August 2023

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. Forward-looking statements include information concerning our dealer customers and our results of operations, our business strategies, strategic alternatives, plans and objectives, market potential, outlook, trends, future financial performance, planned operational and product improvements, potential strategic transactions, liquidity, including draws from our revolving credit facility, expense management and other matters and involve known and unknown risks that are difficult to predict. As a result, our actual financial results, performance, achievements, strategic actions or prospects 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 our current expectations, beliefs, strategies, estimates, projections and assumptions, based on our 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 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 we believe these judgments are reasonable. However, you should understand that these statements are not guarantees of strategic action, performance or results. Our 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 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 presentation. For a detailed discussion of many of these and other risks and uncertainties, see our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and our other filings with the Securities and Exchange Commission, available on our website at investor.cars.com or via EDGAR at www.sec.gov. All forward-looking statements contained in this presentation are qualified by these cautionary statements. You should evaluate all forward-looking statements made in this presentation in the context of these risks and uncertainties. The forward-looking statements contained in this presentation are based only on information currently available to us and speak only as of the date of this presentation. 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 presentation 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 Operating Expenses and Free Cash Flow. 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 we believe they provide meaningful information regarding our performance and provide a basis to compare operating results between periods. In addition, we use Adjusted EBITDA as a measure for determining incentive compensation targets. Adjusted EBITDA also is used as a performance measure under our 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 our lenders, securities analysts, investors and other interested parties to evaluate companies in our industry. For a reconciliation of the non-GAAP measures presented in this presentation 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, these 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) 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. Clear Strategy and Roadmap for Growth
Cars Commerce Platform Advantage
Our comprehensive platform offering

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

Dealer Inspire
Tierless digital marketing tech & services endorsed by OEMs

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

Cars Commerce Media Network
Pure in-market audience across social, video, search & display

Marketplace
Solutions
Media

POWERFUL REPUTATION, FINANCING, AND DATA & ANALYTICS SPAN THE PLATFORM
At the Heart of our Business is a **Vibrant Marketplace**

**Consumer Challenges**
- Too many options
- Price opacity & distrust
- Inconvenient, broken shopping experience
- Gaps in online-to-offline experience

**The Solution**
- ~587MM annual visits
- ~2.4MM new & used vehicle listings
- Trusted, objective editorial content
- Price transparency & comparisons
- ~13MM vehicle, dealership & salesperson reviews

**Dealer Challenges**
- Growing customer expectations
- Inefficient advertising
- Too many disparate solutions
- Disruption from online dealers

**Platform Advantage**
- 1500+ models/trims per year
- 40K+ Dealers
- Multiple Automotive Digital Destinations
- 30+ OEMs

Simplifying everything about buying & selling cars

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## Scaled Platform with Unparalleled Brand

<table>
<thead>
<tr>
<th>Cars Commerce has scale</th>
<th>Cars Commerce is influential</th>
<th>Cars Commerce is the gold standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>$654 MM FY 2022 Revenue</td>
<td>~587 MM FY 2022 visits</td>
<td>~85% Visitors plan to purchase within 6 months¹</td>
</tr>
<tr>
<td>$187 MM / 29% FY 2022 Adj. EBITDA / margin</td>
<td>18,785 Dealer customers⁶</td>
<td>~13MM reviews⁶</td>
</tr>
<tr>
<td>$109 MM FY 2022 Free cash flow</td>
<td>Nearly all of OEMs are customers</td>
<td>62% of our traffic is organic²</td>
</tr>
</tbody>
</table>

### Platform Advantage

- **Cars Commerce has scale**
  - $654 MM FY 2022 Revenue
  - ~587 MM FY 2022 visits

- **Cars Commerce is influential**
  - ~85% Visitors plan to purchase within 6 months¹
  - ~13MM reviews⁶

- **Cars Commerce is the gold standard**
  - #1 Brand awareness³
  - #1 downloaded online auto marketplace app⁴
  - #1 Highest rated mobile platform⁵

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Note: See the appendix for a reconciliation of Non-GAAP financial measures.

¹ CARS internal data as of Q4 2022; ² Q2 2023: Direct + App + SEO; ³ Qualtrics as of June 2023; total brand awareness shown among CARS’ competitive set; ⁴ Downloads versus peers, per App Annie as of June 2023; ⁵ CARS has the highest Apple App Store rating among peers at 4.8/5.0 as of June 2023; ⁶ As of 06/30/2023;
Industry-Leading Brand and Subscription-Based Model Yields Strong Recurring Revenue

Overview

- “~19K dealer customers list new and used inventory on Cars.com on a subscription basis
- Solutions include Dealer Inspire website and digital solutions, FUEL in market video, DealerRater reputation management platform and Accu-Trade vehicle acquisition
- Targeting market leading franchised dealers, dealer groups and independent dealers
- Monthly ARPD of $2,472

Revenue mix

- 91%

Target partners

- 40K+2 Dealers

OEM & National

- Cars.com
- Fuel

- Nearly all OEMs as well as auto adjacent companies advertise with CARS
- Long-term relationships cultivated with target partners
- Solutions range from performance marketing to value-add solutions like lead generation, CPO programs and FUEL in market video

Note: 2.0% of revenue is related to “Other Revenue” which consists of data-driven solutions, revenue partnerships and CreditIQ, Q1 2023

1 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

$168 MM
Q2 2023 Revenue
Operating in a Large and Growing Addressable Market
Significant Headroom in Multi-Billion Dollar TAM

2017: $35BN TAM

Today: $50BN TAM

- Vehicle Acquisition Platform: $12BN+
- Dealership Technology: $4–6BN
- Auto Financing: $1–4BN
- Auto Advertising: $30BN+

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

Sources: Borrell, McKinsey, ACV, Automotive Ventures
Leading Brand with Strong Organic Traffic
Strong Brand Drives Marketing Efficiencies

Cars.com is #1 in total brand awareness

<table>
<thead>
<tr>
<th>Brand</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>cars.com</td>
<td>69%</td>
</tr>
<tr>
<td>KBB</td>
<td>58%</td>
</tr>
<tr>
<td>CarGurus</td>
<td>57%</td>
</tr>
<tr>
<td>Edmunds</td>
<td>37%</td>
</tr>
<tr>
<td>TrueCar</td>
<td>35%</td>
</tr>
</tbody>
</table>

Majority of Traffic Generated Organically

Q2 2023 Cars Commerce Traffic Breakdown

- Paid: 38%
- Direct: 28%
- App: 15%
- SEO: 19%

62% of our traffic is organic

1 Qualtrics as of June 30, 2023; total brand awareness shown among CARS' competitive set
Leading Brand & Strong Organic Traffic

- Q2 Traffic: ~27MM UVs, flat YOY
- 156MM Visits, +5% YOY

Average Monthly Unique Visitors and Visits
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% CAGR\(^1\)
- $21B is spent in Digital, projected to grow at a 5% CAGR\(^1\)

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

1. Based on Borrell Outlook 2022; 2. Based on Borrell Outlook 2022; Average spending for U.S. car dealer with 135 employees
Shift to Digital Solutions

Dealer Inspire Website Customers

Accu-Trade Connected Customers

Q3’20 | Q4’20 | Q1’21 | Q2’21 | Q3’21 | Q4’21 | Q1’22 | Q2’22 | Q3’22 | Q4’22 | Q1’23 | Q2’23

3,000 | 4,000 | 4,500 | 5,000 | 5,500 | 6,000

+500 YOY

Q1’22 | Q2’22 | Q3’22 | Q4’22 | Q1’23 | Q2’23

0 | 200 | 400 | 600 | 800

+650 YOY
- ARPD driven by balance of Marketplace Repackaging and Solution Sales
- Marketplace Packages capture benefit of product development and 30%+ traffic growth over the last 5 years
Strong Financial Profile and Free Cash Flow Generation
Recurring Subscription Revenue from Diversified Customer Base

**Revenue Mix**

- **$654 MM 2022 Revenue**
  - Includes marketplace subscriptions and digital solutions
  - Subscriptions 89%
  - Non-recurring 11%

**No One Customer Drives the Business**

1. **5%**
   - 5% of CARS dealers (~1,000 dealers)
   - Generate ~20% of CARS Revenue

2. **27%**
   - 27% of CARS dealers (~5,000 dealers)
   - Generate ~60% of CARS Revenue

---

1 Based on total number of dealers invoiced over the course of twelve months ended December 2022; Revenue is for Marketplace and DealerRater Legacy customers only

2 Includes the 5.4% of CARS dealers that represent 20% of revenue
Balanced Capital Allocation Framework

**Strong Free Cash Flow**
- Diversified subscription model
- Asset light business model
- Minimal working capital needs
- Modest capital expenditures

**Flexible Capital Structure**
- $58.8MM term loan and $400.0MM notes\(^1\)
- $28.6MM cash\(^1\) & $230.0MM undrawn on revolving credit facility\(^1\)
- 2.3x net leverage\(^1\)
- Repurchased 0.9MM shares\(^2\)

**Strategically deploying capital to maximize shareholder value**
- Investing in organic growth initiatives
- Executing value-accretive M&A
- Target Net Leverage of 2.0x to 2.5x
- Returning capital to shareholders

---

\(^1\) As of June 30, 2023
\(^2\) For the six months ended June 30, 2023
Robust Cash Flow, Solid Balance Sheet

**YTD Free Cash Flow Trend ($MM)**

- H1’20: $49
- H1’21: $67
- H1’22: $34
- H1’23: $46

Includes $9MM Tax Refund Related to CARES Act

**Total Debt ($MM) & Net Leverage Ratio**

Reflects borrowing to fund Accu-Trade acquisition

- Q3’20: 3.8x
- Q4’20: 3.4x
- Q1’21: 2.9x
- Q2’21: 2.4x
- Q3’21: 2.3x
- Q4’21: 2.3x
- Q1’22: 2.7x
- Q2’22: 2.8x
- Q3’22: 2.6x
- Q4’22: 2.4x
- Q1’23: 2.3x
- Q2’23: 2.3x
Clear Strategy & Roadmap for Growth
2023 Strategy: Building Blocks for Our Future

- Best-in-Class Brand and Consumer Experience
- Product Solutions to Help Customers Sell More Cars
- Efficient Technology Systems to Speed Innovation
- Industry-Leading Sales and Customer Support

SUSTAINABLE MARKET LEADERSHIP
1. Cars Commerce Platform Advantage
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4. Well Positioned to Benefit from Accelerating Adoption to Digital Automotive Solutions
5. Strong Financial Profile and Free Cash Flow Generation
6. Clear Strategy and 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
Cars.com Inc.
Non-GAAP Reconciliations
(In thousands)
(Unaudited)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>$ 94,126</td>
<td>$ 5,545</td>
<td>$ 105,605</td>
<td>$ 9,885</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>8,150</td>
<td>9,047</td>
<td>16,394</td>
<td>18,377</td>
</tr>
<tr>
<td>Income tax (benefit) expense</td>
<td>(93,075)</td>
<td>739</td>
<td>(92,030)</td>
<td>(1,782)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>24,669</td>
<td>23,001</td>
<td>48,711</td>
<td>47,554</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>7,720</td>
<td>6,581</td>
<td>14,672</td>
<td>11,998</td>
</tr>
<tr>
<td>Write-off of long-lived assets and other</td>
<td>195</td>
<td>15</td>
<td>330</td>
<td>(31)</td>
</tr>
<tr>
<td>Severance, transformation and other exit costs</td>
<td>661</td>
<td>1,419</td>
<td>1,878</td>
<td>1,811</td>
</tr>
<tr>
<td>Transaction-related items</td>
<td>3,203</td>
<td>(1,043)</td>
<td>(5,574)</td>
<td>(486)</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$ 45,649</td>
<td>$ 45,304</td>
<td>$ 89,986</td>
<td>$ 87,326</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reconciliation of Net cash provided by operating activities to Free cash flow</th>
<th>Three Months Ended June 30, 2023</th>
<th>Three Months Ended June 30, 2022</th>
<th>Six Months Ended June 30, 2023</th>
<th>Six Months Ended June 30, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash provided by operating activities</td>
<td>$ 28,041</td>
<td>$ 11,922</td>
<td>$ 56,182</td>
<td>$ 42,280</td>
</tr>
<tr>
<td>Capitalization of internally developed technology</td>
<td>(4,889)</td>
<td>(4,108)</td>
<td>(10,061)</td>
<td>(7,624)</td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>(309)</td>
<td>(439)</td>
<td>(508)</td>
<td>(931)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>$ 22,843</td>
<td>$ 7,375</td>
<td>$ 45,613</td>
<td>$ 33,725</td>
</tr>
</tbody>
</table>
Reconciliation of Operating expenses to Adjusted operating expenses for the Three Months Ended June 30, 2023:

<table>
<thead>
<tr>
<th></th>
<th>As Reported</th>
<th>Adjustments</th>
<th>Stock-Based Compensation</th>
<th>As Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of revenue and operations</td>
<td>$30,415</td>
<td>—</td>
<td>$(443)</td>
<td>$29,972</td>
</tr>
<tr>
<td>Product and technology</td>
<td>24,956</td>
<td>—</td>
<td>$(2,372)</td>
<td>22,584</td>
</tr>
<tr>
<td>Marketing and sales</td>
<td>58,153</td>
<td>—</td>
<td>$(1,531)</td>
<td>56,622</td>
</tr>
<tr>
<td>General and administrative</td>
<td>17,649</td>
<td>(982)</td>
<td>(3,374)</td>
<td>13,293</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>24,669</td>
<td>—</td>
<td>—</td>
<td>24,669</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>$155,842</td>
<td>(982)</td>
<td>$(7,720)</td>
<td>147,140</td>
</tr>
</tbody>
</table>

Total nonoperating expense, net | $(11,283)   | 3,077       | —                        | $(8,206)    |

(1) Includes transaction related items, 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, 2022:

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<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Cost of revenue and operations</td>
<td>$29,504</td>
<td>—</td>
<td>$(324)</td>
<td>$29,180</td>
</tr>
<tr>
<td>Product and technology</td>
<td>23,117</td>
<td>—</td>
<td>$(2,092)</td>
<td>21,025</td>
</tr>
<tr>
<td>Marketing and sales</td>
<td>54,655</td>
<td>—</td>
<td>$(1,467)</td>
<td>53,188</td>
</tr>
<tr>
<td>General and administrative</td>
<td>17,211</td>
<td>(2,031)</td>
<td>(2,698)</td>
<td>12,482</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>23,001</td>
<td>—</td>
<td>—</td>
<td>23,001</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>$147,488</td>
<td>(2,031)</td>
<td>$(6,581)</td>
<td>$138,876</td>
</tr>
</tbody>
</table>

Total nonoperating expense, net | $(9,101)    | (15)        | —                        | $(9,116)    |

(1) Includes severance, transformation and other exit costs, transaction related items, and write-off of long-lived assets and other.
## Reconciliation of Operating expenses to Adjusted operating expenses for the Six Months Ended June 30, 2023:

<table>
<thead>
<tr>
<th></th>
<th>As Reported</th>
<th>Adjustments</th>
<th>Stock-Based Compensation</th>
<th>As Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of revenue and operations</td>
<td>$60,210</td>
<td>$—</td>
<td>$—</td>
<td>$59,460</td>
</tr>
<tr>
<td>Product and technology</td>
<td>49,057</td>
<td>—</td>
<td>$(4,429)</td>
<td>44,628</td>
</tr>
<tr>
<td>Marketing and sales</td>
<td>116,450</td>
<td>—</td>
<td>$(2,964)</td>
<td>113,486</td>
</tr>
<tr>
<td>General and administrative</td>
<td>35,953</td>
<td>$(2,899)</td>
<td>$(6,529)</td>
<td>26,525</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>48,711</td>
<td>—</td>
<td>—</td>
<td>48,711</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>$310,381</td>
<td>$(2,899)</td>
<td>$(14,672)</td>
<td>$292,810</td>
</tr>
<tr>
<td><strong>Total nonoperating expenses, net</strong></td>
<td>$(11,288)</td>
<td>$(5,182)</td>
<td>—</td>
<td>$(16,470)</td>
</tr>
</tbody>
</table>

(1) Includes transaction related items, 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, 2022:

<table>
<thead>
<tr>
<th></th>
<th>As Reported</th>
<th>Adjustments</th>
<th>Stock-Based Compensation</th>
<th>As Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of revenue and operations</td>
<td>57,256</td>
<td>$—</td>
<td>$—</td>
<td>56,737</td>
</tr>
<tr>
<td>Product and technology</td>
<td>44,424</td>
<td>—</td>
<td>$(3,332)</td>
<td>41,092</td>
</tr>
<tr>
<td>Marketing and sales</td>
<td>111,749</td>
<td>—</td>
<td>$(2,772)</td>
<td>108,977</td>
</tr>
<tr>
<td>General and administrative</td>
<td>33,771</td>
<td>$(3,646)</td>
<td>$(5,375)</td>
<td>24,750</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>47,554</td>
<td>—</td>
<td>—</td>
<td>47,554</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>$294,754</td>
<td>$(3,646)</td>
<td>$(11,998)</td>
<td>$279,110</td>
</tr>
<tr>
<td><strong>Total nonoperating expenses, net</strong></td>
<td>$(18,223)</td>
<td>$(185)</td>
<td>—</td>
<td>$(18,408)</td>
</tr>
</tbody>
</table>

(1) Includes severance, transformation and other exit costs, transaction related items, 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, 2023:

<table>
<thead>
<tr>
<th></th>
<th>As Reported</th>
<th>Adjustments(^{(1)})</th>
<th>Stock-Based Compensation</th>
<th>As Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of revenue and operations</td>
<td>$ 60,210</td>
<td>—</td>
<td>$ (750)</td>
<td>$ 59,460</td>
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<tr>
<td>Total nonoperating expense, net</td>
<td>$ (11,288)</td>
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\(^{(1)}\)Includes transaction related items, 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, 2022:

<table>
<thead>
<tr>
<th></th>
<th>As Reported</th>
<th>Adjustments(^{(1)})</th>
<th>Stock-Based Compensation</th>
<th>As Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of revenue and operations</td>
<td>$ 57,256</td>
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<td>$ (519)</td>
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Definitions: Key Metrics

**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 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 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 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, Accu-Trade is included in its ARPD metric, which had an immaterial impact on ARPD for the quarterly periods. No prior period has been recast as it would be impracticable to do so.

**Dealer Customers.** Dealer Customers represent dealerships using the Company’s 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 Accu-Trade; however, no prior period has been recast as it would be impracticable to do so.