

ASX & Media Release

13 March 2023

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 fully underwritten 1 for 14.01 pro-rata accelerated renounceable entitlement offer (with retail rights trading) that was announced on Wednesday, 8 March 2023 ("**Entitlement Offer**").

The Institutional Entitlement Offer raised approximately A\$380 million at the offer price of A\$19.95 ("**Offer Price**") per new carsales share ("**New Share**") and was well supported by eligible institutional shareholders with a take-up of approximately 96%.

A bookbuild for shares not taken up in the Institutional Entitlement Offer on behalf of eligible and ineligible institutional shareholders was completed on Friday, 10 March 2023 ("**Institutional Shortfall Bookbuild**"). The Institutional Shortfall Bookbuild cleared at a price of A\$21.75 per New Share, which represents a premium of A\$1.80 to the Offer Price of A\$19.95 per New Share. Eligible institutional shareholders who elected not to take up their entitlements and certain ineligible institutional shareholders will receive A\$1.80 for each entitlement (net of any withholding tax or expenses) sold through the Institutional Shortfall Bookbuild. This payment is expected to be made on or around Tuesday, 21 March 2023.

As announced on Wednesday, 8 March 2023, the proceeds from the capital raising are intended to be used to fund the acquisition of an additional 40% of shares in webmotors S.A. ("**webmotors**") (the "**Acquisition**") and strengthen carsales' balance sheet, reducing pro-forma Dec-22 leverage to 1.9x and providing for increased capacity to pursue future growth opportunities¹.

carsales CEO Cameron McIntyre said "We are very pleased by the strong level of support received from institutional shareholders and their endorsement of our strategy. The acquisition of a further 40% interest in webmotors is an exciting opportunity for carsales and we look forward to continuing to grow the business in the attractive Brazilian automotive market alongside Banco Santander (Brasil) who, following successful completion of the acquisition, will be a 30% shareholder and partner in the business."

New Shares to be issued under the Institutional Entitlement Offer will rank equally with existing carsales shares from the date of issue, however will not be entitled to receive the FY23 interim dividend already announced by carsales on Monday, 13 February 2023 (ex-date Friday, 17 March 2023). Settlement of the New Shares issued as part of the Institutional Entitlement Offer is expected to occur on Monday, 20 March 2023, with the issue of those New Shares expected to occur, and ordinary trading expected to commence, on Tuesday, 21 March 2023.

¹ Based on carsales' debt position as at 31 December 2022 including the pro-forma adjustments to reflect the impact of the Acquisition as outlined on slides 29-30 of the investor presentation lodged on the ASX on Wednesday, 8 March 2023 ("**Investor Presentation**"). Investors are referred to the section titled 'Disclaimer' in the Investor Presentation, including, without limitation, the sub-section concerning pro-forma financial information.

Commencement of the Retail Entitlement Offer

The retail component of the Entitlement Offer ("**Retail Entitlement Offer**") is expected to raise approximately A\$121 million taking the expected size of carsales' total equity raising to approximately A\$500 million. The Retail Entitlement Offer will open at 10:00am (Melbourne time) on Wednesday, 15 March 2023 and close at 5:00pm (Melbourne time) on Thursday, 30 March 2023.

Under the fully underwritten Retail Entitlement Offer, eligible retail shareholders will be able to subscribe for 1 New Share for every 14.01 existing carsales ordinary shares held on the record date of 7:00pm (Melbourne time) on Monday, 13 March 2023 ("**Record Date**"), at the same Offer Price and offer ratio as the Institutional Entitlement Offer.

Eligible retail shareholders may:

- Elect to take-up some or all of their entitlements under the Retail Entitlement Offer ("**Retail Entitlements**") prior to 5:00pm (Melbourne time) on Thursday, 30 March 2023 and receive New Shares
- Sell or transfer all or part of their Retail Entitlements. Retail Entitlements may be traded on the ASX from Monday, 13 March 2023 (on a deferred settlement basis) and Thursday, 16 March 2023 (on a normal settlement basis) to Thursday, 23 March 2023.² Retail Entitlements will trade under the ASX ticker "CARRA"
- Do nothing and let all or part of their Retail Entitlements be sold into the retail shortfall bookbuild process (along with Retail Entitlements of ineligible retail shareholders) to be conducted on or about Tuesday, 4 April 2023 ("**Retail Shortfall Bookbuild**"), with any proceeds in excess of the Offer Price (net of any withholding tax and expenses) paid to the relevant shareholders ("**Retail Premium**"). There is no guarantee that there will be any Retail Premium remitted to those relevant shareholders. Any Retail Premium arising from the Retail Shortfall Bookbuild is expected to be paid to those relevant shareholders on Monday, 17 April 2023

Every eligible retail shareholder in Australia and New Zealand that has provided an email address and elected to receive electronic communications will receive on or around Wednesday, 15 March 2023 by email a detailed information booklet for the Retail Entitlement Offer ("**Retail Information Booklet**") and a personalised entitlement and acceptance form. All other eligible retail shareholders in Australia and New Zealand will receive a letter via post with information on how to access the website for the Retail Entitlement Offer (including how to access the Retail Information Booklet and their personalised entitlement and acceptance form).

Before deciding to participate in the Retail Entitlement Offer, eligible retail shareholders should read carefully and in full the Retail Information Booklet.

Further details on the eligibility criteria for the Retail Entitlement Offer will be set out in the Retail Information Booklet.

Recommendation of trading

carsales ordinary shares are expected to resume trading from market open Monday, 13 March 2023 on an "ex-entitlement" basis.

² The assignment, transfer and exercise of Retail Entitlements trading on ASX will be restricted to persons meeting certain eligibility criteria. It is the responsibility of purchasers of Retail Entitlements to inform themselves of the eligibility criteria for exercise set out in the Retail Information Booklet. 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 Retail Entitlements or exercise Retail Entitlements they acquire. If holders of Retail Entitlements at the end of the Retail Entitlement trading period do not meet the eligibility criteria, they will not be able to exercise the Retail Entitlements. In the event that holders are not able to exercise their Retail Entitlements, they will receive any proceeds in excess of the Offer Price (net of any withholding tax or expenses) in respect of those Retail Entitlements.

Timetable

Event	T+	Date ³
Trading halt and announcement of Entitlement Offer	0	Wednesday, 8 March 2023
Institutional Entitlement Offer opens	0	Wednesday, 8 March 2023
Institutional Entitlement Offer closes	1	Thursday, 9 March 2023
Institutional Entitlement Offer shortfall book closes	2	Friday, 10 March 2023
Announcement of results of Institutional Entitlement Offer	3	Monday, 13 March 2023
Trading halt lifted and shares recommence trading on an ex-entitlement basis	3	Monday, 13 March 2023
Record Date for Entitlement Offer (7.00pm, Melbourne time)	3	Monday, 13 March 2023
Retail rights commence trading on the ASX on a deferred settlement basis	3	Monday, 13 March 2023
Retail Entitlement Offer opens and Retail Information Booklet made available	5	Wednesday, 15 March 2023
Retail rights commence trading on the ASX on a normal settlement basis	6	Thursday, 16 March 2023
Settlement of New Shares issued under the Institutional Entitlement Offer	8	Monday, 20 March 2023
Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer	9	Tuesday, 21 March 2023
Close of retail rights trading on the ASX	11	Thursday, 23 March 2023
Retail Entitlement Offer closes (5.00pm, Melbourne time)	16	Thursday, 30 March 2023
Announcement of results of Retail Entitlement Offer	19	Tuesday, 4 April 2023
Retail Entitlement Offer shortfall bookbuild	19	Tuesday, 4 April 2023
Announce results of Retail Entitlement Offer shortfall bookbuild	20	Wednesday, 5 April 2023
Settlement of New Shares issued under the Retail Entitlement Offer	22	Tuesday, 11 April 2023
Allotment of New Shares issued under the Retail Entitlement Offer	23	Wednesday, 12 April 2023
Normal trading of New Shares issued under the Retail Entitlement Offer	24	Thursday, 13 April 2023
Holding statements in respect of New Shares issued under the Retail Entitlement Offer are dispatched	25	Friday, 14 April 2023

Eligible shareholders can call the Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) or visit the Entitlement Offer website www.carsalesoffer.com.au. The Offer Information Line will be open from 8.30am to 5.00pm (Melbourne time) Monday to Friday (excluding public holidays) during the Retail Entitlement Offer period.

– ENDS –

Release authorised by the carsales.com Ltd Board

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³ These dates (except where historical) are indicative only and subject to change without notice. All times and dates refer to the time and date in Melbourne, Australia (Melbourne time). Subject to the requirements of the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws, carsales reserves the right to amend this timetable at any time, including extending the period for the Entitlement Offer or accepting late applications, either generally or in particular cases, without notice.

About carsales.com Ltd

carsales.com Ltd (ASX: CAR) is one of the largest digital marketplace business in the world. In Australia it has market-leading positions in automotive, motorcycle, caravan, marine, truck, and equipment industries. The carsales network extends across the United States, South Korea and Latin America, employing more than 2,000 people, developing world class technology and advertising solutions that drive its businesses. In the US, Trader Interactive is a leading integrated platform of non-automotive marketplaces across the RV, powersports, truck and equipment industries. Encar.com in Korea is the leading automotive digital marketplace and carsales' Latin American businesses are the leading automotive digital marketplaces in Brazil, Chile and Mexico.

IMPORTANT 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 the ongoing impact of COVID-19, as well as the military conflict in Ukraine and its impact on global fuel prices, and the impact of these events on global supply chains and economic conditions. Subject to any legal obligation to do so, carsales does not undertake to update or review any forward looking statements.

This announcement is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. This announcement is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice, or recommendation with respect to the issue, purchase, or sale of any New Shares.

This announcement is not, and should not be considered as, financial product advice. The information in this announcement is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

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, 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.