



Date: December 3, 2025

**To,**

**BSE Limited,**  
20<sup>th</sup> Floor, P.J. Towers,  
Dalal Street,  
Mumbai - 400001.  
BSE Scrip Code: **544606**

**National Stock Exchange of India Limited,**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 051  
NSE Scrip Symbol: **PINELABS**

**Sub: Analysts / Institutional Investors Presentation**

Dear Sir/ Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of Presentation to be made during the conference call with Analysts/Investors as scheduled today i.e., December 3, 2025, for the information of the Stock Exchanges.

The above information will also be available on the website of the Company at [www.pinelabs.com/investor-relations/financial-results?tab=quarterly-results](http://www.pinelabs.com/investor-relations/financial-results?tab=quarterly-results).

We request you to kindly take the above on your records.

Thanking you,

**For Pine Labs Limited**

**Neerav Mehta**  
Company Secretary and Compliance Officer  
Membership Number: A20949

Encl. a/a

pine labs

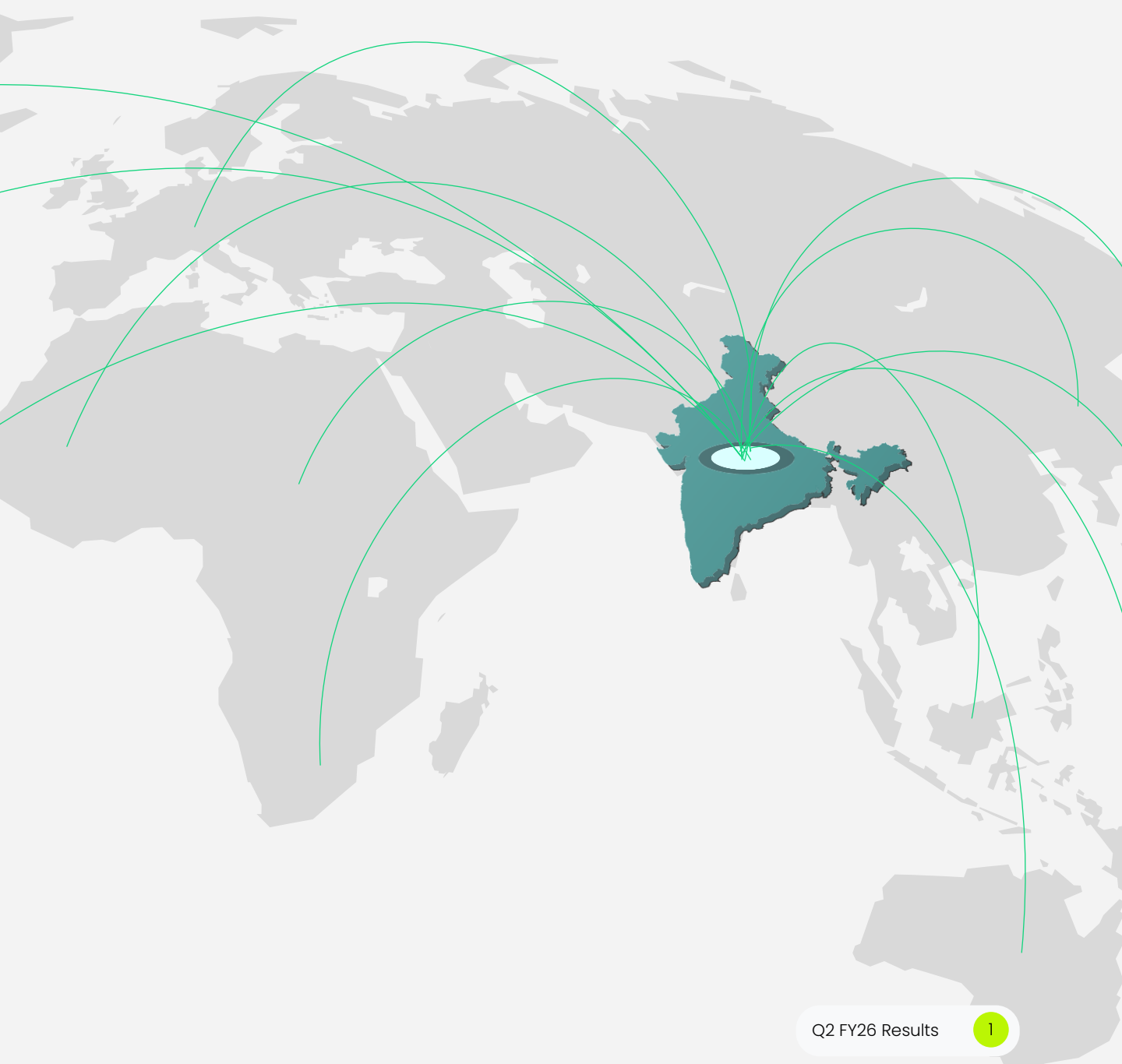
SIMPLIFYING  
PAYMENTS  
FOR THE GLOBE.

Shareholders’  
Letter and Results

Q2 FY26



To build the best  
commerce and fintech  
platform from Asia,  
for the world



## Letter from our CEO

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Thank you for the overwhelming support to Pine Labs as we listed. It was a surreal day at the BSE for all of us. Remember, we are tech folks who build payment systems because of our passion to take the economy digital. To get this unique experience on the stock exchanges was a once-in-a-lifetime moment. We believe we are on a multi-year journey, and this was just another game day for us.

The first half of this year is behind us, and both quarters have been record-breaking in our history. First, we turned clean PAT positive in Q1, and we have now followed it up with a Q2 that is again PAT positive. This is not a one-off event; we believe it is the result of the solid hard work we have been putting in over the last many months. In our detailed earnings release, we will show you the many levers that helped us achieve this:

- Sustained strong wins and new logo additions
- Extremely low attrition in the enterprise and mid-corporate segment
- Asset-light business model focused on transaction processing
- Issuing, Online and Bill Payments businesses operating at scale
- Increased intensity in cross-selling campaigns, offers, and value-added transactions
- Drop in capex and depreciation intensity
- Recognition that ESOPs are a real cost and aligning interests with public-market investors
- Wage-bill management

You will see that all of this has allowed us to drive continuous growth and EBITDA improvement.

We continue to build many interesting products in the market. I wanted to share an interesting observation from my retail roadshows in Ahmedabad and Rajkot: small retail investors asked me what our R&D budget is for the year. They were keen to know how we are investing in the future. I want to assure you that while we are getting financially stronger, we are not sacrificing new product development. We continue to make mistakes, learn, and build again. This is an important part of our company ethos, and we intend to continue to operate as a startup.

As a practice, I have decided that all our earnings calls will have at least two product demos. We don't want our earnings calls to be just about financials, but also about product showcases.

I look forward to speaking with you soon. Thank you and welcome.

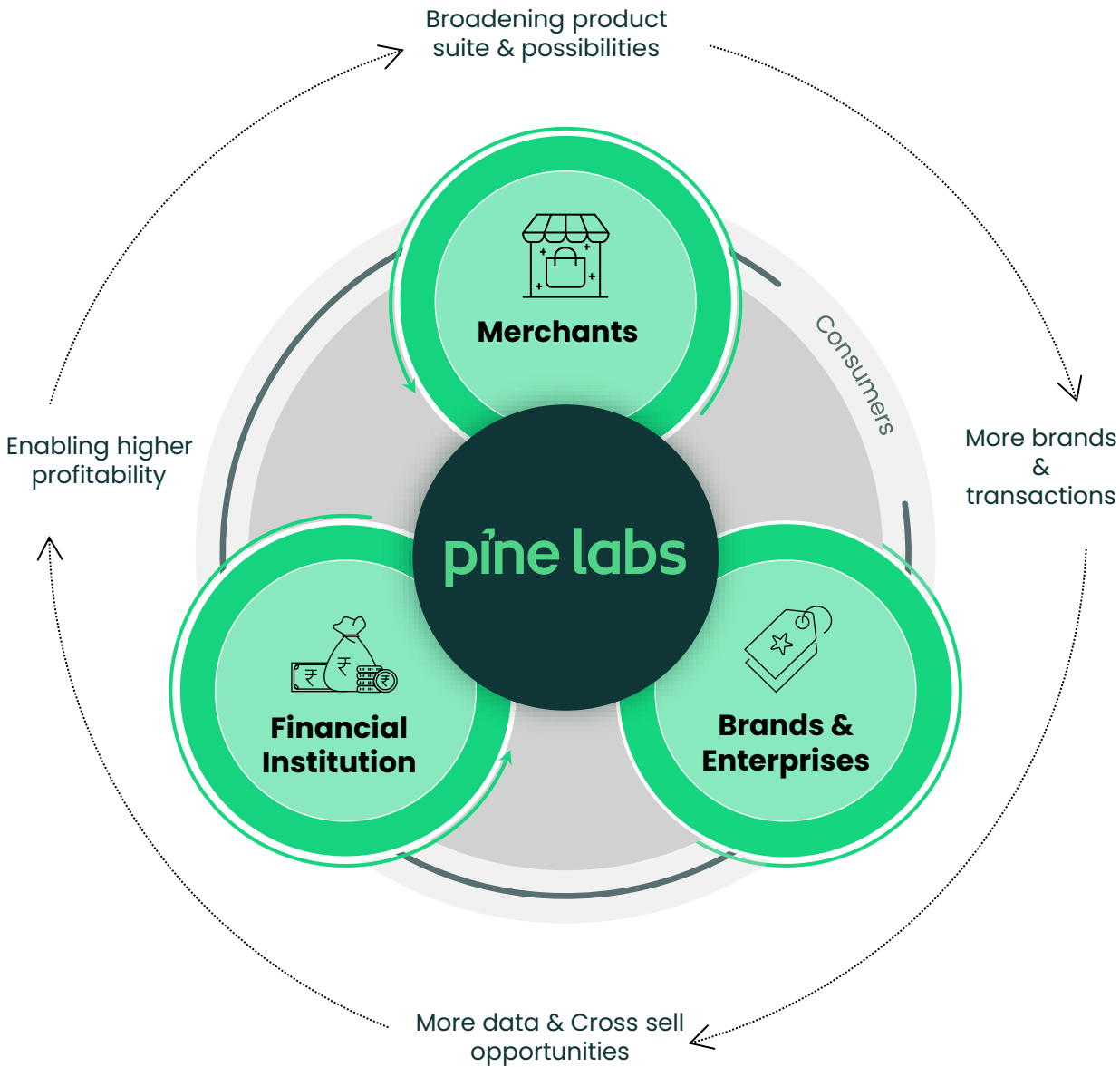
Regards

B. Amrish Rau  
MD and CEO, Pine Labs



# We are a diversified full stack Fintech

Our Revenue is diversified across businesses, laying foundation for continued compounding over period



## Chosen by Market Leaders Across Sectors

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### **Powering** Top 5 Banks



### **Enabling payments** for Top 5 Retailers



### **Integrated with fuel** **outlets** of Top **3 Petroleum companies**



### **Simplifying commerce** for Top **3 E-commerce and Quick** **commerce companies**



# What we do?

	Overview	Monetization
In-Store & Online Payments <sup>1</sup>	<ul style="list-style-type: none"><li><b>In-store:</b> Enabling seamless in-store payments, billing integration, and reconciliation.</li><li><b>Online:</b> Cloud-native payment gateway enabling fast, seamless online payments, payouts, EMIs and more.</li></ul>	<ul style="list-style-type: none"><li>Based on number of DCP's<sup>5</sup> earning <b>monthly subscription fee</b></li></ul>
VAS & Affordability Solutions <sup>3</sup>	<ul style="list-style-type: none"><li><b>VAS<sup>2</sup>:</b> Customised solutions running on our POS<sup>6</sup>. Including Aggregator, prepaid, loyalty card acceptance, fintech and bank offers for consumers, Ad and branding revenues.</li><li><b>Affordability:</b> Digital first affordability suite offering EMIs, trade-ins, insurance, and assured buyback programs to boost conversions and drive higher consumption</li></ul>	<ul style="list-style-type: none"><li>Based on <b>GTV</b> (Volumes) processed earning take rate</li></ul>
Fintech Infrastructure	<ul style="list-style-type: none"><li><b>API first platform</b> to power bill payments, enable digital onboarding (E-KYC and E-Sign), and data-driven insights for financial institutions</li></ul>	<ul style="list-style-type: none"><li>Based on <b>number of transactions</b> processed earning a fee basis per transaction</li></ul>
Issuing & Acquiring <sup>4</sup>	<ul style="list-style-type: none"><li>Prepaid platform helping <b>brands drive customer acquisition, retention</b>, loyalty and engagement with consumers</li><li><b>API-first issuing stack</b> for prepaid, gift, debit, and credit cards with full lifecycle management</li></ul>	<ul style="list-style-type: none"><li>Based on <b>GTV</b> (Volumes) processed earning take rate</li></ul>

Diversified business with multiple high growth verticals ensuring long term growth

(1) In-store and Online Infrastructure; (2) VAS: Value Added Services (3) VAS, Affordability and Transaction Processing (4) Issuing and Acquiring Platform (5) DCPs: Digital Checkout points (6) POS: Point of Sales



# Key Highlights

Q2 FY26

<div>Revenue from Operations</div> <div>₹650 Cr</div> <div>18% YoY</div>	<div>Contribution Margin</div> <div>₹497 Cr</div> <div>77% Margin</div> <div>21% YoY</div>	<div>Adjusted EBITDA</div> <div>₹122 Cr</div> <div>19% Margin</div> <div>62% YoY</div>	<div>Profit after Tax</div> <div>₹6 Cr</div> <div>From (₹32 Cr) to +₹6 Cr YoY</div>
<div>Platform GTV</div> <div>\$48+Bn<sup>1</sup> (₹424k Cr)</div> <div>92% YoY</div>	<div>Number of Transactions</div> <div>~1.9 Bn<sup>2</sup></div> <div>44% YoY</div>	<div>Digital Checkout Points</div> <div>1.9 Mn</div> <div>19% YoY</div>	<div>Number of Merchants</div> <div>1 Mn+</div> <div>29% YoY</div>

Q2 FY26 Milestones

 **Crossed 1M+ merchants**

 **Second consecutive PAT +ve quarter**

(1) Exchange rate \$1= ₹ 88; Platform GTV is \$48.2Bn, (2) Number of transaction for Q2 FY26 1.88 Bn; For Definitions please refer to the glossary section



# Our Q2 FY26 Performance Scorecard

## Scale

- **Platform GTV<sup>1</sup>** grew **92% YoY** to **\$48.2 Bn** (₹424 thousand Cr). Our merchant, bank and corporate partners continue to prefer using the Pine Labs platform to deliver a seamless experience for their consumers.
- **Number of Transactions<sup>1</sup>** grew **44% YoY** to **1.9 Bn**, demonstrating the increasing scale, depth, and frequency of platform usage across all our businesses.

## Revenue Growth

- **Revenue from Operations** grew **18% YoY** to **₹650 Cr**, on the back of robust growth of Issuing, affordability and online payments businesses, which continue to outpace growth in the in-store payments business, in line with our growth strategies.
- Our **revenue** is recognized on a **net basis**, reflecting the portion of revenue that accrues to us after deducting payment processing fees and passthrough charges paid to banks and network partners. Other payment companies continue to show gross revenues.

## Profitability

- **Contribution Margin** grew **21% YoY** to **₹497 Cr**. Every ₹100 incremental contribution margin drives ~₹50-₹57 incremental adjusted EBITDA, underscoring the strong operating leverage in our business.
- **Adjusted EBITDA** grew **62% YoY** to **₹122 Cr**, with margin expanding from **14% to 19%** driven by higher margin businesses growing faster, complemented with disciplined employee cost control.
- **Profit After Tax** swung by **₹38 Cr YoY**, moving from a loss of ₹32 Cr in Q2FY25 to a profit of **₹6 Cr in Q2 FY26**, reflecting a significant uplift in profitability due to lower depreciation and ESOP expenses.

## Cash Flow

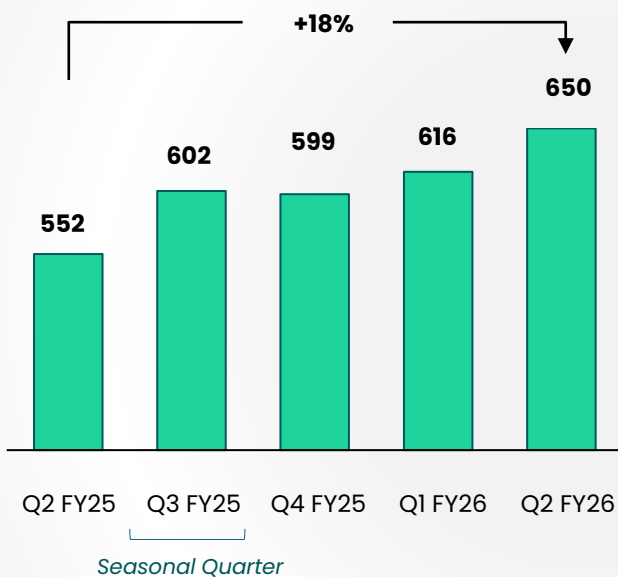
- Q2 FY26 generated a strong **positive operating cash flow** of **₹241 Cr** (excluding early settlement) and **₹152 Cr**, including early settlement.

(1) GTV and No. of Transactions do not have a direct correlation with our revenue because of our differentiated revenue model.



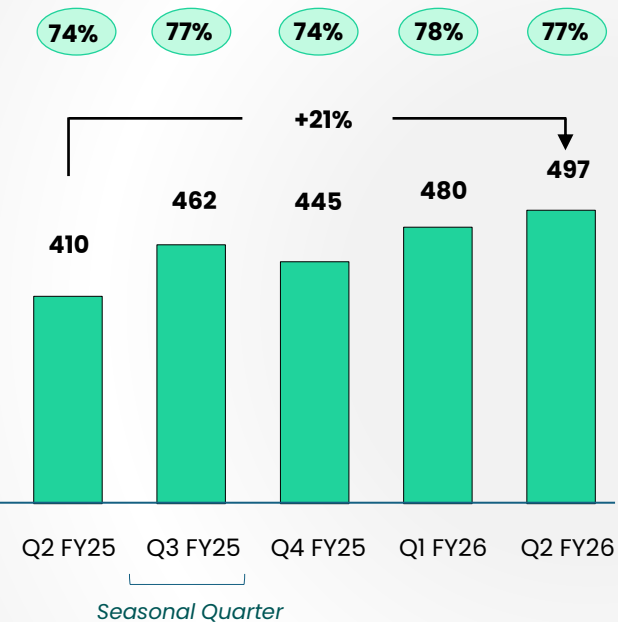
# Q2 FY26 Financial Snapshot

## Revenue from operations (₹ Cr)



- Q3 typically delivers the highest revenue for our business due to festive seasonality. Q2 FY26—despite being a non-seasonal quarter—delivered 8% higher revenue over the peak of the previous FY (Q3 FY25).
- On a two-year basis (Q2 FY26 vs Q2 FY24), performance remains strong, with revenues up 64%.
- Issuing, Affordability, and Online continue to grow 30%+ YoY.
- International business grew ~30% YoY.

## Contribution Margin (₹ Cr)



- Our Contribution margin has expanded for both Digital Infrastructure and the Issuing segments, leading to overall increase from 74% to 77%.
- Our strategic shift towards higher proportion of software and platform revenues and lower hardware sales will result in higher contribution margins.

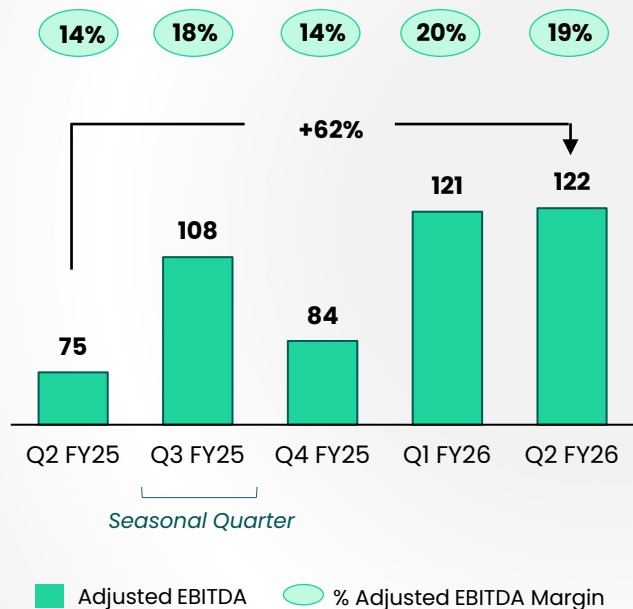
■ Contribution Margin    ● Contribution Margin %

(1) Refer glossary for definition of Adjusted EBITDA



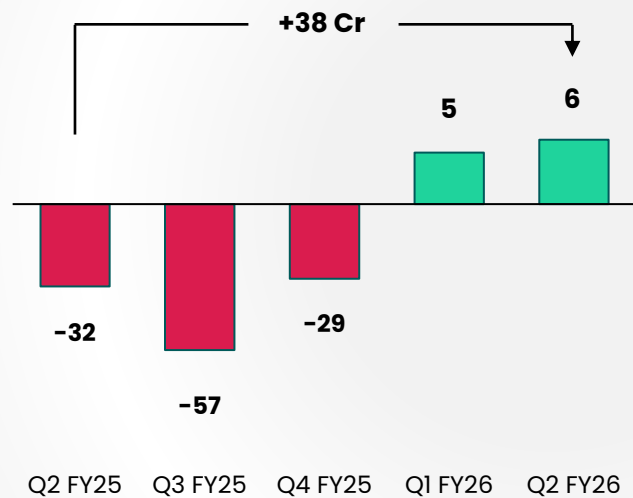
# Q2 FY26 Financial Snapshot

## Adjusted EBITDA (₹ Cr)<sup>1</sup>



- Adjusted **EBITDA margins have expanded 500bps** from 14% in Q2'FY25 to 19% in Q2 FY26.
- Our Revenue from operations has grown 18% YoY while contribution margin by 21% through a deliberate shift toward asset-lite software and platform revenues streams.
- Every ₹100 of incremental contribution currently generates ~₹50-₹57 of incremental adjusted EBITDA, demonstrating the strong operating leverage.

## Profit After Tax (₹ Cr)

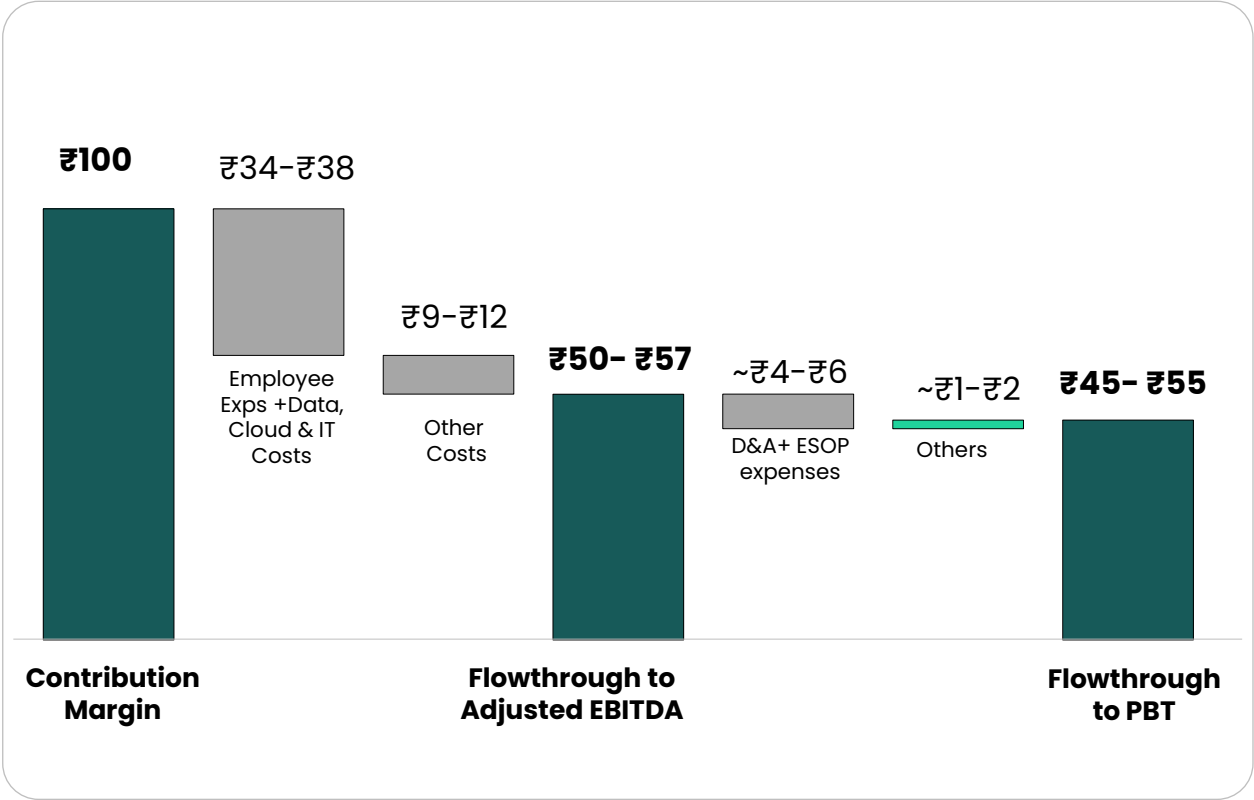


- Delivered a **significant turnaround**, supported by stronger margins, an improved mix, and disciplined cost execution.
- Depreciation** : Declining depreciation on devices, driven by increased software led model and expanded use of refurbished devices, reinforces our strategy to go capex-light
- ESOP expense** : ESOP expenses continue to decline as old grants near end of their tenure and new grants have been issued at FMV instead of deep discount prices.

(1) Refer glossary for definition of Adjusted EBITDA



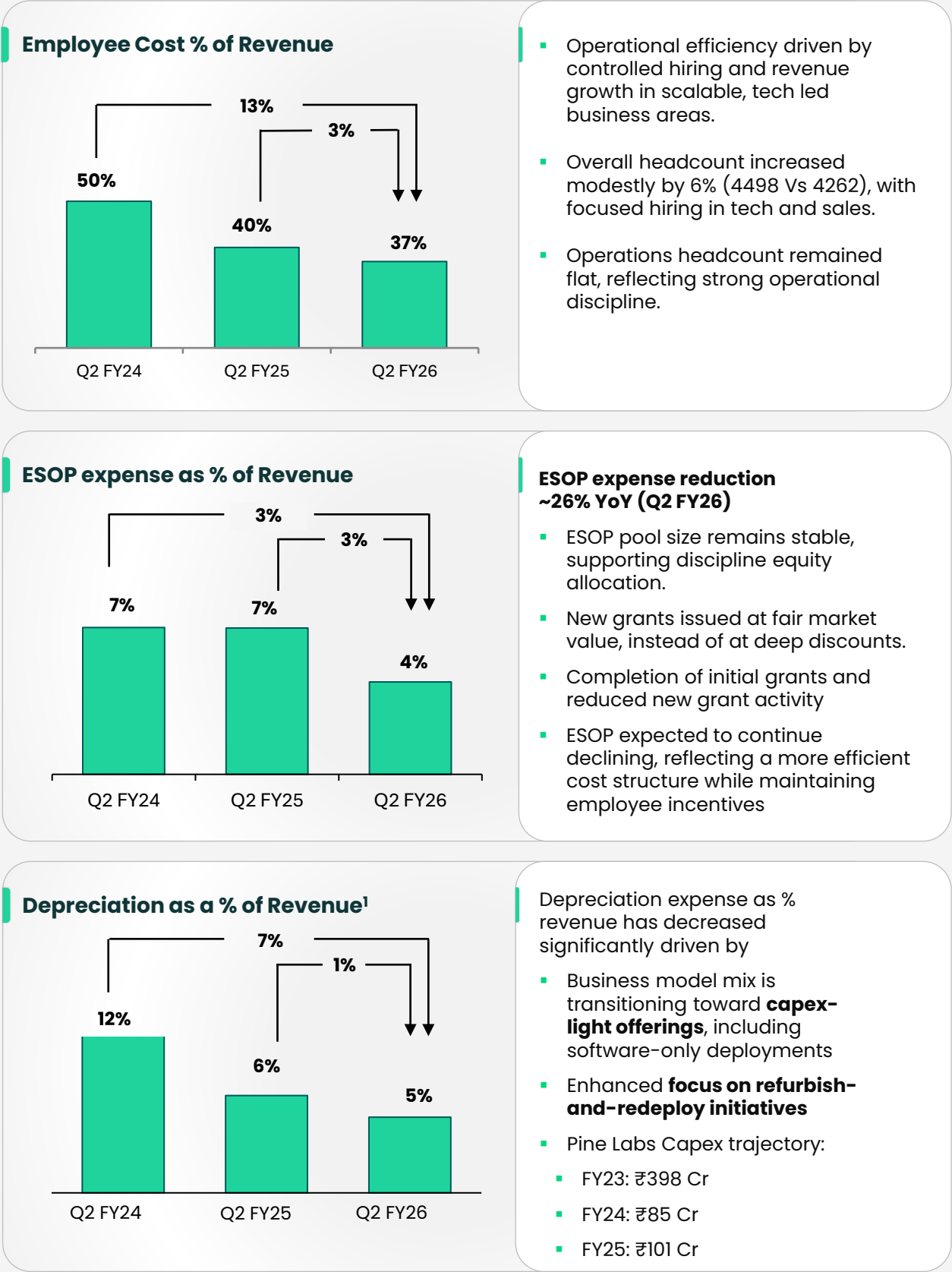
# Incremental Contribution Margin to Adjusted EBITDA & PBT flowthrough



Every **₹100 incremental contribution margin** drives **~ ₹50-₹57 incremental adjusted EBITDA** and **~ ₹45-₹55 incremental profit before tax, underscoring the strong operating leverage** in our business.



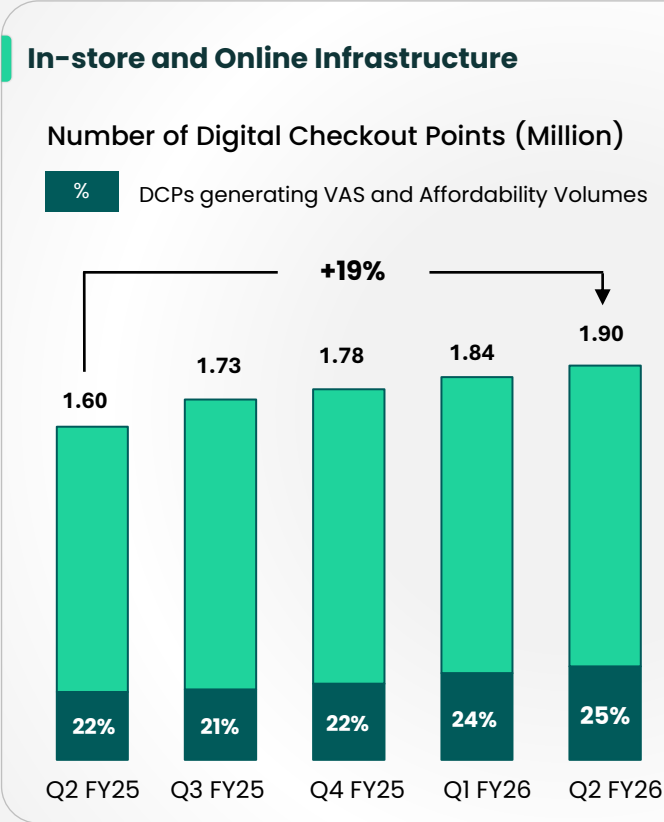
# Operating leverage firmly kicking in



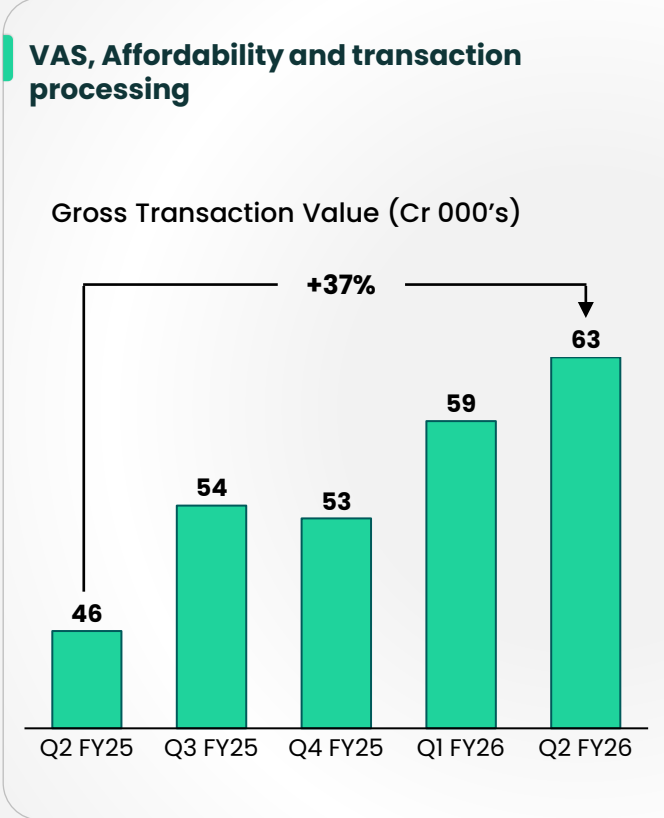
(1) Depreciation on DCPs as % of operating revenue



# Business Highlights and Q2 FY26 takeaways



- ### In-store payments
- Subscription linked revenues from our DCPs **contributed 29% of revenue** in Q2 FY26.
  - With only 25% of the installed DCP base generating VAS and Affordability volumes, there is **substantial upside to monetize** existing infrastructure by expanding penetration.
- ### Online Payments
- Online payments revenue grew 75%+ YoY.** It is now live with the top e-com, travel and retail merchants
  - New products launched** this quarter includes – Offer Suite, Split Settlement, and On-Demand Settlement, to accelerate online payment volumes



- Category expansion:** Strong momentum across automobiles, furniture, fashion and lifestyle, healthcare, and beauty and wellness.
- New products driving growth:**
  - a) Offers on UPI** – driving incremental transactions powered by integrated fraud-prevention engines
  - b) EMI World Pro (asset-lite)** – enabling merchants to seamlessly scale omni-channel affordability solutions.
  - c) Fintech partnerships** to deliver targeted offers for end consumers.
  - d) Ad and marketing services** powering higher conversions for D2C brands through precision targeting.

(1) Value added services include dynamic currency conversion, payment aggregation, affordability, pay by points, loyalty, UPI, Wallets etc.



# Business Highlights and Q2 FY26 takeaways

<div><div>Fintech Infrastructure</div><div><div>Number of Transactions (Million)</div><div><div><div><div></div></div><div><div></div></div><div><div></div></div><div><div></div></div><div><div></div></div></div><div><div>152</div><div>224</div><div>230</div><div>250</div><div>275</div></div><div><div>Q2 FY25</div><div>Q3 FY25</div><div>Q4 FY25</div><div>Q1 FY26</div><div>Q2 FY26</div></div></div><div><div>+81%</div></div></div></div> <div><ul style="list-style-type: none"><li>▪ <b>One of the best-in-class technology platform.</b></li><li>▪ <b>Bharat Connect (BBPS):</b> Engaging with top BOUs (Billor Operating Unit) and COUs (Customer Operating Unit) with focus on high-margin category expansion like prepaid recharges and foreign education payments</li><li>▪ <b>UPI:</b> Achieved record performance during festive season and continued to scale velocity check solutions, UPI Autopay for multiple OTT platforms.</li><li>▪ <b>Account Aggregator:</b> Expanding through new products (like Switchboard Orchestrator) and entering new segments (pivoting to Lenders)</li></ul></div>	<div><div>Issuing and Acquiring Platform</div><div><div>Gross Transaction Value (Cr 000's)</div><div><div><div></div></div><div><div></div></div><div><div></div></div><div><div></div></div><div><div></div></div></div><div><div>12</div><div>14</div><div>13</div><div>14</div><div>16</div></div><div><div>Q2 FY25</div><div>Q3 FY25</div><div>Q4 FY25</div><div>Q1 FY26</div><div>Q2 FY26</div></div></div><div><div>+25%</div></div></div> <div><div>India Revenue (31% growth YoY):</div><ul style="list-style-type: none"><li>▪ Launched Gift Card (GC) programs for top Quick Commerce players and major Travel platform.</li><li>▪ Enabled 10-min physical GC delivery and activated a GC marketplace on a leading bill-payments app.</li><li>▪ Delivered promo and channel programs across Paints, Agri, Cement, and Appliances.</li></ul><div><div>Launched Co-branded Card:</div><ul style="list-style-type: none"><li>▪ Partnered with a major e-commerce retailer to introduce Bharat Yatra card, a co-branded open-loop transit mobility card.</li></ul></div><div><div>International Revenue (35% YoY growth)</div><ul style="list-style-type: none"><li>▪ Driven asset-lite platform, with live programs across SEA (FairPrice), MENA (Alshaya group), the USA (Blackhawk Network, Totus partnership), Australia (Woolworths and Samsung Pay-led affiliates), and 18 airlines globally.</li></ul></div></div>
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# Management’s View: Income Statement (1/2)

Particulars	Unit	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26	YoY %	FY24	FY25
Revenue from Operations	₹ Cr	552	602	599	616	650	18%	1,770	2,274
Digital Infrastructure and Transaction Platform Revenue	₹ Cr	393	426	410	434	440	12%	1,276	1,603
Issuing and Acquiring Platform Revenue	₹ Cr	158	175	188	182	210	33%	493	671
Less: Direct Expenses	₹ Cr	141	140	154	136	152	8%	384	545
Connectivity and Operational Cost	₹ Cr	34	40	36	28	32	(8%)	123	141
COGS of DCP sale	₹ Cr	43	27	44	40	40	(7%)	112	136
Distribution cost of prepaid cards	₹ Cr	63	72	74	68	80	27%	150	269
Contribution Margin	₹ Cr	410	462	445	480	497	21%	1,385	1,729
Contribution Margin %	%	74%	77%	74%	78%	77%	3%	78%	76%
Less: Indirect Expenses	₹ Cr	335	355	361	359	375	12%	1,227	1,372
Employee expenses <sup>1</sup>	₹ Cr	220	224	223	225	239	9%	781	869
Data, cloud & tech	₹ Cr	46	49	53	48	55	20%	158	190
Legal, Audit & 3 <sup>rd</sup> Party Consultancy	₹ Cr	27	33	24	29	35	29%	116	113
Others <sup>2</sup>	₹ Cr	42	49	62	56	46	9%	172	200
Adjusted EBITDA	₹ Cr	75	108	84	121	122	62%	158	357
Adjusted EBITDA Margin %	%	14%	18%	14%	20%	19%	5%	9%	16%

(1) Excluding ESOP expenses; (2) Includes other indirect expenses netted of liabilities no longer required written back; n.m.- non meaningful





# Management’s View: Income Statement (2/2)

Particulars	Unit	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26	YoY%	FY24	FY25
Adjusted EBITDA	₹ Cr	75	108	84	121	122	62%	158	357
Adjusted EBITDA %	%	14%	18%	14%	20%	19%	5%	9%	16%
Less: Other Expenses	₹ Cr	113	159	106	125	111	(2%)	556	493
Depreciation on DCPs <sup>1</sup>	₹ Cr	34	33	38	31	32	(5%)	192	140
Other Depreciation and Amortization <sup>1</sup>	₹ Cr	41	80	35	34	35	(14%)	235	197
ESOP expense	₹ Cr	39	28	19	66	29	(26%)	106	115
Finance Cost	₹ Cr	18	22	22	21	21	18%	64	79
Others (incl. other income) <sup>2</sup>	₹ Cr	(18)	(4)	(8)	(28)	(6)	n.m.	(42)	(38)
Profit / (Loss) before Tax	₹ Cr	(38)	(51)	(22)	(5)	11	n.m.	(398)	(136)
Tax expenses/(credit)	₹ Cr	(6)	5	7	(10)	5	n.m.	(56)	9
Profit / (Loss) for the period / year	₹ Cr	(32)	(57)	(29)	5	6	n.m.	(342)	(145)

(1) Other Depreciation and Amortization includes amortization of Right of use assets, amortization of software, other intangibles, and depreciation on other assets. (this also includes Impairments, if any);

(2) Others include other income net of liabilities and provision written back plus expenses/(income) relating to fund raising, acquisition and restructuring and foreign exchange loss (net); n.m.- non meaningful



# Key Performance Indicators (KPIs)

Particulars	Unit	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26	FY24	FY25
Select Financial Metrics								
Revenue from operations	₹ Cr	552	602	599	616	650	1,770	2,274
Digital Infrastructure and Transaction Platform Revenue	₹ Cr	393	426	410	434	440	1,276	1,603
Issuing and Acquiring Platform Revenue	₹ Cr	158	175	188	182	210	493	671
Revenue from external customers – Outside India as a percentage of revenue from operations (%)	%	15%	12%	17%	15%	17%	11%	15%
Select Non-GAAP Financial Metrics								
Contribution Margin	₹ Cr	410	462	445	480	497	1,385	1,729
Contribution Margin as a percentage of revenue from operations	%	74%	77%	74%	78%	77%	78%	76%
Adjusted EBITDA	₹ Cr	75	108	84	121	122	158	357
Adjusted EBITDA Margin	%	14%	18%	14%	20%	19%	9%	16%
Select Operational KPIs								
Platform Gross Transaction Value ("Platform GTV")	₹ Cr (000's)	221	349	386	406	424	608	1,142
Digital Infrastructure and Transaction Platform GTV	₹ Cr (000's)	209	335	373	392	408	570	1,091
VAS, Affordability and Transaction Processing GTV	₹ Cr (000's)	46	54	53	59	63	142	201
Issuing and Acquiring Platform GTV	₹ Cr (000's)	12	14	13	14	16	38	52
Number of Transactions	Billions	1.3	1.6	1.7	1.8	1.9	3.4	5.7
Fintech Infrastructure Transactions	Millions	152	224	230	250	275	249	716
Digital check-out points (DCPs)	Millions	1.6	1.7	1.8	1.8	1.9	1.4	1.8
Number of Merchants	Thousands	805	916	954	988	1,035	645	954
Prepaid Cards Issued	Millions	147	184	239	225	263	529	713



# Reconciliation

## Profit/Loss after Tax to Adjusted EBITDA

Particulars	Unit	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26	FY24	FY25
Profit/(loss) for the period/year (A)	₹ Cr	(32)	(57)	(29)	5	6	(342)	(145)
Add: Total tax expense/(credit) (B)	₹ Cr	(6)	5	7	(10)	5	(56)	9
Add: Finance costs (C)	₹ Cr	18	22	22	21	21	64	79
Add: Depreciation and amortisation expenses (D)	₹ Cr	75	76	69	65	66	363	292
<b>EBITDA (E = A+B+C+D)</b>	<b>₹ Cr</b>	<b>55</b>	<b>46</b>	<b>69</b>	<b>81</b>	<b>98</b>	<b>29</b>	<b>235</b>
Add: Impairment of non-current assets (F)	₹ Cr	-	-	5	-	1	64	9
Add: Exceptional items (G)	₹ Cr	-	37	-	-	-	-	37
Add: Employee share-based payment expense (H)	₹ Cr	39	28	19	66	29	106	115
Add: Foreign exchange loss (net) (I)	₹ Cr	-	-	-	-	-	2	-
Less: Other income <sup>1</sup> (J)	₹ Cr	(22)	(3)	(10)	(10)	(6)	(49)	(44)
Add: Legal and professional expense relating to fund raising, acquisition and restructuring (K)	₹ Cr	3	-	1	3	-	10	5
Add: Employment incentive linked to acquisitions (L)	₹ Cr	-	-	-	-	-	(4)	-
Less : Liability written back on settlement of purchase consideration payable (M)	₹ Cr	-	-	-	(19)	-	-	-
<b>Adjusted EBITDA (O=E+F+G+H+I-J+K+L+M)</b>	<b>₹ Cr</b>	<b>75</b>	<b>108</b>	<b>84</b>	<b>121</b>	<b>122</b>	<b>158</b>	<b>357</b>
Revenue from operations (P)	₹ Cr	552	602	599	616	650	1,770	2,274
Adjusted EBITDA Margin (%) (Q = O/P)	₹ Cr	14%	18%	14%	20%	19%	9%	16%

(1) Other Income, excluding liabilities and provisions no longer required to be written back



# Reconciliation

## Adjusted EBITDA to Operating Cash Flow

Particulars	Unit	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26	FY24	FY25
Adjusted EBITDA	₹ Cr	75	108	84	121	122	158	357
Cash settled share-based expense	₹ Cr	(16)	(7)	(1)	(9)	-	30	(25)
Impairment losses on financial assets and contract assets	₹ Cr	5	1	13	14	10	19	30
Other items	₹ Cr	1	(12)	1	(10)	(22)	(31)	(19)
Working capital adjustments without early settlement	₹ Cr	(25)	3	(87)	(125)	161	(115)	(131)
Income taxes (paid)/received (net of refunds)	₹ Cr	21	(34)	(5)	(27)	(30)	(12)	38
<b>Adjusted Net cash generated from/(used in) operating activities</b>	<b>₹ Cr</b>	<b>61</b>	<b>59</b>	<b>5</b>	<b>(36)</b>	<b>241</b>	<b>49</b>	<b>250</b>
Add/less: Early Settlement	₹ Cr	43	7	(29)	(245)	(89)	(278)	(200)
<b>Net cash generated from/(used in) operating activities</b>	<b>₹ Cr</b>	<b>104</b>	<b>66</b>	<b>(24)</b>	<b>(281)</b>	<b>152</b>	<b>(229)</b>	<b>50</b>



# What's on Investors Mind

## Profitability

### Q1.

**Adjusted EBITDA margins have significantly improved – 19% in Q2 FY26 from 16% in FY25 and 9% in FY22. What is the steady state margins of this business? Is that sustainable for the growth envisaged?**

There is a significant opportunity for adjusted EBITDA improvement. Adjusted EBITDA margins expanded from 9% in FY22 to 16% in FY25 to 19% in Q2 FY26.

Adjusted EBITDA improvement flows from revenue and contribution margin growth. Our contribution margin grew by 21% YoY in Q2 FY26. As a tech company, every incremental increase in contribution margin doesn't create any significant increase in expenses. Over the last year, our costs grew by just 11%.

Headcount and transaction-processing costs are largely fixed at the current scale, so higher volumes don't need proportional increases in people or infrastructure. This enables us to retain a large share of contribution margin as adjusted EBITDA and PAT.

Every ₹100 of incremental contribution margin generates ~₹50-₹57 of incremental adjusted EBITDA and ~₹45-₹55 of incremental profit before tax, demonstrating strong operating leverage.

Our product mix is also shifting. About 60% of our revenues now come from Issuing & Acquiring, VAS, Affordability and Online businesses, growing over 30% YoY and requiring relatively lower employee and operating costs.

As these scalable, tech-led businesses compound and fixed costs are spread over a larger base, Pine Labs expects margin expansion to be sustainable alongside the growth trajectory.

# What's on Investors Mind

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## Revenue | Growth

### Q2.

#### **Why has the overall H1 FY26 growth rate at 18% vs a higher CAGR witnessed in earlier years?**

Revenue grew 18% in Q2 FY26, with contribution margin up by 21%.

Pine Labs is deliberately moving away from hardware-included deals to capex-light software deals, where the company earns primarily software and platform revenues. These streams are more efficient and margin accretive but have lower absolute revenue per deployment, which naturally moderates reported topline growth.

Another point to remember is that on a two-year basis, performance remains strong, with revenues up 64% between Q2 FY24 and Q2 FY26. Q2 FY25 was an unusually strong quarter.

Our Issuing, VAS, Affordability, and Online are all growing at 30%+ YoY and are increasingly driving incremental growth for Pine Labs.

# What's on Investors Mind

## Revenue | Issuing & Acquiring Platform

### Q3.

#### What is driving the growth rate in Issuing and Acquiring Platform Revenue business?

Prepaid is a fast-growing segment in the payments industry (26% CAGR). Pine Labs is the market leader in this segment.

The strong growth in Pine Labs' issuing & acquiring business (33% YoY in Q2 FY26) is driven by new logo sign ups and deeper penetration with existing brands, multiple new use cases, and expanding international partnerships.

#### India business (31% growth):

- Processing and Distribution for **top Indian Ecom and Quick Commerce** companies continued to drive core business growth.
- Deeper integration on workflows with existing processing clients and focusing on new use-cases: **Wallet, Refund, Transit**, etc. Under Transit, Bharat Yatra card for metro travel was launched under "One Nation One Card" and a Co-brand in partnership with top Ecom retailer.
- **Distribution** growth: Fueled by the expansion of engagement and loyalty solutions catering to Channel loyalty, Consumer promotions, Employee R&R and diversification across Paints, Agri, Cement and Appliances.
- Increased sales through **Gift Card Store/marketplaces** via Ecom retailers, Woohoo (Pine Lab's B2C gift card store), and partners (like CRED)
- **Gifting Convenience**: 10-min physical gift card delivery in metros

#### International business (35% growth):

- Growth was driven by processing use cases for wallets and refunds, while distribution benefited from replicating India's success model and launching Gift Card Marketplace (GCM).
- **Airlines**: Scaled airline partnerships across all continents - currently live with 18 airlines
- **MENA**: Added prepaid programs with top retail franchise and luxury goods leader
- **SEA and Australia**: Deepening use-cases and integration with large retailers and launching of gift card stores
- **USA**: Focusing on expanding via partnership with Blackhawk group and Totus

# What's on Investors Mind

## International Markets | Growth

### Q4.

#### What is Pine Labs presence in International markets? What is Pine Labs right to win in international markets?

We have clients in 20 countries globally. International business grew ~30% YoY in Q2 FY26 (₹108 crore vs ₹83 crore), representing a solid foundation from which to build accelerated growth.

Region	Status & Growth Driver
Southeast Asia (SEA)	<ul style="list-style-type: none"><li>▪ Scored significant wins including acquiring partnership with the biggest bank in Malaysia; 30k POS<sup>1</sup> deployed</li><li>▪ Processing solution with biggest fintech in Philippines</li><li>▪ Affordability solution across 3 countries</li><li>▪ Gift cards solution deployed in 5 countries</li></ul>
Middle East and North Africa (MENA)	<ul style="list-style-type: none"><li>▪ Strategic partnership with Emirates NBD which is expanding its offering by leveraging Pine Labs' Credit+ platform to deliver merchant acquiring and processing solutions for its corporate and institutional clients, initially in the UAE then across Saudi Arabia and Egypt.</li></ul>
Australia	<ul style="list-style-type: none"><li>▪ Live with Woolworths – largest Retailer in Australia – for gift card solutions.</li><li>▪ Integrated with Samsung Pay for issuing.</li></ul>
United States	<ul style="list-style-type: none"><li>▪ Partnership with Blackhawk Network (BHN) for prepaid and digital payouts;</li></ul>
Other Markets	<ul style="list-style-type: none"><li>▪ Live with 18 global Airlines</li><li>▪ Launching innovative products in this category, leveraging proprietary tech stack.</li></ul>

We have a proven track record of winning and successfully implementing programs in international markets. The strategy has been to lead with products that are easy to replicate globally, starting with our prepaid solutions and acquiring/processing capabilities.

Our open, scalable tech platform lets us enter new markets quickly and tailor local use cases, backed by deep fintech expertise. We have competed in open global RFPs, won against leading international fintech players, and delivered complex multi-country processing solutions.

On the strength of our execution track record and a highly portable technology stack, Pine Labs is well positioned to continue building on its international growth





# What's on Investors Mind

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## Revenue | In-store

### Q5.

#### **What is the contribution of the In-store (POS) business to the overall revenue?**

In-store (POS) subscription-based revenues contributed ~29% of overall revenue in Q2 FY26.

Our Issuing, VAS, Affordability and Online businesses are all growing at 30%+ YoY and increasingly driving the incremental growth for Pine Labs. Over time, we expect roughly three-quarters of our overall revenue to come from these businesses.

While the POS franchise will remain a large and strategic pillar—anchoring merchant relationships and powering transaction volumes—the primary drivers of future growth and margin expansion will be platform revenues, Issuing, Affordability, and other technology-led services delivered on top of the installed POS base. Pine Labs continues to drive unique solutions for the merchants and driving higher volumes and transactions on our platform.



# What's on Investors Mind

## Cash Flows

Q6.

The company reported positive operating Cashflow of ₹152 Cr versus negative operating cashflows of ₹280 Cr in Q1 FY26? What factors have driven this change? Is this a sustainable trend going forward?

Our cash generation in the core business remains strong. The quarter-on-quarter swing in reported operating cashflows is primarily linked to movements in Early Settlement to merchants, where we advance T+1 settlement ahead of counterparty settlement from banks, schemes, large brands. This working-capital component that is seasonal and volume-linked, leading to fluctuations across quarters.

Early-settlement incremental deployment was ₹245 Cr in Q1 FY26 vs ₹89 Cr in Q2 FY26.

Outside of the early settlement rest of the cashflows for Q2 FY26 which we are calling Adjusted Operating Cashflow was (₹36) Cr in Q1 FY26 and was healthy ₹241 Cr in Q2 FY26.

Please find below a table capturing the details:

Particulars (₹ Cr)	Unit	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26	FY 24	FY 25
Net cash generated from/(used in) operating activities	₹ Cr	104	66	(24)	(281)	152	(229)	50
(Less)/Add: Early Settlement	₹ Cr	(43)	(7)	29	245	89	278	200
Adjusted Net cash generated from/(used in) operating activities	₹ Cr	61	59	5	(36)	241	49	250



# What's on Investors Mind

## Impact of UPI

### Q7.

#### **What is the impact of growing UPI on our business? Can it disrupt our business model?**

Growing UPI volumes are a clear net positive for Pine Labs. UPI volumes processed on Pine Labs terminals have grown over 50% YoY, and overall UPI values and volumes are expected to keep rising as customers and merchants increasingly prefer instant, account-to-account payments.

Pine Labs is building the rails and value-added services on top of UPI. The platform focuses on solving acceptance, routing and reconciliation for UPI at the core infrastructure level, and then layers capabilities such as offers, EMLs, loyalty, and campaign management. This allows merchants and brands to run the same marketing and instalment programs across both cards and UPI, while Pine Labs captures a greater share of wallet from its clients.

Banks are already running a growing portion of their offers, EMLs and instalment products on UPI as well as card rails, and are largely instrument-agnostic. Because Pine Labs' offer-management and campaign engine sits above the payment type, the company can process and monetize this spend irrespective of whether the underlying transaction is on a card or UPI.

Additionally, Pine Labs earns subscription rentals on its POS terminals and platform fees that are independent of payment instrument, providing a stable revenue base even as mix shifts from cards to UPI. Over the medium and long term, UPI broadens the overall digital transaction pie and increases traffic on Pine Labs' rails, making it a structural tailwind that deepens merchant engagement and boosts platform usage.



## Glossary (1/2)

Term	Description
<b>Adjusted EBITDA</b>	Adjusted EBITDA which is calculated as EBITDA less (i) other income; plus (ii) impairment of non-current assets; plus (iii) exceptional items; plus (iv) employee share based payment expense; plus (v) foreign exchange loss (net); plus (vi) liabilities and provisions no longer required written back; plus (vii) legal and professional expense relating to fund raising, acquisition and restructuring; plus (viii) employment incentive linked to acquisitions less (ix) liability written back on settlement of purchase consideration payable.
	Adjusted EBITDA does not include certain components of other income, namely interest income under the effective interest method on financial assets carried at amortised cost on bank deposits, interest income under the effective interest method on financial assets carried at amortised cost on security deposits, interest income under the effective interest method on financial assets carried at amortised cost on finance lease, interest on income tax refunds, gain on sale of property, plant and equipment, liability written back on settlement of purchase consideration payable, net gain on lease termination, net gain arising on financial assets mandatorily measured at FVTPL on fair valuation income on derivative call option, gain on sale of mutual funds and fair valuation gain of mutual funds and miscellaneous income. EBITDA is earnings before interest, tax, depreciation and amortisation expenses which is calculated as profit/(loss) for the period/year plus (i) tax expenses; plus (ii) finance costs; plus (iii) depreciation and amortisation.
<b>Adjusted EBITDA Margin</b>	Adjusted EBITDA Margin is Adjusted EBITDA divided by revenue from operations for the year/period.
<b>VAS, Affordability, Transaction Processing GTV</b>	VAS, Affordability and Transaction Processing GTV is defined as the total transaction value primarily processed for our Affordability solutions, Payment Aggregation, Dynamic Currency Conversion (DCC) and UPI offerings. This is a subset of entire Digital Infrastructure and Transaction Platform GTV
<b>Contribution Margin</b>	Contribution Margin is calculated by deducting the transaction and related costs, purchases of stock-in-trade and changes in inventories of stock-in-trade (excluding attributable employee benefits expense, finance costs, depreciation and amortisation expenses, impairment of non-current assets, impairment losses on financial assets and contract assets and other expenses) from revenue from operations for the period/year.
<b>Contribution Margin as a percentage of revenue from operations</b>	Contribution Margin as a percentage of revenue from operations is Contribution Margin divided by revenue from operations for the year/period.
<b>"Digital check-out points" or "DCPs"</b>	Digital check-out points represent the number of live touchpoints (at the end of the period) at merchant stores powered by our platform



## Glossary (2/2)

Term	Description
<b>Digital Infrastructure and Transaction Platform GTV</b>	Digital Infrastructure and Transaction Platform GTV is defined as the total transaction value processed through our Digital Infrastructure and Transaction Platform
<b>Digital Infrastructure and Transaction Platform Revenue</b>	Digital Infrastructure and Transaction Platform Revenue includes revenue derived from subscription, transaction, VAS and other services offered including Affordability transactions. Revenue is primarily earned from merchants, acquirers, credit partners and consumer brands
<b>Fintech Infrastructure Transactions</b>	Fintech Infrastructure Transactions is defined as transactions to facilitate payment to a payee or biller or a transaction to collect financial data from financial institutions
<b>Issuing and Acquiring Platform GTV</b>	Issuing and Acquiring Platform GTV represents the total value of either (i) funds loaded onto prepaid instruments (through activations and reloads), or (ii) redemptions made through certain prepaid instruments, net of returns and chargebacks. It also includes the sale value of prepaid cards distributed.
<b>Issuing and Acquiring Platform Revenue</b>	Issuing and Acquiring Platform Revenue includes revenue primarily from issuing and processing services, distributing prepaid cards, interest on funds held for customers and breakage income
<b>Number of Merchants</b>	Number of Merchants are the unique customers that are using at least one product on our platform at the end of the respective period
<b>Number of Transactions</b>	Number of Transactions is defined as the aggregate number of transactions processed by the Group within all its product offerings
<b>Percentage of revenue from operations from outside India</b>	Defined as the aggregate total percentage of the revenue from operations earned by the Group for services rendered outside of India to the base of overall revenue from operations for the period
<b>Platform GTV</b>	Platform GTV is defined as the total transaction value processed through all our platforms
<b>Prepaid Cards Issued</b>	Prepaid Cards Issued refers to number of prepaid cards issued and billed by the Group.
<b>Revenue from operations</b>	Revenue from operations is defined as revenue from the sale of all products and services and other operating revenue in our Digital Infrastructure and Transaction Platform and Issuing and Acquiring Platform



# Disclaimer

## Forward looking statements

Certain statements are included in this document which contain words or phrases, such as 'will', 'aim', 'will likely result', 'believe', 'expect', 'will continue', 'anticipate', 'estimate', 'intend', 'plan', 'contemplate', 'seek to', 'future', 'objective', 'goal', 'project', 'should', 'will pursue' and similar expressions or variations of these expressions, that are 'forward-looking statements'. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions, in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in the Indian and foreign laws and regulations, including tax, accounting and RBI guidelines, changes in competition and the pricing environment in India, regional or general changes in asset valuations, pandemics, and general economic conditions affecting our industry, incidence of natural calamities and/or acts of violence. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what may actually occur in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated.

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# Thank You

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