An aerial photograph of a modern cityscape at dusk. The central focus is a large, white cable-stayed bridge with two tall, angled pylons. The bridge spans a river and carries a multi-lane highway. In the background, a dense cluster of modern high-rise buildings is visible against a clear, light blue sky. The overall scene is brightly lit, suggesting late afternoon or early evening.

carsales  com Ltd

Acquisition of further 40% of webmotors and Equity Raising

8 March 2023

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Disclaimer

This disclaimer applies to this Presentation and the information contained in it.

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This Presentation has been prepared in connection with carsales' proposed pro-rata accelerated renounceable entitlement offer (with retail rights trading) (“**Entitlement Offer**” or “**Equity Raising**”) to fund its acquisition of an additional 40% of shares in webmotors S.A. (“**webmotors**”) from Banco Santander (Brasil) S.A. to bring its total interest in webmotors to 70% (“**Acquisition**”) and reduce existing debt.

The consummation of the Acquisition, or any transaction, will be also subject to various risks and contingencies. There can be no assurance that the Acquisition, or any transaction, will be consummated.

The Entitlement Offer comprises:

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

Summary information only: This Presentation is of a general background nature and does not purport to be complete and is to be read in conjunction with the most recent financial report and other periodic and continuous disclosure announcements lodged by carsales with the Australian Securities Exchange (“**ASX**”), which are available at www.asx.com.au. This Presentation does not purport to contain all the information which a prospective investor may require in evaluating a possible investment in carsales, or that would be required in a prospectus, product disclosure statement or other disclosure document prepared in accordance with the requirements of the Corporations Act (and will not be lodged with the Australian Securities and Investments Commission (“**ASIC**”). Information in this Presentation is current as at the date of this Presentation (being 8 March 2023, unless otherwise indicated) and remains subject to change without notice. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed upon, the quality, fairness, accuracy, completeness or correctness of the information or opinions contained in this Presentation or as to the reasonableness of any assumptions contained herein or in any other information made available (whether in writing or orally) to the recipient and carsales and its affiliates, directors, officers, advisors, employees, representatives and advisors, expressly disclaim any and all liability based, in whole or in part, on such information, errors therein or omissions therefrom.

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Forward looking statements: This Presentation contains forward looking statements and comments about future events, which reflect carsales’ intent, belief, or expectation as at the date of this Presentation. Such forward looking statements may include forecast financial and operating information about carsales and webmotors, their projects and strategies and statements about the industries, locations in which they operate as well as statements about carsales and webmotors following completion of the Acquisition. 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 Presentation 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. To the maximum extent permitted by law, carsales, the Underwriters (as defined below) and each of their respective affiliates and related bodies corporate, and each of their respective directors, officers, partners, employees and agents (“**Extended Parties**”) disclaim any responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise. To the maximum extent permitted by law, each of carsales and the Underwriters (as defined below) and their respective Extended Parties disclaim any responsibility to update or revise any forward-looking statement to reflect any change in carsales’ financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by Australian law.

Past performance: Past performance (including past performance of carsales’ and of webmotors) is given for illustrative purposes only and should not be relied upon as (and is not) an indication or guarantee of carsales’ or webmotors’ future performance or condition. Certain historical information in this Presentation is, or is based upon, information contained in previous announcements made by carsales to the market, which are available at www.asx.com.au. carsales prepares its financial statements in accordance with Australian Accounting Standards, which conform to International Financial Reporting Standards (“**IFRS**”) and webmotors financials were prepared in accordance with IFRS.

Non-IFRS/non-GAAP measures: Investors should be aware that throughout this Presentation, carsales has included certain financial information that are “non-GAAP financial measures” within the meaning of Regulation G of the US Securities Exchange Act of 1934, as amended, and “non-IFRS financial information” under ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information). This Presentation may include certain non-IFRS measures including “Adjusted”, “pro forma” and “LTM revenue” and “EBITDA”. carsales believes that these non-IFRS/non-GAAP financial and operating measures provide useful information to recipients for measuring the underlying operating performance of carsales’ business. Non-IFRS/non-GAAP measures have not been subject to audit. The disclosure of such non-IFRS/non-GAAP financial measures in the manner included in the Presentation may not be permissible in a registration statement under the U.S. Securities Act of 1933, as amended (“**Securities Act**”). These non-IFRS/non-GAAP financial measures do not have a standardised meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with IFRS. Although carsales believes that these non-IFRS /non-GAAP financial measures provide useful information to users in measuring the financial position of its business, investors are cautioned not to place undue reliance on any non-IFRS /non-GAAP financial measures included in this Presentation.

Disclaimer

Pro forma financial information: This Presentation also includes pro forma financial information in relation to carsales Trader Interactive and webmotors following the Acquisition and the Entitlement Offer. The pro forma financial information for carsales on an LTM basis has been prepared on the basis set out on and includes certain pro forma and normalisation adjustments described on slide 35. Pro forma adjustment refers to hypothetical amounts adjusted to present financials on a consistent basis for a period and normalisation adjustment refers to non-operating, non-recurring items, and new ventures non-cash items. In preparing pro forma financial information for carsales on an LTM basis, carsales has relied on information provided by the prior owners of Trader Interactive prior to its acquisition in October 2022 and assumed 100% ownership of Trader Interactive in the 12 months to Dec-22 on a consolidated basis. Pro forma financial information for carsales was then combined with pro forma financial information for webmotors on the basis set out on slides 29-30. The pro forma financial and other information relating to the impact of the Acquisition and Entitlement Offer has been prepared by carsales in reliance on information that was provided to carsales by webmotors in connection with the Acquisition.

The pro forma financial information has been subject to review in accordance with the Australian Accounting Standards. The pro forma financial information included in this Presentation is for illustrative purposes only and is not represented as being indicative of carsales views on, nor anyone else's, future financial position and/or performance or any scale benefits, synergies or opportunities that may be realised as a result of the Acquisition. In addition, the pro forma financial information in this Presentation does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission. The unaudited historical financial information for carsales for FY22 was prepared on a calendar year basis using reviewed H1 FY23 plus audited full year FY22 less reviewed H1 FY22, in order to be combined with historical financial information for webmotors.

Information relating to webmotors: Information relating to webmotors, including certain financial information, has been extracted from its reviewed financial statements for the year ended December 31, 2022, which were prepared in accordance with IFRS, applying accounting policies which may differ from carsales' accounting policies. Certain information in this Presentation has been sourced from webmotors or its representatives or associates. While steps have been taken to confirm that information, no representation or warranty, expressed or implied, is made as to its fairness, accuracy, completeness, reliability or adequacy. carsales undertook a due diligence process as part of the Acquisition, which relied in part on the review of financial, technical, operational and other information provided by webmotors. Despite making reasonable efforts, carsales has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it. If any such information provided to, and relied upon by, carsales in its due diligence and in its preparation of this Presentation proves to be incorrect, incomplete or misleading, there is a risk that the actual financial position and performance of webmotors (and the financial position of carsales following the Acquisition) may be materially different to the expectations reflected in this Presentation. Investors should also note that there is no assurance that the due diligence conducted was conclusive, and that all material issues and risks in respect of the Acquisition have been identified or managed appropriately. Therefore, there is a risk that issues may arise which also have a material impact on carsales (for example, carsales may later discover liabilities or defects which were not identified through due diligence or for which there is no contractual protection for carsales). This could also affect the operations, financial performance and/or financial position of carsales.

Timelines: Investors should be aware that throughout this Presentation, carsales has presented certain financial information on different time frames including Financial Year ("FY"), Calendar Year ("CY") and Half Year ("H1" or "H2"). FY refers to period of twelve months ending 30 June and CY refers to period of twelve months ending 31 December. H1 refers to the half year ending 30 June and H2 refers to the half year ending 31 December. carsales believes that using these financial measures provides useful information to recipients for measuring the current operating performance due to timing of price increases and seasonality, however such measures involve inherent known and unknown risks, uncertainties, and contingencies, both general and specific, many of which are beyond carsales' control. These measures have been provided as a general guide only, are based on the information available to carsales as at the date of this Presentation and should not be relied on as an indication, representation or guarantee of future performance. Investors should also refer to the "Forward looking statements" disclaimer set out above.

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Underwriting arrangements: To the maximum extent permitted by law, UBS Securities Australia Ltd (ABN 62 008 586 481) and Goldman Sachs Australia Pty Ltd (ABN 21 006 797 897) who are acting as joint lead managers, bookrunners and underwriters to the Entitlement Offer (“**Underwriters**”) and their respective Beneficiaries (together, the “**Underwriter Group**”) do not accept any fiduciary obligations to or relationship with you, any investor or potential investor in connection with the Entitlement Offer or otherwise. The Underwriter Group has not authorised, permitted, or caused the issue, lodgement, submission, dispatch or provision of this Presentation and, for the avoidance of doubt, and except for references to their name, no Underwriter Group member makes or purports to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement by any of them. The Underwriter Group make no recommendations as to whether you or your related parties should participate in the Entitlement Offer nor do they make any representations or warranties to you concerning the Entitlement Offer. You undertake that you will not seek to sue or hold any member of the Underwriter Group liable in any respect in connection with this Presentation or the Entitlement Offer (to the maximum extent permitted by law).

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

Disclosure: The Underwriters and their respective affiliates and related bodies corporate are full service financial institutions engaged in various activities, which may include trading, financial advisory, investment management, investment research, principal investment, hedging, market making, market lending, brokerage and other financial and non-financial activities and services including for which they have received or may receive customary fees and expenses. The Underwriter Group may have interests in the shares of carsales, including by providing investment banking services to carsales. Further, they may act as market maker or buy or sell those securities or associated derivatives as principal or agent. The Underwriters will receive fees for acting in its capacity as joint lead managers, bookrunners and underwriters to the Entitlement Offer. In addition, one or more entities within one or more Underwriters' respective groups may act as a corporate adviser to carsales or its affiliates and may now or in the future provide financial accommodation or services to carsales or its affiliates.

In connection with the Entitlement Offer or bookbuilds, one or more institutional investors may elect to acquire an economic interest in the New Shares (“**Economic Interest**”), instead of subscribing for or acquiring the legal or beneficial interest in those securities. Each Underwriter (or its affiliates) may, for its own account, write derivative transactions with those investors relating to the New Shares to provide the Economic Interest, or otherwise acquire New Shares in carsales in connection with the writing of those derivative transactions in Entitlement Offer, the bookbuilds and/or the secondary market. As a result of those transactions, each Underwriter (or its affiliates) may be allocated, subscribe for, or acquire New Shares or securities of carsales in the Entitlement Offer, the bookbuilds and/or the secondary market, including to hedge those derivative transactions, as well as hold long or short positions in those securities. These transactions may, together with other securities in carsales acquired by an Underwriter or its affiliates in connection with their ordinary course sales and trading, principal investing and other activities, result in an underwriter or its affiliates disclosing a substantial holding and earning fees.

United States: This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States. Neither the entitlements nor the New Shares have been, or will be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States, except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. Please see the “International Offer Restrictions” section of this Presentation.

Rounding and currency: Certain figures, percentages, estimates, calculations of value and fractions provided in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in the Presentation. All financial amounts contained in this Presentation are expressed in Australian currency, unless stated otherwise or context requires otherwise.

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 webmotors

carsales  com Ltd

Transaction Summary

Transaction Summary

<p>Transaction Details</p>	<ul style="list-style-type: none"> Acquisition of further 40% of shares in webmotors S.A. ("webmotors") from Banco Santander (Brasil) S.A. ("Santander"), ("Acquisition"), for BRL 1,240 million¹, or AUD\$ 353 million equivalent² ("Acquisition Price") Increases carsales' ownership from 30% to 70% with Santander retaining a 30% interest Values webmotors on an 100% Enterprise Value ("EV") equivalent basis at BRL 3,100 million, or approximately AUD\$ 883 million equivalent², representing a Dec-22 LTM EBITDA multiple of 21.7x³
<p>Overview of webmotors</p>	<ul style="list-style-type: none"> Founded in 1995, webmotors is the #1 online auto marketplace in Brazil⁴, with a monthly unique audience of c.10 million⁵ and 17 thousand subscribed dealers⁶ carsales acquired a 30% interest in webmotors in June 2013 webmotors has demonstrated an outstanding track record of financial performance, delivering compound annual revenue and EBITDA growth of 23% and 28% respectively since CY17. In the 12 months to Dec-22, webmotors generated revenue of BRL 353 million (AUD\$ 100.5 million) and EBITDA of BRL 143 million (AUD\$ 40.7 million)³
<p>Acquisition Funding</p>	<ul style="list-style-type: none"> The Acquisition will be funded by an approximate AUD\$ 500m fully underwritten 1 for 14.01 pro-rata accelerated renounceable entitlement offer (with retail entitlements trading) ("Entitlement Offer" or "Equity Raising" and, together with the Acquisition, the "Transaction") New Shares issued under the Entitlement Offer will not be eligible to participate in the FY23 interim dividend announced on 13 February 2023 (ex-date Friday, 17 March 2023) Excess proceeds from Equity Raising to be used to strengthen carsales' balance sheet, reducing pro forma Dec-22 leverage to 1.9x⁷ and providing for increased capacity to pursue future growth opportunities All carsales' Directors are participating in the Entitlement Offer for either all or part of their entitlements

(1) Acquisition Price calculated as 100% EV multiplied by 40% being the interest in webmotors being acquired by carsales. (2) Assumes an AUD / BRL exchange rate of 3.51 as at 05/03/2023. (3) Data has been extracted from the webmotors reviewed financials for CY22 which were prepared in accordance with IFRS and have a December year-end. The basis of preparation of financial information included in this Presentation is set out in further detail on slides 2-5. Excludes Car10 and Loop which are non-marketplace, non-wholly owned subsidiaries. AUD / BRL exchange rate of 3.51 as at 05/03/2023. EBITDA is defined as Earnings Before Interest, Tax, Depreciation and Amortisation. (4) Based on unique audience, Jan-23. Source: ComScore (5) Average monthly unique audience Jan-22 – Dec-22. Source Adobe Analytics. (6) Subscribed dealers at 31-Dec-22. (7) See slide 30 for leverage calculations.

Transaction Summary cont.

Transaction Rationale	<ul style="list-style-type: none"> • Compelling transaction rationale with increased exposure to a large and appealing market in a business with a strong competitive position and track record of performance • Continuation of valuable contractual relationship with Santander • Strong pipeline of growth initiatives, with opportunity for carsales to capture a greater share of the value created by carsales IP going forward • carsales has an excellent track record of delivering value through global acquisitions and building scale in large and fast-growing international markets
Financial Impact	<ul style="list-style-type: none"> • carsales will report the results of webmotors on a consolidated basis post completion of the Acquisition, which is expected in Q4 FY23 • Pro forma Dec-22 LTM Revenue and EBITDA for the combined carsales business is AUD\$ 869 million and AUD\$ 452 million respectively¹ assuming the Acquisition of webmotors and the acquisition of Trader Interactive occurred on 1 January 2022² • Acquisition is expected to be Earnings Per Share (“EPS”) neutral in the first full year after completion and accretive thereafter³ • carsales to retain its existing dividend policy which is an 80% payout ratio of adjusted net profit after tax. Dividend franking to reduce to approximately 50% given higher proportion of profit generated outside of Australia. No impact to the declared FY23 interim dividend which will be fully franked
Acquisition Conditions	<ul style="list-style-type: none"> • Acquisition is subject to various customary conditions, including obtaining regulatory approval⁴, carsales obtaining equity funding and lender consent to proceed with the Acquisition, and webmotors providing carsales with its audited financial statements for CY22 (with certain financial metrics in those financial statements not being materially inconsistent with webmotors’ CY22 management accounts)
Trading and Outlook	<ul style="list-style-type: none"> • carsales reiterates the commentary on current trading and outlook that it provided in its H1 FY23 results announcement on 13 February 2023
Key Risks	<ul style="list-style-type: none"> • Refer to Appendix B of this Presentation for a summary of general and specific risk factors associated with the Acquisition, the Entitlement Offer and investing in carsales

(1) The basis of preparation of financial information included in this Presentation is set out in further detail on slides 2-5. (2) Pro forma revenue and EBITDA assumes 100% ownership of webmotors and Trader Interactive in the 12 months to Dec-22 on a consolidated basis. Refer to slide 29 for a reconciliation. Investors are also referred to the ‘Key risks’ in Appendix B of this Presentation (including, without limitation, the risks in slide 2-5 and Appendix B) and the Disclaimers in this Presentation, in particular to the paragraph titled 13, in relation to the risks and uncertainties associated with the targeted potential synergies and other forward looking statements in connection with the Acquisition. The prospective financial information included in this slide, is predictive in character, may be affected by inaccurate assumptions or by known or unknown risks and uncertainties and may differ materially from results ultimately achieved. (3) Based on Adjusted EPS excluding amortisation of brand intangibles and one-off transaction costs. The impact of purchase price accounting has not been completed and which will impact future amortisation charges. In accordance with AASB 133, carsales’ pre-transaction EPS has been restated based on an adjustment factor to take into account the New Shares to be issued in connection with the Entitlement Offer. (4) Regulatory approval from the Brazilian antitrust authority, Conselho Administrativo de Defesa Económica (“CADE”).

Compelling Strategic Rationale for Increasing Ownership

1

Significant monetisation potential in attractive market

Brazil is the fifth largest automotive market in the world¹ and webmotors has a track record of outstanding financial performance as the market leader²

2

Strong pipeline of growth initiatives

Several exciting growth initiatives already being delivered, with further upside potential expected from additional carsales growth drivers such as dynamic pricing, digital trade-ins and media

3

Capturing greater share of future value creation

Ensure that carsales shareholders receive greater benefit of the digital marketplace growth opportunities we are helping to deliver while retaining Santander as a local partner

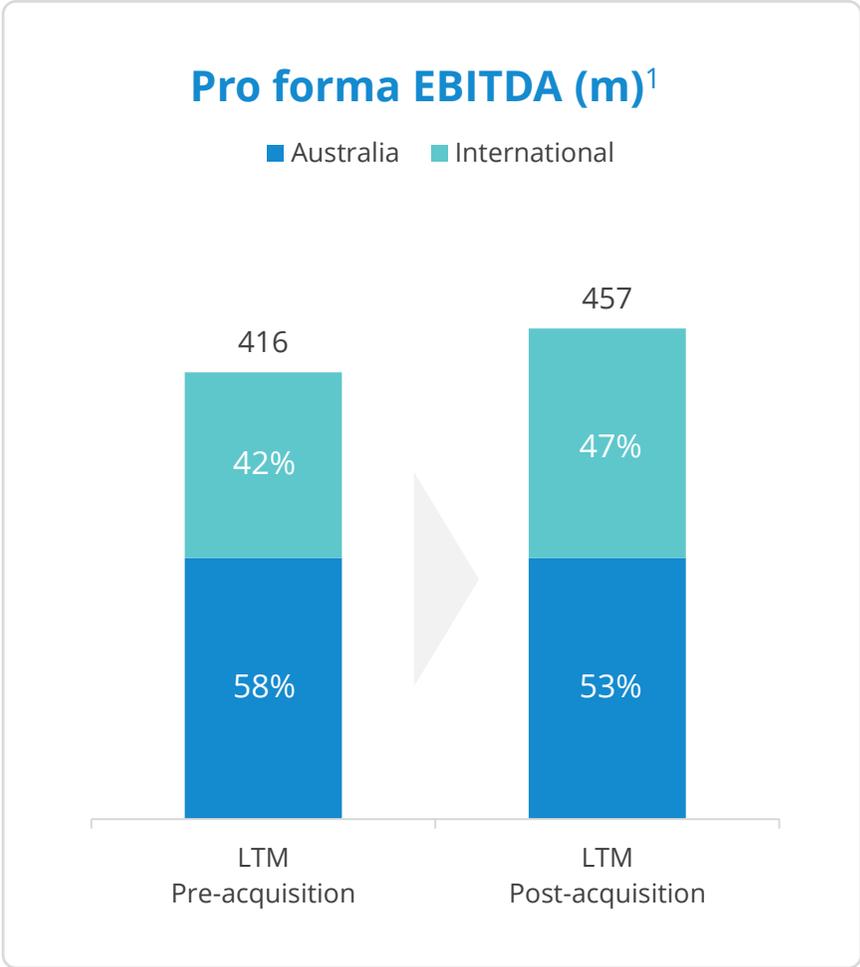
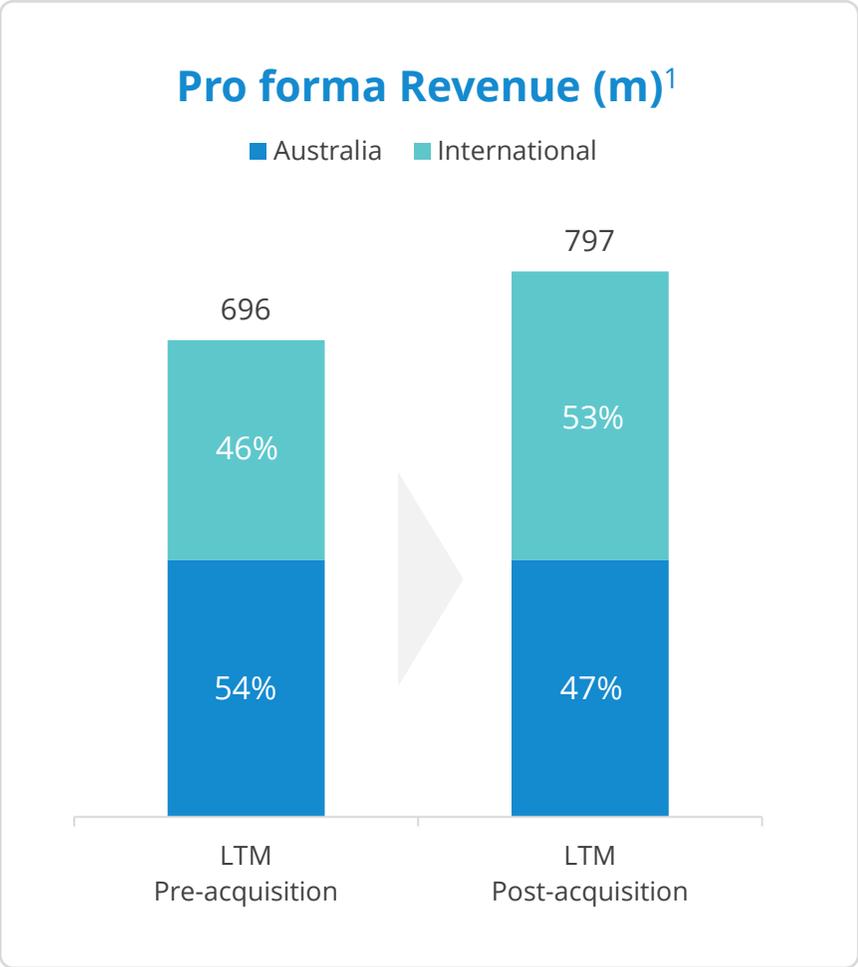
4

Timing is optimal

webmotors is flourishing and will benefit further from having carsales, a strategic marketplace investor, as the majority shareholder

Continuing our Successful International Growth Strategy

Expanding into new geographies to access larger high growth addressable markets and leverage our leading IP and technology



(1) Data has been extracted from the webmotors reviewed financials for CY22 which were prepared in accordance with IFRS and have a December year-end. The basis of preparation of financial information included in this Presentation is set out in further detail on slides 2-5. Excludes Car10 and Loop. Pro forma revenue and EBITDA assumes 100% ownership of webmotors and Trader Interactive in the 12 months to Dec-22 on a consolidated basis. Excludes carsales Investments, Car10 and Loop. See slides 2-5 and footnote 2 on slide 9 regarding the disclosure of non-IFRS Information. LTM = Last twelve months ended 31 Dec-22

An aerial photograph of a city, likely São Paulo, showing a dense urban landscape with numerous high-rise buildings and green spaces. The sky is blue with scattered white clouds, and a small airplane is visible in the upper left corner.

 webmotors

carsales  com ltd

webmotors Overview

webmotors Overview

Business Summary



- Founded in 1995 in São Paulo, webmotors is the number one automotive digital marketplace in Brazil¹
- Generated revenue of BRL\$353m (AUD\$100.5m) and EBITDA of BRL\$143m (AUD\$40.7m) in 12 months to Dec-22², has outstanding track record of growth with 23% revenue and 28% EBITDA CAGRs since 2017
- Offers marketplace services across dealer leads and subscriptions, private party sellers and digital advertisers
- In addition to leading marketplace business, has a suite of deep integrations
 - Digital credit check and loan application integration with Santander
 - Sophisticated CRM system to manage leads and inventory
 - Car pricing and valuation tool
 - Wholesale trading product
 - Fully online dealer training platform
 - Car servicing

Key Metrics

324 million



Annual sessions³

10.1 million



Monthly unique audience⁴

3.7 billion



Annual page views⁵

430 thousand



Vehicles online⁶

17 thousand



Subscribed dealers⁷

16 million



Annual leads⁸

3.6 million



Annual finance simulations⁹

40 per cent

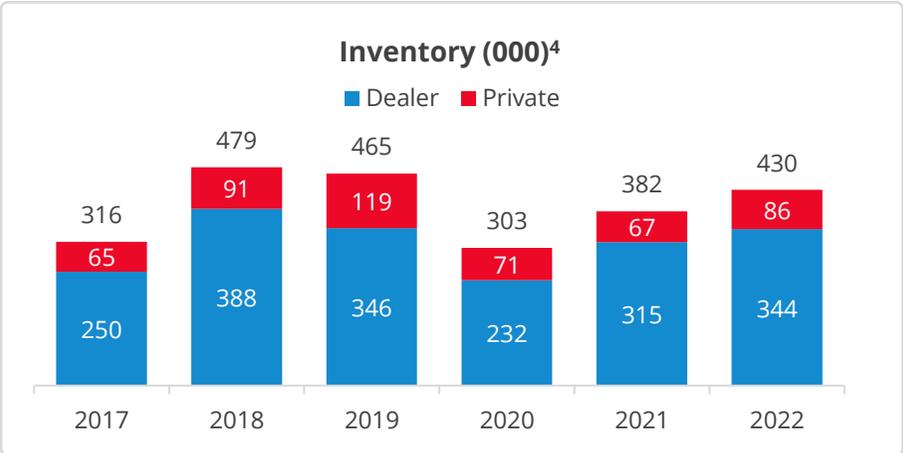
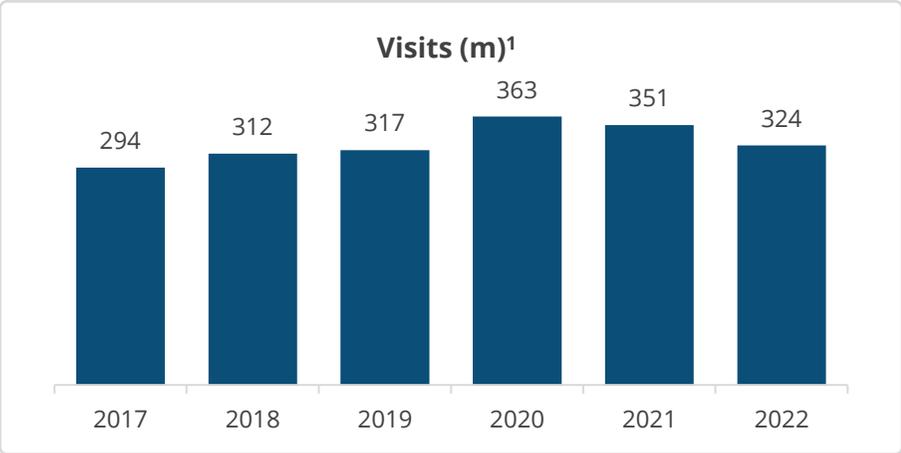


EBITDA margin¹⁰

(1) Based on unique audience, Jan-23. Source: ComScore. (2) Data has been extracted from the webmotors reviewed financials for CY22 which were prepared in accordance with IFRS and have a December year-end. The basis of preparation of financial information included in this Presentation is set out in further detail on slides 2-5. Excludes Car10 and Loop. Assumes an AUD / BRL exchange rate of 3.51 as at 05/03/2023. (3) Visits from Jan-22 – Dec-22. Source: Adobe Analytics. (4) Average monthly unique audience Jan-22 – Dec-22. Source: Adobe Analytics. (5) Page views from Jan-22 – Dec-22. Source: Adobe Analytics. (6) Dealer and private cars online at 31-Dec-22. (7) Subscribed dealers at 31-Dec-22. (8) Dealer and private leads delivered Jan-22 – Dec-22. (9) Finance simulations conducted Jan-22 – Dec-22. (10) EBITDA / Revenue for the period Jan-22 – Dec-22. Excludes Car10 and Loop. See slides 2-5 and footnote 2 on slide 9 regarding the disclosure of non-IFRS Information.

Excellent Key Metrics

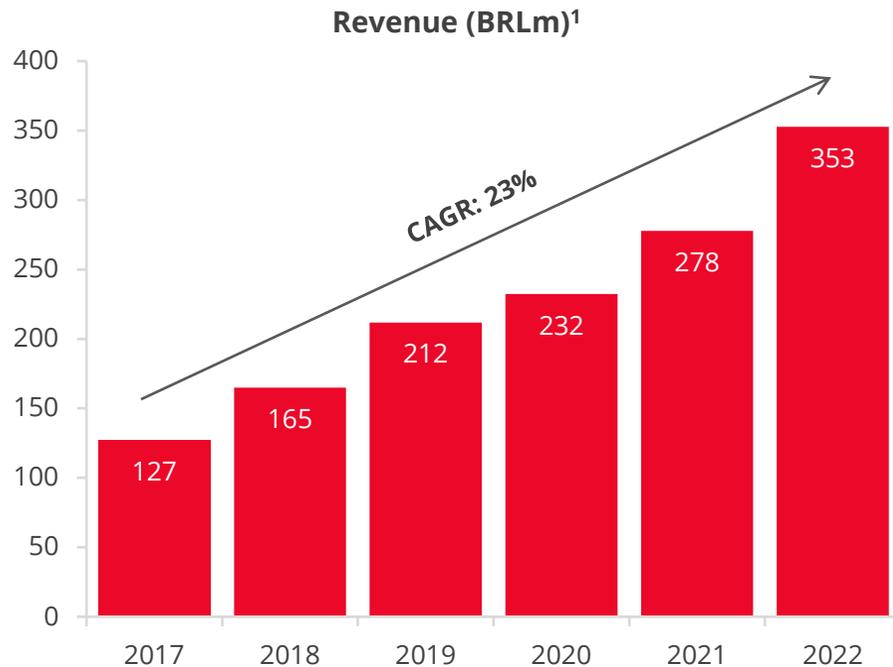
webmotors' outstanding operating metrics demonstrate strong market position



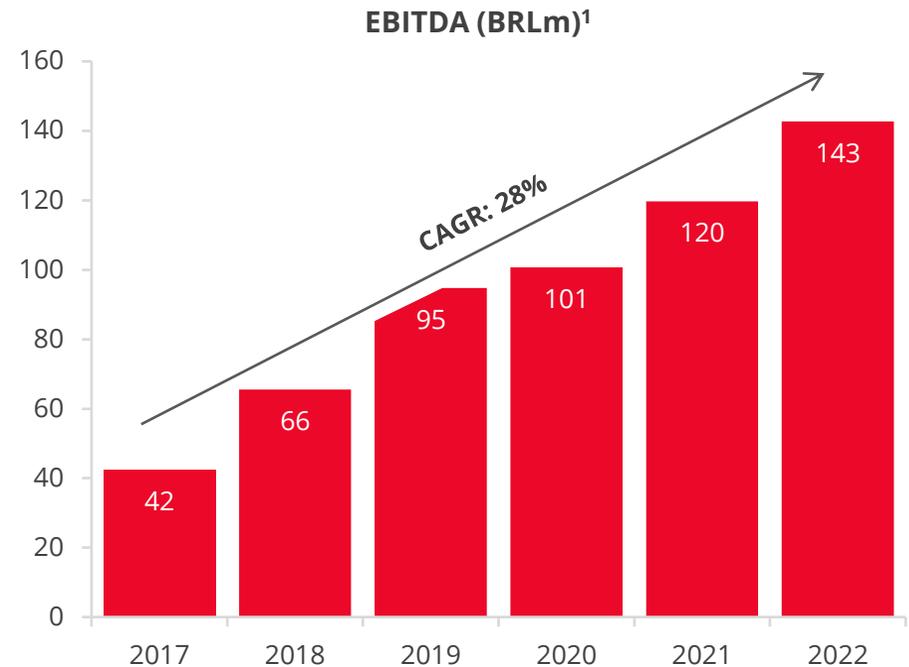
(1) Visits from Jan – Dec. Source: Adobe Analytics. (2) Dealer leads delivered Jan – Dec. (3) Subscribed dealers at 31-Dec. (4) Dealer and private cars online at 31-Dec.

Track Record of Strong Financial Performance

Strong and resilient revenue growth



With inherent operating leverage



Highly resilient business model with strong performance through the pandemic

Strength of marketplace model drives excellent earnings performance with upside to come from margin expansion

High Quality Management Team



Eduardo Jurcevic
Chief Executive Officer

- Joined Santander in 2008
- Appointed CEO of webmotors in 2019



Alexander Ortega
Chief Financial Officer

- Joined Santander in 2006
- Appointed CFO of webmotors in 2019



Cris Rother
Chief Marketing Officer

- 26 years marketing experience
- Joined webmotors in 2021



Eduardo Campos
Chief Commercial Officer

- Joined Santander in 1998
- Appointed webmotors CCO in 2020



Cibele Diniz
Head of People

- 18 years of people operations experience
- Joined webmotors in 2019



Mario Alves Silva Jnr
Head of strategy

- Joined webmotors in 2018
- Appointed Head of Strategy in 2021



Daniel Polistchuck
Chief Technology Officer

- 28 years of IT experience
- Joined webmotors in 2020 as CTO



Felipe Kleinübing
Chief Product Officer

- Joined webmotors in 2020
- Appointed webmotors CPO in 2022





 webmotors

carsales  com Ltd

Investment Highlights

webmotors Investment Highlights

1

The Brazilian auto market is highly attractive

- **Fifth biggest automotive market** in the world¹, with over 14 million new and used car sales annually² and 78 million cars in use³
- **Growing vehicle ownership** with cars per capita increasing⁴
- **28 thousand dealers**⁵: Large, disparate and fragmented dealer base of customers with low ownership concentration

2

Significant upside to penetration and monetisation

- **Brazil market is underpenetrated** with c. 1/3rd of addressable dealers not currently subscribed to webmotors⁶
- **National expansion plan** to increase market share in large areas outside of São Paulo and Rio de Janeiro is progressing well with more upside to follow
- **Low dealer take rates**⁷ compared to other businesses in the carsales group, with lead pricing 5x lower than Australia⁸

3

webmotors has clear audience leadership

- **Clear market leadership position**⁹ with excellent audience and inventory metrics relative to other players
- **Highly sophisticated software** integrates webmotors deeply with dealers - clear competitive advantage vs. horizontal competitors

4

Valuable Santander partnership continues

- Minority owner **Santander has 25% of the auto finance market**¹⁰ in Brazil and has an advanced digital loan application integration with webmotors
- **Santander contractual commercial relationship to remain in place** and will continue to drive material finance revenue

5

Exciting pipeline of growth initiatives

- **Key growth initiatives** include:
 - Improving media product offering
 - Implementing dynamic pricing
 - Car servicing and repairs
 - Online auctions
- **Leveraging carsales IP**: Acquisition enables carsales to capture a greater share of value created

6

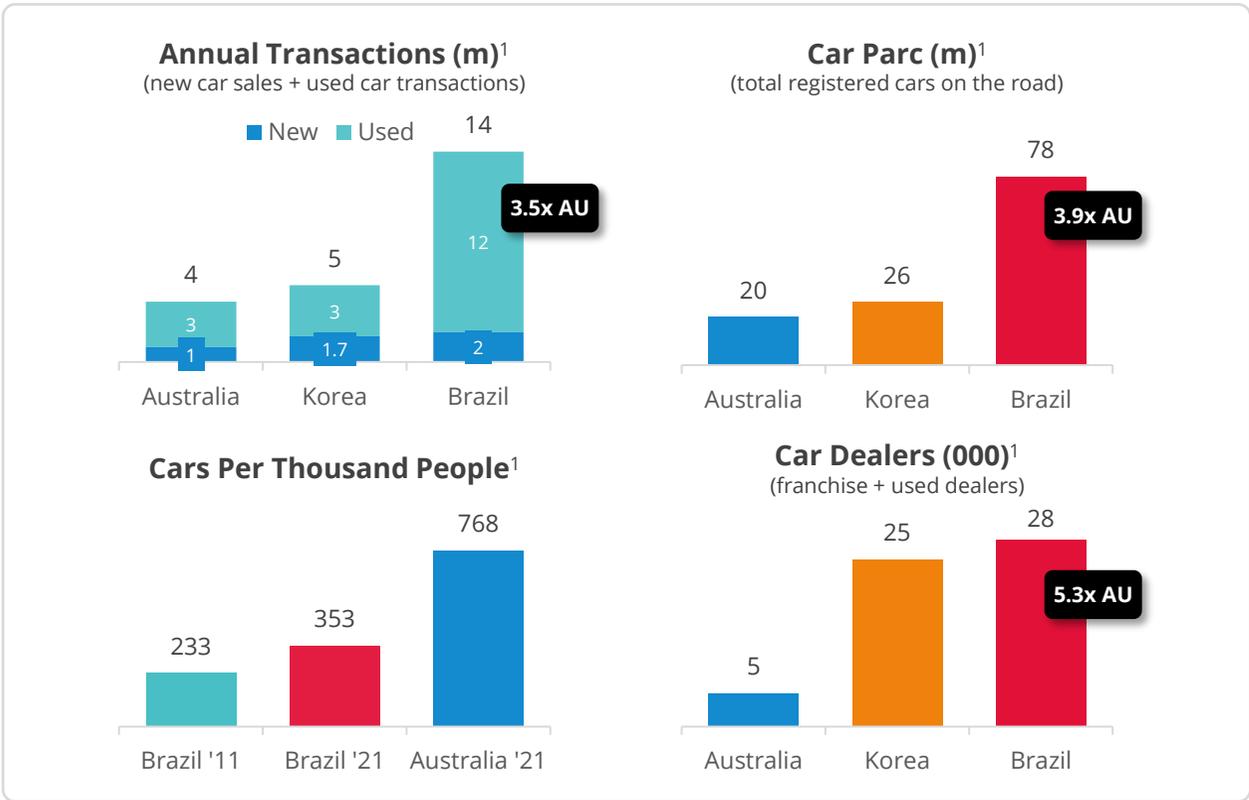
Solid margins with significant upside potential

- **Solid EBITDA margins**, with significant upside expected through operating leverage and increasing average revenue per dealer
- **Significant headroom** vs. EBITDA margins currently generated in Australia

1 The Brazilian Auto Market is Highly Attractive

Automotive industry in Brazil is enormous with strong growth potential

And large addressable market



The Total Addressable Market of dealer advertising is comparable to Australia's market

AUD\$ 500mil
Dealer total addressable market²

webmotors also has the potential to capture more of the media and private seller addressable markets

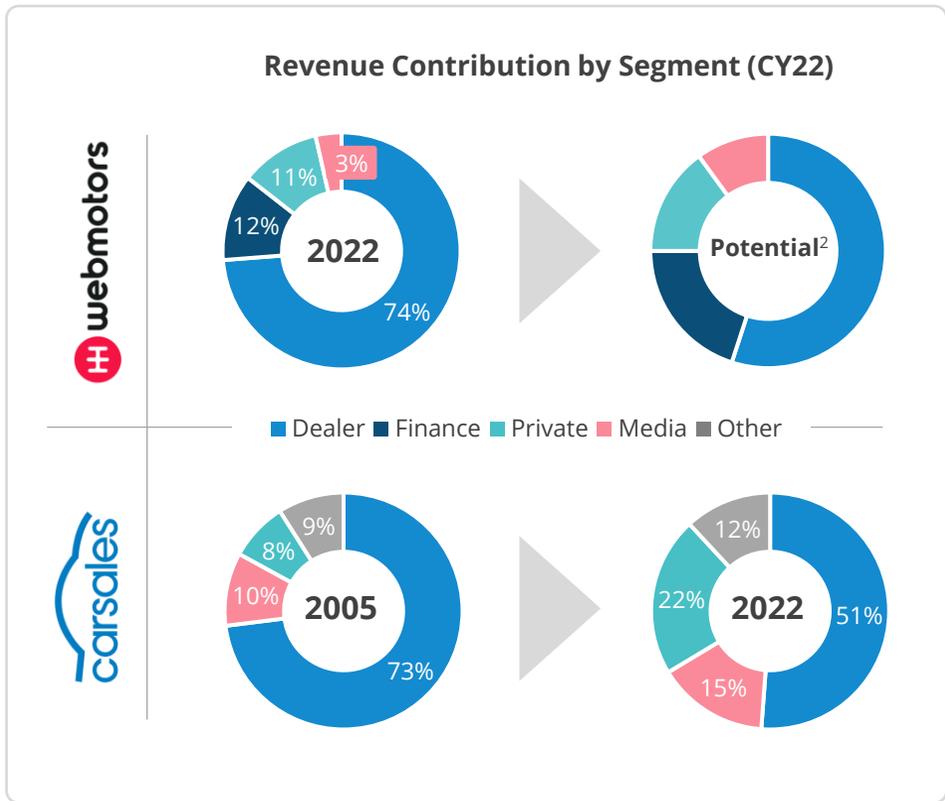
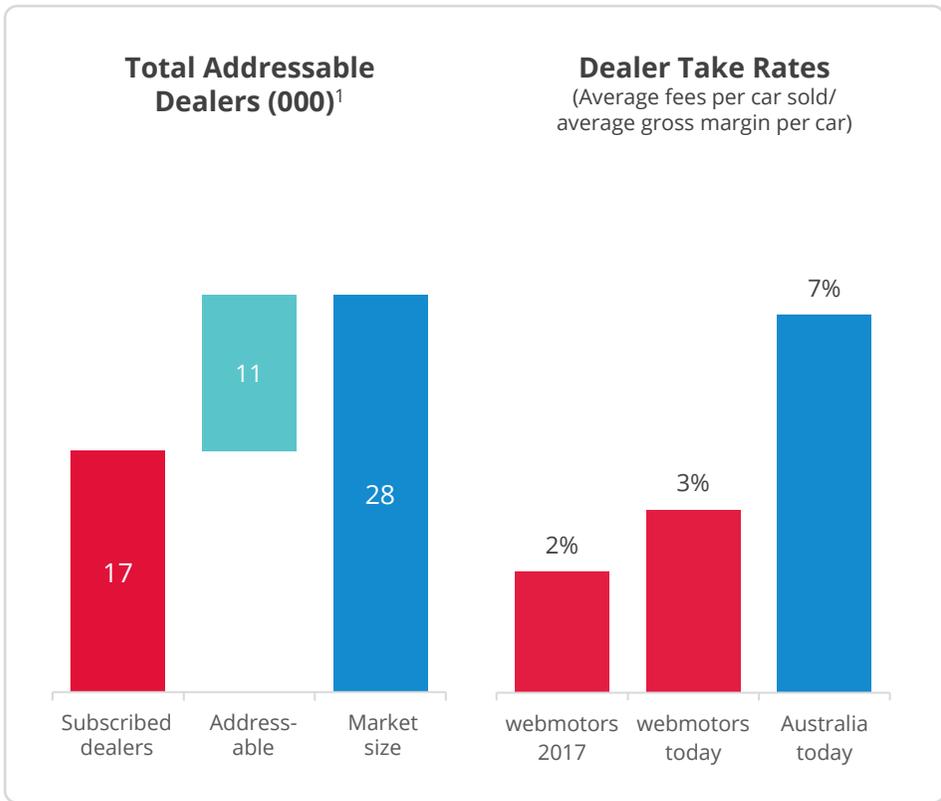
Brazil is the fifth largest automotive market in the world³, with a strong used car market

Potential to capture a greater share of a large addressable market

(1) Australia: 2022 New car sales: Federal Chamber of Automotive Industries. 2022 Used car transactions: National estimate based on NSW Registration transactions report. 2022 Parc: Motor vehicles on register, Australian Motor Vehicle Census 2022. Korea: 2022 Korea Automobile Manufacturers Association. Brazil: 2022 New car sales: Brazilian Association of Motor Vehicle Manufacturers (Anfavea). 2022 Used transactions: Brazilian National Federation of Automotive Vehicle Distribution (Fenabrave). 2022 Parc: National vehicle fleet, Brazilian Ministry of Infrastructure. Population data: Brazil: Worldbank. Australia: Australian Bureau of Statistics. Number of dealers: Australia: IBISWorld. Korea: 2022 Korea Automobile Manufacturers Association. Brazil: Brazilian National Federation of Automotive Vehicle Distribution (Fenabrave). (2) carsales internal data and management estimates. (3) Measured by total cars in use ("Parc") at Dec-22.

2 Upside to Penetration and Monetisation

Scope to grow penetration, monetisation and to increase the contribution from other revenue sources



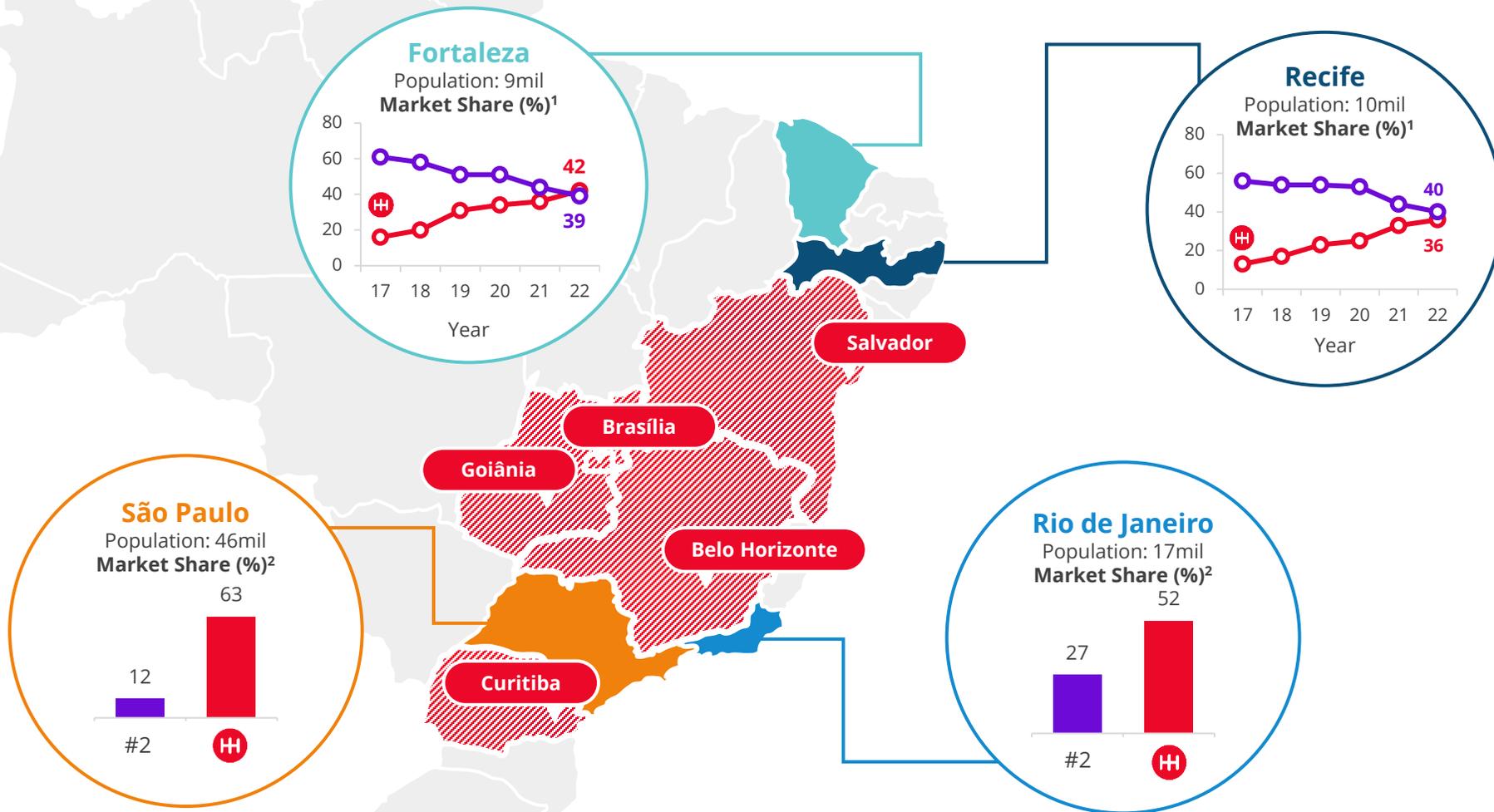
Dealer subscription whitespace is significant and take-rates are lower when compared to Australia. carsales can optimise attribution and increase take-rates over time

carsales can leverage its strategy, product and technology into webmotors to diversify revenue sources into media, services and private seller

(1) Subscribed dealers at 31-Dec-22, Brazilian registered dealers. (2) Illustrative. Shown as a guide to indicate possible future revenue split for webmotors. Not a forecast. Refer to slide 3 for information concerning forward looking statements in connection with the Acquisition.

2 Upside to Penetration and Monetisation cont.

National expansion showing excellent progress with scope to expand further into new key states

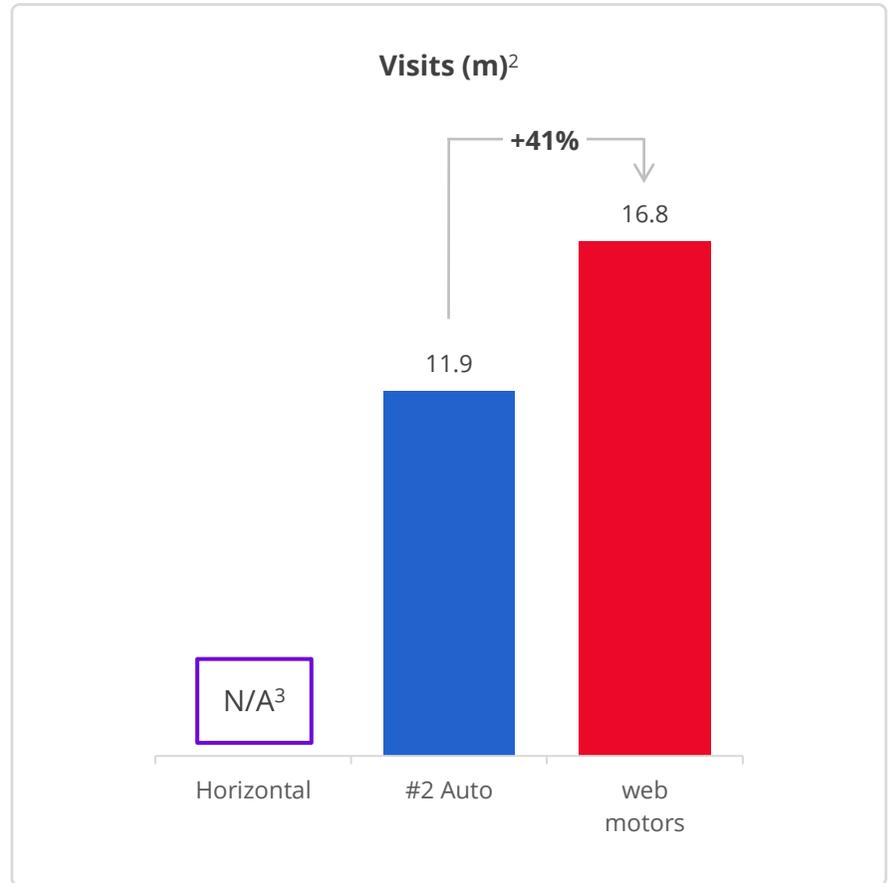
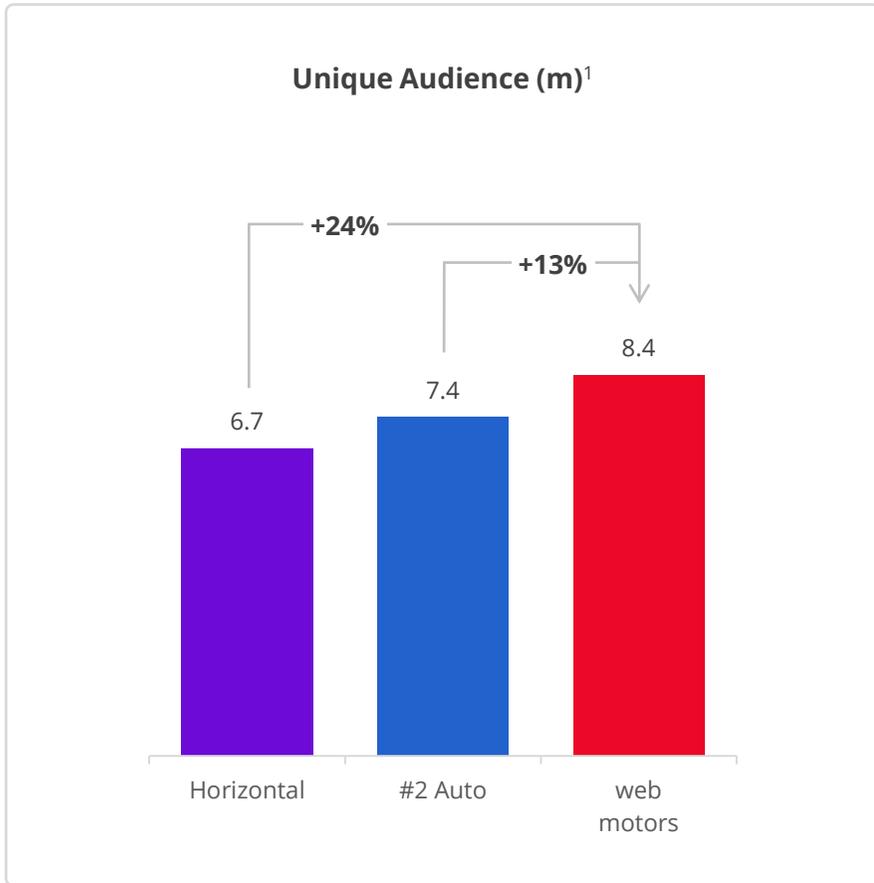


Target cities & states

Estimated state populations shown 2022. (1) Market share for Dec each year shown. Source: Google Analytics. (2) Market share as at Dec-22. Source: Google Analytics

3 webmotors has Clear Audience Leadership

webmotors has clear audience leadership over horizontal and vertical competitors

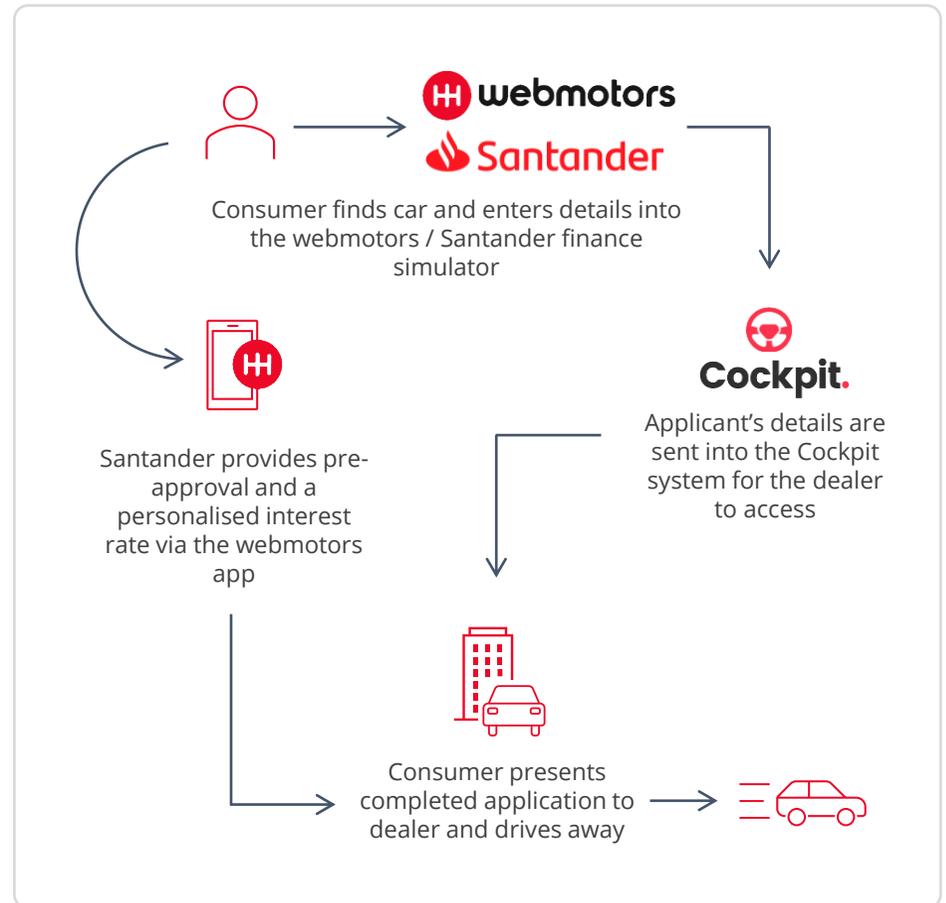
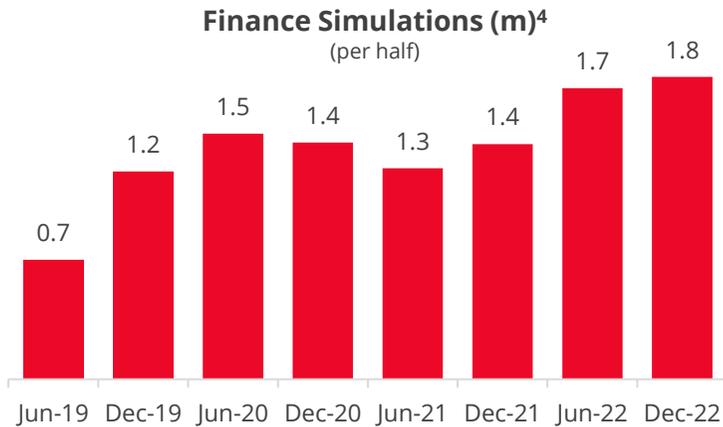


(1) Average monthly unique visitors Nov-22 – Jan-23. Source: ComScore. Horizontal = general classifieds. Auto traffic shown. (2) Average monthly visits Nov-22 – Jan-23. Source: Similarweb. (3) Similarweb data unable to determine auto only visits.

4 Valuable Santander Partnership Continues

Santander is a clear market leader in the enormous Brazilian auto finance market aided by an advanced digital loan application integration with webmotors

- More than 5 million cars were purchased under finance in 2022 in Brazil, nearly 50% of all transactions¹. Santander has 25%² market share of the BRL250b³ auto finance market in Brazil
- Consumers apply for auto loans via webmotors' finance product, which is a simulator built with Santander
- webmotors is paid a success fee based on the net amount financed for loans that originate from webmotors' platform
- There is considerable long-term upside as dealer participation increases and improvements are made to funnel conversion



(1) Vehicle Financing Report Dec-22, B3 SA Brasil Bolsa Balcao. (2) "Banco Santander Brazil's market share in car loans" Thomson Reuters, 2018. (3) Brazilian Association of Banks (Febraban). (4) Digital loan simulations conducted on webmotors.

5 Exciting Pipeline of Growth Initiatives

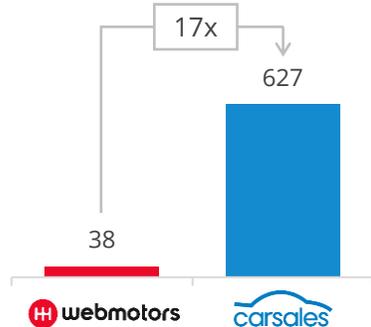
Key Marketplace Opportunities



Media & Membership

- webmotors' media revenue contributes a very small percentage of total revenue compared to carsales Australia
- Significant opportunity to leverage carsales' media products and new technologies, including customer data platform and self-serve capability

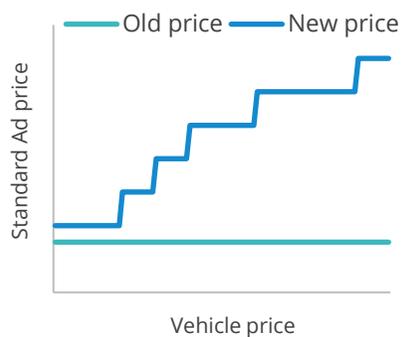
Media Revenue per Visit¹
(BRL per thousand)



Dynamic Pricing

- webmotors' private seller model has location-based pricing, with a single price for all car values. carsales can introduce value-based pricing in webmotors, and increase ad yield
- Dynamic pricing implemented in Trader Interactive (RV market) in Feb-23, achieving double-digit increase in ad yield

RV Trader Private Pricing



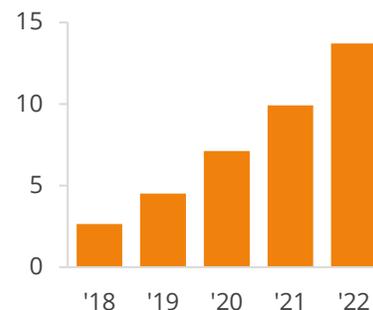
Emerging Digital Opportunities



Servicing & Repairs

- Car10 is an automotive servicing and small damage repair business, of which webmotors owns 67%
- App enables consumers to take photos of accident damage and seek five quotes for repair from a panel of 14,000 repairers and service centres
- webmotors makes commission when the consumer's car is repaired

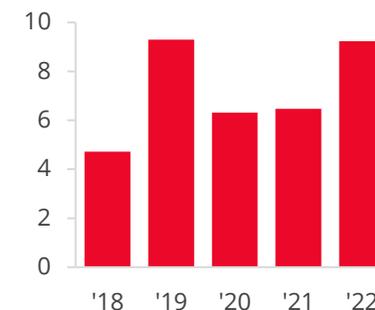
Subscribed Dealers (000)²



Car Auctions

- Loop is a digital automotive auction platform, of which webmotors owns 51%
- Loop prepares the consumer's car for online auction events and display on webmotors and other marketplaces
- Loop takes a commission of between 3 and 5% of the sale price, with no commission paid if the car does not sell

Loop Transactions (000)



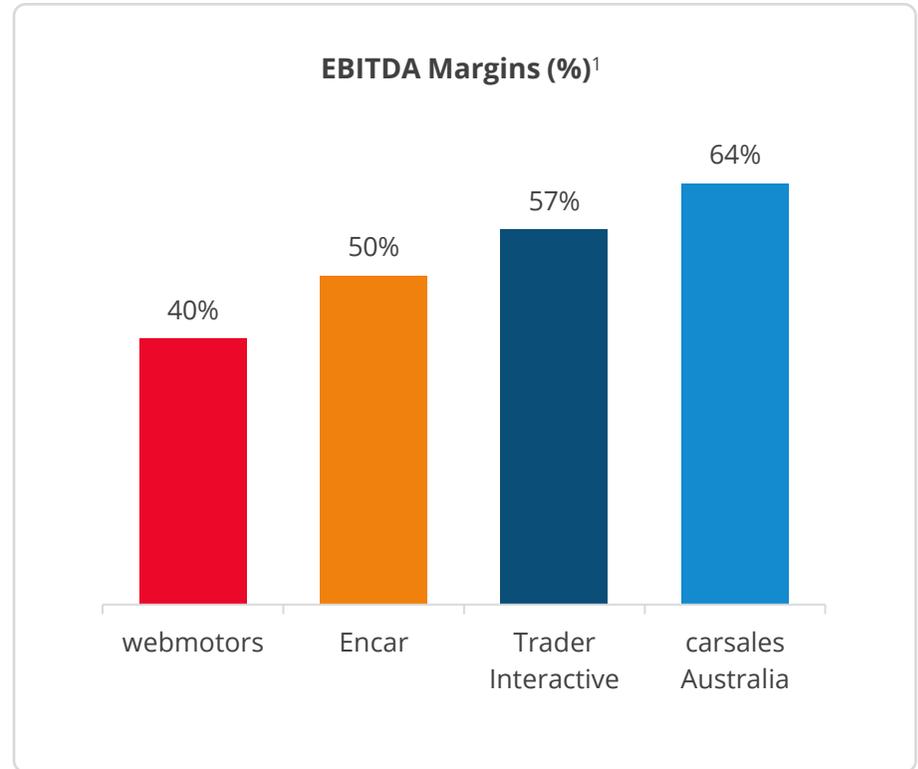
(1) Calculated on the period of 1 Jan 22 – 31 Dec 22. Assumes an AUD / BRL exchange rate of 3.51 as at 05/03/2023. (2) As at 31-Dec for each year shown.

6 Strong EBITDA Margins with Significant Upside

High incremental margins expected from key growth areas

Significant upside potential to margins relative to other carsales marketplaces

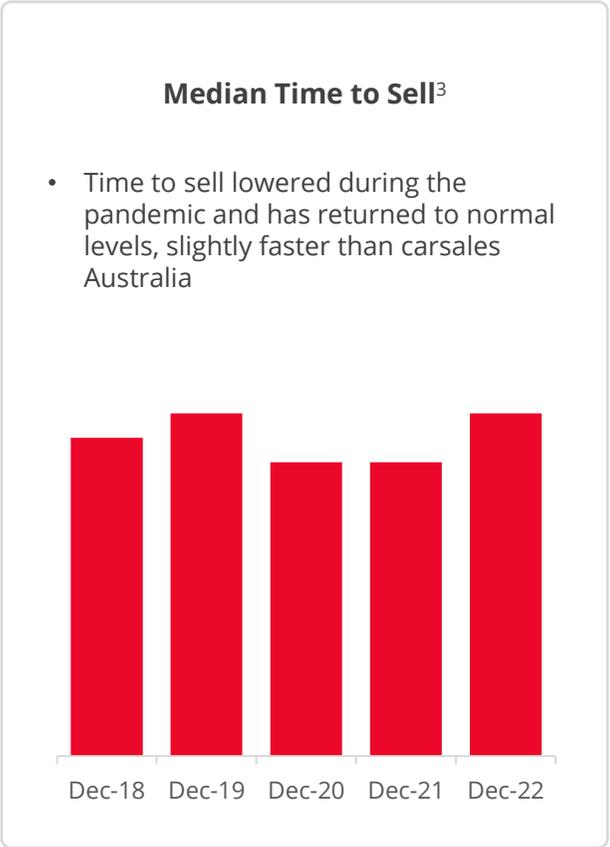
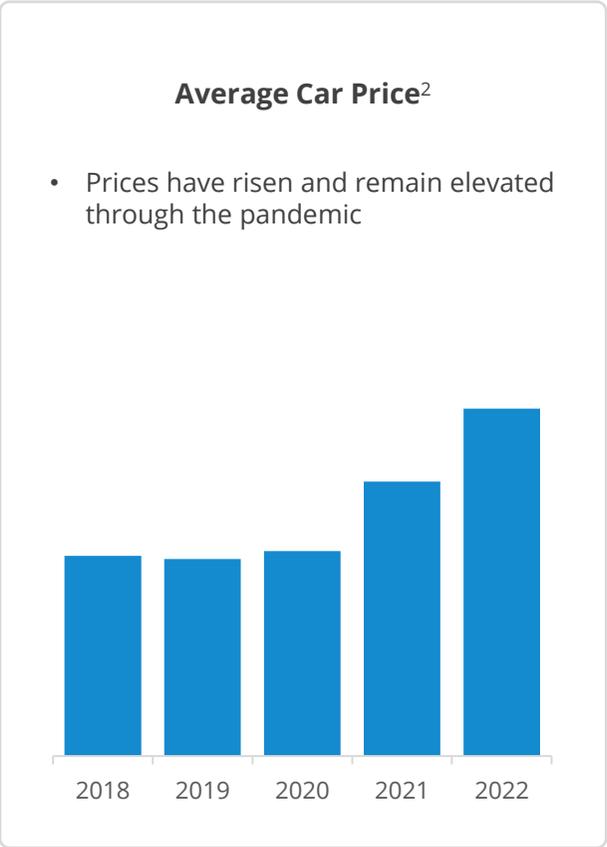
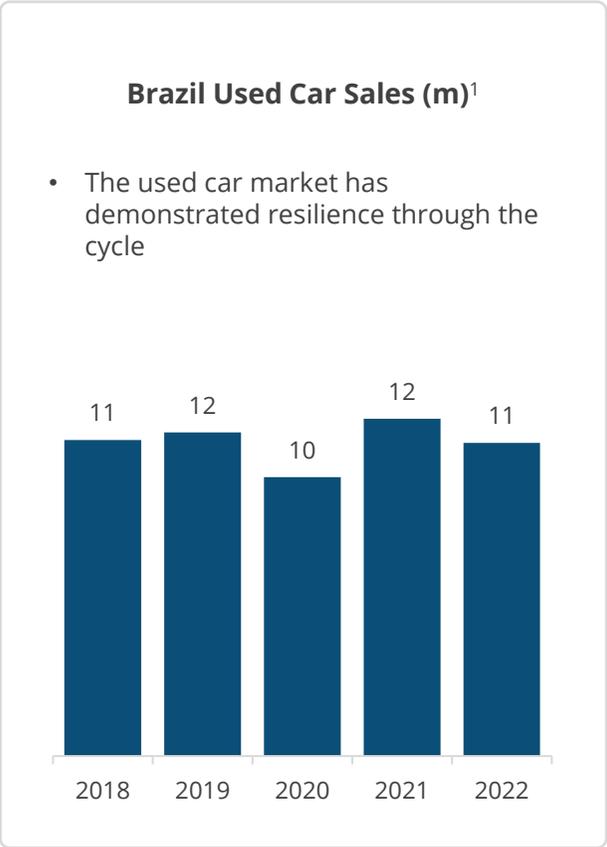
Growth Area	Margin Impact	Comment
Dealer yield optimisation	↑	Low/no incremental costs associated
Media products	↑	Low/no incremental costs associated
Finance penetration	↑	Leveraging strong Santander sales relationship
National expansion	→ (short term)	Upfront investment required, but expansion programme will moderate over next 2-3 years



(1) Jan-22 – Dec-22 EBITDA / Revenue. carsales excludes carsales investments whilst webmotors excludes car10 and Loop. Refer slide 36 and slides 2-5 regarding basis of preparation of financial information.

Market Conditions

The used car market has shown resilience through the pandemic, with transaction volumes back to pre-pandemic levels and elevated prices delivering strong margins for dealers



(1) Brazilian National Federation of Automotive Vehicle Distribution (Fenabrave). (2) webmotors dealer and private inventory. (3) webmotors dealer inventory.



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Acquisition Terms, Funding and Financial Impact

Acquisition Funding and Terms

Acquisition Price	<ul style="list-style-type: none"> Acquisition Price of BRL 1,240 million¹, or AUD\$ 353 million equivalent²
Funding	<ul style="list-style-type: none"> The Acquisition will be funded by an approximate AUD\$ 500 million fully underwritten 1 for 14.01 pro-rata accelerated renounceable entitlement offer
Balance Sheet Implications	<ul style="list-style-type: none"> Excess proceeds from Equity Raising to be used to strengthen carsales' balance sheet, reducing pro forma Dec-22 leverage to 1.9x and providing for increased capacity to pursue future growth opportunities³
Timing and Completion Considerations	<ul style="list-style-type: none"> Acquisition is subject to various customary conditions, including obtaining regulatory approval⁴, carsales obtaining equity funding and lender consent to proceed with the Acquisition, and webmotors providing carsales with its audited financial statements for CY22 (with certain financial metrics in those financial statements not being materially inconsistent with webmotors' CY22 management accounts) The Acquisition is expected to complete in Q4 FY23
Governance Arrangements	<ul style="list-style-type: none"> The Acquisition includes customary governance arrangements on similar terms as those currently in place between the shareholders (i.e. carsales governance rights will be similar to Santander's current governance rights as 70% shareholder)

	AUD\$m
Equity Raise	500
Total Sources	500

	AUD\$m
Acquisition Price ¹	353
Strengthen CAR Balance Sheet	133
Transaction Costs	14
Total Uses	500

(1) Acquisition price calculated as 100% EV multiplied by 40% being the interest in webmotors being acquired by carsales. (2) Assumes an AUD / BRL exchange rate of 3.51 as at 05/03/2023. (3) See slide 30 for leverage calculations. (4) Regulatory approval from the Brazilian antitrust authority, Conselho Administrativo de Defesa Econômica ("CADE").

Pro forma Historical Profit and Loss

AUD\$ millions	CY22			
	carsales ¹ Pro forma	webmotors Pro forma ²	Adjustments	Combined Pro forma
Adjusted Revenue³	755.8	112.7	-	868.5
Operating expense	(343.1)	(73.6)	-	(416.7)
Adjusted EBITDA³	412.7	39.1	-	451.8
EBITDA Margin %	54.6%	34.7%		52.0%
Depreciation & amortisation	A (42.8)	(6.6)		(49.3)
EBIT	369.9	32.5	-	402.5
Net finance cost	B (68.6)	1.3	8.7	(58.7)
Profit Before Tax	301.3	33.8	8.7	343.8
Income tax expense	C (59.1)	(12.1)	(2.6)	(73.7)
Profits from associates	D 6.2	-	(6.2)	-
Non-controlling interests (NCI)	E (0.7)	2.2	(7.2)	(5.7)
Adjusted NPAT³	247.8	23.9	(7.4)	264.4
Adjusted EPS⁴ (Cents)	70.0	-	-	70.2

Basis of preparation

- The pro forma information is presented on an unaudited calendar year basis to show the impact of the Acquisition had the incremental 40% been acquired as of 1 January 2022. For the twelve months ended 31 December 2022, unaudited pro forma carsales results and webmotors reviewed financials have been aggregated
- CY22 financials for carsales on a CY22 basis were prepared using reviewed H1 FY23 plus audited full year FY22 less reviewed H1 FY22 and then proforma and normalisation transaction adjustments (refer to slide 35) were made to reflect ownership of Trader Interactive on a 100% basis from 1 January 2022.
- The combined pro forma results reflect the unaudited results of carsales and webmotors for CY22, on a fully consolidated basis for the purposes of showing the impact of the transaction on the historical financials. This information is provided for illustrative purposes only and is not represented as being indicative of carsales' views on the Combined Business's future financial condition and/or performance
- webmotors financial information has been extracted from its unaudited management accounts for the year ended December 31, 2022, which were prepared in accordance with IFRS principles

Pro forma transaction adjustments

- webmotors reflects estimated first full year of depreciation and amortisation associated with fixed assets and software intangible assets recognised on acquisition. It excludes the non-cash amortisation of any brand or customer relationship assets to be recognised on acquisition
- carsales' pro forma net finance costs of AUD\$68.6m was calculated based on borrowings of AUD\$1,231m multiplied by carsales' current average interest rate of 5.7%. Adjustment of AUD\$8.7m reflects the reduction in interest cost from paying down an additional AUD\$132.5m debt post capital raising as well as estimated 0.1% reduction in interest rate due to lower leverage ratio
- Income tax expense of AUD\$59.1m at the carsales level reflects an effective tax rate of 20% including 100% Trader Interactive. Trader Interactive paid minimal tax in this period, which is primarily due to tax deductions for purchase price intangibles. The Adjustment of AUD\$2.6m represents a pro forma tax payable (calculated at Australian tax rate of 30%) on AUD\$8.7m of interest savings post payday of AUD\$132.5m debt post capital raise
- Profits from associates adjustment of AUD\$6.2m reflects reversal of carsales' share (30%) of webmotors' Adjusted net profit after tax recorded over the last twelve months.
- NCI adjustment of AUD\$7.2m is calculated based on webmotors' net profit multiplied by 30% being the non- controlling interest of Santander under the new ownership structure

(1) Refer to slide 35 for basis of preparation of pro forma carsales financial information on an LTM basis. (2) Financials stated is for 100% of the business and the data has been extracted from webmotors' unaudited financials for CY22. (3) Adjusted Revenue, Adjusted EBITDA and Adjusted NPAT stated above is post non-controlling interests and excludes certain non-recurring or non-cash items. Adjusted NPAT also excludes amortisation of webmotors' acquisition related intangible assets and any intangible assets that will be recognised by carsales (for carsales reporting purposes) as part of the purchase price accounting exercise. Refer to slide 3 regarding the disclosure of non-IFRS information and slides 36-37 for a reconciliation from Reported to Adjusted Financials. (4) Based on Adjusted NPAT excluding amortisation of brand intangibles and one-off transaction costs. The impact of purchase price accounting has not been completed and will impact future amortisation charges. In accordance with AASB 133, carsales' pre-Transaction EPS has been restated based on an adjustment factor to take into account the New Shares to be issued in connection with the Entitlement Offer. The TERP adjustment factor is approximately 0.9928.

Pro forma Balance Sheet

AUD\$ millions	As at 31 Dec-22			
	carsales ¹	webmotors ²	Adjustments	Combined Pro forma ³
Current assets	264.3	75.7	-	340.0
Non-current assets	A 3,678.9	64.9	743.6	4,487.4
Total Assets	3,943.2	140.6	743.6	4,827.4
Current liabilities	125.4	59.1	-	184.5
Non-current liabilities	B 1,444.2	0.2	(132.5)	1,311.8
Total Liabilities	1,569.6	59.3	(132.5)	1,496.3
Total Equity	C 2,373.6	81.3	876.1	3,331.0
Net Debt	1,044.0	(32.0)	(132.5)	879.5
Leverage Ratio ⁴	2.5 x	-	-	1.9 x

Basis of preparation

- The pro forma balance sheet is presented to show the impact of the Acquisition had it completed as at 31 December 2022, using BRL / AUD exchange rate of 3.51 as at 05/03/2023, to translate pro forma adjustments from BRL to AUD, where applicable.
- carsales and webmotors prepares their respective financial statements in accordance with IFRS
- Pro forma balance sheet has been prepared and reviewed in accordance with Australian Accounting Standards, which conform to IFRS

Pro forma transaction adjustments

- Reflects the preliminary estimated value of goodwill and other intangible assets expected to be recognised on acquisition of webmotors. This is subject to finalisation of the preliminary purchase price allocation post completion. Step acquisition includes the fair value of the remaining non-controlling interest in goodwill. Once purchase price allocation exercise is performed, there will be adjustments to goodwill, intangible and non-controlling interest valuation
- Reflects debt repayment of \$132.5m post capital raise
- Reflects the recognition of the estimated impact of the capital raise on equity including associated transaction costs and the step acquisition gain recognised moving from an equity accounted associate to consolidated subsidiary

(1) carsales 31-Dec-22 position based on carsales' reviewed financial statements for the period ended 31 December 2022. (2) webmotors 31-Dec-22 position based on reviewed financial statements for the period ended 31 December 2022 prepared on IFRS basis by carsales. Webmotors have net cash on the balance sheet (3) Based on the Acquisition Price calculated as 100% EV multiplied by 70% being the interest in webmotors not owned by carsales. (4) Leverage ratio has been calculated based on Proforma EBITDA including 100% of webmotors and Trader Interactive's EBITDA for the last twelve months.



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Equity Raising

Overview of the Equity Raise

Offer Size and Structure	<ul style="list-style-type: none"> Fully underwritten 1 for 14.01 pro-rata accelerated renounceable entitlement offer (with retail entitlements trading) to raise gross proceeds of approximately AUD\$500 million (referred to throughout this Presentation as “Entitlement Offer” or “Equity Raising”) Approximately 25.1 million new ordinary shares (“New Shares”) to be issued under the Entitlement Offer, equivalent to 7% of existing shares on issue
Offer Price	<ul style="list-style-type: none"> Entitlement Offer price of AUD\$19.95 per New Share (“Offer Price”), represents a: <ul style="list-style-type: none"> 10.8% discount to the dividend-adjusted last closing price of AUD\$22.36 on Tuesday, 7 March 2023; and 10.1% discount to the dividend-adjusted Theoretical Ex-Rights Price (“TERP”) of AUD\$22.19¹
Use of Proceeds	<ul style="list-style-type: none"> Proceeds from the Equity Raising are intended to be used to fund 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 opportunities²
Institutional Entitlement Offer	<ul style="list-style-type: none"> The institutional component of the Entitlement Offer (“Institutional Entitlement Offer”) opens today and closes on Thursday, 9 March 2023 Institutional entitlements not taken up, together with those entitlements of ineligible institutional shareholders, will be sold under the institutional shortfall bookbuild, which opens on Thursday, 9 March 2023 and closes on Friday, 10 March 2023, with any proceeds in excess of the Offer Price (net of any withholding tax and expenses) paid to relevant shareholders
Retail Entitlement Offer	<ul style="list-style-type: none"> The retail component of the Entitlement Offer (“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 Eligible retail shareholders under the Retail Entitlement Offer, may: <ul style="list-style-type: none"> Elect to take up all or part of their (pro rata) entitlements under the Retail Entitlement Offer prior to 5.00pm (Melbourne time) on Thursday, 30 March 2023 and receive New Shares Sell or transfer all or part of their 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 Do nothing and let all or part of their entitlements be sold into the retail shortfall bookbuild process (along with entitlements of ineligible retail shareholders) to be conducted on or about Tuesday, 4 April 2023, with any proceeds in excess of the Offer Price (net of any withholding tax and expenses) paid to the relevant shareholders Retail shareholders should read the Retail Information Booklet which contains full information on the Retail Entitlement Offer and application process
Underwriting	<ul style="list-style-type: none"> The Entitlement Offer is fully underwritten
Ranking	<ul style="list-style-type: none"> New Shares issued under the Entitlement Offer will rank pari passu with existing fully paid shares from the date of issue, however, will not be entitled to receive the interim dividend already announced by carsales on Monday, 13 February 2023 (ex-date Friday, 17 March 2023)
Board Participation	<ul style="list-style-type: none"> All carsales’ Directors are participating in the Entitlement Offer for either all or part of their entitlements

(1) The Theoretical Ex-Rights Price (“TERP”) is the theoretical price at which carsales shares should trade immediately following the ex-date for the Entitlement Offer. TERP is calculated by reference to carsales’ dividend-adjusted closing price of AUD\$22.36 on Tuesday, 7 March 2023, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which carsales shares trade immediately after the ex-date of the Entitlement Offer will depend on many factors and may not be equal to TERP. (2) See slide 30 for leverage calculations.

Equity Raising Timetable¹

Event	T+	Date
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

(1) 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, 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.



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Appendix A Supplementary Financial Information

carsales P&L Reconciliation

AUD\$ millions	CY22		
	Revenue	EBITDA	NPAT
Reported Financials	599.1	309.4	502.7
<i>Adjustments¹</i>			
M&A and restructuring costs	-	13.4	12.1
Financing cost, hedge and FX	-	(1.6)	0.4
Gain on Trader Interactive investment	-	-	(333.3)
Acquired intangible amortisation	-	-	34.8
Trader Interactive one-off adjustments ³	(0.1)	0.9	11.2
Adjusted Financials	599.0	322.3	227.9
<i>Pro forma Adjustments²</i>			
Include Trader Interactive consolidated results ⁴	156.8	90.5	90.1
Exclude Trader Interactive profit from associate ⁵	-	-	(32.4)
Net finance cost ⁶	-	-	(37.7)
Pro forma Financials	755.8	412.7	247.8

Basis of preparation

- carsales prepares its financial statements in accordance with Australian Accounting Standards, which conform to International Financial Reporting Standards ("IFRS") and has a June 30 financial year end
- Proforma CY22 financials for carsales on an LTM basis were prepared by adding reviewed H1 FY23 to audited full year FY22 less reviewed H1 FY22
- Proforma adjustments were then made to:
 - include Trader Interactive results for last twelve month on 100% ownership basis
 - remove the Trader Interactive contribution to Profit from Associates for the period prior to completion of the acquisition in October 2022
 - Adjust net finance cost to reflect current debt balance and higher interest rate

(1) Normalisation adjustment refers to non-operating, non-recurring items, and new ventures non-cash items. (2) Pro forma adjustment refers to hypothetical amounts adjusted to present financials on a consistent basis for a period. (3) 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. Refer to slide 3 for disclosure of non-IFRS information. (4) Reflects Trader Interactive's underlying results for the Jan-22 to Sep-22 period. (5) Trader Profit from Associate reflects the reversal of 49% profit contribution from Trader for Jan-22 to Sep-22 period. (6) Net Finance cost Adjustment of AUD\$37.7 million is the tax effected difference between AUD\$24.9 million of finance cost incurred in CY22 and AUD\$68.6 million Finance cost calculated using carsales' current debt balance of AUD\$1,231 million multiplied by current interest rate of 5.7%.

webmotors Financial Information

CY2022	AUD\$ millions			BRL millions		
	webmotors	Subsidiaries	Consolidated	webmotors	Subsidiaries	Consolidated
Revenue	100.5	12.2	112.7	352.8	42.8	395.5
Expenses	(59.8)	(13.7)	(73.6)	(210.1)	(48.2)	(258.3)
EBITDA	40.7	(1.6)	39.1	142.7	(5.5)	137.3
<i>EBITDA Margin %</i>	40.5%		34.7%	40.5%		34.7%
Depreciation & amortisation	(5.1)	(1.5)	(6.6)	(17.8)	(5.2)	(23.0)
EBIT	35.6	(3.0)	32.5	124.9	(10.6)	114.2
Net finance costs	3.5	(2.2)	1.3	12.4	(7.9)	4.5
Profit Before Tax	39.1	(5.3)	33.8	137.2	(18.5)	118.7
Income tax expense	(12.0)	(0.0)	(12.1)	(42.3)	(0.1)	(42.4)
Non-controlling interests (NCI)	-	2.2	2.2	-	7.7	7.7
Net Profit After Tax	27.1	(3.1)	23.9	95.0	(10.9)	84.1
Capex	9.9	0.7	10.7	34.8	2.6	37.4
<i>Capex as a % of revenue</i>	10%	6%	9%	10%	6%	9%



 webmotors
carsales  com Ltd

Appendix B

Key Risks

Key Risks

This section describes the key risks to carsales' business associated with the Acquisition together with the risks relating to participation in the Entitlement Offer that may affect the price or value of carsales' shares. Before investing in carsales, you should be aware that an investment in carsales has a number of risks, some of which are specific to carsales and some of which relate to listed securities generally, and many of which are beyond the control of carsales.

The risks set out in this section do not constitute an exhaustive list of all risks involved in an investment in carsales and for the avoidance of doubt, the categorisation of the risks does not limit their relevance to that particular category.

Investors should consult their own professional, financial, legal and tax advisers about these risks and the suitability of investing in carsales in light of their particular circumstances. Investors should also consider publicly available information on carsales and webmotors (including information available on the ASX website) before making any investment decision.

A. SPECIFIC RISKS RELATING TO THE ACQUISITION

1. Completion risks

carsales has agreed to acquire 40% of shares in webmotors from Santander, which will bring its total equity interest in webmotors to 70%.

The Acquisition is subject to various customary conditions precedent, including obtaining regulatory approval from the Brazilian antitrust authority, Conselho Administrativo de Defesa Econômica ("CADE"), carsales obtaining equity funding and lender consent required to proceed with the Acquisition and webmotors providing carsales with its audited financial statements for CY22 (with certain financial metrics in those financial statements not being materially inconsistent with webmotors' CY22 management accounts). The conditions are expected to be satisfied within 60 days of signing, though there is no deadline by which these conditions must be satisfied (or waived) under the terms of the share purchase and sale agreement entered into in respect of the Acquisition ("SPA"), and no party to the SPA has the right to unilaterally terminate the SPA without cause. However, all material conditions in the SPA dependent on third parties are able to be waived solely by carsales (other than the condition relating to obtaining regulatory approval). Notwithstanding that carsales is able to waive (should it choose to do so) the majority of conditions under the SPA, carsales is technically exposed to the risk of remaining contractually obliged to proceed with the Acquisition for an indefinite period of time if there are any delays to the satisfaction (or waiver) of the conditions precedent.

carsales expects the Acquisition to proceed as advised. However, if the Acquisition fails to proceed or is delayed, the expected financial performance of carsales could be adversely affected and the benefits of the Acquisition outlined in this Presentation may not be realised. The consummation of the Acquisition, or any transaction, is also subject to various risks and contingencies. There can be no assurance that the Acquisition, or any transaction, will be consummated.

If the Acquisition does not proceed and carsales has raised funds under the Entitlement Offer, carsales intends to use such proceeds to reduce its existing leverage. If the Acquisition is delayed, carsales may incur additional costs and it may take longer than anticipated, if at all, for carsales to realise the anticipated benefits of the Acquisition or those benefits may be diminished.

Failure to proceed with or complete the Acquisition may be due to circumstances outside of carsales' control, including intervention by a regulatory body or order of a court of competent jurisdiction that imposes conditions, terms, obligations or restrictions in connection with their approval of the Acquisition or the occurrence of any event, change or other circumstance that could give rise to the termination of the SPA, amongst other factors. Completion may also be impacted or prevented as a result of changes in the relevant legal and regulatory frameworks in Australia, Brazil or other relevant jurisdictions.

2. Due diligence

carsales and its advisers undertook a due diligence process in relation to the Acquisition which relied in part on the review of financial and other information provided by webmotors.

Despite making reasonable efforts, carsales has not been able to verify the accuracy, reliability or completeness of all of the information which was provided to it against independent data. carsales' assumptions and analysis may be inaccurate, including as a result of incorrect or missing information, flawed analysis methods or incorrect assumptions. If any such information provided to, and relied upon by, carsales in its due diligence and in its preparation of this Presentation proves to be incorrect or incomplete, there is a risk that the actual financial position and performance of webmotors (and the financial position of carsales following the Acquisition) may be materially different to the expectations reflected in this Presentation. There is also no assurance that the due diligence conducted was comprehensive and that all issues and risks in respect of the Acquisition have been completely or accurately identified and avoided (or managed appropriately). Actual performance of webmotors or circumstances may differ from carsales' conclusions.

Unforeseen issues and risks in respect of the Acquisition, in relation to webmotors and its business may arise following completion of the Acquisition, which may have a materially adverse impact on carsales (for example, carsales may later discover liabilities or issues which were not identified through due diligence or for which there is no protection for carsales or fail to identify historical or future tax exposure across multiple jurisdictions). This could adversely affect the operations, financial performance or position of both webmotors and carsales.

Key Risks

3. Future earnings risks

carsales has undertaken financial and business analysis of webmotors in order to determine whether to pursue the Acquisition and its attractiveness to carsales. It is possible that such analysis, and the best estimate assumptions made by carsales, draw conclusions and forecasts that are inaccurate, or which will not be realised in due course. Under the Acquisition, carsales will only receive the benefit of warranties regarding webmotors' historical operations, and will be relying on its own knowledge and assessment of webmotors regarding its future earnings forecasts. In the latter case, such assessment may be based on information provided by webmotors, which may be incorrect or incomplete. To the extent that the actual results achieved by webmotors, and consequently of both webmotors and carsales, are different than those anticipated there is a risk that the profitability and future earnings of both webmotors and carsales may differ (including in a materially adverse way) from the performance as described in this Presentation. There is also no guarantee that any prospective future earnings of carsales will be realised after completion of the Acquisition. Investors should also note that this Presentation contains pro forma historical financial information, which is provided for illustrative purposes only and is not represented as being indicative of carsales' (or anyone else's) views on both webmotors' and carsales' future financial condition and/or performance.

4. Key management personnel

The success and performance of both webmotors and carsales will rely on the effectiveness, talent and experience of key management personnel. Due to the historical arrangements with Santander (webmotors' current majority shareholder), webmotors' CEO's incentive arrangements are separately documented with Santander. The entry by the webmotors CEO into a written employment contract with webmotors covering all aspects of his remuneration is a closing deliverable (which may be waived by carsales). There is a risk these arrangements may not be agreed with the webmotors CEO and he may depart webmotors following completion.

The loss of any key personnel (such as the CEO) or group of staff generally could cause disruption to the conduct of both webmotors' and carsales' businesses in the short term and may have a material adverse impact on both webmotors' and carsales' operations, financial performance and/or financial position. It may be difficult to replace key personnel, or to do so in a timely manner or at comparable expense.

5. Regulatory, fiscal and financial policy risks

Post completion of the Acquisition, carsales will own a majority stake of a company in Brazil and therefore may be required to comply with the associated legal, regulatory, tax, licensing, labour laws, and compliance relating to operating a business in Brazil.

The regulatory environment in Brazil can be complex and bureaucratic, with lengthy procedures and regulations that can slow down investment and economic growth. The legal uncertainty arising from problems related to court delays and the unpredictability of court decisions may have an adverse effect on businesses involved in proceedings that involve courts in Brazil. In particular, the labour law system in Brazil is considered arduous and difficult to comply with. This results in disputes and lawsuits being regularly brought against employers by employees in Brazil. Combined with a complex tax system, these factors can result in increased operational costs associated with doing business in Brazil.

The extent to which such issues will affect webmotors in the future is unknown. To the extent such issues do affect webmotors in the future, they may have the effect of adversely affecting the future financial and operational performance of webmotors (and, in turn, carsales, as it will be further exposed to this due to increasing its equity interest in webmotors from 30% to 70% post-completion of the Acquisition). carsales will need to manage compliance with applicable laws. Any breach of the relevant legal or regulatory obligations or failure to meet compliance requirements may have an adverse impact on, or prevent completion of, the Acquisition, and may also have an adverse impact on both webmotors' and carsales' earnings and/or financial position and performance as well as their reputation.

6. Political upheaval in Brazil

Ongoing political tensions in Brazil as a result of the October 2022 Brazilian general election has led to political and institutional instability and increased polarisation within Brazil. These tensions have led to recent rioting, damage and international condemnation of such events. There is uncertainty around how this upheaval will impact Brazil's economy and the future financial and operational performance of webmotors. The development and the perception of this risk in other countries, particularly in emerging economies and in the United States, China, and European Union member countries, may adversely affect the Brazilian economy and businesses in general. As carsales equity interest in webmotors will be increased from 30% to 70% post-completion of the Acquisition, carsales will in turn be further exposed to these risks.

Key Risks

7. Economic instability in Brazil

Despite being one of the largest economies in Latin America and a major player in the global economy, Brazil has faced several economic challenges in recent decades. Brazil has a history of high inflation and interest rates, currency devaluation, exchange rate instability, and economic downturns that have impacted investments in the Brazilian economy. The Brazilian government has historically exercised and continues to exercise significant influence over the Brazilian economy. In recent years, the Brazilian government has taken steps to address these challenges, but the Brazilian government's influence, as well as the Brazilian economic and political situation, may have a material adverse effect on businesses in general and the future financial and operational performance of webmotors (and, in turn, carsales, as it will be further exposed to this due to increasing its equity interest in webmotors from 30% to 70% post-completion of the Acquisition).

8. Legal risks

The Acquisition involves carsales entering into the SPA with Santander and/or its subsidiaries in respect of webmotors (and, post-completion of the Acquisition, carsales will own 70% of the equity in webmotors and Santander will own the remaining 30%).

Whilst the SPA relating to the Acquisition contains some protections in respect of certain historical liabilities of webmotors, there is always a risk that the SPA does not contain adequate protection for potential liabilities relating to webmotors' business or other costs, potentially exposing carsales to the risk of future liabilities, costs or disputes arising in relation to the Acquisition or webmotors' business generally.

9. Global markets and foreign exchange risk

As a result of the Acquisition, carsales is further increasing its concentration in Brazil and therefore will be further exposed to the performance of Brazil's domestic economy as well as global macroeconomic conditions (including as a result of any sanctions or escalations from the current conflict in Ukraine or other future world conflicts).

carsales will also become more exposed to fluctuations in the value of the BRL (the Brazilian Reais, the official currency of Brazil), as well as other global currencies, than it was prior to the Acquisition. In cases where carsales' debt or other obligations are in currencies different than the currency in which carsales earns revenue, carsales may face higher costs to service those debts, which could impact on its financial performance or position. Fluctuations in exchange rates may also decrease the expected contributions made by webmotors to carsales' earnings, resulting in an adverse impact on both webmotors' and carsales' earnings and/or financial position and performance.

10. Historical liabilities

If the Acquisition completes, carsales will have greater exposure to any liabilities that webmotors has incurred, or agreed to incur, in the past.

In addition, carsales will be exposed to any liabilities which were not identified during its due diligence, or which are greater than expected, for which insurance may not be adequate or available, and for which carsales may not have recourse. These could include liabilities relating to current or future litigation, regulatory actions and other liabilities. Such liability may adversely affect the financial performance or position of both webmotors and carsales following completion of the Acquisition.

11. Debt funding risks

As part of the Transaction, carsales will seek the consent of its existing lenders to the Acquisition. In the event carsales does not receive these consents, it will need to replace its existing debt facilities prior to completion of the Acquisition. In that case, carsales may rely upon a backstop, bridging or similar financial arrangements with other lenders which may have higher financing costs.

12. Underwriting risks

carsales has entered into an underwriting agreement with Goldman Sachs Australia Pty Ltd and UBS Securities Australia Ltd (together, the "**Underwriters**") in respect of the Entitlement Offer, a summary of which is set out in Appendix D of this Presentation ("**Underwriting Agreement**"). If certain conditions are not satisfied or if certain termination events occur, the Underwriters may terminate the Underwriting Agreement.

Termination of the Underwriting Agreement may impact the ability of carsales to proceed with and raise proceeds under the Entitlement Offer. If the Underwriters terminate the Underwriting Agreement, there is no guarantee that the Entitlement Offer will continue in its current form or at all. In these circumstances, carsales may need to find alternative funding to finance the Acquisition, which may result in carsales incurring additional costs and/or potential restrictions being imposed on the manner in which carsales conducts its business and deals with its assets. There is no guarantee that alternative funding could be sourced on satisfactory terms and conditions or at all. In this situation, carsales may not be able to complete the Acquisition.

Key Risks

While carsales has certain rights to terminate the SPA in the event that the Underwriting Agreement is terminated, termination of the Underwriting Agreement could materially adversely affect carsales.

13. Anticipated benefits

There is a risk the anticipated benefits and efficiencies, including the anticipated benefits and efficiencies from carsales providing webmotors with strategic, product, technology and other related business services, associated with the Acquisition, may be achieved only in part, or not at all. This could impact carsales' financial performance and position, the future prospects of both webmotors and carsales and the forecasts and prospective financial information regarding both webmotors and carsales disclosed in this Presentation. There can be no assurance that webmotors will generate the anticipated positive results or benefits that it has planned to achieve under the webmotors business plan. The underlying assumptions for the business plan may not ultimately prove to be accurate or achievable.

There are also customary protections in the agreement between shareholders of webmotors which govern each shareholder's ability to enter into related party arrangements with webmotors (including the need to obtain the consent of the other shareholders to do so). Therefore, as a shareholder of webmotors, there can be no guarantee that carsales will be able to enter into arrangements with webmotors on any particular occasion in the future without the consent of the other shareholders of webmotors from time to time.

These risks may have a material impact on the operations, financial performance and/or financial position of both webmotors and carsales and the future price of carsales' shares.

14. Shareholding risk

The completion of the Acquisition will result in carsales holding a majority of shares in webmotors (as carsales will have increased its interest in webmotors from 30% of webmotors shares to 70% of webmotors shares). carsales will hold its interests in webmotors with another shareholder, being Santander. While carsales will have significant influence on the decision-making of webmotors, certain decisions require approval of all shareholders of webmotors or directors appointed by Santander.

Therefore, irrespective of carsales' interest in webmotors upon completion of the Acquisition, carsales will not be able to unilaterally control all decision-making processes of webmotors.

Santander may have economic or business interests or objectives that are different to those of carsales and may be unable or unwilling to fulfil their obligations under the shareholders agreement or may experience financial or other difficulties in future.

As part of the Acquisition, webmotors has also entered into various ancillary arrangements with Santander or its affiliates, pursuant to which Santander will provide webmotors with access to shared services and infrastructure on an ongoing basis. In the event any of these arrangements are terminated in accordance with their terms, webmotors may not be able to enter into contracts with third parties for the same services on as favourable terms. In such circumstances, the success of webmotors may be adversely impacted by the actions of webmotors' other shareholder.

In addition, carsales' reputation and its relationships with contractors and other stakeholders could be affected if the other shareholder of webmotors is or has been engaged in misconduct or negligence, either in connection with webmotors or a different investment. The occurrence of any of these risks could disrupt the operations of webmotors and negatively impact carsales' investment in, and the returns from, webmotors.

15. Change of control in webmotors

The completion of the Acquisition will result in a change of control in webmotors. Obtaining consent to the change of control from certain counterparties under specified material contracts is a condition precedent in favour of carsales under the Acquisition. Although carsales has conducted due diligence in connection with the Acquisition, there is a risk that the change of control may have an adverse impact on other material contracts that webmotors has entered into with third parties, including key customer and supplier agreements, or that webmotors is unable to obtain the necessary consents under the specified material contracts prior to Completion. Any loss of key merchants or contracts as a result of completion of the Acquisition may result in a material adverse impact to the operations, financial performance and/or financial position of both webmotors and carsales.

Key Risks

B. OFFER SPECIFIC RISKS

16. Dilution risk

Eligible retail shareholders who do not take up their full Entitlements under the Entitlement Offer, as well as shareholders who are ineligible to participate in the Entitlement Offer, will have their percentage holding in carsales diluted as a result of the Entitlement Offer. Eligible retail shareholders who do take up their full Entitlements under the Entitlement Offer will not have their percentage holding in carsales diluted.

Further, in the future, carsales may elect to issue further shares or engage in offers to fund its operations, for working capital purposes or to fund other opportunities that carsales may decide to pursue. Shareholders at the time may also be diluted as a result of such issuances of shares.

17. Renoucement risk

Eligible shareholders who do not take up or sell their entitlements under the Entitlement Offer will have their entitlements treated as renounced and sold on their behalf in the institutional or retail bookbuild (as applicable) and any proceeds of sale of those entitlements in excess of the Entitlement Offer price (net of any expenses or applicable withholding tax) will be paid to such shareholders. However, there is no guarantee that any value will be received for those renounced entitlements through the bookbuild process. The ability to sell New Shares under the bookbuild and the ability to obtain any premium will be dependent upon various factors, including market conditions.

In respect of the retail bookbuild, if a retail premium is achieved, it may be less than, more than, or equal to any premium achieved on the institutional bookbuild. Accordingly, it is possible that retail shareholders who do not sell or take up their entitlements will receive less value than their institutional counterparts, or no value at all.

The tax consequences from selling or transferring entitlements or from doing nothing may be different. Before choosing to do nothing in respect of entitlements, you should seek independent tax advice and may wish to refer to the tax information contained in the retail information booklet which will provide further information on potential taxation implications for certain Australian shareholders.

18. Risk of selling or transferring entitlements

Eligible retail shareholders who do not wish to take up their full entitlements can sell them on the ASX or transfer them to another person or entity other than on the ASX during the retail trading period. Prices obtainable for retail entitlements may rise and fall over the trading period and liquidity may vary. If eligible retail shareholders sell or transfer their entitlements at one stage in the retail trading period they may receive a higher or lower price than a shareholder who sells or transfers their entitlements at a different stage in the retail trading period or through the retail shortfall bookbuild.

There is no guarantee that there will be a viable market during or on any particular day in the retail trading period on which to sell retail entitlements on the ASX. Eligible retail shareholders who wish to sell their entitlements may be unable to do so at an acceptable price, or at all, if insufficient liquidity exists in the market for entitlements. If eligible retail shareholders choose to transfer their entitlements to another person or entity other than on the ASX, there is no guarantee they will receive any value for transferred entitlements.

19. Regulatory risk

carsales must comply with the applicable foreign securities laws and regulations in each jurisdiction in which the Entitlement Offer will be made available. Any breach of the relevant legal or regulatory obligations or failure to meet compliance requirements in any of the relevant foreign jurisdictions may have an adverse impact on the success of the Entitlement Offer, as well as the financial and operating position of carsales.

Key Risks

20. Risks associated with an investment in shares

There are general risks associated with investments in equity capital such as carsales shares and the stock market. The trading price of carsales shares may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for the New Shares issued under the Entitlement Offer being more or less than the Offer Price. There is also considerable uncertainty as to the ongoing impact of COVID-19 on the Australian and Brazilian and other economies (including the United States and Europe) and of the recent events involving Russia and Ukraine. Rising rates of inflation globally and the increase in interest rates by the Reserve Bank of Australia, the Brazilian Central Bank and the United States Federal Reserve is creating further uncertainty and instability in the Australian and Brazilian and global economies (including the United States and Europe) and may impact the market price of carsales shares, including the ability for carsales to successfully conduct further capital raises. Generally applicable factors that may affect the market price of carsales' shares include:

- general movements in Australian and international stock markets;
- investor sentiment;
- Australian and international economic conditions and outlook;
- changes in government legislation and policies, in particular taxation laws;
- announcement of new technologies;
- geopolitical instability, including international hostilities and acts of terrorism;
- demand for and supply of carsales' shares;
- announcements and results of competitors; and
- analyst reports.

The operational and financial performance and position of carsales and carsales' share price may be adversely affected by a worsening of general economic conditions in Australia, as well as international market conditions and related factors. No assurance can be given that the New Shares will trade at or above the Offer Price. None of carsales, its directors or any other person guarantees the market performance of carsales or of the New Shares.

It is also possible that new risks might emerge as a result of Australian or global markets experiencing extreme stress, or existing risks may manifest themselves in ways that are not currently foreseeable. Equity markets have in the past and may in the future be subject to significant volatility.

21. Exchange rate fluctuations

The proceeds that carsales will receive from the Entitlement Offer will be denominated in AUD. However, the purchase price payable by carsales under the Acquisition will be denominated in BRL. Given there is expected to be a period of time between the conclusion of the Entitlement Offer and the payment of the purchase price under the Acquisition, there is a risk that AUD/BRL exchange rate fluctuations may result in the proceeds received by carsales under the Entitlement Offer having a lower BRL value when the payment of the purchase price is made. Although carsales intends to mitigate this risk by hedging its exposure to the AUD/BRL exchange rate, there is no assurance that this will effectively protect carsales against the currency risk. There is a risk that carsales not be able to use as much of the proceeds received by it under the Entitlement Offer to reduce existing leverage. Possible increases in the interest rate, the cost of interest rate hedges and the level of financial covenants required by lenders in these situations may also adversely impact the operational and financial results of both webmotors and carsales if additional funds are required or not as much existing debt is repaid in this scenario.

22. Liquidity risk

Shareholders who wish to sell their New Shares may be unable to do so at an acceptable price, or at all, if insufficient liquidity exists in the market. There is no guarantee of the liquidity of the New Shares and there is a risk that shareholders may lose some of the money invested.

Key Risks

C. RISKS RELATED TO INVESTMENT IN CARSALES, INCLUDING POST COMPLETION OF THE TRANSACTION

23. Cyber security

The cyber threat to companies around the world is growing and unrelenting. As an online business, carsales is not immune to these risks. As a result of this growing threat, there has been an increased scrutiny of businesses by consumers and government agencies as they begin to evaluate whether the businesses they support are taking adequate steps to mitigate risk and protect their sensitive information. A cyberattack or hack of carsales' systems, including those of third party providers of information technology services to carsales, could have serious impacts on carsales' reputation, operational and financial performance.

carsales collects personal information on its customers. Data or security breaches may compromise the ability of carsales to protect customer data, which could result in breaches of privacy laws and may damage carsales' brand, reputation and consumer confidence. Further, laws relating to data privacy are evolving across all jurisdictions and any changes to standards may adversely impact carsales systems and operating procedures.

In particular, new data protection and privacy laws were introduced in Brazil in 2020 and significant reforms were made to Australia's privacy laws in late 2022. In light of increased scrutiny on data protection and privacy laws (in Brazil, Australia and other jurisdictions that carsales operates in), there is potential for further reforms in this space. Given the additional responsibilities these laws place upon businesses, and the uncertainties of what additional responsibilities further reforms (if any) in data protection and privacy laws may place upon business, there is a risk that both carsales and webmotors may not be able to quickly adapt to and comply with these regimes depending on the complexity and severity of the changes that need to be made to their current data handling protocols.

carsales' businesses may be adversely affected by malicious third party applications that interfere with, or exploit, security flaws in its websites. Viruses, worms and other malicious software programs could, among other things, jeopardise the security of information stored in a user's computer or in carsales' computer systems or attempt to change the internet experience of users by interfering with carsales' ability to connect with its users.

If carsales' efforts to combat these malicious applications are unsuccessful, or if its products and services have actual or perceived vulnerabilities, carsales' business reputation and brand name may be harmed and user traffic could decline, which may result in a material adverse effect on carsales' operations, financial performance and/or financial position.

24. Reputational risks

The success of carsales and its businesses and associates around the world, including webmotors, is heavily reliant on its reputation and branding. Unforeseen issues or events, which place carsales' reputation at risk, may impact its future growth and profitability.

25. Relationship with dealers and OEMs

carsales derive a significant proportion of its revenue from motor vehicle dealers and automotive manufacturers ("OEMs"). A change in the size and/or structure of this market could impact the earnings of carsales. In particular, consolidation of the dealer market with fewer, larger dealers or increased manufacturer control of dealers' online advertising activity may impact upon the financial performance of carsales. In addition, a significant proportion of the revenue of carsales is generated under monthly agreements with motor vehicle dealers. Should a significant number of dealers cancel or fail to renew their agreements, this may have an adverse effect on the financial performance of carsales. OEMs are also increasingly looking to establish direct relationships with customers which could be enhanced through the proliferation of connected cars. If OEMs try and extend this relationship into used cars, this could potentially have a negative impact on carsales.

26. Competition

The online advertising industry for motor vehicles, commercial trucks, recreational vehicles, powersports and equipment is highly competitive. While carsales will undertake reasonable due diligence in its business decisions and operations, carsales will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of carsales. For instance, new technologies could result in carsales' various online platforms not being sufficiently differentiated to other similar offerings. carsales' ability to develop additional online features could be adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of both carsales and their operations, financial performance and/or financial position.

Key Risks

27. Downturn in economy or advertising market

The performance of carsales will continue to be influenced by the overall condition of the motor vehicle, commercial truck, recreational vehicle, powersports and equipment markets. These markets are influenced by the general condition of the economies carsales operates in (along with others), which by their nature is cyclical and subject to change. In addition, carsales derives a significant proportion of its revenue from display advertisers on its network of websites. A decline or significant change in the advertising market as a result of broader economic influences or changing advertiser trends could have a negative impact on carsales' future earnings.

28. Information technology

The performance of carsales' websites, apps, databases, IT and management systems is very important to the reputation of carsales, its ability to attract customers and to achieve overall market acceptance of its services.

carsales' websites and business operations rely on owned and third party IT infrastructure and systems, telecommunications operators, data centres and other third parties to maintain its websites and provide its products and services to customers. Any interruption to these operations, corruption to the databases or loss of customer data could impair carsales' ability to operate its customer facing websites which could have a negative impact on carsales' financial performance and reputation. carsales' financial performance will also depend on its ability to monitor and manage major projects such as website upgrades and other projects involving its IT infrastructure.

Although carsales' systems have been designed around industry standard architectures, they remain vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunication failures, terrorist attacks, computer viruses or similar events. Both carsales' disaster recovery planning cannot account for all eventualities. The websites operated by carsales have experienced system failures in the past and may do so in the future. If frequent or persistent significant system failures are experienced on carsales' websites, they may need to take steps to increase the reliability of its systems and invest in further or improved back-up systems. This could be expensive, reduce operating margins and may not be successful in reducing the frequency or duration of unscheduled downtime. It would also negatively impact carsales' business reputation and brand name.

29. Dependence on internet infrastructure

As an online business, carsales is dependent on the ongoing maintenance of the global, regional and local internet infrastructure to provide the necessary data speed, capacity and security to allow it to offer viable services.

The internet has experienced significant growth in its number of users and amount of traffic. To the extent that the internet continues to experience increased numbers of users, there can be no assurance that the internet infrastructure will continue to be able to support the demands placed on it by continued growth. Any ongoing or serious disruptions to the performance of the internet in any of carsales' markets will adversely affect carsales' operations and growth plans and could damage its business reputation and brand name.

30. Reliance on search engine marketing

A minority component of the revenue of carsales is attributable to customers who access each of carsales' websites by clicking on links that carsales has paid to list on search engine results pages. From time to time, carsales places bids on key words at a certain cost per click, the cost of which is subsequently paid to the search engine in order to place these listings with a search engine. The cost of search engine marketing generally increases as the importance of online advertising increases and competition to be ranked higher in paid listings increases. Furthermore, businesses might have to submit higher bids in order to purchase certain key words to offset a reduction in their click-through rate. This may occur if carsales were to suffer negative publicity or if its market share were to decline, or if any other factor impacted on its brand or reputation. In addition, if carsales were to experience a reduction in natural search visibility in search engines, it could increase carsales' reliance on search engine marketing. The business, financial performance and operations of carsales may be materially adversely affected by any increase in the cost of, or in reliance on, search engine marketing, or any decrease in the effectiveness of its search engine marketing.

Key Risks

31. Litigation or disputes

In the ordinary course of business, carsales may be involved in possible disputes. These disputes could give rise to litigation, the outcome of which could have a material adverse effect on its operations, financial performance and/or financial position. While the extent of any disputes and litigation cannot be ascertained at this time, any dispute or litigation may be costly and may adversely affect the operational and financial results of carsales. There is also a risk that carsales' reputation may suffer due to the profile and public scrutiny surrounding any such litigation and disputes regardless of their outcome.

webmotors is currently party to various civil, labour and taxation-related legal actions or other proceedings and disputes that have arisen in the normal course of webmotors' business. carsales is of the view, and expects, that any liabilities arising from these legal actions, proceedings and disputes would not have a material adverse effect on webmotors, however the outcome cannot be predicted with certainty and it is possible that either alone or in aggregate these legal actions, other proceedings and disputes will have a material adverse impact on webmotors (including the financial position and reputation of webmotors).

32. Intellectual property

carsales regards substantial elements of its websites, software tools, applications, databases and underlying technology as proprietary. Despite precautionary measures, third parties may copy or otherwise obtain and use carsales' respective proprietary information without authorisation or may develop similar technology independently. In addition, competitors may be able to design around carsales' technologies or develop competing technologies substantially similar to those without any infringement of carsales' proprietary rights. Any legal action that carsales may bring to protect its proprietary information could be unsuccessful and expensive and would divert management's attention from its business operations.

carsales is also subject to the risk of claims alleging infringement of third-party proprietary rights. If carsales infringes upon the rights of third parties, it may be unable to obtain licences to use those rights on commercially reasonable terms. Third parties that provide products and services that are critical to carsales may be subject to similar claims, which could prevent them from continuing to provide these products and services. In either of these events, carsales may be required to undertake substantial reengineering of its systems or processes in order to continue offering its services and it may not succeed in doing so. In addition, any claim of infringement could use substantial management time and result in carsales incurring substantial costs to negotiate and resolve the claim. Furthermore, a party making such a claim could secure a judgment that requires carsales to pay substantial damages, which could adversely affect carsales' operations, financial performance and/or financial position.

33. Electric vehicles

The number of electric vehicles being purchased is rapidly increasing. The average purchase price of an electric vehicle is currently greater than the average price of a conventional combustion engine vehicle. The engines of electric vehicles tend to last longer than the engines of traditional combustion engine vehicles. The increase in the sale of electric vehicles may result in consumers purchasing fewer vehicles and less frequent vehicle purchases by a consumer over their life. This could result in a decline in sales of traditional combustion engine vehicles, which includes commercial trucks and recreational vehicles, which could have an adverse financial impact on carsales. Several electric vehicle manufacturers market and sell their products directly to consumers (e.g., Tesla) and this may extend to manufacturers of traditional combustion engine vehicles, which may have an adverse impact on carsales' revenue that is generated from existing relationships with vehicle manufacturers and dealers.

34. Supply of vehicles

carsales' ability to offer a wide variety of automotive and non-automotive products, including motor vehicles, commercial trucks, recreational vehicles, powersports and equipment products for sale are key contributors to the appeal of its business to customers. There is a risk that carsales may be unable to continue to provide the same variety of products to customers if the number of motor vehicles, commercial trucks and recreational vehicles being supplied to its market (as applicable) by manufacturers decreases. This risk has been further heightened as a result of the conflict in Ukraine which continues to create shortages in the supply of essential items used in the manufacture of vehicles. This could adversely affect the operations, financial performance and/or financial position of carsales.

Key Risks

35. Shift away from car ownership

carsales' core business offering relies on the desire of individuals to own a vehicle. There is a risk that with the increase in alternative options to individual vehicle ownership, for example, vehicle sharing services, there may be a shift away from individual vehicle ownership in the long term albeit during the COVID-19 pandemic this trend declined as individuals preferred to have their own vehicles. As the effects of the COVID-19 pandemic diminish, the trend away from individual car ownership may increase in the future. This could adversely affect the operations, financial performance and/or financial position of carsales.

36. Insurance

Not all risks are insured or insurable. carsales cannot be certain that its current insurance is adequate or that adequate insurance coverage for potential losses and liabilities will be available in the future on commercially reasonable terms. If carsales experiences a loss in the future, the proceeds of the applicable insurance policies, if any, may not be adequate to cover replacement costs, lost revenues, increased expenses or liabilities to third parties. Additionally, carsales' current insurance policies may not cover newly acquired assets or businesses (including its investment in webmotors) and/or such acquisition may involve a substantial increase in premiums to achieve coverage. These risks may have a materially adverse effect on carsales' financial position and performance.

37. Expiry or termination of material contracts

carsales relies on service providers for a number of ongoing services, which if terminated might have significant financial and operational implications for their respective businesses. Whilst each party seeks to manage these arrangements, from time to time, in the ordinary course of business, material contracts will be terminated by the counterparty, expire or come up for renegotiations.

Whilst carsales carefully manages the replacement and renegotiation of material contracts and seeks to maintain positive relationships with counterparties, there is a risk that a counterparty may not be willing to enter into a further agreement or may seek to renegotiate the terms of the contract on less favourable terms for carsales. If any of the material contracts are terminated by the counterparty, not renewed or renegotiated on less favourable terms, it may have an adverse impact on the operations, financial performance and/or financial position of carsales.

38. Future acquisitions

carsales may consider future acquisitions where it believes they are supportive of carsales' growth strategy or are otherwise in the best interests of carsales. There are a number of potential risks associated with acquisitions, including but not limited to the integration of financial, operational and managerial resources. If the assets or businesses are not successfully integrated, this may have a material adverse effect on carsales' financial and operational performance.

In addition, while carsales will conduct due diligence on proposed acquisitions, there is no assurance that an acquisition will perform as forecast once fully integrated, or successfully achieve the desired objectives, including, where applicable, any synergies. Further, carsales may encounter unanticipated events, circumstances or legal liabilities in connection with any proposed acquisition, including risks with financing or refinancing any proposed acquisition.

39. Key personnel

carsales relies on the talent and experience of its directors, key senior management and staff generally. The loss of any key personnel or a group of staff generally could cause disruption to the conduct of carsales in the short term and may have a material adverse impact on carsales' operations and/or financial performance. It may be difficult to replace key personnel, or to do so in a timely manner or at comparable expense.

40. Culture and talent

Poor corporate culture can lead to, amongst other things, unethical practices, lack of trust, poor decision-making, increased employee turnover and reduced motivation. Any of these outcomes may have a material adverse impact on carsales' operations and financial performance. As with carsales' key personnel, the future success of carsales will depend substantially on its ability to attract and retain high quality staff and consultants. carsales relies on its highly capable staff to manage the operational, sales, compliance and other functions of its business. There is a risk that, if carsales is understaffed (or the workload of existing staff is unsustainable), carsales' operational and financial performance will suffer.

Key Risks

41. Human resource risk

Ongoing controversy in countries that carsales operates in on the subject of award and minimum conditions and payments (including wages and overtime) and the classification of persons as independent contractors or employees, including in Brazil, also raises risks for carsales, as it engages a large number of employees and independent contractors.

While carsales has processes in place to ensure compliance with applicable labour laws, the overlap of laws, regulations, workplace agreements, awards and industrial relations rules can give rise to risks of breaches occurring in the countries in which carsales operates.

42. International expansion

With the expansion of the business into new high growth international geographies, carsales becomes exposed to the macroeconomic environment of those markets as well as to fluctuations in exchange rates. carsales may not be able to fully recoup its investment in these markets should it not be able to accelerate the growth of its business through the implementation of carsales' business models, intellectual property and technologies.

43. Regulatory risk

carsales must comply with wide ranging laws and regulations in each of the jurisdictions in which it operates, which include consumer protection laws. Changes to laws and regulations that apply to carsales may have a material adverse effect on carsales' financial position and prospects. Further, regulatory requirements in any of the jurisdictions in which carsales operates may become more burdensome in the future, which may result in carsales being required to dedicate more time, resource and expenditure to ensure compliance. Any breach of the relevant legal or regulatory obligations or failure to meet compliance requirements may have an adverse impact on the financial performance and operating position of carsales.

D. GENERAL RISKS

44. Dividends

The payment of dividends in respect of carsales' shares is impacted by several factors, including carsales' profitability, capital requirements and free cash flow. Any future dividends will be determined by carsales' board of directors having regard to these factors, among others. There is no guarantee that any dividend will be paid by carsales, or if paid, paid at historical levels.

45. Macroeconomic conditions

Adverse macroeconomic conditions could have an impact on the retail sector leading to lower demand for automotive and non-automotive products, which could adversely affect carsales' operations, financial performance and/or financial position. Sustained periods of economic downturn leading to increased unemployment, higher cost of living and increased interest rates may also lead to lower demand, which could adversely affect carsales' operations, financial performance and/or financial position.

The ongoing impacts of the COVID-19 pandemic combined with other risks, e.g., global outbreak of other communicable diseases or geopolitical risk, has had, or may have, a significant impact on the global economy and the ability of individuals, businesses, and governments to operate. These events could and materially increase economic disruption. Ongoing COVID-19 related supply chain disruption and labour mobility constraints could result in lower inventory levels or a decline in profit margins. Despite the global rollout of vaccine programs, the COVID-19 pandemic continues to impact the domestic and global economy. Increasing vaccination rates have led to the easing of restrictions on regional and international travel, events, meetings and other more normal activities. However, while a majority of restrictions have been lifted or modified, governments in the countries that carsales operates in, as well as in countries which form part of the supply chain of carsales, may in the foreseeable future reintroduce restrictions or implement and introduce further measures to contain the spread of future COVID-19 outbreaks or other communicable disease or pandemic outbreaks. Further COVID-19 variants and other communicable disease may develop that require different government responses and greater restrictions to those that have been adopted to date. The COVID-19 pandemic and related containment measures, as well as other macroeconomic events, including central bank policies to curb inflation, future government actions, global outbreaks of other communicable diseases or geopolitical risk, may have an impact on customer purchasing appetite which could have an adverse impact on carsales' financial performance, financial position, operations and success.

Key Risks

Overall, carsales' financial performance, financial position and the price of carsales' shares may fluctuate due to various factors, including movements in domestic and international capital markets, recommendations by brokers and analysts, investor perceptions, interest and exchange rates, changes in government, inflation, fiscal, monetary and regulatory policies, prices of commodities, global geopolitical events (including the recent events involving Russia and Ukraine, which appear to continue to have had a significant impact on financial markets causing general uncertainty in the market), hostilities and acts of terrorism, and other factors.

46. Rising inflation (vehicle costs)

Inflation is increasing globally. As inflation increases, this may result in prices of motor vehicles, commercial trucks and recreational vehicles increasing. Inflation also increases manufacturing costs and these costs are passed on to consumers. If these prices increase, fewer consumers may be able to purchase vehicles. This may result in a reduction of the number of vehicles sold by manufacturers and dealers, which could have an adverse impact on the operations, financial performance and/or position of carsales.

47. Rising inflation and staff shortages

Unemployment rates in carsales' countries that it operates in are currently among the lowest in history. This has increased the costs for employers of retaining existing staff and hiring new staff. The challenging labour market and increasing inflation (which increases the cost of living for employees) makes it more difficult to retain existing staff and hire new staff. carsales relies on the quality and stability of its workforce for performance. If inflation continues to rise and the labour market remains challenging, this may result in a decline in carsales' financial performance, which could have an adverse impact on the operations, financial performance and/or position of carsales.

48. Rising interest rates (vehicle sales)

Benchmark interest rates in carsales' respective countries that it operates in have been increasing. Further, the Reserve Bank of Australia, Banxico (the Mexican Central Bank) and the United States Federal Reserve have indicated that it is likely that interest rates will continue to increase in Australia, Mexico and the United States respectively. Increasing interest rates may have several consequences for sales of motor vehicles, commercial trucks and recreational vehicles, including it being more difficult for consumers to obtain vehicle finance as lenders may require additional security or impose stricter requirements before advancing vehicle finance, vehicle finance being more expensive and for consumers with existing vehicle finance, the servicing of this debt could be more expensive. This could result in fewer vehicle sales by manufacturers and dealers, as well as fewer consumers being able to obtain vehicle finance, which could have an adverse financial impact on the operations, financial performance and/or position of carsales.

49. Force majeure

In addition to the COVID-19 pandemic risks, events may occur within or outside Australia that could have an adverse effect on the global economies and carsales' share price. These events include hostilities (including the recent events involving Russia and Ukraine, which appear to have had a significant impact on financial markets causing general uncertainty in the market), outbreaks of other communicable diseases or pandemics, acts of terrorism, civil wars, labour strikes, natural disasters or other man-made disasters.

50. Changes in tax rules or their interpretation

Changes in tax law, or changes in the way tax laws are interpreted may impact the tax liabilities of carsales, shareholder returns, or the tax treatment of an investment. In particular, both the level and basis of taxation may change. Tax law is frequently being changed, both prospectively and retrospectively. Any actual or alleged failure to comply with, or any change in the application or interpretation of tax rules applied in respect of such transactions, may increase carsales' tax liabilities or expose it to legal, regulatory or other actions.

51. Online retail market

There is no guarantee that the online retail markets in carsales' respective countries that it operates in will continue to grow into the future, or as currently forecast. Growth in these online retail markets is expected to be driven partly by the migration of customers from traditional retail formats to online retail platforms. This factor is in part outside the control of online retailers, and there is no guarantee that the migration of customers observed in recent years will continue in the future. If online penetration of retail markets does not increase in line with carsales' expectations, carsales may not be able to acquire new customers or engage existing customers, and its business, financial condition and operating results may suffer.

Key Risks

52. Trading patterns

carsales' financial performance depends in part on its ability to gauge and react to changing trading patterns in a timely manner. The change to trading patterns is further heightened as a result of the ongoing impact of COVID-19 and ongoing disruption which has created volatility in customer spending patterns. If carsales fails to react to changes in trading patterns in a timely manner, this may result in lower revenue and margins and could adversely impact carsales' financial and operational performance.

53. Changes in Australian Accounting Standards

Australian Accounting Standards are issued by the Australian Accounting Standards Board ("AASB") and are outside of the control of carsales and its directors. Any changes to the accounting standards or to the interpretation of those standards may have an adverse effect on the reported financial performance and position of carsales.

There is also a risk that interpretations of existing Australian Accounting Standards, including those relating to the measurement and recognition of key income statement and balance sheet items, including revenue and receivables, may differ. Changes to Australian Accounting Standards issued by the AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in carsales' consolidated financial statements.

54. Currency risks

Revenue and expenditure in overseas jurisdictions are subject to the risk of fluctuations in foreign exchange markets. carsales carries on a large part of its business outside of Australia. Accordingly, revenues and payments will be made in those countries' currencies and may deviate from budgeted expectations if there are adverse currency fluctuations against the Australian dollar.

55. Heightened geopolitical risk

The ongoing Russia-Ukraine conflict has had and will continue to have a significant impact on vehicle manufacturers and dealers (e.g., shortages of critical materials, a slowing down of automotive electrification, disruptions to key supply chains, semi-conductor and electric vehicle battery manufacturing, and a reduction in catalytic converter production), resulting in a decline in the number of vehicles sold and car prices remaining high. This conflict has also created a significant degree of uncertainty in global markets, which could have an adverse impact on carsales.

56. General operating risks

The performance of carsales may be subject to conditions beyond the control of its management, and these conditions may reduce sales of its services and/or increase costs of both current and future operations (e.g. unplanned shutdowns for an extended period of time, changes in legislative requirements, variation in timing of regulatory approvals, abnormal or severe weather or climatic conditions, natural disasters, fire and explosion events, disruption to transport operations due to a significant event or regulatory action, reputational issues, unexpected maintenance or technical problems, new technology failures and industrial disruption).

57. Climate change

Carbon emissions from traditional combustion engine vehicles is one of the leading causes of global warming. For this reason, several governments have implemented measures to reduce these emissions (e.g., the introduction of mandatory catalytic converters). This area is evolving rapidly and governments are under significant pressure to make changes to reduce climate change and carbon emissions. These changes could result in an increase in the cost of vehicles, which is carried by the consumer, or other consequences that could have an adverse impact on the operations, financial performance and/or financial position of carsales.

58. Historical acquisitions

In accordance with its growth strategy, carsales has undertaken several acquisitions in the past. At the time of each acquisition, carsales conducted due diligence. Despite this, it is possible that one or more issues or liabilities may not have been identified, or are of an amount greater than expected, and that the protections negotiated by carsales prior to the relevant acquisition are inadequate in the circumstances and may materially affect carsales and its business in the future.

E. OTHER RISKS

59. Other risks

The above risks should not be taken as a complete list of the risks associated with an investment in carsales. The risks outlined above, and other risks not specifically referred to may in the future materially adversely affect the value of carsales securities and their performance. Accordingly, no assurance or guarantee of future performance or profitability is given by carsales in respect of carsales shares.

 webmotors

carsales  com ltd

Appendix C International Offer Restrictions



International Offer Restrictions

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

Bermuda

No offer or invitation to subscribe for Entitlements or New Shares may be made to the public in Bermuda or in any manner that would constitute engaging in business in or from within Bermuda. In addition, no invitation is being made to persons resident in Bermuda for exchange control purposes to subscribe for Entitlements or New Shares.

Canada (British Columbia, Ontario and Quebec provinces)

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

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

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

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

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

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

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

International Offer Restrictions

Cayman Islands

No offer or invitation to subscribe for Entitlements or New Shares may be made to the public in the Cayman Islands or in any manner that would constitute carrying on business in the Cayman Islands.

European Union

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

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

Hong Kong

WARNING: This Presentation has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "**SFO**"). Accordingly, this Presentation may not be distributed, and the Entitlements and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

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

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

Japan

The Entitlements and the New Shares have not been, and will not be, registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "**FIEL**") pursuant to an exemption from the registration requirements applicable to a private placement of securities to "qualified institutional investors" (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder) ("**Qualified Institutional Investors**"). Accordingly, the Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors.

Any Qualified Institutional Investor who acquires Entitlements or New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of Entitlements or New Shares is conditional upon the execution of an agreement to that effect.

International Offer Restrictions

New Zealand

This Presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMC Act**"). The Entitlements and the New Shares in the Entitlement Offer are not being offered to the public within New Zealand other than to existing shareholders of carsales with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

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

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

Norway

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

Singapore

This Presentation and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Entitlements and New Shares, may not be issued, circulated or distributed, nor may the Entitlements and New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "**SFA**") or another exemption under the SFA.

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

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

Switzerland

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

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

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

International Offer Restrictions

United Arab Emirates

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

No marketing of the Entitlements or the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE. This Presentation may be distributed in the UAE only to “professional investors” (as defined in the SCA Board of Directors’ Decision No.13/RM of 2021, as amended).

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

United Kingdom

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

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

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

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Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or the securities laws of any state or other jurisdiction of the United States. Accordingly, in the institutional component of the Entitlement Offer, the Entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States, except in transactions exempt from, or not subject to the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

The Entitlements and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States to persons that are not acting for the account or benefit of a person in the United States (to the extent such persons are acting for the account or benefit of persons in the United States) in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.



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Appendix D Summary Of Underwriting Agreement

Summary of Underwriting Agreement

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

The Underwriting Agreement contains customary representation and warranties and indemnities in favour of the Underwriters. The Underwriters' obligations under the Underwriting Agreement, including to underwrite and manage the Entitlement Offer, are conditional on certain matters (which if not satisfied by the time required, entitles the Underwriters to terminate their obligations under the Underwriting Agreement).

The Underwriters may also, in certain circumstances, terminate their obligations under the Underwriting Agreement on the occurrence of certain events including those set out below.

Termination Events

- ASX announces that carsales will be removed from the official list or that its shares will be removed from official quotation, or suspended, other than in connection with the Entitlement Offer;
- carsales alters its capital structure without the consent of the Underwriters;
- carsales or a material subsidiary of carsales is deemed insolvent or there is an act or omission which may result in carsales or a material subsidiary of carsales becoming insolvent;
- the chief executive officer or chief financial officer of carsales has their employment terminated by carsales for cause without the prior written consent of the Underwriters;
- carsales or any of its directors or officers engage, or have engaged, in any fraudulent conduct or activity;
- a director or senior manager of carsales is charged with an indictable offence relating to financial or corporate matters, or a director of carsales is disqualified from managing a corporation;
- ASIC or any governmental agency charges or commences any court proceedings or public action against carsales or any of its directors, or announces that it intends to take action;
- a force majeure event occurs;
- carsales withdraws the Entitlement Offer or any part of it or indicates that it does not intend to or is unable to proceed with the Entitlement Offer;
- a certificate is not furnished when required to be furnished by carsales under the Underwriting Agreement;
- ASIC issues or threatens to issue proceedings in relation to the Entitlement Offer or commences any formal inquiry or investigation into the Entitlement Offer and such proceedings, inquiry or investigation is not withdrawn within 2 business days after it is made, or before settlement of the Institutional Entitlement Offer;
- there is an application to any government agency for any order, declaration or other remedy, or any other government agency commences a hearing or announces its intention to do so in connection with the Entitlement Offer and such application, investigation or hearing is not withdrawn within 2 business days after it is made, or before settlement of the Institutional Entitlement Offer;
- ASX refuses to grant approval for the official quotation of the New Shares or such approval is withdrawn, qualified or withheld before the date of the allotment or issue of the New Shares;
- carsales becomes required to give or gives a correcting notice under sections 708AA(10) or 708AA(12) of the Corporations Act (as included by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73* (the “**ASIC Instruments**”));
- any event specified in the timetable is delayed without the prior written consent of the Underwriters;
- or a scheme of arrangement or reconstruction is announced by carsales which would result in a change in control of carsales.

Summary of Underwriting Agreement

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

Termination Events

- there is a change in the chief executive officer or chief financial officer of carsales for reasons other than having their employment terminated by carsales for cause, or there is any other change to carsales' Board of Directors;
- carsales or a subsidiary of carsales contravenes the Corporations Act, carsales' constitution, the ASX Listing Rules or, in relation to the Entitlement Offer or the Proposed Transaction, any other applicable law;
- a furnished certificate contains a statement that is untrue, incorrect, or misleading or deceptive in any material respect;
- there is a general moratorium or material disruption on commercial banking activities in Australia, the United States of America, the United Kingdom or Hong Kong declared by the relevant central banking authority;
- trading of all securities quoted on ASX, LSE, HSE, NASDAQ or NYSE is suspended or limited in a material respect;
- hostilities not present, or a major escalation in existing hostilities occurs involving any one or more of Australia, New Zealand, Canada, the United States or the United Kingdom, any member state of the European Union, Russia, Democratic People's Republic of Korea, Japan or the People's Republic of China, or a major terrorist act is perpetrated in any of those countries or chemical, nuclear or biological weapons of any sort are used in connection with or the military of any member state of NATO becomes directly involved in the Ukraine conflict that is ongoing as at the date of the Underwriting Agreement;
- there is a change in relevant law or policy in Australia which regulates the Acquisition or the Entitlement Offer;
- ASIC or any other government agency commences or gives notice of an intention to prosecute or to commence a hearing or investigation of carsales (or any director or employee of carsales) and such prosecution, investigation or hearing becomes public or is not withdrawn within 2 business days after it is made, or before the settlement date of the Institutional Entitlement Offer;
- in the reasonable opinion of the Underwriters, an adverse new circumstance arises that would render the offer materials false, misleading or deceptive or likely to mislead or deceive;
- a statement contained in the offer materials is or becomes misleading or deceptive (including by omission) or likely to mislead or deceive, or omit any information required under the Corporations Act, or any expression of opinion or intention in the offer materials is (or ceases to be) fairly and properly supportable, or there are no (or ceases to be) reasonable grounds for making any statements in the offer materials;
- an event or circumstance occurs or becomes known that would have required carsales to give ASX a correcting notice under sections 708AA(10) or 708AA(12) of the Corporations Act (as included by the ASIC Instruments) had the cleansing notice been lodged on the basis of information known at that time;

Summary of Underwriting Agreement

Termination Events

- an adverse change occurs in the financial position, results, operations or prospects of carsales from the position disclosed to the Underwriters or the information publicly available, or the offer documents prior to the date of the Underwriting Agreement (subject to certain exceptions);
- carsales fails to perform or observe any of its obligations under the Underwriting Agreement;
- a representation, warranty or undertaking made or given by carsales under the Underwriting Agreement proves to be, or has been, or becomes, untrue or incorrect;
- any information supplied to the Underwriters prior to the Underwriting Agreement for the purpose of due diligence, the Entitlement Offer materials or the Entitlement Offer is, or becomes false, misleading or deceptive or likely to mislead or deceive (including by omission);
- an offer of shares or transaction is announced, which is recommended by the directors of carsales and which may result in a person and their associates acquiring a beneficial interest in, or voting power of, 50% or more of the interests in carsales;
- or there is any adverse, or prospective adverse change or disruption to the financial markets, political or economic conditions of Australia, New Zealand, the United States, the United Kingdom or Hong Kong.

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

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

For details of the fees payable to the Underwriters in consideration for performing their obligations under the Underwriting Agreement, see the Appendix 3B released to ASX on 8 March 2023.

An aerial photograph showing a winding asphalt road that curves through a lush green forest. To the left of the road, there is a rocky, brownish terrain that meets a calm, teal-colored lake. 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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