

To  
BSE Limited  
Department of Corporate Services,  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001

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

**Scrip Code: 543320, Scrip Symbol: ZOMATO  
ISIN: INE758T01015**

**Sub: Shareholders letter dated August 3, 2023**

Dear Sir/ Ma'am,

Pursuant to Regulations 30 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), please find enclosed shareholders letter dated August 3, 2023, from Mr. Deepinder Goyal, Managing Director & Chief Executive Officer of the Company and Mr. Akshant Goyal, Chief Financial Officer of the Company.

The above information will also be hosted on the website of the Company i.e., [www.zomato.com](http://www.zomato.com)

**For Zomato Limited**

**Sandhya Sethia**  
**Company Secretary & Compliance Officer**  
**Place: Gurugram**  
**Date: August 3, 2023**

**zomato**

# Shareholders' Letter and Results

Q1FY24 | AUGUST 3, 2023

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Our overall mission statement

# Powering India's changing lifestyles

ZOMATO | BLINKIT | HYPERPURE

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## IN THIS REPORT WE COVER

- 01** Zomato's business performance in Q1FY24
  - 02** Progress on profitability
  - 03** Update on dining-out
  - 04** Our new ESG goal
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## OUR VISION STATEMENTS

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### **Better food for more people**

ZOMATO & HYPERPURE

### **Instant commerce indistinguishable from magic**

BLINKIT

### **Make India malnutrition free**

FEEDING INDIA

# Q1FY24 (Quarter Ending June 30, 2023)

## Headline Results

### Milestone Alert 📢

- **Consolidated business (including quick commerce) is now Adjusted EBITDA and PAT positive** (first time ever!). We have (again) delivered ahead of our guidance on getting to this milestone
  - a. Adjusted EBITDA was +INR 12 crore in Q1FY24
  - b. Profit after Tax (PAT) was +INR 2 crore
- **Quick commerce (Blinkit) business turned Contribution positive** for the first time ever, in the month of June 2023. New guidance alert - we believe we can deliver **Adjusted EBITDA breakeven in the quick commerce business in the next four quarters**

### Consolidated

Adjusted Revenue

**INR 2,786 crore**

▲ 54%

YoY growth

Adjusted EBITDA

**INR 12 crore**

INR -150 crore (Q1FY23)

▲ INR 162 crore YoY improvement

Adjusted EBITDA margin

**0.4%**

▲ 9% (percentage points)

YoY improvement

### Excluding quick commerce

Adjusted Revenue

**INR 2,402 crore**

▲ 33%

YoY growth

Adjusted EBITDA

**INR 145 crore**

INR -150 crore (Q1FY23)

▲ INR 295 crore YoY improvement

Adjusted EBITDA margin

**6%**

▲ 14% (percentage points)

YoY improvement

Notes:

- 1) Adjusted Revenue defined as revenue from operations as per financials (+) actual customer delivery charges paid in the food delivery business (net of any discounts, including free delivery discounts on account of Zomato Gold program).
- 2) Adjusted EBITDA defined as EBITDA (+) share-based payment expense (-) rental paid for the period pertaining to 'Ind AS 116 leases'.
- 3) Adjusted EBITDA margin as a % of Adjusted Revenue.

In the letter below, we will address the key questions that we think investors might have.

## Q1. In the last quarterly shareholders' letter, you had mentioned that consolidated business will become profitable in the following four quarters. And that has been delivered in the very next quarter. How did this happen?

**Akshant:** Realistically speaking, we were expecting to hit this milestone in the September quarter (Q2FY24), and we were being conservative in our earlier guidance. However, some critical parts of the team across our businesses out-executed our expectations/plans, and some of our initiatives delivered better outcomes than we had expected.

**Deepinder:** We have been working hard to make our business less complex, and putting the right people at the right spots within our businesses. These things do not have definite/measurable impact, and I can in hindsight say that most of our seemingly "risky" bets have changed the trajectory of the business significantly, much faster than we expected.

I am thankful, and proud of the team and the culture that we are building at Zomato. Empowering this stellar team to do their best work everyday (and making sure that it continues to be a stellar team) remains one of my topmost priorities at work.

## Q2. Can we expect profitability to continue and sustain from hereon?

**Akshant:** Yes, we expect our business to remain profitable going forward and knowing what we know today, we believe we will continue to deliver 40%+ YoY topline (Adjusted Revenue) growth for at least the next couple of years.

## Q3. Please share the usual Q1FY24 data update across the entire business.

**Akshant:** Here you go.

Note: Please refer to Annexure C for definitions of metrics reported below.

### Consolidated summary financials

#### Adjusted Revenue

<i>INR crore, unless otherwise mentioned</i>	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
Food delivery	1,470	1,581	1,565	1,530	1,742
Hyperpure (B2B supplies)	273	334	421	478	617
Quick commerce <sup>(1)</sup>	-	142 <sup>(1)</sup>	301	363	384
Others	67	49	75	43	43
<b>Adjusted Revenue</b>	<b>1,810</b>	<b>2,107<sup>(1)</sup></b>	<b>2,363</b>	<b>2,413</b>	<b>2,786</b>
YoY % change	56%	48%	66%	57%	54%
<b>Adjusted Revenue (ex-quick commerce)</b>	<b>1,810</b>	<b>1,965</b>	<b>2,062</b>	<b>2,051</b>	<b>2,402</b>
YoY % change	56%	38%	45%	33%	33%

## Adjusted EBITDA

<i>INR crore, unless otherwise mentioned</i>	<b>Q1FY23</b>	<b>Q2FY23</b>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>
Food delivery	-113	2	23	78	181
Hyperpure (B2B supplies)	-44	-53	-53	-45	-35
Quick commerce <sup>(1)</sup>	-	-132 <sup>(1)</sup>	-227	-203	-133
Others	6	-9	-9	-5	-1
<b>Adjusted EBITDA</b>	<b>-150</b>	<b>-192<sup>(1)</sup></b>	<b>-265</b>	<b>-175</b>	<b>12</b>
<i>as a % of Adjusted Revenue</i>	-8%	-9%	-11%	-7%	0.4%
<b>Adjusted EBITDA (ex-quick commerce)</b>	<b>-150</b>	<b>-60</b>	<b>-38</b>	<b>28</b>	<b>145</b>
<i>as a % of Adjusted Revenue (ex-quick commerce)</i>	-8%	-3%	-2%	1%	6%

Notes:

- 1) Q2FY23 Blinkit numbers are not fully comparable with Q3FY23, Q4FY23 and Q1FY24 numbers as Q2FY23 data consolidates Blinkit financials only for part of the quarter (~50 days) (transaction closed on August 10, 2022).
- 2) 'Others' includes (a) dining-out revenue in India and UAE, (b) revenue from Zomato Live that includes events like Zomaland. Till Q3FY23, there were two other sub-segments included in 'Others' - (i) revenue from food delivery services that we offered to Talabat in UAE which was a pass-through revenue (EBITDA neutral) and has been discontinued in Nov-22 and (ii) revenue from our Zomato Pro and Pro plus membership programs in India, which have now been discontinued.
- 3) Up until Q1FY23, Adjusted EBITDA did not include the rental expenses on certain leases that are required to be capitalised as per Indian Accounting Standard 116 (Ind AS 116). From Q2FY23 onwards, we have included the actual rent paid for the period under such leases in the Adjusted EBITDA computation to reflect our cash loss / profit more appropriately. We have not reflected this change in the earlier quarters. Refer to Annexure B for details regarding actual rent paid during the quarter.
- 4) Adjusted Revenue shown above does not include inter-segment revenue.
- 5) There could be some totalling anomalies in the numbers displayed above due to the impact of rounding off.

Following are the key metrics across individual businesses -

### Food delivery

#### Financial metrics

<i>INR crore, unless otherwise mentioned</i>	<b>Q1FY23</b>	<b>Q2FY23</b>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>
GOV	6,425	6,631	6,680	6,569	7,318
Adjusted Revenue	1,470	1,581	1,565	1,530	1,742
Contribution	179	297	339	380	466
Contribution as a % of GOV	2.8%	4.5%	5.1%	5.8%	6.4%
Adjusted EBITDA	-113	2	23	78	181
Adjusted EBITDA as a % of GOV	-1.8%	0.0%	0.3%	1.2%	2.5%

#### Operating metrics

<i>'000, unless otherwise mentioned</i>	<b>Q1FY23</b>	<b>Q2FY23</b>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>
Average monthly transacting customers (million)	16.7	17.5	17.4	16.6	17.5
Average monthly active food delivery restaurant partners	208	207	209	215	226
Average monthly active delivery partners	319	341	330	316	352

## Hyperpure (B2B supplies)

### Financial metrics

INR crore, unless otherwise mentioned	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
Revenue	273	334	421	478	617
YoY % change	263%	199%	169%	146%	126%
Adjusted EBITDA	-44	-53	-53	-45	-35
as a % of Adjusted Revenue	-16%	-16%	-13%	-9%	-6%

## Quick commerce

### Financial metrics

INR crore, unless otherwise mentioned	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
GOV	1,172	1,482	1,749	2,046	2,140
Revenue	164	236	301	363	384
Contribution	-203	-108	-79	-56	-14
Contribution margin (as a % of GOV)	-17.3%	-7.3%	-4.5%	-2.7%	-0.6%
Adjusted EBITDA	-326	-259	-227	-203	-133
Adjusted EBITDA margin (as a % of GOV)	-27.8%	-17.5%	-13.0%	-9.9%	-6.2%

### Operating metrics

million, unless otherwise mentioned	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
Orders	22.2	26.1	31.6	39.2	36.8
Average order value (AOV) (INR)	528	568	553	522	582
Average monthly transacting customers	2.2	2.6	3.1	3.9	3.9
Average GOV per day, per dark store (INR '000)	309	422	524	625	620
Dark stores at the end of the period (#)	409	366	362	377	383

Note: GOV per day, per dark store is calculated as a simple average of total GOV transacted on a particular day divided by total number of dark stores operational on that day, for that period.

## Q4. What were the key drivers of the 11% QoQ growth in food delivery GOV?

**Rakesh:** GOV growth was driven by robust growth in number of orders as well as modest uptick in average order value. Following four factors were the primary reasons for this growth – (1) the demand recovery, which we started seeing since February this year, continued into Q1FY24, (2) Q1 usually tends to be a seasonally stronger quarter for us, (3) growing adoption of our Gold program which drove higher frequency of ordering and now contributes to 30%+ of GOV in the food delivery business, and most importantly (4) great execution by the team, especially on ensuring delivery partner availability in a quarter impacted by adverse weather (both extreme heat and untimely rains).

## Q5. Do you expect this growth momentum to sustain in the coming quarters?

**Rakesh:** As I mentioned above, there has been some recovery in demand in the recent months, which is a significant improvement over the sluggish growth we have seen over the last few quarters (which reflects in the fairly low YoY GOV growth of only 14% in the last quarter). However, the QoQ growth of 11% makes us believe that YoY growth has bottomed out and we should see increasing YoY growth from now onwards.

## Q6. What led to the improvement in Adjusted EBITDA margin in the last quarter?

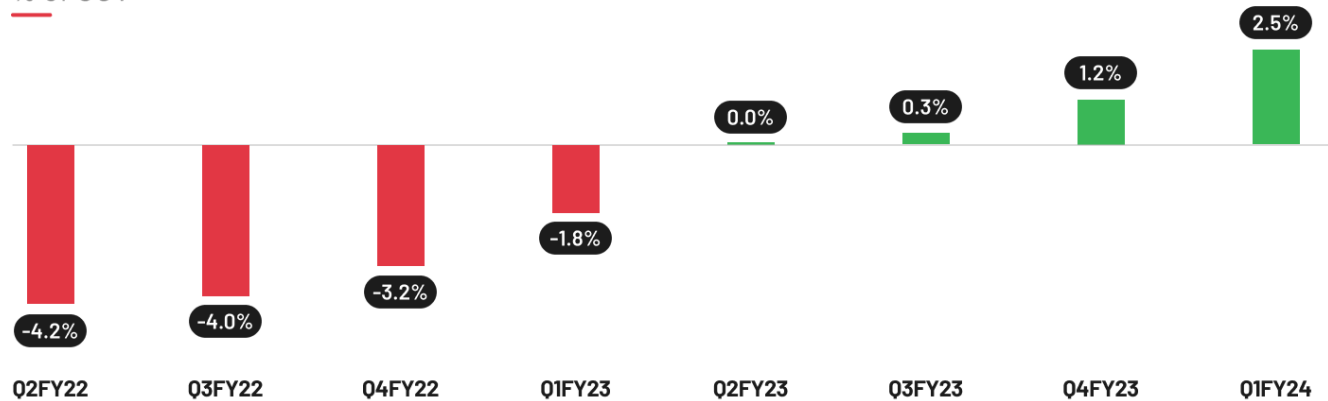
**Rakesh:** The margin improvement was driven by both cost side levers and revenue side levers, in addition to some accumulation of operating leverage due to growth in the business. We don't want to disclose any further information for competitive reasons.

## Q7. What do you think about the sustainability and further improvement of these margins?

**Deepinder:** The below chart shows the improvement in our Adjusted EBITDA margin (as a % of GOV) over the last 8 quarters (2 years) -

### Food delivery Adjusted EBITDA margin

% of GOV



The progress above has been a result of years of work and incremental improvements in the scale, efficiency and durability of our business. While doing so, however, we obsess about the value that we add to the lives of our stakeholders - our customers, restaurant partners and delivery partners. We realise all too well that our business can be viable only if we ensure the viability and well-being of all our stakeholders.

**Akshant:** We believe (as we have mentioned in the past) that this business could get to 4-5% Adjusted EBITDA margin (as a % of GOV) in a few quarters from now. However, executing on margin improvement hereon is only going to get harder as we approach the 4-5% range.

## Q8. Moving onto Blinkit, the muted top line growth was unexpected. AOV went up meaningfully (unexpectedly) while the number of orders declined QoQ. Can you elaborate on what happened?

**Albinder:** The slower sequential GOV growth in Q1FY24 was mainly due to the temporary business disruption we had in the month of April resulting from the change in the delivery partner payout structure. Due to this, some of our dark stores were shut for a few days in certain parts of the country, which caused a decline in overall order volumes during the quarter. While the operations were back on within a few days, we faced a challenging period of around 45 days where the overall gig workers available to work in our system were 15-20% lower than normal. This was due to the above disruption as well as the heat and incessant rains. For us, this started to normalise in early June and we have seen healthy growth since then.

AOVs, as we mentioned last time, will continue to swing up and down in the near to medium term due to multiple (mainly seasonal) factors.

## Q9. Have we reached a stage in this business where there needs to be a trade-off on growth to get to profitability?



**Albinder:** Not at all. We should continue to see 60%+ YoY GOV growth in this business while continuing to improve economics. We think the business is still very nascent, with only ~4 million monthly transacting customers and a limited geographical footprint, especially given the massive size of the opportunity.

In fact, we recorded our highest-ever GOV and transacting customers in the month of June-23 (and then July), after recovering from the business disruption. And based on our current volumes, we are expecting a QoQ GOV growth of 20%+ in Q2FY24.

Our focus is steadily on growing our business both in terms of number of customers and their monthly wallet share, and if we do that successfully, profitability will be the outcome.

### **Q10. How confident are you of getting to Adjusted EBITDA break-even over the next 4 quarters?**

**Albinder:** Getting to sustainable positive Contribution at a business level was the first step, but there's a lot that needs to come together in order to get to Adjusted EBITDA break-even. Doing that in conjunction with the store expansion plan (about 100 net new stores during FY24) is going to be challenging, but the team is very determined to deliver on growth AND profitability over the next few months.

We are also confident that we will get to Adjusted EBITDA break-even at a cumulative investment much lower than USD 320 million that we had indicated in August 2022.

### **Q11. How large do you think the Blinkit business can become compared to Zomato?**

**Deepinder:** I can proudly say that Blinkit's GOV is very close to Zomato's GOV in some of the large cities where we have an overlapping presence. This is just the start, and I believe that 10 years from now, Blinkit will drive more value for our shareholders than Zomato.

### **Q12. What is leading to hyper growth in Hyperpure?**

**Deepinder:** Hyperpure revenue grew 29% QoQ (126% YoY) to INR 617 crore in Q1FY24, driven by growth across our core restaurant supplies business as well as the newer quick commerce opportunity that we started tapping a couple of quarters ago.

In our restaurant supplies business, we increased the minimum order value threshold below which restaurants are not allowed to place orders on Hyperpure. This led to two things - 1) the smaller, unprofitable restaurants churned out and 2) the average order value on our platform went up, driving both growth in revenue and improvement in profitability.

As the business scales, we are also seeing some efficiency gains in our overall supply chain cost, which drove further improvement in profitability in the quarter.

### **Q13. Can you give us an update on the Dining-out business?**

**Deepinder:** The dining-out business, *finally*, is starting to shape up well. The revamped product is being well received by both customers and restaurant partners.

INR 515+ cr of GOV was transacted through Zomato Dining-Out in India in Q1FY24, which is ~7% of the GOV our food delivery business did in the same quarter. This business is also already profitable with an Adjusted EBITDA margin (as a % of GOV) of about 1% in Q1FY24 for the India business. At scale, we think that the dining-out business has the potential to generate 5%+ Adjusted EBITDA margins (as a % of GOV).

By the way, the 'Others' segment in our P&L also includes our nascent Zomato Live (events and ticketing) business - the vertical which hosts food carnivals called "Zomaland". Our exposure to the live events space, and Zomaland's success has us excited about how the live-events space in India is evolving.

Dining-out + Live = "Going-out". We believe this combo could be the 4th large business coming out of Zomato, that powers India's changing lifestyles. Next quarter onwards, we are going to report 'Going-out' as a separate business segment in our financials. We are also contemplating spinning out our Going-out business into a separate app, in-line with our so-far-successful strategy of building super brands (and not super apps). We would love to hear your opinion/input on this at [shareholders@zomato.com](mailto:shareholders@zomato.com).

#### **Q14. Now that you are profitable, how do you think about getting into new businesses (or not) from hereon?**

**Deepinder:** In our business so far, one thing has led to another. Let me explain how.

We started off with the restaurant listings business back in 2008, which opened the doors for the food delivery marketplace business in 2015. We acquired Runnr in 2017 to pivot our 3PL food delivery service into a 1PL full stack food delivery business. As our food delivery business started scaling, and we had access to thousands of restaurants, we acquired Hyperpure in 2018 as an obvious next step for our business. We would have never had the courage to get into quick commerce had we not built B2B sourcing capabilities through Hyperpure and the efficient last mile delivery capabilities through our food delivery business. Today, as we are scaling the dining-out business, we are seeing another opportunity to build an events and ticketing business (Zomato Live), alongside the dining-out business.

Looking back, when we started most of our current businesses, it was far from obvious (from the outside) that these would be viable businesses eventually. But we backed our conviction and foresight, took risks against the popular opinion, and executed with our heads down to convert these risks into rewards.

As we continue to grow, I am sure we will spot new opportunities where we have a right to win. I do not want us to operate with a rigid mindset of what kind of businesses we should (or should not) get into. And we will of course be thoughtful about capital allocation.

#### **Q15. Have you identified any new business/ opportunity that is imminent?**

**Deepinder:** As a founder, I always keep getting excited about new ideas, or transforming existing businesses into something more, but as I sleep over them, very few of these ideas keep me excited for more than a few days / weeks. And as of now there are none. And also, as of now, our hands are full.

Over the long term, I hope we continue to find new opportunities and build new businesses so that we are able to attract and retain high quality talent by providing them with steep growth opportunities - I would hate to lose the talent that we have nurtured over the years and see them create value somewhere else.

#### **Q16. What is the latest on the ESG front?**

**Deepinder:** We have an important update to share this quarter.

We believe that climate change is the most significant challenge faced by humanity today. The problem of global warming is now more serious than it has ever been and is impacting human life adversely through erratic weather patterns including heat waves, floods, storms, rising sea levels, among others. It is now imperative for all of us to play our part in limiting global emissions to ensure that we leave behind a clean and safe planet for our future generations.

Starting this fiscal year (FY24), we have taken on a new goal for ourselves - to achieve Net Zero emissions across Zomato's food delivery value chain in the next 10 years i.e., by 2033. Our Net Zero ambition is aligned with the goal of the 2015 Paris Agreement to limit global temperature increase to 1.5°C above pre-industrial levels.

Up until now, we were neutralising the emissions generated across our food delivery value chain through purchase of carbon credits. By adopting a 'Net Zero' target, we will now focus on reduction of emissions, while using the purchase of carbon credits only to a very limited extent.

As a major step towards Net Zero, we have set ourselves two emission reduction targets for Zomato Limited (on a standalone basis) -

1. Maintain net Scope 1 & 2 emissions at zero, mainly through renewable energy solutions for our own facilities
2. Reduce our Scope 3 last-mile food delivery emissions per kilometre by 70% by FY30 from a base year of FY22, through our commitment to achieving 100% EV-based deliveries by FY30 and by exploring renewable energy-based charging solutions for two-wheeler EVs to reduce residual emissions from charging EVs through grid electricity

## Q17. Please share an update on the cash balance at the end of Q1FY24.

**Akshant:** The cash balance on a consolidated basis as at the end of 30th June 2023 was INR 11,573 crore as compared to INR 11,323 crore as at the end of 31st March 2023.

Below is the bridge between Adjusted EBITDA and the opening and closing cash balance for Q4FY23 and Q1FY24.

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>
<b>Adjusted EBITDA</b>	<b>-265</b>	<b>-175</b>	<b>12</b>
Add: Treasury income received	117	230	329
Less: Capital expenditure incurred	-35	-25	-24
Add: Other items	-13	10	-91
<b>Cash (burn) / surplus</b>	<b>-197</b>	<b>40</b>	<b>226</b>
Add: (Increase) / Decrease in net working capital	114	-180	25
<b>Change in cash</b>	<b>-83</b>	<b>-140</b>	<b>251</b>
Add: Opening cash balance	11,546	11,463	11,323
<b>Closing cash balance</b>	<b>11,463</b>	<b>11,323</b>	<b>11,573</b>

Note: Treasury income is as per actual cash received (and not on accrual basis). Hence, there will be quarterly variation in the quantum.

In Q1FY24, we took a strategic call to redeploy a large chunk of our fixed deposits into longer duration government securities and corporate bonds (AAA rated) with much higher yields. In the process, on account of premature liquidation of fixed deposits, we received additional accrued interest pertaining to past quarters as cash, which substantially increased our treasury income receipts. Hence, going forward, we expect the treasury income receipts to be much lower than the levels we saw in Q1FY24.

## Q18. Anything else you would like to add?

**Deepinder:** No, we have covered all the relevant questions in our minds.

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THE END

## Annexure A - Quarterly disclosures

### Consolidated summary financials

#### Adjusted Revenue

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#### Adjusted EBITDA

INR crore, unless otherwise mentioned	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
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<b>Adjusted EBITDA</b>	<b>-150</b>	<b>-192<sup>(1)</sup></b>	<b>-265</b>	<b>-175</b>	<b>12</b>
as a % of Adjusted Revenue	-8%	-9%	-11%	-7%	0.4%
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as a % of Adjusted Revenue (ex-quick commerce)	-8%	-3%	-2%	1%	6%

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- 1) Q2FY23 Blinkit numbers are not fully comparable with Q3FY23, Q4FY23 and Q1FY24 numbers as Q2FY23 data consolidates Blinkit financials only for part of the quarter (~50 days)(transaction closed on August 10, 2022).
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- 5) There could be some totalling anomalies in the numbers displayed above due to the impact of rounding off.

## Food delivery

### Financial metrics

INR crore, unless otherwise mentioned

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GOV	6,425	6,631	6,680	6,569	7,318
Adjusted Revenue	1,470	1,581	1,565	1,530	1,742
Contribution	179	297	339	380	466
Contribution as a % of GOV	2.8%	4.5%	5.1%	5.8%	6.4%
Adjusted EBITDA	-113	2	23	78	181
Adjusted EBITDA as a % of GOV	-1.8%	0.0%	0.3%	1.2%	2.5%

### Operating metrics

'000, unless otherwise mentioned

	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
Average monthly transacting customers (million)	16.7	17.5	17.4	16.6	17.5
Average monthly active food delivery restaurant partners	208	207	209	215	226
Average monthly active delivery partners	319	341	330	316	352

## Hyperpure (B2B supplies)

### Financial metrics

INR crore, unless otherwise mentioned

	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
Revenue	273	334	421	478	617
YoY % change	263%	199%	169%	146%	126%
Adjusted EBITDA	-44	-53	-53	-45	-35
as a % of Adjusted Revenue	-16%	-16%	-13%	-9%	-6%

## Quick commerce

### Financial metrics

INR crore, unless otherwise mentioned

	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
GOV	1,172	1,482	1,749	2,046	2,140
Revenue	164	236	301	363	384
Contribution	-203	-108	-79	-56	-14
Contribution margin (as a % of GOV)	-17.3%	-7.3%	-4.5%	-2.7%	-0.6%
Adjusted EBITDA	-326	-259	-227	-203	-133
Adjusted EBITDA (as a % of GOV)	-27.8%	-17.5%	-13.0%	-9.9%	-6.2%

### Operating metrics

million, unless otherwise mentioned

	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24
Orders	22.2	26.1	31.6	39.2	36.8
Average order value (AOV)(INR)	528	568	553	522	582
Average monthly transacting customers	2.2	2.6	3.1	3.9	3.9
Average GOV per day, per dark store (INR '000)	309	422	524	625	620
Dark stores at the end of the period (#)	409	366	362	377	383

Notes:

- 1) Q1FY23 and Q2FY23 numbers shown above for Blinkit are unaudited, MIS based numbers as received from Blinkit. However, consolidation of Blinkit numbers in books of Zomato Limited is only from August 10, 2022 onwards.
- 2) Refer to Annexure C for definitions relating to the Blinkit business.

## Annexure B - Adjusted Revenue and Adjusted EBITDA reconciliation

The following table reconciles audited revenue from operations and stated loss for the period (as per IND AS) with Adjusted Revenue and Adjusted EBITDA.

### Adjusted Revenue

<i>INR crore, unless otherwise mentioned</i>	<b>Q4FY23</b>	<b>Q1FY24</b>
Revenue from operations	2,056	2,416
Add: Customer delivery charges	357	370
<b>Adjusted Revenue</b>	<b>2,413</b>	<b>2,786</b>

### Adjusted EBITDA

<i>INR crore, unless otherwise mentioned</i>	<b>Q4FY23</b>	<b>Q1FY24</b>
Profit / (loss) for the period	-188	2
Less: Other income	171	181
Add: Depreciation & amortization expense	134	130
Add: Exceptional items	0	0
Add: ESOP expense	84	100
Less: Rental paid pertaining to 'Ind AS 116 leases'	33	40
Add: Tax expense	-16	-17
Add: Finance cost	15	18
<b>Adjusted EBITDA</b>	<b>-175</b>	<b>12</b>

Note: There could be some totalling anomalies in the numbers displayed above due to the impact of rounding off.

## Annexure C - Glossary

### Consolidated

Term	Description
Adjusted Revenue	Defined as revenue from operations as per financials (+) actual customer delivery charges paid in the food delivery business (net of any discounts, including free delivery discounts on account of Zomato Gold program)
Adjusted EBITDA	Defined as EBITDA (+) share-based payment expense (-) rental paid for the period pertaining to 'Ind AS 116 leases'

### Food delivery

Term	Description
Food delivery business	Refers to India food ordering and delivery business
Orders	All food delivery orders placed on our platform in India, including canceled orders
Gross order value (GOV)	Total monetary value of Orders gross of any restaurant or platform funded discounts (excluding tips)(+) actual customer delivery charges paid (net of any discounts, including free delivery discounts on account of Zomato Gold program)(+) packaging charges (+) taxes
Average order value (AOV)	GOV divided by number of Orders
Adjusted Revenue	Defined as commission and other charges (+) ad revenue (+) actual customer delivery charges paid (net of any discounts, including free delivery discounts on account of Zomato Gold program)(+) subscription revenue for Zomato Gold (net of discounts, credits and refunds other than free delivery)(+) restaurant & delivery partner onboarding fee
Contribution	Defined as Adjusted Revenue (-) last mile delivery cost (-) platform funded discounts (-) payment gateway charges (-) customer support and appeasement cost (-) customer & restaurant partner refunds (-) delivery partner recruitment and onboarding cost (-) cash on delivery handling charges (-) other miscellaneous costs
Monthly transacting customers	Number of unique transacting customers identified by customers' mobile number that have placed at least one Order in India in that month
Monthly active delivery partners	Unique delivery partners identified by their national identity proof who successfully delivered at least one Order in India in that month
Monthly active food delivery restaurant partners	Unique restaurant partners that received at least one Order in India in that month

## Hyperpure

Term	Description
Revenue	Total monetary value of goods sold on the Hyperpure platform (net of any returns/ discounts)(+) actual delivery charges paid (net of any discounts)(+) other revenue
Adjusted Revenue	Same as Revenue

## Quick commerce

Term	Description
Orders	Defined as all orders placed on the Blinkit marketplace platform in India, including canceled orders
Gross order value (GOV)	Total monetary value of Orders at maximum retail price ("MRP") of goods sold (except for instances where MRP is not applicable such as fruits and vegetables in which case final selling price is used instead of MRP), gross of any seller/ brand/ platform funded subsidies (excluding tips)(+) actual customer delivery charges paid (net of any discounts) (+) other charges such as handling fee, convenience fee, packaging fee (+) taxes
Average order value (AOV)	GOV divided by number of Orders
Revenue	Defined as Blinkit marketplace commission income (+) actual customer delivery charges (net of any discounts)(+) ad revenue (+) warehousing and ancillary services income
Adjusted Revenue	Same as Revenue
Contribution	Defined as Adjusted Revenue (-) dark store operations cost (including actual rent paid prior to any accounting adjustment for Ind AS 116)(-) last mile delivery costs (-) warehouses expenses (including actual rent paid prior to any accounting adjustment for Ind AS 116)(-) middle mile transportation costs (-) customer acquisition subsidies (-) wastage losses (-) customer refund cost (-) packaging cost (-) payment gateway charges (-) support cost (-) delivery partner recruitment and onboarding cost (-) cash on delivery handling (-) other miscellaneous costs
Monthly transacting customers	Defined as the number of unique transacting customers identified by the customers' mobile number that have placed at least one Order in that month
Average GOV per day, per dark store	Calculated as a simple average of total GOV transacted on a particular day divided by total number of dark stores operational for the day, for that period



# Annexure D - Statement of consolidated profit and loss account

(INR crores)

S. No.	Particulars	Quarter ended			Year ended
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	2,416	2,056	1,414	7,079
II	Other income	181	171	168	682
III	<b>Total income (I+II)</b>	<b>2,597</b>	<b>2,227</b>	<b>1,582</b>	<b>7,761</b>
IV	<b>Expenses</b>				
	Purchase of stock-in-trade	557	438	261	1,438
	Changes in inventories of stock-in-trade	5	2	(7)	(43)
	Employee benefits expense	338	340	349	1,465
	Finance costs	18	15	5	49
	Depreciation and amortisation expenses	130	134	42	437
	Other expenses				
	Advertisement and sales promotion	314	302	278	1,227
	Delivery and related charges	810	719	572	2,537
	Others	440	481	268	1,665
	<b>Total expenses</b>	<b>2,612</b>	<b>2,431</b>	<b>1,768</b>	<b>8,775</b>
V	<b>Loss before share of profit / (loss) of an associate, exceptional items and tax (III-IV)</b>	<b>(15)</b>	<b>(204)</b>	<b>(186)</b>	<b>(1,014)</b>
VI	Share of profit / (loss) of an associate and joint venture	-	-	(0)	(1)
VII	<b>Loss before exceptional items and tax (V+VI)</b>	<b>(15)</b>	<b>(204)</b>	<b>(186)</b>	<b>(1,015)</b>
VIII	Exceptional items (refer note 3)	-	0	-	0
IX	<b>Profit / (loss) before tax (VII+VIII)</b>	<b>(15)</b>	<b>(204)</b>	<b>(186)</b>	<b>(1,015)</b>
X	<b>Tax expense:</b>				
	Current tax	0	0	-	0
	Deferred tax	(17)	(16)	-	(44)
XI	<b>Profit / (loss) for the period / year (IX-X)</b>	<b>2</b>	<b>(188)</b>	<b>(186)</b>	<b>(971)</b>
XII	<b>Other comprehensive income / (loss)</b>				
	(i) Items that will not be reclassified to profit or loss				
	- Remeasurements of the defined benefit plans	(1)	3	(1)	4
	- Equity instruments through other comprehensive income	47	28	(81)	(111)
	- Income tax relating to above	-	-	-	-
	(ii) Items that will be reclassified to profit or loss				
	- Exchange differences on translation of foreign operations	(2)	(5)	5	8
	- Debt instruments through other comprehensive income	(3)	0	-	0
	- Income tax relating to above	-	-	-	-
	<b>Other comprehensive income / (loss) for the period / year</b>	<b>41</b>	<b>26</b>	<b>(77)</b>	<b>(99)</b>
XIII	<b>Total comprehensive income / (loss) for the period / year (XI+XII)</b>	<b>43</b>	<b>(162)</b>	<b>(263)</b>	<b>(1,070)</b>
XIV	<b>Profit / (loss) for the period / year attributable to:</b>				
	Equity shareholders of the parent	2	(189)	(186)	(971)
	Non-controlling interest	-	1	(0)	0
XV	<b>Other comprehensive income / (loss) for the period / year attributable to:</b>				
	Equity shareholders of the parent	41	26	(77)	(99)
	Non-controlling interest	0	(0)	(0)	(0)
XVI	<b>Total comprehensive income / (loss) for the period / year attributable to:</b>				
	Equity shareholders of the parent	43	(163)	(263)	(1,070)
	Non-controlling interest	0	1	(0)	-
XVII	<b>Paid-up share capital (face value of INR 1 per share)</b>	<b>840</b>	<b>836</b>	<b>765</b>	<b>836</b>
XVIII	<b>Other equity</b>				<b>18,624</b>
XIX	<b>Earning / (loss) per equity share (INR)<sup>1</sup> (face value of INR 1 each)</b>				
	(a) Basic	0.00	(0.23)	(0.24)	(1.20)
	(b) Diluted	0.00	(0.23)	(0.24)	(1.20)

<sup>1</sup> EPS is not annualised for the quarter ended June 30, 2023, March 31, 2023 and June 30, 2022.

Note: There could be some changes in the prior period numbers displayed above as compared to the numbers published in the prior financial results to account for rounding off adjustments as we have converted INR million to INR crores from Q1FY24 onwards.

## Annexure E - Statement of consolidated balance sheet

(INR crores)

Particulars	As at	As at
	June 30, 2023	March 31, 2023
	Unaudited	Audited
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	196	209
Right-of-use assets	449	427
Capital work-in-progress	24	7
Goodwill	4,717	4,717
Other intangible assets	923	991
Financial assets		
- Investments	8,192	2,280
- Other financial assets	1,463	1,894
Tax assets (net)	133	116
Other non-current assets	103	127
<b>Total non-current assets</b>	<b>16,200</b>	<b>10,768</b>
<b>Current assets</b>		
Inventories	78	83
Financial assets		
- Investments	2,345	4,485
- Trade receivables	481	457
- Cash and cash equivalents	240	218
- Other bank balances	956	799
- Loans	0	0
- Other financial assets	1,068	4,418
Other current assets	370	371
<b>Total current assets</b>	<b>5,538</b>	<b>10,831</b>
<b>Total assets</b>	<b>21,738</b>	<b>21,599</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	840	836
Other equity	18,763	18,624
<b>Equity attributable to equity holders of the parent</b>	<b>19,603</b>	<b>19,460</b>
Non-controlling interests	(7)	(7)
<b>Total equity</b>	<b>19,596</b>	<b>19,453</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
- Borrowings	-	6
- Lease liabilities	369	351
- Other financial liabilities	6	5
Provisions	80	94
Deferred tax liabilities	232	249
<b>Total non-current liabilities</b>	<b>687</b>	<b>705</b>
<b>Current liabilities</b>		
Financial liabilities		
- Borrowings	-	35
- Lease liabilities	122	115
- Trade payables		
a. total outstanding dues of micro enterprises and small enterprises	7	9
b. total outstanding dues of creditors other than micro enterprises and small enterprises	688	670
- Other financial liabilities	344	310
Provisions	23	26
Other current liabilities	271	276
<b>Total current liabilities</b>	<b>1,455</b>	<b>1,441</b>
<b>Total liabilities</b>	<b>2,142</b>	<b>2,146</b>
<b>Total equity and liabilities</b>	<b>21,738</b>	<b>21,599</b>

Note: There could be some changes in the prior period numbers displayed above as compared to the numbers published in the prior financial results to account for rounding off adjustments as we have converted INR million to INR crores from Q1FY24 onwards

## Annexure F - Statement of consolidated cash flow

(INR crores)

Particulars	Year ended	
	June 30, 2023	June 30, 2022
	Unaudited	Unaudited
<b>A) Cash flows from operating activities</b>		
Loss before tax	(15)	(186)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>		
- Liabilities written back	(1)	(2)
- Depreciation on property, plant and equipment and depreciation on right-of-use assets	62	17
- Amortization on intangible assets	68	25
- Provision for doubtful debts and advances	6	2
- Gain on termination of lease contracts	(3)	(3)
- Share-based payment expense	99	157
- Net gain on mutual funds	(41)	(11)
- Share in (profit) / loss of associate	-	0
- Interest income on government securities	(27)	(15)
- Interest income on debentures or bonds	(36)	-
- Amortisation of premium / (discount) on government securities	(1)	4
- Amortisation of (discount) / premium on Bonds	1	-
- Interest expense	2	-
- Interest on lease liabilities	15	4
- Interest income on bank deposits and others	(69)	(132)
<b>Operating profit / (loss) before Working Capital Changes</b>	<b>60</b>	<b>(140)</b>
<b>Movements in working capital :</b>		
- Trade receivables	(19)	36
- Financial assets	(2)	(6)
- Other assets	9	(15)
- Inventory	5	(7)
- Financial liabilities and Other liabilities	36	(11)
- Provisions	(17)	9
- Trade payables	14	39
<b>Cash generated from / (used in) operations</b>	<b>86</b>	<b>(95)</b>
Income taxes refund / (paid) (net)	(17)	(6)
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>69</b>	<b>(101)</b>
<b>B) Cash flows from Investing activities</b>		
Purchase of property, plant and equipment (including capital work-in-progress, capital advances and capital creditors)	(29)	(10)
Proceeds from sale of property, plant and equipment	5	0
Investment in bank deposits (having maturity of more than 3 months)	(1,165)	(1,504)
Proceeds from maturity of bank deposits (having maturity of more than 3 months)	4,661	2,194
Proceeds from redemption of mutual fund units	10,079	2,411
Investment in mutual fund units	(7,927)	(1,767)
Investment in government securities	(1,510)	(561)
Proceeds from maturity of government securities	50	-
Investment in debentures or bonds	(4,456)	-
Loan given	-	(750)
Interest received	329	55
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>37</b>	<b>68</b>
<b>C) Cash flows from Financing activities</b>		
Proceeds from issue of equity shares	2	0
Borrowing repaid during the year	(40)	-
Share-based payment on cancellation of option	-	(0)
Amount collected by ESOP Trust on exercise of employee stock options (net of tax)	0	1
Payment of principal portion of lease liabilities	(28)	(10)
Payment of interest portion of lease liabilities	(15)	(4)
Interest expense	(2)	-
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(83)</b>	<b>(13)</b>
Net increase in cash and cash equivalents (A+B+C)	23	(46)
Net foreign exchange difference	(1)	4
Cash and cash equivalents as at the beginning of the year	218	392
<b>Cash and cash equivalents as at the end of the year</b>	<b>240</b>	<b>350</b>

Note: There could be some changes in the prior period numbers displayed above as compared to the numbers published in the prior financial results to account for rounding off adjustments as we have converted INR million to INR crores from Q1FY24 onwards.

## Use of non-GAAP financial measures

To supplement our financial information presented in accordance with IND AS, we consider certain financial measures that are not prepared in accordance with IND AS, including Adjusted Revenue and Adjusted EBITDA. We use these financial measures in conjunction with IND AS measures as part of our overall assessment of our performance to evaluate the effectiveness of our business strategies and to communicate with our board of directors concerning our business and financial performance. We believe these non-GAAP financial measures provide useful information to investors about our business and financial performance, enhance their overall understanding of our past performance and future prospects, and allow for greater transparency with respect to metrics used by our management in their financial and operational decision making. We are presenting these non-GAAP financial measures to assist our investors and because we believe that these non-GAAP financial measures provide an additional tool for investors to use in comparing results of operations of our business over multiple periods. Information given also includes information related to material subsidiaries.

Non-GAAP measures used by us are defined below:

- Adjusted Revenue = Revenue from operations as per financials + actual customer delivery charges paid in the food delivery business (net of any discounts, including free delivery discounts on account of Zomato Gold program)
- Adjusted EBITDA = EBITDA (+) share-based payment expense (-) rental paid for the period pertaining to 'Ind AS 116 leases'
- EBITDA = Profit/loss as per financials excluding (i) tax expense (ii) other income (iii) depreciation and amortization expense (iv) finance cost and (v) exceptional items

These metrics have certain limitations and hence should be considered in addition to, not as substitutes for, or in isolation from, measures prepared in accordance with IND AS.

### Forward looking statements

This document contains certain statements that are or may be forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the senior management of Zomato Limited ("Company") subject to board approval, wherever applicable with respect to the results of operations and financial condition of the Company. These statements can be recognised by the use of words such as "expects," "plans," "will," "estimates," "projects," "marks," "believe" or other words of similar meaning. Forward-looking statements generally are not statements of historical fact, including, without limitation statements made about our strategy, estimates of revenue growth, future EBITDA and future financial or operating performance. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties which are difficult to predict and are outside of the control of the Company, and actual results may differ from those in such forward-looking statements as a result of various factors and assumptions which the Company believes to be reasonable in light of its operating experience in recent years. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth and competition, among others. The Company does not undertake any obligation to revise or update any forward-looking statement that may be made from time to time by or on behalf of the Company.

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