

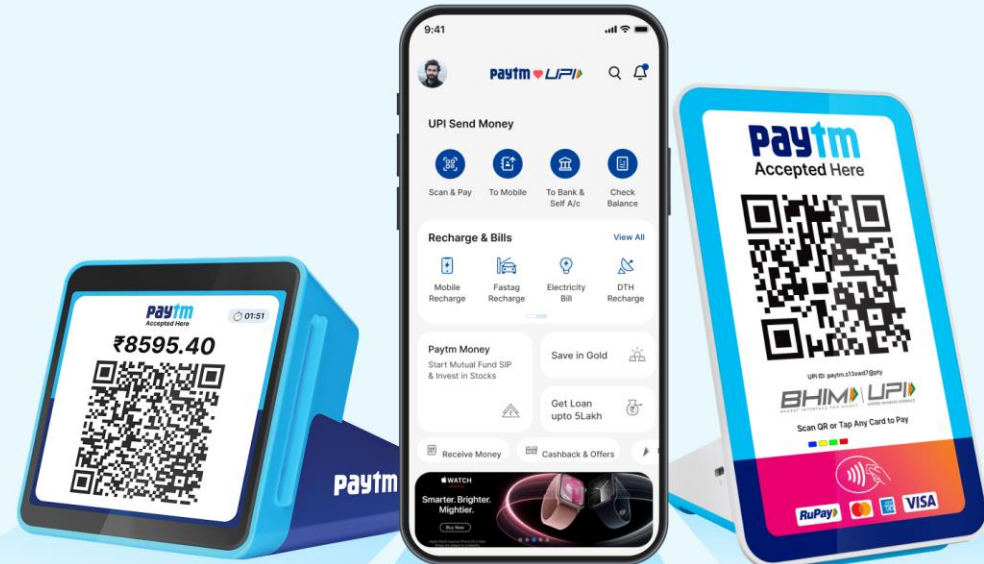


Earnings Presentation

For the quarter ending September 2025



Leveraging Ai capabilities
to expand payments and financial services



Paytm Ai
Device

All New
Paytm App

Paytm NFC Card
Soundbox

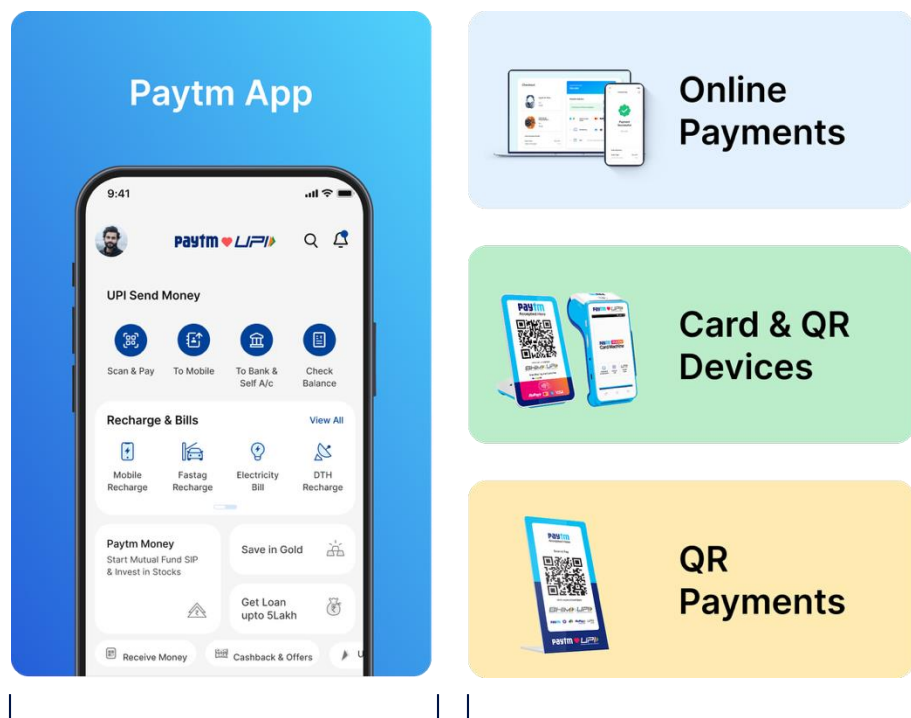


**To bring Half-a-Billion Indians
to the Mainstream Economy through
Technology-led Financial Services**



Our Core Business is to acquire consumers and merchants through payments and distribute financial services to them

Payments Services



7.5 Crore Monthly
Transacting Users

4.7 Crore Merchants

Distribution of Financial Services

Loan Distribution

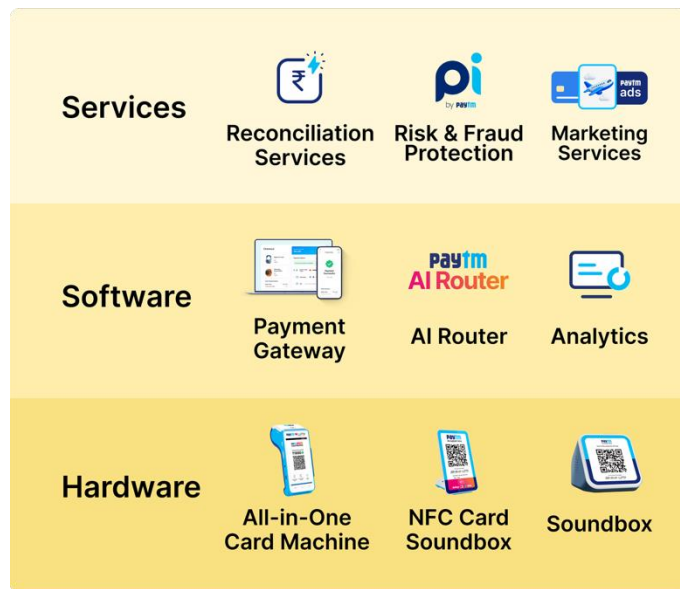
Stock Broking &
MF Distribution

Insurance Broking

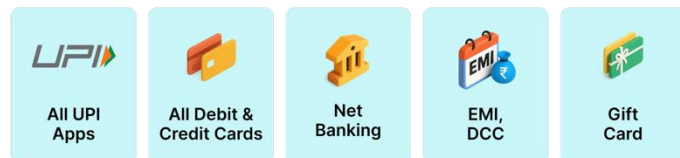
Paytm is India's Full Stack Merchant Payment Leader serving MSMEs and Enterprise Payment Merchants



Offers AI-powered Full Technology Stack



Payment Instruments



Across Enterprise Merchants and MSMEs

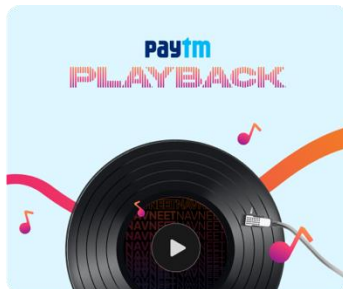


Driving Growth and Efficiency through AI Capabilities



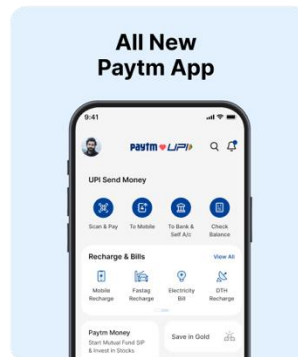
Merchant Onboarding

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



Fraud Prevention

Real-time AI 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 conversions



Improved Collection Performance

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

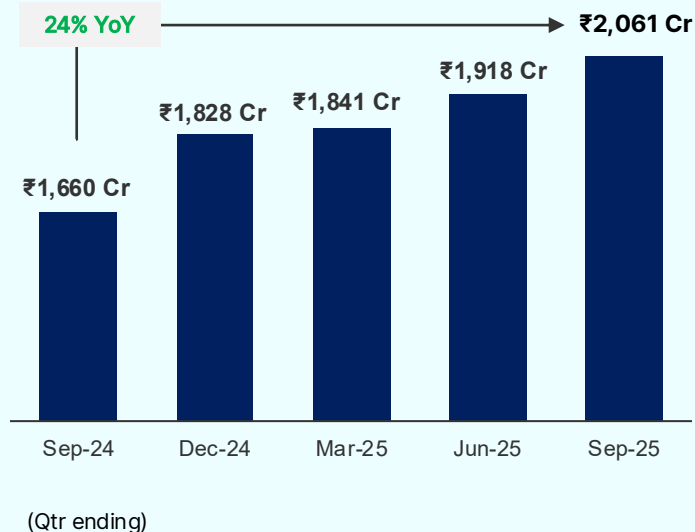


Revenue grew 24% YoY to ₹2,061 Cr; EBITDA improved to ₹142 Cr (7% margin)

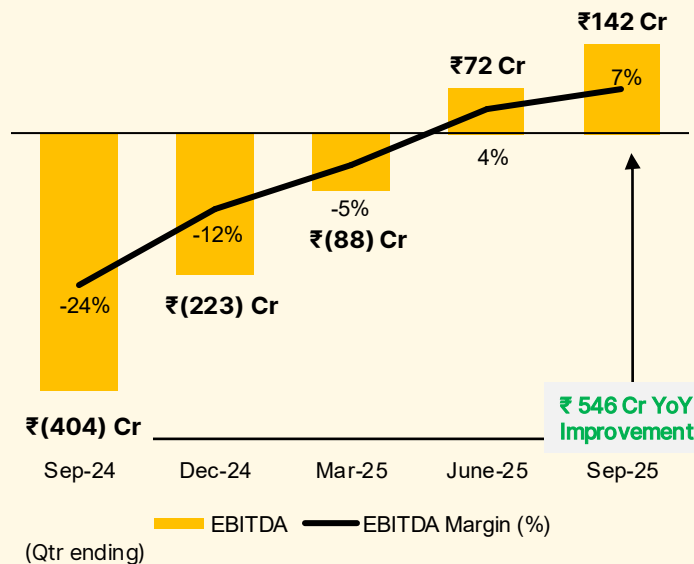


Robust business model and AI-led opportunities leading to profitable growth & margin improvement

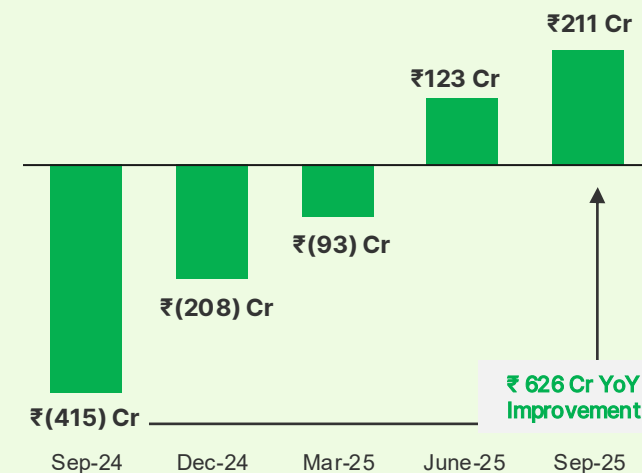
Revenue Growth Momentum Continues



Continued Improvement in EBITDA and EBITDA Margin



Second consecutive quarter of Profit After Tax



For like-to-like comparison, one-time exceptional items have been excluded as stated below:

1. Q2 FY 2025: PAT excludes Gain from sale of entertainment ticketing business of ₹1,345 Cr
2. Q4 FY 2025: Revenue, EBITDA and PAT excludes one-time UPI Incentive income of ₹70 Cr. PAT excludes one-time exceptional charge of ₹522 Cr towards acceleration of ESOP expense and other impairments
3. Q2 FY 2026: PAT excludes one-time charge for full impairment of ₹190 Cr loan to our JV, First Games Technology Private Limited

Payment Services: Consolidating Leadership in Merchant Payments



Payment Processing Revenue

= Gross fees charged to the merchant – Payment processing charges

+

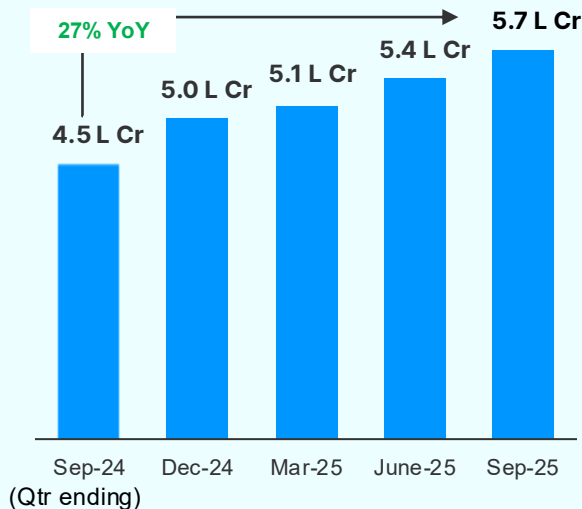
Subscription Revenue

= Charges merchant pays for various monthly services, including devices

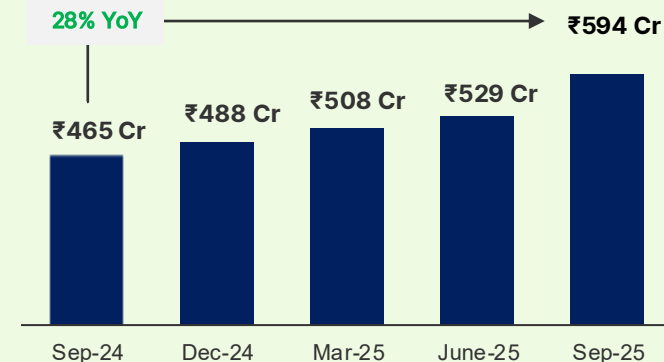
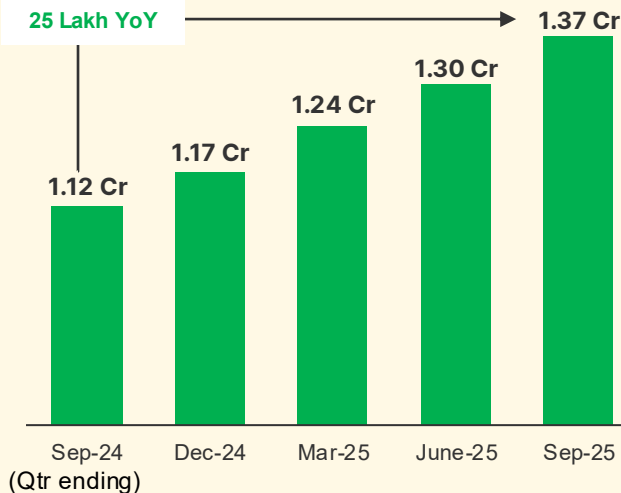
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Net Payment Revenue

Gross Merchandise Volume



Merchant Subscriptions (Including Devices)



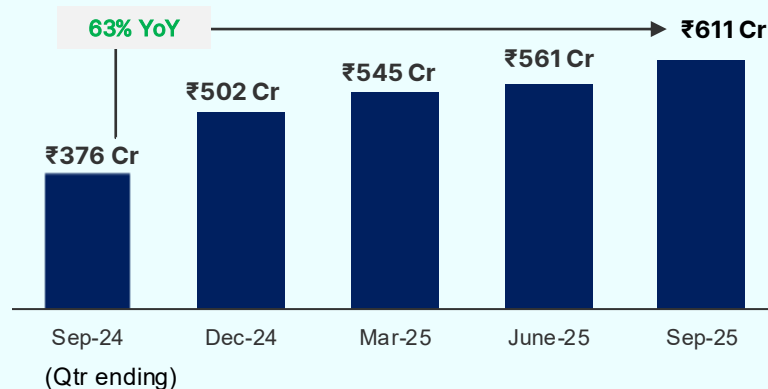
(Qtr ending)

- Net payment revenue increased driven by improved payment processing margins, high-quality device additions, and early onset of festive season
- Increase in payment processing margin due to growth of credit card on UPI & affordability offerings (such as EMI)
- Increase in high quality subscription merchants; focus on refurbishment & higher active merchants

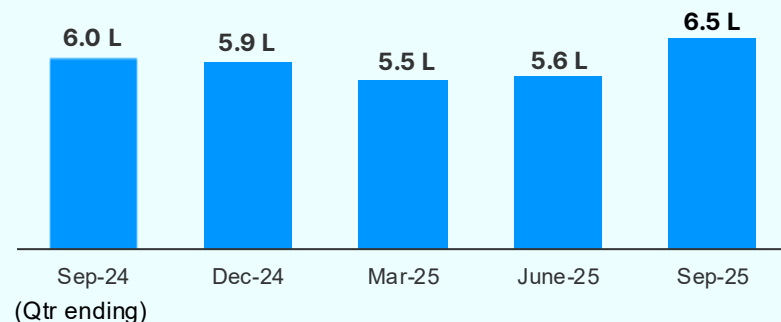
Distribution of Financial Services: Low penetration offers significant long-term opportunity



Revenue from Distribution of Financial Services



Key Financial Services Customers (# Lakh)



Revenue growth driven by continued growth in merchant loan distribution and improved collection performance experience for our partners

Merchant Loan Distribution:

- Robust growth momentum continues, driven by higher device base and increase in penetration
- Increase in collections bonus as our lending partners are experiencing better asset quality; supported by Paytm's advanced AI models that predict merchant churn and delinquencies

Consumer Loan Distribution:

- Relaunched Paytm Postpaid, a 'Spend Now, Pay Next Month' UPI overdraft, offering up to 30 days credit from bank partners
- In Personal loans, our lending partners continue to adopt a measured approach ensuring portfolio quality. It will scale once market sentiment improves, as we have increased lending partners integrated into our platform

Equity Broking:

- We are seeing improved monetization across Equity Broking and Margin trade funding (MTF), and expect this trend to continue driven by AI-powered product offerings

Marketing Services: Driving Additional Monetization from Merchants



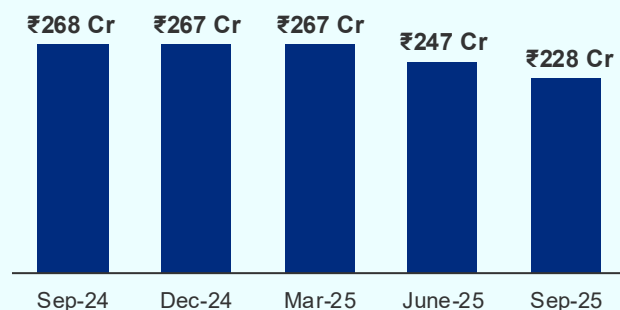
We enable merchants to offer below services on our app:

- Advertising: We are focused on driving advertiser ROI through AI-powered targeting and personalization, while optimizing user experiences to ensure ads reach most relevant audience within our MTU base
- Ticketing, deals & gift vouchers: Improved product features such as AI Smart Filter have enabled easier navigation and product discovery

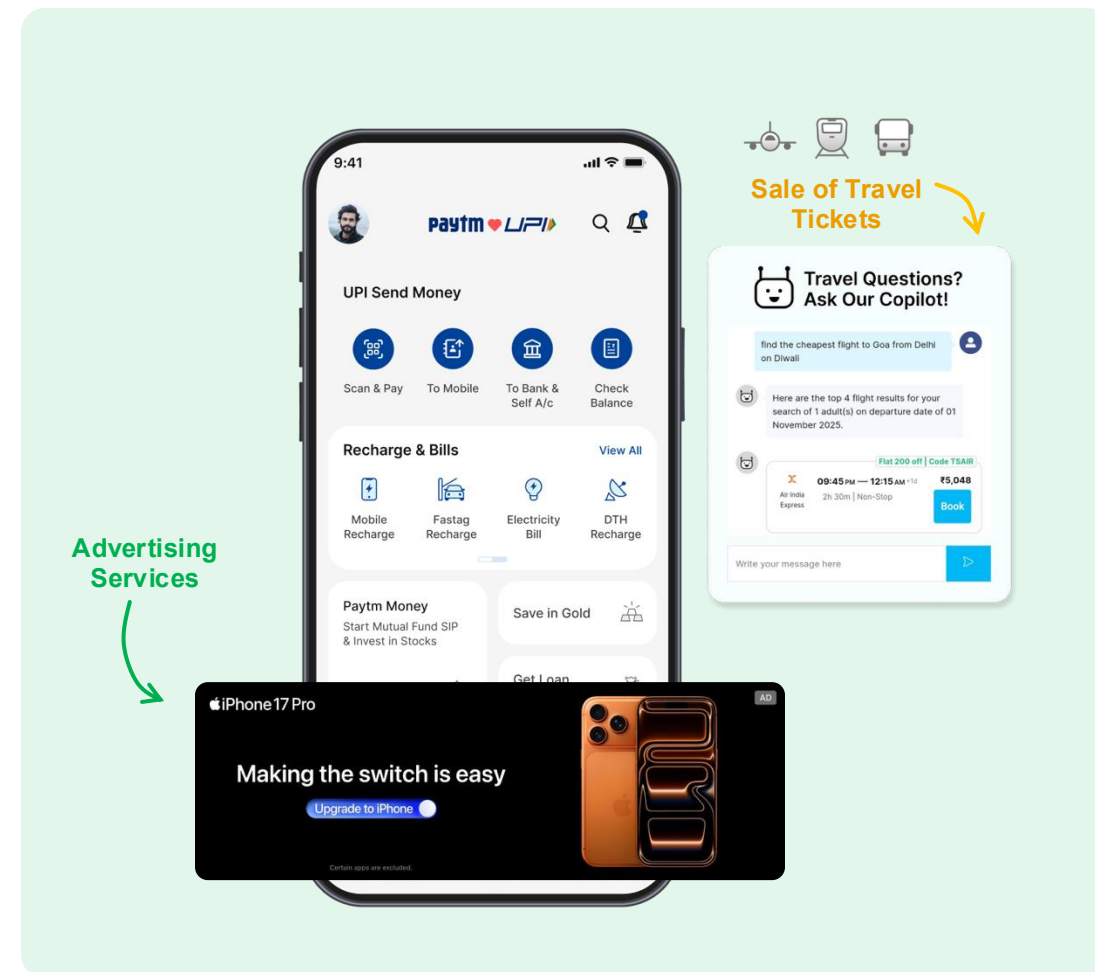
To drive higher retention and market share growth, we have optimized our consumer app upsell properties, leading to dip in marketing services revenue. We expect increase in MTUs and improvement in upsell funnel to be future growth drivers.

Marketing Service Revenue

(Qtr ending)



For like-to-like comparison, Marketing Services revenue excludes revenue from entertainment ticketing business for Q2 FY2025 which was sold in Q2 FY2025



Key Focus Areas



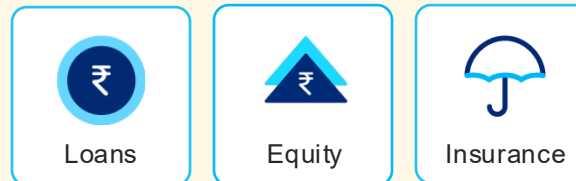
Continue to Lead India's Enterprise and MSME Merchant Payments

Focused on expanding leadership across small and large, both online and offline merchants by deepening penetration of our full stack payment offerings



Expand Distribution of Financial Services

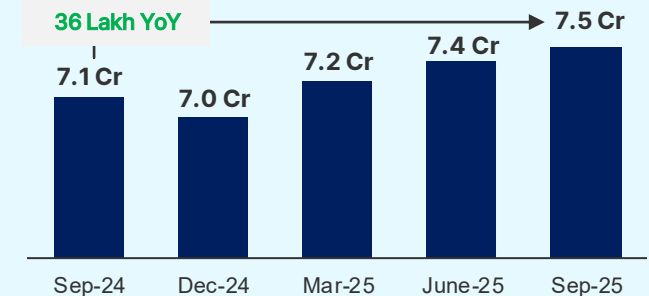
Grow distribution through increase in lending partners (including banks), new products (Paytm Postpaid) and enhance collection performance using AI



Consumer acquisition

We are driving AI-first, product-led innovation to enhance consumer experience and boost retention, supporting continued gains in consumer market share

Monthly Transacting Users (For the quarter)



International Expansion: As an additional long-term growth driver, we are evaluating select new markets for our technology and products. We expect this initiative to start contributing meaningfully after 2-3 years



Annexure

Operating Revenue and Contribution Profit



(in ₹ Cr)	Quarter Ended			Change		Half Year Ended		
	Sep-25 (Unaudited)	June-25 (Unaudited)	Sep-24 (Unaudited)	YoY	QoQ	Sep-25 (Unaudited)	Sep-24 (Unaudited)	YoY
Payment Services	1,146	1,044	946	21%	10%	2,190	1,830	20%
Distribution of Financial Services	611	561	376	63%	9%	1,171	656	79%
Marketing Services	228	247	302	(25)%	(8)%	474	623	(24)%
Other Operating Revenue	77	67	36	114%	15%	143	52	175%
Revenue from Operations	2,061	1,918	1,660	24%	7%	3,979	3,162	26%
Payment processing charges	629	581	517	22%	8%	1,210	1,034	17%
As % of GMV	0.11%	0.11%	0.12%	(1) bps	0 bps	0.11%	0.12%	(1) bps
Promotional cashback & incentives	50	37	29	72%	35%	87	73	22%
Other Expenses	176	148	220	(20)%	19%	325	405	(20)%
Total Direct Expenses	855	767	766	12%	11%	1,623	1,512	7%
Contribution Profit	1,207	1,151	894	35%	5%	2,356	1,649	43%
<i>Contribution Margin %</i>	59%	60%	54%	466 bps	(146) bps	59%	52%	706 bps

EBITDA



(in ₹ Cr)	Quarter Ended			Change		Half Year Ended		
	Sep-25 (Unaudited)	June-25 (Unaudited)	Sep-24 (Unaudited)	YoY	QoQ	Sep-25 (Unaudited)	Sep-24 (Unaudited)	YoY
Contribution Profit	1,207	1,151	894	35%	5%	2,356	1,649	43%
<i>Contribution Margin %</i>	59%	60%	54%	466 bps	(146) bps	59%	52%	706 bps
Marketing	72	62	125	(42)%	16%	133	302	(56)%
Employee cost (incl ESOPs)	662	643	831	(20)%	3%	1,305	1,784	(27)%
Software, cloud and data center	133	168	158	(16)%	(21)%	301	340	(11)%
Other indirect expenses	198	207	184	8%	(4)%	404	420	(4)%
Total indirect expenses	1,064	1,079	1,298	(18)%	(1)%	2,143	2,846	(25)%
EBITDA	142	72	(404)	nm	97%	214	(1,196)	nm
<i>Margin %</i>	7%	4%	(24)%	3,122 bps	317 bps	5%	(38)%	4,320 bps

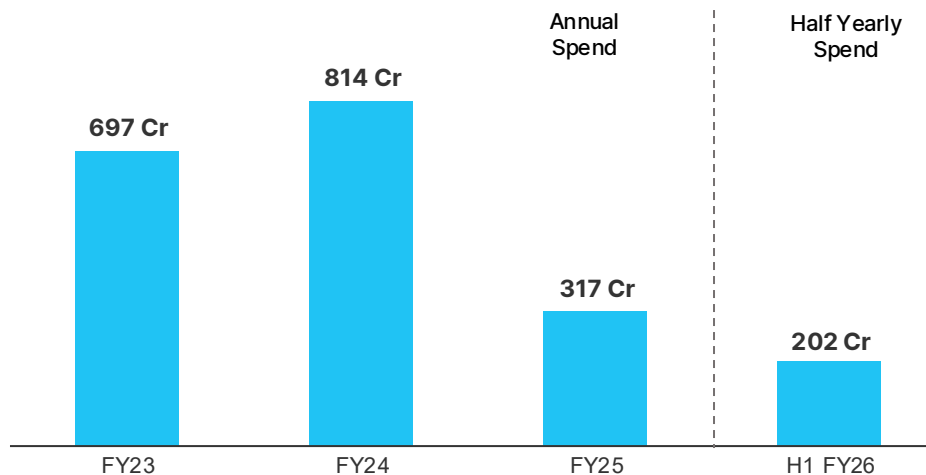
ESOP Pool Schedule

As of Nov 4, 2025	(in Cr.)
Basic shares outstanding	63.8
ESOPs vested and unexercised	0.2
ESOPs granted and unvested	1.0
ESOPs available for distribution	2.8
Estimated fully diluted shares	67.8

Indirect Expenses

(in ₹ Cr)	Sep-24	Dec-24	Mar-25	June-25	Sep-25	YoY Change (%)
Marketing	125	104	102	62	72	(42)%
Sales employees (incl. ESOP Costs)	215	231	247	268	297	38%
Non-sales employee costs (incl. ESOP Costs)	616	525	502	375	365	(41)%
Software & Cloud expenses	158	154	146	168	133	(16)%
Other indirect expenses	184	167	165	207	198	8%
Total Indirect Expenses (incl. ESOP Costs)	1,298	1,182	1,160	1,079	1,064	(18)%

Capex



Reconciliation of Non-GAAP Measures



EBITDA to Net Income

(in ₹ Cr)	Quarter Ended			Change		Half Year Ended		
	Sep-25 (Unaudited)	June-25 (Unaudited)	Sep-24 (Unaudited)	YoY	QoQ	Sep-25 (Unaudited)	Sep-24 (Unaudited)	YoY
EBITDA (A)	142	72	(404)	nm	97%	214	(1,196)	nm
Finance costs (B)	(5)	(4)	(3)	67%	(25)%	(9)	(7)	29%
Depreciation and amortization expense (C)	(137)	(166)	(179)	(23)%	(17)%	(303)	(357)	(15)%
Other income (D)	222	241	175	27%	(8)%	463	313	48%
Share of profit/(loss) of associates/joint ventures (E)	(1)	0	4	(125)%	nm	(1)	3	(133)%
Exceptional items (F)	(190)	(17)	1,345	nm	1018%	(207)	1345	(115)%
Income Tax expense (G)	(10)	(4)	(9)	11%	150%	(14)	(11)	27%
Profit / (Loss) for the period/year (H = sum of A to G)	21	123	930	(98)%	(83)%	144	90	60%

Operational KPIs



	Units	Quarter Ended			Change	
		Sep-25 (Unaudited)	June-25 (Unaudited)	Sep-24 (Unaudited)	YoY	QoQ
Registered Merchants (end of period)	Cr	4.7	4.5	4.2	12%	4%
Subscription Merchants including devices (cumulative; end of period)	Cr	1.37	1.30	1.12	22%	5%
GMV	₹ Lakh Cr	5.7	5.4	4.5	27%	6%
Merchant Transactions	Cr	1,453	1,303	991	47%	12%
Total Transactions	Cr	1,658	1,464	1,109	50%	13%
Average Number of Sales Employees	#	44,154	38,945	30,104	47%	13%
Cost of Sales Employees (including ESOP Costs)	₹ Cr	297	268	215	38%	11%
MTU (average over the period)	Cr	7.5	7.4	7.1	6%	1%
Key financial services customers	Lakh	6.5	5.6	6.0	8%	16%

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



Particulars (in ₹ Cr)	Sep-24	Dec-24	Mar-25	June-25	Sep-25
Cash and Bank Balances in Current Accounts (Net of Borrowings)	4,928	4,451	4,539	4,561	4,861
Deposits with banks	3,617	6,997	7,018	6,478	6,267
Investments (Mutual Funds/T-Bills/CP/G-Sec/NCD/NBFC FDs)	4,540	4,143	4,046	5,086	5,545
Total Balances	13,085	15,591	15,602	16,124	16,674
Paytm Money Ltd (PML) customer funds	412	287	326	420	351
Merchant Funds in Escrow / Nodal	2,674	2,454	2,467	2,832	3,254
Total Balances (excluding PML / Merchant funds)	9,999	12,850	12,809	12,872	13,068

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 (Q2 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 Revenue	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

paytm

STAY
CHARGED

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Forward-looking statements and financial projections include, among other things, statements about: our expectations regarding our transaction volumes, expenses, sales and operations; our future merchant and consumer concentration; our anticipated cash needs, our estimates regarding our capital requirements, our need for additional financing; our ability to anticipate the future needs of our merchants and consumers; our plans for future products and enhancements of existing products; our future growth strategy and growth rate; our future intellectual property; and our anticipated trends and challenges in the markets in which we operate. Forward-looking statements are not guarantees of future performance including those relating to general business plans and strategy, future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and no representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts in the Presentation, if any, are correct or that any objectives specified herein will be achieved.

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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.