



Performance Update

H2 FY26



Our vision

Better drives, better lives

Cars24 is India-born, built for the world. Our vision, better drives, better lives, comes to life through scale, simplicity, and sustainability.

Mobility is the foundation of progress. When people can move freely, they choose how they live, where they work, and what they build.

Every car we put on the road increases someone's surface area of possibility.

We do not measure success by transactions. We measure it by how much freedom we return to people's lives.



 **LOANS24**

Insure24

 **TEAM-BHP.COM**
REDEFINING THE INDIAN AUTOMOTIVE EXPERIENCE

Crashfree India

CarTruth

 **Vehicle Info**
ALL-IN-ONE VEHICLE SOLUTION

 **CarInfo**

A note from **Vikram Chopra**

Builder, Cars24

The picture on the cover is 22 people from one family. Three generations. They came to pick up a single car, and they had garlanded it before we handed it over. It was the first car the family had ever owned.

I have looked at this picture more times than I can count.

Because in most Indian homes, a car is not transport. It is the moment a family believes it has arrived. We have spent eleven years building Cars24 for that moment, and for the years that follow it. Some of those years were harder than I expected them to be, and harder than I let on. I am writing this letter from the other side of them.

This is the half where the thing we built began paying for itself. Adjusted Net Revenue grew 37% to ₹760 Cr, ahead of our ₹750 Cr guidance, through a GST rate change in India and real disruption in the UAE. Inside that half sits **Q4 FY26, the quarter we became a profitable company for the first time, with ₹20 Cr of Adjusted EBITDA**. I am not going to pretend the numbers are the point. But after the years it took to earn them, I am going to let myself say them out loud.

Three things got us here.

We are solving affordability and accessibility. India is a ₹4 lakh Cr used-car market that 96% of Indians cannot afford. 40 cars for every 1,000 people, against 779 in the US and 223 in China. Banks turn first-time buyers away because the car has no history, no paperwork, no warranty. So the buyer walks home. We are closing that gap. We inspect the car. We document its history. We stand behind it. We lend on top of it. **In H2, loan disbursements grew 57% to ₹1,789 Cr.** Three out of four of our retail buyers are buying their first car. We are not taking share from anyone. We are reaching people no one was reaching. A better drive for a better life. The next 20 crore Indians - many earning ₹40,000 a month - will own their first car because of what households like ours are building for households like theirs.

We are building an ecosystem. The transaction is what people see. Underneath it, an ecosystem is taking shape. Every month, **3.8 Cr Indians come to Cars24** to renew insurance, check pollution status, recharge a FASTag, look up or sell their own car. Roughly **one in ten vehicle owners in this country**, coming to us for reasons that have nothing to do with buying a car today. The relationship is the rail. The transaction, when it happens, follows from it.

This is the half **we became AI-native**. Cars24 has been AI-first in pieces for years. In H2, the pieces started behaving like one platform. Engineering output is up 4x. Inspections, pricing, calls, document checks, fraud detection now run on AI by default. Revenue per employee is up 50%. The question at Cars24 is no longer whether AI helps the margin. It is how the business runs.

There is one more thing. India loses a life on the road every three minutes. Government figures. The real number is almost certainly higher. We have spent eleven years making car ownership accessible to millions of families who were locked out of it. Access without safety is half a job. So we have made a long commitment: **Crashfree India**, with one target: zero road fatalities by 2040. In April, MS Dhoni joined us as Goodwill Ambassador for that movement.

We are still early. Much remains to be built.

And for the first time in over a decade, I can say it plainly: we are no longer a company that sells used cars. We are the infrastructure of car ownership in India - an ecosystem of services families come to every month, on a single AI-native platform that travels. The car is the start of the relationship, not the end of it.

To every family that has trusted us with that moment: thank you. We are building this for the long run.

Love and deep gratitude,



Vikram Chopra

Builder, Cars24



Financial performance

H2 FY26

ADJUSTED NET
REVENUE



₹760 Cr

+37% YoY

ADJUSTED
EBITDA



₹(38) Cr

Losses narrowed 83% YoY

VEHICLE
TRANSACTION GMV

₹4,035 Cr

+4% YoY

RETAIL
TRANSACTION GMV

₹2,427 Cr

+35% YoY

LOANS DISBURSED
VALUE

₹1,789 Cr

+57% YoY

VEHICLE OWNERSHIP
SERVICES GMV

₹186 Cr

+11x YoY

- Adjusted net revenue, the metric we use to measure real earnings across all business lines, **grew 37% YoY to ₹760 Cr**. We delivered ahead of our ₹750 Cr guidance, despite GST changes and Middle East disruption.
- Group adjusted EBITDA improved 83% YoY to ₹(38) Cr. **Q4 FY26 was the first profitable quarter in our history at +₹20 Cr**.
- Vehicle transaction GMV grew **4% YoY to ₹4,035 Cr**. Share of retail increased as planned; Retail GMV **crossed ₹2,400 Cr (up 35% YoY)** and now contributes 60%+ of overall vehicle transaction GMV.
- Loans disbursed **grew 57% YoY to ₹1,789 Cr**. Co-lending lets the book grow several times over without needing more equity.
- Vehicle ownership services GMV **grew 11x YoY to ₹186 Cr** on the back of Vehicle Info and Ca RInfo, which now bring **3.5 Cr monthly unique users** of high-intent vehicle owners into our ecosystem.
- International: UAE delivered structurally **positive EBITDA margins** through regional disruption. Australia hit operating profitability in Q4 FY26.

Operating highlights

Largest Auto Ecosystem: 1 in 10 vehicle owners visit platform every month

MONTHLY
ACTIVE USERS **3.8 Cr**

LIFETIME APP
DOWNLOADS **23 Cr**

VEHICLE OWNERSHIP
TRANSACTIONS



15 L +11x YoY

CARS
SOLD



85,975 -11% YoY

LOANS
DISBURSED



29,733 +75% YoY

CUSTOMER
RATING



4.6 ★

- **Auto ecosystem:** 3.8 Cr monthly active users across Cars24, CarInfo, and VehicleInfo. Roughly one in ten vehicle owners in the country visits us every month. Lifetime downloads have crossed 23 Cr, comparable in scale to Zomato and already a third the size of PhonePe on the same metric.
- **Loved by users:** Customer rating of 4.6 across 6 platforms in 3 countries.
- **Vehicle ownership becoming a daily habit:** 15 lakh+ ownership-service transactions at the close of H2, up from a fraction of that a year ago. 15,000-plus transactions a day in March.
- **Vehicle sales: quality over volume.** Wholesale volumes in India declined as we leaned into higher margin retail. Retail GMV in India grew 50%+ YoY, and retail now contributes more than 60% of total vehicle transaction GMV.
- **Loans well ahead of guidance:** 29,733 loans disbursed in H2, materially ahead of our ~25,000 guidance. Growth came from retail expansion and from financing the end consumer when they buy a car from a dealer who originally sourced it through our wholesale auctions. We sold the car to the dealer once, and we finance the buyer when the dealer sells it on. It keeps the car earning for us through both legs of its journey.

FAQs

H2 FY26 Performance Update

Q1. Cars24 became EBITDA positive in Q4 FY26. Is this sustainable?

Yes, and the right way to evaluate that question is to look at the structural drivers, not the monthly result.

- Each business unit is now operating profitable.
- One platform runs across three countries. The same inspection, pricing, financing and CRM stack runs across India, UAE and Australia. New cities and new geographies inherit the platform rather than build from scratch. Our marginal cost of entering a new market is a fraction of what any competitor faces.
- Customer acquisition cost is structurally low. 3.8 Cr Indians visit Cars24 ecosystem every month for ownership reasons unrelated to their next transaction. They convert into transacting customers at a fraction of what a paid acquisition model costs, and the ratio has been compressing every quarter.
- Lending economics are built on captive data. Half of our retail buyers finance through Cars24. The underwriting model is fed by 5 lakh pricing data points generated every month from our own inspections and transactions. Captive origination plus better collateral underwriting is producing the best return on assets in the segment, at industry leading asset quality.
- Working capital discipline holds. Sell-through has stayed at around 34 days even as retail volumes grew 35%+.

Q2. Cars24 has been described in this letter as an ecosystem and as the infrastructure of car ownership in India. What does that mean?

The cleanest test of an ecosystem is whether its participants are on it when they are not transacting. By that test, Cars24 has been an ecosystem for some time. What changed in H2 is that the ecosystem started converting into the transaction.

3.8 Cr Indians visit the Cars24 platforms every month. That is roughly one in ten vehicle owners in the country. A used-car platform exists for one moment, the buy or the sell. We exist for the years on either side of it. Fifteen thousand + transactions run daily on the platform across insurance renewals, pollution checks, FASTag recharges, traffic-fine payments and vehicle history checks .

Buyers research with us before they spend. TeamBHP, with 42 lakh monthly users, is where serious car buyers decide. By the time a transaction happens, the buyer has often spent months inside the ecosystem.

The ecosystem then converts. Half of all retail buyers in India who buy from Cars24 also finance through Cars24. A growing share insure through us. Many return for service paperwork and the eventual resale. What Bajaj Finance built for consumer credit, and PhonePe for payments, we are building for cars. Bajaj's customer franchise encompasses 1 in 13 Indians. PhonePe has 1 in 2 Indians on its platform. The categories differ. The pattern is the same: build the rails, and the transactions follow.

Q3. Retail in India has turned around sharply. What changed?

Retail India is the part of the business where the work has been longest and the wins hardest to point to in any given year. H2 FY26 is the first half where that effort shows up clearly. This happened against a real headwind. The Q3 GST cut on new cars compressed the price gap with used cars across several segments, especially entry-level. We grew through it.

Five things moved in the same direction:

- Scale. Retail GMV grew 50%+ YoY in H2.
- Margins. Per-car gross margin expanded materially, driven by higher value-added services income and better financing unit economics.
- Velocity. Cars now sell in roughly 30 days from listing.
- Trust built into the product. 30-day return, lifetime warranty, and new tyres at handover.
- Acquisition cost. Retail CAC down more than 40% YoY, with the share of organic demand rising.

Q4. How are the Vehicle Info and CarInfo acquisitions performing?

Both acquisitions are tracking ahead of the thesis we underwrote them on.

The intent behind these deals was straightforward. Cars24 is most valuable when it is present across the full life of car ownership, not only at the point of buying or selling. Most car owners spend years between transactions, and until these acquisitions, we had limited reasons to engage them in that window. Car Info and Vehicle Info closed that gap. Together, the two platforms have now crossed 20 Cr lifetime downloads, with monthly active users compounding at double-digit rates quarter on quarter. The strategic value is showing up in two places. First, in acquisition economics on the core transaction business. Over 30% of customers who booked a Cars24 inspection in H2 had been active on Car Info or Vehicle Info in the preceding six months. These are customers we are reaching through owned, recurring traffic rather than paid performance channels, and the effect on blended CAC is material.

Second, in direct monetisation. Every car owner consumes services through the ownership cycle, from RC transfers to insurance to challan management, and these surfaces give us a natural distribution path for them. Vehicle Ownership Services GMV grew 11x in H2 on this base.

Three consumer surfaces, one underlying platform, one customer relationship that extends well beyond a single transaction. That is the thesis these acquisitions were built to deliver, and the early evidence is consistent with it.

Q5. Financing margins are structurally above industry - is that durable, or will competition compress them?

The conventional way to underwrite a used-car loan is to underwrite the borrower. We do that too. The difference is that we also underwrite the asset, the distribution, and the recovery. None of those three advantages is individually replicable by a bank, NBFC, or marketplace.

- **Captive distribution.** Every loan originates inside an existing customer relationship: a buyer, a dealer, or an owner. Acquisition cost on lending is near-zero, and no external lender can match that funnel without rebuilding the marketplace first.
- **Asset intelligence.** Ten years of inspections and millions of cars seen at close range. The valuation engine that prices a vehicle for sale is the same engine that prices the collateral for a loan.
- **Collections.** Recovery rates materially above the industry, supported by , in-house liquidation through our own transaction channel

Result : GNPA <1% with default curves improving quarter on quarter

Q6. Disbursements grew 57% in H2. How does this growth scale further without a corresponding rise in equity needs or risk?

The next phase of disbursement growth is structurally different from the one behind us. It is driven by retail volume and by financing more end consumers when they buy from dealers who originally sourced the car through our wholesale auctions. And it requires a fraction of the capital that the same growth would have required two years ago.

The unlock is co-lending. Our partner funds 80 to 90% of each loan. We keep 10 to 20% on our own balance sheet and retain the customer relationship and the servicing P&L. This separates book growth from equity needs.

Growth from here is funded by partners, risk stays selective, and the customer stays ours.

Q7. How is the UAE holding up through regional disruption?

The UAE faced one of the most volatile regional backdrops in years. Volumes declined roughly 30% through the worst of the disruption. Some recovery is now starting to emerge.

What did not move was the team or the discipline of the operation. The UAE business is running exactly the way the country itself is running through this period: clear-headed, deliberate, focused on the work in front of it.

Q8. How much of the profit improvement is because of AI?

The cleanest single number we use to measure AI impact is revenue per employee. In H2 FY26, that improved 50% over the same half last year. The more important point is that AI is no longer a project somewhere in the engineering organisation. It is woven into how almost every part of Cars24 runs. AI has already contributed roughly 300 basis points to EBITDA, ensuring as revenue grew operating cost remained flat

- **Seller and Inspection AI:** reduced inspection time, while pricing accuracy improved, leading to a lower share of inspection misses.
- **Refurbishment & Retail Hub AI:** AI-led daily hub audits cover 100% of the retail network with ~1,750 checkpoints per day; sales workflows orchestrate 40,000+ personalised customer journeys.
- **Customer & Dealer Experience AI:** the platform handles 1.5M+ minutes of calls per month across 7+ languages and 20+ workflows; dealer contact reduced structurally.
- **Lending & Risk AI:** 10 ML models live across underwriting, fraud, early-warning and collections; 80,000+ documents per month processed for fraud detection.
- **Workflow automation:** We automated a significant number of workflows in marketing, design, analytics and are expanding coverage to more and more areas.
- **Engineering AI:** Engineering output is up 4x on a team that is roughly 60% smaller. Every line of code we ship is reviewed by AI; almost a third is written by it. Some non-engineers have already started to raise PRs and this will grow exponentially.

Q9. What is the update on Crashfree India (CFI)?

Crashfree India is Cars24's road safety initiative, rooted in a simple belief: if we are putting more cars on Indian roads, we have a responsibility to make those roads safer. India loses over 1.5 lakh lives to road crashes every year. CFI exists to change that, not through awareness alone, but by working on the systems, infrastructure and policy that decide whether a road is safe in the first place.

In H2, CFI moved from building programmes to building institutions. MS Dhoni joined as Goodwill Ambassador in April. On infrastructure, students from IITs, NITs and architecture schools, partnering with TRIPP IIT Delhi and CoE-SEA IIT Kharagpur, mapped 120+ high-risk locations across 18 cities. 24 sites are now approved for on-ground implementation, with the potential to prevent 1,000+ crashes. On policy, one of the country's largest youth-led road safety engagements drew 2,000+ participants, 700+ teams and 250+ policy submissions across IITs, IIMs and law schools.

Two areas are now multi-year programmes. Crash compensation: fewer than 2% of crash victims in India access what they are legally entitled to. CFI is closing that gap through a Gurugram Police partnership for proactive victim outreach, an AI chatbot for the claims process, a compensation calculator benchmarked against legal precedent, and an active MoRTH collaboration on a national compensation portal. Gig rider safety: an evidence-building study with Gurugram Traffic Police, with a report due in May, has already produced submissions to MoRTH on regulatory gaps in the EV ecosystem.

Q10. Two of your co-founders are stepping back from executive roles. What does this mean for the company?

Mehul and Gajendra are stepping down from their executive roles. We arrived at the decision together. Both are choosing to step back at a moment of strength to focus on their next chapters, while a deep next generation of leaders inside the company is ready and equipped to carry it forward. Ruchit and I feel the same way about where we are.

Eleven years in, this is the clearest sign that Cars24 has matured into something bigger than its founding team. That was always the goal, and we are there.

Practically, very little changes. Both remain shareholders. Mehul continues on the board. Gajendra continues to advise on branding and on Crashfree India, the road safety initiative he has shaped from the start. Ruchit and I will absorb the majority of their executive responsibilities, supported by a leadership bench that has been running large parts of this business for years. Strategy does not change. The plan does not change. The numbers do not change. No other governance or cap table changes are contemplated.

Cars24 is in strong hands today, and it will be in stronger hands a year from now. That is what the founders set out to build, and that is the company we are running into the IPO and through it.

Key Numbers

Group (₹ Cr)	H2 FY26	H2 FY25	H1 FY26	FY26	FY25
Vehicle Transaction GMV	4,035	3,871	3,732	7,766	7,806
Loans Disbursed Value	1,789	1,141	1,428	3,220	2,185
Vehicle Ownership Services GMV	186	16	94	280	21
Adjusted Net Revenue (Net of GST/VAT)	760	555	651	1,411	1,108
YoY Growth %	37%	-	18%	27%	-
Opex	723	702	719	1,441	1,426
Tech Investments	76	77	95	170	157
Adjusted EBITDA	(38)	(223)	(162)	(200)	(475)
YoY Growth %	83%	-	36%	58%	-
Less: ESOP	33	16	40	74	40
Less: Accounting Adjustments	58	20	25	83	40
EBITDA	(130)	(259)	(227)	(357)	(555)
YoY Growth %	50%	-	23%	36%	-
Add: Interest Income	40	75	66	106	145
Less: Depreciation & Amortization	60	33	43	103	71
Less: Income Tax	8	(2)	1	9	(1)
Net Profit/(Loss) from continuing operations	(158)	(215)	(205)	(363)	(480)
YoY Growth %	27%	-	23%	24%	-
Less: Discontinued Businesses Burn	(2)	55	14	11	85
Less: Acquisition-related ESOP and tax	118	0	0	118	0
Total Comprehensive Income (Net of Tax)	(273)	(270)	(219)	(492)	(565)
YoY Growth %	-1%	-	26%	13%	-

Glossary

Term	Definition
Adjusted EBITDA	Earnings before interest, taxes, depreciation and amortisation, adjusted for ESOP expense and financing income recognised on a Net Present Value basis. The Adjusted EBITDA view brings the expected lifetime value of own-book loans back to present value using conservative default and collection-cost assumptions, reset quarterly based on actual cohort performance, enabling fair comparison across lending models.
Adjusted Net Revenue (ANR)	A non-GAAP measure representing revenue earned across business lines after adjusting for differing monetisation models, direct costs and GST/VAT.
CAC	Customer Acquisition Cost. Total direct marketing and sales cost incurred to acquire a new customer, expressed as a percentage of GMV.
Co-Lending	Partner-funded lending structure where Cars24 retains origination, underwriting and the customer relationship while external lenders provide most of the capital (~80%), allowing book growth without proportionate equity deployment.
FY / H1 / H2	Financial Year — twelve months from 1 April to 31 March. H1 FY26: April to September 2025. H2 FY26: October 2025 to March 2026.
Gross Merchandise Value (GMV)	Total value of transactions facilitated through the platform, including full transaction value for inventory-led sales.
Gross Non-Performing Assets (GNPA)	Total outstanding loan amount classified as non-performing (overdue beyond 90 days), expressed as a percentage of gross loan book.
MAU	Monthly Active Users: Number of unique users active on the platform (app or website) in a given month across Cars24 and its consumer platforms.

Term	Definition
Net Non-Performing Assets (NNPA)	Gross non-performing assets net of provisions, expressed as a percentage of net loan book.
Own-Book Share	Share of loans disbursed on Cars24's balance sheet or co-lending model over the total disbursals originated through the platform.
Revenue per Headcount	Adjusted Net Revenue divided by average employee headcount; used to measure organisational productivity and AI-driven operating leverage.
Sell-Through Rate (STR)	Average number of days taken to sell a vehicle listed on the platform from listing to transaction completion.
Value-Added Services (VAS)	High-margin ancillary products such as insurance, warranty, service charges and buyback that materially improve per-transaction profitability.
Vehicle Ownership Services (VOS)	A suite of post-purchase and lifecycle services (insurance renewals, traffic-fine payments, FASTag recharge, buyback and inspections) enabling continuous engagement and monetisation beyond the initial car transaction.
YoY (Year-on-Year)	For H2 FY26 comparisons: H2 FY26 vs H2 FY25. For full-year comparisons: FY26 vs FY25.

Disclosures

- The financial information presented in this update relates to H2 FY26 (six months ended 31 March 2026). It is prepared on a consolidated basis for Cars24 Group (Global Car Company LLC and its subsidiaries), reported in ₹ Cr, and is based on unaudited provisional numbers. FY25 figures are audited.
- Unless explicitly stated otherwise, all growth references are on a H2 FY26 versus H2 FY25 basis.
- This update includes certain non-GAAP / alternative performance measures (e.g., Adjusted EBITDA, Segment EBITDA, GMV, Adjusted Net Revenue). These measures are not defined under IFRS / SFRS(I) / Ind AS and may not be comparable to similarly titled measures used by other companies.
- Pro forma information is based on management estimates and assumptions described herein, is provided for illustrative purposes only, and does not represent actual results of operations or financial position, nor is it necessarily indicative of future results.
- Forward-looking statements are subject to risks and uncertainties and actual results may differ materially. This communication does not constitute an offer of securities.

