

ANNUAL REPORT · FY2026 · RELEASED 9 AUG 2026

# CAR Group grew FY26 proforma revenue 10% to A\$1,253m and adjusted NPAT 8% to A\$407m, with FY27 guided to further double-digit growth.

+55

## ▲ Positive · results tone

Double-digit constant-currency growth, strong cash and solid FY27 guidance, offset by higher debt, thin franking, tight North America headroom and a falling share price.

Tone runs from -100 to +100 and describes the language of the document. It does not predict the share price.

## The Brief

- Proforma EBITDA A\$700m up 9% (12% constant currency); reported NPAT A\$314m up 14%; adjusted EPS 107.6c up 8% p. 25
- Latin America revenue up 19% and Australia up 7% at a 67% EBITDA margin; North America up 12% and Asia 15% in constant currency p. 26
- Dividend 86.0c, up 8%, but only 30% franked; net debt A\$1,198m, leverage 1.7x; acquisitions cost A\$203m p. 25, 51, 81, 106
- FY27 guidance: revenue +11-14%, adjusted EBITDA +10-13%, adjusted NPAT +9-12% in constant currency p. 27
- CEO changed to William Elliott in August 2025; year-end share price fell to A\$25.76 from A\$37.42 p. 32, 35

## Key figures

| Measure                              | FY2025    | FY2026         | Change | p.  |
|--------------------------------------|-----------|----------------|--------|-----|
| Proforma revenue                     | A\$1,144m | A\$1,253m      | +10%   | 25  |
| Proforma EBITDA                      | A\$641m   | A\$700m        | +9%    | 25  |
| Adjusted NPAT                        | A\$377m   | A\$407m        | +8%    | 25  |
| Reported NPAT (owners)               | A\$274m   | A\$314m        | +14%   | 25  |
| Adjusted EPS                         | 99.8c     | 107.6c         | +8%    | 25  |
| Full year dividend                   | 80c       | 86c            | +8%    | 25  |
| Net operating cash flow              | A\$520m   | A\$577m        | +11%   | 81  |
| Net debt                             | A\$1,079m | A\$1,198m      | +11%   | 106 |
| Net debt to EBITDA                   | 1.7x      | 1.7x           |        | 25  |
| Proforma EBITDA margin               |           | 56%            |        | 8   |
| Year-end share price                 | A\$37.42  | A\$25.76       | -31.2% | 35  |
| Emissions (market-based, scopes 1-3) |           | 26,547.2 tCO2e | +11.7% | 66  |

## Segments

| Segment       | Measure          | Value   | Change | p. |
|---------------|------------------|---------|--------|----|
| Australia     | Proforma revenue | A\$519m | +7%    | 26 |
| North America | Proforma revenue | A\$327m | +12%   | 26 |
| Latin America | Proforma revenue | A\$251m | +19%   | 26 |
| Asia          | Proforma revenue | A\$145m | +15%   | 26 |
| Australia     | Proforma EBITDA  | A\$345m | +8%    | 26 |
| Latin America | Proforma EBITDA  | A\$96m  | +23%   | 26 |

## Guidance

- NEW** FY27 revenue growth (constant currency): **11-14%** p. 27
- NEW** FY27 adjusted EBITDA growth (constant currency): **10-13%** p. 27
- NEW** FY27 adjusted NPAT growth (constant currency): **9-12%** p. 27
- NEW** FY27 net finance costs: **~A\$66-72m** p. 27
- NEW** FY27 D&A; growth: **~16-19%** p. 27
- NEW** FY27 effective tax rate: **~20-21%** p. 27

## What drove it

- ▲ **Webmotors (Brazil) growth.** Latin America revenue +19%, EBITDA +23% on national expansion, dealer revenue and finance p. 26
- ▲ **Australian dealer yield and depth.** Dealer revenue up 8% to A\$270m on leads, yield and depth penetration p. 26
- ▲ **Encar premium products.** Asia revenue +15% from premium products, yield and Home Delivery p. 26
- ▼ **Weak US RV and powersports markets.** Higher rates, softer spending and fuel costs pressured North America volumes p. 7
- ▼ **Currency translation.** Proforma revenue growth 10% reported versus 12% in constant currency p. 25
- ▼ **Higher acquisition and growth investment.** Sales and marketing expenses rose to A\$236.9m from A\$204.0m p. 77

## Forensic flags

What the headline leaves out. Severity is Distil's reading of the disclosure, not a finding of wrongdoing.

- HIGH** **Goodwill headroom in North America is thin.** PwC names North America and Brazil goodwill a key audit matter; North America headroom A\$234.4m is sensitive to discount rate and EBITDA growth. p. 145
- MEDIUM** **Adjusted NPAT exceeds reported by A\$93m.** Adjusted NPAT A\$407.2m versus reported A\$313.7m after adding back A\$81.9m acquired amortisation and A\$27.1m restructuring, M&A; and FX. p. 88
- MEDIUM** **Provisional acquisition accounting.** Syonet and Machines4U fair values are preliminary, with A\$92.8m and A\$45.8m provisional goodwill; Syonet to be finalised within 12 months. p. 128
- MEDIUM** **Franking credits nearly exhausted.** Franking balance A\$0.3m versus A\$9.3m; dividends only 30% franked, down from 40%; Pillar II applies from FY27. p. 110
- LOW** **Prior year restated.** FY25 comparatives restated for revised fair values of DP360 and Pop Sells purchase accounting. p. 77

## Risks disclosed

- North America goodwill headroom is thin.** Recoverable amount exceeds carrying amount by A\$234.4m; a 60bp higher discount rate or 1% lower EBITDA growth erases it. p. 119
- Rising debt and acquisition spend.** Net debt A\$1,198m; acquisitions A\$203m in the year; undrawn facilities fell to A\$246m from A\$431.5m. p. 97
- Cybersecurity threats sharpened by AI.** Large language models raise phishing, impersonation and social engineering risks; controls follow ISO 27001, NIST and PCI DSS. p. 28
- Weak US RV and powersports demand.** Higher rates, softer spending and elevated fuel costs continue to pressure North America volumes. p. 7
- Korean export disruption.** Intermittent Strait of Hormuz closures disrupted shipping routes affecting Encar exports. p. 8

## People

**William Elliott**, Managing Director and CEO: appointed. Replaced Cameron McIntyre; fixed pay A\$1.6m; STI 89.2% of maximum p. 32

**Cameron McIntyre**, Former MD and CEO: departed. Resigned; A\$1,243,892 gardening leave expensed and A\$1,780,490 LTI vested p. 36

**Geoff Trumbull**, Chief Financial Officer: appointed. Fixed pay A\$650,000; granted 104,100 options at A\$23.72 vesting on service alone p. 45

**Kim Anderson**, Non-Executive Director: retiring. Retired from the Board at the AGM p. 32

**Michael Sapountzis**, Company Secretary: appointed. Joined as Company Secretary p. 23

**William Elliott**, Managing Director and CEO: pay. Statutory remuneration A\$4,731,933 versus A\$2,198,941; realised A\$3,976,814 p. 45

## Questions for management

- What returns are expected on Syonet's A\$92.8m provisional goodwill and other acquisitions, and what is the leverage ceiling?
- What is the franking and Pillar II tax outlook for dividends from FY27?
- How exposed is the classifieds moat to AI disruption, given the share price fall?

## What the document doesn't say

- Explanation for the share price decline beyond a reference to AI-driven sector volatility
- Per-acquisition return targets

“The gap between the news and the expectation is where the work is.”

**About this sample.** Produced by Distil from CAR Group Limited's FY26 Annual Report as published on the company's website, lightly formatted for this PDF. Every point carries the page it came from. Distil provides general information only; it does not take into account your objectives, financial situation or needs and is not a recommendation to buy, sell or hold any security. CAR Group is used as an example of Distil's reading and nothing here is a view on its shares.