



September 5, 2023

BSE Limited

Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

Scrip Code: 543396

National Stock Exchange of India Limited

The Listing Department,
Exchange Plaza,
Bandra Kurla Complex,
Mumbai - 400 051

Symbol: PAYTM

Sub.: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Update on the Operating Performance

Dear Sir/ Ma'am,

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed herewith an update on the operating performance of the Company for the month ended August 2023.

The aforesaid details will also be hosted on the Company's website viz. www.paytm.com.

Kindly take the same on record.

Thanking you

Yours Sincerely,
For **One 97 Communications Limited**

Sunil Kumar Bansal
Company Secretary & Compliance Officer

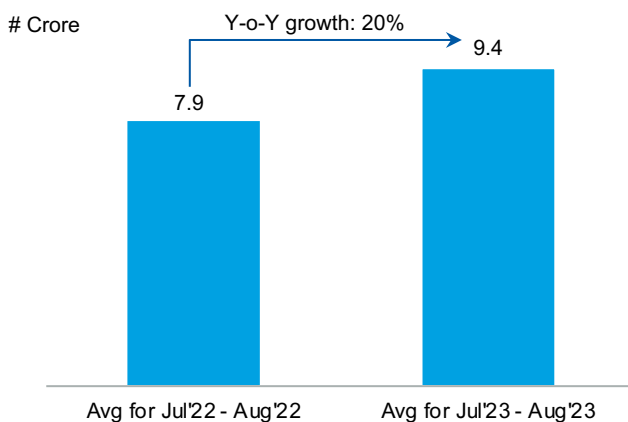
Encl.: As above

Paytm Operating Performance Update (for the month of August 2023)

Sustained growth in payments and loan distribution business: Leadership in offline payments strengthens with 87 Lakh devices deployed; value of loans distributed through the Paytm platform at Rs 5,517 Cr (\$667 million) in the month of August 2023.

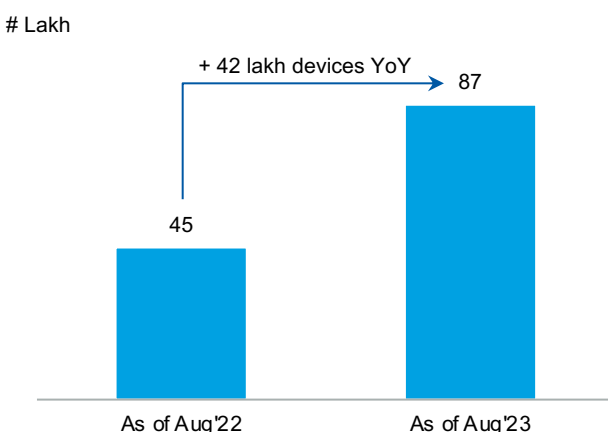
- Average monthly transacting users (MTU) stood at 9.4 crore for quarter to date (average for July & August 2023) up 20% y-o-y, reflecting continued expansion of our customer base
- Our leadership in payment monetization continues with number of merchants paying subscription for payment devices at 87 lakh as of August 2023, an increase of 42 lakh devices y-o-y
- Merchant Payment Volumes (GMV) for quarter to date (for July & August) stood at Rs 3.0 Lakh Cr (\$36.3 billion), y-o-y growth of 43%
- Our loan distribution business (in partnership with our lender partners) continues to gain scale with disbursements of Rs 10,710 Cr (\$1.3 billion, y-o-y growth of 137%) and 88 lakh loans (y-o-y growth of 47%) disbursed in quarter to date (for July & August 2023) through the Paytm platform

Average Monthly Transacting Users (MTU) for quarter to date (avg for Jul & Aug)



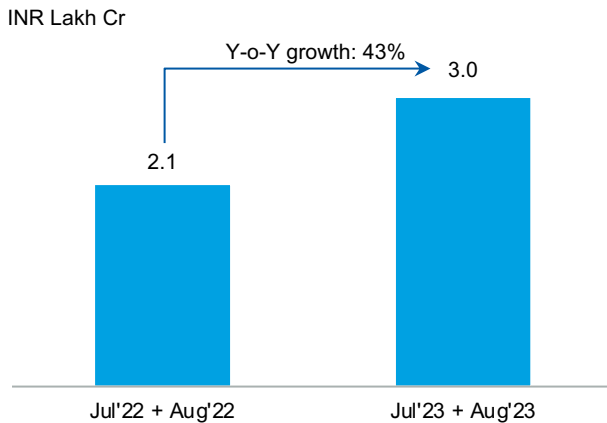
Robust growth in MTU: Growing consumer engagement on the Paytm App with the average MTU for the quarter to date (for July & August) growing 20% y-o-y to 9.4 Crore.

Total Subscription Merchants (including devices) for quarter to date (as of August)



New milestone in offline payments leadership: We continue to strengthen our leadership in offline payments, with 87 lakh merchants now paying subscription for payment devices, an increase of 42 lakh devices in the past 12 months and 5 lakh devices in the month of August. With our subscription as a service model, the strong adoption of devices drives subscription revenues and higher payment volumes, while increasing the funnel for our merchant loan distribution.

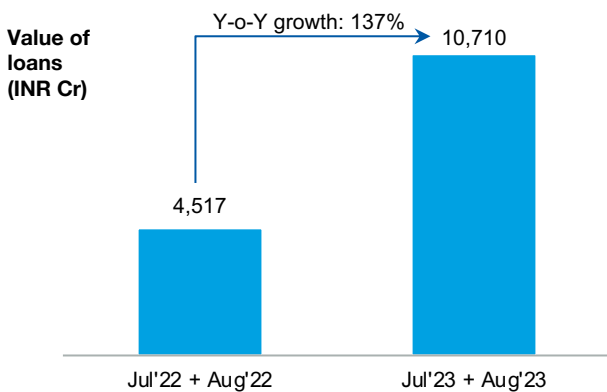
Gross Merchandise Value (GMV) for quarter to date (for Jul + Aug)



Sustained growth in total merchant payments volume:

The total merchant GMV processed through our platform for quarter to date (for Jul & Aug) was Rs 3.0 Lakh Cr (\$36.3 billion), growing 43% y-o-y. We continue to see increase in GMV of non-UPI instruments like EMI and cards. Growth in payments volumes drives profitability for us, through net payments margin and / or from direct upsell potential.

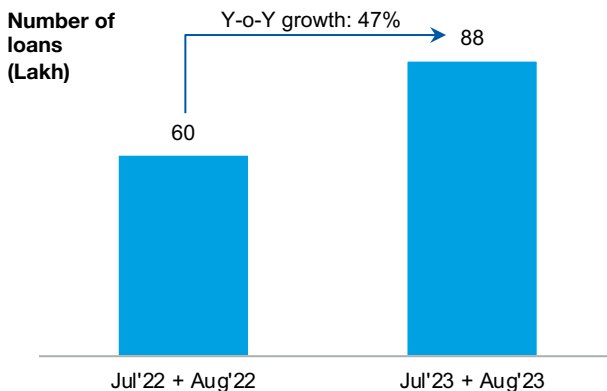
Value and Number of loans distributed through Paytm (for Jul + Aug)



Loan distribution business continues to scale:

Our loan distribution business (in partnership with large lenders) continues to witness healthy growth with total loans distributed through our platform for the quarter to date (for Jul & Aug) growing 137% y-o-y to Rs 10,710 Cr (\$1.3 billion).

Over the past several quarters, we have talked about our plans to calibrate growth to further tighten credit quality of loans distributed on our platform. We have been able to successfully demonstrate improving credit quality for Paytm Postpaid, where the ECL has reduced to a range of 0.65% - 0.85% from a range of 0.75% - 1.00% in Q4 FY 2023.



We remain focused on the portfolio performance of our lending partners, and growth may be subdued until the industry outlook improves.

High quality outcomes for our partners enables us to expand our lending partnerships. We currently have 8 lending partners (including for credit card distribution) and we aim to onboard 3-4 partners in FY 2024.

Operational KPIs – Quarterly trends

Operational KPIs	Units	Quarter Ended					% YoY
		Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	
Avg MTU (average for the quarter)	Crore	7.5	8.0	8.5	9.0	9.2	23%
Subscription Merchants (cumulative payment devices as of end of the quarter)	Lakh	38	48	58	68	79	109%
GMV (cumulative for the quarter)	INR Lakh Cr	3.0	3.2	3.5	3.6	4.0	37%
Value of loans (cumulative for the quarter)	INR Cr	5,554	7,313	9,958	12,554	14,845	167%
Number of loans (cumulative for the quarter)	Lakh	85	92	105	119	128	51%

Note: As we had previously mentioned in our Q4 FY 2023 Earnings Presentation, we will discontinue monthly disclosures of operating metrics after September 2023, given our business model is established and has achieved scale. We will continue with the disclosures on a quarterly basis.

Notes:

1. Our operating currency is in INR, numbers shown in USD are purely for illustrative and convenience purposes and calculated using an exchange rate of \$1 = INR 82.7 (as of end of August)
2. GMV is defined as the 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 services such as money transfers
3. MTU: Monthly Transacting User or unique users with at least one successful transaction in a particular calendar month
4. Total loans disbursed by financial institution partners through our platform include both consumer loans and merchant loans, and excludes the number and the value of loans sourced by third parties through advertising on our platform, and aggregation of EMLs on our POS devices