



Earnings Release

for quarter & year
ending March 2023

5 May 2023

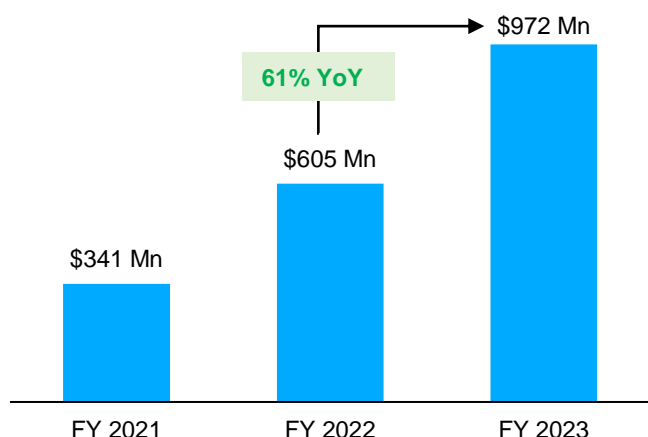
Paytm earns \$972 Mn revenues in FY 2023, up 61% YoY

- For Q4 FY 2023, revenue up 51% YoY at \$284 Mn
- UPI incentive of \$6 Mn for Q4. Total UPI incentive for year at \$22 Mn (up 102% YoY) recorded in this quarter
- Q4 EBITDA before ESOP (Including full year UPI incentive) of \$28 Mn, improved by \$73 Mn YoY
- Q4 EBITDA before ESOP (including UPI Incentive applicable for this quarter only) of \$12 Mn, improved by \$57 Mn YoY

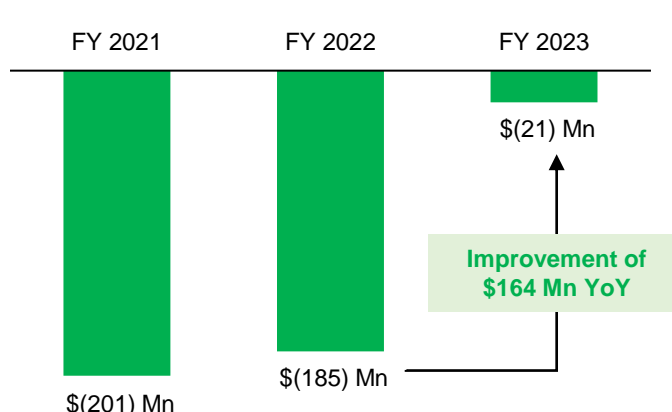
FY 2023: Landmark year during which we achieved operating profitability goal

Our 61% YoY revenue growth for FY 2023 was driven by payments monetization and growing scale of our loan distribution business. Our contribution margin improved from 30% in FY 2022 to 49% in FY 2023, due to improved payments profitability, and growth in high margin loan distribution business. During second half of this year, we achieved operational profitability (EBITDA before ESOP) and we believe we can continue our growth momentum and improve our profitability further. We have made significant investments towards sales manpower, improvement of technology platform, marketing spends etc., which will help us carry this momentum.

FY 2023 Revenue growth of 61% YoY



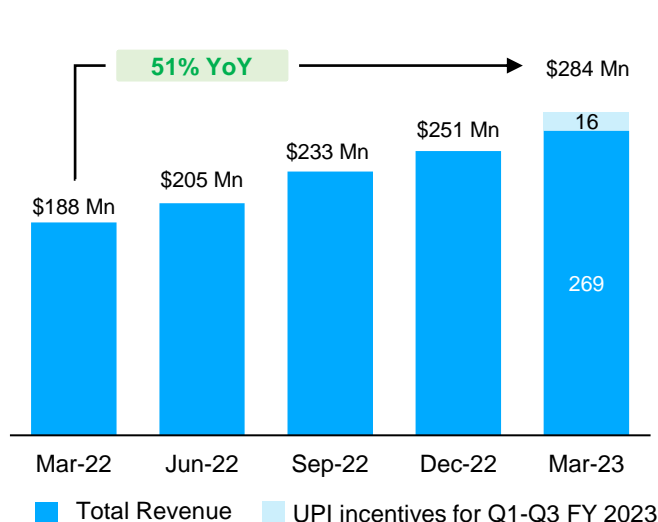
FY 2023 EBITDA before ESOP improved by \$164 Mn YoY



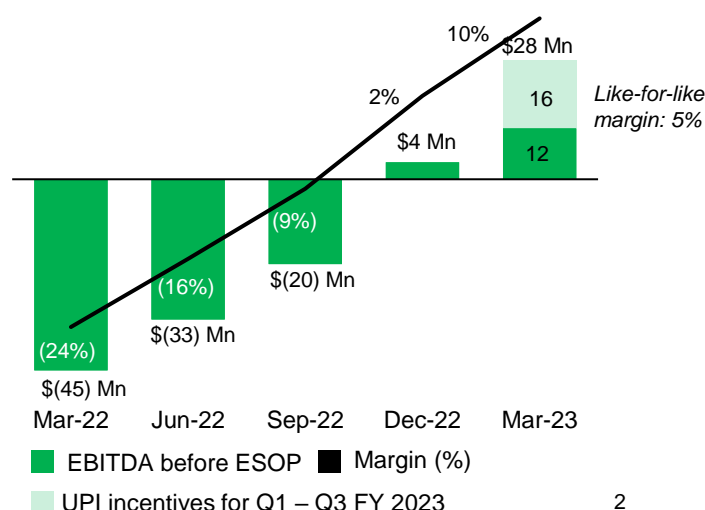
Q4 FY 2023: Exiting FY 2023 with momentum in profitability

For Q4 FY 2023, we clocked 51% YoY revenue growth, led by increase in GMV, higher merchant subscription revenues, and growth of loans distributed through our platform. Including current quarter's UPI incentive only, Q4 FY 2023 revenue growth was 43% YoY and contribution margin was 52%, versus 35% in Q4 FY 2022. Q4 EBITDA before ESOP, excluding \$16 Mn UPI Incentive pertaining to 9M FY 2023, was \$12 Mn, an improvement of \$57Mn YoY.

Revenue growth of 51% YoY



EBITDA before ESOP improved by \$73Mn YoY; Margin improvement of +34% YoY



Expanding platform – rapidly growing & engaged consumer and merchant base

Our two-sided platform across consumers and merchants continued to expand, along with growing user engagement. Average Monthly Transacting Users (MTU) for Q4 FY 2023 grew by 27% YoY to 90 Mn as adoption of mobile payments for consumers and merchants in India continues. Subscription services for payment devices, such as Soundbox and POS machine, is also witnessing strong adoption, with 6.8 Mn merchants paying us subscriptions as of March 2023, more than doubling from 2.9 Mn as of March 2022. We continued to witness sustained growth in Gross Merchandise Value (GMV), which stood at \$44 Bn for Q4 FY 2023, an increase of 40% YoY.

Our loan distribution business continued to scale, in partnership with our lending partners. In Q4 FY 2023, across our three product offerings (Paytm Postpaid, Personal Loans, and Merchant Loans), loans amounting to \$1.5 Bn were distributed through the Paytm platform. As of March 2023, 9.5 Mn borrowers have taken a loan through our platform. With low penetration rates currently for each our loan distribution products, we see a long runway for growth in this business. Device subscriptions offer an attractive cross-sell opportunity for merchant lending, while Postpaid customers are an upsell opportunity to personal loans and credit cards.

	Unit	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	YoY %
Average MTU	Mn	71	75	80	85	90	27%
Gross Merchandise Value	\$Bn	32	36	39	42	44	40%
Merchant Subscriptions	Mn	2.9	3.8	4.8	5.8	6.8	134%
Number of loans distributed	Mn	6.5	8.5	9.2	10.5	11.9	82%
Value of loans distributed	\$Mn	432	676	890	1,212	1,528	253%

Capitalizing on Our Growth Potential with Innovative Products

As we step into the new fiscal year of 2024, we are excited by the long term potential for revenue growth and profitability across payment and lending businesses. The growth of UPI and other mobile payment methods presents a wealth of untapped opportunities. We are prepared to capitalise on these opportunities by bringing innovative products to our customers. Since the launch of our UPI Lite platform February 2023, we have already onboarded 5.5Mn customers. NPCI's wallet interoperability guidelines will allow Full KYC Paytm Wallet to be universally acceptable on all UPI QRs and online merchants.

We believe India has potential of at least 100 Mn merchants and more than 500 Mn payment users in the near future. Considering this large scale of opportunity, and our ability to monetise our customer base, we will continue to invest in consumer marketing and expand merchant acquiring sales teams. With addition of nearly 9,000 members, our sales team now has more than 28,000 members, and caters to nearly 550 towns and cities.

Our payments business is our acquisition engine which brings customers to our platform. We monetise these customers by cross selling various financial & commerce services. In India, the penetration of consumer credit, especially products like Personal loans, Merchant loans, and small ticket consumption credit (Postpaid and Credit Card) remains low, providing us with ample opportunity for leveraging our platform by working with lending partners in distributing such products. We have partnered with large NBFCs and Banks and we continue to focus on quality of loans distributed through our platform. We currently have 7 lending partners and we aim to onboard 3-4 partners in FY 2024.

Technology platform upgrade to enable 10x growth in payments


We made significant improvements on the technology front with launch of our new technology platform in March of this year. The new platform is a full stack 100% indigenous development. This cutting-edge platform will enhance customer experience through better success rate, speed and security. The new platform makes us future ready with regards to volumes as it is capable of carrying out 10 times more transactions than our current scale. We have built new operational risk and fraud management systems which are equipped to cater to India's payment growth. With this platform, Paytm is well placed to handle fast growing digital payments opportunities in the country.

The development of this grounds-up platform was done in-house, and shows our prowess in technology development. This also proves that India has capability to build scalable world-class technology software of scale. With this powerful technology stack at our disposal, we are confident that we are well positioned to leverage the rapidly evolving opportunities in the mobile payments landscape of the country.

Key Metrics for the quarter ending March 2023 (Q4 FY 2023)


Revenue from Operations

Led by growth in payments & loan distribution business. In Q4 FY 2023, we recorded UPI incentive of \$22 Mn for FY 2023, of which \$6 Mn pertains to Q4 FY 2023. Including current quarter's UPI incentive only, revenue growth was 43%.

\$284 Mn 51% YoY

Contribution Profit

Including UPI incentive for current quarter only, margin increased to 52% from 35% in Q4 FY 2022.

\$156 Mn 138% YoY

EBITDA before ESOP

Margin improved to 10% of revenues from (24%) of revenues YoY. Including UPI incentive for the current quarter only, margin improved to 5%, on account of expansion of contribution profit and operating leverage, even with continued investments made for future growth.

Including full year UPI incentive received during the quarter


\$28 Mn \$73 Mn YoY

Including UPI incentive for current quarter only

\$12 Mn \$57 Mn YoY


Merchant Subscriptions (including devices)

Our leadership in payment monetization continues. Added 1 Mn new subscriptions in last quarter.

6.8 Mn 134% YoY

Loans Distributed through Paytm

As of March 2023, our lending partners have distributed loans through our platform to 9.5 Mn Paytm consumers and merchants. Paytm active user base continues to present significant upsell opportunities.

\$1,528 Mn 253% YoY

Financial Update for quarter ending March 2023 (Q4 FY 2023)

Payment Services: Leadership in payment monetization with improving profitability

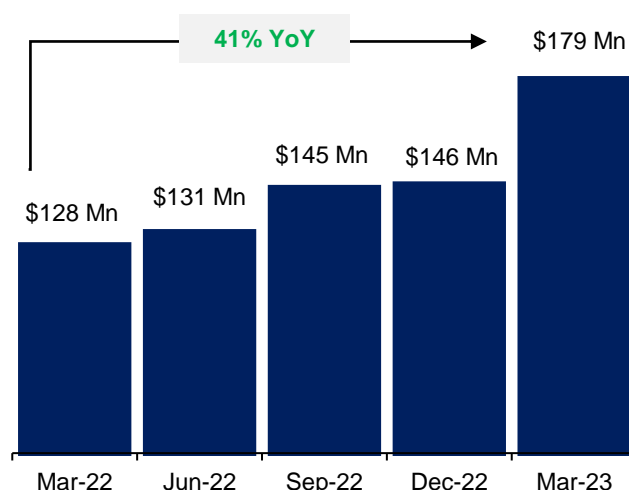
Our payment business continues to scale led by increase in GMV, and higher subscription revenue. In Q4 FY 2023, payments revenue grew by 41% YoY to \$179 Mn. Including current quarter's UPI incentive only, payment revenue grew 28% YoY.

Quarter ending, in \$Mn	Mar-22	Mar-23	YoY %
Payments Revenues	128	179	41%
Less: UPI incentive for 9M FY 2023	NA	(16)	
Like-for-like Payments Revenue	128	163	28%

Note: Q4 FY 2023 revenue includes \$22 Mn of UPI incentive for FY 2023, of which \$16 Mn pertains to the prior three quarters. In Q4 FY 2022, we recorded UPI incentive accruing for that quarter only.

For FY 2023, payment revenue grew 44% to \$601 Mn.

Payment Services Revenue



Improved payments profitability

Payments profitability further improved with Q4 FY 2023 net payment margin expanding 158% YoY to \$84 Mn. Including only current quarter's UPI incentive only, net payments margin for Q4 FY 2023 was \$68 Mn, up 108% YoY.

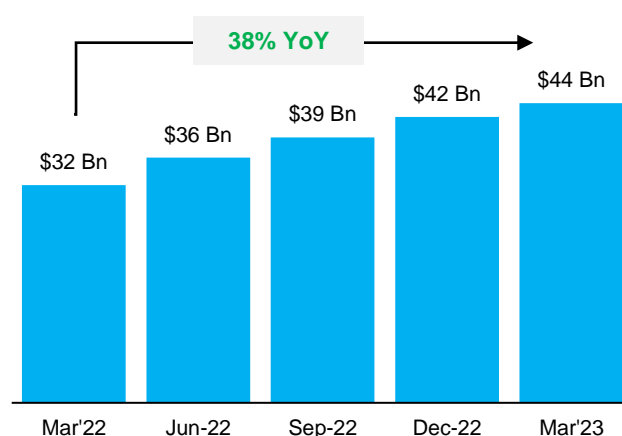
1. Payment Processing Margin: Q4 FY 2023 GMV grew 40% YoY to \$44 Bn. For FY 2023 and Q4 FY 2023, payment processing margin was at the higher end of 7-9bps range (of GMV) as indicated in December 2022. With rising UPI share, we expect payment processing margin to stabilize at 5-7 bps over long term.

2. Subscription Charges: As of March 2023, merchant subscriptions were 6.8 Mn, increasing 3.9 Mn YoY. We see sustained traction and earn more than \$1.2 per month per device.

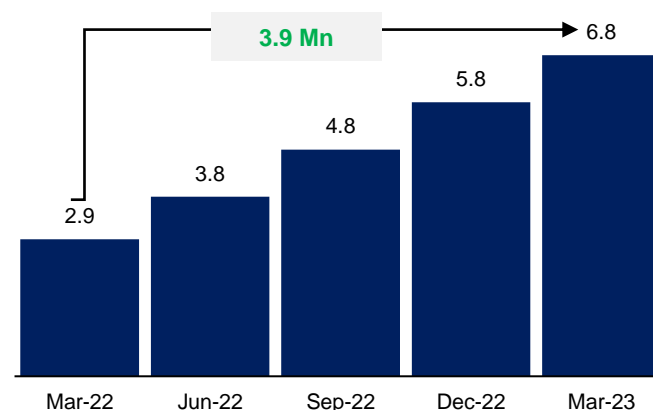
Quarter ending, in \$Mn	Mar-22	Mar-23	YoY %
Payments Revenues	128	163	41%
Less: Payment Processing Charges	(94)	(95)	1%
Net Payments Margin	32	68	158%
Less: UPI incentive for 9M FY 2023	NA	(16)	
Like-for-like Net Payments Margin	32	84	108%

FY 2023 net payments margin increased 2.9x to \$240 Mn, demonstrating profitability of payment business despite higher share of UPI. Improvement in net payments margin was a result of a) better rates from banks due to increase in our scale, b) increased adoption of device merchants and c) account level rationalization.

Gross Merchandise Value (GMV)



Merchant Subscriptions (including Devices)



Financial Services and Others: Perfect product market fit for small, digital credit

Our loan distribution & collection platform leverages the payment ecosystem to facilitate our lending partners to distribute loans & collect the same. In Q4 FY 2023, revenue for financial services and others grew 183% YoY to \$58 Mn. The growth in revenue was primarily driven by 253% YoY growth in the value of loans distributed.

For FY 2023, revenue from Financial Services and Others jumped 252% in FY 2023 to \$187 Mn, from \$53 Mn in FY 2022. This was largely on account of 364% increase in the value of loans distributed through our platform.

Loan Distribution & Collection

In Q4 FY 2023, the number of loans distributed through our platform grew to 12 Mn, a growth of 82% YoY. The value of loans distributed grew to \$1,528 Mn, a growth of 253% YoY.

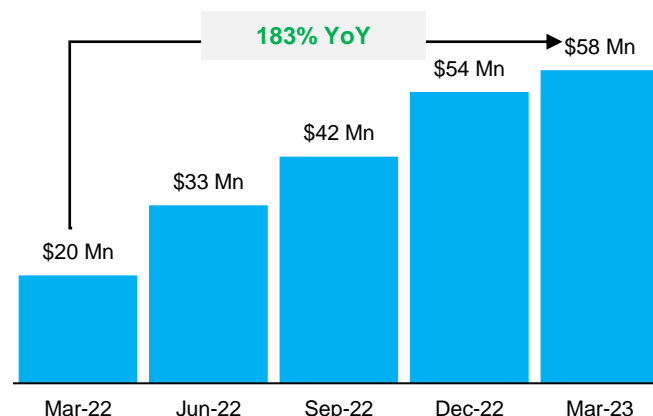
We believe there is long runway for growth as our payments consumer and merchant base offers a large addressable market. In FY 2023, the number of loans distributed through our platform grew 163% to 40 Mn. Total number of unique borrowers who have taken a loan through our platform has increased by 4.9 Mn in FY 2023 to 9.5 Mn. This growing borrower base offers us tremendous upsell and lifecycle benefits. We have partnered with 7 banks and NBFCs across all our products.

Paytm Postpaid

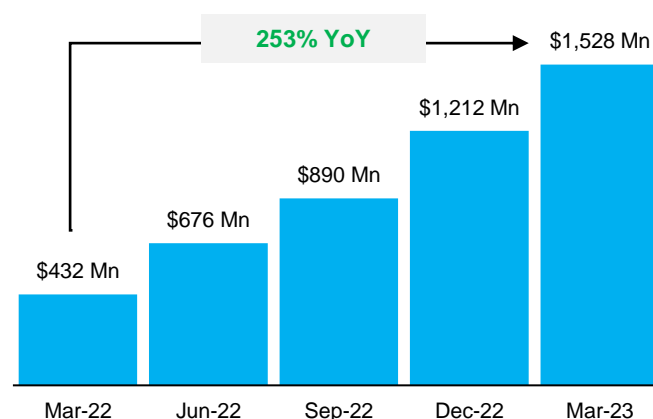
The number of Postpaid Loans distributed grew 86% YoY in Q4 FY 2023, while the value of Postpaid Loans grew 211% YoY. Total number of unique user base base has crossed 8.6 Mn customers. Merchant acceptance continues to grow, and Paytm Postpaid is now accepted by 19 Mn online and offline merchants, which has grown rapidly from 3.5 Mn in Q4 FY 2022. Our large Postpaid customer base also provides cross-sell opportunities for Personal Loans and Credit Cards.

Penetration¹ for Postpaid is at 4.3% of MTU.

Revenue: Financial Services and Others



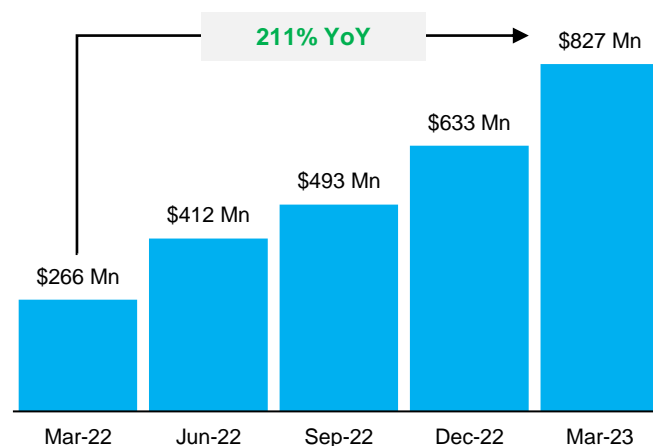
Value of Loans Distributed through Paytm



of Loans (Mn)

7 8 9 10 12

Value of Loans: Postpaid



of Loans (Mn)

6 8 9 10 12

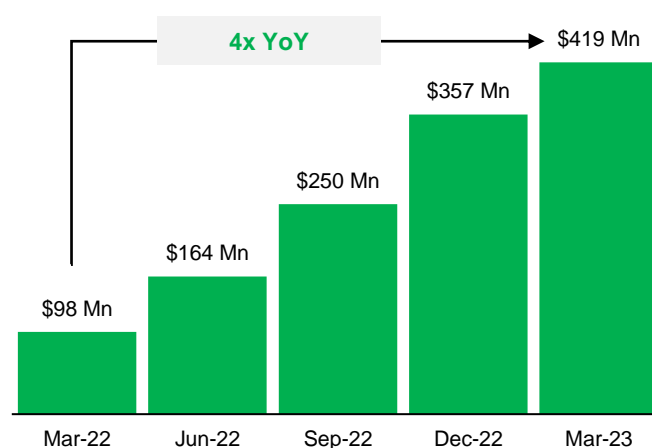
Note - The MDR from merchants on Paytm Postpaid and the revenues from our credit card partnerships is not recorded in Revenue from Financial Services and Others. MDR is recorded in Payment Services, whereas revenue from our credit card partnerships is recorded in Cloud revenues.

¹Calculation of penetration for Postpaid: Avg monthly number of loans in a quarter as a % of that quarter's avg MTU

Personal Loans

The number of Personal Loans distributed grew 193% YoY in Q4 FY 2023, while the value of Personal Loans grew 328% YoY to \$419 Mn. Average ticket size is ~\$1,500 with average tenure of 15 months. Cross-sell from Postpaid continues to see traction with over 40% of personal loans distributed in Q4 FY 2023 to existing Paytm Postpaid users. Penetration¹ for Personal loans is at 0.9% of MTU.

Value of Loans: Personal Loans



of Loans (Mn)

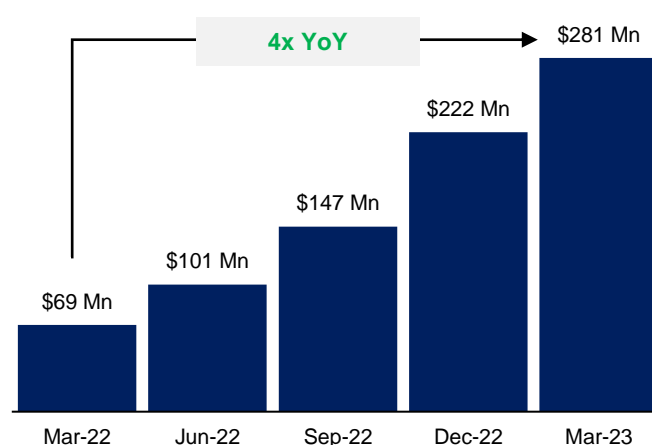
0.09	0.13	0.19	0.24	0.27
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Merchant Loans

The number of Merchant Loans distributed grew 258% YoY in Q4 FY 2023, while the value of Merchant Loans grew 309% YoY to \$281 Mn. More than 85% of value distributed this quarter was to merchants with a deployed Paytm payment device. Average ticket size is ~\$2,000 with average tenure of 13 months. We are also seeing healthy pickup in repeat loans with 45% of distribution to merchants who have taken a loan before. More than 85% of loan value distributed is to merchants with a deployed Paytm device.

Penetration¹ for Merchant Loans is 5.9% of device merchants.

Value of Loans: Merchant Loans



of Loans (Mn)

0.04	0.06	0.08	0.12	0.14
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¹Calculation of penetration

Personal Loans: Number of loans distributed in last 12 months as a % of avg MTU in Q4 FY 2023;

Merchant loans: Number of loans distributed in last 12 months as % of devices deployed at end of Q4 FY 2023

Commerce & Cloud: Monetizing Paytm app traffic by providing marketing services to other businesses

In our Commerce and Cloud segment, we continue to monetize Paytm app traffic by providing marketing services to our merchants. In Q4 FY 2023, Commerce & Cloud revenue grew by 23% YoY. In FY 2023, commerce and cloud revenue grew by 38% to \$185 Mn.

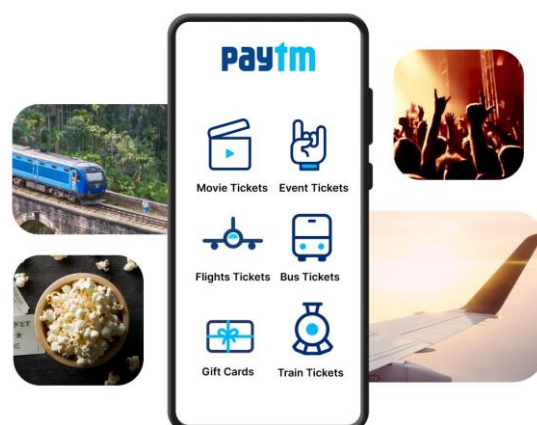
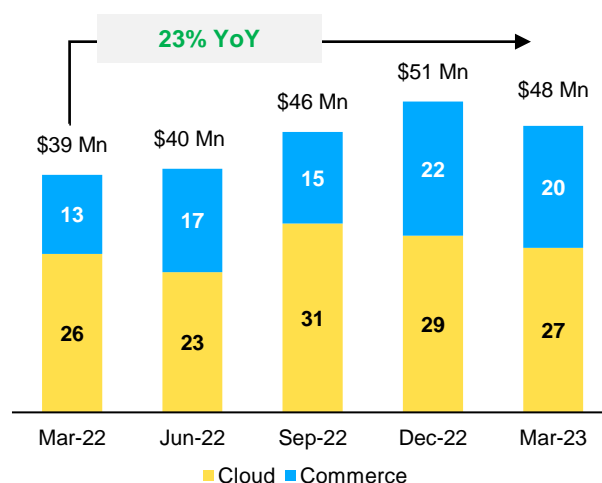
Commerce

Our commerce business include travel, movie, entertainment ticketing, deals and gift vouchers. Q4 FY 2023 Commerce GMV grew 22% YoY to \$266 Mn while revenue grew by 63% YoY to \$20 Mn. Faster revenue growth versus GMV is largely on account of seasonally high volume of events in the entertainment business, which has high take-rates but also higher direct costs. This has resulted in take rate inching to 8%. Excluding events business, take rate was stable within our guided range of 5-6%. FY 2023 revenue was \$75 Mn, a growth of 65% YoY.

Cloud

Cloud business include advertising, co-branded credit cards, marketing cloud, and loyalty business. As of March 2023, we have 5.9 Lakh activated cards, an increase of 1.4 Lakh cards in the quarter. Q4 FY 2023 revenue for Cloud business grew by 4% YoY to \$27 Mn, as growth in credit card distribution was offset by weakness in marketing cloud. We see cross-sell opportunities from our existing user base who have taken loans through our platform. FY 2023 cloud revenue was up 24% YoY to \$110 Mn.

Revenue: Commerce and Cloud Services



Contribution Profit led by growth in net payments margin & loan distribution revenues

Our Q4 FY 2023 contribution profit of \$156 Mn represents a growth of 138% YoY. Contribution margin improved to 55% from 35% a year ago. Including current quarter's UPI incentive only, contribution profit was \$140 Mn, implying 52% contribution margin.

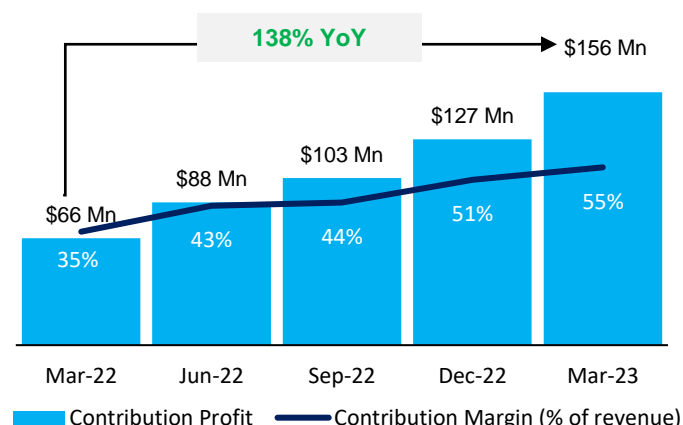
For FY 2023, the contribution profit at \$475 Mn represents a growth of 160%. Contribution margin improved to 49% from 30% a year ago.

Payment processing charges were \$95 Mn in Q4 FY 2023 (up 1% YoY and 6% QoQ).

Promotional cashbacks and incentives were \$9 Mn, or 2.2bps of GMV for Q4 FY 2023.

Other direct expenses were \$23 Mn, 75% higher YoY on account of expenses associated with high volume in events business and higher collection costs due to the growth of lending business.

Contribution Profit



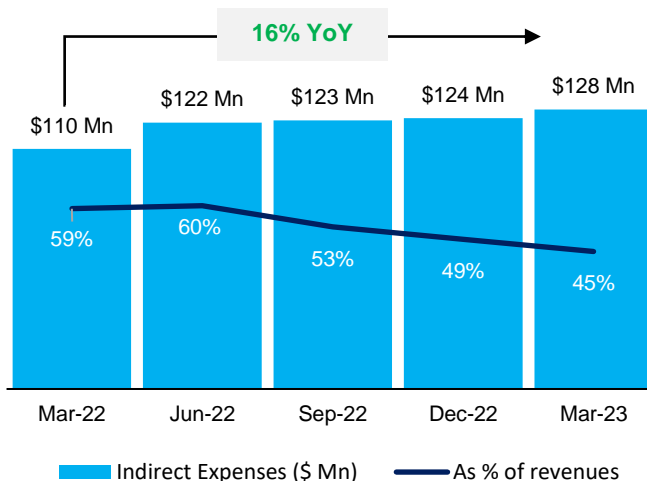
Indirect Expenses down to 45% of revenues driven by operating leverage

In Q4 FY 2023, indirect expenses (as a % of revenues), declined to 45%. However, excluding prior quarters' UPI incentive from the revenue base, indirect expenses were 48% of revenue. Indirect Expenses (excluding ESOP cost) has increased 3% QoQ and 16% YoY to \$128 Mn for Q4 FY 2023.

For FY 2023, we invested in marketing, sales employee and strengthening of the tech platform. With sharper revenue growth, indirect cost as % of revenue declined to 51%, from 61% in FY 2022.

- For Q4 FY 2023, cost of building the platform (defined as employee cost excluding cost of sales staff), was \$52 Mn, increasing 22% YoY. For the next quarter, we expect employee cost to increase due to annual appraisals.
- Cost of expanding the platform, which is defined as marketing costs and sales employee cost, stood at \$38 Mn, flat YoY. We continue to make investments in marketing and sales, to expand our platform of customer and merchants, as we have been able to monetize our existing customer base.
- Software, Cloud, and Data Center costs were \$23 Mn, up 25% YoY.
- In Q4 FY 2023, our Other Indirect costs at \$15 Mn, down 1% YoY.

Indirect Expenses (Qtr ending)



(in \$Mn)	Mar-22	Dec-22	Mar-23
Cost of building platform:			
Employee (excluding sales)	43	49	52
Cost of expanding platform:			
Marketing	16	17	15
Sales employees	18	22	23
Software & Cloud expenses	18	21	23
Other indirect expenses	15	15	15
Total Indirect Expenses	110	124	128

Continuous improvement in EBITDA before ESOP

We continue to see sharp and consistent improvement in profitability due to strong revenue growth, increasing contribution margin and operating leverage. In Q4 FY 2023, our EBITDA before ESOP was \$28 Mn as compared to (\$45 Mn) in Q4 FY 2022 and \$4 Mn in Q3 FY 2023. Including current quarter's UPI incentive only, EBITDA before ESOP was \$12 Mn for Q4 FY 2023. EBITDA before ESOP margin improved to 10% of revenues in Q4 FY 2023 from (24%) of revenues in Q4 FY 2022. Including UPI incentive for current quarter only, EBITDA before ESOP margin was 5%.

For the full year FY 2023, our EBITDA before ESOP was (\$21) Mn as compared to (\$185) Mn in FY 2022. EBITDA before ESOP margin improved to (2%) of revenues in FY 2023 from (31%) of revenues in FY 2022 and (59%) of revenues in FY 2021.

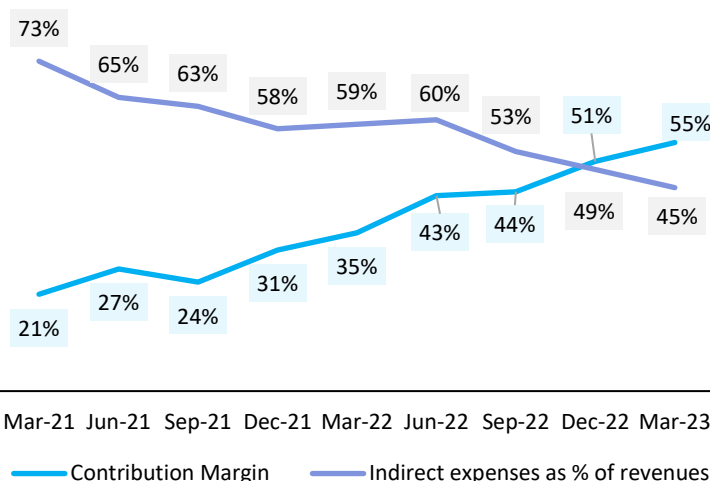
Net Income for Q4 FY 2023 was (\$48) Mn, an improvement of \$72 Mn YoY.

Capex driven by device rollout

We are investing in rollout of our Soundbox and POS devices which constitutes a large portion of our capex. For FY 2023, capex was \$87 Mn as compared to \$61 Mn in FY 2022. Increase in capex was largely due to higher device deployment during the year.

We depreciate our devices in 2-3 years. Corresponding to increase in device rollout, depreciation & amortization for FY 2023 increased to \$59 Mn from \$30 Mn in FY 2022.

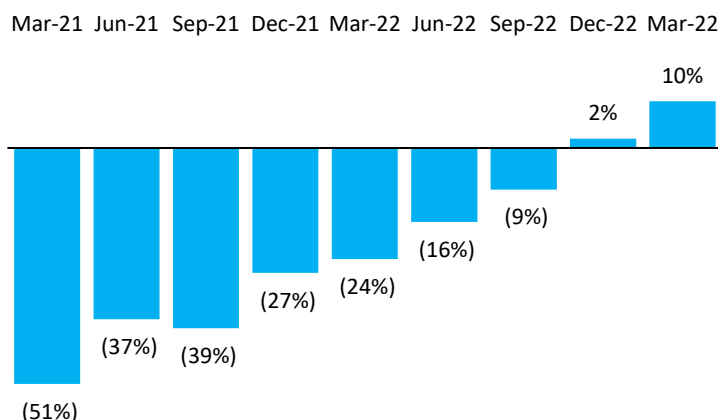
Higher Contribution Margin + Better Operating Leverage = Improved Profitability



EBITDA before ESOP Margin

As a % of revenues

(Qtr ending)



Cash Balance & Share Buyback

We are well funded considering net cash balance and improving profitability. As of quarter ending March 2023, we have \$1,007 Mn as cash balances as compared to \$1,128 Mn as on March 2022. We completed buy-back of 15.6 Mn shares by utilizing \$103 Mn of cash, implying average purchase price of \$6.6 per share. Including buyback tax and other transaction costs, the total outlay towards buy-back was \$128 Mn. While we purchased 1.5 Mn shares by utilizing \$8 Mn cash in the December 2022 quarter, we purchased 14.1 Mn shares by utilizing \$95 Mn cash in March 2023 quarter. Effectively, our outstanding share count as on March 2022 has reduced to 634 Mn, from 649 Mn prior to buy-back.

Update on Reserve Bank of India direction to Paytm Payments Services Limited (PPSL)

RBI vide its letter dated March 23, 2023 said that PPSL can continue with the Online Payment Aggregation business, while it awaits approval from Government of India ('GoI') for past investment from One97 Communications Ltd. (OCL) into PPSL as per FDI Guidelines.

As per RBI's letter, on receipt of approval from GoI, PPSL will have fifteen days to submit the application seeking authorisation for PPSL to operate as an online PA. However, if any adverse decision is taken by the GoI, then the same shall be informed to RBI immediately. During this process, PPSL can continue with its online payment aggregation business for existing partners, without onboarding any new merchants.


This continues to have no material impact on our business and revenues, since the communication from RBI is applicable only to onboarding of new online merchants and we can continue to provide payment services to our existing online merchants.

Update on Reserve Bank of India direction to our associate company Paytm Payments Bank Limited (PPBL)


Our associate company, PPBL, continues to work towards implementing various recommendations of RBI as part of the IT review undertaken earlier during FY2023. A significant part of implementation has been completed and submitted further for validation.

Key Metrics for the full year ending March 2023 (FY 2023)**Revenue from Operations**


Led by growth in payments & loan distribution business

\$972 Mn 61% YoY**Contribution Profit**

Improved to 49% of revenue in FY 2023 from 30% in FY 2022, driven by improvement in payments profitability, and growth of high margin businesses, such as loan distribution

\$475 Mn 160% YoY**EBITDA before ESOP**


Achieved break even at EBITDA before ESOP costs 3 quarter ahead of guidance, due to sustained improvement in contribution profit and operating leverage. This is despite continued investments for long-term growth.

\$(21) Mn Improvement of \$163 Mn YoY**Merchant Subscriptions (including devices)**

Our leadership in payment monetization continues. Added 3.9 Mn new subscriptions in last year.

6.8 Mn 134% YoY**Loans Distributed through Paytm**

As of March 2023, our lending partners have distributed loans through our platform to 9.5 Mn Paytm consumers and merchants. Paytm active user base continues to present significant upsell opportunities.

\$4,305 Mn 357% YoY

Summary of Consolidated Financial Performance

Particulars (in \$Mn)	Quarter Ended					Year Ended		
	Mar-23 (Audited)	Mar-22 (Audited)	Y-o-Y	Dec-22 (Unaudited)	Q-o-Q	Mar-23 (Audited)	Mar-22 (Audited)	Y-o-Y
Payments & Financial Services	233	147	59%	195	20%	777	470	66%
Payment Services to Consumers	64	57	12%	62	2%	256	186	38%
Payment Services to Merchants	112	70	61%	78	43%	333	230	45%
Financial Services and Others	58	20	183%	54	7%	187	53	252%
Commerce & Cloud Services	48	39	23%	51	(7)%	185	134	38%
Commerce	20	13	63%	22	(9)%	75	46	65%
Cloud	27	26	4%	29	(4)%	110	89	24%
Other Operating Revenue	3	1	105%	5	(44)%	10	1	615%
Revenue from Operations	284	188	51%	251	13%	972	605	61%
Payment processing charges	95	94	1%	90	6%	360	335	7%
As % of GMV	0.22%	0.30%	(8 bps)	0.21%	1 bps	0.22%	0.32%	(10 bps)
Promotional cashback & incentives	9	14	(34)%	11	(14)%	61	46	33%
Other Expenses	23	13	75%	23	4%	77	42	83%
Total Direct Expenses	128	122	5%	123	4%	498	423	18%
Contribution Profit	156	66	138%	127	23%	475	182	160%
Contribution Margin %	55%	35%	2,000 bps	51%	418 bps	49%	30%	1,870 bps
Indirect Expenses								
Marketing	15	16	(3)%	17	(7)%	70	58	20%
Employee cost (Excl ESOPs)	75	61	22%	71	5%	283	197	43%
Software, cloud and data center	23	18	25%	21	10%	84	61	39%
Other indirect expenses	15	15	(1)%	15	(4)%	59	51	17%
EBITDA before ESOP expense	28	(45)	(164)%	4	648%	(21)	(185)	(88)%
Margin %	10%	(24)%	3391 bps	2%	851 bps	(2)%	(31)%	2,832 bps

Summary of Key Operational Metrics

Operational KPIs	Units	Quarter Ended			
		Mar-23	Mar-22	YoY	Dec-22
GMV	\$Bn	44	32	40%	43
Merchant Transactions	Bn	6.9	4.1	65%	6.3
Total Transactions	Bn	8.4	5.0	66%	7.6
MTU (average over the period)	Mn	90	71	27%	85
Registered Merchants (end of period)	Mn	34	27	25%	31
Loans	Mn	12	7	89%	10
Value of Loans	\$Mn	1528	432	253%	1212
Payment Devices (cumulative; end of period)	Mn	6.8	2.9	134%	5.8
Average number of Sales Employees*	#	28,479	19,648	45%	25,994
Cost of sales employees (including training)	\$Mn	23	18	23%	22

* Note: Starting Q4, we would be reporting our active Sales headcount. We have restated numbers for prior quarters for like-for-like comparison

Indicative Performance Metrics for Loan Distribution (March-23 quarter)

	Postpaid	Personal Loans	Merchant Loans
Bounce Rates Healthy bounce rates continued to be exhibited in Q4 for our lending partners	10.5% to 12.0%	10.75% to 11.75%	NA
Bucket 1 Resolution % Capacity building with scale; Postpaid, Personal loans and Merchant loan resolution hold steady with rapidly expanding book size	82% to 84%	88% to 92%	80% to 85%
Recovery Rate Post 90+ Postpaid, Personal loans and Merchant loans continue to exhibit robust recovery rates	30% to 35%	27% to 29%	30% to 35%
ECL% Steady loss rates on static pool in line with Low and Grow model of scaling	0.75% to 1.0%	4.5% to 5.0%	5.0% to 5.5%

Loans are underwritten and booked by our lending partners in their balance sheet. Paytm acts as a collection outsourcing partner and the numbers are hence indicative of those efforts

Shares Outstanding as of March 2023

As of Mar 2023	In Mn
Basic shares outstanding	634
ESOPs vested and unexercised	1
ESOPs granted and unvested	36
ESOPs available for distribution	8
Estimated fully diluted shares	679

Reconciliation of EBITDA before ESOP with Loss for the period

Particulars (in \$ Mn)	Quarter Ended					Year Ended		
	Mar-23 (Audited)	Mar-22 (Audited)	Y-o-Y	Dec-22 (Unaudited)	Q-o-Q	Mar-23 (Audited)	Mar-22 (Audited)	Y-o-Y
EBITDA before share based payment expenses (A)	28	(45)	(164)%	4	647%	(21)	(185)	(88)%
Share based payment expenses (B)	(44)	(44)	0%	(44)	0%	(177)	(98)	80%
Initial Public Offer expenses (C)	0	0	nm	0	nm	0	(2)	(100)%
Finance costs (D)	(1)	(1)	1%	(1)	31%	(3)	(5)	(41)%
Depreciation and amortization expense (E)	(19)	(12)	68%	(15)	29%	(59)	(30)	96%
Other income (F)	16	13	21%	9	67%	50	35	41%
Share of profit / (loss) of associates / joint ventures (G)	(0)	(5)	(94)%	1	(146)%	(2)	(6)	(73)%
Exceptional items (H)	0	0	nm	0	nm	0	(0)	(100)%
Income Tax expense (I)	0	(0)	(217)%	(2)	(105)%	(4)	(1)	197%
Loss for the period/year (J=sum of A to I)	(20)	(93)	(78)%	(48)	(57)%	(216)	(292)	(26)%

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

Particulars (\$ Mn)	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Cash and Bank Balances in Current Accounts (Net of Borrowings)	155	215	170	238	333
Deposits with banks	973	851	715	646	527
Current Investments (Mutual Funds, Treasury bills and Commercial papers)	-	79	232	206	147
Total Balances	1128	1145	1117	1090	1007

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)	Unique users with at least one successful transaction in a particular calendar month
Net Payments Margin	Payments 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 & FASTag expenses & logistic, deployment & collection cost of our businesses



About Paytm

Paytm is India's payment Super App offering consumers and merchants most comprehensive payment services. Pioneer of mobile QR payments revolution in India, Paytm's mission is to bring half a billion Indians into the mainstream economy through technology-led financial Services. Paytm enables commerce for small merchants and distributes various financial services offerings to its consumers and merchants in partnership with financial institutions.

Q4 FY 2023 Earnings Call Information

Paytm will hold its earnings conference call for shareholders, investors and analysts on **Saturday, May 6, 2023 from 11:00 A.M. to 12:00 P.M. (IST)**, to discuss the financial results of the Company for the quarter ended March 31, 2022.

Please see below the mandatory pre-registration link for attending the earnings call:

https://paytm.zoom.us/webinar/register/WN_iZ-yvq85TzSTQdKxH9kEwQ

The presentation, conference call recording and the transcript will be made available on the Company website subsequently. This disclosure is also hosted on the Company's website viz. www.paytm.com.

Notes and Disclaimers for Earnings Release

By reading this release you agree to be bound as follows:

This earnings release is prepared by One 97 Communications Limited ("Company") and is for information purposes only without regards to specific objectives, financial situations or needs of any particular person and is not and nothing in it shall be construed as an invitation, offer, solicitation, recommendation or advertisement in respect of the purchase or sale of any securities of the Company or any affiliates in any jurisdiction or as an inducement to enter into investment activity and no part of it shall form the basis of or be relied upon in connection with any contract or commitment or investment decision whatsoever. This earnings release does not take into account, nor does it provide any tax, legal or investment advice or opinion regarding the specific investment objectives or financial situation of any person. Before acting on any information you should consider the appropriateness of the information having regard to these matters, and in particular, you should seek independent financial advice. This earnings release and its contents are confidential and proprietary to the Company and/or its affiliates and no part of it or its subject matter be used, reproduced, copied, distributed, shared, retransmitted, summarized or disseminated, directly or indirectly, to any other person or published in whole or in part for any purpose, in any manner whatsoever.

The information contained in this earnings release is a general background information of the Company and there is no representation that all information relating to the context has been taken care of in the earnings release. We do not assume responsibility to publicly amend, modify or revise any information contained in this earnings release on the basis of any subsequent development, information or events, or otherwise. This earnings release includes certain statements that are, or may be deemed to be, "forward-looking statements" and relate to the Company and its financial position, business strategy, events and courses of action.

Forward-looking statements and financial projections are based on the opinions and estimates of management as on the date such statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements and financial projections. Representative examples of factors that could affect the accuracy of forward looking statements include (without limitation) the condition of and changes in India's political and economic status, government policies, applicable laws, international and domestic events having a bearing on Company's business, and such other factors beyond our control.

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 earnings release, if any, are correct or that any objectives specified herein will be achieved.

We have converted financial amounts from ₹ millions into ₹ Cr and hence there could be some totaling anomalies in the numbers

Notes and Disclaimers for Earnings Release

We, or any of our affiliates, shareholders, directors, employees, or advisors, as such, make no representations or warranties, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein and accept no liability whatsoever for any loss, howsoever, arising from any use or reliance on this earnings release or its contents or otherwise arising in connection therewith. The information contained herein is subject to change without any obligation to notify any person of such revisions or change and past performance is not indicative of future results.

This document has not been and will not be reviewed or approved by a regulatory authority in India or by any stock exchange in India. No rights or obligations of any nature are created or shall be deemed to be created by the contents of this earnings release.

Use of Operating Metrics

The operating metrics reported in this earnings release 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.

Non-GAAP Financial Measures

In addition to our results determined in accordance with Ind AS, we believe the following Non-GAAP measures are useful to investors in evaluating our operating performance. We use the following Non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that Non-GAAP financial information, when taken collectively with financial measures prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these Non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with Ind AS.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information may be different from similarly-titled Non-GAAP measures used by other companies. The principal limitation of these Non-GAAP financial measures is that they exclude significant expenses and income that are required by IndAS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these Non-GAAP financial measures. A reconciliation is provided below for each Non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of Non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business.