

# Interim report 2023 H1



## Highlights

- Revenues €45.0 million (+59%)
- Gross profit €15.4 million (+88%)
- 559 thousand customers serviced as per June, 2023 (+47%)
- Employee participation plan implemented

## Introduction

Since January 2022, we operate under the name **The Sharing Group N.V.** (“TSG”). We believe that the new name perfectly reflects our philosophy, vision and way of working. Our business activities all aim to share assets for the mass market, enabling all businesses and consumers to benefit from these assets without having to make the necessary (high) investments, in a simple & transparent manner and at a lower cost price. In the period under review, TSG once more has been able to execute on its growth strategy, increasing its impact in the markets in which it operates. All business lines have contributed to the (substantial) growth of TSG. In addition, TSG has increased its investments in new, promising ventures that share our commitment to combining social and ecological impact with sound commercial principles.

## Development of financial results

Consolidated revenues have grown to €45.0 million (2022H1: €28.4 million), representing a growth year-on-year of 59%. All business lines have contributed to this growth, which has predominantly been realized organically. Gross margin amounted to €15.4 million (€8.2 million). Gross margin increased to 34% in the first year-half, compared to 29% in the same period last year. This is the result of improved margins across all business lines, with Mobility converting from a negative margin to a solid positive margin. At the same time, ANWB Energie has migrated to its own proprietary license. As a result EnergyZero only records fees charged to ANWB Energie as revenues (excluding charges at cost price for usage), which strongly affects both revenues and gross margin as a percentage of revenues for EnergyZero.

TSG realised a positive operating result (EBITDA) in the first year-half of €1.3 million (2022H1: EBITDA €1.2 million negative). TSG strategically aims to reinvest available cash flows for accelerated growth of Energy and Mobility. Scale-up losses are gradually decreasing, which has resulted in a solid positive operating result for the period under review. It is anticipated that this trend will continue going forward, further improving TSG’s financial position.



<sup>1</sup> Earnings Before Interest, Tax, Depreciation and Amortisation

## Technology

TSG's technology business has continued to realise profitable growth: revenues have increased by 22% year-on-year to €15.7 million. As the shared hosting market in the Netherlands has matured, growth is primarily realised by increasing the average revenues per product & customer: price increases have contributed for the majority of revenues growth. At the same time, Mijndomein has still been able to grow its installed base year-on-year. Gross margin continued to improve as a percentage of revenues. Mijndomein managed to grow its base of accounts and hosted products. Average revenues per account developed solidly, increasing to €96 (2022H1: €78).

Key figures Technology	2022 H1	2023 H1	Growth
Amounts in euro million unless otherwise stated			YOY
Revenues	12,9	15,7	22%
Accounts (in '000)	253	259	2%
Average revenues per account (ARPA)** in €	78	96	24%
Products* (in '000)	1.108	1.141	3%
Average revenues per product (ARPU) in €	18	22	23%

Mijndomein expects that market growth will be modest given the maturity of the market and current economic conditions. Its current pricing is considered commercially very attractive in comparison with its peers, Mijndomein anticipates that further adjustments in its commercial offering and pricing will enable the company to continue its path of profitable growth in the coming period.

## Energy

Energy's revenues have almost doubled to €14.4 million. EnergyZero's base of connections has substantially increased during the first year-half, primarily driven by ANWB. This partnership, initiated in the first half of 2021 with a pilot, has proven extremely successful. At this moment, ANWB operates its own proprietary license to operate. As a result, EnergyZero no longer records the full revenues invoiced to customers, only the fee charged to ANWB Energie is accounted for. This is reflected in a lower revenues growth, while gross margin expands substantially. It is foreseen that EnergyZero will continue to grow on the back of ANWB Energie's development. Simultaneously, EnergyZero actively negotiates with numerous attractive prospects. It is expected that EnergyZero will grow its customer base in the course of this year, further adding to the company's growth path.

Key figures Energy	2022 H1	2023 H1	Growth
Amounts in euro million unless otherwise stated			YOY
Revenues	7,8	14,4	85%
Customers (in '000)	24	127	429%
Average revenues per customer (ARPA)* in €	5,54	4,61	-17%
Connections E&G (in '000)	46	242	429%
Average revenues per connection (ARPU)* in €	2,92	2,43	-17%

\*Based on fee revenues

## Mobility

After a year in which the base of cars on the MyWheels platform has vastly increased, the first year-half of 2023 was characterized by optimization of utilization rates. The number of cars has grown modestly in the first year-half with growth year-on-year primarily driven by the acquisition of Amber. The number of rides and revenues per car have increased throughout the first six months of this year. As a result, revenues have almost doubled year-on-year to €15.8 million. Gross margin converted to a solid positive number. At the same time, operational development of the organization lagged behind expectations, leading to significantly higher scale-up losses than anticipated. As market circumstances require sound business economics, TSG currently has put a strong focus on positive cash flows in the short term. This will underline and proof that a sustainable and profitable carsharing business can be executed. In light of these developments, TSG has decided to strengthen management with TSG representatives to accelerate the road to operational profitability. At the same time, the MyWheels CEO, after successfully managing the company's abundant growth for seven years, has decided to step down. TSG's group CEO currently acts as CEO ad interim of MyWheels.

Key figures Mobility	2022 H1	2023 H1	Growth
Amounts in euro million unless otherwise stated			YOY
Revenues <i>Growth year-on-year</i>	8,5	15,8	85%
Accounts* (in '000)	104	173	67%
Cars* (in '000) <i>Average monthly revenues per car in €</i>	2.370 630	2.919 926	23% 47%
Rides (in '000) KM (in million) <i>Average revenues per KM in €</i>	264 18 0,47	417 29 0,54	58% 62% 15%

\*Mywheels, validated accounts

## Ventures

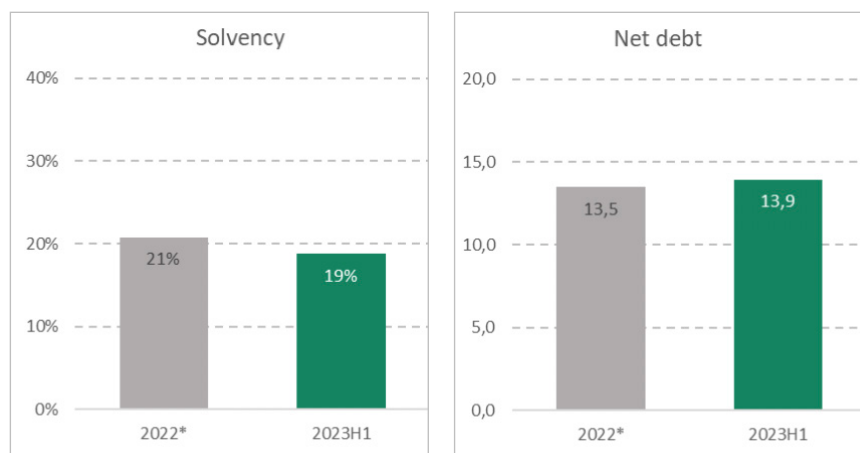
TSG has further extended its portfolio of investments in the first year-half. Most notably, a shareholding is obtained in the Austrian carsharing company Eloop. This company operates in Austria (with the intention to expand into Germany) and operates a very interesting business model based on fractional ownership of vehicles based on tokenization. TSG is keen to learn from this innovative business concept, which may be applicable for international rollout also in the Netherlands.

By the end of 2022, TSG has obtained a minority interest in Cargaroo. We believe that sharing of cars and bikes in urban areas has a strong potential as both means of mobility seem to be strongly complementary. At the same time, the rollout of Cargaroo's business plan requires heavy investments. TSG closely monitors the development of this participation and the business opportunities it has both on a stand-alone basis and in connection with TSG's other business activities.

## Financial position

TSG has a very solid financial position with cash funding available to execute the group's planned investments for the coming 12 months. In April, TSG has realized a new bonds issue for an amount of €1.6 million, proceeds of which have been used to fund growth of MyWheels. This successful funding secured with our customers and partners again underlines the confidence of our stakeholders in the company's strategy & outlook.

Currently, TSG is in negotiations with its existing and potential, new financial partners to further strengthen its financial position in light of planned investments going forward. As per June 2023, cash & cash equivalents amounted to €14.6 million.



## Outlook

These results show that TSG is in a good financial shape. Our priorities are to further execute on our value strategy, driving further (accelerated) growth while enhancing the impact we make on people and planet. Technology is expected to continue its solid performance of profitable growth, despite the market maturing fast. Mobility will be marked by optimizing performance in order to approach break-even levels in the fourth quarter of 2023. Energy's focus will be on management of its current key customers, while simultaneously developing its service offering and attracting new blue-chip customers.

# Appendix: Financial tables

Consolidated Profit and Loss Account*	2022 H1	2023 H1
Amounts in euro million unless otherwise stated		
Net revenues	28,4	45,0
<i>Growth year-on-year</i>	57,5%	58,6%
Cost of goods sold	-20,2	-29,6
Gross margin	8,2	15,4
<i>% of revenues</i>	28,9%	34,2%
Operating expenses	-9,3	-14,1
EBITDA	-1,2	1,3
Depreciation & amortisation	-2,6	-3,7
Operating result	-3,7	-2,4
Financial result	-0,4	-1,1
<i>Taxes</i>	-0,1	
<i>Result from participations</i>		
Net result	-4,3	-3,5
Net result attributable to parent company	-3,5	-2,4
<i>Minority interests</i>	-0,8	-1,1

\*Unaudited

Consolidated balance sheet	2022	2023 H1*
Amounts in euro million unless otherwise stated		
<b>Assets</b>		
Intangible fixed assets	39,8	37,4
Tangible fixed assets	1,8	1,8
Financial fixed assets	9,1	9,1
<i>Total fixed assets</i>	50,6	48,3
Trade receivables	5,1	13,4
Deferred expenses	7,7	5,0
Other receivables	4,6	6,3
<i>Total current assets</i>	17,4	24,6
Cash & cash equivalents	26,9	14,6
<b>Balance sheet total</b>	<b>94,8</b>	<b>87,5</b>
<b>Shareholders' Equity &amp; Liabilities</b>		
Shareholders' equity	19,3	16,5
Provisions	2,9	0,7
Long-term interest-bearing debt	24,3	23,7
Other non current liabilities	1,6	2,0
<i>Total non-current liabilities</i>	28,8	26,4
Short-term portion interest-bearing debt	4,2	4,2
Trade payables	3,0	7,7
Deferred income	24,4	18,2
Taxes & social securities	2,5	3,0
Other current liabilities	12,6	11,6
<i>Total current liabilities</i>	46,7	44,6
<b>Balance sheet total</b>	<b>94,8</b>	<b>87,5</b>

\*Unaudited



Amounts in euro million unless otherwise stated

<b>Operating result</b>	<b>-2,4</b>
Plus: Deprecation & amortisation	3,7
Plus/Minus: Change in net working capital	2,6
Plus/Minus: Change in provisions	-2,2
<b>Operating cash flow</b>	<b>1,7</b>
Minus: Investments	-1,4
Plus/Minus: Change in financial fixed assets	0,6
<b>Free cash flow</b>	<b>0,9</b>
Financial result	-1,1
Taxes	-
Change in interest-bearing debt	-0,6
Change in other non-current liabilities	0,4
Change in white label migration balance	-11,8
Other changes	
<b>Change in cash &amp; cash equivalents</b>	<b>-12,3</b>
<b>Cash &amp; Cash equivalents start-of-period</b>	<b>26,9</b>
<b>Cash &amp; Cash equivalents end-of-period</b>	<b>14,6</b>

\*Unaudited

Change in shareholder's equity*	2023 H1
Amounts in euro million unless otherwise stated	
Shareholders	19,2
Net Result	-24
Other movement	0,5
<b>Shareholders'equity end-of-period</b>	<b>17,3</b>
Non-controlling interest	-0,9
<b>Group equity</b>	<b>16,5</b>

\* Unaudited