



ASX RELEASE

Monday 12 February 2024

CAR Group delivering double digit revenue and earnings growth in all key markets

CAR Group Limited (ASX: CAR) today announced its results for the half year ended 31 December 2023. CAR Group delivered excellent results, with double-digit revenue and earnings growth in all key markets through strong execution of its strategy.

The transformative acquisitions completed in FY23 in the US and Brazil, coupled with good performance in Australia and Korea have helped to deliver outstanding financial results and strong returns for shareholders. The result was delivered against a more complex macroeconomic environment, demonstrating the strength and resilience of the group's diversified business model and the value it provides to its customers. The result highlights the significant long term growth opportunity in the group's large and under penetrated markets.

Financial Results

- **Proforma results.** Proforma¹ revenue of \$531m up 18% on the prior corresponding period (pcp). Proforma EBITDA of \$277m up 19% on pcp. Achieved a 52% EBITDA margin, marginally higher than pcp. Proforma results are the best reflection of the underlying performance of the business as they normalise for recent acquisitions.
- **Adjusted results.** Adjusted² revenue of \$531m up 60% on pcp. Adjusted EBITDA² of \$277m up 56% on pcp. Adjusted NPAT² of \$163m up 34% on pcp. Results reflect consolidation of Trader Interactive and webmotors in H1 FY24. Adjusted EPS of 43.2 cents³, up 25% on pcp.
- **Reported results.** Reported EBITDA of \$269m up 63% on pcp, Reported NPAT of \$117m down from \$416m in pcp which included recognition of a \$333m gain on acquisition of Trader Interactive.
- Reported EBITDA to operating cash flow conversion of 98%.
- 50% franked interim dividend declared of 34.5 cents per share, up 21% on pcp.

¹ Proforma financial information assumes consolidation of Trader Interactive and webmotors in prior and current periods.

² Adjusted financials excludes certain non-recurring or non-cash items. See slide 38 regarding the disclosure of non-IFRS Information and slide 40 for a reconciliation of Adjusted to Reported Financials in the accompanying investor presentation on the ASX.

³ Earnings per share for H1 FY23 has been restated, in accordance with AASB 133, for the effects of the capital raise executed during the previous financial year to fund the purchase of the additional 40% stake in webmotors.

AUD millions	H1 FY23	H1 FY24	Growth %
Proforma revenue ¹	448.3	530.7	18%
Proforma EBITDA ¹	232.9	277.2	19%
Adjusted revenue ²	331.7	530.7	60%
Adjusted EBITDA ²	177.9	277.2	56%
Adjusted NPAT ²	121.8	162.7	34%
Reported revenue	331.8	531.0	60%
Reported EBITDA	164.9	269.4	63%
Reported NPAT	416.5*	117.0	(72%)
Adjusted earnings per share (cents) ³	34.6	43.2	25%
Interim dividend per share (cents)	28.5	34.5	21%

*Includes \$333m recognition of gain on acquisition from Trader Interactive

Key Highlights

- Excellent first half performance with significant growth in existing markets and outstanding performance from new acquisitions.
- Maintained market leadership in all key regions, delivering a global unique audience of over 45 million people per month.
- Double digit growth across the Private, Dealer, and Media revenue segments in Australia. carsales.com.au extended its market leadership position from an audience and inventory perspective, maintaining its focus on driving the adoption of higher value products such as depth. Revenue outcome was supported by a robust private seller market, increased depth penetration, demand for instant offer and the continued delivery and evolution of the media strategy.



- Excellent progress executing on key strategic priorities for Trader Interactive, including growing the customer base, increasing penetration of depth products, deploying dynamic pricing and growing the media business.
- Outstanding performance in Brazil in first six months as a majority owner. Key growth drivers were the national expansion program, new dealer acquisition, increased lead volumes, dynamic pricing, increased depth penetration and an improving credit market and application process.
- Good performance in Korea driven by the continued expansion of the Guarantee Inspection and Encar Home Delivery products.
- Continued development of our global digital retailing capability, with new finance and trade-in integrations in Australia, the launch of a new digital loan application process in Brazil, 27% growth in Encar Home deliveries in Korea and good progress in our digital retailing experience on cycletrader.com in the US.

CEO of CAR Group, Cameron McIntyre, commented:

“CAR Group has had an excellent first half of the financial year. With the completion of the acquisitions of Trader Interactive and webmotors last year, we have accelerated our growth strategy and are executing on key strategic priorities across the group. Our Brazilian business, webmotors delivered exceptional revenue and earnings growth in the first full six months of majority ownership. Our teams across the world are delivering on our purpose to make buying and selling vehicles a great experience, and I am incredibly proud of all of their achievements in delivering great outcomes for our customers and our shareholders.

“Our financial results reflect the significant progress that has been made in delivering on our key strategic priorities and the resilience of our business through economic cycles. We have achieved double digit revenue and earnings growth in all of our key markets, demonstrating the strength of our business model as customers continue to prioritise our premium advertising products in a more challenging macro environment.

“We have maintained significant market leadership across the group. As the vehicle transaction process continues to become more digital, it provides us with great potential to deliver improved outcomes for our customers. In media, we are successfully leveraging new technology and IP across the group, which has resulted in an uplift in advertising viewability, yield and consumer experience. Our dynamic pricing engine has delivered higher private ad yields in both the US and Brazil following successful implementation in these markets.

“The addressable markets we operate in are large and under penetrated. We are positive about the multiple levers that CAR Group has to deliver future growth.



“The excellent momentum we have built heading into the second half provides confidence in our ability to deliver another year of great results for our shareholders.

“The Australian automotive market continues to be resilient despite cost of living and higher interest rate pressures, with traffic and enquiry volumes to carsales.com.au in December all tracking above the same time last year. Car market conditions are positive for consumers looking for a car, with improved new car availability as well as a moderation in used vehicle pricing from COVID highs offering consumers more choice when it comes to their next vehicle purchase.”

Key Segment Results

- **Australia** – good revenue and earnings growth of 13% respectively.
 - **Dealer:** 12% revenue growth driven by good demand for used cars and increasing adoption of higher value products, particularly depth.
 - **Private:** increasing share of the private ad market supported revenue growth of 11%. Dynamic pricing supported further yield uplifts. Instant Offer selling option continues to scale.
 - **Media:** Further diversification into non-auto markets and continued development of new advertising technology and formats resulted in 22% revenue growth.
- **North America:** excellent financial performance with revenue up 15% and EBITDA up 18% on pcp. Growth driven by adding more customers, increased adoption of premium products, new media advertising technology and private ad yield upside from dynamic pricing.
- **Asia:** good revenue growth of 13% and EBITDA growth of 11% on pcp. These results were delivered as market conditions continued to improve in the first half. Key drivers were continuing growth of Guarantee Inspection listing penetration to 48% and very strong growth in Encar Home with transactions up 27% on pcp.
- **Latin America:** excellent financial performance in Brazil, with revenue up 26% and EBITDA up 29%, reflecting strong execution of the webmotors national expansion plan, increasing depth penetration, higher private ad yield from dynamic pricing and increased finance applications with a new streamlined finance approval process.



FY24 Outlook⁴

Proforma Basis⁵: We expect to deliver good growth in Revenue and EBITDA in FY24

Actual Basis: We expect to deliver very strong growth in Revenue and Adjusted EBITDA⁶ and strong growth in Adjusted NPAT⁶ in FY24

Margin: We expect to see expansion in the CAR Group EBITDA margin on a proforma⁴ basis in FY24

Australia Observations

- **Dealer:** We expect to deliver good growth in dealer revenue in FY24 supported by higher lead volumes, increased penetration of premium products including depth and dealer finance along with yield increases
- **Private:** Anticipate solid revenue growth supported by private ad yield and Instant Offer
- **Media:** Expect strong revenue growth supported by continued expansion of our native ad products, programmatic capability and non-automotive diversification

carsales investments

- Expecting good growth in revenue and similar EBITDA versus FY23

International Observations

- **United States:** We expect good growth in revenue and strong growth in EBITDA in FY24
- **Brazil:** We expect strong growth in revenue and strong growth in EBITDA in FY24
- **Korea:** We expect good growth in revenue and solid growth in EBITDA in FY24

-ENDS-

Release authorised by the CAR Group Ltd Board

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⁴ All financial references are on a constant currency basis.

⁵ Refer to footnote 1 for proforma definition.

⁶ Refer to footnote 2 for adjusted financials definition.



Financial Results

AUD Millions	H1 FY23	H1 FY24	Growth%
Australia	189.1	213.8	13%
Asia	50.4	59.5	18%
North America	58.8	136.8	133%
Latin America	3.6	87.5	-
Investments	29.9	33.1	11%
Revenue	331.7	530.7	60%
Operating expense	(153.9)	(253.6)	(65%)
Adjusted EBITDA⁷	177.9	277.2	56%
Depreciation & amortisation	22.5	32.6	45%
Net finance cost	17.8	36.5	105%
Income tax expense	30.5	40.3	32%
Profits from associates	15.1	-	-
Non-controlling interests	(0.4)	(5.2)	-
Adjusted NPAT⁷	121.8	163.7	34%
Adjusted Earnings per share (cents) ⁸	34.6	43.2	25%
Interim Dividend per share (cents)	28.5	34.5	21%
Summary of Reported Results			
Reported Revenue	331.8	531.0	60%
Reported EBITDA	164.9	269.4	63%
Reported NPAT	416.5*	117.0	(72%)
Reported Earnings per share (cents)	118.4	31.1	(74%)

*Includes \$333m recognition of gain on acquisition from Trader Interactive

⁷ Adjusted financials excludes certain non-recurring or non-cash items. See slide 38 regarding the disclosure of non-IFRS Information and slide 40 for a reconciliation of Adjusted to Reported Financials in the accompanying investor presentation on the ASX.

⁸ In accordance with AASB 133, H1 FY23 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.



About CAR Group Limited

CAR Group has been driving innovation and growth since the 1990s. Collectively, our world leading marketplaces bring together deep expertise powered by the best people, data, and technology across Oceania, Asia and The Americas.

With a vision to create #1 digital marketplaces for vehicles around the world, we transform how people buy and sell across the globe. CAR Group delivers world leading technology and advertising solutions designed to make buying and selling a great experience, with wholly owned digital marketplace businesses in Australia (carsales), South Korea (Encar), the United States (Trader Interactive) and Chile (chileautos) in addition to being a majority shareholder of webmotors in Brazil. CAR Group employs more than 1,800 people globally, with approximately 750 of those based in Australia.