

February 2024

Investor Relations

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, 2023, as filed with the Securities and Exchange Commission ("SEC") on February 22, 2024 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 and 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, and (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 Accu-Trade acquisition.

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.

1. Cars Commerce Platform Advantage
2. Operating in a Large and Growing Addressable Market
3. Leading Brand with Strong Organic Traffic
4. Well Positioned to Benefit from Accelerating Adoption to Digital Automotive Solutions
5. Strong Financial Profile and Free Cash Flow Generation
6. Roadmap for Growth

Cars Commerce Platform Advantage

Our Comprehensive Platform Offering



No. 1 auto marketplace brand with
+30% traffic in the past 5 years



Tierless digital marketing tech &
services endorsed by OEMs



Powers retail profitability with the right
price on any vehicle, every time



Pure in-market audience across social,
video, search & display

Powerful reputation, financing, and data & analytics span the platform

Cars.com is the vibrant Marketplace at the heart of our platform, serving Consumers, Dealers & OEMs

FY 2023 VISITS

~615 MM

VISITORS PLAN TO
PURCHASE
WITHIN 6 MONTHS¹

~83%

OF OUR TRAFFIC IS
ORGANIC²

61%

AVERAGE DAILY VEHICLE
LISTINGS

+9% YoY

DEALER
CUSTOMERS³

19,504

OF OEMS ARE
CUSTOMERS

Nearly all

TOTAL REVIEWS⁴

+13MM

TOTAL ACCUTRADE
APPRAISALS

~1.9MM

#DEALERS WITH
INSTANT FINANCING

~11K

Subscription-Based Model Yields Strong Recurring Revenue

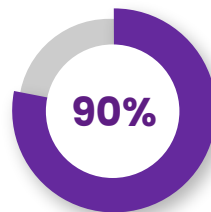
Overview

Dealer

- Marketplace
- Digital Experience
- Trade & Appraisal
- Cars Commerce Media Network

- 19K+ dealer customers list new and used inventory on Cars.com on a subscription basis
- Targeting market-leading franchised dealers, dealer groups and independent dealers
- Monthly ARPD of \$2,523¹

Revenue mix



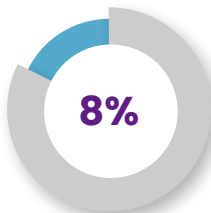
Target partners



40K+²
Dealers

OEM & National

- Nearly all OEMs as well as auto adjacent companies advertise with CARS
- Long-term relationships cultivated with target partners



OEMs

CARS
\$689 MM
FY 2023 Revenue

Note: 2.0% of revenue is related to "Other Revenue" which consists of data-driven solutions, revenue partnerships and CreditIQ; ¹ Q4 2023

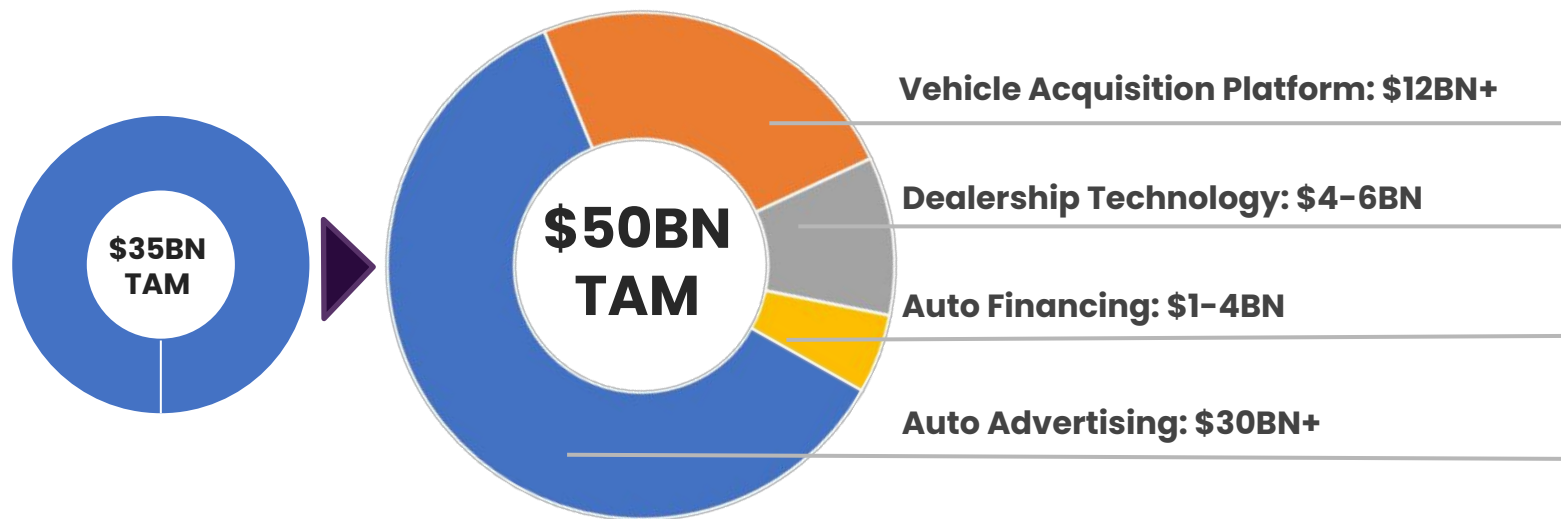
² 25.8K independent US car dealerships in 2019 per 2020 Borrell Automotive Advertising Outlook report, and 16.6K franchised dealers as of June YTD 2020 per National Automobile Dealers Association

Operating in a Large and Growing Addressable Market

We face a growing market opportunity as we expand through the value chain

2017

Today

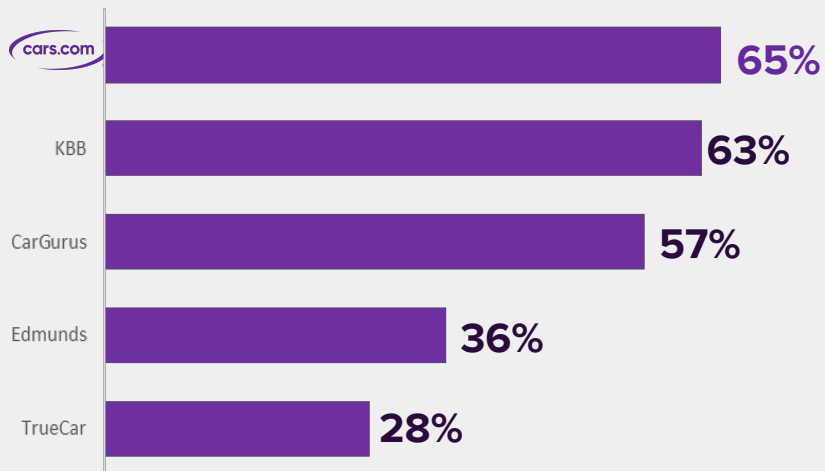


Expanded footprint into multiple high-growth markets through focus on strategic investments

**Leading Brand with Strong
Organic Traffic**

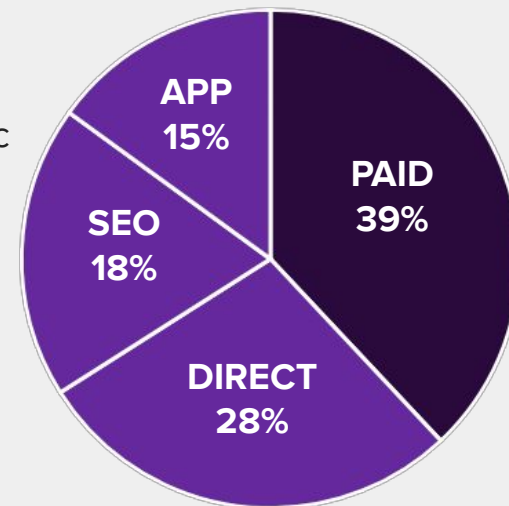
Our brand is a significant competitive advantage

Cars.com is #1 in total brand awareness¹



FY 2023 Cars Commerce Traffic Breakdown

61%
of our traffic
is organic



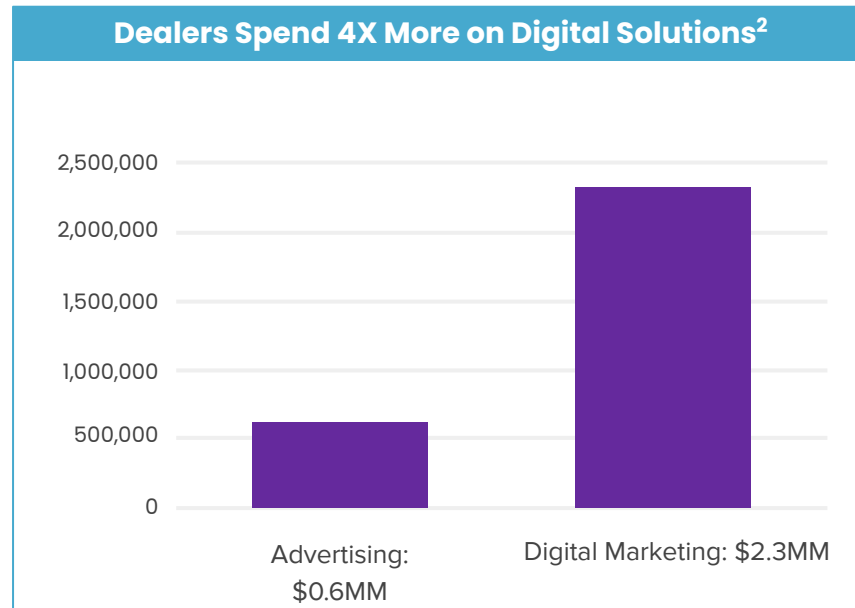
¹ Qualtrics as of December 31, 2023; total brand awareness shown among CARS' competitive set

**Well Positioned to Benefit
From Accelerating Shift to
Digital Automotive Solutions**

Tapping Into More than Just Advertising Budgets

WE CAPTURE LESS THAN 2% OF U.S. AUTO ADVERTISING

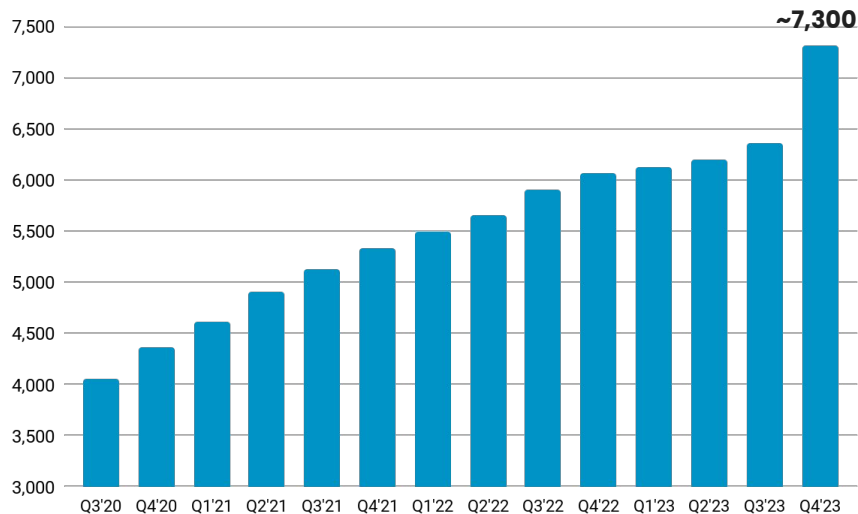
- \$30B+ is spent in Automotive Advertising in the U.S. growing at 3% CAGR¹
- \$21B is spent in Digital, projected to grow at a 5% CAGR¹



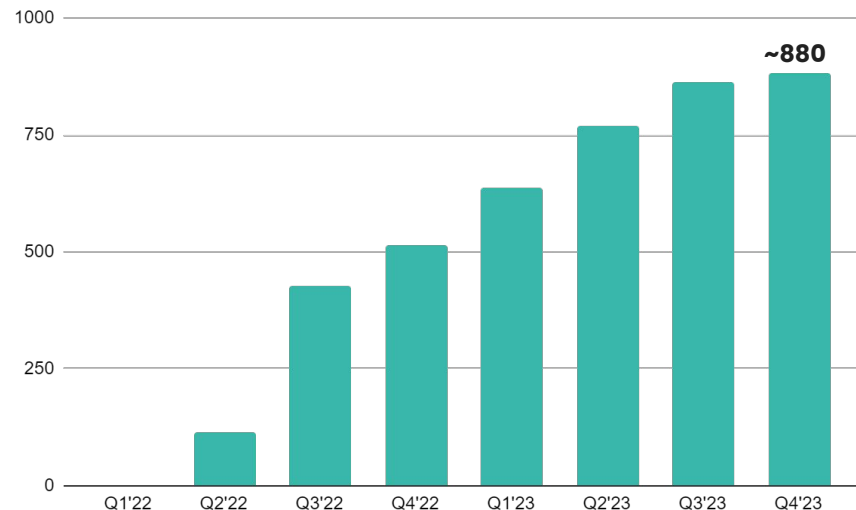
- Typical dealer spends ~4x more on digital marketing services than advertising
- Average Dealer Spends \$2.9M/year

Continued Adoption of Our Digital Solutions

Website Customers



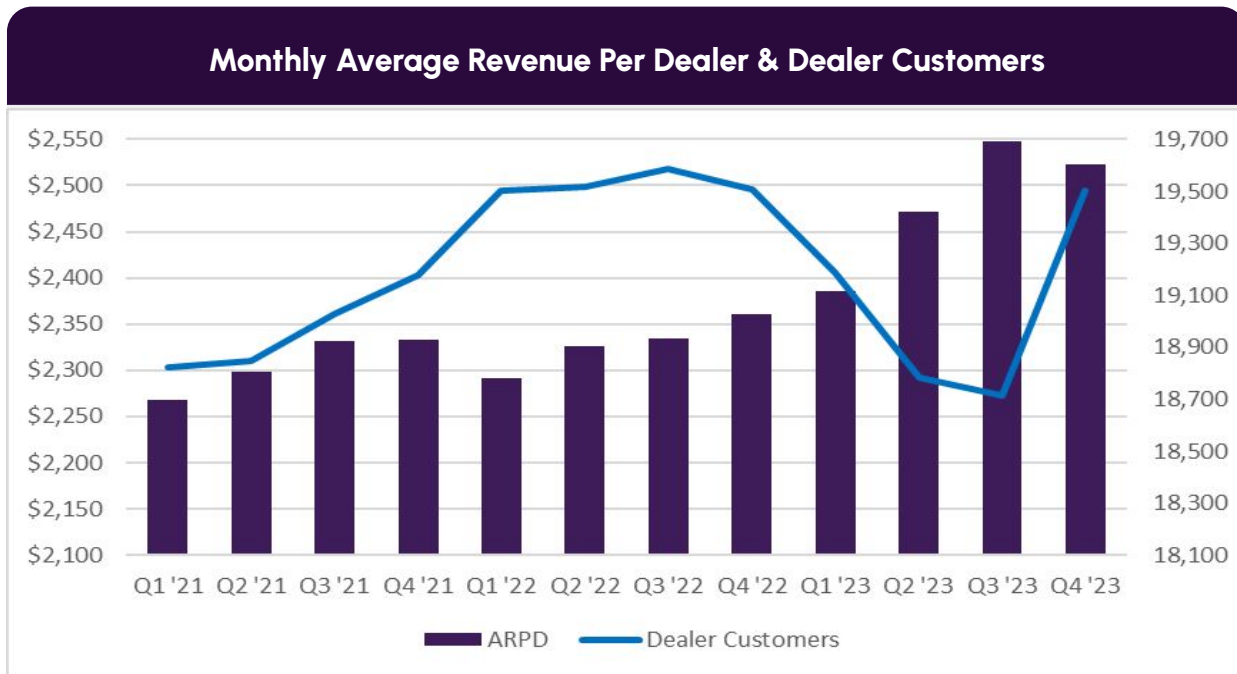
AccuTrade Connected Customers



*Website customer data includes D2C Media effective Q4'23

Marketplace repackaging has driven higher ARPD and strengthened our foundation

- Marketplace Repackaging Initiative captures benefit of product development and 35%+ traffic growth over the last 5 years



As of December 31, 2023 ARPD includes D2C Media and Dealer Count includes the addition of 950 D2C Media only customers.



Strong Financial Profile and Free Cash Flow Generation

Our model delivers diversified revenue

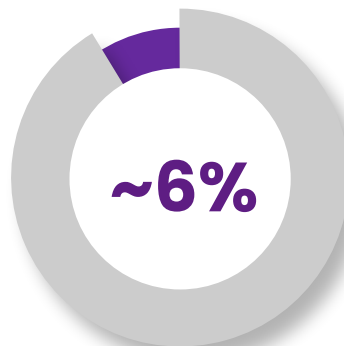
Revenue Mix



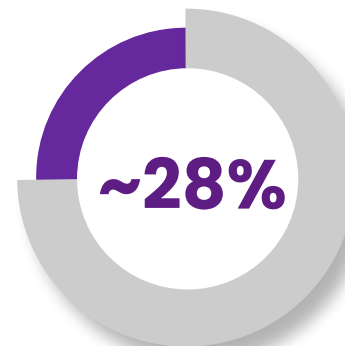
Includes marketplace
subscriptions and digital
solutions

 Subscriptions 82%  Non-recurring 18%

No One Customer Drives the Business¹



~6% of CARS
dealers (~1,100 dealers)
**Generate ~20% of
CARS Revenue**



28% of CARS dealers²
(~5,300 dealers)
**Generate ~60% of
CARS Revenue**

¹ Based on total number of dealers invoiced over the course of the twelve months ended December 2023; Revenue is for Marketplace and DealerRater Legacy customers only

² Includes the 5.7% of CARS dealers that represent 20% of revenue

We are strategically deploying capital to maximize shareholder value

Flexible Capital Structure

TERM LOAN + RCF ¹	NOTES ¹	CASH ¹
\$90.0MM	\$400.0MM	\$39.2MM
UNDRAWN ON REVOLVING CREDIT FACILITY ¹	NET LEVERAGE RATIO ¹	YTD SHARES REPURCHASED ²
\$195.0MM	2.3x	1.7MM

Balanced Capital Allocation Framework

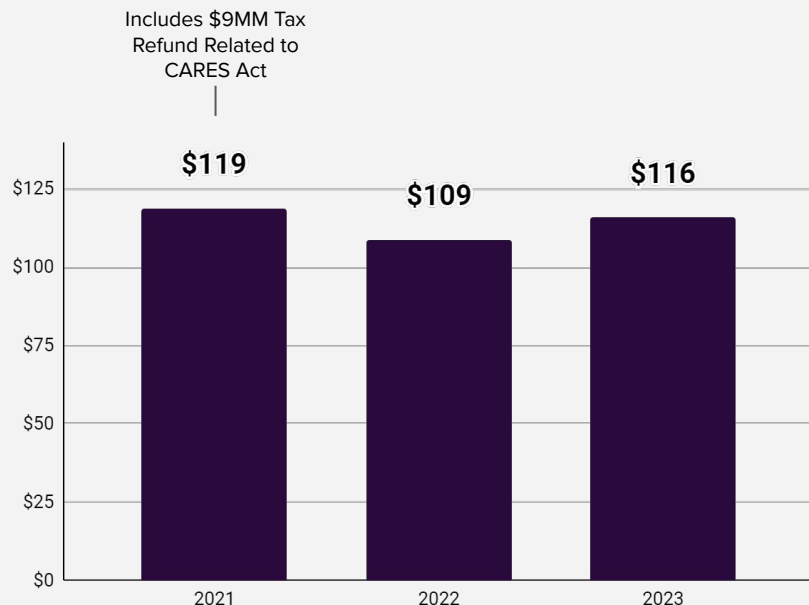
- ✓ Investing in organic growth initiatives
- ✓ Executing value-accretive M&A
- ✓ Target Net Leverage Ratio of 2.0x to 2.5x
- ✓ Returning capital to shareholders

¹ As of December 31, 2023

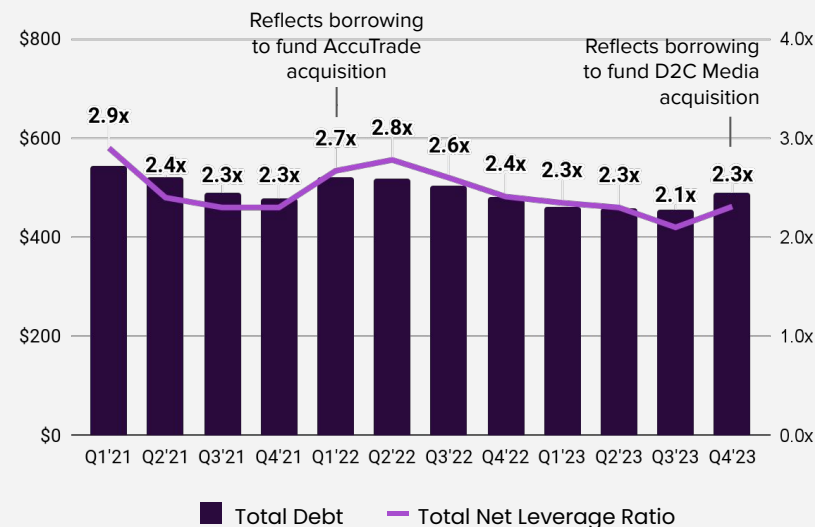
² For the period ended December 31, 2023

Robust Cash Flow, Solid Balance Sheet

YTD Free Cash Flow Trend (\$MM)



Total Debt (\$MM) & Net Leverage Ratio



Roadmap for Growth

Five Key Growth Drivers for long-term success

Grow
Consumers

Grow Dealer
Customers

Unlock the
Cross-Sell

Transform
OEM
Relationships

Create
Platform
Advantages

1. Cars Commerce Platform Advantage
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6. Roadmap for Growth

Appendix

Led by an Experienced, Diverse Leadership Team



Alex Vetter
Chief Executive
Officer



Sonia Jain
Chief Financial Officer



Angelique Strong Marks
Chief Legal Officer



Doug Miller
President & Chief
Commercial Officer



Joe Chura
Chief Innovation Officer



Matthew Crawford
Chief Product Officer



Greg Heidorn
Chief Technology
Officer



Emily Rhomberg
Chief People
Officer



Julien Schneider
Chief Strategy Officer



Marita Hudson Thomas
Chief Communications
Officer



Jandy Tomy
EVP of Finance &
Treasurer



Jennifer Vianello
Chief Marketing Officer

Non-GAAP Reconciliations

(unaudited and in thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Reconciliation of Net income to Adjusted EBITDA				
Net income	\$ 8,346	\$ 10,262	\$ 118,442	\$ 17,206
Interest expense, net	8,254	8,442	32,425	35,320
Income tax (benefit) expense	(6,455)	6,200	(100,337)	5,370
Depreciation and amortization	26,619	23,706	101,000	94,394
Stock-based compensation, including related payroll tax expense	7,844	5,390	30,127	22,966
Non-operating foreign exchange income	(2,072)	—	(2,072)	—
Write-off of long-lived assets and other	389	929	1,027	999
Severance, transformation and other exit costs	1,226	960	3,574	4,329
Transaction-related items	11,253	(6,370)	10,698	6,144
Adjusted EBITDA	\$ 55,404	\$ 49,519	\$ 194,884	\$ 186,728

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

Net cash provided by operating activities	\$ 45,140	\$ 37,220	\$ 136,720	\$ 128,511
Capitalization of internally developed technology	(4,764)	(4,739)	(19,602)	(17,886)
Purchase of property and equipment	(543)	(576)	(1,280)	(1,828)
Free cash flow	\$ 39,833	\$ 31,905	\$ 115,838	\$ 108,797

Non-GAAP Reconciliations

(unaudited and in thousands)

Reconciliation of Operating expenses to Adjusted operating expenses for the Three Months Ended December 31, 2023:

	As Reported	Adjustments ⁽¹⁾	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	\$ 30,918	\$ —	\$ (396)	\$ 30,522
Product and technology	25,230	—	(2,518)	22,712
Marketing and sales	58,835	(48)	(1,566)	57,221
General and administrative	23,069	(6,003)	(3,364)	13,702
Depreciation and amortization	26,619	—	—	26,619
Total operating expenses	\$ 164,671	\$ (6,051)	\$ (7,844)	\$ 150,776
Total nonoperating expense, net	\$ (13,044)	\$ 4,745	\$ —	\$ (8,299)

⁽¹⁾ Includes transaction related items, unrealized gain 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 December 31, 2022:

	As Reported	Adjustments ⁽¹⁾	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	\$ 28,875	\$ —	\$ (224)	\$ 28,651
Product and technology	23,166	—	(1,765)	21,401
Marketing and sales	56,515	—	(1,164)	55,351
General and administrative	16,128	(2,373)	(2,237)	11,518
Depreciation and amortization	23,706	—	—	23,706
Total operating expenses	\$ 148,390	\$ (2,373)	\$ (5,390)	\$ 140,627
Total nonoperating expense, net	\$ (3,349)	\$ (5,229)	\$ —	\$ (8,578)

⁽¹⁾ Includes transaction related items, 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 Year Ended December 31, 2023:

	As Reported	Adjustments ⁽¹⁾	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	\$ 122,205	\$ —	\$ (1,571)	\$ 120,634
Product and technology	99,584	—	(9,360)	90,224
Marketing and sales	235,471	(48)	(6,078)	229,345
General and administrative	76,807	(10,797)	(13,118)	52,892
Depreciation and amortization	101,000	—	—	101,000
Total operating expenses	\$ 635,067	\$ (10,845)	\$ (30,127)	\$ 594,095
Total nonoperating expense, net	\$ (36,011)	\$ 3,465	\$ —	\$ (32,546)

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

Reconciliation of Operating expenses to Adjusted operating expenses for the Year Ended December 31, 2022:

	As Reported	Adjustments ⁽¹⁾	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	\$ 114,959	\$ —	\$ (983)	\$ 113,976
Product and technology	89,015	—	(6,851)	82,164
Marketing and sales	221,879	—	(5,068)	216,811
General and administrative	67,593	(8,943)	(10,064)	48,586
Depreciation and amortization	94,394	—	—	94,394
Total operating expenses	\$ 587,840	\$ (8,943)	\$ (22,966)	\$ 555,931
Total nonoperating expense, net	\$ (43,460)	\$ 7,946	\$ —	\$ (35,514)

⁽¹⁾ Includes transaction related items, severance, transformation and other exit costs, and write-off of long-lived assets and other.

Average Monthly Unique Visitors (“UVs”) and Traffic (“Visits”). The Company defines UVs in a given month as the number of distinct visitors that engage with its platform during that month. Visitors are identified when a user first visits an individual Cars.com property on an individual device/browser combination or installs one of its mobile apps on an individual device. If a visitor accesses more than one of its web properties or apps or uses more than one device or browser, each of those unique property/browser/app/device combinations counts toward the number of UVs. Traffic is defined as the number of visits to Cars.com desktop and mobile properties (responsive sites and mobile apps). The Company measures UVs and Traffic via Adobe Analytics. These metrics do not include traffic to Dealer Inspire or D2C Media websites.

Monthly Average Revenue Per Dealer (“ARPD”). The Company believes that its ability to grow ARPD is an indicator of the value proposition of its platform. The Company defines ARPD as Dealer revenue, excluding digital advertising services, during the period divided by the monthly average number of Dealer Customers during the same period. Beginning with the three months ended June 30, 2022, AccuTrade is included in our ARPD metric. No prior period has been recast as it would be impracticable to do so and the inclusion of AccuTrade would have had an immaterial impact on ARPD for prior periods. Additionally, beginning December 31, 2023, this key operating metric includes D2C Media.

Dealer Customers. Dealer Customers represent dealerships using our products as of the end of each reporting period. Each physical or virtual dealership location is counted separately, whether it is a single-location proprietorship or part of a large, consolidated dealer group. Multi-franchise dealerships at a single location are counted as one dealer. Beginning June 30, 2022, this key operating metric includes AccuTrade; however, no prior period has been recast as it would be impracticable to do so. Additionally, beginning December 31, 2023, this key operating metric includes D2C Media.

