

Constellation Automotive Group and CarNext combine to create the leading pan-European used car digital marketplace

Constellation Automotive Group (“Constellation” or “the Group”), Europe’s largest vertically integrated digital used car marketplace, today announces the acquisition of CarNext – a leading B2B and B2C digital used car sales marketplace present across 22 European geographies.

The combination of CarNext and Constellation creates Europe’s largest digital used car marketplace, selling more than 2.5 million cars annually for a GMV (Gross Merchandise Value) of €21bn.

As the leading player across Europe’s digital used car market, Constellation trades through three fully digital marketplaces:

- **BCA**, the #1 Business-to-Business (B2B) fully digital used car marketplace in Europe, trading close to 1.7 million cars in 14 European countries through its online and app-based auction platform each year on behalf of dealers, car manufacturers, leasing companies, banks and other corporate customers
- **cinch**, the UK’s leading Business-to-Consumer (B2C) online used car marketplace which is transforming the way consumers buy used cars by allowing them to carry out the process entirely online across thousands of vehicles. cinch launched 12 months ago and has rapidly become the largest pure on-line player in the UK and the fastest growing.
- **WeBuyAnyCar**, the leading Consumer-to-Business (C2B) online car buying platform in the UK, providing over 16 million used car valuations annually and allowing around 600,000 consumers to sell their car online each year in the quickest and most efficient way.

These marketplaces are supported by the most extensive and integrated data and technology infrastructure, car preparation, imaging, storage and transport network across Europe.

Already one of continental Europe’s leading B2C and B2B marketplaces, **CarNext** is expected to sell annualized volumes of 40,000 cars in 2021 via its B2C digital marketplace and 210,000 cars via its digital B2B auction platform. CarNext also benefits from a long-term supply agreement for 250,000 high-quality used cars annually from LeasePlan, one of the world’s largest car leasing companies, to sell through its B2C and B2B marketplaces. CarNext’s digital B2B auction platform operates in 22 countries across a network of buying partners. CarNext’s B2C marketplace is already present in seven of the largest markets across Europe.

The addition of CarNext expands Constellation’s vertically integrated C2B, B2B and B2C marketplace model across seven major European countries and allows the Group to reach unmatched scale, with current annualised volumes of over 100,000 cars traded through its B2C marketplace, 2 million cars through its B2B marketplace, and 600,000 through its C2B marketplace.

Constellation’s marketplaces, technology, data and infrastructure already provide the backbone of the used car market across Europe. The CarNext acquisition will allow Constellation to combine CarNext’s proprietary data analytics and historic European used car transaction data with Constellation’s, creating Europe’s leading used car data.

This transaction is expected to further boost Constellation’s already stellar growth across the UK and continental Europe, and comes after the combined Group raised more than €2bn this year.

Avril Palmer-Baunack, Constellation's Executive Chairman said: "I am delighted that CarNext is joining the Constellation Group. CarNext was one of the first companies in Europe to digitize the consumer used car buying experience and we are looking forward to combining the scale of our respective marketplaces to lead the digital transformation of the used car market across Europe. Data and technology excellence are central to Constellation's ability to continue to innovate and CarNext's proprietary data and extensive European transaction data will give Constellation an edge. The Constellation team and I are looking forward to welcoming CarNext to the Group as we move to the next phase of our growth in Europe."

Sophie Krishnan, Chief Executive Office of CarNext, said: "CarNext is a great fit for Constellation, and I am excited to join the Group. CarNext is focused on allowing customers to find, finance, buy or sell a used car entirely online from a place they can trust. The scope for growth in our core European markets is exceptional and being part of Constellation will allow us to accelerate our momentum and build a leader in the market."

Thibaut Large, Partner at TDR Capital, Constellation's majority shareholder, said: "The used car market is one of the last bastions of the retail market not to be digitized. Like the travel, electronics or apparel market before it, this is just a matter of time. Constellation with its vertically integrated model across C2B, B2B and B2C is leading the way by transforming how consumers and professional buyers purchase and sell used cars online. This combination positions the group to make massive inroads into the €400bn European car market. With €2bn of fresh capital, Constellation is the best capitalised business in the sector and has huge firepower for European expansion."

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