



INVESTOR PRESENTATION

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**Powered by AI.**

Built for India.

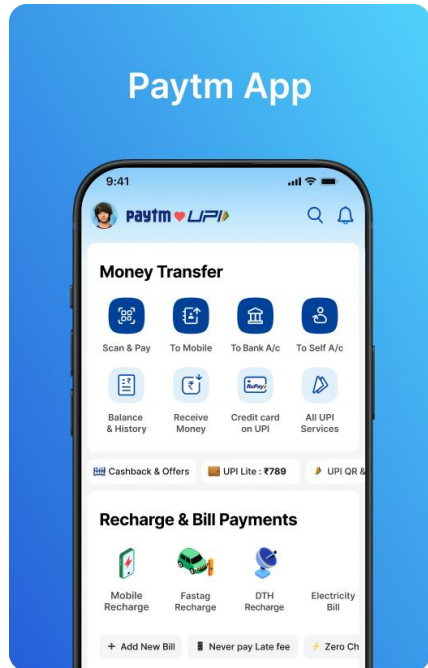


**To bring Half-a-Billion Indians  
to the Mainstream Economy through  
Technology-led Financial Services**

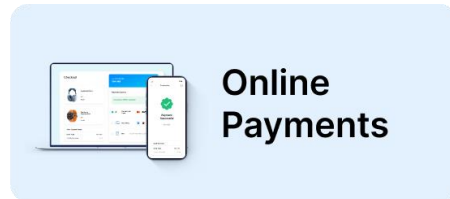


# Our Core Business Is To Acquire Consumers And Merchants Through Payments And Distribute Financial Services To Them

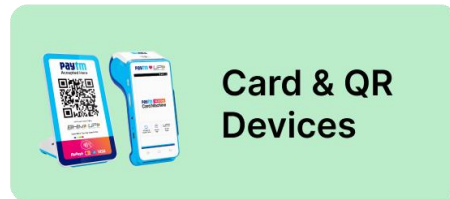
## Payments Services



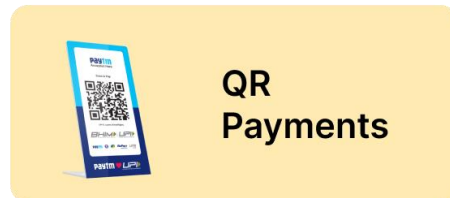
7.7 Crore Monthly Transacting Users



Online Payments



Card & QR Devices

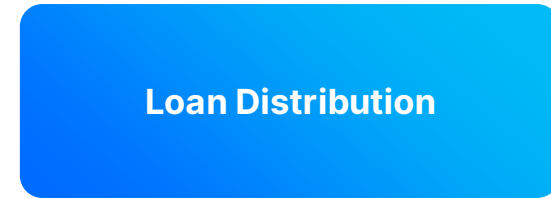


QR Payments

1.5 Crore Device Merchants



## Distribution of Financial Services



Loan Distribution



Wealth & Equity Broking



Insurance Broking

20 Lakh Financial Services customers (Annual)

# 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



# Adding The Power Of AI To India's Small And Medium Businesses

We are building applied AI models on top of industry-leading open source models, as well as small language models tailored for the Indian small and medium businesses (SMB) ecosystem, optimized for voice and regional Indian languages

## FOR ENGINEERING



Coding agents and core operation tools

## FOR MERCHANTS



The Soundbox as a diffusion machine

## FOR CONSUMERS



AI-led consumer acquisition and retention



Merchant Onboarding



Fraud Prevention



Customer Delight



Improved Marketing Stack



Enhanced Cross-Sell



Improved Collection Performance

# Business Overview

# We Make Money On Payment Processing And Merchant Device Subscription

Paytm is increasingly embedded in merchants' day-to-day operations, making us a core partner in their growth journey



## Payment Processing Revenue

(Gross fees charged to the merchant – Payment processing charges)

- We earn > 4 bps on overall GMV, which has improved from > 3 bps a year ago
- Increase in margin is driven by growth of MDR bearing instruments, including credit products on UPI and EMI; this trend is expected to continue

### MERCHANT GMV

FY 2026

**₹23.8 L Cr**

+26% YoY



## Subscription Revenue

(Charges merchant pays for various monthly services, including devices)

- We pioneered Soundbox and continue to innovate to address merchants' needs
- India has around 10 Cr merchants; we expect 40-50% of them to use subscription services in coming years

### MERCHANT SUBSCRIPTIONS

Q4 FY 2026, period-end

**1.51 Cr**

+27 Lakh YoY

+

=

## NET PAYMENT REVENUE

FY 2026

**₹2,318 Cr**

+21% YoY

# Driving Monetization By Distribution Of Loans And Wealth Products

High growth and high-margin, 'distribution-only' business

## REVENUE

FY 2026

**₹2,593 Cr**

+52% YoY

## KEY FINANCIAL SERVICES CUSTOMERS

FY 2026 (annual)

**20 Lakh**

## REPEAT BORROWER MIX

**> 50%**

of merchant loan disbursements



### Loan Distribution

- We help lending partners disburse loans to Paytm consumers and merchants. Partners provide the balance sheet and underwrite the loans
- We earn sourcing fee, as well as collection incentives in certain cases
- Improved asset quality continues to attract both new and existing lending partners



Merchant Loans



Personal Loans



Paytm Postpaid



### Wealth & Equity Broking

- Improved monetization across equity broking, MTF and other wealth products, including Paytm Gold
- Focus on SIPs and wealth management products
- AI-powered offerings expected to drive further growth

# Additional Monetization By Driving App Traffic To The Merchants

Growth is expected to be driven by higher MTUs and improving upsell funnel

REVENUE

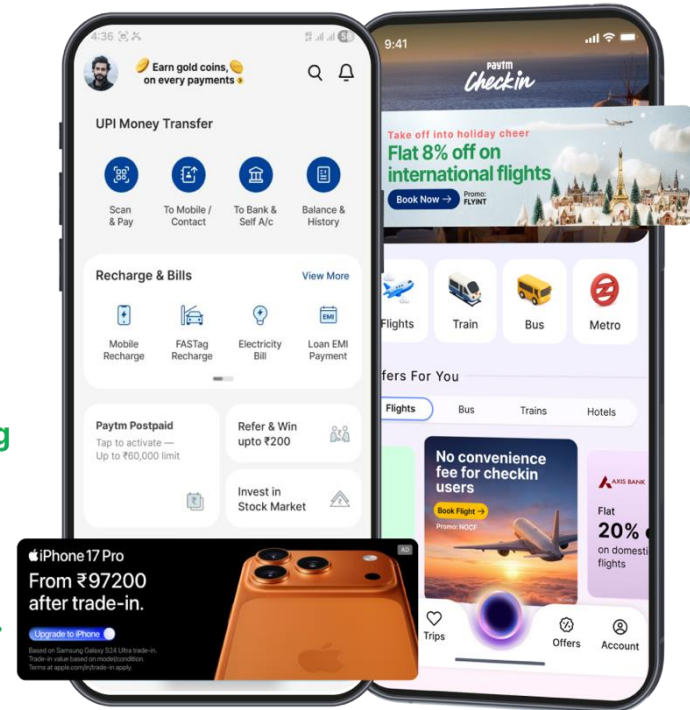
FY 2026

₹952 Cr

## Key monetization levers:

- Advertising to merchants on our platform and help deliver high RoI through use of AI for sharper customer cohorting
- Travel ticketing (flight, train, bus) to customers on behalf of merchants. During the year, we launched AI-led travel app 'Paytm Checkin' with an in-app conversational assistant
- Product and technology monetization, like our partnership with PayPay in Japan, where we have provided the underlying technology

Advertising Services



All New Travel App

paytm  
Checkin

# Financial Performance and Outlook

# A Year Of Disciplined Compounding; First Full Year Of Profit

A ₹2,008 Cr EBITDA swing, in twelve months

## REVENUE

**₹8,437 Cr**

+22% YoY

## EBITDA

**₹502 Cr**

+₹2,008 Cr YoY | 6% margin

## PAT

**₹552 Cr**

+₹1,215 Cr YoY | +₹2,228 Cr\* YoY



Market share gains in both merchant and consumer payments



Distribution of Financial services revenue grew by 52% YoY



Payment processing margin expanded to > 4 bps



AI-led operating leverage reflected in cost optimization

\*Note: Excluding one-time items. FY 2025 PAT includes a one-time gain of ₹1,345 Cr on sale of the entertainment business and a one-time charge of ₹522 Cr towards acceleration of ESOP expense and other impairments. FY 2026 PAT includes a one-time charge for full impairment of ₹190 Cr loan to our JV, First Games Technology Pvt. Ltd.

# Growth Acceleration Accompanied By Margin Expansion

Revenue growth is expected to accelerate with further EBITDA margin expansion, driven by four compounding engines that are already in motion



**1. Expansion of merchant payments**

Market share gains and expanding payment processing margins



**2. Structural growth in high-margin merchant loans distribution business**

Expanding lender participation, growing device merchant base, and rising penetration



**3. Consumer lifecycle monetization**

Monetisation momentum, on back of AI-led product innovation; will see full-year benefit in FY 2027



**4. Continued use of AI across the organisation and AI-led operating leverage**

AI application across the organisation to further drive EBITDA margin expansion

**Built the business with a strong foundation, reflecting industry-leading customer monetisation and cost discipline**

# Annexure

# Operating Revenue and Contribution Profit



| Particulars (in ₹ Cr)                | Quarter Ended       |                       |                     | Change     |           | Year Ended          |                     |            |
|--------------------------------------|---------------------|-----------------------|---------------------|------------|-----------|---------------------|---------------------|------------|
|                                      | Mar-26<br>(Audited) | Dec-25<br>(Unaudited) | Mar-25<br>(Audited) | YoY        | QoQ       | Mar-26<br>(Audited) | Mar-25<br>(Audited) | YoY        |
| Payment Services                     | 1,265               | 1,192                 | 1,046               | 21%        | 6%        | 4,646               | 3,879               | 20%        |
| Distribution of Financial Services   | 750                 | 672                   | 545                 | 38%        | 12%       | 2,594               | 1,703               | 52%        |
| Marketing Services                   | 239                 | 238                   | 267                 | (10)%      | 0%        | 952                 | 1,158               | (18)%      |
| Other Operating Revenue              | 10                  | 92                    | 52                  | (81)%      | (89)%     | 245                 | 160                 | 53%        |
| <b>Revenue from Operations (A)</b>   | <b>2,264</b>        | <b>2,194</b>          | <b>1,911</b>        | <b>18%</b> | <b>3%</b> | <b>8,437</b>        | <b>6,900</b>        | <b>22%</b> |
| Payment processing charges           | 692                 | 671                   | 520                 | 33%        | 3%        | 2,573               | 2,125               | 21%        |
| As % of GMV                          | 0.11%               | 0.11%                 | 0.10%               | 1 bps      | 0bps      | 0.11%               | 0.15%               | (4) bps    |
| Promotional cashback & incentives    | 104                 | 69                    | 41                  | 154%       | 51%       | 261                 | 151                 | 73%        |
| Other direct expenses                | 214                 | 205                   | 278                 | (23)%      | 4%        | 743                 | 946                 | (21)%      |
| <b>Total Direct Expenses (B)</b>     | <b>1,010</b>        | <b>945</b>            | <b>840</b>          | <b>20%</b> | <b>7%</b> | <b>3,577</b>        | <b>3,222</b>        | <b>11%</b> |
| <b>Contribution Profit (C = A-B)</b> | <b>1,254</b>        | <b>1,249</b>          | <b>1,071</b>        | <b>17%</b> | <b>0%</b> | <b>4,860</b>        | <b>3,678</b>        | <b>32%</b> |
| Contribution Margin %                | 55%                 | 57%                   | 56%                 | (66) bps   | (154) bps | 58%                 | 53%                 | 430 bps    |

# EBITDA



| Particulars (in ₹ Cr)                   | Quarter Ended       |                       |                     | Change      |              | Year Ended          |                     |              |
|---|---------------------|-----------------------|---------------------|-------------|--------------|---------------------|---------------------|--------------|
|   | Mar-26<br>(Audited) | Dec-25<br>(Unaudited) | Mar-25<br>(Audited) | YoY         | QoQ          | Mar-26<br>(Audited) | Mar-25<br>(Audited) | YoY          |
| <b>Contribution Profit (C)</b>          | <b>1,254</b>        | <b>1,249</b>          | <b>1,071</b>        | <b>17%</b>  | <b>0%</b>    | <b>4,860</b>        | <b>3,678</b>        | <b>32%</b>   |
| Contribution Margin %                   | 55%                 | 57%                   | 56%                 | (66) bps    | (154) bps    | 58%                 | 53%                 | 430 bps      |
| <b>Indirect Expenses (D)</b>            | <b>1,122</b>        | <b>1,092</b>          | <b>1,160</b>        | <b>(3)%</b> | <b>3%</b>    | <b>4,358</b>        | <b>5,184</b>        | <b>(16)%</b> |
| Marketing                               | 65                  | 77                    | 102                 | (36)%       | (16)%        | 275                 | 508                 | (46)%        |
| Employee cost<br>(Including ESOP Costs) | 739                 | 721                   | 749                 | (1)%        | 2%           | 2,765               | 3,288               | (16)%        |
| Software, cloud and data centre         | 175                 | 166                   | 146                 | 20%         | 5%           | 643                 | 639                 | 1%           |
| Other indirect expenses                 | 143                 | 128                   | 165                 | (13)%       | 12%          | 675                 | 749                 | (10)%        |
| <b>EBITDA (E = C-D)</b>                 | <b>132</b>          | <b>156</b>            | <b>(88)</b>         | <b>nm</b>   | <b>(15)%</b> | <b>502</b>          | <b>(1,506)</b>      | <b>nm</b>    |
| Margin %                                | 6%                  | 7%                    | (5)%                | 1,044 bps   | (128) bps    | 6%                  | (22)%               | 2,778 bps    |

# Reconciliation of Non-GAAP Measures

## EBITDA to Net Income

| Particulars (in ₹ Cr)   | Quarter Ended       |                       |                     | Change    |              | Year Ended          |                     |             |
|---|---------------------|-----------------------|---------------------|-----------|--------------|---------------------|---------------------|-------------|
|   | Mar-26<br>(Audited) | Dec-25<br>(Unaudited) | Mar-25<br>(Audited) | YoY       | QoQ          | Mar-26<br>(Audited) | Mar-25<br>(Audited) | YoY         |
| EBITDA (E)  | 132                 | 156                   | (88)                | nm        | (15)%        | 502                 | (1,506)             | nm          |
| Finance costs (F)   | (5)                 | (4)                   | (4)                 | 25%       | 25%          | (18)                | (16)                | 13%         |
| Depreciation and amortization expense (G)   | (132)               | (133)                 | (150)               | (12)%     | (1)%         | (568)               | (673)               | (16)%       |
| Other income (H)  | 178                 | 212                   | 224                 | (21)%     | (16)%        | 854                 | 724                 | 18%         |
| Share of profit/(loss) of associates/joint ventures (I)                                 | 0                   | (1)                   | 0                   | nm        | (100)%       | (2)                 | 3                   | nm          |
| Income Tax expense (J)  | (11)                | (5)                   | (3)                 | 267%      | 120%         | (30)                | (18)                | 67%         |
| <b>Profit / (Loss) for the period/year before Exceptional Items (K = sum of E to J)</b> | <b>162</b>          | <b>225</b>            | <b>(21)</b>         | <b>nm</b> | <b>(28)%</b> | <b>738</b>          | <b>(1,486)</b>      | <b>nm</b>   |
| Exceptional items (L)   | 21                  | 0                     | (522)               | nm        | nm           | (186)               | 823                 | nm          |
| <b>Profit / (Loss) for the period/year (M = sum of K and L)</b>                         | <b>183</b>          | <b>225</b>            | <b>(545)</b>        | <b>nm</b> | <b>(19)%</b> | <b>552</b>          | <b>(663)</b>        | <b>n.m.</b> |

# Indirect Expenses



| (Quarter ending, in ₹ Cr)         | Mar-25       | Mar-26       | YoY         |
|-----------------------------------|--------------|--------------|-------------|
| <b>Cost of Expanding Platform</b> | <b>349</b>   | <b>382</b>   | <b>9%</b>   |
| Marketing                         | 102          | 65           | (37%)       |
| Sales and service employees       | 247          | 317          | 29%         |
| <b>Cost of building platform</b>  | <b>811</b>   | <b>740</b>   | <b>(9%)</b> |
| Non-sales employee costs          | 502          | 422          | (16%)       |
| Software & cloud expenses         | 146          | 175          | 21%         |
| Other indirect expenses           | 165          | 143          | (13%)       |
| <b>Total Indirect Expenses</b>    | <b>1,160</b> | <b>1,122</b> | <b>(3%)</b> |

## ESOP Pool Schedule

| As of May 04, 2026                    | (in Cr)     |
|---------------------------------------|-------------|
| <b>Basic shares outstanding</b>       | <b>64.0</b> |
| ESOPs vested and unexercised          | 0.2         |
| ESOPs granted and unvested            | 1.0         |
| ESOPs available for distribution      | 2.8         |
| <b>Estimated fully diluted shares</b> | <b>67.9</b> |

## ESOP Costs: 5 year track

| Employee ESOP Cost | (in ₹ Cr)    |
|--------------------|--------------|
| FY 2022            | 266          |
| FY 2023            | 367          |
| FY 2024            | 347          |
| FY 2025            | (35)         |
| FY 2026            | 174          |
| <b>Total</b>       | <b>1,120</b> |

Note: For FY 2027, ESOP costs are expected to be in the range of ₹250–300 Cr

# Operational KPIs



| Operational KPIs  | Units     | Quarter Ended       |                       |                     | Change |      |
|---|-----------|---------------------|-----------------------|---------------------|--------|------|
|   |           | Mar-26<br>(Audited) | Dec-25<br>(Unaudited) | Mar-25<br>(Audited) | YoY    | QoQ  |
| Registered Merchants (end of period)                                    | Cr        | 4.9                 | 4.8                   | 4.4                 | 11%    | 2%   |
| Subscription Merchants including devices<br>(cumulative; end of period) | Cr        | 1.51                | 1.44                  | 1.24                | 22%    | 5%   |
| GMV   | ₹ Lakh Cr | 6.5                 | 6.2                   | 5.1                 | 27%    | 5%   |
| Merchant Transactions   | Cr        | 1,530               | 1,466                 | 1,184               | 29%    | 4%   |
| Total Transactions  | Cr        | 1,822               | 1,716                 | 1,317               | 38%    | 6%   |
| Average Number of Sales Employees*                                      | #         | 40,512              | 44,461                | 36,724              | 10%    | (9)% |
| Cost of Sales Employees (including ESOP Costs)                          | ₹ Cr      | 317                 | 315                   | 243                 | 30%    | 1%   |
| MTU (average over the period)   | Cr        | 7.7                 | 7.6                   | 7.2                 | 7%     | 1%   |
| Key financial services customers  | Lakh      | 7.5                 | 7.1                   | 5.5                 | 36%    | 6%   |

\*Note: Starting Q1 FY 2027, the Company will discontinue reporting the 'Average Number of Sales Employees' in its periodic disclosures. The Company believes that the cost of sales employees is a more relevant metric for evaluating the scale and performance of its sales organization. Given the industry trend of high attrition rates in the sales team and the variability in active working days across employees, sales employee cost provides a more accurate and meaningful representation than the number of sales employees.

# Breakup of Available Cash and Investable Balance



## Net Cash Balances

(Qtr ending)

| Particulars (in ₹ Cr)   | Mar-25        | Jun-25        | Sep-25        | Dec-25        | Mar-26        |
|---|---------------|---------------|---------------|---------------|---------------|
| Cash and Bank Balances  | 4,539         | 4,561         | 4,861         | 5,468         | 7,252         |
| Deposits with banks   | 7,018         | 6,478         | 6,267         | 6,115         | 5,788         |
| Investments (Mutual Funds/T-Bills/CP/G-Sec/NCD/NBFC FDs)                            | 4,046         | 5,086         | 5,545         | 4,747         | 4,417         |
| <b>Total Balances (A)</b>   | <b>15,602</b> | <b>16,124</b> | <b>16,674</b> | <b>16,329</b> | <b>17,457</b> |
| Paytm Money Ltd (PML) customer funds (B)  | 326           | 420           | 351           | 415           | 383           |
| Balances in Escrow / Nodal Accounts (C)   | 2,467         | 2,832         | 3,254         | 3,732         | 4,459         |
| <b>Total Balances (excluding PML and Escrow) (A-B-C)</b>                            | <b>12,809</b> | <b>12,872</b> | <b>13,068</b> | <b>12,182</b> | <b>12,615</b> |
| Prefunded balance in escrow account from PPSL post transfer of offline business (D) |               | Negligible    |               | 700           | 700           |
| <b>Total Balance (A - B - C + D)</b>  | <b>12,809</b> | <b>12,872</b> | <b>13,068</b> | <b>12,882</b> | <b>13,315</b> |

**Note:** Cash balance does not include money lent by PML to its customers for Margin Trading Funding (MTF). The same are reported in 'Other Financial Assets' in the Company's financial statements.

# 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 or our in-store payment solutions, and payments processed through Paytm payment gateway, 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 the Paytm App or have used the Paytm for Business App   |
| Net Payment Revenue              | Payment revenues (including other operating revenue) less payments processing charges  |
| Contribution Profit              | Contribution profit is a non-GAAP financial measure. We define Contribution profit as revenue from operations less payment processing charges, promotional cashback & incentives expenses, connectivity & content fees, contest, ticketing expenses & logistics, deployment & collection cost of our businesses  |
| 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 savings or any attachment insurance products, as they contribute negligible revenue/profitability |

paytm

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