pine labs

Date: December 9, 2025

To,

BSE Limited,	**National Stock Exchange of India Limited**,
20th Floor, P.J. Towers,	Exchange Plaza, C-1, Block G,
Dalal Street,	Bandra Kurla Complex, Bandra (E),
Mumbai - 400001.	Mumbai – 400 051
BSE Scrip Code: **544606**	NSE Scrip Symbol: **PINELABS**

Sub: Transcript of the Analysts / Institutional Call

Dear Sir/ Madam,

Pursuant to Regulation 30 and 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the conference call that was organized with the Analysts/Investors on Wednesday, December 3, 2025 and the same can be accessed at www.pinelabs.com/investor-relations/financial-results?tab=quarterly-results.

We request you to kindly take the above on record.

Thanking you,

For Pine Labs Limited

Neerav Mehta
Company Secretary and Compliance Officer
Membership Number: A20949

Encl. a/a

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Moderator:	Good evening everyone. A very warm welcome to the maiden Zoom conference Earning Call of Pine Labs Limited to discuss the operational and financial performance of Q2 FY'26.
	We are delighted to have with us today Mr. Amrish Rau – Chairman, Managing Director and Chief Executive Officer. Mr. Sameer Kamath – Chief Financial Officer.
	Before we begin, I would like to remind you that some of the statements made during the course of this discussion may be forward-looking in nature. Actual results may vary significantly due to various external factors. This Zoom conference call is intended solely for Investors and Analysts. If we have any members from the media or journalism community on the call, we request you to kindly log off from this session. We will be happy to connect with you separately if required.
	We will start the call with the management showcasing a few product demos followed by an overview of the company's business, key operational development and financial performance for the period under review. This will be followed by a Q&A session.
	With that, I would now like to invite Mr. Amrish Rau to commence the presentation. Over to you. Thank you, sir.
Amrish Rau:	Thank you very much. Thanks for attending our call today.
	One of the things that we are going to do a little bit differently is we are actually going to do a couple of product demos, just talking about some of

the things that has been quote-unquote cooking in the labs. We feel quite proud about some of the experiments and some of the products that we are working on. So, we will first do two product demos, and then I will do a very quick overview of the business and how I am looking at the opportunity in front of us, and then hand it over to Sameer, who is here in the room with me, to just walk you through the financials. With that, what I am going to request is I am going to request my colleague to flash a demo.

I will give you a little bit of a background on this one. One of the things which is happening when it comes to online payments, more so globally than in India, is that consumers are finding it very difficult to remember the 16 digits, the CVV, the expiry number. Also, what we are getting to see is transmitting of data just by inputting it on somebody's webpage, instead of using card, is generally less secure and also more costly. So, we have come up with a completely new online payments technology where we think you can use your card, touch it to your phone, and the payment transaction can be completed. This is on the consumer side.

Let me show you a demo of what we built together. We have actually gone ahead and patented this technology. We are now trying to figure out how we could do a GTM for this, both globally and in India.

Audio Visual Presentation

"Online shopping is fast and easy. One-tap orders, instant deliveries, everything happens within seconds, except the payment part. There we are supposed to remember the card number, the expiry date, the CVV, and then wait for the OTP, which adds friction to your so-far seamless experience. We at Pine Labs wanted to bring the tap-and-go experience at the online checkout, therefore launching Tap to Pay Online by Pine Labs. Go to any online shopping app, be it e-commerce, ride-hailing, or food delivery. Simply select your product, go to the checkout page, and where it says payments, select the Tap to Pay Online. This invokes the NFC of the phone. All you have to do is take your card and tap, and done. Faster, secure, and more convenient. No need to remember the card number, no

need to save your card number, no CVVs, no OTPs. We at Pine Labs want to turn every phone into the fastest checkout experience on the internet."

Amrish Rau:	As I mentioned to you we have got a patent for this one. Now we need to figure out what is the GTM? So, this is some of the experiments that we are doing on online payment site. Also want to talk about what we are doing on the pre-paid side. Everybody thinks of us from the pre-paid side as purely as a pre-paid card, debit card or gift card. But we do a lot of work from the wallet side where we actually end up storing money. One of the concepts that you would have seen around the world is also about how money is becoming programmable. So, what we did was, we said, how can we make our wallets programmable and deliver value through that? And this is a live example of what we are doing for Air India, where in the case of Air India, we manage the entire wallet for Air India, but we have also come up with very interesting use cases around it. I am going to let one of my colleagues, Anand, explain to you what we have built for Air India.
Anand Kuppuswamy:	Thanks Amrish, I hope my screen is visible. Amrish laid the ground here. I would say that you probably know us as the pioneers of gift cards in India and globally with prepaid also being there. While that has been the case of it, I am going to today talk about the programmable currency. What programmable currency really means is that a currency that can be used for very specific purposes. Now stable coins and CBDCs have been in the headlines for some time now and they call the programmable money as a big part of their vocabulary. But what we have been doing successfully so far, many many years now, is to use the same concept to bring up through the stored value constructs and the prepaid card constructs the programmability of it.
	I am going to show you quickly how Air India, in a very interesting way, use the prepaid constructs to solve their business problems through our abilities. So, for this example, just a moment, assume that I am a US-based individual who frequents to India. I have just done a cancellation of a ticket that went on to be refunded to me in a cancelled amount from Air India and it is sitting in my Air India wallet. What you will see now is that I, as a consumer, go on to the

website of Air India and I could come to this path many different ways, but I just wanted to show you that when you click on some of these paths, Air India will flash that this particular program is run by Qwikcilver, which is the Pine Labs issuing part of the business and taking it to a site where this particular site is entirely managed and operated by Pine Labs for the benefit of Air India in the technology sense of it. Within this is an embedded wallet that can be used for different purposes. I am just going to quickly move around without trying to show you the specifics here and showcase that this particular element is already loaded. I am sorry, just hold on for a moment as I move the browser out. Yes, let us say that I have already logged in and I have a logged in session in terms of what I can achieve. So, what you see here is really because I am based in US, I am able to see a US dollar denominated wallet that is belonging to me and that is the base currency that has been defined and what it really means is that we have provided a product that is globally usable by Air India in this particular case. Now what you will also get to see is that this is not a singular wallet, it has its own different ways and purposes of using this particular program for Air India. There could very well be different pockets like one that is related to gift cards where my friends and relatives have given me some gifts that I get to store here. There are compensation vouchers that are provided for some service that has not been provided satisfactorily and there is a goodwill gesture of providing the currencies and there are refunds and cancellations that have happened. Underneath each one of these things are different instruments. They themselves are an aggregation so there are very very granular ways that the program can be structured and run by the airlines.

Quickly I will also demonstrate to point of view to say that let us say that in one of the trips that I made to India I happened to have a refund that is kind of captured here as a INR 15,000 worth of it but remember that I am a US based traveler so I need to understand as to what exactly happened when this particular value comes into my base currency which is the US dollars. What we provide for is an automatic conversion of a foreign exchange here, ability to understand as different currencies into the same pocket and this is

a significant value, a significant benefit for Air India in structuring and delivering programs for the global consumers.

Let me now quickly move on to the aspect of the interesting note of programmable currency that we spoke about. I am getting into a refund scenario where some of these instruments have been issued to me and here is the more interesting part of how the voucher program runs for airlines. What you could see is that this is a voucher issued but very very specifically meant for certain use cases or specific purposes. So, this particular voucher has been constructed in a way that it can be used for only certain routes within which this can be applied. It is not possible to use in certain particular dates which are called the black code dates maybe for managing the peak seasons and it is not transferable. The same person who traveled with the PNR number of a certain number is the only person who can make use of this particular voucher. This kind of a construct of making use of very very specific purpose-bound mechanisms are what makes these vouchers and currencies unique and allows the airlines to administer very powerful programs that are otherwise not possible with traditional systems. These conditionalities are also the ones that allow for very targeted promotions, revenue assurance programs, margin management programs on the same platform. So, what you are getting to see here is really in another way an airline making use of a configurable element of platform. The same platform that we have been able to use it as a very universal program and can achieve multiple use cases across various industries. For example when a government be it a central government or a state government wants to give a direct benefit to a particular individual that can be used only for a healthcare benefit. We could issue a currency which is programmatically managed in such a way that they get accepted only in health center locations.

So, now let me quickly move on to show how this particular voucher can be applied on the purchase path of the trip which is my next trip and I am going to make use of a quick video to demonstrate knowing that we are running out of time here right. So, I am going to run the video and parallelly speak about

it if that is okay. So, here you see that I have a card, a voucher issued, a refund. As we spoke about there are specific dates within which we can apply it or not. I go to the main site, choose a Delhi San Francisco flight in the month of March which that particular voucher that I happen to select had a black code date. So, when I go on to now apply that particular mechanism in the payment path, I choose the wallet as my means of application. You will get to see that the voucher cannot be applied because of the black code period that has been done. This is a very instantaneous recognition by Pine Labs in terms of what is possible or not possible to be done. Now if I change my mind and say like I want to travel in January, choose the same path which is outside the black code date, it gets applied and we can continue to work through in terms of whatever the value that was presented by the voucher.

So, what I really demonstrated here, I just want to quickly recollect, is to say that we offer our customers a full stack programmable currency platform and this is usable across our issuing, processing, distribution and solutions that we support, every bit of conditionalities and a multi-currency mechanism that allows to deliver contextual commerce, be it for airlines, government, retailers and any bit more. So, as the world is today talking about stable coins, CBDCs with programmable currency as the future, Pine Labs Issuing business I want to mention that is already delivering to that context today in production for enterprises like Air India and the same thing is extensible to a very different and very big audience of use cases and industries and that is us on the Pine Labs Issuing side of it.

Thank you. Back to you Amrish.

Amrish Rau: Thank you Anand and great job on the timing. Guys now moving on to the other part of the discussion which is really the financials that we came up with. So, we have got a formal deck which is very similar to what we have sent out as our earnings report. So, I would like to talk you through how our quarter has been. As you know, quarter two and quarter one are generally the softest quarter in the four quarters of the year. However, what I am glad to inform you

that we have had a fairly powerful start and that is what we will share with you just now.

Just a few initial slides, I want to remind everybody what is our vision statement. We want to build the best commerce and fintech platform from Asia but we want to build it for the globe. I also want to remind you that we are a fully diversified fintech platform operating in all areas from Online, Offline, using the Digital Payments Infrastructure. We just saw what Anand explained about the Issuing platforms and the opportunities on the Issuing platform but also in terms of revenue, we continue to be extremely diversified between merchants, banks and financial institutions and also enterprises, corporates and brands.

Something which we did not talk enough about and I wanted to take the opportunity to mention here. Pine Labs is one of the only companies which is powering all the top five banks in India. Every one of them uses Pine Labs platform and we are the dominant partner, point number one. Point number two, when it comes to the top five retailers in the country, we are a dominant partner. We are not number two to anyone in that space. In the case of the top three petroleum companies, we are with all the three petroleum companies, may that be BPCL, HPCL or IOCL. We power all of these three petroleum companies in the country and when it comes to online payments, bill payments and also the whole prepaid card instruments, we today have deep relationships with all the top three e-commerce companies of India. Also, with all the three Q-commerce companies of India, Pine Labs is the sole provider. So, one thing I do want to highlight is there is no other payments company in India which is actually delivering solutions to all of these large stakeholders in the country today.

Again, in a very quick recap of what we do, we pretty much call out four large pillars. One is what we do in terms of transaction processing, both in the offline world and in the online world. In the offline world, as you know, we have a large component of revenues which comes out of subscriptions, rentals on a monthly basis. When it comes to VAS and Affordability, we do a range of

services on and above the merchant relationships that we have built. Here we take a peak rate on the value which gets processed on our platform. One of the things that Sameer is going to tell you is in the first pillar in Q2 on the terminal, the subscription and rental related revenues is now down below 30%. It is at 29%. So, 71% of our revenues are not linked to subscription and rentals associated to the POS business. I have been taking a bet with my colleagues out here. I said whatever we say at the end of this call, when the Q&A starts, the first question will be about the POS business. Let us talk about the 71%, what we are doing outside of the POS rental business. The third component is what we do on the DPI side. On the DPI side, when it comes to fintech infra, we continue to power a humongous amount of payment volumes when it comes to bill payments. We are powering many API based transactions on consumer identity. We, in this case, get paid by the API ping or we do get paid by the number of transactions there. And finally, on the Issuing side, we are one of the global leaders when it comes to Prepaid, Issuing, processing, both in terms of prepaid as well as gift cards. We are doing a lot of work on the credit card side. We are doing a lot of work on credit link UPI. So, that is what we typically do. I just wanted to cover it. These two slides will typically be then all my opening introductions.

Going into this quarter and what we are doing as in terms of the results for Q2, we actually came in with record breaking numbers on all fronts. By the way, I have to tell you this, if I am not mistaken, over the last six quarters, we have generally come in with record breaking numbers when it comes to revenue, when it comes to contribution margin. Our revenues grew by about 18% and we hit a number of about INR 650 crores. I want to again remind this because I have seen some analyst reports where I think there is some sort of a disconnect. We continue to record our revenues on a net basis. What I mean by that is we take out the payment processing cost and we only record the net numbers. And hence what we call as net revenues or globally, this generally gets called as adjusted revenues. And that is where we came in at about INR 650 crores because we have taken out anything related to pass through revenues there. Second, interestingly, contribution margin grew at 21%. So, how does this happen when the revenues are growing by 18% while

contribution margin is growing by 21%. The reality on this is over the last two years, we have been working very hard that the subscription revenues that we earn largely remains on the software side. And we encourage Banks and Financial Institutions and Merchants to buy hardware on their own. Because of that, what happens is there is a lag effect out there. So, while revenues have grown 18%, contribution margin has actually grown by 21%. Now that has multiple benefits which Sameer will talk to you about. The adjusted EBITDA actually came in at 60% plus improvement on a year-on-year basis, we came in at about INR 122 crores of adjusted EBITDA. And what we have now been able to do is we have now been able to deliver back to back PAT of about INR 6 crores in our business. Now this is coming on backs of some solid performance.

So, on the platform side, we came very close to about $50 billion of GTV processed on our platform. One thing which is real is if Pine Labs is present with any merchant, any bank and financial institution or any enterprise, we are choice number one. There is nobody who is beating us today. We are winning when it comes to the marketplace. Even when it comes to a number of transactions that was at about 1.9 billion, the total touch points reached about 1.9 million. And we have crossed the number of about a million merchants and corporates which are working with us. Net-net, very, very powerful execution in seasonally weak quarter. The H1 is now past us. As you know, in quarter one, we came in at about INR 121 crores of adjusted EBITDA adjusted only for ESOPs. And in this quarter, we have come in at INR 122 crores. Now the seasonally strong quarters of Q3 and Q4 are starting off. I am really looking forward to how this Q3 and Q4 goes.

With that, I am going to hand it over to Sameer for the next few slides.

Sameer Kamath: Thank you, Amrish. And thank you everyone for joining in. I will take forward from what Amrish was saying. The four pillars that we have continue to deliver stellar growth of almost 18% for this quarter. As Amrish said, we are reiterating again, we report our revenues net, which means that all network charges and

other processing fees, etc are netted off from revenues. And that is translating into a very high contribution margin of close to about 77%.

Coming to contribution, if you see that this quarter, we have delivered a 21% year-on-year growth on the contribution side. And some of that is largely driven by our conscious strategy to build on certain high quality, high value tech-based revenues and slightly lower the take on the hardware sales that is a component of our top line. Overall, as Amrish said earlier, there is a seasonality element to our revenues. However, this quarter, despite being a non-seasonal quarter, we have reported a 9% growth over the peak of last year's full quarter and also a 64% growth on a two-year basis.

Coming to some specifics, some of our new business initiatives like the Issuing and the VAS side have delivered a 30% plus growth margin. And our international business, which is seeing a lot of traction, where we earn in dollars for almost every transaction that we do across Southeast Asia, Australia, UAE, and the US, continued its growth momentum, registering a year-on-year growth of close to about 30%. Again, reiterating our POS-based revenues, which is driven by subscription is about 29% and 71% comes from SaaS and tech-based services.

Coming to adjusted EBITDA, our adjusted EBITDA grew at about 3.4x the growth rate of revenues, that is about 64% year-on-year, registering a margin expansion of 500 bps from about 14% a year back to 19% this quarter. In fact, even on an H1 basis, on a total basis, our adjusted EBITDA is about 50%. This expansion is led by a conscious strategy to improve our value-added tech-based businesses and drive productivity gains at scale. We do believe that these margins are sustainable and can expand as businesses build scale. Similar flow-through has happened at the PAT level as well, where we delivered two quarters of consecutive positive PAT. The operating leverage has clearly been visible and this quarter we have reported a PAT of INR 6 crores, which against a loss of INR 32 crores reported a year back.

Coming to some of the levers which have been driving operating leverage, over the years we have been able to demonstrate revenue growth without a

significant increase in headcount or employee cost. This has been achieved through a conscious effort to drive productivity through use of AI and operational efficiencies. This is also now reflecting in our ratios as employee cost as a percentage to top line has significantly come down to 37% for this quarter versus almost 50% two years back.

Our overall headcount also has marginally increased by only 6% which is about INR 4500 crores. Our tech, engineering and product team is roughly about 1000 people strong and we do not expect any significant headcount increase as we scale our businesses across all the four pillars. Our operational team remains at the same headcount level which is a validation of the operational efficiency that we will bring in.

ESOPs is an important component of compensation for our employees. As we step into the public markets, we have taken a conscious call to align ESOP issuances to shareholder value creation, which also helps value for all shareholders including the employee ESOP shareholders. The new ESOPs are now done at FMV versus deep discount that was done earlier and that is translated into a lower P&L impact. The overall effects of this change is reflected in our P&L where ESOPs cost as a percentage of revenue has come down to about 4% from 7% a year back.

Depreciation, I think we continue to win exciting mandates on the asset-light businesses. Few examples to just reiterate this point. Emirates NBD, one of the largest banks in Dubai has taken us as a tech platform provider for the acquiring merchant business across the entire Dubai where we have zero CAPEX deployment but entirely a tech stack led business growth. Similar arrangements are seen for example in GCash in the Philippines and CIMB in Malaysia. One of the largest banks in India is working with us now on fully us providing a tech stack versus a POS plus a tech kind of initiative which is making our business more and more asset light. As a consequence of all these conscious shifts, we have seen a significant reduction in the CAPEX dependency of our business which is also translated into a depreciation as a

percentage of our revenues coming down from 12% of our top line to about 5% over the last few quarters.

Going to the next slide. I think this is an interesting slide where we thought how should one look at our business from an operating leverage perspective. With scale and build out of the tech led high margin businesses across India and international markets, we are definitely going to see operating leverage play out. We have built a small matrix to give you a better understanding. For every incremental contribution mark of about INR 100, we are going to see almost about INR 50 to INR 57 and we are giving a range of that getting translated into adjusted EBITDA. That is because of incremental contribution. Our incremental employee cost will only be about 35% to 38% including employee cost, the tech cost, etc. Obviously, the other infrastructure cost will be another about 9 to 12 bucks. Therefore, a very high number of INR 50 to INR 57 for every incremental INR 100 of contribution margin earned will flow through the adjusted EBITDA.

Moving on to how it will translate to PBT. As I said earlier, the conscious strategy around the depreciation CAPEX and ESOPs is also going to translate into a better flow through to PBT. A similar translation will happen from adjusted EBITDA to PBT and there will be marginal savings across other expenses which are there which means from the incremental contribution margin of INR 100, we can expect in a range of Rs.45 to INR 55 translating as a flow through to PBT. So, as business builds operating leverage and scale, you see our profit and EBITDA margins improve significantly from here on.

Coming to some specific business related KPIs and how we look at how these are shaping up as we build into the quarters.

Coming to the in-store business, Pine Labs is a market leader in the enterprise and the mid-market merchant segment who have very unique and complex needs and require a solution approach to build long-term sticky relationships. To give some examples, almost every hotel chain in India today trusts Pine Lab for its checkout experience as we have built deep integrations into their portfolio management ERPs which help them provide seamless

checkout experience for their guests. Large retailers trust us because we have helped them build and manage multiple banking relationships into a single POS with full flexibility while integrating multiple backend ERPs to provide them periodic reconciliations and MIS. This demonstrated mode has helped us expand our DCP footprint now to 1 million plus merchants as Amrish was saying it is a milestone deployed across 1.9 DCPs which is a growth of 19% on a year-on-year basis. Having said that, an interesting fact is that the potential is still highly untapped. Only one out of the four DCPs today actually are active on value-added services and affordability which means there is a huge potential within our existing network to kind of scale up these businesses because the same DCPs are the DCPs on which these rails run. Having said that, the overall in-store business is about 29% of our top line.

The value-added services business continues to grow at a massive speed. We have grown our volumes at about 37% on a year-on-year basis. This quarterly momentum is driven by a unique position to bring together 400 brands and almost about 40 credit institutions to our affordability platform. While we continue to see strong growth across consumer durables and the mobile segment, we are also seeing meaningful growth across new categories like automobiles, furniture, fashion, healthcare, and wellness. We continue to keep innovating in this space and in this quarter we have launched new products like offers on UPI and EMI World Pro.

Having said this, we are also significantly scaling up our online platform gateway. Our online payment aggregator business has seen a 75% year-on-year growth with partnership with some of the largest e-commerce platforms now use the Pine Labs plural gateway. This includes the likes of Myntra, Meesho, Big Basket, Swiggy, Lenskart, to name a few.

The Fintech infrastructure business operates some of the best-in-class tech platforms across bill payments, UPI, and the account aggregator framework. We partner with some of the largest bill processing institutions across both ends of the spectrum that is the Biller Operating Unit and the Consumer Operating Unit, making us probably the top two players in the segment.

We also power digital KYC and customer validation for some of the largest financial services firms through the account aggregator framework. And our platform is operating at scale with this quarter about 275 million transactions processed in Q2 itself, which is an 80% growth year-on-year.

Lastly, coming to our Issuing and Acquiring platform, we have seen some of the use cases that Anand presented earlier on in this presentation. It is one of the fastest-growing segments within the payments industry at about 26% and Pine Labs is a market leader in this segment. Our overall volumes in this segment grew at about 25% to about INR 16,000 crores with an improving take-rate. What differentiates Pine Labs in this segment is our ability to do deep integrations on workflows across multiple use cases of wallets, refunds, transit, and we are partnering with brands to also expand their distribution footprint.

The India business within Issuing grew at about 31% powered by its strong partnerships with top e-commerce companies and quick commerce companies in India. Our international business in this space also grew by about 35% year-on-year. We have built meaningful presence with key client wins across Australia, say Woolworths in Australia, the Al-Futtaim Group in the UAE, Capita Land in Southeast Asia are some of the large wins that we have had which are kind of fueling this growth. We have been able to establish strong use cases and you have seen today Anand presented now 18 airlines globally use Pine Lab as their trusted partner for their wallet business. We have a proven track record of winning and successfully implementing programs across international markets and we remain extremely optimistic on the size and scale of this opportunity.

With this, I kind of come to an end to our formal part of the presentation. We open up the floor now to the moderator to invite questions and we are happy to take them.

Moderator: Thank you, sir. We will now open the floor for question and answer session. We have our first question from Peran Engineer.

Amrish Rau: Hi, Piran. Go ahead, please.

Peran Engineer: Yes, I am unmuted now. Yes, congrats on the quarter, another second quarter of profit and thanks for this detailed PPT. Just firstly, I wanted to understand in the INR 63,000 crore GTV in the VAS and affordability platform business, how much of that would be lending and what else is there apart from lending in that?

Amrish Rau: So, first of all, it is not lending. What we are doing out there is basically powering for affordability solutions where we do not take any balance sheet risk, we actually power for other banks and financial institutions on our platforms. In terms of GTV, I would say somewhere around one third of the volumes would be coming out of affordability, two third of that will come out of the rest of the services. In rest of the services, we have everything from classic aggregator related revenues, we have revenues which is related to UPI and any fees which we get on UPI transactions. We also have things like other fintech partnerships we might have in the market with some of the Q-Commerce companies or some of the consumer fintech apps out there or Sodexo and that would be all about two third of the platform.

Peran Engineer: Got it. Okay. Thanks, Amrish. And this one third, which is the affordability bit of it that would be majority of the revenue from the INR 63,000 crores? I am sure it would be one third, two third revenue split also.

Amrish Rau: No, it is actually, I would think that it is reverse, which is, it would be somewhere between 50% to two third of the revenues, that sort of a range it will be in.

Peran Engineer: Of the revenue from the VAS and affordability platform part of it, right?

Amrish Rau: That is correct.

Peran Engineer: Got it. Okay, fair enough. Secondly, your plural business, GTV, Sameer mentioned it grew 75%. Where exactly is that? Under which section is it put in?

Sameer Kamath: That section folds up under in-store and online Piran, where we basically report two kinds of revenue streams, which we, it is the subscription-based

revenues, which we earn on the POS devices and the online we earn as a percentage to the GTV done.

Peran Engineer: Got it. Okay. Fair enough. Yes, that was it from my end. Thank you and wish you all the best.

Amrish Rau: Thank you.

Moderator: Participants are requested to mention your name and organization before asking your question. Our next question is from Mr. Keyur Kumar.

Amrish Rau: Go ahead, Keyur. Keyur, you are unmuted. You can go ahead with your question.

Keyur Kumar: Hello. Am I audible now?

Amrish Rau: Yes.

Keyur Kumar: Congratulations on good sets of numbers sir and for the new tech development. So, my question is from this 25% of the DCP contribution, which is coming from the VAS. So, right now we are including that the further development will happen through the VAS. So, I just wanted to understand that this contribution will be come from the like chain businesses and all, right? So, how is the TAM is basically here, because the machines and the POS will be also on the single merchant sites?

Amrish Rau: Yes, very interesting question. You know, your voice cracked a bit, but what I am going to answer is, if you actually look at our earnings, really, we have actually come up with a new set of numbers, so that it gives you more clarity. What it says is that out of the 1.9 million touch points that we have in the market today, about 24% to 25% of that has at least one of our services added on to those terminal platforms. So, may that be an aggregator or DCC or affordability or any of the consumer apps. So, only 25% of our terminals today are contributing to the value added services which exist in our business. And that is the opportunity for us. You would also see over the last five quarters, that number has moved from 21% of the total DCP base to now 25% of the

total DCP base. Having said that, on the other hand, when it comes to transaction value and volumes that has grown by almost 37%, while the number of DCP has only increased from 21% to 24% across the entire DCP base, it has been explained well in the earnings report that we have sent out.

Keyur Kumar: Okay. And another thing is sir, like, in our gifting, the issuing, the acquiring platform. So, it should be like, it is coming with the new logos and on boarding and all the things, right? So, if you can provide any quantitative number, like, how is the per logo ticket size varying or means the coming from the revenue?

Amrish Rau: We have not shared that information right now and we are not in a position to share that. Just in terms of, just in terms of understanding on that one is, you could very well have a logo which could be a chain of 10 restaurants. But at the same time, you would also have a logo as big as something like a Meesho, which is actually a client of ours. But you could have just two extremes of it and the revenue expectation out of them could completely differ. And hence, we have not actually explained what is the per logo revenue for our issuing business.

Keyur Kumar: Okay, got it. But can you share the, like, how many logos we have right now?

Amrish Rau: Sameer, you have a number to that one?

Sameer Kamath: I think we have multiple logos there.

Amrish Rau: I think about 650 is what I would say as the highlight. Do not hold me to that. I will get you more information.

Keyur Kumar: Okay. And lastly, on the tech side, you have developed the tap and pay. So, I understood from the RHP and all that we were very aggressive for the payment gateway segments for our new vertical, right? And now your tech basically shift that vertical entirely if we compare with the other players, right? So, first thing, because this is like a new tech, how you are developing the security side basically, because this feature unlocks very much of potentials for our business, but also enables the security sides. So, how you are

developing that thing? And on more level, you can explain about the GTM you are thinking right now for this tech.

Amrish Rau: Fundamentally, let us understand this piece that the technology required in the offline payments business is way more complex than what is required in the online payment side. As you know, over many, many years, we have invested into building out highly secure platforms when it comes to offline payments. When it comes to online payments, I would want to think that 90% of our technologies have been able to be reused on the online platform side. And hence, we think our platform is as rugged as the platform that we have in the offline world. In terms of security, we follow the best standards which has been laid out there by governing bodies in terms of security only, but also in terms of what the local bodies and the local regulators have asked for. As far as GTM is concerned, as Sameer mentioned to you before, we have some great new logos already in place when it comes to online payments. We just announced some days back, Lenskart has already gone live with us on our platforms, Myntra is live with us, Cred is live, Apple resellers are with us, Samsung.com online is entirely with us. We are making tremendous progress in asset-live businesses, may that be on the bill payment side or may that be on the online payment side.

Keyur Kumar: Okay sir. And lastly, should we expect any upside on the headcount on future?

Amrish Rau: See, you know, one of the things which we actually wanted to talk and I guess both Sameer and I forgot to mention out there is that in our company, we have totally about 1000 engineers, technologists and product managers in the company. I do not know why it would require more than 1000 people on the engineering and technology and product side. So, short answer on that one is the answer is no. The longer answer on that one is in the next quarter, we will actually talk about some of the AI-related initiatives that the company has taken up. Today, we believe 18% of all code which is being written in Pine Labs has been developed using AI. We are bringing a lot of AI on our customer services side. We are bringing a lot of AI in terms of rewriting our legacy code on some of the platforms that we have out there. So, the short answer is, I do

not think we are going to be requiring more headcount in our business. And that is the reason we wanted to very clearly show to you that for every rupee increase in the contribution margin, how will that flow through on the EBITDA and on the PAT side.

Keyur Kumar: Thank you, sir. And all the best for the future.

Amrish Rau: Thank you.

Moderator: Thank you. Our next question is from Mr. Arjun.

Arjun: Thanks for the opportunity. With respect to the value-added services part, out of INR 650 crores, 29% is POS. So, within the Digital Infrastructure, out of INR 440 crores, the remaining around INR 251 crore would be the Affordability and VAS revenue?

Sameer Kamath: It will be Affordability, VAS and also the Fintech Infrastructure, Arjun. I think we combined three items with it, as you rightly said, four items. There will be the POS business, there will be the online business, there will be the Affordability and VAS business and the Fintech infrastructure business. So, the POS machine, which is one of the four components within the digital infrastructure is about 29% of it.

Arjun: Okay. So, I was just trying to understand the take rate or realization in the Affordability business, which was, which used to be around 39 odd bps. Now, out of this INR 440 crores and INR 63,000 crore of GTV, how the realization over here has been in the first half and how has it panned out in the festive season, October, November, etc. And means how much is the kind of traction after the GST cut, etc, in October, November, how do you see this Affordability and VAS business playing out on realization and the GTV, if you could give some color, it will be helpful. Yes.

Sameer Kamath: So, the realization across the segments have been more or less constant. There may be slight change in the mix here and there, like, for example, UPI may go up and the yields are lower. But intra-segmental yields have remained fairly constant in line with what we have put out in the DRHP as well.

As far as the traction post Q2 is concerned, I think, as we said that the first two quarters are slightly muted, we have seen good response in the Diwali season where we have seen peak volumes come in. Obviously, as our next quarter results come in, you will probably get a better clarity now the quarter is underway. But yes, I think, even in the first two quarters, we have seen meaningful traction. And that is why even in H1 versus H1 of last year, we have seen meaningful growth of our GTVs while take rates continue to remain at the same level.

Arjun: Okay. So, broadly, we can assume out of this INR 440 crores, around INR 250 odd crores should be your VAS and Affordability revenue from there.

Sameer Kamath: Plus minus that range. Yes.

Arjun: Okay. Fine. Okay. And could you give some idea on the market share that is there in this business? Because we also see competition getting into this.

Amrish Rau: Yes. So, in this space, look, I will say that for the longest time we have been above 80% of the market share. We just did a recent report on that internally not ready to be shared externally. We continue to believe that we have about 80% to 85% of the market share in this space.

Arjun: Great. Sure. Thanks, Amrish. Thanks, Sameer. Thank you so much.

Amrish Rau: Thank you.

Sameer Kamath: Thank you, Arjun.

Moderator: Thank you. Participants are requested to mention your name and organization before asking your questions. Our next question is from Mr. Mitul Shah.

Mitul Shah: Hello, sir.

Sameer Kamath: Hi, Mitul. Go on.

Mitul Shah: Congratulations. First of all, I am from Ahmedabad. We have talked during our roadshow that I will be there. And thank you for the wonderful, wonderful result. I am so happy to see you on this call. And you told me that you will provide the best of the disclosure and you did it. So, this is you are the only company who have done the conference call like this. So, I am really happy that I am an investor, as well as my fund is invested in yours. And second, I want to understand. My question is, QR based payment system in China and everywhere I go, the QR based payment system is taking over than the POS. Everywhere I am going, I am seeing the trend. So, POS is our fairly, you know, large contribution. So, when we are shifting or how we are coping up with that, that is my basic question.

Amrish Rau: Mitul, I will give you a very interesting fact, which again, I do not need to be disclosing out here, but I will just share with you. Very interestingly, today on our terminal estate, almost 66% of all transactions on our terminal estate are actually QR based transactions. So, what we are getting to see is large merchants still are looking for having a screen at the checkout, both to publish the QR or to accept cards. So, in a very interesting manner over the last two years, while you have seen the growth in our DCP on the business, our transaction mix has already changed where 66% or two third of my transactions are today coming on the QR side. The other thing is how UPI and what UPI is going to do to our business. I have actually answered that in the earnings report. Mitul, I do remember having met up with you. I want to make another comment out here. In in my personal CEO letter, I have actually talked about my experience of some of the questions I received in Ahmedabad and Rajkot. So, have a look at my personal note also, which I sent out at the end of the quarter.

Mitul Shah: Yes. I am so happy that you have remembered all those questions and you have written it. I am really happy.

Amrish Rau: Thank you, Mitul. We will talk later.

Mitul Shah: Yes. Thank you.

Amrish Rau: Thank you.

Moderator: Thank you. Our next question is from Mr. Pranav.

Amrish Rau: Hi Pranav.

Pranav Kshatriya: Hello. Hi. Can you hear me?

Amrish Rau: Yes.

Pranav Kshatriya: Thank you for the opportunity. I am Pranav Kshatriya from NK. My first question is, I see a very strong growth in Issuing and acquiring business, especially in the international geographies. And my understanding is that we possibly have a slightly inferior contribution margin in the international geographies, but it seems that despite that the contribution margin for issuing and acquiring business has increased despite the strong growth. So, how should we see this business panning out in three to five years' time? And what is your view on that?

Sameer Kamath: So, just to say, I think we have been making approach into a lot of new counters because of the use cases that we have been mentioning, Pranav. I think the take rates are slightly lower in the international business because as we know that our business is a take rate business, which combines the work we do not just on processing, but also distribution. We have a far stronger distribution presence in India. And therefore, there is a slightly higher contribution from the distribution part of the business, which comes in India. As we build our capabilities and we build scale across counters in the international geography, we should see some more take rates going up there. So, I think intra-segmented take rates remain the same. It is just that our distribution strength is stronger in India. And therefore, we get little higher revenues in India.

Amrish Rau: What I will add into this one is that over the last couple of years, one of the reasons why you were getting to see the India business a little bit muted when it comes to the prepaid side of the business was because there was an overhang related to GST and application of GST on gift cards. In January of

this year, the government of India clarified that gift cards do not attract GST. And because of that, we have again started to see a lot of brands pushing out gift cards. Gift cards are being actually distributed at a much aggressive level. If you actually see the quarter-on-quarter between Q4 of last year and then Q1 and Q2 and the first half of the year, you would see that the India numbers have started to come in with significant year-on-year growth also on the prepaid issuing side.

Pranav Kshatriya: Great. My second question is on the Affordability side. In your letter, you mentioned that Q2 FY'25 was unusually strong quarter. But what I understand is that last year actually the entire festivity was in Q3 and Q2 was relatively quieter. So, what is the disconnect? Just curious on that.

Amrish Rau: It was related to some one off large deals which we had pulled together in Q1 and Q2. Look, one of the reasons why I did not specifically talk about it right now, because honestly, our job as operators have to continue to power on and win market share as much as we can every year. But we just wanted to give a color because what could happen is people get fixated only on the number of year-on-year growth. But we thought, let us just clarify that when you look at what is happening on the hardware and the reduction in hardware, contribution margin is growing at 21%, revenues are growing at 18%. And we had a little bit of a base effect which came from last year. And that was largely because of some lump sum business which came through in both in Q1 and Q2 actually. I personally believe that when you when you look at a Q3 and Q4, the base effect would have gone away. What we had coming out of last year when it was Q1 and Q2.

Pranav Kshatriya: Okay. The second part of that question is on Affordability and VAS GTV. There was a GST cut which happened, which sort of propelled some of the spends for TV. Was there some impact of that in Q2 because it came on 22nd of September? And should we see further acceleration in Q3 because of that?

Amrish Rau: So, there was a marginal impact, but it was both positive and negative. So, what happened is as soon as our Honorable Prime Minister Modi Ji actually announced that the GST rates are going to get changed, we are almost 15

days of complete slowdown when it came to any purchases in the markets. And we had basically transaction volumes completely drop off. I think it was around 22nd of September when the new GST rates kicked in. So, we had about an eight days which came in more or less, I would have said it would have netted off the spectacular rise that we had in the, sorry, netted off the drop that we had in the early part of September. As far as the Diwali season is, that is going into Q3, I would not want to forecast anything on Q3 on this call, please.

Pranav Kshatriya: Okay, sure. Last question is on the devices business. If I back calculate according to your disclosures, the ARPU implied is around INR 336 for Q2, which is significantly lower than INR 380 odd, which was there for FY'25. I mean, you did mention in the letter that you are deliberately moving away from the hardware based deal to a software based deal. So, how should we sort of see this panning out in coming years?

Amrish Rau: While I let the CFO answer this one, I just want to give one headlines on that one is, and that is the reason why even though we have 29% of our revenues, we have the take rate actually dropping, our contribution margin has gone up. Because what we are getting to see is much more of software led sales happening when it comes to subscription revenues. And while our take rate has gone down, and actually our contribution margin has gone up.

Sameer Kamath: Yes, I think Amrish have covered it. So, as I said, Pranav fair observation. And that is the conscious call we are taking where we are taking care, we are basically, headline revenues may look slightly muted, because hardware is a bit lumpy, but it is a low margin business. And that lower take rate there has been compensated by the fact that our contribution margin has actually grown by 21%, with revenues at about 18%. And that is a conscious part of our strategy.

Pranav Kshatriya: Fair enough. Thank you so much for the opportunity and all the best.

Amrish Rau: Thank you.

Sameer Kamath:	Thank you Pranav.
Moderator:	Thank you. Our next question is from Mr. Srinivasan.
Srinivasan:	Hello.
Sameer Kamath:	Yes.
Srinivasan:	Am I, am I audible sir?
Sameer Kamath:	Very clearly. Go ahead Srinivasan.
Srinivasan:	Yes. First of all, congratulations for the great set of numbers and especially second consecutive PAT positive this quarter. My question is about the operating leverage. You guided that INR 50 to INR 57 EBITDA for every INR 100 contribution. So, can you commit this for the next couple of quarters?
Sameer Kamath:	This is, I think, as a business, Srinivasan, the reason we have given this guidance is because we have been demonstrating how our operating leverage is playing out. So, if you see our top line has grown at about 20%-22%. Our adjusted EBITDA margins has moved up to about from 9% to about 19% to 20% already. And we have given the structural reasons why you are seeing this operating leverage play out. Like we said, there is a focus on building value-added services, tech-based revenues, international revenues, which are high margin. We are seeing operating leverage come out of the employee cost with productivity gains are headcount not increasing at the rate of revenue. And therefore, this is a structural way we are trying to break down our operating leverage to say that as a business moves on and builds scale, you should expect at least about in the range and that is why we have given a range that roughly about 50% to 55% of our incremental contribution margin will fall through adjusted EBITDA.
Amrish Rau:	I will just add one thing is we try to be very careful by not trying to be aggressive in this projection that we have given out here. So, yes, we do feel comfortable with what we have sent out there.

Srinivasan: Okay, thanks for that. And my next question is about the tap to pay online that you demonstrated initially. Does this support all types of cards like RuPay, Master and also like RBI two-factor authentication and iOS and Android? So, does this support all these combinations?

Amrish Rau: I will give you the answer on two parts. One, absolutely it supports everything what you just talked about. But the second part of the conversation is you obviously have to go through certifications, getting approval, and only then you can take it to GTM. All of that work is pending. We are taking this across many, many markets as we speak just now, but that work is pending in terms of getting approvals and getting all the local testings done.

Srinivasan: Okay, so I have already used this product in some other place. The problem that I used to see is always latency. Latency issues I see. Sometimes it fails. Merchant finds it difficult to roll back.

Amrish Rau: No, I want to clarify that. What you have seen as a product is where merchant is using his or her phone to receive card payment transaction. What we demonstrated is - consumer is using his phone to make a payment to the merchant. It is a completely different product that we actually showed. So, we are saying consumer is sitting at home, he is on an app, a food delivery app. When it comes to a payment page, he just uses his card, taps on his own phone and the transaction is getting initiated and completed. What you would have seen is where you are giving the card and tapping it on the merchant's phone, which is the other **form** factor.

Srinivasan: I see. Thanks for the clarification.

Amrish Rau: Thank you.

Srinivasan: That is all from my side.

Amrish Rau: Thank you, Srinivasan.

Moderator:	Thank you. Participants are requested to mention your name and organization before asking your question. Our next question is from Mr. Himanshu Taluja.
Himanshu Taluja:	Hi, sir. Congratulations on a great set of the numbers and also very good disclosures in the presentation. Just one question at my end. Given you have a narrative to deliver a 20% to 25% growth over the near to medium term and probably clearly VAS, Issuing and Acquiring businesses and the Affordability solutions are delivering you a growth of 30% range, it is just the POS business which is expected to grow at 15% to 18%. How will you build that narrative or what expectations do you have around the POS business, device businesses, if you can just help us?
Sameer Kamath:	Yes, so I think, look, the way we look at our POS businesses, our POS touchpoint actually helps us monetize and build on the various rails of the value-added and Affordability business. So, if you see the headline POS numbers, they have also grown at about 19%, where we are at about 1.9 across about one million merchants. So, I think we have not seen a slowdown of growth there. But clearly the opportunity for us on the POS devices is to see how that 25% number keeps increasing because that drives the monetization of the value-added services that we have.
Amrish Rau:	I just want to mention, Himanshu, just mention out here is when it comes to just sequential quarter-on-quarter, we have actually moved from 1.7 million deployments to about
Sameer Kamath:	1.9 that is 90% growth.
Amrish Rau:	So, it is about 1.9 is what we have been able to grow on that business. But as I told you, materially, what is going to make a difference for us from an earning standpoint, material difference is actually going to come out of what is going to happen out of the 70%-75% of the rest of the revenues that we are getting in the company.
Himanshu Taluja:	Yes, sure. Thank you. Thanks a lot.

Sameer Kamath:	Thank you, Himanshu.
Moderator:	Thank you. Our next question is from Mr. Prakhar Sharma.
Prakhar Sharma:	Hi. Am I audible now?
Amrish Rau:	Yes.
Prakhar Sharma:	Thank you and congratulations. It has been a great journey and best of luck. What I wanted to just ask you is if you could explain the seasonality on 1Q to 2Q. I know it is not the best half for you. So, if I look at your revenues between 1Q and 2Q, you have gone up by about INR 34 odd crores from INR 616 crores to INR 650 crores. Your contribution has actually gone up by INR 17 crores, which is about a 15% incremental contribution margin. And your EBITDA has gone up by just about INR 1 crore. So, your margin has come down. So, if you could just explain what is this seasonality? I am sorry, I got into numbers and maybe you know.
Amrish Rau:	Prakhar, I am going to be completely transparent with you. What that seasonality is between Q1 and Q2. Remember, I have been in payments for 25 years. I cannot tell you what the seasonality between a Q1 and a Q2. In fact, I would say that there are enough and more years on which Q2 is generally weaker than Q1. And that is largely because that is the rain period across the country. So, I would say the seasonality in the payments and fintech business in general are just bucketed into two parts. Q1 and Q2 would be weaker and the stronger one would be a Q3 and Q4. I honestly cannot tell you. But between Q1 and Q2, what will be the seasonality breakup you know.
Prakhar Sharma:	Yes, because I was just, I know it is a small number. I was just inquisitive to see why have the margins actually come off sequentially, which is the point I was trying to just get to.
Sameer Kamath:	I think the margins, the EBITDA margins are more or less on the same line, maybe plus one percent minus here or there. I think some small numbers change there. But largely on a trajectory that we are at, Prakhar, we are at a 19% to 20% adjusted EBITDA margin.

Amrish Rau:	Yes, margin is very minuscule, I think less than 50 bps or 1% out there. But I think more interestingly, going forward Prakhar, we have actually made it super clear for everybody to calculate saying that if the Q3 and Q4 are going to be stronger, what does that mean from a PAT standpoint.
Prakhar Sharma:	Of course. And is there any color you can share on the affordability, especially the support that
Sameer Kamath:	Sorry, we lost you, Prakhar.
Amrish Rau:	Prakash, we could not hear you. We just heard affordability.
Prakhar Sharma:	Am I audible now?
Amrish Rau:	Yes.
Prakhar Sharma:	Okay. I was asking if you could throw some color on the affordability, especially the EMI credit that is going through your pipes. How is that trending for you and for the market? And are you able to improve some sort of take rates on that side?
Amrish Rau:	So, I think Sameer has already answered on that one. In terms of the overall transaction processing, VAS and the Affordability business, we believe that individual segments, the margins have remained same as what we had established earlier. In terms of affordability numbers, as you can see, it is almost coming at about, sorry, the overall number is almost coming at about 35%-37% higher on a year-on-year basis. And by the way, that has been the case for the last five years. So, it is not that this number is entirely surprising where it is. I can only tell you that the Diwali this year has been just stupendous, just an unbelievably strong Diwali we have had.
Prakhar Sharma:	But that will come in Q3.
Amrish Rau:	Of course. Yes.

Prakhar Sharma: This is perfect. And best of luck to you and the entire team. Thank you so much.

Amrish Rau: Thank you very much, Prakhar.

Moderator: Thank you. Our next question is from Mr. Navneet Singh.

Navneet Singh: Thank you for the opportunity. My voice is audible.

Sameer Kamath: Yes, Navneet, go ahead, please.

Navneet Singh: So, I have a couple of questions. One question pertaining to IPO. So, as per the last private funding round, Pine Labs was valued at about USD 5 billion around three years ago. IPO has happened at around USD 3 billion. So, what has happened that led to fall in its valuation?

Amrish Rau: Sir, I have answered this question five times. Whatever value is on the terminal that is my value. I cannot do anything.

Navneet Singh: All right. No issue. Another question. So, there are a lot of listed players and some of the competitors of Pine Labs about to go in IPO. So, what is it that Pine Labs has compared to these competitors? These competitors are aggressive and they may trigger certain price war and margin may hit. So, what is your strategy around these?

Amrish Rau: Navneet, you know, it is not good to speculate about what competition is going to do. I think one of the things I try to show out there is we continue to win on all sectors. We continue to grow our platforms very well. I do not think so. I am too much worried about my protecting my business or growing my business. I feel very comfortable. Thank you.

Navneet Singh: All right. Okay. Some of the colors on the revenue growth for Pine Labs and its subsidiary for next financial year.

Sameer Kamath:	We cannot make forward looking projections of this. I think this call is restricted more to how this quarter has performed Navneet. So, that data is there in the data that we shared.
Navneet Singh:	All right. Got it. One trivial question related to the product that are demonstrated at the beginning of this call that tap and pay feature. So, is this feature require a separate app to be installed on the consumer device?
Amrish Rau:	No, it does not. It is an SDK which will go into the app of the consumer Internet company.
Navneet Singh:	Understood. Understood. Thank you. That is all from my end. And all the best for next quarter.
Amrish Rau:	Thank you Navneet. We will just take one last question. Mr. Kush Shah go ahead and then we will wrap it up.
Kush Shah:	Yes, Am I audible?
Amrish Rau:	Yes, you are.
Kush Shah:	Congratulations for the good set of numbers. My first question would be what would be the monthly fee for the POS device you charge?
Sameer Kamath:	So, as we have said earlier on the call it is in the range of about, it is a blended range of about INR 350 to about INR 380 and that range kind of splits depending on whether how much of hardware or component is there in it.
Kush Shah:	Okay, perfect. And the second question would be what would be the software as a side? How we are different from the competitor? Because the adoption, the product development, everyone will be able to make software at one point of time so are we different from the competitors side?
Amrish Rau:	Well, the answer on that one is it is exactly as different as the Apple software is compared to the Android software. Did you understand what I am trying to say?

Kush Shah: Yes, I did, but.

Amrish Rau: No, honestly answer is that only. What we do is premium in what we do. We are very proud of the technology that we built over the years. The kind of ease of use, the reporting, settlement, security, ease of configurations, existing pipes and integrations that we have. It is a fairly complex and well-developed platform. It is a full ecosystem which we have built out there.

Kush Shah: So, the TAM wise, how would be the TAM wise compared to the quick commerce or the travel platform so we can gauge the market around this?

Sameer Kamath: As we have said on the call, each of the segments top players are already our partners, Navneet. So, basically, if you see the top three quick commerce companies work with us across some of our businesses, the top retailers work with us, the top banks work with us, top petroleum companies. So, I think we are playing across an entire ecosystem of the payment space across merchants, brands and enterprises. And I think our product stack, our DNA as a tech first of Fintech helps us kind of build deep integrations, create value-added services and be relevant to them in their journey of growth. I think that is our economic that is our mode which we have been able to live up to and we have seen our business grow within that cohort.

Kush Shah: Okay, perfect. And on the ESOP side, I want to ask a question, how much would be the expense that would go further on the higher side?

Sameer Kamath: I think we have guided on our presentation on where we stand today. I think more or less, we should be in the range of about 4% to 6% of top line and trending slightly downward as we go into the amortization of the existing ESOP.

Kush Shah: Okay, so basically, it will be consolidated around between 4% to 6%.

Sameer Kamath: Yes, it will keep going down. Obviously, we have made some new issuances. That is why there is some upfront in Q1, but as a direction, you should see the ESOPs was going down.

Kush Shah:	My last question would be the gifting side at Qwikcilver. What would be the TAM of a gifting in India so that we can gauge market size?
Sameer Kamath:	Yes, so I think we had a technical partner Redseer, which has given a very detailed assessment of TAM of each of the segments, not just in India, but across the globe. I think in the especially the markets we operate now, so if you can look at those, then you would be able to get a deeper sense on that. I think all of that is covered in our DRHP, which we put out just a few months back, which we put out a few months back.
Kush Shah:	Perfect. Thank you so much.
Sameer Kamath:	Thank you very much.
Amrish Rau:	Thank you.
Moderator:	Thank you. That was the last question for today. With that, we conclude the Q&A session. I will now request Mr. Amrish to share his closing remarks before we end the call.
Amrish Rau:	Thank you very much for doing this. Please take a minute to read the note which I had put out there. We are back to work. Thank you to all of you for having welcomed us on the public markets. This was our first earning calls. You guys have been fairly kind with us in these questions also. We will learn, we will improve, and we will keep giving you more disclosures. Thank you very much.
Sameer Kamath:	So, if you have any further questions or information, feel free to reach out to us at the investor relations email that we have put out at the end of the presentation. Thank you and have a good evening.
Moderator:	Thank you. You can now disconnect your lines. Thank you everyone for joining us today. Have a great evening.