



Q1FY23 SHAREHOLDERS' LETTER AND RESULTS

August 1, 2022



Celebrating India's 75th year of independence

Dear Shareholders,

As India achieves the important milestone of completing 75 years of independence this month, we stand tall as Indians and are grateful for where we are as a country today and the tremendous potential that lies ahead. As a nation we have made great progress across multiple facets during these 75 years – be it the growth and resilience of our economy vis-à-vis the continuing global turmoil, advances in infrastructure – physical and digital, financial and tax reforms, defence capabilities, and socio economic development goals.

An important enabler of the transformation of our nation has been technology. India has been at the forefront of laying digital infrastructure railroads much ahead of time, enabling us to leapfrog development at a pace much faster than several developed nations globally. One such example is the successful implementation of the Unified Payments Interface (UPI) in the country which has democratized access to digital payments and accelerated financial inclusion and transparency. We applaud the government for the stellar execution on this.

As a home-grown internet company ourselves, we feel proud to have contributed to the growth of the digital ecosystem in India. As we complete our first year as an internet company listed on Indian stock exchanges, we reflect on the achievements and learnings during the year and look to the future with more conviction in the India growth story which motivates us more than ever to do our best and make our nation proud.

We hope you enjoy reading our Q1FY23 shareholders letter. In this letter, we continue with the 'easy-to-read' Q&A format we introduced a couple of quarters ago. For anything further that you would like to discuss, we look forward to speaking to you in our scheduled earnings call at 5:00 pm, India time, August 2nd.

Best,
Deepinder

Note: If you want to read our financial results for Zomato and Blinkit, please jump to Q5 for Zomato, and Q17 for Blinkit respectively.

Ms Savvy: Having completed a full year as a listed company, how has the journey been so far, and how are you feeling nowadays?

Deepinder: This past year has been extremely humbling to say the least. While we've had practice in building the organization stronger and better through the many lows (and near-death experiences) we've had through the past decade, both the highs and lows that came with going public were unprecedented for us.

However, what hasn't changed during these times is that we have impatiently stayed focused on the long term, executed relentlessly, and committed ourselves to doing the very best we can as a team. These core principles continue to guide us as we navigate the learning curve of building as a public company.

In this past year, Zomato surpassed many milestones – we served more than 50 million customers and extended our market presence in the face of aggressive competition. We also delivered our billionth order in the past year and while it took us 6 years to reach the first billion, we are confident that we will reach the next billion much sooner. I'm incredibly proud of everyone at Zomato for their tireless efforts to deliver on and continue to push for meaningful results in a tough market.

Our sustainability efforts started bearing fruit this year. We started offsetting our entire carbon footprint, and have offset ~500k tonnes of carbon this year. We also launched features which helped the restaurant industry reduce the usage of single use plastic by 300 tonnes over the last few months. Our not-for-profit endeavor Feeding India is now serving over 200,000 meals every day to underprivileged children across the breadth and depth of the country – our goal is to multiply this impact manifold over the next few months and years.

On the gender diversity front – 50% of our board of directors are females, which is unprecedented in the country. More than 40% of our top 25 senior team members are females, and we continue to work towards creating and nurturing a more diverse and inclusive team.

We plan to continue taking multiplier risks ([read my blog about multiplier risks from 2019](#)) – risks where we see significant long term value generation as an outcome of those risks. We will continue to share our strategic thought processes with you when we make such choices (to the extent competitive pressures allow).

We are focused on spending wisely and continually reinforcing a lean cost culture – particularly in a business like ours which is currently loss making. While we do this, we will continue to focus on retaining (and hiring) talented employees, – we understand that a smart, humble and curious team can be our only real moat over the long term; and we will continue to nurture and invest in building a high performing team aligned with our values and purpose as an organization.

Our goal is to continue building an inspiring, enduring, sustainable and value generating business for our society. We will do this while we move quickly to solidify and extend our current market position, and begin to pursue opportunities in other areas such as quick commerce. We are backing our team to chase our strategy in a capital efficient manner, while executing relentlessly to deliver unparalleled value to our customers.

Q2. Anything you think you could have done differently over the last year?

Deepinder: All our decisions are made based on a certain set of assumptions and in line with our long term growth and investment strategy. As we get more information, those assumptions get updated, and at times, decisions change. Hindsight is always 20/20. We would do many things differently now that we know more, and that is always true, not just for the last year. But it is important that we stay responsive to new information, while we continue to make high velocity decisions and not get bogged down with sunk cost fallacy.

Q3. There has been criticism around some of the strategic decisions that you made in the last one year, especially around capital allocation and minority investments. Does that impact how you will make decisions going forward?

Deepinder: We understand the feedback we have been getting from our shareholders on our decisions. We stand by all decisions that we have made in the past, and we see us driving tremendous strategic value from these investments in the long-term. Having said that, there is no plan to make any more minority investments as we are in cash conservation mode, and are busy executing what we already have on our plates right now.

Q4. Strategy is not just about what you chose to do, but equally about what you chose not to do. What are the things that are on your negative list as a company?

Deepinder: We continue to measure our products and our investments analytically, and continue to eliminate those that do not lead to long-term and sustainable growth. We also routinely evaluate our internal processes and policies to ensure that they do not become a proxy for progress. We have always operated with a strong aversion towards the sunk cost bias and that has always served us well as an organization. We have shut down many lines of business, cities and even country operations that no longer made sense.

Operationally, we continue to say no to competing with our restaurant partners - we own zero restaurant brands or cloud kitchens, and have no investments or financial interest in any restaurant brand/kitchen.

We ruthlessly prioritise our time and attention as a team, and our negative list is always longer than our to-do list.

Q5. Alright, moving to the business, how was Zomato's performance in Q1FY23?

Akshant: Our Adjusted Revenue grew by 18% quarter-over-quarter ("QoQ") and 56% year-over-year ("YoY") to INR 18.1 billion in Q1FY23.

At the same time, Adjusted EBITDA loss reduced to INR 1.5 billion (-8% of Adjusted Revenue) in Q1FY23 as compared to INR 2.2 billion (-15% of Adjusted Revenue) in Q4FY22.

The table below gives the quarterly break-up of Adjusted Revenue and Adjusted EBITDA into our three main business segments -

Adjusted Revenue

INR billion, unless otherwise mentioned	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23
Food delivery	10.3	12.5	12.0	12.8	14.7
Hyperpure (B2B supplies)	0.8	1.1	1.6	1.9	2.7
Others	0.5	0.6	0.7	0.6	0.7
Total	11.6	14.2	14.2	15.4	18.1
YoY % change	234%	145%	78%	67%	56%

Adjusted EBITDA

INR billion, unless otherwise mentioned	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23
Food delivery	-0.3	-1.5	-1.2	-0.8	0.0
Hyperpure (B2B supplies)	-0.2	-0.3	-0.4	-0.4	-0.4
Others	0.0	-0.4	0.0	0.1	0.1
Unallocated costs ⁽¹⁾	-1.1	-1.0	-1.1	-1.2	-1.3
Total	-1.7	-3.1	-2.7	-2.2	-1.5
as a % of Adjusted Revenue	-14%	-22%	-19%	-15%	-8%

Note:

- 1) Unallocated costs include server and tech infrastructure costs, corporate salary costs and other corporate overheads.
- 2) We have converted millions into single decimal billions and hence there could be some totalling anomalies in the numbers displayed above.

Q6. The food delivery adjusted revenue has grown ~15% QoQ along with Adjusted EBITDA break-even. What were the key drivers of change here?

Akshant: Growth in revenue was driven by a) ~10% QoQ growth in Gross Order Value ("GOV") to INR 64.3 billion in Q1FY23 (please see table below) and b) growth in revenue per order. GOV growth was in turn driven by robust growth in order volumes and mild growth in average order values as compared to the previous quarter.

On the profitability front, the food delivery business hit an important milestone last quarter by getting to Adjusted EBITDA break-even. Contribution as a % of GOV increased to 2.8% in Q1FY23 as compared to 1.7% in Q4FY22 driven by improvements on both cost and revenue side, as we had indicated in the past.

Below is a snapshot of key financial metrics of the food delivery business -

Food delivery

INR billion, unless otherwise mentioned	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23
GOV	45.4	54.1	55.0	58.5	64.3
Contribution as a % of GOV	2.8%	1.2%	1.1%	1.7%	2.8%
Adjusted EBITDA as a % of GOV	-0.7%	-2.7%	-2.2%	-1.3%	0.0%

Deepinder: The real driver here is focus and mindset. Our focus on profitability has sharpened over the past few months with the change in market context, without compromising our focus on growth. We are doing that by assessing everything with a critical lens and allocating resources by taking a long-term view to sustainable growth, as well as profit.

Q7. Is the growth and unit economics improvement consistent across large and small cities?

Akshant: Yes, largely that is true.

Q8. How have the macro headwinds (inflation, subdued demand) impacted the food delivery business in the past quarter?

Akshant: I would say there is definitely a negative impact on the demand side but it is hard to quantify that in our business at this point given multiple moving parts. Similarly, on the cost side, the margins are getting negatively impacted due to higher fuel costs and wage inflation. Having said that, the overall efficiency gains have helped us make good progress on improving contribution margins.

Q9. Given that context, what is your outlook for the next quarter (Q2FY23) with regards to growth and profitability?

Akshant: Things are fine so far in this quarter – nothing alarming to report. Directionally, as we mentioned last quarter, we are aiming for revenue growth along with reducing losses. We cannot share more at this stage for the next quarter.

Q10. What is going to be a bigger driver of order volume growth from hereon – monthly transacting customers or monthly order frequency?

Deepinder: Both should grow, but monthly transacting customers are likely to drive larger growth in our view. If you compare Q1FY23 with Q1FY22, average monthly transacting customers have increased by 36% while the average monthly order frequency has also increased by 10% in the same period.

Growth in monthly transacting customers will be a function of higher repeat rate of the existing customer base of Zomato (50+ million annual transacting customers in FY22) and new customer addition which remains robust.

Below is a snapshot of growth in key operating metrics of food delivery, including monthly transacting customers –

Key operating metrics	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23
Average monthly transacting customers (million)	12.3	15.5	15.3	15.7	16.7
Average monthly active food delivery restaurant partners ('000)	151	173	191	205	208
Average monthly active delivery partners ('000)	228	301	296	316	319

Q11. Can you share an update on the situation with regards to the shortage of delivery partners that you spoke about last quarter?

Deepinder: We are not seeing any acute shortage of delivery partners at this point. That was a temporary phase which lasted for 45 odd days.

Q12. Moving on, can you talk about what is driving hyper-growth in Hyperpure?

Akshant: Hyperpure revenue grew 40% QoQ and 260%+ YoY to INR 2.7 billion in Q1FY23. Adjusted EBITDA loss margin improved from -20% in Q4FY22 to -13% in Q1FY23. Below is the summary of financial metrics of the last five quarters –

Hyperpure (B2B supplies)

INR billion, unless otherwise mentioned

	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23
Revenue	0.8	1.1	1.6	1.9	2.7
YoY % change	147%	205%	174%	160%	263%
Adjusted EBITDA	-0.2	-0.3	-0.4	-0.4	-0.4
as a % of Adjusted Revenue	-26%	-24%	-23%	-20%	-13%

The constraint for growth in this business is not demand but the infrastructure (supply chain, warehousing, last mile delivery, etc.). And now that we have quality infrastructure set-up in many cities after 4 years of hard work, we are seeing rapid growth.

Of the 10 cities we are present in, the top 4 cities contribute to ~75% of the business which means that the business is still very nascent in most cities. Even in the top 4 cities, our penetration is very low currently. As we scale-up in all our existing cities, and add a few more, we should see continued topline growth along with improving margins.

Q13. How large can Hyperpure become over the next 2-3 years in terms of revenue? What is the goal here?

Deepinder: Food and supplies cost is typically 25-30% of a restaurant's revenue. Broadly speaking, that means that Hyperpure addressable market also is about 25-30% of restaurant food consumption in India. Even if we restrict our presence to the top 20 cities here, that translates into a very large addressable market.

Also, as we go along, Hyperpure could become a much larger business than just supplying to restaurants. As we expand into quick commerce, the capabilities we have built in Hyperpure will also come in handy. Hence, there is a long runway for growth here.

Q14. What about the margins in Hyperpure? We have seen a steady improvement but what do you think are the steady state margins here?

Akshant: We think we can get to 5-10% EBITDA margins in a steady state. Our more mature cities like Bangalore are already trending towards EBITDA break-even. We expect continued improvement in margins owing to economies of scale, operating leverage and improvement in gross margins.

Q15. Is there any update on the status of the transaction with Blinkit? When is it expected to close?

Akshant: We have received the shareholders' approval for the transaction. 97%+ votes were in favor of the transaction. We are now awaiting approval from stock exchanges. The financials of Blinkit will start getting consolidated into Zomato's consolidated financials post the closing.

Q16. What do you have to say to the criticism Zomato has received around corporate governance issues with regards to the Blinkit transaction?

Deepinder: The objective of good corporate governance is to protect the rights of minority shareholders. The ultimate test of corporate governance for this transaction was the requirement of approval from at least 75% of our voting shareholder base. The outcome was that 97%+ of the shareholders' votes were in favor of the transaction.

Also, if it is a bad deal for other shareholders, it would be equally bad for me as a shareholder. My financial outcomes are 100% aligned to other shareholders (100% of my compensation is stock linked; I don't even draw any fixed salary).

Nevertheless, I would like to address this as there has been a lot of commentary on social media about this transaction. We have zero skeletons in the closet.

I think there are two key concerns that have been raised -

1. The valuation paid for Blinkit is higher than what it should/ could have been
2. Because I have known Albinder in the past, and/ or because one of our senior leaders, Akriti, is married to Albinder, this deal reflects poor corporate governance

Firstly, we objectively evaluated all available acquisition opportunities in the quick commerce space and after zeroing in on Blinkit, we ensured that rigorous and detailed due diligence, deliberations and negotiations were done before agreeing to the terms of the transaction (like any other company would do for a large and important transaction). We had multiple external advisors who helped us with various aspects of the transaction, including valuation which was done by EY, and we took an independent fairness opinion from Morgan Stanley. We negotiated hard on valuation but at the same time, had no intention to be opportunistic since it is important to be fair to the team on the other side who is going to build this business going forward.

Secondly, the relationship between Albinder and Akriti/ I is public and already known - there was nothing to hide there. The board was aware of it and all parties, including Akriti herself, made sure that she was never involved in any discussions or decisions with respect to the transaction. This transaction also had no overlap with her role as Chief People Officer at Zomato. We also took an independent opinion from Saraf & Partners on there being no related party transaction under applicable law.

Me knowing the founder of the company we are acquiring is actually a good thing to my mind, as it significantly increases the chances of deal success and reduces the blind spots which could lead to value destruction post consummation of the transaction. This is especially true for internet businesses where a large part of the value in the business is people and intellectual capital. I would never take this large a bet on people whose motivations I do not know. And I think money is a terrible motivator.

Q17. Can you give us an update on Blinkit's latest business performance?

Akshant: Yes, below is the estimated July 2022 data for Blinkit, along with comparison with previous months (which we had shared earlier at the time of the transaction announcement).

		Jan 2022	May 2022	July 2022E
		(first month with 100% business as quick commerce)		
Key operating metrics	Units			
Orders	million	5.1	7.9	8.3
Average order value (AOV)	INR	575	509	580
Monthly transacting customers	million	1.5	2.3	2.5
Monthly order frequency per customer	#	3.5	3.5	3.3
GOV per day, per dark store	INR '000	206	312	402
Orders per day, per dark store	#	359	613	694
Key financial metrics	Units			
GOV	INR million	2,955	4,028	4,827
Revenue	INR million	221	580	749
Contribution	INR million	-1,619	-661	-463
Adjusted EBITDA	INR million	-2,040	-1,077	-929
Contribution margin (% of GOV)	%	-55%	-16%	-10%
Adjusted EBITDA (% of GOV)	%	-69%	-27%	-19%

Notes:

- 1) Orders is defined as all orders placed on the Blinkit marketplace platform in India, including canceled orders
- 2) GOV is defined as the total monetary value of Orders including 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) and customer delivery charges but excluding tips
- 3) Monthly transacting customers is defined as the number of unique transacting customers identified by the customers' mobile number that have placed at least one Order in that month
- 4) Revenue is defined as Blinkit marketplace commission income (+) customer delivery charges (+) ad revenue (+) warehousing and ancillary services income
- 5) Contribution is defined as Revenue (-) dark store operations cost (including rental costs prior to any accounting adjustment for Ind AS 116) (-) last-mile delivery costs (-) replenishment costs (-) customer acquisition/ retention subsidies (-) other costs (wastage, customer refunds, packaging charges, payment gateway charges and support cost)
- 6) Adjusted EBITDA is defined as EBITDA (+) share-based payment expense (-) rental accounting adjustment for Ind AS 116
- 7) GOV and Orders per day, per dark store based on dark store count as at the last day of the corresponding month
- 8) The numbers shown above are unaudited, MIS based numbers as received from Blinkit.
- 9) Please note that the definitions provided here are for Blinkit business alone. The definitions for Zomato's business have been provided separately in the glossary (Annexure C) below.

Please note that post completion of the acquisition, we will share all the key financial metrics and a subset of the operating metrics above on an ongoing basis.

Q18. Referring to the table above for Blinkit, the AOV has increased and order frequency has come down. Can you explain these counter-intuitive trends?

Akshant: Increase in customer delivery charges leads to consolidation of multiple orders which results in AOVs going-up and the frequency coming down. We expect the customer stickiness to increase over time which should lead to an increase in order frequency.

Q19. In just 6 months, the Blinkit business has scaled to ~20% of Zomato's food delivery GOV while being present in less than 15 cities. How long did Zomato take to get to these levels of GOV?

Akshant: Zomato took about 45 months since the launch of food delivery to get to the current monthly GOV scale of Blinkit. But I would say that the comparison is not fair since Blinkit is a much older business and the current scale would not have been possible for Blinkit if it was just a 7 month old business. A large part of Blinkit's current GOV is a) from their legacy customers and b) because of their erstwhile infrastructure, supply side network and knowledge which allowed rapid expansion.

Deepinder: I think there is a misconception that Zomato would have gotten to the same (or perhaps bigger) scale and size had we launched quick commerce organically 7 months ago. That was not possible.

Q20. What is the integration and execution plan for Blinkit from hereon?

Deepinder: Post transaction closure, we plan to experiment with cross leveraging Zomato's customer base for Blinkit and vice versa. As stated earlier, we believe that in India, super brands will work better than super apps. Which means that the Blinkit app will continue to operate independently. We will also start working on integrating the delivery fleet back-ends which should drive higher delivery efficiency over time. Tech integrations between the two companies will accelerate the pace of progress at both ends.

Akshant: In terms of geographic presence, the plan for now is to stay focused on the top 15 cities and deepen Blinkit's presence in these markets.

Q21. Can quick commerce become a large enough business vis-à-vis food delivery if it remains confined to only the top 15 cities?

Akshant: Yes, we think it can. As mentioned earlier, Blinkit GOV is already ~20% of Zomato's food delivery GOV at an aggregate level. On a like to like basis, if we compare Zomato food delivery GOV in cities where Blinkit has a presence, the relative size of Blinkit would be even higher. For example, in the city of Gurugram, Blinkit GOV is ~70% of Zomato food delivery GOV (for the month of June 2022).

Quick commerce cuts across a wide range of essential spends including grocery, fruits and vegetables, beauty and personal care, OTC medicines, stationery items, among others. Therefore, we expect the overall customer base, average order value as well as monthly order frequency to be higher than food delivery (restaurant food in India is still regarded more as a discretionary spend).

Q22. How long is the path to profitability for Blinkit?

Akshant: Losses for Blinkit are coming down every month - from INR 2,040 million in January 2022 to INR 929 million in July 2022E. The losses have come down owing to a) operating leverage and b) improved execution. As the GOV per day per store goes up, losses come down given the high operating leverage in the business. In addition, revenue per order has gone up due to an increase in commissions and customer delivery charges. Blinkit has also shut down a number of unviable dark stores, which were not scaling. This has also brought the losses down. The team will continue to evaluate non-performing stores and learn what does not work. The playbook for new store openings is now much sharper and we think that each new store has a higher chance of succeeding.

We have good visibility on the various levers for achieving profitability in this business. Many dark stores are already trending towards contribution break-even. With continued solid execution and synergy realisation with Zomato, post the transaction, the journey to profitability should only accelerate.

Q23. Can you update on the cash balance as at the end of the June quarter?

Akshant: The cash balance is INR 114 billion as at June 30, 2022. Please note that some data aggregators like Bloomberg and Factset pick a much smaller number for cash (which also reflects in them showing a higher than actual EV for Zomato) given some of our liquid investments are classified under “non-current” assets in our balance sheet as per the accounting standards in India.

Q24. Anything else you would like to add?

Deepinder: No, that covers most of the pertinent questions. Thank you for your time and patience, we really appreciate it.

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THE END

Annexure A - Quarterly disclosures

Adjusted Revenue

INR billion, unless otherwise mentioned	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23
Food delivery	10.3	12.5	12.0	12.8	14.7
Hyperpure (B2B supplies)	0.8	1.1	1.6	1.9	2.7
Others ⁽¹⁾	0.5	0.6	0.7	0.6	0.7
Total	11.6	14.2	14.2	15.4	18.1
YoY % change	234%	145%	78%	67%	56%

Note:

1) 'Others' includes dining-out and membership revenue (Zomato Pro) in India as well as UAE. It also includes revenue from food delivery services we offer to Talabat in UAE which is a pass-through revenue (EBITDA neutral). Few businesses and our international operations in countries other than India and UAE have been discontinued and they have no contribution to Q4FY22 and Q1FY23 revenue but they do contribute to the previous quarters.

Adjusted EBITDA

INR billion, unless otherwise mentioned	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23
Food delivery	-0.3	-1.5	-1.2	-0.8	0.0
Hyperpure (B2B supplies)	-0.2	-0.3	-0.4	-0.4	-0.4
Others	0.0	-0.4	0.0	0.1	0.1
Unallocated costs	-1.1	-1.0	-1.1	-1.2	-1.3
Total	-1.7	-3.1	-2.7	-2.2	-1.5
as a % of Adjusted Revenue	-14%	-22%	-19%	-15%	-8%

Note: Unallocated costs include server & tech infrastructure costs, corporate salary costs and other corporate overheads.

Food delivery

INR billion, unless otherwise mentioned	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23
GOV	45.4	54.1	55.0	58.5	64.3
Adjusted Revenue	10.3	12.5	12.0	12.8	14.7
Contribution as a % of GOV	2.8%	1.2%	1.1%	1.7%	2.8%
Adjusted EBITDA as a % of GOV	-0.7%	-2.7%	-2.2%	-1.3%	0.0%
Average monthly transacting customers (million)	12.3	15.5	15.3	15.7	16.7
Average monthly active food delivery restaurant partners ('000)	151	173	191	205	208
Average monthly active delivery partners ('000)	228	301	296	316	319

Hyperpure (B2B supplies)

	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23
Unique restaurants billed ('000)	17	18	27	34	37

Note: We have converted millions into single decimal billions and hence there could be some totalling anomalies in the numbers displayed in Annexure A.

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

INR billion, unless otherwise mentioned

	Q4FY22	Q1FY23
Revenue from operations	12.1	14.1
Add: Customer delivery charges	3.3	4.0
Adjusted Revenue	15.4	18.1

Adjusted EBITDA

INR billion, unless otherwise mentioned

	Q4FY22	Q1FY23
Loss for the period	-3.6	-1.9
Less: Other income	-1.4	-1.7
Add: Depreciation & amortization expense	0.4	0.4
Add: Exceptional items	0.1	0.0
Add: ESOP expense	2.2	1.6
Add: Other expenses	0.0	0.0
Adjusted EBITDA	-2.2	-1.5

Note: We have converted millions into single decimal billions and hence there could be some totalling anomalies in the numbers displayed in Annexure B.

Annexure C - Glossary for terms used in reference to the Zomato business

Term	Description
Adjusted Revenue	Defined as revenue from operations as per financials plus customer delivery charges
Contribution (for Food delivery business)	Defined as commission and other charges + customer delivery charges - delivery cost - discounts - other direct costs (costs associated with marketing, branding, and other fixed operating costs are excluded)
Adjusted EBITDA	Defined as EBITDA + share-based payment expense
Food delivery business	Refers to India food ordering and delivery business
Gross order value (GOV)	Total monetary value of Orders including taxes, customer delivery charges, gross of all discounts, excluding tips
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
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
Orders	All food delivery orders placed online on our platform in India, including canceled orders

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, Adjusted EBITDA and Free Cash Flow (FCF). 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 that 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 for the Zomato business are defined below:

- Adjusted Revenue = (Revenue from operations as per financials) + (customer delivery charges)
- Adjusted EBITDA = EBITDA + share-based payment expense
- 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
- Free Cash Flow (FCF) = Cash flow from operations less net purchase of property, plant and equipment

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 recognized 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.

Any investment in securities issued by the Company will also involve certain risks. There may be additional material risks that are currently not considered to be material or of which the Company, its directors, any placement agent, their respective advisers or representatives are unaware. Against the background of these risks, uncertainties and other factors, viewers of this document are cautioned not to place undue reliance on these forward-looking statements. The Company, its directors, any placement agent, their respective advisers or representatives assume no responsibility to update forward-looking

statements or to adapt them to future events or developments. Accordingly, any reliance you place on such forward-looking statements will be at your sole risk.

The information contained in this document has not been independently verified. The information in this document is in summary form and does not purport to be complete. No representation, warranty, guarantee or undertaking, express or implied, is or will be made as to, and no reliance should be placed on the accuracy, completeness, correctness or fairness of the information, estimates, projections and opinions contained in this document. Potential investors must make their own assessment of the relevance, accuracy and adequacy of the information contained in this document and must make such independent investigations as they may consider necessary or appropriate for such purposes. Such information and opinions are in all events not current after the date of this document.

Further, past performance of the Company is not necessarily indicative of its future results. Any opinions expressed in this document or the contents of this document are subject to change without notice. This document should not be construed as legal, tax, investment or other advice. Neither the Company or its directors, nor any placement agent or their respective advisers or representatives shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from this document or its contents or otherwise arising in connection therewith. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. Neither the Company, its directors, any placement agent, nor any of their respective advisers or representatives is under any obligation to update or keep current the information contained herein. This document does not constitute or form part of and should not be construed as, directly or indirectly, any advertisement, offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company by any person whether by way of private placement or to the public, in any jurisdiction, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any investment decision or any contract or commitment therefor. Investing in securities involves certain risks and potential investors should note that the value of the securities may go down or up. Accordingly, potential investors should obtain and must conduct their own investigation and analysis of the relevant information carefully before investing.

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ZOMATO LIMITED (FORMERLY KNOWN AS ZOMATO PRIVATE LIMITED)

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **ZOMATO LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net loss after tax and total comprehensive loss of its associate and joint venture for the quarter ended June 30, 2022 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities as mentioned in Annexure 1.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the financial results of one subsidiary, whose financial results reflects total revenue of Rs. 2,729 million for the quarter ended June 30, 2022, total loss after tax of Rs. 467 million for the quarter ended June 30, 2022 and total comprehensive loss of Rs 466 million for the quarter ended June 30, 2022, as considered in the

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respective standalone unaudited financial results of the entity included in the Group. The financial results of these Subsidiaries have been reviewed by the other auditors whose reports have been furnished to us by the Management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, is based solely on the report of other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

7. The consolidated unaudited financial results include the financial information of 27 subsidiaries and 2 trusts have not been reviewed by their auditors, whose financial results reflects total revenues of Rs. 128 million for the quarter ended June 30, 2022, total profit after tax of Rs. 11 million for the quarter ended June 30, 2022, and total comprehensive profit of Rs. 13 million for the quarter ended June 30, 2022, as considered in the Statement. The consolidated unaudited financial results also include the Group's share of loss after tax of Rs. 3 million for the quarter ended June 30, 2022 and total comprehensive loss of Rs. 3 million for the quarter ended June 30, 2022, as considered in the Statement, in respect of one associate and one joint venture, based on their financial results which are unaudited. This financial information is unaudited and have been furnished to us by the Management and our opinion on the consolidated financial results in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information's is not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the financial information certified by the Management.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 015125N)



Vikas Khurana
(Partner)

(Membership No. 503760)
UDIN: 22503760ANZEUN5508

Place: Gurugram
Date: August 01, 2022

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Annexure 1

S.No.	Name of the Entity	Relationship
1	Zomato Hyperpure Private Limited	Subsidiary
2	Zomato Australia Pty Limited	Subsidiary
3	Zomato Middle East FZ-LLC	Subsidiary
4	Tonguestun Food Networks Private Limited	Subsidiary
5	Zomato Ireland Limited (Jordan)	Subsidiary
6	Zomato Media Portugal, Unipessoal, Lda	Subsidiary
7	Zomato Philippines Inc.	Subsidiary
8	Pt Zomato Media Indonesia	Subsidiary
9	Zomato Internet Hizmetleri Ticaret Anonim Sirketi	Subsidiary
10	Zomato Internet LLC	Subsidiary
11	Zomato NZ Media Private Limited	Subsidiary
12	Zomato Netherlands B.V.	Subsidiary
13	Zomato Media WLL	Joint Venture
14	Zomato Entertainment Private Limited	Subsidiary
15	Gastronauci SP Z.O.O	Subsidiary
16	Zomato Slovakia s.r.o	Subsidiary
17	Lunchtime.Cz s.r.o	Subsidiary
18	Zomato Malaysia Sdn. Bhd.	Subsidiary
19	Zomato Chile SpA	Subsidiary
20	Zomato Local Services Private Limited	Subsidiary
21	Zomato Vietnam Company Limited	Subsidiary
22	Zomato Media (Private) Limited	Subsidiary
23	Zomato Inc.	Subsidiary
24	Delivery 21 Inc.	Subsidiary
25	Zomato Ireland Limited	Subsidiary
26	Zomato Foods Private Limited	Subsidiary
27	Carthero Technologies Private Limited	Subsidiary
28	Foodie Bay Employees ESOP Trust	Trust
29	Myfri Benefit Trust till June 9, 2022	Trust
30	ZMT Europe LDA	Associate
31	Zomato Payment Private Limited	Subsidiary
32	Zomato Financial Services Limited	Subsidiary

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Statement of unaudited consolidated financial results for the quarter ended June 30, 2022

INR million

S. No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		Unaudited	Unaudited (refer note 7)	Unaudited	Audited
I	Revenue from operations	14,139	12,118	8,444	41,924
II	Other income	1,681	1,382	722	4,949
III	Total income (I+II)	15,820	13,500	9,166	46,873
IV	Expenses				
	Purchase of stock-in-trade	2,610	1,939	747	5,524
	Changes in inventories of stock-in-trade	(72)	(77)	(3)	(278)
	Employee benefits expense	3,489	4,068	3,907	16,331
	Finance costs	49	25	33	120
	Depreciation and amortisation expenses	416	377	355	1,503
	Other expenses				
	Advertisement and sales promotion	2,776	2,691	3,015	12,168
	Delivery and related charges	5,724	5,451	2,967	18,141
	Others	2,685	2,543	1,576	8,546
	Total expenses	17,677	17,017	12,597	62,055
V	Loss before share of profit / (loss) of an associate, exceptional items and tax (III-IV)	(1,857)	(3,517)	(3,431)	(15,182)
VI	Share of profit / (loss) of an associate and joint venture	(3)	2	(0)	3
VII	Loss before exceptional items and tax (V+VI)	(1,860)	(3,515)	(3,431)	(15,179)
VIII	Exceptional items (refer note 4)	-	(79)	(159)	2,974
IX	Loss before tax (VII+VIII)	(1,860)	(3,594)	(3,590)	(12,205)
X	Tax expense:				
	Current tax	-	3	17	20
	Deferred tax	-	-	-	-
XI	Loss for the period/year (IX-X)	(1,860)	(3,597)	(3,607)	(12,225)
XII	Other comprehensive income/ (loss)				
	(i) Items that will not be reclassified to profit or loss				
	- Re-measurement gain/ (loss) on defined benefit plans	(14)	2	(43)	(96)
	- Changes in fair value of equity and preference instruments carried at FVTOCI	(806)	96	-	96
	- Income tax relating to above	-	-	-	-
	(ii) Items that will be reclassified to profit or loss				
	- Exchange differences on translation of foreign operations	55	25	18	22
	- Income tax relating to above	-	-	-	-
	Other comprehensive income/ (loss) for the period/ year	(765)	123	(25)	22
XIII	Total comprehensive loss for the period/ year (XI+XII)	(2,625)	(3,474)	(3,632)	(12,203)
XIV	Loss for the period/ year attributable to:				
	Equity holders of the parent	(1,857)	(3,597)	(3,562)	(12,087)
	Non-controlling interests	(3)	-	(45)	(138)
XV	Other comprehensive income/ (loss) for the period/ year attributable to:				
	Equity holders of the parent	(764)	123	(24)	20
	Non-controlling interests	(1)	-	(1)	2
XVI	Total comprehensive loss for the period/ year attributable to:				
	Equity holders of the parent	(2,621)	(3,474)	(3,586)	(12,067)
	Non-controlling interests	(4)	-	(46)	(136)
XVII	Paid-up share capital (face value of INR 1 per share)	7,652	7,643	6,381	7,643
XVIII	Other equity				157,412
XIX	Loss per equity share (INR)¹ (face value of INR 1 each)				
	(a) Basic	(0.24)	(0.47)	(0.56)	(1.67)
	(b) Diluted	(0.24)	(0.47)	(0.56)	(1.67)

¹ EPS is not annualised for the quarter ended June 30, 2022, quarter ended March 31, 2022 and quarter ended June 30, 2021.


Zomato Limited (formerly known as Zomato Private Limited)
Notes to the consolidated financial results

- 1 The unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 01, 2022.
- 2 The unaudited consolidated financial results has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 During the year ended March 31, 2022, the Company had completed initial public offer (IPO) of 1,233,552,631 equity shares of face value of INR 1 each at an issue price of INR 76 per share, comprising fresh issue of 1,184,210,526 shares and offer for sale of 49,342,105 by Info Edge (India) Limited (existing shareholder). Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f July 23, 2021.
The Company has received an amount of INR 87,280 million (net off IPO expenses of INR 2,720 million) from proceeds out of fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below:

Objects of the issue as per prospectus	Amount to be utilised as per prospectus	Utilisation up to June 30, 2022	INR million
			Unutilised amount as on June 30, 2022
1. Funding organic and inorganic growth initiatives	67,500	50,574	16,926
2. General corporate purposes	19,780	7,244	12,536
Net Proceeds	87,280	57,818	29,462

Net IPO proceeds which were unutilised as on June 30, 2022 were temporarily invested in deposits with scheduled commercial banks.

4 Exceptional item includes:

Particulars	INR million		
	Quarter ended		Year ended
	June 30, 2022	March 31, 2022	June 30, 2021
Gain on sale/ disposal of investment including foreign currency translation reserve on foreign subsidiaries sold / disposed off during the period	-	15	-
Loss on account of movements in foreign exchange rate in one of the Company's subsidiary operating in a hyperinflationary economy	-	(94)	(159)
Total	-	(79)	(159)

5 Consolidated segment information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM), in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Managing Director and Chief Executive Officer.

The Group has identified business segments as reportable segments. The business segments comprises of:

1. India food ordering and delivery
2. Hyperpure (B2B business)
3. All other segments (residual)

India food ordering and delivery is the online platform through which we facilitate food ordering and delivery of the food items by connecting the end users, restaurant partners and delivery personnel.

Hyperpure is our farm-to-fork supplies offering for restaurants in India.

The Group has combined and disclosed balancing number in all other segments which are not reportable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to any reporting segment as reviewed by CODM have been disclosed as unallocable expenses which included items such as server and tech infrastructure costs, corporate salary costs and other corporate expenses.



Zomato Limited (formerly known as Zomato Private Limited)
Notes to the consolidated financial results

(a) Summarised segment information is as follows:

Particulars	Quarter ended			INR million
	June 30, 2022	March 31, 2022	June 30, 2021	Year ended March 31, 2022
	Unaudited	Unaudited (refer note 7)	Unaudited	Audited
Revenue from operations (external customers)				
India food ordering and delivery	10,744	9,564	7,174	34,146
Hyperpure	2,727	1,942	752	5,376
All other segments (residual)	668	612	518	2,402
Total	14,139	12,118	8,444	41,924
Revenue from operations (inter-segment)				
India food ordering and delivery	-	-	-	-
Hyperpure	2	41	16	140
All other segments (residual)	25	58	21	160
Total	27	99	37	300
Segment results				
India food ordering and delivery	1	(766)	(331)	(3,800)
Hyperpure	(354)	(384)	(197)	(1,205)
All other segments (residual)	138	146	1	(243)
Segment Results	(215)	(1,004)	(527)	(5,248)
Less: unallocable expenses	1,288	1,241	1,127	4,478
Add: other income	1,681	1,382	722	4,949
Less: share based payment expense	1,573	2,250	2,111	8,779
Less: finance costs	49	25	33	120
Less: depreciation and amortization expense	416	377	355	1,503
Add: exceptional items	-	(79)	(159)	2,974
Loss before tax	(1,860)	(3,594)	(3,590)	(12,205)

(b) Additional information:

Segment Results	(215)	(1,004)	(527)	(5,248)
Less: unallocable expenses	1,288	1,241	1,127	4,478
Adjusted EBITDA	(1,503)	(2,245)	(1,654)	(9,726)

During the year ended March 31, 2022, the Group made certain operational and structural changes to more closely integrate the Group's businesses and to simplify its organizational structure. Under the new structure, the Group reports its financial performance based on following segments i.e. India food ordering and delivery, Hyperpure and all other segments (residual). In conjunction with the new reporting structure, the Group has recasted comparative period, to conform to the way the Group internally manages and monitors segment performance.

- 6 A. The Board of Directors of the Company on June 24, 2022 has approved acquisition of up to 33,018 (thirty three thousand and eighteen) equity shares of Blink Commerce Private Limited (formerly known as Grofers India Private Limited) ("BCPL") for a total purchase consideration of INR 44,475 million at a price of INR 1,346,986.01 per equity share by issuance and allotment of up to 628,530,012 (six twenty eight million five hundred thirty thousand and twelve) fully paid-up equity shares of the Company having face value of INR 1/- (Indian Rupee One) each at a price of INR 70.76 per equity share which is the price determined in accordance with chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), for a consideration other than cash (for discharge of entire purchase consideration) from the shareholders of BCPL. An agreement to this effect has been executed between the Company and the shareholders of BCPL. The transaction is subject to terms and conditions of agreement executed in this regard.

Shareholders of the Company also on July 25, 2022 approved issuance of up to 628,530,012 (six twenty eight million five hundred thirty thousand and twelve) fully paid-up equity shares of the Company having face value of INR 1/- (Indian Rupee One) each to shareholders of BCPL against acquisition of up to 33,018 (thirty three thousand and eighteen) equity shares of BCPL. The same is subject to regulatory approvals.



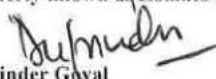
Zomato Limited (formerly known as Zomato Private Limited)
Notes to the consolidated financial results

B. During the quarter ended June 30, 2022, Zomato Hyperpure Private Limited, material subsidiary of the Company has entered into a Business Transfer Agreement with Hands on Trades Private Limited ("HOTPL", fellow subsidiary of BCPL) and others, agreeing to purchase the warehousing and ancillary services business of HOTPL for an aggregate consideration of up to INR 607 million. The completion of the transfer of the identified Business pursuant to the Business Transfer Agreement is subject to certain conditions precedent and closing conditions, as agreed under the terms thereof.

- 7 The figures of the last quarter of the previous year are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the third quarter of the relevant financial year.

Date: August 01, 2022
Place: Gurugram

For and on behalf of the Board of Directors of Zomato Limited
(formerly known as Zomato Private Limited)


Deepinder Goyal
Managing Director and Chief Executive Officer
(DIN-02613583)



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ZOMATO LIMITED (FORMERLY KNOWN AS ZOMATO PRIVATE LIMITED)

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ZOMATO LIMITED** ("the Company") for the quarter ended June 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the financial information of one trust included in the Statement whose financial information reflects total revenue of Rs. Nil for the quarter ended June 30, 2022, total net profit after tax of Rs. 9.19 million for the quarter ended June 30, 2022, and total comprehensive income of Rs. 9.19 million for the quarter ended June 30, 2022, as considered in this Statement. This financial information is unaudited and have been furnished to us by the Management and our opinion on the standalone financial results in so far as it relates to the amounts and disclosures included in respect of the trust is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Company.

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Our Conclusion on the Statement is not modified in respect of our reliance on the financial information certified by the Management.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 015125N)



Vikas Khurana
(Partner)

(Membership No. 503760)
UDIN: 22503760ANZEGY8346



Place: Gurugram
Date: August 01, 2022

Statement of unaudited standalone financial results for the quarter ended June 30, 2022

INR million

S. No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		Unaudited	Unaudited (refer note 8)	Unaudited	Audited
I	Revenue from operations	11,315	10,148	7,579	36,110
II	Other income	1,728	1,470	704	4,975
III	Total income (I+II)	13,043	11,618	8,283	41,085
IV	Expenses				
	Employee benefits expense	3,194	3,782	3,503	14,790
	Finance costs	36	14	18	55
	Depreciation and amortisation expenses	376	341	319	1,334
	Other expenses				
	Advertisement and sales promotion	2,778	2,729	3,025	12,271
	Delivery and related charges	5,724	5,445	2,947	18,007
	Others	2,316	2,236	1,375	7,316
	Total expenses	14,424	14,547	11,187	53,773
V	Loss before exceptional items and tax (III-IV)	(1,381)	(2,929)	(2,904)	(12,688)
VI	Exceptional items (refer note 4)	-	(6)	(4)	1,710
VII	Loss before tax (V+VI)	(1,381)	(2,935)	(2,908)	(10,978)
VIII	Tax expense:				
	Current tax	-	2	-	2
	Deferred tax	-	-	-	-
IX	Loss for the period/ year (VII-VIII)	(1,381)	(2,937)	(2,908)	(10,980)
X	Other comprehensive income/ (loss)				
	(i) Items that will not be reclassified to profit or loss				
	- Re-measurement gain/ (loss) on defined benefit plans	(18)	(1)	(29)	(85)
	- Changes in fair value of equity and preference instruments carried at FVTOCI	(806)	96	-	96
	- Income tax relating to above	-	-	-	-
	(ii) Items that will be reclassified to profit or loss				
	- Exchange differences on translation of foreign operations	43	14	8	22
	- Income tax relating to above	-	-	-	-
	Other comprehensive income/ (loss) for the period/ year	(781)	109	(21)	33
XI	Total comprehensive loss for the period/ year (IX+X)	(2,162)	(2,828)	(2,929)	(10,947)
XII	Paid-up share capital (face value of INR 1 per share)	7,652	7,643	6,381	7,643
XIII	Other equity				160,029
XIV	Loss per equity share (INR)¹ (face value of INR 1 each)				
	(a) Basic	(0.18)	(0.38)	(0.46)	(1.52)
	(b) Diluted	(0.18)	(0.38)	(0.46)	(1.52)

¹ EPS is not annualised for the quarter ended June 30, 2022, quarter ended March 31, 2022 and quarter ended June 30, 2021.



Zomato Limited (formerly known as Zomato Private Limited)
Notes to the standalone financial results

- 1 The unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 01, 2022.
- 2 The unaudited standalone financial results has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 During the year ended March 31, 2022, the Company had completed initial public offer (IPO) of 1,233,552,631 equity shares of face value of INR 1 each at an issue price of INR 76 per share, comprising fresh issue of 1,184,210,526 shares and offer for sale of 49,342,105 by Info Edge (India) Limited (existing shareholder). Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f July 23, 2021.

The Company has received an amount of INR 87,280 million (net off IPO expenses of INR 2,720 million) from proceeds out of fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below:

INR million			
Objects of the issue as per prospectus	Amount to be utilised as per prospectus	Utilisation up to June 30, 2022	Unutilised amount as on June 30, 2022
1. Funding organic and inorganic growth initiatives	67,500	50,574	16,926
2. General corporate purposes	19,780	7,244	12,536
Net Proceeds	87,280	57,818	29,462

Net IPO proceeds which were unutilised as on June 30, 2022 were temporarily invested in deposits with scheduled commercial banks.

4 **Exceptional item includes:**

Particulars	Quarter ended			Year ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
Provision for impairment in value of investment in subsidiaries	-	(11)	(4)	(548)
Gain on sale /disposal of investment including foreign currency translation reserve on foreign subsidiaries sold / disposed off during the period	-	5	-	2,258
Total	-	(6)	(4)	1,710

- 5 The Company publishes these financial results along with the unaudited consolidated financial results. In accordance with Ind AS 108, 'Operating Segments', the Company has disclosed the segment information in the unaudited consolidated financial results.
- 6 A. The Board of Directors of the Company on June 24, 2022 has approved acquisition of up to 33,018 (thirty three thousand and eighteen) equity shares of Blink Commerce Private Limited (formerly known as Grofers India Private Limited) ("BCPL") for a total purchase consideration of INR 44,475 million at a price of INR 1,346,986.01 per equity share by issuance and allotment of up to 628,530,012 (six twenty eight million five hundred thirty thousand and twelve) fully paid-up equity shares of the Company having face value of INR 1/- (Indian Rupee One) each at a price of INR 70.76 per equity share which is the price determined in accordance with chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), for a consideration other than cash (for discharge of entire purchase consideration) from the shareholders of BCPL. An agreement to this effect has been executed between the Company and the shareholders of BCPL. The transaction is subject to terms and conditions of agreement executed in this regard.
Shareholders of the Company also on July 25, 2022 approved issuance of up to 628,530,012 (six twenty eight million five hundred thirty thousand and twelve) fully paid-up equity shares of the Company having face value of INR 1/- (Indian Rupee One) each to shareholders of BCPL against acquisition of up to 33,018 (thirty three thousand and eighteen) equity shares of BCPL. The same is subject to regulatory approvals.



Zomato Limited (formerly known as Zomato Private Limited)
Notes to the standalone financial results

B. During the quarter ended June 30, 2022, Zomato Hyperpure Private Limited, material subsidiary of the Company has entered into a Business Transfer Agreement with Hands on Trades Private Limited ("HOTPL", fellow subsidiary of BCPL) and others, agreeing to purchase the warehousing and ancillary services business of HOTPL for an aggregate consideration of up to INR 607 million. The completion of the transfer of the identified Business pursuant to the Business Transfer Agreement is subject to certain conditions precedent and closing conditions, as agreed under the terms thereof.

- 7 The Company has made long term strategic investments in certain subsidiary companies, which are in their initial/developing stage of operation and would generate growth and returns over a period of time. These subsidiaries have incurred significant expenses for building the brand, market share and operations which have added to the losses of these entities. The parent has committed to provide support to each of its subsidiaries in the event they are unable to meet their individual liabilities. Owing to the losses incurred by Zomato Hyperpure Private Limited ("ZHPL") and Zomato Entertainment Private Limited ("ZEPL") (accumulated losses as of June 30, 2022 being INR 3,272 million and INR 207 million for ZHPL and ZEPL respectively) ("subsidiary companies"), the Company carried out an impairment assessment as on June 30, 2022 of these subsidiary companies basis fair value of the entity determined by a valuer using discounted future cashflows approach as on March 31, 2022 and by reviewing the current quarter performance. Based on the review of the performance and future plan of the subsidiaries, the Company concluded that no impairment is required. The same was noted by the Audit Committee and the Board.
- 8 The figures of the last quarter of the previous year are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the third quarter of the relevant financial year.

For and on behalf of the Board of Directors of Zomato Limited
(formerly known as Zomato Private Limited)



Deepinder Goyal
Managing Director and Chief Executive Officer
(DIN-02613583)



Date: August 01, 2022
Place: Gurugram



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ZOMATO LIMITED (FORMERLY KNOWN AS ZOMATO PRIVATE LIMITED)

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ZOMATO LIMITED** ("the Company") for the quarter ended June 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the financial information of one trust included in the Statement whose financial information reflects total revenue of Rs. Nil for the quarter ended June 30, 2022, total net profit after tax of Rs. 9.19 million for the quarter ended June 30, 2022, and total comprehensive income of Rs. 9.19 million for the quarter ended June 30, 2022, as considered in this Statement. This financial information is unaudited and have been furnished to us by the Management and our opinion on the standalone financial results in so far as it relates to the amounts and disclosures included in respect of the trust is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Company.

N.S.

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Deloitte Haskins & Sells

Our Conclusion on the Statement is not modified in respect of our reliance on the financial information certified by the Management.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 015125N)



Vikas Khurana
(Partner)

(Membership No. 503760)
UDIN: 22503760ANZEGY8346



Place: Gurugram
Date: August 01, 2022

Statement of unaudited standalone financial results for the quarter ended June 30, 2022

INR million

S. No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		Unaudited	Unaudited (refer note 8)	Unaudited	Audited
I	Revenue from operations	11,315	10,148	7,579	36,110
II	Other income	1,728	1,470	704	4,975
III	Total income (I+II)	13,043	11,618	8,283	41,085
IV	Expenses				
	Employee benefits expense	3,194	3,782	3,503	14,790
	Finance costs	36	14	18	55
	Depreciation and amortisation expenses	376	341	319	1,334
	Other expenses				
	Advertisement and sales promotion	2,778	2,729	3,025	12,271
	Delivery and related charges	5,724	5,445	2,947	18,007
	Others	2,316	2,236	1,375	7,316
	Total expenses	14,424	14,547	11,187	53,773
V	Loss before exceptional items and tax (III-IV)	(1,381)	(2,929)	(2,904)	(12,688)
VI	Exceptional items (refer note 4)	-	(6)	(4)	1,710
VII	Loss before tax (V+VI)	(1,381)	(2,935)	(2,908)	(10,978)
VIII	Tax expense:				
	Current tax	-	2	-	2
	Deferred tax	-	-	-	-
IX	Loss for the period/ year (VII-VIII)	(1,381)	(2,937)	(2,908)	(10,980)
X	Other comprehensive income/ (loss)				
	(i) Items that will not be reclassified to profit or loss				
	- Re-measurement gain/ (loss) on defined benefit plans	(18)	(1)	(29)	(85)
	- Changes in fair value of equity and preference instruments carried at FVTOCI	(806)	96	-	96
	- Income tax relating to above	-	-	-	-
	(ii) Items that will be reclassified to profit or loss				
	- Exchange differences on translation of foreign operations	43	14	8	22
	- Income tax relating to above	-	-	-	-
	Other comprehensive income/ (loss) for the period/ year	(781)	109	(21)	33
XI	Total comprehensive loss for the period/ year (IX+X)	(2,162)	(2,828)	(2,929)	(10,947)
XII	Paid-up share capital (face value of INR 1 per share)	7,652	7,643	6,381	7,643
XIII	Other equity				160,029
XIV	Loss per equity share (INR)¹ (face value of INR 1 each)				
	(a) Basic	(0.18)	(0.38)	(0.46)	(1.52)
	(b) Diluted	(0.18)	(0.38)	(0.46)	(1.52)

¹ EPS is not annualised for the quarter ended June 30, 2022, quarter ended March 31, 2022 and quarter ended June 30, 2021.



Zomato Limited (formerly known as Zomato Private Limited)
Notes to the standalone financial results

- 1 The unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 01, 2022.
- 2 The unaudited standalone financial results has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 During the year ended March 31, 2022, the Company had completed initial public offer (IPO) of 1,233,552,631 equity shares of face value of INR 1 each at an issue price of INR 76 per share, comprising fresh issue of 1,184,210,526 shares and offer for sale of 49,342,105 by Info Edge (India) Limited (existing shareholder). Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f July 23, 2021.

The Company has received an amount of INR 87,280 million (net off IPO expenses of INR 2,720 million) from proceeds out of fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below:

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For and on behalf of the Board of Directors of Zomato Limited
(formerly known as Zomato Private Limited)



Deepinder Goyal
Managing Director and Chief Executive Officer
(DIN-02613583)



Date: August 01, 2022
Place: Gurugram

