

**zomato**

# SHAREHOLDERS' LETTER AND RESULTS

Q3FY23 | FEBRUARY 9, 2023

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## OUR VISION STATEMENTS

**Better food for  
more people**

ZOMATO & HYPERPURE

**Instant commerce  
indistinguishable from magic**

BLINKIT

**Make India  
malnutrition free**

FEEDING INDIA

# Q3FY23 (Quarter ending December 31, 2022)

## Headline Results

- **Adjusted Revenue** grew 66% year-on-year to INR 23.63 billion (45% year-on-year growth ex-quick commerce, 30% year-on-year growth for food delivery).  
Acquisition of Blinkit (quick commerce) closed on August 10, 2022. Hence, this quarter was the first full quarter of consolidation of Blinkit financials.
- **Adjusted EBITDA** loss (ex-quick commerce) was INR 0.38 billion for the quarter compared to INR 2.72 billion in Q3FY22 a year ago. Even after consolidating quick commerce (a business that didn't exist last year), Adjusted EBITDA loss reduced to INR 2.65 billion as compared to INR 2.72 billion in Q3FY22 a year ago.
- **Adjusted EBITDA margin** (ex-quick commerce) improved to -2% in Q3FY23 as compared to -19% a year ago. Including quick commerce, Adjusted EBITDA margin improved to -11% in Q3FY23 as compared to -19% a year ago.

### Milestone Alert 📌

Zomato business pre acquisition of Blinkit (i.e. ex-quick commerce), **turned Adjusted EBITDA positive for the month of January 2023** despite a slowdown in the food delivery business.

*Note: January financials are basis management information systems and unaudited.*

### Total (ex-quick commerce)

Adjusted Revenue

**INR 20.62 billion**

▲ 45%

YoY growth

Adjusted EBITDA

**INR -0.38 billion**

▲ INR 2.34 billion

YoY improvement

Adjusted EBITDA margin

**-2%**

▲ 17% (percentage points)

YoY improvement

### Total

Adjusted Revenue

**INR 23.63 billion**

▲ 66%

YoY growth

Adjusted EBITDA

**INR -2.65 billion**

▲ INR 0.07 billion

YoY improvement

Adjusted EBITDA margin

**-11%**

▲ 8% (percentage points)

YoY improvement

*Note: Adjusted EBITDA margin as % of Adjusted Revenue.*

In the letter below (still in our much appreciated Q&A format), we will address the key questions that were asked of us in the recent past, in addition to the questions we think investors might have.

## Q1. How was Zomato's performance in Q3FY23?

**Akshant:** The table below gives the quarterly break-up of Adjusted Revenue and Adjusted EBITDA into our four main business segments.

### IMPORTANT NOTE

On a quarter-on-quarter ("QoQ") basis, the numbers are not fully comparable due to consolidation of Blinkit for the full quarter in Q3FY23 as compared to consolidation for only part of the quarter (~50 days) in Q2FY23 (transaction closed on August 10, 2022).

### Adjusted Revenue

INR billion, unless otherwise mentioned	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
Food delivery	12.00	12.84	14.70	15.81	15.65
Hyperpure (B2B supplies)	1.57	1.94	2.73	3.34	4.21
Quick commerce <sup>(1)</sup>	-	-	-	1.42 <sup>(1)</sup>	3.01
Others	0.66	0.61	0.67	0.49	0.75
<b>Total Adjusted Revenue</b>	<b>14.22</b>	<b>15.39</b>	<b>18.10</b>	<b>21.07<sup>(1)</sup></b>	<b>23.63</b>
YoY % change	78%	67%	56%	48%	66%
<b>Total Adjusted Revenue (ex-quick commerce)</b>	<b>14.22</b>	<b>15.39</b>	<b>18.10</b>	<b>19.65</b>	<b>20.62</b>
YoY % change	78%	67%	56%	38%	45%

### Adjusted EBITDA

INR billion, unless otherwise mentioned	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
Food delivery	-2.21	-1.89	-1.13	0.02	0.23
Hyperpure (B2B supplies)	-0.41	-0.44	-0.44	-0.53	-0.53
Quick commerce <sup>(1)</sup>	-	-	-	-1.32 <sup>(1)</sup>	-2.27
Others	-0.10	0.08	0.06	-0.09	-0.09
<b>Total Adjusted EBITDA</b>	<b>-2.72</b>	<b>-2.25</b>	<b>-1.50</b>	<b>-1.92<sup>(1)</sup></b>	<b>-2.65</b>
as a % of Adjusted Revenue	-19%	-15%	-8%	-9%	-11%
<b>Total Adjusted EBITDA (ex-quick commerce)</b>	<b>-2.72</b>	<b>-2.25</b>	<b>-1.50</b>	<b>-0.60</b>	<b>-0.38</b>
as a % of Adjusted Revenue (ex-quick commerce)	-19%	-15%	-8%	-3%	-2%

- 1) On a QoQ basis, the numbers are not fully comparable due to consolidation of Blinkit for the full quarter in Q3FY23 as compared to consolidation for only part of the quarter (~50 days) in Q2FY23 (transaction closed on August 10, 2022).
- 2) In the past, 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 to avoid confusion. Refer to Annexure B for details regarding actual rent paid during the quarter.
- 3) We have converted millions into two decimal billions and hence there could be some totalling anomalies in the numbers displayed above.

## Q2. Adjusted Revenue for food delivery grew 30% YoY but saw a degrowth sequentially over the previous quarter. Can you share more color?

**Akshant:** We have seen an industry-wide slowdown in the food delivery business since late October (post the festival of Diwali). This trend has been seen across the country but more so in the top 8 cities.

As a result, GOV growth in food delivery in Q3FY23 was only 0.7% QoQ in an otherwise seasonally strong quarter. Orders declined QoQ while AOV grew. On a YoY basis, GOV grew 21% driven by order volume growth of 14% along with 6% growth in AOV.

Adjusted Revenue declined by 1.0% QoQ largely driven by a decline in order volumes. On a YoY basis, Adjusted Revenue grew 30%.

Profitability continued to improve with Contribution increasing to INR 3.39 billion in Q3FY23, up 14% QoQ and 446% YoY. Consequently, food delivery Adjusted EBITDA increased to INR 0.23 billion in Q3FY23 (0.3% of GOV) from INR 0.02 billion in Q2FY23 and INR -2.21 billion, a year ago.

Below is a snapshot of the key metrics of the food delivery business –

### Food delivery – Financial metrics

<i>INR billion, unless otherwise mentioned</i>	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
GOV	54.99	58.53	64.25	66.31	66.80
Adjusted Revenue	12.00	12.84	14.70	15.81	15.65
Contribution	0.62	0.98	1.79	2.97	3.39
Contribution as a % of GOV	1.1%	1.7%	2.8%	4.5%	5.1%
Adjusted EBITDA	-2.21	-1.89	-1.13	0.02	0.23
Adjusted EBITDA as a % of GOV	-4.0%	-3.2%	-1.8%	0.0%	0.3%

### Food delivery – Operating metrics

<i>'000, unless otherwise mentioned</i>	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
Average monthly transacting customers (million)	15.3	15.7	16.7	17.5	17.4
Average monthly active food delivery restaurant partners	191	205	208	207	209
Average monthly active delivery partners	296	316	319	341	330

## Q3. Have you seen any recovery as far as growth in food delivery is concerned in the current quarter so far?

**Akshant:** It remains a challenging demand environment, but we are seeing green shoots of demand coming back in the recent weeks, which makes us believe that the worst may be behind us.

## Q4. Do you think these are signs of slowing long term growth in the food delivery business?

**Deepinder:** We believe that the long term opportunity remains large and exciting. We think that the current slowdown is a result of a few temporary factors – a) macro slowdown for the mid-market segment, b) boom in dining out for the premium-end, and c) boom in travel at the premium-end.

If we zoom out and look at the big picture, we note the following –

### 1. The number of power customers are steadily increasing on our platform.

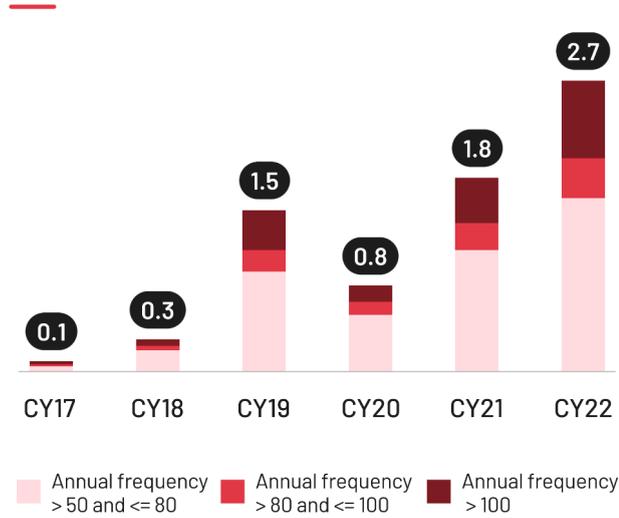
In CY22, customers who ordered >50 times a year grew by ~50% YoY to 2.7 million as compared to 1.8 million in CY21. The number of customers ordering more than 100 times a year (~2 orders every week) increased by ~70% YoY.

## 2. The pace of new customer addition remains healthy.

We added 23.0 million new customers in CY22 as compared to 23.6 million in CY21. These are customers who placed at least 1 order on Zomato in the year. Even in the last quarter of CY22, while the overall demand was soft, the pace of new customer addition was strong.

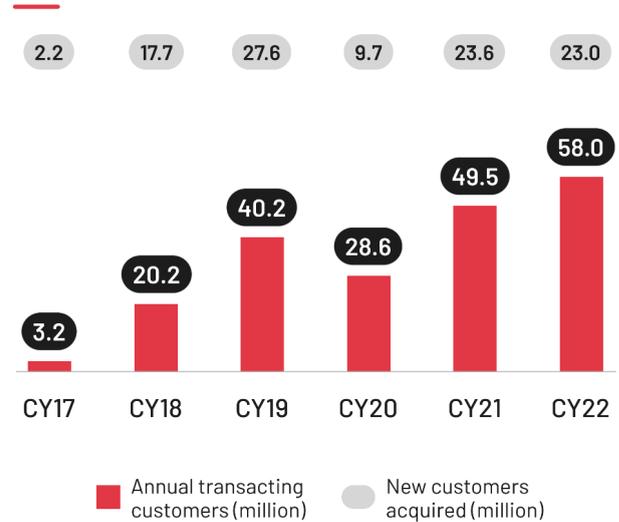
### Customers with annual order frequency >50

million



### Annual transacting customers

million



Customers with annual order frequency >50 as a % of annual transacting customers have increased from 1.4% in CY18 to 4.7% in CY22.

## Q5. What steps/ initiatives are you taking to revive growth?

**Deepinder:** We continue to stay focused on our long-term growth vectors without worrying too much about near-term growth pressures. The team is executing relentlessly and we are shipping things faster than ever. Few initiatives that we are prioritizing for growth -

1. We launched a brand-new membership program, Zomato Gold in late January. This program is built on top of what we have learnt over the last few years - iterating on feedback we have received from customers, restaurant partners, as well as investors. We think that the new program is more sustainable for customers, restaurant partners, as well as our P&L. We expect this program to drive loyalty and higher frequency of ordering going forward.

The key highlight of Zomato Gold is 'On Time Guarantee'. This feature was three years in the making, and the tech which powers this feature is a significant achievement for our team. Gold members also get priority access to more restaurants during peak times and offers from a number of restaurants on both delivery and dining-out. We have also made our intercity delivery from legendary restaurants (called Intercity Legends) exclusively available to Gold members. And of course, free delivery on orders meeting certain criteria.

In less than a month, the Zomato Gold program has scaled to 900k+ members.

2. We are working on remodeling the Zomato Instant service to focus on offering our customers home-style cooked meals at affordable prices (will be called Zomato Everyday). We believe that this is a large opportunity in a market like India and is relatively untapped currently. We plan to launch this soon in the next few weeks.
3. On top of all of this, we see generous gaps in the UX of our app (including better curation), and the speed of our engineering systems. We believe that fixing some of this "hygiene" will have compounding benefits on the growth (and profitability) of our business.

## **Q6. What drove the improvement in food delivery Contribution? Any pressure expected on profitability as a result of the launch of Zomato Gold?**

**Akshant:** The improvement in Contribution in Q3FY23 was largely driven by growth in AOV plus efficiencies on the cost side which more than compensated for marginally lower customer delivery charges.

The short term negative impact of Zomato Gold (due to free delivery benefit) will be offset by improvements in other revenue and fixed & variable cost drivers. In the long term, we believe we will be able to make the Zomato Gold program itself profitable.

## **Q7. Is this program likely to push out your earlier estimate of reaching Adjusted EBITDA break-even (ex-quick commerce) by Q2FY24?**

**Akshant:** No, we still feel confident about reaching Adjusted EBITDA break-even (ex-quick commerce) by Q2FY24 as per our earlier estimate. As far as investments by way of Zomato Gold are concerned, they were already baked into our projections, as the launch of Zomato Gold has been in the works for several months now. The current slowdown in demand was unexpected which is impacting the growth in food delivery profits but despite that, we think we are in a good position to meet our profitability goal.

In fact, our business is already break-even ex-quick commerce last month (January 2023) and there is a good chance of getting to Adjusted EBITDA break-even (ex-quick commerce) in the current quarter if we are able to bank some execution related wins in the next few weeks (which should offset the negative impact of Zomato Gold on our margins).

We have not changed our goal post of getting to Adjusted EBITDA margin of 4-5% of GOV in the food delivery business in the medium term.

## **Q8. How are you able to drive consistent improvement in profitability in the food delivery business?**

**Deepinder:** Having a profitability mindset is the key. As a company we have been constantly re-evaluating and optimizing investments across the board, including taking a hard look at resource allocation across functions, shutting down non-performing markets, reassessing our headcount, among others. Taking some of these actions early in 2022 has helped us deliver on our own expectations of profit growth. In the last year or so, investors have been far more focused on profitability and we are doing our best to deliver on those expectations.

**Akshant:** Recently, in the month of January, we have exited ~225 smaller cities which contributed 0.3% of our GOV in Q3FY23. Performance of these cities was not very encouraging in the past few quarters and we did not feel the payback period on our investments in these cities was acceptable.

## **Q9. Now onto Hyperpure, can you give us an update on the business?**

**Akshant:** Hyperpure revenue grew 26% QoQ (169% YoY) to INR 4.21 billion in Q3FY23. Adjusted EBITDA margin improved to -13% in Q3FY23 as compared to -16% in Q2FY23. Below is a snapshot of the key financial metrics of Hyperpure –

## Hyperpure (B2B supplies)

INR billion, unless otherwise mentioned	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
Revenue	1.57	1.94	2.73	3.34	4.21
YoY % change	174%	160%	263%	199%	169%
Adjusted EBITDA	-0.41	-0.44	-0.44	-0.53	-0.53
as a % of Adjusted Revenue	-26%	-23%	-16%	-16%	-13%

Hyperpure has also begun tapping into the quick commerce opportunity. Part of the revenue growth in Q3FY23 was on account of goods supplied to the sellers on Blinkit's marketplace. Hyperpure is well placed to monetise this opportunity given its strengths around sourcing and supply chain.

### Q10. When can we expect Adjusted EBITDA break-even in Hyperpure?

**Deepinder:** At this time, we are choosing growth over profitability in this business. Why? Because Hyperpure is a multi-city business with each city at a different stage on the profitability curve. Our oldest city Bangalore (4+ years old) is already close to being profitable and hence the newer cities are the largest contributor to losses in this business.

Our continued investments in Hyperpure are based on the following five principles/insights -

- Hyperpure caters to a large uncontested market; there's a huge opportunity to build the Sysco of India
- We are uniquely positioned (given our restaurant relationships) to tap into this market
- The moats (infrastructure, operational efficiency, scale benefits, etc.) in this business are very strong, and take years to build
- There is evidence of path to long term profitability, given our oldest city is already near profitable
- Over time, it will drive higher consumption of restaurant food as we positively impact the quality of produce used at restaurants

### Q11. Any update you want to share on the dining-out business?

**Deepinder:** The business is starting to take off, but still doesn't contribute meaningfully to the overall size of the business. That should happen over time. We will share more when we have more to share.

**Akshant:** In Q3FY23, apart from our dining-out business, the 'Others' segment also included the food delivery services that we offer to Talabat in UAE and our offline events such as Zomaland.

We expect the Adjusted Revenue of INR 0.75 billion in Q3FY23 from our 'Others' segment to decline in Q4FY23 since the services offered to Talabat in UAE have been discontinued in Nov-22 and the revenue from some of our offline events is seasonal and not recurring every quarter (which together contributed ~INR 0.4 billion in Q3FY23).

### Q12. Before we move to Blinkit, I wanted to talk about the senior exits in the last few months. What's going on?

**Deepinder:** Company building is not just about the journey of the business. It is also so much about its people's personal journeys. Both these journeys take their own twists and turns. And sometimes, for some people, the distance between their form (their mindset and skillset) and the company's context becomes such that it is necessary to take a break from each other.

I attempt to stay true to a culture where I expect every individual, including me, to continuously learn and grow, improve upon their form, and adapt to the changing context.

Also, without hope, but not hopelessly, I think that most of our people who have exited, haven't really left. People leave their roles at Zomato, but Zomato never leaves them. We have so many people in the senior leadership who are on their second (and third) stint at Zomato. They did that once the company's context changed, or when they changed their form. Sometimes, both. All of this works for us wonderfully. The entropy our people create in the organisation by leaving and then coming back is fantastic to say the least, and propels the organisation forward.

### Q13. Is there a plan to hire externally to fill these roles, especially CTO and head of food delivery?

**Deepinder:** We are always on the lookout for great talent to join our team. We don't hire people for the role, but for the organisation. Our current people do not have the ego to want to continue in their roles if they find someone better than themselves for their roles. Holds true for me as well.

Having said that, we don't have the need to fill these two spots; being in 'continuous lookout for great talent' is an attack tactic, not a defense tactic.

### Q14. Moving onto Blinkit, how did the business perform in Q3FY23?

**Albinder:** GOV grew by 18% QoQ driven by a 21% growth in order volumes which compensated for reduction in AOV. Growth in revenue per order led to a higher revenue growth of 28% QoQ. All of this growth has come without any expansion in our dark store footprint as evident from the increase in the GOV per dark store.

Profitability continued to improve with contribution margin (as a % of GOV) improving from -7.3% in Q2FY23 to -4.5% in Q3FY23.

Adjusted EBITDA loss decreased from INR 2.59 billion in Q2FY23 to INR 2.27 billion while achieving the above GOV growth, resulting in an improvement in Adjusted EBITDA margin from -17.5% in Q2FY23 to -13.0% in Q3FY23.

Below are the key financial and operating metrics for Blinkit for Q3FY23:

#### Quick commerce

Key operating metrics	Units	Q1FY23	Q2FY23	Q3FY23
Orders	million	22.2	26.1	31.6
Average order value (AOV)	INR	528	568	553
Average monthly transacting customers	million	2.2	2.6	3.1
Average GOV per day, per dark store	INR '000	309	422	524

Key financial metrics	Units	Q1FY23	Q2FY23	Q3FY23
GOV	INR billion	11.72	14.82	17.49
Revenue	INR billion	1.64	2.36	3.01
Contribution	INR billion	-2.03	-1.08	-0.79
Adjusted EBITDA	INR billion	-3.26	-2.59	-2.27
Contribution margin (as a % of GOV)	%	-17.3%	-7.3%	-4.5%
Adjusted EBITDA (as a % of GOV)	%	-27.8%	-17.5%	-13.0%

Refer to Annexure D for definitions relating to the Blinkit business.

### **Q15. Seems like there is no slowdown in the Blinkit business, is that true?**

**Albinder:** We are an early stage business, so any macro slowdown doesn't have a visible large-scale impact on our growth metrics. Blinkit is also less impacted vis-à-vis the food delivery business as our typical purchase basket tends to be more skewed towards essential / non-discretionary spends.

The slight downward pressure on AOVs might be a result of the slowdown where customers are preferring to buy smaller packs instead of larger ones.

Overall however, the last quarter was the highest ever in terms of new and returning customers.

### **Q16. What has led to the contribution margin improving in Q3FY22 despite a drop in AOV?**

**Albinder:** Revenue per order increased despite reduction in AOV due to growth in commission rates and better ad monetization, while cost per order reduced due to operating leverage. More than 20% of our GOV is now from stores that are Contribution positive (in the month of Dec 2022).

From an economic viability perspective, AOV is important and we think that we can build a profitable business even at 20% lower AOVs. Our job here is to cater to customer needs and shape behaviour where needed to make this a profitable business.

### **Q17. Can advertising income become a meaningful source of revenue for Blinkit? Can you talk more about the opportunity here?**

**Albinder:** Blinkit has become a preferred platform for advertising and engagement for over 500 brands. These brands, large and emerging, use us to build brand awareness and to also push their sales on the platform with performance advertising. Compared to other avenues available to brands, Blinkit has a few unique offerings –

1. Ours is a hyperlocal business where brands get visibility on consumption trends at a neighbourhood level – for example, the kind of products customers are searching for and ordering in a neighbourhood, by time of the day and day of the week. This gives brands the ability to micro-target relevant audiences based on their brand positioning.
2. Delivery in minutes means that customers are buying the products only minutes before consuming them. As we are so close to the point of consumption, brands have been using Blinkit effectively for new launches as they are able to create buzz around the product with a faster product feedback loop. Brands can also create custom cohorts and reach households to see their new product launches take off. More than 50 brands are currently using Blinkit's sampling services.

Overall, we believe that quick commerce will help brands do more targeted marketing and get better ROI on their investments. We expect advertisement revenue to be a significant driver for increase in revenue per order going forward. In line with that vision, we launched our new self-serve advertising platform for brands – Blinkit Brand Central, in December 2022. The self-serve platform allows brands to bid on their search keywords of interest, as well as create customised brand stores on the platform.

### **Q18. With more dark stores turning profitable, are you planning to expand the network of dark stores?**

**Albinder:** Yes, we have identified several new high potential neighbourhoods in existing as well as new cities. We should start seeing the net dark store number increase going forward.

### **Q19. How should one think about the pace of store expansion going forward?**

**Akshant:** We are seeking opportunities for store openings in high potential areas based on the data our systems generate, the management bandwidth and time to supply creation.

Unlike the food delivery business, the growth in quick commerce business is dependent on various factors such as availability of product from the brand, seller ability, and supply chain capacity. Only when we feel confident that we can provide a great experience for our customers in a high potential location, do we start the process of opening new stores.

Currently, we believe that we can comfortably grow our dark store count by ~30-40% over the next 12 months. This will also depend on our ability to find the best and most cost effective locations for these stores.

## **Q20. One general question, when people buy from Blinkit, where are they not buying anymore from?**

**Albinder:** Given Blinkit's differentiated value proposition of quick delivery, we believe that we are gaining share vis-a-vis next day (or next week) e-commerce businesses (Amazon, Flipkart, etc.). This is especially true in case of 'low-involvement' products (for example groceries, FMCG products, electronic accessories, etc.) where customers are not necessarily looking to spend a lot of time comparing a wide range of products or features. For low-involvement purchases, customers value the convenience and reliability that quick commerce offers and that is driving change in customer behaviour in our favour.

We are also becoming a platform of choice for many emerging brands which are using Blinkit to launch themselves nationally. Some of these brands are more discoverable on Blinkit than any other platform which in turn drives customer purchase on Blinkit.

## **Q21. What is the cash balance at the end of the December quarter?**

**Akshant:** The available cash on a consolidated basis is INR 113 billion as at the end of December 31, 2022 as compared to INR 115 billion as at the end of September 30, 2022.

## **Q22. Any updates on the ESG front?**

**Deepinder:** The highlight of last quarter was the impact we were able to create through the Feeding India concert held in Mumbai where American rapper Post Malone was the headline performer. The concert was attended by ~25,000 people including several eminent personalities, who became familiar with Feeding India's work and the cause of hunger and malnutrition. Creating awareness around the severity of India's hunger and malnutrition problem is an important first step in garnering wide public support towards this cause, and it will help us accelerate our efforts on the ground.

On the environment front - we remain committed to our goal of achieving carbon neutrality as a company. To this effect, we have been offsetting our carbon emissions via purchase of carbon credits. Also, with 88% of emissions attributable to our logistics function, we are working hard to expand our partnerships with EV rental and logistics players. In Q3FY23, we signed up 24 more partners bringing the total partnerships in this space to 31, thereby creating more options for our delivery partners to experience the benefits of switching to EVs.

We are also on track to achieve our voluntary target of recycling 20,000 MT of plastic waste in FY23 under our 100% Plastic-neutral deliveries initiative.

**Akshant:** Delivery partners' on-road safety has been a key focus area for us. We conducted a detailed study with ThinkSafety (SaveLive foundation) to identify leading causes of accidents and fatalities on the job, which statistically showed us that most accidents happen in low light conditions where delivery partner visibility is an issue. To mitigate this problem, we have modified our wearable assets (bags, t-shirts, jackets) to incorporate reflector strips to aid their visibility at night. Last quarter we distributed

over 100,000 such wearable assets to our delivery partners and all new assets being issued incorporate these enhancements.

In an industry first innovation, in 2022, we also put in place an emergency response ambulance service in all metros, wherein ambulances are stationed at strategic locations such that they can reach the delivery partner in about 20 minutes, when required. This service has already helped over 200 delivery partners who needed timely critical support. We are in the process of expanding this to more locations.

We are also identifying stretches of roads and crossroads with infrastructural deficiencies and actively working with civil authorities to aid them in building safer roads.

We have set ourselves a goal of 'zero' on-road delivery partner fatalities and are pursuing the above initiatives and more to make this a reality.

## **Q23. Overall, 2022 was a rough year for the tech industry in general. How are you feeling, Deepinder?**

**Deepinder:** Let me take you back to the origin story of Zomato. The idea for a scanned restaurant menu website came to me while working at Bain & Co, where I noticed that many of my colleagues would queue up at the pantry to look for menus to order food in the afternoons and late evenings.

Ordering food while at work was a highly arduous process and we had very little choice and kept ordering from the same restaurants. One weekend, I went around town, picked up all the takeaway menus I could find, and put them up on a website, mostly in the spirit of service to my colleagues and others around me at the time. I did not intend for this to become the business that it is right now. I only did this because I thought I could see a way for myself to be helpful to people and make their lives easier.

Zomato is an accidental company. The purpose of Zomato was to serve the community, and over time it also became a business. Millions of our customers have come to depend and rely on us for restaurant reviews, on-demand delivery of food, and groceries. We are proud to have improved the quality of their life. Being able to serve our customers, through thick and thin, inspires us to do better than yesterday, every single day.

Also, in a highly fragmented restaurant and retail market like India, we are able to help scores of small, local restaurants and brands grow their business and compete more effectively with larger brands. We are a company that believes in "staying small" no matter how big we become, and we will continue to champion small businesses who live for the same spirit of service that we do.

We are also especially proud of the hundreds of thousands of independent earning opportunities we create, as a direct result of us being in business. Being able to serve our delivery partners, and help them raise their children well, reassures us that our country can look forward to an even brighter future.

And we are doing this with all our heart. Even during the rough year for tech, we continue to invest in our environment by making sure that we voluntarily offset all of our carbon footprint, recycle more than all the plastic that gets used because of us, and also use our network and distribution to collaborate with public services to make an incremental dent in solving the malnutrition problem in India.

To be able to do all of this at scale, is humbling and inspiring at the same time. Rough years for the tech industry are only a blip when you are making such widespread impact. Sooner or later, the world will catch up.

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THE END

## Annexure A - Quarterly disclosures

### Adjusted Revenue

<i>INR billion, unless otherwise mentioned</i>	<b>Q3FY22</b>	<b>Q4FY22</b>	<b>Q1FY23</b>	<b>Q2FY23</b>	<b>Q3FY23</b>
Food delivery	12.00	12.84	14.70	15.81	15.65
Hyperpure (B2B supplies)	1.57	1.94	2.73	3.34	4.21
Quick commerce <sup>(1)</sup>	-	-	-	1.42 <sup>(1)</sup>	3.01
Others <sup>(2)</sup>	0.66	0.61	0.67	0.49	0.75
<b>Total Adjusted Revenue</b>	<b>14.22</b>	<b>15.39</b>	<b>18.10</b>	<b>21.07<sup>(1)</sup></b>	<b>23.63</b>
YoY % change	78%	67%	56%	48%	66%
<b>Total Adjusted Revenue (ex-quick commerce)</b>	<b>14.22</b>	<b>15.39</b>	<b>18.10</b>	<b>19.65</b>	<b>20.62</b>
YoY % change	78%	67%	56%	38%	45%

### Adjusted EBITDA

<i>INR billion, unless otherwise mentioned</i>	<b>Q3FY22</b>	<b>Q4FY22</b>	<b>Q1FY23</b>	<b>Q2FY23</b>	<b>Q3FY23</b>
Food delivery	-2.21	-1.89	-1.13	0.02	0.23
Hyperpure (B2B supplies)	-0.41	-0.44	-0.44	-0.53	-0.53
Quick commerce <sup>(1)</sup>	-	-	-	-1.32 <sup>(1)</sup>	-2.27
Others <sup>(2)</sup>	-0.10	0.08	0.06	-0.09	-0.09
<b>Total Adjusted EBITDA</b>	<b>-2.72</b>	<b>-2.25</b>	<b>-1.50</b>	<b>-1.92<sup>(1)</sup></b>	<b>-2.65</b>
<i>as a % of Adjusted Revenue</i>	-19%	-15%	-8%	-9%	-11%
<b>Total Adjusted EBITDA (ex-quick commerce)</b>	<b>-2.72</b>	<b>-2.25</b>	<b>-1.50</b>	<b>-0.60</b>	<b>-0.38</b>
<i>as a % of Adjusted Revenue (ex-quick commerce)</i>	-19%	-15%	-8%	-3%	-2%

Notes:

- 1) On a QoQ basis, the numbers are not fully comparable due to consolidation of Blinkit for the full quarter in Q3FY23 as compared to consolidation for only part of the quarter (~50 days) in Q2FY23 (transaction closed on August 10, 2022).
- 2) 'Others' includes dining-out and membership revenue in India as well as UAE. It also includes revenue from food delivery services that we offer to Talabat in UAE which is a pass-through revenue (EBITDA neutral) and has been discontinued in Nov-22 and revenue from Zomato Live that includes events like Zomaland, etc. Few businesses and our international operations in countries other than India and UAE have also been discontinued in FY22 and have no contribution from Q4FY22 onwards.
- 3) In the past, 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 to avoid confusion. Refer to Annexure B for details regarding actual rent paid during the quarter.
- 4) We have converted millions into two decimal billions and hence there could be some totalling anomalies in the numbers displayed above.

## Food delivery

INR billion, unless otherwise mentioned

	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
GOV	54.99	58.53	64.25	66.31	66.80
Adjusted Revenue	12.00	12.84	14.70	15.81	15.65
Contribution	0.62	0.98	1.79	2.97	3.39
Contribution as a % of GOV	1.1%	1.7%	2.8%	4.5%	5.1%
Adjusted EBITDA	-2.21	-1.89	-1.13	0.02	0.23
Adjusted EBITDA as a % of GOV	-4.0%	-3.2%	-1.8%	0.0%	0.3%
Average monthly transacting customers (million)	15.3	15.7	16.7	17.5	17.4
Average monthly active food delivery restaurant partners ('000)	191	205	208	207	209
Average monthly active delivery partners ('000)	296	316	319	341	330

## Hyperpure (B2B supplies)

	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
Unique restaurants billed ('000)	27	34	37	40	44

## Quick commerce

	Units	Q1FY23	Q2FY23	Q3FY23
Orders	million	22.2	26.1	31.6
Average order value (AOV)	INR	528	568	553
Average monthly transacting customers	million	2.2	2.6	3.1
Average GOV per day, per dark store	INR '000	309	422	524
GOV	INR billion	11.72	14.82	17.49
Revenue	INR billion	1.64	2.36	3.01
Contribution	INR billion	-2.03	-1.08	-0.79
Adjusted EBITDA	INR billion	-3.26	-2.59	-2.27
Contribution margin (as a % of GOV)	%	-17.3%	-7.3%	-4.5%
Adjusted EBITDA (as a % of GOV)	%	-27.8%	-17.5%	-13.0%

Note:

- 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 D 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 billion, unless otherwise mentioned</i>	<b>Q2FY23</b>	<b>Q3FY23</b>
Revenue from operations	16.61	19.48
Add: Customer delivery charges	4.46	4.15
<b>Adjusted Revenue</b>	<b>21.07</b>	<b>23.63</b>

### Adjusted EBITDA

<i>INR billion, unless otherwise mentioned</i>	<b>Q2FY23</b>	<b>Q3FY23</b>
Loss for the period	-2.51	-3.47
Less: Other income	1.70	1.73
Add: Depreciation & amortization expense	1.07	1.55
Add: Exceptional items	0.00	0.00
Add: ESOP expense	1.36	1.29
Less: Actual rent paid	0.17	0.28
Add: Tax expense	-0.10	-0.17
Add: Finance cost	0.12	0.16
<b>Adjusted EBITDA</b>	<b>-1.92</b>	<b>-2.65</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 (-) rental paid for the period pertaining to 'Ind AS 116 leases'
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

## Annexure D - Glossary for terms used in reference to the Blinkit business

Term	Description
Orders	Defined as all orders placed on the Blinkit marketplace platform in India, including canceled orders
Gross order value (GOV)	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
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
Revenue	Defined as Blinkit marketplace commission income (+) customer delivery charges (+) ad revenue (+) warehousing and ancillary services income
Contribution	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 (including rental costs prior to any accounting adjustment for Ind AS 116)(-) customer acquisition incentives (-) other variable costs (wastage, customer refunds, packaging charges, payment gateway charges and support cost)
Adjusted EBITDA	Defined as EBITDA (+) share-based payment expense (-) rental paid for the period pertaining to 'Ind AS 116 leases'
Average GOV per day, per dark store	Calculated as a simple average of total GOV transacted per day divided by total number of dark stores operational for the day, for that period

# Annexure E - Statement of unaudited consolidated profit and loss account

INR million

S. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	19,482	16,613	11,120	50,234	29,806	41,924
II	Other income	1,734	1,695	1,477	5,110	3,567	4,949
III	<b>Total income (I+II)</b>	<b>21,216</b>	<b>18,308</b>	<b>12,597</b>	<b>55,344</b>	<b>33,373</b>	<b>46,873</b>
IV	<b>Expenses</b>						
	Purchase of stock-in-trade	3,927	3,470	1,666	10,007	3,585	5,524
	Changes in inventories of stock-in-trade	(27)	(347)	(130)	(446)	(201)	(278)
	Employee benefits expense	3,950	3,813	4,115	11,252	12,263	16,331
	Finance costs	161	119	31	329	95	120
	Depreciation and amortisation expenses	1,548	1,067	387	3,031	1,126	1,503
	Other expenses						
	Advertisement and sales promotion	3,479	2,997	2,582	9,252	9,477	12,168
	Delivery and related charges	6,549	5,903	5,497	18,176	12,690	18,141
	Others	5,266	3,891	2,278	11,842	6,003	8,546
	<b>Total expenses</b>	<b>24,853</b>	<b>20,913</b>	<b>16,426</b>	<b>63,443</b>	<b>45,038</b>	<b>62,055</b>
V	<b>Loss before share of profit / (loss) of an associate, exceptional items and tax (III-IV)</b>	<b>(3,637)</b>	<b>(2,605)</b>	<b>(3,829)</b>	<b>(8,099)</b>	<b>(11,665)</b>	<b>(15,182)</b>
VI	Share of profit / (loss) of an associate and joint venture	-	(0)	(1)	(3)	1	3
VII	<b>Loss before exceptional items and tax (V+VI)</b>	<b>(3,637)</b>	<b>(2,605)</b>	<b>(3,830)</b>	<b>(8,102)</b>	<b>(11,664)</b>	<b>(15,179)</b>
VIII	Exceptional items	-	-	3,158	-	3,053	2,974
IX	<b>Loss before tax (VII+VIII)</b>	<b>(3,637)</b>	<b>(2,605)</b>	<b>(672)</b>	<b>(8,102)</b>	<b>(8,611)</b>	<b>(12,205)</b>
X	<b>Tax expense:</b>						
	Current tax	2	1	-	3	17	20
	Deferred tax	(173)	(98)	-	(271)	-	-
XI	<b>Loss for the period/year (IX-X)</b>	<b>(3,466)</b>	<b>(2,508)</b>	<b>(672)</b>	<b>(7,834)</b>	<b>(8,628)</b>	<b>(12,225)</b>
XII	<b>Other comprehensive income/ (loss)</b>						
	(i) Items that will not be reclassified to profit or loss						
	- Re-measurement gain/ (loss) on defined benefit plans	7	23	(6)	16	(98)	(96)
	- Changes in fair value of equity and preference instruments carried at FVTOCI	-	(591)	-	(1,397)	-	96
	- Income tax relating to above	-	-	-	-	-	-
	(ii) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of foreign operations	28	60	(22)	143	(3)	22
	- Income tax relating to above	-	-	-	-	-	-
	<b>Other comprehensive income/ (loss) for the period/ year</b>	<b>35</b>	<b>(508)</b>	<b>(28)</b>	<b>(1,238)</b>	<b>(101)</b>	<b>22</b>
XIII	<b>Total comprehensive loss for the period/ year (XI+XII)</b>	<b>(3,431)</b>	<b>(3,016)</b>	<b>(700)</b>	<b>(9,072)</b>	<b>(8,729)</b>	<b>(12,203)</b>
XIV	<b>Loss for the period/ year attributable to:</b>						
	Equity holders of the parent	(3,466)	(2,508)	(632)	(7,831)	(8,490)	(12,087)
	Non-controlling interests	-	-	(40)	(3)	(138)	(138)
XV	<b>Other comprehensive income/ (loss) for the period/ year attributable to:</b>						
	Equity holders of the parent	39	(512)	(27)	(1,237)	(103)	20
	Non-controlling interests	(4)	4	(1)	(1)	2	2
XVI	<b>Total comprehensive income/ (loss) for the period/ year attributable to:</b>						
	Equity holders of the parent	(3,427)	(3,020)	(659)	(9,068)	(8,593)	(12,067)
	Non-controlling interests	(4)	4	(41)	(4)	(136)	(136)
XVII	<b>Paid-up share capital (face value of INR 1 per share)</b>	<b>8,358</b>	<b>8,337</b>	<b>7,638</b>	<b>8,358</b>	<b>7,638</b>	<b>7,643</b>
XVIII	<b>Other equity</b>						<b>1,57,412</b>
XIX	<b>Loss per equity share (INR)<sup>1</sup> (face value of INR 1 each)</b>						
	(a) Basic	(0.42)	(0.31)	(0.08)	(0.98)	(1.20)	(1.67)
	(b) Diluted	(0.42)	(0.31)	(0.08)	(0.98)	(1.20)	(1.67)

Note:

(1) EPS is not annualised for the quarter and nine months ended December 31, 2022, quarter ended September 30, 2022 and quarter and nine months ended December 31, 2021.

## Annexure F - Statement of unaudited consolidated balance sheet

Particulars	INR million	
	As at December 31, 2022	As at March 31, 2022
	Unaudited	Audited
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,134	509
Right-of-use assets	4,167	642
Capital work-in-progress	146	6
Goodwill	47,166	12,093
Other intangible assets	10,629	799
Financial assets		
- Investments	31,650	30,860
- Other financial assets	38,410	52,191
Tax assets (net)	1,182	670
Other non-current assets	1,169	50
<b>Total non-current assets</b>	<b>1,36,653</b>	<b>97,820</b>
<b>Current assets</b>		
Inventories	843	397
Financial assets		
- Investments	14,116	16,317
- Trade receivables	4,146	1,599
- Cash and cash equivalents	5,803	3,923
- Other bank balances	3,927	11,832
- Loans	4	3,750
- Other financial assets	49,612	36,674
Other current assets	4,211	958
<b>Total current assets</b>	<b>82,662</b>	<b>75,450</b>
<b>Total assets</b>	<b>2,19,315</b>	<b>1,73,270</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	8,358	7,643
Other equity	1,87,032	1,57,412
<b>Equity attributable to equity holders of the parent</b>	<b>1,95,390</b>	<b>1,65,055</b>
Non-controlling interests	(70)	(66)
<b>Total equity</b>	<b>1,95,320</b>	<b>1,64,989</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
- Borrowings	144	-
- Lease liabilities	3,458	510
- Other financial liabilities	48	-
Provisions	954	653
Deferred tax liabilities	2,664	-
Other non-current liabilities	-	3
<b>Total non-current liabilities</b>	<b>7,268</b>	<b>1,166</b>
<b>Current liabilities</b>		
Financial liabilities		
- Borrowings	346	-
- Lease liabilities	1,016	193
- Trade payables		
a. total outstanding dues of micro enterprises and small enterprises	80	67
b. total outstanding dues of creditors other than micro enterprises and small enterprises	8,391	4,221
- Other financial liabilities	4,001	287
Provisions	257	185
Other current liabilities	2,636	2,162
<b>Total current liabilities</b>	<b>16,727</b>	<b>7,115</b>
<b>Total liabilities</b>	<b>23,995</b>	<b>8,281</b>
<b>Total equity and liabilities</b>	<b>2,19,315</b>	<b>1,73,270</b>

# Annexure G - Statement of unaudited consolidated cash flow

INR million

Particulars	Nine months ended	
	December 31, 2022	December 31, 2021
	Unaudited	Unaudited
<b>A) Cash flows from operating activities</b>		
Loss before tax	(8,102)	(8,611)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>		
- Liabilities written back	(169)	(58)
- Depreciation on property, plant and equipment and amortization of right-of-use assets	1,203	311
- Amortization on intangible assets	1,828	815
- Provision for doubtful debts and advances	156	172
- Loss on account of movements in foreign exchange rate and consumer price index in one of the Company's subsidiary operating in a hyperinflationary economy	-	159
- Gain on termination of lease contracts	(34)	(5)
- Share-based payment expense	4,224	6,529
- (Profit)/ loss on sale of property, plant and equipment (net)	(1)	(1)
- Net gain on mutual funds	(528)	(424)
- Share in (profit) / loss of associate	3	(1)
- Amortisation of premium on Government securities	140	0
- Provision for obsolete stock	-	31
- Interest expense	33	7
- Rent waiver on lease liabilities	-	(31)
- Gain on disposal of investment	-	(3,212)
- Interest on lease liabilities	270	77
- Interest income	(4,119)	(2,827)
- Interest income on Income tax refund	(24)	(15)
<b>Operating loss before changes in working capital</b>	<b>(5,120)</b>	<b>(7,084)</b>
Movements in working capital :		
- (Increase) in trade receivables	(1,553)	(483)
- (Increase) in other financial assets	(2,482)	(423)
- (Increase)/ decrease in other assets	(610)	531
- (Increase) in inventory	(446)	(202)
- Increase in financial liabilities and other liabilities	3,953	26
- Increase in provisions	245	373
- Increase in trade payables	932	2,509
<b>Cash (used in) operations</b>	<b>(5,081)</b>	<b>(4,753)</b>
Income taxes (paid)/ refund (net)	(353)	13
<b>Net cash from (used in) operating activities (A)</b>	<b>(5,434)</b>	<b>(4,740)</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)	(767)	(456)
Proceeds from sale of property, plant and equipment	1	10
Investment in bank deposits (having maturity of more than 3 months)	(80,928)	(1,09,941)
Proceeds from maturity of bank deposits (having maturity of more than 3 months)	94,331	38,974
Proceeds from redemption of liquid mutual fund units	53,257	33,755
Acquisition of a non-controlling Interest, net of cash acquired	-	(209)
Payment to acquire liquid mutual fund units	(50,325)	(24,346)
Purchase of non-current investments	-	(24,195)
Sale of non-current investments	-	3,750
Investment in Government Securities	(5,227)	(52)
Consideration paid for acquisition of warehousing division of HOTPL	(607)	-
Sale / disposal of subsidiary	-	14
Loan given	(7,504)	-
Interest received	2,430	315
<b>Net cash from (used in) investing activities (B)</b>	<b>4,661</b>	<b>(82,381)</b>
<b>C) Cash flows from Financing activities</b>		
Proceeds from issue of equity shares	40	90,000
Proceeds from exercise of share option	0	0
Loan repaid during the year	(145)	(14)
Transaction costs paid on issue of shares	-	(2,298)
Share-based payment on cancellation of option	(1)	(5)
Amount collected by ESOP Trust on exercise of employee stock options (net of tax)	65	61
Payment of principal portion of lease liabilities	(423)	(154)
Payment of interest portion of lease liabilities	(270)	(77)
Interest expense	(76)	(7)
<b>Net cash from (used in) financing activities (C)</b>	<b>(810)</b>	<b>87,506</b>
Net increase in cash and cash equivalents (A+B+C)	(1,583)	385
Cash and cash equivalents acquired through business combination	3,390	-
Cash and cash equivalent transferred due to sale of subsidiary	-	(55)
Net foreign exchange difference	73	(20)
Foreign exchange impact due to hyperinflation economy	-	(283)
Cash and cash equivalents as at the beginning of the period	3,923	3,065
<b>Cash and cash equivalents as at the end of the period</b>	<b>5,803</b>	<b>3,092</b>

## 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 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 (-) 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.

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.

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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 and nine months ended December 31, 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 two subsidiaries, in respect of one subsidiary whose financial results reflects total revenue of Rs. 5,166 million and Rs. 11,888 million for the quarter and nine months ended December 31, 2022, total loss after tax of Rs. 632 million and Rs. 1,489 million for the quarter and nine months ended December 31, 2022 and total comprehensive loss of Rs. 629 million and Rs. 1,482 million for the quarter and nine months ended December 31, 2022 and in respect of one subsidiary whose financial results reflects total revenue of Rs. 2,060 million and Rs. 2,834 for the quarter ended December 31, 2022 and for the period from August 10, 2022 to December 31, 2022, total loss after tax of Rs. 2,885 million and Rs. 4,842 million for the quarter ended December 31, 2022 and for the period from August 10, 2022 to December 31, 2022 and total comprehensive loss of Rs. 2,885 million and Rs. 4,834 million for the quarter ended December 31, 2022 and for the period from August 10, 2022 to December 31, 2022, as considered in the 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 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. 508 million and Rs. 755 million for the quarter and nine months ended December 31, 2022, total profit after tax of Rs. 68 million and Rs. 94 million for the quarter and nine months ended December 31, 2022, and total comprehensive profit of Rs. 68 million and Rs. 100 million for the quarter and nine months ended December 31, 2022, as considered in the Statement. The consolidated unaudited financial results also include the Group's share of loss after tax of Rs. Nil and Rs. 3 million for the quarter and nine months ended December 31, 2022 and total comprehensive loss of Rs. Nil and Rs. 3 million for the quarter and nine months ended December 31, 2022, as considered in the Statement, in respect of one associate and one joint venture, based on their financial results which are unaudited. These financial information are unaudited and have been furnished to us by the Management and our conclusion on the consolidated financial results in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, trusts, joint venture and associate is based solely on such unaudited financial information. According to the information and explanations given to us by the Management, these financial information are 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: 23503760BGYDPF7549



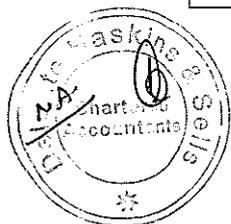
Place: Gurugram

Date: February 09, 2023

# Deloitte Haskins & Sells

## Annexure 1

S.No.	Name of the Entity	Relationship
1	Zomato Hyperpure Private Limited (formerly known as Zomato Internet 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 till Oct 25, 2022	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
33	Blink Commerce Private Limited from August 10, 2022 (formerly known as Grofers India Private Limited)	Subsidiary



## Statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2022

INR million

S. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	19,482	16,613	11,120	50,234	29,806	41,924
II	Other income	1,734	1,695	1,477	5,110	3,567	4,949
III	<b>Total income (I+II)</b>	<b>21,216</b>	<b>18,308</b>	<b>12,597</b>	<b>55,344</b>	<b>33,373</b>	<b>46,873</b>
IV	Expenses						
	Purchase of stock-in-trade	3,927	3,470	1,666	10,007	3,585	5,524
	Changes in inventories of stock-in-trade	(27)	(347)	(130)	(446)	(201)	(278)
	Employee benefits expense	3,950	3,813	4,115	11,252	12,263	16,331
	Finance costs	161	119	31	329	95	120
	Depreciation and amortisation expenses	1,548	1,067	387	3,031	1,126	1,503
	Other expenses						
	Advertisement and sales promotion	3,479	2,997	2,582	9,252	9,477	12,168
	Delivery and related charges	6,549	5,903	5,497	18,176	12,690	18,141
	Others	5,266	3,891	2,278	11,842	6,003	8,546
	<b>Total expenses</b>	<b>24,853</b>	<b>20,913</b>	<b>16,426</b>	<b>63,443</b>	<b>45,038</b>	<b>62,055</b>
V	Loss before share of profit / (loss) of an associate, exceptional items and tax (III-IV)	(3,637)	(2,605)	(3,829)	(8,099)	(11,665)	(15,182)
VI	Share of profit / (loss) of an associate and joint venture	-	(0)	(1)	(3)	1	3
VII	Loss before exceptional items and tax (V+VI)	(3,637)	(2,605)	(3,830)	(8,102)	(11,664)	(15,179)
VIII	Exceptional items (refer note 4)	-	-	3,158	-	3,053	2,974
IX	Loss before tax (VII+VIII)	(3,637)	(2,605)	(672)	(8,102)	(8,611)	(12,205)
X	Tax expense:						
	Current tax	2	1	-	3	17	20
	Deferred tax	(173)	(98)	-	(271)	-	-
XI	Loss for the period/year (IX-X)	(3,466)	(2,508)	(672)	(7,834)	(8,628)	(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	7	23	(6)	16	(98)	(96)
	- Changes in fair value of equity and preference instruments carried at FVTOCI	-	(591)	-	(1,397)	-	96
	- Income tax relating to above	-	-	-	-	-	-
	(ii) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of foreign operations	28	60	(22)	143	(3)	22
	- Income tax relating to above	-	-	-	-	-	-
	<b>Other comprehensive income/ (loss) for the period/ year</b>	<b>35</b>	<b>(508)</b>	<b>(28)</b>	<b>(1,238)</b>	<b>(101)</b>	<b>22</b>
XIII	<b>Total comprehensive loss for the period/ year (XI+XII)</b>	<b>(3,431)</b>	<b>(3,016)</b>	<b>(700)</b>	<b>(9,072)</b>	<b>(8,729)</b>	<b>(12,203)</b>
XIV	Loss for the period/ year attributable to:						
	Equity holders of the parent	(3,466)	(2,508)	(632)	(7,831)	(8,490)	(12,087)
	Non-controlling interests	-	-	(40)	(3)	(138)	(138)
XV	Other comprehensive income/ (loss) for the period/ year attributable to:						
	Equity holders of the parent	39	(512)	(27)	(1,237)	(103)	20
	Non-controlling interests	(4)	4	(1)	(1)	2	2
XVI	Total comprehensive income/ (loss) for the period/ year attributable to:						
	Equity holders of the parent	(3,427)	(3,020)	(659)	(9,068)	(8,593)	(12,067)
	Non-controlling interests	(4)	4	(41)	(4)	(136)	(136)
XVII	Paid-up share capital (face value of INR 1 per share)	8,358	8,337	7,638	8,358	7,638	7,643
XVIII	Other equity						157,412
XIX	Loss per equity share (INR) <sup>1</sup> (face value of INR 1 each)						
	(a) Basic	(0.42)	(0.31)	(0.08)	(0.98)	(1.20)	(1.67)
	(b) Diluted	(0.42)	(0.31)	(0.08)	(0.98)	(1.20)	(1.67)

<sup>1</sup> EPS is not annualised for the quarter and nine months ended December 31, 2022, quarter ended September 30, 2022 and quarter and nine months ended December 31, 2021.

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

- 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 February 9, 2023.
- 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.
- 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	INR million	
		Utilisation up to December 31, 2022	Unutilised amount as on December 31, 2022
1. Funding organic and inorganic growth initiatives	67,500	67,500	-
2. General corporate purposes	19,780	15,290	4,490
<b>Net Proceeds</b>	<b>87,280</b>	<b>82,790</b>	<b>4,490</b>

Net IPO proceeds which were unutilised as on December 31, 2022 were temporarily invested in deposits with scheduled commercial banks.

**4. Exceptional item includes:**

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
Gain on sale/ disposal of investment including foreign currency translation reserve on foreign subsidiaries sold / disposed off during the period	-	-	3,158	-	3,212	3,227
Loss on account of movements in foreign exchange rate in one of the Company's subsidiary operating in a hyperinflationary economy	-	-	-	-	(159)	(253)
<b>Total</b>	-	-	<b>3,158</b>	-	<b>3,053</b>	<b>2,974</b>

**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.

During the period, the Group has acquired Blink Commerce Private Limited ("Blinkit") and warehousing and ancillary services business ("Warehousing division") of Hands-On Trade Private Limited ("HOTPL") (Refer Note 6). After acquisition, the Group has identified business segments as reportable segments. The business segments comprises of:

- India food ordering and delivery
- Hyperpure supplies (B2B business)
- Quick commerce business
- All other segments (residual)

India food ordering and delivery is the online platform through which the Company 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 and sale of items to businesses for onward sales.

Blinkit is a quick commerce online platform facilitating quick delivery of goods and other essentials by connecting the end users, delivery personnel and sellers and providing delivery services. Quick Commerce also provides the warehousing services to the sellers.

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 have been allocated to respective segments based on the number of orders, number of employees or gross market value as reviewed by CODM.

During the period, CODM has reviewed the segment information after allocation of unallocable expenses to the segments, due to which the Group has restated the segment information for prior periods as well.



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

(a) Summarised segment information is as follows:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Revenue from operations (external customers)</b>						
India food ordering and delivery	11,507	11,357	8,895	33,608	24,582	34,146
Hyperpure supplies (B2B business)	4,213	3,341	1,566	10,281	3,434	5,376
Quick commerce business	3,008	1,425	-	4,433	-	-
All other segments (residual)	754	490	659	1,912	1,790	2,402
<b>Total</b>	<b>19,482</b>	<b>16,613</b>	<b>11,120</b>	<b>50,234</b>	<b>29,806</b>	<b>41,924</b>
<b>Revenue from operations (inter-segment)</b>						
India food ordering and delivery	13	3	-	16	-	-
Hyperpure supplies (B2B business)	1	0	43	4	99	140
Quick commerce business	-	-	-	-	-	-
All other segments (residual)	88	37	47	151	102	160
<b>Total</b>	<b>102</b>	<b>40</b>	<b>90</b>	<b>171</b>	<b>201</b>	<b>300</b>
<b>Segment results</b>						
India food ordering and delivery	242	27	(2,209)	(859)	(5,768)	(7,657)
Hyperpure supplies (B2B business)	(483)	(492)	(411)	(1,412)	(951)	(1,391)
Quick commerce business	(2,047)	(1,192)	-	(3,240)	-	-
All other segments (residual)	(87)	(93)	(103)	(117)	(762)	(678)
<b>Segment Results</b>	<b>(2,375)</b>	<b>(1,750)</b>	<b>(2,723)</b>	<b>(5,628)</b>	<b>(7,481)</b>	<b>(9,726)</b>
Add: other income	1,734	1,695	1,477	5,110	3,567	4,949
Less: share based payment expense	1,287	1,364	2,166	4,224	6,529	8,779
Less: finance costs	161	119	31	329	95	120
Less: depreciation and amortization expense	1,548	1,067	387	3,031	1,126	1,503
Add: exceptional items	-	-	3,158	-	3,053	2,974
<b>Loss before tax</b>	<b>(3,637)</b>	<b>(2,605)</b>	<b>(672)</b>	<b>(8,102)</b>	<b>(8,611)</b>	<b>(12,205)</b>

6 The Board of Directors of the Company on June 24, 2022 had 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 was 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.

On August 10, 2022, Zomato Limited completed the above acquisition by issuing 628,530,012 fully paid-up equity shares of Zomato Limited having face value of INR 1/- (Indian Rupee One) for 91.04% ownership interest. The same was accounted using the share price of Zomato Limited as on the acquisition date of INR 55.45 per equity share which amounted to INR 34,852 million. Total consideration of INR 38,281 million includes INR 34,852 million for which shares were issued as mentioned above and INR 3,429 million of fair value of existing ownership interest of 8.96% in BCPL as on date of acquisition.

Blinkit is a quick commerce online platform facilitating quick delivery of goods and other essentials by connecting the end users, delivery personnel and sellers and providing delivery services. The Group has acquired Blinkit for expansion in the quick commerce business.

The provisional purchase price allocation is based on management's estimates and fair values as follows

Particulars	Amount (INR million)
<b>Intangible Assets</b>	
Brand <sup>¶</sup>	7,966
Technology <sup>¶</sup>	2,251
Other intangible assets <sup>¶</sup>	1,442
Deferred tax liability	(2,935)
Cash and bank balances	4,030
Other Net assets / (liability)	(9,546)
Goodwill	35,073
<b>Total Purchase Consideration</b>	<b>38,281</b>

<sup>¶</sup>Useful lives are estimated to 1 year for customer relationships and 5 years for rest of the intangible assets.

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. The primary items that generated this goodwill are the value of the estimated synergies and entering into quick commerce business neither of which qualify as an intangible asset. Goodwill is not tax-deductible.

Additionally, as on August 10, 2022, Zomato Hyperpure Private Limited (formerly known as Zomato Internet Private Limited), material subsidiary of the Company has acquired the warehousing and ancillary services business ("Warehousing division") of Hands on Trades Private Limited ("HOTPL", fellow subsidiary of BCPL), for an aggregate consideration of INR 607 million paid in cash. The Group has acquired warehousing division for expansion in the quick commerce business. The purchase price of INR 607 million is provisionally allocated to Net Assets of INR 607 million and hence no goodwill is recognised.

7 The above results for the quarter and nine months ended December 31, 2022 are not comparable with the previous periods due to facts as mentioned in Note 6

Date: February 9, 2023  
Place: Gurugram

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

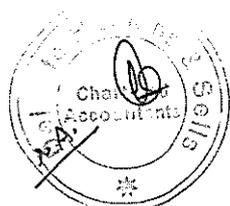
*Deepinder Goyal*  
Deepinder Goyal  
Managing Director and Chief Executive Officer  
(DIN-02613583)



## 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 and nine months ended December 31, 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 and Rs. Nil for the quarter and nine months ended December 31, 2022, total net profit after tax of Rs. 55 million and Rs. 67 million for the quarter and nine months ended December 31, 2022, and total comprehensive income of Rs. 55 million and Rs. 67 million for the quarter and nine months ended December 31, 2022, as considered in this Statement. These financial information are unaudited and have been furnished to us by the Management and our conclusion on the standalone financial results in so far as it relates to the amounts included in



# Deloitte Haskins & Sells

respect of the trust is based solely on such unaudited financial information. According to the information and explanations given to us by the Management, this financial information is not material to the Company.

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: 23503760BGYDPE8283



Place: Gurugram  
Date: February 09, 2023

Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2022

INR million

S. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	11,912	11,779	9,412	35,006	25,962	36,110
II	Other income	2,251	1,976	1,451	5,955	3,505	4,975
III	<b>Total income (I+II)</b>	<b>14,163</b>	<b>13,755</b>	<b>10,863</b>	<b>40,961</b>	<b>29,467</b>	<b>41,085</b>
IV	<b>Expenses</b>						
	Purchase of stock-in-trade	2	-	-	2	-	-
	Changes in inventories of stock-in-trade	(1)	-	-	(1)	-	-
	Employee benefits expense	2,840	2,974	3,723	9,008	11,008	14,790
	Finance costs	45	42	11	123	41	55
	Depreciation and amortisation expenses	400	409	340	1,185	993	1,334
	Other expenses						
	Advertisement and sales promotion	2,932	2,727	2,611	8,437	9,542	12,271
	Delivery and related charges	5,065	5,197	5,470	15,986	12,562	18,007
	Others	2,262	2,288	1,955	6,866	5,080	7,316
	<b>Total expenses</b>	<b>13,545</b>	<b>13,637</b>	<b>14,110</b>	<b>41,606</b>	<b>39,226</b>	<b>53,773</b>
V	<b>Profit / (loss) before exceptional items and tax (III-IV)</b>	<b>618</b>	<b>118</b>	<b>(3,247)</b>	<b>(645)</b>	<b>(9,759)</b>	<b>(12,688)</b>
VI	Exceptional items (refer note 4)	-	-	2,254	-	1,716	1,710
VII	<b>Profit / (loss) before tax (V+VI)</b>	<b>618</b>	<b>118</b>	<b>(993)</b>	<b>(645)</b>	<b>(8,043)</b>	<b>(10,978)</b>
VIII	<b>Tax expense:</b>						
	Current tax	2	1	-	3	-	2
	Deferred tax	-	-	-	-	-	-
IX	<b>Profit / (loss) for the period/ year (VII-VIII)</b>	<b>616</b>	<b>117</b>	<b>(993)</b>	<b>(648)</b>	<b>(8,043)</b>	<b>(10,980)</b>
X	<b>Other comprehensive income/ (loss)</b>						
	(i) Items that will not be reclassified to profit or loss						
	- Re-measurement gain/ (loss) on defined benefit plans	3	11	(6)	(4)	(84)	(85)
	- Changes in fair value of equity and preference instruments carried at FVTOCI	-	(591)	-	(1,397)	-	96
	- Income tax relating to above	-	-	-	-	-	-
	(ii) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of foreign operations	21	40	1	104	8	22
	- Income tax relating to above	-	-	-	-	-	-
	<b>Other comprehensive income/ (loss) for the period/ year</b>	<b>24</b>	<b>(540)</b>	<b>(5)</b>	<b>(1,297)</b>	<b>(76)</b>	<b>33</b>
XI	<b>Total comprehensive income / (loss) for the period/ year (IX+X)</b>	<b>640</b>	<b>(423)</b>	<b>(998)</b>	<b>(1,945)</b>	<b>(8,119)</b>	<b>(10,947)</b>
XII	Paid-up share capital (face value of INR 1 per share)	8,358	8,337	7,638	8,358	7,638	7,643
XIII	Other equity						160,029
XIV	<b>Earnings / (loss) per equity share (INR)<sup>1</sup> (face value of INR 1 each)</b>						
	(a) Basic	0.07	0.01	(0.13)	(0.08)	(1.13)	(1.52)
	(b) Diluted	0.07	0.01	(0.13)	(0.08)	(1.13)	(1.52)

<sup>1</sup> EPS is not annualised for the quarter and nine months ended December 31, 2022, quarter ended September 30, 2022 and quarter and nine months ended December 31, 2021.



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

- 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 February 9, 2023.
- 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.
- 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	INR million		
	Amount to be utilised as per prospectus	Utilisation up to December 31, 2022	Unutilised amount as on December 31, 2022
1. Funding organic and inorganic growth initiatives	67,500	67,500	-
2. General corporate purposes	19,780	15,290	4,490
<b>Net Proceeds</b>	<b>87,280</b>	<b>82,790</b>	<b>4,490</b>

Net IPO proceeds which were unutilised as on December 31, 2022 were temporarily invested in deposits with scheduled commercial banks.

**4 Exceptional item includes:**

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
Provision for impairment in value of investment in subsidiaries	-	-	1	-	(537)	(548)
Gain on sale /disposal of investment including foreign currency translation reserve on foreign subsidiaries sold / disposed off during the period	-	-	2,253	-	2,253	2,258
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,254</b>	<b>-</b>	<b>1,716</b>	<b>1,710</b>

- 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.
- The Board of Directors of the Company on June 24, 2022 had 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 was 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. Blinkit is a quick commerce online platform facilitating quick delivery of goods and other essentials by connecting the end users, delivery personnel and sellers and providing delivery services. The Company has acquired Blinkit for expansion in the quick commerce business.

On August 10, 2022, Zomato Limited completed the above acquisition by issuing 628,530,012 fully paid-up equity shares of Zomato Limited having face value of INR 1/- (Indian Rupee One). The same was accounted using the share price of Zomato Limited as on the acquisition date of INR 55.45 per equity share which amounted to INR 34,852 million.

Total investment of INR 38,281 million includes INR 34,852 million for which shares were issued as mentioned above and INR 3,429 million of fair value of existing ownership interest of 8.96% in BCPL as on date of acquisition.

Additionally, as on August 10, 2022, Zomato Hyperpure Private Limited (formerly known as Zomato Internet Private Limited), material subsidiary of the Company has acquired the warehousing and ancillary services business ("Warehousing division") of Hands on Trades Private Limited ("HOTPL", fellow subsidiary of BCPL), for an aggregate consideration of INR 607 million paid in cash. The Company has acquired warehousing division for expansion in the quick commerce business. The purchase consideration of INR 607 million includes cash consideration.

- 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"), Blink Commerce Private Limited (formerly known as Grofers India Private Limited) ("BCPL") and Zomato Entertainment Private Limited ("ZEPL") (accumulated losses as of December 31, 2022 being INR 4,288 million and INR 251 million for ZHPL and ZEPL respectively and losses of INR 4,834 million for BCPL during the period August 10, 2022 to December 31, 2022) ("subsidiary companies"), the Company carried out an impairment assessment as on December 31, 2022 of these subsidiary companies basis fair value of the entity determined by a valuer using discounted future cashflows approach as on December 31, 2022 for ZHPL and BCPL and as on March 31, 2022 for ZEPL coupled further with review of the performance of ZEPL for the nine months ended December 31, 2022. 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.

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: February 9, 2023  
Place: Gurugram

