

Second Quarter 2025 Earnings

August 7, 2025

This presentation contains "forward-looking statements" within the meaning of the federal securities laws. All statements other than statements of historical facts are forward-looking statements. These statements often use words such as "believe," "expect," "project," "anticipate," "outlook," "intend," "strategy," "plan," "estimate," "target," "seek," "will," "may," "would," "should," "could," "forecasts," "mission," "strive," "more," "goal" or similar expressions. Forward-looking statements are based on our current expectations, beliefs, strategies, estimates, projections and assumptions, experience in the industry as well as our perceptions of historical trends, current conditions, expected future developments, and other factors we think are appropriate. Such forward-looking statements are based on estimates and assumptions that, while considered reasonable by Cars Commerce and its management based on their knowledge and understanding of the business and industry, are inherently uncertain. While Cars Commerce and its management make such statements in good faith and believe such judgments are reasonable, you should understand that these statements are not guarantees of future strategic action, performance or results. Our actual results, performance, achievements, strategic actions or prospects could differ materially from those expressed or implied by these forward-looking statements. Given these uncertainties, you should not rely on forward-looking statements in making investment decisions. When we make comparisons of results between current and prior periods, we do not intend to express any future trends, or indications of future performance, unless expressed as such, and you should view such comparisons as historical data. Whether or not any such forward-looking statement is in fact achieved will depend on future events, some of which are beyond our control.

Forward-looking statements are subject to a number of risks, uncertainties and other important factors, many of which are beyond our control, that could cause our actual results and strategic actions to differ materially from those expressed in the forward-looking statements contained in this press release. For a detailed discussion of many of these and other risks and uncertainties, see "Part I, Item 1A, Risk Factors" and "Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2024, as filed with the Securities and Exchange Commission ("SEC") on February 27, 2025 and our other filings filed with the SEC and available on our website at investor.cars.com or via EDGAR at www.sec.gov.

You should evaluate all forward-looking statements made in this press release in the context of these risks and uncertainties. The forward-looking statements contained in this press release are based only on information currently available to us and speak only as of the date of this press release. We undertake no obligation, other than as may be required by law, to update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, or changes in future operating results over time or otherwise. The forward-looking statements in this report are intended to be subject to the safe harbor protection provided by the federal securities laws.

This presentation discusses Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income, Free Cash Flow and Adjusted Operating Expenses. These financial measures are not prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). These financial measures are presented as supplemental measures of operating performance because the Company believes they provide meaningful information regarding the Company's performance and provide a basis to compare operating results between periods. In addition, the Company uses Adjusted EBITDA as a measure for determining incentive compensation targets. Adjusted EBITDA also is used as a performance measure under the Company's credit agreement and includes adjustments such as the items defined below and other further adjustments, which are defined in the credit agreement. These non-GAAP financial measures are frequently used by the Company's lenders, securities analysts, investors and other interested parties to evaluate companies in the Company's industry. For a reconciliation of the non-GAAP measures presented in this earnings release to their most directly comparable financial measure prepared in accordance with GAAP, see "Non-GAAP Reconciliations" below.

Other companies may define or calculate these measures differently, limiting their usefulness as comparative measures. Because of these limitations, non-GAAP financial measures should not be considered in isolation or as substitutes for performance measures calculated in accordance with GAAP. Definitions of these non-GAAP financial measures and reconciliations to the most directly comparable GAAP financial measures are presented in the tables below.

We define Adjusted EBITDA as net income (loss) before (1) interest expense, net, (2) income tax (benefit) expense, (3) depreciation, (4) amortization of intangible assets, (5) stock-based compensation expense, (6) unrealized mark-to-market adjustments and cash transactions related to derivative instruments, (7) unrealized foreign currency exchange gains and losses, and (8) certain other items, such as transaction-related items, severance, transformation and other exit costs and write-off and impairments of goodwill, intangible assets and other long-lived assets.

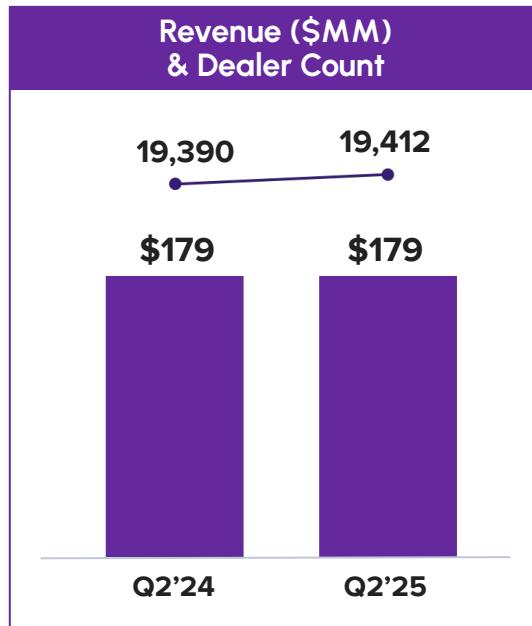
Transaction-related items result from actual or potential transactions such as business combinations, mergers, acquisitions, dispositions, spin-offs, financing transactions, and other strategic transactions, including, without limitation, (1) transaction-related bonuses and (2) expenses for advisors and representatives such as investment bankers, consultants, attorneys and accounting firms. Transaction-related items may also include, without limitation, transition and integration costs such as retention bonuses and acquisition-related milestone payments to acquired employees, consulting, compensation and other incremental costs associated with integration projects, fair value changes to contingent considerations and amortization of deferred revenue related to the AccuTrade acquisition.

We define Adjusted Net Income as GAAP net income (loss) excluding, net of their related tax effects: (1) amortization of intangible assets, (2) stock-based compensation expense, (3) unrealized mark-to-market adjustments and cash transactions related to derivative instruments, (4) unrealized foreign currency exchange gains and losses, and (5) certain other items, such as transaction-related costs, severance, transformation and other exit costs and write-off and impairments of goodwill, intangible assets and other long-lived assets.

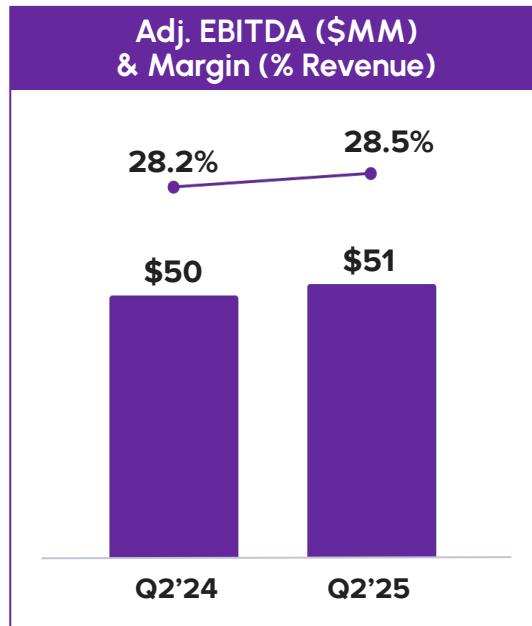
We define Free Cash Flow as net cash provided by operating activities less capital expenditures, including purchases of property and equipment and capitalization of internally developed technology.

We define Adjusted Operating Expenses as total operating expenses adjusted to exclude stock-based compensation, write-off and impairments of goodwill, intangible assets, long-lived assets, severance, transformation and other exit costs and transaction-related items.

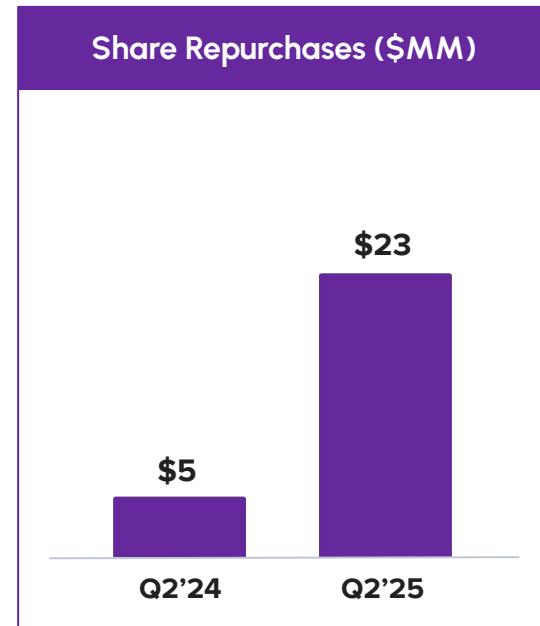
Q2 performance shows broad-based improvement



Steady Revenue and Improved Dealer Count YoY



Adj. EBITDA Margin at High End of Guidance Range of 27% to 29%



Repurchased 3.7MM Shares in 1H'25

Continued momentum across all growth drivers



Grow Consumers

162MM
Total Traffic Visits

New second quarter
record



Grow Dealer Customers

19,412 Dealer
Customers, up
~160 QoQ

Best organic QoQ
growth since 2022



Unlock the Cross-Sell

Product Adoption Up YoY

AccuTrade, websites,
and DealerClub reach
new records



Transform OEM Relationships

OEM and National
revenue up 5% YoY

Approximately half of
OEMs increased YoY
spending



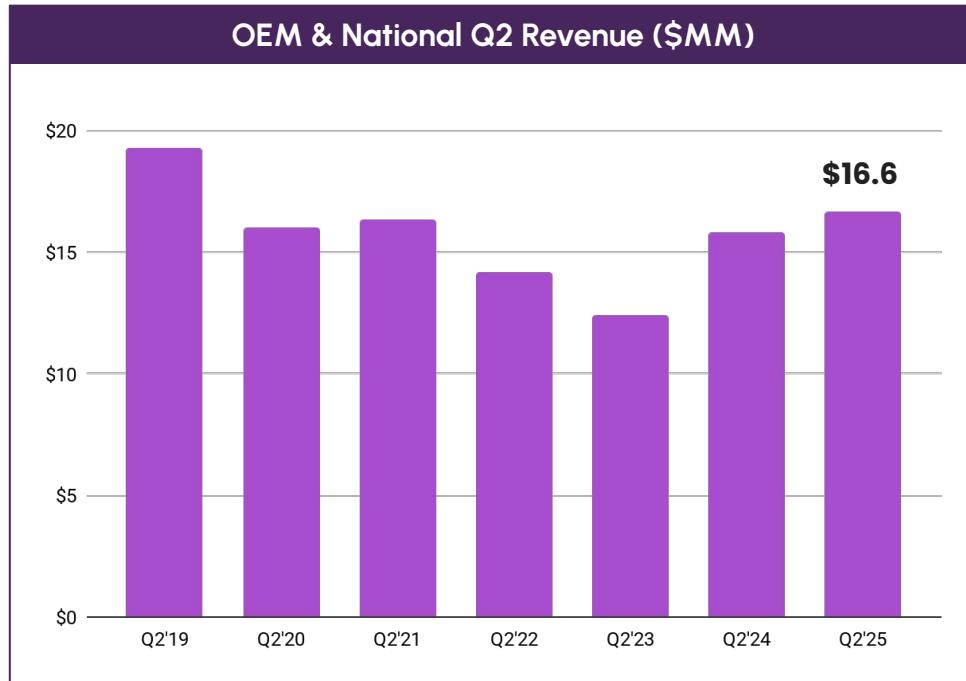
Create Platform Advantages

28.5% Adjusted
EBITDA Margin

Performed to high end
of profitability
expectations

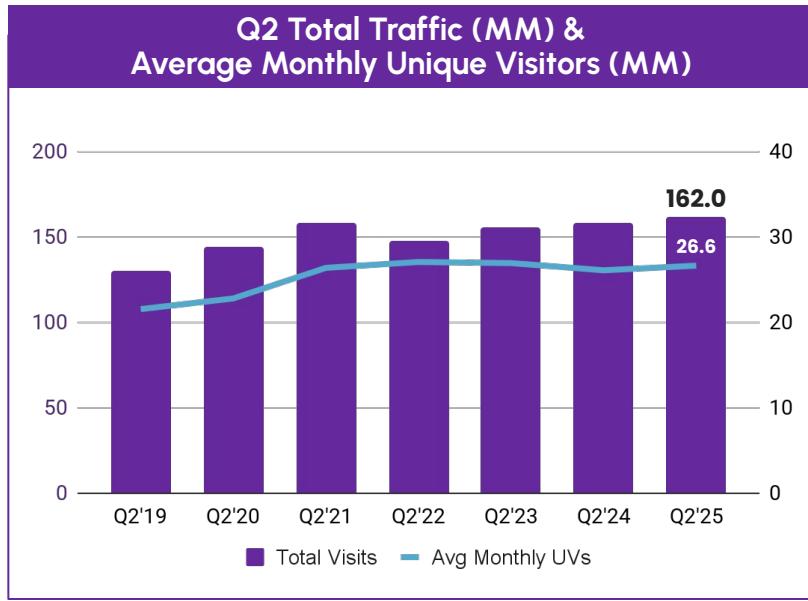
**Strong Q2 execution on marketplace and website repackaging and product innovation is
also supporting momentum into 2H'25**

OEM and National revenue +5% YoY



- Approximately half of OEM customers increased marketing and advertising investments in Cars Commerce products and solutions during Q2
- Q2 performance included the impact of temporary shifts in OEM media spending, primarily at the start of the quarter, as automakers adjusted to initial tariff announcements

Achieved record second quarter total traffic

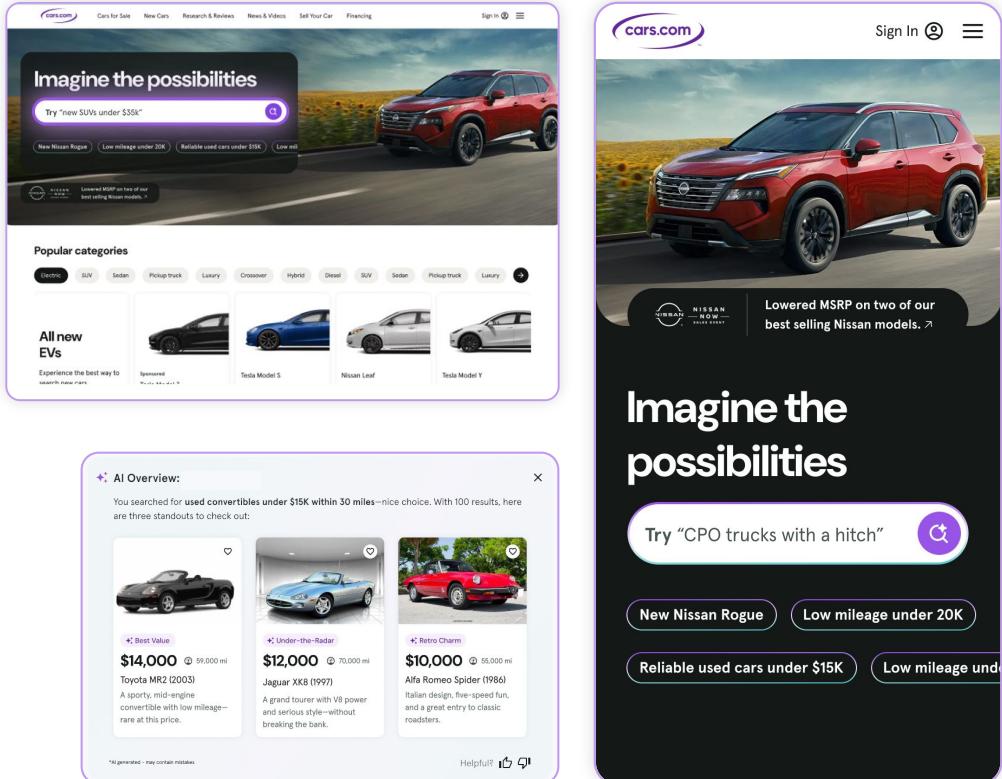


*These metrics do not include traffic to Dealer Inspire or D2C Media hosted websites. UVs and Traffic were measured via Adobe Analytics prior to December 31, 2023, and measured via RudderStack as of January 1, 2024. Prior period UVs and Traffic information has not been recast.

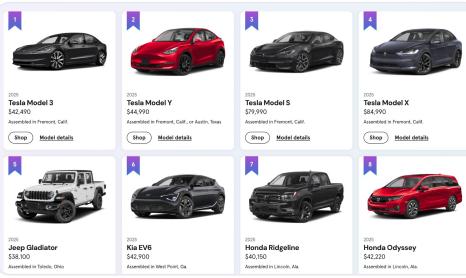
- Tariff-motivated surge in consumer demand helped drive Q2 traffic and overall lead delivery
- Average monthly unique visitors grew year-over-year in each month of Q2

AI-powered search capabilities

- Standard keyword searches on [Cars.com](#) now augmented with AI-powered natural language recognition, yielding 2x higher lead submission rates compared to standard search
- Nearly 20% of internet leads now originate from new search capability
- Roadmap includes AI-powered integration of editorial content into search results



Unique and highly relevant editorial content



Forbes

The Only Certainty Under Tariffs Is That Cars And Trucks Will Cost More

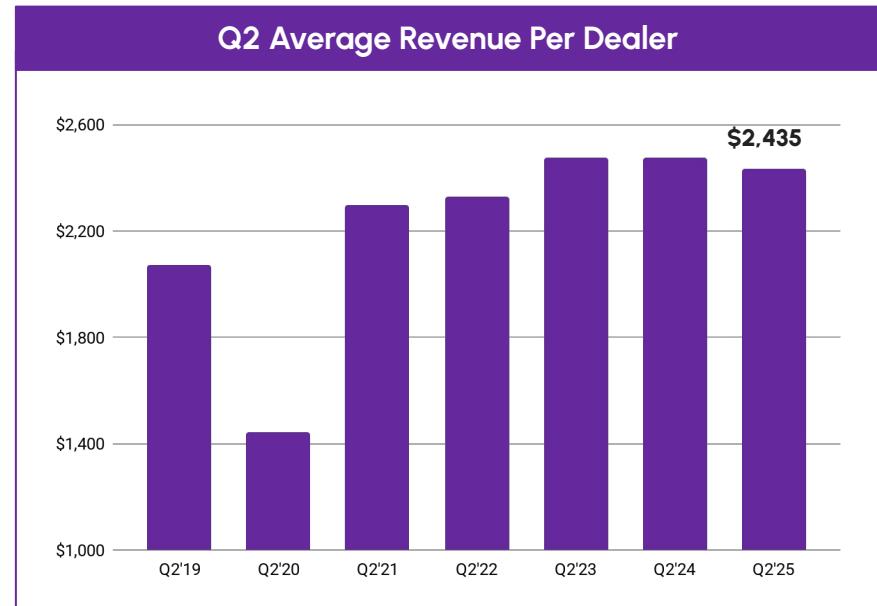
By Bill Koenig, Contributor. [I write...](#) [Follow Author](#)

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“There is no vehicle that is 100% American,” said Jenni Newman, editor-in-chief of Cars.com. “There are a lot of moving pieces. This is still a global industry.”



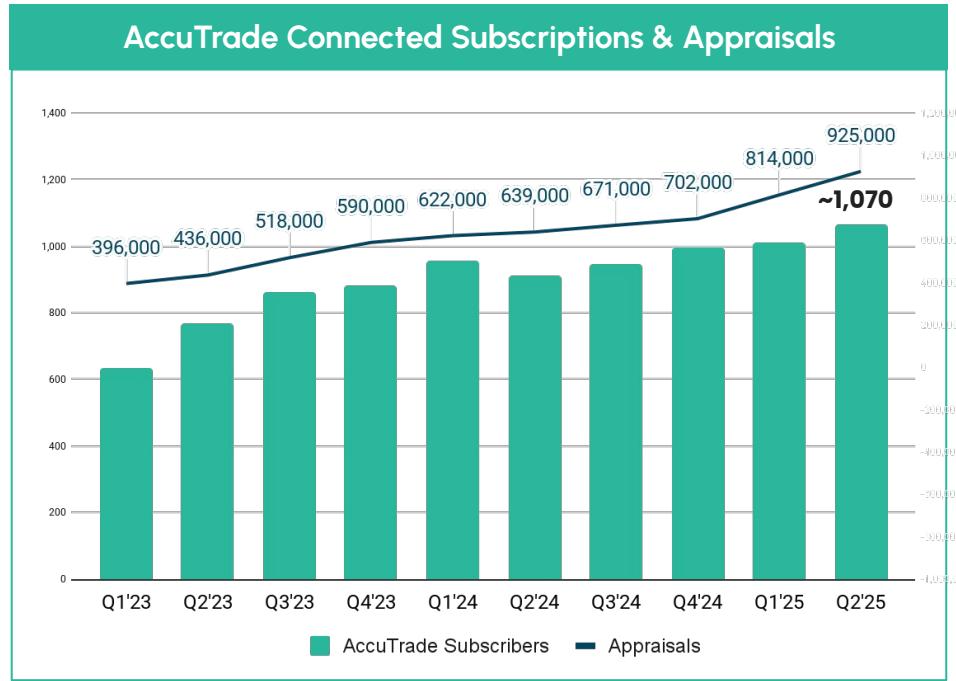
Maintaining strong market position



Note: The decline of the digital dealer industry negatively impacted our Dealer Customer count by over 650 cancellations (which started in Q2'22). There are effectively no digital dealers in our Dealer Customer count. Includes D2C customers as of Q4'23.

AccuTrade wins enterprise deal and grows appraisal volume

- Subscriber base grew to nearly 1,070 AccuTrade Connected customers in Q2
- Won enterprise deal with leading independent dealer group to deploy AccuTrade into ~150 stores over the course of FY25
- AccuTrade powered nearly 925,000 appraisals in Q2, up 14% QoQ and 45% YoY



DealerClub and Cars Commerce platform further integrated

- DealerClub is a reputation-based, dealer-to-dealer digital wholesale auction
- ~50% QoQ increase in completed transactions
- Direct Cars.com-to-DealerClub integration launched in Q2, surfacing aged marketplace inventory on DealerClub and enabling seamless auction creation

Inventory Feed
Vehicles from your Cars.com feed that are available for import to DealerClub.

Vehicle	Mileage	Days on Cars.com
2015 Ford Explorer WBV23HD0028,459SFU47048	53,462	130
2014 Ford Taurus 1FAPHP2X1K16173526	144,438	128
2016 RAM 1500 1C6RR07FGGGS365280	126,902	115
2015 BMW 650 WBA8B2CS5FB999571	151,628	107
2019 Ford Edge 2FMPK4K97KB622376	65,756	94
2014 RAM 1500 1C6RR07FT19ES213006	157,475	91

Import Vehicle

Complete your auction listing, you need 1 featured image & a minimum of 3 exterior shots. If you'd like to include additional images, you can upload more when creating your auction.

2015 Ford Explorer
WBV23HD0028,459SFU47048

Days on Cars.com: 91
Odometer: 53,462
Transmission: Automatic
DriveTrain: 4WD
Body Type: SUV
Fuel Type: Gas

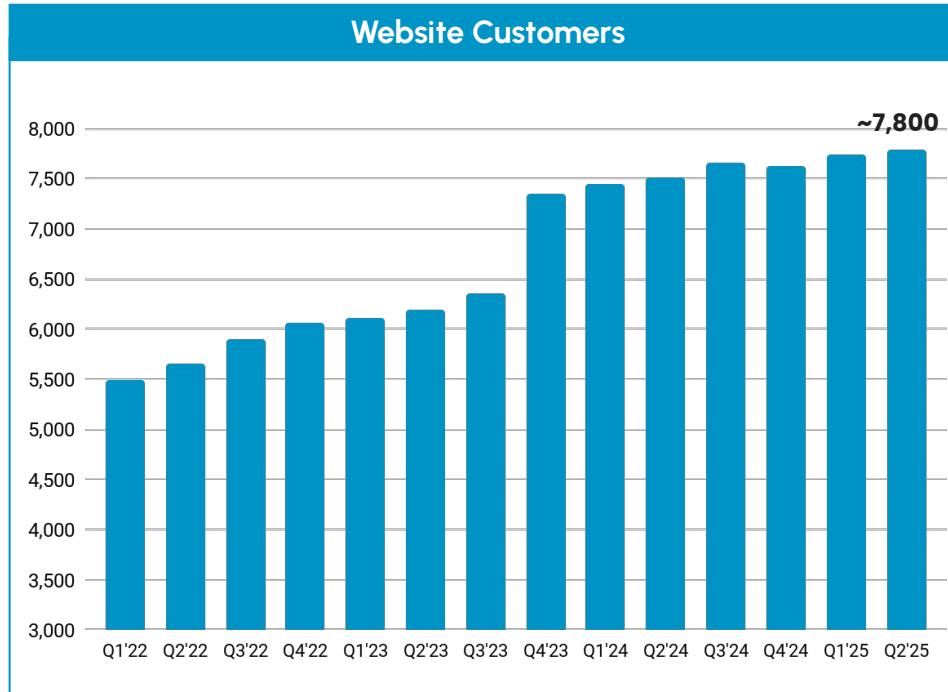
3 Photos Selected

Photo Type: Featured, Photo Type: Exterior, Photo Type: Exterior

Photo Type: Exterior, Photo Type: Exterior, Photo Type: Exterior

Cancel Import Vehicle

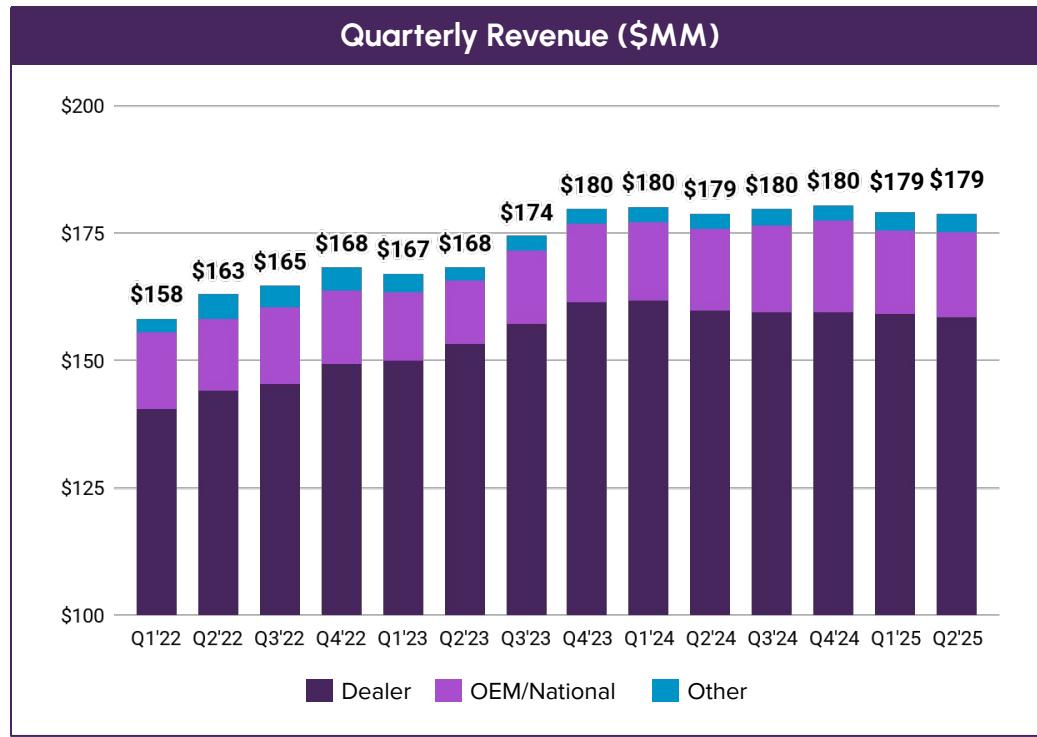
Dealer websites continue steady growth trajectory



Website customer data includes D2C Media, effective Q4'23

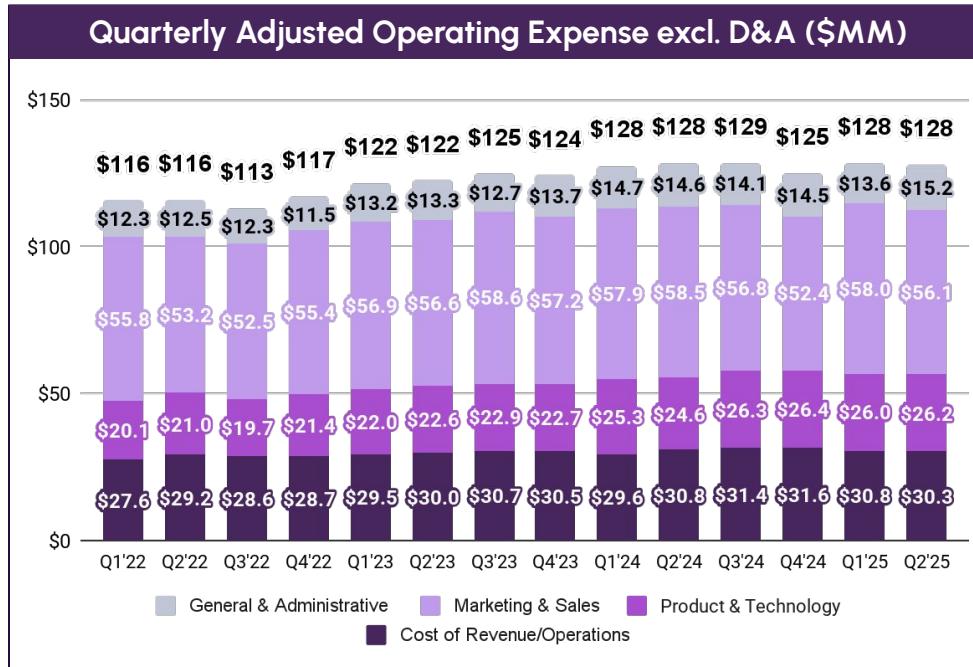
- Websites added approximately 50 subscribers QoQ during Q2
- Completed an additional repackaging agreement during Q2, with additional negotiations expected to close by end of year

Revenue performance held steady



- Q2 revenue of \$178.7MM was flat year-over-year
- OEM & National revenue +5% YoY, as automakers continued to compete for consumer demand and shopping consideration despite dynamic macro environment
- Dealer revenue down 1% YoY, largely reflecting changes in customer mix within Marketplace and Media

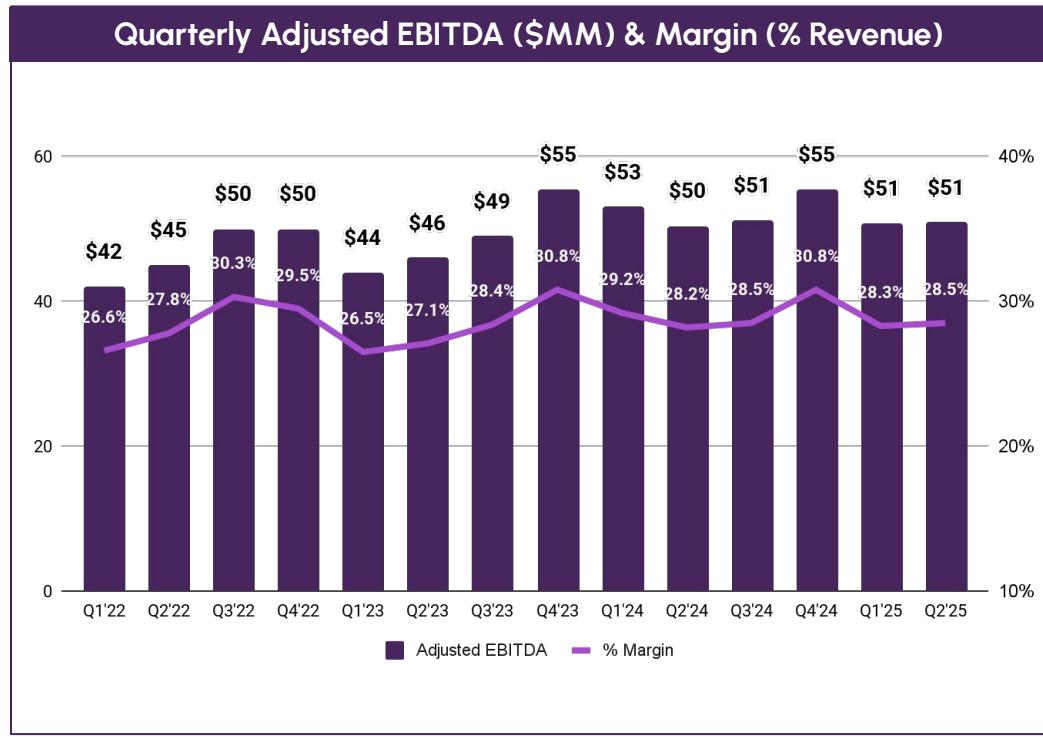
Disciplined investment in growth



- Q2 Adjusted operating expenses, inclusive of D&A, were down 2% YoY
- Q2 Operating expenses were down 3% YoY, reflecting actions taken in Q1 to streamline costs and headcount, as well as shifts in marketing investments, that were partially offset by DealerClub-related operating costs

Note: We define Adjusted Operating Expenses as total operating expenses adjusted to exclude stock-based compensation, write-off and impairments of goodwill, intangible assets, long-lived assets, severance, transformation and other exit costs and transaction-related items. Adjusted Operating Expenses in this graph exclude depreciation and amortization.

Delivered Adjusted EBITDA at high end of guidance



- Q2 Adjusted EBITDA margin of 28.5% was at high end of guidance range of 27% to 29%

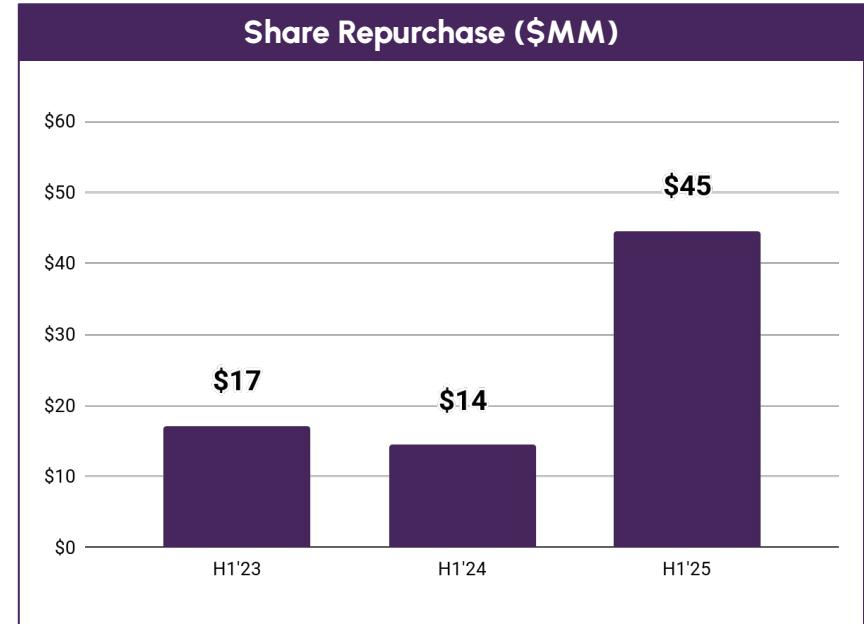
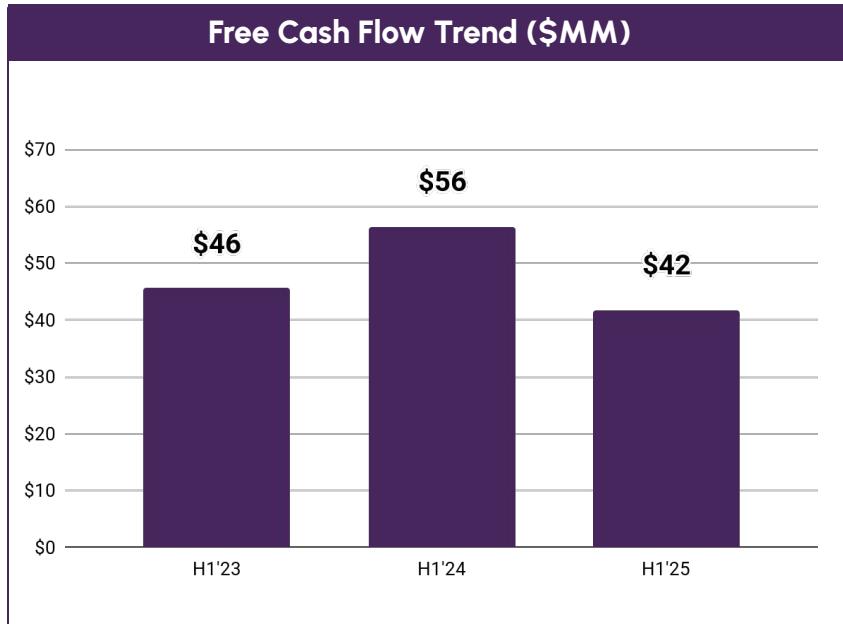
Quarterly Key Operating Metrics

	Q2 2025	Q2 2024
AVERAGE MONTHLY UNIQUE VISITORS¹	26.6 MM	26.1 MM
TRAFFIC (VISITS)¹	162.0 MM	158.1 MM
MONTHLY ARPD²	\$2,435	\$2,474
DEALER CUSTOMERS	19,412	19,390

¹UVs and Traffic are measured via RudderStack. These metrics do not include traffic to Dealer Inspire, D2C Media, or DealerClub websites.

²ARPD is defined as Dealer revenue, excluding digital advertising services and DealerClub, during the period divided by the monthly average number of Dealer Customers during the same period.

Robust cash flow and consistent capital return



Outlook

2H 2025 OUTLOOK

- Revenue: Low-single digit YoY growth

FULL YEAR 2025 OUTLOOK

- Adjusted EBITDA margin: 29% to 31%
- Increased share repurchase target:
\$70 to \$90 million



Q&A

Appendix

Non-GAAP Reconciliations

(unaudited and in thousands)

Reconciliation of Net income to Adjusted EBITDA

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	\$ 7,009	\$ 11,381	\$ 4,996	\$ 12,165
Interest expense, net	7,644	8,109	15,312	16,430
Income tax expense	2,959	5,017	3,739	5,053
Depreciation and amortization	24,873	27,571	51,912	54,936
Stock-based compensation, including related payroll tax	6,758	8,813	15,461	16,763
Transaction-related and other one-time items	4,022	(10,853)	12,541	(3,684)
Non-operating foreign exchange (gain) loss	(2,367)	387	(2,342)	1,435
Adjusted EBITDA	<u>\$ 50,898</u>	<u>\$ 50,425</u>	<u>\$ 101,619</u>	<u>\$ 103,098</u>

Non-GAAP Reconciliations

(unaudited and in thousands)

Reconciliation of Net income to Adjusted Net income

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	\$ 7,009	\$ 11,381	\$ 4,996	\$ 12,165
Stock-based compensation, including related payroll tax	6,758	8,813	15,461	16,763
Amortization of intangible assets	17,458	21,209	34,836	42,214
Transaction-related items	2,736	(12,668)	5,666	(6,525)
Non-operating foreign exchange (gain) loss	(2,367)	387	(2,342)	1,435
Other one-time items	1,286	1,815	6,875	2,841
Income tax impact of adjustments	(6,468)	(4,889)	(15,124)	(14,182)
Adjusted net income	<u>\$ 26,412</u>	<u>\$ 26,048</u>	<u>\$ 50,368</u>	<u>\$ 54,711</u>
Adjusted net income per share, diluted	\$ 0.41	\$ 0.38	\$ 0.78	\$ 0.81
Weighted-average common shares outstanding, diluted	63,842	67,821	64,476	67,514

Reconciliation of Net cash provided by operating activities to Free cash flow

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net cash provided by operating activities	\$ 26,228	\$ 35,254	\$ 55,683	\$ 68,722
Capitalization of internally developed technology	(5,510)	(5,871)	(10,494)	(11,176)
Purchase of property and equipment	(2,531)	(391)	(3,342)	(1,099)
Free cash flow	<u>\$ 18,187</u>	<u>\$ 28,992</u>	<u>\$ 41,847</u>	<u>\$ 56,447</u>

Non-GAAP Reconciliations

(unaudited and in thousands)

Reconciliation of Operating expenses to Adjusted operating expenses for the Three Months Ended June 30, 2025:

	As Reported	Adjustments ⁽¹⁾	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	\$ 30,547	\$ —	\$ (225)	\$ 30,322
Product and technology	28,634	—	(2,467)	26,167
Marketing and sales	57,757	(43)	(1,583)	56,131
General and administrative	21,682	(3,978)	(2,483)	15,221
Depreciation and amortization	24,873	—	—	24,873
Total operating expenses	\$ 163,493	\$ (4,021)	\$ (6,758)	\$ 152,714
Total nonoperating expense, net	\$ (5,278)	\$ (2,366)	\$ —	\$ (7,644)

⁽¹⁾ Includes transaction related items, unrealized gains and losses on foreign currency denominated transactions, severance, transformation and other exit costs, and write-off of long-lived assets and other.

Reconciliation of Operating expenses to Adjusted operating expenses for the Three Months Ended June 30, 2024:

	As Reported	Adjustments ⁽¹⁾	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	\$ 31,030	\$ —	\$ (229)	\$ 30,801
Product and technology	27,583	—	(3,009)	24,574
Marketing and sales	60,213	(44)	(1,672)	58,497
General and administrative	22,980	(4,480)	(3,903)	14,597
Depreciation and amortization	27,571	—	—	27,571
Total operating expenses	\$ 169,377	\$ (4,524)	\$ (8,813)	\$ 156,040
Total nonoperating income (expense), net	\$ 6,881	\$ (14,990)	\$ —	\$ (8,109)

⁽¹⁾ Includes transaction related items, unrealized gains and losses on foreign currency denominated transactions, severance, transformation and other exit costs, and write-off of long-lived assets and other.

Non-GAAP Reconciliations

(unaudited and in thousands)

Reconciliation of Operating expenses to Adjusted operating expenses for the Six Months Ended June 30, 2025:

	As Reported	Adjustments ⁽¹⁾	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	\$ 61,486	\$ —	\$ (403)	\$ 61,083
Product and technology	57,112	—	(4,980)	52,132
Marketing and sales	117,982	(85)	(3,770)	114,127
General and administrative	47,566	(12,456)	(6,308)	28,802
Depreciation and amortization	51,912	—	—	51,912
Total operating expenses	\$ 336,058	\$ (12,541)	\$ (15,461)	\$ 308,056
Total nonoperating expense, net	\$ (12,970)	\$ (2,342)	\$ —	\$ (15,312)

⁽¹⁾ Includes transaction related items, unrealized gain/loss on foreign currency denominated transactions, severance, transformation and other exit costs, and write-off of long-lived assets and other.

Reconciliation of Operating expenses to Adjusted operating expenses for the Six Months Ended June 30, 2024:

	As Reported	Adjustments ⁽¹⁾	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	\$ 60,992	\$ —	\$ (558)	\$ 60,434
Product and technology	55,668	—	(5,790)	49,878
Marketing and sales	119,376	(88)	(2,893)	116,395
General and administrative	45,837	(9,051)	(7,522)	29,264
Depreciation and amortization	54,936	—	—	54,936
Total operating expenses	\$ 336,809	\$ (9,139)	\$ (16,763)	\$ 310,907
Total nonoperating expense, net	\$ (5,043)	\$ (11,388)	\$ —	\$ (16,431)

⁽¹⁾ Includes transaction related items, unrealized gains and losses on foreign currency denominated transactions, severance, transformation and other exit costs, and write-off of long-lived assets and other.