Earnings Presentation
For quarter ending September 2022
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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.
Our Core Business is to Acquire Payment Customers and Distribute Loans

Payments Services

Monthly Transacting Users 80 Mn

Paytm Postpaid

Personal Loan

Merchant Loan

Co-branded Credit Card

Loan Distribution & Collection Business

+ Brand
+ Distribution
+ Insights
+ Technology

Payments Business

Commerce Services

Merchants 30 Mn

Note: Monthly Transacting Users (MTU) and merchant data for Q2 FY 2023
Revenue from Payments and Commerce & Cloud Services at ₹1,550 Cr in Q2 FY 2023 (up 55% YoY)

<table>
<thead>
<tr>
<th>Services merchants use</th>
<th>Revenue Model</th>
<th>Revenue (Q2 FY 2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising, selling gift vouchers and tickets</td>
<td>Advertising revenues and commission</td>
<td>Commerce and Cloud ₹ 377 Cr ▲ 55% YoY, ▲ 14% QoQ</td>
</tr>
<tr>
<td>Bill Payments</td>
<td>Merchants pay us MDR Select Customers pay platform fee</td>
<td>Payment Services to Consumers ₹ 549 Cr ▲ 55% YoY, ▲ 6% QoQ</td>
</tr>
<tr>
<td>Online payment services</td>
<td>MDR and subscription</td>
<td>Payment Services to Merchants ₹ 624 Cr ▲ 56% YoY, ▲ 12% QoQ</td>
</tr>
<tr>
<td>Card machine</td>
<td>MDR and subscription</td>
<td></td>
</tr>
<tr>
<td>Soundbox for Paytm Wallet and UPI</td>
<td>Subscription and Government subvents UPI MDR</td>
<td></td>
</tr>
<tr>
<td>Paytm QR for Paytm Wallet and UPI</td>
<td>Government subvents UPI MDR</td>
<td></td>
</tr>
</tbody>
</table>

Enabling commerce for merchants

Online Merchants use our app to collect payments

Online / Omni-channel Merchant

Enterprise Merchant

High Volume Offline Merchant

Entry level Offline merchant
### Loan Distribution and Collection: ₹7,313 Cr of Disbursements in Q2

<table>
<thead>
<tr>
<th>Paytm Strengths</th>
<th>Paytm Revenue Model</th>
<th>In Q2 FY23</th>
<th>Personal Loans</th>
<th>Merchant Loans</th>
<th>Paytm PostPaid</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Loan Sourcing: from Paytm’s large consumer and merchant base</td>
<td><strong>1</strong> Loan Sourcing and Cross-sell</td>
<td>Loan Amount &amp; Tenure</td>
<td>~₹110,000 for ~14 months</td>
<td>~₹150,000 for ~12 months</td>
<td>~₹4,500 Monthly billing</td>
</tr>
<tr>
<td>• Deep Insights</td>
<td></td>
<td>Total Disbursement &amp; YoY Growth</td>
<td>₹2,055 Cr ▲ 736% YoY</td>
<td>₹1,208 Cr ▲ 342% YoY</td>
<td></td>
</tr>
<tr>
<td>• Fully Digital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Instant disbursement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Collections: built on Paytm’s payments rails</td>
<td><strong>2</strong> EMI Servicing and Collection</td>
<td>Bounce Rate</td>
<td>11.5% to 12.5%</td>
<td>NA (daily instalment product)</td>
<td>11.0% to 13.0%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Expected Credit Loss (ECL) %</td>
<td>4.5% to 5.0%</td>
<td>5.0% to 5.5%</td>
<td>1.1% to 1.3%</td>
</tr>
</tbody>
</table>

### Notes:
1. Loans are underwritten and booked by our lending partners (NBFCs and Banks) in their balance sheets. Paytm acts as a collection outsourcing partner and the numbers are hence indicative of those efforts.
2. Being a daily installment product, monthly bounce rate is not applicable for merchant loans.
Revenue growth of 76% YoY, EBITDA before ESOP cost improved by 61% YoY

**Financial Highlights**

<table>
<thead>
<tr>
<th>Revenue from Operations</th>
<th>Contribution Profit</th>
<th>EBITDA before ESOP cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹1,914 Cr</td>
<td>₹843 Cr</td>
<td>₹(166) Cr</td>
</tr>
<tr>
<td>▲ 76% YoY</td>
<td>▲ 224% YoY</td>
<td>▲ ₹259 Cr</td>
</tr>
<tr>
<td>▲ 14% QoQ</td>
<td>▲ 44% of revenue</td>
<td>▲ (9%) of revenue</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▲ ₹108 Cr</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▲ QoQ Improvement</td>
</tr>
</tbody>
</table>

**Operational Highlights**

<table>
<thead>
<tr>
<th>Value of Loans Disbursed</th>
<th>Merchant Subscriptions (Payment Devices)</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹7,313 Cr</td>
<td>4.8 Mn</td>
</tr>
<tr>
<td>▲ 482% YoY</td>
<td>▲ 3.5 Mn Added in the last 12 months</td>
</tr>
<tr>
<td>▲ 16% QoQ</td>
<td>▲ 1.1 Mn Added in the last 3 months</td>
</tr>
</tbody>
</table>

- **Savings**
  - **Revenue Growth**
    - 76% YoY
    - 14% QoQ
  - **EBITDA Improvement**
    - 61% YoY
    - 16% QoQ
Revenue growth led by platform expansion and increased monetization across businesses

Notes:
1. Other Operating Revenue is ancillary revenue of Payments and was ₹15 Cr in Q2 FY 2023, ₹2 Cr in Q1 FY 2023, ₹12 Cr in Q4 FY2022 and nil in Q3 FY 2022 and Q2 FY 2022.
Contribution Profit expansion led by growth in net payments margin and loan distribution revenues

**Contribution profit and margin**

- Payments is more profitable: net payments margin grew to ₹443 Cr
- High margin Loan distribution has driven better mix

**Indirect cost (as % of revenue)**

- 10% improvement

- Improvement in indirect costs despite investments in technology, sales and marketing (for eg, investments in sales team was ₹172 Cr in the quarter vs ₹94 Cr in Sep-21 quarter)
61% YoY improvement in EBITDA before ESOP cost

EBITDA before ESOP Cost

<table>
<thead>
<tr>
<th>Quarter Ending</th>
<th>Ending in Cr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep-21</td>
<td>₹426 Cr</td>
</tr>
<tr>
<td>Dec-21</td>
<td>₹393 Cr</td>
</tr>
<tr>
<td>Mar-22</td>
<td>₹368 Cr</td>
</tr>
<tr>
<td>Jun-22</td>
<td>₹275 Cr</td>
</tr>
<tr>
<td>Sep-22</td>
<td>₹166 Cr</td>
</tr>
</tbody>
</table>

₹259 Cr improvement

Drivers of +30% EBITDA before ESOP cost margin improvement:
- 20% YoY improvement in Contribution Margin
- 10% reduction in indirect expenses (as a % of revenue)
Continued Payments Services revenue growth with higher profitability

Payment Services to Consumers revenue (up 55% to ₹549 Cr)

a. Continued growth in MTU and GMV

Payment Services to Merchants revenue (up 56% to ₹624 Cr)

a. Subscription and MDR revenues from offline merchants continue to grow
b. Growth in revenues from online merchants, primarily e-commerce
c. No UPI incentive recorded\(^{2}\) this quarter

Net Payments margin (up 428% YoY to ₹443 Cr)

a. Focus on reduction in payment processing charges, in addition to revenue momentum

Notes:
1 MDR from Postpaid is included in Payment Services and not in Financial Services
2 Although government incentives on UPI P2M transactions are announced in the annual budget, we will record revenues after the final notification is issued by MEITY. Hence, we recorded nil revenues this quarter
3 Other Operating Revenue is ancillary revenue of Payments and was ₹15 Cr in Q2 FY 2023, ₹2 Cr in Q1 FY 2023, ₹12 Cr in Q4 FY2022 and nil in Q3 FY 2022 and Q2 FY 2022
4 Calculation of Net Payment Margin includes other operating revenue in Q2 FY 2023, and does not include it in previous quarters
Momentum in Payments key operating metrics driving revenue growth

- Sustained growth in monthly transacting users driven by increasing customer acquisition
- Improvement in customer retention

- Driven by MTU growth and increased use cases
- Offline merchants GMV growth higher as devices business gains scale

- 1.1 million devices deployed in the quarter
- Device merchants accounted for over 85% of merchant loan disbursements
Led by Lending, Financial Services revenue has grown 4x YoY

**Revenue from Financial Services & Others**

- Financial Services revenues continue to scale; now accounting for 18% of total revenues, up from 8% in Sep-21 quarter

**Lender’s Scope**
- Customer’s KYC
- Capital deployment
- Underwriting and risk ownership
- Bureau reporting
- Regulatory compliance (including digital lending guidelines)

**Paytm Scope**
- Loan Sourcing
- Deep Insights
- Fully Digital
- Instant disbursement
- Collections

**Lending Products**

- **Paytm Postpaid (Consumption BNPL)**
  - Small-ticket everyday purchases
  - Acceptance network (15 mn merchants)

- **Personal Loans**
  - Fully digital
  - Convenience

- **Merchant Loans**
  - For working capital requirements
  - Linked to payment acceptance behavior
  - Daily repayment
Offering small ticket credit disbursement and collection in partnership with lenders

Postpaid Loans
- Accepted at 15 Mn merchants; total base of over 6 Mn signed up users
- Penetration at 4.0% of MTU

<table>
<thead>
<tr>
<th>Quarter Ending</th>
<th>Value of Loans (Cr)</th>
<th># of Loans (Mn)</th>
<th>5x YoY</th>
<th>8x YoY</th>
<th>4x YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep-21</td>
<td>₹738 Cr</td>
<td>2.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec-21</td>
<td>₹1,190 Cr</td>
<td>4.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mar-22</td>
<td>₹2,183 Cr</td>
<td>6.4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jun-22</td>
<td>₹3,383 Cr</td>
<td>8.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sep-22</td>
<td>₹4,050 Cr</td>
<td>8.9</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Personal Loans
- Cross sell opportunities continue with over 40% of loans to existing Postpaid users
- Penetration at 0.6% of MTU

<table>
<thead>
<tr>
<th>Quarter Ending</th>
<th>Value of Loans (Cr)</th>
<th># of Loans (Mn)</th>
<th>8x YoY</th>
<th>4x YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep-21</td>
<td>₹246 Cr</td>
<td>0.03</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec-21</td>
<td>₹516 Cr</td>
<td>0.06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mar-22</td>
<td>₹805 Cr</td>
<td>0.09</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jun-22</td>
<td>₹1,344 Cr</td>
<td>0.13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sep-22</td>
<td>₹2,055 Cr</td>
<td>0.19</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Merchant Loans
- Device merchants accounted for more than 85% of disbursals; Repeat rate of 50%
- Penetration at 4.4% of devices merchants

<table>
<thead>
<tr>
<th>Quarter Ending</th>
<th>Value of Loans (Cr)</th>
<th># of Loans (Mn)</th>
<th>4x YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep-21</td>
<td>₹273 Cr</td>
<td>0.02</td>
<td></td>
</tr>
<tr>
<td>Dec-21</td>
<td>₹474 Cr</td>
<td>0.03</td>
<td></td>
</tr>
<tr>
<td>Mar-22</td>
<td>₹565 Cr</td>
<td>0.04</td>
<td></td>
</tr>
<tr>
<td>Jun-22</td>
<td>₹827 Cr</td>
<td>0.06</td>
<td></td>
</tr>
<tr>
<td>Sep-22</td>
<td>₹1,208 Cr</td>
<td>0.08</td>
<td></td>
</tr>
</tbody>
</table>

Calculation of penetration
Postpaid: Avg monthly number of loans in a quarter as a % of that quarter's avg MTU; Personal Loans: Number of loans disbursed in last 12 months as a % of avg MTU in Q2 FY 2023; Merchant loans: Number of loans disbursed in last 12 months as % of devices deployed at end of Q2 FY 2023
Sustained trends in Loan Collections

Indicative portfolio performance for our partners (1)

<table>
<thead>
<tr>
<th></th>
<th>Personal Loan</th>
<th>Merchant Loan</th>
<th>Postpaid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bounce Rates</td>
<td>11.5% to 12.5%</td>
<td>NA(2)</td>
<td>11.0% to 13.0%</td>
</tr>
<tr>
<td>Bucket 1 Resolution %</td>
<td>89% to 92%</td>
<td>84% to 87%</td>
<td>81% to 83%</td>
</tr>
<tr>
<td>Recovery Rate Post 90+</td>
<td>27% to 29%</td>
<td>31% to 33%</td>
<td>25% to 27%</td>
</tr>
<tr>
<td>Expected credit loss (ECL%)</td>
<td>4.5% to 5.0%</td>
<td>5.0% to 5.5%</td>
<td>1.1% to 1.3%</td>
</tr>
</tbody>
</table>

All 3 products augmented through Paytm data and advanced machine learning models
Continuous co-creation of risk models with our lending partners – helping scale and risk-based pricing

Own collection technology platform aiding digital collections, better efficiency at lower operating expenses; Collection rates have remained stable with increasing scale

Capacity enhancement increasing with scale: increasing employees and have over 50 tie ups with on ground collection partners

Steady loss rates on static pool in line with Low and Grow model of scaling

Notes:
1. Loans are underwritten and booked by our lending partners (NBFCs and Banks) in their balance sheets. Paytm acts as a collection outsourcing partner and the numbers are hence indicative of those efforts
2. Being a daily installment product, monthly bounce rate is not applicable
Steady growth in high margin Commerce & Cloud revenue

**Commerce Services:** up 49% to ₹125 Cr
- Travel merchants sold more tickets QoQ driven by resurgent demand
- Entertainment merchants had a seasonally weak quarter

**Cloud Services:** up 58% to ₹252 Cr
- Started to see recovery in advertising revenue
- Growth in credit card distribution as well as PAI cloud revenues
## Improvement in EBITDA before ESOP costs while continuing investments in scale and growth

<table>
<thead>
<tr>
<th></th>
<th>Quarter Ended</th>
<th>YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-21</td>
<td>Sep-22</td>
</tr>
<tr>
<td>MTU (mn)</td>
<td>57.4</td>
<td>79.7</td>
</tr>
<tr>
<td>Devices deployed (mn)</td>
<td>1.3</td>
<td>4.8</td>
</tr>
<tr>
<td>Value of loans disbursed</td>
<td>1,257</td>
<td>7,313</td>
</tr>
<tr>
<td>Revenue from Operations</td>
<td>1,086</td>
<td>1,914</td>
</tr>
<tr>
<td>Payment Services to Consumers</td>
<td>354</td>
<td>549</td>
</tr>
<tr>
<td>Payment Services to Merchants</td>
<td>400</td>
<td>624</td>
</tr>
<tr>
<td>Financial Services &amp; Others</td>
<td>89</td>
<td>349</td>
</tr>
<tr>
<td>Commerce &amp; Cloud</td>
<td>244</td>
<td>377</td>
</tr>
<tr>
<td>Contribution Profit</td>
<td>261</td>
<td>843</td>
</tr>
<tr>
<td>Contribution Margin</td>
<td>24%</td>
<td>44%</td>
</tr>
<tr>
<td>Indirect Expenses</td>
<td>(686)</td>
<td>(1,010)</td>
</tr>
<tr>
<td>As % revenues</td>
<td>(63%)</td>
<td>(53%)</td>
</tr>
<tr>
<td>EBITDA before ESOP cost</td>
<td>(426)</td>
<td>(166)</td>
</tr>
<tr>
<td>EBITDA before ESOP cost Margin</td>
<td>(39%)</td>
<td>(9%)</td>
</tr>
</tbody>
</table>

**Platform Expansion** = Higher Monetization Capacity

**Revenue growth across all businesses**

Improving unit economics + Operating leverage while continuing investments = Improvement in EBITDA before ESOP cost
Annexure
### Revenue Growth of 76% YoY

<table>
<thead>
<tr>
<th>(in ₹ Cr)</th>
<th>Quarter Ended</th>
<th></th>
<th>Change</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-21</td>
<td>Jun-22</td>
<td>Sep-22</td>
<td>YoY</td>
</tr>
<tr>
<td>Payments &amp; Financial Services</td>
<td>843</td>
<td>1,346</td>
<td>1,522</td>
<td>81%</td>
</tr>
<tr>
<td>Payment Services to Consumers</td>
<td>354</td>
<td>519</td>
<td>549</td>
<td>55%</td>
</tr>
<tr>
<td>Payment Services to Merchants</td>
<td>400</td>
<td>557</td>
<td>624</td>
<td>56%</td>
</tr>
<tr>
<td>Financial Services and Others</td>
<td>89</td>
<td>271</td>
<td>349</td>
<td>293%</td>
</tr>
<tr>
<td>Commerce &amp; Cloud Services</td>
<td>244</td>
<td>331</td>
<td>377</td>
<td>55%</td>
</tr>
<tr>
<td>Commerce</td>
<td>84</td>
<td>139</td>
<td>125</td>
<td>49%</td>
</tr>
<tr>
<td>Cloud</td>
<td>160</td>
<td>193</td>
<td>252</td>
<td>58%</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>-</td>
<td>2</td>
<td>15</td>
<td>nm</td>
</tr>
<tr>
<td><strong>Revenue from Operations</strong></td>
<td><strong>1,086</strong></td>
<td><strong>1,680</strong></td>
<td><strong>1,914</strong></td>
<td><strong>76%</strong></td>
</tr>
</tbody>
</table>
## Contribution Profit up by 224% YoY

<table>
<thead>
<tr>
<th>(in ₹ Cr)</th>
<th>Quarter Ended</th>
<th>Change</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-21</td>
<td>Jun-22</td>
<td>Sep-22</td>
<td>YoY</td>
</tr>
<tr>
<td>Revenue from Operations</td>
<td>1,086</td>
<td>1,680</td>
<td>1,914</td>
<td>76%</td>
</tr>
<tr>
<td>Payment processing charges</td>
<td>670</td>
<td>694</td>
<td>746</td>
<td>11%</td>
</tr>
<tr>
<td>As % of GMV</td>
<td>0.34%</td>
<td>0.23%</td>
<td>0.23%</td>
<td>(11 bps)</td>
</tr>
<tr>
<td>Promotional cashback &amp; incentives</td>
<td>83</td>
<td>143</td>
<td>191</td>
<td>128%</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>72</td>
<td>117</td>
<td>134</td>
<td>85%</td>
</tr>
<tr>
<td>Total Direct Expenses</td>
<td>826</td>
<td>954</td>
<td>1,071</td>
<td>30%</td>
</tr>
<tr>
<td>Contribution Profit</td>
<td>261</td>
<td>726</td>
<td>843</td>
<td>224%</td>
</tr>
<tr>
<td>Contribution Margin %</td>
<td>24.0%</td>
<td>43.2%</td>
<td>44.1%</td>
<td>+20%</td>
</tr>
</tbody>
</table>
## EBITDA before ESOP cost improved by ₹108 Cr QoQ

<table>
<thead>
<tr>
<th>(in ₹ Cr)</th>
<th>Quarter Ended</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-21</td>
<td>Jun-22</td>
</tr>
<tr>
<td>Contribution Profit</td>
<td>261</td>
<td>726</td>
</tr>
<tr>
<td>Contribution Margin %</td>
<td>24.0%</td>
<td>43.2%</td>
</tr>
<tr>
<td>Marketing</td>
<td>102</td>
<td>175</td>
</tr>
<tr>
<td>Employee cost (excl ESOPs)</td>
<td>367</td>
<td>553</td>
</tr>
<tr>
<td>Software, cloud and data center</td>
<td>113</td>
<td>162</td>
</tr>
<tr>
<td>Other indirect expenses</td>
<td>104</td>
<td>111</td>
</tr>
<tr>
<td>Total indirect expenses</td>
<td>686</td>
<td>1,001</td>
</tr>
<tr>
<td>EBITDA before ESOP cost</td>
<td>(426)</td>
<td>(275)</td>
</tr>
<tr>
<td>EBITDA before ESOP cost Margin %</td>
<td>(39.2%)</td>
<td>(16.4%)</td>
</tr>
</tbody>
</table>
# Reconciliation of Non-GAAP Measures

EBITDA before ESOP cost

<table>
<thead>
<tr>
<th>(in ₹ Cr)</th>
<th>Quarter Ended</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-21 (Unaudited)</td>
<td>Jun-22 (Unaudited)</td>
<td>Sep-22 (Unaudited)</td>
<td></td>
</tr>
<tr>
<td>EBITDA before ESOP cost (A)</td>
<td>(426)</td>
<td>(275)</td>
<td>(166)</td>
<td></td>
</tr>
<tr>
<td>ESOP cost (B)</td>
<td>(19)</td>
<td>(359)</td>
<td>(371)</td>
<td></td>
</tr>
<tr>
<td>Initial Public Offer expenses (C)</td>
<td>(8)</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Finance costs (D)</td>
<td>(10)</td>
<td>(6)</td>
<td>(5)</td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization expense (E)</td>
<td>(50)</td>
<td>(97)</td>
<td>(104)</td>
<td></td>
</tr>
<tr>
<td>Other income (F)</td>
<td>48</td>
<td>102</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Share of profit / (loss) of associates / joint ventures (G)</td>
<td>(7)</td>
<td>(6)</td>
<td>(9)</td>
<td></td>
</tr>
<tr>
<td>Exceptional items (H)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Income Tax expense (I)</td>
<td>(2)</td>
<td>(5)</td>
<td>(15)</td>
<td></td>
</tr>
<tr>
<td>Loss for the period (J=Sum of A to I)</td>
<td>(474)</td>
<td>(645)</td>
<td>(571)</td>
<td></td>
</tr>
</tbody>
</table>
## Operational KPIs

<table>
<thead>
<tr>
<th>(in ₹ Cr)</th>
<th>Units</th>
<th>Quarter Ended</th>
<th>Change</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Sep-21</td>
<td>Jun-22</td>
<td>Sep-22</td>
<td>YoY</td>
</tr>
<tr>
<td>GMV (in ₹ Lakh Cr)</td>
<td>₹ Lakh Cr</td>
<td>2.0</td>
<td>3.0</td>
<td>3.2</td>
<td>63%</td>
</tr>
<tr>
<td>Merchant Transactions</td>
<td>million</td>
<td>2,692</td>
<td>5,124</td>
<td>5,752</td>
<td>114%</td>
</tr>
<tr>
<td>Total Transactions</td>
<td>million</td>
<td>3,316</td>
<td>6,126</td>
<td>6,885</td>
<td>108%</td>
</tr>
<tr>
<td>MTU (avg over the period)</td>
<td>million</td>
<td>57.4</td>
<td>74.8</td>
<td>79.7</td>
<td>39%</td>
</tr>
<tr>
<td>Registered Merchants (end of period)</td>
<td>million</td>
<td>23.0</td>
<td>28.3</td>
<td>29.5</td>
<td>na</td>
</tr>
<tr>
<td>Number of Loans Disbursed</td>
<td>'000</td>
<td>2,841</td>
<td>8,478</td>
<td>9,192</td>
<td>224%</td>
</tr>
<tr>
<td>Value of Loans</td>
<td>₹ Cr</td>
<td>1,257</td>
<td>5,554</td>
<td>7,313</td>
<td>482%</td>
</tr>
<tr>
<td>Payment Devices (cumulative; end of period)</td>
<td>million</td>
<td>1.3</td>
<td>3.8</td>
<td>4.8</td>
<td>na</td>
</tr>
<tr>
<td>Average number of Sales Employees</td>
<td>#</td>
<td>11,225</td>
<td>21,775</td>
<td>24,703</td>
<td>na</td>
</tr>
<tr>
<td>Cost of sales employees (including training)</td>
<td>₹ Cr</td>
<td>94</td>
<td>161</td>
<td>172</td>
<td>83%</td>
</tr>
</tbody>
</table>

Number of sales employees includes on-roll and off-roeds employees. Cost relates to on-roll employees only.
## Definitions for Metrics & Key Performance Indicators

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMV</td>
<td>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.</td>
</tr>
<tr>
<td>Monthly Transacting User (MTU)</td>
<td>Unique users with at least one successful transaction in a particular calendar month</td>
</tr>
<tr>
<td>Contribution Profit</td>
<td>Contribution profit is a non-GAAP financial measure. We define Contribution profit as revenue from operations less payment processing charges, promotional cashback &amp; incentives expenses, connectivity &amp; content fees, contest, ticketing &amp; FASTag expenses &amp; logistic, deployment &amp; collection cost of our businesses.</td>
</tr>
<tr>
<td>Net Payments Margin</td>
<td>Payments revenues (including other operating revenue) less payments processing charges</td>
</tr>
<tr>
<td>EBITDA before ESOP cost</td>
<td>EBITDA before ESOP cost is a Non-GAAP financial measure. We define EBITDA before ESOP cost as our loss for the period, before depreciation &amp; amortization expense, income tax expense, share based payment expense, finance costs, other income, loss for the period from discontinued operations, exceptional items, IPO expenses &amp; share of profit/(loss) of associates/joint ventures.</td>
</tr>
</tbody>
</table>