Earnings Release

For the quarter ending December 2024

20 January 2025

Revenue jumps to $214 Mn on Growth in Payments and Financial Services; EBITDA Before ESOP and PAT improved by $17 Mn and $24 Mn QoQ*, respectively

Financial Highlights:

- Operating revenue of $214 Mn, up 10% QoQ
- Contribution profit of $112 Mn, up 7% QoQ; contribution margin of 52%
- EBITDA before ESOP of $(5) Mn, an improvement of $17 Mn QoQ
- EBITDA of $(26) Mn, an improvement of $21 Mn QoQ
- PAT of $(24) Mn, an improvement of $24 Mn QoQ*
- Cash balance of $1,501 Mn, increased by $333 Mn QoQ, largely on account of PayPay stake sale and improvement in working capital

Business Highlights:

- Payment services revenue of $124 Mn, up 8% QoQ; Financial services revenue increased sharply to$59 Mn, up 34% QoQ
- Net payment margin of $57 Mn, up 5% QoQ; GMV of $59 Bn, up 13% QoQ
- Merchant subscriber base for devices has reached 11.7 Mn as of Dec'24, addition of 0.5 Mn QoQ

Continued focus on payments and distribution of financial services for sustained, profitable growth

In Q3 FY 2025, we achieved 10% QoQ revenue growth, due to increase in GMV, healthy growth in subscription revenues and increase in revenues from distribution of financial services. Growth in net payment margin was largely on account of higher subscription revenue. Payment processing margin continues to remain in the guided range. Higher Financial Services revenue was on account of higher share of merchant loans, higher trail revenue from Default Loss Guarantee (DLG) portfolio (as explained in Q2 FY 2025 earnings release, loans with DLG have higher revenue over the life of the loan), and better collection efficiencies.

* after excluding exceptional gains on sale of entertainment business, of $157Mn in Q2 FY 2025

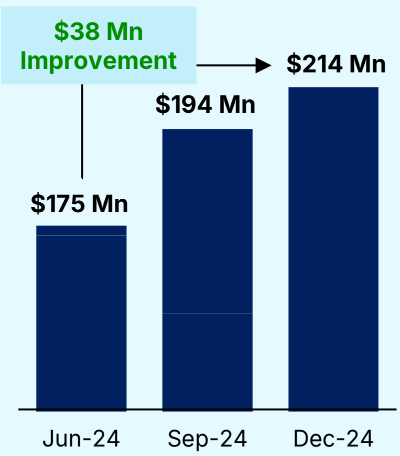
Contribution profit was $112 Mn, up 7% QoQ. Contribution margin (without UPI incentives) was marginally down QoQ, at 52%, due to an increase in DLG cost in this quarter as the amount disbursed under the DLG program more than doubled QoQ (largely because we started DLGs in the middle of the previous quarter). We expect contribution margin excluding UPI incentive to remain in 50-55% range and including UPI incentive to be in 55-60% range.

We have been able to reduce our indirect cost by 7% QoQ and 23% YoY to $117 Mn. Going forward, we expect calibrated growth in marketing costs and sales employee expenses as we invest in customer and merchant acquisition. Our employee costs (excluding ESOP) for 9M FY 2025 is lower by $53 Mn YoY and will comfortably surpass our targeted annualized people cost savings of $47 - $58 Mn.

With growth in revenue, increase in contribution profit and reduction in indirect costs, EBITDA Before ESOP has improved by $59 Mn QoQ to $(5) Mn. EBITDA improved by $21 Mn QoQ to $(26) Mn. PAT improved by $24 Mn QoQ (after excluding exceptional gains of $157 Mn in Q2 FY 2025) to $(24) Mn.

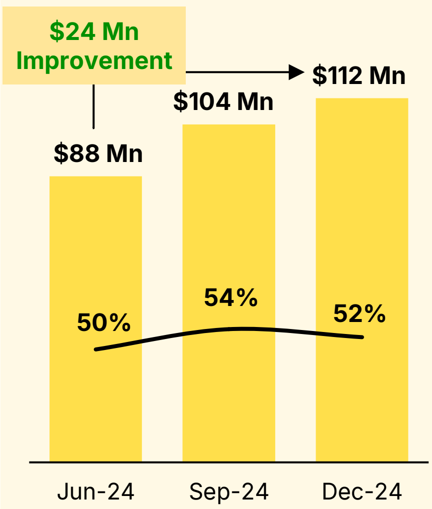
Revenue grew by 10% QoQ

(Qtr ending)



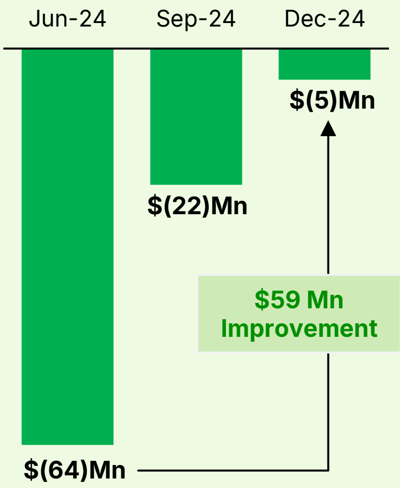
Contribution Profit up 7% QoQ Contribution Margin at 52%

(Qtr ending)



EBITDA Before ESOP has improved by $17 Mn QoQ

(Qtr ending)

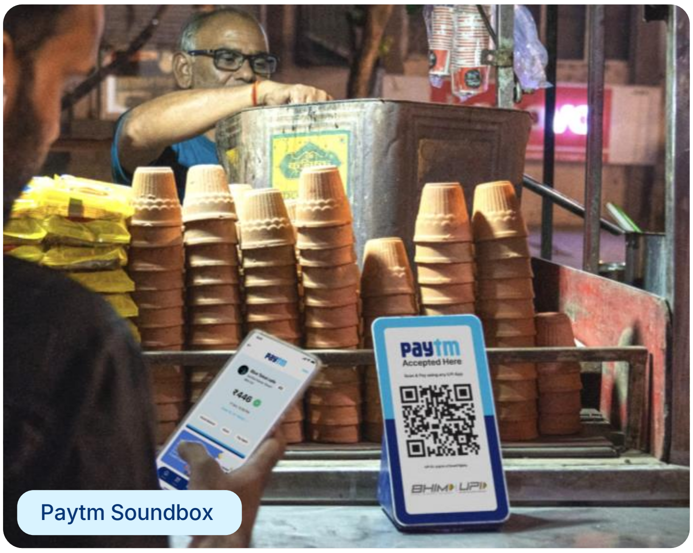


Unlocking the Potential of Mobile Payments in India's Merchant Ecosystem

India's large base of micro, small and medium enterprises (MSME) present a significant opportunity for mobile payments and distribution of financial services. As the leading player in India's merchant acquiring network, we are uniquely positioned to capitalize on the vast and growing market. To further strengthen our market leadership, we are committed to launching innovative, first-of-its-kind payment devices and solutions tailored to diverse merchant needs. Our extensive distribution and service network positions us well to capitalize on this growing market. We believe that tier-2 and tier-3 cities offer significant penetration opportunities and we will further expand our distribution network to onboard more merchants from these markets.

We see significant monetization potential in managing the merchant lifecycle, such as:

1) Subscription Revenue: Devices and value-added services on a subscription basis
2) Fees Revenue: Merchant discount rates (MDR), particularly on non-UPI transactions, as well as RuPay Credit Card on UPI
3) Incentive Programs: Government and RBI incentives such as UPI and PIDF
4) Financial Services: Distributing merchant loan and other products based on their cash flows
5) Marketing Services: Platform for merchants to grow their business by attracting new customers



Paytm Soundbox

In India, on the merchant acquiring side, we see potential of over 100 Mn merchants who will accept mobile payments and we believe that, over a period of time, 40-50% of these merchants will need software, hardware or a combination of product thereof for managing their digital payments.

In addition to existing payment products, UPI network enables new credit products, such as RuPay Credit Card. We are witnessing a growing trend of customers linking RuPay credit cards to payment apps and using them for UPI transactions. This allows merchants to accept credit card payments via UPI QR codes, creating revenue opportunities for both consumer payment apps and merchant acquirers.

We help MSME merchants receive loans from lenders with daily repayment options. Further, we continue to evaluate and launch additional financial services products built on their cash flows.

Furthermore, our extensive payment network enables us to monetize marketing services. We empower merchants to engage consumers and drive traffic for their business through targeted advertising, ticketing and deals & gift vouchers on the Paytm app.

International expansion

We believe that our technology led merchant payments and financial services distribution business model has the potential for expansion in similar international markets. We have developed a portfolio of innovative hardware, software and services stack in India, which can be deployed and monetised internationally. We are exploring various approaches, including organic expansion / local licenses, strategic investment and partnerships. We will share relevant updates as and when applicable.

Regulatory Update

National Payment Corporation of India (NPCI) Approval for UPI customer onboarding

The NPCI, vide letter dated October 22, 2024, granted approval to the Company to onboard new UPI users, with adherence to all NPCI procedural guidelines and circulars.

Payment Aggregator (PA) License

The Government of India, Ministry of Finance, Department of Financial Services, vide its letter dated August 27, 2024, approved downstream investment from One 97 Communications Limited (OCL or the Company) into a wholly owned subsidiary, Paytm Payments Services Limited (PPSL). Post the FDI approval, PPSL has resubmitted its PA application to the Reserve Bank of India (RBI). While we await the RBI approval for onboarding of new online merchants, PPSL continues to provide payment aggregation services to its existing online merchants.

PayPay: Sold Stock Acquisition Rights for USD 280 Mn

During the quarter, our subsidiary, One97 Communications Singapore Private Limited (OCL Singapore) completed the sale of all the Stock Acquisition Rights (SAR) held by it in PayPay Corporation, Japan. The transaction was completed on December 13, 2024 and OCL Singapore received a consideration of $280 Mn The carrying value of SARs as of 30th September 2024 was $232 Mn. These gains are reported in the statement of Profit and Loss under the "Other Comprehensive Income".

Key Focus Areas

We are focusing on the following areas to drive sustainable growth and profitability:

- **Compliance-first:** Stringent focus on a compliance-first approach across our businesses
- **Merchant payment innovations:** Continue to be a market leader with merchant payment innovations, including new devices and aggregation of various MDR-bearing payment instruments
- **Customer acquisition:** Committed to expand UPI customer base to regain the consumer market share to January 2024 level in the medium term
- **Financial Services:** Increase high margin financial services revenue by increasing the penetration of distribution of financial services
- **Leverage AI to drive efficiency:** Continued automation of various operations to improve efficiency

Financial Update for quarter ending December 2024 (Q3 FY 2025)

Payment Services: Festive season accelerates GMV; Gross device addition remains strong

In Q3 FY 2025, Payment Services revenue (including other operating revenue) was $124 Mn, up 8% QoQ, led by increase in GMV, and increase in merchant subscriptions. No UPI incentive was received during the quarter as it usually gets paid in Q4 of the financial year. Net payment margin was higher by 5% QoQ at $57 Mn. Net payment margin is comprised of:

1. Payment Processing Margin:

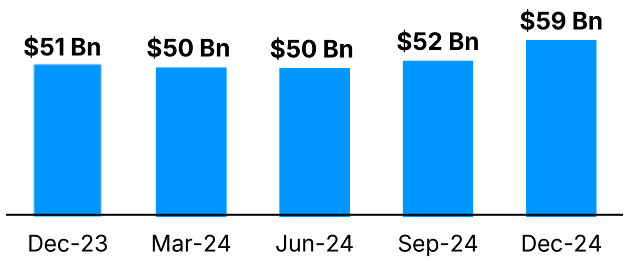
In Q3 FY 2024, GMV grew by 13% QoQ, partly boosted by the festive season. In this quarter, payment processing margin was comfortably above the guided 3bps margin (excluding UPI incentive) and is expected to be in the range of 5-6 bps (including UPI incentives) for the year.

2. Subscription revenues:

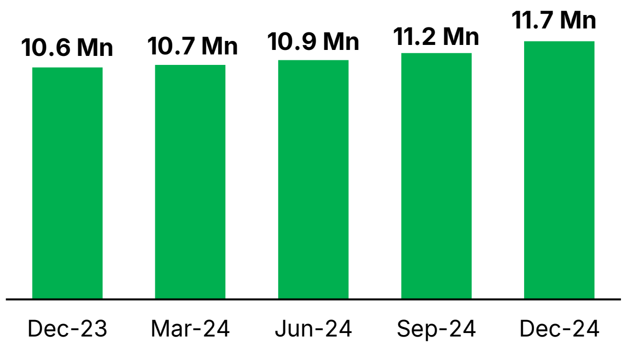
As of December 2024, merchant subscriptions were at 11.7 Mn, an increase of 0.5 Mn QoQ. Subscription revenue growth was driven by higher revenue per merchant.

New subscription paying device merchant sign ups continue to see strong growth with gross device additions in Q3 FY 2025 comfortably surpassing January 2024 run-rate. As communicated earlier, we are picking up inactive devices and redeploying them at new merchants after refurbishment. We expect this strategy to continue for the next 1-2 quarters. This is leading to higher revenue per merchant and lower capex. Refurbishment costs are expensed through the P&L (part of indirect costs) and are much lower compared to the capex for new devices.

Gross Merchandise Value (Continued business) (Qtr ending)



Merchant Subscriptions (including Devices) (Qtr ending)



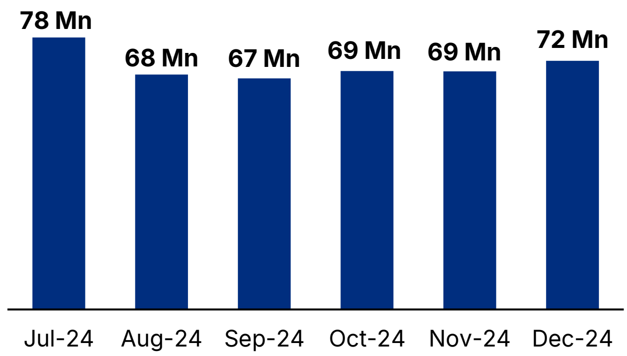
MTU: Focus on product led growth

The MTU has increased to 72 Mn in December 2024 from a low of 68 Mn in September 2024 as we started onboarding of new UPI customers after NPCI granted us the approval on October 22, 2024. We will drive growth in the consumer base by continuing to develop innovative products, and disciplined investments in brand and performance marketing.

In Q3 FY 2025, our average MTU was at 70 Mn, as compared to 71 Mn in Q2 FY 2025, because of lower exit run-rate of 68 Mn MTU in Q2 FY 2025.

Monthly Transacting Users

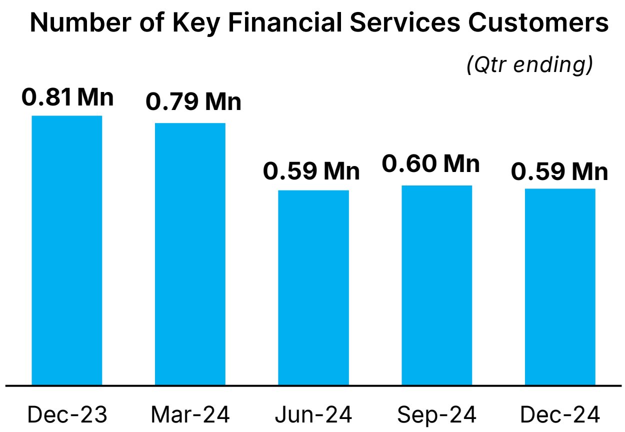
(For the month)



Financial Services: Low penetration offers significant opportunity

In Q3 FY 2025, revenue from financial services and others was $59 Mn, up 34% QoQ. Higher Financial Services revenue was on account of higher share of merchant loans, higher trail revenue from Default Loss Guarantee (DLG) portfolio (as explained in Q2 FY 2025 earnings release, loans with DLG have higher revenue over the life of the loan), and better collection efficiencies.

During Q3 FY 2025, 0.59 Mn key financial services customers availed financial services, like loans, equity broking, and insurance, through our platform. These are unique consumers and merchants who have availed our financial services offerings. However, it does not include customers availing mutual fund distribution, Postpaid loans or any attachment insurance products, as they contribute negligible revenue/profitability.



The combination of low penetration and high customer engagement on our platform presents an opportunity to offer lifecycle benefits through our financial services. We have further increased the number of partners for financial services distribution and we continue to see strong interest from various financial institutions to partner with us.

We continue to see increased interest from lenders to partner using the DLG model for both Merchant and Personal Loans, which will help to increase disbursements with the existing partners and expand partnership with new lenders. The outstanding AUM amount for DLG portfolios as on December 31, 2024 is $496 Mn as compared to $193 Mn on September 30, 2024.

Loan Distribution

Merchant Loans distribution continues to see strong growth with a distribution of $448 Mn during the quarter, versus $386 Mn in Q2 FY 2025, with a significant proportion of merchant loans distributed under the DLG model. More than 50% of loans distributed are to repeat borrowers.

Our revenue was bolstered by better collection efficiencies and higher revenue from loans distributed under the DLG model in this and the previous quarter.

The value of Personal Loans distributed in Q3 FY 2025 was $204 Mn versus $231 Mn in Q2 FY 2025. We have been primarily focused on the distribution only model, wherein we have seen reduction in disbursements on account of tightening risk policies by lenders, which is inline with industry trends.

For Personal Loans, we have resumed loans where we help in both distribution and collection, to a very tight cohort of the new and repeat customers, which have shown steady asset quality trends. We see increased willingness from lenders to partner for these select customer cohorts and allocate capital in the DLG model, which will help to increase disbursements in the distribution and collection model.

Other financial services

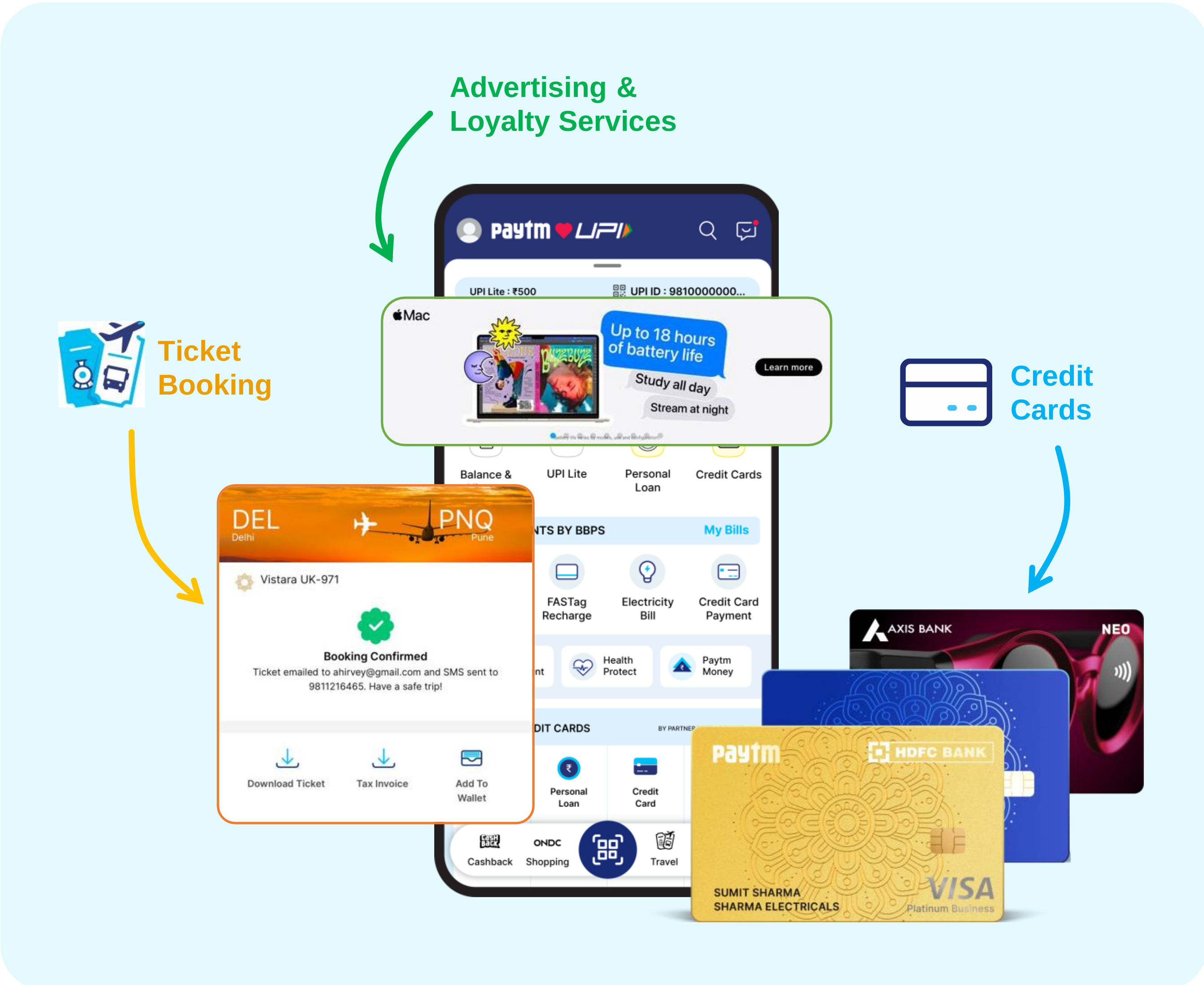
We continue to invest in building equity broking, insurance and mutual fund distribution business.

Marketing Services: Driving additional monetization from Merchants

We enable merchants to do more commerce activities and these various offerings are consolidated under marketing services. Our Marketing Services business primarily includes advertising, travel ticketing, credit card distribution, and deals & gift vouchers.

In Q3 FY 2025, Marketing Services revenue was $31 Mn, versus $31 Mn in Q2 FY 2025 (excluding the entertainment ticketing business, which was sold during the previous quarter). Growth in MTU will be one of the key drivers for growth of Marketing Services revenue.

- The GMV for ticketing, deals & gift vouchers, etc., was $266 Mn, higher QoQ after excluding the entertainment ticketing business GMV in Q2 FY 2025.
- Credit card distribution is scaling at a slower pace as issuers are currently taking a cautious stance, which is evident in slower growth for the industry. There are 1.39 Mn activated credit cards as of December 2024, compared to 10.1 Lakh last year.



Revenue and Contribution Profit

Operating revenue of $214 Mn, up 10% QoQ. Contribution profit of $112 Mn, a growth of 7% QoQ, with a contribution margin without UPI incentives of 52%. Contribution margin has marginally come down QoQ due to an increase in DLG cost in this quarter as the amount disbursed under the DLG program more than doubled QoQ (largely because we started DLGs in the middle of the previous quarter).

- Payment processing charges increased 10% QoQ at $67 Mn
- Promotional cashbacks and incentives was $4 Mn, versus $3 Mn in Q2 FY 2025
- Other direct expenses increased 19% QoQ to $31 Mn largely due to higher cost towards DLG. Excluding DLG costs and the costs towards entertainment ticketing business, which was sold during Q2 FY 2025, other direct expenses were largely flat.

Indirect Expenses (excluding ESOP cost)

For Q3 FY 2025, Indirect Expenses (excluding ESOP cost) were $117 Mn, down 7% QoQ and 23% YoY, primarily on account of reduction of non-sales employee costs.

Our overall employee cost (excluding ESOP) for Q3 FY 2025 has come down by 6% QoQ and 29% YoY to $67 Mn. Employee costs for 9M FY 2025 is lower by $53 Mn YoY, trending better than our guidance of annualised people cost savings of $47 - $58 Mn.

Non-sales employee costs, which includes our business, technology, operations and support teams, has come down by 11% QoQ and 36% YoY as we continue to leverage AI for improving productivity across businesses.

Indirect Expenses (excluding ESOP cost)

(Qtr ending)

(in $ Mn)	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	YoY (%)
Non-sales employee costs	63	61	56	45	41	(36)%
Cost of expanding platform:	51	40	47	41	39	(24)%
Marketing	20	10	21	15	12	(38)%
Sales employees	31	30	26	27	27	(15)%
Software & Cloud expenses	20	19	21	18	18	(9)%
Other indirect expenses	18	19	28	21	20	9%
Total Indirect Expenses	**152**	**138**	**152**	**126**	**117**	**(23)%**

Our cost of expanding platform, which is marketing cost and sales employee cost, has come down by 24% YoY as we focused on improving efficiencies, reduced headcount for certain discontinued products and lowered marketing spends. Our sales employee cost was nearly flat QoQ, and we expect it to increase going forward, as we expand distribution network in tier 2 and 3 cities. Marketing cost declined by 17% QoQ, to $12 Mn and we expect it to go to erstwhile trends in the coming quarters due to marketing spending towards customer acquisition (including IPL).

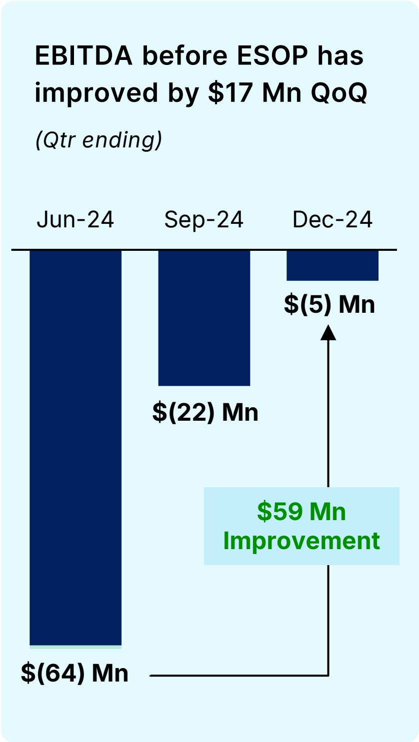
Software, cloud and data centre expenses have marginally declined QoQ. Other indirect expenses have also come down to $20 Mn in Q3 FY 2025, from $21 Mn in Q2 FY 2025 (cost of refurbishment of devices is included in other indirect expenses).

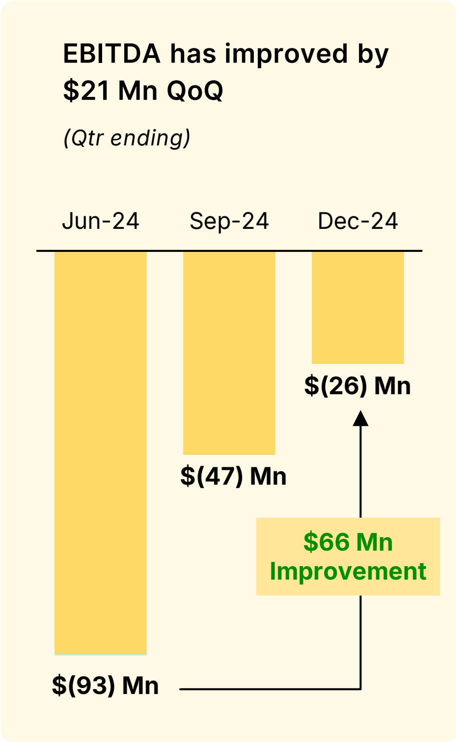
EBITDA and Profit After Tax

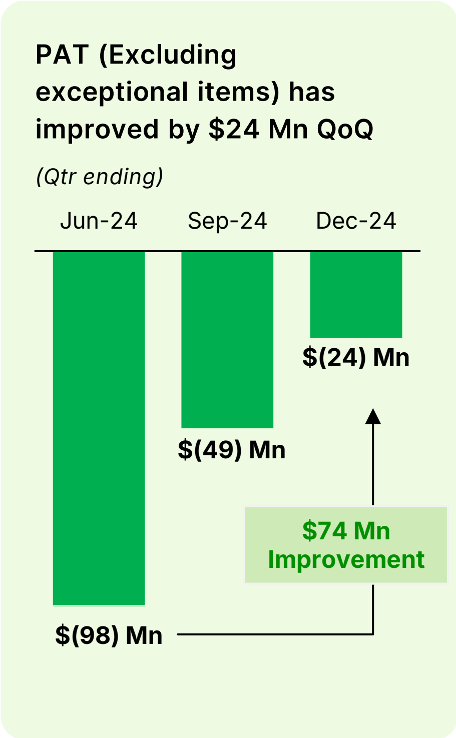
EBITDA before ESOP was $(5) Mn, an improvement of $17 Mn from Q2 FY 2025, due to growth in revenues and contribution profit, and lower indirect expenses.

Our reported EBITDA improved by $21 Mn QoQ, due to lower ESOP costs. We expect ESOP costs to reduce materially going forward (detailed schedule of future ESOP cost is given later).

Profit after Tax (PAT) of $(24) Mn, improved by $24 Mn QoQ (after excluding exceptional gain in Q2 FY 2025).







ESOP Cost and ESOP Pool Schedule

In line with the trends seen in previous 2 quarters, Q3 FY 2025 ESOP cost was lower at $21 Mn, on account of ESOP lapses at the time of employee separation during the quarter.

ESOP Cost (As on January 17, 2025)

($ Mn)	Q1	Q2	Q3	Q4
FY 2025	29*	25*	21*	24
FY 2026	21	20	12	11
FY 2027	11	10	3	3

* Actual ESOP costs for the quarter

ESOP Pool Schedule

As of Jan 17, 2025	(in Mn)
Basic shares outstanding	**637**
ESOPs vested and unexercised	2
ESOPs granted and unvested	33
ESOPs available for distribution	7
Estimated fully diluted shares	**679**

The above table illustrates expected ESOP cost for all unvested ESOPs granted so far, as of January 17, 2025. The cost assumes all granted ESOPs will vest and no new ESOPs will be granted. For any lapses of unvested ESOPs, normally on attrition, the cost of unvested ESOP recorded so far is reversed in that quarter. Actual charges might be different based on incremental issuances as well as lapses. For new ESOP grants, the total estimated charge would be the number of options granted times the fair value per Option, which is based on the share price on the day of the grant, among other factors. Movements of share price after the date of the grant do not affect the ESOP charge for already granted ESOPs. The charge is front-ended with approximately 38% in Year 1, 28% in Year 2, 18% in Year 3, 11% in Year 4 and 5% in Year 5.

Capex

Capex for Q3 FY 2025 was $9 Mn, taking the 9M FY 2025 capex to $21 Mn versus $79 Mn for 9M FY 2024. Lower capex is largely on account of reduction in cost of devices and focus on refurbishment of devices (cost of refurbishment of devices is included in other indirect costs). This has resulted in depreciation and amortization (D&A) expenses for Q3 FY 2025 to come down to $19 Mn, a reduction of 7% QoQ and 18% YoY. Given lower capex in FY 2025, we expect D&A to keep coming down in the coming quarters.

Cash Balance

Our cash balance is $1,501 Mn as of quarter ending December 2024, as compared to $1,168 Mn as of quarter ending September 2024. The above excludes Paytm Money Ltd (PML) customer funds of $48 Mn for September 2024 and $34 Mn for December 2024. Cash balance increase of $333 Mn QoQ was primarily on account of cash received towards the sale of Stock Acquisition Rights of PayPay Corporation, Japan and improvement in working capital. The sale proceeds of PayPay stake are held by OCL Singapore in USD.

Sale of a subsidiary

In an effort to simplify our corporate structure, our subsidiary, Mobiquest Mobile Technologies Pvt Ltd (Mobiquest) has approved the sale of its wholly owned subsidiary, Xceed IT Solutions Pvt Ltd (Xceed), for a nominal consideration. There was no business carried out in Xceed in FY 2023, FY 2024 and FY 2025.

Summary of Consolidated Financial Performance

Particulars (in $ Mn)	Quarter Ended					Nine Months Ended		
	Dec-24 (Unaudited)	Dec-23 (Unaudited)	YoY	Sep-24 (Unaudited)	QoQ	Dec-24 (Unaudited)	Dec-23 (Unaudited)	YoY
Payments & Financial Services	176	267	(34)%	154	14%	466	733	(36)%
Payment Services	117	196	(40)%	110	6%	331	534	(38)%
Financial Services and Others	59	71	(17)%	44	34%	135	199	(32)%
Marketing Services	31	60	(48)%	35	(12)%	104	157	(34)%
Other Operating Revenue	7	6	10%	4	56%	13	11	14%
Revenue from Operations	**214**	**333**	**(36)%**	**194**	**10%**	**583**	**901**	**(35)%**
Payment processing charges	67	115	(42)%	60	10%	187	300	(37)%
As % of GMV	0.11%	0.19%	(8) bps	0.12%	0bps	0.18%	0.19%	(1) bps
Promotional cashback & incentives	4	12	(65)%	3	28%	13	31	(58)%
Other direct expenses	31	28	8%	26	19%	78	74	6%
Total Direct Expenses	**102**	**155**	**(35)%**	**89**	**13%**	**278**	**404**	**(31)%**
Contribution Profit	**112**	**178**	**(37)%**	**104**	**7%**	**305**	**496**	**(39)%**
Contribution Margin %	52%	53%	(85) bps	54%	(140)bps	52%	55%	(272) bps
Indirect Expenses	**117**	**152**	**(23)%**	**126**	**(7)%**	**395**	**443**	**(11)%**
Marketing	12	20	(38)%	15	(17)%	47	62	(23)%
Employee cost (Excl ESOPs)	67	94	(29)%	72	(6)%	221	274	(19)%
Software, cloud and data center	18	20	(9)%	18	(3)%	58	56	3%
Other indirect expenses	20	18	9%	21	(9)%	68	51	33%
EBITDA before ESOP cost	**(5)**	**26**	**(119)%**	**(22)**	**(78)%**	**(90)**	**53**	**(269)%**
Margin %	(2)%	8%	(992) bps	(11)%	897 bps	(15)%	6%	(2,139) bps

Summary of Key Operational Metrics

Operational KPIs	Units	Quarter Ended			
		Dec-24 (Unaudited)	Dec-23 (Unaudited)	YoY	Sep-24 (Unaudited)
Registered Merchants (end of period)	Mn	43	39	10%	42
Payment Devices (cumulative; end of period)	Mn	11.7	10.6	10%	11.2
GMV	$Bn	58.9	59.6	(1%)	52.2
GMV (Continued Business)*	$Bn	58.9	51.4	14%	52.2
Merchant Transactions	Bn	11.1	10.0	11%	9.9
Total Transactions	Bn	12.3	11.9	4%	11.1
Average Number of Sales Employees	#	32,019	40,028	(20)%	30,104
Cost of Sales Employees (including training)	$Mn	27	31	(15)%	27
MTU (average over the period)	Mn	70	100	(30)%	71
Key financial services customers	Mn	0.6	0.8	(27)%	0.6
Value of personal and merchant loans distributed**	$Mn	652	939	(31)%	617

*Continued business excludes disrupted products such as Wallet, Postpaid etc
**As communicated in Q2 FY 2025 earnings release, key financial services customers will be the relevant metrics for tracking financial services and accordingly disclosure on value of loans disbursed will be discontinued after Q4 FY 2025

Indicative Performance Metrics for Loan Distribution (Dec 2024 quarter)

	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

Reconciliation of EBITDA before ESOP with Profit / (Loss) for the period

Particulars (in $ Mn)	Quarter Ended					Nine Months Ended		
	Dec-24 (Unaudited)	Dec-23 (Unaudited)	YoY	Sep-24 (Unaudited)	QoQ	Dec-24 (Unaudited)	Dec-23 (Unaudited)	YoY
EBITDA before share based payment expenses (A)	**(5)**	**26**	**(119)%**	**(22)**	**(78)%**	**(90)**	**53**	**(269)%**
Share based payment expenses (B)	21	44	(52)%	25	(17)%	76	133	(43)%
Finance costs (C)	0	1	(20)%	0	33%	1	2	(37)%
Depreciation and amortization expense (D)	19	23	(18)%	21	(8)%	61	63	(3)%
Other income (E)	(22)	(17)	27%	(20)	8%	(59)	(48)	21%
Share of profit/(loss) of associates/joint ventures (F)	0	0	(100)%	(1)	(100)%	(0)	2	nm
Exceptional items (G)	0	0	nm	(157)	(100)%	(157)	1	nm
Income Tax expense (H)	1	0	400%	1	(44)%	2	2	(11)%
Profit/(Loss) for the period/year (J=sum of A to H)	**(24)**	**(26)**	**(6)%**	**109**	**(122)%**	**(14)**	**(102)**	**(86)%**

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

Particulars (in $ Mn)	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Cash and Bank Balances in Current Accounts (Net of Borrowings)	219	464	272	263	233
Deposits with banks	519	272	407	423	817
Current Investments (Mutual Funds and Commercial Papers)	302	274	289	530	484
Total Balances	1,040	1,011	1,000	1,216	1,535
Paytm Money Ltd (PML) customer funds	54	40	52	48	34
Total Balances (excluding PML funds)	**986**	**971**	**947**	**1,168**	**1,501**

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 the Paytm App or have used the Paytm for Business App
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 expenses & logistics, deployment & collection cost of our businesses

Paytm

Pioneer of India's mobile payment revolution

Paytm is India's leading mobile payments and financial services distribution company. Pioneer of the mobile QR payments revolution in India, Paytm builds technologies that help small businesses with payments and commerce. Our mission is to serve half a billion Indians and bring them to mainstream of economy with help of technology.

Q3 FY 2025 Earnings Call

Please join for our Earnings Conference call for the shareholders, investors and analysts to discuss financial results of the Company for the quarter ended December 31, 2024.

20th January 2025
05:00 PM – 06:00 PM

Pre-Registration

Download the report at
ir.paytm.com

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 ₹ Cr to $ millions at the exchange rate of 1 USD = 85.6 INR (As of Dec 31st, 2024) 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.