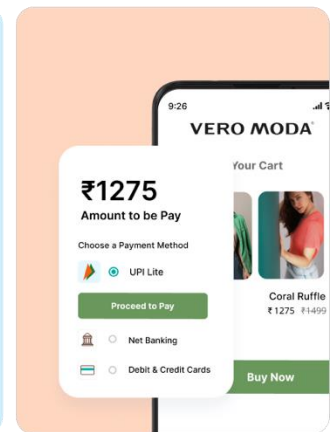
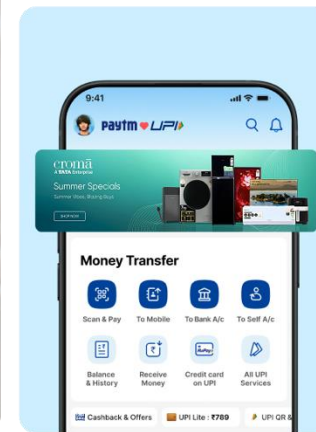




Investor Presentation

For the quarter ending June 2025



paytm ❤️ AI

India's Merchant Payment Leader
serving MSMEs and Enterprises

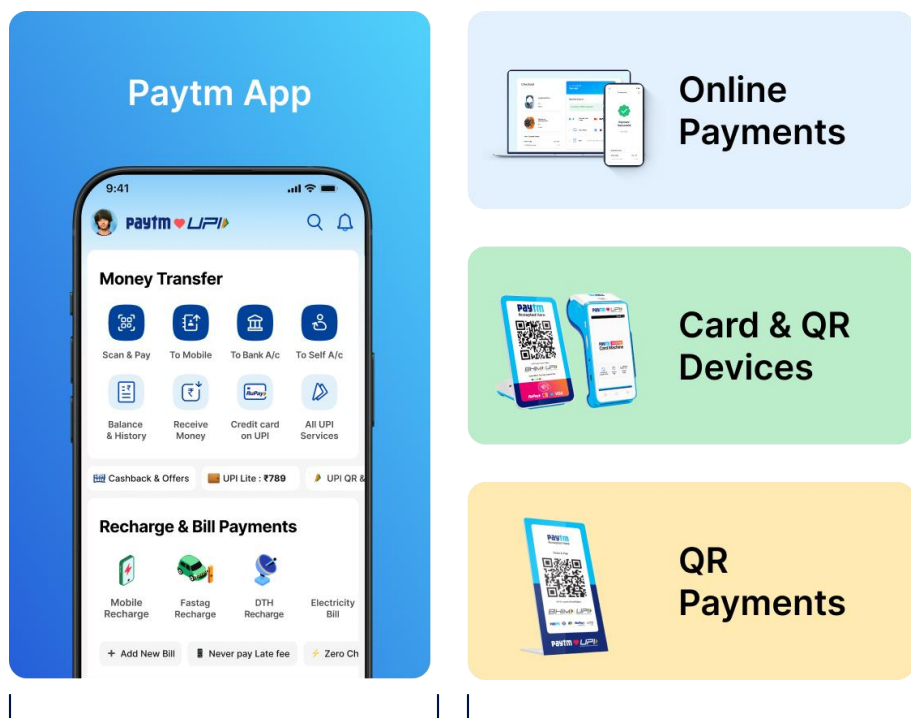


**To bring Half-a-Billion Indians
to the Mainstream Economy through
Technology-led Financial Services**



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

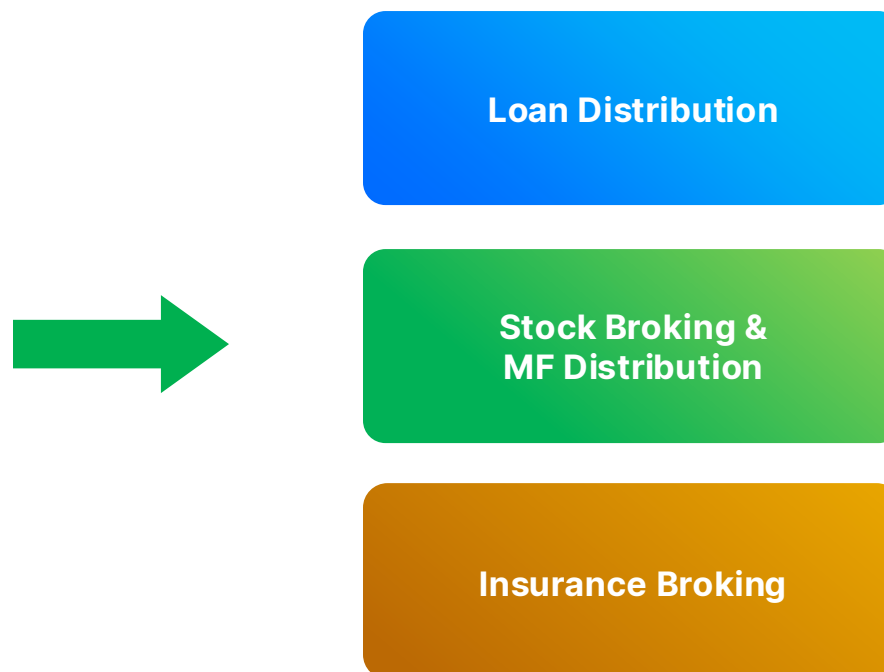
Payments Services



74 Mn Monthly Transacting Users

45 Mn Merchants

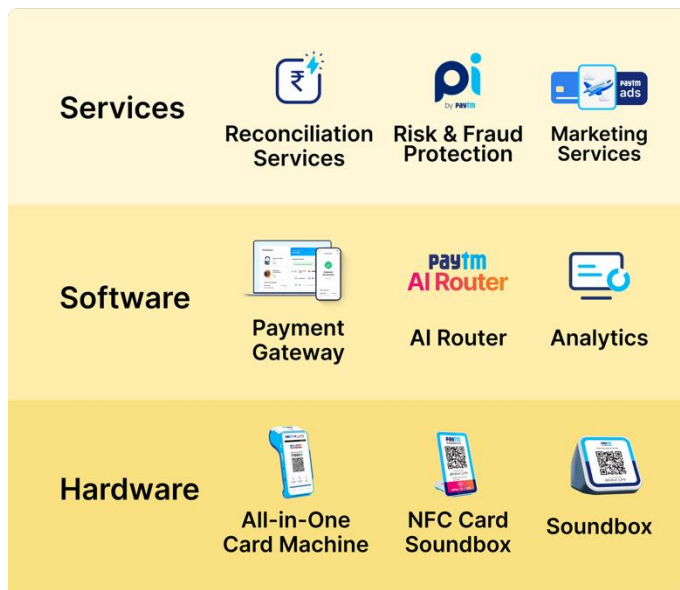
Distribution of Financial Services



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



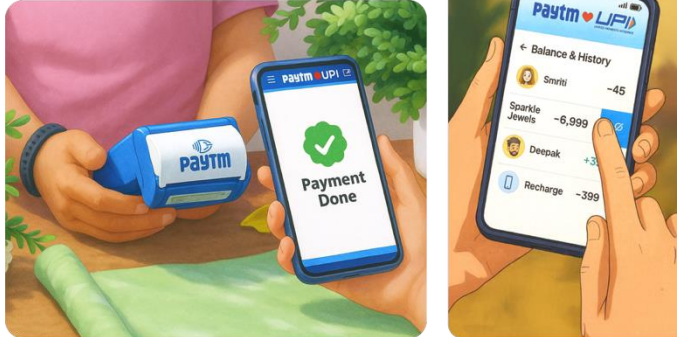
Merchant Onboarding

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



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

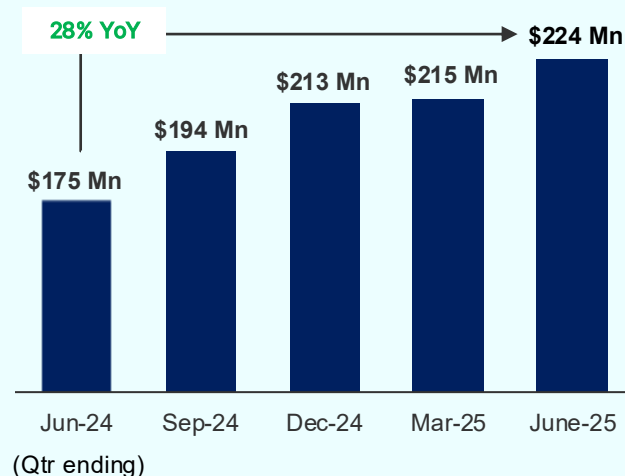


Paytm Solidifies Unrivalled Leadership in India's Merchant Payment Business, turns Profitable with \$14 Mn PAT in Q1 FY26

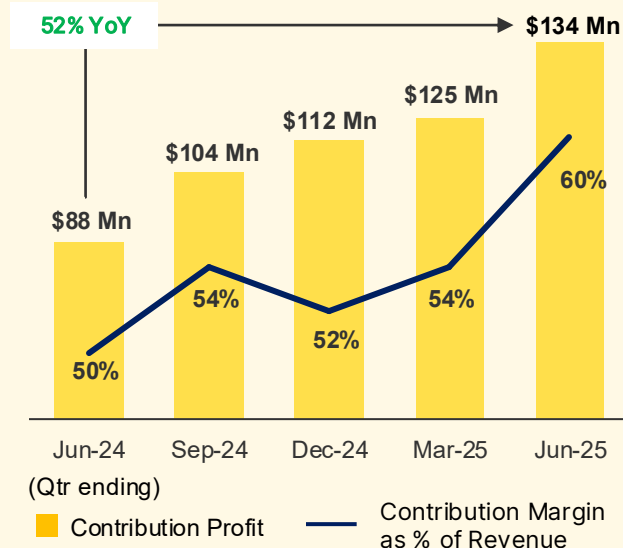


Company achieves milestone of profitability across all key financial metrics, including EBITDA and PAT, and expects further improvement in profitability

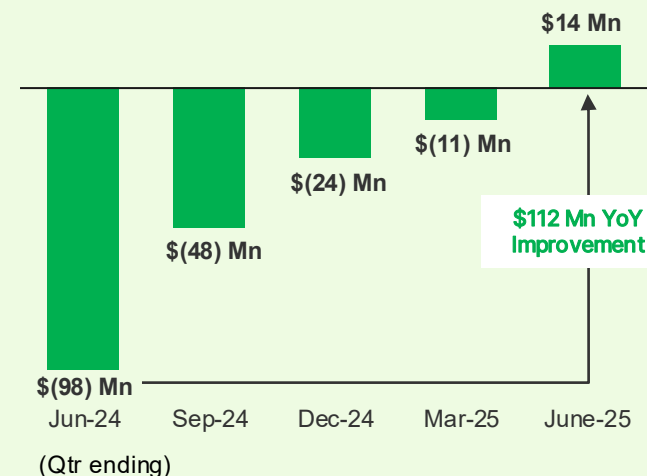
Revenue Growth Momentum Continues



Contribution Profit and Contribution Margin



Achieved PAT Profitability



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

1. \$8 Mn of UPI incentive in Q4 FY 2025, 2. Gain from sale of entertainment ticketing business of \$157 Mn in Q2 FY 2025 3. One-time exceptional charge of \$61 Mn towards acceleration of ESOP expense and other impairments in Q4 FY 2025

Payment Services: We make money on Payment Processing and Merchant Device Subscription

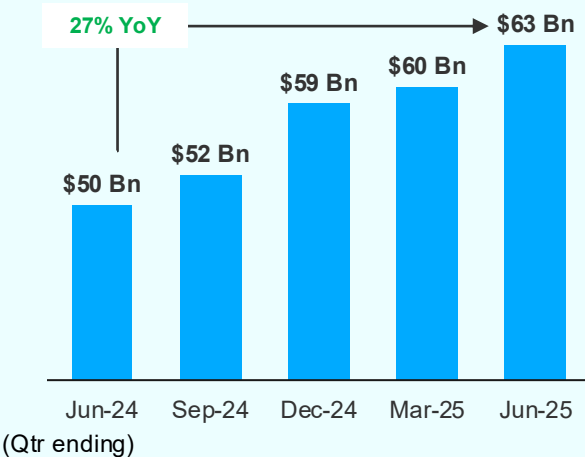


Payment Processing Revenue

Gross fees charged to the merchant – Payment processing charges

- We earn over 3 bps on overall GMV; out of which we make 15–18 bps on Non-UPI GMV
- Improvements in payment processing margin were led by margin growth in MDR bearing instruments

Gross Merchandise Volume



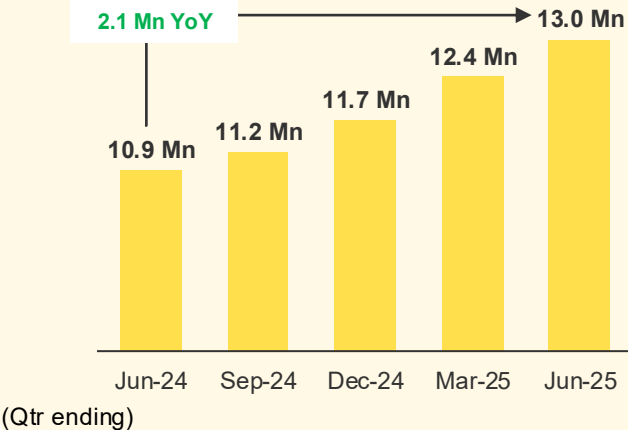
+

Subscription Revenue

Charges merchant pays for various monthly services, including devices

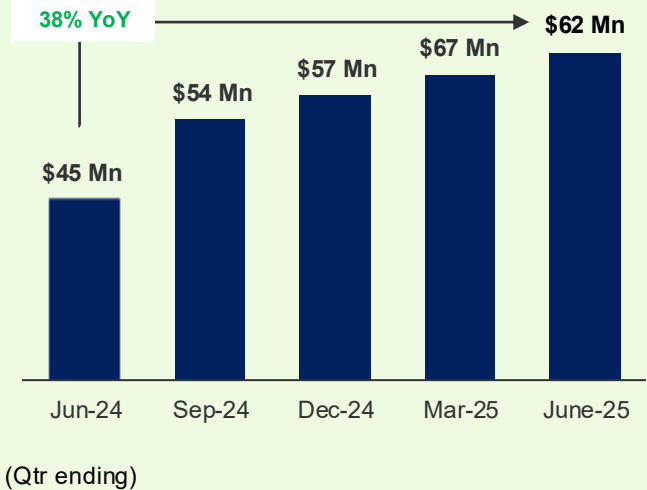
- We pioneered Soundbox, and continue to innovate to address merchants' needs
- Potential market of 10 Cr merchants; we expect 40-50% of them will require subscription services in coming years

Merchant Subscriptions (Including Devices)



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Net Payment Revenue



Distribution of Financial Services: Driving monetization by distribution of Loans, Wealth products and Insurance



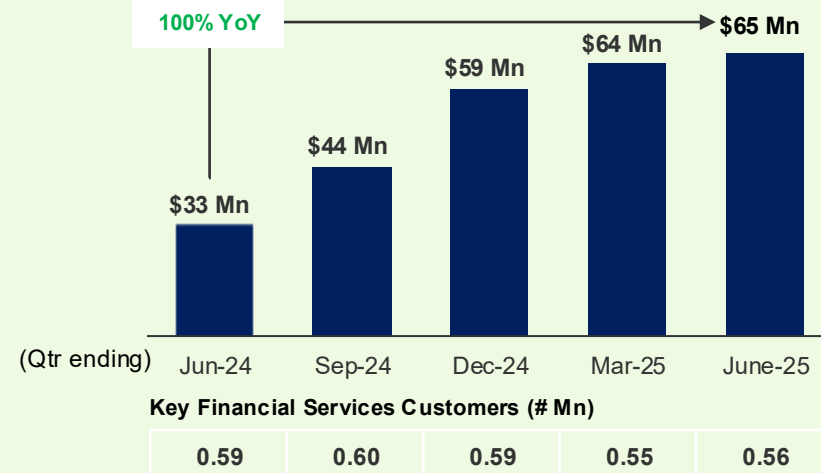
Loan Distribution

- We help various lending partners to disburse loans to Paytm's consumers & merchants. Our lending partners provide the balance sheet and underwrite loans
- We earn sourcing fee on the loans distributed through our platform. In certain cases, we help lenders to collect loans and we earn collection incentives
- There is continued interest from both existing and new lending partners on back of improved asset quality experience for our lending partners

Other Financial Services

- We offer equity broking, and distribute mutual funds and insurance

Financial Service Revenue



Loans

Merchant Loans: Working capital loans with daily repayment

Personal Loans: Instant personal loans with best customer experience



Equity

Equity Broking: High-quality trading platform at a low and transparent cost

Mutual Fund Distribution: Focus on SIPs and wealth management products



Insurance

Insurance Broking: Embedded insurance and DIY products to Paytm consumers and merchants

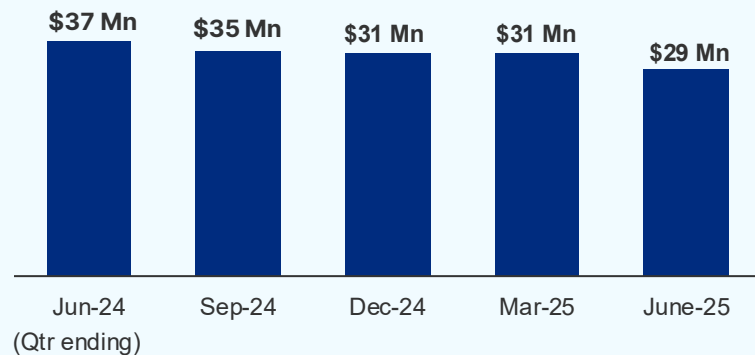
Marketing Services: Additional monetization by driving app traffic to the merchants



We enable marketing services on our app such as:

- Advertising to merchants on our platform and help deliver high RoI through use of AI for sharper customer cohorting
- Sale of travel tickets (flight, train, bus) and deals and gift vouchers to customers on behalf of merchants
- Marketing of Financial Services including co-branded credit cards to various financial institutions

Marketing Service Revenue



- Revenue from Marketing Services is driven by the number of app consumers availing these services



Key Focus Areas



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

Continue to Lead India's Enterprise and MSME Merchants

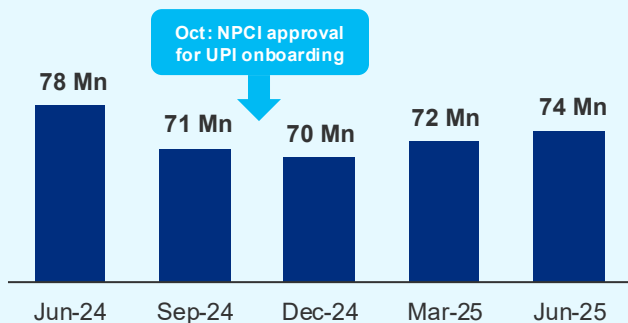
Lead through merchant payment innovations, including new devices and deepened penetration of products and services across small and large merchants



Consumer acquisition

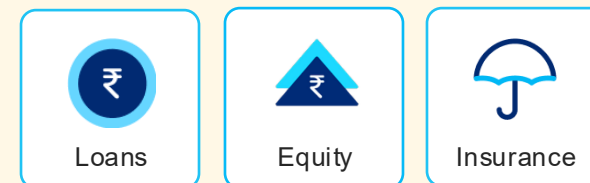
Expand market share gains and retention through innovative products and prudent investments in marketing campaigns

Monthly Transacting Users (For the quarter)



Expand Distribution of Credit

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



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



Annexure

Operating Revenue and Contribution Profit



(in \$ Mn)	Quarter Ended			Change	
	June-25 (Unaudited)	Mar-25 (Unaudited)	June-24 (Unaudited)	YoY	QoQ
Payment Services	122	122	103	18%	(0)%
Distribution of Financial Services	65	64	33	100%	3%
Marketing Services	29	31	37	(23)%	(7)%
Other Operating Revenue	8	6	2	319%	29%
Revenue from Operations	224	223	175	28%	0%
Payment processing charges	68	61	60	12%	12%
<i>As % of GMV</i>	0.11%	0.10%	0.12%	(1) bps	1 bps
Promotional cashback & incentives	4	5	5	(16)%	(10)%
Other Expenses	17	32	22	(20)%	(47)%
Total Direct Expenses	89	98	87	3%	(9)%
Contribution Profit	134	125	88	52%	7%
<i>Contribution Margin %</i>	60%	56%	50%	972 bps	397bps

EBITDA

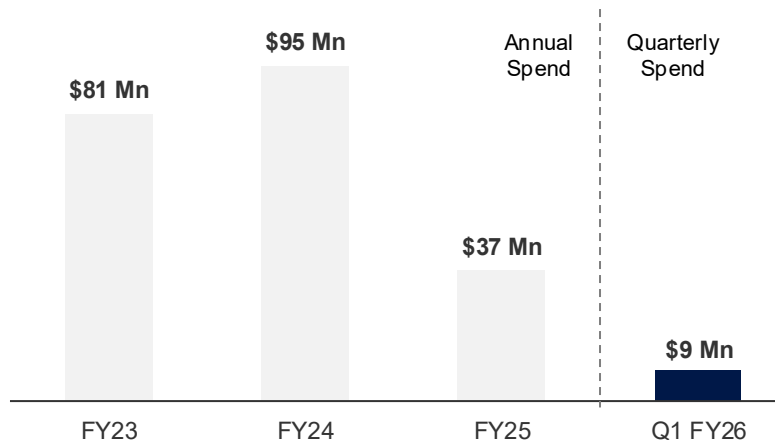


(in \$ Mn)	Quarter Ended			Change	
	June-25 (Unaudited)	Mar-25 (Unaudited)	June-24 (Unaudited)	YoY	QoQ
Contribution Profit	134	125	88	52%	7%
<i>Contribution Margin %</i>	60%	56%	50%	972 bps	397bps
Marketing	7	12	21	(65)%	(39)%
Employee cost (excl ESOPs)	72	68	82	(13)%	6%
Software, cloud and data center	20	17	21	(8)%	15%
Other indirect expenses	24	19	28	(12)%	25%
Total indirect expenses	122	116	152	(19)%	6%
EBITDA before ESOP cost	12	9	(64)	nm	26%
<i>EBITDA before ESOP cost Margin %</i>	5%	4%	(36)%	nm	110 bps
ESOP Cost	4	20	29	(88)%	(82)%
EBITDA	8	(10)	(92)	nm	nm
<i>Margin %</i>	4%	(5)%	(53)%	nm	nm

ESOP Pool Schedule

As of May 6, 2025	(in Mn)
Basic shares outstanding	638
ESOPs vested and unexercised	2
ESOPs granted and unvested	12
ESOPs available for distribution	27
Estimated fully diluted shares	679

Capex



Indirect Expenses

(in \$ Mn)	Jun-24	Sep-24	Dec-24	Mar-25	June-25	YoY Change (%)
Marketing	21	15	12	12	7	(65)%
Sales employees	26	27	26	28	31	19%
Non-sales employee costs	56	45	41	39	40	(28)%
Software & Cloud expenses	21	18	18	17	20	(8)%
Other indirect expenses	28	21	19	19	24	(12) %
Total Indirect Expenses (excl. ESOP Costs)	152	126	117	116	122	(19)%
ESOP Costs	29	25	21	20	4	(88)%
Total Indirect Expenses	181	151	138	135	126	(30)%

Reconciliation of Non-GAAP Measures



EBITDA to Net Income

(in \$ Mn)	Quarter Ended			Change	
	June-25 (Unaudited)	Mar-25 (Unaudited)	June-24 (Unaudited)	YoY	QoQ
EBITDA (A)	8	(10)	(92)	nm	nm
Finance costs (C)	0	0	0	0%	0%
Depreciation and amortization expense (D)	(19)	(18)	(21)	(7)%	11%
Other income (E)	28	26	16	75%	8%
Share of profit / (loss) of associates /joint ventures (F)	0	0	0	(100)%	nm
Exceptional items (G)	(2)	(61)	0	nm	(97)%
Income Tax expense (H)	0	0	0	100%	33%
Loss on Impairment of Associate (I)	14	(64)	(98)	-	-
Profit / (Loss) for the period/year (J=sum of A to I)	8	(10)	(92)	nm	nm

Operational KPIs



	Units	Quarter Ended			Change	
		June-25 (Unaudited)	Mar-25 (Unaudited)	June-24 (Unaudited)	YoY	QoQ
Registered Merchants (end of period)	Mn	45	44	41	3%	11%
Payment Devices (cumulative; end of period)	Mn	13.0	12.4	10.9	5%	20%
GMV	\$Bn	63	60	50	6%	27%
Merchant Transactions	Bn	13.0	11.8	9.8	10%	33%
Total Transactions	Bn	14.6	13.2	11.0	11%	33%
Average Number of Sales Employees	#	38,945	36,724	31,604	6%	23%
Cost of Sales Employees (including training)	\$Mn	31	28	26	10%	19%
MTU (average over the period)	Mn	74	72	78	2%	(6)%
Key financial services customers	Mn	0.56	0.55	0.59	3%	(4)%

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



Particulars (in \$ Mn)	Jun-24	Sep-24	Dec-24	Mar-25	June-25
Cash and Bank Balances in Current Accounts (Net of Borrowings)	621	575	519	530	532
Deposits with banks	407	422	816	819	756
Investments (Mutual Funds/T-Bills/CP/G-Sec/NCD/NBFC FDs)	320	530	483	472	593
Total Balances	1,348	1,527	1,819	1,821	1,881
Paytm Money Ltd (PML) customer funds	52	48	33	38	49
Merchant Funds in Escrow / Nodal	349	312	286	288	330
Total Balances (excluding PML / Merchant funds)	946	1,167	1,499	1,495	1,502

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

paytm

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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.