

CARS TO ACQUIRE THE ACCU-TRADE GROUP, ADDS DIGITAL VEHICLE ACQUISITION TO THE CARS PLATFORM

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Transaction Highlights:

- Acquires powerful data and technology assets that allow dealers to efficiently buy and sell inventory through CARS' extensive dealer network and tap into CARS' massive in-market audience, improving dealer inventory turn and maximizing transaction margins
- Enables real-time transparency on vehicle valuation and provides a trusted platform for secure online transactions for dealers and consumers looking to sell to qualified buyers
- Further strengthens end-to-end capabilities on CARS' platform, driving incremental revenue and ARPD opportunities

[Cars.com Inc.](#) (NYSE: CARS) ("CARS" or the "Company"), a leading automotive marketplace platform that provides a robust set of industry-specific digital solutions, today announced that it has signed an agreement to acquire 100% of the assets of [Accu-Trade](#), Galves Market Data and MADE Logistics ("Accu-Trade"), which includes real-time, VIN-specific appraisal and valuation data, instant guaranteed offer capabilities, and logistics technology. Consideration for the transaction will be \$65 million in cash at closing. There is also the potential for additional cash and stock consideration based on achievement of certain financial thresholds. We anticipate making a \$63 million earn-out payment, which may be higher or lower based on actual performance. The transaction is expected to close in approximately 30 days.

"We are excited to enter into the rapidly growing multi-billion-dollar digital vehicle acquisition and remarketing category with Accu-Trade's best-in-class valuation and appraisal technology. These solutions will drive better inventory management and maximize profits for dealers while introducing a more efficient option for buying and selling wholesale inventory at scale. We will also empower millions of consumers to confidently and securely sell their vehicles online to the best buyer," said Alex Vetter, Chief Executive Officer of CARS. "This acquisition is a further acceleration of our platform strategy and will fuel our end-to-end transaction capabilities for buyers and sellers as well as long-term growth for CARS."

As a result of the acquisition, the CARS platform will enable dealers to quickly and efficiently buy and sell inventory at scale across a dealer-to-dealer and consumer-to-dealer network, improving inventory turn and maximizing profits per transaction by helping to match each vehicle with the best end-user. Dealers will gain access to an instant guaranteed offer solution across the CARS platform, including on the Cars.com marketplace and Dealer Inspire websites. Using Accu-Trade's proprietary VIN-specific valuation and appraisal technology, dealers will confidently source inventory directly from the tens of millions of high-intent, in-market shoppers who visit the CARS platform each quarter -- 142MM visits at Cars.com and an additional 247MM visits across DI dealer websites.¹

Shoppers will benefit from real-time transparency and consistency about a vehicle's guaranteed value, instant connection to the best buyer, and a secure option to complete an online transaction. CARS will also launch new sell-it-yourself capabilities on its marketplace, giving the approximately 11MM² annual private-party car sellers in the U.S. the option to sell to another consumer or to one of thousands of certified dealers. Integration of the technology across the CARS platform is expected to begin shortly after the transaction closes.

Accu-Trade generates revenue through subscription fees of its appraisal and data products to dealers. CARS expects to launch the product across its platform and begin recognizing incremental revenue in the second quarter of 2022. We expect the acquisition will be EBITDA accretive in year one. More information will be provided on the future revenue contribution and incremental expenses related to Accu-Trade on CARS' year-end earnings call.

Accu-Trade was founded in 2015 by automotive industry leader Robert Hollenshead, a leading North American wholesaler and auto software entrepreneur. Jeff Zamora, Chief Technology Officer of Accu-Trade, who will be joining CARS' leadership team, said, "CARS' strong consumer audience and outstanding network of dealer customers, combined with its proven track record of delivering digital solutions, makes it the ideal match to drive wider adoption of the Accu-Trade platform. As dealers look for new solutions to optimize inventories and further drive profitability in their businesses, we believe we can quickly scale these assets across the CARS dealer network. On behalf of the entire Accu-Trade team, we look forward to joining the CARS family to help accelerate innovative digital solutions for the auto retail space."

¹CARS Internal Data, Q3 2021

ABOUT CARS.COM INC.

CARS is a leading automotive marketplace platform that provides a robust set of industry-specific digital solutions that connect car shoppers with sellers. Launched in 1998 with the flagship marketplace Cars.com and headquartered in Chicago, the Company empowers shoppers with the data, resources and digital tools needed to make informed buying decisions and seamlessly connect with automotive retailers. In a rapidly changing market, CARS enables dealerships and OEMs with innovative technical solutions and data-driven intelligence to better reach and influence ready-to-buy shoppers, increase inventory turn and gain market share.

In addition to Cars.com, CARS brands include Dealer Inspire, a technology provider building solutions that future-proof dealerships with more efficient operations and connected digital experiences; FUEL, which gives dealers and OEMs the opportunity to harness the untapped power of digital video by leveraging Cars.com's pure audience of in-market car shoppers, DealerRater, a leading car dealer review and reputation management platform, and automotive fintech platform CreditIQ.

The full suite of CARS properties includes Cars.com™, Dealer Inspire®, FUEL™, DealerRater®, [CreditIQ™](#), [Auto.com™](#), PickupTrucks.com™ and NewCars.com®. For more information, visit [www.Cars.com](#).

ABOUT ACCU-TRADE™

Accu-Trade provides dealers with vehicle valuation and appraisal technology and connects consumers to the best buyer for their vehicle. The platform is based on VIN-specific historic information and condition. The company's valuation platform is fueled by market-correct data from Galves, which has been a leading provider of wholesale vehicle auction information since 1957. Galves has been trusted and used by thousands of dealers to buy and sell more vehicles. The company also includes MADE Logistics, an early-stage dealer and wholesaler logistics platform to transport vehicles. For more information, visit [www.accu-trade.com](#).

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the federal securities laws. All statements other than statements of historical facts are forward-looking statements. Forward-looking statements include information concerning the Company's industry, Dealer Customers, results of operations, business strategies, plans and objectives, market potential, outlook, trends, future financial performance, planned operational and product improvements, potential strategic transactions, including the proposed acquisition and integration of CreditIQ, and other matters and involve known and unknown risks that are difficult to predict. As a result, the Company's actual financial results, performance, achievements, strategic actions or prospects, including the expected benefits of the acquisition of CreditIQ may differ materially from those expressed or implied by these forward-looking statements. These statements often include 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 the Company's current expectations, beliefs, strategies, estimates, projections and assumptions, based on its experience in the industry as well as the Company's perceptions of historical trends, current conditions, expected future developments, current developments regarding the COVID-19 pandemic and other factors the Company thinks are appropriate. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by the Company and its management based on their knowledge and understanding of the business and industry, are inherently uncertain. These statements are expressed in good faith and the Company believes these judgments are reasonable. However, you should understand that these statements are not guarantees of strategic action, performance or results. The Company's actual results and strategic actions could differ materially from those expressed in the forward-looking statements. Given these uncertainties, forward-looking statements should not be relied on in making investment decisions. Comparisons of results between current and prior periods are not intended to express any future trends, or indications of future performance, unless expressed as such, and should only be viewed 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 the Company's control.

Forward-looking statements are subject to a number of risks, uncertainties and other important factors, many of which are beyond the Company's control, that could cause its 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 the Company's Annual Report on Form 10-K, its Quarterly Reports on Form 10-Q, its Current Reports on Form 8-K and its other filings with the Securities and Exchange Commission, available on the Company's website at [investor.cars.com](#) or via EDGAR at [www.sec.gov](#). All forward-looking statements contained in this press release are qualified by these cautionary statements. 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 the Company and speak only as of the date of this press release. The Company undertakes 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.

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