



**Autonom**

Evolve. Daily.

# Integrated Sustainable Mobility Provider

Investor Presentation



# Presentation Team

## Marius ȘTEFAN

- Marius regularly attends executive education programs at schools such as Harvard Business School, London Business School, Stanford, INSEAD, IMD.
- Marius graduated from the Robert H. Smith School of Business MBA marketing program at the University of Maryland and holds an MBA degree in management from SNSPA. In 1999, he graduated the Academy of Economic Studies in Bucharest, International transactions.
- He is a strong supporter of education and entrepreneurship. Together with his brother Dan, he founded up 9 years ago Autonom Foundation – a unique initiative with a decentralized decision process. Every year more than 100 educational projects are initiated or supported by the Foundation.
- Currently Marius serves as Chairman of the Board for Endeavor Romania, Vice President of the Board for Romanian Business Leaders and board member of Teach for Romania.
- In April 2021 Marius was elected as a member of the Supervisory Board of OMV Petrom. He also serves as a member of the advisory board of Secom, Dr. Leahu Clinics and various other companies.



Co-founders of  
Autonom Group

## Dan ȘTEFAN

- Dan is an entrepreneur passionate about the development of people and sustainable, learning-focused organizations.
- After studying management in Bucharest at the Academy of Economic Studies, Orleans - holding a master degree in “International Economics” and Paris Sorbonne - with an MBA in “International Business”, he was a management consultant at a consulting firm in Paris, where he implemented efficiency programs in large global industrial groups.
- Since 2006, along with his brother Marius, he founded and currently leads the Autonom Group, the leader of the mobility market in Romania.
- He is an independent member of the boards of several organizations: companies, business associations and NGOs.
- Dan is a management professor at the Romanian-Canadian MBA within the Bucharest Business School and at BISM (former Maastricht School of Management Romania).
- He believes in inclusive management, one that is based on autonomy and values.



# Table Of Contents

1. Autonom Group: At A Glance
2. Sector Presentation
3. Operational Guidance
4. Financial Performance
5. Sustainability Strategies
6. Transaction Presentation
7. Appendix



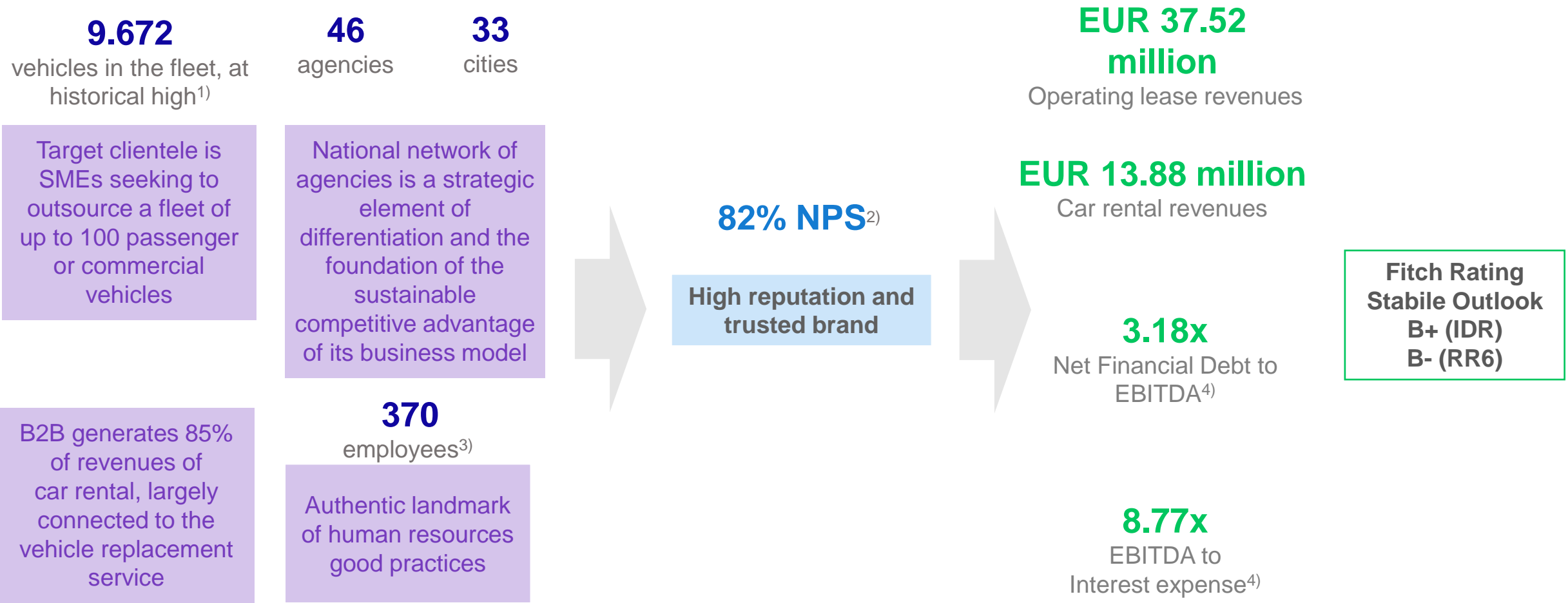


# 1. Autonom At A Glance

# Autonom Services: Short Profile



Top 5 player within operating lease and car rental sectors, consolidating market share over the last years (especially in 2020)



Source: Management data

Note: 1) as of December 31, 2021; 2) NPS - Net Promoter Score for the year 2020; 3) as of December 31, 2021; 4) Values as of the year 2021

# High Reputation And Trusted Brand With National Network Agencies As Strong Competitive Advantage



- **2013 - 2020** – “**Best Employer**” 5 times over the last seven years, according to **Best Employer Study** developed by **AON Romania / KinCentric**
- **2019** – one of the five companies quoted as examples for innovation in management in the European study performed by **Eurogroup Consult** presented in Paris and London
- **2018** – the first / the only Romanian company included in **Blue Ribbon EBRD Program** due to its business strategy, its innovation capacities and performing management
- **2018** – one of the 123 worldwide organisations recognized by **WorldBlu** as promoters of democratic principles and encouraging freedom at workplace
- **2014, 2017** – was designated as “**Car Rental Company of the Year**” at the **TopHotel Awards Ceremony**, the company maintaining a top 3 position during the last four editions (2017-2020)
- **2016** – one of the six Romanian companies in the final of the first edition of the “**Entrepreneur of the Year**”, organised by **Ernst & Young**
- **2012, 2014** – received the title of “**Champions in Business**”, awarded by **Ziarul Financiar** and **PWC**

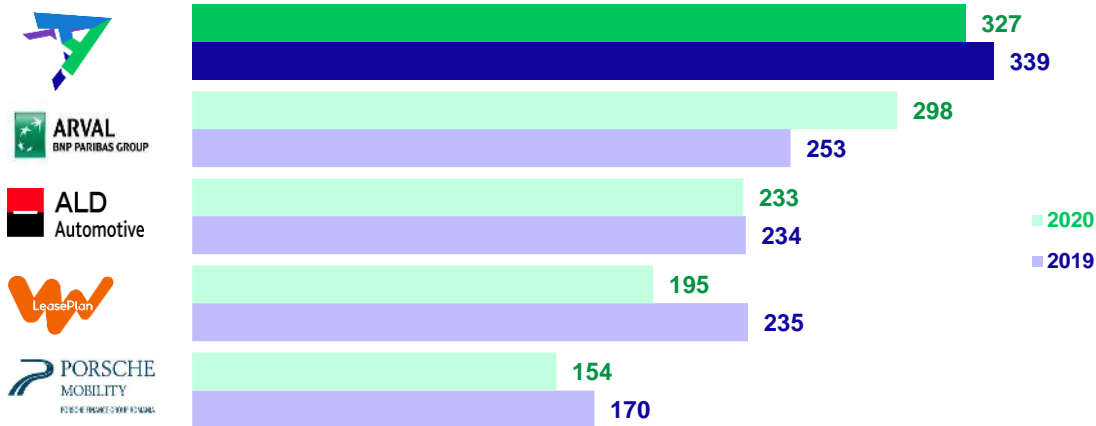




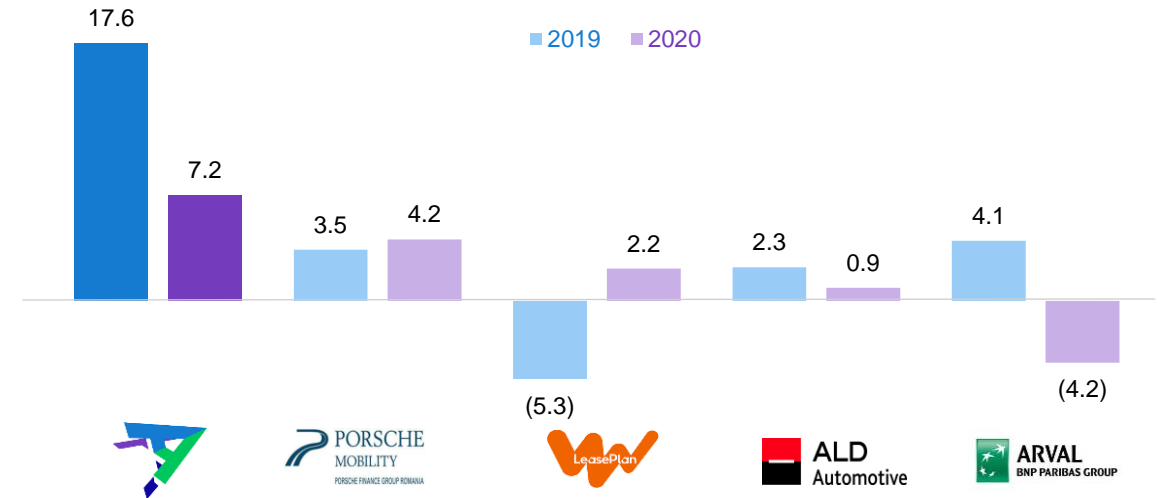
## 2. Sector Presentation

# Autonom Consolidated Its Market Share, While Its Profitability Profile In 2020 Looks Robust

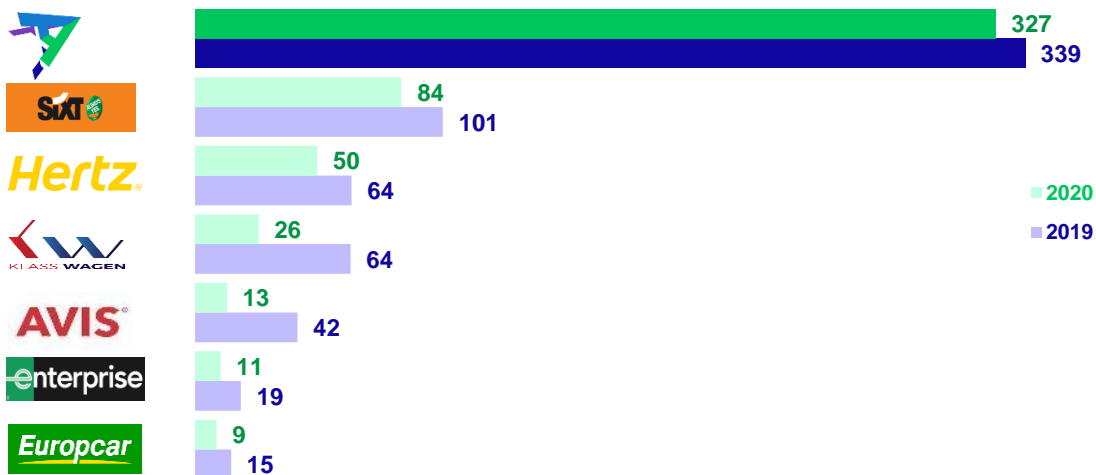
## TURNOVER IN 2020 VS. 2019 (RONm) | OPERATING LEASE



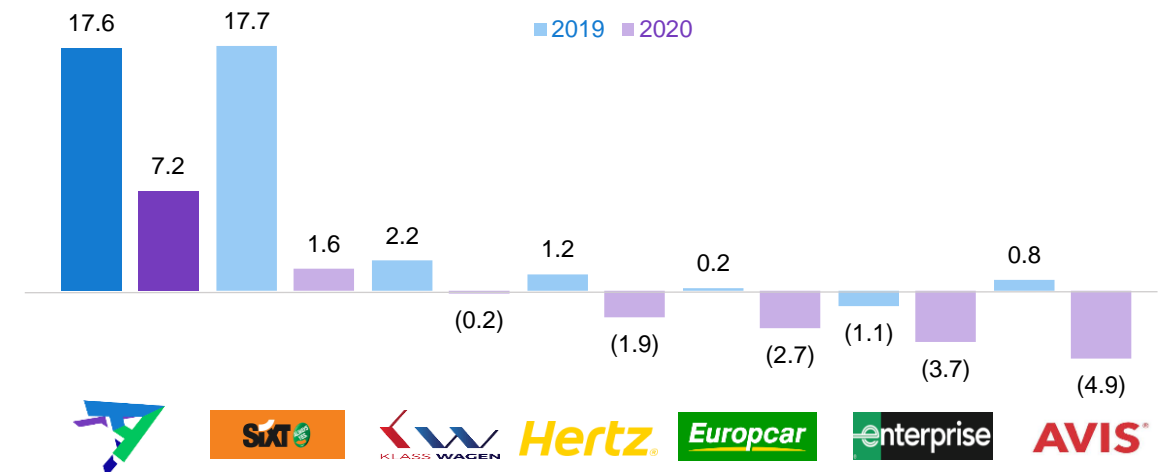
## NET PROFIT IN 2020 VS. 2019 (RONm) | OPERATING LEASE



## TURNOVER IN 2020 VS. 2019 (RONm) | CAR RENTAL



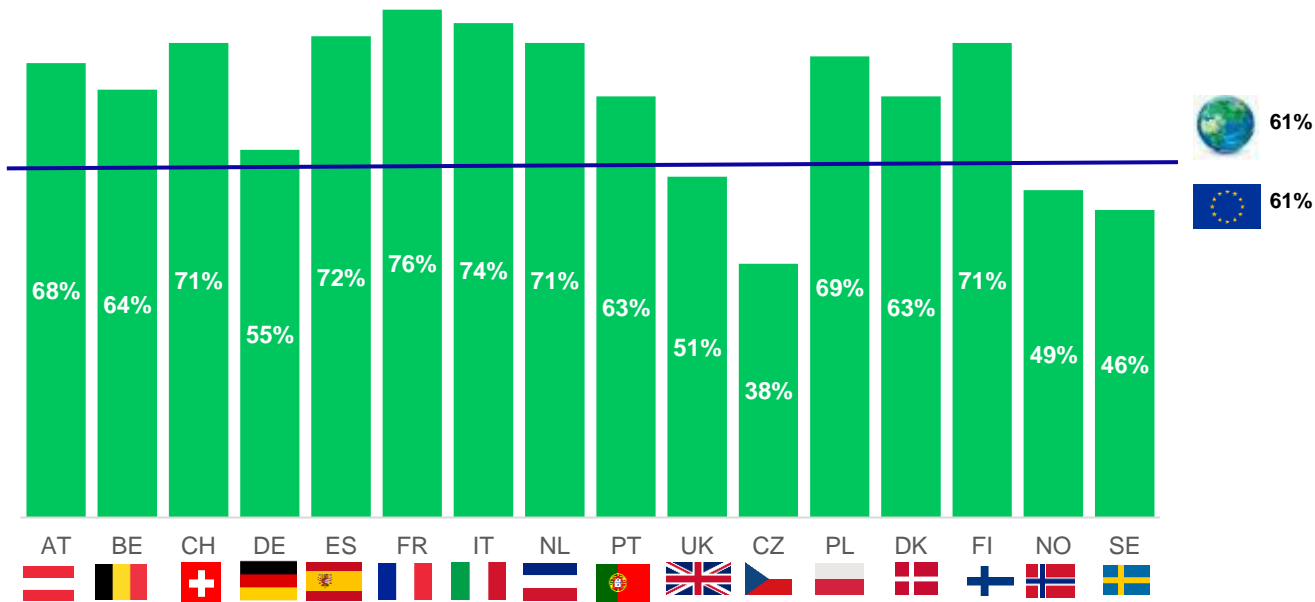
## NET PROFIT IN 2020 VS. 2019 (RONm) | CAR RENTAL





# Intention To Increase Operating Lease Adoption In Europe

## PROPORTION OF COMPANIES HAVING INTENTION TO DEVELOP OPERATING LEASE TO FINANCE CORPORATE FLEET IN THE NEXT 3 YEARS



- The 2021 edition of “*Mobility and Fleet Barometer*” by Arval Mobility Observatory and Kantar includes extensive statistics after interviewing car fleet managers of 5,197 companies on 17 European markets monitored.
- **45% of the fleet managers would increase the size of their fleets** over the next three years and the main reasons are related to expected business growth (61% of companies).
- **The upward trend on the European market in terms of operating lease** service audience is expected to be even further boosted by the COVID-19 crisis.
- **61% of the companies** are planning to use this method of fleet financing in the next three years, compared to 39% in the 2020 edition.
- **39% of companies have hybrid, plug-in hybrid and power battery vehicles** in their fleets and the figure rises to **70%** if companies are planning to adopt electric cars in their fleets over the next three years.

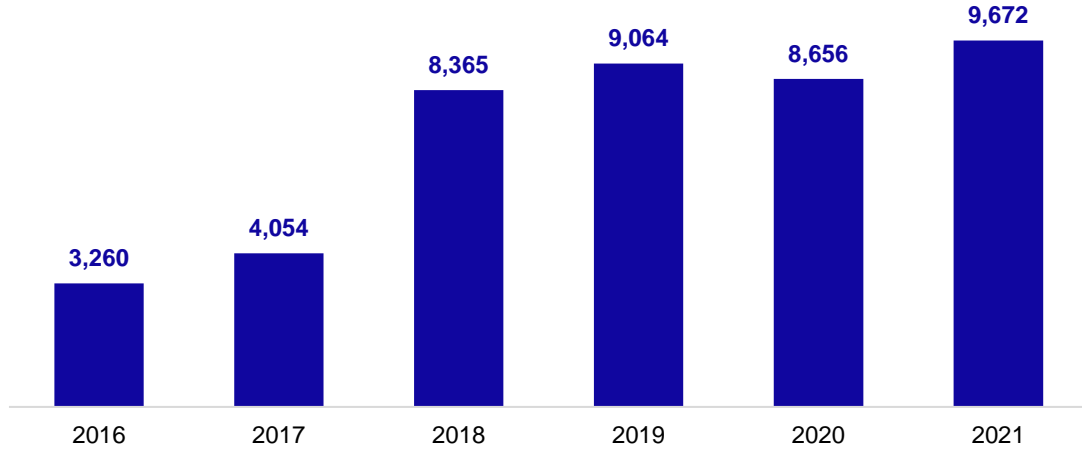


# 3. Operational Guidance

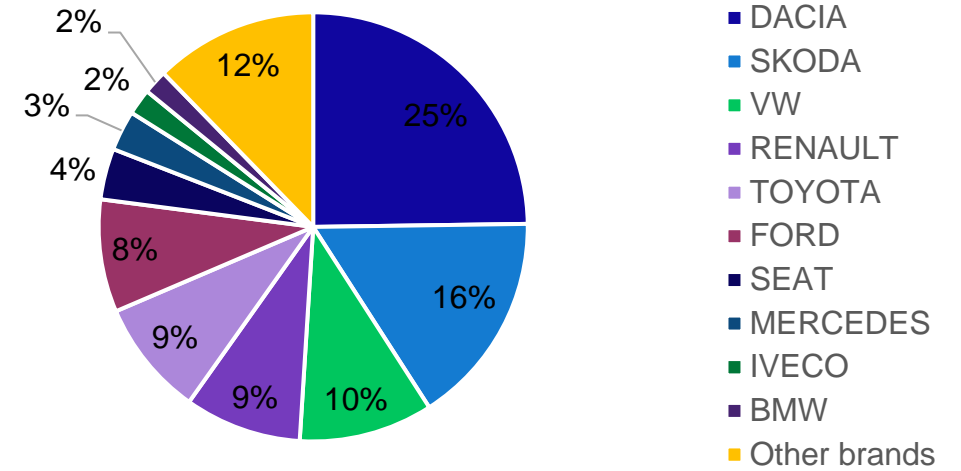


# Fleet Has Reached Historical Maximum Size In June 2021

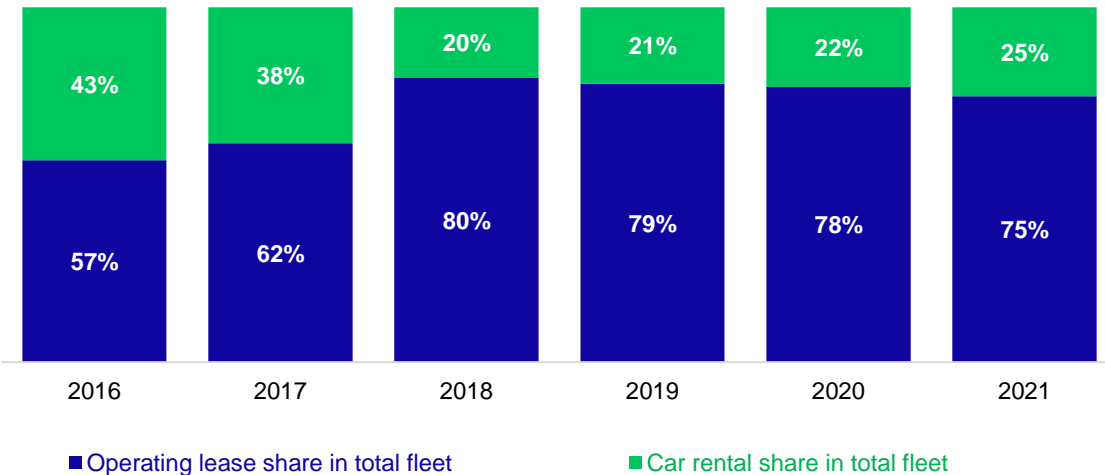
FLEET DEVELOPMENT (NUMBER OF VEHICLES)



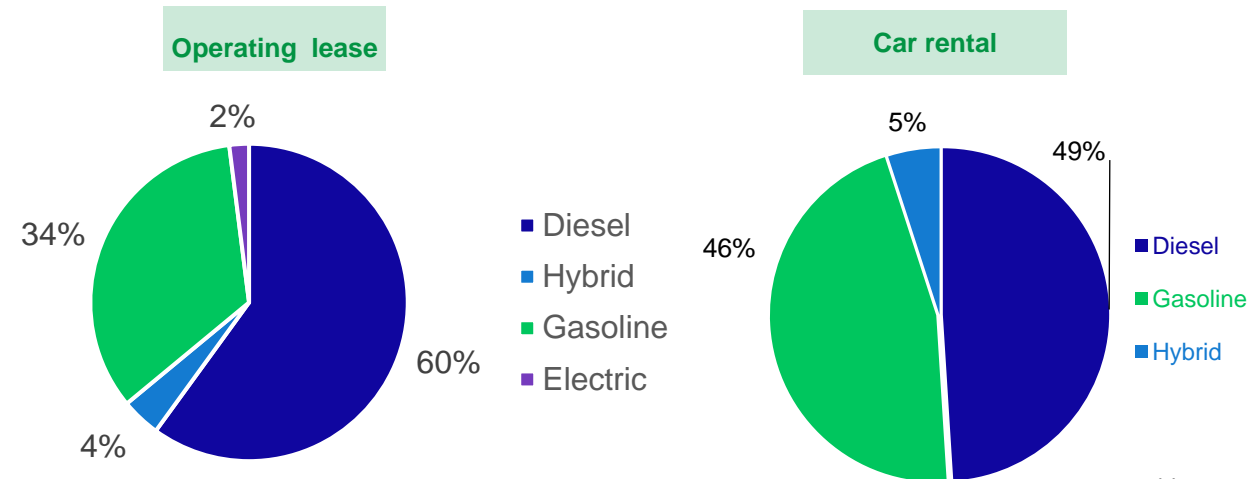
FLEET STRUCTURE BY BRAND AS OF DECEMBER 2021 (%)



DYNAMICS OF THE FLEET STRUCTURE (%)



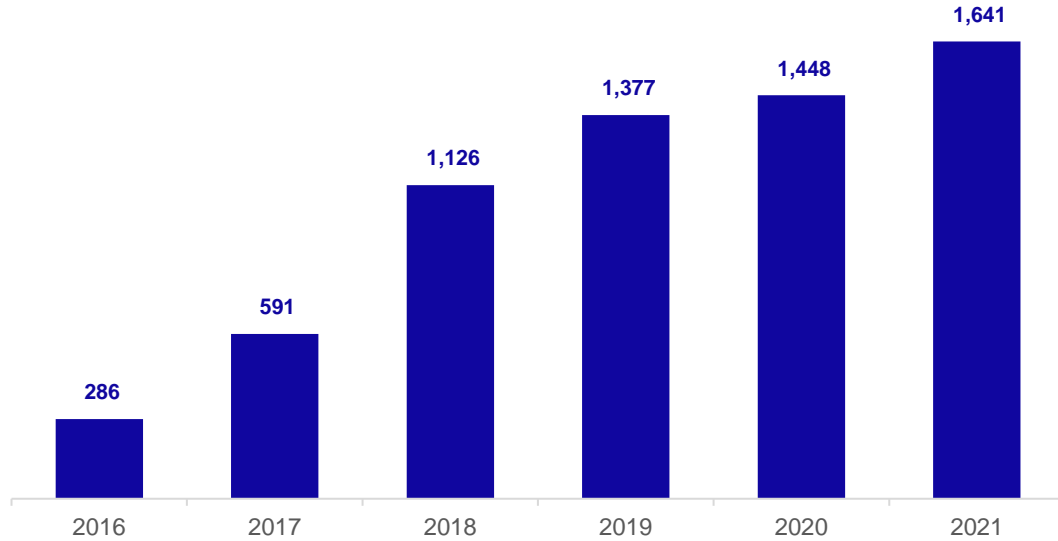
FLEET STRUCTURE BY ENGINE TYPE AS OF DECEMBER 2021 (%)



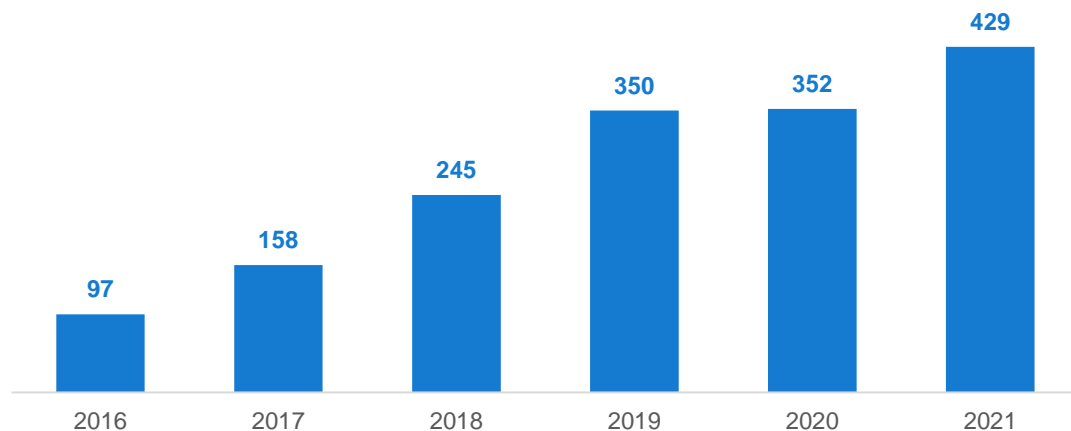
# Operating Lease – Healthy Growth Undeterred By Covid-19 Pandemic



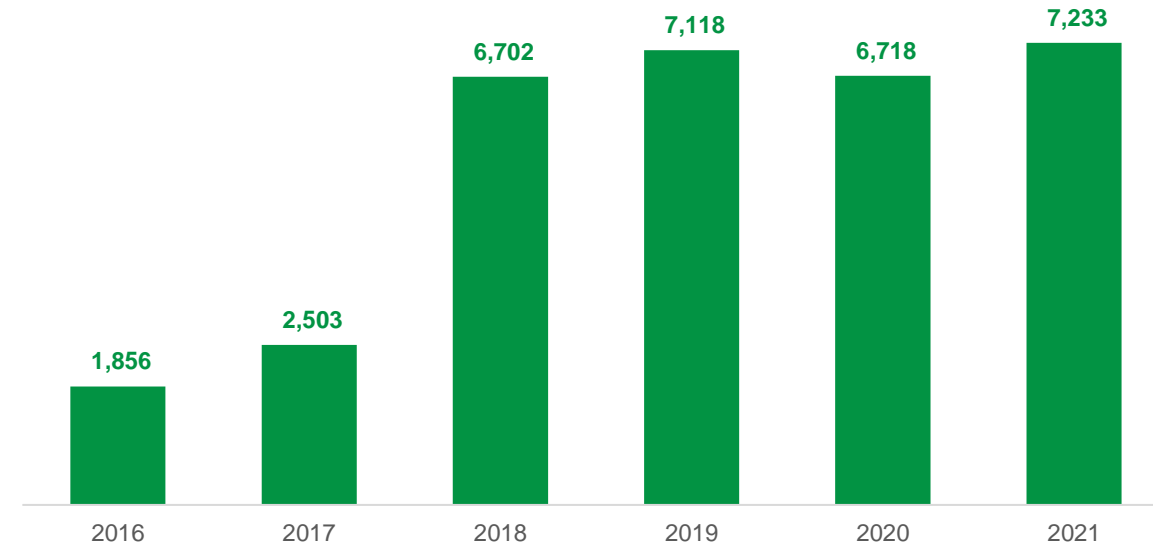
## NUMBER OF B2B CLIENTS



## VALUE OF OPERATING LEASE CONTRACTS (RONm)



## OPERATING LEASE FLEET (NUMBER OF VEHICLES)



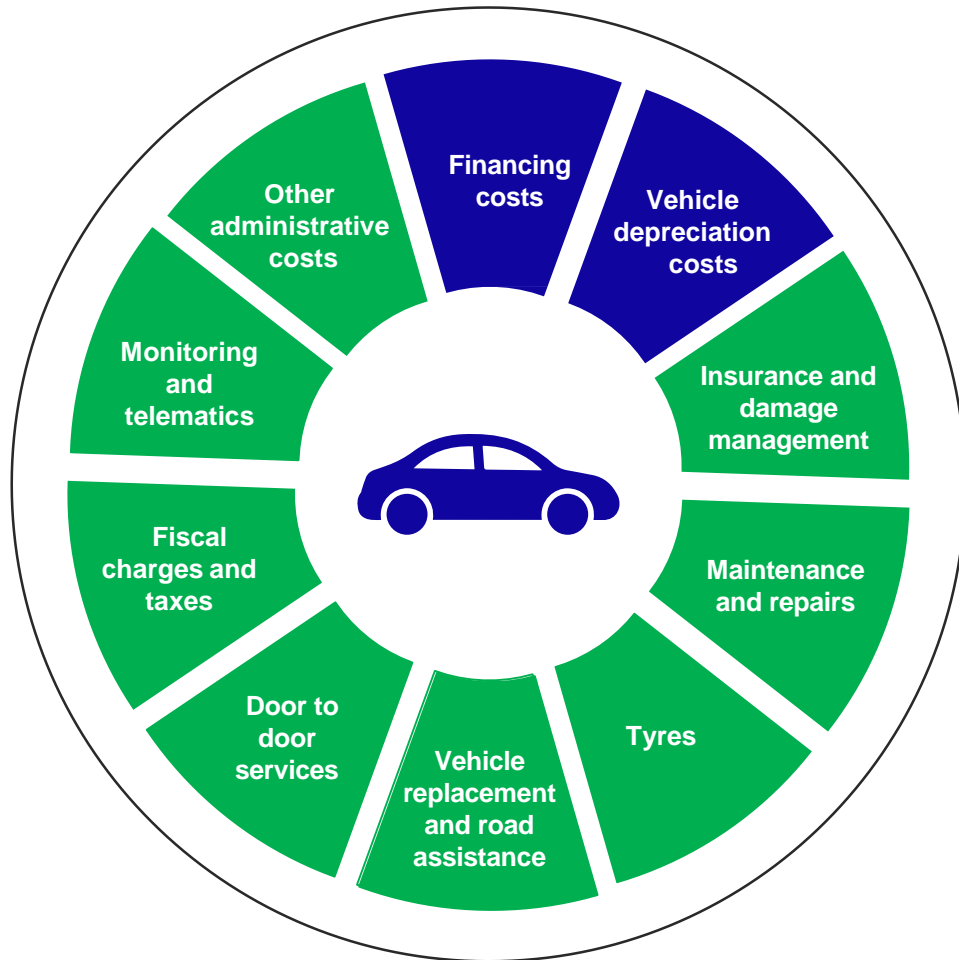
- **Robust business model** focused on **flexible commercial relationship** and large share in lease rate of **mobility services carrying high margin**
- **Pro-active support provided to clients** during last year has consolidated partnerships and customer satisfaction
- Continuous **growth of the number of clients**, as well as for **value of lease contracts and revenue**
- Light fleet size contraction in 2020, as result of optimization decisions made by clients and reaching maturity of low margins BTOL contracts that were not renewed by Autonom

Source: Management data



# Operating Lease – Car Fleet Outsourcing And Opex Optimization Tool For Companies

## FIXED MONTHLY RATE COMPONENTS



## CLIENT BENEFITS

High flexibility and focus on core business



Reduction of operating expenses



Balance sheet optimization



Simplified internal processes



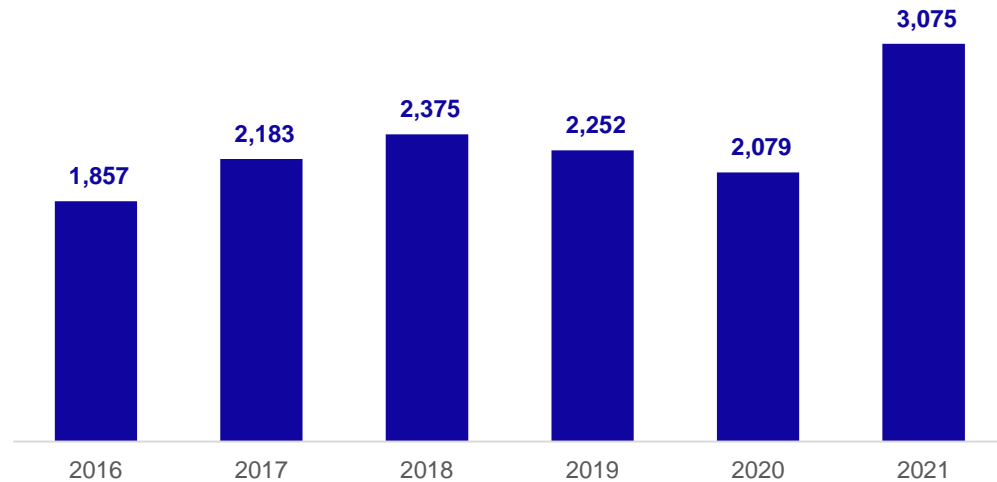
Predictability of car fleet operating costs



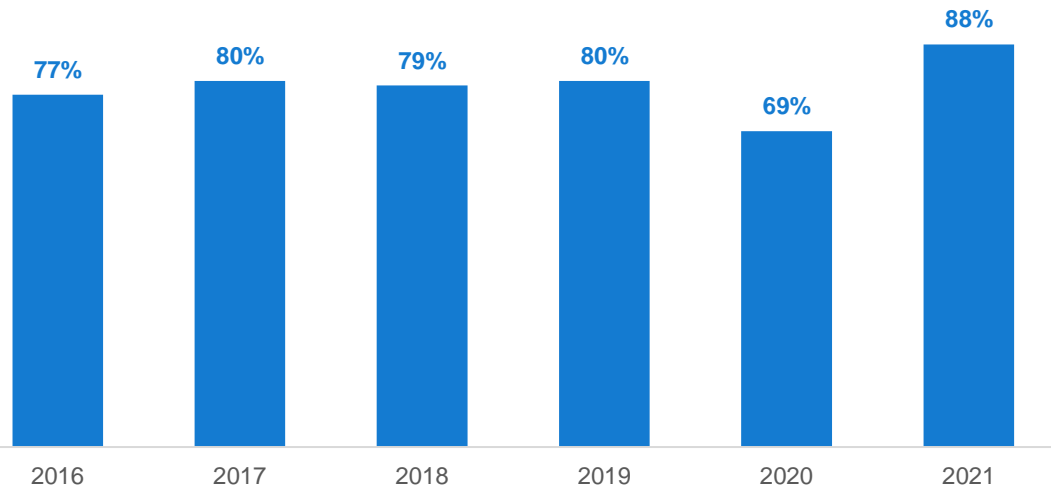
# Car Rental – Highly Resilient Corporate Business Model



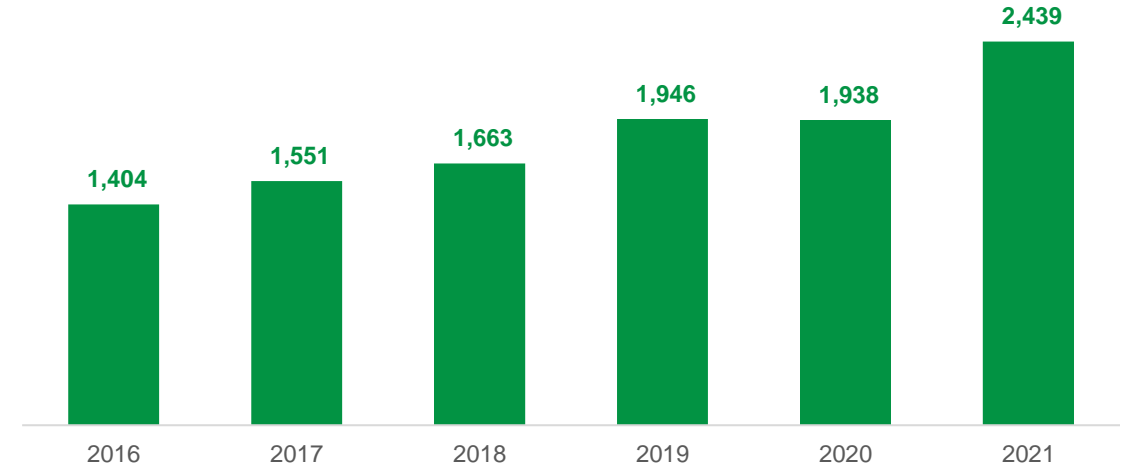
## NUMBER OF B2B CLIENTS



## UTILIZATION RATE (%)



## CAR RENTAL FLEET (NUMBER OF VEHICLES)



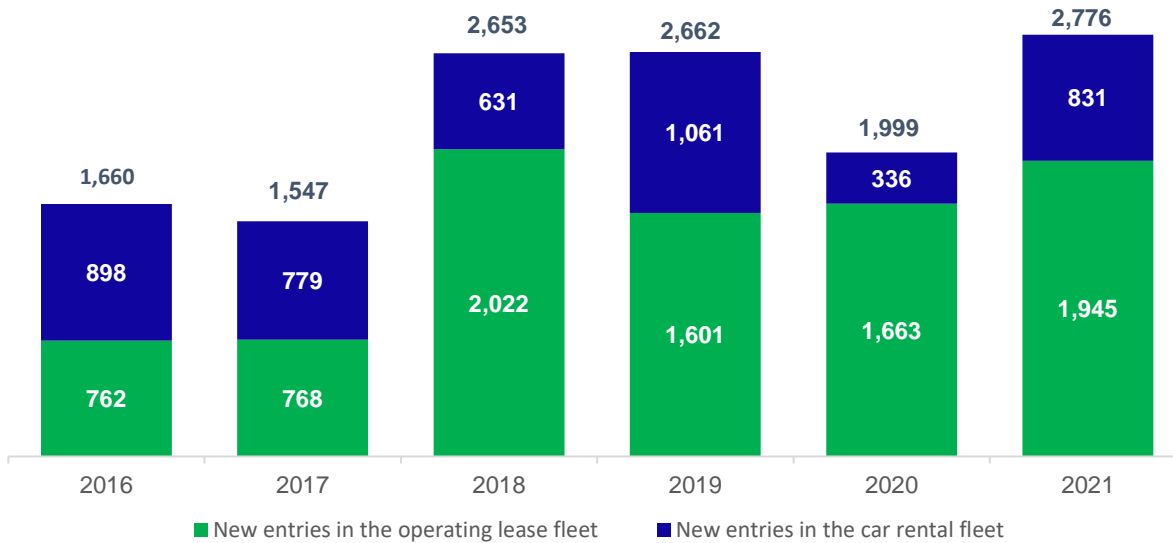
- **B2B generates 85% of revenues** largely connected to the **vehicle replacement service which is the LT sustainable growth catalyst**
- The replacement services are mainly contracted by the insurance companies related to the **RCA legislation** and other lease providers
- The **much lower dependence on tourism and air traffic** explains the higher resilience after 2019 compared to its competitors
- **Number of vehicles reached a historical peak in 2021**, following pragmatic strategy to calibrate the fleet size to the recovery of demand
- **Remarkable high utilization rate of 88% in 2021** demonstrates the effectiveness of the measures taken last year by the management

Source: Management data

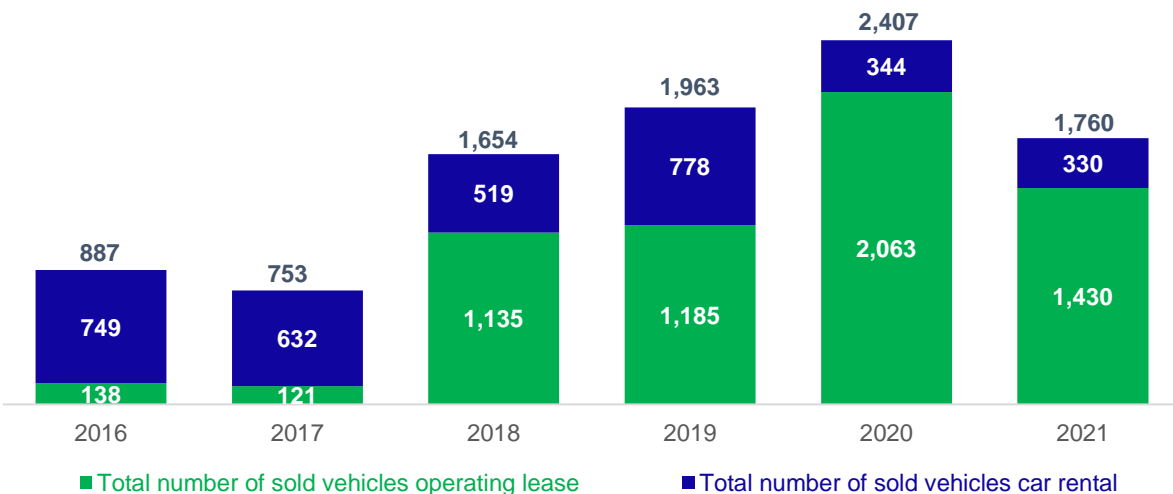


# Acquisition Of New Vehicles And Remarketing

## NUMBER OF NEW CARS ENTRIES IN THE FLEET



## USED CARS EXITS FROM THE FLEET

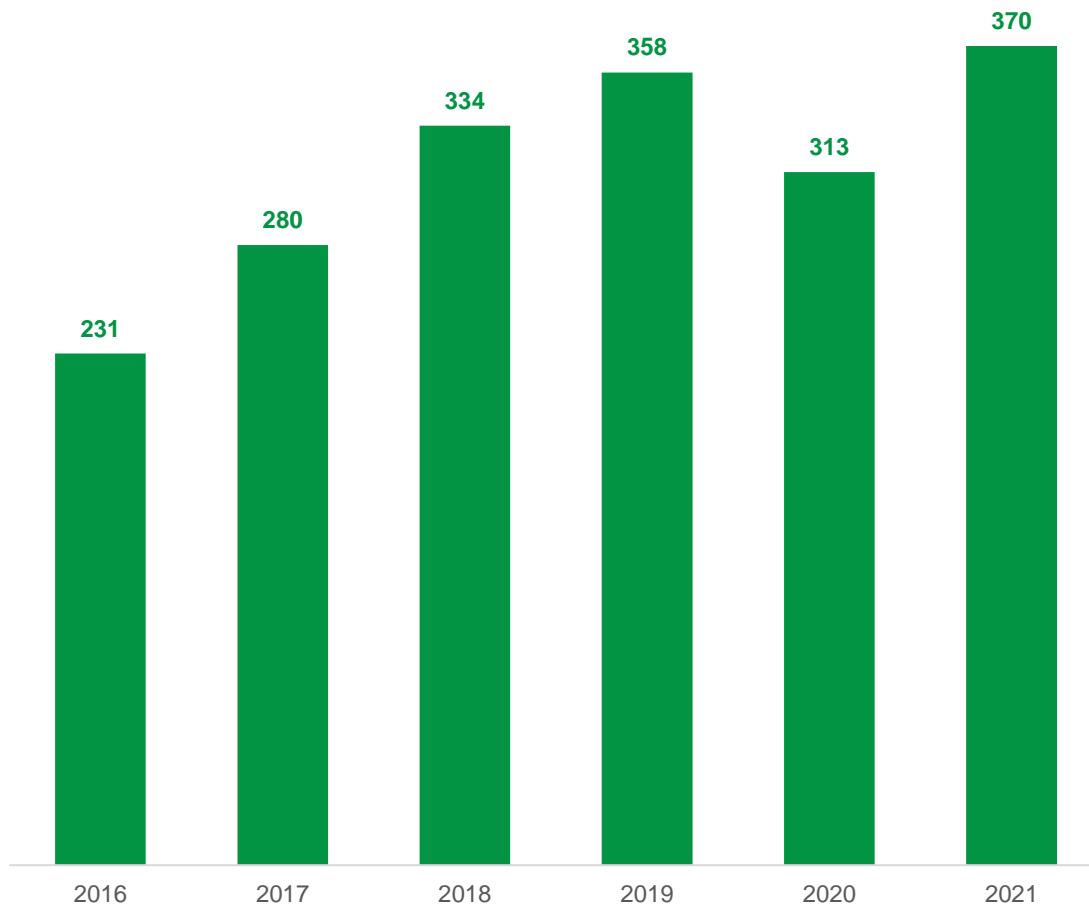


- Company's policy is to constantly have a **very young rental fleet**, which brings high quality of services and competitive advantages.
- Remarketing** (sale of used vehicles) is a **strategic activity, complementary to the short-term rentals and operating lease**
- Speed-up of car sales in 2020** in order to minimize the losses generated by maintaining out of the actual operation a significant number of vehicles
- Rental companies are exposed to potential losses from vehicles sale operations when the sale price is lower than the residual accounting values
- Set up **three centers for used vehicles sale** (a new sales unit opened in 2020), the direct sale to the retail ensuring significantly higher price
- International **increase in residual values** is reducing the risk of selling used cars at prices lower than residual book values
- An important **strategic decision** was to order **new cars in 2020** which gave an advantage over competitors
- Autonom is one of the most important players in Romania in terms of the volumes of new vehicles purchased (2.3% of the total number of vehicle registrations in Romania in 2021)**

Source: Management data

# Human Resources – Authentic Landmark's Of Good Practices

## NUMBER OF EMPLOYEES



Source: Management data

- **Refined human resources processes** outside the classical patterns of human resources strategies
- Vision is to become a **learning organization**, both at individual and collective levels.
- **20% of an employee's total actual annual remuneration** is made up of the variable part of the remuneration "fed" by the employee profit-sharing fund
- The **dynamics of the employees' number is synchronized with the accelerated growth of the business** in recent years
- The **management team is very stable**, with low turnover rate of personnel.
- Starting with June 2021, the Company **reclassified the internal job positions** in order to offer the employees a better career traceability
- **Employees** are encouraged to be **proactive and make independent decisions** to efficiently solve operational issues arising ad-hoc
- Autonom is one of the 123 organizations recognized by **WorldBlu** worldwide, in terms of **promoting democratic principles and encouraging freedom in the workplace**
- Nominated as **"Best Employer" five times over the last seven years** (2013 - 2020), according to "Best Employer Study" carried out by AON / KinCentric

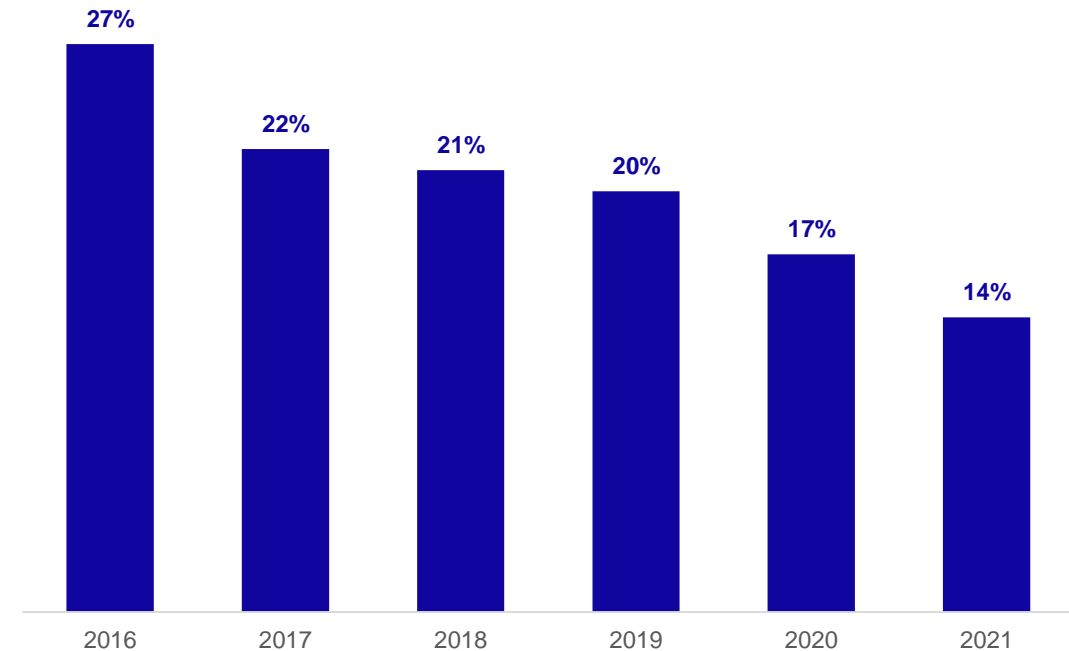


# Highly Robust Risk Management Framework

- **Particular attention to client selection** for operating lease services, as well as to monitor their payment behavior
- **Dedicated personnel** (six employees in the Financial and Risk Department)
- **Scoring methodology** according to which the financing conditions, the required guarantees and the payment terms of the contract are established
- **Clients are classified in four categories** very low risk (blue chip), regular low risk, regular average risk, high risk (not approved for financing).
- The **risk analysis** for a corporate client considers the review of financial information, business risk level, management experience, legal history of owners and directors
- For clients that are not classified as very low risk (blue-chip), Autonom ensures that payments will be made by requesting personal guarantees from directors and associates of the client by means of promissory notes endorsed on their personal names
- **The discouragement of exceeding the payment terms by perceiving high penalties for delays** (up to 1% per day of delay after maturity date)

Source: Management data

## TOP 10 CLIENTS SHARE IN THE OVERALL OPERATING LEASE AND CAR RENTAL TURNOVER



- **Customer base with high granularity**
- The **average fleet/ client** varied between **4 and 5 vehicles**
- **Very reduced reliance on top 10 clients** in the cumulative turnover of operating lease and short-term rental business lines



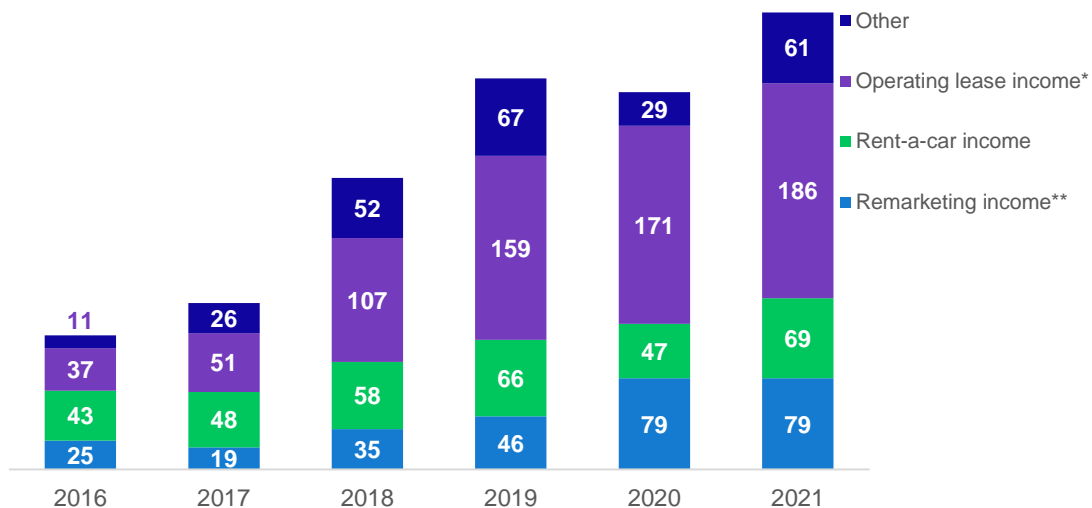
## 4. Financial Performance



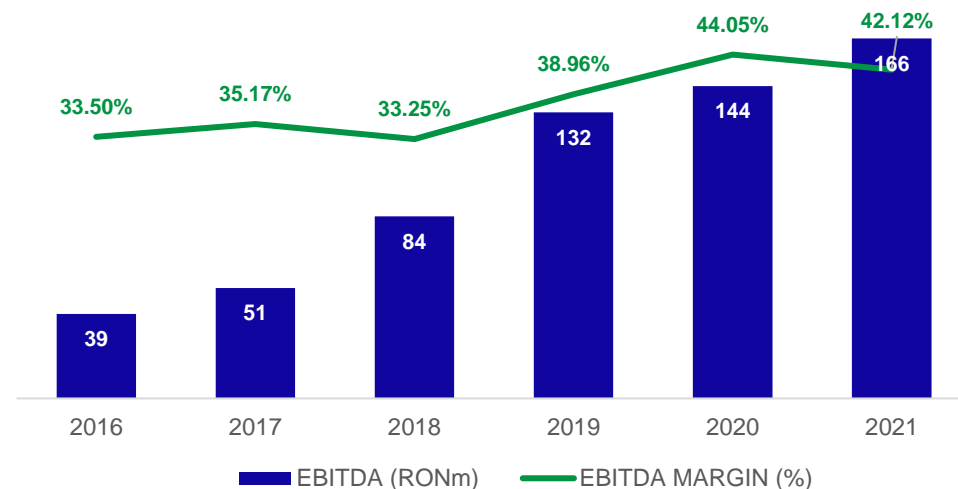
# Resilient Operating Performance During Covid-19 Pandemic

Autonom

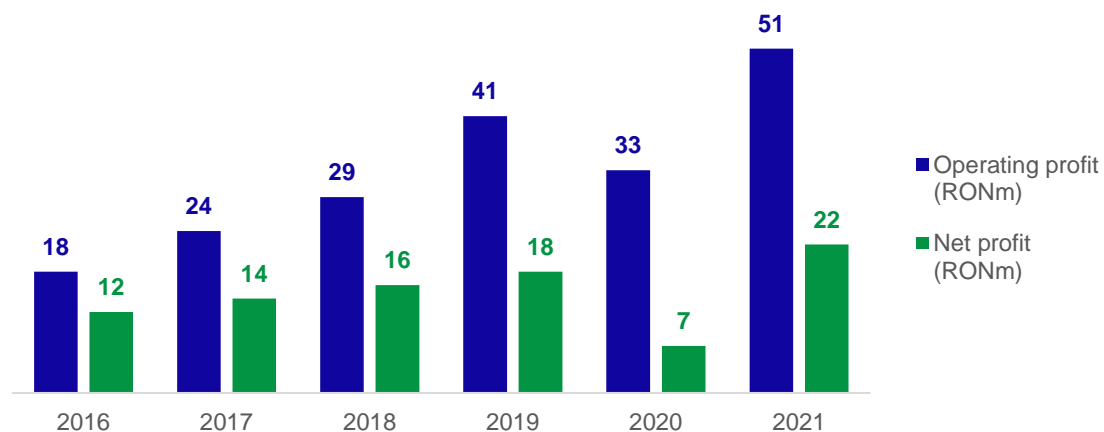
## REVENUE BY BUSINESS LINE (RONm)



## EBITDA DEVELOPMENT (RONm) | EBITDA MARGIN (%)



## OPERATING PROFIT (EBIT) | NET PROFIT DEVELOPMENT (RONm)



- **Operating lease income remains on ascending path** (+7.6% y/y in 2020, +8.3% y/y in 2021)
- **Car rental income stays resilient after difficult year 2020** (-28.87% y/y in 2020, + 46.7% y/y in 2021)
- **Stable profitability profile during COVID-19 pandemic** proves robustness of the Company's business model
- **EBITDA and EBIT growth in 2021 compared to 2020**

Source: Management data

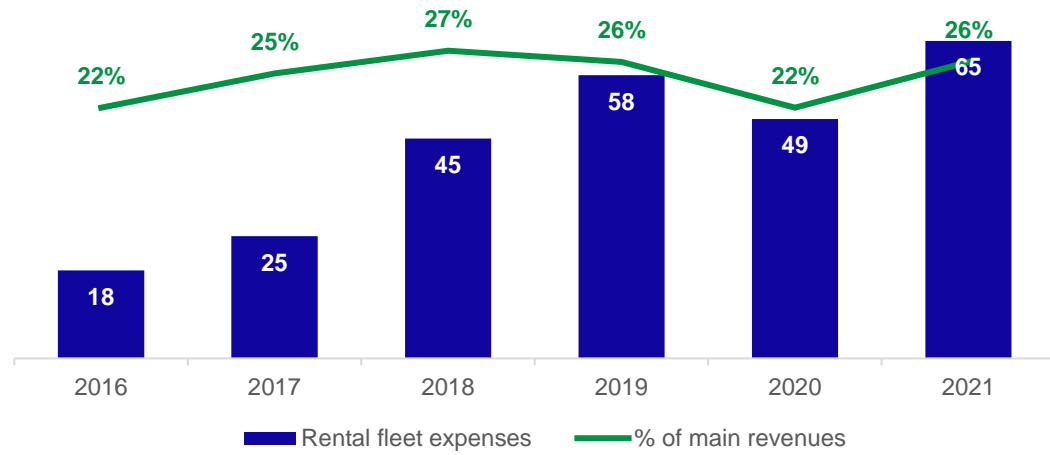
Note: \*)Operating lease income includes additional services income also; \*\*) Remarketing income includes only income from sale of cars from rental fleet and rental equipment.



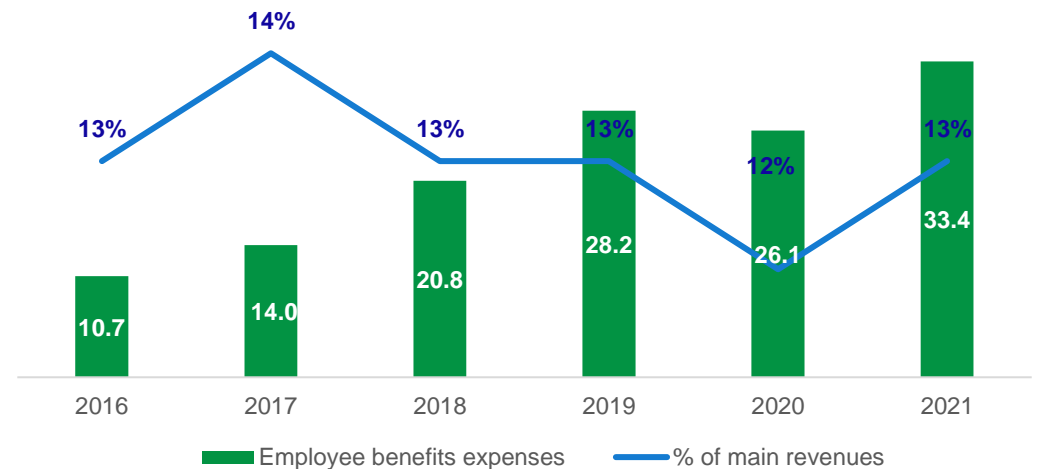


# Opex Optimization After 2019 Supports Profitability Profile

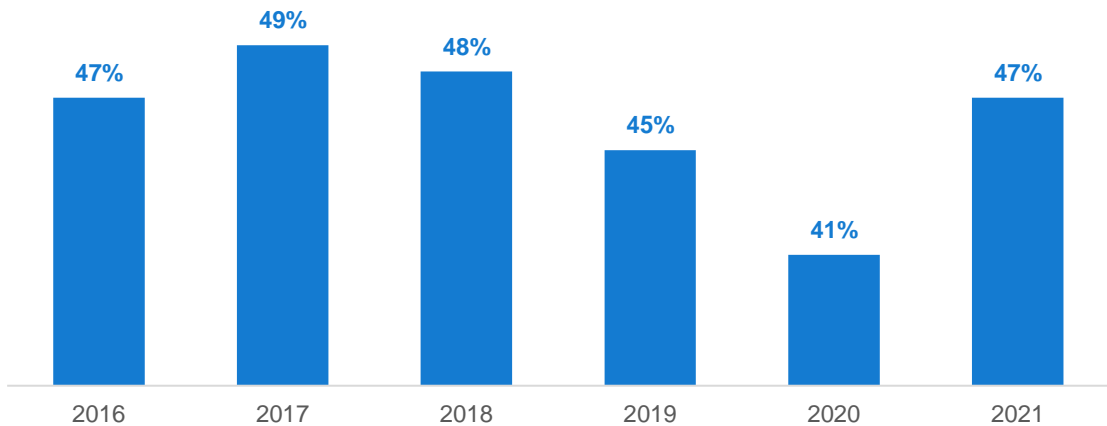
RENTAL FLEET EXPENSE (RONm) | AS % OF MAIN REVENUES\*



EMPLOYEE BENEFITS EXPENSE (RONm) | AS % OF MAIN REVENUES\*



COST/ INCOME RATIO (%)

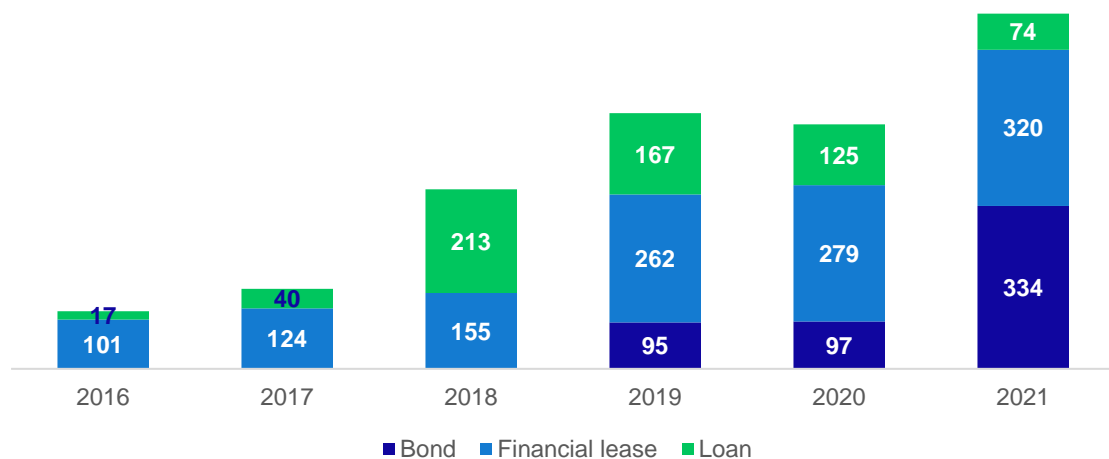


- **OPEX optimization measures** in the context of COVID-19 Pandemic supported the profitability profile
- **Rental fleet expense as percentage of lease and ST rentals is on descending path** from 27% in 2018
- **Employee benefits are maintaining at 13%**, in line with the average of the last 5 years

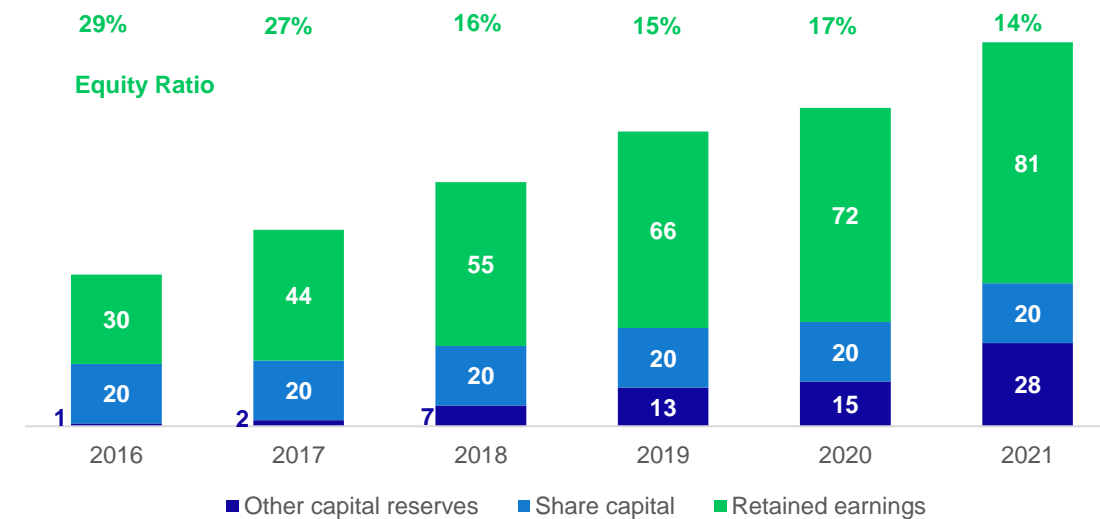
Source: Management data;  
 Note \*) Operating lease and car rental revenues

# Healthy Balance Sheet, With Higher Share Of Unsecured Debt Financing As Strategic Development

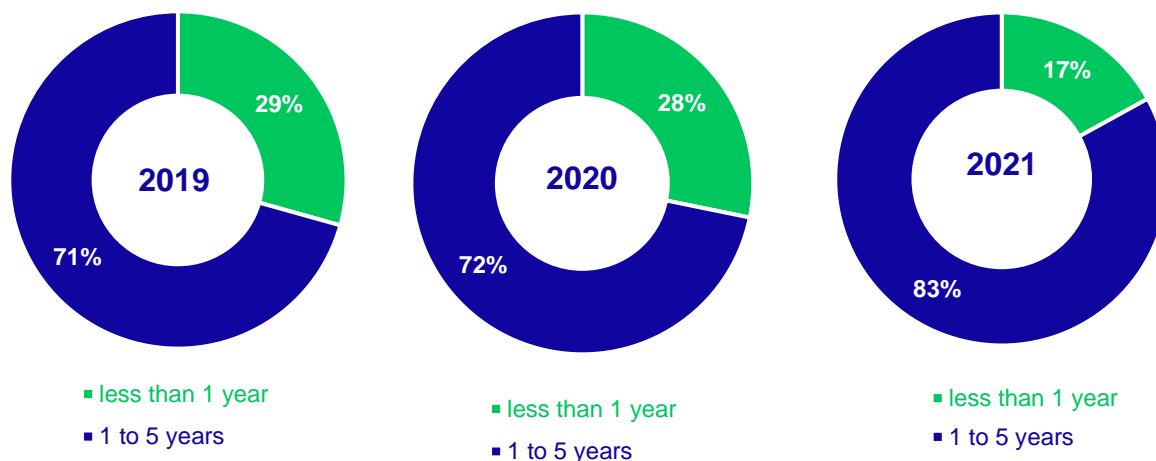
## FINANCIAL DEBT STRUCTURE (RONm)



## SHAREHOLDERS EQUITY (RONm) | EQUITY RATIO (%)



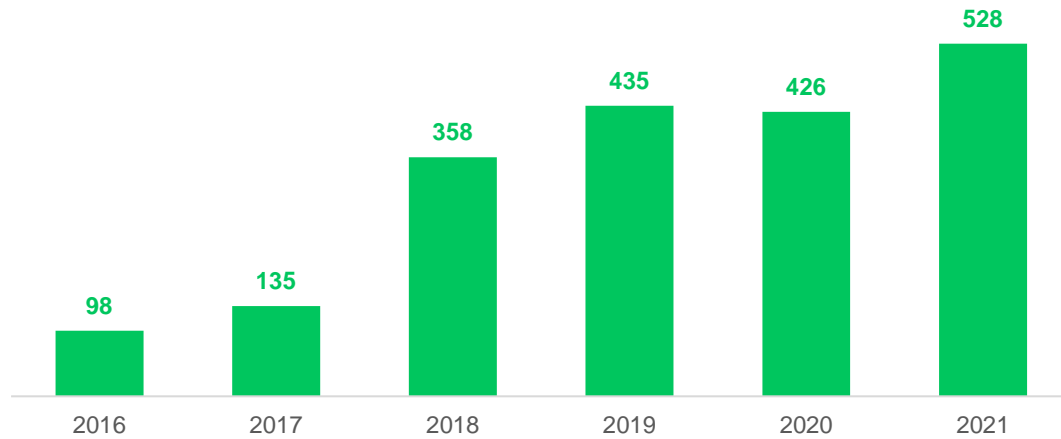
## FINANCIAL DEBT MATURITY PROFILE



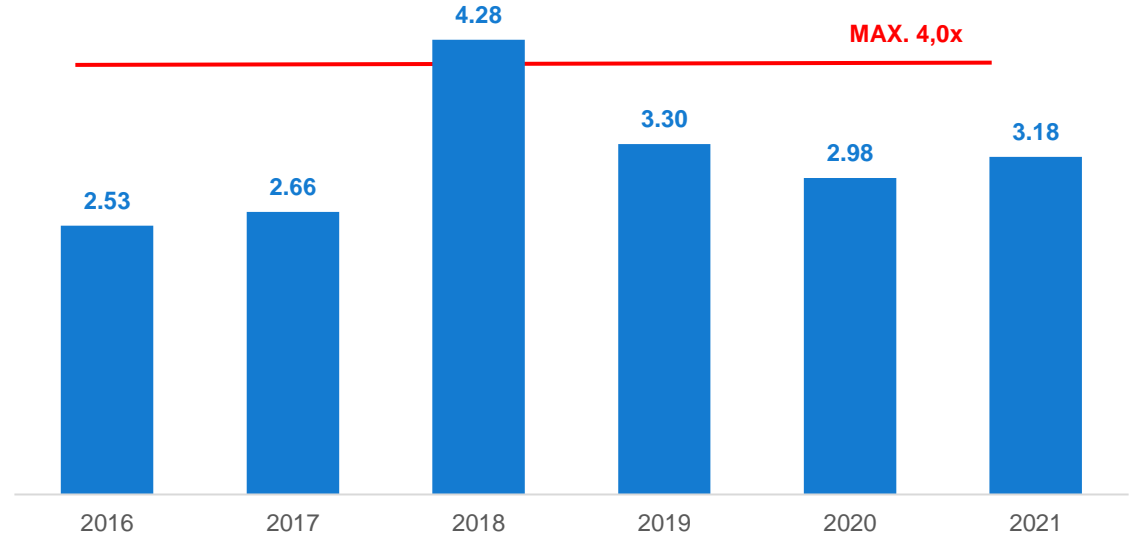
- An important objective is represented by **the increase of the unsecured debt financing (bond issues) in the total debt financing**
- **Increasing of bond issues would result into the average debt maturity closer to the 4-year average** of the length of operating lease contracts
- **Capitalization of the entire profit resulted into high and stable equity ratio**
- Almost **85% of debt financing is EUR denominated**, while revenues are largely also EUR denominated

# Comfortable Values Of Debt Sustainability Indicators

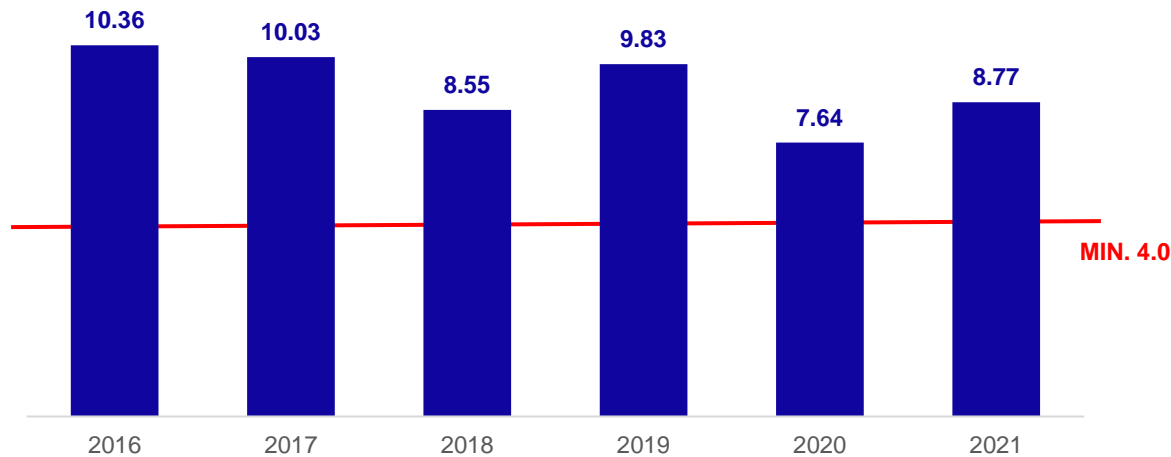
## NET FINANCIAL DEBT (RONm.)



## NET FINANCIAL DEBT TO EBITDA



## EBITDA TO INTEREST EXPENSE



- **Comfortable value of the main covenants** agreed with banks and bond subscribers
- **Resilient profitability profile post emergence of COVID-19 Pandemic** and cautious operational management resulted into more comfortable Net financial debt/EBITDA
- **Sustainable profitability recovery in 2021** supported the levels of debt sustainability indicators

Source: Management data;

Note: Net debt/EBITDA in 2018 was distorted by BTOL acquisition in June 2018, EBITDA not capturing the contribution of BTOL in H2'18, while net debt as of the end of December included the entire financial debt of BTOL



# Fitch Rating Outlook Upgrade To Stable Confirms Robustness Of The Business Model



## RATING ASSIGNED

- On June 10, 2020, Fitch Ratings assigned Autonom Services S.A. (Autonom) a **Long-Term Issuer Default Rating (IDR) of 'B+'** with Negative Outlook and a **senior unsecured debt rating of 'B-'** in the context of challenges induced by COVID-19 Pandemic
- On June 3, 2021, Fitch Ratings **revised the Outlook to Stable from Negative** and affirmed the **IDR at 'B+'**
- Fitch has also affirmed Autonom's senior unsecured debt rating at **'B-/RR6**
- **Expected Fitch rating for Autonom's Bond Program is "B" (EXP)/RR5"**

## RATING SENSITIVITIES (IDRS): ACTION DOWNGRADE

- Increase of gross debt to tangible equity above 5,0x on a sustained basis, particularly if in conjunction with materially lower liquid assets
- Material deterioration in asset quality and earnings, putting pressure on Autonom's EBITDA-based financial covenants
- Weaker funding flexibility or rising refinancing risks driven by covenant breaches or increased asset encumbrance
- Deterioration in Autonom's competitive position

## REASON FOR RATING UPGRADE

- **Revision of the Outlook reflects Autonom's resilient financial performance** since the onset of the Pandemic, notably regarding **profitability, asset quality and funding and liquidity**

## RATING SENSITIVITIES (IDRS): ACTION UPGRADE

- Upside potential is limited in the short term and any upgrade would require a material increase in business scale while maintaining sound profitability and adequate leverage, coupled with a more formalized governance structure
- **Further diversification and extension of the funding profile, especially in unsecured debt**, together with other factors would support a higher rating



# 5. Sustainability Strategies

## ■ Why now?

- Values and corporate culture already aligned with sustainability topics
- Our environmental and social impact was a constant priority over the years
- Local impact -> global impact / our contribution to mitigate climate change
- Aware of our core activity -> acting before reaching irreversible tipping points

## ■ Premises

- UN SDGs and 2030 Agenda
- Paris Agreement
- Green Deal and Fit for 55
- EU legislation in the field of transportation

**Holistic approach** on all levels: Company Autonom and AutonOM employee, Focus also on stakeholders' engagement and developing partnerships



# Our Sustainability Strategic Pillars, Goals / Targets

## Environment

### Friendly with our Planet

- Reducing our ecological footprint will be driven by a responsible consumption of different resources that we need for our operations;
- According to climate change awareness, we settled priorities, in order to reduce the Corporate Carbon Footprint.



## People & Community

### Friendly with our People and Community

- Community involvement represents a big part of what we are engaged in regarding society's needs; We are developing different kind of actions through Autonom Group, actions closely related to ESG education, sports, youth engagement and general community support;
- Our people are the most important assets for us and we are committed to develop our people thus to have an agile organization.



## Sustainable Business & Governance

### Friendly with our Partners

- Our business is driven by values with a strong sense of ethics, transparency and integrity. These being the major aspects we will follow and respect in all our actions, and the only ways which will lead us to a successful business;
- We aim to offer to our customers sustainable mobility solutions.



# Tools And Analysis Used



- SWOT analysis
- Stakeholders' mapping
- Materiality matrix
- GHG Protocol for CCF (Scope 1, 2 and limited Scope 3), 3 years data
- SBTi calculator
- Substitution scenarios

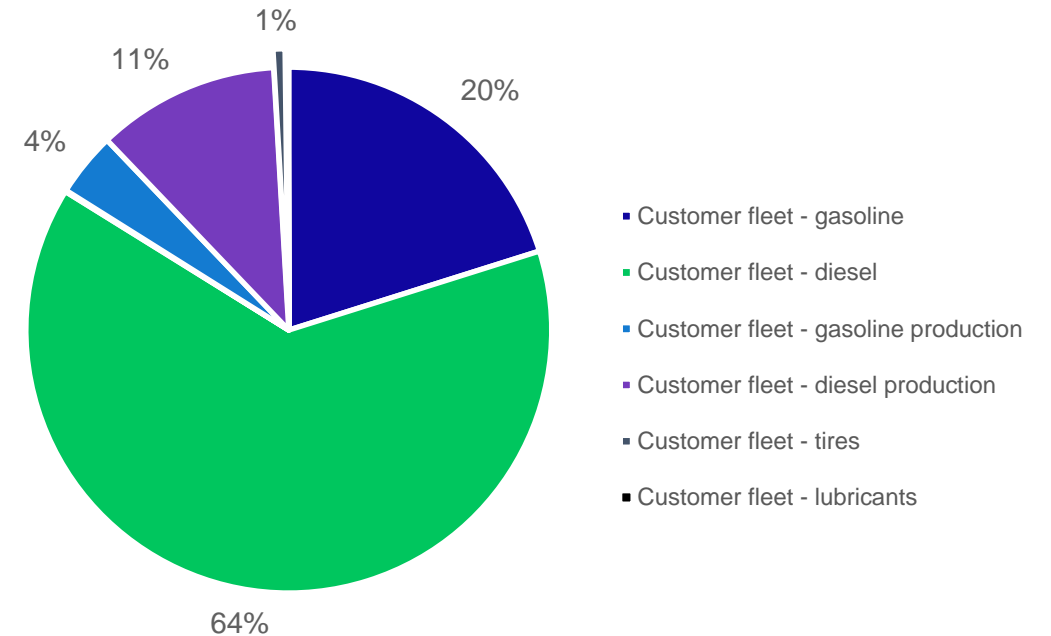
■ **Scope 3 / indirect emissions = more than 99% of our total emissions**

■ **OMV – Climate Partner, 282 tCO<sub>2</sub>**

Source: Management data

		Total GHG Emissions (t CO <sub>2</sub> )		
Source of emissions	Unit	2018	2019	2020
Scope 1	t CO <sub>2</sub>	191	253	262
Scope 2	t CO <sub>2</sub>	69	107	78
Scope 3	t CO <sub>2</sub>	21,604	34,004	37,909

## SCOPE 3 GHG EMISSIONS 2020



# Sustainability Strategy Roadmap



ENVIRONMENT	KPI Definition	Real 2018	Real 2019	Baseline 2020	2025	2030
<b>ENV 1:</b> Reducing the Corporate Carbon Footprint Intensity by 15% until 2025, and 30% until 2030	Average WLTP gCO2/km for the operational fleet	149.71	154.14	<b>153.57</b>	115.13	75.87
<b>ENV 2:</b> Contributing to a circular economy by mitigating paper usage in administrative and operational activities with 10% per year, Zero paper target by 2030	Tone of paper waste/year	2.43	2.53	<b>3.53</b>	1.27	0.00
<b>ENV 3:</b> 50% recyclability for used oil and tires by 2030, starting 2021	%Tone of oil waste recycled/year %Tone of tires waste recycled/year	0	0	<b>0</b>	30	50
PEOPLE & COMMUNITY						
<b>PEC 1:</b> Community involvement in the area of education, developing projects with high impact. Investment of minimum 2% of the net profit in community projects	% of Total Euro investment from the Net profit	3	3.46	<b>15</b>	>=2	>=2
<b>PEC 2:</b> Evolve. Daily. Personal development of the employees.	Number of training hours / FTE	N/A	50.57	<b>38.6</b>	>=50	>=50
SUSTAINABLE BUSINESS & GOVERNANCE						
<b>SBG 1:</b> Business driven by transparency and simplicity, empowering the sustainability responsibility. High rate of client satisfaction	NPS (Net Promoter Score)	N/A	75	<b>82</b>	85	85
<b>SBG 2:</b> Optimizing resources and processes through digitalization	Number of digitalized processes /organization	2	3	<b>3</b>	6	10
<b>SBG 3:</b> Business Visibility and Brand awareness	Top 5 in our industry RO	N/A	N/A	<b>Top 5</b>	**	**



# A Sustainability-linked Bond Framework Aligned With ICMA Sustainability-linked Bond Principles



- We decided to issue a general corporate purpose bond under an MTN Program, with sustainability-linked features
- This will allow us to fulfil our sustainable business objectives and contribute to the development and progress of sustainable capital market in Romania
- The Sustainability-Linked Bond (“SLB”) Framework has been reviewed by Sustainalytics and confirmed its alignment with the ICMA SLB Principles (2020)

<b>Selection of the KPIs</b>	<ul style="list-style-type: none"> <li>• KPI selected is the Average WLTP gCO2/km for the operational fleet, with a baseline established for the year 2020.</li> <li>• KPI has been selected taking into consideration its materiality for Company’s activity, the expectations and influence of its stakeholders, and the facts that it is core and relevant for the business it carries out.</li> </ul>
<b>Calibration of Sustainability Performance Targets (“SPT”)</b>	<ul style="list-style-type: none"> <li>• Autonom has set a long-term goal to reduce the operational CO2 intensity by 51% until 2030, with an intermediary target of 25% by 2025, leading from a level of 154 gCO2/Km in 2020 to 115.13 gCO2/km in 2025 and 75.87 gCO2/km in 2030, in WLTP figures.</li> <li>• Committed targets are forecasted to represent an absolute reduction of the end year fleet in average CO2 emissions g/km of 38.5 g/km in 2025 and of 78.54 average CO2 g/km in 2030, versus the baseline.</li> <li>• The two targets are considered to demonstrate an Ambitious level, while the KPI is considered Very Strong.</li> </ul>
<b>Sustainability-linked Bond Characteristics</b>	<ul style="list-style-type: none"> <li>• If the SPT has not been achieved by the Target Observation Date, a premium will be payable by Autonom, as a step-up in coupon margin.</li> </ul>
<b>Reporting</b>	<ul style="list-style-type: none"> <li>• Autonom commits to report at least on an annual basis on its progress towards the STP, within in its Annual Report – Non-Financial Statement (in 2021) or in the Annual Sustainability Report (starting 2022 intended).</li> <li>• The average CO2 emissions intensity for the active fleet (in gCO2/km, expressed in WLPT figures will be reported by the Company on an annual basis.</li> </ul>
<b>External Review</b>	<ul style="list-style-type: none"> <li>• Second Party Opinion (SPO) issued by Sustainalytics confirming the alignment with the ICMA Sustainability-Linked Bond Principles.</li> <li>• The Company will seek independent and external verification of the performance level for the stated KPI by a qualified external reviewer to a limited level of assurance.</li> </ul>

Source: Management data

## Disclaimer



This presentation ("*Presentation*") was prepared by **Autonom Services S.A.** ("**Autonom**" or the "**Company**"). The Presentation or any copy thereof may not be copied, distributed or delivered directly or indirectly to any person for any purpose without the knowledge and consent of Autonom. The copying, transmission, distribution or delivery of this Presentation to any person in any jurisdiction is subject to certain legal restrictions, and persons who may have received or have received this Presentation will become familiar with these restrictions and comply. Failure to comply with these restrictions may be construed as a violation of applicable law.

This Presentation does not contain a complete and exhaustive financial or commercial analysis of Autonom, nor does it present points of view and forecasts in a complete and exhaustive manner. Autonom prepared the Presentation carefully, but there may be some inconsistencies or omissions. Therefore, it is recommended that any person intending to make an investment decision regarding securities of Autonom or its branches should be based exclusively on the information provided by an official communication of Autonom, in accordance with the legal provisions that are mandatory for Autonom.

The presentation, slides and attached descriptions can and do contain clarifications on the Company's perspectives. However, these specifications should not be construed as guarantees offered by Autonom or projections regarding the expected results. The Presentation is not and will not be interpreted as a prediction for the future results of Autonom. We emphasize that the clarifications regarding the Company's perspectives, including those related to the future financial results, do not offer any guarantee or assurance that they will be achieved. Management' expectations are based on current data, the situation and/ or opinions of the members of Autonom Board of Directors and depend on a number of factors that may cause the results to be achieved by Autonom to differ significantly from those presented in the document. Many of these factors are unknown at this time and cannot be predicted.

No guarantees or legal assurances can be offered regarding the complexity and accuracy of the information contained in the Presentation. Neither Autonom nor its directors, managers, advisors or representatives shall have any obligation in connection with the Presentation. Moreover, no information contained in the Presentation constitutes a legal obligation or assumption of Autonom, managers or directors, shareholders, branches, advisers or their representatives.

The Presentation was prepared exclusively for information purposes and is not an offer to buy/ sell, no request for an offer to buy or sell shares or other securities and no invitation to participate in a commercial partnership. The Presentation does not represent an offer or an invitation to purchase or subscribe shares and no information contained herein will be the basis for concluding an investment agreement, commitment or decision.