleet

Carshare

Rental

Thank you



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KINTO.com.au



KINTO app

How Car Subscription Can Add the Layer of Flexibility Your Fleet is Craving

1. What is Car Subscription?
2. Growth Forecasts
3. Case Studies
4. Optimising Vehicle Utilisation
5. Subscription Checklist
6. Electric Vehicles
7. Tax & FBT
8. Comparison Calculator



Overview

What is Car Subscription?

The use of a car without the burden of long-term debt or ownership

A monthly recurring payment covers all expenses, just add fuel or electricity

A flexible alternative to vehicle finance or outright purchase

What is Carly?

Launched the first flexible car subscription service in 2019

Major shareholders include leaders in the automotive industry

SG Fleet
Turners Automotive
RACV

The only ASX-listed company
100% focused on car subscription

Large Opportunity

38% of Australians would consider subscribing to a car rather than purchasing or leasing₁

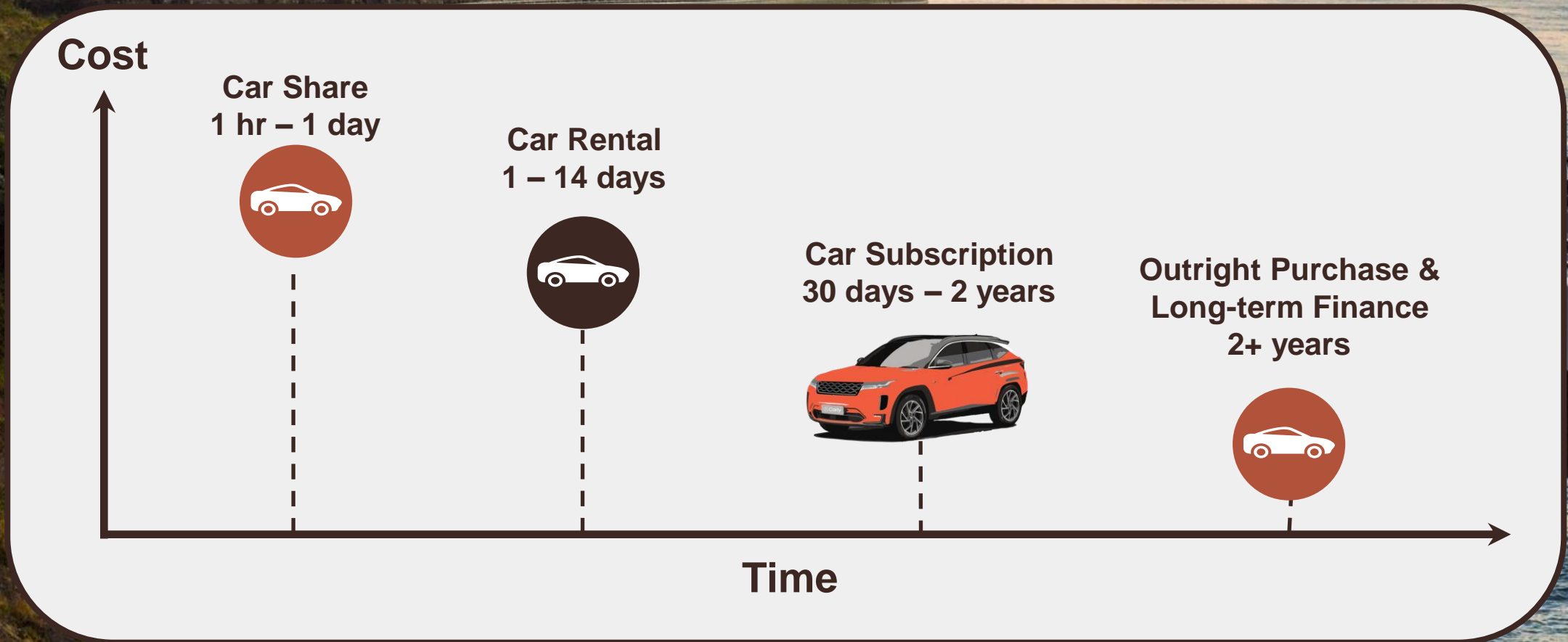
69% of Gen Z and 50% of Millennials indicated a preference for car subscription₁

US\$100 billion global market by 2032₂

1 Carly commissioned Omnipoll survey (June 2020)

2 Global Market Insights

Subscription Fills a Major Gap In the Mobility Market



Subscription Fills a Major Gap In the Mobility Market



What Is A Car Subscription?

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

- one simple monthly subscription fee
- includes registration, insurance, maintenance and roadside assistance
- exclusive car use
- no break fees and no upfront deposits
- minimum 30 day term (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




Strategic Relationship

SG Fleet


SG Fleet is Carly's 2nd largest shareholder

SG Fleet refer their business and government customers to Carly for subscription services



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  

Strategic Relationship Hyundai Australia

- Working with Carly to offer a **co-branded subscription** offering for its vehicle range
- Includes **Electric Vehicles**
- Provides a **new way for businesses to access Hyundai vehicles**
- Latest addition - the sold-out IONIQ 5
- Coming soon – IONIQ 6

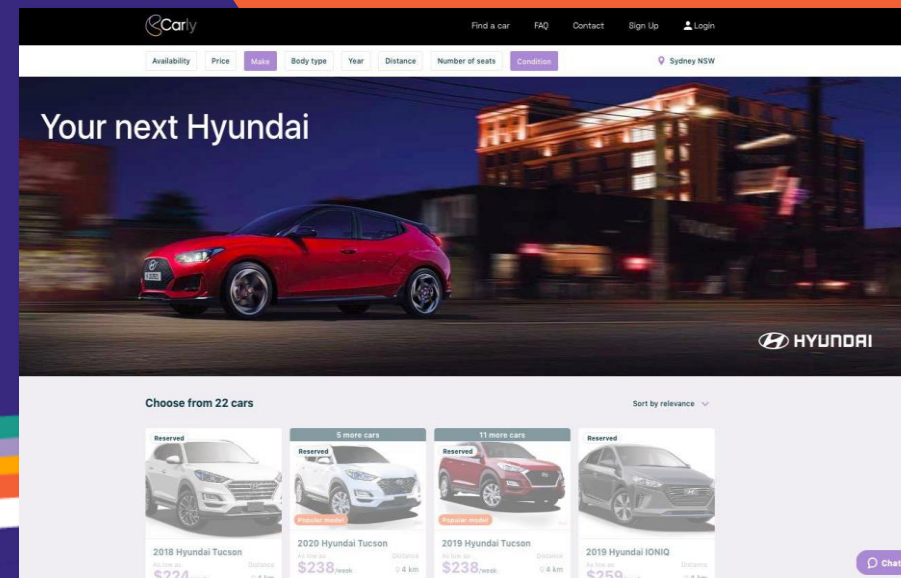
“

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



Car Subscription is Expanding Globally

*Global car subscription market is expected to grow at 35% CAGR
- to reach US\$100 billion by 2032,¹*

40%

CAGR

**2023 - 2032 in the Asia
Pacific Market**

supported by opportunities
created by transition to
Electric Vehicles²

10%

of private &
corporate new
vehicle registration
in Europe to be
subscription based
by 2025

representing €22 billion of
auto finance p.a.³

15%

of new car sales in
US and Europe are
forecast to be
attributed to Car
Subscription by 2030

based on a volume of
5 to 6 million subscription
vehicles⁴

2027

By 2027 the
Independent/ Third
party subscription
provider segment is
projected to be the
most lucrative over
OEM/Captive
providers⁵

1. Global Market Insights , Sourced from <https://bit.ly/3k3cyJW>

2. Global Market Insights, Sourced from <https://bit.ly/3EdiM0N>

3. Deloitte: Vehicle as a Service Sep 2022 <https://bit.ly/3lupn9S>

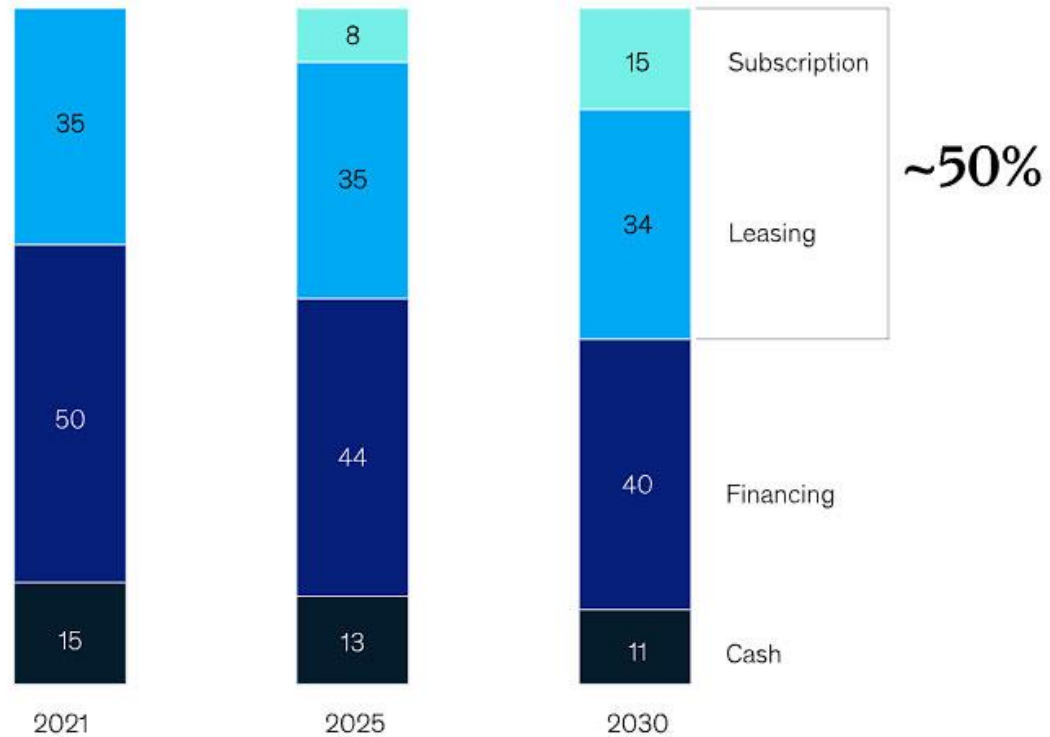
4. Boston Consulting Group, "Will Car Subscriptions Revolutionise Auto Sales?" July 2021, Sourced from <https://on.bcg.com/3Ea5DFB>

5. Allied Market Research, "Car Subscription Market Report" Sourced from <https://bit.ly/39FLWtr>

From nowhere to bigger than cash!

By 2030 in Germany, every second new car will likely be purchased via a lease-based product.

Distribution financing of new-car sales in Germany, %



Source: Statista; McKinsey European Auto Finance Survey

Why Use Car Subscription?

Car Subscription is suitable for any business seeking **flexible** access to vehicles for medium term periods. Often it is not possible or desirable to commit to a long term vehicle purchase or finance - the sensible alternative is car subscription.

Get the car you want now and hand it back when you no longer need it.

Short-term project or budget

Convenience of outsourced car management

New car delivery delay

Rapid scale-up of teams

Want to trial an EV

Short-term employment contracts

Employee in probation period

Employees on secondment

Car needs change throughout the year

Risk mitigation

Fluctuating vehicle needs

Just can't predict size and type of fleet in the future....

Case Study 1

University

NSW

15 x Subscription Vehicles

Use - Additional Pool Cars & Interim vehicle solution while waiting on new arrivals/ Staff vehicles/ Project vehicles

Average Period – 10 months

Type of Cars - Small SUV, Medium SUV, Van & Ute

Case Study 2

Luxury Home Builder

VIC

12 x Subscription Vehicles

Use - Interim vehicle solution while waiting on new arrivals(VW Amarok) / Staff Vehicles/ Construction Foreman

Average Period – 6 months

Type of Cars - Medium SUV, Van & Ute,

Case Study 3

Educational Provider

VIC, NSW, QLD & NZ

6 x Subscription Vehicles

Use - Short Term Contractor vehicles

Average Period – 12 months

Type of Cars - Small & Medium SUV

The Fleet Manager's Dream?



The Fleet Manager's Dream?

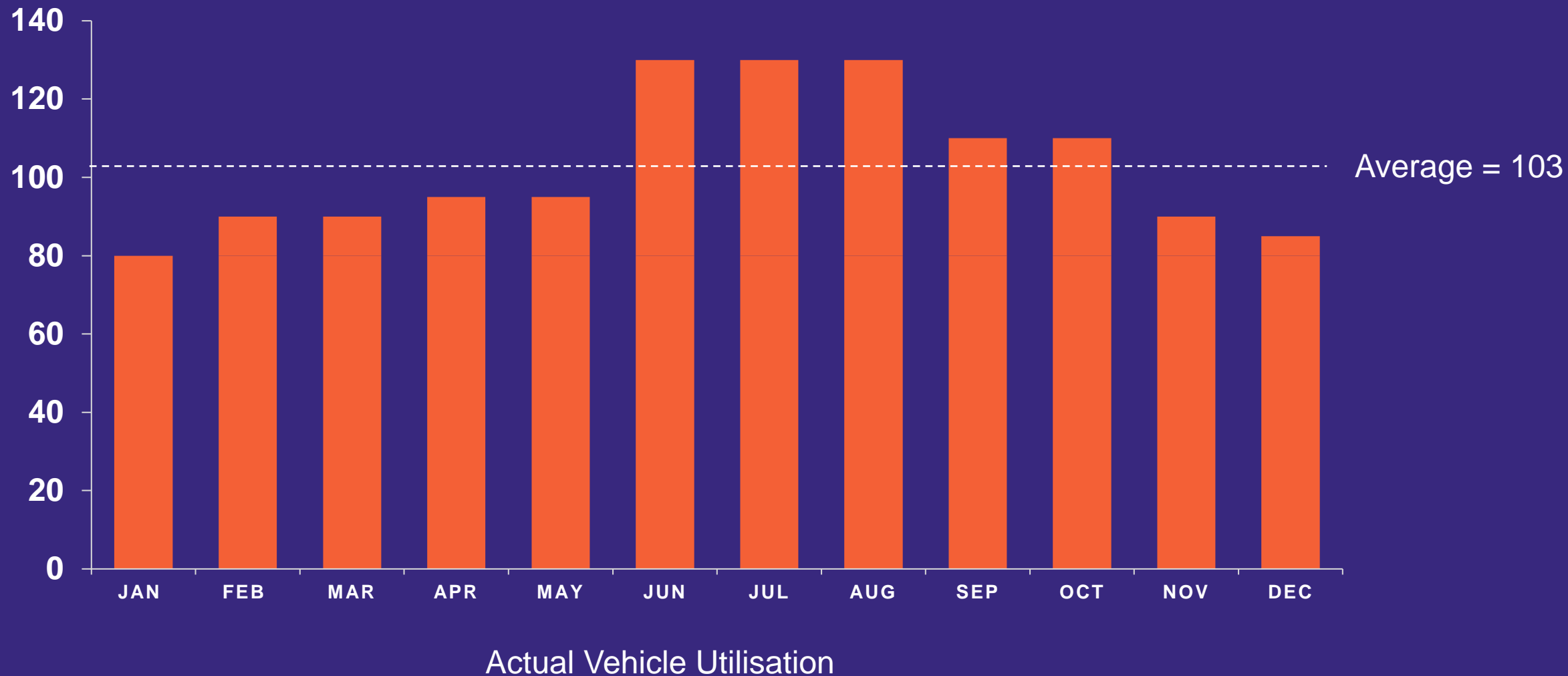
**Empty Car Park =
Maximum utilisation, no wasted assets**

The Fleet Manager's Dream?

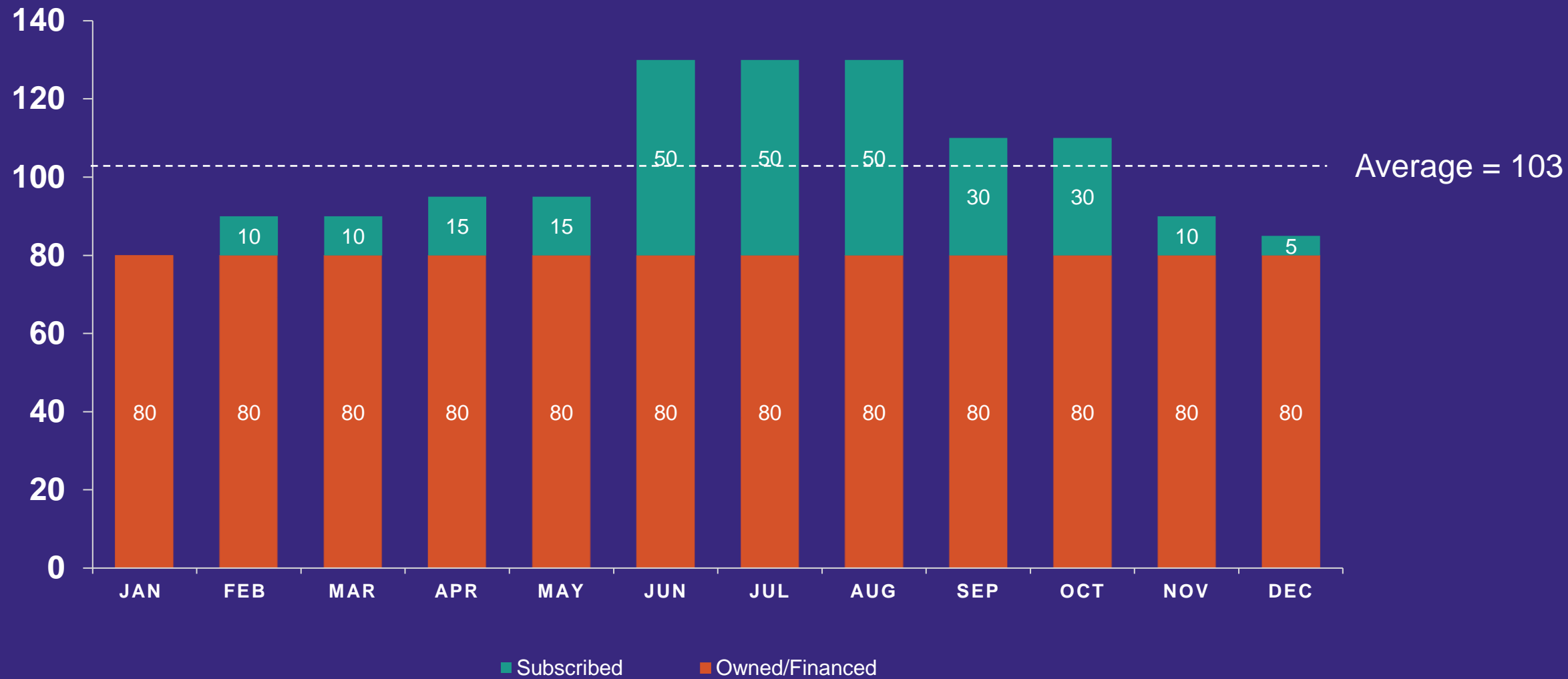
**Empty Car Park =
Maximum utilisation, no wasted assets**

....and no missed opportunities

How Many Cars Do You Need?



Only Pay For What You Need, When You Need It



Subscription Checklist

What you should check before you subscribe

Check	Look out for
Is it really a subscription?	Could be just rental or long-term finance masquerading as subscription
Minimum subscription period	Can be as high as 4 months with some providers
Maximum subscription period	Are you forced to hand the car back after a certain period?
Termination notice period	If the notice period is lengthy, a lease may be better
Flexible term	Do you have to specify a term or can you keep the car for as long as you like?
Choice of specific car	Can you request a specific car or you get what you are given?
Request a car	Is there a defined range of cars or can you request a specific model/type
Condition of car	How many previous drivers have used the car 1 or 100? Did they treat it like their own or thrash it? Consider chain of responsibility

Subscription Checklist

What you should check before you subscribe



Check	Look out for
New car levy	Is there a surcharge for a new car? Can be thousands of dollars for a 30 day subscription
Upfront deposit	Is an upfront deposit required, how much is it, when and how will it be refunded?
Non-refundable deposit	Can add a significant cost to a short term subscription
Membership fee	Do you have to pay to be a customer?
Price	Is the priced fixed per period or usage based – per km? Consider all of the extra costs – comparison essential
Seasonal price variations	Do prices increase in peak demand periods like rental cars
Insurance	Is insurance included in the price? Same for all ages?
Insurance excess	Are various options available?
Kilometre allowance	Is there a free km allowance or are you charged for every km?

Subscription Checklist

What you should check before you subscribe

Check	Look out for
Tax Deductibility & FBT	Is there certainty around how expenses can be claimed? Only one car subscription company has an exclusive ATO Product Ruling clarifying how and what to claim
How do you book cars?	Are you left to fend for yourself on a website or do you have a dedicated account manager to source cars and manage the administration
Is delivery available?	Keep your staff productive and have the car delivered
How are payments made?	Is the payment via multiple credit cards for multiple cars or via a single monthly invoice for all cars
Additional driver	Is a fee charged?
Age restrictions	What are the maximum and minimum ages and do they affect the insurance cost?

Comparison Calculator

 [About Us](#) [Why Subscription?](#) [Contact](#) [Find a Car](#) 

Car Subscription Comparison Calculator

Input the applicable fees, charges and rates for the car subscription provider you would like to compare. Don't forget to check the minimum subscription period.*

Costs	Other Car Subscription	Carly
Weekly Subscription Fee	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>
Minimum Subscription Period*	<input type="text" value="0"/> days	<input type="text" value="30"/> days
Upfront Fee	<input type="text" value="\$0.00"/>	<input type="text" value="Free"/>
New Car Levy	<input type="text" value="\$0.00"/>	<input type="text" value="Free"/>
Establishment Fee	<input type="text" value="\$0.00"/>	<input type="text" value="Free"/>
Non refundable deposit	<input type="text" value="\$0.00"/>	<input type="text" value="Free"/>
Car Swap Fee	<input type="text" value="\$0.00"/>	<input type="text" value="Free"/>
Joining Fee	<input type="text" value="\$0.00"/>	<input type="text" value="Free"/>

*Minimum subscription period refers to the minimum amount of time and payments you will need to commit to with the relevant provider. If you cancel your subscription before the minimum term is up, you will still need to pay the remaining months as stated in your contract.

[CALCULATE COSTS](#)

Electric Vehicles

Try Before You Buy

Subscription is an ideal, low risk way for businesses to trial electric vehicles in real life situations



Carly Car Subscription is in Sydney, NSW.
Published by Jessica Gutierrez · 4h · 🌐

Our latest drop of EVs have just landed in Sydney! 🌟 Meet one of the newest electric vehicles to hit the market, the fully electric IONIQ 5 by Hyundai. We have very limited stock available, so get in quick to avoid disappointment.

Subscribing monthly to an EV with Carly includes all insurance, registration, maintenance and roadside assistance costs. The best part? you can cancel at anytime with just 30 days notice. What a perfect way to trial an EV to see if it is right for ... See more

Subscribe to an EV 🌐
No Deposit.
Cancel Anytime.

Carly HYUNDAI

CARLY.CO
Carly

Learn more

Carly secured the sold-out
IONIQ 5
through our Hyundai partnership

Car Subscription for Business

Exclusive 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 offering.

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.





Car Subscription Comparison Calculator

www.carly.co/comparison

Richard Duncan – Sales Manager

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www.carly.co/business





Audience Q&A Session **slido**

- To Kinto: when you say you order wider vehicles do you mean wider Toyota vehicles? Or do you do Hyundai, Mazda, Ford..?
- Is it simply a recurring revenue model or are there add-on transactional costs alongside the subscription?
- Is the subscription for the whole organisation to use, or does each employee need a subscription?
- What's the cost ?
- Who is the target user and use case, especially when the average use is 5-6 months maximum?



Session Details

How Car Subscription Can Add the Layer of Flexibility Your Fleet is Craving

Wed, 24/5

Operational
Breakout 1

Add session

SESSION FEEDBACK



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MAY 23-24
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2023 Australasian Fleet Conference

LOOK FOR THE SESSION

AND CLICK THE

SESSION FEEDBACK