Carma Limited (ASX: CMA)
ABN 20 648 091 418

ASX Announcement
13 November 2026

2026 Annual General Meeting – Chair & CEO Addresses

In accordance with ASX Listing Rule 3.13.3, Carma Limited ("Carma") attaches the Chair Address and CEO Address to be delivered by Owen Wilson and Lachlan MacGregor at Carma's 2026 Annual General Meeting today.

The AGM Presentation will also be lodged separately following this announcement.

This announcement and the AGM presentation have been authorised by the Board of Directors of Carma

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About Carma Limited

Carma is transforming the way Australians buy and sell pre-owned cars. Headquartered in Sydney, Australia, Carma is a fully digital platform that delivers a simpler, smarter and more transparent experience. With an extensive range of quality vehicles, every car is rigorously inspected and reconditioned through a process that's verified by the NRMA, who have named Carma their Preferred Used Car Dealership.

Customers can buy online and checkout in under 10 minutes with fixed pricing, integrated finance, extended coverage, and a 7-day return policy. Selling is just as seamless: customers receive a fast, data-driven offer and instant payment. It's a safer, smarter alternative to private sales, without the hassle or risk. Visit carma.com.au to learn more.

Chair's Address

Owen Wilson, Chair

A year ago last week, on 5 November 2025, Carma began trading on the ASX. Many of you bought shares in that offer, and others have joined the register since.

I joined the Carma Board because I believe Carma has the opportunity to change the way Australians buy and sell used cars. Today is the first time we have gathered as a listed company, and the first chance I have had to update you on the significant progress the company has made since listing. Thank you for being here.

I will speak about our first year on the ASX, the Board, and our approach to remuneration. Lachlan will then take you through the FY26 results, trading so far this year, and our priorities and outlook for FY27. After that we will move to the formal business of the meeting and to your questions.

A year of growth

The IPO last year raised $100 million, including $70 million of new capital for the company. Carma was not a start-up at listing. Lachlan and Yosuke founded it in 2021, and by the IPO they had already built the model: buy cars straight from their owners, recondition them in a facility of our own, and sell them online. What the prospectus promised was to take that model to scale. Twelve months on, that is what the team has done.

In FY26 Carma delivered 5,416 cars, 86 per cent more than the year before. Revenue rose 59 per cent to $113.8 million. Gross profit doubled to $10.5 million, and we earned more gross profit on each car we sold, even though the average car was cheaper.

Carma is not yet profitable, and the Board watches that closely. The Pro Forma EBITDA loss was $30.2 million. The margin improved by more than 12 percentage points to negative 26.5 per cent, because revenue grew a good deal faster than costs. It has improved every year since the business started. The statutory loss after tax was $49.6 million, including $13.3 million of one-off costs from the IPO and the conversion of our convertible notes.

That is excellent progress. For a team that was also taking the company public, it is remarkable.

Three things made it possible: Sell-to Carma, the reconditioning facility at St Peters, and the brand.

Reconditioning productivity was the key operating measure in our prospectus. It finished the year ahead of forecast, and we left the year well above the forecast exit rate. On the brand, more than half of our sales now come through our own channels, and the NRMA continues to name Carma its exclusive preferred used car dealership.

The market test

We responded in an agile way to the market conditions and the success of Sell-to Carma.

The cars we sold were deliberately older and cheaper than our original expectations. That is a direct consequence of buying from consumers through Sell-to Carma. It lifts the margin we make on each car but it lowers the revenue we book on each car. We would make that trade again.

The market was a different matter. From March the used car market turned. Fuel prices rose sharply, consumer confidence weakened, and across the industry cars took longer to sell. Our prospectus had listed higher fuel prices among the risks to the business, and in our first year that is exactly what we faced. Retail sales slowed, margins were squeezed in the June quarter, and on some prospectus measures we finished behind forecast.

What mattered most to the Board was how the business responded. The team repriced quickly, kept lifting reconditioning output, and moved marketing into our own channels as leads from the classifieds sites fell. Prices have now settled and the business keeps setting new records. Lachlan will give you the details of our trading this financial year.

Governance and the Board

A first year on the ASX is also a year of building the machinery of a listed company: the Audit and Risk Committee, a continuous disclosure framework and the controls behind them, so that you can rely on what Carma tells you, and when.

I want to thank Melinda Snowden, who stepped down from the Board on 28 April this year. Melinda chaired the Audit and Risk Committee through the IPO, and much of our audit and risk framework is her work. Since April the Committee has run with two members, one short of the three our Charter requires, with me as interim chair. The Board set out to fix that, and I am pleased to say it has.

We were delighted to announce that Tanya Cox will join the Board on 1 December as an independent Non-Executive Director and Chair of the Audit and Risk Committee.

Tanya is an experienced audit and risk committee chair on listed and unlisted boards. She spent eleven years as Chief Operating Officer of Dexus and brings both governance depth and operating experience.

Her appointment returns the Committee to its full complement with an independent chair, and the Board to a majority of independent directors.

Remuneration

I would now like to explain the remuneration philosophy of the Board.

Our approach to pay is deliberately simple. Incentives for senior leaders at Carma are paid in equity. Long-term rewards vest only if total shareholder return beats the S&P/ASX 300 Total Return Index. We designed it that way so that management incentives are completely aligned to the returns of shareholders.

For FY26, the Board assessed performance against financial, operational and strategic measures and approved a short-term incentive outcome of 61 per cent of the maximum for our CEO, Lachlan MacGregor, and our Chief Commercial Officer, Yosuke Hall.

The Board believes equity is the right answer for a company at our stage.

An independent remuneration consultant reviewed the framework this year and found no changes were needed for FY27. We welcome your feedback on the Remuneration Report.

The share price

Since listing, our shares have traded below the $2.70 offer price. The Board understands what that means for you, and for the directors and management who hold shares alongside you. We do not take it lightly.

The Board cannot set the share price, but we hold management to account for the things that will influence it over time: continued strong growth in units and gross profit, continued efficiencies in the reconditioning process, and a clear path to positive EBITDA. Those are the measures Lachlan will take you through today.

Alignment

Lachlan and Yosuke founded this company and together they hold about 32 per cent of it. Three quarters of their shares remain in voluntary escrow until after the FY27 results. Your directors hold shares bought at the IPO and on market and have been buying since IPO.

Looking ahead

The Board fully supports the priorities management has set for FY27: the Apollo programme to lift what we earn on every car, our own technology platform with AI doing real work inside the business, and the second shift at St Peters, which doubles reconditioning capacity on equipment we already own. Lachlan will take you through each of these.

We enter FY27 with a sourcing network that has room to grow, a facility with capacity for further growth, and a plan that reaches profitability inside New South Wales. For a company one year on from listing, that is a strong position.

Thank you

Let me close with thanks. To the dedicated Carma team, for a year in which you listed a company, doubled its output and held your nerve when the market turned. To our valued partner, the NRMA, and to our customers for the trust they place in Carma. To my fellow directors. And to you, our shareholders, for staying with us through a first year that tested the business and the people in it. We are excited about Carma's future.

I will now hand over to our co-founder and Chief Executive Officer, Lachlan MacGregor.

CEO's Address

Lachlan MacGregor, Co-founder and Chief Executive Officer

Thank you, Owen, and good morning everyone.

Owen has taken you through the model we have been building since 2021. I'd like to start with why we built Carma in the first place. Then I'll cover how we went in FY26, update on trading so far in FY27, and what we're doing this year to get Carma to profitability.

Why Carma

We started Carma to transform the way Australians buy and sell used cars, because the traditional experience is broken. Our full-stack used car platform is an innovative and disruptive model – it offers a much better experience for customers and is a better business model. We operate in a massive market, worth $118 billion a year nationally and around $34 billion in New South Wales alone. And that market is fragmented, with plenty of white space. There are more than 4,000 dealers nationally, the largest group holds less than a 2 per cent share, and there is no national brand.

Buying a used car traditionally has been a poor experience. Customers fear buying a lemon or being ripped off, and it's a slow and painful process. Carma removes those worries. We have a large inventory selection, and every car is inspected and reconditioned to a standard verified by the NRMA. The whole purchase can be done online, the price is fair and transparent, finance is built in, and there are seven days to return it.

Customers love the experience. We have a 4.5 Google rating, more than 1,000 five-star reviews and a Net Promoter Score above 70, and the NRMA has named us its exclusive preferred used car dealership.

Everything we do today is in New South Wales, and the plan I will describe reaches profitability inside New South Wales alone.

FY26: the model came together

Owen has covered the financial result, so I will be brief. Retail deliveries grew 50 per cent to 3,156 and wholesale grew 180 per cent to 2,260. Gross profit per retail unit rose 35 per cent to $3,300, even though the average car we sold was cheaper. EBITDA margins improved by 1250 basis points.

The bottom row of this slide shows what produced that result. We bought 6,235 vehicles, up 127 per cent. We reconditioned 3,743 retail units, up 99 per cent. And across the year our cars sold four days faster, with online inventory days at 36.

Two years ago we bought most of our cars at wholesale, the way most dealers do, or from people who had already advertised them on a classifieds site. Today nine in ten come direct from consumers who bring their car to a Sell-to Carma centre. That shift drove our FY26 result.

We opened seven centres during the year, taking the network to nine across Greater Sydney, Newcastle and Wollongong. A car bought direct from its owner carries a better margin than one bought wholesale. And because we make an offer on any car, we buy plenty we would never retail, and that supply is what built the wholesale business.

Our St Peters Inspection and Reconditioning facility turned that supply into cars that match our high retail quality standards. We finished the upgrade of the facility in August 2025. Across the year we averaged 15.1 retail units per operating day, double FY25, and in the June quarter we reached 21.7. We did all of that on one shift and the capacity of the facility is more than four times this. Since the year end, we have added a new 25,000 m^2 storage and outbound facility at South Granville to support our growth.

The June quarter

Owen described how the market turned in March. Used car prices fell, and cars took longer to sell. We adjusted our pricing, kept reconditioning output rising, and moved marketing into our own channels. The June quarter was still our biggest yet, with 1,003 retail deliveries.

The cost showed up in two places. Cars we had bought before prices fell were at lower margins, with retail margins impacted and wholesale making a loss for the quarter. And cars took longer to sell, with online inventory days reaching 52.

FY27 so far

During the September quarter, prices stabilised, and margins improved as the quarter went on. The chart on the right splits our retail margin by how long each car was online. Cars sold within 30 days are cars we bought and sold in the same market. They earned about $3,300 of retail gross profit per unit. That is a record, and 10 per cent higher than a year ago. The pressure was in cars online for more than 60 days, as the March softening worked through that stock.

That stock is clearing. Online inventory days are back to 45, and 96 per cent of cars sold within 120 days of listing. Our core retail margin was impacted, with retail and other gross profit per retail unit of $2,900, but still in line with last year. Total gross profit per retail unit was $2,500, down 27 per cent, because of lower wholesale profit and higher write-downs. Wholesale improved through the quarter, and by the end of it was back to where it was before the market turned.

The September quarter was the strongest in our history. We sold 2,100 units, up 105 per cent on the same quarter last year. Retail sales were 1,354, more than double a year ago and 35 per cent up on the June quarter. Revenue was $44.3 million, up 88 per cent, and gross profit was $3.5 million, up 57 per cent. Each of those was a record.

We reconditioned 1,443 retail units in the quarter, an average of 21.9 per operating day, despite a system issue in August and early September that cost us output for a few weeks. It has been fixed, we exited the quarter above that average and are well above that level today.

Sell-to Carma and trade-ins supplied 1,965 cars, 93 per cent of everything we bought. With the wholesale market weak early in the quarter, we were deliberately measured about buying cars we would sell wholesale.

October kept that momentum going. Reconditioning set another record at 25.3 retail units per operating day, double the rate of a year ago. We bought 818 cars, our most in any month, at our highest conversion rate. Customer finance delivered its highest gross margin on record and its highest attach rate in more than a year. The school holidays slowed deliveries early in the month, and they picked up once the holidays ended. We delivered 439 retail units in October, our best start to any quarter. Over the first four months of the financial year we have delivered 1,793 retail units, up 103 per cent on the same period last year, for retail revenue of $49.4 million, up 82 per cent.

What the platform produces per car

FY26 expanded the platform: sourcing, reconditioning, and the unit economics underneath them. FY27 is about what that platform produces per car. We have three priorities, and they work together: Apollo lifts what we earn on each car, our own technology is what lets us change the business quickly, AI gives us operating leverage, and the second shift spreads our fixed costs across twice as many cars.

Apollo. We launched Apollo in July. It puts one question to every process in the company. If we were designing this today, at our current scale, with AI available to do real work, what would we build? Almost every process at Carma was designed for a smaller company, before the tools that exist now, and some things that were not worth building at the old scale are worth building now. For those of the team here today, Apollo is not a cost-cutting programme. Teams will grow where they need to. We are doing Apollo now, at around 500 retail cars a month, because it is far easier to redesign a process before the volume arrives than in the middle of the climb.

The early work is encouraging. The chart on this slide shows the progress so far. Apollo runs in two-week sprints, and the teams set their goals at the start of each one. We have now finished six sprints, from 11 August to 3 November. In that time the teams set 323 goals, and they hit or partially hit 278 of them. The number of goals has stayed above 50 in every sprint, so the pace has held.

Our technology. The second priority comes in two parts. The first is our own platform. Since February we have been moving the core of the business off third-party platforms and onto our own systems, with the core migration due in the first half of FY27. The second is AI doing real work at every step. Since March we have put 19 AI-native systems into production across pricing, valuations, bookings, logistics, merchandising and sales. An AI agent reviews every buying offer before we make it. Every car on the site gets a listing video made by AI. And in the September quarter we switched on AI voice calls to Sell-to Carma sellers.

We are sometimes asked whether AI is a threat to Carma. We see it as an advantage, and there are two parts to that.

First, AI hurts two kinds of companies, and Carma is neither. It hurts companies that sell software, because software is the thing AI makes cheap. And it hurts companies that sell the introduction, the marketplaces and classifieds, because an AI agent can make the match. Carma does neither. We

sell cars. We have no software revenue to defend and no matching fee to lose. And we buy software, and building our own software has just become cheap.

Second, Carma is a digital business, and our competitors are physical ones. That matters because in most industries the gains from a new technology get competed away. Early adopters get a lead, then everyone catches up. Carma is digital in how we deal with customers and in how we run the company, so we can rebuild every step around AI. A physical dealership would have to copy our whole model to do the same. That is why we think our AI advantage will last.

Because we own every step from valuing the car to delivering it, we can rebuild every step around AI ourselves. A dealership running on a shared vendor system gets AI when its vendor ships it.

This slide shows everything we have built this year. Carma now runs on 35 systems we built ourselves in 2026, and 19 of them have AI doing real work inside them. They cover buying, pricing, marketing, sales, vehicle operations, wholesale, and our people and corporate systems. And they change quickly. When someone in the team wants a tool changed, the median time from request to live in production is less than two hours. We have processed over 250 of those requests in 100 days.

Filling the capacity we have built. The second shift at St Peters starts in the March 2027 quarter. It takes reconditioning capacity to around 60 retail units per operating day on the same line and the same equipment, with limited capital expenditure. What it needs is people and training, and we are working with the team now on operationalising the second shift. Supply is ready for it. The nine Sell-to Carma centres that provided 89 per cent of our purchases last year are running with more than 40 per cent spare inspection capacity. And beyond the second shift, a second production line would take us to around 120 retail units a day, or roughly $1 billion of revenue a year.

Progress so far

Two numbers that show this is already working.

The first is revenue per employee. On an annualised basis it was $737,000 in the September quarter, up 44 per cent on the same quarter last year and up from $564,000 across FY26 as a whole.

The second is what we spend on IT and external contractors. In September that spend was running at about $312,000 a month. The changes we have already made take it to about $232,000, a saving of around $1.0 million a year. The changes under way take it to about $163,000, and that figure includes everything we now spend on AI.

Funding

At 30 September we had $29.1 million of available funding: $13.1 million in cash and funds on deposit, and $16.0 million unused on our bailment facility. Net operating cash outflow for the quarter was $10.2 million. Take out the $1.4 million increase in vehicle inventory and $1.7 million of payroll and superannuation timing differences, and it was $7.2 million.

The next leg of growth is working capital, not capital expenditure. The second shift runs on equipment we already own. What grows is the number of cars online, and inventory can be funded

through the bailment facility at 80 per cent of its value, with the facility growing as the inventory does. We drew $10.0 million of it during the quarter to do exactly that.

Outlook

That brings me to the outlook. When we wrote the prospectus, we could not tell you when Carma would be profitable. Today we can tell you the range where we expect it, and when we expect to reach that range.

On 31 August we set out four expectations for FY27. Today we reaffirm them, in the same words.

- **Revenue to grow over 80 per cent.** As we continue to observe the used car market stabilise despite the macroeconomic headwinds, we expect to deliver ongoing unit growth across our retail and wholesale businesses, resulting in FY27 revenue growth of over 80 per cent.
- **Second shift to double reconditioning capacity.** The launch of the second shift at our St Peters facility during the March quarter of FY27 will allow us to increase retail unit reconditioning capacity to 60 per operating day, with minimal additional capital expenditure.
- **FY27 to exit at around 750 retail units per month.** In the final quarter of FY26 we were reconditioning 21.7 units per operating day. With the second shift in operation, we expect to exit FY27 reconditioning more than 35 retail units per operating day, approximately 750 retail units per month, and scaling rapidly.
- **Path to profitability.** We currently expect that Carma can cross over to positive EBITDA when reconditioning in the range of 45 to 60 retail units per operating day on average. We expect to be in this range before the end of calendar 2027.

You will hear from us every quarter. Three things to watch: the second shift starting in the March quarter, retail units reconditioned per operating day, and gross profit per retail unit.

Close

Let me finish with three things to take from today.

First, in FY26 we took the model to scale, and it has been tested. Gross profit doubled. Then the market turned in March. Since then we have delivered a record June quarter, our strongest ever quarter in September, and in October we set new records for buying and reconditioning.

Second, Apollo, AI and scaling are already delivering. Revenue per employee is up 44 per cent. We have taken about $1.0 million a year out of IT and contractor spend. And the second shift starts in the March quarter, a doubling of capacity on the same production line.

Third, Carma is on the path to profitability. We expect to cross over to positive EBITDA when we are reconditioning in the range of 45 to 60 retail units per operating day, and we expect to be in that range before the end of calendar 2027. In October we ran at 25.3.

Finally, I want to thank the Carma team. They doubled the output of St Peters in its first year, opened seven Sell-to Carma centres, delivered a record June quarter in a difficult market, and then

our strongest quarter yet. Thank you to them, to our customers, and to Owen and the Board for their support through our first year as a listed company.

I will now hand back to Owen for the formal business of the meeting.