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

ASX Announcement
27 February 2026

Carma Half Year Results and Trading Update

	H1 FY25	H1 FY26	Change
Retail units	1,179	1,379	+ 17%
Wholesale units	319	846	+ 165%
Total units	**1,498**	**2,225**	**+ 49%**
Revenue	$38.1m	$50.9m	+ 34%
Gross profit	$2.3m	$4.7m	+ 102%
EBITDA (adjusted for IPO costs)[1]	($12.6m)	($13.7m)	- 9%
EBITDA margin (adjusted for IPO costs)	(32.9%)	(26.9%)	+ 600bps
Cash and Cash Equivalents	$7.8m	$58.3m	+ 648%

Carma Limited (**ASX:CMA**) today released its Appendix 4D, Financial Report and Investor Presentation for the half year ended 31 December 2025 (**H1 FY26**).

H1 FY26 key performance highlights

- A total of 2,225 units delivered (comprised of 1,379 retail units and 846 wholesale units), ending the half up 49% vs H1 FY25 (**pcp**)
- Revenue of $50.9 million, up 34% vs pcp
- Strong improvement in gross margin to $4.7 million, up 102% vs pcp and gross profit margin in H1 FY26 of 9.2%
- EBITDA (adjusted for IPO costs) of ($13.7) million representing an underlying EBITDA margin of (26.9%), a 600 basis point improvement over H1 FY25

Carma CEO, Lachlan MacGregor, said:

"We are pleased to announce our first half results with strong revenue growth of 34% to $50.9 million. Gross profit per retail unit increased to $3,400 resulting in an increase in gross margin of 102% to $4.7 million. The gross margin improvements were underpinned by the continued success of our Sell-to Carma offering and operational efficiencies across our reconditioning facility.

We're thrilled with the customer response to our Sell-to Carma offering which is now more accessible with the rollout of an additional four locations during the half. With seven locations open today, this is providing us with an extensive supply of vehicles that is fuelling the growth in both our retail and wholesale businesses.

The completion of our stage one upgrades to our St Peters facility in August 2025 has significantly increased our capacity to recondition vehicles. In Q2 FY26, we saw a 91% increase in the average number of retail units reconditioned per shift compared to Q2 FY25 and, in February, we have taken

[1] EBITDA is a non-IFRS measure and is calculated by adding depreciation and amortisation, finance costs and interest income to profit before tax. EBITDA (adjusted for IPO costs) excludes $3.2 million IPO transaction costs.

another leap forward with an average of 16.2 retail vehicles coming off the line per shift. We expect this trend to continue and that the business will soon be reconditioning over 20 retail cars per shift. Pleasingly this positions us to meet the projections in the Prospectus, with an annualised exit revenue run rate in excess of $200 million.

With a robust cash position of $58.3 million, we are well positioned to build Carma into the leading pre-owned car destination in Australia."

H1 FY26 operational and financial overview

- First half results exceeded the corresponding Prospectus forecast period across all key financial metrics
- Scaling of Sell-to Carma, with four additional locations opened in H1 FY26
- Sell-to Carma including trade-ins accounted for 85% of vehicles purchased, driving margin expansion
- Reconditioning throughput increased 53% to 11.6 retail units per shift, with February 2026 run rate reaching 16.2 retail units per shift
- Improving unit economics, with gross profit per retail unit increasing 73% to $3,400
- Online inventory days down 36% to 30 days in H1 FY26.

Carma's H1 FY26 results exceeded the corresponding Prospectus forecast period across all key financial metrics. The outperformance was driven by the rapid scaling of the Sell-to Carma sourcing channel, a step change in reconditioning throughput at the St Peters facility and improving unit economics across both retail and wholesale.

Sell-to Carma continued to scale as Carma's primary sourcing channel. During the half, 2,415 vehicles were purchased, up 97% on the prior corresponding period. Of these, 2,059 were through Sell-to Carma including trade-ins, up 289%, with this channel accounting for 85% of purchases, up from 43% in pcp. Four new locations opened during the period, bringing the network to six at period end, with a seventh opened in February 2026. The shift toward direct-from-consumer sourcing has generated a broader vehicle mix and fuelled the wholesale channel growth. This broader mix includes older and higher-kilometre vehicles, reducing average purchase prices and average selling prices, with the favourable acquisition economics a key driver of the improvement in gross profit per retail unit.

Reconditioning throughput scaled rapidly following the completion of Stage 1 upgrades at the St Peters facility in August 2025. Retail units reconditioned increased 50% to 1,466, with average units per shift increasing 53% to 11.6. This acceleration continued into the new calendar year, with the February 2026 run rate reaching 16.2 retail units per shift. The next phases of the capacity roadmap, a second shift on the existing line followed by a second production line, provide a pathway to approximately 30,000 retail units per annum.

Revenue increased 34% to $50.9 million, with growth across both retail and wholesale. Retail revenue grew 19% to $41.6 million. Wholesale revenue grew 240% to $8.5 million as the increased volume of vehicles sourced through Sell-to Carma generated supply for the dealer-only auction channel, with wholesale units sold increasing 165% to 846.

Gross profit margin expanded 310 basis points to 9.2%, with gross profit per retail unit increasing 73% to $3,400. The margin improvement reflects three reinforcing drivers: better buying through the Boomerang AI pricing platform and the shift to Sell-to Carma as the dominant sourcing channel; significant scaling of the wholesale operations and corresponding expansion of wholesale margins; and improved days to sell, with online inventory days declining 36% to 30 days and vehicle write-downs reducing 75% to $100 per unit.

Underlying EBITDA margin improved 600 basis points to (26.9%), with operating expenses tracking to the Prospectus forecast. The underlying EBITDA was ($13.7) million, noting this figure includes $0.6 million in public company costs and $0.9 million in Sell-to Carma marketing investment that were not incurred in the prior period. Retail marketing costs declined 170 basis points to 3.9% of revenue, while occupancy and other expenses were held flat at $5.0 million as revenue scaled. Underlying EBITDA excludes $3.2 million of IPO transaction costs expensed through the income statement.

Underlying operating cash outflow was $12.9 million for the half, after excluding $3.2 million of IPO transaction costs and a $1.6 million increase in vehicle inventory to support growth. The bailment finance facility was drawn to $10.0 million at period end, leaving $20.0 million of undrawn capacity.

The loss after tax of $30.6 million includes $13.2 million of non-recurring items: $10.0 million in non-cash convertible note costs (comprising finance costs and fair value remeasurement of the embedded derivative, both extinguished on conversion at IPO) and $3.2 million of IPO transaction costs. Adjusting for these items, loss after tax was $17.3 million, a 9% increase on the prior corresponding period, with the adjusted loss margin improving 780 basis points to (34.0%).

Trading update

On track for Prospectus forecasts. Since listing in November 2025, Carma has continued to scale in line with the growth and financial performance outlined in the Prospectus and we are on track to deliver the key result metrics for the FY26 financial year.

Strong revenue growth to start H2. Revenue from 1 January 2026 to 25 February 2026 is up 76% versus the same period last year driven by continued growth in both retail and wholesale delivered units, partially offset by a lower average sale price.

Record reconditioning rate. The St Peters reconditioning facility continues to ramp up with an average of 13.2 retail units reconditioned per shift achieved in January 2026 and 16.2 achieved between 1 February 2026 to 25 February 2026. Output from the facility is expected to soon be over 20 retail units per shift.

More Sell-to Carma locations. Roll-out of Sell-to Carma locations across New South Wales will continue with four sites planned to launch during H2 FY26.

This announcement has been authorised by the board of directors.

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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.