



# 2024 AGM Presentation

25 October 2024



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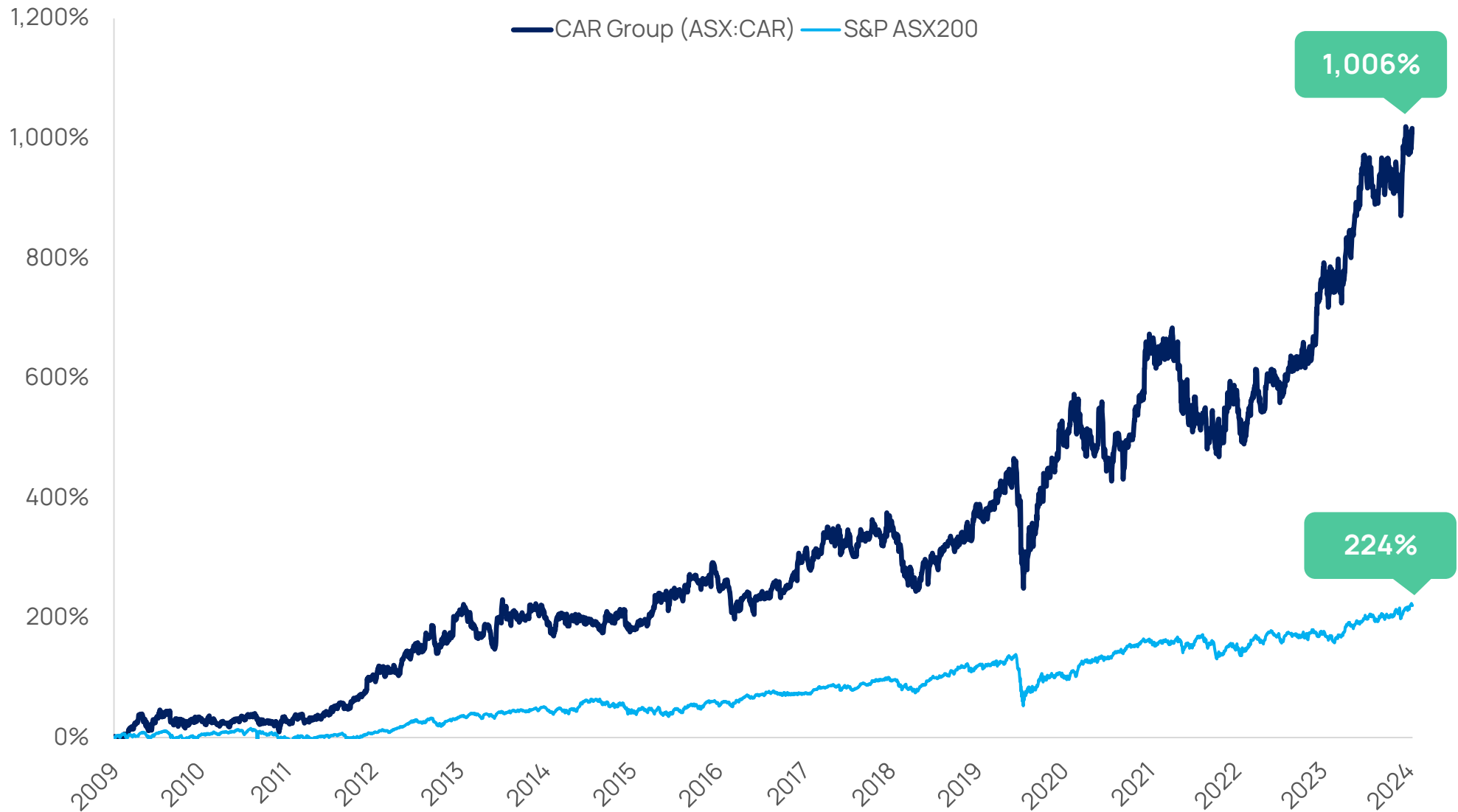


# 1. FY24 Highlights



# Delivering Strong Shareholder Returns

CAR Group (CAR) Total Shareholder Return (TSR) v S&P ASX200 Total Return Index (AXNT)<sup>1</sup>



(1) Total Shareholder Returns (TSR) includes dividends paid and share price appreciation from 10 September 2009 to 11 October 2024

# Financial Performance

Excellent operating and financial performance with double digit revenue and earnings growth in all key markets

## Proforma<sup>1</sup>

Consolidation of acquisitions in both periods

Revenue  
**\$1,099m** ↑ 17%  
 in AUD  
 15%  
 in CC<sup>3</sup>

EBITDA  
**\$581m** ↑ 17%  
 in AUD  
 16%  
 in CC<sup>3</sup>

## Adjusted<sup>2</sup>

Actual ownership excluding abnormal items

Revenue  
**\$1,099m** ↑ 41%

EBITDA  
**\$581m** ↑ 37%

NPAT  
**\$344m** ↑ 24%

## Reported

In accordance with IFRS

Revenue  
**\$1,099m** ↑ 41%

EBITDA  
**\$568m** ↑ 42%

NPAT<sup>4</sup>  
**\$250m** ↓ 61%

All financial information is presented in AUD unless otherwise stated. All comparatives are vs pcp unless otherwise stated. (1) Proforma financial information assumes consolidation of Trader Interactive and webmotors in FY24 and prior periods. Proforma NPAT not provided due to the complexity in determining Trader Interactive and webmotors' financial information under a hypothetical capital structure. (2) Adjusted financials excludes certain non-recurring or non-cash items. See slide 29 regarding the disclosure of non-IFRS Information. (3) CC = Constant Currency. Constant Currency represents the underlying change vs pcp in local currency. (4) Reported NPAT of \$250m is down from \$646m in pcp as it included the recognition of \$487m gain on acquisition of Trader Interactive and webmotors.

# Operational Highlights

Excellent operational metrics reflect the strength of our global marketplaces

2.6 million



49 thousand



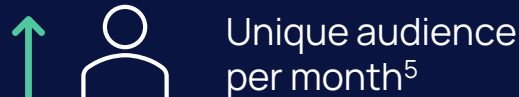
18 billion



1.3 billion



48 million



22 million



All arrows show change vs. FY23

(1) Inventory published for websites in Australia, South Korea, United States, Brazil, and Chile as at 30 Jun 24.

(2) Number of active dealers in Australia, South Korea, United States, Brazil and Chile as at 30 Jun 24.

(3) Page views for websites in Australia, South Korea, United States, Brazil and Chile for period 1 Jul 23 – 30 Jun 24.

(4) Sessions for websites in Australia, South Korea, United States, Brazil and Chile for period 1 Jul 23 – 30 Jun 24.

(5) Average monthly unique audience for websites in Australia, South Korea, United States, Brazil and Chile, monthly average for period 1 Jul 23 – 30 Jun 24.

(6) Dealer leads from websites in Australia, South Korea, United States, Brazil, and Chile for period 1 Jul 23 – 30 Jun 24.

Where relevant, all pcp metrics exclude Mexico.

# Our Global Portfolio Of Retail Brands



**carsales**

**TRADER INTERACTIVE**

**webmotors**

**Trust Encar**

**boatsales** **bikesales** **farmmachinerysales**

**RV Trader** **Commercial TruckTrader**

**chileautos**

**caravancampingsales** **trucksales** **tyresales**

**CycleTrader** **EQUIPMENT TRADER**

**loop** **car10**

**constructionsales** **REDBOOK INSPECT** **RedBook**

**BoatMart**

Market Leading Positions in Large Addressable Markets

**\$2.6 billion**

**\$8.4 billion**

**\$2.5 billion**

**\$2.0 billion**

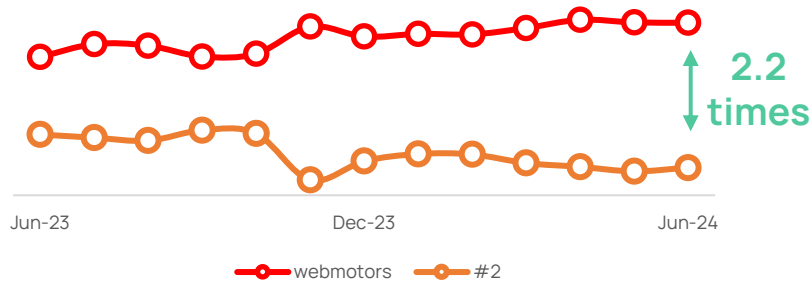


# Recap On First Year Of Majority Ownership



## Substantial market share gains<sup>1</sup>

Market share of unique visitors continues to grow



## Strong finance momentum

Seamless finance integration with Santander and improving macro environment driving growth



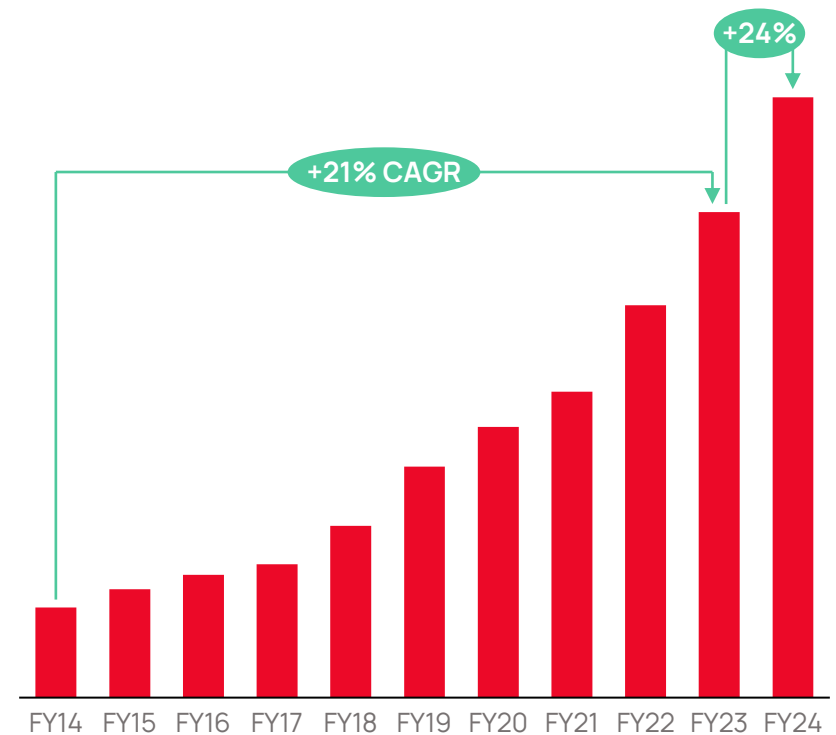
H2 FY24  
Auto Finance  
contracts<sup>3</sup>  
Up 35%

## Revenue diversification

Strong growth in media, private and finance delivering improved diversification

Media, Private  
and Finance  
Revenue<sup>4</sup>  
Up 26%

## webmotors Revenue (BRL)<sup>2</sup>



(1) webmotors market share based on monthly unique audience vs #2 across FY24, Similarweb. (2) webmotors revenue excludes car10 and Loop. (3) H2 FY24 vs H2 FY23. (4) FY24 vs FY23

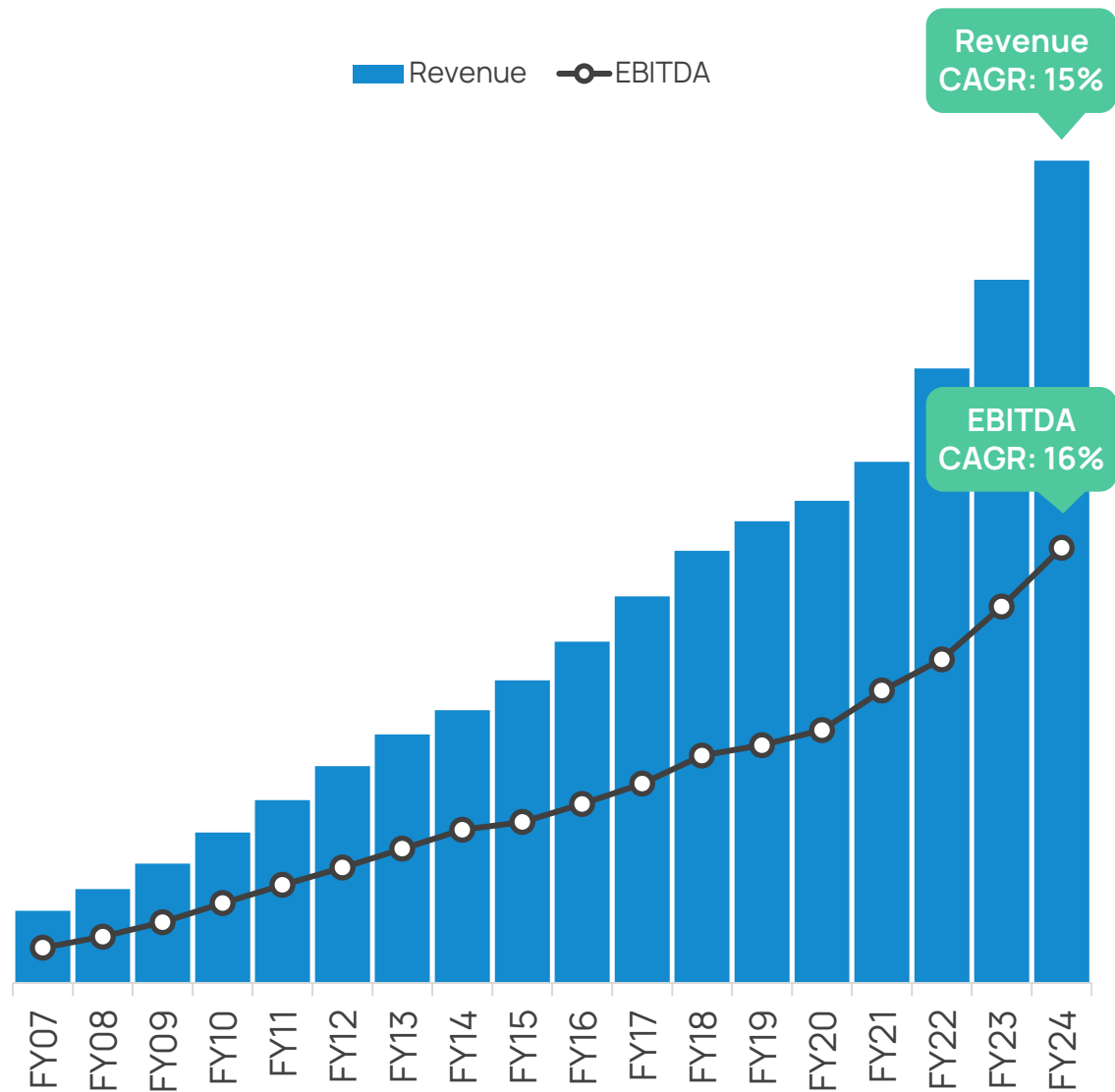


# Compelling Growth Through Different Economic Cycles

## Highly resilient and countercyclical business model

- CAR Group is more geared to used vehicle buy & sell transactions which have less cyclical than new vehicle buy transactions.
- Dealers & OEMs need to move inventory in any economic environment, including when interest rates are high.
- Marketplaces deliver a high return on investment versus other advertising sources and tends to be last channel to be reduced.
- Subscription model for dealers in the US and South Korea results in high recurring levels of revenue.
- Cost base has a good level of flexibility.
- Diversity of geographies and industries provide further resilience.

Group Proforma Financial Performance (\$AUDm)



Refer to footnote 1 on slide 5 for proforma definition.

# FY25 Outlook

Four months into the new financial year, the company continues to perform well, which gives us confidence in the reiteration of our outlook statement provided in August:

## Outlook Statement

We expect to deliver good growth in Revenue, Adjusted EBITDA and Adjusted NPAT on a constant currency basis.

## Margin

We expect to see similar Adjusted EBITDA margins in FY25.

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## Australia Observations

### Dealer

- We expect to deliver good growth in Dealer revenue supported by growth in lead volumes, depth and yield.

### Private

- We anticipate solid revenue growth supported by dynamic pricing optimisation and Instant Offer growth.

### Media

- We expect good revenue growth supported by continued expansion of our native ad products, programmatic capability and non-automotive diversification.

## Investments

- We expect solid growth in revenue and similar EBITDA versus FY24.

## International Observations

### North America

- We expect good growth in revenue and good growth in EBITDA.

### Latin America

- We expect strong growth in revenue and strong growth in EBITDA.

### Asia

- We expect good growth in revenue and solid growth in EBITDA.

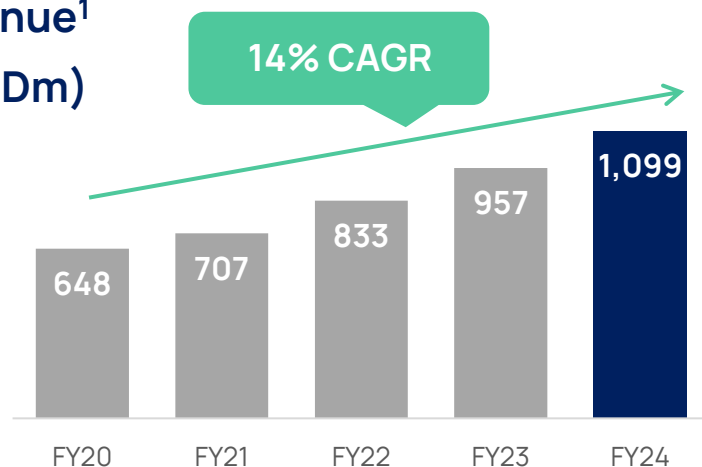


## 2. Financial Performance

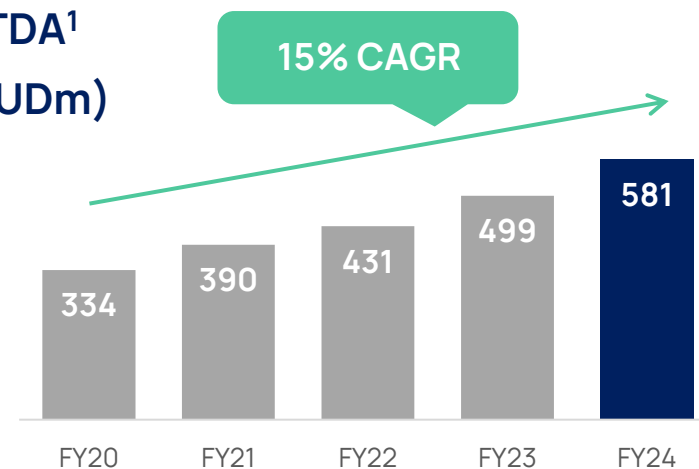


# Track Record of Growth

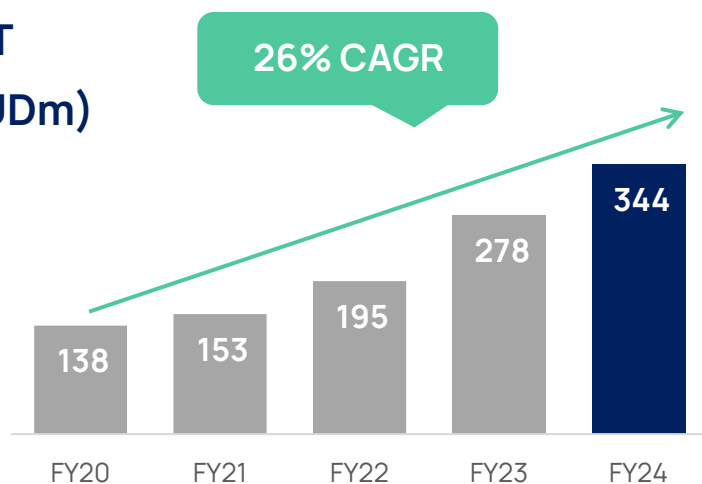
Proforma  
Revenue<sup>1</sup>  
(\$AUDm)



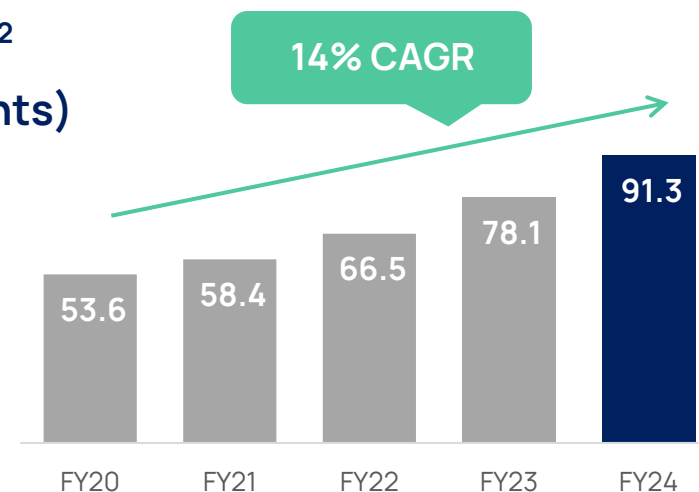
Proforma  
EBITDA<sup>1</sup>  
(\$AUDm)



Adjusted  
NPAT  
(\$AUDm)



Adjusted  
EPS<sup>2</sup>  
(cents)



Refer to footnote 1 and 2 on slide 5 for proforma and adjusted financial definitions. (1) Revenue and EBITDA are presented on a constant currency basis. (2) In accordance with AASB133, historical EPS has been restated based on an adjustment factor to take into account the new shares issued in connection with the Trader Interactive and webmotors acquisitions, where applicable.

# P&L Summary

\$AUDm	FY23	FY24	Growth %
Revenue	781	<b>1,099</b>	41%
Operating expense	(356)	<b>(518)</b>	(45%)
<b>Adjusted EBITDA</b>	<b>425</b>	<b>581</b>	<b>37%</b>
Depreciation & amortisation	51	<b>71</b>	40%
Net finance cost	49	<b>72</b>	47%
Income tax expense	62	<b>81</b>	31%
Profit from associates	17	<b>(0)</b>	(100%)
Non-controlling interests (NCI)	(3)	<b>(13)</b>	(387%)
<b>Adjusted NPAT</b>	<b>278</b>	<b>344</b>	<b>24%</b>
Significant items	367	<b>(94)</b>	n.m.
<b>Reported NPAT</b>	<b>646</b>	<b>250</b>	<b>(61%)</b>
Adjusted earnings per share (cents)	78.1	<b>91.3</b>	17%
Final dividend per share (cents)	32.5	<b>38.5</b>	18%

- Excellent underlying revenue and EBITDA growth enhanced by the full year consolidation of Trader Interactive and webmotors in FY24.
- D&A reflects depreciation of building fit-outs and software assets. Large increase due to the consolidation of Trader Interactive and webmotors.
- Increased net finance cost reflects higher interest rates.
- The movement in profits from associates and non-controlling interests reflects the transition of Trader Interactive and webmotors from minority to majority equity ownership positions.
- Final dividend of 38.5 cents per share declared, up 18% on pcp. Dividend will be franked at 50%.
- The decrease in Reported NPAT is largely due to the one-off gains of \$487m recognised in FY23 on moving to majority ownership of Trader Interactive and webmotors.

# Segment Performance

## Double-digit revenue and earnings growth in all key segments

\$AUDm	Proforma			
	FY23	FY24	Growth %	CC % <sup>1</sup>
Australia <sup>2</sup>	399	450	13%	13%
North America	239	277	16%	13%
Latin America	139	182	31%	25%
Asia	104	121	17%	15%
Investments	61	68	12%	12%
<b>Revenue</b>	<b>942</b>	<b>1,099</b>	<b>17%</b>	<b>15%</b>
Australia <sup>2</sup>	259	292	13%	13%
North America	140	166	18%	15%
Latin America	48	66	39%	34%
Asia	53	59	13%	11%
Investments	(3)	(3)	3%	3%
<b>EBITDA</b>	<b>496</b>	<b>581</b>	<b>17%</b>	<b>16%</b>

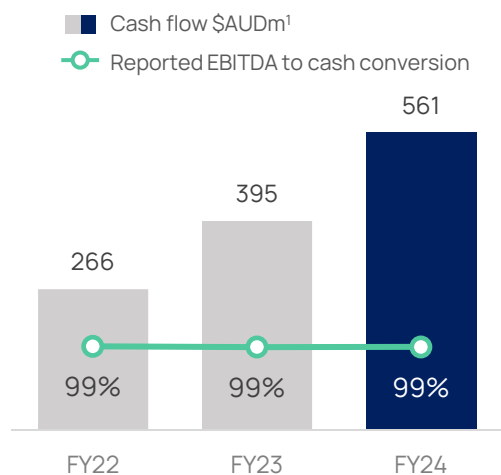
- **Australia** – Core Australian marketplace delivered excellent revenue and earnings growth through continued enhancement of our customer value proposition. Double-digit revenue growth across the three key segments of Dealer, Private and Media.
- **North America** – Excellent growth supported by new customer acquisition, increased adoption of depth products, dynamic pricing, and new media technology.
- **Latin America** – Outstanding webmotors growth delivered via national expansion, new products and media technology and an uplift in finance transactions.
- **Asia** – Excellent double-digit growth underpinned by opening new Guarantee Inspection sites and better branch utilisation. Encar Home also continues to scale.
- **Investments** – Good growth in tyres and inspection revenue.

# Strong Cash Flow and Robust Balance Sheet

## Cash flow conversion

- 99% EBITDA to cash conversion reflects the attractive working capital profile of marketplace business models and good cash collections.

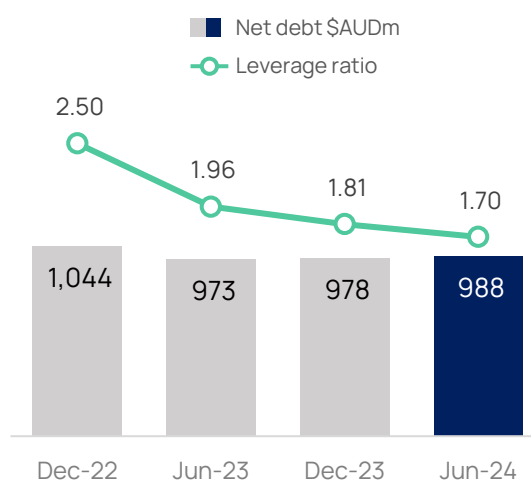
### EBITDA to Cash flow



## Leverage<sup>2</sup>, net debt

- Further reduction in leverage ratio on a proforma<sup>2</sup> basis, remains prudent at 1.7x.

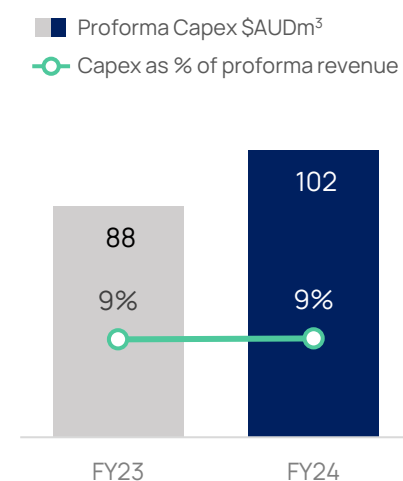
### Net debt



## Capex

- Capex investment continues to support growth. Key investments include digitising services, trade-in, dynamic pricing, media products, site simplification, marine, C2C payments and leasehold improvements in South Korea branches.

### Capex



Refer to footnote 1 on slide 5 for proforma financial definitions. (1) Operating cash flow excluding tax. (2) Jun-24 leverage ratio has been calculated on the basis of net debt / proforma EBITDA FY24. Ratios are based on proforma financial outcomes and may vary with bank covenant definitions. (3) Proforma capex includes 100% of the capex for Trader Interactive and webmotors in both FY23 and FY24. Calculated on a constant currency basis.





# 3. Operating Segments







# Australia

\$AUDm

vs pcp%

Revenue  
450m

↑ 13%

Adjusted EBITDA  
292m

↑ 13%

## Revenue Breakdown

Dealer  
228m ↑ 12%

Private  
99m ↑ 10%

Media  
73m ↑ 20%

Data, Research  
& Services  
50m ↑ 10%



## Excellent operational execution in all segments supported by a robust used car market

- Increase in Dealer revenue driven by lead volumes, yield and expanded depth penetration. Depth benefitted from strong product value and an increase in inventory and time to sell.
- Private revenue uplift underpinned by increased market share, dynamic pricing optimisation and increased uptake of Instant Offer.
- Growth in Media revenue driven by continued product and advertiser diversification and a competitive new car market.
- Data, Research & Services result reflects good performance from Redbook which provides industry leading data services.
- EBITDA margin has increased slightly reflecting the inherent operating leverage amidst ongoing investment for future growth.

# North America

\$AUDm

vs pcp%

Proforma Revenue

277m

↑ 16%

Proforma EBITDA

166m

↑ 18%

\$USDm

vs pcp%

Proforma Revenue

182m

↑ 13%

Proforma EBITDA

108m

↑ 15%



## Business model strength in more challenging market conditions

- Delivered double-digit revenue growth. This was an excellent outcome given more challenging macro conditions, particularly in the recreational verticals.
- Strong dealer value proposition demonstrated by increases in dealer numbers and average yield per dealer. Increase in yield through increased premium select penetration, package upsells and price increases.
- Net increase of 100 dealer customers over the past year.
- Revenue diversification through improved contribution from private and media segments.
- Private result supported by dynamic pricing and improved marketing
- Media segment grew strongly, driven by adopting CAR Group's programmatic advertising technology and increasing the sophistication and size of the direct sales team.



# Latin America

\$AUDm	vs pcp%	CC %
Proforma Revenue <b>182m</b>	↑ 31%	↑ 25%
Proforma EBITDA <b>66m</b>	↑ 39%	↑ 34%



## Strong operational execution delivers excellent financial performance

- Excellent progress made across all strategic initiatives in first full year of webmotors majority ownership.
- Delivered higher average revenue per dealer through higher depth and CRM product penetration, price increases and new product launches including inspections and Vision 360.
- National expansion plan is driving strong growth in revenue with an increase in market share in key markets outside Sao Paulo and Rio (Curitiba, Goiana Salvador, Belo Horizonte and Brasilia).
- Ongoing revenue diversification with significant increase in revenue through the implementation of the private dynamic pricing engine and investment in media operations.
- 35% increase in finance contracts written in the second half, driven by improved credit availability and a streamlined auto loan application process with Santander.
- Delivered substantial EBITDA margin growth alongside reinvestment into future growth initiatives.
- Strong growth in subsidiaries Car10 and Loop.
- Excellent revenue growth in Chile through the implementation of the lead model.



# Asia

\$AUDm	vs pcp%	CC %
Revenue 121m	↑ 17%	↑ 15%
Adjusted EBITDA 59m	↑ 13%	↑ 11%



## Increasing adoption of premium and digital retailing products

- Excellent growth in revenue and EBITDA driven by increasing premium product penetration, yield increases and continued increase in Home delivery transactions.
- Guarantee inspections reached a significant milestone of over 50% of all new listings. This increase was driven by:
  - Opening of 8 new inspection centres with 59 now operational across South Korea;
  - Extended operating hours in certain inspection centres;
  - Establishment of new dealer contracts at existing inspection centres; and
  - Expansion of minimum volume commitments from existing dealers.
- Growth further supported by a 10% price rise on standard ads that was introduced at the end of H1 FY24.
- Encar Home delivery transaction volumes were up 24% vs pcp driven by more available inventory and an improved transaction process.
- Dealer Direct continues to improve after being impacted by difficult credit market conditions.







# 4. Strategy Update



# Our Global Priorities

We have a clear set of priorities across our global marketplaces



**1. Market Leadership**

Expand the leadership positions of our online marketplaces

**2. Digitising Services**

Remove friction points in the vehicle buying and selling process

**3. Depth**

Deliver value for sellers through new premium depth products

**4. Private**

Create a seamless experience for private buyers and sellers

**5. Media Expansion**

Connect advertisers to our audience through the most sophisticated data products

**6. Future Horizons**

Leverage insights and trends to explore new opportunities in core and adjacent markets

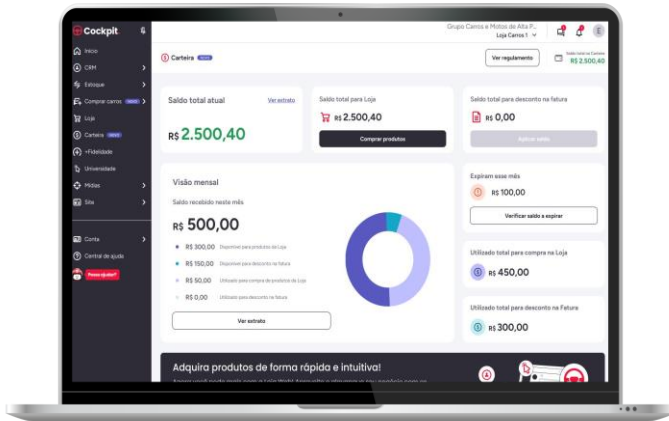
 Further details in the following pages

# Depth

Deliver value for sellers through new premium depth products



Wallet attracts incremental spend



- Santander loyalty program launched H2 FY24
- Participating dealers can redeem webmotors products through credits granted by Santander via cockpit
- Attracting incremental spend



Guarantee evolution



- 10% Guarantee Inspection price rise to be implemented gradually from 1 August 2024
- Regional expansion progressing
- Extending opening hours
- Introducing new Guarantee Inspection products



Premium Select Reporting Module



- Detailed depth ROI reporting
- Enabling dealers to measure the benefits of their promoted inventory
- Reducing dealer churn

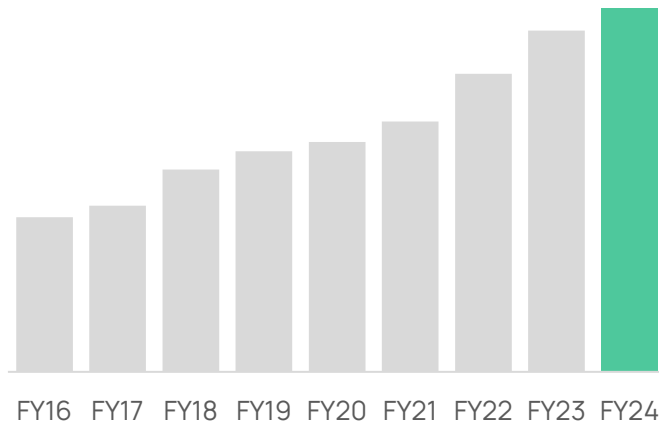


# Private Seller Experience

Create a seamless experience for private buyers and sellers



Through continual innovation private yield has increased at 11% CAGR



The listing fee is still only a small amount of the car's value



Average ad fee<sup>1</sup>

Average car price<sup>2</sup>

Take rate



Expanding our service offering and enhancing trust and safety



Broadening the eligibility criteria of vehicles that can utilise our Instant Offer service



AI photo assist



Verified Seller



In-app messaging



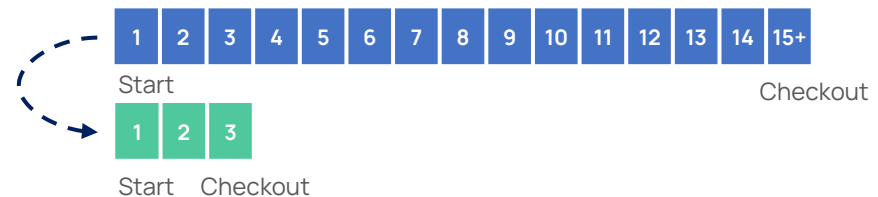
Test drive bookings



Payment facilitation



Exporting carsales' products and reducing the number of private ad placement steps



Reduced ad placement steps from 15+ to 3, increasing ad conversion and user satisfaction

(1) Average private ad fee per vehicle listed as at 30 June 2024. (2) Average car price listed on carsales.com.au at 30 June 2024.

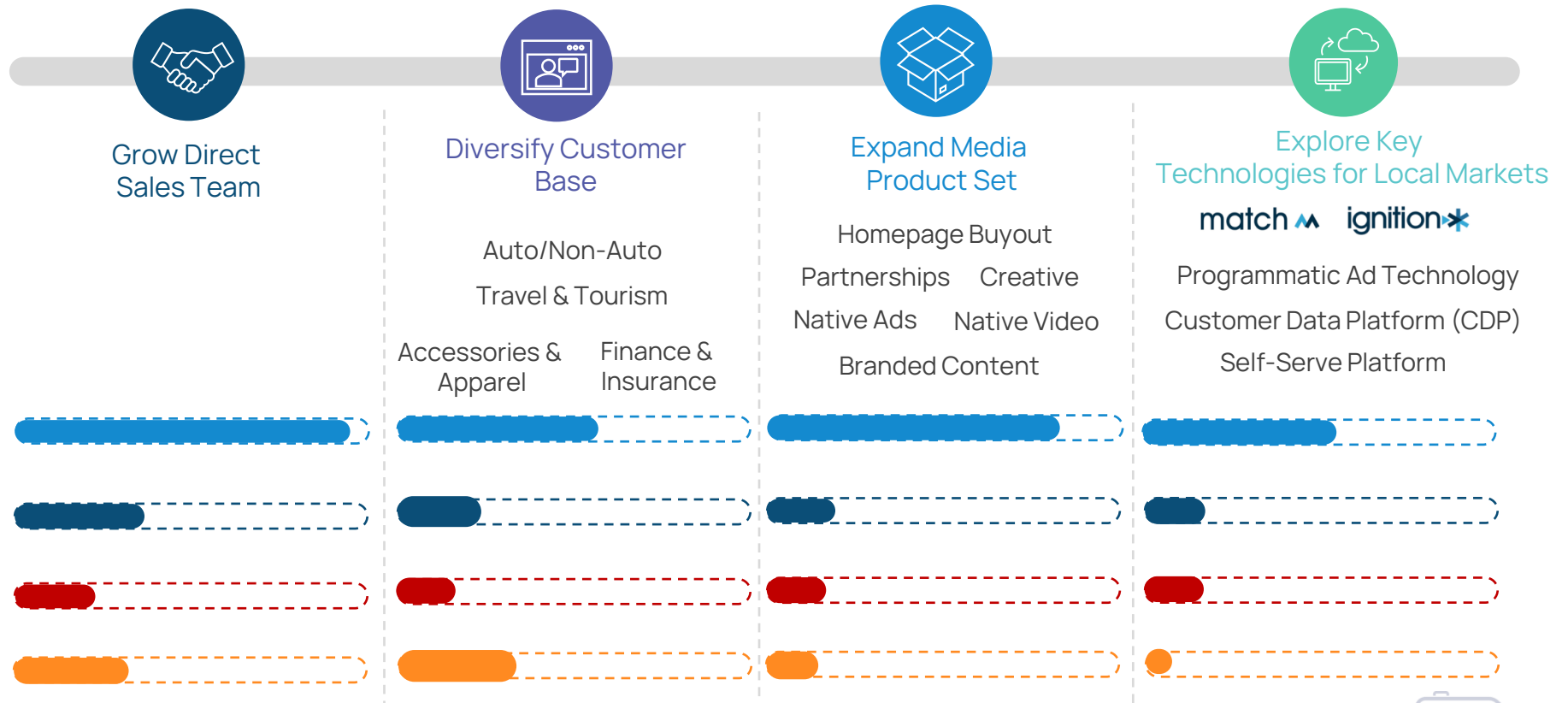


# Media Expansion

Connect advertisers to our audience through the most sophisticated data products



Total addressable markets for advertising are significant



Estimated progress

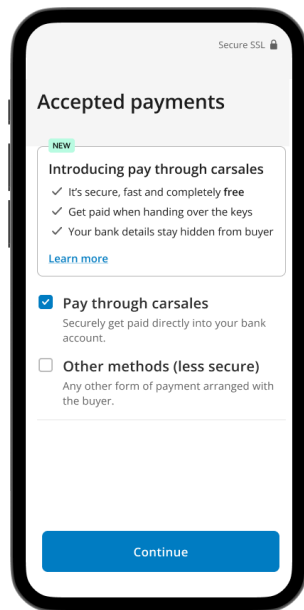
Bars represent estimated progress made.

# Future Horizons

Leverage insights and trends to explore new ideas and opportunities



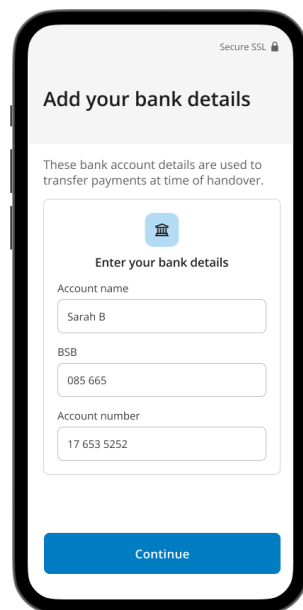
## C2C payments



Seller

### Payment preference

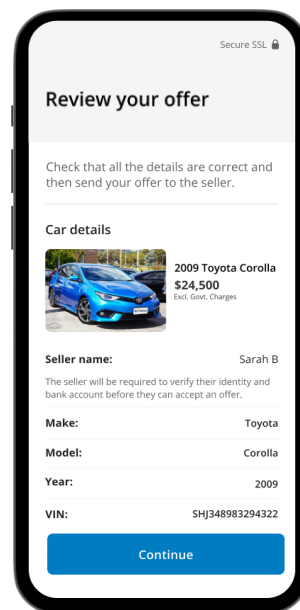
Select "pay with carsales" when making a private listing



Seller

### Enter account

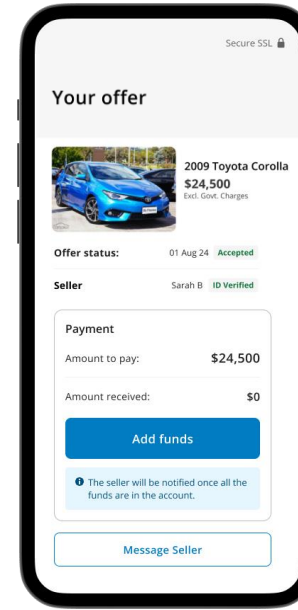
Verify identity documents and bank details



Buyer

### Offer and pay

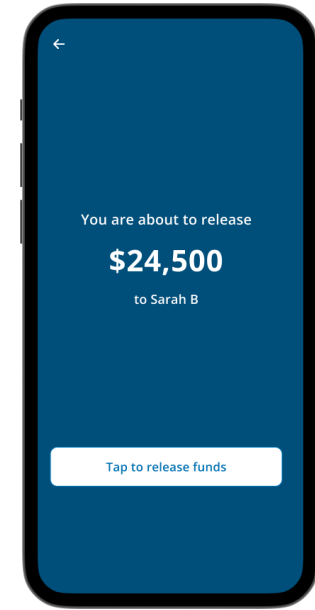
Create an offer to buy for the seller to approve



Buyer

### Add funds

Add funds into carsales account



Buyer

### Release payment

Instantly release payment to seller



Enhance Security, Trust & Safety

# Sustainability – FY24 highlights

Our mission is to operate a sustainable business that future generations will be proud of



## Our People

Great Place to Work certification achieved for Australia, Brazil, the US and Chile

86% of our team recommend CAR Group as a great place to work

44% female representation on CAR Group's Board of Directors and 42% female representation in senior roles



## Our Customers

Zero reportable data breaches

>99.9% system reliability for customers

48m average monthly unique audience across our websites

2.6m vehicles online globally



## Our Impact

15.2% reduction in total emissions for global business operations compared to FY23

Carbon neutrality achieved across CAR Group globally

Transitioned to 100% GreenPower across six of our Australian offices and commercial sites



## Our Business Practices

Artificial Intelligence Governance Committee Established

Introduced CAR Group Anti-Bribery and Corruption policy and mandatory training



# Driving Long Term Shareholder Value

CAR Group has multiple growth opportunities across large addressable markets



**Clear leadership positions in each of our markets**

Our leadership positions generate strong network effects, further building competitive advantage and delivering long term growth



**Digitising vehicle transactions**

There is strong demand for frictionless buying and selling experiences creating significant opportunities for digital incumbents



**Underpenetrated international markets**

Digital advertising spend is lower in our international markets with significant runway to grow through increasing take-rates



**Transferrable, scaled IP and technology**

Our global technology platform and IP can facilitate rapid deployment of strategic products in all markets



**Strong cash flows with robust balance sheet**

High margin business model that generates strong free cash flows. This supports investment in new growth initiatives and provides for good dividends

# Disclaimer and Non-IFRS Information

## Disclaimer

The material in this presentation has been prepared by CAR Group Limited (ASX: CAR) ABN 91 074 444 018 ("CAR Group") and is general background information about CAR Group's 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 CAR Group's 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

CAR Group results are reported under International Financial Reporting Standards (IFRS). This presentation also includes certain non-IFRS measures including "adjusted", "underlying" and "proforma". 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. Refer to slide 43 of the CAR Group FY24 Results presentation, released 12 August 2024, for a breakdown of significant items.



# Thank you

