

Dear Shareholders,

Last year brought its share of challenges and uncertainties. We stayed focused, kept our heads down, and continued building with unwavering dedication and resilience.

Now, having crossed the milestone of profitability, I'm proud of our team for their disciplined execution, deep conviction, and relentless innovation. We took some tough calls, pruned and sold businesses, and doubled down on our core of payments, ensuring the preservation and growth of our cash reserves. This focus towards fundamentals has put us on a clear path toward sustainable growth and profitability.

Our belief is simple: every line of business must serve our customers in a differentiated manner, and meaningfully contribute to the bottom line. At our core, we remain committed towards building for every consumer, merchant, MSME and enterprise in this country, empowering millions with technology that's simple, scalable, and impactful.

True to our DNA of innovation and pioneership, we are proud that our AI-led full stack payment solution continue to redefine how millions of merchants accept payments, run their business, and serve their customers. We remain committed to being AI-first, in every product we offer and every process that powers us.

On the payments front, I'm also happy to share that we've restored the high UPI success rates that Paytm has long been known for. This has been made possible by the deep integration with our partner banks, our focus on technology, and the continued support from NPCI. We've continued to launch simple, user-focused features and will keep building on this momentum. Once the market share caps are imposed, we are ready to move faster and go deeper on market expansion.

Consumer and merchant payments in India remain a large and growing opportunity. The model is now becoming structurally viable with MDR on select instruments and subscription revenues flowing across the ecosystem. These developments contribute to a sustainable business model.

Beyond payments, we see massive opportunities in cross-selling financial services. Our merchant loan portfolio has delivered strong results for lending partners and is bringing financial inclusion to those who were underserved so far. We've launched new savings tools like the ₹21 SIP with SBI Mutual Fund, formalising the everyday savings habit for Indians. In time, we aim to expand into insurance and other wealth solutions built specifically for India's grassroots entrepreneurs.

Our financial institution partners continue to show strong trust in us, validating our role as an value-added, efficient and responsible distribution partner.

We're also building value accretive services that help merchants grow and retain their customers. These are products that extend our stack and unlock monetization beyond transactions. These solutions are already showing promise in India, and we're beginning to explore international opportunities where small businesses remain underserved. Our international expansion will be deliberate, with a long-term view and a 1,000-day commitment to meaningful results.

Being a payments champion from India, having built a strong stack of technology and financial services, is a matter of great pride for all of us. We are committed to deepening our role in India's growth story and expanding this success to many more markets.

Thank you for your continued support and trust. We remain deeply committed to compliance, governance, and building an institution that stands for resilience, innovation, and national impact.

Warm regards,

Vijay Shekhar Sharma