MOBILIZE
FINANCIAL SERVICES

2024 BUSINESS REPORT

FIRST HALF

A commercial brand operated by
RCI Banque S.A.

MOBILIZE FINANCIAL SERVICES[1] IN BRIEF

Attentive to the needs of all its customers, Mobilize Financial Services[1] creates innovative financing services to contribute to sustainable mobility for all.

As the automotive industry undergoes major changes, the strengthening of ties between Mobilize and Mobilize Financial Services supports Renault Group's strategy to go beyond the automotive industry, focusing on value chains including energy and new forms of mobility. To support this ambition, Mobilize Financial Services draws on its 100 years of expertise, its commercial and financial performance, and a portfolio of over 4 million customers, whose satisfaction continues to grow.

Tailor-made offers for each type of customer

For Retail customers, we offer financing solutions and services tailored to their projects and usage, aiming to facilitate, accompany, and enhance their experience throughout their automotive mobility journey. Our solutions and services apply to both new and used vehicles.

For Professional customers, we provide a wide range of mobility solutions to free them from the constraints associated with managing their vehicle fleet, allowing them to focus on their core business.

For the Renault Group network and its partner brands Nissan and Mitsubishi[2], we provide active support by financing stocks of new vehicles, used vehicles, and spare parts, as well as addressing short-term cash flow needs.

The savings banking business, a pillar of the company's refinancing

Launched in 2012, the savings business activity is present in seven markets: France, Germany, Austria, the United Kingdom, Brazil, Spain, and the Netherlands. Deposits collection serves as a lever to diversify the refinancing sources for the group's operations. The amounts collected totaled €29.4 billion , i.e. around 50% of the net assets at the end of June 2024.

Nearly 4,000 employees are fully committed to creating sustainable mobility for all

Mobilize Financial Services focuses on three key priorities:

Develop operating lease and car subscription offers

Mobilize is pursuing a strategy of technological partnerships to simplify its customers' daily lives and contribute to the energy transition. These partnerships include Bipi, ICabbi and Mobilize Share.

Mobilize Lease&Co, a subsidiary specializing in full-service leasing offers for all types of customers, individuals, companies and mobility operators, has announced the acquisition of MeinAuto in Germany and the launch of SelectLease by Mobilize in the UK. These transactions will accelerate the growth and development of full-service leasing offers in our main markets.

Expand on the used vehicle segment by optimizing its financing through the entire life cycle

Mobilize Financial Services will accelerate its used-vehicle financing business by focusing on the entire lifecycle and offering an integrated pathway including maintenance, recycling and remarketing.

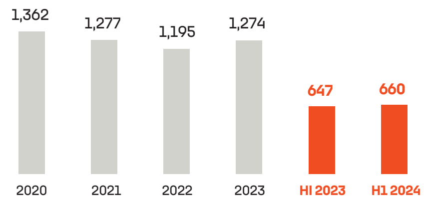
Offer services focusing on car insurance

To support the shift from ownership to usage, Mobilize Financial Services will broaden its range of services around automotive insurance products leveraging vehicle connectivity based on usage.

Leveraging nearly 100 years of expertise in automotive financing, we aim to expand financing for used vehicles as well as subscription and operational leasing offers. These initiatives will eventually provide us with a fleet of used vehicles, facilitating the growth of our financing and subscription activities in this niche. In this context, the exposure to residual value risk is expected to increase.

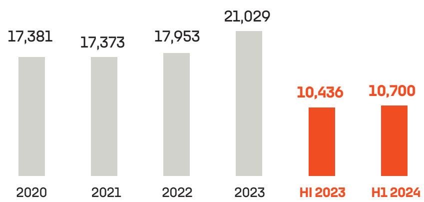
— TOTAL NUMBER OF VEHICLE FINANCING CONTRACTS

(in thousands)



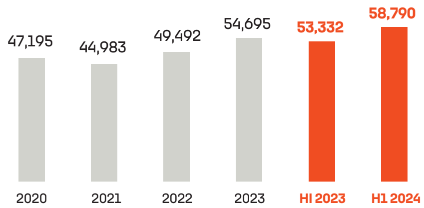
— NEW FINANCINGS

(excluding personal loans and cards/in millions of euros)



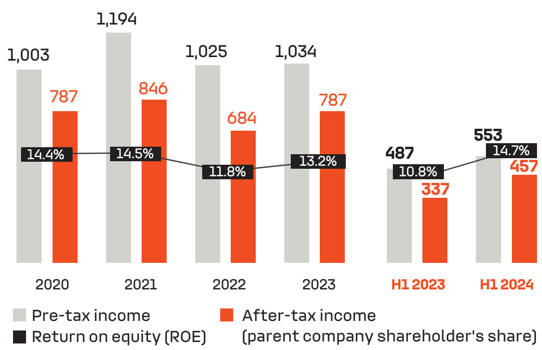
— NET ASSETS AT YEAR-END[3]

(in millions of euros)



— RESULTS

(in millions of euros)



1) RCI Banque S.A. has been operating under RCI Bank and Services trading name since February 2016 and adopted Mobilize Financial Services as a new commercial identity in May 2022. Its legal name remains unchanged and is still RCI Banque S.A.
2) Mobilize Financial Services supports Renault Group brands (Renault, Dacia, Alpine, Renault Korea Motors and Mobilize) worldwide, and Nissan, mainly in Europe, Brazil, Argentina, South Korea and in the form of joint ventures India, and Mitsubishi Motors in France, Netherlands and Italy
3) Net assets at year-end = Net total outstandings + Operating lease transactions net of depreciation and impairment.

BUSINESS ACTIVITY [1] H1 2024

Mobilize Financial Services new financings increased by 2.5% compared to the first half of 2023, thanks to the increase of the registrations of Renault Group, Nissan and Mitsubishi brands.

In an automotive market up by 4.2%[2], the volumes of Renault Group, Nissan and Mitsubishi brands stood at 1,16 million vehicles which represents a 6.2% increase. The rate of intervention stands at 42.8%, down 0.5pt in comparison to the first half of 2023 due to a decrease in the weight of the retail channel on which intervention rates are the highest. The intervention rate on electric vehicles is 51.4% in the first semester of 2024, which represents +9 percentage points compared to the intervention rate on other types of propulsion.

Mobilize Financial Services financed 660,137 contracts in the first half of 2024, up 2.1% compared to the first half of 2023. Used Car Financing decreased by 10.4% compared to the first half of 2023, reaching 154,389 financed contracts.

Benefitting from a growing operational leasing market, Mobilize Lease&Co financed 101,450 operational leasing contracts for private and professional customers, compared to 75,165 contracts in the first half 2023, a 35% growth.

New financings (excluding credit cards and personal loans) stood at €10.7 billion, up 2.5% thanks to the growth of registrations and a 6.6% increase of the new financing contracts in comparison to the first half of 2023.

Average performing assets (APA)[3] related to the Retail Activity totalized €44.2 billion in the first half of 2024. The amount increased by 11.7%, thanks to the progression observed in new financings since the beginning of 2023 driven by the end of the semiconductor shortage.

The average performing assets linked to the Wholesale Activity amounted to €10.6 billion, up 3.2%. Overall, average performing assets amounted to €54.9 billion, a 9.9% increase compared to first half of 2023.

Mobilize Financial Services sold 1.857 million service and insurance contracts in the first half of 2024 compared to 1.938 million in the first half of 2023, down 4.2%.

The Europe region remains the main pillar for Mobilize Financial Services activity, with new financings (excluding credit cards and personal loans) totalizing €9.9 billion, up 3.1% compared to the first half of 2023, and representing 92% of Mobilize Financial Services new financings.

For the Americas region, new financings are down 2.7% compared to the first half of 2023, reaching €0.6 billion, linked to a decrease in registrations in Colombia and a tightening of the acceptance policy in the same market.

New financings for the Africa – Middle East – India and Pacific region amounted to €0.2 billion, down 7.6% compared to the first half of 2023. This decrease is mainly due to the decline of Renault Group's registrations in Korea.

(1) Excluding Equity-Accounted Companies. A pro forma has been carried out on 2022 commercial data.
(2) On the scope of Mobilize Financial Services' subsidiaries.
(3) Average performing assets: APA correspond to the average performing loans, financial lease and assets arising from operating lease transactions. For retail customers, it means the average of performing assets at month-end. For dealers, it means the average of daily performing assets.

	Financing penetration rate (%)		New vehicle contracts processed (in thousands)		New financings excluding Cards and PL (in millions of euros)		Net assets at year-end (in millions of euros)[4]		of which Customer net assets at year-end (in millions of euros)		of which Dealer net assets at year-end (in millions of euros)	
PC + LCV [5]	H1 2024	H1 2023	H1 2024	H1 2023	H1 2024	H1 2023	H1 2024	H1 2023	H1 2024	H1 2023	H1 2024	H1 2023
EUROPE	**44.4%**	**45.3%**	**583**	**566**	**9,879**	**9,580**	**54,995**	**48,874**	**43,231**	**37,938**	**11,764**	**10,936**
of which Germany	49.0%	56.8%	74	85	1,410	1,624	10,247	8,692	8,931	7,093	1,316	1,599
of which Spain	48.8%	49.7%	60	52	917	825	4,760	4,250	3,844	3,488	916	762
of which France	51.7%	50.3%	210	205	3,218	3,254	19,937	18,399	14,737	13,479	5,201	4,920
of which Italy	55.6%	55.2%	92	76	1,629	1,336	7,224	6,182	6,105	5,299	1,119	883
of which United Kingdom	30.1%	38.6%	57	66	1,225	1,338	6,850	5,780	5,750	4,981	1,101	799
of which other countries	30.5%	29.4%	89	82	1,478	1,203	5,978	5,571	3,866	3,598	2,112	1,973
AMERICAS	**34.1%**	**32.5%**	**59**	**61**	**590**	**606**	**2,537**	**2,928**	**2,083**	**2,263**	**455**	**665**
of which Argentina	23.3%	22.7%	7	10	49	69	106	218	42	85	65	133
of which Brazil	37.2%	34.2%	46	39	472	384	1,692	1,863	1,353	1,415	339	448
of which Colombia	29.6%	43.0%	6	12	68	154	739	847	688	763	51	84
AFRICA-MIDDLE EAST-INDIA AND PACIFIC	**33.3%**	**35.4%**	**18**	**20**	**231**	**250**	**1,258**	**1,530**	**1,087**	**1,366**	**171**	**164**
MOBILIZE F.S. TOTAL	**42.8%**	**43.3%**	**660**	**647**	**10,700**	**10,436**	**58,790**	**53,332**	**46,401**	**41,567**	**12,389**	**11,765**

(4) Net assets at year-end = Total net outstandings + Operating lease transactions net of amortization and provisions.
(5) The data relate to the passenger car (PC) and light commercial vehicle (LCV) markets.

CONSOLIDATED FINANCIAL HIGHLIGHTS H1 2024

Mobilize Financial Services posted strong financial growth in its results, which confirms the relevance of its strategy.

Results

The net banking income (NBI) amounted to €1,075 million, up 10.4% compared to the first half of 2023. This increase is mainly due to the evolution of the APA, which increased by +9.9% and to the non-repetition of a negative impact of -€37 million in the first half of 2023 linked to rate swaps covering sight deposits, which are now accounted for at market value.

Operating expenses totaled €365 million, an increase of €9 million compared to the first half of 2023, primarily due to the consolidation of MeinAuto in January 2024, a leading player in the German automotive leasing market. They represent 1.34% of the APA, which is an improvement of 10 basis points compared to the same period last year.

The customer and wholesale cost of risk for the first half of 2024 was 0.41% of the APA, compared to 0.38% in the first half of 2023.

Pretax income amounted to €553 million, compared to €487 million in the first half of 2023.

Consolidated net income – parent company shareholders' share – reached €457 million for the first half of 2024, compared to €337 million in the first half of 2023.

Consolidated net income increased at a faster rate than pretax income due to the reduction in the effective tax rate. This reduction is explained by the inclusion, since the end of 2023, of formerly non-deductible financial charges from one of our subsidiaries in France into the taxable base.

Balance sheet

In the first half of 2024, assets increased due to the growth of new financings and the integration of MeinAuto.

As of the end of June 2024, net assets at end [1] reached €58.8 billion, compared to €53.3 billion at the end of June 2023, representing a 10.2% increase.

Consolidated equity amounts to €6,368 million, compared to €6,500 million at the end of December 2023. The group (excluding minority) generated a halfyear profit of €457 million and distributed dividends of €600 million out of an annual net income of €787 million.

Profitability

The ROE [2] increases to 14.7% compared to 10.8% in the first half of 2023, driven by the rise in profit before taxes and the decrease in the effective tax rate. The RoRWA [3] stands at 2.28% in the first half of 2024, an increase of +44 basis points compared to the first half of 2023.

Solvency

The overall solvency ratio [4] is 15.36% (including CET1 ratio at 13.34%) at the end of June 2024, compared to 16.05% (including CET1 ratio at 13.88%) at the end of December 2023.

The decrease in the overall ratio is attributed to the increase in REA [5] (+€3,047 million), mainly due to the integration of MeinAuto group [6] (+€1,204 million) as well as the growth of historical business.

This increase in REA is partially offset by an increase in CET1 capital (+€192 million).

Consolidated income (in millions of euros)	**06/2024**	**06/2023**	**12/2023**	**12/2022***
Net Banking Income	1,075	974	1,961	2,016
General operating expenses [1]	(379)	(360)	(712)	(638)
Cost of Risk	(112)	(100)	(153)	(195)
Share in net income (loss) of associates and joint ventures	1	(7)	(12)	(127)
Goodwill impairment	-	-	(1)	-
Income exposed to inflation [2]	(32)	(20)	(49)	(31)
PRE-TAX INCOME	**553**	**487**	**1,034**	**1,025**
CONSOLIDATED NET INCOME (Shareholders of the parent company)	**457**	**337**	**787**	**684**

* The 2022 financial statements were restated pursuant to IFRS 17 for insurance contracts.

(1) Including provisions for exemptions from activity and depreciation, amortization and impairment of property, plant and equipment and intangible assets.

(2) Restatement of the profit (loss) of Argentine entities using hyperinflationary accounting.

Consolidated balance sheet (in millions of euros)	**06/2024**	**06/2023**	**12/2023**	**12/2022***
Net total outstandings of which	55,880	51,816	53,131	48,109
Retail Customer loans	25,350	24,269	24,558	22,950
Finance leases	18,141	15,782	16,932	14,730
Dealer loans	12,389	11,765	11,641	10,429
Operational lease transactions net of depreciation and impairment	2,910	1,516	1,564	1,383
Other assets	11,417	9,416	10,501	10,905
Shareholders' equity (including profit (loss) for the year) of which	7,248	7,094	7,393	7,347
Equity	6,368	6,220	6,500	6,461
Subordinated debt	880	874	893	886
Bonds	15,722	13,206	14,184	13,568
Negotiable debt securities (CD, CP, BT, BMTN)	1,526	1,492	1,808	1,221
Securitization	5,437	3,826	4,324	3,319
Customer savings accounts - Ordinary passbook accounts	17,891	18,713	18,255	17,661
Customer term deposit accounts	11,479	7,970	9,921	6,780
Banks and other lenders (including Schuldschein)	7,174	6,626	5,786	6,759
Other liabilities	3,730	3,821	3,525	3,742
TOTAL BALANCE SHEET	**70,207**	**62,748**	**65,196**	**60,397**

* The 2022 financial statements were restated pursuant to IFRS 17 for insurance contracts.

1) Net assets at year-end: net total outstandings on loans and financial leases + operating lease transactions net of depreciation and impairment.
2) The ROE (Return on equity) is calculated by dividing net income for the period by the average net equity (excluding profit (loss) for the period).
3) Return on Risk-Weighted Assets (RoRWA) highlights the profitability or return (R) of the Risk-Weighted Assets (RWA). It is the ratio between the net income (parent company shareholder's share) and the average RWA over a given period. This indicator allows banks and financial institutions to improve the monitoring of their performance and to facilitate decision-making processes in relation to the associated risks.
4) Ratio including the interim profits net of provisional dividends, subject to regulator's approval in accordance with Article 26 § 2 of Regulation (EU) 575/2013.
5) Risk Exposure Amount (REA): RWA (Credit Risk), CVA, Operational Risk and Market Risk.
6) Acquisition of the Mein Auto Group in January 2024.

OUTLOOK FOR THE SECOND HALF OF 2024

Driven by a year rich in commercial launches, the growth of new vehicle financing is expected to remain strong in the second half of 2024. After a first half marked by a gradual normalization of the automotive market (end of the semiconductor crisis and logistics issues), financing volumes are expected to continue their progression during the second semester, albeit at a slower pace than what was observed during the first 6 months of the year.

In the second half of 2024, the Mobilize Financial Services Group intends to confirm the resilience of its financial performance, despite interest rates that are expected to remain relatively high during this period.

Considering the company's prudent provisioning policy, the cost of risk in 2024 is expected to be in line with historical average levels.

FINANCIAL POLICY

Maintaining restrictive monetary policies led by central banks has helped reduce inflation levels while preserving growth. Considering inflation outlook under control, the ECB cut its key rates by 25 basis points in June 2024. Other central banks preferred to wait for the publication of additional economic indicators before adjusting their monetary policy. The end of the first half of the year saw a temporary shift towards risk aversion, triggered by the rise in political and budgetary risks in Europe, notably due to the organization of legislative elections in France following the unexpected dissolution of the National Assembly.

In the United States, inflation resumed an upward trajectory in the first quarter of 2024, rising from 3.1% in January to 3.5% in March, surpassing analysts' forecasts and negatively surprising the markets. Economic growth slowed to 1.3% over the same period, down from 3.4% in the last quarter of 2023 and below the forecast of 2.5%. As a result, the FED gradually tightened its communication indicating that high rates would be maintained as long as necessary to ensure that inflation returned to a level close to the 2% target. These factors led to a revision of market expectations for rate cuts. At the beginning of the year, a rate cut of 150bps was anticipated for 2024, but this was revised to 50bp by the end of June. Economic data for the second quarter appeared more favorable with inflation down to 3.0% in June and PCE at 2.6%. However, the FED indicated it wanted to wait for confirmation of this disinflationary trend before considering the start of monetary easing.

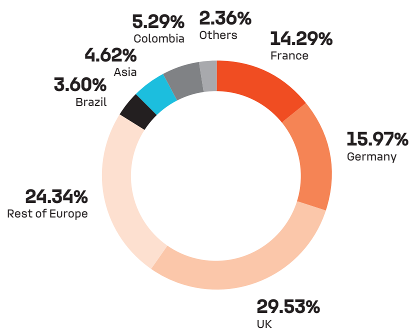
In Europe, inflation decreased from 2.9% at the end of 2023 to 2.4% in April 2024, before slightly increasing to 2.5% in June, mainly due to persistent inflation in the services sector. The ECB indicated it considered inflation to be under control and expressed optimism about reaching the 2% target in the medium term. Economic growth has resumed in the Eurozone, and GDP returned to positive territory at +0.4% in the first quarter. Germany emerged from a technical recession at the end of 2023. Until May, the ECB was very cautious in its communication aiming to temper market expectation of significant rate cut starting as early as January 2024 (-140bps in 2024 forecast at the beginning of January). In early June, for the first time since the start of its monetary tightening policy in July 2022, the ECB cut rates by -25bps, faster than its American and British counterparts. The institution did not provide any guidance on the timing or the likelihood of further cuts in 2024 and revised its forecasts upwards, anticipating inflation to average 2.5% in 2024, 2.2% in 2025 and 1.9% in 2026. Following this first cut, the market expects two additional -25bps actions in September and December 2024.

In the United Kingdom, inflation began a sharp decline in the first quarter, falling from 4% in January to 2% in May, while the economy has moved into slight growth of 0.3% (-0.2% in the last quarter of 2023). The BOE remained very cautious in its communications, finding the inflation levels disappointing compared to the forecasts made by economic analysts, notably due to persistent inflation on services (5.9% in May 2024). The government announced a general election to be held on July 4, leading to a revision of market expectations regarding the level of rate actions expected in 2024. At the end of June, the market anticipated two cuts of –25bps in 2024, down from an initial expectation of –110bps in 2024 at the beginning of the year.

In this context of central banks revising their monetary easing pace, government bond yields increased during the semester. Yields on 2-year German bonds rose by 44 basis points reaching 2.83% at the end of June, up from 2.4% at the end of 2023, with a high of 3.08% in mid-June. Similarly, yields on 10-year German bonds increased by 48 basis points, reaching 2.50% at the end of June, compared to 2.02% at the beginning of January with a high of 2.67% in mid-June.

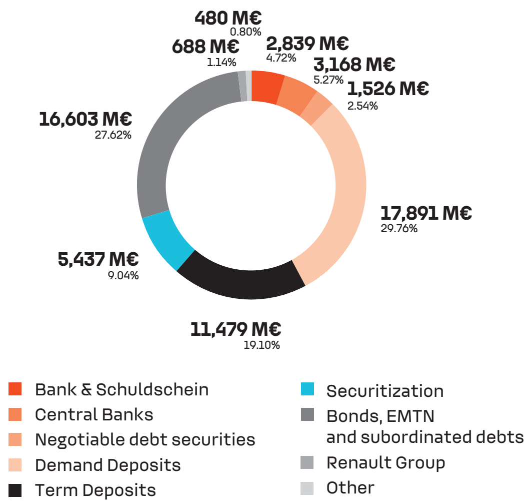
— GEOGRAPHICAL BREAKDOWN OF NEW RESOURCES AT 1 YEAR AND MORE (EXCLUDING DEPOSITS AND TLTRO)

(at 30/06/2024)



— DEBT STRUCTURE

(at 30/06/2024)



Stock markets performed strongly in the first half of 2024, reaching record levels before correcting in mid-June following the announcement of early legislative elections in France. The Eurostoxx 50 and the S&P 500 have risen by +9.2% and +14.5% respectively since the beginning of the year. After reaching a peak of 102 bps in mid-January, the IBOXX Corporate Bond Euro index experienced a slight tightening, moving from 91 bps at the end of 2023 to 87bps at the end of June.

In this context, the group issued the equivalent of 3 billion euros on the bond market in the first half of 2024. It tapped the euro market three times and issued respectively 600 million euros at 5 years, 1500 million euros in double tranche format at 3.5 years (€800 million) and 7 years (700 million euros), as well as a new Tier 2 subordinated debt for 750 million euros (settlement date in July 2024). In parallel, to ensure the diversification of funding sources, the Polish subsidiary issued PLN 650M (150 million euros) on 3 years.

In the securitization market, the group placed approximately 800 million euros of notes backed by automotive loans granted by its German subsidiary. Private securitization of auto loans in the United Kingdom and leasing in Germany have had their revolving periods extended for an additional two years and their amounts slightly increased to reach 700 million British pounds in the UK and 450 million euros in Germany.

The savings collection activity remained competitive in terms of the cost of the collected resources, once again demonstrating the relevance of the diversification strategy for funding initiated more than 10 years ago. The outstanding savings collection increased by 1.2 billion euros since the beginning of the year to reach 29.4 billion euros.

These resources, together with €4.4 billion of undrawn committed bank lines in the Europe scope, €4.0 billion of collateral eligible for Central Bank monetary policy operations and €4.9 billion of highly liquid assets (HQLA), enable the Mobilize Financial Services Group to maintain the financing granted to its customers for over 12 months without access to external liquidity. On 30 June 2024, the liquidity reserve of the Mobilize Financial Services Group (European scope) stands at €13.4 billion.

RCI Banque's overall sensitivity to interest rate risk remained below group's limit of € 70 million.

On 30 June 2024, a parallel rate increase (1) would have an impact on the Group's net interest margin (NIM) of -€8.3 million, with the following contribution per currency:

- +2.3 M€ in EUR,
- -1.9 M€ in CHF;
- +0.7 M€ in BRL;
- -1.3 M€ in MAD;
- -0.15 M€ in ARS;
- -5.9 M€ in GBP;
- -3.5 M€ in PLN;
- +0.03 M€ in COP;
- +0.4 M€ in CZK;
- +0.5 M€ in RON.

The sum of the absolute values of the sensitivities to a parallel interest rate shock (1) in each currency amounts to €15.5 million.

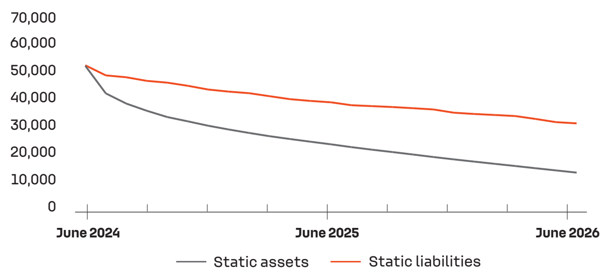
The groupe RCI Banque's consolidated transactional foreign exchange position (2) amounted to €15.1 million.

(1) Since 2021 and in accordance with the EBA guidelines (IRRBB Guidelines), the magnitude of interest rate shocks depends on the currency. As of 30 June 2024, the interest rate shocks applied for each currency were: +100 bps for CHF and DKK; +150 bps for EUR, SEK and DKK; +200 bps for GBP, MAD and CZK; +250 bps for HUF; +300 bps for RON, COP and PLN; +350 bps for the BRL; +500 bps for ARS.

(2) Foreign exchange position excluding equity investments in subsidiaries.

— STATIC LIQUIDITY POSITION (3)

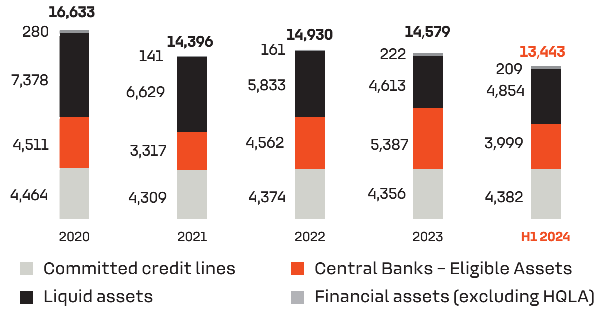
(in millions of euros)



Static assets: assets runoff over time assuming no renewal.
Static liabilities: liabilities runoff over time assuming no renewal.

— LIQUIDITY RESERVE - SCOPE EUROPE(3)

(in millions of euros)



(3) Europe scope.

RCI Banque group's programs and issuances

The group's consolidated issues are made by eight issuers: RCI Banque, Diac, Rombo Compañía Financiera (Argentina), RCI Financial Services Korea Co, Ltd (South Korea), Banco RCI Brasil (Brazil), RCI Finance Maroc (Morocco), RCI Colombia S.A. Compañía De Financiamiento (Columbia) and RCI Leasing Polska.

- RCI Banque short term: S&P: **A-3**/Moody's: **P-2**
- RCI Banque long term: S&P: **BBB-** (Stable)/Moody's: **Baa1** (Stable)