

**zomato**

# Shareholders' Letter and Results

Q1FY24 | AUGUST 3, 2023

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Our overall mission statement

# Powering India's changing lifestyles

ZOMATO | BLINKIT | HYPERPURE

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## IN THIS REPORT WE COVER

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

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

ZOMATO & HYPERPURE

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

BLINKIT

### **Make India malnutrition free**

FEEDING INDIA

# Q1FY24 (Quarter Ending June 30, 2023)

## Headline Results

### Milestone Alert 📌

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

### Consolidated

Adjusted Revenue

**INR 2,786 crore**

▲ 54%

YoY growth

Adjusted EBITDA

**INR 12 crore**

INR -150 crore (Q1FY23)

▲ INR 162 crore YoY improvement

Adjusted EBITDA margin

**0.4%**

▲ 9% (percentage points)

YoY improvement

### Excluding quick commerce

Adjusted Revenue

**INR 2,402 crore**

▲ 33%

YoY growth

Adjusted EBITDA

**INR 145 crore**

INR -150 crore (Q1FY23)

▲ INR 295 crore YoY improvement

Adjusted EBITDA margin

**6%**

▲ 14% (percentage points)

YoY improvement

Notes:

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

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

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

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

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

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

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

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

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

**Akshant:** Here you go.

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

### Consolidated summary financials

#### Adjusted Revenue

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

## Adjusted EBITDA

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

Notes:

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

Following are the key metrics across individual businesses -

### Food delivery

#### Financial metrics

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

#### Operating metrics

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

## Hyperpure (B2B supplies)

### Financial metrics

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

## Quick commerce

### Financial metrics

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

### Operating metrics

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

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

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

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

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

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

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

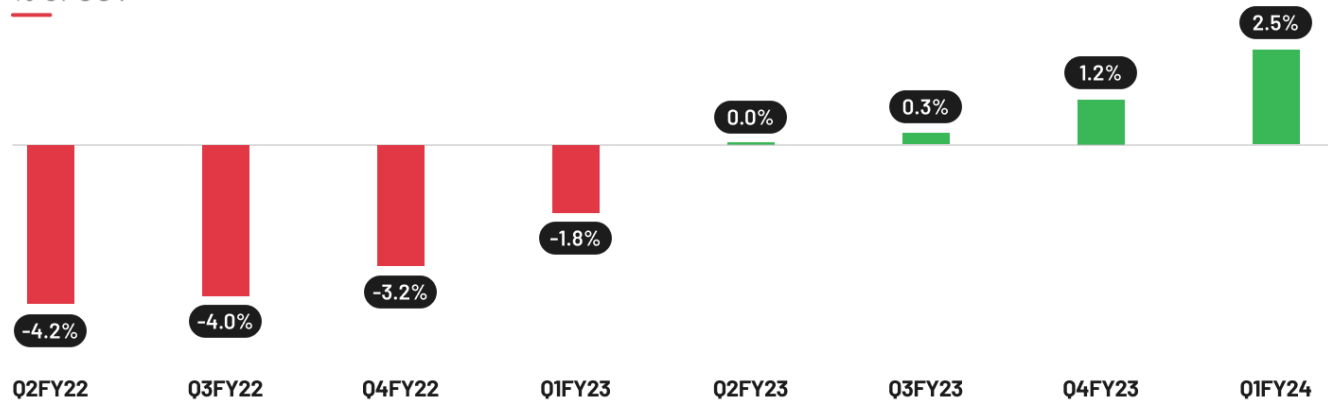
**Rakesh:** The margin improvement was driven by both cost side levers and revenue side levers, in addition to some accumulation of operating leverage due to growth in the business. We don't want to disclose any further information for competitive reasons.

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

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

### Food delivery Adjusted EBITDA margin

% of GOV



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

—  
THE END

## Annexure A - Quarterly disclosures

### Consolidated summary financials

#### Adjusted Revenue

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#### Adjusted EBITDA

<i>INR crore, unless otherwise mentioned</i>	<b>Q1FY23</b>	<b>Q2FY23</b>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>
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## Food delivery

### Financial metrics

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### Operating metrics

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## Hyperpure (B2B supplies)

### Financial metrics

INR crore, unless otherwise mentioned

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

## Quick commerce

### Financial metrics

INR crore, unless otherwise mentioned

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

### Operating metrics

million, unless otherwise mentioned

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

Notes:

- 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.
- Refer to Annexure C for definitions relating to the Blinkit business.

## Annexure B - Adjusted Revenue and Adjusted EBITDA reconciliation

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

### Adjusted Revenue

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

### Adjusted EBITDA

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

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

## Annexure C - Glossary

### Consolidated

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

### Food delivery

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

## Hyperpure

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

## Quick commerce

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

# Annexure D - Statement of consolidated profit and loss account

(INR crores)

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

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

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



## Annexure E - Statement of consolidated balance sheet

(INR crores)

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

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

## Annexure F - Statement of consolidated cash flow

(INR crores)

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

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

## Use of non-GAAP financial measures

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

Non-GAAP measures used by us are defined below:

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

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

### Forward looking statements

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

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

### TO THE BOARD OF DIRECTORS OF ZOMATO 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 for the quarter ended June 30, 2023 ("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.



# Deloitte Haskins & Sells

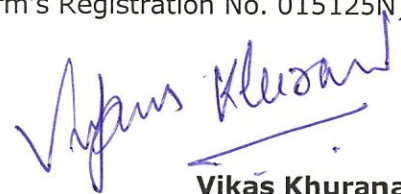
6. We did not review the financial results of two subsidiaries, whose financial results reflects total revenue of Rs. 1,002 crores for the quarter ended June 30, 2023, total loss after tax of Rs. 214 crores for the quarter ended June 30, 2023 and total comprehensive loss of Rs. 213 crores for the quarter ended June 30, 2023, 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 26 subsidiaries and 1 trust have not been reviewed by their auditors, whose financial results reflects total revenues of Rs. 6 crores for the quarter ended June 30, 2023, total loss after tax of Rs. 5 crores for the quarter ended June 30, 2023, and total comprehensive loss of Rs. 5 crores for the quarter ended June 30, 2023 as considered in the Statement. The consolidated unaudited financial results also include the Group's share of loss after tax of Rs. Nil for the quarter ended June 30, 2023 and total comprehensive loss of Rs. Nil for the quarter ended June 30, 2023, as considered in the Statement, in respect of one associate based on their financial results which are unaudited. These financial informations 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, trust and associate is based solely on such unaudited financial information. According to the information and explanations given to us by the Management, these financial informations 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: 23503760BGYDQR9497



Place: Gurugram  
Date: August 03, 2023

# Deloitte Haskins & Sells

## Annexure 1

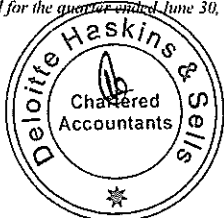
S. No.	Name of the Entity	Relationship
1	Zomato Hyperpure Private Limited (formerly known as Zomato Internet Private Limited)	Subsidiary
2	Zomato Australia Pty Limited till June 11, 2023	Subsidiary
3	Zomato Middle East FZ-LLC	Subsidiary
4	Tonguestun Food Networks Private Limited	Subsidiary
5	Zomato Media Portugal, Unipessoal, Lda	Subsidiary
6	Zomato Philippines Inc.	Subsidiary
7	PT. Zomato Media Indonesia	Subsidiary
8	Zomato Internet Hizmetleri Ticaret Anonim Sirketi	Subsidiary
9	Zomato Internet LLC	Subsidiary
10	Zomato NZ Media Private Limited till June 22, 2023	Subsidiary
11	Zomato Netherlands B.V.	Subsidiary
12	Zomato Entertainment Private Limited	Subsidiary
13	Gastronauci SP Z.O.O	Subsidiary
14	Zomato Slovakia s.r.o	Subsidiary
15	Lunchtime.Cz s.r.o	Subsidiary
16	Zomato Malaysia SDN BHD	Subsidiary
17	Zomato Chile SpA	Subsidiary
18	Zomato Local Services Private Limited	Subsidiary
19	Zomato Vietnam Company Limited	Subsidiary
20	Zomato Media (Private) Limited	Subsidiary
21	Zomato Inc.	Subsidiary
22	Delivery 21 Inc.	Subsidiary
23	Zomato Ireland Limited	Subsidiary
24	Zomato Foods Private Limited	Subsidiary
25	Carthero Technologies Private Limited	Subsidiary
26	Foodie Bay Employees ESOP Trust	Trust
27	ZMT Europe LDA	Associate
28	Zomato Payment Private Limited	Subsidiary
29	Zomato Financial Services Limited	Subsidiary
30	Blink Commerce Private Limited formerly known as Grofers India Private Limited	Subsidiary



## Statement of consolidated unaudited financial results for the quarter ended June 30, 2023

(INR crores)

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

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

N.A.



**Zomato Limited**  
**Notes to the consolidated unaudited financial results**

- 1 The statement of consolidated unaudited financial results for the quarter ended June 30, 2023 ("Financial Results") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 03, 2023.
- 2 The 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 **Exceptional item includes:**

Particulars	(INR crores)			
	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
Gain on sale/ disposal of investment including foreign currency translation reserve on foreign subsidiaries sold / disposed off during the period / year	-	0	-	0
<b>Total</b>	-	0	-	0

4 **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 business segments comprises of:

1. India food ordering and delivery
2. Hyperpure supplies (B2B business)
3. Quick commerce business
4. 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.

During the previous year ended March 31, 2023, the Group had acquired Blink Commerce Private Limited ("Blinkit") which 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; and warehousing and ancillary services business ("Warehousing division") of Hands-On Trade Private Limited ("HOTPL") which provides warehousing and ancillary services to the sellers. These are collectively classified as Quick commerce business.

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.

(a) Summarised segment information is as follows:

Particulars	(INR crores)			
	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
	Unaudited	Unaudited (refer note 7)	Unaudited	Audited
<b>Revenue from operations (external customers)</b>				
India food ordering and delivery	1,372	1,172	1,074	4,533
Hyperpure supplies (B2B business)	617	478	273	1,506
Quick commerce business	384	363	-	806
All other segments (residual)	43	43	67	234
<b>Total</b>	<b>2,416</b>	<b>2,056</b>	<b>1,414</b>	<b>7,079</b>
<b>Revenue from operations (inter-segment)</b>				
India food ordering and delivery	3	3	-	4
Hyperpure supplies (B2B business)	0	0	0	1
Quick commerce business	1	3	-	3
All other segments (residual)	6	5	3	20
<b>Total</b>	<b>10</b>	<b>11</b>	<b>3</b>	<b>28</b>
<b>Segment results</b>				
India food ordering and delivery	186	82	(112)	(5)
Hyperpure supplies (B2B business)	(29)	(40)	(44)	(181)
Quick commerce business	(105)	(179)	-	(503)
All other segments (residual)	(0)	(5)	6	(16)
<b>Segment Results</b>	<b>52</b>	<b>(142)</b>	<b>(150)</b>	<b>(705)</b>
Add: other income	181	171	168	682
Less: share based payment expense	100	84	157	506
Less: finance costs	18	15	5	49
Less: depreciation and amortization expense	130	134	42	437
Add: exceptional items	-	0	-	0
<b>Loss before tax</b>	<b>(15)</b>	<b>(204)</b>	<b>(186)</b>	<b>(1,015)</b>

- 5 During the previous year ended March 31, 2023, 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 4,448 crores at a price of INR 1,346,986.01 per equity share by issuance and allotment of up to 628,530,012 (six hundred 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 3,485 crores. Total consideration of INR 3,828 crores includes INR 3,485 crores for which shares were issued as mentioned above and INR 343 crores 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 purchase price allocation is based on management's estimates and fair values as follows:

Particulars	Amount (INR crores)
Intangible assets:	
Brand <sup>a</sup>	797
Technology <sup>a</sup>	225
Other intangible assets <sup>a</sup>	144
Deferred tax liability	(293)
Cash and bank balances	403
Other net assets / (liability)	(955)
Goodwill	3,507
<b>Total Purchase Consideration</b>	<b>3,828</b>


#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.

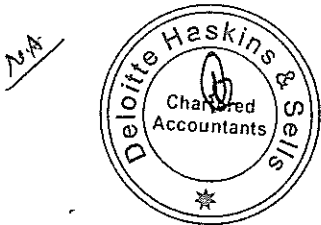
Additionally, as on August 10, 2022, Zomato Hyperpure Private Limited (formerly known as Zomato Internet Private Limited), material subsidiary of the Company has acquired the warehousing and ancillary services business ("Warehousing division") of Hands on Trades Private Limited ("HOTPL", fellow subsidiary of BCPL), for an aggregate consideration of INR 61 crores paid in cash. The Group has acquired warehousing division for expansion in the quick commerce business. The purchase price of INR 61 crores is allocated to Net Assets of INR 61 crores and hence no goodwill is recognised.

- 6 The above results for the quarter ended June 30, 2023 and March 31, 2023 are not comparable with the previous quarter ended June 30, 2022 due to facts as mentioned in Note 5.
- 7 The figures of the fourth quarter 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

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

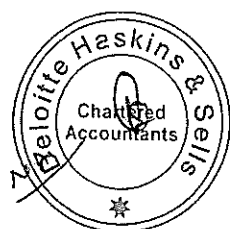
Date: August 03, 2023  
Place: Gurugram



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

### TO THE BOARD OF DIRECTORS OF ZOMATO LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ZOMATO LIMITED** ("the Company") for the quarter ended June 30, 2023 ("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, 2023, total net profit after tax of Rs. 0.6 crore for the quarter ended June 30, 2023, and total comprehensive income of Rs. 0.6 crore for the quarter ended June 30, 2023, 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 respect of the trust is based solely on such



# Deloitte Haskins & Sells

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: 23503760BGYDQQ7756

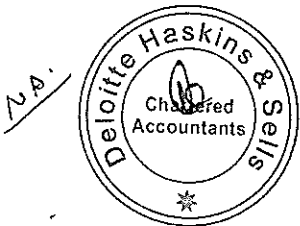


Place: Gurugram  
Date: August 03, 2023

## Statement of standalone unaudited financial results for the quarter ended June 30, 2023

(INR crores)


S. No.	Particulars	Quarter ended		Year ended	
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
		Unaudited	Unaudited (refer note 6)	Unaudited	Audited
I	Revenue from operations	1,420	1,207	1,132	4,707
II	Other income	186	204	172	800
III	<b>Total income (I+II)</b>	<b>1,606</b>	<b>1,411</b>	<b>1,304</b>	<b>5,507</b>
IV	Expenses				
	Purchase of stock-in-trade	0	1	-	1
	Changes in inventories of stock-in-trade	(0)	(0)	-	(0)
	Employee benefits expense	202	216	319	1,117
	Finance costs	5	4	3	16
	Depreciation and amortisation expenses	18	22	38	140
	Other expenses				
	Advertisement and sales promotion	283	250	278	1,094
	Delivery and related charges	638	536	572	2,135
	Others	184	200	232	887
	<b>Total expenses</b>	<b>1,330</b>	<b>1,229</b>	<b>1,442</b>	<b>5,390</b>
V	<b>Profit / (loss) before exceptional items and tax (III-IV)</b>	<b>276</b>	<b>182</b>	<b>(138)</b>	<b>117</b>
VI	Exceptional items	-	-	-	-
VII	<b>Profit / (loss) before tax (V+VI)</b>	<b>276</b>	<b>182</b>	<b>(138)</b>	<b>117</b>
VIII	Tax expense:				
	Current tax	0	-	-	0
	Deferred tax	-	-	-	-
IX	<b>Profit / (loss) for the period / year (VII-VIII)</b>	<b>276</b>	<b>182</b>	<b>(138)</b>	<b>117</b>
X	<b>Other comprehensive income / (loss)</b>				
	(i) Items that will not be reclassified to profit or loss				
	- Remeasurements of the defined benefit plans	(2)	2	(2)	2
	- Equity instruments through other comprehensive income	47	28	(81)	(111)
	- Income tax relating to above	-	-	-	-
	(ii) Items that will be reclassified to profit or loss				
	- Exchange differences on translation of foreign operations	(0)	(2)	5	8
	- Debt instruments through other comprehensive income	(3)	0	-	0
	- Income tax relating to above	-	-	-	-
	<b>Other comprehensive income / (loss) for the period / year</b>	<b>42</b>	<b>28</b>	<b>(78)</b>	<b>(101)</b>
XI	<b>Total comprehensive income / (loss) for the period / year (IX+X)</b>	<b>318</b>	<b>210</b>	<b>(216)</b>	<b>16</b>
XII	<b>Paid-up share capital (face value of INR 1 per share)</b>	<b>840</b>	<b>836</b>	<b>765</b>	<b>836</b>
XIII	<b>Other equity</b>				<b>19,970</b>
XIV	<b>Earnings / (loss) per equity share (INR)<sup>1</sup> (face value of INR 1 each)</b>				
	(a) Basic	0.33	0.22	(0.18)	0.14
	(b) Diluted	0.31	0.20	(0.18)	0.13

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

**Zomato Limited**  
**Notes to the standalone unaudited financial results**

- 1 The statement of standalone unaudited financial results for the quarter ended June 30, 2023 ("Financial Results") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 03, 2023.
- 2 The 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 The Company publishes these financial results along with the consolidated financial results. In accordance with Ind AS 108, "Operating Segments", the Company has disclosed the segment information in the consolidated financial results.
- 4 During the previous year ended March 31, 2023, 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 4,448 crores at a price of INR 1,346,986.01 per equity share by issuance and allotment of up to 628,530,012 (six hundred 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 3,485 crores.  
  
Total investment of INR 3,828 crores includes INR 3,485 crores for which shares were issued as mentioned above and INR 343 crores 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 61 crores paid in cash. The Company has acquired warehousing division for expansion in the quick commerce business. The purchase consideration of INR 61 crores includes cash consideration.
- 5 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 June 30, 2023 being INR 542 crores and INR 26 crores for ZHPL and ZEPL respectively and losses of INR 914 crores for BCPL during the period August 10, 2022 to June 30, 2023) ("subsidiary companies"), the Company carried out an impairment assessment 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 February 28, 2023 for ZEPL. Based on the review of the performance and future plan of the subsidiaries, the Company concluded that no impairment is required as at June 30, 2023. The same was noted by the Audit Committee and the Board.
- 6 The figures of the fourth quarter 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

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

Date: August 03, 2023  
Place: Gurugram

