



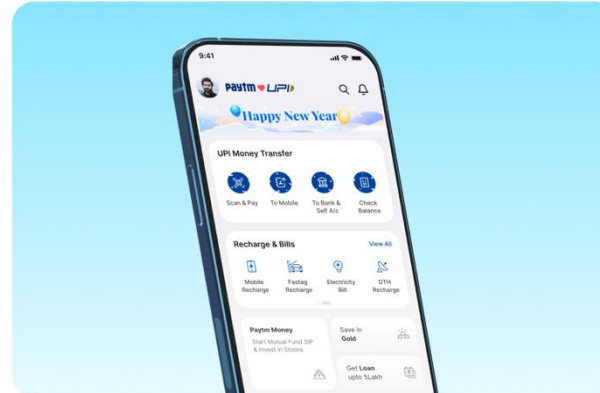
Earnings Presentation

For the quarter ending December 2025

USD

paytm ❤️ Ai ✨

Powered by Ai for financial inclusion of India



Paytm Proprietary Ai ✨ System: Globally Recognised as #1 on Spider 2.0 Snow Leaderboard

Disclaimer



By attending the presentation or by reading the presentation slides you agree to be bound as follows:

This Presentation 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 Presentation 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 Presentation 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, summarised 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 Presentation 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 Presentation. We do not assume responsibility to publicly amend, modify or revise any information contained in this Presentation on the basis of any subsequent development, information or events, or otherwise. This Presentation 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 at the date the 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 Presentation, if any, are correct or that any objectives specified herein will be achieved.

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 Presentation 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 Presentation.

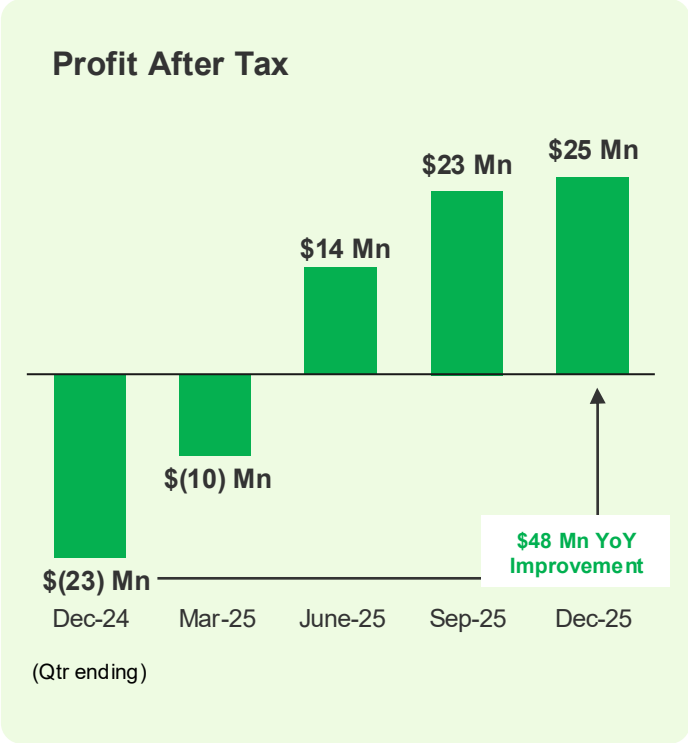
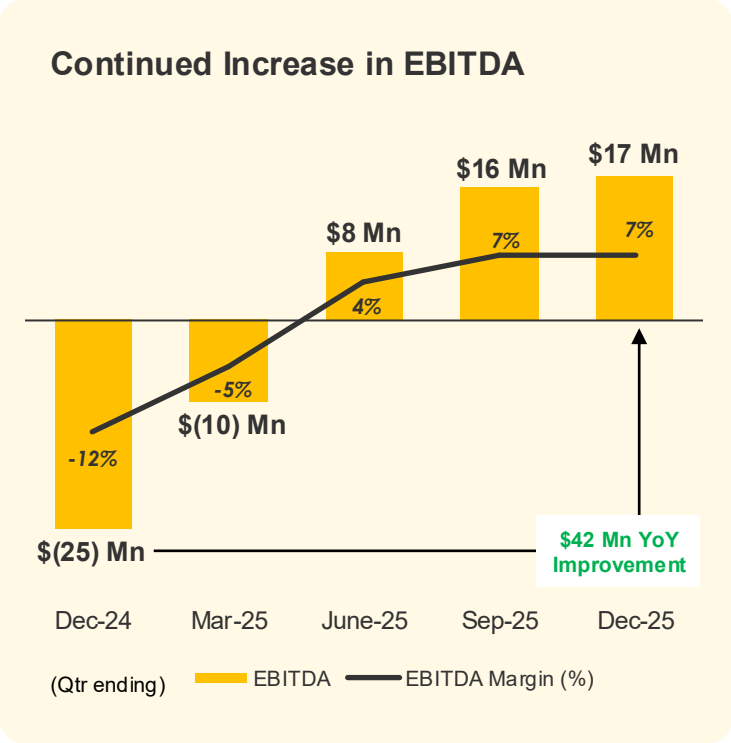
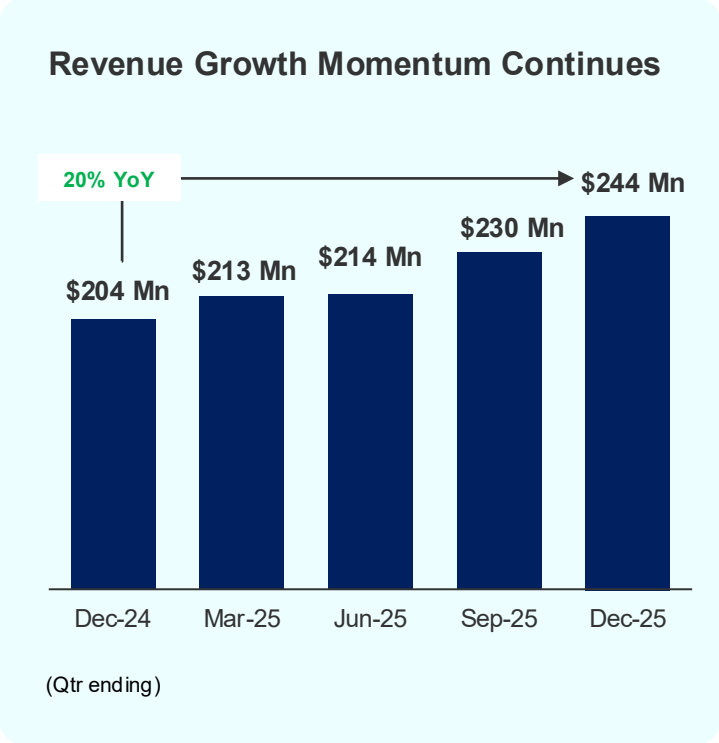
Use of Operating Metrics

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.

Revenue grew to \$244 Mn (▲ 20% YoY); EBITDA improved to \$17 Mn (EBITDA margin of 7%)

Expanding Profitability while gaining market share in both merchant and consumer payments



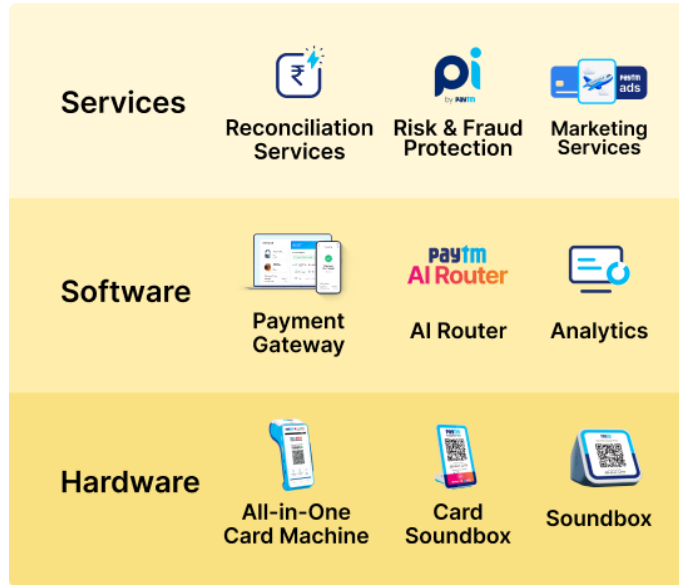
For like-to-like comparison, one-time exceptional items have been excluded as stated below:

1. Quarter ending Mar-25: Revenue, EBITDA and PAT excludes UPI Incentive of \$8 Mn. PAT excludes exceptional charge of \$58 Mn towards acceleration of ESOP expense and other impairments
2. Quarter ending Sep-25: PAT excludes one-time charge for full impairment of \$21 Mn loan to our JV, First Games Technology Private Limited

Paytm is India's full stack Merchant Payment Leader serving MSMEs and Enterprise merchants



Offers AI-powered Full Technology Stack



Payment Instruments



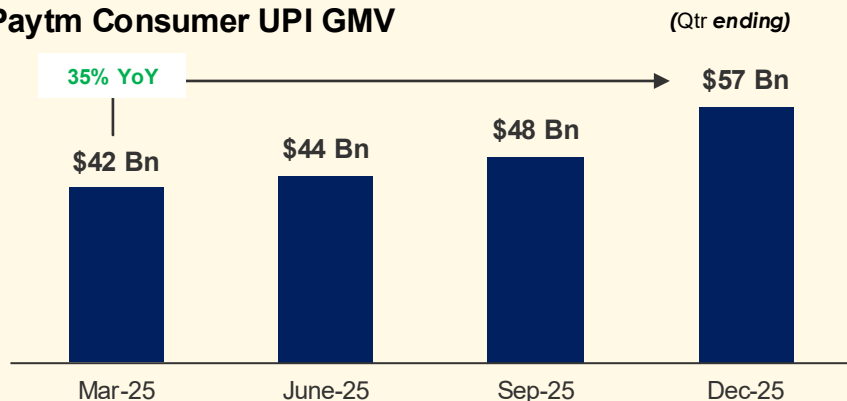
Across Enterprise Merchants and MSMEs



Driving Consumer Payments through AI-first, Product-led Innovation



Paytm Consumer UPI GMV



Paytm beats Industry growth of 16% in the same time period

Source: NPCI

Gain in Consumer UPI Market Share for 3 consecutive quarters

- Our AI-first, product led strategy helped us grow more than twice the industry growth
- Building on this momentum, we have prudently invested in promotional expense to boost consumer retention and market share gain
- Focused on maximising lifetime value through additional monetisation levers such as Wealth products, Paytm Travel, Consumer Loans and Advertising

Consumer Monetisation Levers



Driving Growth and Efficiency through AI Capabilities



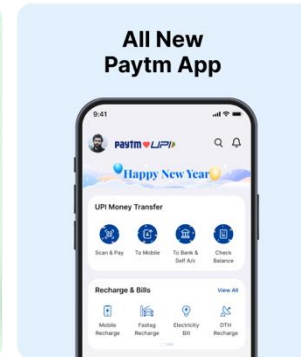
Merchant Onboarding

AI led quality checks for onboarding and profile updates, driving growth of high quality merchants



Fraud Prevention

Real-time AI fraud and risk detection engine



Customer Delight

End-to-end resolution of customer queries through 24x7, multi-lingual conversational AI agents



Improved Marketing Stack

Sharper audience targeting and segmentation, reducing customer acquisition cost and improve ROI



Enhanced Cross - Sell

Drive insights via "Paytm ARMS" platform, optimising conversions



Improved Collection Performance

Predict merchant churn and delinquency for segment-specific interventions, leading to improved collection bonuses



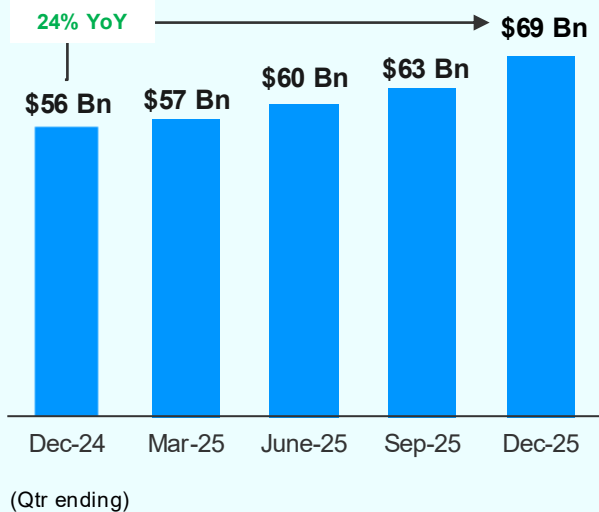
Payment Services: Consolidating Leadership in Merchant Payments



Payment Processing Revenue

= Gross fees charged to the merchant – Payment processing charges

Gross Merchandise Volume

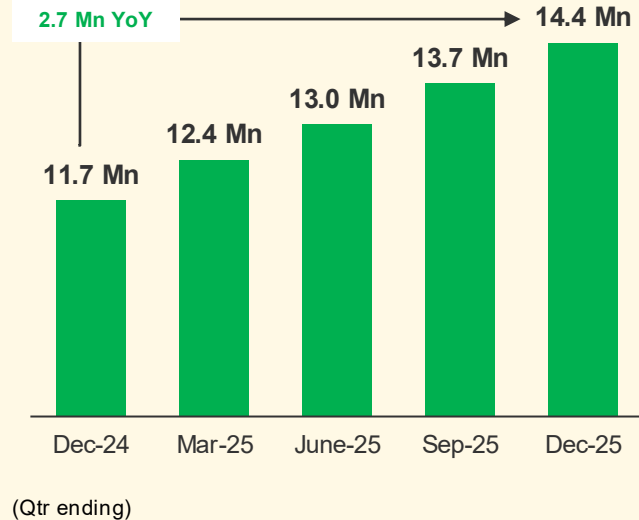


+

Subscription Revenue

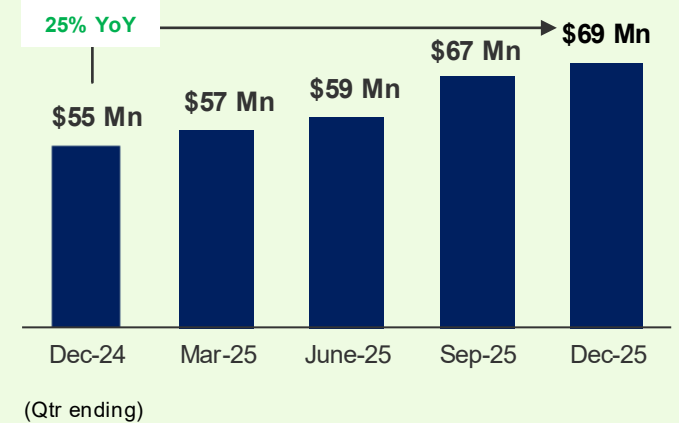
= Charges merchant pays for various monthly services, including devices

Merchant Subscriptions (Including Devices)



=

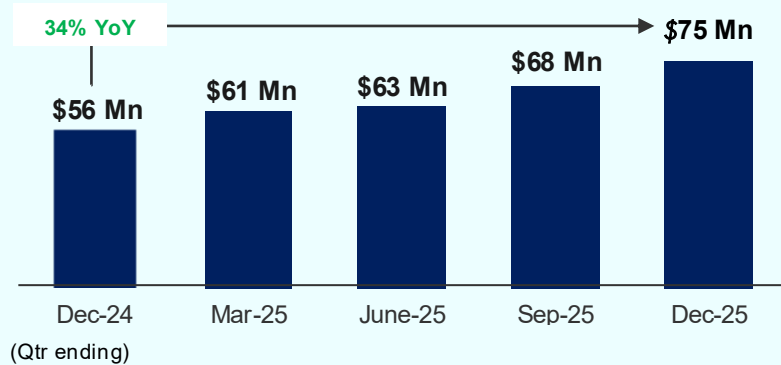
Net Payment Revenue



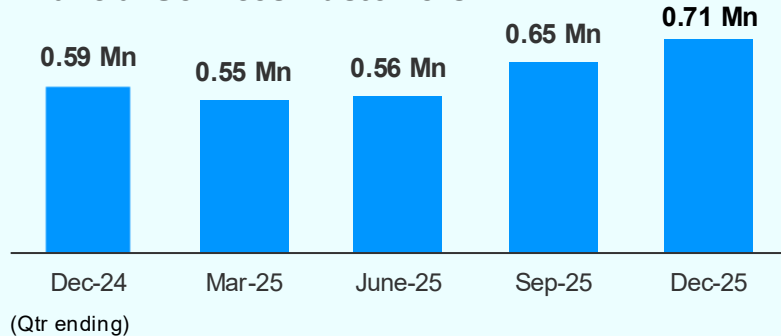
- Continue to see increase in payment processing margin, with margin now trending comfortably above 4 bps
- In the scenario of no PIDF incentive, we expect to significantly offset the impact over time
- We remain disciplined on RoI and payback periods for devices and continue to see robust growth in Jan'26

Distribution of Financial Services: Low penetration offers significant long-term opportunity

Revenue from Distribution of Financial Services



Key Financial Services Customers



Revenue growth driven by continued growth in distribution of merchant loans and wealth products

Merchant Loan Distribution:

- Growth in device base and increase in penetration, is driving continuous growth momentum, supported by both new and repeat borrowers
- Based on our 6+ years of experience, we believe this business exhibits lower cyclical and compounds sustainably, supported by a) Strong product-market fit, b) high merchant retention, and c) repeat loan behaviour

Consumer Loan Distribution:

- As market sentiments improve, we are excited about the opportunities to create differentiated products for our large consumer base, which benefit them and deepen our long-term relationship
- Paytm Postpaid is scaling well and showing strong asset quality trends

Equity Broking:

We are seeing improved monetization across Equity Broking and Margin trade funding (MTF), and expect this trend to continue driven by AI-powered product offerings

Marketing Services: Driving Additional Monetization from Merchants

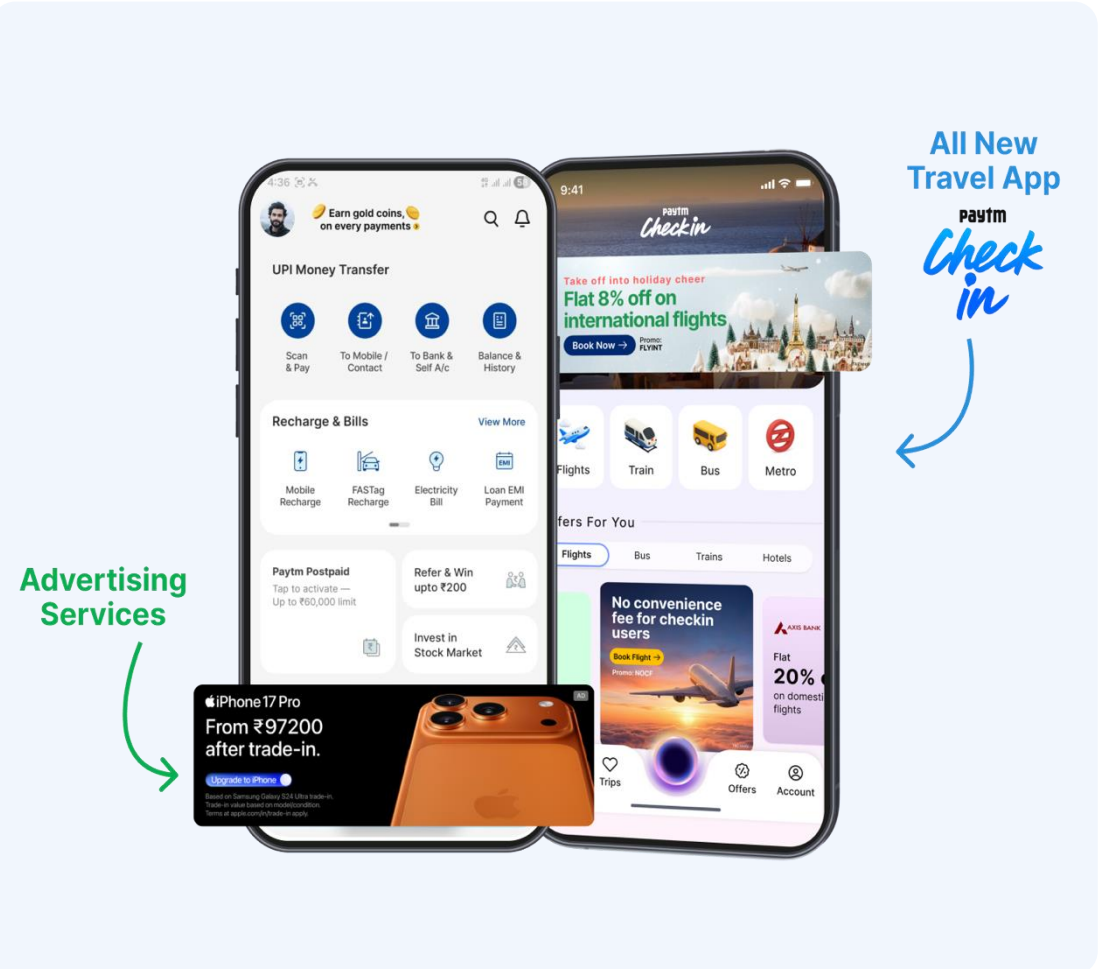
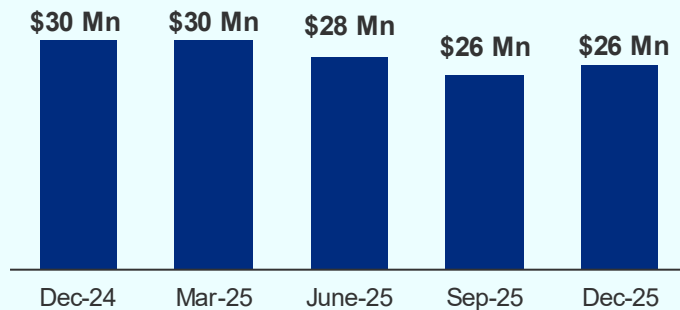


We enable merchants to offer below services on our app:

- **Advertising:** We are focused on driving advertiser ROI through AI-powered targeting and personalization, while optimizing user experiences to ensure ads reach most relevant audience within our MTU base
- **Travel ticketing:** During the quarter, we launched AI-led travel app 'Paytm Checkin' with an in-app conversational assistant enabling intuitive booking, and contextually relevant recommendations that improve with every interaction

To drive higher consumer retention and market share growth, we have optimized our consumer app upsell properties, with full revenue impact reflected in this quarter. Increase in MTUs and improving upsell funnel to be future growth drivers.

Marketing Service Revenue (Qtr ending)



Key Focus Areas

Continue to Lead India's Enterprise and MSME Merchant Payments

Focused on expanding leadership through our full-stack omni-channel payment offerings



Expand Distribution of Financial Services

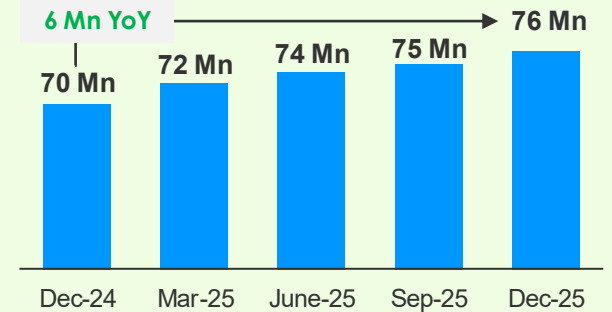
Grow distribution through increase in lending partners, new products and enhance collection performance using AI



Drive Gain in Consumer UPI Market Share

Enhance consumer experience and boost retention, supporting continued gains in market share

Monthly Transacting Users (For the quarter)



International Expansion: As an additional long-term growth driver, we are evaluating select new markets for our technology and products. We expect this initiative to start contributing meaningfully after 2-3 years

Building a high quality, long-term profitable business that reflects industry-leading customer monetisation



Over the years, we have built the business with strong foundation reflected in industry-leading customer monetisation and cost discipline.

This has been evident recently in several areas:

- Insignificant impact from industry stoppage of rent payments through credit card (PA PG guidelines, Sep 2025) and Real Money Gaming (RMG) Act, Aug 2025, as we had taken proactive compliance measures
- Discontinued use of “adjusted” metrics; all disclosures are on GAAP basis or as per standard definitions, which drives appropriate resource allocation decisions
- Movement to conservative revenue recognition policy, which reduced revenues but also provision for doubtful debt (PDD)
- As mentioned in earlier quarters, we benefited from Payment Infrastructure Development Fund (PIDF) incentive (total of \$24 Mn incentive for the nine months ended Dec 31, 2025), applicable till Dec 2025. We expect to significantly offset the impact over time through a combination of higher revenues and targeted sales efforts, in line with our discipline on RoI and payback periods.





Annexure

Operating Revenue and Contribution Profit



(in \$ Mn)	Quarter Ended			Change		Nine Months Ended		
	Dec-25 (Unaudited)	Sep-25 (Unaudited)	Dec-24 (Unaudited)	YoY	QoQ	Dec-25 (Unaudited)	Dec-24 (Unaudited)	YoY
Payment Services	132	127	111	19%	4%	376	315	19%
Distribution of Financial Services	75	68	56	34%	10%	205	129	59%
Marketing Services	26	25	30	(11)%	4%	79	99	(20)%
Other Operating Revenue	10	9	6	64%	19%	26	12	118%
Revenue from Operations	244	229	203	20%	6%	686	554	24%
Payment processing charges	75	70	63	18%	7%	209	178	17%
<i>As % of GMV</i>	0.11%	0.11%	0.11%	0 bps	0 bps	0.11%	0.12%	(1) bps
Promotional cashback & incentives	8	6	4	86%	38%	17	12	43%
Other Expenses	23	20	29	(22)%	16%	59	74	(21)%
Total Direct Expenses	105	95	97	9%	11%	285	265	8%
Contribution Profit	139	134	107	30%	3%	401	290	38%
<i>Contribution Margin %</i>	57%	59%	52%	447 bps	(164) bps	58%	52%	614 bps

EBITDA



(in \$ Mn)	Quarter Ended			Change		Nine Months Ended		
	Dec-25 (Unaudited)	Sep-25 (Unaudited)	Dec-24 (Unaudited)	YoY	QoQ	Dec-25 (Unaudited)	Dec-24 (Unaudited)	YoY
Contribution Profit	139	134	107	30%	3%	401	290	38%
<i>Contribution Margin %</i>	57%	59%	52%	447 bps	(164) bps	58%	52%	614 bps
Marketing	9	8	12	(26)%	7%	23	45	(48)%
Employee cost (incl ESOPs)	80	74	84	(5)%	9%	225	282	(20)%
Software, cloud and data center	18	15	17	8%	25%	52	55	(5)%
Other indirect expenses	14	22	19	(23)%	(35)%	59	65	(9)%
Total indirect expenses	121	118	131	(8)%	3%	360	447	(20)%
EBITDA	17	16	(25)	nm	10%	41	(158)	nm
<i>Margin %</i>	7%	7%	(12)%	1,931 bps	22 bps	6%	(28)%	3,442 bps

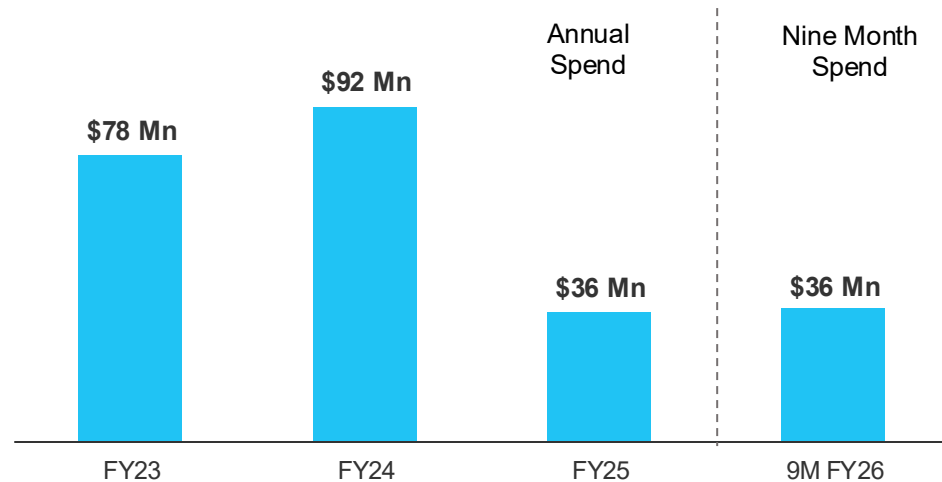
ESOP Pool Schedule

As of Jan 29, 2026	(in Mn)
Basic shares outstanding	640
ESOPs vested and unexercised	2
ESOPs granted and unvested	11
ESOPs available for distribution	27
Estimated fully diluted shares	679

Indirect Expenses

(in \$ Mn)	Dec-24	Mar-25	June-25	Sep-25	Dec-25	YoY Change (%)
Marketing	12	11	7	8	9	(26)%
Sales employees (incl. ESOP Costs)	26	27	30	33	35	36%
Non-sales employee costs (incl. ESOP Costs)	58	56	42	41	45	(22)%
Software & Cloud expenses	17	16	19	15	18	8%
Other indirect expenses	19	18	23	22	14	(23)%
Total Indirect Expenses	131	129	120	118	121	(8)%

Capex



Reconciliation of Non-GAAP Measures



EBITDA to Net Income

(in \$ Mn)	Quarter Ended			Change		Nine Months Ended		
	Dec-25 (Unaudited)	Sep-25 (Unaudited)	Dec-24 (Unaudited)	YoY	QoQ	Dec-25 (Unaudited)	Dec-24 (Unaudited)	YoY
EBITDA (A)	17	16	(25)	nm	10%	41	(158)	nm
Finance costs (B)	0	(1)	(1)	0%	(20)%	(1)	(1)	8%
Depreciation and amortization expense (C)	(15)	(15)	(18)	(19)%	(3)%	(48)	(58)	(16)%
Other income (D)	24	25	21	12%	(5)%	75	56	35%
Share of profit/(loss) of associates/joint ventures (E)	(1)	(1)	0	nm	nm	0	0	(33)%
Exceptional items (F)	0	(21)	0	nm	nm	(23)	150	nm
Income Tax expense (G)	(1)	(1)	(1)	0%	(50)%	(2)	(2)	19%
Profit / (Loss) for the period/year (H = sum of A to G)	25	2	(23)	nm	971%	41	(13)	nm

Operational KPIs



	Units	Quarter Ended			Change	
		Dec-25 (Unaudited)	Sep-25 (Unaudited)	Dec-24 (Unaudited)	YoY	QoQ
Registered Merchants (end of period)	Mn	48	47	43	12%	2%
Subscription Merchants including devices (cumulative; end of period)	Mn	14.4	13.7	11.7	23%	5%
GMV	\$Bn	69	64	56	24%	9%
Merchant Transactions	Bn	14.6	14.5	11.1	32%	1%
Total Transactions	Bn	17.1	16.6	12.3	39%	3%
Average Number of Sales Employees	#	44,461	44,154	32,019	39%	1%
Cost of Sales Employees (including ESOP Costs)	\$ Mn	35	33	26	36%	6%
MTU (average over the period)	Mn	76	75	70	9%	1%
Key financial services customers	Mn	0.71	0.65	0.59	20%	9%

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



Particulars (in \$ Mn)	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Cash and Bank Balances	495	504	507	540	608
Deposits with banks	778	780	720	696	680
Investments (Mutual Funds/T-Bills/CP/G-Sec/NCD/NBFC FDs)	460	450	565	616	528
Total Balances (A)	1,733	1,734	1,792	1,853	1,815
Paytm Money Ltd (PML) customer funds (B)	32	36	47	39	46
Balances in Escrow / Nodal Accounts (C)	273	274	315	362	415
Total Balances (excluding PML and Escrow) (A-B-C)	1,428	1,424	1,431	1,452	1,354
Prefunded balance in escrow account from PPSL post transfer of offline business (D)			Negligible		78
Total Balance (A - B - C + D)	1,428	1,424	1,431	1,452	1,432

During Q3 FY 2026, our cash balance movement has been due to higher working capital (typical in the quarter end after festive period), higher pre-funding in the merchant nodal / escrow account following the transfer of offline merchant business to PPSL as per regulatory guidelines, and growth of MTF book.

To meet peak working capital requirement related to merchant payment settlement, we have pre-funded escrow account by \$78 Mn in Q3 FY26 and are currently maintaining this pre-funding position, leading to increase in 'Balance in Escrow / Nodal Accounts'. This amount was negligible earlier. After considering pre-funded amount in Escrow as cash balance, our cash balance is \$1,432 Mn as of quarter ending December 2025, as compared to \$1,428 Mn as of quarter ending December 2024.

Indicative Performance Metrics for Loan Distribution (Dec 2025 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

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 our App or have used the Paytm for Business App
Contribution Profit	We define Contribution profit as revenue from operations less payment processing charges, promotional cashback & incentives expenses, connectivity & content fees, contest, ticketing & logistics, deployment & collection cost of our businesses.
Net Payments Revenue	Payments revenues (including other operating revenue) less payments processing charges
Key Financial Services customers	Key financial services customers are unique consumers and merchants who have availed Paytm's and group entity's financial services offerings, i.e. equity broking, insurance and credit products, such as merchant and consumer loans distributed through our platform. However, it does not include customers availing mutual fund distribution, Postpaid loans, gold distribution or any attachment insurance products, as they contribute negligible revenue/profitability

paytm

STAY
CHARGED