



The Cars



Meet the Cars



Enrique Alvarado
Team Captain
Tenure: 2 years



Dan Foulk
Tenure: 1 Year



Jonathan Babcock
Tenure: 1 Semester



Logan Arciba
Tenure: 4 Years



Justin Perry
Tenure: 1 Year

Company Overview

Justin Perry

16-Jan-26





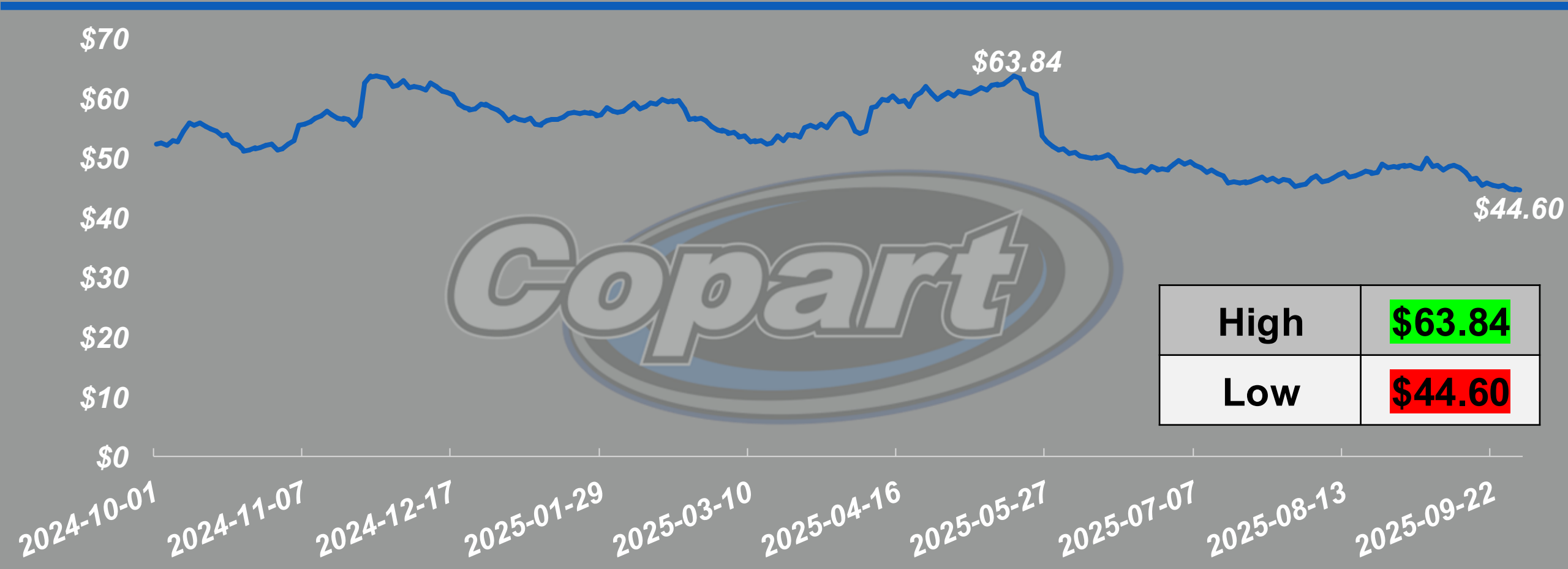
Company Information

- *Ticker: CPRT*
- *Market Cap: \$43.16 Bn*
- *Stock Price: \$44.60*
- *Founded: 1982*
- *IPO: March 17, 1994 at \$12 per Share*
- *Revenue (TTM): \$4.6 Bn*
- *Headquarters: Dallas, Texas*
- *Number of Employees: 11,600*





52-Week Price Performance



High	\$63.84
Low	\$44.60

History



- *1982: Founded by Entrepreneur Willis J. Johnson in Vallejo, California*
- *1994: Johnson Took Copart Public (NASDAQ: "CPRT")*
- *1996: Launched Official Website*
- *2003: Became 1st Online Auto Auction with Purely Online Model (VB2)*
- *2012: Relocated Headquarters from Fairfield, California, to Dallas, Texas*
- *2013: Launched the Online Auto Auction Industry's 1st iPad App*
- *2016: Established International Presence in Brazil, Canada, Ireland, Spain, United Arab Emirates, and United Kingdom*
- *2018: Expanded into Finland and Skyrocketed in Germany*

Management & Capital Allocation

Enrique Alvarado

16-Jan-26

The Copart logo is centered in the right half of the image. It features the word "Copart" in a bold, italicized, white sans-serif font with a thick black outline. The logo is set against a blue oval background with a grey border. The entire image has a background of an aerial view of a parking lot filled with many cars, mostly white and silver, with some red and black cars interspersed. The cars are parked in neat rows, and the perspective is from directly above, looking down at the vehicles.

Experienced Management Team



Jeffrey Liaw (CEO)

Age - 47 years old

Tenure - 9 yrs in CEO, CFO & President(s) roles

Before Copart, worked at Fleetpride, Inc, and TPG Capital Management, L.P.



Leah C. Stearns (CFO)

Age – 44 years old

Tenure – 3 yrs in CFO & Senior VP roles

Before Copart, worked at EdgeConnex, CBRE Group, Inc, & American Tower Corp.



Jayson Adair (Exec Ch.)

Age – 55 years old

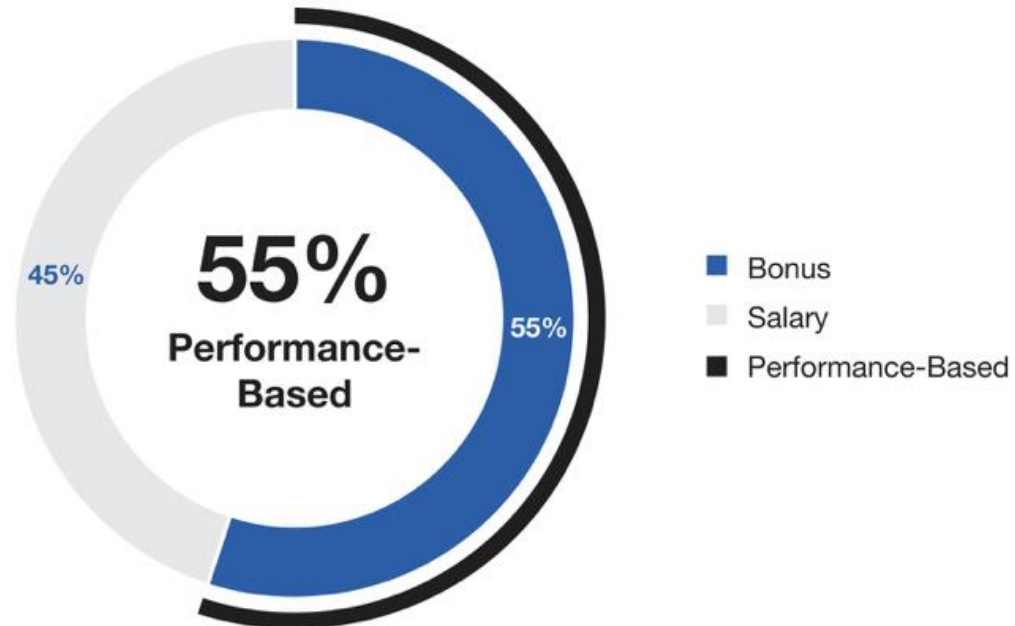
Tenure – 36 yrs in CEO, President, EVP, VP & Manager roles

Part of founding family, Climbed the corporate ladder from manager of operations to CEO at Copart

CEO Compensation Mix FY24



Mr. Liaw Pay Mix for Fiscal 2024





Executive Compensation Table

Executive Officer	Base Salary	AP-B Cash Incentive Program		Equity Compensation	Total
		Operating Income Performance Metric		5 year monthly vestable Stock & Option Awards	
Jeffrey Liaw	\$900,000	Target - \$1,100,000	Actual - \$1,093,400	\$0	\$1,993,400
Leah Stearns	\$566,500	Target - \$453,200	Actual - \$450,481	\$3,275,415	\$4,292,396
Jayson Adair	\$1	N/A		\$0	\$1

Annual Performance-Based Cash Incentive Program



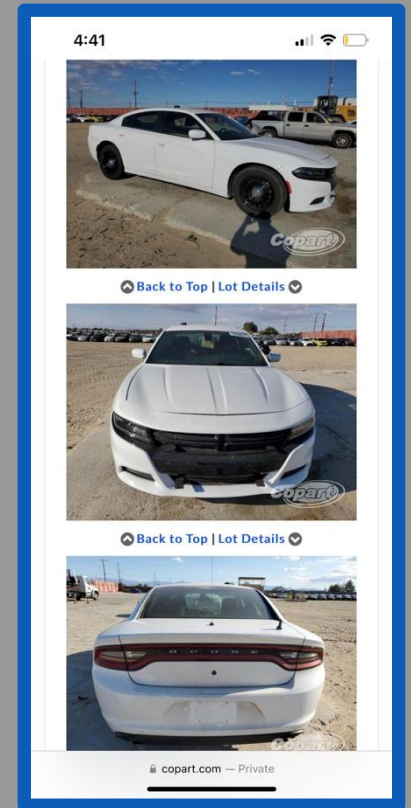
- *Operating Income Target with a threshold of 93% of the performance target amount & maximum payout of 107%*
- *Each NEO also has personal performance goals*



Equity Compensation



- *5-Year Time-based stock options: 20% vest after 1 year, followed by the remaining 80% ratably vesting over the remaining 48 months*
- *Performance-based stock options: Equal to time-based stock options + 125% stock price hurdle to exercise*



Executives & Directors do have Skin in the Game



Jayson Adair & Willis Johnson are founding family members

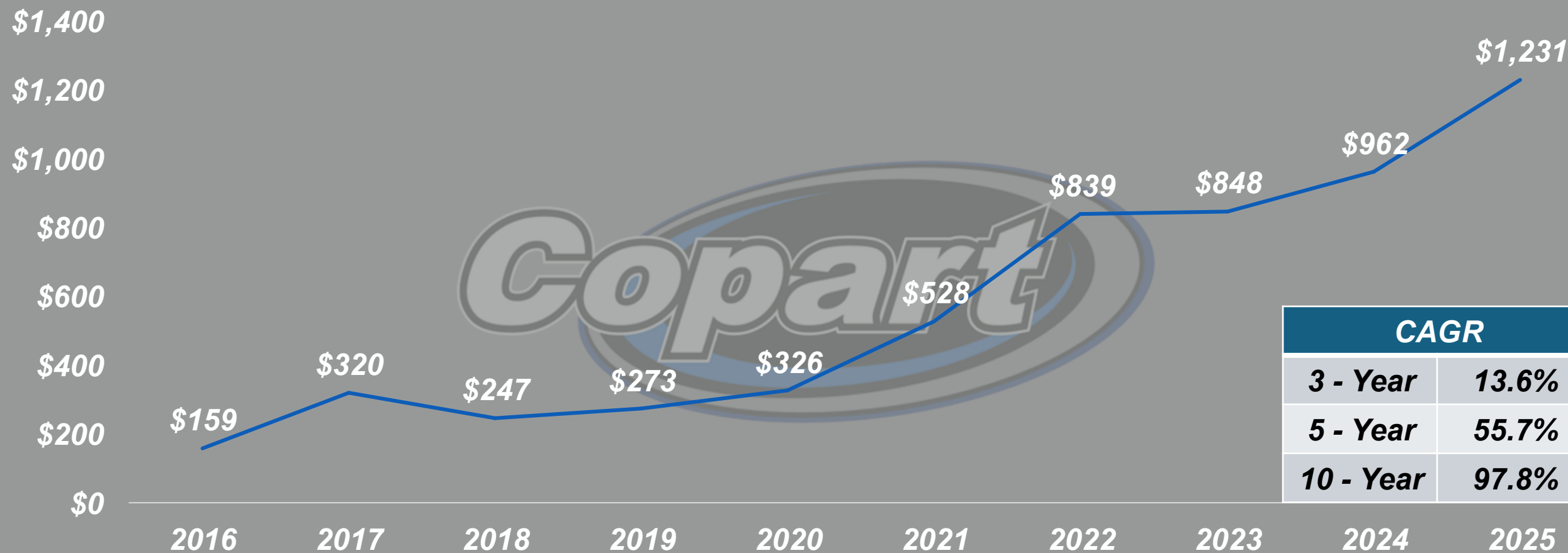
Starting in 2009, Adair(then president) & Johnson(then CEO) agreed to work for \$1 per year if shareholders approved a special 5-year stock option plan

Adair continued this pay structure through 2024 when he stepped down from the CEO role

Name and Address of Beneficial Owner(1)	Number of Shares Beneficially Owned	Percent of Total Shares Outstanding(2)
<i>5% or more beneficial owners, executive officers and directors:</i>		
The Vanguard Group(3)	99,099,835	10.29%
BlackRock, Inc.(4)	78,680,472	8.17%
Willis J. Johnson(5)	55,809,222	5.79%
A. Jayson Adair(6)	30,642,824	3.17%
Matt Blunt(7)	144,678	*
Steven D. Cohan(8)	384,774	*
Daniel J. Englander(9)	1,569,630	*
Stephen Fisher(10)	34,678	*
Cherylyn Harley LeBon(11)	134,678	*
Jeffrey Liaw(12)	2,735,509	*
James E. Meeks(13)	554,578	*
Diane M. Morefield(14)	294,678	*
Thomas N. Tryforos(15)	1,636,313	*
Carl D. Sparks(16)	134,678	*
Leah C. Stearns(17)	201,796	*
<i>All directors and executive officers as a group (13 persons)(18)</i>	94,278,036	9.68%
* Represents less than 1% of our outstanding common stock.		

Free Cash Flow

(Millions of USD)



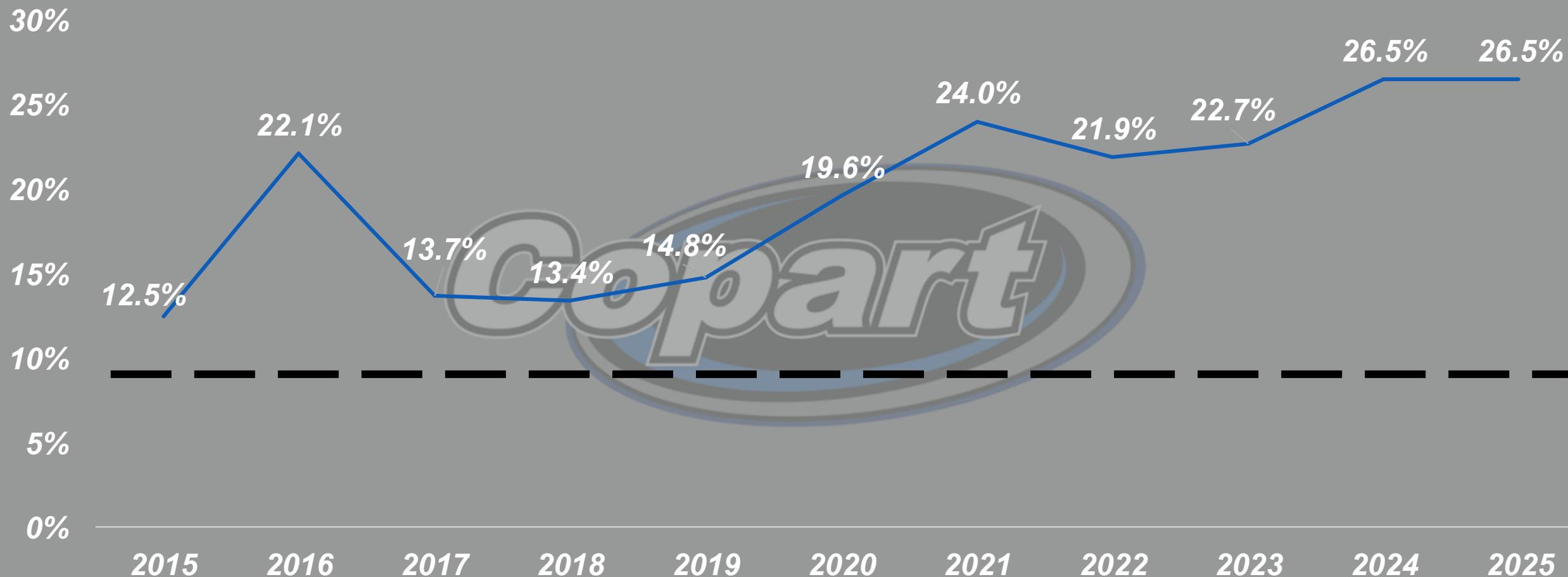
CAGR	
3 - Year	13.6%
5 - Year	55.7%
10 - Year	97.8%

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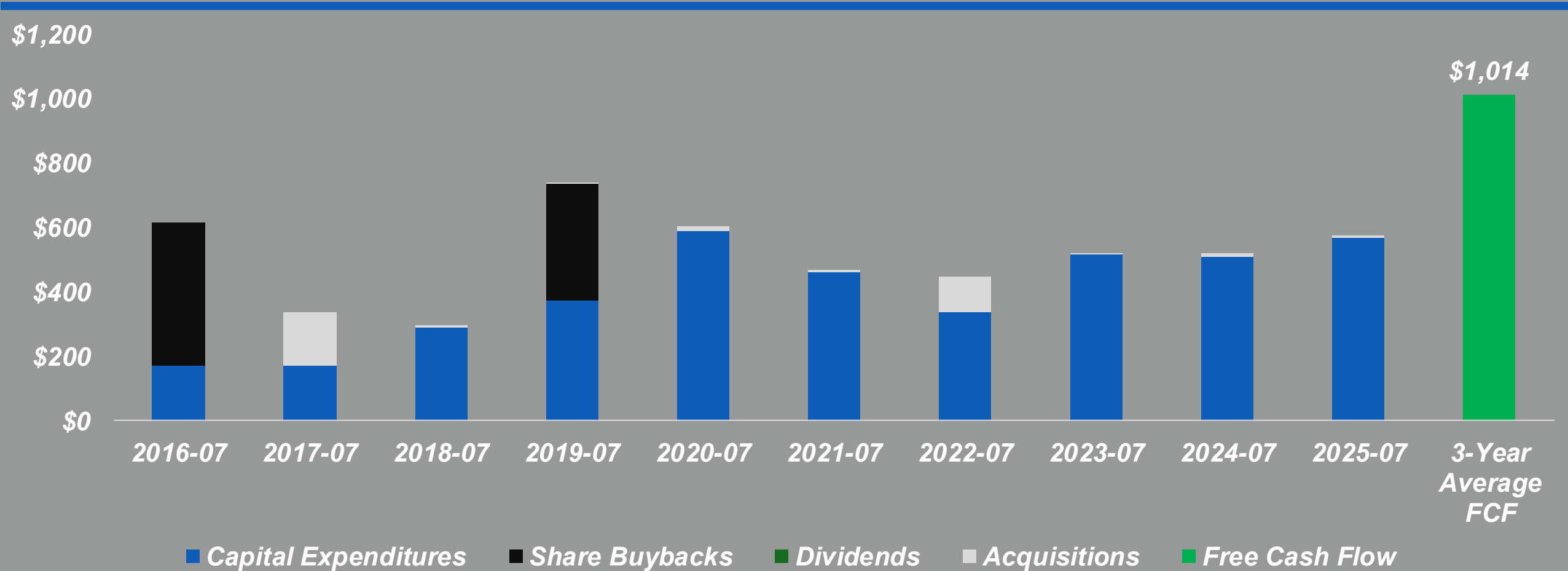
Copart Inc.

**Threshold
>10%**

Free Cash Flow Margin



Capital Allocation

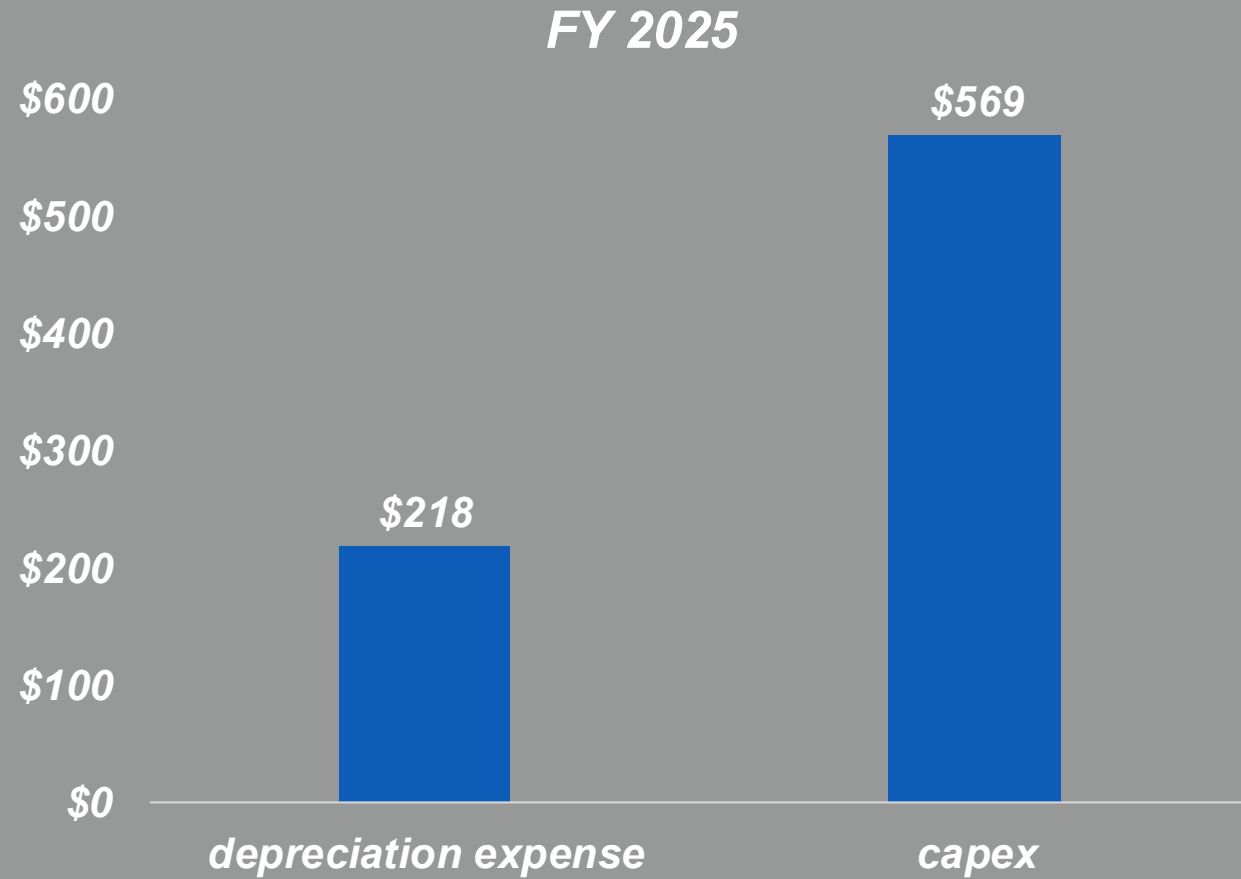




Capital Expenditures

(Millions of USD)

- *Primarily related to acquiring land, opening & improving facilities & other development costs*
- *Fuels future growth & strengthens moat*
- *Capex is consistently far above depreciation, signaling investments for long-term growth*





Strategic Land Acquisition

Copart continually expands its land capacity in the US & internationally to strengthen infrastructure

Copart owns over 200 yards across 11 countries & more than 19,500 acres of land to store vehicles

Land acquisitions “future-proof” the business

- *Defense: Protect against natural disaster volume spikes*
- *Offense: Allow volume growth without risk of service bottlenecks*





Opportunistic Share Buybacks

- *326 million shares still available for repurchase from current authorization*
- *No time limit to program*
- *Most recently repurchased \$365M worth of shares in FY2019*
- *Copart emphasizes reinvestment in their business over share repurchases to fuel growth*



Strategic Business Acquisitions



Bolt-on in nature

2023

- *Purple Wave, Inc. – online heavy equipment & machinery auction company*



2022

- *Hills Salvage & Recycling Ltd (UK) – UK parts recycler*

2017

- *National Powersport Auctions – a top powersport remarketing provider*



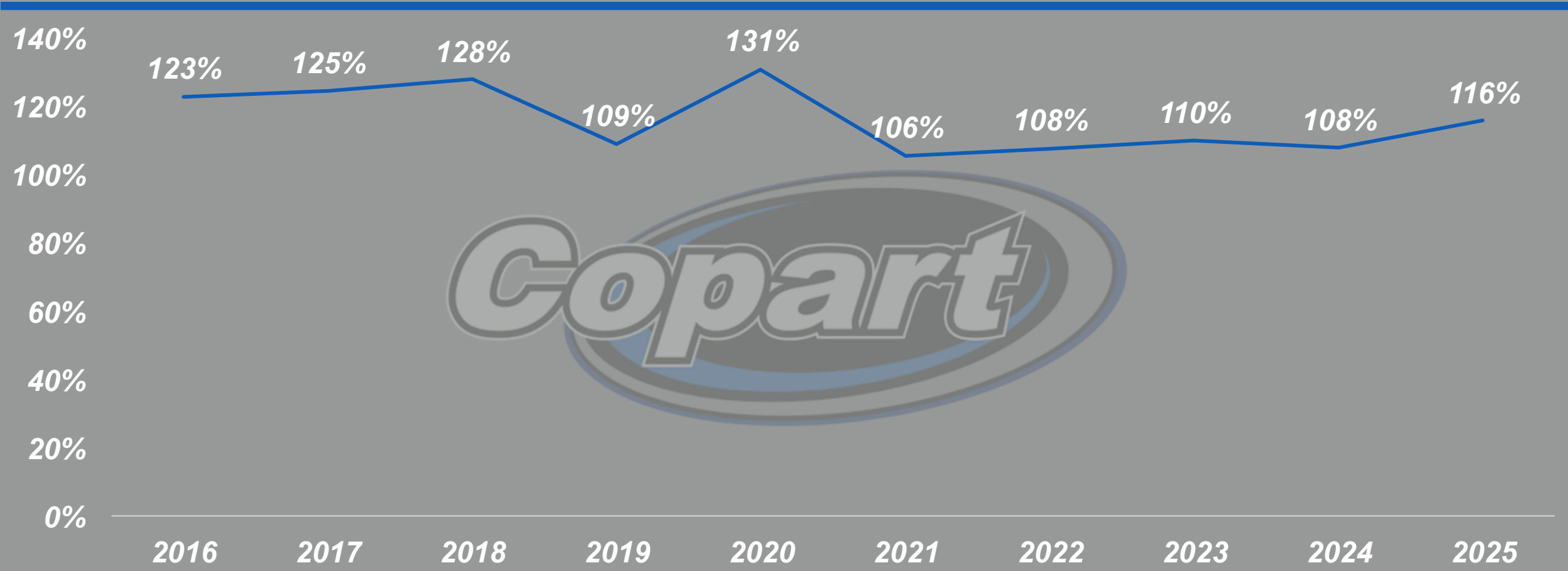
2013

- *CrashedToys - a top powersport online auto auction company*

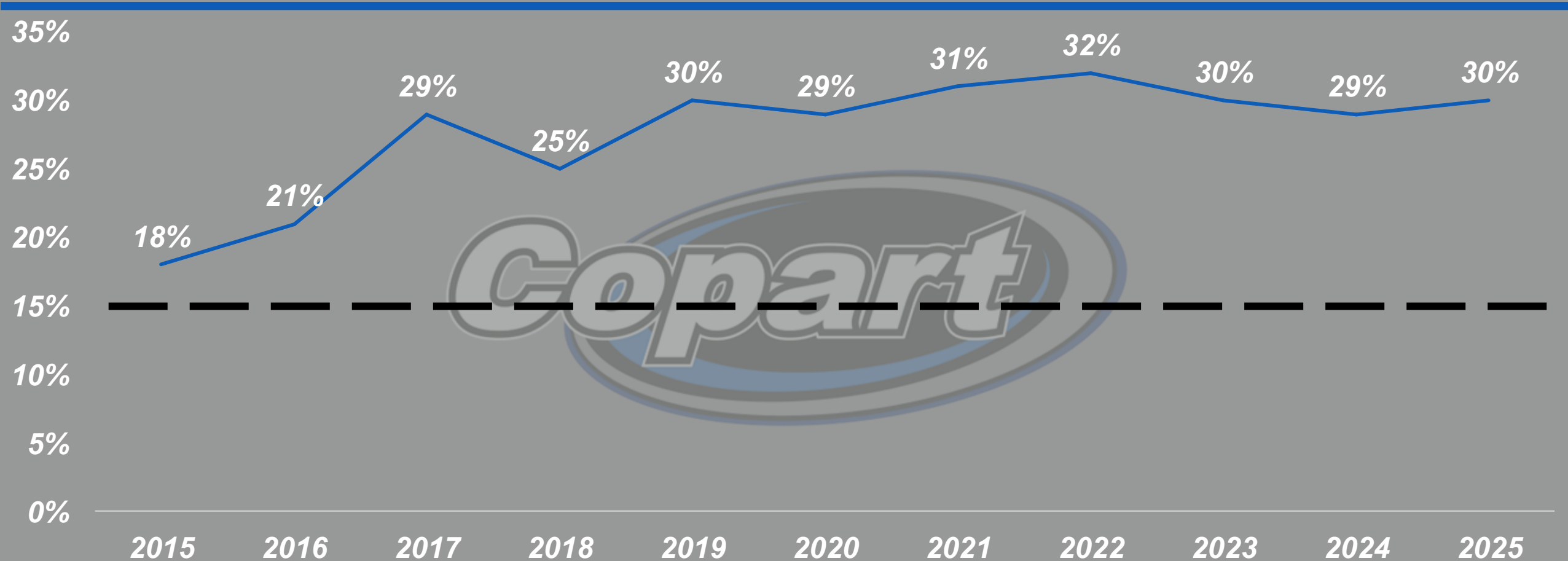




Cash Realization Ratio



Return On Invested Capital (ROIC)



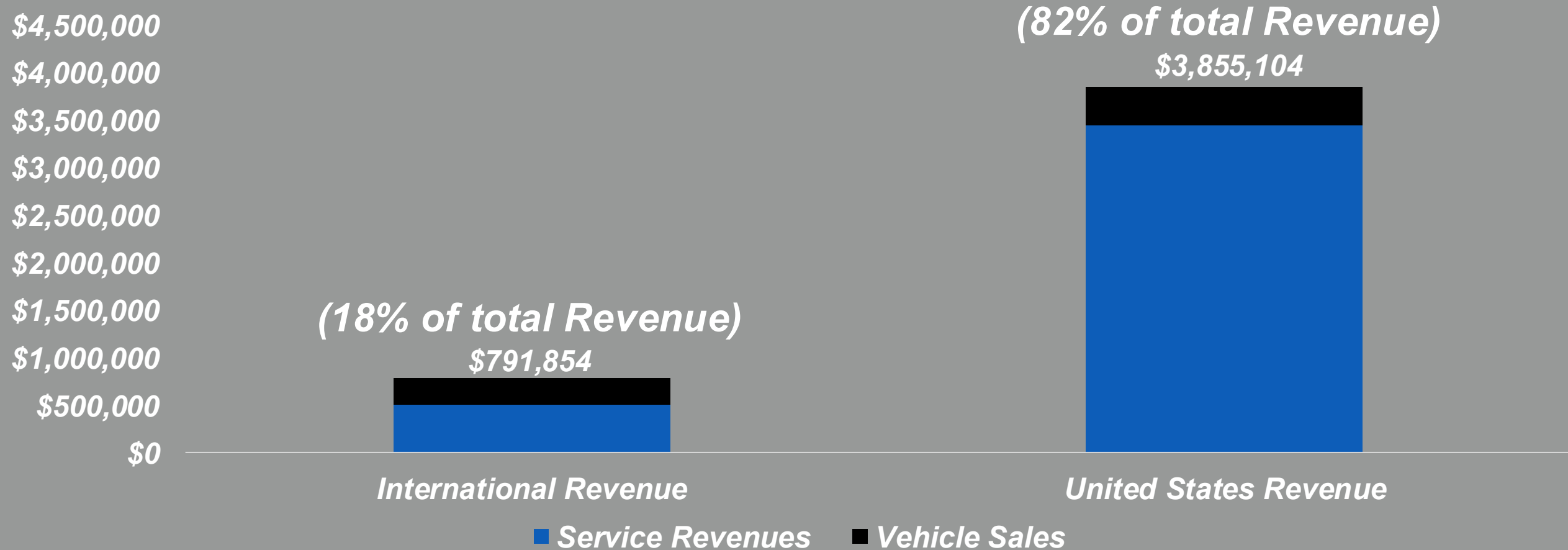
Revenue Breakdown

Enrique Alvarado

16-Jan-26

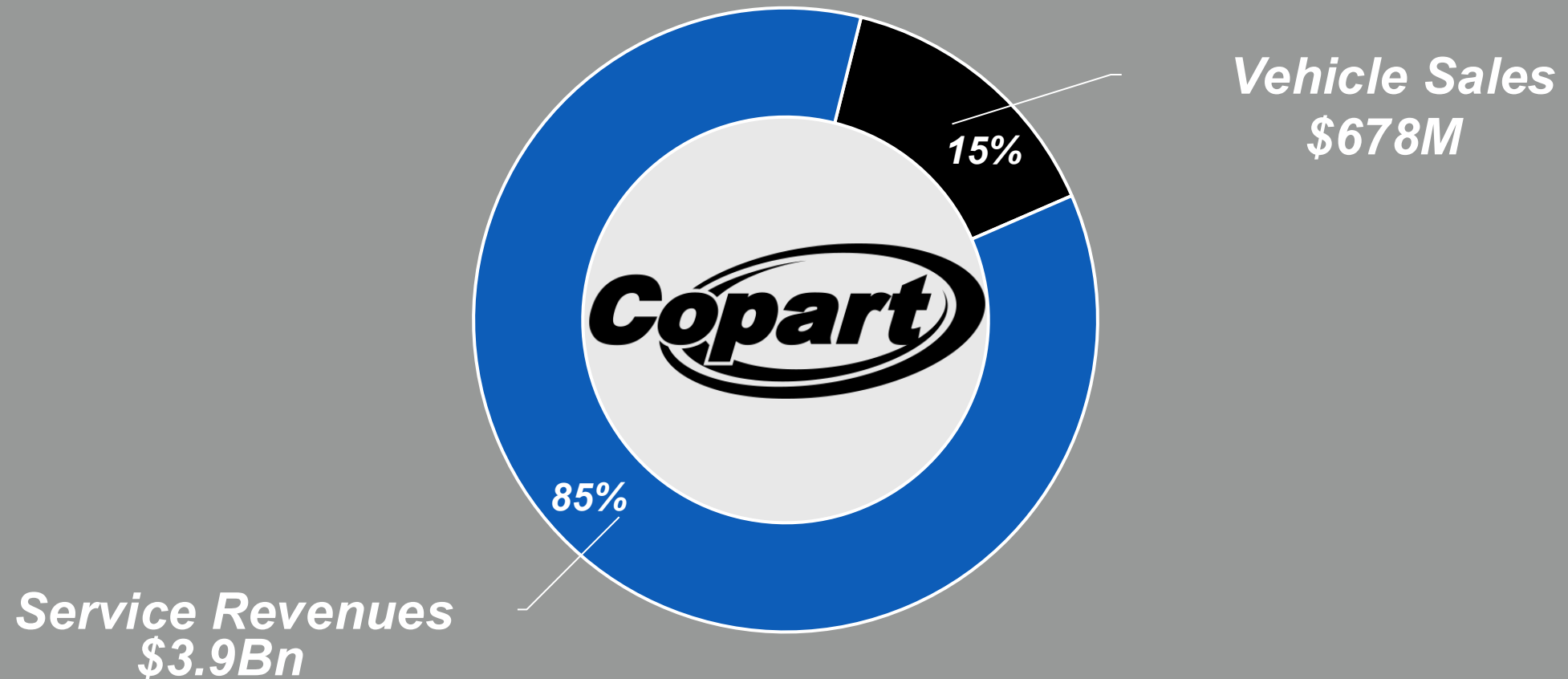


Operating Revenue by Geography FY 2025





FY 2025 Revenue by Segment



Service Revenues



Fees paid by sellers & buyers for the auction process & related services



Service Revenues Continued

Services that apply to each step of the vehicle sales process

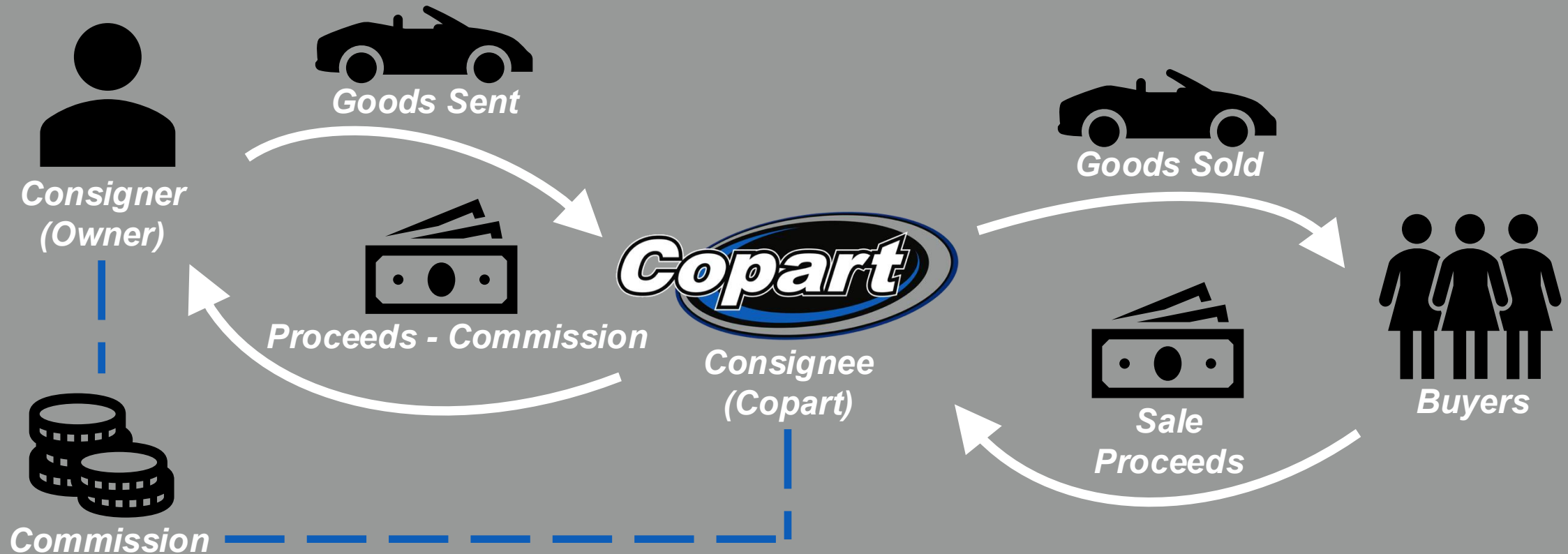
Fees include:

- *Listing fees*
- *Auction fees from sellers*
- *Buyer premiums*
- *Ancillary charges (towing, storage etc.)*
- *Other value added services*



Fees scale with sale type & services rendered during process

Service Revenue: Consignment Model

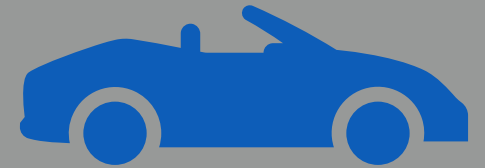


Fixed Fee paid by sellers for the selling process + fees for other incidental costs

Service Revenue: Percentage Incentive Model



- *Consignment roles, but Copart earns a predetermined percentage of the vehicle sale price*
- *Incentivizes selling said vehicles for maximum returns*
- *No transportation fees*



%

Bolt-On Business' Owned



CASHFORCARS.COM
powered by **Copart**


**purple
wave**
AUCTION
(Majority Owned)

**CRASHED
TOYS**

**NATIONAL
POWERSPORT
AUCTIONS** **NPA**

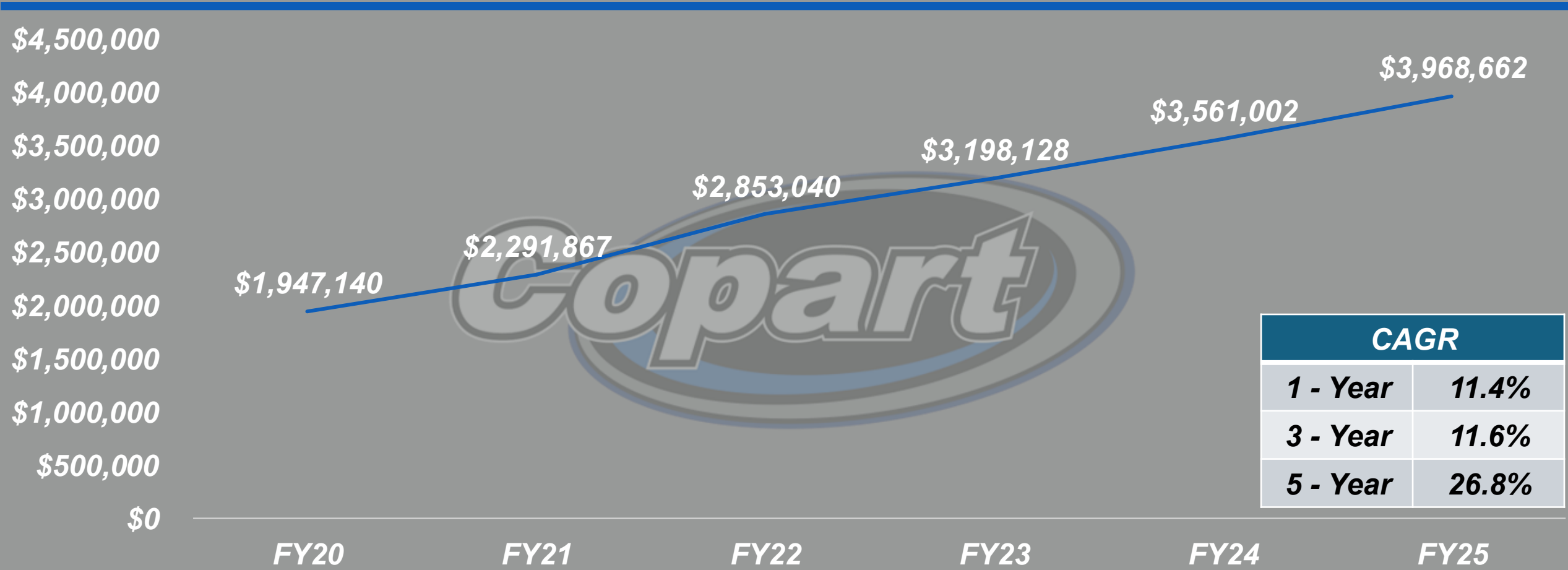
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Service Revenues

(Thousands of USD)



CAGR	
1 - Year	11.4%
3 - Year	11.6%
5 - Year	26.8%

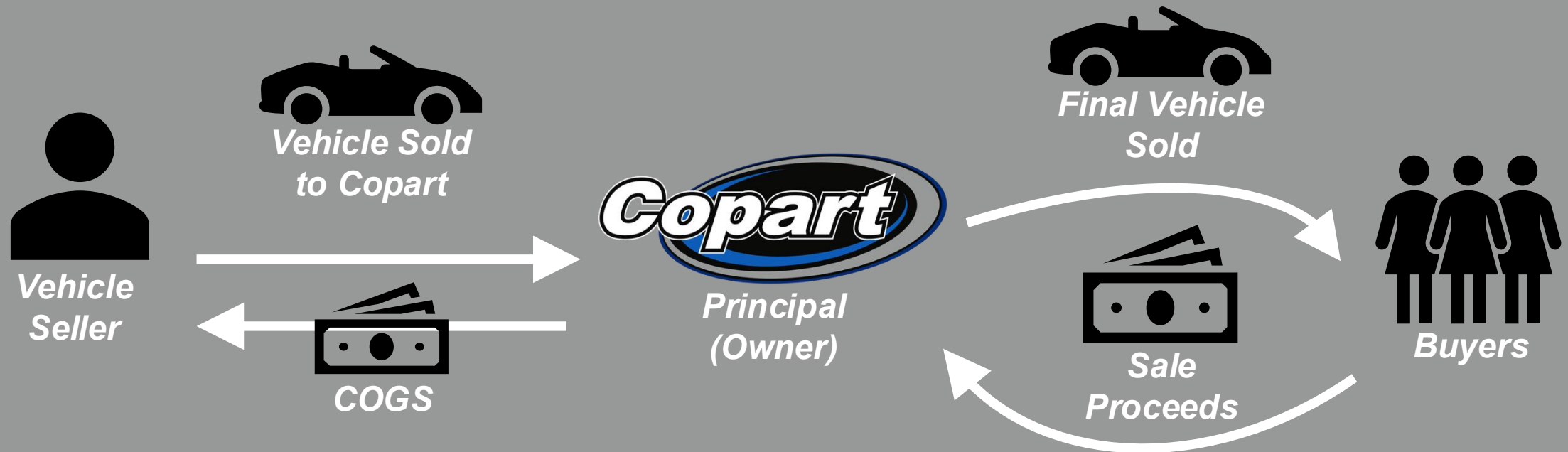
Sales Revenues



Revenues from Copart acting as the principal & selling vehicles they have purchased



Sales Revenue: Purchase Model



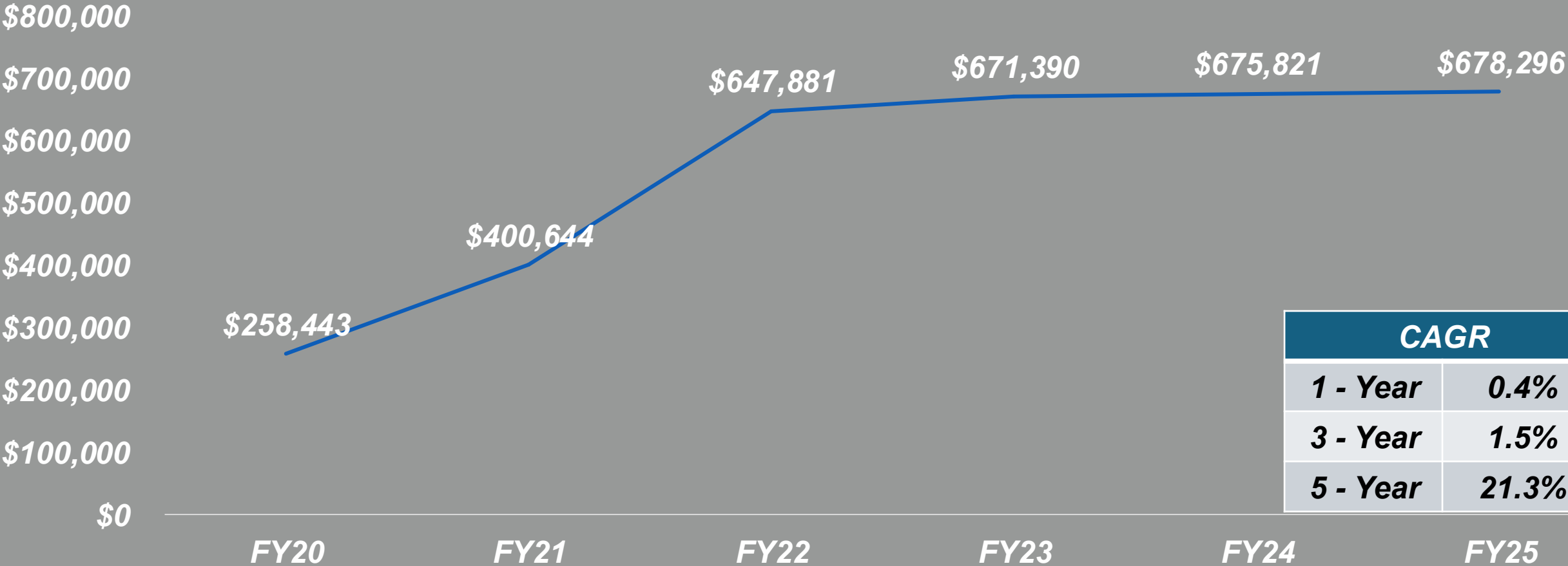
Copart purchases vehicles from a seller at a formula price based on a percentage of the vehicles estimated PAV, then sells them

Primarily offered in the U.K.



Sales Revenues

(Thousands of USD)



CAGR	
1 - Year	0.4%
3 - Year	1.5%
5 - Year	21.3%

Competitor Analysis

Dan Foulk

16-Jan-26



Competitors



Regional Vehicle Auctioneers

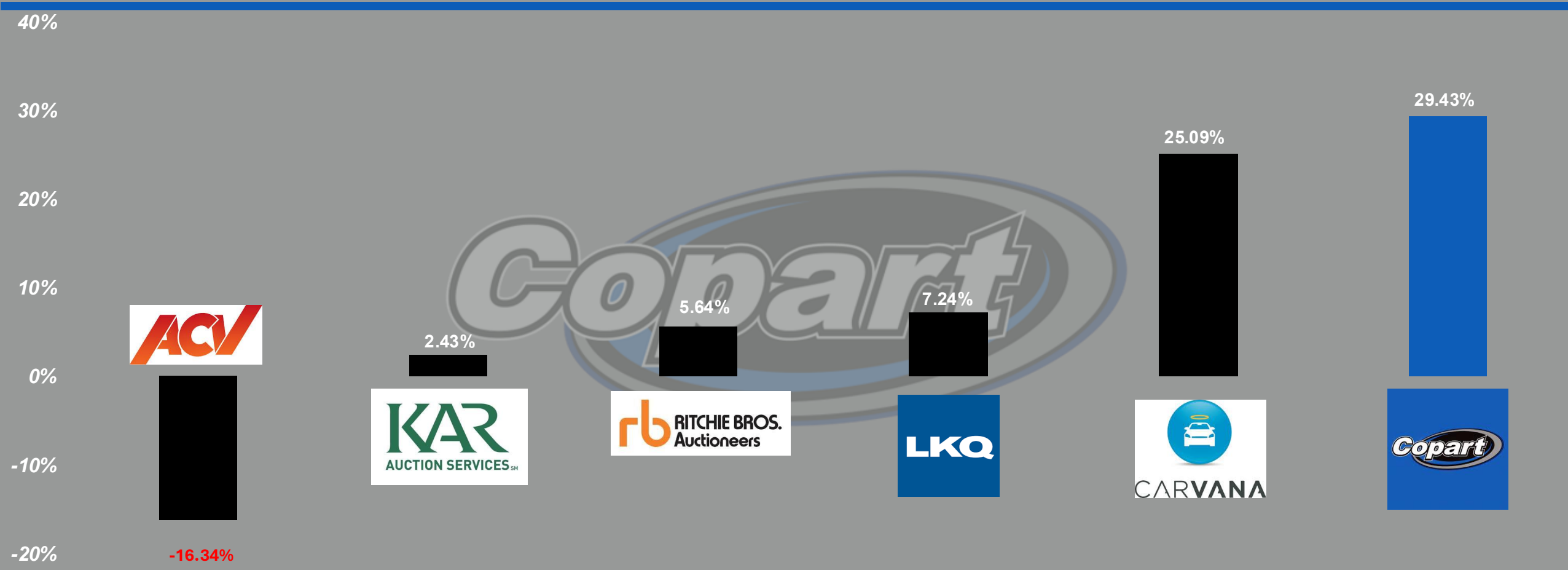


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Return on Invested Capital



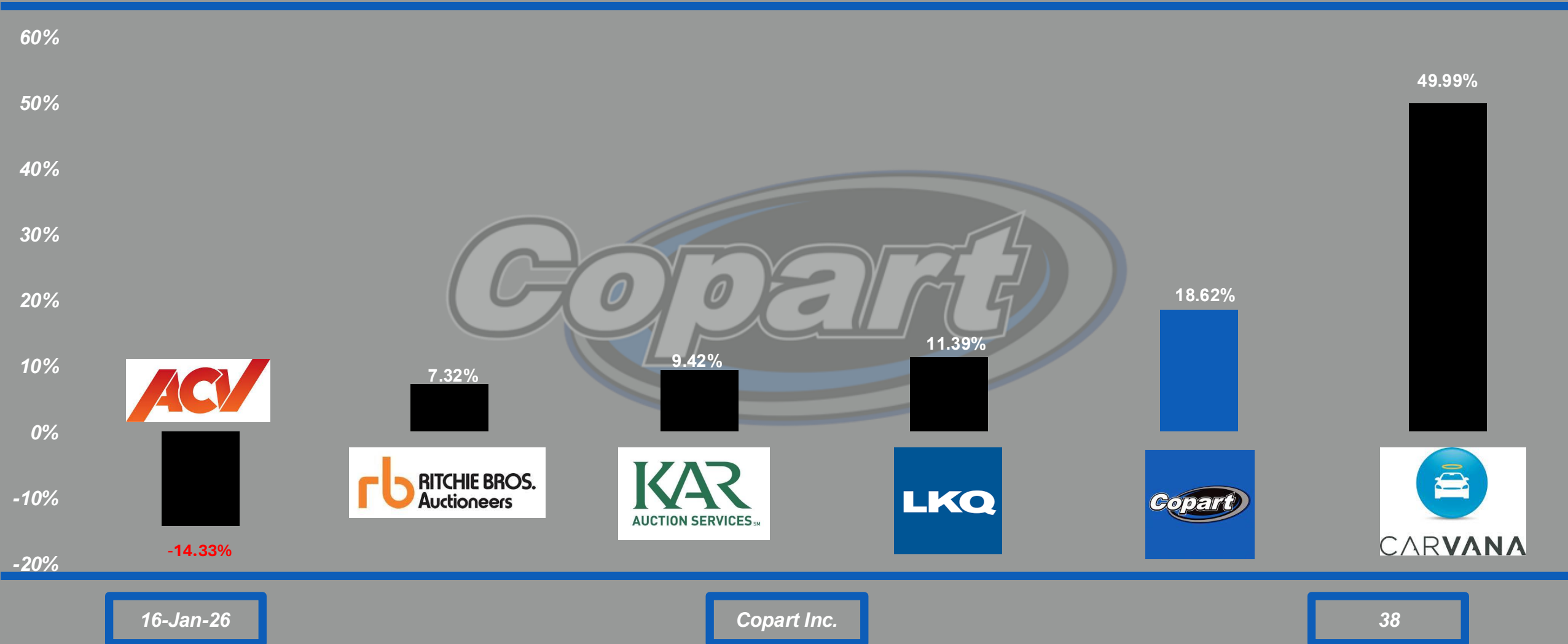
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Copart Inc.

37



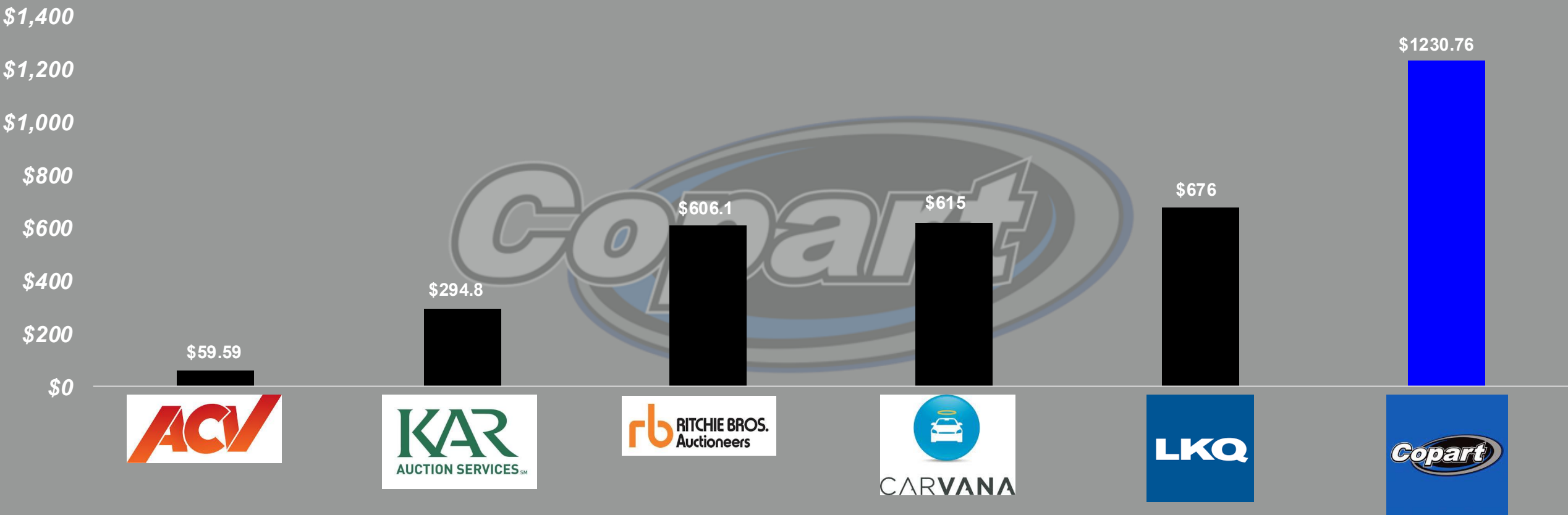
Return on Equity





Free Cash Flow

Millions



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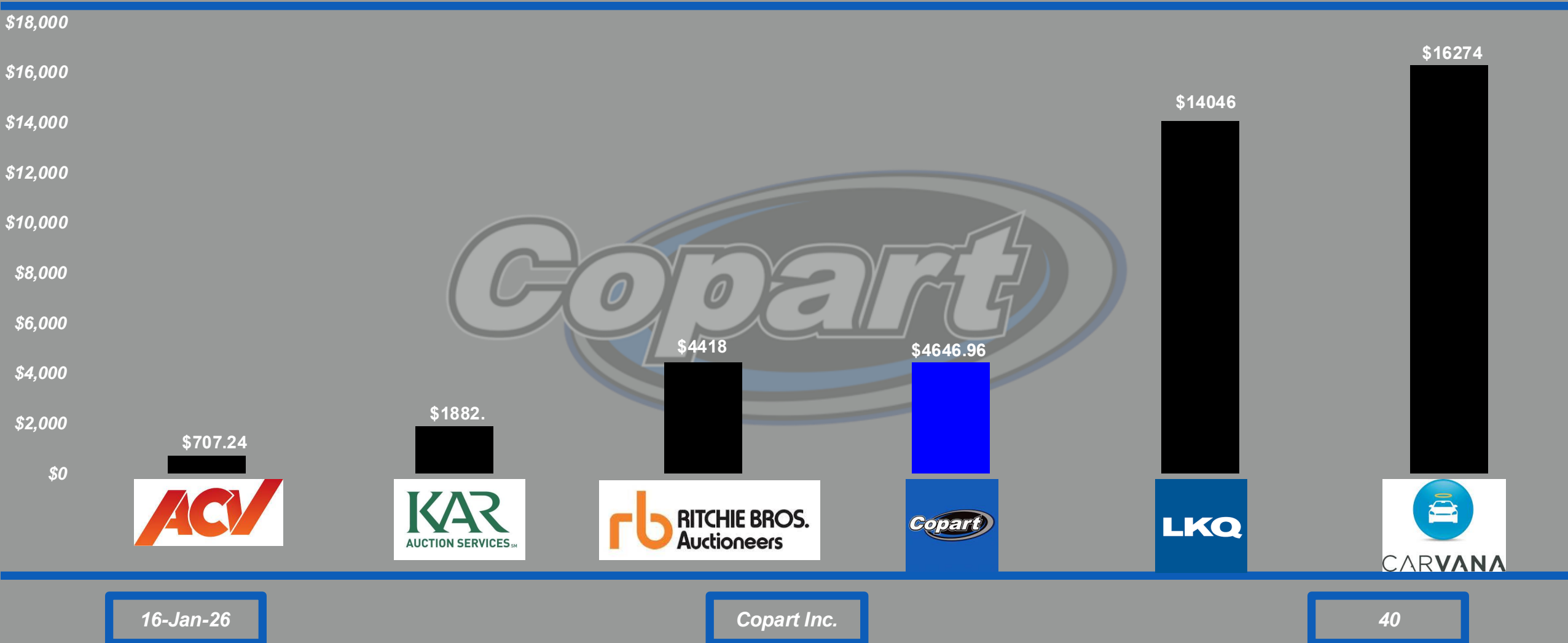
Copart Inc.

39



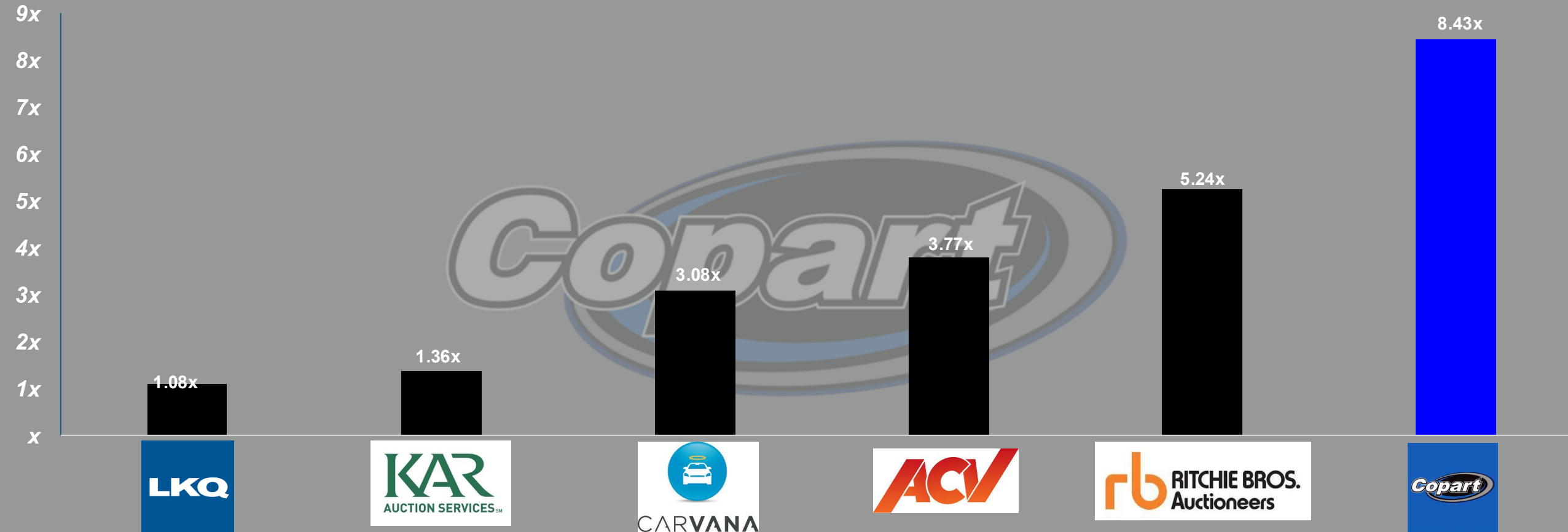
Revenue

In Millions





EV-to-Revenue



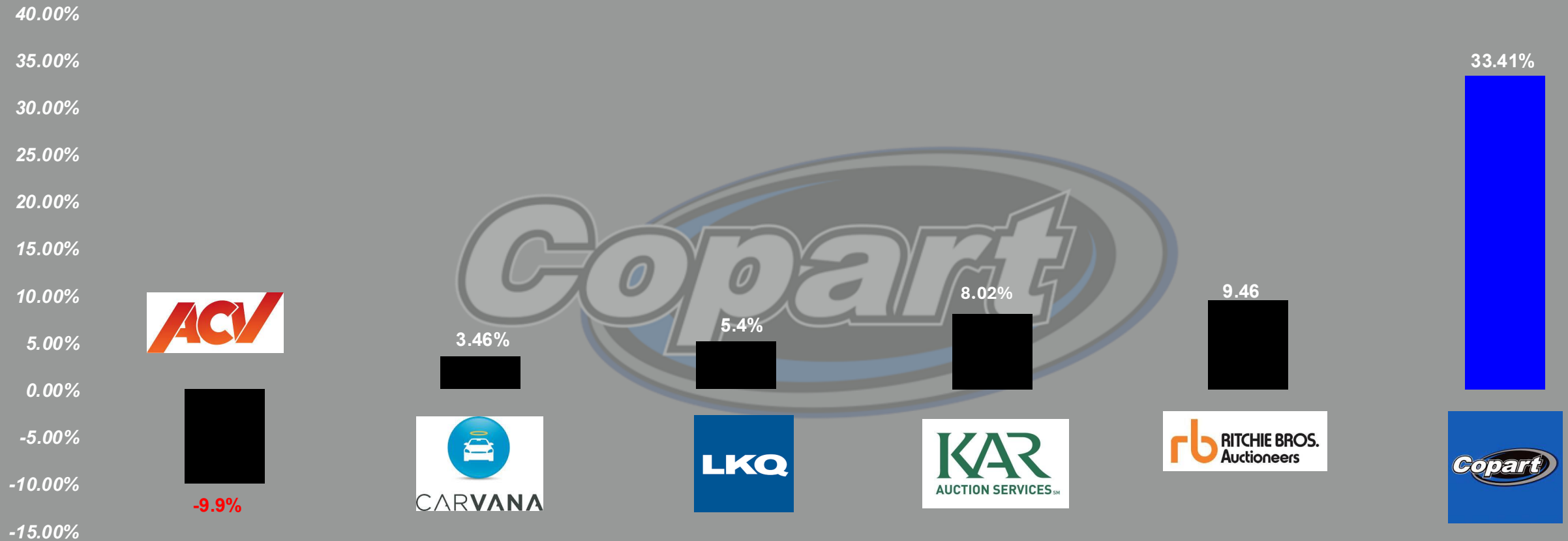
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Copart Inc.

41



Net Margin %



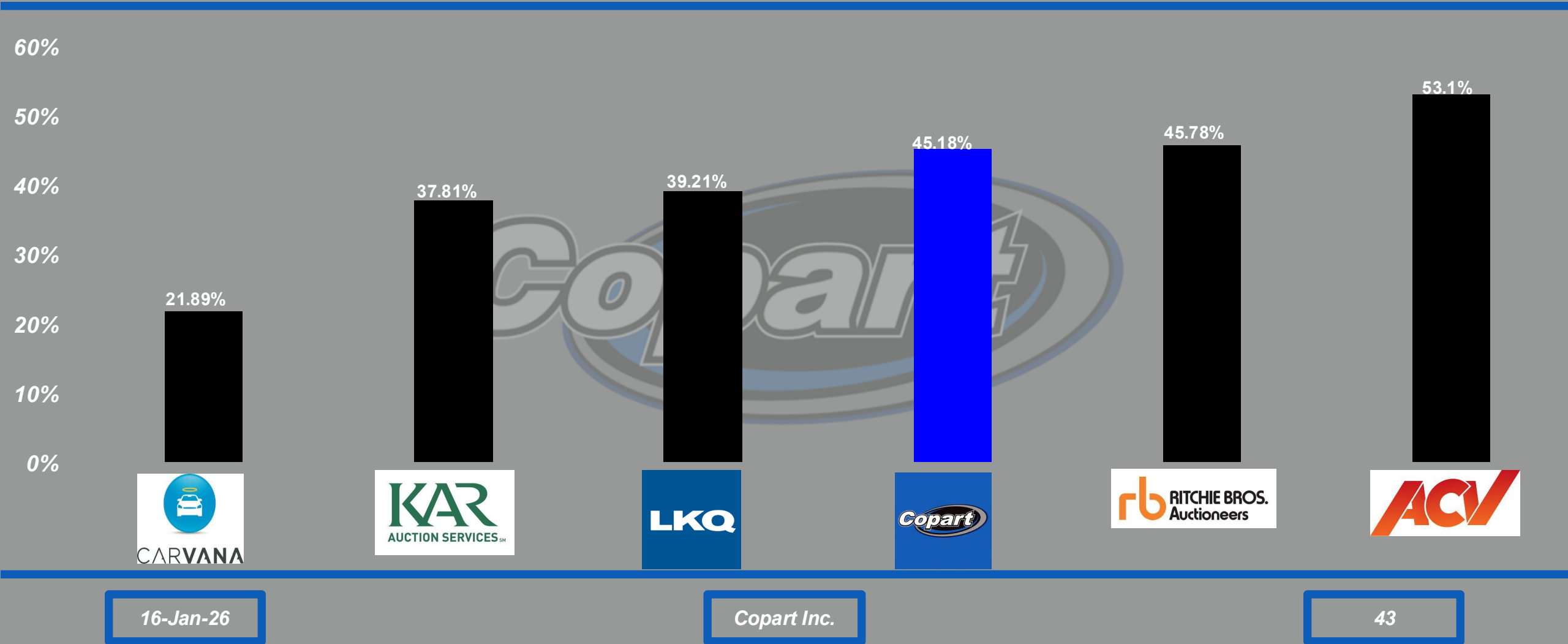
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Copart Inc.

42

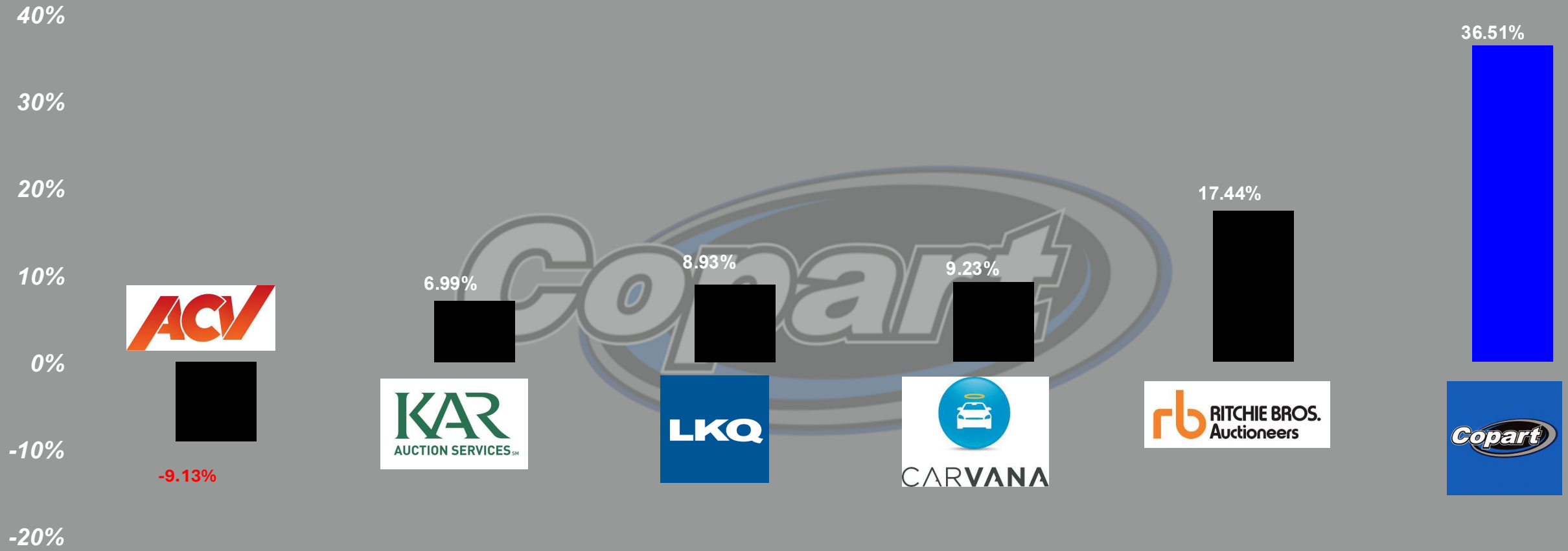


Gross Margin %



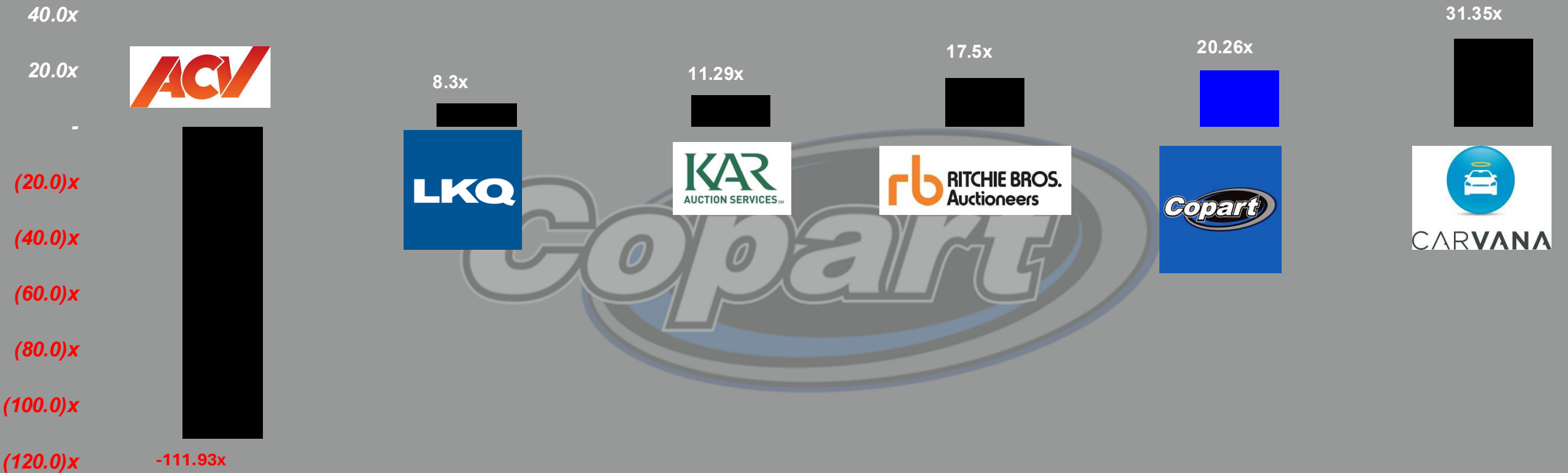


Operating Margin %











EV-to-EBITDA











PEG Ratio

Company	PEG Ratio
	-2.31x
	1.23x
	1.35x
	1.56x
	2.08x
	4.17x



Obligation Ratio

*Measures how long it would
take to pay off obligations
using net income*

Company	Obligation Ratio
 RITCHIE BROS. Auctioneers	9.62x
 LKQ	8.37x
 CARVANA	6.72x
 ACV	1.80x
 KAR AUCTION SERVICES	-0.41x
 Copart	-2.99x

Interpretation of Financial Statements

Jonathan Babcock

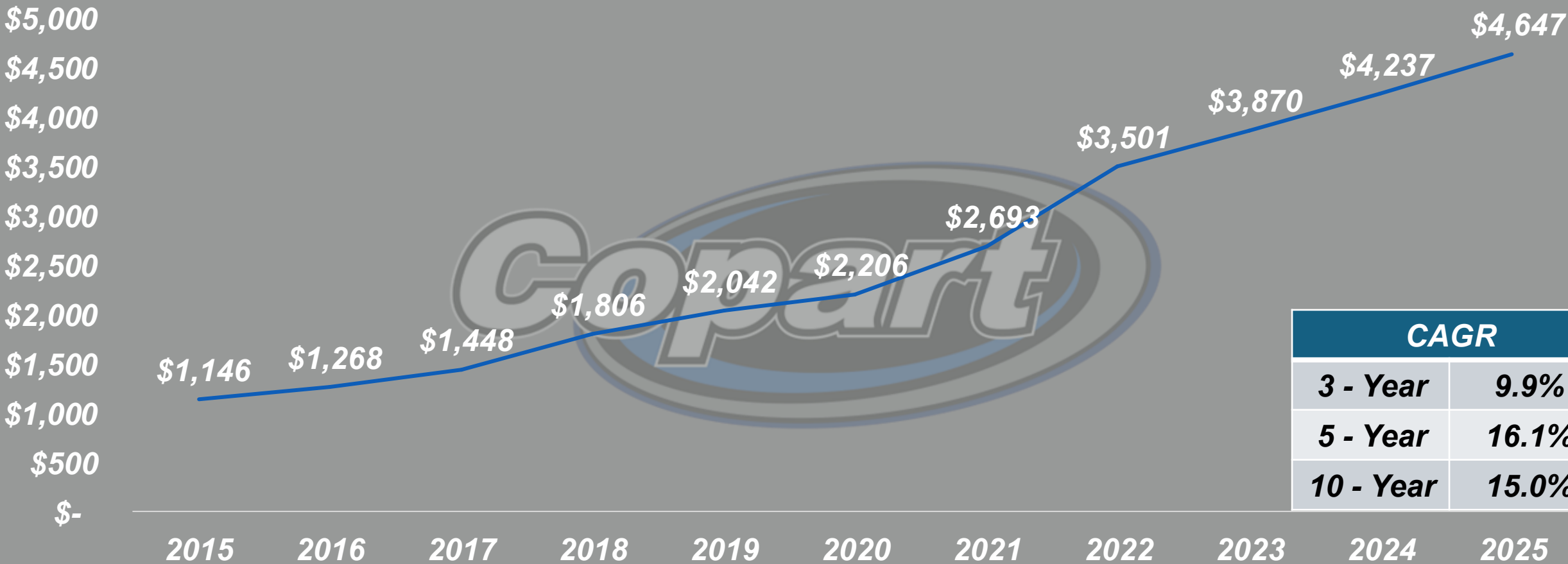
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Revenue

(Millions of USD)

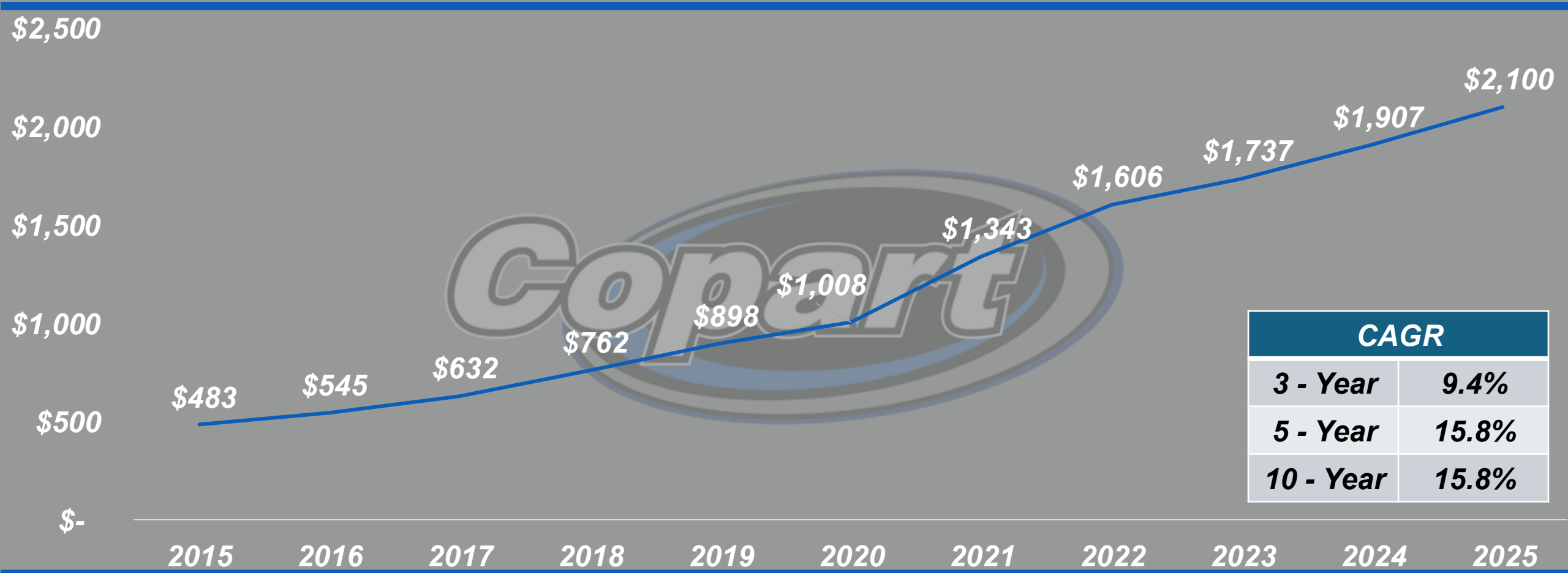


CAGR	
3 - Year	9.9%
5 - Year	16.1%
10 - Year	15.0%



Gross Profit

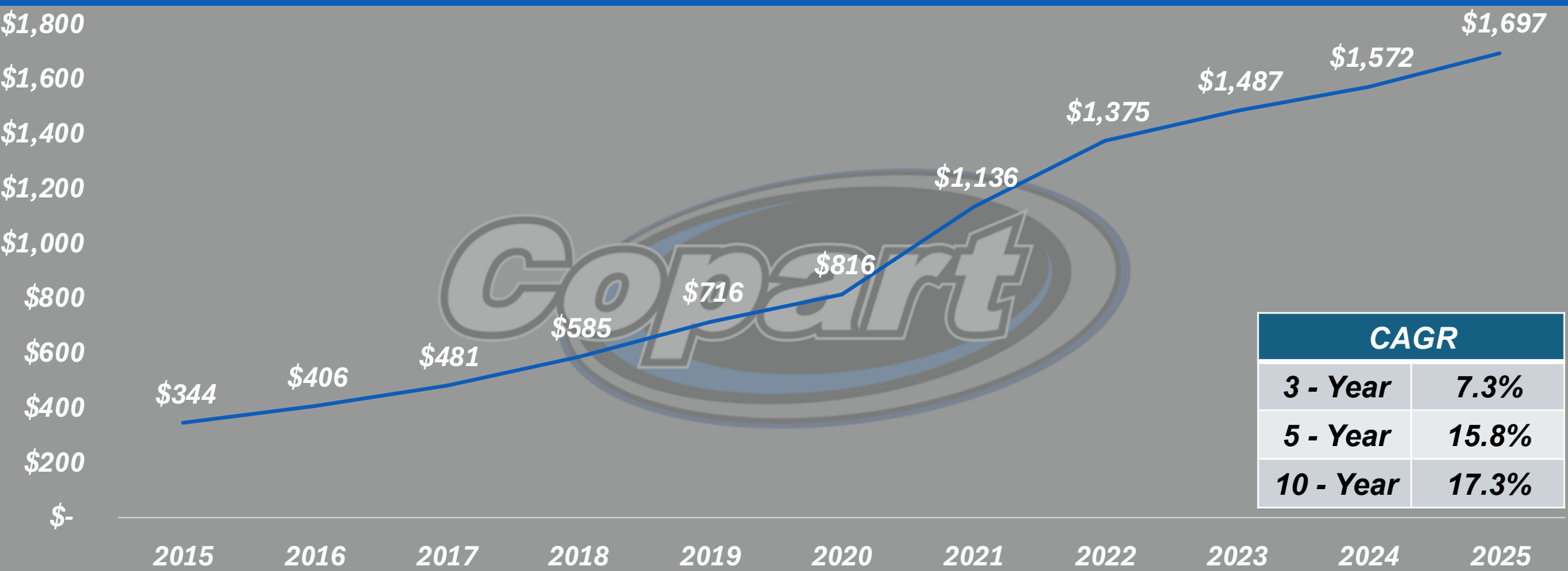
(Millions of USD)



CAGR	
3 - Year	9.4%
5 - Year	15.8%
10 - Year	15.8%

Operating Income

(Millions of USD)

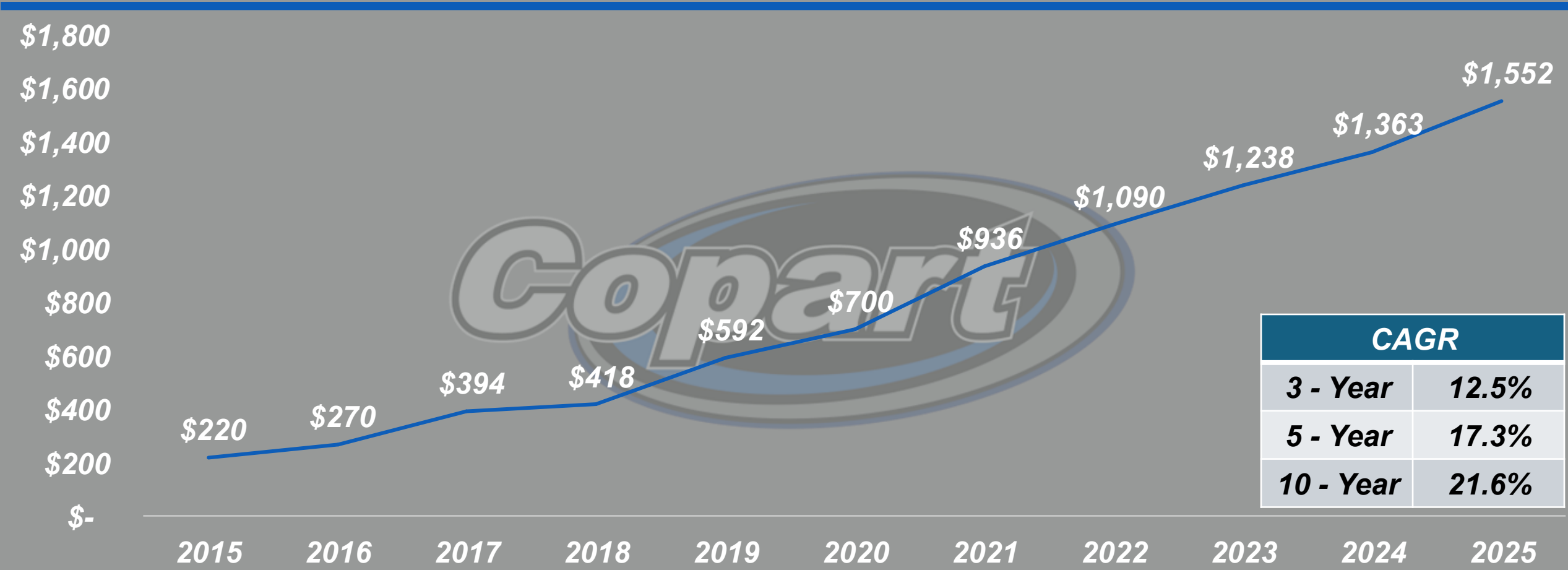


CAGR	
3 - Year	7.3%
5 - Year	15.8%
10 - Year	17.3%



Net Income

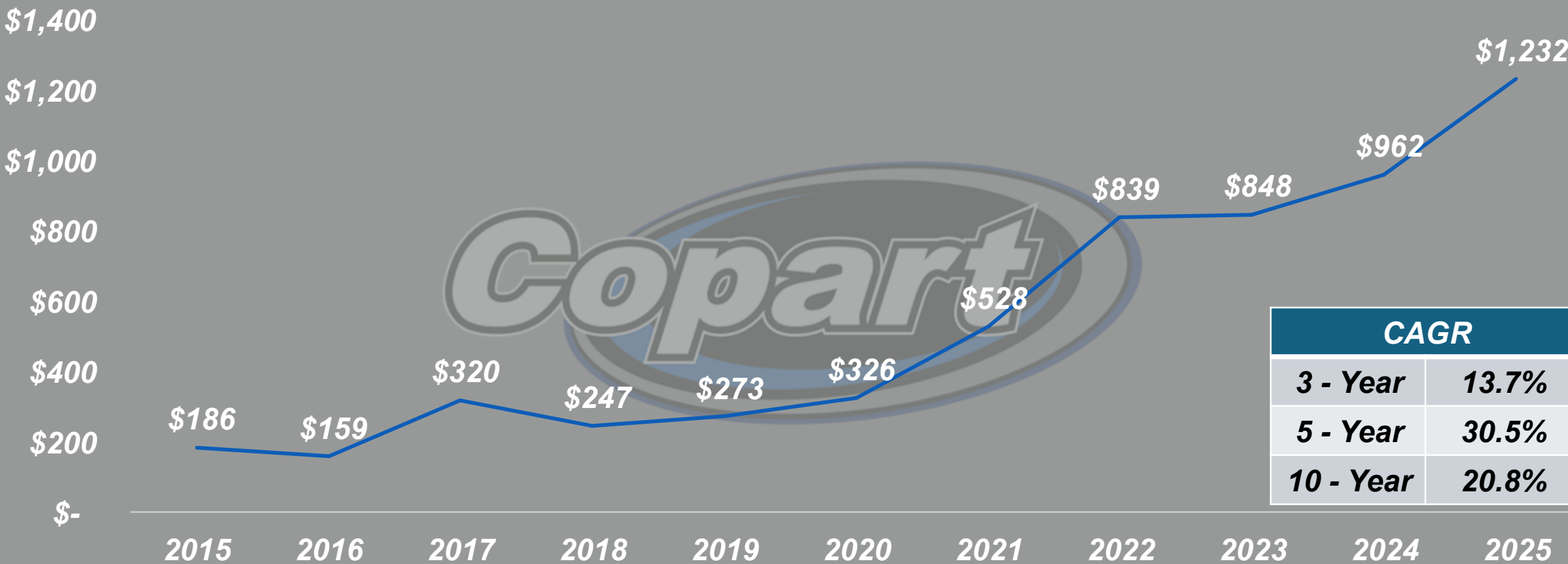
(Millions of USD)



CAGR	
3 - Year	12.5%
5 - Year	17.3%
10 - Year	21.6%

Free Cash Flow

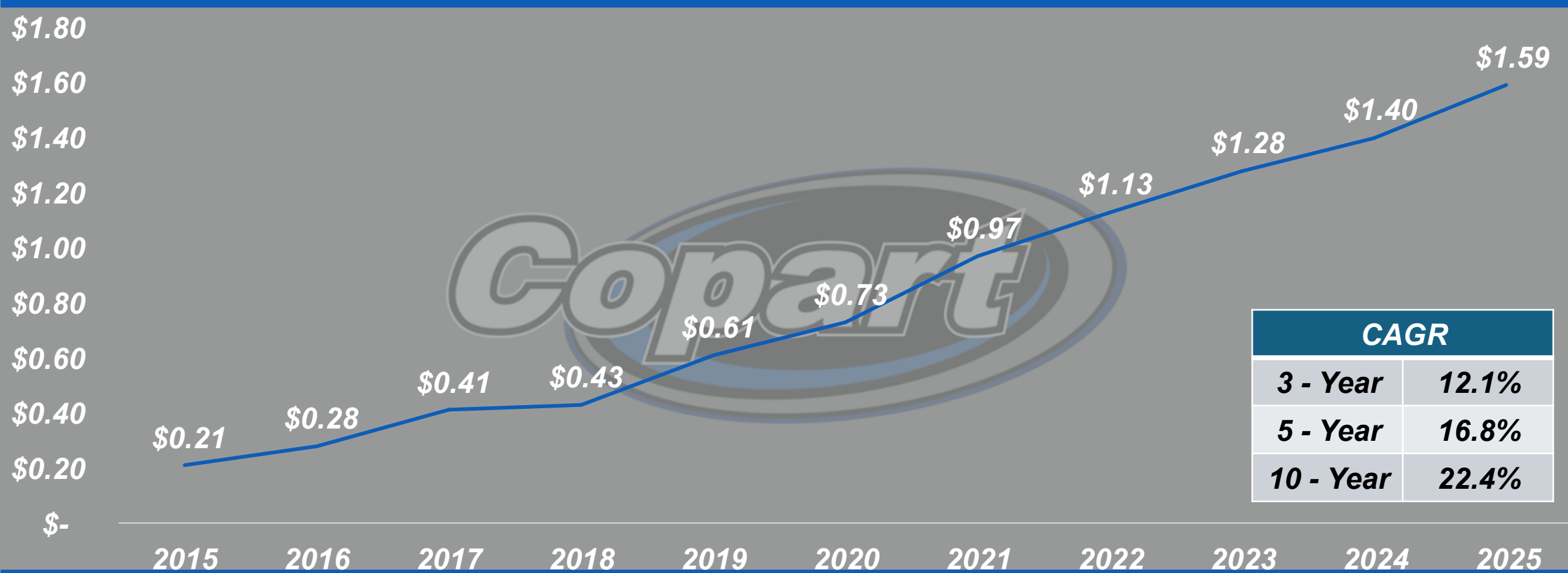
(Millions of USD)



CAGR	
3 - Year	13.7%
5 - Year	30.5%
10 - Year	20.8%

Earnings Per Share

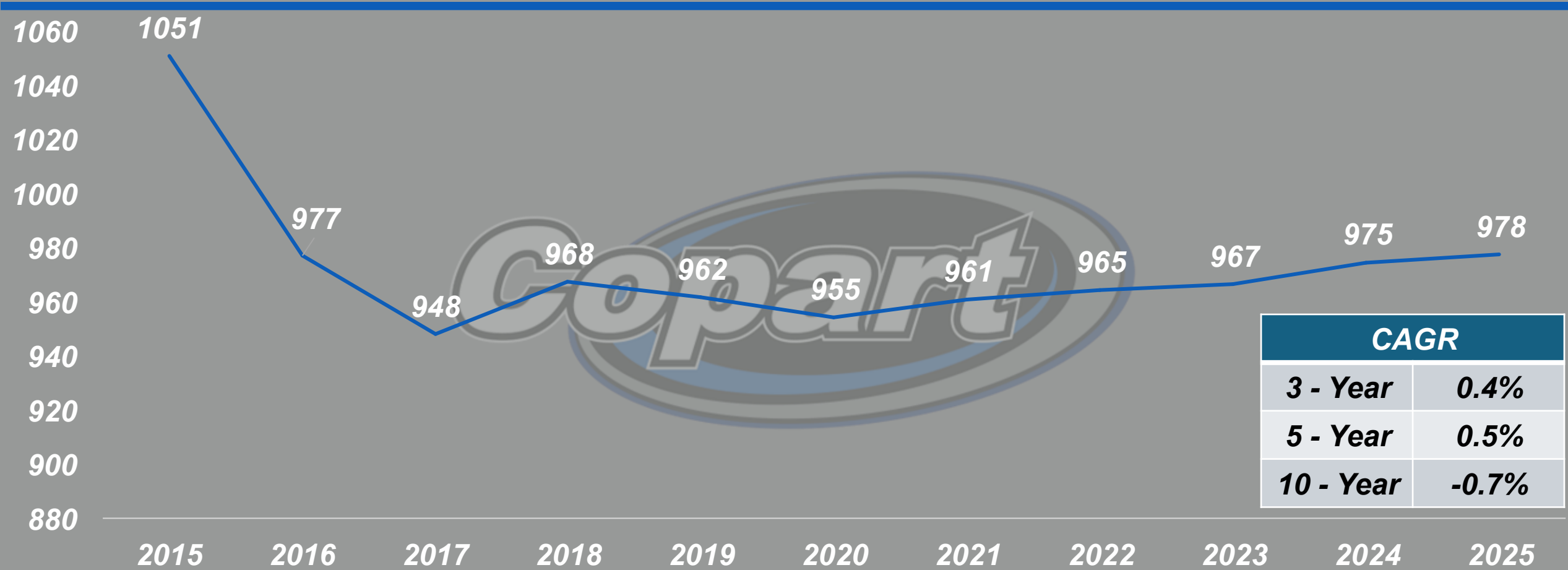
(Millions of USD)



CAGR	
3 - Year	12.1%
5 - Year	16.8%
10 - Year	22.4%

Shares Outstandings

(In Millions)

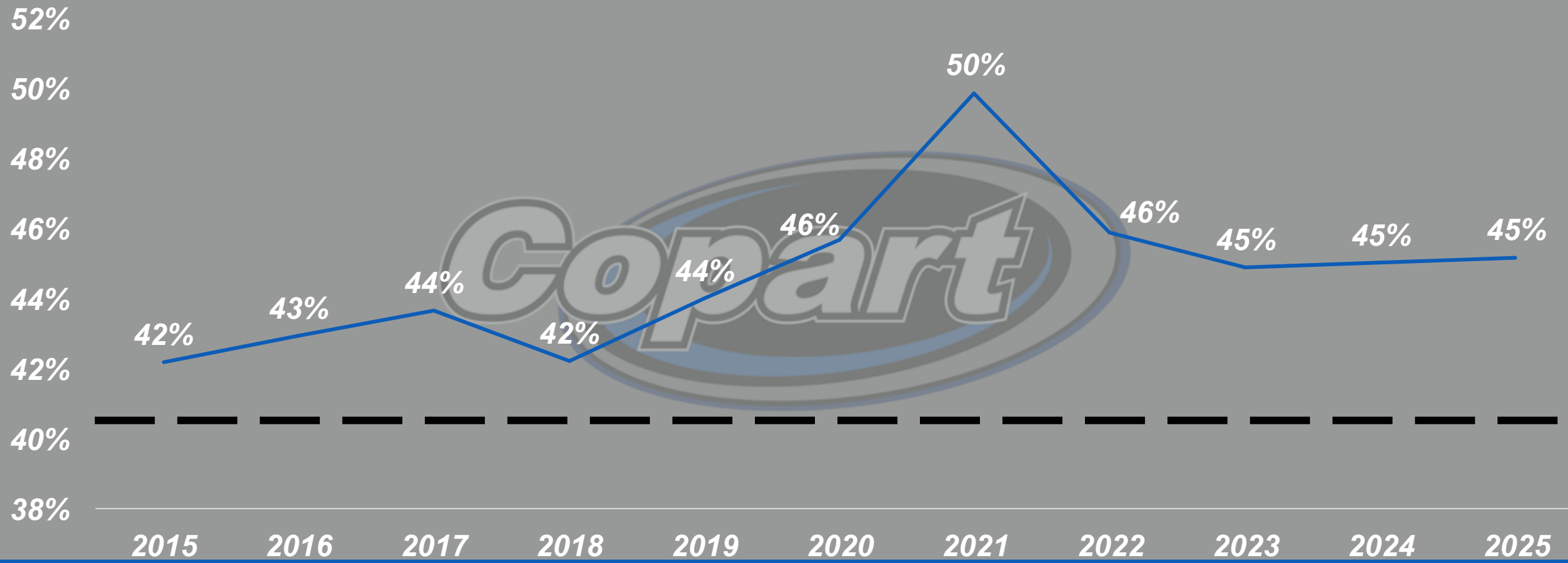


CAGR	
3 - Year	0.4%
5 - Year	0.5%
10 - Year	-0.7%



Threshold
>40%

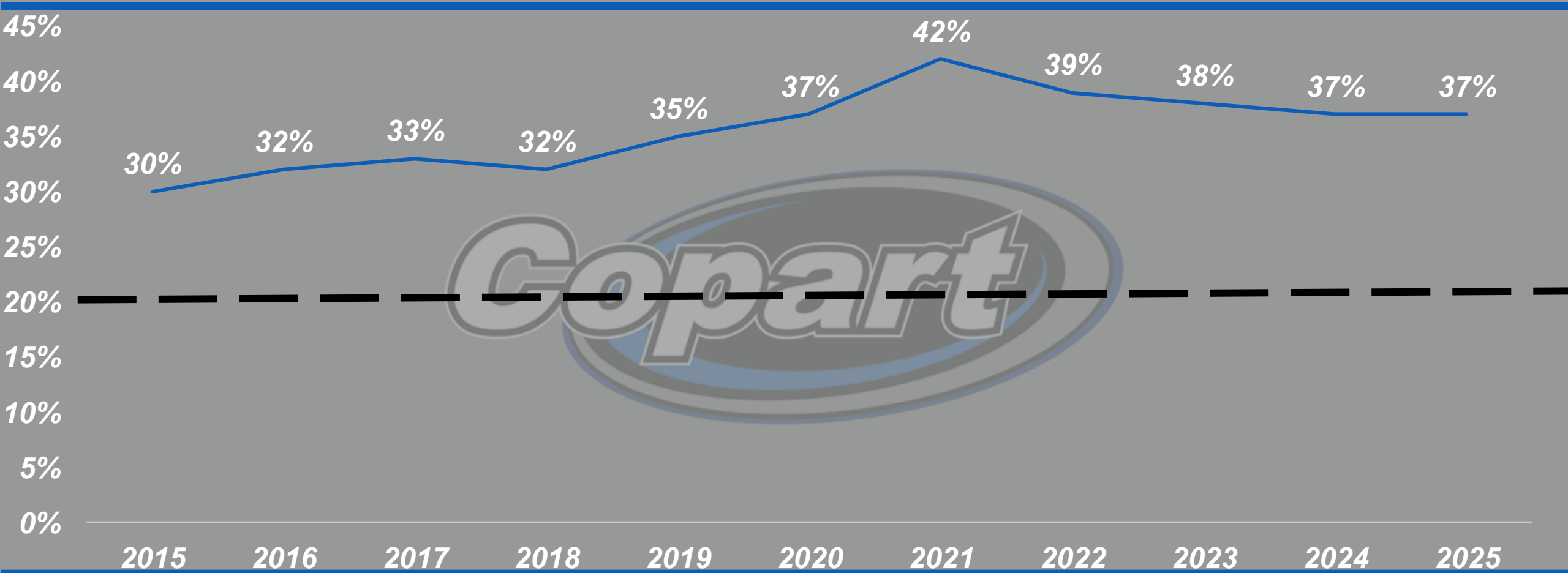
Gross Margin %





Threshold
>20%

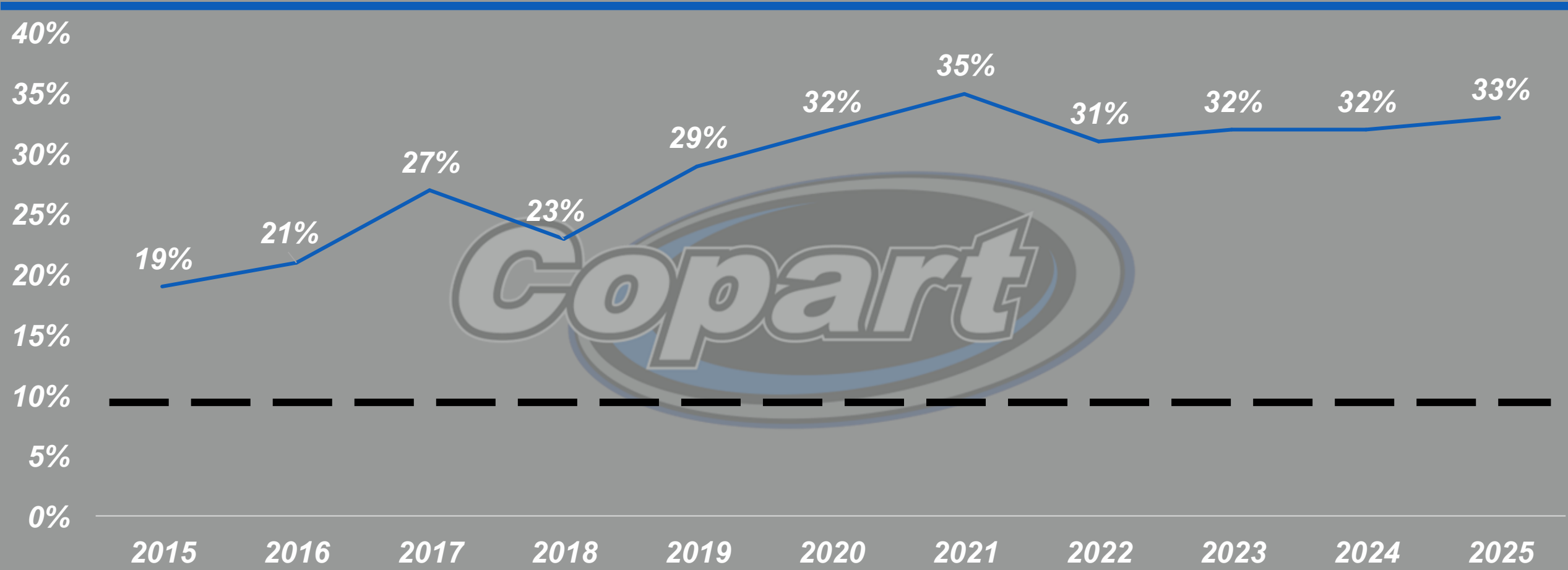
Operating Margin %





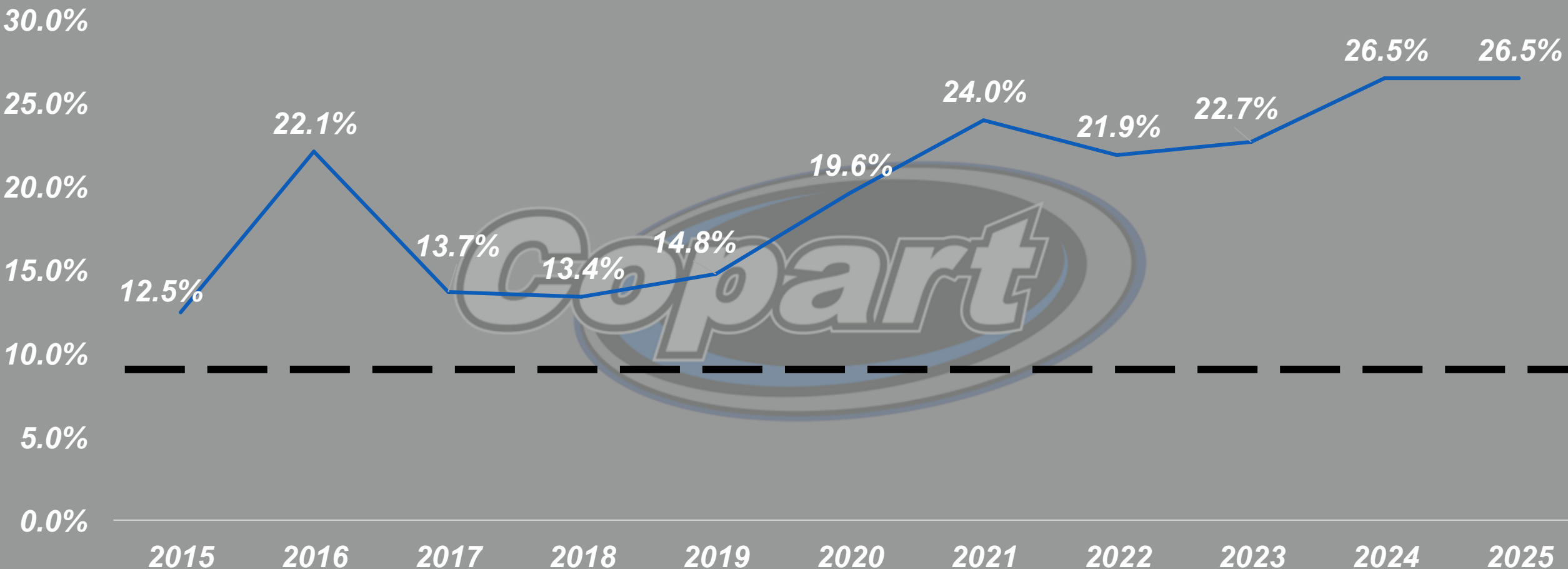
Threshold
>10%

Net Margin %



**Threshold
>10%**

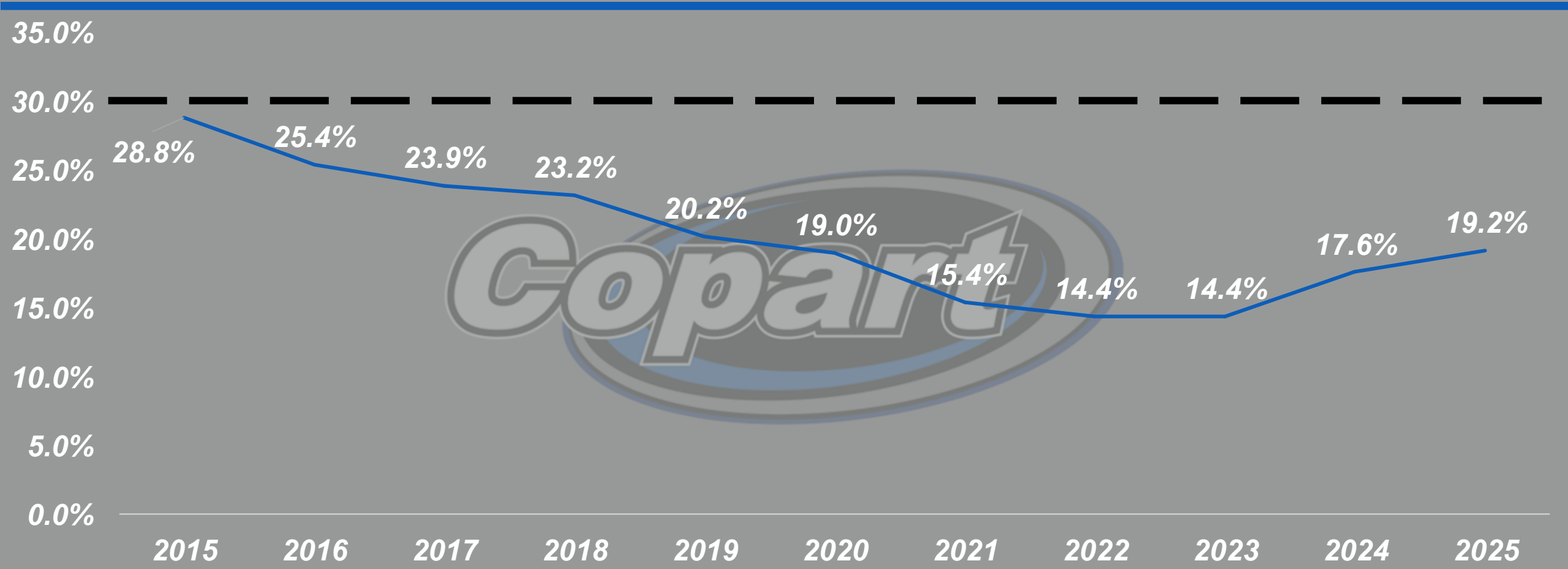
Free Cash Flow Margin





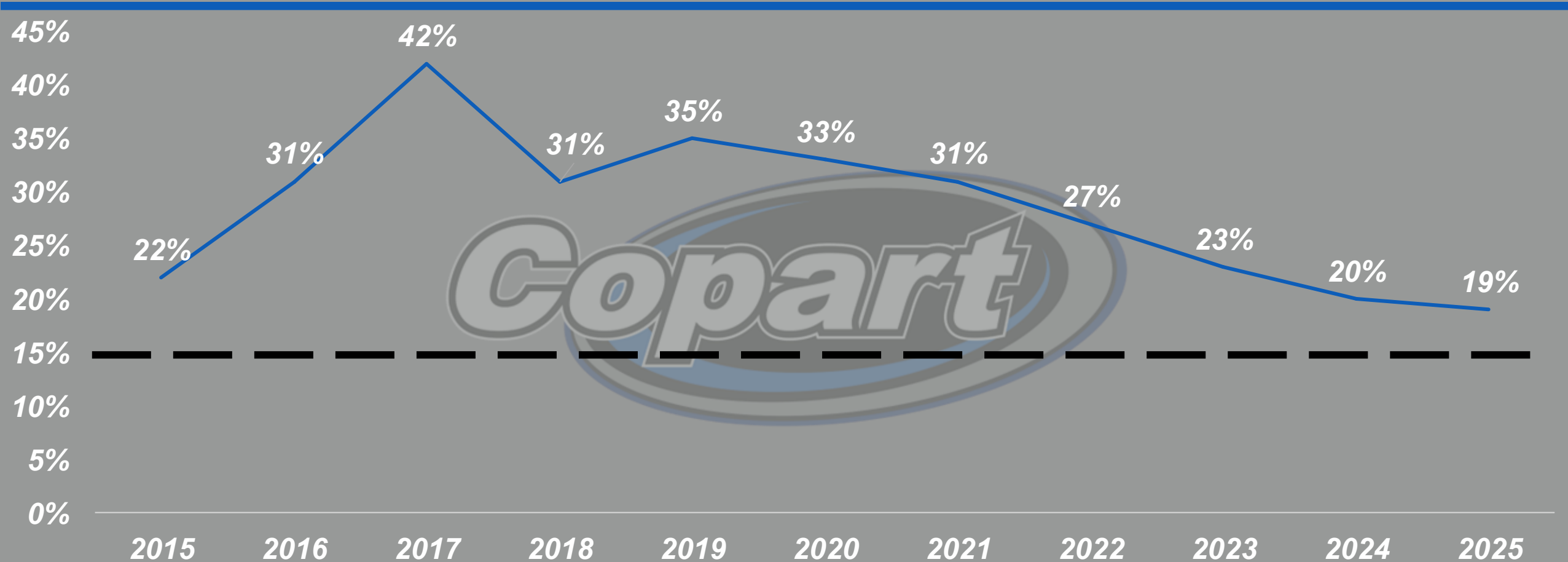
Threshold
<30%

SG&A/Revenue



**Threshold
>15%**

Return On Equity



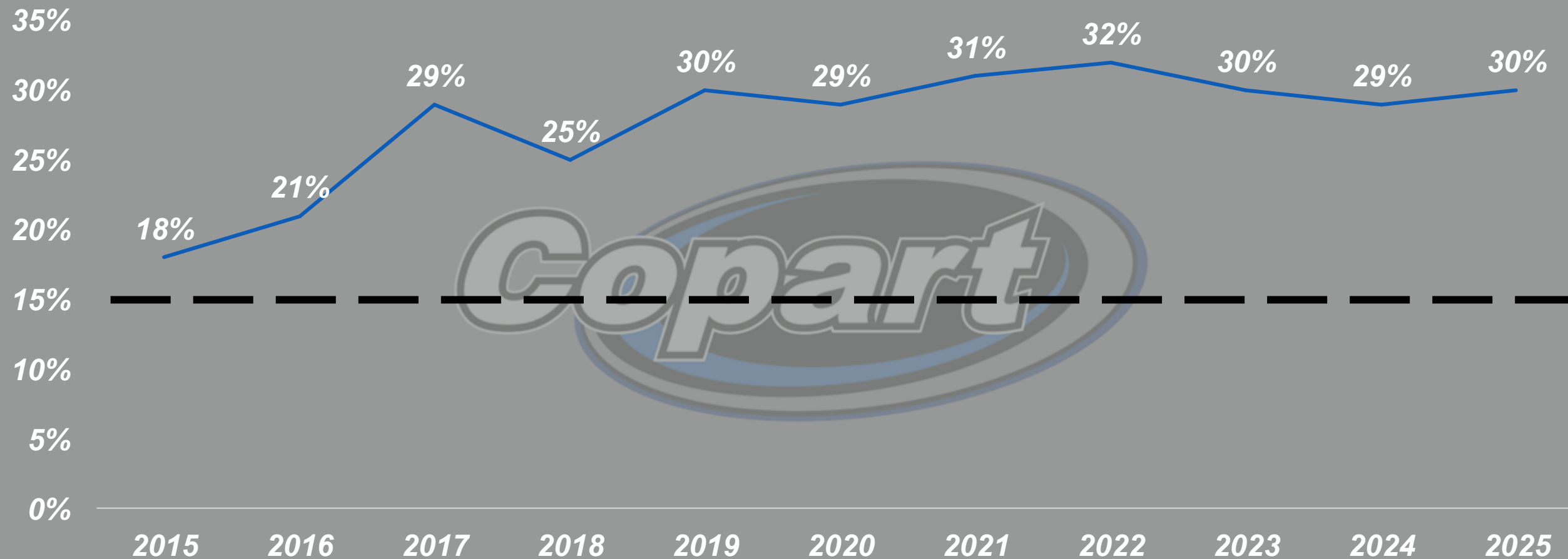
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Copart Inc.

61

**Threshold
>15%**

Return On Invested Capital



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Copart Inc.

62



Obligation Ratio

<i>Long-term debt</i>	<i>\$0</i>
<i>(+) Short-term debt</i>	<i>\$0</i>
<i>(+) Preferred stock</i>	<i>\$0</i>
<i>(+) Pension funding shortfall</i>	<i>\$0</i>
<i>(+) Annual leases x7</i>	<i>\$139</i>
<i>(-) Cash</i>	<i>\$2,781</i>

Divided by Annual Net Income

Obligation Ratio: -2.99x

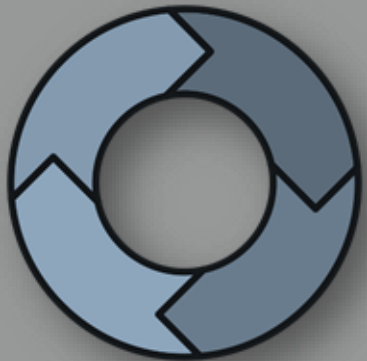
Economic Moat

Logan Arciba

16-Jan-26



Economic Moat



*Network
Effect*



*Intangible
Assets*



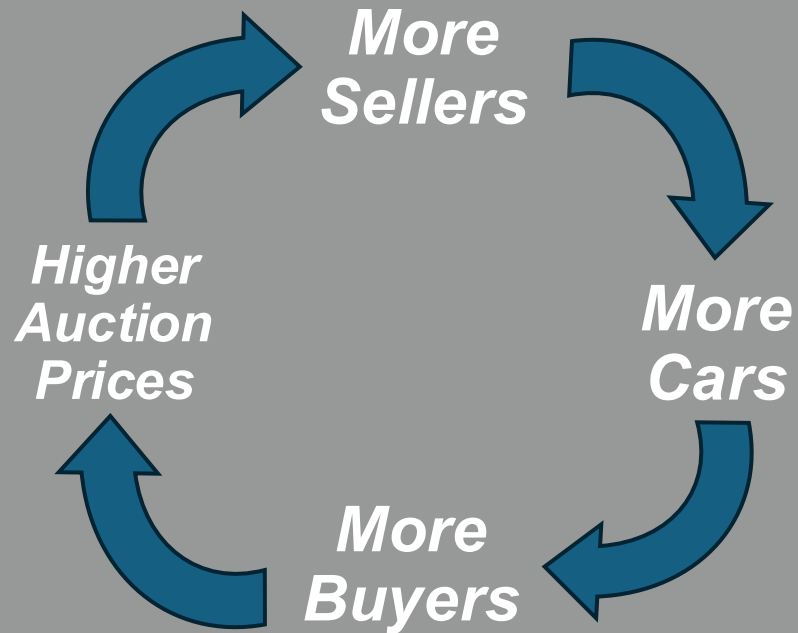
*Switching
Costs*



*Cost
Advantages*

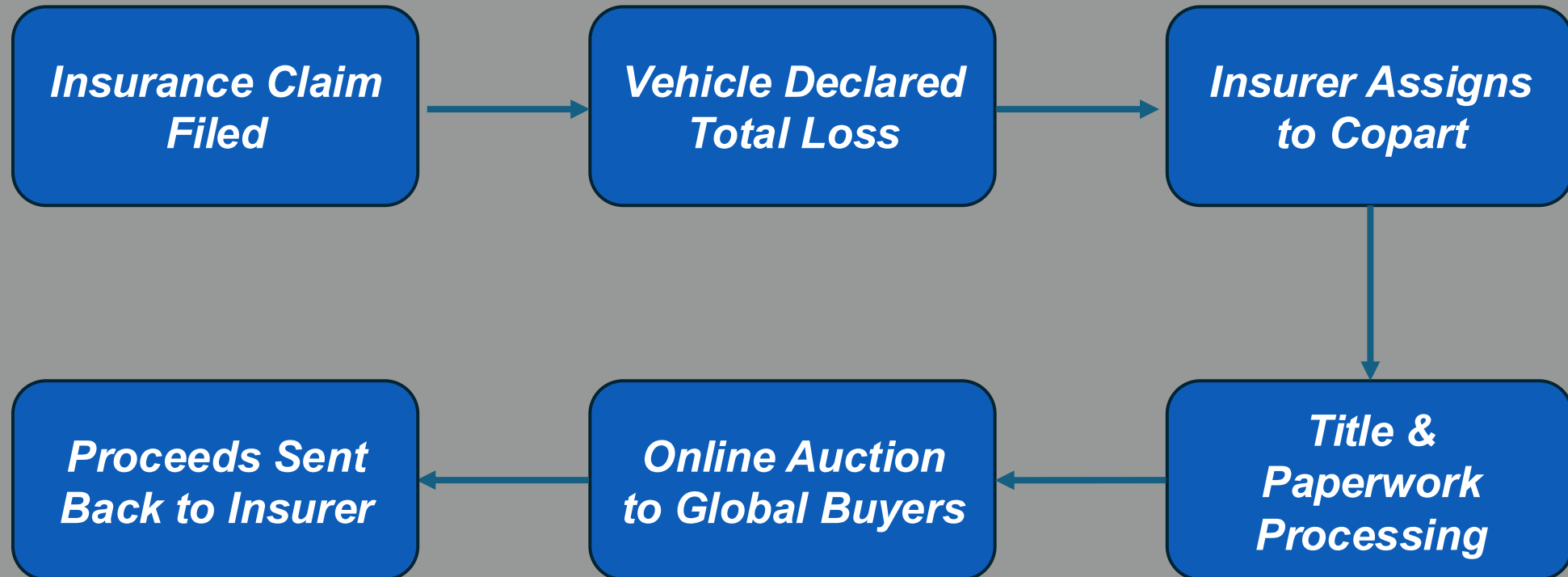


The Network Effect



- *3.5M vehicles listed annually*
- *More than 750,000 register buyers*
 - *Up from approx. 100K in 2010*
- *Approx 200 salvage yards across 11 countries*
- *First mover in Online Auctions (2003)*
- *Market Share of Approx. 40%*

Intangible Assets



Switching Costs & Embedded Workflows



- *Embedded in Insurance Workflows*
 - *Storage*
 - *Towing*
 - *Title Transfer*
 - *Auction Services*
- *Multi-program contracts tie incentive to Copart*
 - *PIP % Program*
 - *Consignment*
 - *Purchase*
- *CAT Ready*
 - *20 – 25% of land is idle, ready for catastrophes*



**SWITCHING
COSTS**

Switching Costs – Value Added Services



- *Value - Added Services Include*

- *Data & Intelligence*

- *IntelliSeller: AI Pricing and Listing*
 - *Co.ai: Automation of decisions*

- *Auction Tools*

- *Auction Calendar: Predictable, recurring demand*
 - *VB3: Global Buyer Access*

- *Mobile Ecosystem*

- *Copart Seller*
 - *GoApp*
 - *Transportation App*



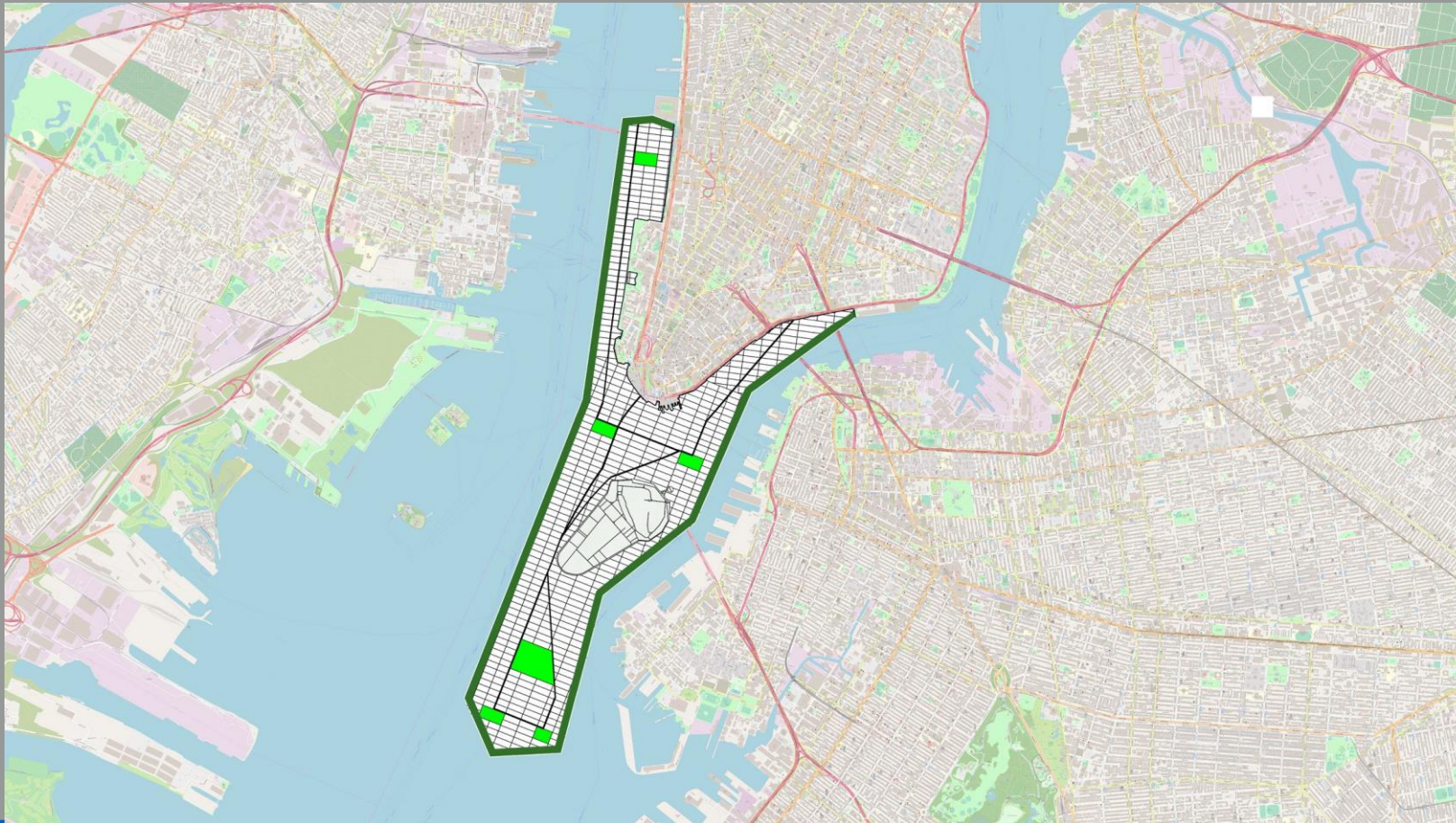
Cost Advantages



- *19,500 Acres of Yard Capacity*
 - *90% owned Vs IAA's leased model*
- *Ownership = Lower predictable costs and no negotiations*
- *Extra capacity in case of catastrophes*
 - *20-25%*
- *Over 3.5M vehicles annually*
- *No debt and ROIC = 30%*



Cost Advantages



Growth Opportunities

Dan Foulk

16-Jan-26

How did a **\$3 Million Bugatti Chiron**
End Up at a **COPART Auction?**



Growth Opportunities



- 1. Facility Expansion*
- 2. Non-Insurance Sellers*
- 3. Integrate Software*



Global Footprint



- *281 Facilities*
- *11 Countries*
- *49 States*





International Growth

Percentage of Revenue that is International

- 2023: 11.1%
- 2024: 12.2%
- 2025: 13%

Currently being built

- 4 International
 - (2 UK, Canada, Germany)
- 2 States
 - (Florida, Colorado)





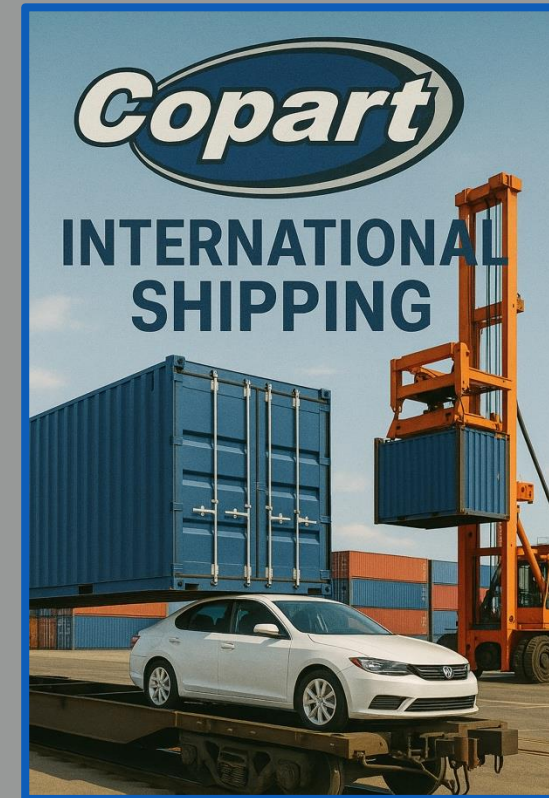
New International Locations

- *Revenue Peak:*
 - *Smaller Facilities- 6-12 months*
 - *Larger Facilities- 2 - 3 years*

2022: Brazil

2023- Germany, Canada, 2x UK

2024- 4x Spain, 2x UK, Canada





More Non-Insurance Sellers

- *Banks*
- *Rentals*
- *Fleets*
- *Dealers*
- *Public*



Percentage of Sales to Insurances

2023

83%

2024

81%

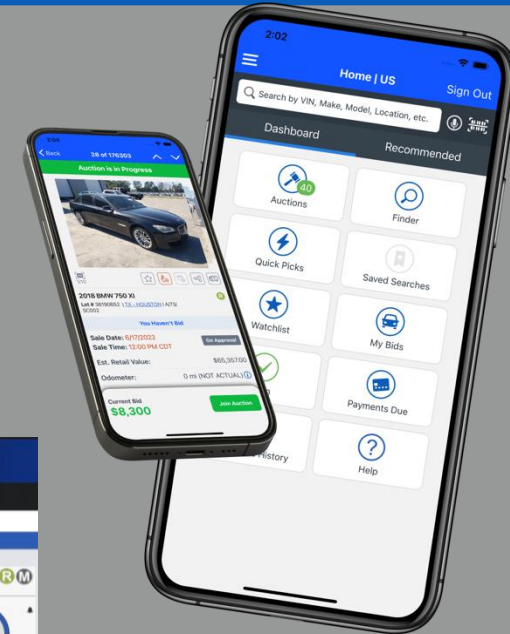
2025

81%

Integrate Software



- VB3
 - Patented live bidding auction tech
 - Allows more bids and further outreach
- AI Automation
 - Speed in Total-Loss Decisions
 - Fraud/Risk monitoring



Risk Factors

Logan Arciba

16-Jan-26



Risk Factors



Operational and
Market Risks

Financial and
Economic Risk

Legal, Regulatory, &
Strategic Risks

Operational and Market Risks



- *Dependence on insurance companies & consignors*
- *Fluctuations in salvage vehicle supply*
- *Competition (domestic & international)*
- *Technology / Cyber disruption*
- *Extreme weather / natural disaster risks*





Financial & Economic Risks

- *Interest rate sensitivity*
- *Inflation & logistics/fuel costs*
- *Currency fluctuations (International exposure)*
- *Valuation / growth expectations risk*



Legal, Regulatory, & Strategic Risks



- *Changing salvage laws, insurance regulation,*
- *Environmental & Property Compliance*
- *International operations & Geopolitical Instability*
- *Trade policies and tariffs*



Value Bands & Intraportfolio Analysis

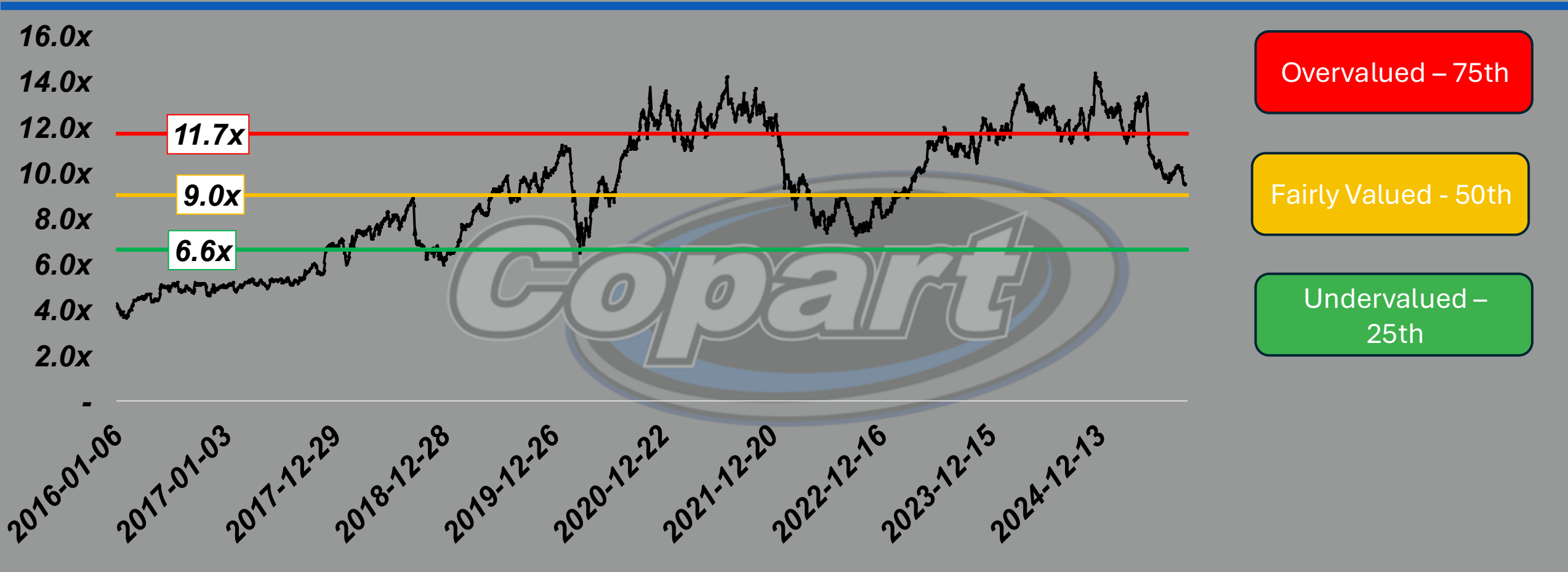
Jonathan Babcock

16-Jan-26





Value Bands



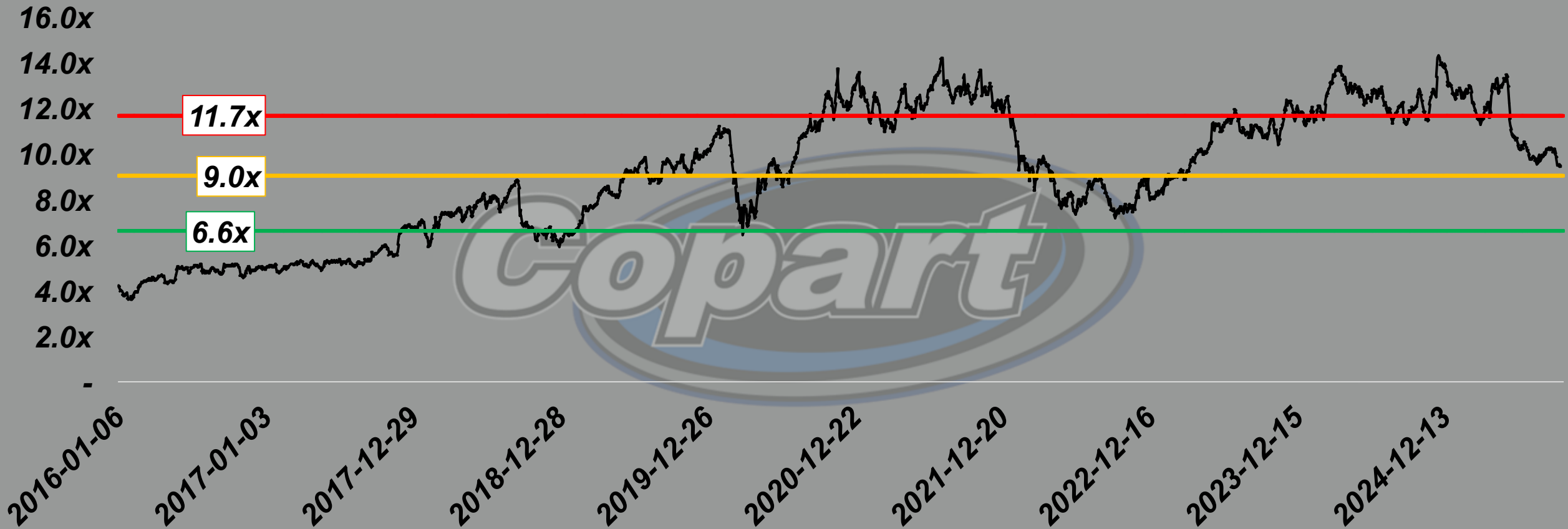
Overvalued – 75th

Fairly Valued - 50th

Undervalued – 25th

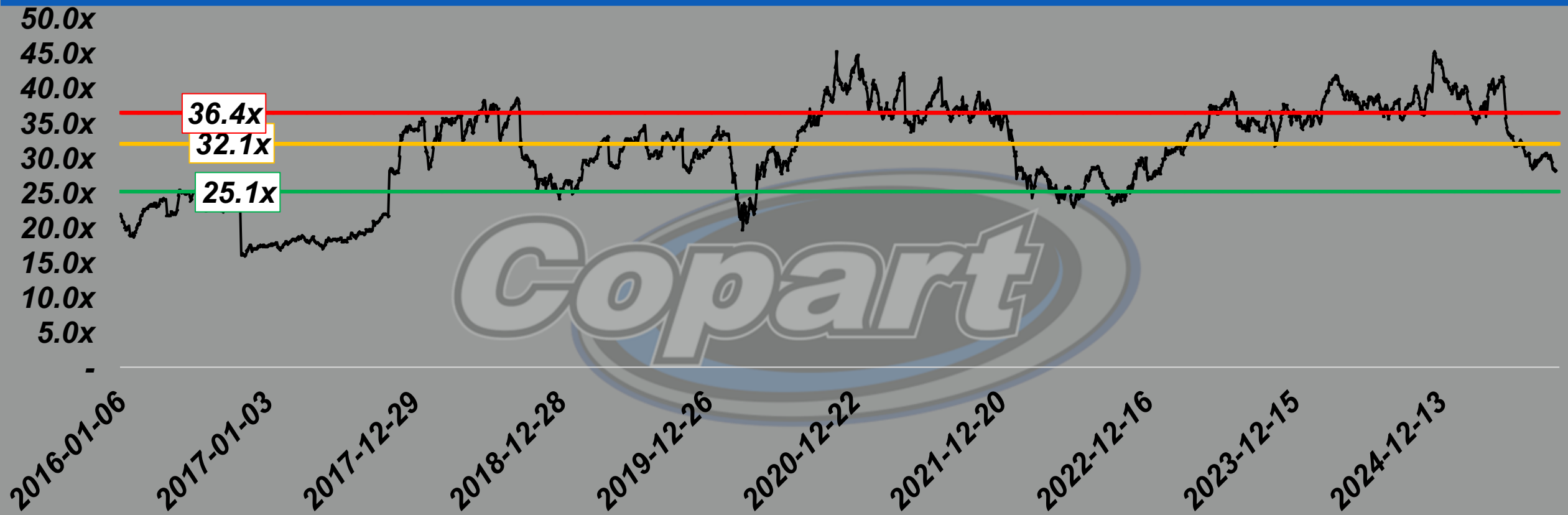


Price to Sales Ratio



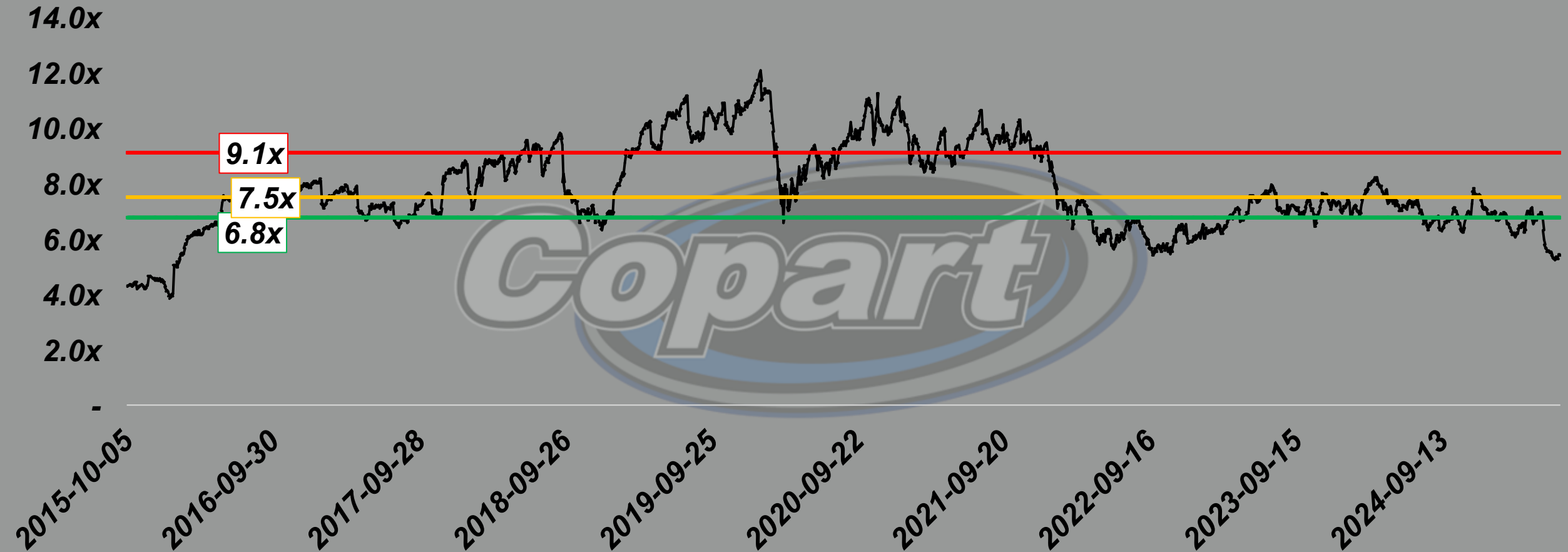


Price to Earnings Ratio



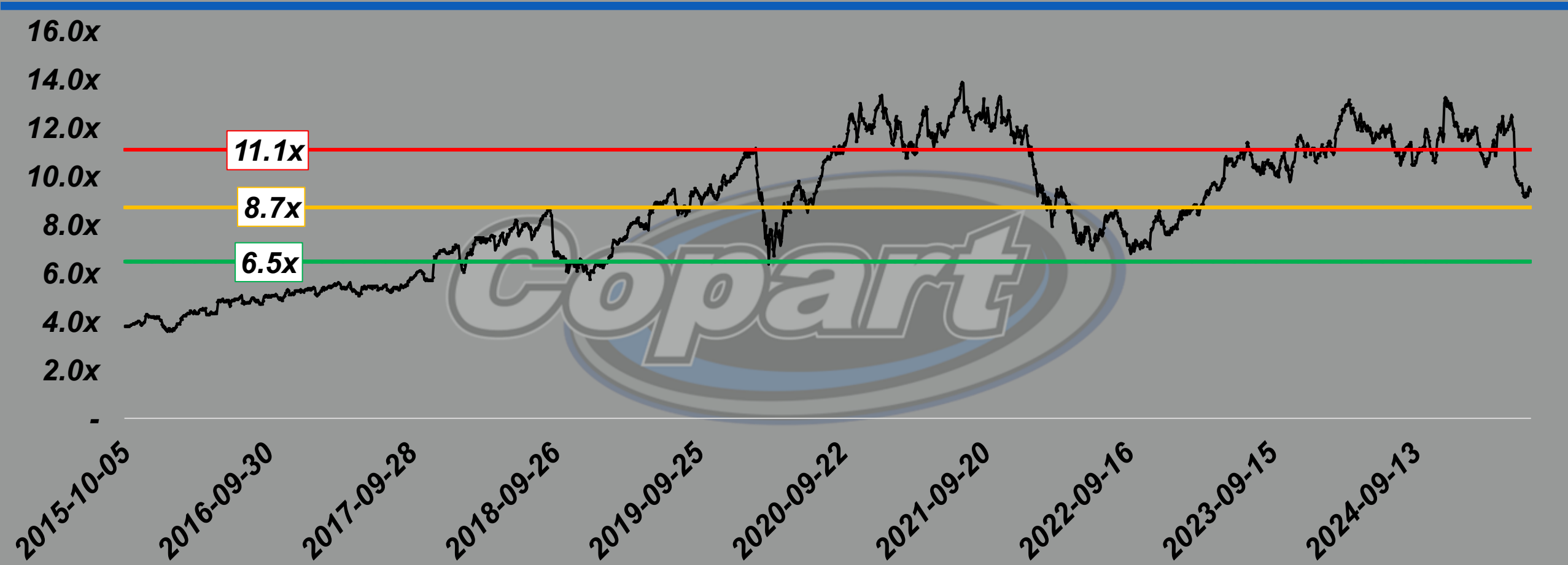


Price to Book Ratio



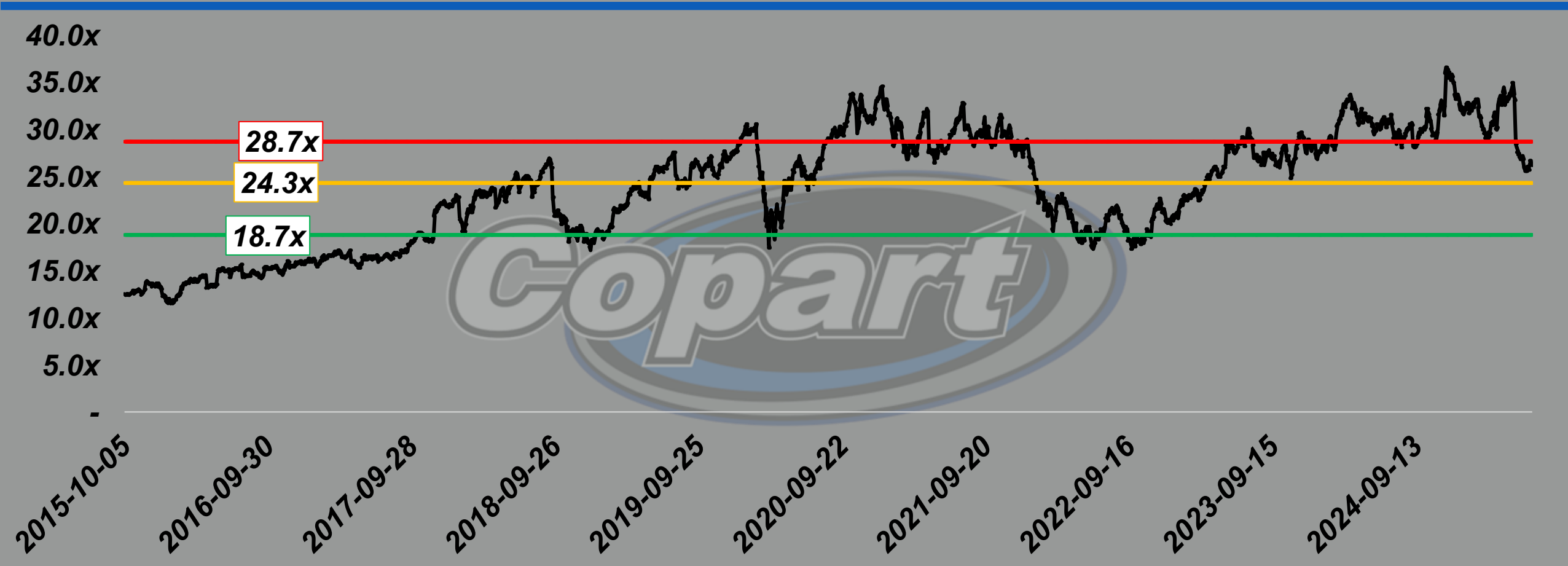


Enterprise Value-to-Revenue



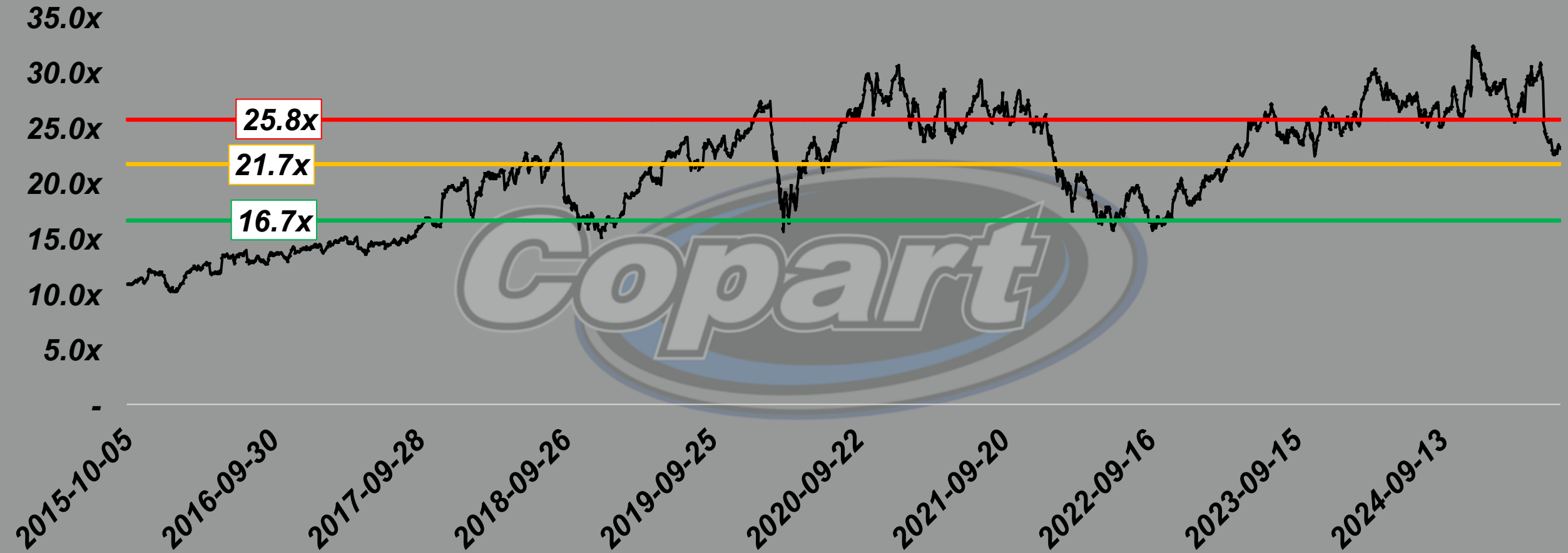


Enterprise value-to-EBIT



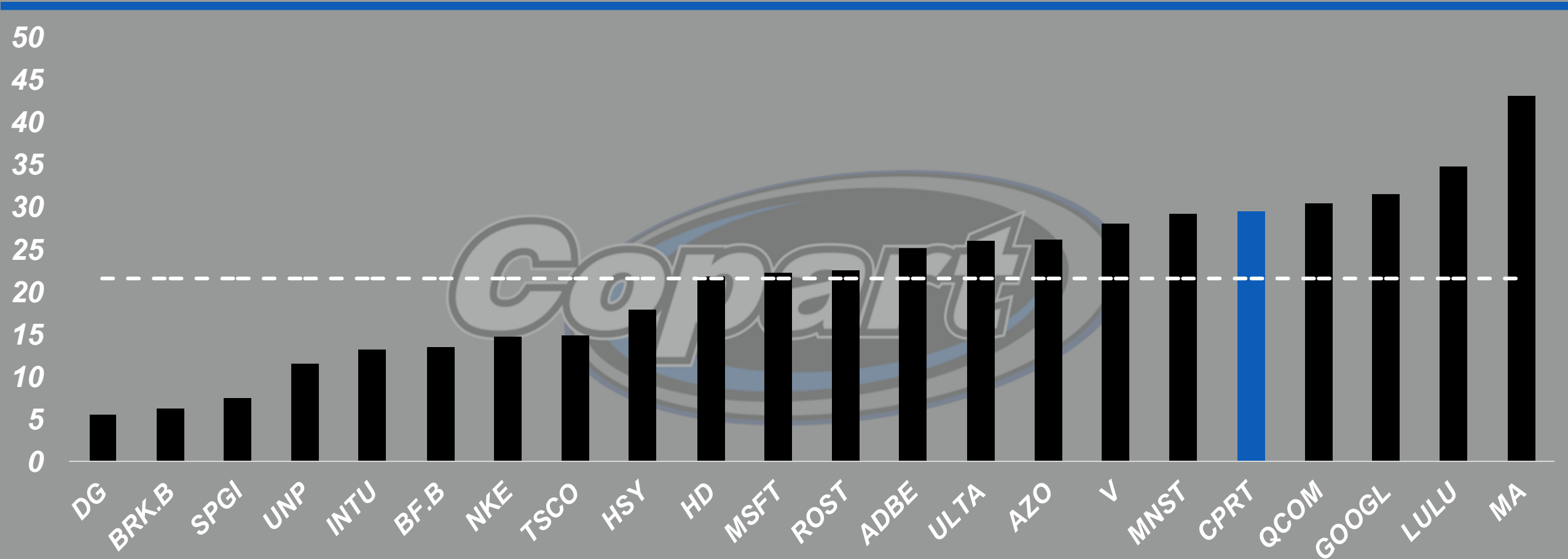


Enterprise Value-to-EBITDA





Intraportfolio Analysis



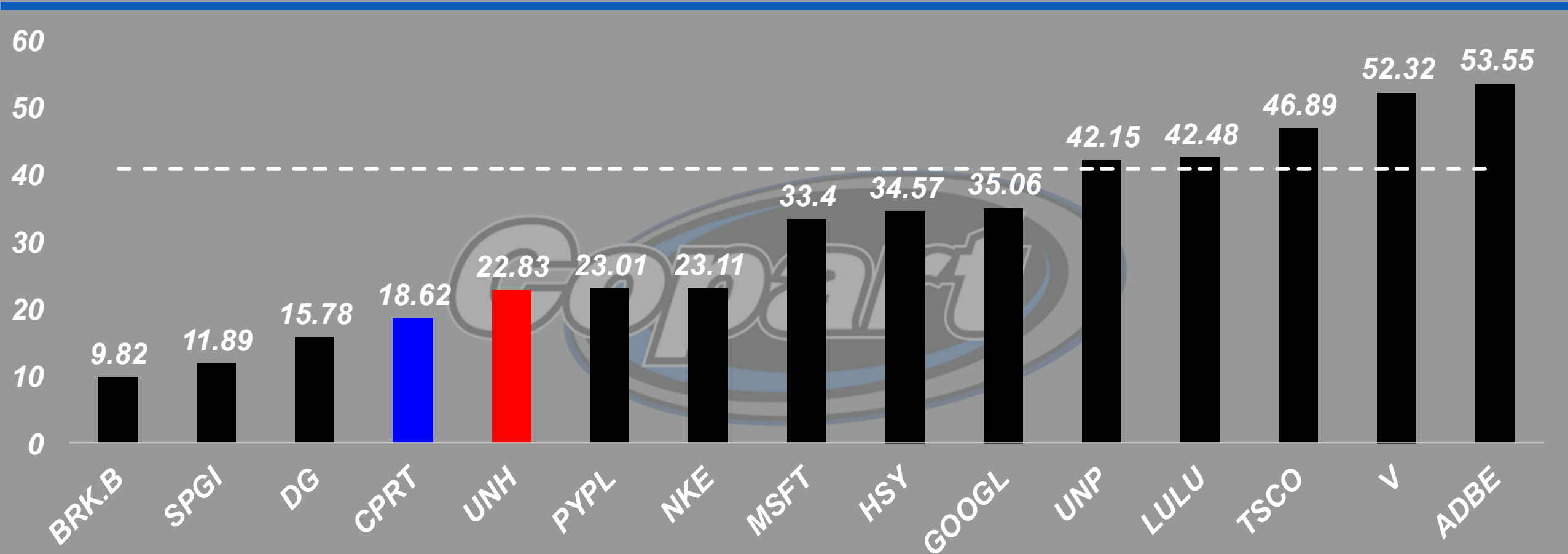
16-Jan-26

Copart Inc.

92

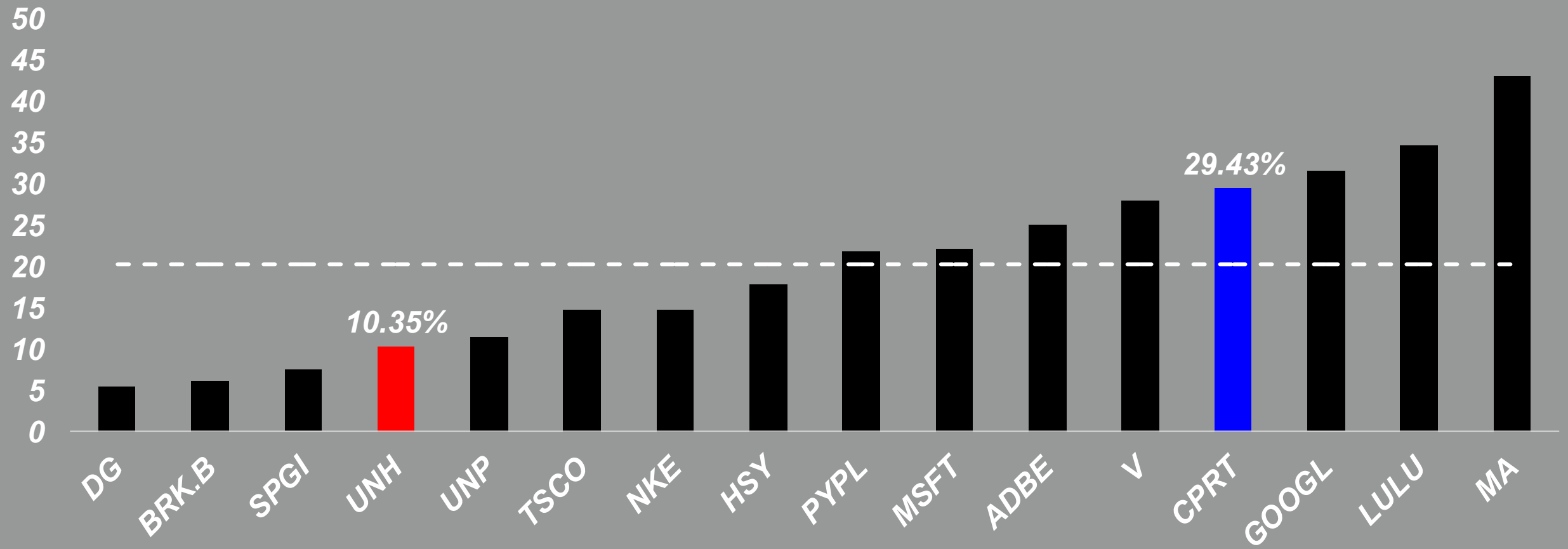


Return on Equity %



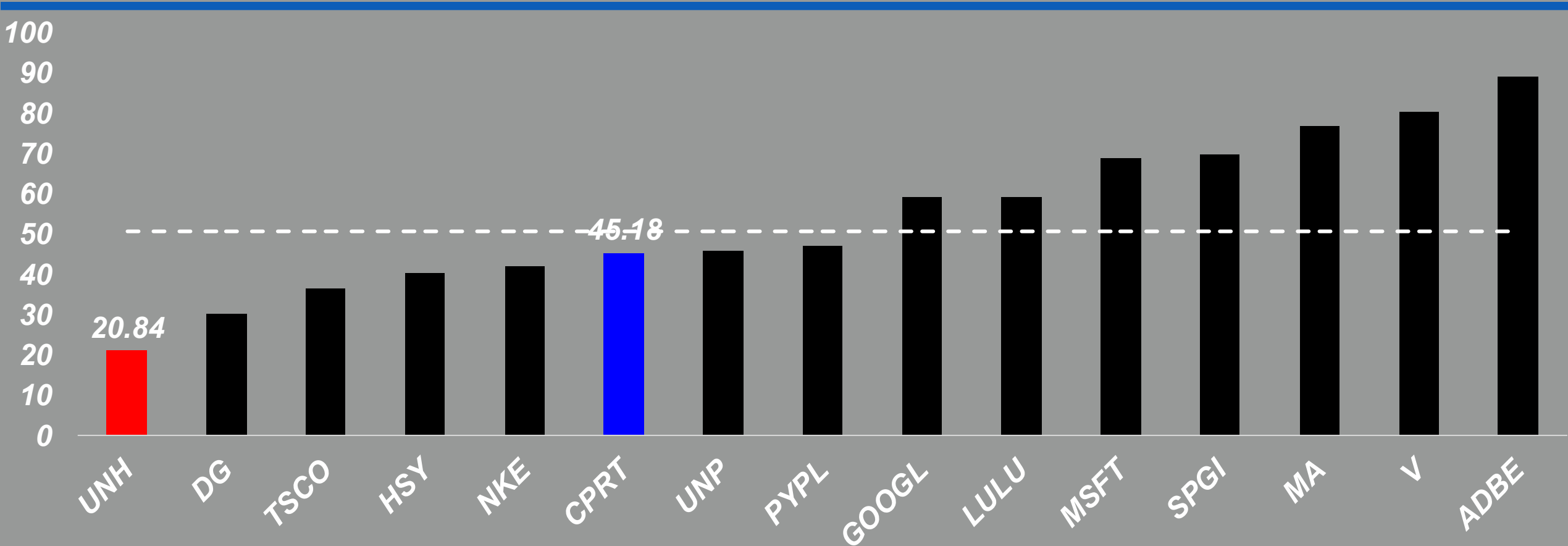


Return on Invested Capital %



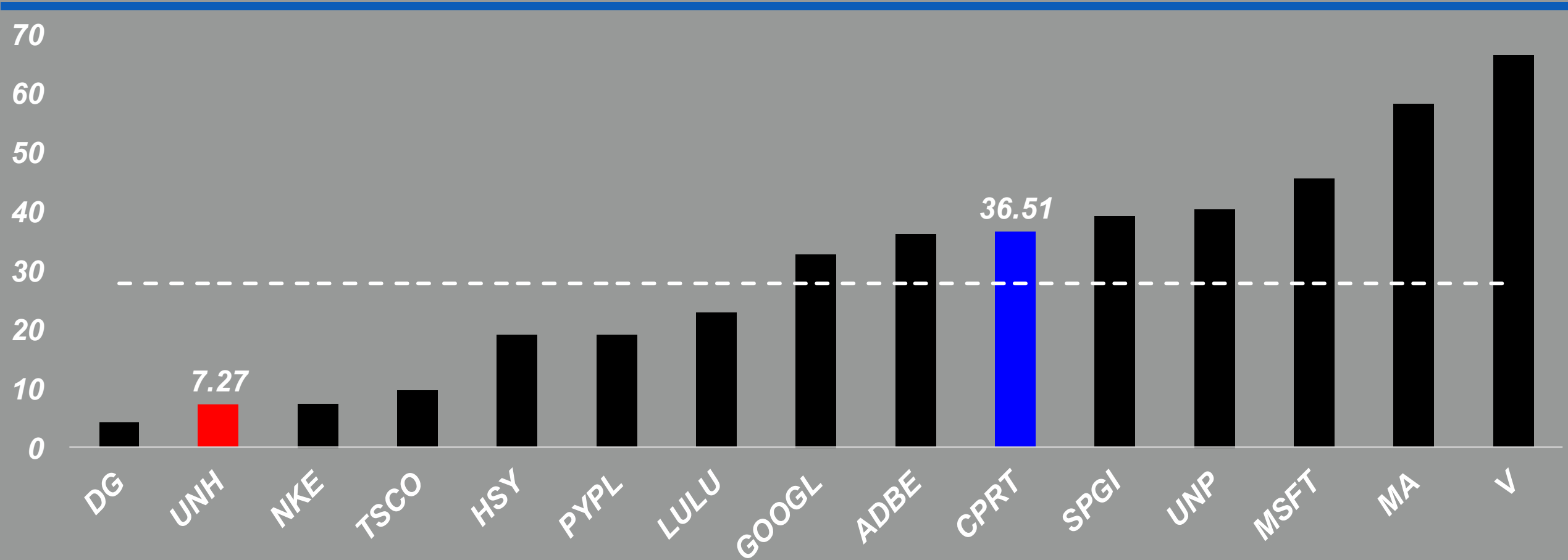


Gross Margin %



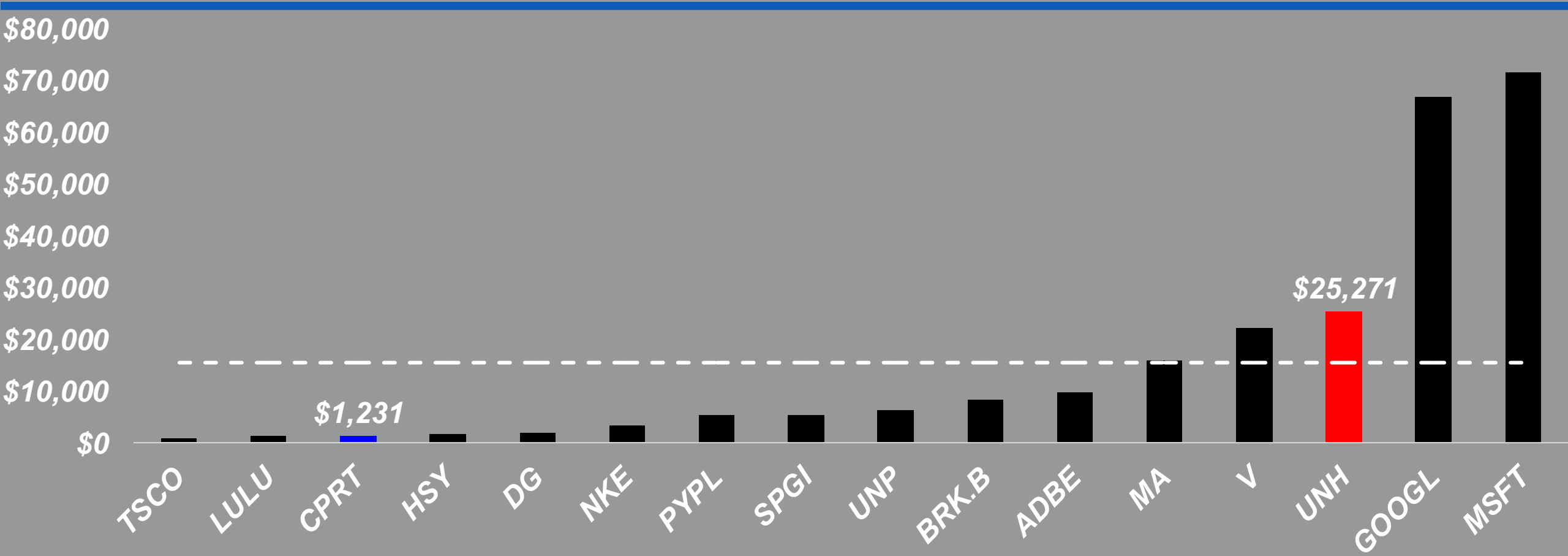


Operating Margin %



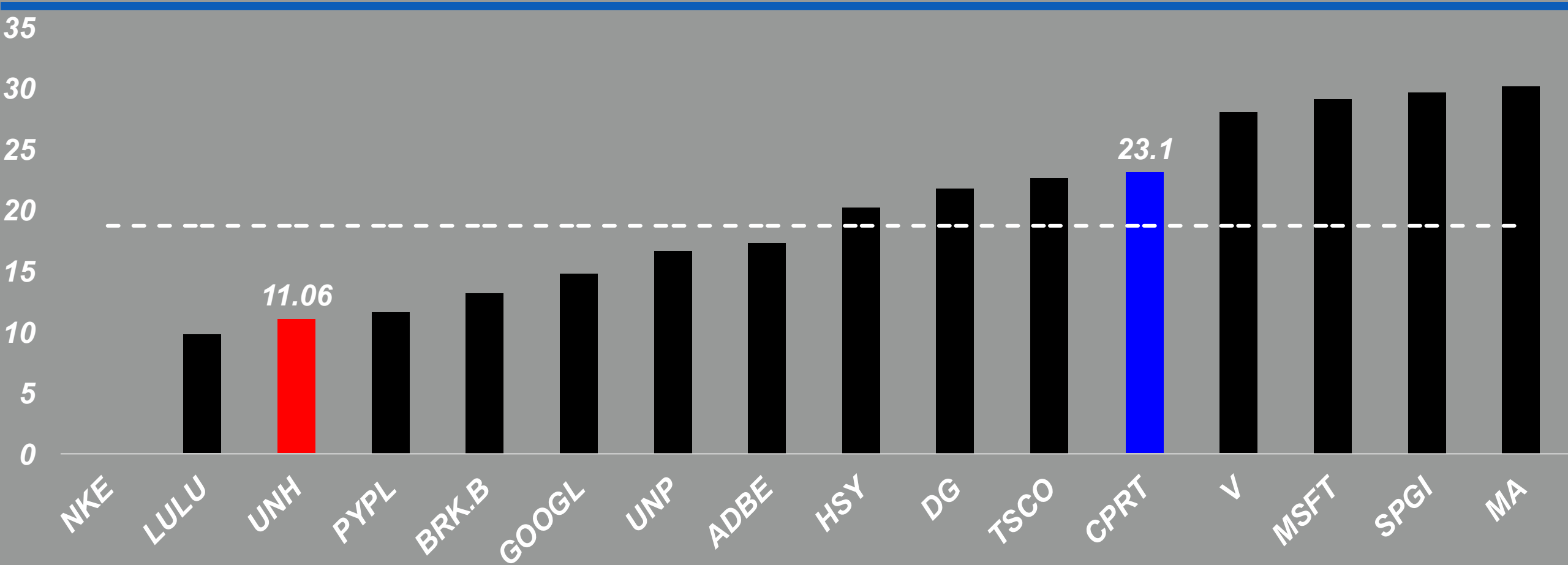


Free Cash Flow (In Millions)





EV To EBIT



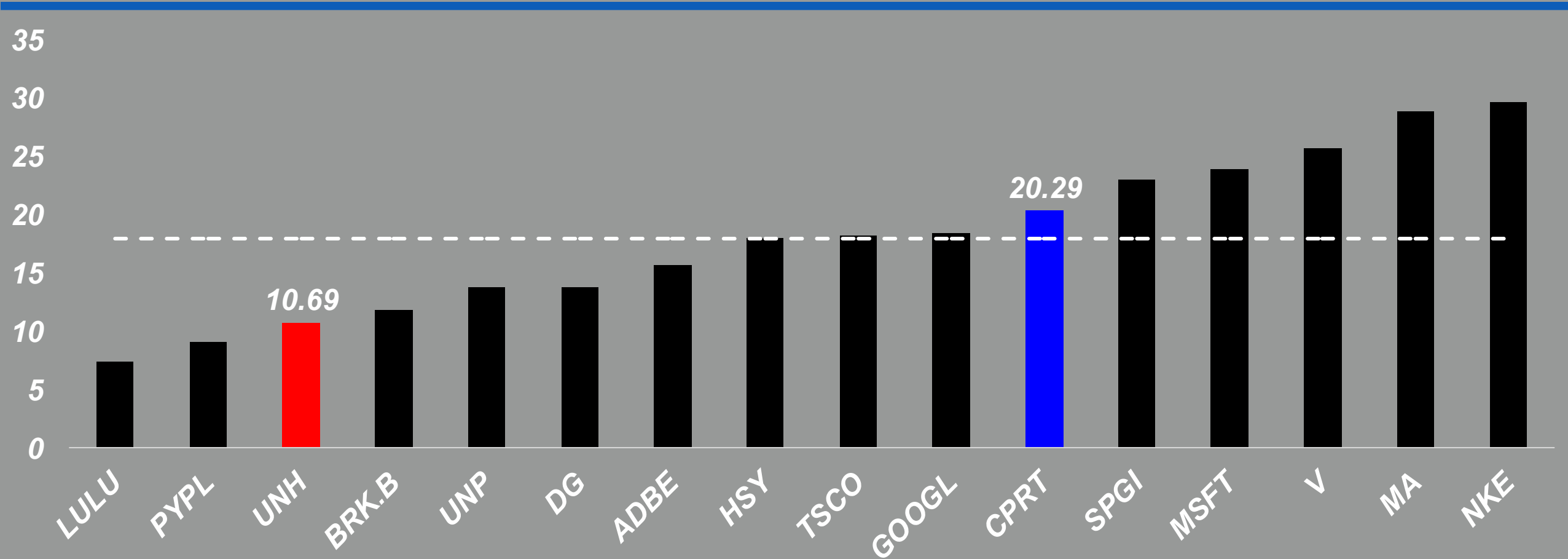
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Copart Inc.

98

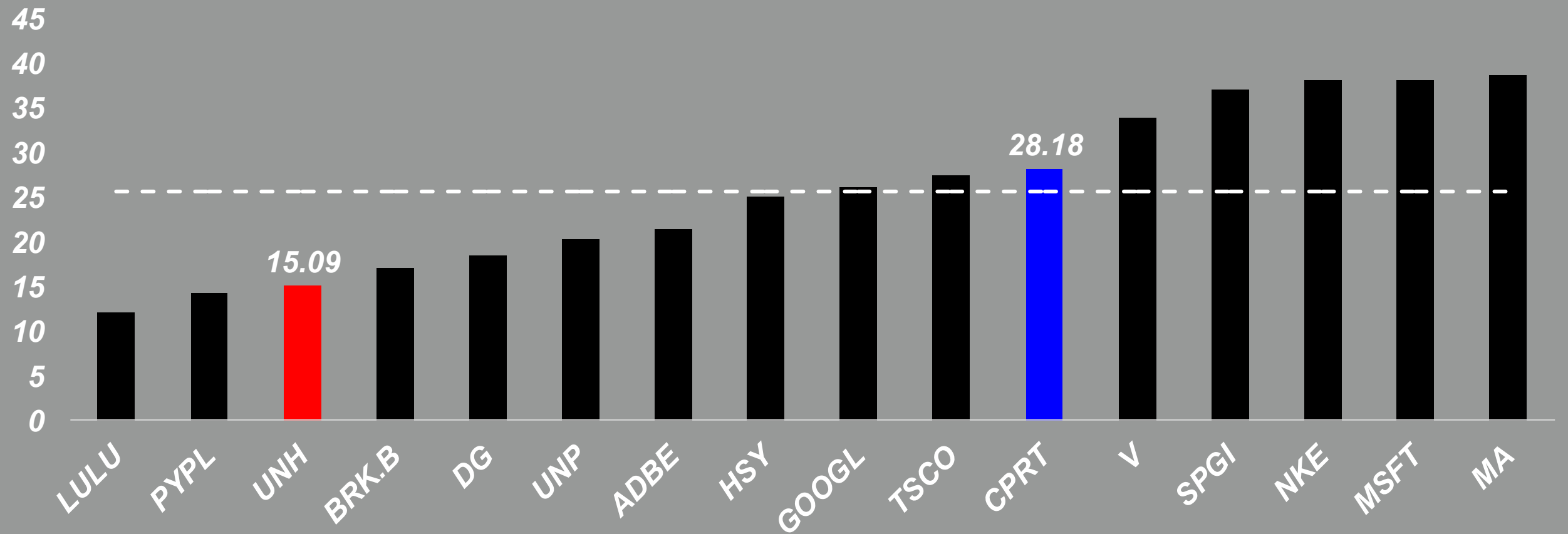


EV To EBITDA





PE Ratio



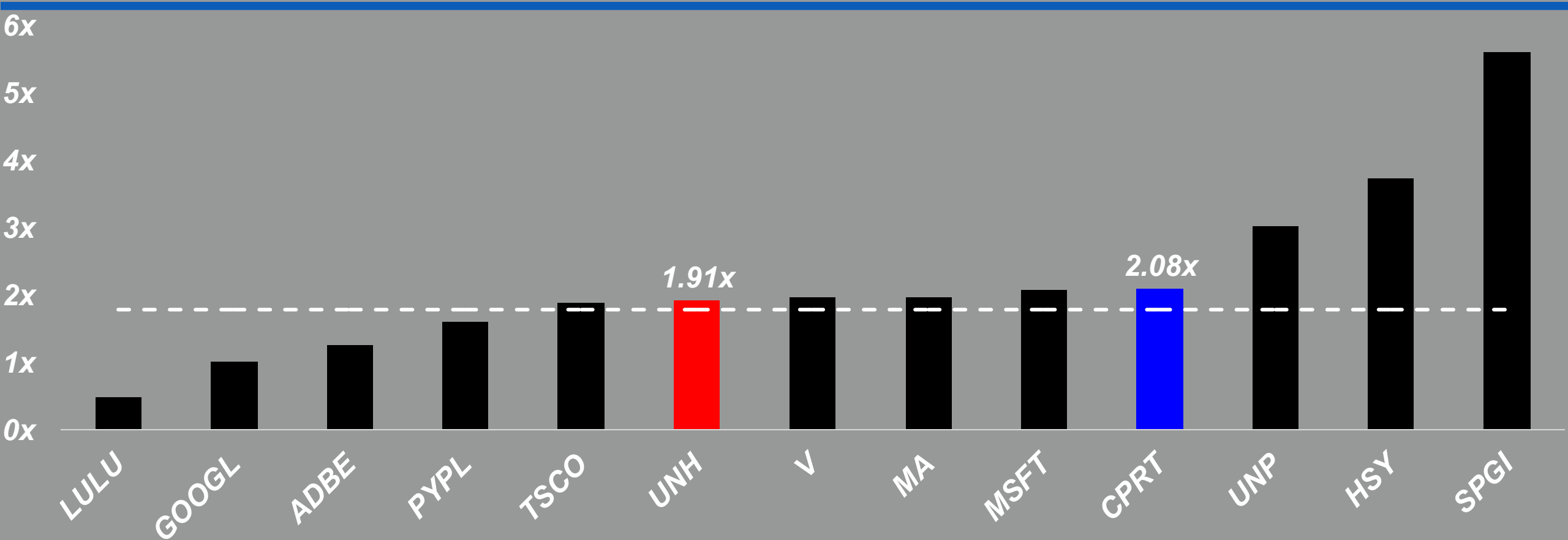
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Copart Inc.

100



PEG Ratio



Valuation & Conclusion

Enrique Alvarado

16-Jan-26





Growth Estimates Model

	2022	2023	2024	2025	2026E	2027E	2028E
Revenue By Segment							
Service Revenues	\$2,853,040,000	\$3,198,128,000	\$3,561,002,000	\$3,968,662,000	\$4,544,117,990	\$5,225,735,689	\$5,957,338,685
Sale Revenues	\$647,881,000	\$671,390,000	\$675,821,000	\$678,296,000	\$799,883,710	\$919,866,267	\$1,110,103,563
Total	\$3,500,921,000	\$3,869,518,000	\$4,236,823,000	\$4,646,958,000	\$5,344,001,700	\$6,145,601,955	\$7,067,442,248
Year Over Year Growth(%)							
Service Revenues	-	12.1%	11.3%	11.4%	14.5%	15.0%	14.0%
Sale Revenues	-	3.6%	0.7%	0.4%	17.9%	15.0%	20.7%
Net Margin	31.1%	32.0%	32.2%	33.4%	33.0%	32.0%	32.0%
Shares Outstanding	965	967	975	978	978	978	978
Year Over Year Growth(%)	-	0.2%	0.8%	0.3%	0.0%	0.0%	0.0%
Diluted EPS	\$1.13	\$1.28	\$1.40	\$1.59	\$1.80	\$2.01	\$2.31
Year Over Year Growth	-	13.3%	9.4%	13.6%	13.4%	11.5%	15.0%



5 Year Discounted Cash Flow

5 Year Discounted Cash Flow													
Ticker:		cprt											
Price:		\$45.08											
Discount Rate:		10.0%											
Method:		Adj. EPS											
Dividend Payout Ratio		0.0%											
								P/E	Price	Present Value	5 YR Return	Return	Return + Dividends
Bear	Adj. EPS	<u>2025-07</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	20.0x	\$56.02	\$34.79	24.3%	4.4%	4.4%
		\$1.59	\$1.76	\$1.94	\$2.19	\$2.48	\$2.80	22.0x	\$61.63	\$38.27	36.7%	6.5%	6.5%
			11%	10%	13%	13%	13%	24.0x	\$67.23	\$41.74	49.2%	8.3%	8.3%
Base	Adj. EPS	<u>2025-07</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	26.0x	\$79.50	\$49.36	76.4%	12.0%	12.0%
		\$1.59	\$1.80	\$2.01	\$2.31	\$2.66	\$3.06	28.0x	\$85.61	\$53.16	89.9%	13.7%	13.7%
			13%	12%	15%	15%	15%	30.0x	\$91.73	\$56.96	103.5%	15.3%	15.3%
Bull	Adj. EPS	<u>2025-07</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	30.0x	\$100.16	\$62.19	122.2%	17.3%	17.3%
		\$1.59	\$1.83	\$2.08	\$2.44	\$2.85	\$3.34	32.0x	\$106.83	\$66.34	137.0%	18.8%	18.8%
			15%	14%	17%	17%	17%	34.0x	\$113.51	\$70.48	151.8%	20.3%	20.3%



Intrinsic Value Estimates

	<i>Bear</i>	<i>Base</i>	<i>Bull</i>
<i>Present Value</i>	\$34.79	\$53.16	\$70.48
<i>Margin of Safety</i>	-29.3%	15.3%	36.1%



Total Rate of Return Sensitivity

Total RoR Sensitivity				
P/E	Est. EPS growth rate			
		12.0%	14.0%	16.0%
	20.0x	4.4%	12.0%	17.3%
	28.0x	6.5%	13.7%	18.8%
	34.0x	8.3%	15.3%	20.3%

Conclusion



- *Predictable & Consistent*
- *Extremely wide moat*
- *Strong margins*
- *Defensive*
- *Rarely ever trading below a premium*



Recommendation



- *Buy 3595 shares via limit order at \$45/share for approximately \$161,775*
- *Copart will become a 7% weighting*



Question & Answer Session

16-Jan-26



Appendix

16-Jan-26





Factoring in these assumptions and using an 8% **discount rate**, a 4% growth in perpetuity based on inflation, and a decrease in valuation multiples to 25x LTM FCF, the stock is overpriced by over 10% with a **fair value of \$55 per share**.

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues	4,236	4,720	5,150	5,831	6,356	6,928	7,551	8,231	8,972	9,779	10,659
% Change YoY	9.5%	11.4%	9.1%	13.2%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
Operating Income	1,572	1,742	1,957	2,274	2,511	2,771	3,058	3,375	3,714	4,088	4,477
% Operating Margin	37.1%	36.9%	38.0%	39.0%	39.5%	40.0%	40.5%	41.0%	41.4%	41.8%	42.0%
Net Income	1,363	1,525	1,688	1,942	2,138	2,354	2,591	2,852	3,133	3,441	3,762
D&A	181	190	198	206	214	222	231	240	250	260	271
Change in NWC	-114	-100	-70	-90	-107	-118	-130	-143	-157	-172	-188
CapEx	-511	-580	-603	-627	-652	-679	-706	-734	-763	-794	-826
FCF	919	1,035	1,213	1,430	1,592	1,780	1,987	2,216	2,463	2,735	3,018
FCF/Share	0.94	1.06	1.24	1.46	1.63	1.82	2.03	2.27	2.52	2.80	3.09
% Change YoY		12.5%	17.2%	17.9%	11.4%	11.8%	11.6%	11.5%	11.1%	11.0%	10.4%

Assumptions		Fair Value		CAGR (%)	
Discount Rate	8.0%	Perpetual Growth	\$53	Current Share Price	\$61
Perpetual Growth	4.0%	Exit Multiple	\$56	Est. Share Price 2034	\$77
Exit Multiple	25x	Avg. Fair Value	\$55	CAGR	2.4%
Shares Outstanding (M)	977.0				
Net debt (\$ M)	-\$3,680				

Author

Despite the attractive FCF growth, it is already priced in the stock, which should deliver modest returns going forward.

Capital Expenditures



*Operational Facilities
Opened from August 1,
2022 to July 31, 2025*

United States Locations		Date
Anchorage, Alaska		August 2022
Rapid City, South Dakota		August 2022
Kansas City, Missouri		September 2022
Grenada, Mississippi		January 2023
Windham, New England		March 2023
Las Vegas West, Nevada		June 2023
Akron, Ohio		July 2023
Wayland, Michigan		July 2023
Rutland, Vermont		August 2023
Phoenix, Arizona		November 2023
Austin, Texas		June 2024
Casper, Wyoming		July 2024
Napa, California		October 2024
Laurel, Maryland		November 2024
Chicago, Illinois		May 2025
International Locations	Geographic Service Area	Date
Brasília, Brazil	Brazil	September 2022
Büdingen, Hesse	Germany	January 2023
Ottawa, Ontario	Canada	February 2023
Corby, England	United Kingdom	October 2023
Glasgow, Scotland	United Kingdom	December 2023
Alhendin, Granada	Spain	January 2024
Gloucester, England	United Kingdom	March 2024
Barcelona, Spain	Spain	May 2024
Cookstown, Ontario	Canada	July 2024
St. Helens, England	United Kingdom	October 2024
Castellón, Spain	Spain	November 2024
Vitoria, Spain	Spain	December 2024

Services



Our Service Offerings

We offer vehicle sellers a full range of vehicle services, which expedite each stage of the vehicle sales process, helping to maximize proceeds and minimize costs. Not all service offerings are available in all markets. Additionally, in some cases a service offering may be applicable only to a particular subsidiary or operating segment. Our service offerings include the following:

Online Seller Access

Copart Access, our proprietary internet-based service for vehicle sellers, provides a comprehensive suite of tools designed to maximize efficiency and transparency throughout the sales process. This platform empowers sellers to seamlessly manage their inventory by assigning vehicles for sale, monitoring sales calendars, and accessing detailed vehicle information, including high-resolution images and historical data. Furthermore, Copart Access streamlines critical administrative functions such as viewing and reprinting body shop invoices and towing receipts, proactively managing the title procurement process, and optimizing total loss determination and management and the handling of unrelated/undisclosed damage. The platform also provides sellers with valuable insights into the historical performance of vehicles sold through our auctions, enabling data-driven decision-making and improved returns.

Salvage Estimation Services

We offer Co.ai, a proprietary suite of total loss determination and valuation tools that leverage machine learning and computer vision to assist sellers in the vehicle claims evaluation process by providing online salvage value estimates, which helps sellers determine whether to repair a vehicle or deem it a total loss.

IntelliSeller

We offer IntelliSeller, an automated tool leveraging our vast and detailed vehicle and sales data to assist our sellers in making vital auction decisions. Using machine learning, IntelliSeller optimizes the utilization of our vehicle and sales data to determine when to establish minimum bid values and suggest when to re-auction a unit to ensure optimal returns while minimizing cycle time.

Estimating Services

7

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We offer vehicle sellers in the U.K. estimating services for vehicles taken to our facilities. Estimating services provide our insurance company sellers repair estimates, which allow the insurance company to determine if the vehicle is a total loss vehicle. If the vehicle is determined to be a total loss, it is generally assigned to us to sell.

End-of-Life Vehicle Processing

In the U.K., we are an authorized treatment facility for the disposal of end-of-life vehicles.

Transportation Services

In the U.S. segment, we perform transportation services through a combination of third-party vehicle transport companies and our fleet. We maintain contracts with third-party vehicle transport companies, which enable us to pick up most of our sellers' vehicles within 24 hours. Our national network and transportation capabilities provide cost and time savings to our vehicle sellers and offer timely vehicle pick up and prompt response to catastrophes and natural disasters in the U.S. In the International segment, we perform transportation services through a combination of our fleet and third-party vehicle transport companies. Our international network and transportation capabilities provide cost and time savings to our vehicle sellers throughout the U.K., Europe, Canada, Brazil and Middle East market.

Vehicle Inspection Stations

We offer some of our major insurance company sellers office and facility space to house vehicle inspection stations on-site at our facilities. We have over 100 vehicle inspection stations at our facilities. An on-site vehicle inspection station provides our insurance company sellers with a central location to inspect potential total loss vehicles, which reduces storage charges that otherwise may be incurred at the initial storage or repair facility.

Services



On-Demand Reporting

We provide vehicle sellers with real time data for vehicles that we process for the seller. This includes vehicle sellers' gross and net returns on each vehicle, service charges, and other data that enable our vehicle sellers to more easily administer and monitor the vehicle disposition process. In addition, we have developed a database containing over 300 fields of real-time and historical information accessible by our sellers allowing for their generation of custom ad hoc reports and customer specific analysis.

Title Processing

We have extensive expertise in DMV document and title processing. We have developed a computer system which provides a direct link to the DMV computer systems of multiple states, allowing us to expedite the processing of vehicle title paperwork.

Title Express

We also facilitate the title transfer from the original owner or financial institutions on behalf of some of our sellers to streamline the documentation and vehicle auction process.

Loan Payoff

We can obtain up-to-date loan payoff information electronically from hundreds of automotive lenders, including the remaining balance due and per diem on a vehicle loan, to expedite the loan payoff and title transfer process.

Flexible Vehicle Processing Programs

At the election of the seller, we sell vehicles pursuant to our Percentage Incentive Program ("PIP"), Consignment Program, or Purchase Program. Under each program we may provide merchandising services such as covering or taping openings to protect vehicle interiors from weather, washing vehicle exteriors, vacuuming vehicle interiors, cleaning and polishing dashboards and tires, making keys for drivable vehicles, and identifying drivable vehicles. We believe our merchandising efforts increase the sales prices of the vehicles, thereby increasing the return on vehicles to both vehicle sellers and us.

Percentage Incentive Program. Under PIP, we agree to sell all of the vehicles of a seller in a specified market, usually for a predetermined percentage of the vehicle sales price. Because our revenues under PIP are directly linked to the vehicle's sale

price, we have an incentive to actively merchandise those vehicles to maximize the net return. We provide the vehicle seller, at our expense, with transportation of the vehicle to our nearest facility.

Consignment Program. Under our Consignment Program, we sell vehicles for a fixed consignment fee. Although sometimes included in the consignment fee, we may also charge additional fees for the cost of transporting the vehicle to our nearest facility, storage of the vehicle, and other incidental costs.

Purchase Program. Under the Purchase Program, we purchase vehicles from a vehicle seller at a formula price, based on a percentage of the vehicles' estimated PAV, and sell the vehicles for our own account. Currently, the purchase program is offered primarily in the U.K.

Buy It Now, Make An Offer

We offer an option to our members to purchase specific pre-qualified vehicles immediately at a set price before the live auction process. This enables us to provide a fast, easy, transparent and comprehensive buying option on these pre-qualified vehicles. Additionally, members have the option of submitting an offer amount on certain selected vehicles. If an offer is accepted, the member can purchase the vehicle before the live auction process.

Sales Process

We offer a flexible and unique sales process designed to maximize the sale prices of the vehicles utilizing VB3. VB3 opens our sales process to members and the general public to view auctions via our website and our mobile application anywhere in the world where internet access is available. The VB3 technology and model employs a two-step bidding process. The first step is an open preliminary bidding feature that allows a member to enter bids over the internet during the preview days. To improve the effectiveness of bidding, the VB3 system lets a member see the current high bid on the vehicle they want to purchase. The preliminary bidding step is an open bid format similar to eBay®. Members enter the maximum price they are willing to pay for a vehicle and VB3's BID4U feature will incrementally bid the vehicle on their behalf during all steps of the auction. Preliminary bidding ends at a specified time prior to the start of a second bidding step, an internet-only virtual auction. This second step allows bidders the opportunity to bid against each other and the highest preliminary bidder. The bidders enter bids via the internet in real time, and then BID4U submits bids for the highest preliminary bidder, up to their maximum bid. When bidding stops, a countdown is initiated. If no bids are received during the countdown or any extensions, the vehicle sells to the highest bidder.

Services



BluCar

We provide financial institutions, fleet and rental car companies with an efficient method to sell their vehicles. We have a dedicated team of employees that support the processing of BluCar vehicles which includes market specific services such as asset recovery, comprehensive condition reports and arbitration.

Copart Dealer Services

We provide franchise and independent dealers with a convenient method to sell their trade-ins through any of our facilities. We have a dedicated team of employees in the U.S. that target these dealers and work with them throughout the sales process.

Cash For Cars

We provide the general public with a fast and convenient method to sell their vehicles. Anyone can go to CashForCars.com; CashForCars.ca; CashForCars.de, CashForCars.co.uk, or Cash-for-cars.ie and arrange to obtain a valid offer to purchase their vehicle. Upon acceptance of our offer to purchase their vehicle, we provide them payment for their vehicle and then sell the vehicle on our own behalf.

National Powersport Auctions

In the U.S., we provide wholesale powersport vehicle remarketing services through live and online auction platforms to dealers, financial institutions and Original Equipment Manufacturers through our subsidiary National Powersport Auctions ("NPA"). Powersports include for example motorcycles, recreational vehicles, boats and RVs. NPA also offers comprehensive data services including the NPA Value Guide™, which we believe is the industry's most accurate wholesale valuation tool. NPA corporate offices are located in San Diego, California; and they operate from locations throughout the United States.

Purple Wave Inc.

In the U.S., through our majority ownership of Purple Wave Inc. ("Purple Wave") we provide wholesale construction, agriculture, and fleet remarketing services through no-reserve online auctions at www.purplewave.com, selling such items directly from the sellers location. Purple Wave Inc. offers a range of services including appraisals, listings, marketing, and post auction shipping. The Purple Wave corporate office is located in Manhattan, Kansas.

Copart Recycling

In the U.K., we have two facilities for U-Pull It from which the public can purchase parts from salvaged and end-of-life vehicles. In general, the buyer is responsible for detaching the parts from the vehicle and any associated hauling or transportation of the parts after detachment. After the valuable parts have been removed by the buyer, the remaining parts and car body are sold for their scrap value. We also operate GPS which dismantles vehicles and sells used parts.

Copart 360

We pioneered posting vehicle images online for buyers in 2001, and we have been improving the technology to provide top quality photos since then. In July 2020, we enhanced online images and videos by launching Copart 360 ("C360"), our proprietary technology that captures clear 360-degree views of interiors and exteriors of cars, trucks, and vans across U.S. Copart locations. This capability was expanded to the U.K. in fiscal 2021. Interested buyers can view everything from the backseat to the dashboard to the tires by clicking the 360° icon under vehicle images on select lot details pages on Copart.com. Buyers can also zoom in and out or expand to full screen on computers or mobile devices.

Membership



Members

We maintain a database of approximately 1 million registered members ("buyers") in the vehicle dismantling and recycling, rebuilding, used vehicle dealer and export industries, as well as members that are a part of the general public, where applicable. We believe that we have established a broad international and domestic buyer base by providing members with a variety of programs and services. To become a registered member, a person or business must complete a basic application either online or through our mobile application. Before any member may purchase a vehicle, they must provide copies of current government issued photo identification. Additionally, business members must provide current business information, including copies of licenses, which may include vehicle dismantler, dealer, resale, repair or export licenses, and as needed, completed sales tax exemption certificates. Registration entitles a member to transact business at any of our auctions, subject to local licensing and permitting requirements. We may sell to the general public either directly or members may purchase a vehicle offered at Copart through a registered broker who meets local licensing and permitting requirements. Strict admission procedures are intended to prevent frivolous bids that will not result in a completed sale. We market to members online and via email notifications, sales notices, telemarketing, direct mail, in-location marketing, search engines, social media, radio, television, trade publications, and participation in trade show events.

Membership Tiers

We now offer three tiers of membership Guest, Basic, and Premier, except for Copart U.K. where we offer only Guest, and Basic.

Guest Member Benefits

Guest members can sign up for free to add their favorite vehicles to their Watchlist, set up Vehicle Alerts to get notified when we add specific vehicles they're looking for and view our inventory from their desktop computer or mobile device via our mobile application.

Basic Member Benefits

Basic member benefits include:

- view multiple online auctions in real-time (live);
- bid on one vehicle at a time without a deposit, or up to five with a deposit;
- save favorite searches; and
- get access to member appreciation events.

Premier Member Benefits

Premier member benefits include all basic member benefits, as well as, the following:

- bid on multiple vehicles at the same time;
- get priority placement in phone and chat support;
- access the Virtual Queue which provides expedited service at our locations; and
- get a complimentary safety vest (one per membership year) and water bottle at our locations.

Intangible Assets



- 81% of vehicles from insurers – FY 25
- Embedded in insurance's claims workflows
 - Title, Storage, CAT Response
- Strong reputation during catastrophes
 - Hurricane Harvey and Helene/Milton
- Owned Land = Insurers Reliance
- First mover in online auction (VB3 2003)



Intangible Assets



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We offer Co.ai, a proprietary suite of total loss determination and valuation tools that leverage machine learning and computer vision to assist sellers in the vehicle claims evaluation process by providing online salvage value estimates, which helps sellers determine whether to repair a vehicle or deem it a total loss.

IntelliSeller

We offer IntelliSeller, an automated tool leveraging our vast and detailed vehicle and sales data to assist our sellers in making vital auction decisions. Using machine learning, IntelliSeller optimizes the utilization of our vehicle and sales data to determine when to establish minimum bid values and suggest when to re-auction a unit to ensure optimal returns while minimizing cycle time.

Growth

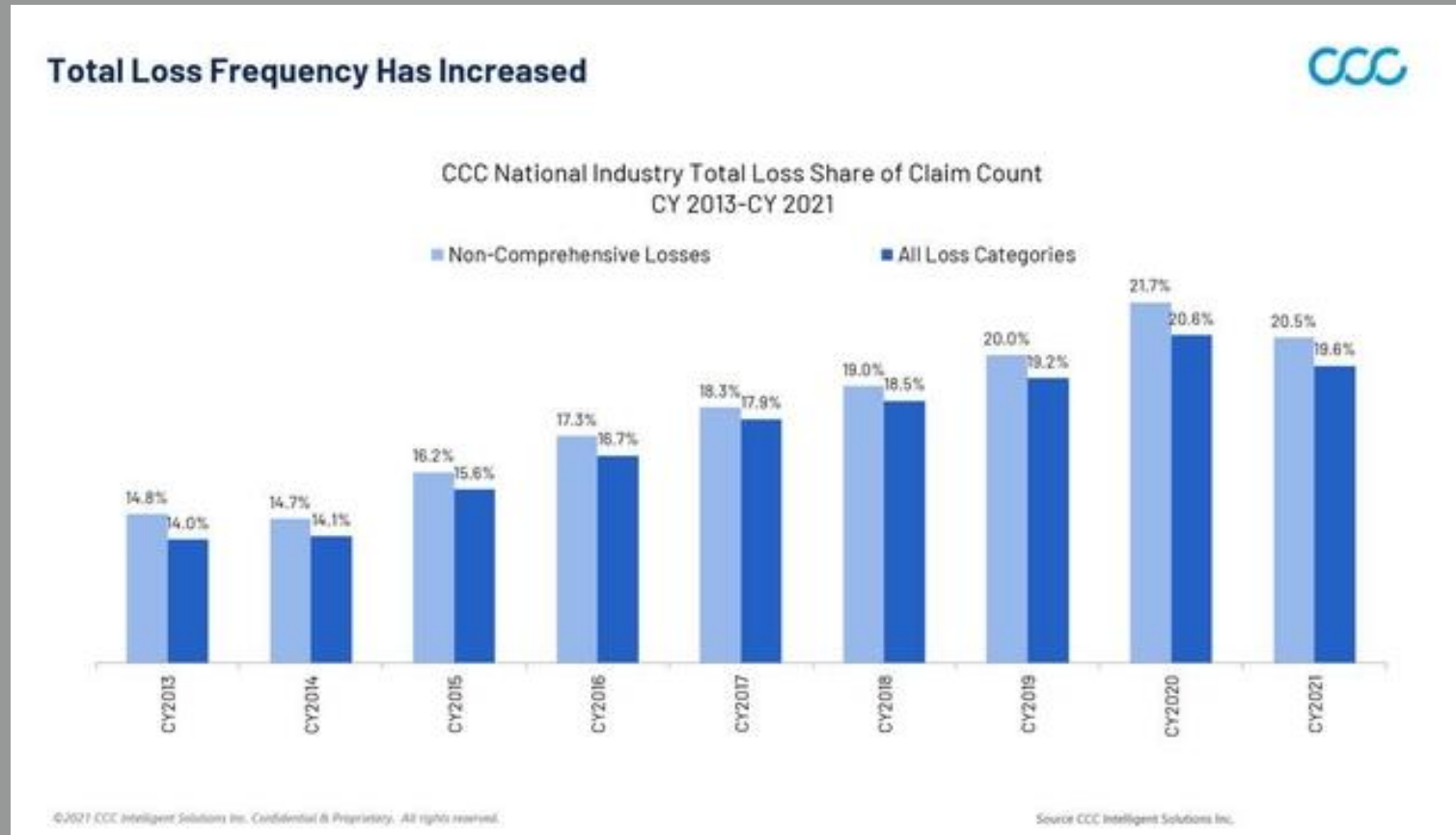


IAA was **acquired** in 2023 by RB Global (**RBA**), previously known as Ritchie Bros. Auctioneers. While RB Global doesn't disclose the exact revenues generated by IAA, for 2025 the **expected** revenue growth of the company is 2.2%, compared to the expected double-digit growth for Copart.

Overall, the industry is expected to **grow** at a CAGR of 13.7% in the U.S. during the next 5 years, where Copart generates 82% of its revenues, and even **faster** in international markets.



Total Loss Frequency Rates





Tariff Impacts

The 25% tariff on imported cars will cause **higher prices** for new cars, since 50% of the vehicles sold in the U.S. are **produced** abroad, and even for the ones produced in the U.S., a substantial amount of components is imported.

The situation could force car owners to postpone the purchase of new cars, driving the **average vehicle age even higher**.

Since owning a car is a necessity for many Americans, consumers could prioritize affordability, **increasing the amount of second-hand vehicles** sold.

In addition, Copart will benefit from the **price increases** in second-hand vehicles sold due to its fee-linked revenues. After the recent normalization following an abnormal spike during the pandemic, prices are starting to rise again.

Locations



Total facilities: ~281 worldwide (FY2025 10-K summary). [Stock Titan](#)

Countries: 11 (U.S., Canada, U.K., Germany, Ireland, Brazil, Spain, UAE, Oman, Bahrain, Finland). [Copart+1](#)

U.S. states: 49 (Copart's site most recently said "more than 250 locations across North America in 49 states"); their live directory now shows yards even in the typically "edge" states (AK, HI, VT, WY, RI), so coverage is effectively nationwide.