

MOBILIZE

BEYOND AUTOMOTIVE

PRESS RELEASE
MAY 10, 2022

MOBILIZE SETS OUT ITS AMBITIONS IN SERVICES AND TECHNOLOGY, TARGETING 20% OF RENAULT GROUP'S TURNOVER IN 2030



- Mobilize is driving Renault Group's transformation towards the new mobility value chain, confirming its target of accounting for 20% of the Group's turnover in 2030.
- By building a model based on Vehicles-as-a-Service, Mobilize is rewriting the automotive industry's traditional codes, coming from services that meet customers' needs, to the product.
- Mobilize is establishing an integrated software ecosystem by leveraging its mobility ventures.
- Mobilize strengthens its ties with RCI Bank and Services, which is becoming Mobilize Financial Services, and accelerating in the operating lease, insurance and payment services.
- Mobilize is harnessing data to provide mobility, energy, financing, insurance, payment, maintenance and reconditioning services and to reduce the costs of usage for its customers.
- These services are even more performant when used with Mobilize purpose-designed vehicles.
- This strategy will enable Mobilize activities, outside of Mobilize Financial Services, to achieve a double-digit margin for each category of services by 2027 and target a breakeven operating margin by 2025.

Renault Group presented its Renaulution strategic plan in January 2021 with the aim of transforming into a competitive, tech and responsible company and, through Mobilize, positioning itself in the mobility value chain.

Now Mobilize is presenting its own strategy to drive the Group beyond automotive, generate recurring revenues and reach the target of drawing 20% of Renault Group turnover by 2030.

A business model dedicated to services to tackle mobility challenges

Against the backdrop of major changes in the automotive industry, Mobilize is developing a new VaaS¹-based business model with a comprehensive range of services based on an integrated software ecosystem.

Focusing on usage rather than ownership, Mobilize offers, from the vehicle, services that meet users' needs for simpler and more accessible, environmentally friendly, and affordable mobility solutions.

“Mobilize sells services, not vehicles, generating recurring income and reducing costs of usage for our customers. We have decided to cover the sections of the mobility value chain presenting the highest growth and margin potential. That’s why, with the VaaS model and leveraging an integrated software ecosystem, we are offering a range of services that includes financing and insurance solutions as well as energy and maintenance services. Vehicles are becoming service platforms, enabling to triple the revenue generated over their lifecycle,” explained **Clotilde Delbos, CEO of Mobilize**.

The Mobilize model is based on:

- **A fully integrated software ecosystem** that enables, from the car -as a software-defined vehicle- to offer all kinds of services to professional customers and retail customers alike. This ecosystem is founded on technological components that are already in operation at Mobilize subsidiaries². Through these subsidiaries and through Renault Group, Mobilize has access to over 600 developers, enabling it to launch the first version of Software Defined Vehicle as soon as 2023.
- **Dedicated vehicles:** Mobilize is developing its own fully electric vehicles that are specially designed for dedicated, shared, and intensive usage. Although Mobilize services are brand and vehicle agnostic, Mobilize vehicles enable mobility operators to maximize the reduction of their total cost of usage. Mobilize design and engineering teams are focusing on five aspects at the design stage: durability, capacity for over-the-air updates, ease of cleaning/maintenance/repairs, a reduced environmental impact, and a rich and appealing customer experience.
- **A comprehensive range of services:**
 - **Financial services:** Mobilize offers financing, insurance, and payment services through RCI Bank and Services. To strengthen ties between the two entities, **RCI Bank and Services is changing its name and becoming Mobilize Financial Services.**

¹ Vehicle-as-a-Service

²bipi, glide.io, Karhoo, iCabbi, Mobilize Power Solutions and Zity by Mobilize

- **Energy:** Mobilize provides a comprehensive range of **energy** and charging-related services for its customers (mobility operators, fleet managers and retail customers) when at home, at work or on the road. These services include Mobilize Smart Charge, Mobilize Charge Pass (which provides access to 260,000 charging points, including 1,600 Ionity fast-charging points), the Battery Health Certificate and the installation of charging points through Mobilize Power Solutions.
- **Maintenance and reconditioning:** By harnessing data to enable predictive maintenance, Mobilize will use the dealer network and Renault Group Refractories, like the one at Flins, to repair and recondition its vehicles. By giving them a second and third life, Mobilize increases vehicles' usage and therefore the value it generates from each vehicle.

The coverage offered by the network of Renault Group dealerships, with 6,000 points of sale in Europe, enables Mobilize to roll out its services widely and provide a phygital customer experience.

Three high growth market segments

Mobilize is targeting customers that represent three high growth segments:

1. Retail customers and small to medium-sized fleets

With Mobilize Financial Services, Mobilize will accelerate the rollout of mobility solutions by offering long-term leasing and car subscriptions in order to benefit from growth of over 80%³ in the operating lease market. Mobilize Financial Services aims to have a fleet of 1 million vehicles for leasing and 200,000 for subscription in 2030.

Mobilize Financial Services is also going to step up its business financing used vehicles in particular by leveraging the emergence of connected electric vehicles to act on the entire lifecycle and offer an integrated experience up until the remarketing or recycling of the car. Moreover, Mobilize Financial Services will expand its range of services to cover two main areas: Car **insurtech**, by drawing on vehicle connectivity to launch usage-based insurance products, and the creation of a **payment** ecosystem that will combine EV charging, universal payments (in and out of the car), and Buy Now Pay Later offers. This ecosystem will be animated by an Eco loyalty program to incentivize an eco-friendly behaviour by our customers.

2. People mobility operators

With **Mobilize Driver Solutions**, Mobilize provides a range of services to taxi and PHV drivers and operators – such as subscriptions to the full electric LIMO vehicle, insurance, maintenance, charging and assistance.

Mobilize is providing solutions for car-sharing operators with the DUO vehicle. Launched in 2023, DUO will be fully electric, available on subscription, and incorporate insurance and software solutions for fleet and user management as well as maintenance. DUO will bring down the total

³ Source: NV Market Evolution – Deloitte G5 Europe/RCI Bank and Services

cost of usage by 35% compared to a traditional four-seat electric vehicle, is made with 50% recycled materials and is 95%-recyclable. A cargo version, BENTO, will also be offered to craftsmen for carsharing and subscription options.

3. Last-mile delivery operators and professionals

Mobilize is entering the booming market – set to grow by 7%⁴ per year until 2030 – of last-mile delivery by providing operators with comprehensive service solutions that take into account new urban policies. These services will first be offered for the Kangoo E-Tech electric and Master E-Tech electric, as well as vehicles from outside the Group, before the launch of HIPPO in 2026, which will bring down total cost of usage by 30% compared to competition. These services cover all of those offered by Mobilize, with a particular focus on charging and fleet management thanks to data.

Ambitious targets

The services offered by Mobilize are facilitating the emergence of electric mobility while:

- reducing costs for customers,
- protecting customers from the drop in residual value of a vehicle, as Mobilize remains the owner,
- extending the product lifecycle and reducing carbon footprint,
- multiplying revenue from vehicles,
- generating recurring revenues.

Mobilize is therefore in a unique position to account for **20% of Renault Group's turnover by 2030**. Its model of recurring revenues means that Mobilize is not subject to the traditional cycles of the automotive industry.

This strategy enables Mobilize to aim for:

- 70% growth in the number of financial services sold to its customers in order to reach 8 million in 2030.
- A doubling of the size of the operational leasing fleet of vehicles financed by Mobilize Financial Services by 2025, with a target of 1,000,000 units in 2030, including 70% of electric vehicles.
- A 2030 target of 150,000 to 200,000 units used by mobility operators, including 80% of electric vehicles.
- A number of charging points installed of 165,000 units by 2030 (up from 22,000 in 2021).

In addition, this strategy will enable Mobilize activities, outside of Mobilize Financial Services, to achieve a double-digit margin for each category of services by 2027 and target a breakeven operating margin by 2025.

⁴ Source: EVProject/Mobilize internal analysis

	2021	2025	2030
Insurance and financial services (in millions of units)	4.7	6 +30%	8 +70%
Fleet size – Operational lease (in thousands of units)	350 (15% EVs)	700 (40% EVs)	+1000 (70% EVs)
Fleet size– Mobility operators (in thousands of units)	8	35-40	150-200 (80% EVs)
Charging stations installed (in thousands of units)	22	95	165
TOTAL TURNOVER (% of Renault Group Turnover)	6%	~10%	~20%

* Mobilize Day can be followed live on <https://events.mobilize.com>. A replay will be available on the same platform shortly after the presentation.

About Mobilize

Mobilize, a brand of Renault Group, proposes flexible solutions around mobility, energy and data to meet the evolving expectations of consumers, businesses, cities and regions. Built around open ecosystems, Mobilize encourages a sustainable energy transition, in line with Renault Group's target to reach carbon neutrality and its ambition to develop value from the circular economy.

For more information, visit mobilize.com or follow Mobilize on sur Twitter, Instagram and LinkedIn.