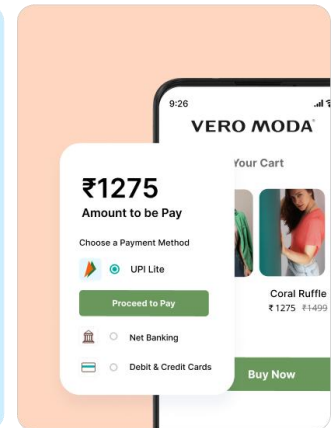
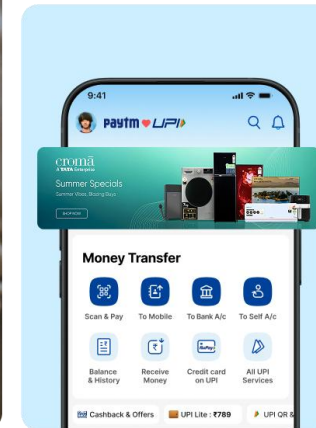




Earnings Presentation

For the quarter ending June 2025



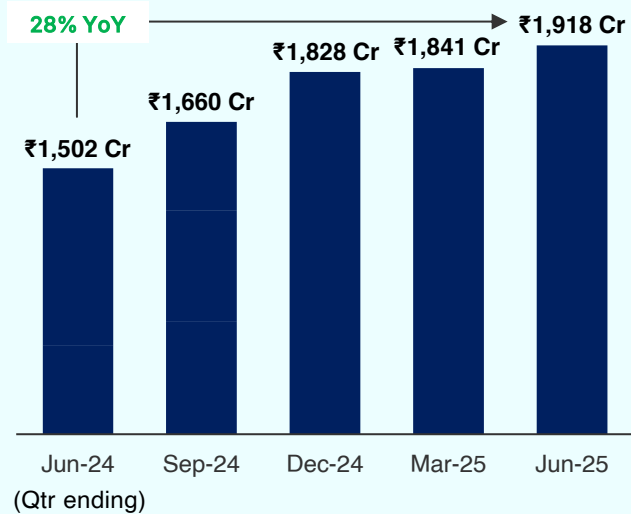
India's Merchant Payment Leader
serving MSMEs and Enterprises

Paytm Solidifies Unrivalled Leadership in India's Merchant Payment Business, turns Profitable with ₹123 Cr PAT in Q1 FY26

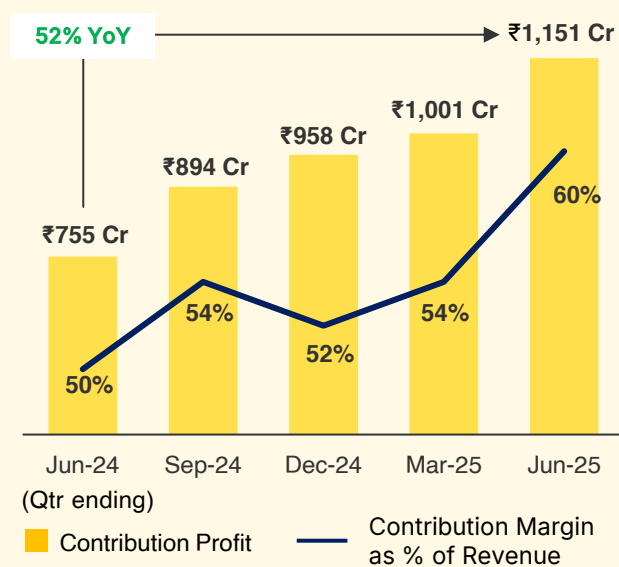


Company achieves milestone of profitability across all key financial metrics, including EBITDA and PAT, and expects further improvement in profitability

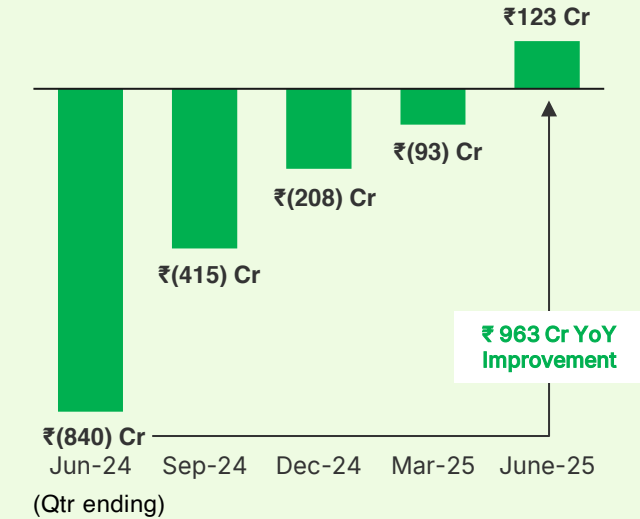
Revenue Growth Momentum Continues



Contribution Profit and Contribution Margin



Achieved PAT Profitability



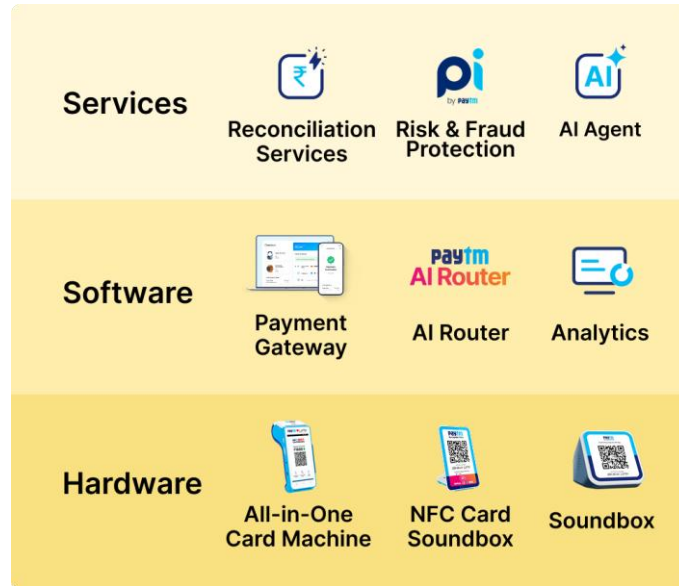
For like-to-like comparison, Revenue and PAT excludes one-time items as below:

1. ₹70 Cr of UPI incentive in Q4 FY 2025, 2. Gain from sale of entertainment ticketing business of ₹1,345 Cr in Q2 FY 2025 3. One-time exceptional charge of ₹522 Cr towards acceleration of ESOP expense and other impairments in Q4 FY 2025

Paytm is India's Full Stack Merchant Payment Leader serving MSMEs and Enterprise Payment Merchants



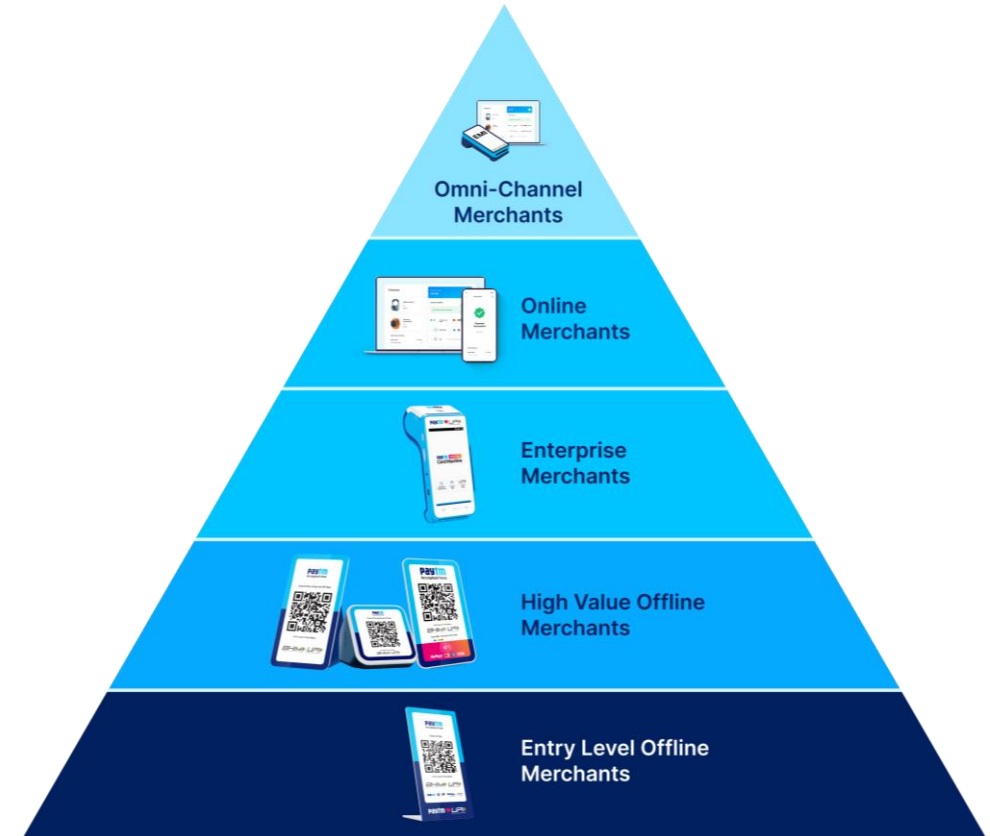
Offers AI-powered Full Technology Stack



Payment Instruments



Across Enterprise Merchants and MSMEs

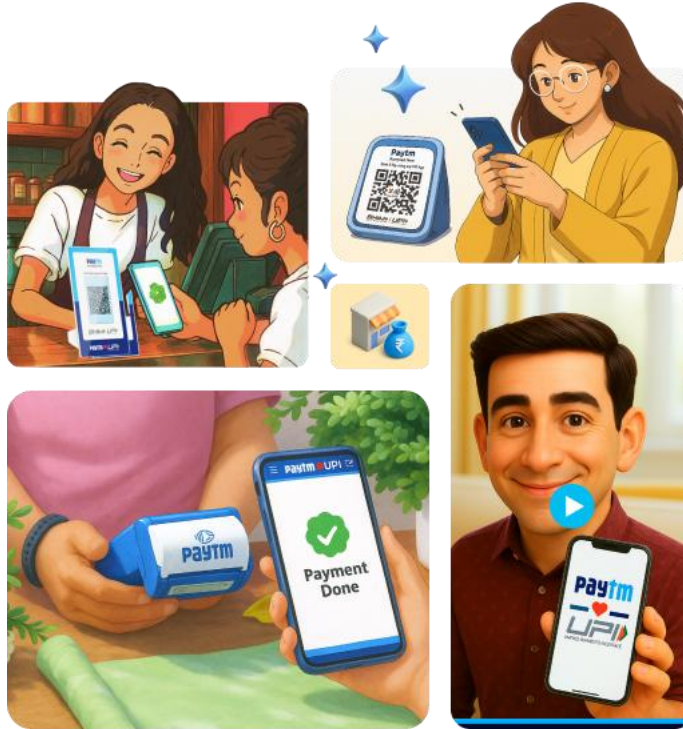


Driving Growth and Efficiency through Embedded AI Capabilities



Merchant Onboarding

AI led quality checks for onboarding and profile updates, driving growth of high quality merchants



Transaction Monitoring

Real-time fraud and risk detection engine



Customer Delight

End-to-end resolution of customer queries through 24x7, multi-lingual conversational AI agents

Improved Marketing Stack

Sharper audience targeting and segmentation, reducing customer acquisition cost and improve ROI



Enhanced Cross - Sell

Drive insights via “Paytm ARMS” platform, optimising approval rates and pricing decisions



Improved Asset Quality

Predict merchant churn and delinquency for segment-specific interventions, leading to improved asset quality and collection bonuses



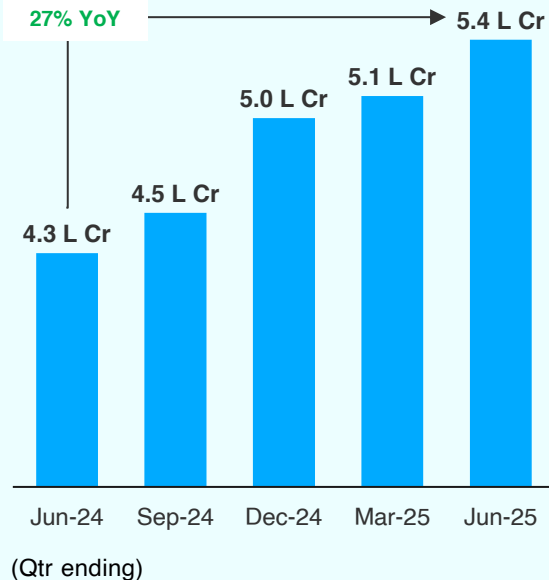
Payment Services: Consolidating Leadership in Merchant Payments



Payment Processing Revenue

= Gross fees charged to the merchant – Payment processing charges

Gross Merchandise Volume

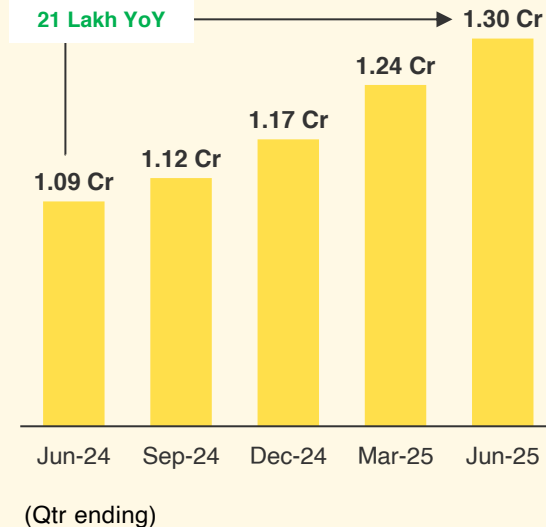


+

Subscription Revenue

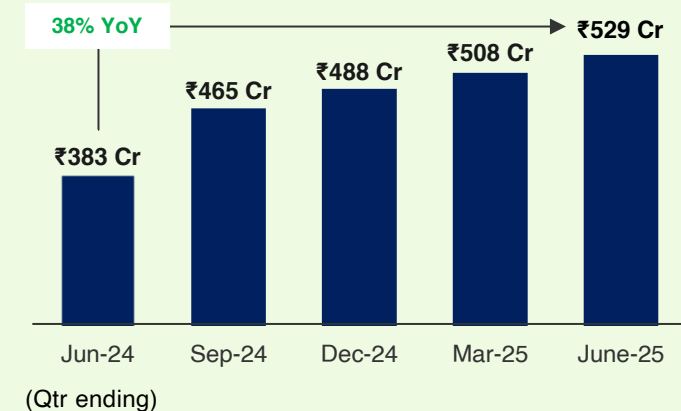
= Charges merchant pays for various monthly services, including devices

Merchant Subscriptions (Including Devices)



=

Net Payment Revenue

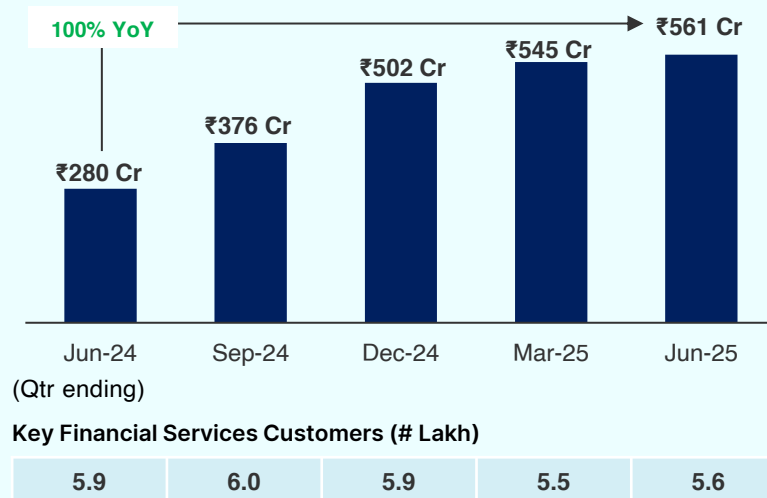


- Payment processing margin was comfortably above the guided 3bps margin
- New subscription paying device merchant sign-ups reached an all-time high of 1.30Cr on the back of high quality devices and superior service network
- Despite robust device growth, our capex has come down over the last few years owing to lowered device costs, ramp up in refurbishment, and increased sales team productivity

Distribution of Financial Services: Low Penetration offers Significant Opportunity



Revenue from Distribution of Financial Services



Revenue growth led by merchant loans expansion, trail revenue from Default Loss Guarantee portfolio, improved collection performance

- Continued increase in interest from existing and new lending partners
- Merchant loans continues to see growth, in line with erstwhile trends. More than 50% of loans distributed to repeat borrowers,
- Personal loans are seeing early signs of recovery in the credit cycle, leading to higher disbursements sequentially
- We have enhanced our focus on Paytm Money (mutual funds distribution and equity broking)

Update on Default Loss Guarantee (DLG) Portfolio:

- Starting this quarter, majority of loans were distributed under the non-DLG model and we expect this trend to continue. Higher share of non-DLG disbursements reduces upfront DLG costs and also lifetime revenue by corresponding amount
- Hence, distribution of financial services revenue growth will be slower sequentially as compared to the disbursements growth

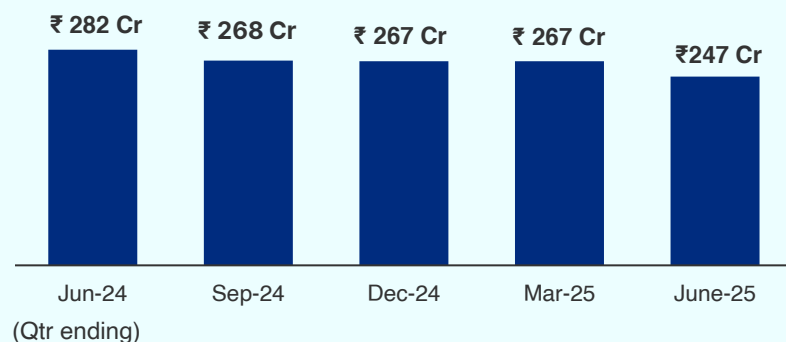
Marketing Services: Driving Additional Monetization from Merchants



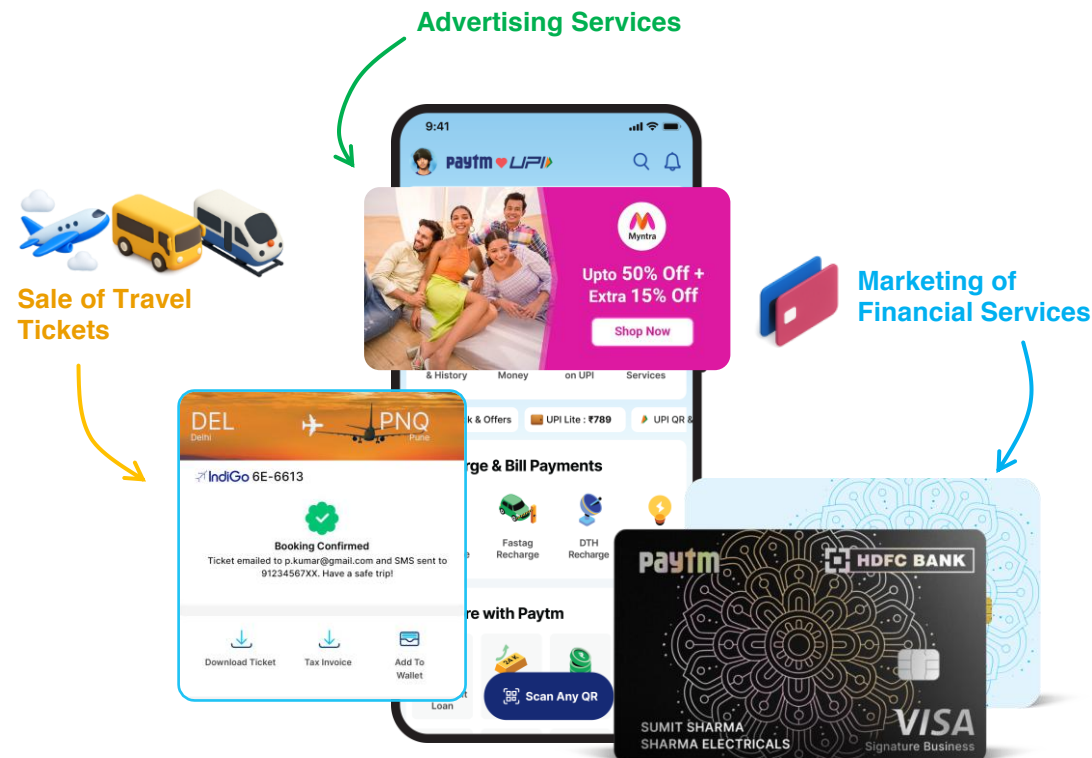
We enable merchants and financial institutions to offer services on our app such as Advertising, Sale of travel tickets, deals and gift vouchers and Marketing of financial services

- Advertising: We are focused on delivering higher ROI for advertisers through use of AI for sharper customer cohorting & deeper relationships
- Ticketing, deals & gift vouchers: Improved product features such as AI Smart Filter have enabled easier navigation and product discovery
- Marketing of Financial Services: We offer co-branded credit cards, advertising and other services to various financial institutions

Marketing Service Revenue



Excludes revenue from entertainment ticketing business in Q1 and Q2 FY 2025



Our Key Focus Areas are:



Continue to Lead India's Enterprise and MSME Merchants

We lead with merchant payment innovations, including new devices and are focused on deepening penetration of these products and services across small and large merchants



Expand Distribution of Credit

Through increase in number of partners, introduction of new products, and further enhancing collections performance using AI

AI First in every customer product and internal process

AI-led onboarding, fraud detection, and retention across products to drive scalable monetisation and customer experience

Consumer acquisition

Expanding market share gains and retention through innovative products and prudent investments in marketing campaigns

International Expansion

Exploring opportunities in select markets, on back of our technology led merchant payments and financial services model



**Paytm continues to lead
merchant payment ecosystem, and invest
in technology & market expansion**





Annexure

Operating Revenue and Contribution Profit



(in ₹ Cr)	Quarter Ended			Change	
	June-25 (Unaudited)	Mar-25 (Unaudited)	June-24 (Unaudited)	YoY	QoQ
Payment Services	1,044	1,046	884	18%	(0)%
Distribution of Financial Services	561	545	280	100%	3%
Marketing Services	247	267	321	(23)%	(7)%
Other Operating Revenue	67	52	16	319%	29%
Revenue from Operations	1,918	1,911	1,502	28%	0%
Payment processing charges	581	520	517	12%	12%
<i>As % of GMV</i>	0.11%	0.10%	0.12%	(1) bps	1 bps
Promotional cashback & incentives	37	41	44	(16)%	(10)%
Other Expenses	148	278	185	(20)%	(47)%
Total Direct Expenses	767	840	746	3%	(9)%
Contribution Profit	1,151	1,071	755	52%	7%
<i>Contribution Margin %</i>	60%	56%	50%	972 bps	397bps

EBITDA

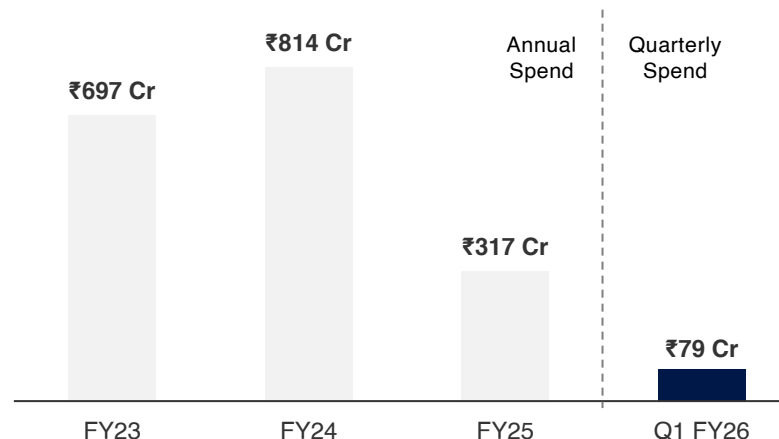


(in ₹ Cr)	Quarter Ended			Change	
	June-25 (Unaudited)	Mar-25 (Unaudited)	June-24 (Unaudited)	YoY	QoQ
Contribution Profit	1,151	1,071	755	52%	7%
<i>Contribution Margin %</i>	60%	56%	50%	972 bps	397bps
Marketing	62	102	177	(65)%	(39)%
Employee cost (excl ESOPs)	613	579	706	(13)%	6%
Software, cloud and data center	168	146	182	(8)%	15%
Other indirect expenses	207	165	236	(12)%	25%
Total indirect expenses	1,049	991	1,301	(19)%	6%
EBITDA before ESOP cost	102	81	(545)	nm	26%
<i>EBITDA before ESOP cost Margin %</i>	5%	4%	(36)%	nm	110 bps
ESOP Cost	30	169	247	(88)%	(82)%
EBITDA	72	-88	-792	nm	nm
<i>Margin %</i>	4%	(5)%	(53)%	nm	nm

ESOP Pool Schedule

As of May 6, 2025	(in Cr.)
Basic shares outstanding	63.8
ESOPs vested and unexercised	0.2
ESOPs granted and unvested	1.1
ESOPs available for distribution	2.9
Estimated fully diluted shares	67.9

Capex



Indirect Expenses

(in ₹ Cr)	Jun-24	Sep-24	Dec-24	Mar-25	June-25	YoY Change (%)
Marketing	177	125	104	102	62	(65)%
Sales employees	224	228	227	243	266	19%
Non-sales employee costs	482	385	348	336	346	(28)%
Software & Cloud expenses	182	158	154	146	168	(8)%
Other indirect expenses	236	184	167	165	207	(12) %
Total Indirect Expenses (excl. ESOP Costs)	1,301	1,080	1,000	991	1,049	(19)%
ESOP Costs	247	218	182	169	30	(88)%
Total Indirect Expenses	1,548	1,298	1,182	1,160	1,079	(30)%

Reconciliation of Non-GAAP Measures



EBITDA to Net Income

(in ₹ Cr)	Quarter Ended			Change	
	June-25 (Unaudited)	Mar-25 (Unaudited)	June-24 (Unaudited)	YoY	QoQ
EBITDA (A)	72	(88)	(792)	nm	nm
Finance costs (C)	(4)	(4)	(4)	0%	0%
Depreciation and amortization expense (D)	(166)	(150)	(178)	(7)%	11%
Other income (E)	241	224	138	75%	8%
Share of profit / (loss) of associates /joint ventures (F)	0	0	(1)	(100)%	nm
Exceptional items (G)	(17)	(522)	0	nm	(97)%
Income Tax expense (H)	(4)	(3)	(2)	100%	33%
Loss on Impairment of Associate (I)	-	-	-	-	-
Profit / (Loss) for the period/year (J=sum of A to I)	123	(545)	(840)	nm	nm

Operational KPIs



	Units	Quarter Ended			Change	
		June-25 (Unaudited)	Mar-25 (Unaudited)	June-24 (Unaudited)	YoY	QoQ
Registered Merchants (end of period)	Cr	4.5	4.1	4.4	3%	11%
Payment Devices (cumulative; end of period)	Cr	1.30	1.09	1.24	5%	20%
GMV	₹ Lakh Cr	5.4	4.3	5.1	6%	27%
Merchant Transactions	Cr	1,303	981	1,184	10%	33%
Total Transactions	Cr	1,464	1,103	1,317	11%	33%
Average Number of Sales Employees	#	38,945	31,604	36,724	6%	23%
Cost of Sales Employees (including training)	₹ Cr	266	224	243	10%	19%
MTU (average over the period)	Cr	7.4	7.8	7.2	2%	(6)%
Key financial services customers	Lakh	5.6	5.9	5.5	3%	(4)%

Breakup of available Cash and investable balance (Net Cash Balances)



Particulars (in ₹ Cr)	Jun-24	Sep-24	Dec-24	Mar-25	June-25
Cash and Bank Balances in Current Accounts (Net of Borrowings)	5,322	4,928	4,451	4,539	4,561
Deposits with banks	3,486	3,617	6,997	7,018	6,478
Investments (Mutual Funds/T-Bills/CP/G-Sec/NCD/NBFC FDs)	2,743	4,540	4,143	4,046	5,086
Total Balances	11,552	13,085	15,591	15,602	16,124
Paytm Money Ltd (PML) customer funds	449	412	287	326	420
Merchant Funds in Escrow / Nodal	2,995	2,674	2,454	2,467	2,832
Total Balances (excluding PML / Merchant funds)	8,108	9,999	12,850	12,809	12,872

Note: The Company maintains distinct Bank accounts (Escrow and Nodal) for online and offline payments business. Previously, balances in these accounts were netted off against “Payable to Merchants” appearing under “Other Financial Liability” in financial statements. For the year ended March 31, 2025, to enhance transparency and clarity, the balances in these separate Bank accounts are now presented on a gross basis. Previous quarters numbers have also been reinstated to provide correct comparatives.

Indicative Performance Metrics for Loan Distribution (Q1 FY2026)



	Merchant Loans
Bounce Rates	NA
Bucket 1 Resolution %	83% to 90%
Recovery Rate Post 90+	30% to 35%
ECL%	4.5% to 5.0%

Loans are underwritten and booked by our lending partners in their balance sheets. Paytm acts as a collection outsourcing partner and the numbers are hence indicative of those efforts

Definitions for Metrics & Key Performance Indicators

Metric	Definition
GMV	GMV is the rupee value of total payments made to merchants through transactions on our app, through Paytm Payment Instruments or through our payment solutions, over a period. It excludes any consumer-to-consumer payment service such as money transfers.
Monthly Transacting User (MTU)	Number of unique users in a particular calendar month who have successfully completed a transaction on our App or have used the Paytm for Business App
Contribution Profit	We define Contribution profit as revenue from operations less payment processing charges, promotional cashback & incentives expenses, connectivity & content fees, contest, ticketing & FASTag expenses & logistic, deployment & collection cost of our businesses.
Net Payments Margin	Payments revenues (including other operating revenue) less payments processing charges
Key Financial Services customers	Key financial services customers are unique consumers and merchants who have availed Paytm's and group entity's financial services offerings, i.e. equity broking, insurance and credit products, such as merchant and consumer loans distributed through our platform. However, it does not include customers availing mutual fund distribution, Postpaid loans, gold distribution or any attachment insurance products, as they contribute negligible revenue/profitability

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Use of Operating Metrics

The operating metrics reported in this Presentation are calculated using internal Company data based on the activity of our merchants, consumers and other participants in our ecosystem. While these numbers are based on what we believe to be reasonable estimates of engagement, for the applicable period of measurement, there are inherent challenges in measuring usage across our large online, offline, in-store and mobile presence. The methodologies used to measure these metrics require significant judgment and are also susceptible to algorithm or other technical errors. We regularly review our processes for calculating these metrics, and from time to time we may discover inaccuracies in our metrics or may make adjustments to improve their accuracy, which can result in adjustments to previously disclosed metrics. In addition, our metrics will differ from estimates published by third parties due to differences in methodology.

We have converted financial amounts from ₹ millions into ₹ Cr and hence there could be some totaling anomalies in the numbers.