

MARKET ANNOUNCEMENT**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

Date:	19 May 2021
To:	Australian Securities Exchange
Subject:	Retail Entitlement Offer – Retail Offer Booklet

carsales.com Limited (**CAR**) advises that, in respect of its underwritten 1 for 6.99 pro-rata accelerated renounceable entitlement offer (with retail rights trading) that was announced on 12 May 2021 (**Entitlement Offer**), the retail component of the Entitlement Offer (**Retail Entitlement Offer**) opens today.

Enclosed is a copy of the Retail Offer Booklet in respect of the Retail Entitlement Offer.

For further information contact:

Nicole Birman
Company Secretary

This announcement was authorised to be given the ASX by the Company Secretary.

This communication does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the entitlements nor the New Shares have been or will be registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States.

Accordingly, the entitlements under the Retail Entitlement Offer may not be exercised or taken up by, and the New Shares may not be offered or sold to, directly or indirectly, persons in the United States or acting for the account or benefit of persons in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in “offshore transactions” (as defined in Rule 902(h) of Regulation S under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act

Retail Entitlement Offer

carsales.com Limited

ACN 074 444 018

1 for 6.99 pro rata accelerated renounceable entitlement offer (with retail rights trading) of carsales.com Limited (**CAR**) ordinary shares at an offer price of \$17.00 per New Share.

The Entitlement Offer is fully underwritten.

Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Wednesday, 2 June 2021.

This is an important document which is accompanied by a personalised Entitlement and Acceptance Form for you to subscribe for new ordinary shares in CAR. You should read this document carefully in its entirety. This document is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission. You should call your professional adviser or the Offer Information Line if you have any queries.

**NOT FOR DISTRIBUTION OR RELEASE
IN THE UNITED STATES**

Important Notices

This Information Booklet is dated Wednesday, 19 May 2021.

Defined terms used in these important notices have the meaning given in this Information Booklet.

The Retail Entitlement Offer is being made pursuant to section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as notionally modified by ASIC Corporations (Non Traditional Rights Issues) Instrument 2016/84) and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73) which allows entitlement offers to be offered without a prospectus. As a result, this offer is not being made under a prospectus and it is important for Eligible Retail Shareholders to read and understand the information on carsales.com Limited ACN 074 444 018 (**CAR**) and the Retail Entitlement Offer made publicly available, before taking up all or part of their Entitlement. **This information is important and requires your immediate attention.**

You should read this Information Booklet carefully in its entirety before deciding whether to participate in the Retail Entitlement Offer. It is important for you to read and understand the publicly available information on CAR and the Retail Entitlement Offer prior to deciding whether to accept your Entitlement. By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY^{®1} or if you are based in New Zealand and unable to pay using BPAY[®], by direct transfer in accordance with the instructions given in section 2.13(b) of this Information Booklet, you acknowledge that you have read this Information Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer in this Information Booklet.

Future performance and forward looking statements

This Information Booklet contains certain forward looking statements with respect to the financial condition, results of operations, projects and business of CAR and certain plans and objectives of CAR. Forward looking statements can generally be identified by the use of forward looking words such as 'expect', 'anticipate', 'likely', 'intend', 'propose', 'should', 'could', 'may', 'will', 'predict', 'plan', 'believe', 'forecast', 'estimate', 'target', 'continue', 'objectives', 'outlook', 'guidance' and other similar expressions.

The forward looking statements, opinions and estimates contained in this Information Booklet are based on assumptions and contingencies which are subject to change without notice, as are any statements about market and industry trends, which are based on interpretations of current market conditions. They involve known and unknown risks and uncertainties and other factors (including the risks and uncertainties associated with the ongoing impacts of COVID-19 and the risks set out in the 'Key Risks' Section of the Investor Presentation included in Section 3 of this Information Booklet), many of which are beyond the control of CAR and its officers, employees, agents and associates, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Any forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Readers are cautioned not to place undue reliance on forward looking statements. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this Information Booklet in light of those disclosures.

Past performance

Investors should note that past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) future CAR performance including future share price performance.

Jurisdictions

This Information Booklet is intended for use only in connection with the Retail Entitlement Offer to Eligible Retail Shareholders with a registered address in Australia or New Zealand. This Information Booklet does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

United States

This Information Booklet, or any accompanying ASX announcements or the Entitlement and Acceptance Form, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Neither this Information Booklet (or any part of it), the Entitlement and Acceptance Form nor any accompanying ASX announcements, may be distributed or released in the United States or to any person acting for the account or benefit of any person in the United States. The entitlements to purchase new ordinary shares in CAR (**New Shares**) pursuant to the offer described in this Information Booklet (**Entitlements**) and the New Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (**US Securities Act**), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly to, persons in the United States or to persons acting for the account or benefit of a person in the United States (to the extent such persons are acting for the account or benefit of persons in the United States). In the Retail Entitlement Offer, the Entitlements may only be taken up, exercised or offered, sold or otherwise transferred, and the New Shares may only be offered or sold outside the United States, in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

Risks

Refer to the 'Key Risks' Section of the Investor Presentation included in Section 3 of this Information Booklet for a summary of certain general and CAR-specific risk factors that may affect CAR.

Taxation

There will be a tax implication associated with participating in the Retail Entitlement Offer and receiving New Shares. Section 4 provides for a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders. The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. CAR recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

References to 'you', 'your Entitlement' and 'your Retail Entitlement'

In this Information Booklet, references to 'you' are references to Eligible Retail Shareholders and references to 'your Entitlement' or 'your Retail Entitlement' (or 'your Entitlement and Acceptance Form') are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Retail Shareholders, unless the context provides otherwise.

Times and dates

Times and dates in this Information Booklet are indicative only and subject to change. All times and dates refer to Melbourne time. Refer to the 'Key Dates' Section of this Information Booklet for more details.

Currency

Unless otherwise stated, all dollar values in this Information Booklet are in Australian dollars (A\$).

1. Registered to BPAY Pty Ltd ABN 69 079 137 518.

Contents

Important Notices	IFC
Letter from the Chairperson	2
Summary of Entitlement Offer	4
Key Dates for Retail Entitlement Offer	5
1 Summary of Options Available to You	6
2 How to Apply	8
3 ASX Announcements	13
4 Australian Tax Considerations	90
5 Important Information	94
6 Glossary	103
Corporate Directory	108

Letter from the Chairperson

Wednesday, 19 May 2021

Dear Shareholder

As announced on Wednesday, 12 May 2021, carsales.com Limited (ASX: CAR) (**CAR**) has entered into an agreement to acquire 49% interest in Trader Interactive (**Trader Interactive**) for \$797 million (the **Acquisition**).

The Acquisition is a significant opportunity for CAR to continue to expand its digital marketplace strategy into highly attractive international markets. Trader Interactive is a market leader in the United States with businesses in the powersports, recreational vehicle, commercial truck and equipment sectors. Over the past 15 years in Australia CAR has built a market leading portfolio of businesses in these same sectors such as caravancampingsales.com.au, bikesales.com.au, trucksales.com.au and constructionsales.com.au, and sees this acquisition as highly complementary.

Further information about the Acquisition, including strategic and financial benefits, is detailed in CAR's ASX announcement and Investor Presentation lodged with ASX on Wednesday, 12 May 2021 (and included in this Information Booklet in Section 3).

Details of Entitlement Offer

The directors of CAR are pleased to invite you to participate in a fully underwritten 1 for 6.99 pro rata accelerated renounceable entitlement offer (with retail rights trading) to raise gross proceeds of approximately \$600 million (**Entitlement Offer**). The structure is designed to deliver fairness to all eligible shareholders.

The Entitlement Offer will be conducted at an Offer Price of \$17.00 per Share which represents a:

- 12.9% discount to CAR's last closing price; and
- 11.4%² discount to the Theoretical Ex-Rights Price (**TERP**).³

Approximately 35.3 million New Shares will be issued under the Entitlement Offer (14.3% of the existing issued capital). New Shares will rank equally with existing ordinary shares from their time of issue.

The Entitlement Offer will raise approximately \$600 million and will be used to fund the Acquisition. The balance of the consideration for the Acquisition and transactions costs will be funded through available debt facilities.

The Entitlement Offer comprises an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**). As announced on Monday, 17 May 2021, the Institutional Entitlement Offer raised approximately \$428 million.

Shareholders in the United States are not eligible to participate in the Retail Entitlement Offer. Similarly, shareholders (including custodians and nominees) who hold shares on behalf of persons in the United States, or are acting for the account or benefit of persons in the United States, are not eligible to participate in the Retail Entitlement Offer on behalf of those persons.

The Entitlement Offer is managed and fully underwritten by Morgan Stanley Australia Securities Limited ABN 55 078 652 276 and Goldman Sachs Australia Pty Ltd ABN 21 006 797 897 (**Underwriters**) (see Section 5.16 for further details).

Eligible retail shareholders in Australia and New Zealand will be invited to subscribe for their pro rata entitlement of New Shares. Eligible retail shareholders who wish to apply to participate in the Retail Entitlement Offer must do so by 5.00pm (Melbourne time) on Wednesday, 2 June 2021.

Eligible retail shareholders may also sell their retail entitlements (**Entitlement**) on the ASX, with trading to commence from Monday, 17 May 2021 and to conclude on Wednesday, 26 May 2021.

This Information Booklet relates to the Retail Entitlement Offer and Entitlements. It contains important information about the Retail Entitlement Offer and CAR's business.

2. At Tuesday, 11 May 2021, CAR's last closing price was A\$19.51 per share and the TERP is A\$19.20 per share.

3. TERP is a theoretical calculation only and the actual price at which CAR shares trade immediately following the ex-date for the Entitlement Offer may be different from TERP. TERP has been calculated as: (existing market capitalisation of CAR plus additional equity raised) / total shares on issue following the Entitlement Offer.

How to apply

Your personalised Entitlement and Acceptance Form is available from the Entitlement Offer website: www.carsalesoffer.com.au. The Entitlement and Acceptance Form contains details of your Entitlement. The Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Wednesday, 2 June 2021. To participate, you must ensure that you have completed your application by paying the relevant application monies by BPAY before this time. If you are an eligible retail shareholder in New Zealand, you may pay by electronic funds transfer. Please refer to Section 2.13 of this Information Booklet for further details.

The assignment, transfer and exercise of Entitlements is restricted to persons who meet certain eligibility criteria, as set out in the definition of 'Eligible Retail Shareholder' in section 6 of this Information Booklet. If you choose to do nothing, or are unable to do anything, in respect of all or part of your Entitlement, part or all (as applicable) of your Entitlement will be offered for sale for your benefit through a bookbuild process on Monday, 7 June 2021 (**Retail Shortfall Bookbuild**). In this case, you will receive any proceeds in excess of the Offer Price (per underlying New Share) in respect of the part of your Entitlement sold to investors in the Retail Shortfall Bookbuild (**Retail Premium**). There is no guarantee that there will be any Retail Premium.

Further Information

Please carefully read this Information Booklet in its entirety and consult with your stockbroker, accountant or other professional adviser before making your investment decisions. In particular, you should read and consider the 'Key Risks' sections of the Investor Presentation in Section 3 of this Information Booklet, which contains a summary of some of the key risks associated with an investment in CAR.

For further information regarding the Retail Entitlement Offer, call the Offer Information Line on 1300 651 575 (within Australia) or +61 3 9415 4694 (outside Australia) at any time between 8:30am and 5:00pm (Melbourne time) Monday to Friday during the Retail Entitlement Offer Period.

I intend to participate in the Entitlement Offer, as do or have my fellow directors.

On behalf of the board of CAR, I have pleasure in inviting you to consider this investment opportunity and thank you for your ongoing support of CAR.

Yours faithfully,



Pat O'Sullivan
Chairperson
carsales.com Limited

Summary of Entitlement Offer

Institutional Entitlement Offer

Entitlement Ratio	1 for every 6.99 existing CAR ordinary shares
Offer Price	\$17.00 per New Share
Size (approx.)	25.2 million New Shares
Gross Proceeds	\$428 million

Retail Entitlement Offer

Entitlement Ratio	1 for every 6.99 existing CAR ordinary shares
Offer Price	\$17.00 per New Share
Size (approx.)	10.1 New Shares
Gross Proceeds	\$172 million

Total Gross Proceeds of Entitlement Offer	\$600 million (approx.)
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Key Dates for Retail Entitlement Offer

Event	Date
Company announces Entitlement Offer	Wednesday, 12 May 2021
Institutional Entitlement Offer opens	Wednesday, 12 May 2021
Institutional Entitlement Offer closes	Thursday, 13 May 2021
Institutional Shortfall Bookbuild closes	Friday, 14 May 2021
Results of Institutional Entitlement Offer Announced	Monday, 17 May 2021
Record Date for the Entitlement Offer	Monday, 17 May 2021
Retail rights commence trading on ASX	Monday, 17 May 2021
Despatch of Information Booklet and Entitlement and Acceptance Form to Eligible Retail Shareholders	Wednesday, 19 May 2021
Retail Entitlement Offer opens	Wednesday, 19 May 2021
Allotment and trading of New Shares issued under the Institutional Entitlement Offer	Monday, 24 May 2021
Close of retail rights trading on ASX	Wednesday, 26 May 2021
Retail Entitlement Offer closes	Wednesday, 2 June 2021
Retail Shortfall Bookbuild opens	Monday, 7 June 2021
Retail Shortfall Bookbuild closes	Monday, 7 June 2021
Announcement of Results of Retail Entitlement Offer	Monday, 7 June 2021
Allotment of New Shares under the Retail Entitlement Offer	Friday, 11 June 2021
Normal trading of New Shares issued under the Retail Entitlement Offer expected to commence on ASX	Tuesday, 15 June 2021
Despatch of holding statements	Wednesday 16 June 2021

The timetable above is indicative only and may be subject to change without notice. CAR, with the consent of the Underwriters, reserves the right, subject to the Corporations Act, Listing Rules and other applicable laws to amend or vary any or all of the dates and times without notice. In particular, CAR reserves the right to extend the Closing Date of the Retail Entitlement Offer, accept late Applications (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice.

The commencement of quotation of New Shares is subject to confirmation from ASX.

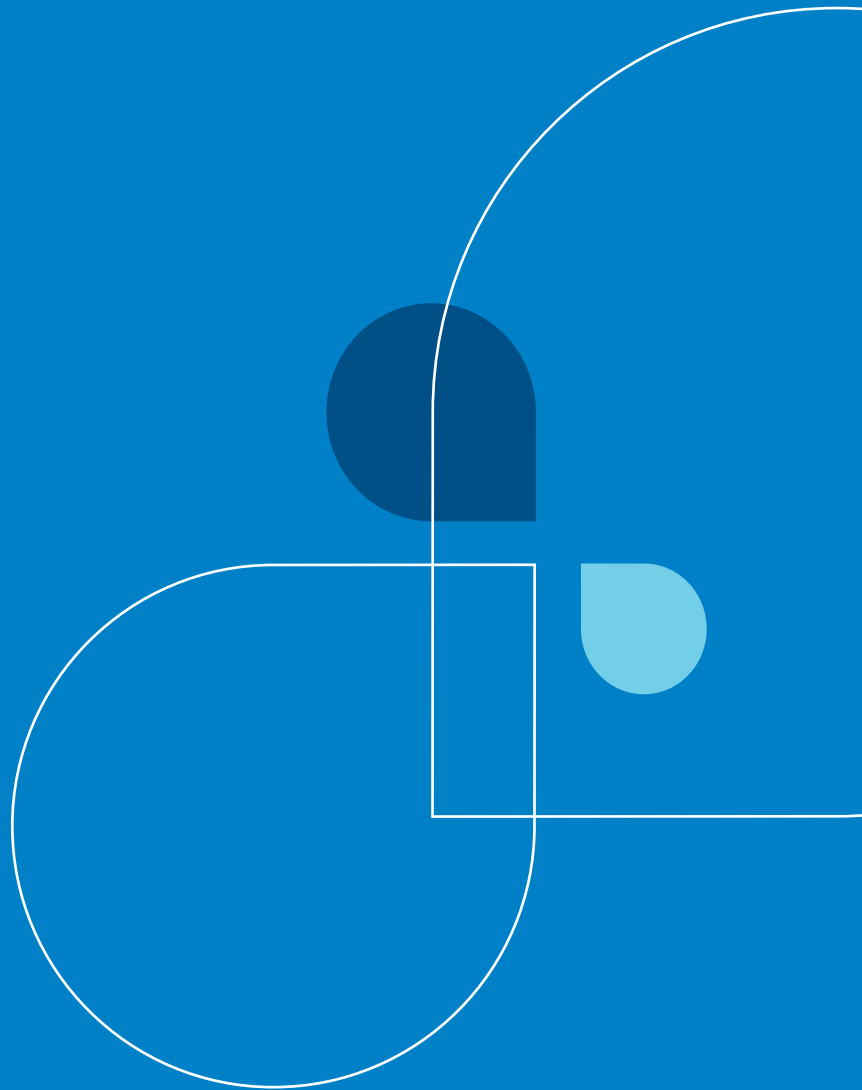
Cooling off rights do not apply to the Retail Entitlement Offer. You cannot withdraw your Application once it has been accepted. Eligible Retail Shareholders are encouraged to take up their Entitlement as soon as possible after the Retail Entitlement Offer opens.

Enquiries

For further information regarding the Retail Entitlement Offer, please call the Offer Information Line on 1300 651 575 (within Australia) or +61 3 9415 4694 (outside Australia) at any time between 8:30am and 5:00pm (Melbourne time) Monday to Friday during the Retail Entitlement Offer Period. If you have any questions, please consult your stockbroker, accountant or other independent professional adviser.

1

Summary of Options Available to You



1 Summary of Options Available to You

If you are an Eligible Retail Shareholder, you may take any one of the following actions:

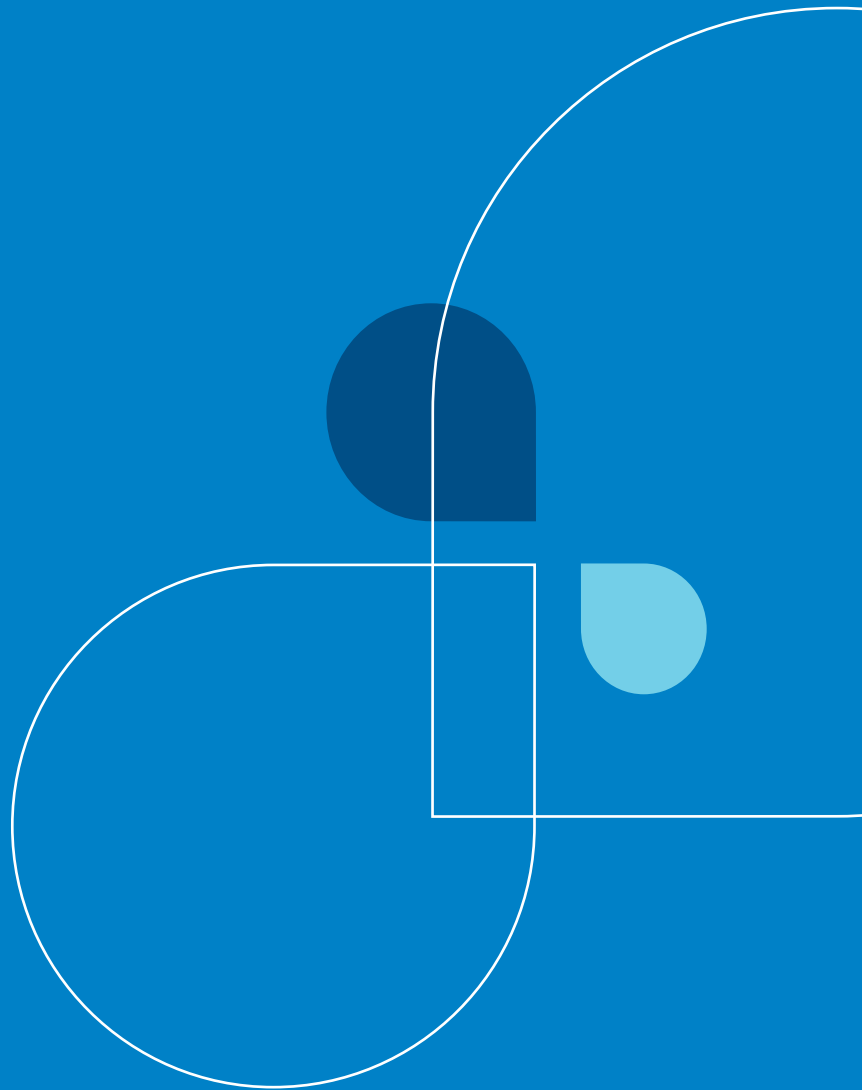
- take up all or part of your Entitlement;
- sell or transfer all or part of your Entitlement:
 - on ASX; or
 - by transferring it directly to another person;
- do nothing and let all or part of your Entitlement be sold into the Retail Shortfall Bookbuild.

If you are a retail Shareholder that is not an Eligible Retail Shareholder you are an “Ineligible Retail Shareholder”. Ineligible Retail Shareholders will receive the Retail Premium (if any), less any applicable expenses, for the sale of the Entitlements by a nominee for their benefit through the Retail Shortfall Bookbuild.

Options available to you	Key considerations
1. Take up all or part of your Entitlement	<ul style="list-style-type: none">• You may elect to purchase New Shares at the Offer Price (see Section 2.8 for instructions on how to take up your Entitlement).• The New Shares will be fully paid and rank equally in all respects with existing Ordinary Shares (including rights to dividends and distributions).• The Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Wednesday, 2 June 2021.• If you only take up part of your Entitlement, you may choose to sell or transfer the balance (see Option 2 below) or you may do nothing and let that part be sold into the Retail Shortfall Bookbuild for your benefit (see Option 3 below).
2. Sell or transfer all or part of your Entitlement	<ul style="list-style-type: none">• If you do not wish to take up all or part of your Entitlement, you may be able to sell all or part of your Entitlement on ASX through your broker (see Part A of Section 2.9) or transfer your entitlement directly to another person (see Part B of Section 2.9).• Retail Entitlements may be traded on ASX from Monday, 17 May 2021 to Wednesday, 26 May 2021 (ASX Code: CAR). You may incur brokerage costs if you sell all or part of your Entitlement on ASX.• If you sell your Entitlement in the Retail Entitlement Offer trading period, you may receive a higher or lower amount than a Shareholder who sells their Entitlement at a different time in the Retail Entitlement Offer trading period or through the Retail Shortfall Bookbuild.• If you only sell or transfer part of your Entitlement, you may choose to take up the remainder (see Option 1 above) or you may do nothing and let that part be sold in the Retail Shortfall Bookbuild.
3. Do nothing, in which case your Entitlement will be sold on your behalf through the Retail Shortfall Bookbuild	<ul style="list-style-type: none">• To the extent you do not take up or do not sell all of your Entitlement on ASX (or via direct transfer), your Entitlement will be sold on your behalf through the Retail Shortfall Bookbuild on Monday, 7 June 2021 and you will receive the Retail Premium (if any) in respect of these Entitlements. There is no guarantee there will be any Retail Premium.• You will not incur brokerage costs of any Retail Premium received from the Retail Shortfall Bookbuild.• By letting your Entitlement be sold on your behalf through the Retail Shortfall Bookbuild, you will forgo any exposure to increases or decreases in the value of New Shares (or any value for that Entitlement which may have been achieved through its sale on ASX). Your percentage holding in CAR will also be diluted.

2

How to Apply



2 How to Apply

2.1 Before making a decision

This Information Booklet (including the ASX Announcements and Investor Presentation set out in Section 3 and the additional important information set out in Section 5) should be read carefully and in its entirety before making any decision about your Entitlement. You should be aware that an investment in CAR involves risks. The key risks identified by CAR are set out in the 'Key Risks' Section of the Investor Presentation, which is included in Section 3 of this Information Booklet.

2.2 Overview of Entitlement Offer

CAR intends to raise approximately \$600 million through the Entitlement Offer.

The proceeds of the Entitlement Offer will be used to fund the Acquisition.

Eligible Shareholders are being offered the opportunity to purchase 1 New Share for every 6.99 existing Shares held as at 7:00pm (Melbourne time) on Monday, 17 May 2021 (**Record Date**), at the Offer Price of \$17.00 per New Share.

The Entitlement Offer is comprised of the following components:

- (a) **Institutional Entitlement Offer of approximately \$428 million** – Eligible Institutional Shareholders were given the opportunity to take up all or part of their Entitlement.
- (b) **Institutional Shortfall Bookbuild of approximately \$97.3 million** – Entitlements not taken up under the Institutional Entitlement Offer and Entitlements that would have been issued to Ineligible Institutional Shareholders had they been eligible to participate in the Institutional Entitlement Offer were sold through a bookbuild process from Thursday, 13 May 2021 to Friday, 14 May 2021 (**Institutional Shortfall Bookbuild**).
- (c) **Retail Entitlement Offer of approximately \$172 million** – Eligible Retail Shareholders are given the opportunity to take up all or part of their Entitlements under the Retail Entitlement Offer. Those Entitlements can be traded on ASX (or transferred directly to another person) in whole or in part. This means that if you are an Eligible Retail Shareholder and do not wish to take up all or part of your Entitlement you may trade on ASX or transfer all or part of your Entitlement in order to realise value from your Entitlement. You may incur brokerage costs if you sell your Entitlement on ASX.
- (d) **Retail Shortfall Bookbuild** – Entitlements not taken up under the Retail Entitlement Offer and Entitlements that would have been issued to Ineligible Retail Shareholders had they been entitled to participate in the Retail Entitlement Offer will be offered for sale through the Retail Shortfall Bookbuild. The amount realised for those Entitlements (the **Retail Premium**), if any, will be remitted proportionally to holders of those Entitlements at the close of the Retail Entitlement Offer, and to Ineligible Retail Shareholders. The Retail Premium, if any, is expected to be paid on or about Thursday, 17 June 2021.

Both the Institutional Entitlement Offer and the Retail Entitlement Offer are renounceable and Entitlements are calculated under both offers based on the same ratio. The New Shares issued under the Institutional Entitlement Offer and Retail Entitlement Offer are all issued at the same Offer Price.

2.3 Institutional Entitlement Offer and Institutional Shortfall Bookbuild

CAR announced the results of the Institutional Entitlement Offer on Monday, 17 May 2021. A copy of CAR's announcement to the ASX in relation to the completion of the Institutional Entitlement Offer is set out in Section 3.

Entitlements not taken up under the Institutional Entitlement Offer and Entitlements that would have been issued to Ineligible Institutional Shareholders had they been eligible to participate in the Institutional Entitlement Offer were sold through a bookbuild process from Thursday, 13 May 2021 to Friday, 14 May 2021.

The premium paid in respect of the Institutional Entitlement Offer was \$1.00 per Entitlement (**Institutional Premium**). Eligible Institutional Shareholders who elected not to take up all of their Entitlements, and Ineligible Institutional Shareholders, will receive the Institutional Premium for each Entitlement that was not taken up and that was sold into the Institutional Shortfall Bookbuild.

The Institutional Entitlement Offer and Institutional Shortfall Bookbuild raised approximately \$428 million, excluding transaction costs (subject to ongoing Shareholder reconciliation), at an Offer Price of \$17.00 per New Share.

New Shares subscribed for under the Institutional Entitlement Offer (including those subject to the Institutional Shortfall Bookbuild) will be allotted on Monday, 24 May 2021 and will commence trading on the ASX on that day.

2 How to Apply continued

2.4 Retail Entitlement Offer

The Retail Entitlement Offer is fully underwritten and will raise approximately \$172 million.

Under the Retail Entitlement Offer, Eligible Retail Shareholders are invited to apply for 1 New Share for every 6.99 existing Shares held as at the Record Date at the Offer Price of \$17.00 per New Share. New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally in all respects with existing Shares.

The offer ratio and Offer Price under the Retail Entitlement Offer are the same as for the Institutional Entitlement Offer. The Retail Entitlement Offer is renounceable. This means if you are an Eligible Retail Shareholder and you do not wish to take up all or part of your Entitlement, you may be able to trade all or part of your Entitlement on ASX or transfer all or part of your Entitlement to another person.

The Retail Entitlement Offer opens at 9.00am (Melbourne time) on Wednesday, 19 May 2021 and will close at 5.00pm (Melbourne time) on Wednesday, 2 June 2021.

2.5 Your Entitlement

If you are an Eligible Retail Shareholder, your Entitlement is set out in your personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 6.99 existing Shares you held as at the Record Date. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number of New Shares.

Your personal Entitlement and Acceptance Form can be accessed via the Entitlement Offer website: www.carsalesoffer.com.au.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

If you do not wish to take up all or part of your Entitlement, you may be able to trade all or part of your Entitlement on ASX or transfer all or part of your Entitlement to another person. Entitlements may be traded on ASX from 10:00am (Melbourne time) on Monday, 17 May 2021 to Wednesday, 26 May 2021 (ASX Code: CARR). You may incur brokerage fees if you sell all or part of your Entitlement on ASX.

If you sell your Entitlements in the Retail Entitlement Offer trading period, you may receive a higher or lower amount than a Shareholder who sells their Entitlement at a different time during the trading period or through the Retail Shortfall Bookbuild.

If you only sell or transfer part of your Entitlement, you may choose to take up the remainder or you may do nothing and let that part be sold in the Retail Shortfall Bookbuild.

2.6 Consider the Retail Entitlement Offer carefully in light of your particular investment objectives and circumstances

The Retail Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow rights issues to be made without a prospectus. This Information Booklet does not contain all of the information which may be required in order to make an informed decision regarding an Application for New Shares offered under the Retail Entitlement Offer. As a result, it is important for you to read carefully and understand the information on CAR and the Retail Entitlement Offer made publicly available, prior to making any decision in respect of your Entitlement. In particular, you should refer to this Information Booklet and other announcements made available on the Entitlement Offer website: www.carsalesoffer.com.au (including announcements which may be made by CAR after publication of this Information Booklet).

You should consult with your stockbroker, accountant or other professional adviser if you have any queries or are uncertain about any aspect of the Retail Entitlement Offer. You should also refer to the 'Key Risks' Section of the Investor Presentation included in Section 3 of this Information Booklet.

2.7 Options available to you

If you are an Eligible Retail Shareholder, you may:

- take up all or part of your Entitlement (see Section 2.8); or
- sell or transfer all or part of your Entitlement to persons meeting certain eligibility criteria:
 - on ASX (see Part A of Section 2.9); or
 - by transferring it directly to another person (see Part B of Section 2.9); or
- do nothing and let your Entitlement be sold through the Retail Shortfall Bookbuild (see Section 2.10).

2.8 Option 1: If you wish to take up all or part of your Entitlement

If you wish to take up all or part of your Entitlement, please:

- (a) pay your Application Money via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form; or
- (b) if you are unable to pay via BPAY® (for example, because you are a New Zealand Shareholder who does not have an Australian bank account), please visit the Entitlement Offer website: www.carsalesoffer.com.au,

in each case, funds must be received by no later than 5.00pm (Melbourne time) on Wednesday, 2 June 2021.

If your Application for New Shares under the Retail Shortfall Bookbuild is accepted in whole or in part, your New Shares will be issued to you at the same time that other New Shares are issued under the Retail Entitlement Offer.

CAR will pay any refund amounts in Australian dollars to you either by direct credit to your nominated bank account, or by cheque sent by ordinary post to your address as noted in the share register as at the Closing Date. No interest will be paid on any Application Money received or refunded.

2.9 Option 2: If you wish to sell all or part of your Entitlement on ASX

Part A. Selling all or part of your Entitlements on ASX

If you wish to sell all or part of your Entitlement on ASX, you should instruct your stockbroker and provide details as requested from your personalised Entitlement and Acceptance Form. You should allow sufficient time for your instructions to be carried out by your stockbroker. Please note you may incur brokerage fees if you choose to sell all or part of your Entitlement on ASX.

Entitlement trading on ASX starts on a deferred settlement basis at 10.00am (Melbourne time) on Monday, 17 May 2021 under the ASX ticker "CARR" and ceases at 4.00pm (Melbourne time) on Wednesday, 26 May 2021. There is no guarantee that there will be a liquid market in traded Entitlements. A lack of liquidity may impact your ability to sell all or part of your Entitlement on ASX and the price you may be able to achieve.

This Retail Offer Booklet, along with your personalised Entitlement and Acceptance Form, are available on the Entitlement Offer website: www.carsalesoffer.com.au. Alternatively, you can request a hard-copy through the Offer Information Line on 1300 651 575 (within Australia) or +61 3 9415 4694 (outside Australia) at any time between 8:30am and 5:00pm (Melbourne time) Monday to Friday.

CAR will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to you if you trade your Entitlement before you receive your personalised Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by CAR or the Share Registry or failure to maintain your updated details on the Share Registry or otherwise, or who otherwise trade or purport to trade Entitlements in error or which they do not hold or are not entitled to trade.

2 How to Apply continued

While the Entitlements will be tradeable, the assignment, transfer and exercise of Entitlements trading on ASX will be restricted to persons meeting certain eligibility criteria. It is the responsibility of purchasers of Entitlements to inform themselves of the eligibility criteria for exercise. In particular, persons in the United States and persons acting for the account or benefit of persons in the United States (to the extent such person holds securities for the account or benefit of persons in the United States) will not be eligible to purchase or trade Entitlements or take up Entitlements they acquire. If holders of Entitlements at the end of the Retail Entitlement trading period do not meeting the eligibility criteria, they will not be able to exercise the Entitlements. In the event that holders are not able to exercise their Entitlements, they may receive the Retail Premium (if any) in respect of those Entitlements.

If you wish to sell part of your Entitlement on ASX and let the balance be offered for sale in the Retail Shortfall Bookbuild, please follow the procedures above in respect of the part of your Entitlement you wish to sell on ASX, and do nothing in respect of the balance. You will receive the Retail Premium (if any) in respect of those Entitlements sold in the Retail Shortfall Bookbuild.

Prices obtainable for Entitlements may rise and fall over the Retail Entitlement trading period and will depend on many factors including the demand for and supply of Entitlements on ASX and the value of CAR Existing Shares relative to the Offer Price. If you sell your Entitlements in the Retail Entitlement trading period, you may receive a higher or lower amount than a Shareholder who sells their Entitlement at a different time in the Retail Entitlement trading period or through the Retail Shortfall Bookbuild.

If you sell your Entitlements, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up those Entitlements. Your percentage holding in CAR will be diluted.

Part B: If you wish to transfer all or part of your Entitlements other than on ASX

For issuer sponsored holders only, if you wish to transfer all or part of your Entitlement other than on ASX, you must forward a completed Renunciation and Acceptance Form to the Share Registry in relation to the part of your Entitlement that you wish to transfer. If the transferee wishes to take up all or part of the Entitlement transferred to them, they must send their Application Monies together with the Entitlement and Acceptance Form related to the Entitlement transferred to them to the Share Registry. Both the transferor and the transferee must be issuer sponsored. If either party is CHESSE sponsored, they will need to arrange the transfer of rights through their sponsoring broker.

You can obtain a Renunciation and Acceptance Form from the Entitlement Offer website: www.carsalesoffer.com.au, or from your stockbroker. The Renunciation and Acceptance Form as well as the transferee's Application Monies and the Entitlement and Acceptance Form related to the Entitlement transferred to them must be received by the Share Registry by no later than 5:00pm (AEDT) on Wednesday, 2 June 2021.

You may only transfer your Entitlement in this way to a purchaser whose address is in Australia or New Zealand, and who is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such purchaser is acting for the account or benefit of a person in the United States). Persons that are in the United States or that are acting for the account or benefit of a person in the United States will not be eligible to purchase, trade, take up or exercise Entitlements. You should inform any purchaser or transferee of these restrictions.

If the Share Registry receives both a completed Renunciation and Acceptance Form and an Application for New Shares in respect of the same Entitlement, the transfer will take priority over the Application.

If you wish to transfer part of your Entitlement and allow the balance to be sold in the Retail Shortfall Bookbuild, please follow the procedures above in respect of the part of your Entitlement you wish to transfer, and do nothing in respect of the balance. You will receive the Retail Premium (if any) in respect of those Entitlements sold in the Retail Shortfall Bookbuild. If you transfer your Entitlement, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up that Entitlement. Your percentage shareholding in CAR will also be diluted.

2.10 If you wish to let your Entitlement be offered for sale through the Retail Shortfall Bookbuild

Any of your Entitlements which you do not take up, sell or transfer will be offered for sale through the Retail Shortfall Bookbuild on Monday, 7 June 2021. You will receive the Retail Premium (if any) in respect of Entitlements sold in the Retail Shortfall Bookbuild (see Section 2.12).

By allowing your Entitlement to be offered for sale in the Retail Shortfall Bookbuild, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement (or any value for your Entitlement which may have been achieved through its sale on ASX or otherwise). Your percentage shareholding in CAR will also be diluted.

2.11 Ineligible Retail Shareholders

All Shareholders who are not Eligible Retail Shareholders are ineligible shareholders (**Ineligible Retail Shareholders**). Ineligible Retail Shareholders will not be entitled to participate in the Entitlement Offer.

2.12 Retail Shortfall Bookbuild

Entitlements which are not taken up by close of the Retail Entitlement Offer, and Entitlements that would have been issued to Ineligible Retail Shareholders had they been eligible to participate in the Retail Entitlement Offer, will be sold through the Retail Shortfall Bookbuild. Any Retail Premium will be remitted proportionally to such shareholders on or about Thursday, 17 June 2021, net of any applicable expenses.

Retail Premium amounts, if any, will be paid in Australia dollars. Relevant retail shareholders will be paid by direct credit to the nominated bank account as noted on CAR's share register or, if there is no nominated bank account, by cheque to their registered address. The Retail Premium, if any, is expected to be paid on or about Thursday, 17 June 2021.

The Retail Premium may be zero, in which case no payment will be made to holders of those Entitlements sold into the Retail Shortfall Bookbuild. The outcome of the Institutional Shortfall Bookbuild (including the Institutional Premium) is not an indication as to whether there will be a Retail Premium or what any Retail Premium may be.

The ability to sell Entitlements under the Retail Shortfall Bookbuild and the ability to obtain any Retail Premium will depend on various factors, including market conditions. The final price for Entitlements sold under the Retail Shortfall Bookbuild will be agreed between the Lead Managers and CAR having regard to a number of factors. If there is a Retail Premium, it may be less than, more than, or equal to any price or prices for which Entitlements may be able to be sold on ASX or otherwise transferred. To the maximum extent permitted by law, CAR, its related bodies corporate and affiliates, and each of their respective directors, officers, partners, employees, representatives and agents, and the Lead Managers, disclaim all liability, including for negligence, for any failure to procure a Retail Premium under the Retail Shortfall Bookbuild, or for any difference between the Retail Premium and the Institutional Premium. CAR reserves the right to allocate Entitlements under the Retail Shortfall Bookbuild at its discretion.

You should note that if you sell or transfer all or part of your Entitlement or allow all or part of your Entitlement to be sold into the Retail Shortfall Bookbuild, then you will forgo any exposure to increases or decreases in the value of New Shares (or any value for that Entitlement which may have been achieved through its sale on ASX or otherwise) and your percentage in CAR will be diluted by your non-participation in the Entitlement Offer.

2 How to Apply continued

2.13 Payment

You can pay in the following ways:

- by BPAY®; or
- if you are unable to pay by BPAY® (for example, because you are a New Zealand Shareholder who does not have an Australian bank account), by Electronic Fund Transfer.

Cash payments will not be accepted. Receipts for payment will not be issued.

CAR will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement.

Any Application Money received for more than your final allocation of New Shares, provided that amount is more than \$2, will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to Applicants on any Application Money received or refunded.

(a) Payment by BPAY®

To pay by BPAY®, follow the instructions on the personalised Entitlement and Acceptance Form. You can only pay via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, you must use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your Application will not be recognised as valid.

If you pay by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 2.14; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Money.

It is your responsibility to ensure that your BPAY® payment is received by the CAR Share Registry by no later than 5.00pm (Melbourne time) on Wednesday, 2 June 2021. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

(b) Payment by Electronic Fund Transfer

To pay by Electronic Fund Transfer, shareholders in New Zealand can visit the Entitlement Offer website: www.carsalesoffer.com.au to access your personalised Entitlement and Acceptance Form. You must use your unique payment reference number as displayed on your personalised Entitlement and Acceptance Form when making your Electronic Fund Transfer payment. If you are not a shareholder in New Zealand and you wish to make an Electronic Fund Transfer payment, please contact the Offer Information Line using the phone numbers in section 2.15 below:

Your Electronic Fund Transfer must be:

- for an amount equal to \$17.00 multiplied by the number of New Shares that you are applying for; and
- in Australian dollars – payment cannot be made in New Zealand dollars.

You should ensure that sufficient funds are held in the relevant account to cover the Application Money as your Electronic Fund Transfer will be processed on the day of receipt. If the amount of your Electronic Fund Transfer is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares as your Application Money will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form) and to have provided the representations in Section 2.14. Alternatively, your Application will not be accepted.

If you make payment via Electronic Fund Transfer your Application Money must be received at Share Registry no later than the close of the Retail Entitlement Offer, being 5.00pm (Melbourne time) on Wednesday, 2 June 2021.

2.14 Representations by acceptance

By making a payment by BPAY® or Electronic Fund Transfer if you are a New Zealand Shareholder, you will be deemed to have represented to CAR that you are an Eligible Retail Shareholder and:

- acknowledge that you have read and understand this Information Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Information Booklet (including Section 5.6), and CAR's constitution;
- authorise CAR to register you as the holder(s) of New Shares allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- warrant that you are in compliance with any restriction that applies to your shareholdings in CAR (including restrictions arising under legislation, the requirements of a regulatory authority or under CAR's constitution) and you will not cease to be in compliance with these restrictions (or any other applicable law or regulation), if you acquire New Shares allotted to you under the Entitlement Offer;
- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- acknowledge that once CAR receives your payment of Application Money via BPAY® or your personalised Entitlement and Acceptance Form you may not withdraw your Application or funds provided except as allowed by law;
- agree to apply for and be issued up to the number of New Shares for which you have submitted payment of any Application Money via BPAY® or have specified in the personalised Entitlement and Acceptance Form at the Offer Price per New Share;
- authorise CAR, the Underwriters, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry and using the contact details set out in your personalised Entitlement and Acceptance Form;
- declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Information Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that the New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Information Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in CAR, and is given in the context of CAR's past and ongoing continuous disclosure announcements to ASX;
- acknowledge the statement of risks in the "Key Risks" Section of the Investor Presentation contained in Section 3 of this Information Booklet, and that investments in CAR are subject to risk;
- acknowledge that neither CAR nor the Underwriters, nor their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantee the performance of CAR, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- authorise CAR to correct any errors in your personalised Entitlement and Acceptance Form or any other form provided by you;
- warrant (for the benefit of CAR, the Underwriters and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer; and
- warrant that the law of any place does not prohibit you from being given this Information Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer.

2 How to Apply continued

By making a payment by BPAY® or completing and returning your personalised Entitlement and Acceptance Form, you will also be deemed to have acknowledged, represented and warranted on behalf of yourself and each person on whose account you are acting that:

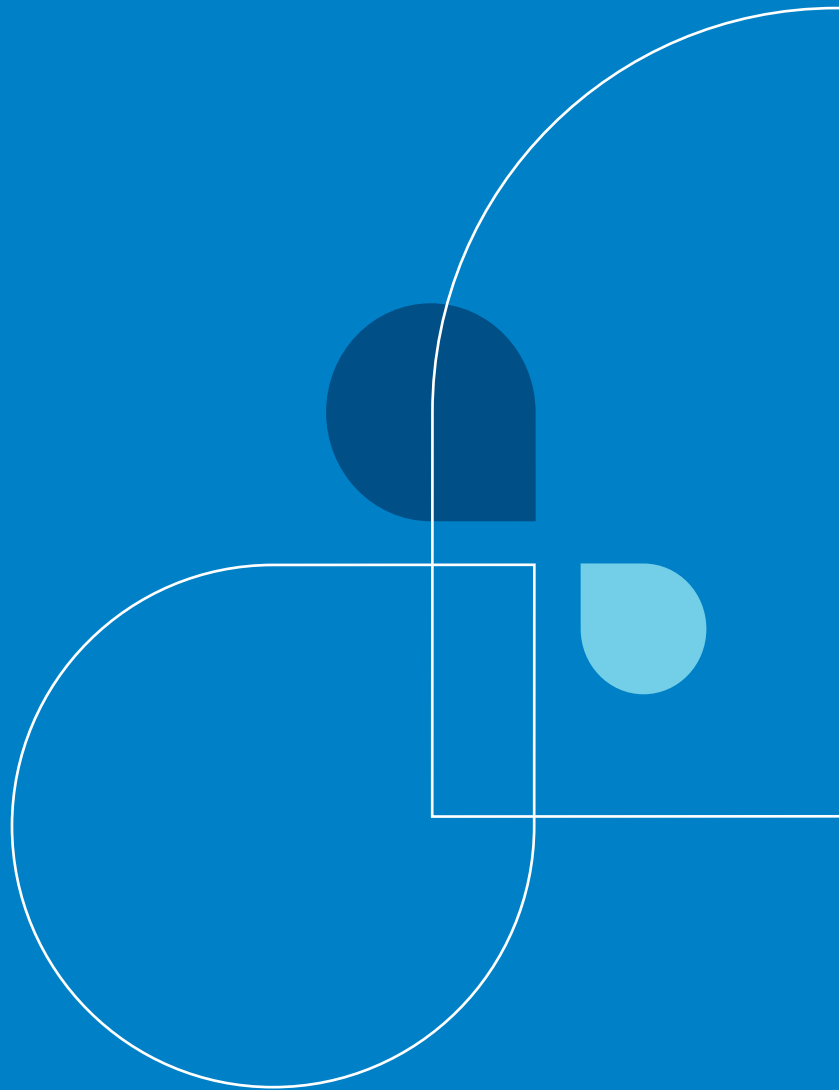
- you are not in the United States and you are not acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the Retail Entitlement Offer in respect of that person);
- you understand and acknowledge that the Entitlements and the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States and that, accordingly the Entitlements may not be taken up or exercised by a person in the United States and the New Shares may not be offered or sold, directly or indirectly, in the United States, or to persons acting for the account or benefit of a person in the United States (to the extent such persons are acting for the account or benefit of a person in the United States);
- you are subscribing for or purchasing the Entitlements or the New Shares outside the United States in an “offshore transaction” (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act;
- you have not and you will not download and send this Information Booklet, the Entitlement and Acceptance Form or any other materials relating to the Retail Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States, or to any other country outside Australia and New Zealand;
- if in the future you decide to sell or otherwise transfer the Entitlements or the New Shares, you will only do so in transactions exempt from, or not subject to, the registration requirements of the US Securities Act, including in regular way transactions on ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not downloaded and sent this Information Booklet, the Entitlement and Acceptance Form or any information relating to the Retail Entitlement Offer to any such person.

2.15 Enquiries

If you cannot access your personalised Entitlement and Acceptance Form, or have any questions about completing it, please contact the Offer Information Line on 1300 651 575 (within Australia) or +61 3 9415 4694 (outside Australia) at any time between 8:30am and 5:00pm (Melbourne time) Monday to Friday during the Retail Entitlement Offer Period. Alternatively, you may visit the Entitlement Offer website: www.carsalesoffer.com.au. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

3

ASX Announcements



3 ASX Announcements

ASX & Media Release



Wednesday, 12 May 2021

carsales to acquire 49% of leading US digital marketplace business Trader Interactive, and launch approximately A\$600m equity raising

Key Highlights

- carsales has entered into a Securities Purchase Agreement to acquire a 49.0% interest in Trader Interactive for US\$624m¹, or approximately A\$797m² equivalent.
- The Acquisition Price values Trader Interactive on a 100% EV basis at US\$1,625m, or approximately A\$2,074m² equivalent, representing a CY20⁵ EV / adjusted EBITDA acquisition multiple of 26.5x³.
- The Acquisition represents a strategically compelling opportunity for carsales to further build out its international scale and industry diversification with exposure to attractive verticals in the United States.
- The Transaction is expected to be EPS⁴ positive on a pro-forma basis, with mid-single digit EPS accretion from year one which is expected to grow thereafter.
- carsales is well placed to support Trader Interactive's growth, leveraging its technology and experience in other international markets.
- carsales has a call option to acquire the remaining interest in Trader Interactive.
- The Acquisition is to be funded with the following combination of equity and debt:
 - approximately A\$600m fully underwritten pro-rata accelerated renounceable entitlement offer (with retail rights trading); and
 - balance funded by upsize of existing debt facility from existing lenders.
- The Acquisition remains subject to customary closing conditions, which are expected to be satisfied in H1 FY22.

Acquisition of Trader Interactive

carsales.com Ltd ("**carsales**", ASX:CAR) today announced that it has agreed to acquire a 49.0% interest in Trader Interactive ("**Trader interactive**") (the "**Acquisition**"), a leading platform of branded marketplaces in the United States ("**US**"), providing digital marketing solutions and services across the commercial truck, recreational vehicle, power sports and equipment industries, for US\$624m¹, or approximately A\$797m² ("**Acquisition Price**").

The Acquisition values Trader Interactive on a 100% Enterprise Value ("**EV**") basis at US\$1,625m, or approximately A\$2,074m equivalent², representing a CY20⁵ EV / EBITDA acquisition multiple of 26.5x³. The Acquisition together with the Entitlement Offer described below ("**Transaction**") is expected to be Earnings per Share ("**EPS**") positive from completion, with mid-single digit EPS accretion from year one which is expected to grow thereafter.

Completion of the Acquisition under the Securities Purchase Agreement is subject to customary closing conditions, including carsales obtaining the necessary regulatory approvals, which are expected to be satisfied by early H1 FY22.

¹ Acquisition price calculated as 100% EV less net debt and other adjustments of US\$351m (as at 31 March 2021), multiplied by 49% being the interest in Trader Interactive acquired by carsales. The final Acquisition Price is subject to completion adjustments and may differ from the number reported in this announcement.

² Assumes an AUD / USD exchange rate of 0.784.

³ Based on reviewed Adjusted EBITDA in CY20 of US\$61m which includes pro forma and other normalisation adjustment.

⁴ Based on Adjusted EPS before amortisation of intangibles and one-off transaction costs. The impact of purchase price accounting has not been completed and which will impact future amortization charges. In accordance with AASB 133, carsales' pre Transaction EPS has been restated based on an adjustment factor to take into account the bonus element of the Entitlement Offer.

⁵ CY20 Data has been extracted from the Trader Interactive audited financials and is reported in US GAAP.

Group CEO of carsales, Cameron McIntyre, commented on the Acquisition:

carsales Managing Director and CEO Cameron McIntyre says, "Having held Australian market leading positions in bikes, boats, caravans (RV's) and truck marketplaces since 2005, the company has developed strong intellectual property and product & technology capabilities that can be leveraged into global markets.

We have demonstrated an ability to build valuable international partnerships over many years in our automotive business and see this acquisition as an important milestone in carsales' international and vertical marketplace expansion. It also represents a significant investment to support our long-term growth.

This acquisition is expected to accelerate our international growth strategy by providing us with exposure to a significant market in the United States across attractive non-automotive verticals. We are excited by the opportunity this investment provides carsales and look forward to working closely with Trader Interactive in helping them achieve their objectives and delivering shareholder value."

Overview of Trader Interactive

Founded in 2010 in Norfolk, Virginia, Trader Interactive is a leading platform of branded marketplaces in the US, providing digital marketing solutions and services across commercial truck, recreational vehicle ("RV"), powersports, and equipment industries. The business generated Adjusted Revenue⁸ of US\$123m and Adjusted EBITDA⁸ of US\$61m in CY20. The business has a strong track record of delivering earnings growth with EBITDA CAGR of 13% over the last five years.

Trader Interactive offers marketplace services across listings subscriptions, private party listings, brand advertising, listing enhancements, as well as offering software, dealer services and data insights to provide dealer and industry intelligence for customers. It has a diversified customer base of dealer and original equipment manufacturers ("OEMs") with over 8,500 dealers and over 49 OEM relationships. From a website perspective Trader Interactive had approximately 1 million online listings and an average of over 13 million monthly unique visitors in 2020⁶. It currently has over 380 employees.

Strategic Rationale for Acquisition

The Acquisition represents a strategically compelling transaction for carsales and its shareholders. The key strategic highlights include:

- Opportunity to grow and diversify carsales' business by geography and industry, with Trader Interactive providing exposure to appealing verticals in the large US market.
- Trader Interactive is a market leader in the US across RVs and powersports, with a leading position in the Trucks and Equipment categories, and a strong portfolio of branded marketplaces with a large customer base
- Trader Interactive is well positioned to capture upside from further dealer penetration and monetisation across its key verticals which will support future growth opportunities
- Ability to leverage carsales' experience in vertical marketplaces, its international technology platform and its track record of delivering increased dealer penetration in large markets.

Acquisition Structure

carsales will invest alongside existing owners West Street Capital Partners VII, L.P. ("**Goldman Sachs PIA**"), Eurazeo North America Inc. ("**Eurazeo**"), management and employees who collectively own the remaining 51% interest in Trader Interactive.

carsales has a call option to acquire the remaining interest in Trader Interactive on specified terms.

⁶ Based on figures provided to the company by Trader Interactive as at December 2020.

3 ASX Announcements continued

carsales FY21 Performance Update

We provide the following estimate of the FY21 results for the carsales business excluding the Acquisition.

All numbers referenced in relation to FY21 are unaudited and will be subject to review as part of our year-end audit process. The result ranges are an estimate only to keep the market as well informed as possible and we note significant volatility and uncertainty remains given the impact of COVID-19. All estimates below exclude the impact of the proposed Acquisition, including any transaction costs.

A\$m	FY20⁷ Actual	FY21 Estimate	Growth
Adjusted Revenue ⁸	422	433-437	3-4%
Adjusted EBITDA ⁸	232	250-254	8-10%
Adjusted NPAT ⁸	138	149-153	8-11%
<i>Adjusted EBITDA Margin %</i>	<i>55%</i>	<i>57%-58%</i>	<i>-</i>
Reported Revenue	394	422-426	7-8%
Reported EBITDA	202	238-242	18-20%
Reported NPAT	120	130-134	8-12%

The estimated results reflect the continued strength of our Australian and international businesses. Domestic business performance in the first four calendar months reflects continued healthy levels of demand in the Australian automotive and non-automotive market as well as increased adoption in key growth products.

Our international businesses are delivering excellent financial results, particularly in Korea whilst Brazil continues to demonstrate resilience in a challenging COVID-19 environment.

Acquisition Funding

The Acquisition Price will be funded by a combination of debt and equity. carsales announces the launch of approximately A\$600m fully underwritten pro-rata accelerated renounceable entitlement offer (with retail rights trading) to fund the Acquisition (the "**Entitlement Offer**"). The remaining A\$222m will be funded via an extension of existing debt facilities from existing lenders.

carsales remains committed to maintaining a strong and prudent balance sheet to support the business going forward. carsales' pro forma last twelve months ("**LTM**") to 31 December 2020 Net Debt / Adjusted EBITDA⁸ will be 2.3x⁹.

Equity Raising

Under the Entitlement Offer eligible shareholders will be entitled to subscribe for 1 new carsales share ("**New Share**") for every 6.99 shares held on the record date of Monday, 17 May, 2021 ("**Record Date**"). Approximately 35.3m new ordinary shares will be issued under the Entitlement Offer, equivalent to approximately 14.3% of current issued capital.

The Entitlement Offer will be conducted at A\$17.00 per new share ("**Offer Price**"), which represents a:

- 12.9% discount to the last closing price of A\$19.51 on Tuesday, 11 May 2021; and

⁷ FY20 Asia segment revenue and expense has been restated to treat certain expenses as a reduction in revenue, resulting in a A\$1.4m reduction in revenue and expense.

⁸ Adjusted Revenue, Adjusted EBITDA and Adjusted NPAT stated above is post non-controlling interests, new ventures, pro forma and other non-recurring or non-cash normalisations. Refer to the Investor Presentation provided to ASX today for disclosure of non-IFRS information and Reported to Adjusted reconciliation.

⁹ Based on debt position as at 31 December 2020 as set out in the carsales reviewed financial statements for the half year ended 31 December 2020, including the pro-forma adjustments to reflect the impact of the Acquisition.

- 11.4% discount to the Theoretical Ex-Rights Price (“**TERP**”)¹⁰ of A\$19.20

New Shares issued under the Entitlement Offer will rank equally with existing fully paid shares from the date of issue.

Institutional Entitlement Offer

The Institutional Entitlement Offer opens today and closes on Thursday, 13 May 2021. Institutional Entitlements not taken up and entitlements of ineligible institutional shareholders will be sold in an institutional shortfall bookbuild, which opens on Thursday, 13 May 2021 and closes on Friday 14 May 2021, and any proceeds in excess of the Offer Price will be paid to relevant shareholders.

Retail Entitlement Offer

Eligible retail shareholders will be invited to participate in the Retail Entitlement Offer at the same Offer Price and offer ratio as under the Institutional Entitlement Offer. The Retail Entitlement Offer will open at 9:00am (Melbourne time) on Wednesday, 19 May 2021 and close at 5:00pm (Melbourne time) on Wednesday, 2 June 2021.

Eligible retail shareholders in Australia and New Zealand have a number of options under the Retail Entitlement Offer:

- Elect to take up all or part of their pro rata entitlements under the Retail Entitlement Offer prior to 5.00pm (Melbourne time) on Wednesday, 2 June 2021.
- Sell or transfer all or part of their retail entitlements, which may be traded on the ASX from Monday, 17 May 2021 (on a deferred settlement basis) and Wednesday, 19 May 2021 (on a normal settlement basis) to Wednesday, 26 May 2021.
- Do nothing and let their retail entitlements be offered for sale through the retail shortfall bookbuild process managed by the Underwriters, with any proceeds in excess of the Offer Price (net of any withholding tax and expenses) paid to the relevant shareholder.

Timetable

Event	Date¹¹
Trading halt and announcement of Entitlement Offer	Wednesday, 12 May 2021
Institutional Entitlement Offer opens	Wednesday, 12 May 2021
Institutional Entitlement Offer closes	Thursday, 13 May 2021
Institutional Entitlement Offer Shortfall book closes	Friday, 14 May 2021
Announcement of results of Institutional Entitlement Offer	Monday, 17 May 2021
Trading halt lifted and shares recommence trading on an ex-entitlement basis	Monday, 17 May 2021
Record Date for Entitlement Offer (7.00pm Melbourne time)	Monday, 17 May 2021
Retail rights commence trading on the ASX	Monday, 17 May 2021
Retail Entitlement Offer opens and Retail Offer Booklet made available	Wednesday, 19 May 2021
Settlement of new shares issued under the Institutional Entitlement Offer	Friday, 21 May 2021

¹⁰ Theoretical Ex-Rights Price (“**TERP**”) is a theoretical calculation only and the actual price at which carsales shares trade immediately following the ex-date for the Entitlement Offer. The actual trading price of carsales’ shares may be different from TERP. TERP is calculated by reference to carsales’ closing price of A\$19.51 on Tuesday, 11 May 2021, being the last trading day prior to the announcement of the Entitlement Offer.

¹¹ The timetable is indicative only and subject to change. carsales and the Underwriters may, in their absolute discretion, vary any of the above dates by lodging a revised timetable with the ASX.

3 ASX Announcements continued

Allotment and normal trading of new shares issued under the Institutional Entitlement Offer	Monday, 24 May 2021
Close of retail rights trading on the ASX	Wednesday, 26 May 2021
Retail Entitlement Offer closes (5.00pm Melbourne time)	Wednesday, 2 June 2021
Announcement of results of Retail Entitlement Offer	Monday, 7 June 2021
Retail Entitlement Offer shortfall bookbuild	Monday, 7 June 2021
Announce results of Retail Entitlement Offer shortfall bookbuild	Tuesday, 8 June 2021
Settlement of new shares issued under the Retail Entitlement Offer	Thursday, 10 June 2021
Allotment of new shares under the Retail Entitlement Offer	Friday, 11 June 2021
Normal trading of new shares issued under the Retail Entitlement Offer	Tuesday, 15 June 2021
Holding statements in respect of new shares issued under the Retail Entitlement Offer despatched	Wednesday, 16 June 2021

Additional Information

Further details of the Acquisition and Entitlement Offer are set out in the accompanying Investor Presentation provided to the ASX today.

Advisors

carsales has engaged Morgan Stanley Australia as sole financial advisor and Arnold Bloch Leibler and Skadden, Arps, Slate, Meagher & Flom LLP as co-legal advisors.

Goldman Sachs & Co, LLC and Jefferies LLC are serving as co-lead financial advisors to Trader Interactive, with Credit Suisse also advising Trader Interactive.

- ENDS -

Release authorised by the carsales.com Ltd Board

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About carsales.com Ltd

Founded in 1997, carsales.com Ltd (ASX: CAR) operates the largest online automotive, motorcycle and marine classifieds business in Australia and Encar, the leading automotive business in South Korea. carsales wholly owns classifieds businesses in Mexico, Argentina and Chile and is a significant minority shareholder of webmotors in Brazil. carsales is regarded as one of Australia's original disruptors and has expanded to include a large number of market-leading brands. The carsales network is Australia's number one online destination for buying and selling cars, motorbikes, trucks, boats, caravans, and machinery equipment. carsales has world-leading technology and advertising solutions that can be leveraged across its businesses around the world.

Find out more at www.carsales.com.au

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This announcement contains forward looking statements and comments about future events, which reflect carsales' intent, belief or expectation as at the date of this announcement. Forward looking statements can be identified by forward-looking terminology including, without limitation, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "due to" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Forward looking statements involve inherent known and unknown risks, uncertainties and contingencies, both general and specific, many of which are beyond carsales' control, and there is a risk that such predictions, forecasts, projections and other forward looking statements will not be achieved. Actual results may be materially different from those expressed or implied in forward-looking statements and any projections and assumptions upon which these statements are based. Forward looking statements are provided as a general guide only, are based on the information available to carsales as at the date of this announcement and should not be relied on as an indication, representation or guarantee of future performance.

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carsales.com Ltd

ACQUISITION OF SIGNIFICANT
STAKE IN TRADER INTERACTIVE
AND EQUITY RAISING

12 May 2021

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The Entitlement Offer comprises:

- an offer of new fully paid ordinary shares in carsales ("New Shares") to eligible institutional shareholders ("Institutional Entitlement Offer") with an associated bookbuild offer; and
- an offer of New Shares to eligible retail shareholders (with retail entitlements trading) ("Retail Entitlement Offer") with an associated bookbuild offer, in accordance with section 708AA of the *Corporations Act 2001* (Cth) ("Corporations Act") as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*.

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Pro forma financial information: This Presentation also includes pro forma financial information in relation to Trader Interactive and the impact of the Entitlement Offer. The pro forma financial and other information relating to the impact of the acquisition of Trader Interactive has been prepared by carsales in reliance on information that was provided to carsales in connection with the acquisition. Investors should note that carsales has not been able to verify the accuracy, reliability or completeness of, and accordingly, carsales does not take responsibility for such information. The pro forma financial information has not been subject to audit or review in accordance with the Australian Accounting Standards. The pro forma financial information included in this Presentation is for illustrative purposes only and is not represented as being indicative of carsales views on, nor anyone else's, future financial position and/or performance or any scale benefits, synergies or opportunities that may be realised as a result of the acquisition. In addition, the pro forma financial information in this Presentation does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission.

Trader Interactive information: Certain information in this Presentation has been sourced from Trader Interactive or its representatives or associates. While steps have been taken to confirm that information, no representation or warranty, expressed or implied, is made as to its fairness, accuracy, completeness, reliability or adequacy. carsales undertook a due diligence process in respect of the Acquisition, which relied in part on the review of financial, technical, operational and other information provided by Trader Interactive. Despite making reasonable efforts, carsales has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it. If any such information provided to, and relied upon by, carsales in its due diligence and in its preparation of this Presentation proves to be incorrect, incomplete or misleading, there is a risk that the actual financial position and performance of Trader Interactive (and the financial position of carsales following the Acquisition) may be materially different to the expectations reflected in this Presentation. Investors should also note that there is no assurance that the due diligence conducted was conclusive, and that all material issues and risks in respect of the Acquisition have been identified or managed appropriately. Therefore, there is a risk that issues may arise which also have a material impact on carsales (for example, carsales may later discover liabilities or defects which were not identified through due diligence or for which there is no contractual protection for carsales). This could also affect the operations, financial performance and/or financial position of carsales.

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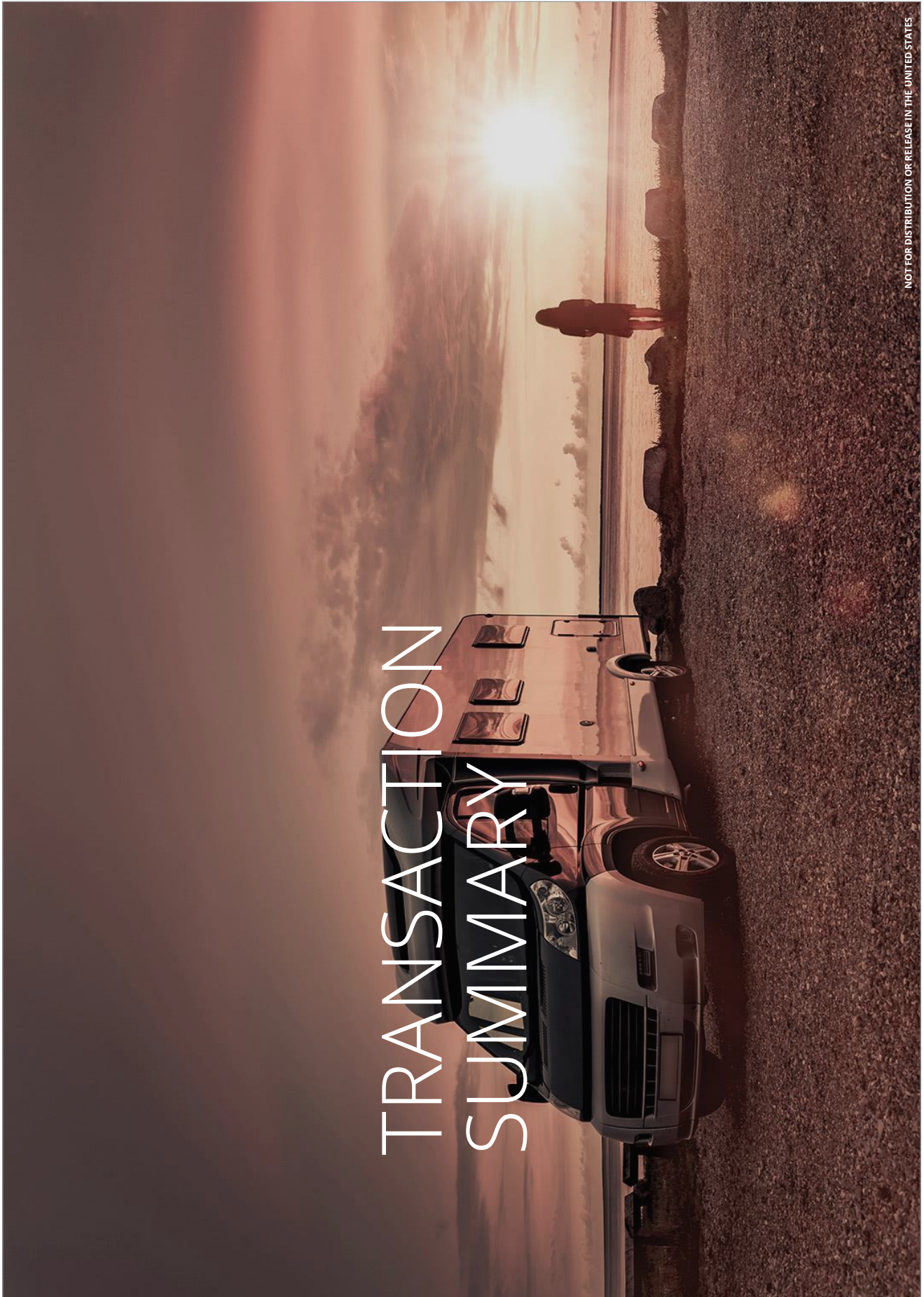
You acknowledge and agree that determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of carsales and the Underwriters. To the maximum extent permitted by law, carsales and the Underwriter Group disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion. carsales reserves the right to withdraw the Entitlement Offer or vary the timetable for the Entitlement Offer without notice (in the latter case, subject to the Underwriters' prior written consent).

Disclosure: The Underwriters and their respective affiliates and related bodies corporate are full service financial institutions engaged in various activities, which may include trading, financial advisory, investment management, investment research, principal investment, hedging, market making, market lending, brokerage and other financial and non-financial activities and services including for which they have received or may receive customary fees and expenses. The Underwriter Group may have interests in the shares of carsales, including by providing investment banking services to carsales. Further, they may act as market maker or buy or sell those securities or associated derivatives as principal or agent. The Underwriters will receive fees for acting in its capacity as joint lead managers, bookrunners and underwriters to the Entitlement Offer. In addition, one or more entities within one or more Underwriters' respective groups may act as a corporate adviser to carsales or its affiliates and may now or in the future provide financial accommodation or services to carsales or its affiliates. Goldman Sachs Australia Pty Ltd ("**GSA**") and the other Underwriter are acting as lead managers, bookrunners and underwriters to the Entitlement Offer and will receive underwriting and other fees, as well as the reimbursement of expenses, for acting in that capacity. In addition, West Street Capital Partners VII, a fund managed by the Goldman Sachs Asset Management Division ("**Goldman Sachs Fund**") (which is an affiliate of GSA) is a seller of part of the interests in Trader Interactive to be acquired by carsales (and the Goldman Sachs Fund and/or an affiliate will receive part of the sale consideration). Immediately upon completion of the sale, the Goldman Sachs Fund will hold a continuing stake in Trader Interactive. Goldman Sachs & Co. LLC ("**GS&Co**") (which is also an affiliate of GSA) is acting as joint adviser to Trader Interactive in relation to that sale transaction and will receive fees, and the reimbursement of expenses, in connection with the sale to carsales. GS&Co or an affiliate thereof may also act as a counterparty to the other seller of part of the interests in Trader Interactive to be acquired by carsales, including by providing financing and/or derivative solutions to the other seller, which may be in connection with the receipt of sale consideration and/or its retained holding in Trader Interactive. GS&Co or such affiliate may receive fees, make profits or be exposed to losses, in connection with the provision of such solutions.

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CONTENTS

Transaction Summary	7-10
Overview of Trader Interactive	11-14
Strategic Rationale	15-21
carsales Y21 Performance Update	22-23
Transaction Funding and Financial Impact	24-28
Equity Raising	29-31
Conclusion	32-33
Appendices	34-62



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TRANSACTION SUMMARY

Transaction Details	<ul style="list-style-type: none"> carsales to acquire 49.0% interest in Trader Interactive (“Trader Interactive” or “TI”), (“Acquisition”), for US\$624m¹, or approximately A\$797m equivalent² (“Acquisition Price”) The Acquisition Price values Trader Interactive on a 100% Enterprise Value (“EV”) equivalent basis at US\$1,625m, or approximately A\$2,074m equivalent², representing a CY20 EV / Adjusted EBITDA acquisition multiple of 26.5x³
Overview of Trader Interactive	<ul style="list-style-type: none"> Trader Interactive is a leading platform of branded marketplaces in the United States (“US”), providing digital marketing solutions and services across commercial truck, recreational vehicle (“RV”), powersports, and equipment industries Trader Interactive is a highly profitable business with a strong growth track record. Adjusted Revenue of US\$123m and Adjusted EBITDA of US\$61m in CY20⁴
Acquisition Funding	<ul style="list-style-type: none"> Funded via a A\$600m fully underwritten 1 for 6.99 pro-rata accelerated renounceable entitlement offer with retail entitlements trading (“Entitlement Offer” or “Equity Raising” and, together with the Acquisition, the “Transaction”). Balance to be funded by upsized debt facility from carsales’ existing lenders carsales is expected to maintain a strong balance sheet post Acquisition, with pro forma last twelve months (“LTM”) to 31 December 2020 Net Debt / EBITDA of 2.3x⁵ expected to return to below 2.1x within 12 months post Acquisition All carsales’ Directors are participating in the Entitlement Offer
Financial Impact	<ul style="list-style-type: none"> The Transaction is forecast to be Earnings per Share (“EPS”) positive from completion, with mid-single digit EPS accretion from year one, which is expected to grow thereafter carsales to retain existing dividend policy

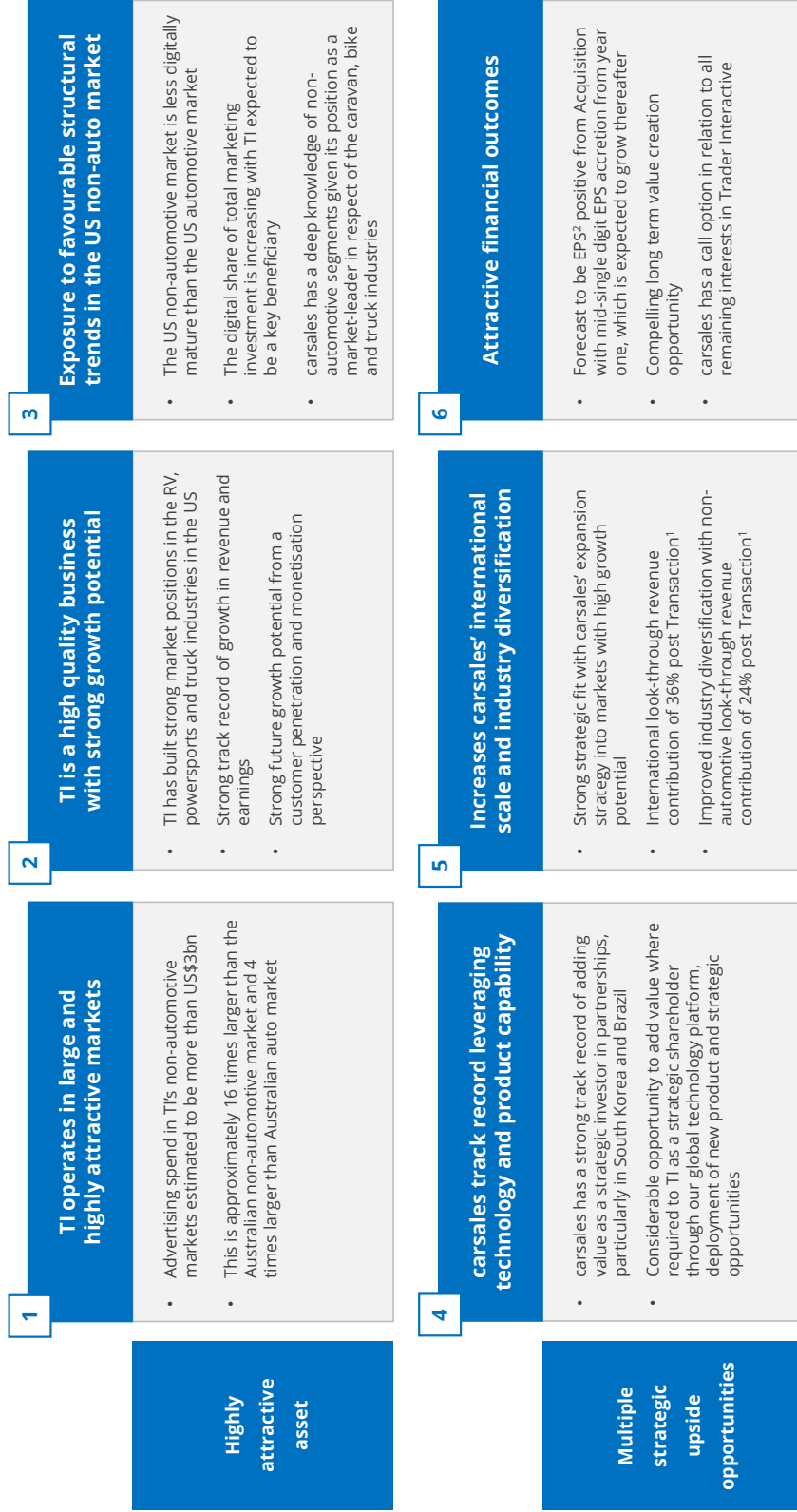
1. Acquisition Price calculated as 100% EV less net debt and other adjustments of US\$351m (as at 31 March 2021), multiplied by 49% share of interest in Trader Interactive that carsales is acquiring. The final Acquisition Price is subject to completion adjustments and may differ from the number reported in this presentation. 2. Assumes an AUD / USD exchange rate of 0.784. 3. Based on Adjusted EBITDA in CY20 of US\$61m which includes pro forma and other normalisation adjustments and excludes new ventures. 4. Based on Adjusted revenue and Adjusted EBITDA in CY20 which includes pro forma and other normalisation adjustments and excludes new ventures, refer to slide 36. 5. Based on carsales’ debt position as at 31 December 2020 as set out in the carsales’ reviewed financial statements for the half year ended 31 December 2020, including the pro-forma adjustments to reflect the impact of the Acquisition as outlined on slides 26 to 28. 6. Based on Adjusted EPS before amortisation of intangibles and one-off transaction costs. The impact of purchase price accounting has not been completed and which will impact future amortisation charges. In accordance with AASB 133, carsales’ pre Transaction EPS has been restated based on an adjustment factor to take into account the bonus element of the Offer.

TRANSACTION SUMMARY (CONTINUED)

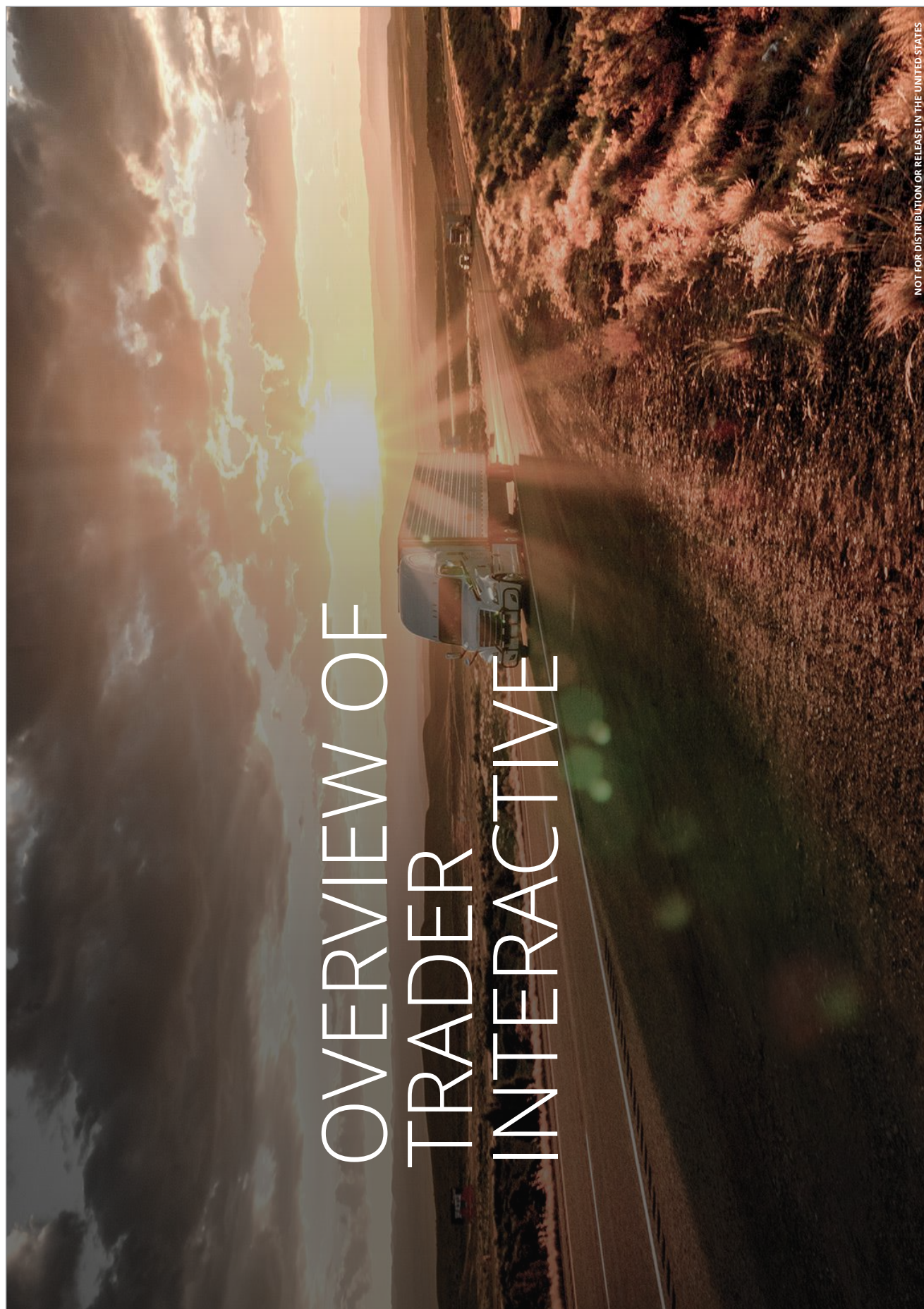
<p>Transaction Structure</p>	<ul style="list-style-type: none"> carsales will invest alongside existing owners West Street Capital Partners VII, L.P. (“Goldman Sachs PIA”), Eurazeo North America Inc. (“Eurazeo”) (together the “Sponsors”) and management and employees, who collectively own remaining 51.0% interest in Trader Interactive carsales has a call option to acquire remaining interest in Trader Interactive on specified terms
<p>Conditions</p>	<ul style="list-style-type: none"> The Acquisition remains subject to customary closing conditions, including carsales obtaining the necessary regulatory approvals, which are expected to be satisfied in early H1 FY22
<p>FY21 Results and Outlook</p>	<ul style="list-style-type: none"> Given proximity to the financial year end, carsales provides an update on FY21 performance. The estimated results reflect the continued strength of the Australian and international businesses. Refer slide 23 for details
<p>Key Risks</p>	<ul style="list-style-type: none"> Refer to Appendix B of this Presentation for a summary of general and specific risk factors associated with the Transaction and undertaking an investment in carsales

INVESTMENT THESIS

Acquisition of Trader Interactive is aligned to our strategy and track record of growing internationally



¹ carsales "look-through" methodology: industry diversification excludes tyre sales and Redbook Inspec. For equity accounted associates and consolidated subsidiaries, add the total revenue or EBITDA for the period of ownership within the reporting period multiplied by the % ownership over the period. Some "look-through" numbers involve the disclosure of non-IFRS information - Refer to carsales' Disclosure of Non-IFRS information on slide 3 for further details. ² Based on Adjusted EPS before amortisation of intangibles and one-off transaction costs.



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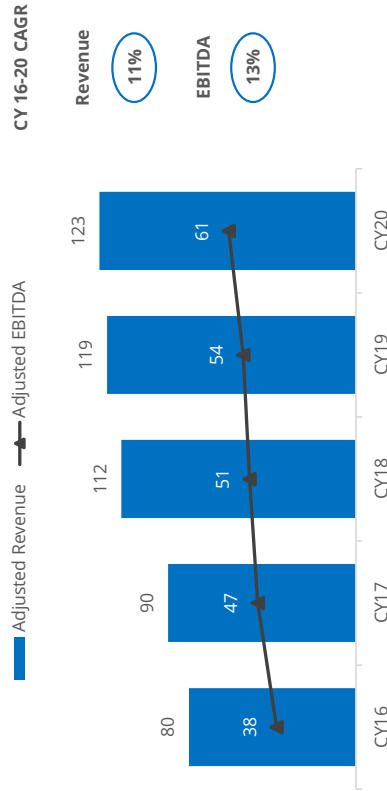
TRADER INTERACTIVE FINANCIAL PROFILE

Trader Interactive has a strong financial track record

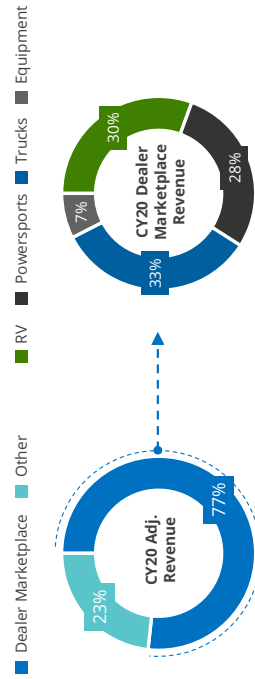
Overview of Trader Interactive

- Leading platform of branded marketplaces, providing digital marketing solutions and services across commercial truck, RV, powersports, and equipment industries in the US
- Offers marketplace services across listings subscriptions, private party listings, brand advertising, listing enhancements, as well as software, dealer services and data insights to provide dealer and industry intelligence for customers
- Has a diversified dealer and Original Equipment Manufacturers ("OEM") customer base with over 8,500 dealers, 49 OEM relationships and approximately one million average online listings¹
- Attractive financial profile delivering impressive revenue and earnings growth, with CY20 Adjusted Revenue² of US\$123m and Adjusted EBITDA² of US\$61m
- Inherent operating leverage has supported growth in EBITDA margin over time, ~90% recurring revenue³ and strong retention rates provide revenue visibility and predictability¹

Adjusted Revenue and Adjusted EBITDA (US\$m)⁴



CY20 Trader Interactive Adjusted Revenue Contribution⁵















¹ Based on information provided by Trader Interactive, as at December 2020. ² Adjusted Revenue and Adjusted EBITDA includes pro forma and other normalisation adjustments and excludes new ventures. ³ Recurring revenue is the portion of a company's revenue that is expected to continue in the future, are predictable, stable and can be counted on to occur at regular intervals going forward with a relatively high degree of certainty. ⁴ Adjusted Revenue and Adjusted EBITDA for CY16 to CY17 as provided by Trader Interactive excluding certain pro forma adjustments that have been made to CY18 - CY20. Adjusted Revenue and Adjusted EBITDA for CY18 to CY20 includes pro forma and other normalisation adjustments and excludes new ventures. Refer to slide 3 regarding the disclosure of non-IFRS information and slide 36 for CY20 reconciliation from Reported to Adjusted Financials. ⁵ Adjusted Revenue Contribution as provided by Trader Interactive.

TRADER INTERACTIVE BRANDS AND SERVICES

Founded in Norfolk, Virginia, with c.380 employees TI operates across four key segments in the US, with a focus on RV, motorcycle, truck and equipment industries. Supported by software, service and data insights capability

Brand Position Summary & Metrics

	RV	Powersports	Trucks	Equipment
Key brands	 	    	 	  
Summary	Leading marketplace for buying, selling and renting motorhomes, caravans and campers. Portfolio includes RV Insider, an RV review website for owners	Leading marketplace for motorcycles and all-terrain vehicles (ATVs), personal watercraft (PWC), snowmobiles and aircraft	Marketplace for buying and selling light, medium and heavy duty trucks and trailers	Marketplace buying, selling and renting of all types of commercial and agricultural equipment
US Market position¹	#1	#1	#2	#2
Average monthly visits²	7.9m	7.1m	1.9m	1.4m
Lead over nearest competitor	6.3x ³	4.9x ⁴	0.8x ⁵	0.3x ⁶
Active listings (000)⁷	160	187	470	208
Dealer subscriptions⁸	1,931	1,910	3,000	1,950

Software, Services, Data & Insights

- Provides services to enable dealer website customisation, web services, dealer inventory and lead management as well as real-time listing and advertising analytics
- Key value proposition to users in providing customer, dealer and industry intelligence insights



1. Position determined by Similarweb monthly visits March-21 v nearest competitor 2. Similarweb monthly visits all brands identified in 'key brands' in March-21 3. Similarweb monthly visits of www.rvtrader.com v nearest competitor 4. Similarweb monthly visits of www.cycletrader.com in March-21 v nearest competitor 5. Similarweb monthly visits of www.commerciatructrader.com + www.nexttruckonline.com in March-21 v nearest competitor 6. Similarweb monthly visits of www.equipmenttrader.com + www.rockanddirty.com + www.tradequip.com in March-21 v nearest competitors 7. Active listings as at 30 April 2021 8. Based on figures provided to the company by Trader Interactive, as at December 2020.

TRADER INTERACTIVE HAS AN EXPERIENCED MANAGEMENT TEAM

Trader Interactive's management team has strong experience in non-automotive classifieds



Lori Stacy
Chief Executive Officer

- Appointed CEO in 2017
- Joined TI in 1997 as a Sales Manager with Auto Trader
- Experience with Dominion Enterprises, Cox Automotive and Landmark Media Enterprises



Charles Goodwyn
Chief Financial Officer

- Appointed CFO in 2017
- Joined TI in 2000 as VP of Finance and Business Systems
- Previous experience with PwC as Audit Manager for 7 years



Senthil Velayutham
Chief Product & Technology Officer

- Appointed CPTO in 2020
- 24 years experience with Microsoft as CTO/Chief Architect of Microsoft Search & AI and Microsoft Teams
- Has a Masters of Science, Computers and Engineering from Arizona State University



Deadrick Baker
Chief People Officer

- Joined TI as CPO in 2020
- Background in human resources with extensive experience in talent acquisition in development, including with Health Essentials, Fidelity Life Insurance MassMutual and Cigna Healthcare



Paige Bouma
EVP - Sales & Operations

- Joined TI in 2005 as National Sales Manager for CycleTrader.com in 2005
- Became VP of recreational brands in 2014 before being appointed EVP of sales & operations in 2020



Mark Coster
SVP of Corporate Strategy & Development

- Joined TI in 2017
- Extensive experience in strategy and M&A with CarMax, PRA Group and Boston Consulting Group



STRATEGIC RATIONALE

CARSALES CURRENT NON-AUTOMOTIVE PORTFOLIO

carsales has built a portfolio of market-leading non-automotive marketplaces in Australia over the last 15 years

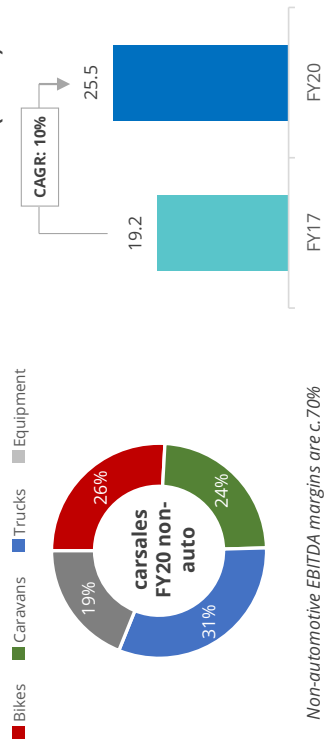
carsales current Non-Automotive Market Positions



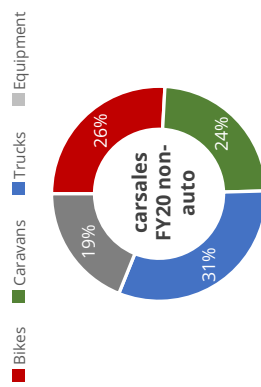
Market position¹	#1	#1	#1	#2	#2
Average monthly session (m)²	2.6	1.5	0.6	0.2	0.3
Lead over nearest competitor³	7.8x	4.0x	2.3x	n.a.	n.a.
Active listings (000)⁴	11	7	37	17	24

carsales Non-Automotive Revenue Profile

Revenue Growth (AUDm)⁶



% Contribution to Revenues⁵



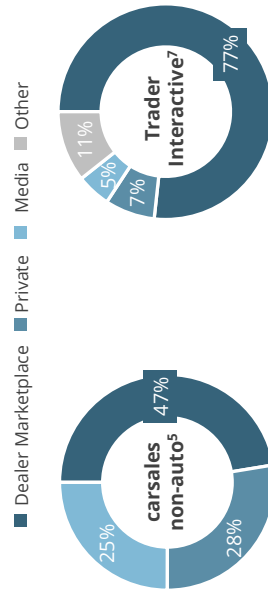
Non-automotive EBITDA margins are c.70%

carsales' Non-Automotive Business Commentary

- carsales has operated market leading non-automotive websites since 2005
- There is strong synergy between carsales' automotive and non-automotive marketplaces:
 - carsales' technology platform is common across all verticals, meaning we can leverage carsales' product suite across verticals; and
 - carsales has leveraged the enquiry based charging model into non-automotive markets
- This has resulted in establishing very strong market positions and delivered revenue and EBITDA growth

Revenue by Segment

% Contribution to FY20 Revenue



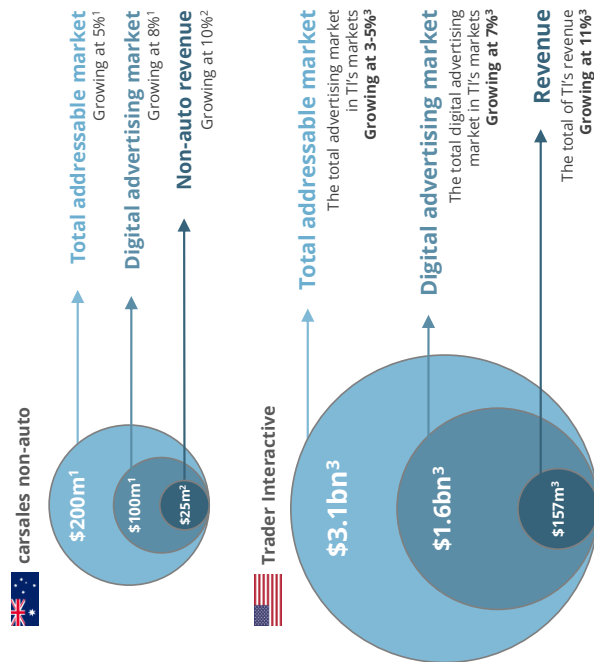
carsales can leverage strong non-dealer experience into TI

1. Position determined by Similarweb monthly visits March-21 v nearest competitor. 2. Nielsen Digital Content Ratings, average monthly sessions July 2020 - December 2020. 3. Similarweb monthly visits March-21 v nearest competitor. 4. Active listings as at 30 April 2021. 5. carsales internal data excluding boats, including website services and finance. 6. carsales internal data excluding boats, website services and finance. 7 Based on figures provided to the company by Trader Interactive.

STRATEGIC RATIONALE MARKET SIZING AND DIGITAL PROFILE

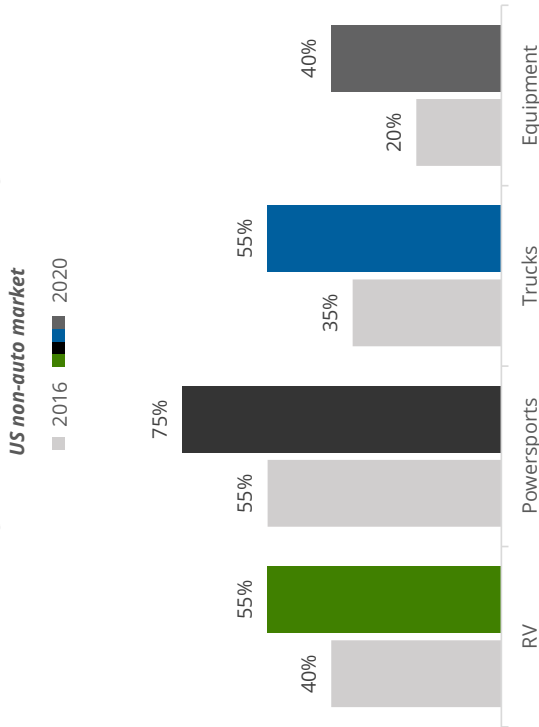
US non-automotive advertising is a large, increasingly digital market

TI operates in large and highly attractive markets



Dealers are increasingly focused on digital marketing channels

Digital Channels % of Advertising³



TI's addressable advertising market is approximately 16 times larger than Australia. TI has a lower market share than carsales' non-automotive business

The non-automotive market is less digitally mature than the automotive market. Provides an ongoing structural opportunity for digital marketplaces like TI

1. carsales management estimates. Addressable market defined as national dealer advertising spend, growth rates CAGR FY17-FY20. 2. carsales internal data excluding boats, websites services and finance CAGR FY17-FY20. 3. Addressable market defined as national dealer advertising spend, carsales management estimates. CAGR CY16 - CY20 based on figures provided to the company by Trader Interactive and A\$157m represents CY20 p/o formal revenue.

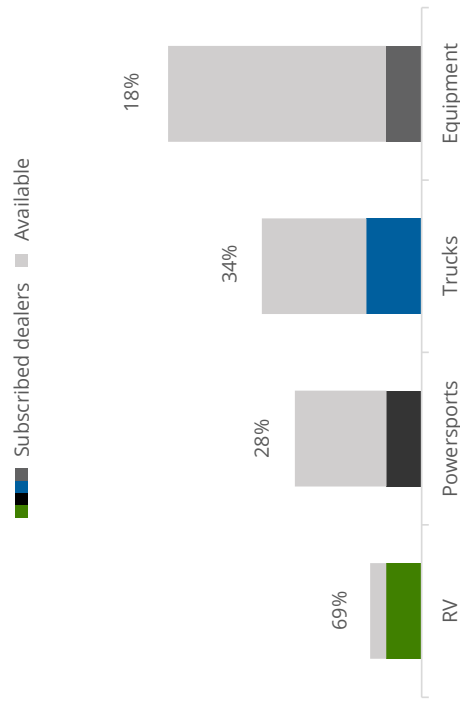
STRATEGIC RATIONALE

DEALER PENETRATION OPPORTUNITY AND MONETISATION OPPORTUNITY

TI is well positioned to grow dealer penetration and monetisation

There is a significant opportunity to grow TI's dealer penetration

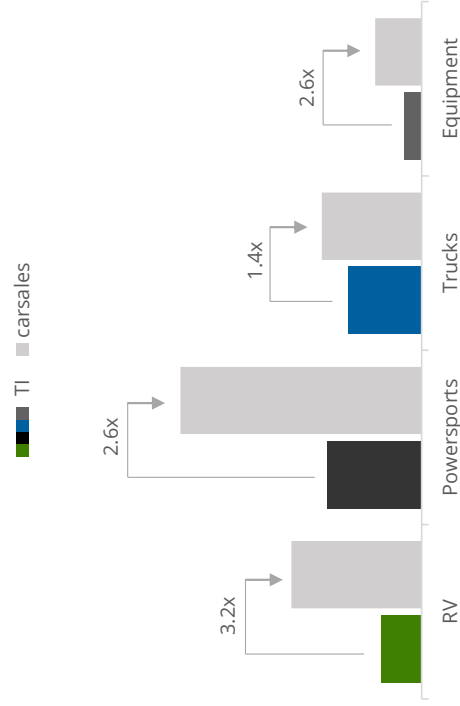
Subscribed Dealer Volume Penetration¹



Increasing digital maturity and strategic input from carsales provide the opportunity to drive increased dealer penetration in TI's markets

And increase TI's monetisation given strong ROI

TI's fees as a % of gross profit per unit sold²



There is considerable opportunity to grow the % of gross profit per sale

¹ Based on figures provided to the company by Trader Interactive at 31 December 2020. ² Based on carsales internal data and figures provided to the company by Trader Interactive based on FY20 revenue.

STRATEGIC RATIONALE VALUE CREATION OPPORTUNITIES

Significant opportunity to enhance growth through carsales' experience and technology

Key value creation themes

- 1

Technology platform and capability

 - carsales has a best in class global technology platform that is standardised across verticals and geographies
 - carsales can leverage this capability into Trader Interactive as required
- 2

New product deployment

 - carsales has a strong track record of deploying its suite of sophisticated products and software into new markets.
 - Significant opportunity to enhance Trader Interactive revenue growth through new products as required
- 3

Strategic value creation insights

 - carsales is a global leader in demonstrating attribution of value which is critical to long term value creation for automotive and non-automotive marketplaces

Case studies and experience

South Korea

- carsales entered the South Korean market in 2014 and has enhanced growth through its technology, product and strategic capability
- Deployed carsales' technology and product including our proprietary search engine and sophisticated suite of media and listing depth products
- Remodeled Encar's 'Instant Offer' product based on learnings from Australia - this product is now a material contributor to Encar's revenue and will create significant long term value
- Launched a very successful guarantee inspection product

Brazil / LATAM

- Converted dealers to the pay per lead model in Brazil which has enhanced Webmotors' ability to attribute value and strengthened its market leadership position
- Launched new dealer software in Brazil called 'Cockpit', which provides a suite of dealer services, including lead management, CRM, 3rd party lead management, training and advertising support
- Built a world class finance integration with equity partner Santander which allows seamless credit assessment, including approval into Cockpit. This is now a material revenue contributor for the business
- Deployed carsales' global platform into Chile, Argentina and Mexico

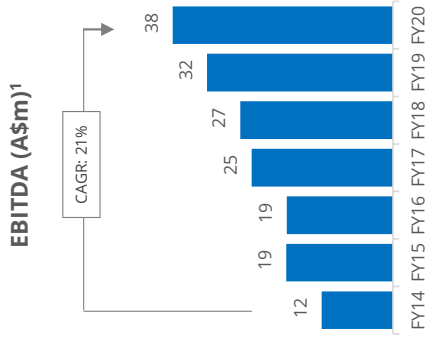
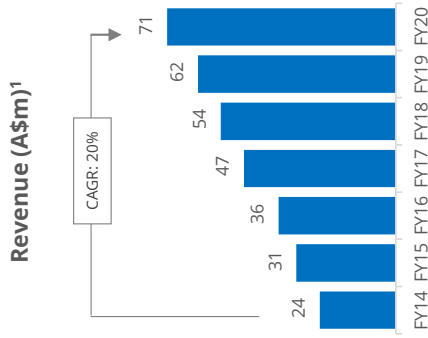
STRATEGIC RATIONALE

CARSALES TRACK RECORD OF GLOBAL ACQUISITIONS SUPPORTING GROWTH

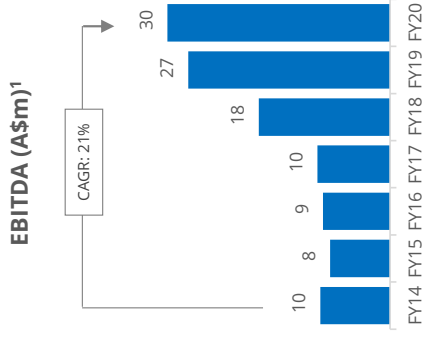
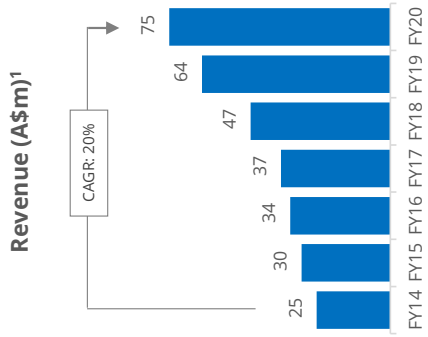
Strong track record of driving growth through international expansion

South Korea - Encar

Brazil: webmotors (30% owned)



Leveraged carsales IP and technology into the Encar business to deliver more sophisticated tools and products



Transferred all dealers on to a pay-per-lead model and built seamless finance integration

1. Revenue and EBITDA stated is 100% of the revenue and EBITDA for the business and FY14 to FY19 has been presented on a constant currency basis to remove the impact of currency exchange fluctuation.

STRATEGIC RATIONALE

IMPROVED REVENUE DIVERSIFICATION

Enhances carsales' geographical and industry diversification

Enhances carsales' geographical diversification

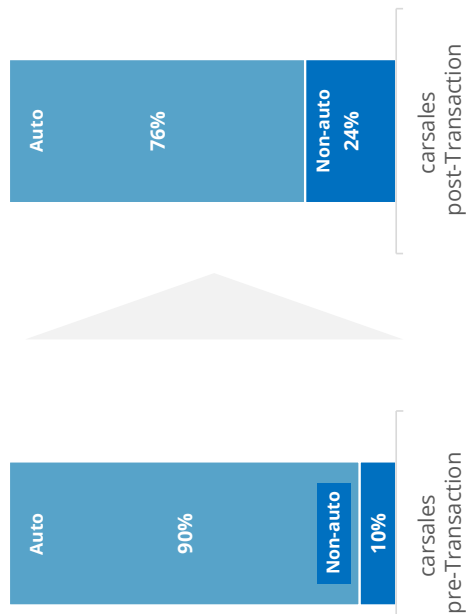
Enhances carsales' industry diversification

Geographical Revenue¹ Mix



The Acquisition is consistent with our strategy of diversifying into international markets with strong growth potential

Industry Revenue¹ Mix



The Acquisition provides increased exposure to the attractive non-automotive industries.

1. Based on carsales' look-through methodology excluding industry mix excluding tyre sales and Redhook inspect. FY20 carsales Adjusted Revenue + Trader Interactive Adjusted Revenue based on figures provided to the company by Trader Interactive. 4. Look-Through Methodology - carsales' look-through methodology: For equity accounted associates and consolidated subsidiaries, add the total Adjusted Revenue or Adjusted EBITDA for the period of ownership within the reporting period multiplied by the % ownership over the period. Some "look-through" numbers involve the disclosure of non-IFRS information - Refer to carsales' Disclosure of Non-IFRS information on slide 3 for further details and see slides 35-36 for list of adjustments.



carsales FY21 PERFORMANCE UPDATE

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CARSALES FY21 PERFORMANCE UPDATE

We provide the following estimate of the FY21 results for the carsales business excluding the Acquisition.

All numbers referenced in relation to FY21 are unaudited and will be subject to review as part of our year-end audit process. The result ranges are an estimate only to keep the market as well informed as possible and we note significant volatility and uncertainty remains given the impact of COVID-19. All estimates below exclude the impact of the Transaction proposed, including any transaction costs.

A\$m	FY21		Growth
	Actual	Estimate	
Adjusted Revenue ²	422	433-437	3-4%
Adjusted EBITDA ²	232	250-254	8-10%
Adjusted NPAT ²	138	149-153	8-11%
<i>Adjusted EBITDA Margin %</i>	55%	57%-58%	-
Reported Revenue	394	422-426	7-8%
Reported EBITDA	202	238-242	18-20%
Reported NPAT	120	130-134	8-12%

The estimated results demonstrate the continued strength of our Australian and international businesses. Domestic business performance in the first four calendar months reflects continued healthy levels of demand in the Australian automotive and non-automotive markets as well as increased adoption in key growth products.

Our international businesses are delivering strong financial results, particularly in Korea whilst Brazil continues to demonstrate resilience in a challenging COVID-19 environment.

1. FY20 Asia segment revenue and expense has been restated to treat certain expenses as a reduction in revenue, resulting in a A\$1.4m reduction in revenue and expense. 2. Adjusted Revenue, Adjusted EBITDA and Adjusted NPAT stated above is post non-controlling interests and excludes certain non-recurring or non-cash items. Refer to slide 3 for disclosure of non-IFRS information and slide 35 for reconciliation from Reported to Adjusted Financials.



TRANSACTION FUNDING AND FINANCIAL IMPACT

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TRANSACTION FUNDING AND TERMS

The Acquisition will be funded by a mix of equity and debt

Acquisition Price	<ul style="list-style-type: none"> Acquisition Price of US\$624m¹, or approximately A\$797m equivalent² for 49% of the interest in Trader Interactive
Funding	<ul style="list-style-type: none"> The Acquisition Price, plus transaction costs, to be funded by: <ul style="list-style-type: none"> Approximately A\$600m fully underwritten 1 for 6.99 pro-rata accelerated renounceable entitlement offer (with retail entitlements trading) Balance to be funded by upsized debt facilities from carsales' existing lenders, fully committed on substantially the same terms and conditions as the existing facilities. carsales' debt facility to be upsized from A\$650m to A\$900m carsales is expected to maintain a strong balance sheet post Acquisition, with pro forma LTM to 31 December 2020 Net Debt / EBITDA leverage of 2.3x³ (pro forma look-through leverage of 2.7x⁴ due to leverage at Trader Interactive)
Timing and Completion Considerations	<ul style="list-style-type: none"> The Acquisition remains subject to customary closing conditions, including carsales obtaining the necessary regulatory approvals, no material adverse change occurring prior to completion and no pending or threatened litigation. These conditions are expected to be satisfied in H1 FY22
Governance Arrangements	<ul style="list-style-type: none"> The Acquisition includes customary governance arrangements, including Board seats commensurate with carsales' holding, certain information and decision rights and a call option on specified terms

Sources	\$A Millions
Equity raising proceeds	600
Debt drawn	222
Total Sources	822

Uses	\$A Millions
Acquisition Price	797
Transaction Costs	25
Total Sources	822

1. Acquisition price calculated as 100% EV less net debt and other adjustments of US\$551m (as at 31 March 2021), multiplied by 49% share of interest in Trader Interactive that carsales is acquiring. The final Acquisition Price is subject to completion adjustments and may differ from the number reported in this presentation. 2. Assumes an AUD / USD exchange rate of 0.784. 3. Based on carsales' debt position as at 31 December 2020 as set out in the carsales audited financial statements for the half year ended 31 December 2020 (refer to slide 28 for leverage calculation), including the pro-forma adjustments to reflect the impact of the Acquisition as outlined on slide 36. 4. Look-through leverage represents carsales' economic share of debt divided by its economic share of EBITDA.

CARSALES PRO FORMA HISTORICAL PROFIT AND LOSS – LTM TO 31 DECEMBER 2020

LTM ¹ Ended 31 December 2020, \$A Millions	carsales ²	Trader Interactive ³	Adjustments	Pro Forma
Adjusted Revenue⁴	417.9	-	-	417.9
Expense	(167.3)	-	-	(167.3)
Adjusted EBITDA⁴	250.6	-	-	250.6
<i>EBITDA margin</i>	60.0%	-	-	60.0%
Depreciation & amortisation	(30.2)	-	-	(30.2)
EBIT	220.4	-	-	220.4
Net finance costs	(15.0)	-	(4.0)	(19.0)
Profit Before Tax	205.3	-	(4.0)	201.4
Income tax expense	(61.0)	-	1.2	(59.9)
Profits from associates	4.6	26.6	-	31.2
Non-controlling interests (NCI)	(0.1)	-	-	(0.1)
Adjusted NPAT⁴	148.8	26.6	(2.8)	172.6
Adjusted EPS (cents)⁵	59.5	-	-	61.4

Trader Interactive⁶ (\$Am) CY20

Adjusted EBITDA ⁴	78.3
Depreciation & amortisation	(4.9)
Net finance costs	(18.6)
Income tax expense	(0.4)
Adjusted NPAT⁴	54.4
carsales share of Net Profit	26.6

Basis of preparation

- The pro forma information is presented to show the impact of the Acquisition had it been acquired as of 1 January 2020.
- The pro forma results reflect the results of carsales for CY20, aggregated with Trader Interactive's 49% share of pro forma net profit for CY20 pursuant to the equity accounted investment approach being adopted by carsales.
- carsales prepares its financial statements in accordance with the Australian equivalent of International Financial Reporting Standards ("IFRS"), Trader Interactive financial information has been prepared in accordance with US GAAP principles, which may differ from IFRS and carsales' accounting policy. As at the date of this Presentation quantified differences between US GAAP and IFRS have been included as part of the Adjustments.

Pro-forma transaction adjustments

- Interest on new debt: pro forma A\$4m of pre-tax additional interest expense representing the annual cost of the incremental A\$222m in debt at the carsales level to fund the Acquisition.
- Income tax expense represents pro forma tax deduction on A\$4m additional interest expense.
- Profits from associates: Reflects carsales' share of Trader Interactive's Adjusted NPAT of A\$54.4 (US\$42.6m) multiplied by 49%, being carsales' interest. The table at the bottom of the page details the reconciliation between Trader Interactive's CY20 Adjusted EBITDA and carsales' share of Adjusted NPAT.
- Depreciation & amortisation: represents reported A\$5m of depreciation and amortisation associated with the acquired business and excludes intangible assets recognised in respect of historical acquisitions undertaken by Trader Interactive. In addition, it excludes amortisation of intangible assets recognised by carsales as part of this acquisition.
- Net Finance cost: reflects A\$18.6m of interest at the Trader Interactive asset level on its 31 March 2021 debt balance of A\$438m (US\$343m). This assumes that Trader Interactive refinances its existing debt as part of the Acquisition at an interest rate of 4.25%.
- Income tax expense: A\$0.4m tax expense on an adjusted basis after receiving a A\$60m (US\$47m) tax deduction for purchase price intangibles at the Trader Interactive level.
- Please refer to slide 36 for a reconciliation from Reported to Adjusted Financials.

1. Refers to the period from Jan-20 to Dec-20. 2. FY20 Asia segment revenue and expense has been restated to treat certain expenses as a reduction in revenue, resulting in a A\$1.4m reduction in revenue and expense. 3. Data has been extracted from the Trader Interactive adjusted financials and is reported in US GAAP. 4. Adjusted Revenue, Adjusted EBITDA and Adjusted NPAT stated above is post non-controlling interests and excludes certain non-recurring or non-cash items and new ventures on Trader Interactive level. Adjusted NPAT also excludes amortisation of Trader Interactive's acquisition related intangible assets and any intangible assets that will be recognised by carsales (for carsales' reporting purposes) as part of the purchase price accounting exercise. Refer to slide 3 regarding the disclosure of non-IFRS information and slides 35-36 for reconciliation from Reported to Adjusted Financials. 5. Based on Adjusted EPS before amortisation of intangibles and one-off transaction costs. The impact of purchase price accounting has not been completed and will impact future amortisation charges. In accordance with AASB 133, carsales' pro Transaction EPS has been restated based on an adjustment factor to take into account the bonus element of the Entitlement Offer. 6. Financials stated is for the 100% of the business.

PRO FORMA "LOOK-THROUGH" P&L ANALYSIS

LTM ¹ Ended 31 December 2020, \$A Millions	carsales ²	Trader Interactive ³	Pro Forma
Domestic Revenue	324.3	-	324.3
International Revenue	106.7	76.8	183.5
Total Look-through⁴ Revenue	431.0	76.8	507.8
Domestic EBITDA	207.5	-	207.5
International EBITDA	51.0	38.4	89.4
Total Look-through⁴ EBITDA	258.5	38.4	296.9
<i>EBITDA margin %</i>	60.0%	50.0%	58.5%

Basis of preparation

- The adjacent pro forma financials have been prepared using carsales' look-through methodology as follows: for equity accounted associates and consolidated subsidiaries, add the total revenue or EBITDA multiplied by the % ownership over the period.

Pro-forma transaction adjustments

- Revenue: A\$76.8m of look-through revenue has been calculated based on Trader Interactive's Adjusted Revenue of A\$156.7m (US\$122.9) multiplied by carsales' ownership interest of 49%.
- EBITDA: A\$38.4m of look-through EBITDA has been calculated based on Trader Interactive's Adjusted EBITDA of A\$78.3m (US\$61.4m) multiplied by carsales' ownership of 49%. Please refer to slides 35-36 for a reconciliation between Adjusted and Reported EBITDA.

1. Refers to the period from Jan-20 to Dec-20. 2. FY20 Asia segment revenue and expense has been restated to treat certain expenses as a reduction in revenue, resulting in a A\$1.4m reduction in revenue and expense. 3. Data has been extracted from the Trader Interactive financials and is reported in US GAAP. 4. Look-Through Methodology - carsales "look-through" methodology: For equity accounted associates and consolidated subsidiaries, add the total Adjusted Revenue or Adjusted EBITDA for the period of ownership within the reporting period multiplied by the % ownership over the period. Some "look-through" numbers involve the disclosure of non IFRS information - Refer to carsales' Disclosure of Non IFRS in information on slide 3 for further details and see slides 35-36 for list of adjustments.

PRO FORMA BALANCE SHEET BASED ON 31 DECEMBER 2020

\$A Millions	31-Dec-20 carsales¹	Impact of Acquisition	Combined
Current assets	152.2	-	152.2
Non-current assets	772.8	796.8	1,569.6
Total assets	925.0	796.8	1,721.8
Current liabilities	73.3	-	73.3
Non-current liabilities	541.6	221.8	763.4
Total liabilities	614.9	221.8	836.7
Net assets	310.1	575.0	885.1
Total equity	310.1	575.0	885.1
Net Debt	360.6	221.8	582.4
Net Debt to EBITDA Ratio	1.4x	-	2.3x

Basis of preparation

- The pro forma balance sheet is presented to show the impact of the Acquisition had it occurred as at 31 December 2020.
- carsales prepares its financial statements in accordance with the Australian equivalent of IFRS.

Pro-forma transaction adjustments

- Reflects the equity value of the investment, which is recorded as a non-current asset.
- Reflects increased debt at the carsales level to fund the Acquisition.
- Reflects assumed A\$600m of equity being raised less transaction costs.
- Pro forma Net debt to EBITDA is calculated as pro forma Net Debt A\$582.4m divided by LTM EBITDA A\$250.6m as of 31 December 2020.

1. carsales 31-Dec-20 position based on carsales' reviewed financial statements for the period ended 31 December 2020.

3 ASX Announcements continued



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OVERVIEW OF THE EQUITY RAISING

Offer Size and Structure	<ul style="list-style-type: none"> Fully underwritten 1 for 6.99 pro-rata accelerated renounceable entitlement offer (with retail entitlements trading) to raise gross proceeds of approximately A\$600m ("Entitlement Offer") Approximately 35.3m new ordinary shares ("New Shares") to be issued under the Offer, equivalent to 14.3% of existing shares on issue
Offer Price	<ul style="list-style-type: none"> Entitlement Offer price of A\$17.00 per New Share ("Offer Price"), representing: <ul style="list-style-type: none"> a 12.9% discount to the last closing price of A\$19.51 at Tuesday, 11 May 2021; and a 11.4% discount to Theoretical Ex-Rights Price ("TERP") of A\$19.20¹
Use of Proceeds	<ul style="list-style-type: none"> Net proceeds from the Entitlement Offer are intended to be used to partially fund the Acquisition of a 49% interest in Trader Interactive and associated costs²
Institutional Entitlement Offer	<ul style="list-style-type: none"> The Institutional Entitlement Offer opens today and closes on Thursday, 13 May 2021 Institutional Entitlements not taken up and entitlements of ineligible institutional shareholders will be sold in an institutional shortfall bookbuild, which opens on Thursday, 13 May 2021 and closes on Friday, 14 May 2021, and any proceeds in excess of the Offer Price will be paid to relevant shareholders
Retail Entitlement Offer	<ul style="list-style-type: none"> The Retail Entitlement Offer will open at 9:00am (Melbourne time) on Wednesday, 19 May 2021 and close at 5:00pm (Melbourne time) on Wednesday, 2 June 2021 Eligible retail shareholders in Australia and New Zealand have a number of options under the Retail Entitlement Offer: <ul style="list-style-type: none"> Elect to take up all or part of their pro rata entitlements prior to 5:00pm (Melbourne time) on Wednesday, 2 June 2021 Sell or transfer all or part of their retail entitlements, which may be traded on the ASX from Monday, 17 May 2021 (on a deferred settlement basis) and Wednesday, 19 May 2021 (on a normal settlement basis) to Wednesday, 26 May 2021 Do nothing and let their retail entitlements be offered for sale through the retail shortfall bookbuild process managed by the Underwriters, with any proceeds in excess of the Offer Price (net of any withholding tax and expenses) paid to the shareholder Retail shareholders should read the Retail Entitlement Offer Booklet which contains full information on the Retail Entitlement Offer and application process
Underwriting	<ul style="list-style-type: none"> The Entitlement Offer is fully underwritten
Ranking	<ul style="list-style-type: none"> New Shares issued under the Entitlement Offer will rank pari passu with existing fully paid shares from the date of issue
Board Participation	<ul style="list-style-type: none"> All the Directors of carsales has indicated they will be participating in the Offer for the shares they own

¹ Theoretical Ex-Rights Price ("TERP") is a theoretical calculation only and the actual price at which carsales shares trade immediately following the ex-date for the Entitlement Offer. The actual trading price of carsales' shares may be different from TERP. TERP is calculated by reference to carsales' closing price of A\$19.51 on Tuesday, 11 May 2021, being the last trading day prior to the announcement of the Entitlement Offer. ² The equity raised from the Entitlement Offer will be in AUD to fund the Acquisition in US Dollars. Funding assumes an AUD/USD exchange rate of 0.784.

EQUITY RAISING TIMETABLE

Event	Date¹
Trading halt and announcement of Entitlement Offer	Wednesday, 12 May 2021
Institutional Entitlement Offer opens	Wednesday, 12 May 2021
Institutional Entitlement Offer closes	Thursday, 13 May 2021
Institutional Entitlement Offer Shortfall book closes	Friday, 14 May 2021
Announcement of results of Institutional Entitlement Offer	Monday, 17 May 2021
Trading halt lifted and shares recommence trading on an ex-entitlement basis	Monday, 17 May 2021
Record Date for Entitlement Offer (7.00pm Melbourne time)	Monday, 17 May 2021
Retail rights commence trading on the ASX	Monday, 17 May 2021
Retail Entitlement Offer opens and Retail Offer Booklet made available	Wednesday, 19 May 2021
Settlement of new shares issued under the Institutional Entitlement Offer	Friday, 21 May 2021
Allotment and normal trading of new shares issued under the Institutional Entitlement Offer	Monday, 24 May 2021
Close of retail rights trading on the ASX	Wednesday, 26 May 2021
Retail Entitlement Offer closes (5.00pm Melbourne time)	Wednesday, 2 June 2021
Announcement of results of Retail Entitlement Offer	Monday, 7 June 2021
Retail Entitlement Offer shortfall bookbuild	Monday, 7 June 2021
Announce results of Retail Entitlement Offer shortfall bookbuild	Tuesday, 8 June 2021
Settlement of new shares issued under the Retail Entitlement Offer	Thursday, 10 June 2021
Allotment of new shares under the Retail Entitlement Offer	Friday, 11 June 2021
Normal trading of new shares issued under the Retail Entitlement Offer	Tuesday, 15 June 2021
Holding statements in respect of new shares issued under the Retail Entitlement Offer despatched	Wednesday, 16 June 2021

1. The timetable is indicative only and subject to change. carsales and the Underwriters may, in their absolute discretion, vary any of the above dates by lodging a revised timetable with the ASX.



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CONCLUSION

CONCLUSION



Large and highly attractive markets



High quality business with strong growth potential



Favourable structural trends in digital adoption



Track record of successful international investments



Enhanced diversification



Attractive financial outcomes



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APPENDIX A SUPPLEMENTARY FINANCIAL INFORMATION

ADJUSTED TO REPORTED FINANCIALS - CARSALES

\$A Millions	FY21 Estimate		
	Revenue	EBITDA	NPAT
Reported Financials	422-426	238-242	130-134
Dealer Support Package	10.7	10.7	7.5
Restructuring and M&A transaction costs	-	1.1	0.8
Hedge Close out	-	-	4.2
Total acquired intangible amortisation	-	-	6.8
Adjusted Financials	433-437	250-254	149-153

\$A Millions	CY20		
	Revenue	EBITDA	NPAT
Reported Financials	379.8	211.4	109.8
Dealer Support Package	38.1	38.1	26.7
Restructuring and M&A transaction costs	-	1.1	0.8
Hedge Close out	-	-	1.4
Option Movement in Fair Value	-	-	(2.0)
Loss / (Gain) on disposal of business	-	-	1.5
One-off tax adjustment	-	-	3.7
Total acquired intangible amortisation	-	-	6.8
Adjusted Financials	417.9	250.6	148.8

1. Refers to the period from Jan-20 to Dec-20.

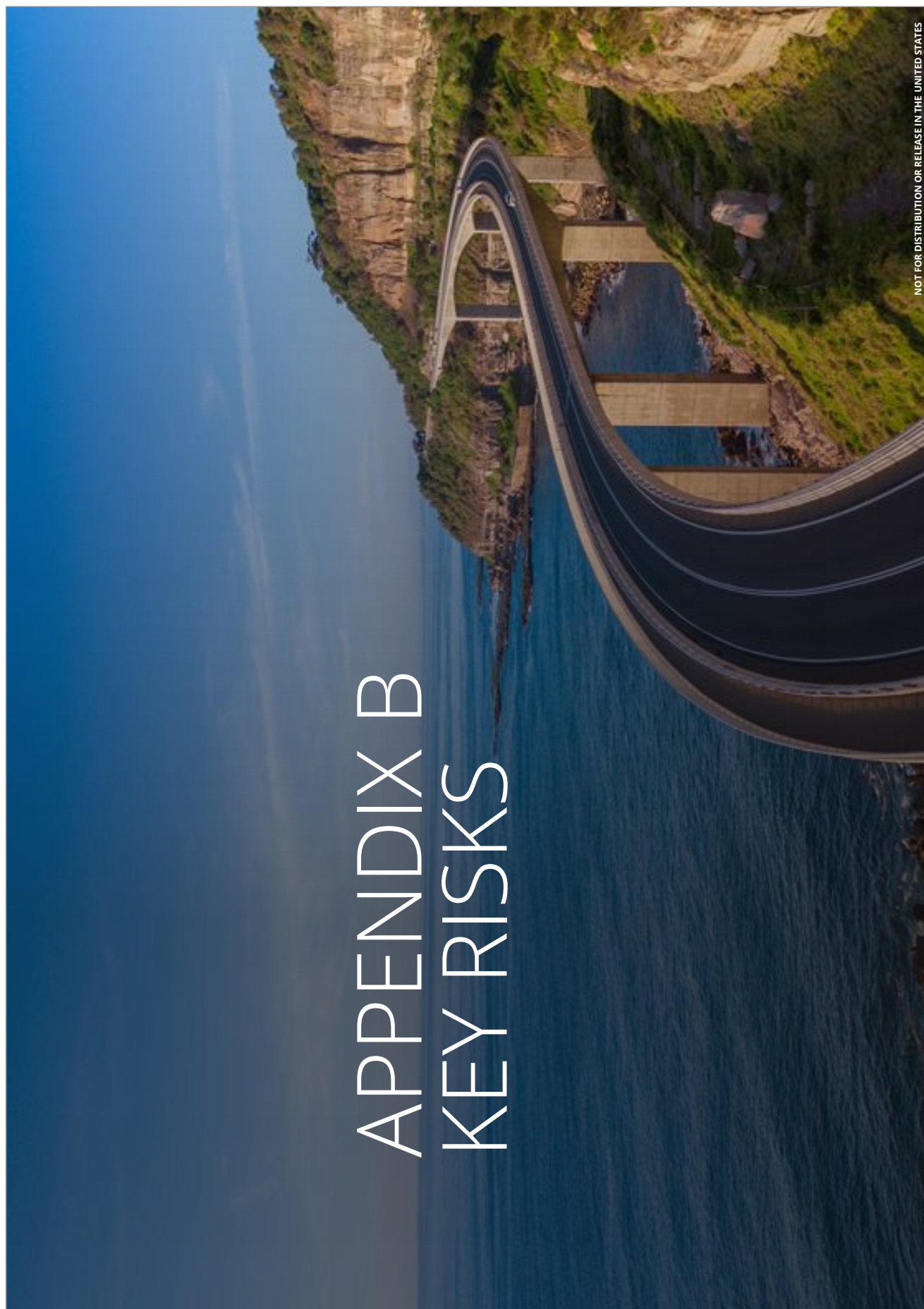
ADJUSTED TO REPORTED FINANCIALS CY20 – TRADER INTERACTIVE

LTM ¹ Ending 31 December 2020, \$A Millions	Reported	Adjustments	Adjusted
EBITDA	57.9	20.5	78.3
<i>EBITDA Margin %</i>	40.2%	-	50.0%
Depreciation & amortisation	(31.9)	27.0	(4.9)
EBIT	26.0	47.4	73.4
Net finance costs	(39.0)	20.4	(18.6)
Profit Before Tax	(13.0)	67.8	54.8
Income tax expense	(0.4)	-	(0.4)
Net Profit After Tax	(13.4)	67.8	54.4
carsales share of Net Profit	(6.6)	33.2	26.6

Pro-forma transaction adjustments

- A. EBITDA: Adjustments primarily include pro forma adjustments for pre-acquisition earnings of historical acquisitions undertaken by Trader Interactive, and the impact of COVID-19, as well as normalisation adjustments to exclude non-operating, non-recurring items and new ventures.
- B. Depreciation & amortisation: Reported depreciation and amortisation of purchase price intangibles under the previous ownership structure. The adjusted amount excludes the impact of any purchase price intangibles that have been recognised by Trader Interactive in respect of acquisitions made historically. Also excluded is amortisation of purchase price intangibles that will arise for carsales reporting purposes as part of carsales' purchase price accounting for this transaction.
- C. Net Finance cost: Adjusted interest A\$18.6m has been calculated based on Trader Interactive's current debt balance of A\$438m (US\$343m) multiplied by re-financed interest rate of 4.25%. Reported interest reflects interest incurred under the previous ownership structure.

1. Refers to the period from Jan-20 to Dec-20



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

KEY RISKS

INTRODUCTION

This section sets out some of the key risks associated with an investment in carsales, together with risks relating to participation in the Entitlement Offer which may affect the value of securities in carsales. The risks set out are not listed in order of importance and do not constitute an exhaustive list of all risks involved with an investment in carsales.

Before investing in carsales you should be aware that a number of risks and uncertainties, which are both specific to carsales and of a more general nature, may affect the future operating and financial performance of carsales and the value of carsales shares.

Before investing in carsales shares, you should carefully consider the risk factors and your personal circumstances. Potential investors should consider publicly available information on carsales (such as that available on the ASX website), and consult their stockbroker, solicitor, accountant or other professional advisor before making an investment decision.

Nothing in this Presentation is financial product advice and this document has been prepared without taking into account your investment objectives or personal circumstances.

ACQUISITION SPECIFIC RISKS

- carsales expects the Acquisition to proceed as advised in this Presentation. If the Acquisition fails to complete or completion is delayed, the expected financial performance of carsales could be adversely affected and the benefits of the Acquisition outlined in this presentation would not be realised.
- If the Acquisition does not complete and carsales has raised proceeds under the Entitlement Offer, carsales will need to consider alternative uses for those proceeds, or ways to return such proceeds to shareholders. If completion of the Acquisition is delayed, carsales may incur additional costs and it may take longer than anticipated for carsales to realise the anticipated benefits of the Acquisition.
- Failure to complete the Acquisition may be due to intervention by a regulatory body or order of a court of competent jurisdiction that prevents completion from occurring, or a failure to satisfy any of the conditions precedent to the Securities Purchase Agreement, amongst other factors. Completion may also be impacted or prevented as a result of changes in the relevant legal and regulatory frameworks in the United States.
- The Securities Purchase Agreement contains a number of customary closing conditions including obtaining the necessary regulatory approvals. The conditions which are expected to be satisfied in early 1H FY22 but these are not within carsales' control.

Completion Risks

KEY RISKS

ACQUISITION SPECIFIC RISKS (continued)

<p>Due Diligence</p>	<ul style="list-style-type: none"> carsales has undertaken a due diligence process in relation to Trader Interactive which relied in part on the review of financial and other information provided by Trader Interactive considers this due diligence process to be appropriate. Despite making reasonable efforts, carsales has not been able to verify the accuracy, reliability or completeness of all of the information which was provided to it against independent data. carsales' assumptions and analysis may be inaccurate, including as a result of incorrect or missing information, flawed analysis methods or incorrect assumptions. There is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the Acquisition have been completely or accurately identified and avoided (or managed appropriately) and actual performance or circumstances may differ from carsales' conclusions. There is a risk that unforeseen issues and risks in respect of the Acquisition in relation to Trader Interactive and its business may arise, which may have a material adverse impact on carsales (for example, carsales may later discover liabilities or issues which were not identified through due diligence or for which there is no protection for carsales). This could adversely affect the operations, financial performance or position of both Trader Interactive and carsales.
<p>Future Earnings Risks</p>	<ul style="list-style-type: none"> carsales has undertaken financial and business analysis of Trader Interactive in order to determine its attractiveness to carsales and whether to pursue the Acquisition. It is possible that such analysis, and the best estimate assumptions made by carsales, draw conclusions and forecasts that are inaccurate or which will not be realised in due course. To the extent that the actual results achieved by Trader Interactive are different than those anticipated there is a risk that the profitability and future earnings of Trader Interactive may differ (including in a materially adverse way) from the performance as described in this Presentation.
<p>Acquisition Accounting</p>	<ul style="list-style-type: none"> carsales is required to undertake an assessment of the fair value of the identifiable assets acquired and liabilities assumed (including contingent liabilities) of Trader Interactive at the date of the Acquisition. If this assessment is incomplete as at the end of a carsales reporting period, reported amounts will be disclosed as provisional and will be finalised within 12 months of completion of the Acquisition. For the purposes of this Presentation, carsales has not estimated the fair value split of identifiable assets acquired and liabilities assumed on the basis this would be too judgemental at this stage. This fair value assessment will be completed within 12 months post Acquisition. Additionally, Trader Interactive prepares its financial statements in compliance with GAAP. Any changes to these accounting standards or to the interpretation of those standards may have an adverse effect on the reported financial performance of Trader Interactive and therefore may impact the reported value of Trader Interactive to carsales in the future.
<p>Key Employees</p>	<ul style="list-style-type: none"> Trader Interactive relies on the talent and experience of its key senior management and staff generally. The loss of any key personnel could cause disruption to the conduct of Trader Interactive's business in the short term and may have a material adverse impact on Trader Interactive's operations and/or financial performance.

KEY RISKS

ACQUISITION SPECIFIC RISKS (continued)

Regulatory Risks	<ul style="list-style-type: none"> carsales will be acquiring a large interest in a United States-based entity. This Acquisition requires carsales to comply with the onerous laws and regulations of the United States in relation to acquisitions, as well as the laws and regulations relating to operating a business in the United States. Any material breach of the relevant legal or regulatory obligations or failure to meet compliance requirements may have an adverse impact on, or will prevent completion of, the Acquisition, and may also have an adverse impact on the financial performance and operating position of carsales.
Legal Risks	<ul style="list-style-type: none"> The Acquisition will involve carsales entering into a number of transaction documents, including the Securities Purchase Agreement. While the documents contain some protections in respect of certain historical liabilities for Trader Interactive, there is always a risk that the documents do not contain adequate protection for potential liabilities in relation to Trader Interactive's business or other costs, potentially exposing carsales to the risk of future costs or disputes arising in relation to the Acquisition.
Impact of COVID-19	<ul style="list-style-type: none"> Trader Interactive's business and operations are exposed to the effects of COVID-19. COVID-19 poses significant risks of disruption to the Trader Interactive business, impaired financial performance, as well as potential impacts on the wellbeing of personnel. The long term impacts of COVID-19 on the general economy, non-automotive industry and Trader Interactive are uncertain and the future financial and operational performance of Trader Interactive may continue to be adversely impacted by adverse impacts from COVID-19.
Global Markets and Foreign Exchange Risk	<ul style="list-style-type: none"> Trader Interactive has significant operations in the United States. As a result of carsales increasing its global reach in the United States, carsales will be further exposed to the performance of the United States' domestic economy as well as global macroeconomic conditions. carsales will also become more exposed to fluctuations in the value of the United States Dollar, as well as other global currencies, than it was prior to the Acquisition. In cases where carsales' debt or other obligations are in currencies different than the currency in which carsales earns revenue, carsales may face higher costs to service those debts, which could impact on its financial performance or position. Fluctuations in the exchange rates, may also decrease the expected contributions made by Trader Interactive to carsales' earnings, resulting in an adverse impact on carsales' financial position.
Minority Stake	<ul style="list-style-type: none"> Following completion of the Acquisition, carsales will hold a 49% interest in Trader Interactive. Accordingly, carsales will not control Trader Interactive and the remaining 51% interest will be held by the Sponsors and Trader Interactive's management and employees. carsales has a call option in relation to all remaining interest in Trader Interactive on specified terms, which it can exercise at its discretion. Post the expiry of this call option, the Sponsors have the right to conduct a sales process if they wish to. There are circumstances where carsales may be dragged into selling its interest in Trader Interactive as part of this sales process.

KEY RISKS

ACQUISITION SPECIFIC RISKS (continued)

<p>Historical Liabilities</p>	<ul style="list-style-type: none"> • If the Acquisition completes, carsales will have exposure to any liabilities that Trader Interactive has incurred or agreed to incur in the past, including liabilities in connection with the Acquisition, such as adviser fees, payments under management incentive plans and those triggered by future control transactions. • In addition, carsales will be exposed to any liabilities which were not identified during its due diligence or which are greater than expected, for which insurance may not be adequate or available, and for which carsales may not have post-Completion recourse under the . These could include liabilities relating to current or future litigation, regulatory actions and other liabilities. Such liability may adversely affect the financial performance or position of carsales post-Acquisition.
<p>Debt Funding and Refinance Risk</p>	<ul style="list-style-type: none"> • The use of debt financing to partially fund the Acquisition means that carsales will be more exposed to risks associated with gearing and higher leverage ratios, as its debt levels will increase. In addition, carsales will be more exposed to general risks relating to any refinancing of its debt facilities. It may be more difficult for carsales to refinance all or some of these debt facilities in the future and may result in an inability to secure new debt facilities at a similar quantum and cost to existing debt facilities which may adversely affect its financial performance. There is also a risk that shareholders do not agree with the increase in carsales' debt levels and may seek to reduce their shareholding, which may result in a fall in carsales' share price. • Additionally, there is a risk that post completion of the Acquisition, Trader Interactive will need to access debt markets to refinance maturing debt or access debt for corporate purposes. Possible increases in the interest rate, the cost of interest rate hedges and the level of financial covenants required by lenders may adversely impact on the operational and financial results of Trader Interactive.
<p>Underwriting Risk</p>	<ul style="list-style-type: none"> • carsales has entered into an Underwriting Agreement with the Underwriters, pursuant to which the Underwriters have agreed to underwrite the Entitlement Offer, subject to the terms and conditions contained therein. If certain conditions are not satisfied or if certain termination events occur, the Underwriters may terminate the Underwriting Agreement. Those termination events are summarised in Appendix B of this Presentation. • Termination of the Underwriting Agreement may have a material impact on the proceeds raised under the Entitlement Offer. In these circumstances, carsales would need to find alternative funding to meet its contractual obligations under the Securities Purchase Agreement to pay the purchase price, which may result in carsales incurring additional costs (for example, by way of interest payments on debt) and/or potential restrictions being imposed on the manner in which carsales conducts its business and deals with its assets. There is no guarantee that alternative funding could be sourced on satisfactory terms and conditions or at all. Termination of the Underwriting Agreement could materially adversely affect carsales' business, cash flow, financial condition and results of operations.

KEY RISKS

RISKS RELATED TO INVESTMENT IN CARSALES

<p>Relationship with Dealers and OEMs</p>	<ul style="list-style-type: none"> carsales derives a significant proportion of its revenue from motor vehicle dealers and automotive manufacturers (OEMs). A change in the size and/or structure of this market could impact carsales' earnings. In particular, consolidation of the dealer market with fewer, larger dealers or increased manufacturer control of dealers' online advertising activity may impact upon the financial performance of carsales. In addition, a significant proportion of carsales' revenue is generated under monthly agreements with motor vehicle dealers. Should a significant number of dealers cancel or fail to renew their agreements, this may have an adverse effect on the financial performance of carsales.
<p>Reputational Risks</p>	<ul style="list-style-type: none"> The success of carsales and its businesses around the world is heavily reliant on its reputation and branding. Unforeseen issues or events, which place carsales' reputation at risk, may impact its future growth and profitability.
<p>Competition</p>	<ul style="list-style-type: none"> The online automotive advertising industry is highly competitive. While carsales will undertake all reasonable due diligence in its business decisions and operations, carsales will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of carsales' projects and business. For instance, new technologies could result in carsales' various online platforms not being sufficiently differentiated to other similar offerings. carsales' ability to develop additional online features could be adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of carsales. carsales' key competition risk is in achieving appreciable market share and differentiation from its key competitors.
<p>Downturn in Economy or Advertising Market</p>	<ul style="list-style-type: none"> The performance of carsales will continue to be influenced by the overall condition of the motor vehicle market. The motor vehicle market is influenced by the general condition of the Australian economy, which by its nature is cyclical and subject to change. In addition, carsales derives a significant proportion of its revenue from display advertisers on its network of websites. A decline or significant change in the advertising market as a result of broader economic influences or changing advertiser trends could have a negative impact on carsales' future earnings.
<p>Litigation or Disputes</p>	<ul style="list-style-type: none"> In the ordinary course of business, carsales may be involved in possible disputes. These disputes could give rise to litigation. While the extent of any disputes and litigation cannot be ascertained at this time, any dispute or litigation may be costly and may adversely affect the operational and financial results of carsales. There is also a risk that carsales' reputation may suffer due to the profile and public scrutiny surrounding any such litigation and disputes regardless of their outcome.

KEY RISKS

RISKS RELATED TO INVESTMENT IN CARSALES (continued)

Information Technology

- The performance of carsales' websites is very important to the reputation of carsales' businesses, its ability to attract customers and ability to achieve overall market acceptance of its services.
- carsales' websites and business operations rely on owned and third party IT infrastructure and systems, telecommunications operators, data centres and other third parties to maintain its websites and provide its products and services to customers.
- Any interruption to these operations or loss of customer data could impair carsales' ability to operate its customer facing websites which could have a negative impact on carsales' financial performance and reputation. carsales' financial performance will also depend on its ability to monitor and manage major projects such as website upgrades and other projects involving its IT infrastructure.
- Although carsales' systems have been designed around industry standard architectures, they remain vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunication failures, terrorist attacks, computer viruses or similar events. carsales' disaster recovery planning cannot account for all eventualities. carsales' websites have experienced system failures in the past and may do so in the future.

Cyber Security

- If frequent or persistent significant system failures are experienced on carsales' websites, carsales may need to take steps to increase the reliability of its systems and invest in further or improved back-up systems. This could be expensive, reduce operating margins and may not be successful in reducing the frequency or duration of unscheduled downtime. It would also negatively impact carsales' business reputation and brand name.
- The cyber threat to companies around the world is growing and unrelenting. carsales as an online business is not immune to these risks. carsales is vigilant and proactive in its approach to cyber security, investing resources to meet the challenges of a complex cyber environment in order to protect our customers' data. A cyberattack or hack of carsales' systems could have serious impacts on carsales' reputation, operational and financial performance.
- carsales' businesses may be adversely affected by malicious third party applications that interfere with, or exploit, security flaws in its websites. Viruses, worms and other malicious software programs could, among other things, jeopardise the security of information stored in a user's computer or in carsales' computer systems or attempt to change the internet experience of users by interfering with carsales' ability to connect with its users.
- If carsales' efforts to combat these malicious applications are unsuccessful, or if its products and services have actual or perceived vulnerabilities, carsales' business reputation and brand name may be harmed and user traffic could decline, which may result in a material adverse effect on carsales' operations and financial position.

KEY RISKS

RISKS RELATED TO INVESTMENT IN CARSALES (continued)

Dependence on Internet Infrastructure	<ul style="list-style-type: none">carsales' online businesses are dependent on the ongoing maintenance of the global, regional and local internet infrastructure to provide the necessary data speed, capacity and security to allow it to offer viable services.The internet has experienced significant growth in the number of users and amount of traffic. To the extent that the internet continues to experience increased numbers of users, there can be no assurance that the internet infrastructure will continue to be able to support the demands placed on it by continued growth.Any ongoing or serious disruptions to the performance of the internet in carsales' markets will adversely affect its operations and growth plans and would damage its business reputation and brand name.
Intellectual Property	<ul style="list-style-type: none">carsales regards substantial elements of its websites, software tools, applications, databases and underlying technology as proprietary. Despite precautionary measures, third parties may copy or otherwise obtain and use carsales' proprietary information without authorisation or may develop similar technology independently. In addition, competitors may be able to design around carsales' technology or develop competing technologies substantially similar to those of carsales without any infringement of carsales' proprietary rights. Any legal action that carsales may bring to protect its proprietary information could be unsuccessful and expensive and would divert management's attention from its business operations.carsales is also subject to the risk of claims alleging infringement of third-party proprietary rights. If carsales infringes upon the rights of third parties, it may be unable to obtain licences to use those rights on commercially reasonable terms. Third parties that provide products and services that are critical to carsales' business may be subject to similar claims, which could prevent them from continuing to provide these products and services to carsales. In either of these events, carsales may be required to undertake substantial reengineering of its systems or processes in order to continue offering its services and it may not succeed in doing so. In addition, any claim of infringement could use substantial management time and result in carsales incurring substantial costs to negotiate and resolve the claim. Furthermore, a party making such a claim could secure a judgment that requires carsales to pay substantial damages, which could adversely affect carsales' business and financial condition.
Insurance	<ul style="list-style-type: none">Not all risks are insured or insurable. carsales cannot be certain that its current insurance is adequate or that adequate insurance coverage for potential losses and liabilities will be available in the future on commercially reasonable terms. If carsales experiences a loss in the future, the proceeds of the applicable insurance policies, if any, may not be adequate to cover replacement costs, lost revenues, increased expenses or liabilities to third parties.Additionally, carsales' current insurance policies may not cover newly acquired assets or businesses (including its investment in Trader Interactive) and/or such acquisition may involve a substantial increase in premium to achieve coverage. These risks may have a materially adverse effect on carsales' financial position and performance.

KEY RISKS

RISKS RELATED TO INVESTMENT IN CARSALES (continued)

<p>Expiry or Termination of Material Contracts</p>	<ul style="list-style-type: none"> carsales relies on service providers for a number of ongoing services, which if terminated might have significant financial and operational implications for carsales' business. While carsales seeks to manage these arrangements, from time to time, in the ordinary course of business, material contracts will be terminated by the counterparty, expire or come up for renegotiations. While carsales carefully manages the replacement and renegotiation of material contracts and seeks to maintain positive relationships with counterparties, there is a risk that a counterparty may not be willing to enter into a further agreement or may seek to renegotiate the terms of the contract on less favourable terms for carsales. If any of the material contracts are terminated by the counterparty, not renewed or renegotiated on less favourable terms, it may have an adverse impact on carsales' financial performance and position.
<p>Future Acquisitions</p>	<ul style="list-style-type: none"> carsales may consider acquisitions where it believes they are supportive of carsales' growth strategy. There are a number of potential risk associated with acquisitions, including but not limited to the integration of financial, operational and managerial resources. If the assets or businesses are not successfully integrated, this may have a material adverse effect on carsales' financial and operational performance. In addition, while carsales will conduct due diligence on proposed acquisitions, there is no assurance that an acquisition will perform as forecast once fully integrated, or successfully achieve the desired objectives, including, where applicable, any synergies. Further, carsales may encounter unanticipated events, circumstances or legal liabilities in connection with any proposed acquisition, including risks with financing or refinancing any proposed acquisition.
<p>Financial Regulations and Credit Availability</p>	<ul style="list-style-type: none"> carsales is exposed to various regulatory environments across the markets and geographies in which it operates. Changes to regulations in the future could result in a material reduction in finance related revenues and profitability.

KEY RISKS

RISKS RELATED TO INVESTMENT IN CARSALES (continued)

Key Personnel	<ul style="list-style-type: none">carsales relies on the talent and experience of its directors, key senior management and staff generally. The loss of any key personnel could cause disruption to the conduct of carsales' business in the short term and may have a material adverse impact on carsales' operations and/or financial performance.It may be difficult to replace key personnel, or to do so in a timely manner or at comparable expense. carsales regularly reviews its succession planning to ensure that key personnel risk is identified and managed.
Culture and Talent	<ul style="list-style-type: none">carsales takes great pride in its employee training, policies, procedures and other initiatives to foster a positive corporate culture that reflects the behaviours needed for future success. However, poor corporate culture can lead to, amongst other things, unethical practices, lack of trust, poor decision-making, increased employee turnover and reduced motivation. Any of these outcomes may have a material adverse impact on carsales' operations and financial performance.As with carsales' key personnel, the future success of carsales will depend substantially on its ability to attract and retain high quality staff and consultants. carsales relies on its highly capable staff to manage the operational, sales, compliance and other functions of its business. There is a risk that, if carsales is understaffed (or the workload of existing staff is unsustainable), carsales' operational and financial performance will suffer.
International Expansion	<ul style="list-style-type: none">With the expansion of the business into new high growth international geographies, carsales becomes exposed to the macroeconomic environment of these markets as well as to fluctuations in exchange rates. carsales may not be able to fully recoup its investment in these markets should it not be able to accelerate the growth of its business through the implementation of carsales' business models, intellectual property and technologies.
Regulatory Risk	<ul style="list-style-type: none">carsales must comply with wide ranging laws and regulations in each of the jurisdictions in which it operates, which include consumer protection laws. Changes to laws and regulations that apply to carsales in any of the jurisdictions in which carsales operates may have a material adverse effect on carsales' business, financial position and prospects.Further, regulatory requirements in any of the jurisdictions in which carsales operates may become more burdensome in the future, which may result in carsales being required to dedicate more time, resources and expenditure to ensure compliance. Any material breach of the relevant legal or regulatory obligations or failure to meet compliance requirements may have an adverse impact on the financial performance and operating position of carsales

KEY RISKS

GENERAL RISKS

<p>Dividends</p>	<ul style="list-style-type: none"> The payment of dividends in respect of carsales' shares is impacted by several factors, including carsales' profitability, capital requirements and free cash flow. Any future dividends will be determined by carsales' board having regard to these factors, among others. There is no guarantee that any dividend will be paid by carsales, or if paid, paid at historical levels.
<p>COVID-19</p>	<ul style="list-style-type: none"> The COVID-19 pandemic and government responses to it (including associated restrictions) have impacted carsales' operating business to varying degrees. carsales' share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. The length and duration of the current pandemic and the economic impact remain uncertain. The pandemic will continue to have an ongoing and unknown impact on carsales. Any further virus outbreaks in Australia or overseas may adversely affect carsales' operations and financial performance and are beyond carsales' control. In light of COVID-19, extra caution should be exercised when assessing the risks associated with an investment in carsales. The continually changing situation is bringing unprecedented challenges to global financial markets and the global economy, with significant volatility and movements seen in equities prices and valuations. This applies equally to the Australian financial market and economy.
<p>Force Majeure</p>	<ul style="list-style-type: none"> In addition to the pandemic risks, events may occur within or outside Australia that could have an adverse effect on the global economies and carsales' share price. The events include hostilities, acts of terrorism, civil wars, labour strikes, natural disasters or other man-made disasters.
<p>Changes in Tax Rules or their Interpretation</p>	<ul style="list-style-type: none"> Changes in tax law, or changes in the way tax laws are interpreted may impact the tax liabilities of carsales, shareholder returns, or the tax treatment of an investment. In particular, both the level and basis of taxation may change. Tax law is frequently being changed, both prospectively and retrospectively. Any actual or alleged failure to comply with, or any change in the application or interpretation of tax rules applied in respect of such transactions, may increase carsales' tax liabilities or expose it to legal, regulatory or other actions.

KEY RISKS

GENERAL RISKS (continued)

Australian Online Retail Market	<ul style="list-style-type: none"> Investors should be aware that there is no guarantee that the Australian online retail market will continue to grow into the future, or as currently forecast. Growth in the Australian online retail market is expected to be driven partly by the migration of customers from traditional retail formats to online retail platforms. This factor is in part outside the control of online retailers, including carsales, and there is no guarantee that the migration of customers observed in recent years will continue in the future. If online penetration of the Australian retail market does not increase in line with carsales' expectations, carsales may not be able to acquire new customers or engage existing customers, and its business, financial condition and operating results may suffer.
Trading Patterns	<ul style="list-style-type: none"> carsales' financial performance depends in part on its ability to gauge and react to changing trading patterns in a timely manner. The change to trading patterns is further heightened as a result of COVID-19 as carsales cannot predict changes to customer spending. If carsales fails to react to changes in trading patterns in a timely manner, this may result in lower revenue and margins and could adversely impact carsales' financial an operational performance.
Market Conditions	<ul style="list-style-type: none"> The price at which carsales' shares are quoted on ASX may increase or decrease due to a number of factors outside carsales' control and which are not explained by the fundamental operations and activities of carsales. These factors may cause the shares to trade at prices above or below the price at which the shares were initially acquired. There is no assurance that the price of the shares will increase if they are quoted on ASX.
Changes in Australian Accounting Standards	<ul style="list-style-type: none"> Australian Accounting Standards are issued by the Australian Accounting Standards Board (AASB) and are outside of the control of carsales and its directors. Any changes to the accounting standards or to the interpretation of those standards may have an adverse effect on the reported financial performance and position of carsales. There is also a risk that interpretations of existing Australian Accounting Standards, including those relating to the measurement and recognition of key income statement and balance sheet items, including revenue and receivables, may differ. Changes to Australian Accounting Standards issued by the AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in carsales' consolidated financial statements.
Currency Risks	<ul style="list-style-type: none"> Revenue and expenditure in overseas jurisdictions are subject to the risk of fluctuations in foreign exchange markets. carsales carries on a large part of its business outside of Australia. Accordingly, revenues and payments will be made in those countries' currencies and may deviate from budgeted expectations if there are adverse currency fluctuations against the Australian dollar.

KEY RISKS

ENTITLEMENT OFFER SPECIFIC RISKS

- If an eligible retail shareholder does not take up their entitlements under the Retail Entitlement Offer, then their entitlements will be treated as renounced and there is no guarantee that any value will be received for their renounced entitlement through the relevant bookbuild processes under the Entitlement Offer or (in the case of eligible retail shareholders) that they will be able to receive any value through selling their Entitlements on ASX or otherwise transferring them.
- The ability to sell entitlements under the institutional or retail bookbuild processes under the Entitlement Offer and the ability to obtain any premium will be dependent upon various factors including market conditions. Further, the relevant bookbuild price may not be the highest price available, but will be determined having regard to a number of factors, including having binding and bona fide offers which, in the reasonable opinion of the Underwriters, will, if accepted, result in otherwise acceptable allocations to clear the entire book.

Renouncement

- Similarly, for eligible retail shareholders, there is no guarantee that there will be a liquid market on ASX or otherwise in traded entitlements, and prices obtainable for entitlements may rise and fall over the trading period and will depend on may factors including the demand and supply of entitlements and the value of carsales shares relative to the issue price.
- To the maximum extent permitted by law, none of carsales, the Underwriters, their respective related bodies corporate and affiliates and their respective directors, officers, employees, agents and advisers will be liable (including for negligence) for any failure to procure subscribers under either bookbuild at the price equal to or in excess of the issue price. If there is a premium achieved on the Retail Shortfall Bookbuild, it may be less than, more than, or equal to any premium achieved on the Institutional Shortfall Bookbuild. Accordingly, it is possible that retail holders who do not take up their entitlements will receive less value than their institutional counterparts, or no value at all.

KEY RISKS

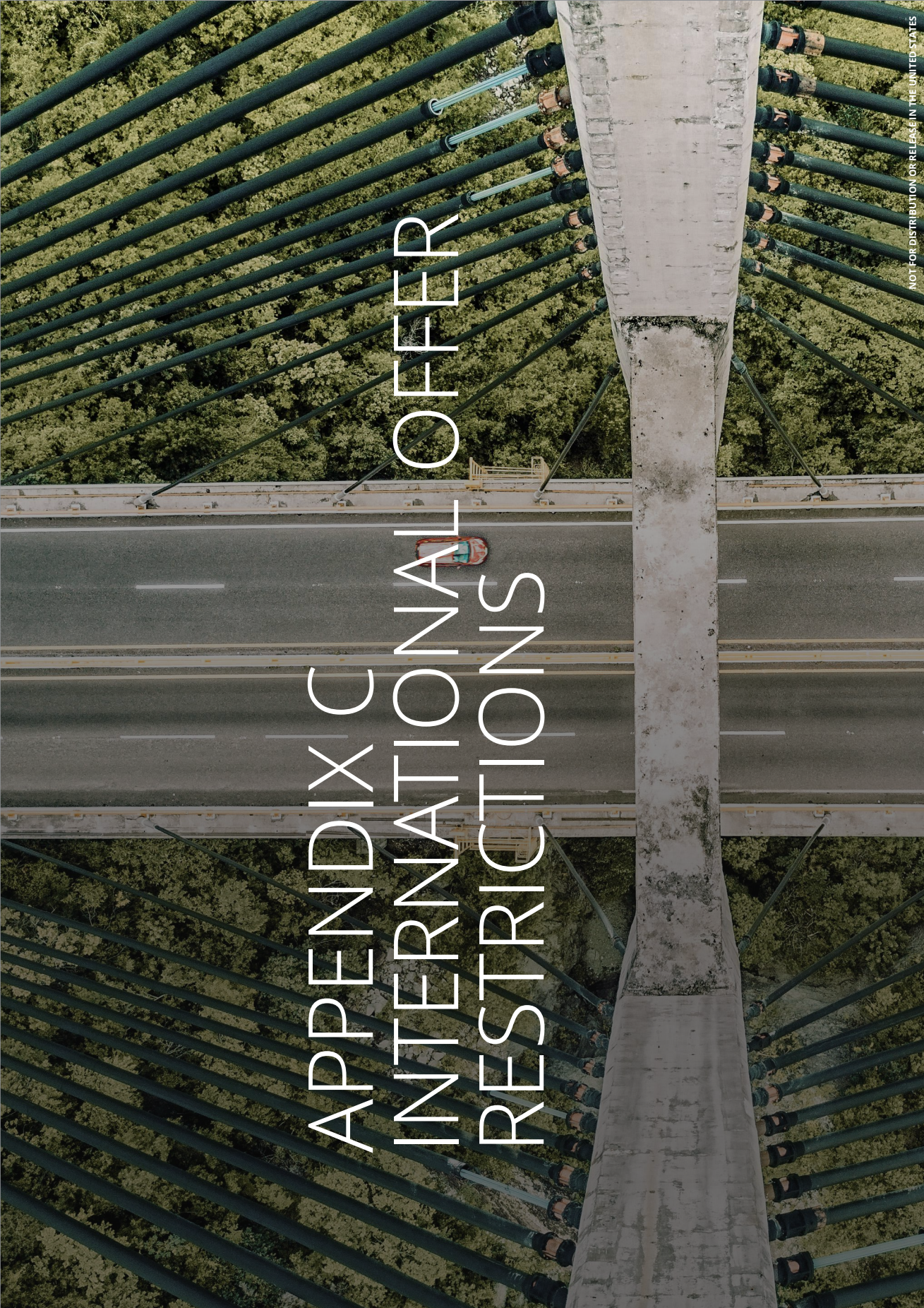
ENTITLEMENT OFFER SPECIFIC RISKS (continued)

Dilution Risk	<ul style="list-style-type: none">• The issue of New Shares under the Entitlement Offer will dilute the interests of ineligible shareholders. Moreover, eligible retail shareholders who do not take up all of their Entitlements under the Retail Entitlement Offer will have their percentage holding in carsales diluted. For eligible retail shareholders who do take up all of their entitlements, their percentage holding in carsales will be diluted unless they apply for shares in addition to their entitlements through the Retail Shortfall Bookbuild, and are successful in receiving an allocation equivalent to the full equivalent percentage of their holding in carsales.• Moreover, in the future carsales may elect to issue further shares or engage in capital raisings to fund its operations, for working capital purposes or to fund other opportunities that carsales may decide to pursue. While carsales will be subject to the constraints of the Corporations Act, shareholders at the time may be diluted as a result of such issuances of securities.
Selling or Transferring of Entitlements	<ul style="list-style-type: none">• Eligible Retail Shareholders who do not wish to take up their Entitlements can sell them on ASX or transfer them to another person or entity other than on the ASX during the Entitlement trading period. If an Eligible Retail Shareholder sells or transfers their Entitlements at one stage in the Entitlement trading period, they may receive a higher or lower price than a shareholder who sells or transfers their Entitlements at a different stage of the Entitlement trading period or through the Retail Shortfall Bookbuild. There is no guarantee that there will be a viable market during, or on any particular day in, the retail Entitlement trading period, on which to sell retail Entitlements on the ASX. There is no guarantee that there will be a liquid market on ASX or otherwise in traded Entitlements, and prices obtainable for Entitlements may rise and fall over the trading period and will depend on many factors including the demand and supply of Entitlements and the value of carsales' shares relative to the issue price.• If an Eligible Retail Shareholder chooses to transfer their Entitlements to another person or entity other than on the ASX, there is no guarantee that they will receive any value for transferred Entitlements.
Regulatory Risk	<ul style="list-style-type: none">• carsales is required to comply with the laws and regulations relating to the offering of securities in each jurisdiction in which the Entitlement Offer will be available.• Any material breach of the relevant legal or regulatory obligations or failure to meet compliance requirements in any of the relevant foreign jurisdictions may have an adverse impact on the success of the Entitlement Offer, as well as the financial and operating position of carsales.

KEY RISKS

ENTITLEMENT OFFER SPECIFIC RISKS (continued)

<p>Risks Associated with an Investment in Shares</p>	<ul style="list-style-type: none"> • There are general risks associated with investments in equity capital such as carsales shares. The trading price of carsales shares may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for the new shares issued under the Entitlement Offer being more or less than the Offer Price. Generally applicable factors that may affect the market price of shares include: <ul style="list-style-type: none"> • general movements in Australian and international stock markets; • investor sentiment; • Australian and international economic conditions and outlook; • changes in interest rates and the rate of inflation; • changes in government legislation and policies, in particular taxation laws; • announcement of new technologies; • geopolitical instability, including international hostilities and acts of terrorism; • demand for and supply of carsales shares; • announcements and results of competitors; and • analyst reports. • No assurance can be given that the New Shares will trade at or above the Offer Price. None of carsales, its directors or any other person guarantees the performance of the New Shares. • The operational and financial performance and position of carsales and carsales' share price may be adversely affected by a worsening of general economic conditions in Australia, as well as international market conditions and related factors. • It is also possible that new risks might emerge as a result of Australian or global markets experiencing extreme stress, or existing risks may manifest themselves in ways that are not currently foreseeable. The equity markets have in the past and may in the future be subject to significant volatility.
<p>Other Risks</p>	<ul style="list-style-type: none"> • The above risks should not be taken as a complete list of the risks associated with an investment in carsales. The risks outlined above and other risks not specifically referred to may in the future materially adversely affect the value of carsales shares and their performance. Accordingly, no assurance or guarantee of future performance or profitability is given by carsales in respect of carsales shares.



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

APPENDIX C INTERNATIONAL OFFER RESTRICTIONS

INTERNATIONAL OFFER RESTRICTIONS

This Presentation does not constitute an offer of entitlements (**Entitlements**) or new ordinary shares (**New Shares**) of carsales in any jurisdiction in which it would be unlawful. In particular, this Presentation may not be distributed to any person, and the Entitlements and New Shares may not be offered or sold in the Institutional Entitlement Offer, in any country outside Australia except to the extent permitted below.

CANADA (BRITISH COLUMBIA, ONTARIO AND QUEBEC PROVINCES)

This Presentation constitutes an offering of Entitlements and New Shares only in the Provinces of British Columbia, Ontario and Quebec (the **Provinces**), only to persons to whom such securities may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This Presentation is not a prospectus, an advertisement or a public offering of securities in the Provinces. This Presentation may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this Presentation, the merits of the Entitlements or the New Shares or the offering of such securities and any representation to the contrary is an offence. No prospectus has been, or will be, filed in the Provinces with respect to the offering of Entitlements or New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the Entitlements or the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the Entitlements or the New Shares.

carsales as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon carsales or its directors or officers. All or a substantial portion of the assets of carsales and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against carsales or such persons in Canada or to enforce a judgment obtained in Canadian courts against carsales or such persons outside Canada.

Any financial information contained in this Presentation has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this Presentation are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the Entitlements and the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of such securities as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this Presentation, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Entitlements and the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

INTERNATIONAL OFFER RESTRICTIONS

EUROPEAN UNION (DENMARK, FRANCE, LUXEMBOURG, NETHERLANDS)

This Presentation has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Presentation may not be made available, nor may the Entitlements or the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the Prospectus Regulation).

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Entitlements and New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

HONG KONG

WARNING: This Presentation has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the SFO). No action has been taken in Hong Kong to authorise or register this Presentation or to permit the distribution of this Presentation or any documents issued in connection with it. Accordingly, the Entitlements and the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Entitlements and the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Entitlements and the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Entitlements or New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Presentation have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Presentation, you should obtain independent professional advice.

INTERNATIONAL OFFER RESTRICTIONS

NEW ZEALAND

This Presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the FMC Act).

The Entitlements and the New Shares in the Offer are not being offered to the public within New Zealand other than to existing shareholders of carsales with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

NORWAY

This Presentation has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this Presentation shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

SINGAPORE

This Presentation and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Entitlements and New Shares, may not be issued, circulated or distributed, nor may the Entitlements and New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Presentation has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If you are not an investor falling within one of these categories, please return this Presentation immediately. You may not forward or circulate this Presentation to any other person in Singapore.

Any offer is not made to you with a view to the Entitlements or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Entitlements or New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

INTERNATIONAL OFFER RESTRICTIONS

SWITZERLAND

The Entitlements and the New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this Presentation nor any other offering or marketing material relating to such securities constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the Entitlements or the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this Presentation will not be filed with, and the offer of such securities will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this Presentation nor any other offering or marketing material relating to the Entitlements or the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. Such securities will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This Presentation is personal to the recipient and not for general circulation in Switzerland.

UNITED ARAB EMIRATES

This Presentation does not constitute a public offer of any securities in the United Arab Emirates. The Entitlements and the New Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this Presentation nor any securities of carsales have been approved by the Securities and Commodities Authority (SCA) or any other authority in the UAE.

This Presentation may be distributed in the UAE only to "qualified investors" (as defined in the SCA Board of Directors' Chairman Decision No. 37 RM of 2019, as amended) and may not be provided to any person other than the original recipient. No marketing of the Entitlements or the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE.

No offer or invitation to subscribe for Entitlements or New Shares is valid, or permitted from any person, in the Abu Dhabi Global Market or the Dubai International Financial Centre.

UNITED STATES OF AMERICA

This Presentation may not be distributed or released in the United States.

This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (US Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold to, directly or indirectly, persons in the United States, except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

INTERNATIONAL OFFER RESTRICTIONS

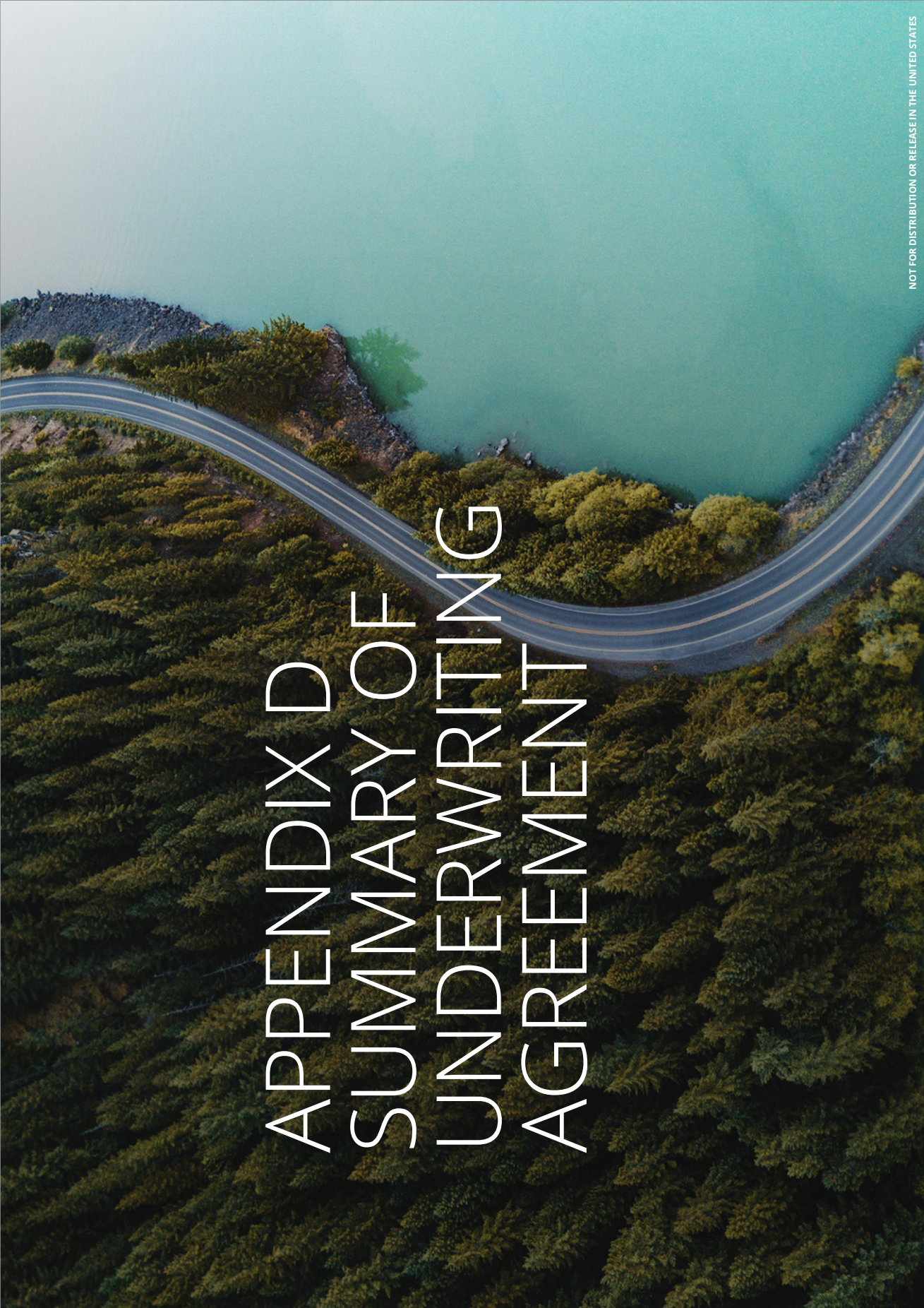
UNITED KINGDOM

Neither this Presentation nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (FSMA)) has been published or is intended to be published in respect of the Entitlements or the New Shares.

These securities may not be offered or sold in the United Kingdom by means of this Presentation or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Presentation is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This Presentation may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Entitlements or the New Shares has only been communicated or caused to be communicated and will only be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to carsales.

In the United Kingdom, this Presentation is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (FPO), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this Presentation relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Presentation.

An aerial photograph showing a two-lane asphalt road that curves through a dense green forest. To the right of the road, a body of water with a vibrant turquoise color stretches towards the horizon. The sky is a pale, hazy blue. The text 'APPENDIX D SUMMARY OF UNDERWRITING AGREEMENT' is overlaid in large, white, sans-serif capital letters across the center of the image.

APPENDIX D SUMMARY OF UNDERWRITING AGREEMENT

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SUMMARY OF UNDERWRITING AGREEMENT

carsales has entered into an underwriting agreement with the **Underwriters** in respect of the Entitlement Offer (the **Underwriting Agreement**).

The Underwriting Agreement contains customary representations and warranties and indemnities in favour of the Underwriters.

The Underwriters may, in certain circumstances, terminate their obligations under the Underwriting Agreement on the occurrence of the following events:

- ASX announces that carsales will be removed from the official list or that its shares will be removed from official quotation, or suspended, other than in connection with the Entitlement Offer or the bid;
- carsales alters its capital structure without the consent of the Underwriters;
- carsales or a subsidiary is deemed insolvent or there is an act or omission which may result in carsales or a subsidiary becoming insolvent;
- the chief executive officer or chief financial officer of carsales has their employment terminated by carsales for cause without the prior written consent of the Underwriters;
- carsales or any of its directors or engage, or have engaged, in any fraudulent conduct or activity;
- a director or senior manager of carsales is charged with an indictable offence relating to financial or corporate matters, or a director of carsales is disqualified from managing a corporation;
- ASIC or any governmental agency charges or commences any court proceedings or public action against carsales or any of its directors, or announces that it intends to take action;
- ASIC issues or threatens to issue proceedings in relation to the Entitlement Offer or commences any formal inquiry or investigation into the Entitlement Offer;
- there is an application to any government agency for any order, declaration or other remedy, or any other government agency commences a hearing or announces its intention to do so in connection with the Entitlement Offer;
- a force majeure event occurs;
- carsales withdraws the Entitlement Offer or any part of it or indicates that it does not intend to or is unable to proceed with the Entitlement Offer;
- a certificate is not furnished when required to be furnished by carsales under the Underwriting Agreement, or if given, a statement in the certificate is untrue, incorrect, or misleading or deceptive in any material respect;

Termination Events

SUMMARY OF UNDERWRITING AGREEMENT

Termination Events

- ASX refuses to grant approval for the official quotation of the New Shares or such approval is withdrawn, qualified or withheld before the date of the allotment or issue of the Shares;
- carsales becomes required to give or gives a correcting notice under sections 708AA(10) or 708AA(12) (as included in the Corporations Act by the ASIC Instruments);
- any event specified in the timetable is delayed without the prior written consent of the Underwriters; or
- a scheme of arrangement or reconstruction is announced by carsales which would result in a change in control of carsales.

In addition, the Underwriters may terminate their obligations under the Underwriting Agreement if any of the following events has, or is likely to have, a material adverse effect on the success, marketing or settlement of the Entitlement Offer, the likely market price at which the New Shares will trade on ASX or, or where the event leads or is likely to lead to a contravention by or liability of an Underwriter or its affiliate under the Corporations Act or any other applicable law:

- there is a change in the chief executive officer or chief financial officer for any reason other than having their employment terminated by carsales for cause or any other change to the board of directors of carsales;
- carsales fails to perform or observe any of its obligations under the Underwriting Agreement;
- a representation, warranty or undertaking made or given by carsales under the Underwriting Agreement proves to be, or has been, or becomes, untrue or incorrect;
- a contravention by carsales or a subsidiary of the Corporations Act, the Constitution, the Listing Rules or, in relation to the Entitlement Offer or the acquisition, or any other applicable law;
- there is a general moratorium or material disruption on commercial banking activities in Australia, the United States of America, the United Kingdom or Hong Kong is declared by the relevant banking authority;
- trading of all securities quoted on ASX, LSE, HSE, NASDAQ or NYSE is suspended or limited in a material respect;
- hostilities not present, or a major escalation in existing hostilities occurs involving any one or more of Australia, New Zealand, Canada, the United States or the United Kingdom, any member state of the European Union, Russia, Democratic People's Republic of Korea, Japan or the People's Republic of China or terrorist act is perpetrated in any of those countries;
- there is a change in relevant law or policy in Australia which does or is likely to prohibit, regulate or materially inhibit the Entitlement Offer, capital markets or stock markets;
- ASIC or any other government agency commences or gives notice of an intention to prosecute or investigate carsales (or any director or employee of carsales);
- in the reasonable opinion of the Underwriters, an adverse new circumstance arises that would render the offer materials false, misleading or deceptive;

Termination Events

SUMMARY OF UNDERWRITING AGREEMENT

Termination Events

- an event or circumstance occurs or becomes known that would have required carsales to give ASX a correcting notice under sections 708AA(10) or 708AA(12) (as included in the Corporations Act by the ASIC Instruments) had the cleansing notice been lodged on the basis of information known at that time;
- a statement contained in the offer materials is or becomes misleading or deceptive (including by omission) or likely to mislead or deceive, or omit any information required under the Corporations Act;
- an adverse change occurs in the financial position, operations or prospects of carsales from the position disclosed to the Underwriters or the information publicly available, or the offer documents prior to the date of the Underwriting Agreement;
- any information supplied to the Underwriters prior to the Underwriting Agreement for the purpose of due diligence is, or becomes false, misleading or deceptive or likely to mislead or deceive (including by omission);
- an offer of shares or transaction is announced which may result in a person and their associates acquiring a beneficial interest in, or voting power of, 50% or more of the interests in carsales; or
- there is any adverse, or prospective adverse change or disruption to the financial markets, political or economic conditions of Australia, New Zealand, the United States, the United Kingdom or Hong Kong.

If the Underwriters terminate their obligations under the Underwriting Agreement, the Underwriters will not be obliged to perform any of their obligations that remain to be performed.

Termination of the Underwriting Agreement could have an adverse impact on the amount of proceeds raised under the Entitlement Offer. In these circumstances, carsales would need to utilise alternative funding options to achieve its objectives as described in this Presentation.



carsales  com Ltd

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

ASX & Media Release



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Monday, 17 May 2021

Completion of Institutional Component of Entitlement Offer

carsales.com Ltd ("**carsales**", ASX:CAR) is pleased to announce the successful completion of the institutional component ("**Institutional Entitlement Offer**") of its underwritten 1 for 6.99 pro-rata accelerated renounceable entitlement offer (with retail rights trading) that was announced on Wednesday, 12 May 2021.

The Institutional Entitlement Offer raised approximately A\$428 million at the offer price of A\$17.00 ("**Offer Price**") per new share ("**New Share**") and was well supported by institutional shareholders with take-up of approximately 83% by eligible institutional shareholders (excluding partial renunciations from one director and another person closely connected to the Company).

A bookbuild for Institutional Entitlement Offer shortfall shares was completed on Friday, 14 May 2021 ("**Institutional Shortfall Bookbuild**"). The bookbuild cleared at a price of A\$18.00 per New Share, which represents a premium of A\$1.00 to the Offer Price of A\$17.00 per New Share.

As announced on Wednesday, 12 May 2021, the proceeds from the capital raising will be used to partially fund the acquisition of Trader Interactive LLC for US\$624m¹ ("**Acquisition**").

carsales CEO Cameron McIntyre said "We are very pleased with the level of support we have received from our institutional shareholders, in particular domestic institutional investors who took up 99% of their entitlements.

We firmly believe that this acquisition creates compelling value for our shareholders through accelerating our international growth strategy by providing us with exposure to a significant market in the United States across attractive non-automotive verticals."

Eligible institutional shareholders who elected not to take up their entitlements and certain ineligible institutional shareholders will receive A\$1.00 for each entitlement sold through the Institutional Shortfall Bookbuild. This payment is expected to be made on or around Friday, 21 May 2021.

New Shares to be issued under the Institutional Entitlement Offer will rank equally with existing CAR shares from the date of issue. Settlement of the New Shares issued as part of the Institutional Entitlement Offer is expected to occur on Friday, 21 May 2021, with the issue of those New Shares expected to occur and ordinary trading expected to commence on Monday, 24 May 2021.

Commencement of the Retail Entitlement Offer

The retail component of the Entitlement Offer ("**Retail Entitlement Offer**") is expected to raise approximately A\$172 million taking the expected size of carsales total equity raising to approximately A\$600 million. The Retail Entitlement Offer will open on Wednesday, 19 May 2021 and close at 5:00pm (Melbourne time) Wednesday, 2 June 2021.

Under the fully underwritten Retail Entitlement Offer, eligible retail shareholders in Australia and New Zealand are being offered the opportunity to subscribe for 1 New Share for every 6.99 existing CAR ordinary shares held as at the Record Date (being 7:00pm (Melbourne time) on Monday, 17 May 2021), at the Offer Price of A\$17.00 per New Share, the same Offer Price and offer ratio as the Institutional Entitlement Offer.

Eligible retail shareholders will be allotted Entitlements ("**Retail Entitlements**") which can be traded on the ASX. Eligible retail shareholders who do not wish to take up all or part of their Retail Entitlements can seek to sell all or part of their Retail Entitlements on the ASX or by transferring them directly to another eligible person to realise

¹ Acquisition price calculated as 100% EV less net debt and other adjustments of US\$351m (as at 31 March 2021), multiplied by 49% being the interest in Trader Interactive acquired by carsales. The final Acquisition Price is subject to completion adjustments and may differ from the number reported in this announcement.

value for those Retail Entitlements ahead of the retail shortfall bookbuild ("**Retail Shortfall Bookbuild**"). Retail Entitlements can be traded on the ASX from Monday, 17 May 2021 to Wednesday, 26 May 2021 under the ASX ticker "CARR".

Retail Entitlements which are not taken up by eligible retail shareholders by the close of the Retail Entitlement Offer and Retail Entitlements that would otherwise have been offered to ineligible retail shareholders will be sold through the Retail Shortfall Bookbuild on Monday, 7 June 2021. Any proceeds from the sale of Retail Entitlements under the Retail Shortfall Bookbuild in excess of the Offer Price (per underlying share) will be remitted proportionally to those retail shareholders, less any expenses ("**Retail Premium**"). There is no guarantee that there will be any Retail Premium remitted to those retail shareholders. Any Retail Premium arising from the Retail Shortfall Bookbuild is expected to be paid to those retail shareholders on Thursday, 17 June 2021.

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the retail offer booklet ("**Retail Offer Booklet**") and the accompanying personalised entitlement and acceptance form which are expected to be made available to eligible retail shareholders on Wednesday, 19 May, 2021.

Retail Offer Booklets and personalised entitlement and acceptance forms will be sent electronically to those eligible retail shareholders who have elected to receive electronic communications from carsales.

Eligible retail shareholders are shareholders on the Record Date who:

1. have an address on the carsales register in Australia or New Zealand;
2. are not in the United States and are not acting for the account or benefit of a person in the United States;
3. are not an eligible institutional shareholder and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer; and
4. are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer,

provided that, if a shareholder (including a nominee or custodian) is acting for the account or benefit of a person in the United States, it may not participate in the Retail Entitlement Offer on behalf of such a person ("**Eligible Retail Shareholders**").

It is the responsibility of purchasers of Retail Entitlements to inform themselves of the eligibility criteria for exercise. If holders of Retail Entitlements after the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Retail Entitlements. If holders are not able to take up their Retail Entitlements, those Retail Entitlements will be sold into the Retail Shortfall Bookbuild and holders may receive no value for them.

carsales ordinary shares are expected to resume trading from market open Monday, 17 May 2021 on an "ex-entitlement" basis.

Timetable

Event	Date ²
Announcement of results of Institutional Entitlement Offer	Monday, 17 May 2021
Trading halt lifted and shares recommence trading on an ex-entitlement basis	Monday, 17 May 2021
Record Date for Entitlement Offer (7.00pm Melbourne time)	Monday, 17 May 2021
Retail rights commence trading on the ASX	Monday, 17 May 2021
Retail Entitlement Offer opens and Retail Offer Booklet made available	Wednesday, 19 May 2021
Settlement of new shares issued under the Institutional Entitlement Offer	Friday, 21 May 2021

² The timetable is indicative only and subject to change. carsales and the Underwriters may, in their absolute discretion, vary any of the above dates by lodging a revised timetable with the ASX.

3 ASX Announcements continued

Allotment and normal trading of new shares issued under the Institutional Entitlement Offer	Monday, 24 May 2021
Close of retail rights trading on the ASX	Wednesday, 26 May 2021
Retail Entitlement Offer closes (5.00pm Melbourne time)	Wednesday, 2 June 2021
Announcement of results of Retail Entitlement Offer	Monday, 7 June 2021
Retail Entitlement Offer shortfall bookbuild	Monday, 7 June 2021
Announce results of Retail Entitlement Offer shortfall bookbuild	Tuesday, 8 June 2021
Settlement of new shares issued under the Retail Entitlement Offer	Thursday, 10 June 2021
Allotment of new shares under the Retail Entitlement Offer	Friday, 11 June 2021
Normal trading of new shares issued under the Retail Entitlement Offer	Tuesday, 15 June 2021
Holding statements in respect of new shares issued under the Retail Entitlement Offer despatched	Wednesday, 16 June 2021

- ENDS -

Release authorised by the carsales.com Ltd Board

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About carsales.com Ltd

Founded in 1997, carsales.com Ltd (ASX: CAR) operates the largest online automotive, motorcycle and marine classifieds business in Australia and Encar, the leading automotive business in South Korea. carsales wholly owns classifieds businesses in Mexico, Argentina and Chile and is a significant minority shareholder of webmotors in Brazil. carsales is regarded as one of Australia's original disruptors and has expanded to include a large number of market-leading brands. The carsales network is Australia's number one online destination for buying and selling cars, motorbikes, trucks, boats, caravans, and machinery equipment. carsales has world-leading technology and advertising solutions that can be leveraged across its businesses around the world.

Find out more at www.carsales.com.au

IMPORTANCE NOTICE

Forward looking statements

This announcement contains forward looking statements and comments about future events, which reflect carsales' intent, belief or expectation as at the date of this announcement. Forward looking statements can be identified by forward-looking terminology including, without limitation, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "due to" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Forward looking statements involve inherent known and unknown risks, uncertainties and contingencies, both general and specific, many of which are beyond carsales' control, and there is a risk that such predictions, forecasts, projections and other forward looking statements will not be achieved. Actual results may be materially different from those expressed or implied in forward-looking statements and any projections and assumptions upon which these statements are based. Forward looking statements are provided as a general guide only, are based on the

information available to carsales as at the date of this announcement and should not be relied on as an indication, representation or guarantee of future performance.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by COVID-19. Subject to any legal obligation to do so, carsales does not undertake to update or review any forward looking statements.

Not for distribution or release in the United States

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States. Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended ("**US Securities Act**"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold to, directly or indirectly, persons in the United States or acting for the account or benefit of persons in the United States, except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

4 Australian Tax Considerations

This Section summarises certain Australian income tax, capital gains tax (**CGT**), goods and services tax (**GST**) and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders who hold their existing Shares, Retail Entitlements and New Shares on capital account.

This Section is general in nature and does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. For instance, this Section does not consider the position of Eligible Retail Shareholders who:

- are not resident solely in Australia for Australian income tax purposes;
- are in the business of security trading, or who hold their existing shares on revenue account or as trading stock (including shareholders such as banks, insurance companies and shareholders carrying on a business of security trading);
- are exempt from Australian income tax;
- acquired their existing Shares under an employee share or option plan, or in return for services provided; or
- are subject, or have elected to become subject, to the Division 230 "Taxation of Financial Arrangements" (**TOFA**) provisions contained in the *Income Tax Assessment Act 1997*.

This Section does not purport to be a complete analysis of the potential tax consequences of the Retail Entitlement Offer and is intended only to provide a general guide to the Australian tax implications. Eligible Retail Shareholders (including those noted above) should seek advice from an appropriate professional advisor in relation to the tax implications (Australian and non-Australian, as applicable) of the Retail Entitlement Offer based on their own individual circumstances (including tax residency).

Neither CAR nor any of its officers or employees, nor its taxation and other advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

The comments below are based on the Australian taxation legislation, case law and administrative practice adopted by the Australian Taxation Office (**ATO**) as it applies as at 9:00am (Melbourne time) on Wednesday, 19 May 2021. Other than as expressly discussed, the comments do not take into account or anticipate changes in Australian tax law or future judicial or administrative interpretations of tax law after this time unless otherwise specified.

4.1 Issue of Entitlement

The issue of the Entitlement should not in itself result in any amount being included in the assessable income of an Eligible Retail Shareholder.

A Retail Entitlement issued to an Eligible Retail Shareholder should be considered a CGT asset (i.e. a right to subscribe for New Shares).

4.2 Sale of Retail Entitlements

If an Eligible Retail Shareholder sells all or part of their Entitlements on ASX or otherwise (as outlined in Section 2.9), they should derive a capital gain for CGT purposes equal to the capital proceeds less certain non-deductible costs of disposal such as brokerage costs.

Eligible Retail Shareholders should be treated as having acquired their Retail Entitlements on the same day they acquired their existing Shares which gave rise to the Retail Entitlements.

Eligible Retail Shareholders that are individuals, trustees or complying superannuation entities and that have held their existing Shares for at least 12 months prior to the date of disposal should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting available capital losses). The CGT discount factor is 50% for individuals and trustees and 33 1/3% for complying superannuation entities. The CGT discount is not available to companies that are not trustees. Trustees should seek specific tax advice regarding the tax consequences arising as a result of discount capital gains.

4.3 Retail Entitlements not taken up

Any of your Retail Entitlements not taken up, sold or transferred will be sold through the Retail Shortfall Bookbuild and the Retail Premium (if any) in respect of your Retail Entitlements sold in the Retail Shortfall Bookbuild will be remitted to you as outlined in Section 2.10.

4 Australian Tax Considerations continued

You should derive a capital gain for CGT purposes equal to the Retail Premium remitted less your cost base in your Retail Entitlements. As the Retail Entitlements are granted to Eligible Retail Shareholders for nil consideration, your cost base in the Retail Entitlements should be limited to certain non-deductible incidental costs (if any) in relation to the disposal.

Eligible Retail Shareholders that are individuals, trustees or complying superannuation entities and that have held their existing Shares for at least 12 months prior to the date of sale in the Retail Shortfall Bookbuild should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting available capital losses). The CGT discount factor is 50% for individuals and trustees and 33 1/3% for complying superannuation entities. The CGT discount is not available to companies that are not trustees. Trustees should seek specific tax advice regarding the tax consequences arising as a result of discount capital gains.

4.4 Exercise of Entitlements

New Shares will be acquired where the Eligible Retail Shareholder exercises (i.e. takes up) all or part of their Entitlement under the Retail Entitlement Offer. An Eligible Retail Shareholder should not derive any assessable income, or make any capital gain or capital loss, at the time of exercising their Entitlement under the Retail Entitlement Offer.

For Australian CGT purposes, New Shares should be taken to have been acquired on the day that an Eligible Retail Shareholder exercises their Entitlement.

The cost base of each New Share should include the Offer Price payable for each New Share and any non deductible incidental costs the Eligible Retail Shareholder incurs in acquiring the New Shares). For CGT purposes, the Eligible Retail Shareholder should apportion the costs of acquiring each New Share over each of the Shares acquired on a reasonable basis. We recommend independent tax advice is obtained to determine the appropriate allocation.

4.5 Distributions on New Shares

Any future dividends or other distributions made in respect of New Shares should generally be subject to the same income tax treatment as dividends or other distributions made on existing Shares held in the same circumstances.

4.6 Disposal of New Shares

The disposal of New Shares should constitute a disposal for CGT purposes. Accordingly, the capital proceeds referable to the disposal of each individual Share should be determined by apportioning the total capital proceeds received from the disposal of the New Shares on a reasonable basis. We recommend independent tax advice is obtained to determine the appropriate allocation.

On disposal of a New Share, an Eligible Retail Shareholder should:

- make a net capital gain if the capital proceeds received on disposal exceed the total cost base of the New Share; or
- make a net capital loss if the capital proceeds are less than the total reduced cost base of the New Share.

Eligible Shareholders that are individuals, trustees or complying superannuation entities and that have held their New Shares for at least 12 months prior to disposal should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting available capital losses). The CGT discount factor is 50% for individuals and trustees and 33 1/3% for complying superannuation entities. The CGT discount is not available to companies that are not trustees. Trustees should seek specific tax advice regarding the tax consequences arising as a result of discount capital gains.

For the purpose of determining whether the New Shares have been held for 12 months or more, Eligible Retail Shareholders should be taken to have acquired them when they exercised their Entitlement under the Retail Entitlement Offer.

Eligible Retail Shareholders that make a capital loss can only use that loss to offset other capital gains from other sources (i.e. the capital loss cannot be used against taxable income on revenue account). However, if the capital loss cannot be used in a particular income year it may be carried forward for use in future income years, noting that depending on the tax profile of the relevant Eligible Retail Shareholder (e.g. a corporate shareholder that is not a trustee), certain loss utilisation tests may need to be satisfied prior to utilisation of the capital loss.

4.7 Non-resident CGT withholding

The Foreign Resident Capital Gains Withholding (**FRCGW**) rules can apply to the disposal of certain taxable Australian property, an indirect Australian real property interest or an option or right to acquire such property or interest, whereby a 12.5% non-final withholding tax may be applied.

For Eligible Retail Shareholders who receive and/or dispose of their Retail Entitlements and/or New Shares, the FRCGW rules generally should not apply. A Share in CAR, or option/right to acquire such a Share, generally should not be a relevant interest to which the FRCGW rules apply having regard to the nature of CAR's business and assets (i.e. CAR's value is not principally derived from Australian real property). In addition, the FRCGW rules should not apply to the disposal of Retail Entitlements or New Shares on the ASX (in accordance with a specific exemption).

It is recommended that Eligible Retail Shareholders and Ineligible Retail Shareholders consider the application of the FRCGW rules to their own individual circumstances (having regard to the circumstances of CAR and the Retail Entitlement Offer) in consultation with their professional advisor(s) and satisfy the requirements of the FRCGW rules where necessary.

4.8 Withholding taxes

CAR may be required to withhold tax from Eligible Retail Shareholders on payments of dividends that are not fully franked at the specified rate (currently 47%), and remit such amounts to the ATO, unless the Eligible Retail Shareholder has provided an Australian Business Number (**ABN**), Tax File Number (**TFN**), or they have informed CAR that they are exempt from quoting their ABN or TFN.

Eligible Retail Shareholders are not required to provide their ABN or TFN to CAR, however they may choose to do so. If an Eligible Retail Shareholder has quoted their ABN or TFN to CAR, or an exemption from quoting their TFN exists and CAR has been informed, this quotation or exemption should also apply in respect to any New Shares acquired by that Eligible Retail Shareholder.

Australian tax resident shareholders are able to provide their TFN or ABN online at www.computershare.com.au/easyupdate/car. When providing your details online, you will be required to enter your Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) as shown on your issuer sponsored holding statement or CHESS holding statement (as applicable) and other personal details.

Eligible Retail Shareholders may be able to claim an income tax credit/refund (as applicable) in their income tax returns in respect of any tax withheld.

4.9 GST

The taking up of the New Shares should be classified as a "financial supply" for Australian GST purposes. Accordingly, Australian GST should not be payable in respect of amounts paid for the purchase of the New Shares and any proceeds from the disposal of an Entitlement on ASX or any Retail Premium received. Subject to certain requirements, there may be a restriction on the entitlement of Eligible Retail Shareholders to claim an input tax credit for any GST incurred on costs associated with the purchase of New Shares and the sale of an Entitlement on ASX or the supply of an Entitlement through the Retail Shortfall Bookbuild which results in a Retail Premium being received.

4.10 Stamp duty

No stamp duty should be payable in respect of the taking up of New Shares.

5 Important Information

This Information Booklet (including the ASX announcements in Section 3) and your personalised Entitlement and Acceptance Form have been prepared by CAR.

This Information Booklet is dated Wednesday, 19 May 2021 (other than the Investor Presentation, the announcement of the Entitlement Offer and completion of Institutional Entitlement Offer published on the ASX website on Wednesday, 12 May 2021 and Monday, 17 May 2021). This Information Booklet remains subject to change without notice.

There may be additional announcements made by CAR after the date of this Information Booklet and throughout the Retail Entitlement Offer Period that may be relevant to your consideration of whether to take up or do nothing in respect of your Entitlement. Therefore, you should check whether any further announcements have been made by CAR (by visiting the ASX website at www.asx.com.au) before submitting your Entitlement and Acceptance Form to take up your Entitlement.

No party other than CAR has authorised or caused the issue of this Information Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information Booklet.

This Information Booklet is important and requires your immediate attention.

You should read this Information Booklet carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the risk factors outlined in the 'Key Risks' Section of the Investor Presentation included in Section 3 of this Information Booklet, any of which could affect the operating and financial performance of CAR or the value of an investment in CAR.

You should consult your stockbroker, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

5.1 Trading of New Shares

It is the responsibility of each Applicant to confirm their holding before trading in New Shares. Any Applicant who sells New Shares before receiving written confirmation of their holding will do so at their own risk.

CAR and the Underwriters disclaim all liability whether in negligence or otherwise (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statement, whether on the basis of confirmation of the allocation provided by CAR, the Share Registry or the Underwriters.

If you are in any doubt as to these matters, you should first consult with your stockbroker, accountant or other independent professional adviser.

5.2 Eligible Retail Shareholders

This Information Booklet contains an offer of New Shares to Eligible Retail Shareholders with a registered address in Australia and New Zealand and has been prepared in accordance with section 708AA of the Corporations Act as notionally modified by ASIC Corporations (Non Traditional rights Issues) Instrument 2016/84. Accordingly, neither this Information Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no prospectus for the Entitlement Offer will be prepared. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating a possible investment in CAR. They do not and are not required to contain all of the information which would be required to be disclosed in a prospectus.

Shareholders who are not Eligible Retail Shareholders are Ineligible Retail Shareholders. CAR reserves the right to determine whether a Shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

CAR may (in its absolute discretion) extend the Retail Entitlement Offer to any Institutional Shareholder that was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

5 Important Information continued

5.3 Ineligible Retail Shareholders

CAR has decided that it is unreasonable to make offers under the Retail Entitlement Offer to shareholders who have registered addresses outside Australia and New Zealand. CAR has had regard to the number of such holders in those places and the number and value of the New Shares that they would be offered, and the cost of complying with the relevant legal and regulatory requirements in those places.

Ineligible Retail Shareholders are not eligible to participate in the Retail Entitlement Offer due to securities laws restrictions on the offer of New Shares in certain jurisdictions.

Ineligible Retail Shareholders will receive the Retail Premium (if any) for the Entitlements that have been sold on their behalf into the Retail Shortfall Bookbuild.

5.4 Eligible Institutional Shareholders

Eligible Institutional Shareholders are institutional shareholders to whom the Underwriters made an offer on behalf of CAR under the Institutional Entitlement Offer.

5.5 Ranking of New Shares

New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally in all respects with existing Shares from the date of issue. The rights and liabilities attaching to the New Shares are set out in CAR's constitution, a copy of which is available online at CAR's website: <https://resource.csstatic.com/carsales/constitution.pdf>.

5.6 Risks

The Investor Presentation details important factors and risks that could affect the financial and operating performance of CAR. You should refer to the 'Key Risks' Section of the Investor Presentation which is included in Section 3 of this Information Booklet. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement.

5.7 Reconciliation and the rights of CAR and the Underwriters

The Retail Entitlement Offer is a complex process and in some instances investors may believe that they will own more Shares than they ultimately did as at the Record Date or are otherwise entitled to more New Shares than initially offered to them. These matters may result in a need for reconciliation. If reconciliation is required, it is possible that CAR may need to issue additional New Shares to ensure that the relevant investors receive their appropriate allocation of New Shares. These additional New Shares would be issued, if required, at the Offer Price.

CAR also reserves the right to reduce the size of an Entitlement or number of New Shares allocated to Eligible Institutional Shareholders or Eligible Retail Shareholders, or persons claiming to be Eligible Institutional Shareholders or Eligible Retail Shareholders or other applicable investors, if CAR believes in its complete discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, CAR may, in its discretion, require the relevant Shareholder to transfer excess New Shares to the Underwriters at the Offer Price per New Share. If necessary, the relevant Shareholder may need to transfer existing Shares held by them or to purchase additional Shares on-market to meet this obligation. The relevant Shareholder will bear any and all losses caused by subscribing for New Shares in excess of their Entitlement and any actions they are required to take in this regard.

By applying under the Retail Entitlement Offer, those doing so irrevocably acknowledge and agree to do the above as required by CAR in its absolute discretion. Those applying acknowledge that there is no time limit on the ability of CAR nor the Underwriters to require any of the actions set out above.

5.8 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your Application once it has been accepted.

5.9 Rounding of Entitlements

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

5.10 Notice to nominees and custodians

If CAR believes that you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Retail Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to Eligible Institutional Shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not) and Institutional Shareholders who were treated as Ineligible Institutional Shareholders under the Institutional Entitlement Offer.

Persons acting as nominees or custodians for other persons must not take up any Entitlements on behalf of, or send this Information Booklet (or any part of it) or any other documents related to the Retail Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States) will not be able to take up any of their Entitlements and may receive no value for any such Entitlements held.

Nominees and custodians may not distribute any part of this Information Booklet, or take up Entitlements on behalf of persons, in the United States or in any other country outside Australia except to beneficial shareholders who are professional or institutional shareholders in other countries (other than the United States) where CAR may determine it is lawful and practical to make the Retail Entitlement Offer.

CAR is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements.

5.11 Not investment advice

This Information Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. CAR is not licensed to provide financial product advice in respect of the New Shares. This Information Booklet does not purport to contain all the information that you may require to evaluate a possible Application for New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with CAR's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at <https://shareholder.carsales.com.au/asx-announcements/>.

Prospective investors should conduct their own independent investigation and assessment of the Retail Entitlement Offer and the information contained in, or referred to in, this Information Booklet. An investment in CAR is subject to investment risk including possible loss of income and principal invested. Before deciding whether to apply for New Shares, you should consider all materials sent to you in relation to the Retail Entitlement Offer and any relevant materials lodged with ASX, and whether the New Shares are a suitable investment for you in light of your own investment objectives, financial circumstances and investment needs (including financial and taxation issues) and having regard to the merits or risks involved (including the 'Key Risks' set out in the Investor Presentation included in Section 3 of this Information Booklet). If, after reading the Information Booklet, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant or other professional adviser or call the Offer Information Line on 1300 651 575 (within Australia) or +61 3 9415 4694 (outside Australia) at any time between 8:30am and 5:00pm (Melbourne time) Monday to Friday during the Retail Entitlement Offer Period, or visit the Entitlement Offer website: www.carsalesoffer.com.au.

5.12 Quotation and trading

CAR has applied to the ASX for official quotation of the New Shares in accordance with the Listing Rule requirements. If ASX does not grant quotation of the New Shares, CAR will repay all Application Money (without interest).

Subject to approval being granted, it is expected that normal trading of New Shares allotted under the Retail Entitlement Offer will commence on Tuesday, 15 June 2021.

5 Important Information continued

5.13 Continuous disclosure

CAR is a “disclosing entity” under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules, including the preparation of annual reports and half yearly reports.

CAR is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, CAR has an obligation under the Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of CAR shares. That information is available to the public from ASX.

Some documents are required to be lodged with ASIC in relation to CAR. These documents may be obtained from, or inspected at, an ASIC office.

5.14 Information Booklet availability

If you are in Australia or New Zealand you can or call the Offer Information Line on 1300 651 575 (within Australia), or +61 3 9415 4694 (outside Australia) at any time between 8:30am and 5:00pm (Melbourne time) Monday to Friday during the Retail Entitlement Offer Period to order a copy of this Information Booklet or visit the Entitlement Offer website: www.carsalesoffer.com.au.

If you access the electronic version of this Information Booklet, you should ensure that you download and read the entire Information Booklet.

5.15 Foreign jurisdictions

This Information Booklet has been prepared to comply with the requirements of the securities laws of Australia. To the extent that you hold Shares or Entitlements on behalf of another person resident outside Australia, it is your responsibility to ensure that any participation (including for your own account or when you hold Shares or Entitlements beneficially for another person) complies with all applicable foreign laws and that each beneficial owner on whose behalf you are submitting the personalised Entitlement and Acceptance Form is not in the United States and not acting for the account or benefit of a person in the United States.

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of CAR with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2018 (New Zealand).

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

CAR has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside Australia and New Zealand.

This Information Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia.

The distribution of this Information Booklet (including an electronic copy) outside Australia is restricted by law. If you come into possession of this Information Booklet, you should observe such restrictions. See the foreign selling restrictions set out in the “Foreign Jurisdictions” Section of the Investor Presentation included in Section 3 of this Information Booklet for more information.

Any non-compliance with these restrictions may contravene applicable securities laws.

5.16 Underwriting of Entitlement Offer

CAR has entered into an underwriting agreement (**Underwriting Agreement**) with Morgan Stanley Australia Securities Limited and Goldman Sachs Australia Pty Ltd who have agreed to fully underwrite the Entitlement Offer.

As is customary with these types of arrangements:

- the obligations of the Underwriters to underwrite the Entitlement Offer are subject to the satisfaction of certain conditions precedent in respect of the Entitlement Offer including:
 - the debt funding documents and the acquisition agreement having been validly executed and not having been terminated;
 - no condition precedent to performance of the parties' obligations under the debt funding documents and acquisition agreement having become incapable of being satisfied;
 - the due diligence program having been implemented and carried out in accordance with the due diligence planning memorandum;
 - CAR issuing and giving to ASX the Investor Presentation, cleansing notice, Appendix 3B and any other ancillary announcement;
 - ASX having granted any necessary ASX in-principle advice;
 - ASIC having indicated it will grant or having granted, and not withdrawn or modified, the ASIC modifications or declarations as granted by ASIC;
 - all ASX announcements, trading halt requests and results of the Entitlement Offer being given in line with the agreed timetable;
 - ASX not having indicated to CAR or the Underwriters that it will not grant permission for the official quotation of the Shares issued under the Institutional Entitlement Offer;
 - all relevant certificates being provided in accordance with the due diligence process;
 - confirmation from U.S. counsel regarding compliance with U.S. securities and investments laws;
 - CAR allotting the Shares issued under the Institutional Entitlement Offer and the Shares issued pursuant the Institutional Shortfall Bookbuild in accordance with the Underwriting Agreement; and
 - ASX not having indicated to CAR or the Underwriters that it will not grant permission for the official quotation of the Shares issued under the Retail Entitlement Offer on or before the Closing Date.
- CAR has agreed, subject to certain carve-outs, to indemnify the Underwriters, their affiliates, successors and related bodies corporate, and each of their respective directors, officers, agents, employees, representatives or advisers from and against all losses directly or indirectly suffered or incurred in connection with the Entitlement Offer, this Information Booklet, CAR's ASX announcements, the Underwriting Agreement and certain other Entitlement Offer documents;
- CAR has given certain representations, warranties and undertakings in connection with (among other things) the Entitlement Offer including as to CAR's capacity to enter into the Underwriting Agreement, accounts, compliance with applicable law, due diligence and offer documentation and Shareholder approval not being required to conduct the Entitlement Offer;
- the Underwriters may terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events including, if any of the following events occurs:
 - ASX announces that CAR will be removed from the official list or that its shares will be removed from official quotation, or suspended, other than in connection with the Entitlement Offer;
 - CAR alters its capital structure without the consent of the Underwriters;
 - CAR or a subsidiary of CAR is deemed insolvent or there is an act or omission which may result in CAR or a subsidiary of CAR becoming insolvent;
 - the chief executive officer or chief financial officer of CAR has their employment terminated by CAR for cause without the prior written consent of the Underwriters;
 - CAR or any of its directors engage, or have engaged, in any fraudulent conduct or activity;
 - a director or senior manager of CAR is charged with an indictable offence relating to financial or corporate matters, or a director of CAR is disqualified from managing a corporation;
 - ASIC or any governmental agency charges or commences any court proceedings or public action against CAR or any of its directors, or announces that it intends to take action;
 - ASIC issues or threatens to issue proceedings in relation to the Entitlement Offer or commences any formal inquiry or investigation into the Entitlement Offer;

5 Important Information continued

- there is an application to any government agency for any order, declaration or other remedy, or any other government agency commences a hearing or announces its intention to do so in connection with the Entitlement Offer;
- a force majeure event occurs;
- CAR withdraws the Entitlement Offer or any part of it or indicates that it does not intend to or is unable to proceed with the Entitlement Offer;
- a certificate is not furnished when required to be furnished by CAR under the Underwriting Agreement, or if given, a statement in the certificate is untrue, incorrect, or misleading or deceptive in any material respect;
- ASX refuses to grant approval for the official quotation of the New Shares or such approval is withdrawn, qualified or withheld before the date of the allotment or issue of the Shares;
- CAR becomes required to give or gives a correcting notice under sections 708AA(10) or 708AA(12) (as included in the Corporations Act by the ASIC Instruments);
- any event specified in the timetable is delayed without the prior written consent of the Underwriters;
- a scheme of arrangement or reconstruction is announced by CAR which would result in a change in control of CAR;
- CAR fails to perform or observe any of its obligations under the Underwriting Agreement;
- a representation, warranty or undertaking made or given by CAR under the Underwriting Agreement proves to be, or has been, or becomes, untrue or incorrect;
- a contravention by CAR or a subsidiary of the Corporations Act, the Constitution, the Listing Rules or, in relation to the Entitlement Offer or the acquisition, or any other applicable law;
- there is a general moratorium or material disruption on commercial banking activities in Australia, the United States of America, the United Kingdom or Hong Kong is declared by the relevant central banking authority;
- trading of all securities quoted on ASX, LSE, HSE, NASDAQ or NYSE is suspended or limited in a material respect;
- hostilities not present, or a major escalation in existing hostilities occurs involving any one or more of Australia, New Zealand, Canada, the United States or the United Kingdom, any member state of the European Union, Russia, Democratic People's Republic of Korea, Japan or the People's Republic of China, or terrorist act is perpetrated in any of those countries;
- there is a change in relevant law or policy in Australia which does or is likely to prohibit, regulate or materially inhibit the Entitlement Offer, capital markets or stock markets;
- ASIC or any other government agency commences or gives notice of an intention to prosecute or investigate CAR (or any director or employee of CAR);
- in the reasonable opinion of the Underwriters, an adverse new circumstance arises that would render the offer materials false, misleading or deceptive;
- an event or circumstance occurs or becomes known that would have required CAR to give ASX a correcting notice under sections 708AA(10) or 708AA(12) (as included in the Corporations Act by the ASIC Instruments) had the cleansing notice been lodged on the basis of information known at that time;
- a statement contained in the offer materials is or becomes misleading or deceptive (including by omission) or likely to mislead or deceive, or omit any information required under the Corporations Act;
- an adverse change occurs in the financial position, operations or prospects of CAR from the position disclosed to the Underwriters or the information publicly available, or the offer documents prior to the date of the Underwriting Agreement;
- any information supplied to the Underwriters prior to the Underwriting Agreement for the purpose of due diligence is, or becomes false, misleading or deceptive or likely to mislead or deceive (including by omission);
- an offer of Shares or transaction is announced which may result in a person and their associates acquiring a beneficial interest in, or voting power of, 50% or more of the interests in CAR; or
- there is any adverse, or prospective adverse change or disruption to the financial markets, political or economic conditions of Australia, New Zealand, the United States, the United Kingdom or Hong Kong.

The ability of the Underwriters to terminate the Underwriting Agreement in respect of some events will depend upon whether the event has, or is likely to have (individually or in the aggregate), a material adverse effect on the success, marketing or settlement of the Entitlement Offer, or whether the event will lead to a contravention by the relevant Underwriter of the Corporations Act or any other applicable law.

The Underwriters will be paid a 1.60% underwriting fee and a 0.40% management fee on the proceeds of the Entitlement Offer for providing these services and will be reimbursed for certain expenses.

Neither the Underwriters nor any of their related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives, advisers or agents have authorised or caused the issue of this Information Booklet, or made or authorised the making of any statement that is included in this Information Booklet or any statement on which a statement in this Information Booklet is based, and they do not take any responsibility for this Information Booklet or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Underwriters and each of their related bodies corporate and affiliates and each of their respective directors, officers, partners, employees, representatives, advisers or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you (directly or indirectly) as a result of your participation in the Retail Entitlement Offer and this Information Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. Neither the Underwriters nor any of their related bodies corporate and affiliates nor their respective directors, officers, partners, employees, representatives, advisers or agents make any recommendations as to whether you or your related parties should participate in the Entitlement Offer nor do they make any representations or warranties to you concerning this Entitlement Offer, or any such information and you represent, warrant and agree that you have not relied on any statements made by the Underwriters or any of their related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives, advisers or agents in relation to the New Shares or the Entitlement Offer generally.

5.17 Governing Law

This Information Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Retail Entitlement Offer pursuant to your personalised Entitlement and Acceptance Form are governed by the laws applicable in Victoria, Australia. Each Applicant for New Shares submits to the non exclusive jurisdiction of the courts of Victoria, Australia.

5.18 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Information Booklet.

Any information or representation that is not in this Information Booklet may not be relied on as having been authorised by CAR, or its related bodies corporate, in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, neither CAR, nor any other person, warrants or guarantees the future performance of CAR or any return on any investment made pursuant to this Information Booklet or its content.

5 Important Information continued

5.19 Withdrawal of the Retail Entitlement Offer

CAR reserves the right to withdraw all or part of the Retail Entitlement Offer and this Information Booklet at any time, subject to applicable laws, in which case CAR will refund Application Money in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest. In circumstances where allotment under the Institutional Entitlement Offer has occurred, CAR may only be able to withdraw the Entitlement Offer with respect to New Shares to be issued under the Retail Entitlement Offer.

To the fullest extent permitted by law, you agree that any Application Money paid by you to CAR will not entitle you to receive any interest and that any interest earned in respect of Application Money will belong to CAR.

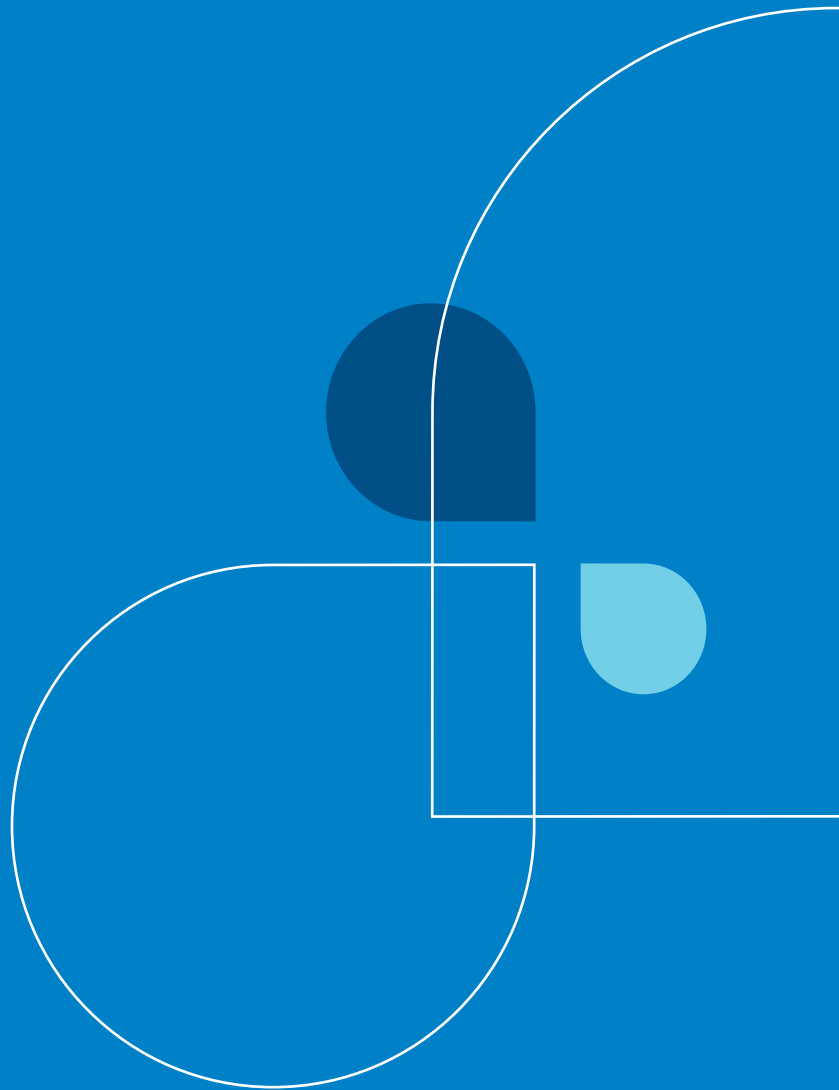
5.20 Privacy

CAR collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in CAR.

By accepting the Retail Entitlement Offer and submitting an Entitlement and Acceptance Form, you will be providing personal information to CAR (directly or through the Share Registry). CAR collects, holds and will use that information to assess your Application. CAR collects your personal information to process and administer your shareholding in CAR and to provide related services to you. CAR may disclose your personal information for purposes related to your shareholding in CAR, including to the Share Registry, CAR's related bodies corporate, agents, contractors and third party service providers (including mailing houses and professional advisers) and to ASX and regulatory bodies. You can obtain access to personal information that CAR holds about you. To make a request for access to your personal information held by (or on behalf of) CAR, please contact CAR through the Share Registry.

6

Glossary



6 Glossary

ABN	means Australian Business Number.
Acquisition	means the acquisition of a 49% interest in Open Road Parent, LLC.
Applicant	means a person who has completed a valid Application.
Application	means the payment of the relevant Application Money via BPAY® in accordance with the instructions on the Entitlement and Acceptance Form or the submission of a completed Entitlement and Acceptance Form accompanied by the relevant Application Money.
Application Money	means the total amount payable for the New Shares applied for via BPAY® or a completed Entitlement and Acceptance Form.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ABN 98 009 624 691, or the financial market operated by it, as the context requires.
ATO	means the Australian Taxation Office.
BPAY®	means BPAY Pty Limited (ABN 69 079 137 518).
CAR	means carsales.com Limited ACN 074 444 018.
CGT	means capital gains tax.
Closing Date	5.00pm (Melbourne time) on Wednesday, 2 June 2021.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
CRN	means the unique Customer Reference Number on each personalised Entitlement and Acceptance Form.
Eligible Institutional Shareholder	means in accordance with sections 708(8) and 708(11) of the Corporations Act respectively, a sophisticated or professional Shareholder on the Record Date who has successfully received an invitation from the Underwriters to participate in the Institutional Entitlement Offer, provided that, if such person is in the United States, the person meets certain eligibility criteria determined by CAR and the Underwriters (and who, for the avoidance of doubt, is not an Excluded Institutional Securityholder under the Underwriting Agreement).
Institutional Premium	means the proceeds (if any) in excess of the Offer Price (per underlying Share) in respect of the Entitlements sold in the Institutional Shortfall Bookbuild.

Eligible Retail Shareholder	<p>means a person who on the Record Date:</p> <ul style="list-style-type: none"> (a) is registered as a holder of Shares; (b) has a registered address on the CAR share register in Australia or New Zealand; (c) is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States); (d) was not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and was not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and (e) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer; <p>provided that, if a Shareholder (including a nominee or custodian) is acting for the account or benefit of a person in the United States, it may not participate in the Retail Entitlement Offer on behalf of such a person.</p>
Entitlement	means the right to apply for 1 New Share for every 6.99 Existing Shares held as at the Record Date, at the Offer Price of \$17.00 per New Share, pursuant to the Entitlement Offer.
Entitlement and Acceptance Form	means the entitlement and acceptance form which can be accessed and downloaded at the Entitlement Offer website: www.carsalesoffer.com.au .
Entitlement Offer	means the Institutional Entitlement Offer and the Retail Entitlement Offer.
Existing Shares	means the Shares already on issue on the Record Date.
FRCGW	means Foreign Resident Capital Gains Withholding.
GST	means goods and services tax.
HIN	means Holder Identification Number.
Ineligible Institutional Shareholder	means a Shareholder who is not an Eligible Institutional Shareholder.
Ineligible Retail Shareholder	means a Shareholder who is not an Eligible Retail Shareholder.
Information Booklet	means this information booklet.

6 Glossary continued

Institutional Entitlement Offer	means the pro rata accelerated renounceable entitlement offer to Eligible Institutional Shareholders.
Institutional Premium	means the proceeds (if any) in excess of the Offer Price (per underlying Share) in respect of the Entitlements sold in the Institutional Shortfall Bookbuild.
Institutional Shortfall Bookbuild	means the institutional shortfall bookbuild associated with the Institutional Entitlement Offer described in Section 2.3.
Investor Presentation	means the presentation to investors released to ASX on Wednesday, 12 May 2021, included in Section 3 of this Information Booklet.
Listing Rules	means the listing rules of ASX.
New Shares	means the Shares to be issued and allotted under the Entitlement Offer, including (if the context requires) the shortfall from the Entitlement Offer issued under the Retail Shortfall Bookbuild or to the Underwriters or any sub-underwriter.
Offer Information Line	means 1300 651 575 (within Australia) or +61 3 9415 4694 (outside Australia), open between 8:30am and 5:00pm (Melbourne time), Monday to Friday during the Retail Entitlement Offer Period.
Offer Price	means \$17.00 per New Share.
Record Date	means 7.00pm (Melbourne time) on Monday, 17 May 2021.
Renunciation and Acceptance Form	means the renunciation and acceptance form which can be accessed and downloaded at the Entitlement Offer website: www.carsalesoffer.com.au .
Retail Entitlement Offer	means the pro rata accelerated renounceable entitlement offer (with retail rights trading) to Eligible Retail Shareholders to apply for 1 New Shares for every 6.99 Existing Shares held as at the Record Date at the Offer Price of \$17.00 per New Share.
Retail Entitlement Offer Period	means the period that the Retail Entitlement Offer is open.
Retail Premium	means the proceeds (if any) in excess of the Offer Price (per underlying Share) in respect of the Entitlements sold in the Retail Shortfall Bookbuild.

Retail Shortfall Bookbuild	means the retail shortfall bookbuild under which Eligible Retail Shareholders may apply for New Shares in excess of their Entitlement described in Section 2.8.
Share	means a fully paid ordinary share in the capital of CAR.
Share Registry	means Computershare Investor Services Pty Limited ACN 078 279 277.
Shareholder	means a registered holder of Shares.
SRN	means Security Reference Number.
Target	means Trader Interactive.
TFN	means Tax File Number.
TERP	means the theoretical ex rights price calculated by reference to CAR's closing price on Tuesday, 11 May 2021 of \$19.51 per Share, being the last trading day prior to the announcement of the Entitlement Offer.
TOFA	means the Taxation of Financial Arrangements provisions of the Australian income tax law.
Underwriters	means Morgan Stanley Australia Securities Limited ABN 55 078 652 276 and Goldman Sachs Australia Pty Ltd ABN 21 006 797 897.
Underwriting Agreement	means the underwriting agreement between CAR and the Underwriters dated Wednesday, 12 May 2021.
US Securities Act	means the US Securities Act of 1933 and its relevant amendments.

Corporate Directory

carsales.com Limited

ACN 074 444 018

Registered Office

Level 4, 499 Punt Road
Richmond VIC 3121

Website

<https://shareholder.carsales.com.au/> or
<https://www.carsales.com.au/>

Offer Information Line

Within Australia: 1300 651 575

Open between 8.30am to 5.00pm (Melbourne time)
Monday to Friday during the Retail Entitlement
Offer Period

Outside Australia: +61 3 9415 4694

Open between 8:30am and 5:00pm (Melbourne time)
Monday to Friday during the Retail Entitlement
Offer Period

Share Registry

Computershare Investor Services Pty Limited

Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067

Legal adviser

Arnold Bloch Leibler

Level 21, 333 Collins Street
Melbourne VIC 3000

www.abl.com.au

Lead Managers and Underwriters to the Entitlement Offer

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Sydney NSW 2000

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