

An aerial photograph of a winding asphalt road that curves through a dense green forest. To the left of the road, there is a rocky, brownish terrain. A single white car is visible on the road, moving away from the viewer. The overall scene is captured from a high angle, looking down at the landscape.

carsales  com ltd

Half Year Results Presentation

HALF YEAR ENDED 31 DECEMBER 2021

Disclaimer and Non-IFRS Information

Disclaimer

The material in this presentation has been prepared by carsales.com Limited (ASX: CAR) ABN 91 074 444 018 ("carsales") and is general background information about carsales' activities current as at the date of this presentation. The information is given in summary form and does not purport to be complete. In particular you are cautioned not to place undue reliance on any forward looking statements regarding our belief, intent or expectations with respect to carsales' businesses, market conditions and/or results of operations, as although due care has been used in the

preparation of such statements, actual results may vary in a material manner. Information in this presentation, including forecast financial information, should not be considered advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice.

Non-IFRS Financial Information

carsales' results are reported under International Financial Reporting Standards (IFRS). This presentation also includes certain non-IFRS measures including "adjusted", "underlying" "proforma" and "look-through". These measures are used internally by management to assess the performance of our business and our associates, make decisions on the allocation of resources and assess operational management. Non-IFRS measures have not been subject to audit or review. All numbers listed as reported comply with IFRS.

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Performance Summary



Executing on Our Strategic Plans

Australia



We continue to deliver excellent growth in revenue and earnings with significant long term growth potential



Our dynamic pricing model is delivering significant value upside, contributing to 38% revenue growth in the private segment (highest since 2011)



We are making strong progress in driving an increasingly online buying and selling journey through our Instant Offer and Select products



Strong execution on our media strategy, which includes richer customer insights, easier ways to purchase and diversifying our customer base

International



Completed the Trader Interactive acquisition with excellent financial performance and strong momentum heading into 2022. webmotors had an outstanding half with strong inventory and dealer volume growth



Strong product penetration growth in Korea across Guarantee, Dealer Direct and Encar Home

ESG



We are on track to become carbon neutral in our Australian operations by June 30 2022



We have been certified as a Great Place to Work® for a 5th consecutive year, reached 40% female representation at the Senior Leadership Team and were one of the first Australian companies certified as a Family Inclusive Workplace™ by UNICEF Australia and Parents At Work

H1 FY22 Financial Highlights

- Strong revenue result and solid earnings result excluding the impact of government wage subsidies which were received in H1 FY21
- Results demonstrate a resilient and diverse business across multiple industries, geographies and customer segments
- Pleasing domestic result headlined by outstanding Private revenue growth of 38% and the second consecutive half of good Media revenue growth
- Strong international performance with the US, Korea and Brazil all delivering excellent double digit revenue growth

	Look-through	Adjusted	Reported
Revenue	\$282m ↑ 30%	\$242m ↑ 16%	\$242m ↑ 22%
EBITDA	\$149m ↑ 15%	\$127m ↑ 1% ¹	\$125m ↑ 10%
NPAT	\$89m ↑ 20%	\$89m ↑ 20%	\$75m ↑ 22%
Basis	Economic ownership view which includes <50% owned entities	Reported results excluding one-off or non-cash items	Reported results in accordance with IFRS

[1] Adjusted EBITDA growth of 7% excluding the impact of government wage subsidies provided in H1 FY21

Outstanding Operating Metrics

Metrics reflect the value we create for our customers and our leading position in key markets

Marketplace Highlights

1.7 million



Vehicles online¹

632 million



Total sessions⁴

40 million



Unique audience per month⁷

Dealer Highlights

45 thousand



Subscribed dealers²

178 thousand



Cars inspected⁵

10 million



Dealer leads delivered⁸

Consumer Highlights

9.2 billion



Vehicle page views³

2.2x as trusted



v nearest competitor⁶

15% reduction



Time to sell⁹

[1] Stock published for websites in Australia, South Korea, United States, Brazil, Mexico, and Chile as at 31 Dec 21. [2] Number of active dealers in Australia, South Korea, United States, Brazil, Mexico and Chile as at 31 Dec 21. [3] Page views for websites in Australia, South Korea, United States, Brazil, Mexico and Chile for period 1 Jul 21 – 31 Dec 21. [4] Google Analytics, sessions for websites in Australia, South Korea, United States, Brazil, Mexico and Chile for period 1 Jul 21 - 31 Dec 21. [5] South Korea - carsales internal data, cars inspected for period 1 Jul 21 - 31 Dec 21. [6] Study conducted on Australian website by independent research agency Nature Pty Ltd Market brand health tracker (Dec 21). Reputation - Is Trustworthy (Rated 7-10) [7] Google Analytics, unique audience for websites in Australia, South Korea, United States, Brazil, Mexico and Chile for period Dec 21. [8] Dealer leads from websites in Australia, South Korea, United States, Brazil, Mexico, and Chile for period 1 Jul 21 - 31 Dec 21. [9] Median time to sell Dec 21 v Dec 19 for Australian private and dealer inventory.

Market Observations

carsales is a resilient business through different economic cycles

MACRO FACTORS

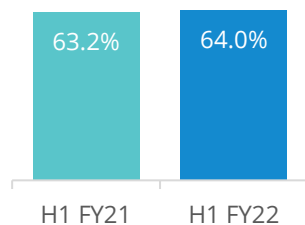
Observations

- Australia is seeing inflation increase and a tighter labour market with low unemployment
- Potential for the RBA to tighten monetary policy

Potential outcomes for carsales

- Strong track record of performance through different economic cycles and interest rate environments. The used vehicle market has historically remained resilient through the most challenging economic environments
- The inherent strength of our business model and strong cost control positions the business well to continue exercising operating leverage and grow margins through the cycle

carsales Core Margin¹



SUPPLY CHAIN

Observations

- Demand for auto and lifestyle assets accelerated during COVID and continues to be strong. Ongoing semiconductor and component shortages as well as logistics congestion is putting pressure on supply
- Not expecting inventory levels to normalise until H2 CY22

Potential outcomes for carsales

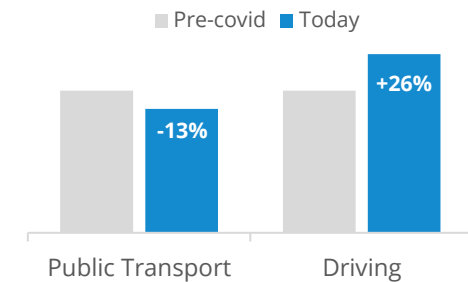
- With new vehicle supply constraints continuing we anticipate used vehicle pricing to remain elevated throughout CY22
- carsales' subscription-based businesses are expected to benefit as inventory returns to normal levels
- As inventory levels rise and the imbalance between supply and demand normalises, we would expect to see vehicle advertising spend increase as OEMs and dealers look to promote new and used stock

CONSUMER TRENDS

Car Ownership

- Car usage has become the preferred method of transport post COVID

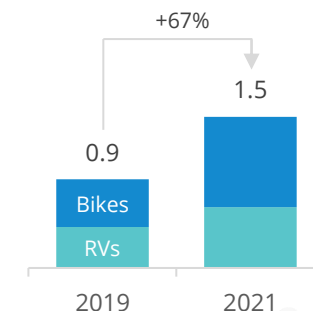
Car Driving and Public Transport Usage²



Lifestyle Assets

- Sales in lifestyle assets has increased dramatically with sales up 67% on pre-COVID levels

US New RV and Motorbike sales (m)³



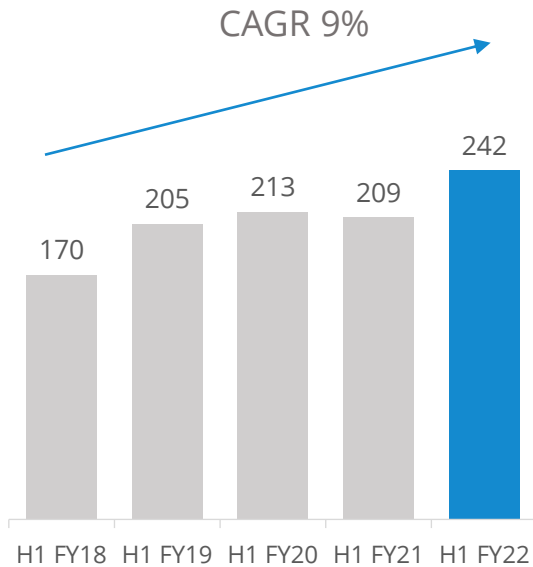
A scenic view of a winding coastal highway. The road is a multi-lane concrete bridge or viaduct that curves along the edge of a rocky cliffside. A silver SUV is driving on the road, moving away from the viewer. The ocean is visible to the right, with waves crashing against the shore. The sky is clear and blue. The overall scene is bright and sunny.

Group Financial Review

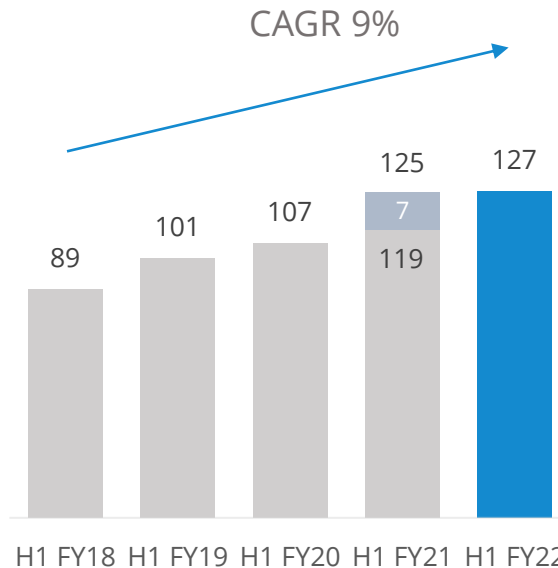
Strong Track Record of Growth

Well positioned to continue delivering long-term shareholder value through world-class capability, exposure to international growth markets and investment in new products and services

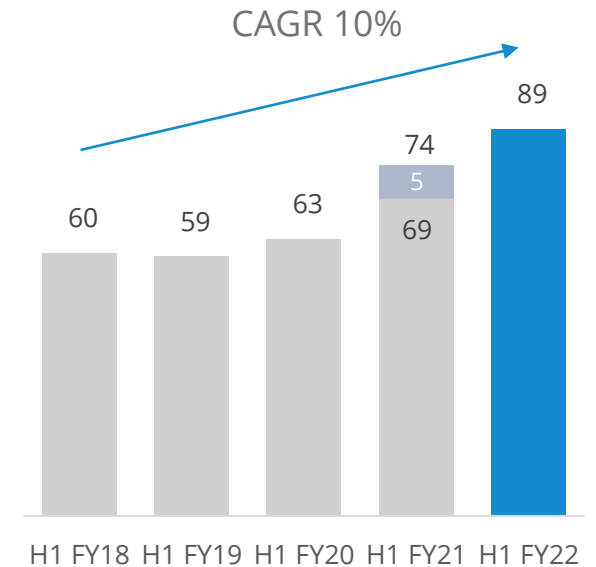
ADJUSTED REVENUE¹



ADJUSTED EBITDA¹



ADJUSTED NPAT¹



■ Represents impact of Government Wage Subsidy

Segment Revenue & EBITDA

Half-Year Ending 31 December 2021			Growth		Constant
	H1 FY21	H1 FY22	\$'s	%	Currency
<i>Dealer</i>	85.5	86.1	0.6	1%	
<i>Private</i>	22.8	31.5	8.7	38%	
<i>Media</i>	23.4	25.9	2.5	11%	
Online Advertising	131.7	143.5	11.8	9%	
Data, Research and Services (DR&S) ²	21.6	21.8	0.2	1%	
carsales Investments	12.2	26.9	14.7	120%	
Asia	40.7	47.1	6.4	16%	19%
Americas	3.3	3.0	(0.4)	(11%)	(9%)
Adjusted Revenue¹	209.5	242.2	32.7	16%	16%
Online Advertising	88.5	91.8	3.3	4%	
Data, Research and Services (DR&S) ²	14.4	14.0	(0.4)	(2%)	
carsales Investments	0.8	(0.5)	(1.3)	(165%)	
Asia	21.8	22.7	0.9	4%	6%
Americas	(0.1)	(1.2)	(1.2)	n/a	n/a
Adjusted EBITDA¹	125.5	126.7	1.2	1%	1%
Adjusted EBITDA ex Govt. Wage Subsidy	118.7	126.7	8.0	7%	

Revenue

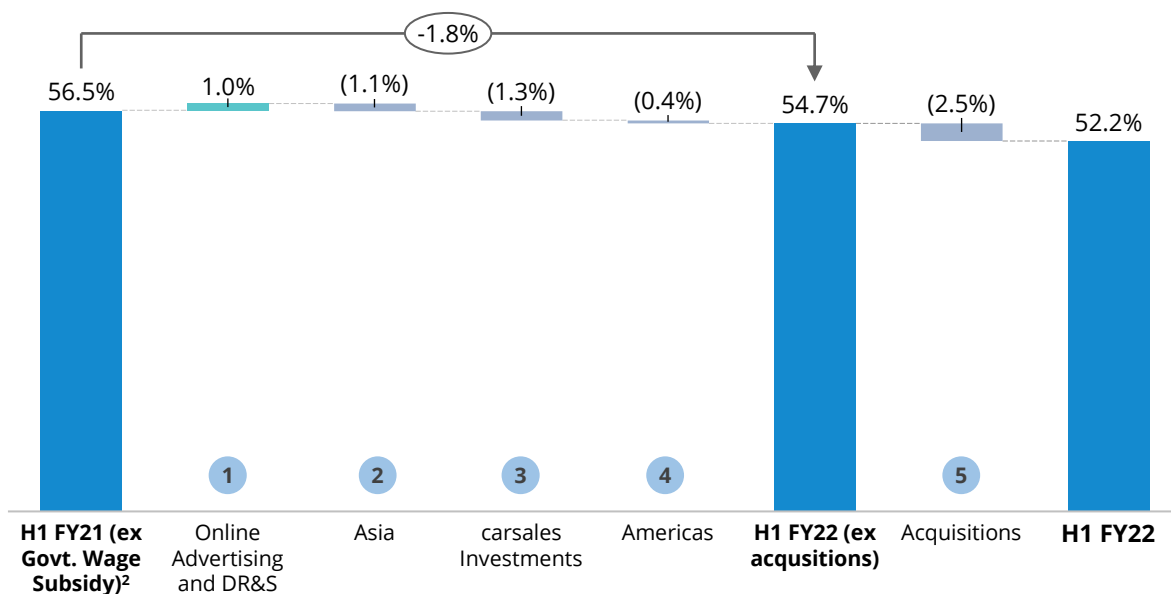
- Delivered 16% growth in Adjusted Revenue, 10% underlying growth excluding tyreconnect acquisition
- Solid Online Advertising growth reflects the strength of the underlying core business despite lockdowns
- Resilient Dealer result given lockdowns in NSW and VIC and strong H1 FY21 comparative result
- Outstanding private result reflects strong increases in private ad volume, private ad yield and Instant Offer
- Reinvigorated strategy and improved advertising conditions supported continued growth in media segment
- carsales Investments result primarily driven by tyreconnect acquisition
- Excellent Encar revenue growth of 19% driving the Asia result

EBITDA

- Overall, solid Adjusted EBITDA result up 7% excluding the impact of government wage subsidies (\$6.8m)
- Pleasing growth in Online Advertising EBITDA, up 10% excluding government wage subsidies. Reflects continued discipline on cost control, whilst investing in future growth priorities.
- carsales Investments EBITDA result affected by incremental investment in Placie and wages subsidies in prior year comparison
- Asia EBITDA up 7%, reflecting good underlying growth and continued investment in Dealer Direct marketing of \$4.7m in the half

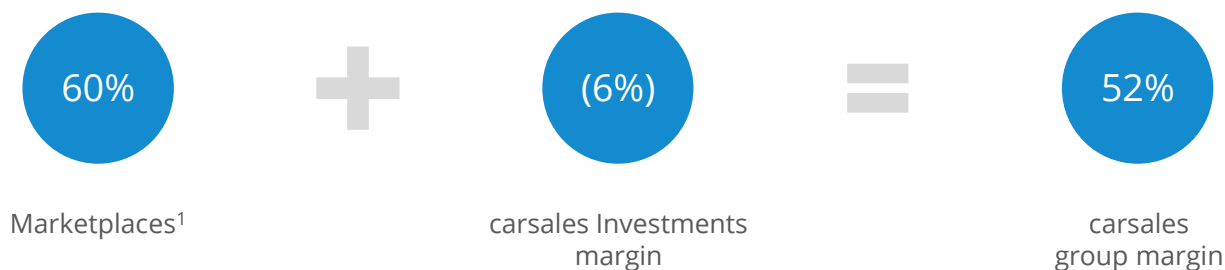
EBITDA Margin Summary¹

Strong underlying margin performance in the core business



Commentary

- 1 Underlying margin expansion reflects solid revenue result combined with diligent cost control, whilst continuing to invest in future growth initiatives
- 2 Decrease reflects \$4.7m investment in Dealer Direct marketing. Good growth in underlying margins excluding this impact
- 3 Lower margin primarily due to investment in Placie and lockdown impact in tyres businesses
- 4 Lower EBITDA due to ongoing dealer stock issues in Chile and Mexico
- 5 Impact from inclusion of lower margin tyreconnect business



[1] Adjusted Revenue excludes COVID-19 support rebate provided to dealers, Adjusted EBITDA excludes certain non-recurring or non-cash items. See slide 36 regarding the disclosure of non-IFRS Information and slides 39 - 40 for a reconciliation of Reported to Adjusted Financials. Marketplaces includes Online Advertising, DR&S, Asia and Americas segments (ex Mexico which is shown in carsales Investments as it is an early-stage investment). [2] Excluding the impact of government wage subsidies provided in H1 FY21

Adjusted Net Profit After Tax Summary

	\$A Millions		Growth	
	H1 FY21	H1 FY22	\$'s	%
Half-Year Ending 31 December 2021				
Adjusted EBITDA¹	125.5	126.7	1.2	1%
EBITDA Margin %	59.9%	52.3%		
1 Depreciation & amortisation	15.6	18.6	(3.0)	(19%)
2 Net finance cost	8.0	6.0	2.0	24%
Income tax expense	30.3	29.5	0.8	3%
<i>Trader Interactive</i>	-	13.3	13.3	-
<i>Webmotors</i>	2.7	3.2	0.5	19%
<i>Other Associates</i>	(0.0)	(0.0)	-	(13%)
3 Profits from associates	2.6	16.4	13.8	528%
Non-controlling interests (NCI)	(0.2)	(0.3)	(0.1)	n/a
4 Adjusted NPAT¹	74.0	88.7	14.7	20%
Adjusted Earnings per share (cents) ²	29.6	31.4	1.9	6%
5 Interim Dividend per share (cents)	25.0	25.5	0.5	2%
Summary of Reported Results				
Reported Revenue	198.9	241.9	43.0	22%
Reported EBITDA	113.8	125.3	11.5	10%
Reported NPAT	61.1	74.6	13.5	22%
Reported Earnings per share (cents) ²	24.4	26.4	2.0	8%

Commentary

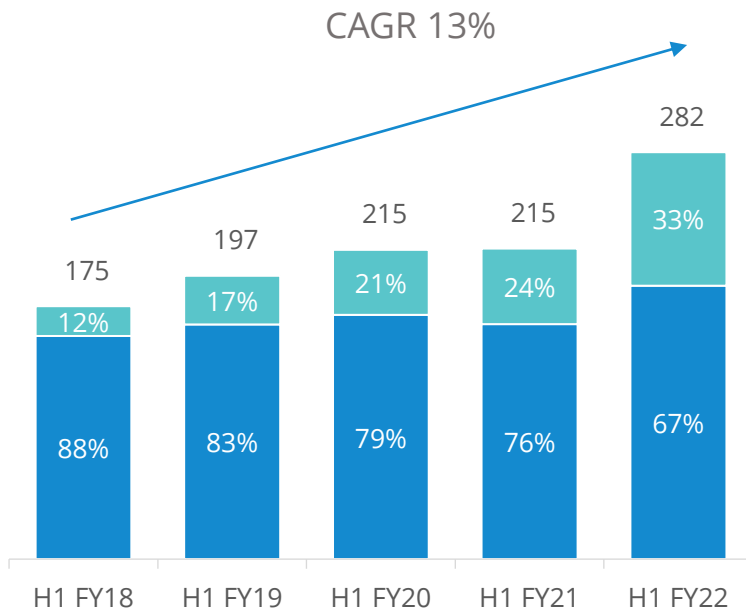
- 1** D&A increased by \$3.0m due to increased depreciation of building fit outs and software assets. The software investment continues to support future growth initiatives and development of our global technology platform
- 2** Net finance cost decrease reflects lower interest rates due to exit of unfavourable Korean hedge and lower average net debt balance
- 3** Significant increase in profits from associates due to including Trader Interactive from September 2021. A reconciliation of Trader Interactive's results is provided in the appendix. Growth in webmotors' contribution reflects strong revenue and earnings performance in the last six months
- 4** Adjusted NPAT growth is stronger than Adjusted EPS growth due to the issue of 35.3m new shares in connection with the capital raise associated with the Trader Interactive acquisition. Adjusted EPS up 12% excluding the impact of wages subsidies
- 5** Interim dividend of 25.5 cents per share declared, up 2% on pcp representing an 81% dividend payout ratio

Look-through¹ Growth

Strong track record of Look-through Revenue & EBITDA growth, with increasing contributions from existing international business and the inclusion of Trader Interactive

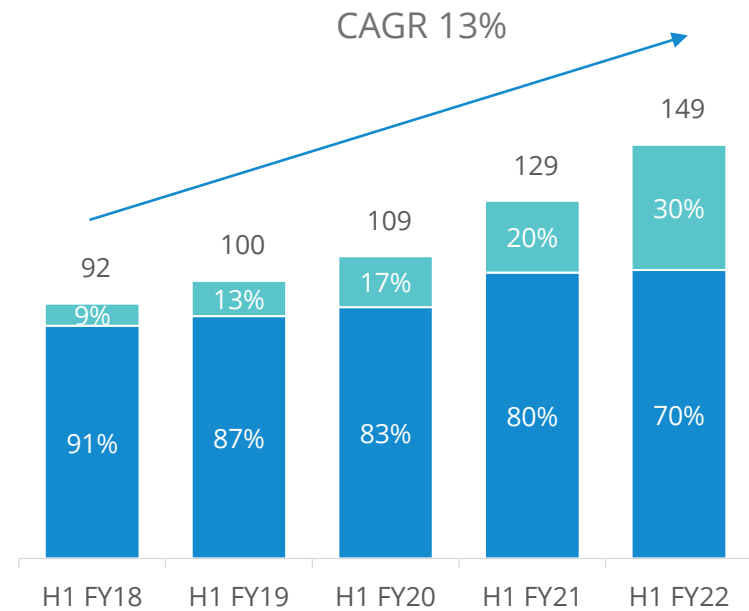
LOOK-THROUGH¹ REVENUE

■ carsales Australia ■ carsales International



LOOK-THROUGH¹ EBITDA

■ carsales Australia ■ carsales International

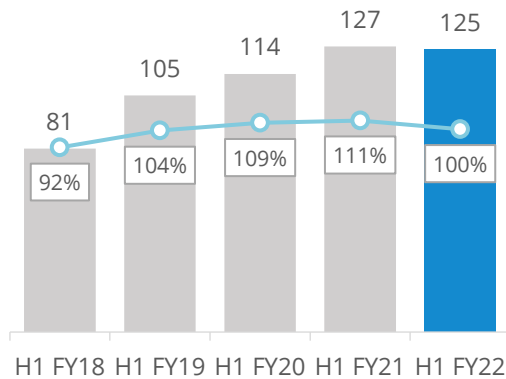


[1] carsales "look-through" methodology: For equity accounted associates and consolidated subsidiaries, add the total adjusted revenue or adjusted EBITDA for the period of ownership within the reporting period multiplied by the ownership % relevant to the specific reporting period. Some "look-through" numbers involve the disclosure of non IFRS information - Refer to carsales' Disclosure of Non IFRS information on slide 3 for further details. Amounts disclosed are in constant currency to normalise FX fluctuations across international subsidiaries & associates.

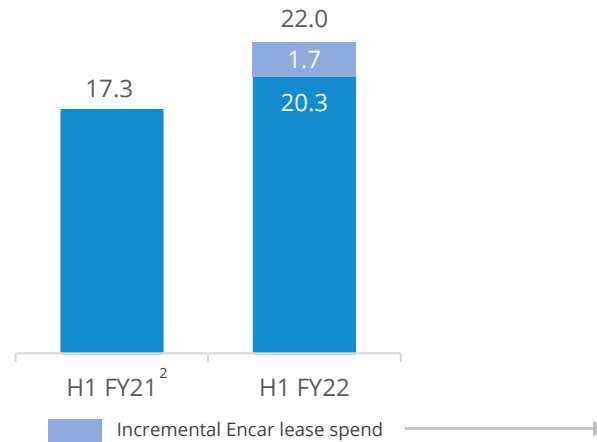
Strong Cash Flow and Robust Balance Sheet

CASHFLOW CONVERSION

■ Cashflow¹ —○ Reported EBITDA to cash conversion



CAPEX (\$m)

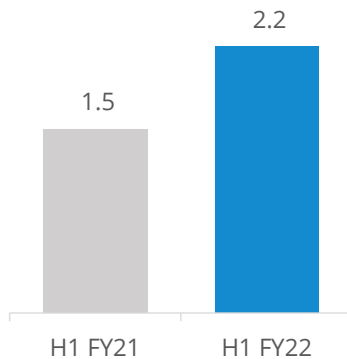


Commentary

- Good conversion of EBITDA to cash flow reflects the attractive working capital profile of the business and good cash collections
- Underlying capex growth of 17% excluding incremental spend on Encar lease improvements. Underlying growth reflects continued investment to deliver strategic initiatives and higher technology salaries in a tight labour market
- Encar lease capex on Guarantee inspection branches was atypically high as there was a new branch built at a mega-complex in Suwon, which is 5x larger than a normal branch. This was in addition to two other branches built in the half
- Net debt and leverage ratio increase reflects incremental debt drawn down as part of the Trader Interactive acquisition

LEVERAGE RATIO

Net debt³ / Adjusted EBITDA⁴



NET DEBT³

\$A Millions	Dec-20	Dec-21	%
Borrowings	463.2	643.2	(39%)
Swaps	4.0	-	n/a
Cash	(106.6)	(88.3)	(17%)
Net Debt	360.6	554.8	(54%)

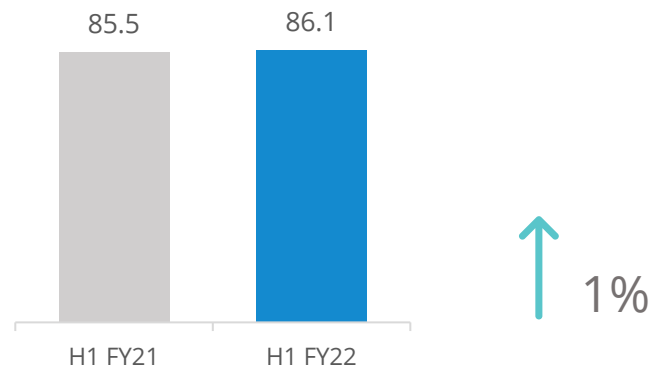
[1] Operating cash flow less tax. In H1 FY22 cash flow excludes tyreconnect acquisition impact [2] H1FY21 capex has been restated to reflect the labour capitalisation rate true-up for the full financial year. [3] Net debt includes total borrowings and cross currency interest swaps less total cash as at 31 Dec 2021 as per published balance sheet, excluding lease liabilities. Ratios above are based on reported financial outcomes and may vary with bank covenant definitions. [4] Adjusted EBITDA stated above excludes certain non-recurring items. See slide 36 regarding the disclosure of non-IFRS Information and slides 39-40 for a reconciliation of Reported to Adjusted Financials. Adjusted EBITDA represents last twelve months (LTM).

A close-up, low-angle shot of a car's wheel and brake system. The focus is on the silver, perforated brake disc, which is partially obscured by the multi-spoke alloy wheel. The background is a blurred, warm-toned surface, possibly a road or a wall. The text "carsales Australia" is overlaid in white, sans-serif font on the left side of the image.

carsales
Australia

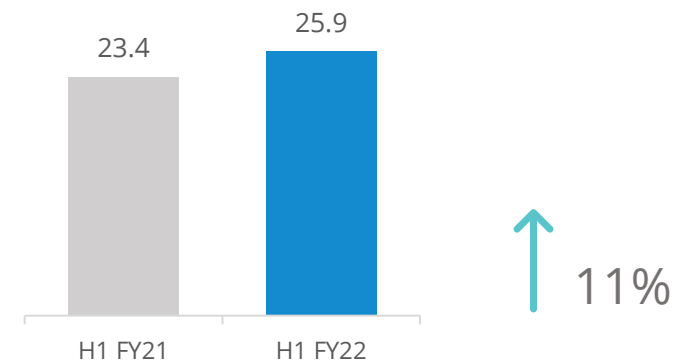
Australia Revenue – Dealer & Media

DEALER ADJUSTED REVENUE¹ UP 1% TO \$86.1m



- Extended lockdowns in Eastern states impacted trading activity. As restrictions lifted, conditions improved considerably, similar with past experience. Expect stronger H2 results through volume recovery and continued yield expansion
- Underlying automotive metrics remain excellent, with audience, time to sell and lead to sale conversion rates still strong. Dealer customers are continuing to generate strong gross margins
- Dealer finance revenue run-rates are increasing each month and there are now over 13,000 cars with dealer finance offers
- Low stock levels impacted the growth of other discretionary products, particularly depth

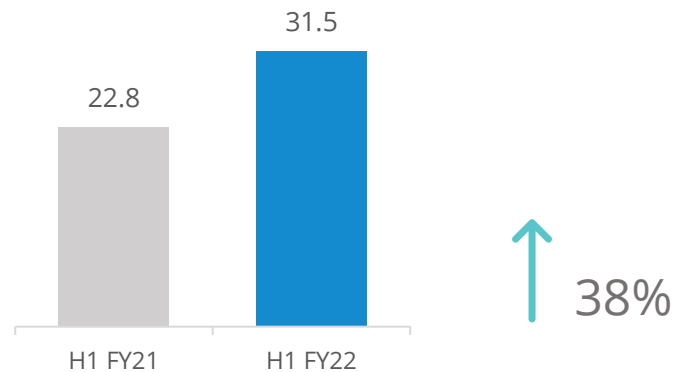
MEDIA ADJUSTED REVENUE¹ UP 11% TO \$25.9m



- Improvement in media performance continued, with excellent double-digit revenue growth for the second consecutive half year
- Our strategy of diversifying into non-automotive segments and the development of innovative new products is paying dividends, while we have also attracted new brand advertising investment
- Good industry new car sales volume growth of 2%² in a challenging inventory environment
- Delivery of our Customer Data Platform (CDP) is expected in H2 FY22 which will help connect our first-party data with advertisers' data, enhancing our ability to better target potential customers

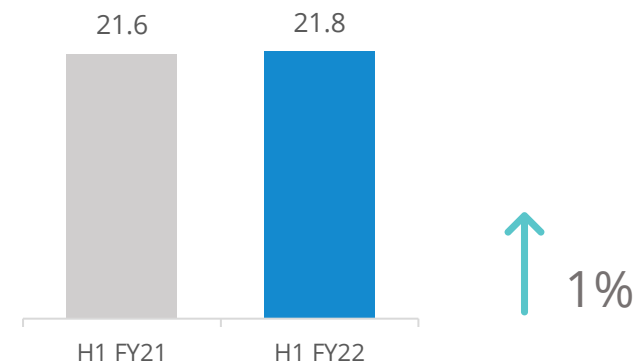
Australia Revenue – Private & DR&S

PRIVATE REVENUE UP 38% TO \$31.5m



- Excellent revenue growth of 38% on pcp supported by good trading conditions, strong used car prices and a leading private value proposition
- Private ad revenue was a key driver of the performance with strong volumes and a highly effective dynamic pricing strategy that increased yield by 20% on pcp
- Instant Offer was also a key contributor to growth despite the impact of lockdowns with good recovery since retail reopened. This growth has been achieved through growing consumer awareness of the product and an improvement in the conversion ratio from quote to sale

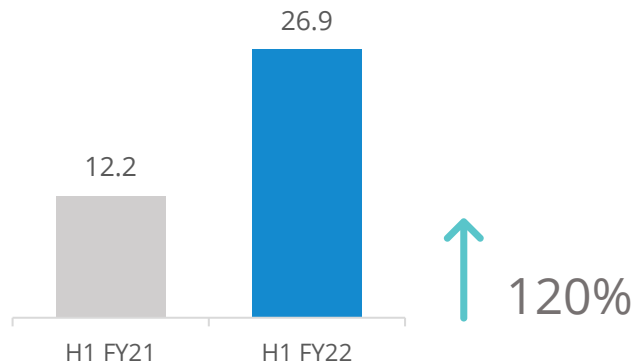
DR&S ADJUSTED REVENUE¹ UP 1% TO \$21.8m



- Resilient result given the impact of prolonged lock downs and continued inventory challenges for dealers, which puts pressure on the ability to increase the penetration of our key dealer services products
- RedBook continues to be the Australian market leader in vehicle specification services, reflected in continuing revenue growth on pcp

carsales Investments

CARSALES INVESTMENTS REVENUE UP 120% TO \$26.9m



- Revenue growth primarily driven by the inclusion of tyreconnect, an acquisition which was completed early in Q1 FY22. Underlying growth of 18% excluding the impact of acquisitions
- Whilst lockdowns impacted tyre volumes in the consumer side of the business, they rebounded strongly on re-opening with run-rates improving every month since August
- RedBook Inspect achieved solid revenue growth despite the impact of lock downs, reflecting the strong value proposition of our array of inspection products

H1 FY22 PERFORMANCE COMMENTARY



- Integration of the tyreconnect acquisition is progressing well
- Tyres business now achieving positive earnings with continued growth to be supported by material improvement in volume rebates and purchasing efficiencies



- Launched carsales approved for inspected cars with 4★ or **CARSALES APPROVED** higher ratings, <10 years old and <160,000 kms which underpins confidence in Select
- Opened a new Melbourne location to process increasing inspection volume, and established an EV training program for inspectors



- Added major global rideshare player Ola to the platform in H1 FY22
- Placie has >70% of all the taxis in Australia¹ and the partnership with Ola means a significant portion of rideshare drivers are available to be booked in the app

A large white semi-truck with a tarp-covered trailer is driving on a multi-lane highway. The scene is captured during sunset or sunrise, with a warm, golden light illuminating the truck and the sky. The truck is moving from left to right. In the background, there is a concrete overpass and a line of trees. The overall mood is serene and professional.

carsales
International

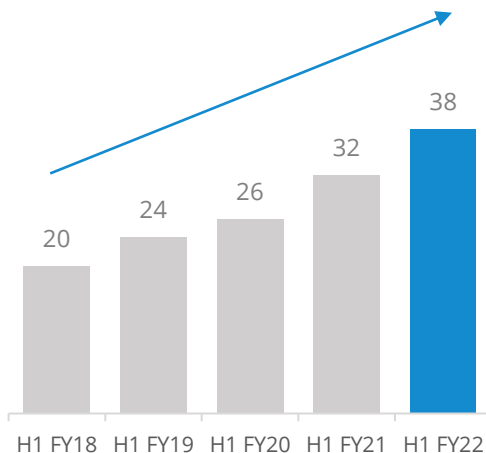
Strong growth from Encar, underpinned by continued momentum of key products

FINANCIAL SUMMARY

	\$A Millions		Growth		Constant Currency
	H1 FY21	H1 FY22	\$'s	%	
Revenue	38.6	44.9	6.3	16%	19%
EBITDA	20.6	21.5	0.9	4%	7%

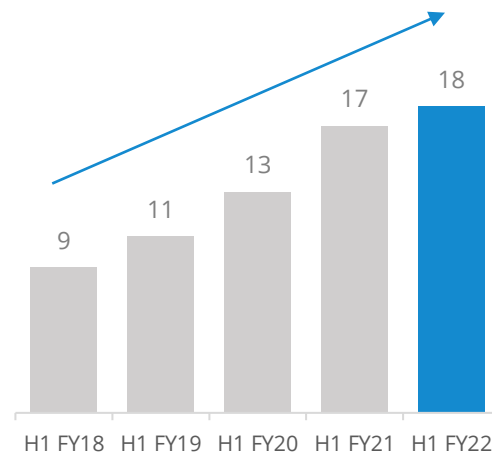
Revenue (KRWbn)

CAGR 18%



EBITDA (KRWbn)

CAGR 21%



H1 FY22 PERFORMANCE COMMENTARY

- Strong financial performance across revenue and EBITDA. Encar invested 4.7m (AUD) to increase penetration and drive future growth of the Dealer Direct product. Excluding this investment, underlying EBITDA was up strongly against pcp

Performance has been driven by strong growth from three key products:

Dealer Direct

- 100%+ revenue increase on pcp driven by continued growth in transaction volumes reflecting both a growing online trade-in market and an increasing market share. Improvements in the quality and experience of the platform, expanding the number of participating dealers and increasing consumer awareness have been the key drivers

Guarantee

- Excellent performance with strong revenue growth of 30%+ over pcp. Driven by the continued expansion of the branch network (+3 sites) and increases in the number of inspections performed at existing sites. Guarantee inspections now represent 37% of total inventory up from 27% in H1 FY21

Encar Home

- Key improvements to the consumer application process and dealer management resulted in strong revenue growth, nearly double against pcp. Eligible cars increased to more than 12,000 in Q2

Americas – Trader Interactive



Excellent revenue and EBITDA growth, recovering inventory volumes driving momentum

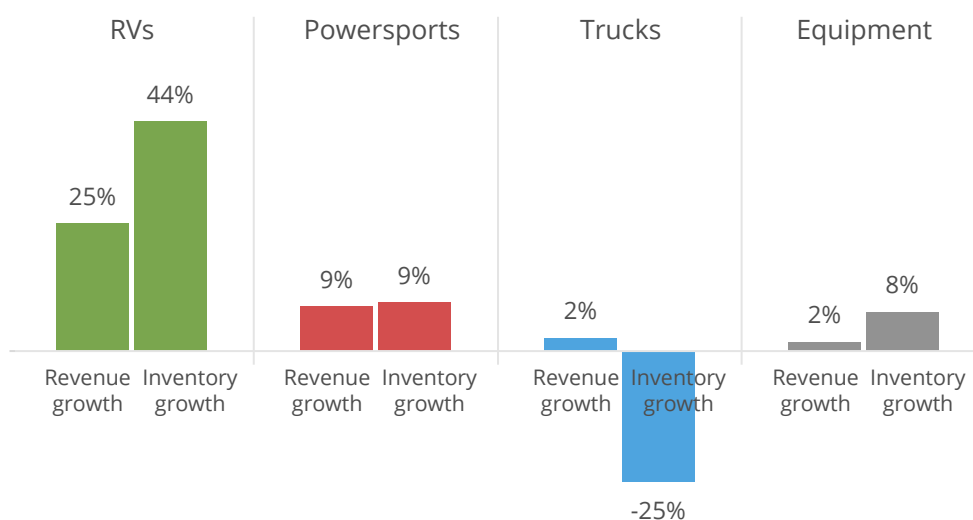
FINANCIAL SUMMARY

Pro-forma 100% ¹	\$A Millions		Growth		Constant Currency
	H1 FY21	H1 FY22	\$'s	%	
Revenue	84.5	95.1	10.6	13%	12%
EBITDA	45.4	54.3	9.0	20%	19%

H1 FY22 PERFORMANCE COMMENTARY

- Excellent financial performance over the last six months, with revenue and EBITDA growth of 12% and 19% respectively
- Strong margin performance with EBITDA margins expanding from 53.7% to 57.1% due to the inherent operating leverage of the business and strong cost discipline
- Achieved revenue growth across all four verticals, supported by Trader Interactive continuing to provide excellent value for dealers. Compared to pre-pandemic levels, Trader Interactive is delivering double the number of leads at half the cost per lead. This is reflected in both customer yield and volume growth
- This revenue growth is impressive given inventory challenges. RV and Powersports inventory levels have started to improve whilst Commercial Truck inventory supply continues to be challenged
- Well positioned for a good H2 result through the delivery of new products and average yield uplifts of 8% to be implemented in March/April across RV, Powersports, and Equipment verticals. Continuing improvements in inventory levels would support incremental growth

Revenue v Inventory Growth by Market – Q2 FY22²



Outstanding revenue and EBITDA growth driven by strong volumes and yield expansion

FINANCIAL SUMMARY

Pro-forma 100%	\$A Millions		Growth		Constant Currency (%)
	H1 FY21	H1 FY22	\$'s	%	
Revenue	32.5	38.5	6.0	18%	20%
EBITDA	15.4	18.1	2.7	17%	19%

H1 FY22 PERFORMANCE COMMENTARY

- Excellent financial performance with 20% growth in revenue and 19% growth in EBITDA
- Revenue growth was underpinned by continued dealer subscription growth, improving inventory levels and increasing dealer yield

Regional Expansion

- The regional expansion plan recommenced, with dealer subscription volumes growing 14% versus pcp with over 1,200 dealers added in the south and south-east regions

Inventory Supply

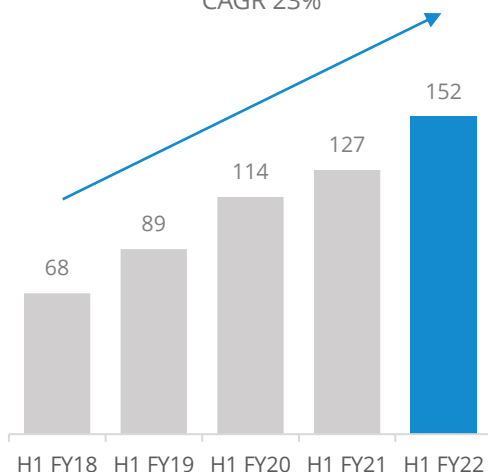
- As the COVID environment normalised, inventory levels improved to 80% of pre-pandemic levels, supporting a return to growth in lead volumes

Dealer Yield

- Dealer yield was up significantly due to an increase in the price of leads, growth in the proportion of chargeable leads and increase in premium dealer products, particularly CRM+smart

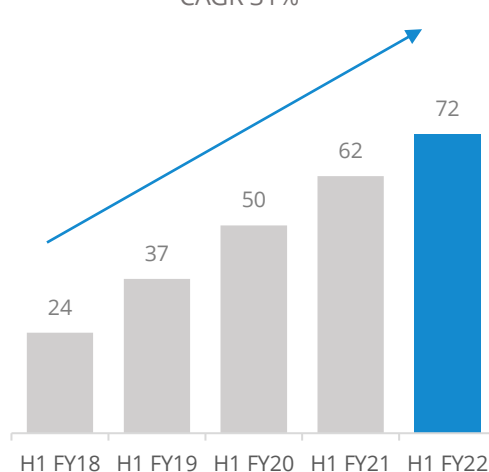
Revenue (BRLm)

CAGR 23%



EBITDA (BRLm)

CAGR 31%



Americas – chileautos and soloautos

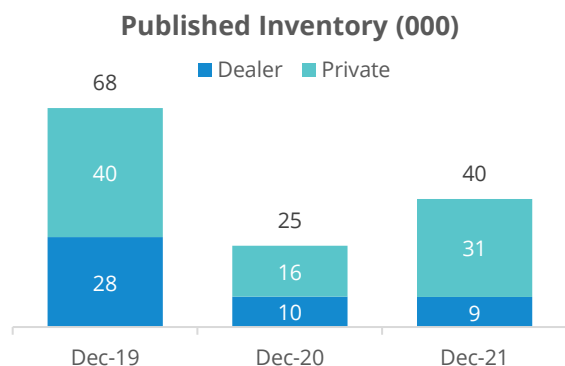


Difficult trading conditions in Chile and Mexico partly mitigated by strong cost management

CHILE – CHILEAUTOS

	\$A Millions		Growth		Constant Currency
	H1 FY21	H1 FY22	\$'s	%	
Revenue	2.3	2.3	0.0	1%	8%
EBITDA	1.0	1.1	0.1	10%	15%

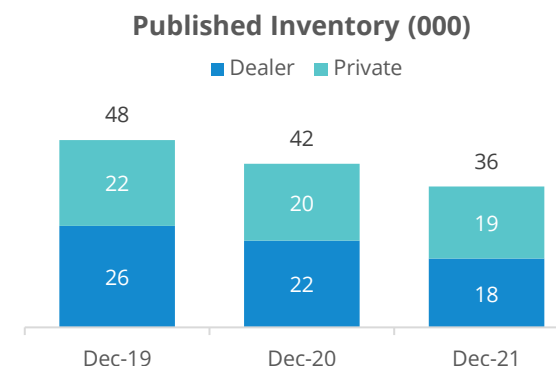
- Pleasing to see solid revenue growth of 8% reflecting the strong value proposition for dealers and improving inventory levels. Inventory is still 66% down against pre-pandemic levels, so there should be good upside as supply constraints continue to be alleviated over the next 12 months
- Continued prudent cost management resulted in good double digit EBITDA growth, reflecting the strong operating leverage inherent in the business



MEXICO – SOLOAUTOS

	\$A Millions		Growth		Constant Currency
	H1 FY21	H1 FY22	\$'s	%	
Revenue	0.9	0.5	(0.4)	(43%)	(42%)
EBITDA	(0.6)	(1.0)	(0.4)	(59%)	(53%)

- Automotive market conditions in Mexico continue to be challenging with new car sales still ~30% below pre-pandemic levels
- This has impacted activity on site with leads down 21% on pcp. Continue to manage costs well to minimise EBITDA downside, with upside potential once market conditions improve over the next 12 months



** In H1 FY22 we discontinued our Argentinian operation demotores

Strategy Update



Australian Priorities

Significant growth opportunities in large addressable markets²



Digital Retailing

\$81-\$135m TAM

H1 FY22 Achievements

- Launched carsales Select in August 21
- More than 400 cars have been sold¹ through the Select platform
- One third of Select cars sell in the first week of publishing

Key Focus Areas

- Increase volume of eligible cars through dealer acquisition
- Integrate trade-in calculator and dealer finance products



Digital Trade-ins

\$225m TAM

H1 FY22 Achievements

- Instant Offer quotations increased 52% on pcp
- Inspections increased 19% on pcp
- Instant Offer participating dealers increased 16% on pcp

Key Focus Areas

- Improve Instant Offer brand awareness through above the line marketing campaigns
- Optimise conversion funnel through focus on pricing model and dealer NPS



Dynamic Pricing

\$175m TAM³

H1 FY22 Achievements

- Launched location-based pricing in August 21 to better align price and value
- 20%+ improvement in yield and 38% growth in overall private revenue

Key Focus Areas

- Deliver more sophisticated pricing algorithms through change in private sell funnel
- Micro-bracketing a key initial focus with material upside expected



Media & Membership

\$800m TAM

H1 FY22 Achievements

- Achieved two consecutive halves of solid revenue growth
- Increased non-automotive diversification with 25% contribution now coming from non-automotive sources

Key Focus Areas

- Deliver Customer Data Platform (CDP)
- Implement self-serve Media Automation Platform (CMAP)



Dealer Finance

\$50m TAM

H1 FY22 Achievements

- In Q2 launched pre-approval service with our integration partner Driva
- Eligible cars increased to over 13,000 cars, more than 14% of total dealer inventory

Key Focus Areas

- Increase volume of dealer listings with finance available
- Expand the number of integrated finance partners

carsales Select is Gaining Momentum

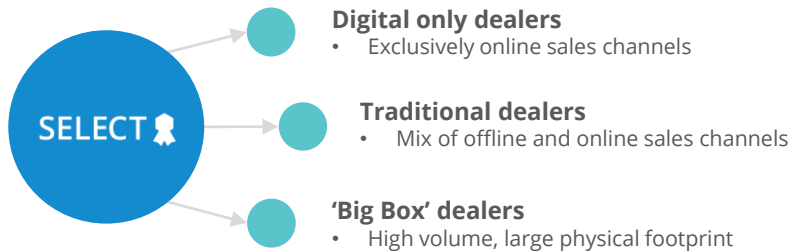


The digital retailing opportunity is large

$$\begin{array}{c}
 \text{Digital Volume } 150\text{k} \\
 \times \\
 \text{Average used margin } \$3,585 \\
 \times \\
 \text{Typical ecomm. margin } 15 - 25\% \\
 = \\
 \text{TAM}^1 \text{ } \$81 - \$135\text{m}
 \end{array}$$

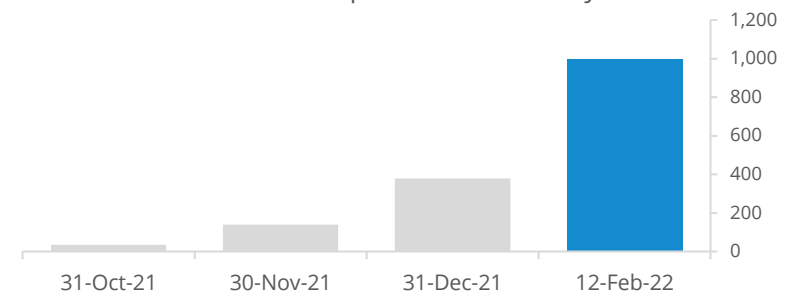
Our focus is on customer acquisition

Inventory growth through customer acquisition with all trade customer types on-boarded to the Select platform



Inventory is growing

Cumulative published Inventory



Phase 2 products are coming



Digital Trade-ins

- Currently testing trade-in calculators on non-Select cars
- Key focus area for Select in future iterations



Dealer Finance

- Dealer finance available on over 13,000 cars
- Adapting product to integrate seamlessly into Select platform

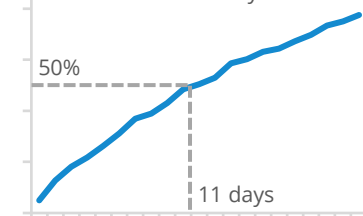
Customer engagement and value is strong

Excellent performance metrics

- Select cars have generated over 350,000 views and are generating 63% more leads than standard listings
- Time to sell is 1.5-2x faster than standard listings

Time to Sell

50% of Select cars sell within 11 days²



[1] For TAM calculation methodology please refer to slides 41 and 42. [2] De-listed volumes

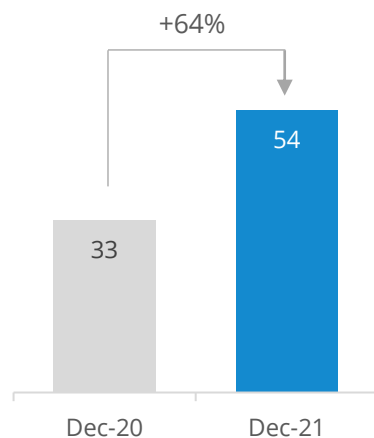
Dynamic Pricing Model Is Driving Growth

Phase 1 of dynamic pricing significantly enhanced private ad yield with private ad revenue up 38% in H1

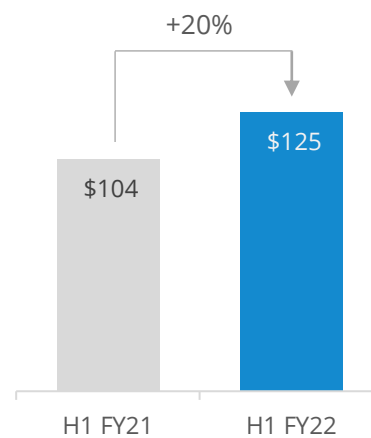
LOCATION-BASED PRICING HAS DELIVERED VALUE

- Location based dynamic pricing has enabled a more nuanced and value-oriented approach, driving a material increase in yield nationally
- Prices were increased in the Eastern seaboard states and decreased in WA, TAS, SA and NT. This resulted in material uplifts in yield in the Eastern seaboard states without compromising volume. It also led to volume growth in WA, TAS, SA and NT
- Our strong value proposition in the private seller space is evidenced by the growth in published inventory and improved inventory position

Published Inventory (000)



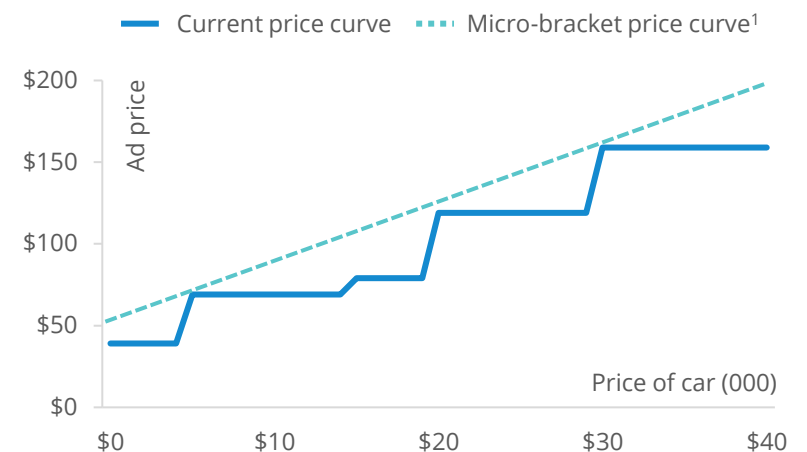
Yield Performance



MICRO-BRACKETING IS NEXT

- Micro-bracket pricing allows closer alignment of the value of the car with price of the ad
- Currently, ads are charged in pricing brackets, which creates inefficiencies because an ad for a \$20,000 car is identically priced as a \$29,999 car
- Micro-bracket pricing will allow us to execute a more value based pricing structure which removes inefficiencies in our pricing model, improving yield

Private Ad Price Curve



[1] Hypothetical model does not reflect actual ad prices and is for indicative purposes only.

Trader Interactive Priorities



Expanding our market leadership and enhancing the buying and selling experience



Market Leadership

H1 FY22 Achievements

- Increased market leadership in RV and closed gap to leaders in truck and equipment markets
- Increased inventory in all market excl. trucks v pcp

Key Focus Areas

- Achieve market leadership in trucks
- Dealer subscription increases in bikes and trucks markets with promotional campaigns



New Products and Services

H1 FY22 Achievements

- Launched new reporting suite in lead management system (Trader Traxx) to deliver market intelligence back to dealers
- Deployed retail optimisations increasing view to lead conversion

Key Focus Areas

- Improved search function in trucks to increase engagement
- carsales synergy key focus areas: media products, private pricing models and key website services, e.g., data feeds, telephony and search



Value Proposition and ROI

H1 FY22 Achievements

- Increased leads per dealer for all markets
- Improved ROI for all markets measured by reduction in cost per lead sent

Key Focus Areas

- Continue to enhance ROI through strong product proposition and efficient marketing spend
- This will support yield uplifts which will be implemented in March/April 2022



Digital Retailing

H1 FY22 Achievements

- Built pilot 'Accelerate One' program in Trader Traxx to facilitate buy online leads

Key Focus Areas

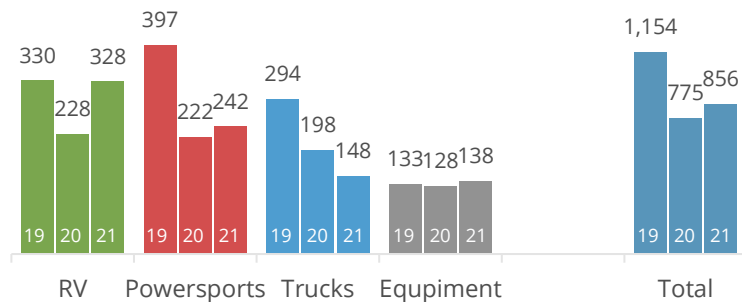
- Deploy Accelerate One for pilot Powersports dealers
- Launch payment processing platform enabling deposits and full payments

Strong Business Fundamentals Heading into 2022



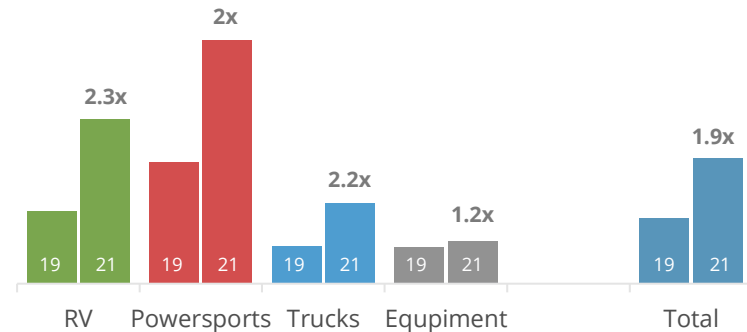
Published inventory is improving

Unique listings/month (thousands, December)



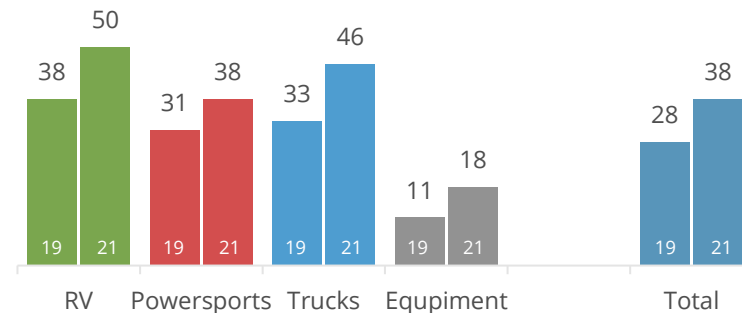
Leads per dealer is increasing

Leads/dealer/month



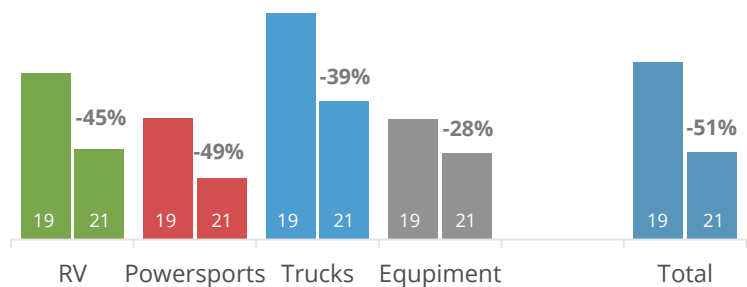
Dealer satisfaction is rising

Net Promoter Score



Return on investment is improving

Cost per lead (USD)



Encar Priorities

Transforming Encar from a classifieds model to an online car transaction platform



Guarantee Cars

H1 FY22 Achievements

- Increased Guarantee penetration to 37% of total inventory in Dec 21
- Extended our participating dealer network by adding three new branches in the half

Key Focus Areas

- Add another 3-5 branches to the network
- Increase Guarantee penetration to over 40% in H2



Encar Home

H1 FY22 Achievements

- Increased Encar Home inventory to >12,000 cars
- Doubled transaction volumes v pcp

Key Focus Areas

- Continue optimisation of user experience to minimise funnel dropout
- Increase eligible inventory and number of dealers participating



Dealer Direct

H1 FY22 Achievements

- Nearly doubled transaction volume v pcp
- Tripled dealer participation to over 2,300 dealers v pcp
- Improved competitive position versus market leader

Key Focus Areas

- Increase marketing investment to improve brand awareness
- Increase participating dealers to improve pricing outcomes for consumers



Digital Retailing

- Seamlessly connect all services to build a completely online used car transaction model for the benefit of dealers and consumers

Digital Trade-ins Ramping Up

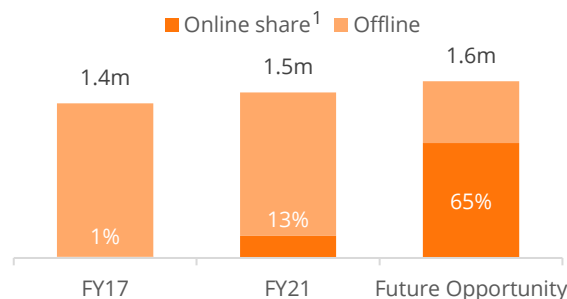


Improving user experience, expanding the network and growing transaction volume

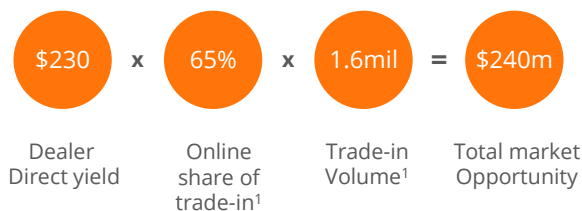
KOREAN TRADE-IN MARKET

- The trade-in market is a significant opportunity for Encar. Trade-ins are more common in Korea when compared with Australia. In recent years, changes in consumer behaviour and deregulation are driving a shift from offline to online trade-ins

Total Addressable Market (transactions)



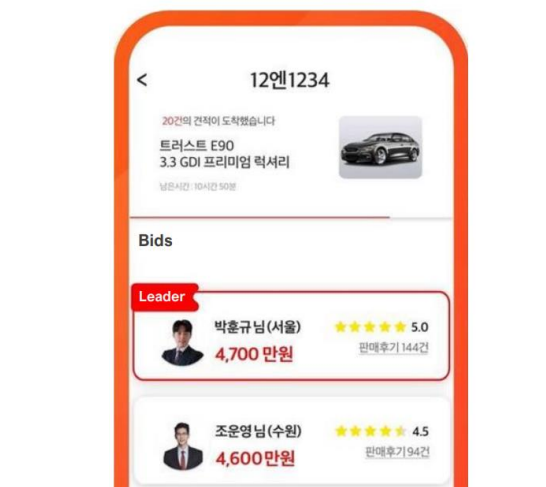
Indicative Opportunity



DEALER DIRECT PRODUCT

- Auction platform for consumers to list cars. Up to 30 dealers join the auction to bid for the car. % of inventory value paid by the dealer upon completion of a successful transaction
- Continued development in user experience, brand awareness and increasing dealer participation will drive ongoing growth

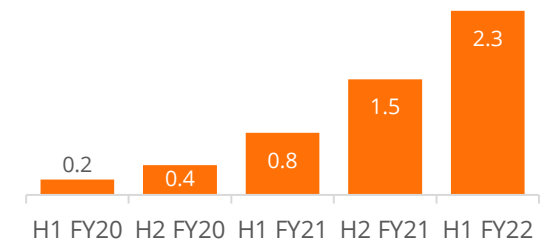
Dealer Direct App



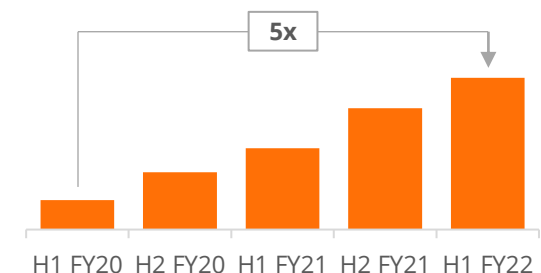
PERFORMANCE

- Dealer Direct volumes have been growing very rapidly as online migration has been accelerating, with COVID increasing the willingness of consumers to conduct trade-ins entirely online
- It is a high-margin product and now constitutes a material proportion of Encar's revenue and contributes significantly to growth

Participating Dealers (000)



Transaction Volumes



[1] carsales management estimates



FY22 Outlook

FY22 Outlook

Outlook statement

Excluding recent acquisitions¹

We expect to deliver solid growth in Group Adjusted revenue, Adjusted EBITDA and Adjusted NPAT² in FY22.

Including recent acquisitions¹

We expect to deliver strong growth in Group Adjusted revenue, solid growth in Group Adjusted EBITDA and strong growth in Group Adjusted NPAT in FY22.

carsales Domestic Observations

- Dealer:
 - Underlying market conditions are solid and lead volumes have recovered significantly since the lockdown period in the first half of FY22. We expect performance in the second half of FY22 to improve considerably on the first half of FY22 supported by improved volumes, higher yield and growth in key products
- Private:
 - Anticipate good revenue growth in H2 supported by continued strength in private ad volume, private ad yield and Instant Offer. Also planning some investment in marketing to support future Instant Offer growth
- Media and new car market:
 - The new car advertising market continues to demonstrate signs of improvement, providing confidence that we can deliver good growth on pcp in the second half
- carsales' investments:
 - Expecting higher revenue and EBITDA performance in the second half compared with the first half, primarily due to improved volumes and profitability in the Tyres business

carsales International Observations³

- Korea:
 - We expect strong growth in revenue³ and good growth in EBITDA³ in FY22
- Brazil:
 - We expect strong growth in revenue³ and EBITDA³ in FY22
- United States:
 - We expect good growth in revenue³ and strong growth in Adjusted EBITDA³ in FY22

Appendix



Overview Of carsales Non-IFRS Financial Information

What is IFRS and non-IFRS financial information?

- IFRS financial information is financial information that is presented in accordance with all relevant accounting standards.
- Non-IFRS financial information is financial information that is presented other than in accordance with all relevant accounting standards. For example:
 - Revenue or profit information calculated on a basis other than under accounting standard definitions or calculated with accounting standards and then adjusted e.g. “adjusted”, “underlying” or “look-through”.

What non-IFRS financial information does carsales disclose in its half year and year end results presentations?

- carsales presents reported financial information for its business segments, associates and investments where applicable IFRS financial information exists. The financial

information presented is sourced directly from financial information prepared in accordance with all relevant accounting standards and has been subject to either review or audit by carsales’ external auditors (PwC).

- In carsales’ investor presentations the company aims to provide equal or greater prominence to IFRS financial information. However, we also present or refer to non-IFRS financial information. Please note, all information labelled “Reported” in this presentation complies with IFRS.
- Non-IFRS financial information is calculated based on statutory IFRS financial information and adjusted to show either a position excluding significant items which have been removed OR presented based on carsales’ effective equity ownership interest of an entity’s underlying revenue, EBITDA or NPAT.
- Any non-IFRS financial information is clearly labelled as “underlying”, “Adjusted” or “look-through” to differentiate it from reported/IFRS financial information.
- carsales provides reconciliations on the face of slides, appendices and in footnotes of

presentations in order to allow the reader to clearly reconcile between the IFRS and non-IFRS financial information.

Why does carsales disclose non-IFRS financial information in its half year and full year results presentations?

- carsales has invested in businesses in Malaysia, Thailand, Indonesia, South Korea, United States, Mexico, Chile, Brazil and Argentina and has become a global portfolio of online automotive assets. Accordingly carsales management believes that the presentation of additional non-IFRS information in its half year and full year results presentations provides readers of these documents with a greater understanding into the way in which management analyses the business as well as meaningful insights into the financial conditions of carsales overall performance.
- The Australian Securities and Investment Commission (“ASIC”) acknowledges the relevance of non-IFRS financial information in providing “meaningful insight” as long as it does not mislead the reader.

“Look-through¹” P&L (AUD)

\$A Millions	Look-through ¹			Excluding Acquisitions ²			Pro forma ³		
	H1 FY21	H1 FY22	Growth %	H1 FY21	H1 FY22	Growth %	H1 FY21	H1 FY22	Growth %
Australia	162.8	189.8	17%	162.8	177.3	9%	174.9	189.8	9%
International	53.7	92.3	72%	53.7	61.5	14%	95.1	108.1	14%
<i>Brazil</i>	9.7	11.5	18%	9.7	11.5	18%	9.7	11.5	18%
<i>United States</i>	-	30.8	n/a	-	-	n/a	41.4	46.6	13%
<i>South Korea</i>	38.6	44.9	16%	38.6	44.9	16%	38.6	44.9	16%
<i>Chile</i>	2.3	2.3	1%	2.3	2.3	1%	2.3	2.3	1%
<i>Mexico</i>	0.9	0.5	(43%)	0.9	0.5	(43%)	0.9	0.5	(43%)
<i>Argentina</i>	0.2	0.1	(47%)	0.2	0.1	(47%)	0.2	0.1	(47%)
<i>Other Asia and NZ</i>	2.1	2.2	6%	2.1	2.2	6%	2.1	2.2	6%
Revenue	216.5	282.0	30%	216.5	238.8	10%	270.0	297.9	10%
Australia	102.9	104.6	2%	102.9	104.5	2%	103.0	104.6	2%
International	26.4	44.4	68%	26.4	26.8	2%	48.6	53.4	10%
<i>Brazil</i>	4.6	5.4	17%	4.6	5.4	17%	4.6	5.4	17%
<i>United States</i>	-	17.6	n/a	-	-	n/a	22.2	26.6	20%
<i>South Korea</i>	20.6	21.5	4%	20.6	21.5	4%	20.6	21.5	4%
<i>Chile</i>	1.0	1.1	9%	1.0	1.1	9%	1.0	1.1	9%
<i>Mexico</i>	(0.6)	(1.7)	(171%)	(0.6)	(1.7)	(171%)	(0.6)	(1.7)	(171%)
<i>Argentina</i>	(0.4)	(0.7)	(62%)	(0.4)	(0.7)	(62%)	(0.4)	(0.7)	(62%)
<i>Other Asia and NZ</i>	1.1	1.1	(1%)	1.1	1.1	(1%)	1.1	1.1	(1%)
EBITDA	129.3	149.0	15%	129.3	131.3	2%	151.6	158.0	4%
EBITDA (Ex Govt. Wage Subsidy)	122.5	149.0	22%	122.5	131.3	7%	144.8	158.0	9%

[1] 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 % relevant to the specific reporting 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] Acquisitions refers to the acquisition of Trader Interactive and tyreconnect. [3] Includes tyreconnect for H1FY21 and includes 6 months of Trader Interactive financials for H1FY21 and H1 FY22.

“Look-through¹” P&L (Constant Currency)

\$A Millions	Look-through ¹			Excluding Acquisitions ²			Pro forma ³		
	H1 FY21	H1 FY22	Growth %	H1 FY21	H1 FY22	Growth %	H1 FY21	H1 FY22	Growth %
Australia	162.8	189.8	17%	162.8	177.3	9%	174.9	189.8	9%
International	52.4	92.3	76%	52.4	61.5	17%	94.0	108.1	15%
<i>Brazil</i>	9.6	11.5	20%	9.6	11.5	20%	9.6	11.5	20%
<i>United States</i>	-	30.8	n/a	-	-	n/a	41.6	46.6	12%
<i>South Korea</i>	37.6	44.9	19%	37.6	44.9	19%	37.6	44.9	19%
<i>Chile</i>	2.1	2.3	8%	2.1	2.3	8%	2.1	2.3	8%
<i>Mexico</i>	0.9	0.5	(42%)	0.9	0.5	(42%)	0.9	0.5	(42%)
<i>Argentina</i>	0.1	0.1	(56%)	0.1	0.1	(56%)	0.1	0.1	(56%)
<i>Other Asia and NZ</i>	2.1	2.2	4%	2.1	2.2	4%	2.1	2.2	4%
Revenue	215.2	282.0	31%	215.2	238.8	11%	268.9	297.9	11%
Australia	102.9	104.6	2%	102.9	104.5	2%	103.0	104.6	2%
International	25.8	44.4	72%	25.8	26.8	4%	48.1	53.4	11%
<i>Brazil</i>	4.6	5.4	19%	4.6	5.4	19%	4.6	5.4	19%
<i>United States</i>	-	17.6	n/a	-	-	n/a	22.3	26.6	19%
<i>South Korea</i>	20.1	21.5	7%	20.1	21.5	7%	20.1	21.5	7%
<i>Chile</i>	1.0	1.1	15%	1.0	1.1	15%	1.0	1.1	15%
<i>Mexico</i>	(0.6)	(1.7)	(162%)	(0.6)	(1.7)	(162%)	(0.6)	(1.7)	(162%)
<i>Argentina</i>	(0.3)	(0.7)	(114%)	(0.3)	(0.7)	(114%)	(0.3)	(0.7)	(114%)
<i>Other Asia and NZ</i>	1.1	1.1	(1%)	1.1	1.1	(1%)	1.1	1.1	(1%)
EBITDA	128.7	149.0	16%	128.7	131.3	2%	151.1	158.0	5%
EBITDA (Ex Govt. Wage Subsidy)	121.9	149.0	22%	121.9	131.3	8%	144.3	158.0	9%

[1] 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 % relevant to the specific reporting 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. Amounts disclosed are in constant currency to normalise FX fluctuations across international subsidiaries & associates. [2] Acquisitions refers to the acquisition of Trader Interactive and tyreconnect. [3] Includes tyreconnect for H1FY21 and includes 6 months of Trader Interactive financials for H1FY21 and H1 FY22.

Reconciliation of Reported to Adjusted Financials

\$A Millions	H1 FY21			H1 FY22			Growth %	
	Reported	Adj's	Adjusted	Reported	Adj's	Adjusted	Reported	Adjusted
Revenue								
Online Advertising	123.5	8.2	131.7	143.1	0.4	143.5	0.2	0.1
Data, Research and Services	19.2	2.4	21.6	21.8	-	21.8	0.1	(0.0)
carsales Investments	12.2	-	12.2	26.9	-	26.9	1.2	1.3
Asia	40.7	-	40.7	47.1	-	47.1	0.2	0.2
Americas	3.3	-	3.3	3.0	-	3.0	(0.1)	(0.8)
Revenue	198.9	10.6	209.5	241.9	0.4	242.2	22%	(16%)
Operating expense	85.1	(1.1)	84.0	116.6	(1.1)	115.5	(37%)	(37%)
EBITDA	113.8	11.7	125.5	125.3	1.5	126.7	10%	(1%)
<i>EBITDA margin</i>	57.2%		59.9%	51.8%		52.3%		
Depreciation & amortisation	19.5	(3.9)	15.6	22.7	(4.1)	18.6	16%	(19%)
Net financing cost	9.4	(1.4)	8.0	6.8	(0.8)	6.0	(27%)	24%
Income tax expense	26.0	4.3	30.3	28.5	1.0	29.5	10%	3%
Profits from associates	2.4	0.2	2.6	7.8	8.6	16.4	222%	(528%)
Non-controlling interest (NCI)	(0.2)	-	(0.2)	(0.3)	-	(0.3)	42%	(42%)
Net profit after tax	61.1	12.9	74.0	74.6	14.1	88.7	22%	20%

Reconciliation of Reported to Adjusted Financials

Consolidated carsales Group

\$A Millions	H1 FY21			H1 FY22		
	Revenue	EBITDA	NPAT	Revenue	EBITDA	NPAT
Reported Financials	198.9	113.8	61.1	241.9	125.3	74.6
Dealer Support Package	10.6	10.6	7.4	0.4	0.4	0.3
Restructuring and M&A transaction costs	-	1.1	0.8	-	0.4	0.4
Hedge Close out	-	-	1.4	-	0.7	1.5
Total acquired intangible amortisation	-	-	3.3	-	-	9.7
Trader Interactive One-Off Adjustments ¹	-	-	-	-	-	2.2
Adjusted Financials	209.5	125.5	74.0	242.2	126.7	88.7

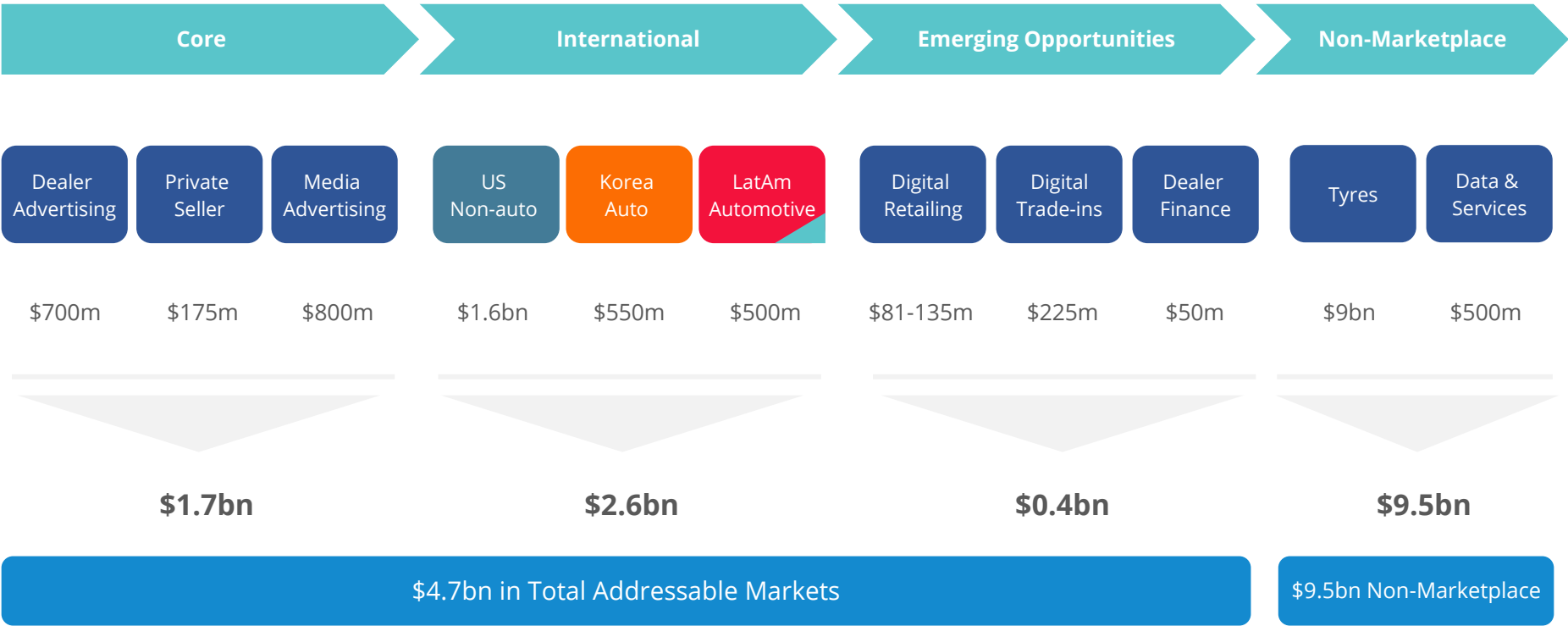
Trader Interactive

\$A Millions	H1 FY22 ²		
	Revenue	EBITDA	NPAT
Reported Financials	62.8	31.5	10.0
carsales Ownership %	49%	49%	49%
Carsales Share (AUD)	30.8	15.4	4.9
Restructuring, M&A and Initiative costs	-	2.2	2.2
Acquired intangible amortisation	-	-	6.1
Adjusted Financials	30.8	17.6	13.3

[1] Trader Interactive One-Off Adjustments include Restructuring, M&A and Initiative costs. Acquired intangible amortisation related to Trader Interactive is included in the "Total acquired intangible amortisation" line. [2] Table represents underlying results of Trader Interactive for the 4-month of ownership from 1st September 2021.


Total Addressable Markets

carsales operates in large addressable markets, that have been accelerated by COVID-related digitisation



Total Addressable Market calculation methodology: Dealer advertising: 2m B2C transactions multiplied by estimated average marketing spend/car of \$250. Includes estimated non-auto advertising spend of \$200mil. Private Seller: 1.75m transaction multiplied by \$100 average marketing spend/car (carsales average yield). Media Advertising: Standard Media Index (SMI), spend on automotive advertising 2019. US non-auto: global consulting firm estimate. Korea Auto: 5.5m transactions multiplied by \$100 average marketing spend/car. LatAm Automotive: 20m transactions multiplied by estimated marketing spend of \$25 per car. Dealer finance, digital trade-ins and digital retailing please refer to slide 42 for calculations. Tyres: IBISWorld Tyre Retailing in Australia Market Research Report and carsales management estimates. Data & Services: carsales management estimates

Total Addressable Markets – Emerging Digital Opportunities

Australia Auto – Emerging Digital Opportunities			
Market	Digital Retailing	Digital trade-in	Finance Commissions
Product	SELECT 	INSTANT OFFER	Dealer Finance
Annual transaction volume ¹	1.0m (B2C - used)	2.25m (trade-in + C2C)	2.0m (B2C)
Addressable share	15% ²	20% ²	5% ²
Total addressable volume	150k	450k	100k
Average margin	\$3,585 ³	N/A	\$2,450 ⁴
Margin pool	\$538m	N/A	\$245m
Addressable share of margin / fee	15% – 25% (typical ecommerce margin)	\$500 / car	20%
Total addressable market	\$81 – \$135m	\$225m	\$50m

An aerial photograph showing a winding asphalt road that curves through a lush green forest. To the left of the road is a rocky, brownish cliffside that meets a body of clear, turquoise water. A single white car is visible on the road, moving away from the viewer. The overall scene is scenic and natural.

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