



Date: August 04, 2023

**BSE Limited
Phiroze Jeejeebhoy
Towers, Dalal Street,
Mumbai – 400 001
India**

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

Scrip Code: 543529

Symbol: DELHIVERY

Sub: Investor Presentation for the 'Earnings Audio / Video (AV) Conference Call' scheduled to be held on August 05, 2023 by Delhivery Limited ('the Company').

Dear Sir/ Madam,

In furtherance to our earlier communication dated August 01, 2023 w.r.t. Earnings Audio / Video Conference Call and pursuant to the provisions of Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR"), please find a copy of the Investor Presentation, on Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended June 30, 2023, proposed to be presented at the upcoming Earnings Audio / Video (AV) Conference Call scheduled to be held on Saturday, August 05, 2023, at 4:00 PM (IST) by the Company.

The aforesaid presentation will also be hosted on the Company's website at www.delhivery.com

You are requested to take the same on your record.

Thank you.

**Yours sincerely,
For Delhivery Limited**

**Vivek Kumar
Company Secretary & Compliance Officer
Membership No: A 20938
Place: Mumbai**

Encl: As above

An aerial photograph of a large, modern industrial warehouse. The roof of the building is a light color and features the word 'DELHIVERY' in large, bold, black letters. The building is surrounded by a parking lot filled with many trucks, and there are some trees and other structures in the background. The overall scene is in a dark, monochromatic style with some highlights.

DELHIVERY

**Earnings Presentation
Q1 FY24**

Safe harbour and disclaimer

This Presentation is prepared by Delhivery Limited (“Company”) and is for information purposes only without regards to specific objectives, financial situations or needs of any particular person and nothing in it shall be construed as an invitation, offer, solicitation, recommendation or advertisement in respect of the purchase or sale of any securities of the Company or any affiliates in any jurisdiction or as an inducement to enter into investment activity and no part of it shall form the basis of or be relied upon in connection with any contract or commitment or investment decision whatsoever. This Presentation does not take into account, nor does it provide any tax, legal or investment advice or opinion regarding the specific investment objectives or financial situation of any person. This Presentation and its contents are confidential and proprietary to the Company and/or its affiliates and no part of it or its subject matter be used, reproduced, copied, distributed, shared, or disseminated, directly or indirectly, to any other person or published in whole or in part for any purpose, in any manner whatsoever.

Certain statements in this communication may be ‘forward looking statements’ within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company’s operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, labour laws, import duties, litigation and labour relations etc.

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Company without necessary diligence and relying on their own examination of Delhivery Limited along with the equity investment risk which doesn't guarantee capital protection.



Positive momentum continues

India's largest integrated logistics platform⁽¹⁾

₹1,930 Cr

Q1 FY24 revenue from services



11% / 4%

YoY / QoQ growth rate⁽²⁾



(1.3%)

Adjusted EBITDA margin



182 Mn

(YoY:19.2%; QoQ:1.2% growth)
Express parcels shipped in Q1 FY24



343K Tons

(YoY:43.7%; QoQ:8.0% growth)
PTL freight handled in Q1 FY24



18,530

Pin-codes covered⁽³⁾



26.5K+

Active customers^(4,5)



53%

Revenue from customers
using two or more services⁽⁵⁾



17.39

Mn sq ft. logistics infrastructure⁽⁶⁾



(1) As per RedSeer report basis FY21 revenue

(2) Growth rate of revenue from services (excluding revenue from traded goods)

(3) As of June 30, 2023; these reflect such pin-codes on which shipments were delivered during the quarter; there were other pin-codes on which our services were active, but no shipments were received to be delivered during the quarter

(4) Active customers for a quarter are those customers on whom an invoice was raised at least once during the quarter

(5) For Q1 FY24

(6) As of June 30, 2023

Key operating metrics

As of end of / for the period

	Q1 FY22	Q1 FY23	Q4 FY23	Q1 FY24
Pin-code reach ⁽¹⁾	17,045	18,435	18,540	18,530
Countries and territories served ⁽²⁾	65+	220+	220+	220+
No. of active customers ⁽³⁾	21,342	29,282	27,253	26,514
Infrastructure (in million sq. ft.)	12.42	18.89	17.99	17.39
Gateways	86	96	94	101
Automated sort centers	20	21	24	24
Processing centers	144	189	174	176
Express delivery centers	2,235	2,948	2,880	3,170
Partner centers (constellation/BAs)	1,162	1,210	1,175	1,039
Freight service centers	104	237	141	128
Team size ⁽⁴⁾	39,978	58,045	57,307	60,322
Partner agents ⁽⁵⁾	26,370	29,808	34,987	34,858
Fleet size – daily average	<i>Not available</i>	11,366	11,105	11,961
Revenue/sq.ft. (₹, Transportation) ⁽⁶⁾	5,138	4,363	4,871	5,157
Revenue/sq.ft. (₹, Warehousing) ⁽⁷⁾	<i>Not available</i>	598	662	731

(1) Out of 19,300 Pin-codes as per India Post

(2) Through Delhivery and partner (FedEx and Aramex) networks

(3) Active Customers for a quarter are those customers on whom an invoice was raised at least once during such quarter. Active Customers for a year are calculated as the average number of Active Customers for each of the quarters in the period

(4) Includes permanent employees and contractual workers (excluding partner agents, daily wage manpower and security guards) as of the last day of the relevant period

(5) Count of last mile delivery partner agents in the last month of the relevant period

(6) Derived by dividing annualized Express Parcel + PTL freight revenue by total logistics area excluding warehousing area; annualized for Q1 FY24

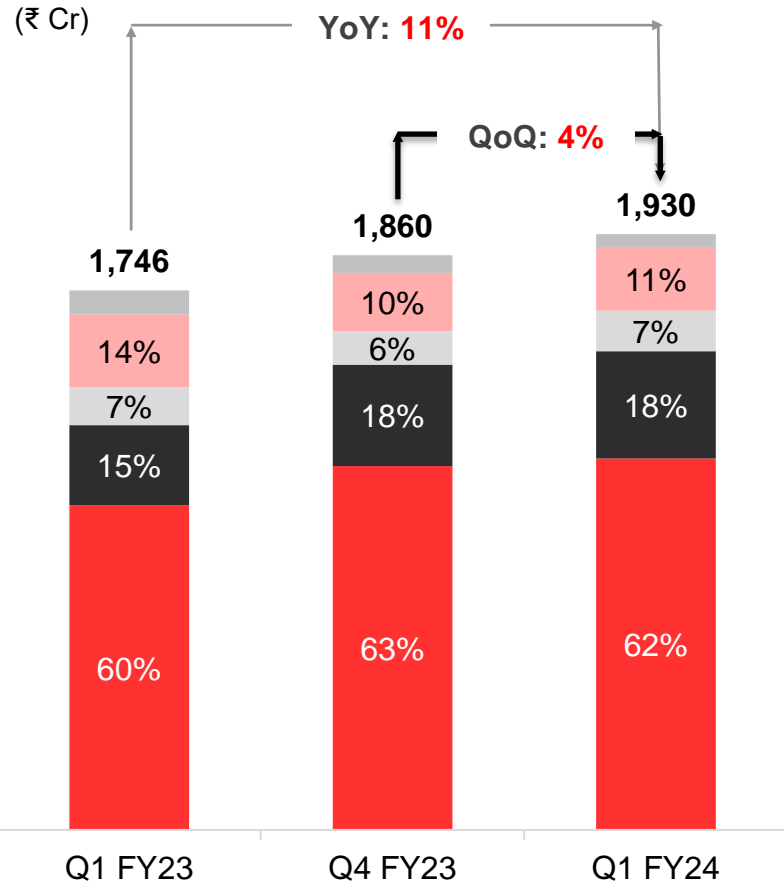
(7) Derived by dividing annualized revenue from warehousing segment of Supply Chain Services by weighted average warehousing area for the year; annualized for Q1 FY24

Quarterly highlights

- 1 Express: Steady shipment volume in a seasonally weak quarter; 19% YoY growth in volumes**
- 2 PTL: Strong growth momentum continues in Q1 (8% QoQ over seasonally strong Q4), service levels continue to be consistently robust, price-revisions and churn of low-margin customers continues**
- 3 Supply Chain: New mandates with marquee clients - Havells, Tata Motors, MamaEarth**
- 4 >50% of outsourced fleet in mid-mile now sourced through Orion platform; launched intra-city sourcing as well**
- 5 OS1: Dispatch1, first SaaS product launched on OS1 platform**
- 6 Investment in Vinculum to expand VAS for D2C customers**

Q1 FY24 performance

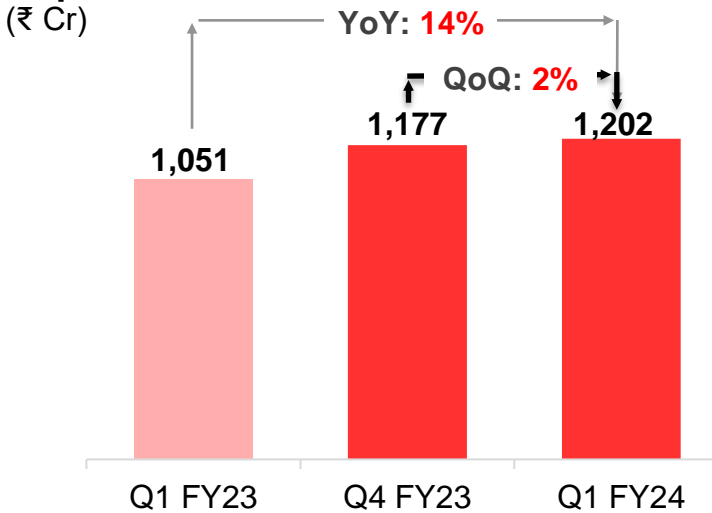
Revenue from services⁽¹⁾



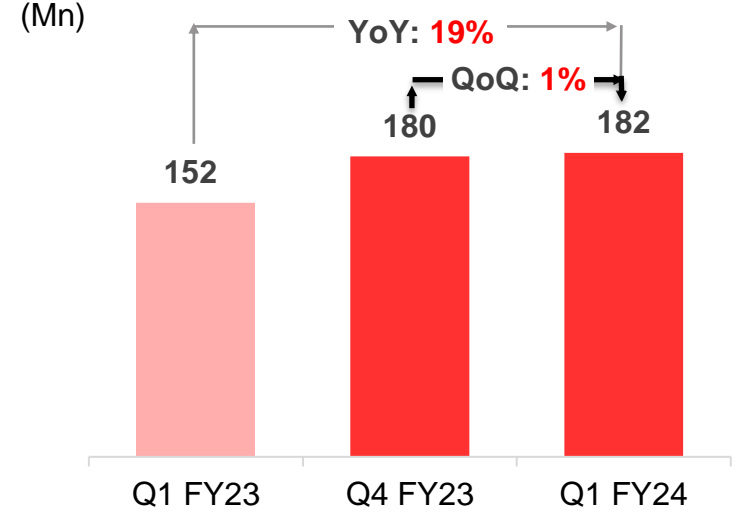
■ Express Parcel ■ PTL ■ TL ■ SCS ■ Cross Border

⁽¹⁾ Revenue from services excludes revenue from traded goods
 Note: Due to rounding off, totals may not correspond with the sum of the separate figures

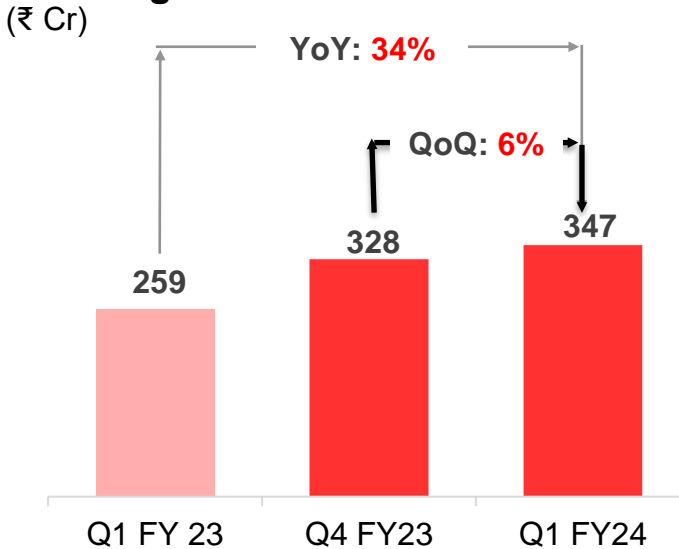
Express Parcel revenue



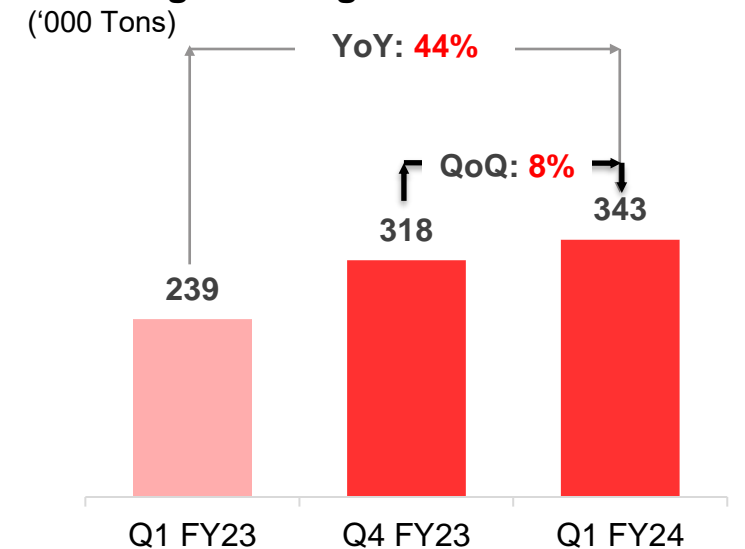
Express Parcel shipments



PTL freight revenue

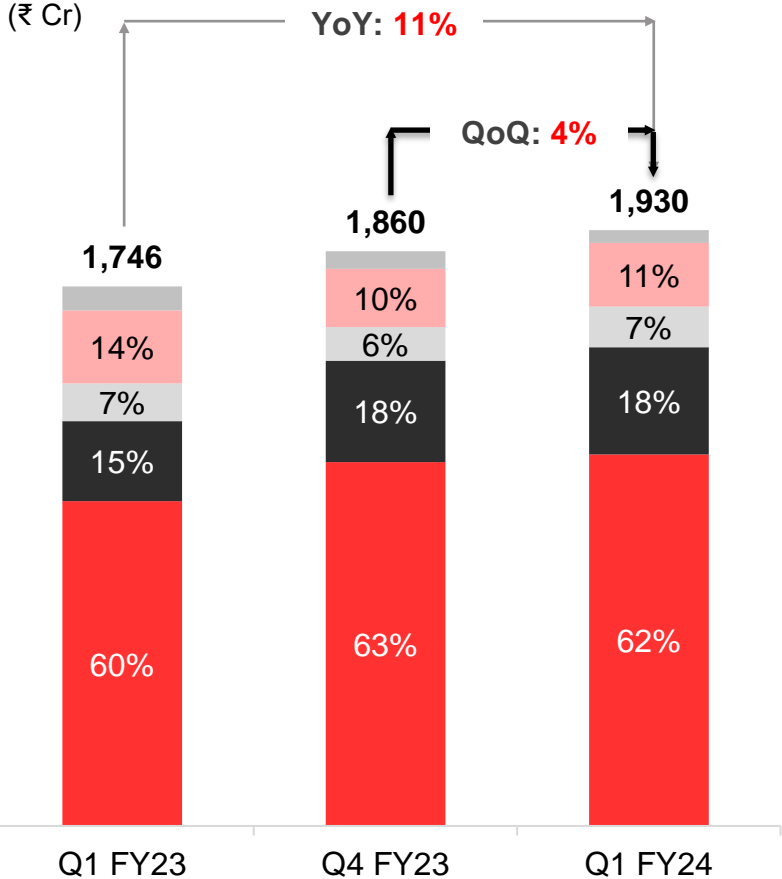


PTL freight tonnage



Q1 FY24 performance

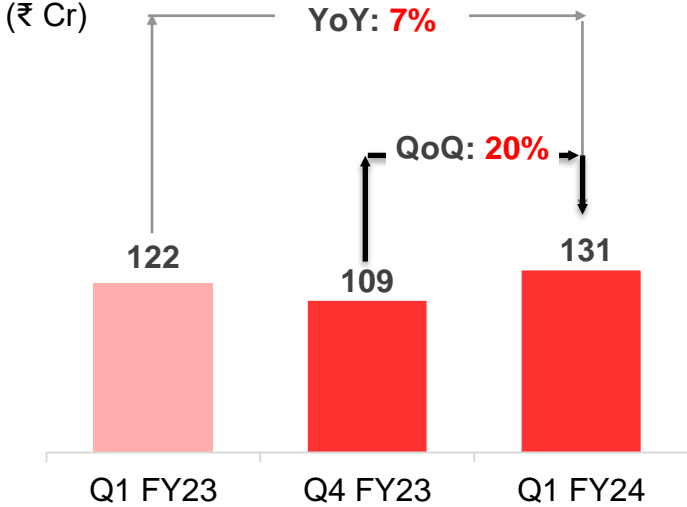
Revenue from services⁽¹⁾



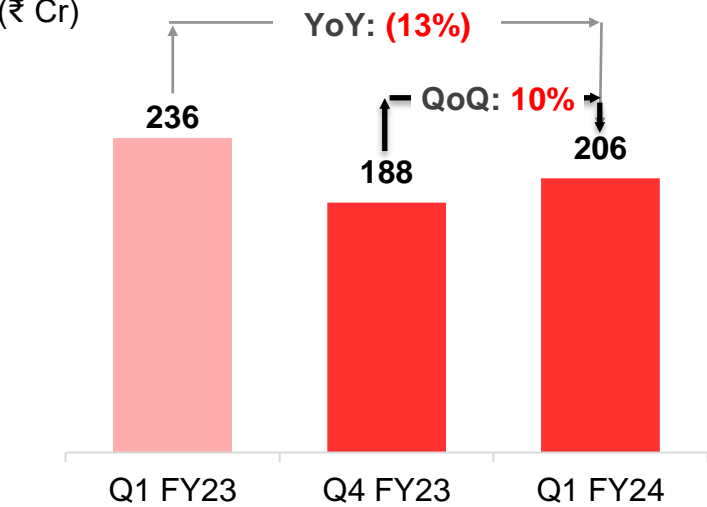
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⁽¹⁾ Revenue from services excludes revenue from traded goods
 Note: Due to rounding off, totals may not correspond with the sum of the separate figures

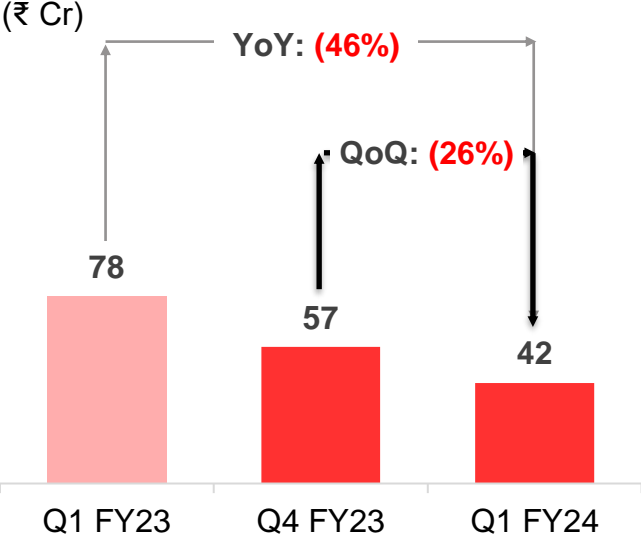
TL revenue



Supply Chain Services revenue

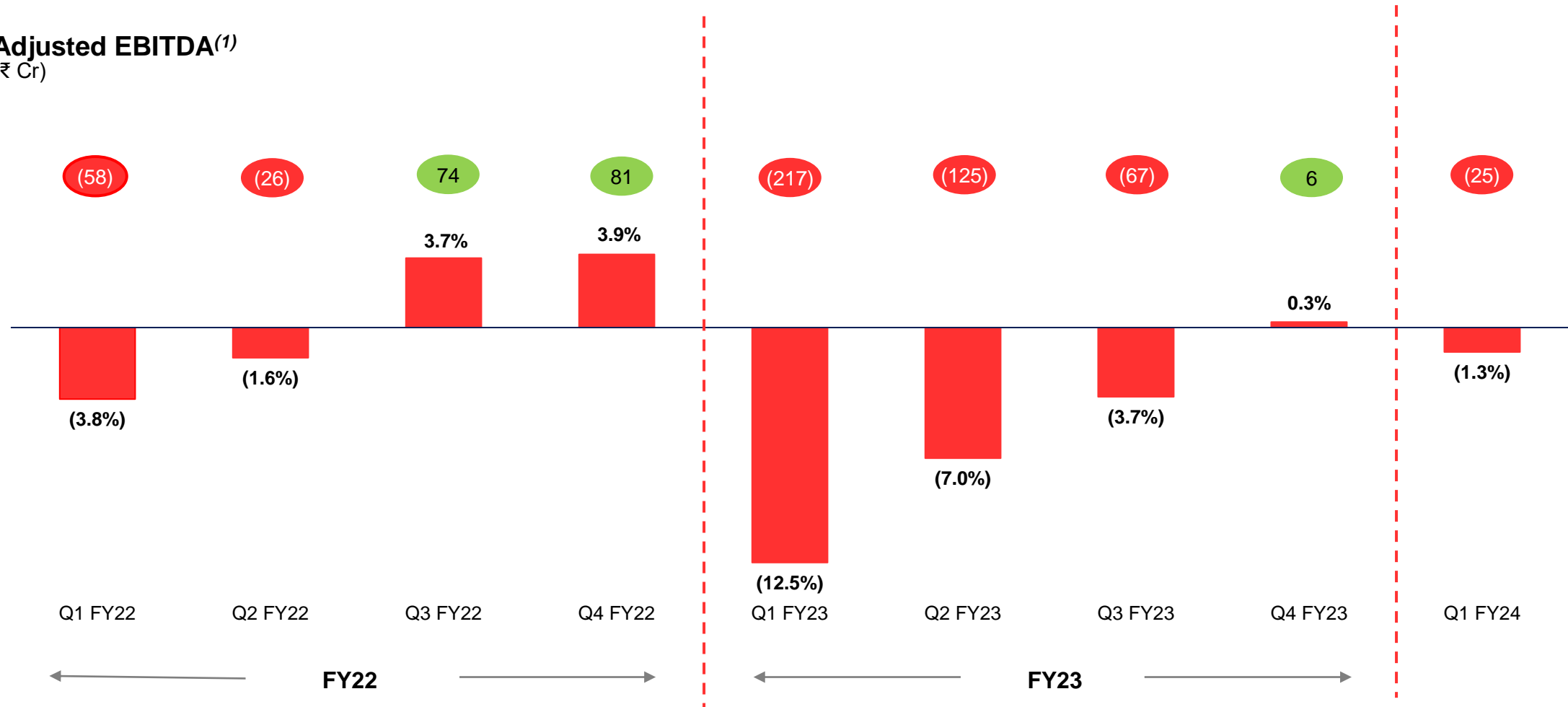


Cross Border Services revenue



Adjusted EBITDA

Adjusted EBITDA⁽¹⁾
(₹ Cr)



(1) Q1 FY22 figures are on proforma basis

Adjusted EBITDA

Service EBITDA refers to cash EBITDA generated after accounting for direct variable and fixed costs of operations, excluding corporate overheads

₹ Cr	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	FY23
Revenue from customers⁽¹⁾	1,746	1,796	1,824	1,860	1,930	7,225
Service EBITDA	(6)	86	139	205	196	422
Service EBITDA margin	(0.3%)	4.8%	7.6%	11.0%	10.2%	5.8%
Less: Corporate overheads	211	210	206	200	221	826
<i>Corp. overheads (% of revenue)</i>	<i>12.1%</i>	<i>11.7%</i>	<i>11.3%</i>	<i>10.7%</i>	<i>11.4%</i>	<i>11.4%</i>
Adjusted EBITDA	(217)	(125)	(67)	6	(25)	(404)
Adjusted EBITDA margin	(12.5%)	(7.0%)	(3.7%)	0.3%	(1.3%)	(5.6%)

Note: Due to rounding off, totals may not correspond with the sum of the separate figures

(1) Includes revenue from services and traded goods

Q1 FY24: Drivers of adjusted EBITDA movements vs Q4 FY23

₹ Cr		Remarks
Q4 FY23 Adjusted EBITDA (A)	6	
Incremental revenue in Transport (Express and PTL)	44	
Incremental gross profit in Transport (Express and PTL) (B1)	~17	<i>Prior to 1Q specific items listed below</i>
(-) Impact of annual wage increments (B2)	~(4)	
(-) Planned investments in last mile (B3)	~(2)	<ul style="list-style-type: none"> • <i>DC capacity expansion</i>
(-) Impact of uncontrollable factors (B4)	~(4)	<ul style="list-style-type: none"> • <i>Security and weather impact</i>
Total increase in Transport gross profit (C=B1+B2+B3+B4)	~7	
(-) Increase in Transport fixed costs (D)	(13)	<ul style="list-style-type: none"> • <i>Mid-mile capacity investment</i> • <i>Annual wage increases of supervisory employees</i>
Total Decrease in Transport service EBITDA (E=C+D)	(6)	
(-) Increase in service EBITDA of non-transport businesses (F)	(3)	
(-) Increase in Corporate costs (G)	(21)	<ul style="list-style-type: none"> • <i>Annual increments in salaries (~6 Cr)</i> • <i>One-time milestone-based payouts for employees of acquired robotics company (~5 Cr)</i> • <i>Investments in marketing program starting this FY (~3 Cr)</i> • <i>Provisioning for ongoing commercial disputes with certain vendors (~2 Cr)</i>
Total Change in Q1 FY24 (H=E+F+G)	(30)	
Q1 FY24 Adjusted EBITDA (A+H)	(25)	

Cost Drivers – Q1 FY24 vs Q4 FY23

₹ Cr	Q1 FY22	Q1 FY23	Q4 FY23	Q1 FY24	FY23
Freight, Handling and Servicing Cost^(1,2)	868	1,453	1,372	1,438	5,669
% of Revenue from services⁽²⁾	75.2%	83.2%	73.8%	74.5%	78.5%
Line haul expenses	428	648	616	648	2,517
% of revenue	37.1%	37.1%	33.1%	33.6%	34.8%
Vehicle rental expenses	222	361	384	388	1,523
% of revenue	19.3%	20.7%	20.6%	20.1%	21.1%
Contractual manpower expenses	128	240	206	233	893
% of revenue	11.1%	13.8%	11.1%	12.1%	12.4%
Rent	30	64	65	69	269
% of revenue	2.6%	3.7%	3.5%	3.6%	3.7%
Security expenses	16	24	21	23	91
% of revenue	1.4%	1.4%	1.2%	1.2%	1.3%
Power, fuel & water charges	21	44	37	38	168
% of revenue	1.8%	2.5%	2.0%	2.0%	2.3%
Packing material	3	7	6	7	25
% of revenue	0.2%	0.4%	0.3%	0.4%	0.3%
Stores and spares	8	8	4	7	19
% of revenue	0.7%	0.4%	0.2%	0.4%	0.3%
Lost shipment expense (net)	12	56	32	26	163
% of revenue	1.0%	3.2%	1.7%	1.3%	2.3%

(1) On reported basis

(2) Breakup as per notes to accounts

Adjusted EBITDA Bridge

Adjusted EBITDA

₹ Cr	Q1 FY23	Q4 FY23	Q1 FY24	FY23	Remarks
Total revenue from customers	1,746	1,860	1,930	7,225	
Less: Freight handling and servicing cost	1,453	1,372	1,438	5,669	
Less: Change in inventory of traded goods	0	0	0	2	
Less: Employee benefit expense	350	357	353	1,400	
Less: Other expenses	197	117	152	605	
Add: Fair value loss on investments at fair value through profit or loss	16	(17)	0	(2)	Non-cash expense/(gain) due to mark to market of short-term financial investments included in other expenses
Reported EBITDA	(239)	(4)	(13)	(452)	
Add: Share based payment expenses	70	73	55	289	Accounting expenses towards ESOPs already granted
Add: IPO expense	16	0	0	16	IPO related non-operating expenses
Less: Actual lease rent paid	65	64	66	258	Actual cash rent paid on leased properties recognized under Ind AS 116
Adjusted EBITDA	(217)	6	(25)	(404)	

Note: Due to rounding off, totals may not correspond with the sum of the separate figures

Appendix

Quarterly financial performance

Income (₹ Cr)	Q1 FY23	Q4 FY23	Q1 FY24	Q-o-Q%	Y-o-Y%		FY23
Revenue for services (A)	1,746	1,860	1,930	4%	11%		7,224
Revenue from traded goods (B)	0	0	0	-	-		2
Revenue from customers (A+B)	1,746	1,860	1,930	4%	11%		7,225
Other income	49	75	101	36%	108%		305
Total income	1,795	1,934	2,031	5%	13%		7,530
Expense							
Total freight, handling and servicing cost	1,453	1,372	1,438	5%	(1%)		5,669
Employee benefit expense							
<i>Employee benefit expense excl. share-based payments & one-time expenses</i>	281	284	299	5%	6%		1,111
<i>Employee benefit expense: share based payments</i>	70	73	55	(26%)	(21%)		289
Other operating expense	197	117	152	29%	(23%)		607
Finance costs	25	19	20	3%	(21%)		89
Depreciation and amortization expense	181	242	167	(31%)	(8%)		831
Total expenses	2,206	2,108	2,130	1%	(3%)		8,597
Share of profit / (loss) of associates (net)	6	1	6	-	6%		14
Profit / (Loss) before exceptional items and tax	(405)	(173)	(92)	-	-		(1,053)
Profit / (Loss) after Tax	(399)	(159)	(89)	-	-		(1,008)
Adj. EBITDA	(217)	6	(25)				(404)
Adj. EBITDA margin	(12.5%)	0.3%	(1.3%)	(157bps)	1,118bps		(5.6%)

Note: Due to rounding off, totals may not correspond with the sum of the separate figures

Wide ownership across organization

ESOPs ⁽¹⁾		
Stage	Total	% shareholding on fully diluted basis
ESOPs granted, of which	36,745,890	4.55%
<i>Vested</i>	8,479,542	
<i>Unvested</i>	28,266,348	
ESOPs ungranted, of which	39,036,941	4.84%
<i>Time-based ESOPs⁽²⁾</i>	24,139,441	
<i>Performance-based ESOPs⁽³⁾</i>	14,897,500	
Total (Granted + Ungranted)⁽⁴⁾	75,782,831	9.39%

Number of Employees holding ESOPs⁽¹⁾ (vested + unvested) : 1,623

Note: Any new ESOP grants made in the future will be duly notified to the stock exchanges

(1) As of 30th June 2023

(2) Vesting period of 4 years with schedule of 10%-30%-30%-30%

(3) To be unlocked in three equal tranches upon achieving share prices of ₹800, ₹1,000 and ₹1,200; and vest equally over 2 years thereafter

(4) Out of the total ESOP pool of 76.5Mn, 43.7Mn options have time-based vesting and 32.9Mn options have performance-based vesting

Projected ESOP costs

Estimated P&L charge (non-cash) for ESOPs already granted

₹ Cr	Cost of time-based options ⁽¹⁾	Cost of performance-based options ⁽²⁾
FY24	165	94
FY25	93	40
FY26	36	12
FY27	4	2
FY28	0	0
Total	298	147

Note: Any new ESOP grants made in the future will be duly notified to the stock exchanges

(1) Related to costs attributable to time-based ESOPs already granted; in event of forfeiture of ESOPs upon resignation/ termination of employee prior to completion of vesting, costs will be reversed

(2) Related to costs attributable to performance-based ESOPs already granted. The cost is calculated using Monte Carlo simulation. Options to be unlocked in three equal tranches upon achieving share prices of ₹800, ₹1,000 and ₹1,200; and vest equally over 2 years thereafter

Definitions and abbreviations

Cross Border	Cross border express parcel and freight service by the Company
Pro forma financials	The pro forma consolidated P&L and adjusted EBITDA have been compiled by our Company to illustrate the impact of the acquisition of SpotOn Logistics Private Limited on our consolidated financial statements for the year ended March 31, 2022 as if the acquisition occurred on 1 st April 2021 and have not been reviewed / audited by auditors
PTL freight	Part truck load freight service by the Company
RedSeer report	Report titled “Logistics Market in India” dated April 21, 2022 prepared by RedSeer in connection with the recent public offer by the Company
SCS	Supply chain services by the Company through which the Company provides integrated supply chain solutions
SpotOn	SpotOn Logistics Private Limited
TL	Truck load freight service by the Company which connects shippers with fleet-owners and suppliers of truckload capacity across the country via a centralized bidding and matching engine



Thank You

For any queries please write to us at ir@delhivery.com

