



Date: February 10, 2023

BSE Limited
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001
India

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

Scrip Code: 543529

Symbol: DELHIVERY

Sub: Presentation of Earnings Conference Call of Delhivery Limited ("the Company")

Dear Sir/ Madam,

In furtherance to our earlier communication dated February 07, 2023 and pursuant to the provisions of the Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ("LODR"), we hereby attach a copy of presentation of earning conference call of the Company with investors/ analysts scheduled to be held on Saturday, February 11, 2023 at 04:00 P.M. (IST) on Unaudited Financial Results of the Company for the quarter ended December 31, 2022.

The aforesaid disclosure will also be hosted on the Company's website at <https://www.delhivery.com/investor-relations/> as per the provisions of the LODR.

You are requested to take the above on records.

Thanking you,

Yours faithfully,

For Delhivery Limited

SUNIL
KUMAR
BANSAL

Digitally signed by
SUNIL KUMAR
BANSAL
Date: 2023.02.10
22:43:52 +05'30'

Sunil Kumar Bansal
Company Secretary & Compliance Officer
Membership No: F4810

Place: Gurugram

Encl: As above

An aerial photograph of a large, modern industrial warehouse. The roof of the building is white and features the word 'DELIVERY' in large, bold, black letters. The building is surrounded by a parking lot filled with many trucks and cars. The background shows a residential area with houses and trees.

DELIVERY

Earnings Presentation
Q3 FY23

Safe harbour and disclaimer

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

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

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



**Continued sequential
improvement in profitability and
growth in e-commerce volumes**

India's largest integrated logistics platform⁽¹⁾

₹1,822 Cr

Q3 FY23 revenue from services



1.5%

QoQ growth rate⁽²⁾
(Q3 FY23 vs Q2 FY23)



-3.7% vs -7.0%

Adjusted EBITDA margin
(Q3 FY23 vs Q2 FY23)



170 Mn (5.6% QoQ growth)

Express parcels shipped in Q3 FY23
/ **1.9 Bn+** shipped since inception



258K Tons

PTL freight handled in Q3 FY23
/ **3.0 Mn+** tons shipped since FY19



17.9 Mn

Sq. Ft. logistics infrastructure⁽³⁾



26K+

Active customers^(4,5)



58%

Revenue from customers
using two or more services⁽⁵⁾



18,510

Pin-codes covered⁽³⁾



(1) As per RedSeer report basis FY21 revenue

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

(3) As of December 31, 2022

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

(5) For Q3 FY23

Key operating metrics

	As of end of / for the period						
	FY19	FY20	FY21	FY22 ⁽¹⁾	Q1 FY23	Q2 FY23	Q3 FY23
Pin-code reach ⁽²⁾	13,485	15,875	16,677	18,074	18,435	18,454	18,510
Countries served	42	42	42	220+	220+	220+	220+
No. of active customers ⁽³⁾	4,867	7,957	16,741	23,613	29,282	28,100	26,845
Infrastructure (in million sq. ft.)	5.96	9.85	12.23	18.15	18.89	18.46	17.89
Gateways	73	83	88	123	96	96	92
Automated sort centers	17	21	19	21	21	22	22
Processing centers	138	156	129	178	189	177	172
Express delivery centers	1,744	2,030	2,098	2,961	2,948	2,904	2,751
Freight service centers	84	103	95	267	237	188	150
Team size ⁽⁴⁾	23,639	30,634	33,242	60,373	58,045	56,504	52,789
Partner centers(constellation/BAs)	430	840	1,189	1,224	1,210	1,311	1,322
Partner agents ⁽⁵⁾	5,191	9,782	19,844	34,360	29,808	38,624	33,088
Fleet size – daily average	3,116	3,694	5,095	9,120	11,366	11,475	11,703
Revenue/person (₹ lacs) ⁽⁶⁾	7.0	9.1	11.0	12.0	12.0	12.7	13.8
Revenue/sq.ft. (₹, Transportation) ⁽⁷⁾	4,324	4,647	4,397	5,089	4,363	4,598	5,096
Revenue/sq.ft. (₹, Warehousing) ⁽⁸⁾	NM	379	344	495	598	586	545

(1) Figures and calculations for FY22 on proforma basis

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

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

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

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

(6) Derived by dividing revenue from operations by total team size as described in note (4); annualized for Q3 FY23

(7) Derived by dividing Express Parcel + PTL freight revenue by total logistics area excluding warehousing area; annualized for Q3 FY23

(8) Derived by dividing revenue from warehousing segment of Supply Chain Services by weighted average warehousing area for the year; annualized for Q3 FY23

Highlights

1 Adjusted EBITDA improvements continue QoQ, post SpotOn integration

a Network footprint optimization continued in Q3

b Pricing revisions carried out with low-margin customers, expected to continue into Q4

c Continue to drive capacity utilization, especially in mid-mile operations

2 PTL Business: entering crucial March-end period with good operational and business momentum

PTL business	Q4 FY22 ⁽¹⁾	Q3 FY23	Dec'22	Jan'23
Tonnage ('000 tons)	456	258	96	96
Network Service Level ⁽²⁾	89%	86%	94%	95%
Short shipments ⁽²⁾	0.08%	0.20%	0.06%	0.05%
Network Speed ⁽³⁾	4.3	5.3	4.3	4.3

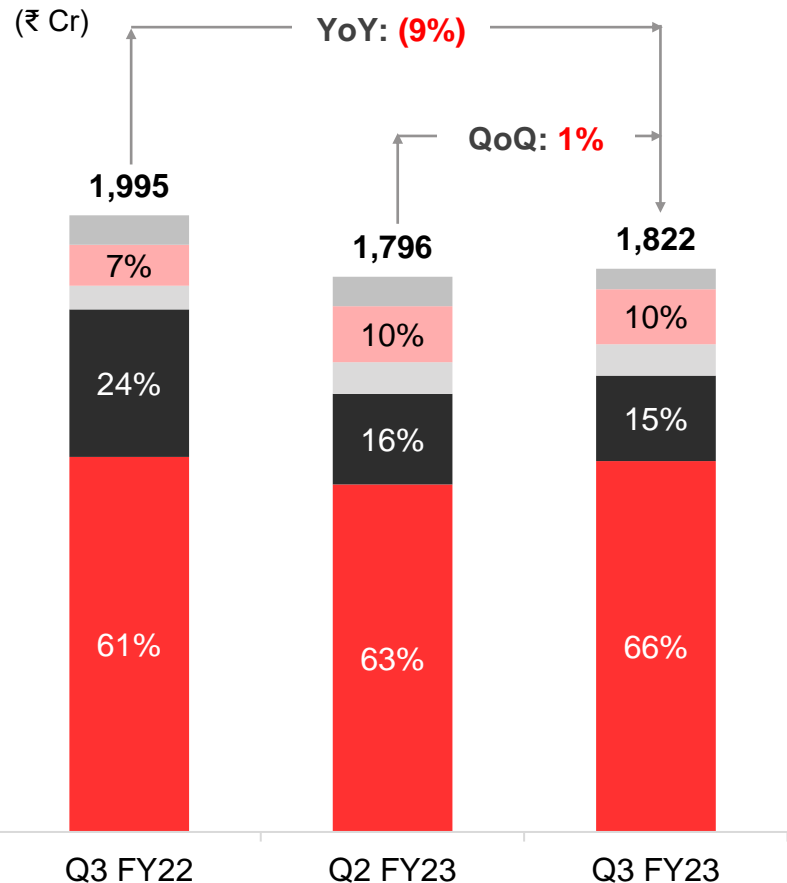
3 SCS pipeline continues to expand; new clients added in auto ancillary & parts, healthcare, home furnishing & furniture, beauty & personal care, consumer electronics and construction sectors; expanded existing contracts in auto, industrial and consumer segments

4 Completed acquisition of Algorithym Tech in January 2023; Algorithym's SCM software products will enhance our SCS offering with value added services and also drive cost optimization in service delivery

(1) Sum of Delhivery and SpotOn for tonnage and weighted average for other metrics
 (2) Weighted average of daily numbers during the period
 (3) Average number of days to deliver shipments

Q3 FY23 performance

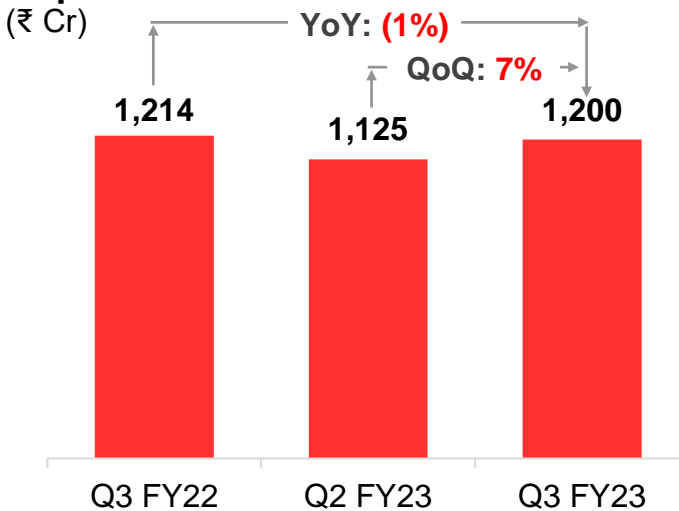
Revenue from services⁽¹⁾



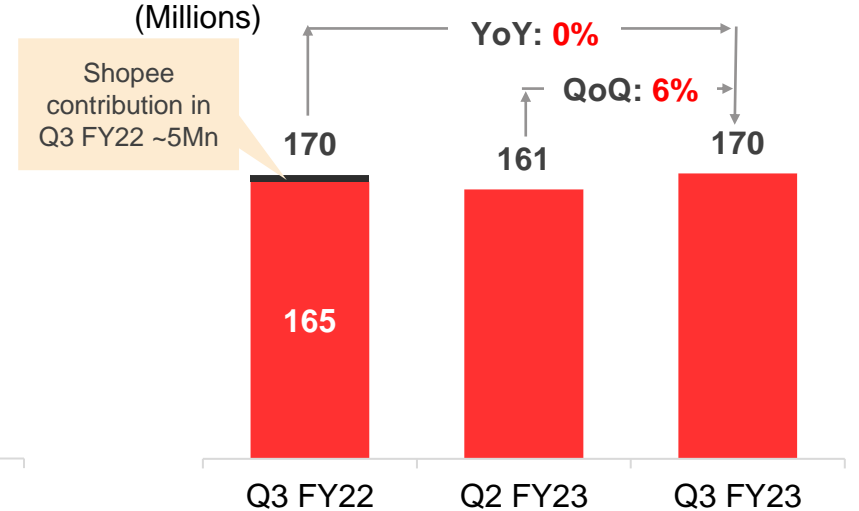
■ Express Parcel ■ PTL ■ TL ■ SCS ■ Cross Border

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

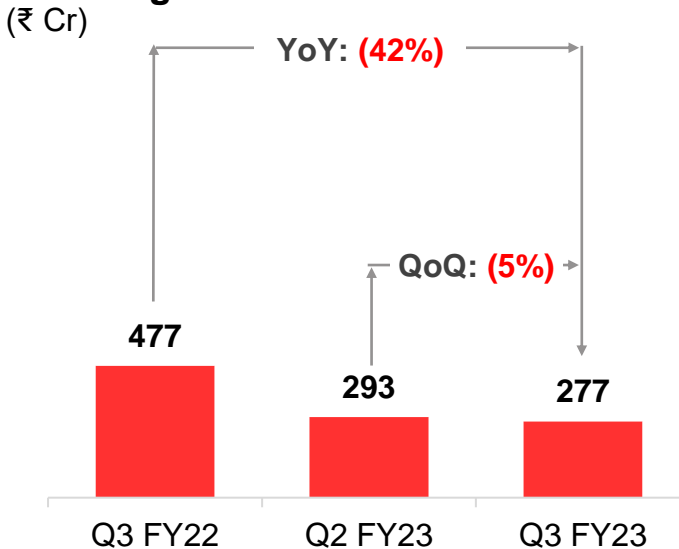
Express Parcel revenue



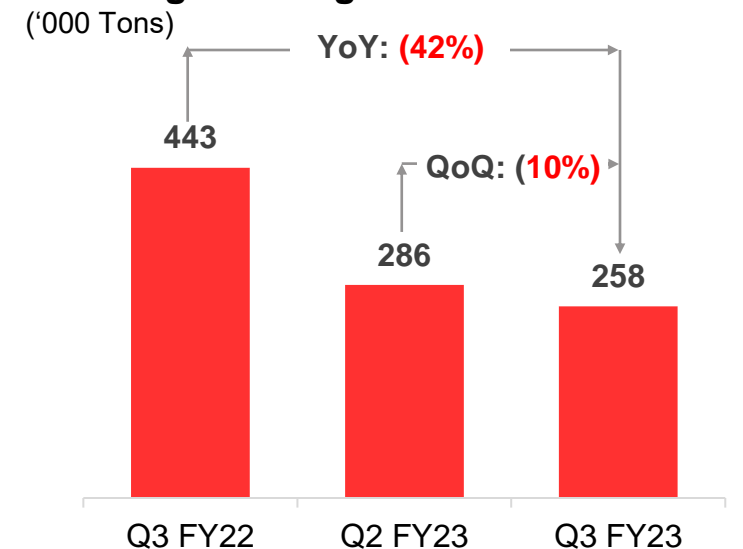
Express Parcel shipments



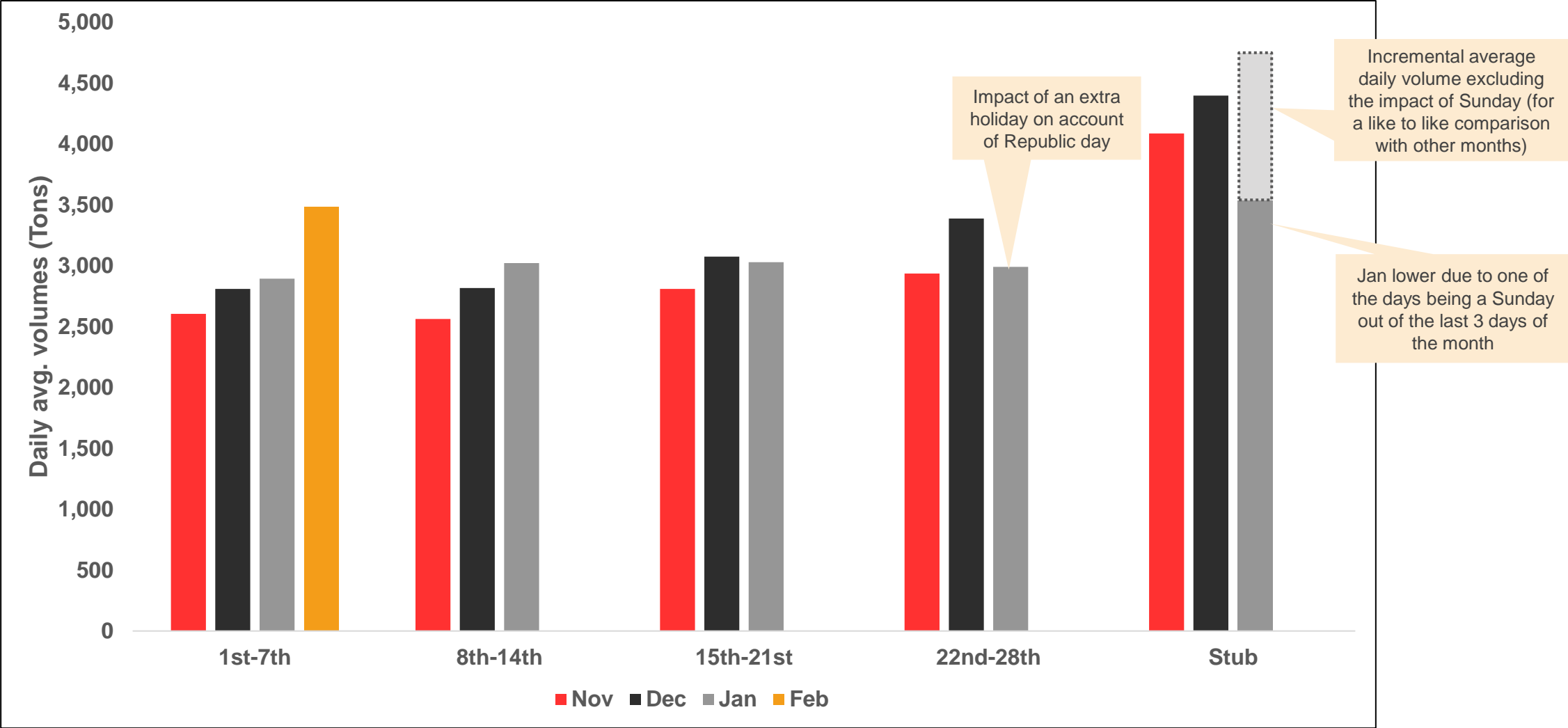
PTL freight revenue



PTL freight tonnage

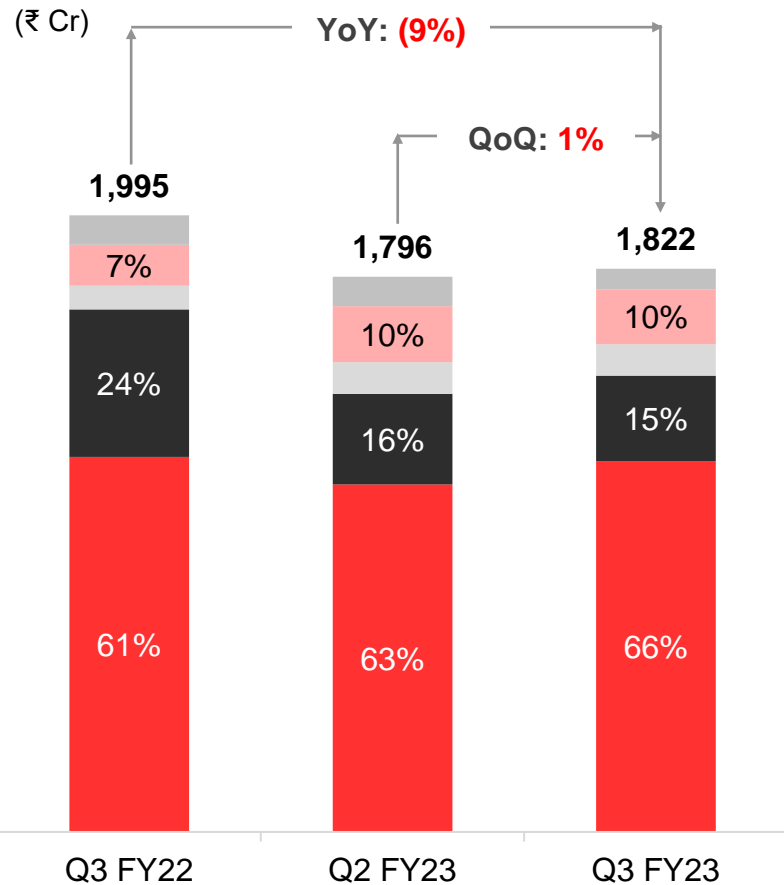


PTL week-wise volumes



Q3 FY23 performance

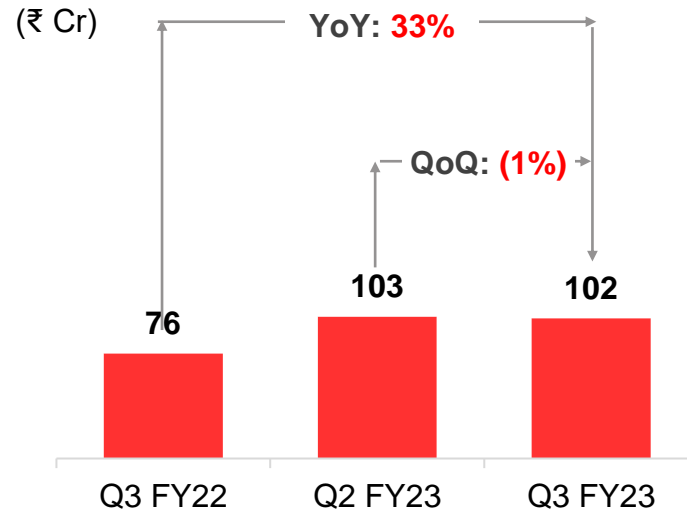
Revenue from services⁽¹⁾



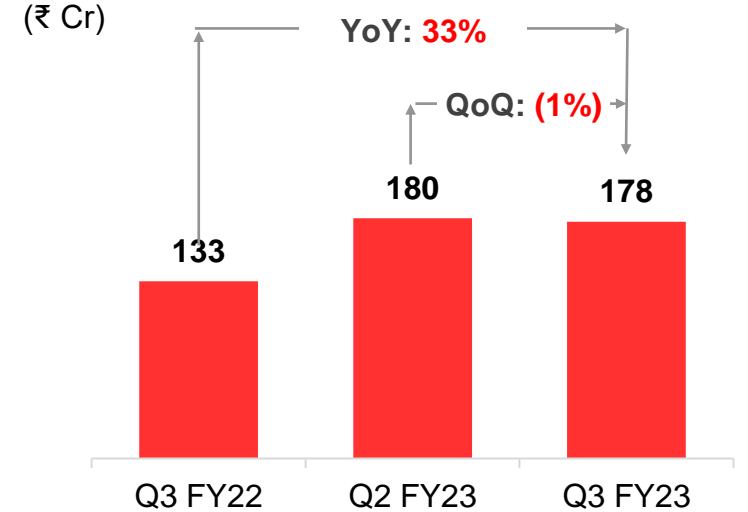
■ Express Parcel ■ PTL ■ TL ■ SCS ■ Cross Border

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

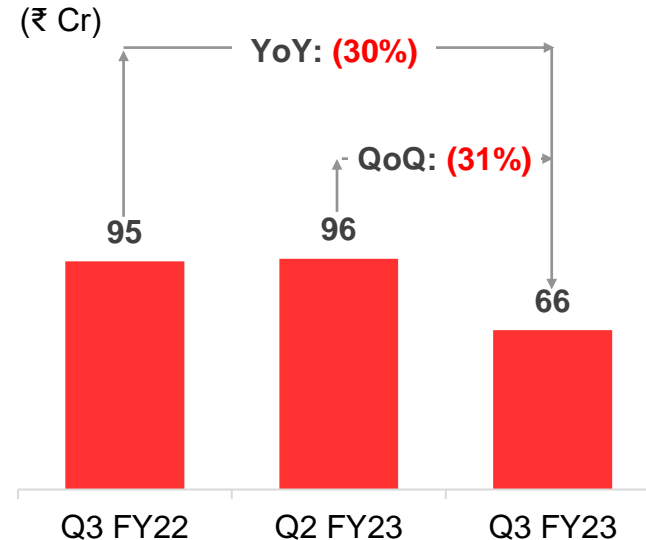
TL revenue



Supply Chain Services revenue



Cross-Border Services revenue



Adjusted EBITDA

₹ Cr	Q3 FY22	Q1 FY23	Q2 FY23	Q3 FY23	FY19	FY20	FY21	FY22 ⁽¹⁾
Revenue from customers⁽²⁾	1,995	1,746	1,796	1,824	1,654	2,781	3,647	7,241
Service EBITDA	256	(6)	86	139	42	89	136	756
Service EBITDA margin	12.8%	(0.3%)	4.8%	7.6%	2.5%	3.2%	3.7%	10.4%
Corporate overheads ⁽³⁾	182	211	210	206	230	343	389	684 ⁽³⁾
Corp. overheads (% of revenue)	9.1%	12.1%	11.7%	11.3%	13.9%	12.3%	10.7%	9.4%
Adjusted EBITDA	74	(217)	(125)	(67)	(188)	(253)	(253)	72
Adjusted EBITDA margin	3.7%	(12.5%)	(7.0%)	(3.7%)	(11.3%)	(9.1%)	(6.9%)	1.0%

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

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

(1) FY22 figures are on proforma basis, FY19, FY20 and FY21 are on reported basis

(2) Includes revenue from services and traded goods

(3) Certain reclassifications were undertaken in corporate cost since 1Q FY23 and hence prior period figures are not fully comparable

Q3 FY23: Drivers of adjusted EBITDA movements vs Q2 FY23

₹ Cr		Remarks
Q2 FY23 Adjusted EBITDA (A)	(125)	
Incremental revenue in Transport (Express and PTL)	59	
(+) Incremental gross profit in Transport (B1)	58	<ul style="list-style-type: none"> Incremental GM in transport businesses continues to be ~50% Additional efforts that increased gross profit in Q3 FY23: <ol style="list-style-type: none"> Rationalizing business with less profitable customers Improved capacity utilisation Ongoing cost optimization measures and improvement in weight capture coverage
(+) Decrease in Transport fixed costs (B2)	3	<ul style="list-style-type: none"> Network footprint optimization
Total increase in Transport service EBITDA (C = B1+B2)	61	
(-) Change in service EBITDA of non-transport businesses (D)	(8)	
(+) Decrease in Corporate costs (E)	5	
Total increase in Q3 FY23 (F=C+D+E)	58	
Q3 FY23 Adjusted EBITDA (A+F)	(67)	

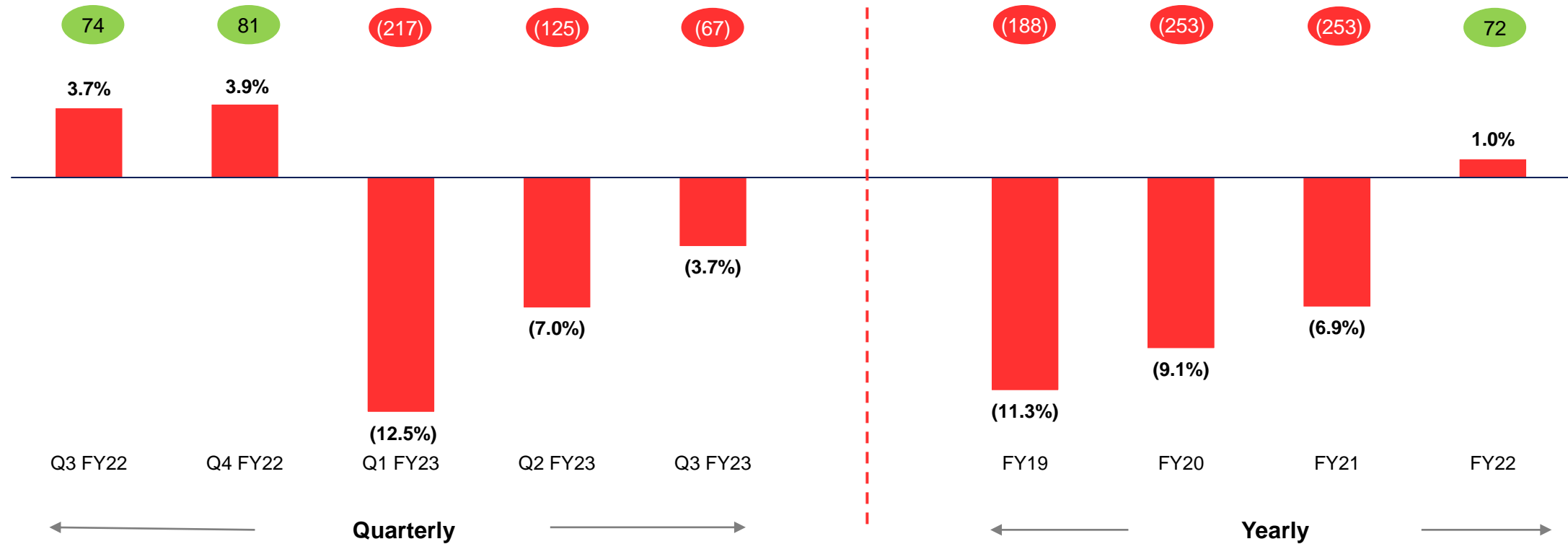
Improvement in key costs – Q3 vs Q1

₹ Cr	Q3 FY22	Q1 FY23	Q2 FY23	Q3 FY23	FY21	FY22
Freight, Handling and Servicing Cost ⁽¹⁾	1,454	1,453	1,436	1,409	2,778	4,980
% of Revenue from services ⁽¹⁾	72.9%	83.2%	79.9%	77.4%	76.2%	72.4%
Line haul expenses	687	648	645	608	1,328	2,398
% of revenue	34.5%	37.1%	35.9%	33.4%	36.4%	34.8%
Contractual manpower expenses	221	240	234	213	473	751
% of revenue	11.1%	13.8%	13.0%	11.7%	13.0%	10.9%
Vehicle rental expenses	409	361	381	397	680	1,355
% of revenue	20.5%	20.7%	21.2%	21.8%	18.6%	19.7%
Rent	43	64	68	72	104	153
% of revenue	2.2%	3.7%	3.8%	4.0%	2.8%	2.2%
Security expenses	21	24	22	23	58	79
% of revenue	1.1%	1.4%	1.2%	1.3%	1.6%	1.1%
Power, fuel & water charges	35	44	45	41	72	123
% of revenue	1.7%	2.5%	2.5%	2.3%	2.0%	1.8%
Packing material	6	7	7	5	12	23
% of revenue	0.3%	0.4%	0.4%	0.2%	0.3%	0.3%
Stores and spares	6	8	5	3	14	28
% of revenue	0.3%	0.4%	0.3%	0.2%	0.4%	0.4%
Lost shipment expense (net)	26	56	27	48	36	71
% of revenue	1.3%	3.2%	1.5%	2.7%	1.0%	1.0%

(1) Breakup as per notes to accounts

Adjusted EBITDA

Adjusted EBITDA⁽¹⁾
(₹ Cr)



(1) FY22 figures are on proforma basis

Adjusted EBITDA bridge

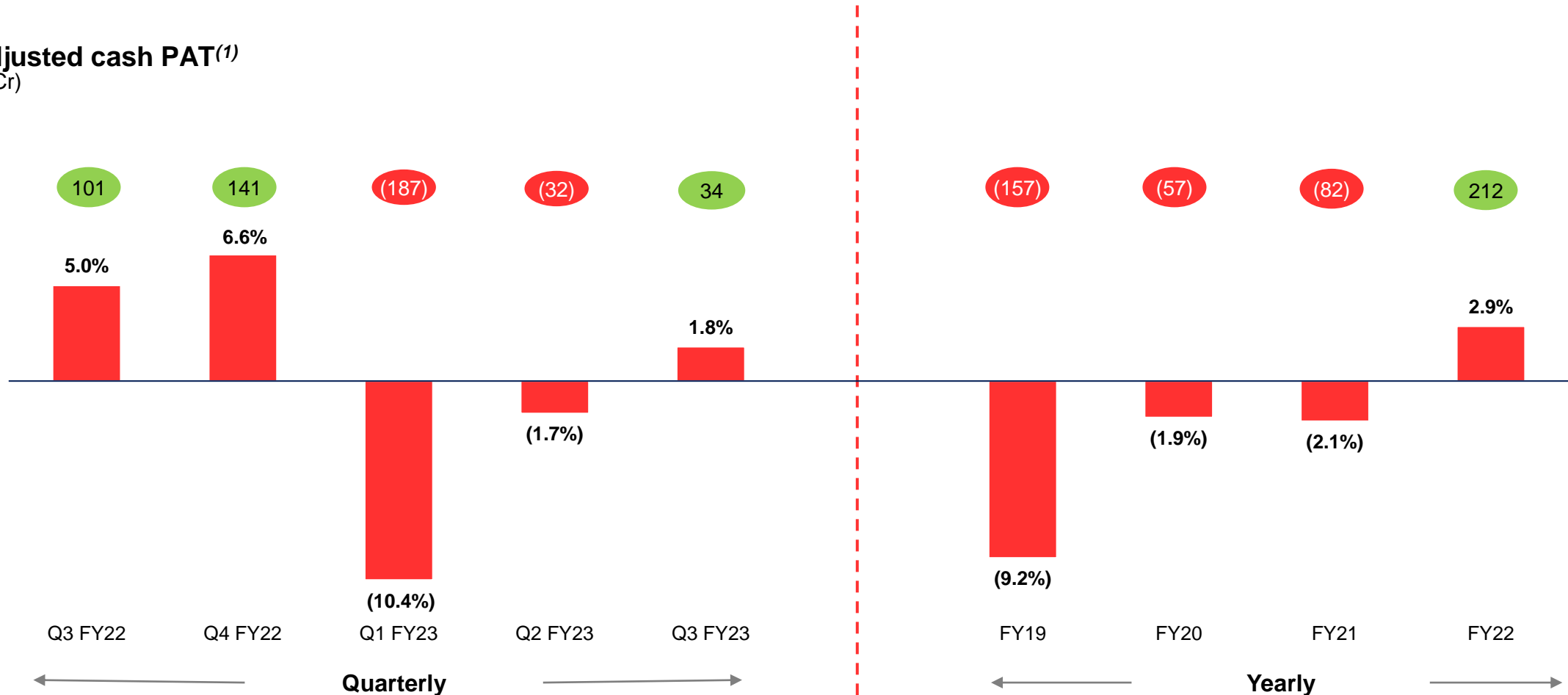
Adjusted EBITDA⁽¹⁾

₹ Cr	Q3 FY22	Q2 FY23	Q3 FY23	FY21	FY22	Remarks
Total revenue from customers	1,995	1,796	1,824	3,647	7,241	
Less: Total expenses	2,155	2,158	2,126	4,213	8,509	
Add: Finance cost on borrowings	7	6	5	20	51	
Add: Lease Adjustments due to AS 116	11	9	5	47	45	
<i>Add: Depreciation on right of use asset</i>	<i>65</i>	<i>58</i>	<i>50</i>	<i>190</i>	<i>249</i>	Leased properties accounted as Right of Use (ROU) assets under Ind AS 116. Rent paid on such leased properties recognised in the P&L partly as depreciation on the ROU asset
<i>Add: Interest on lease liabilities</i>	<i>20</i>	<i>18</i>	<i>16</i>	<i>68</i>	<i>79</i>	Rent obligation on leased properties accounted as Lease liabilities under Ind AS 116. Rent paid on such leased properties recognised in the P&L partly as interest on such lease liabilities
<i>Less: Actual lease rent paid</i>	<i>(75)</i>	<i>(67)</i>	<i>(62)</i>	<i>(212)</i>	<i>(284)</i>	Actual cash rent paid on leased properties recognised under Ind AS 116
Add: Non-cash recurring costs	216	221	224	237	765	
<i>Depreciation & amortization</i>	<i>122</i>	<i>142</i>	<i>157</i>	<i>164</i>	<i>445</i>	Depreciation on tangible and intangible assets
<i>ESOP expense</i>	<i>95</i>	<i>79</i>	<i>67</i>	<i>72</i>	<i>320</i>	Accounting expenses towards ESOPs already granted
Add: Non-cash discontinued cost	0	0	0	9	300	Non-cash expense on fair value adjustment of CCPS
Add: One-time discontinued cost	0	0	0	0	178	One-time discontinued expense on account of certain employee payments
Add: IPO expense	0	0	0	0	0	IPO related non-operating expenses
Add: Non-cash non operating cost	0	0	0	0	0	Non-cash expense due to mark to market of short-term financial investments included in other expenses
Adjusted EBITDA	74	(125)	(67)	(253)	72	

(1) FY22 figures are on proforma basis

Adjusted cash PAT

Adjusted cash PAT⁽¹⁾
(₹ Cr)



Note: Not adjusted for any non-cash deferred taxes
(1) FY22 figures are on proforma basis

Adjusted cash PAT bridge

Adjusted Cash PAT ⁽¹⁾						
₹ Cr	Q3 FY22	Q2 FY23	Q3 FY23	FY21	FY22	Remarks
Profit after tax	(127)	(254)	(196)	(416)	(1,081)	
Add: Lease adjustments due to AS 116	11	9	5	47	45	
<i>Add: Depreciation on right of use asset</i>	65	58	50	190	249	Leased properties accounted as Right of Use (ROU) assets under Ind AS 116. Rent paid on such leased properties recognised in the P&L partly as depreciation on the ROU asset
<i>Add: Interest on lease liabilities</i>	20	18	16	68	79	Rent obligation on leased properties accounted as Lease liabilities under Ind AS 116. Rent paid on such leased properties recognised in the P&L partly as interest on such lease liabilities
<i>Less: Actual lease rent paid</i>	(75)	(67)	(62)	(212)	(284)	Actual cash rent paid on leased properties recognised under Ind AS 116
Less: Share of (gain)/loss of associates	0	(8)	1	0	3	Non-cash share of gain/loss after tax of associate company
Add: Non-cash recurring costs	216	221	224	237	765	
<i>Depreciation & amortization</i>	122	142	157	164	445	Depreciation on tangible and intangible assets
<i>ESOP expense</i>	95	79	67	72	320	Accounting expenses towards ESOPs already granted
Add: Non-cash discontinued cost	0	0	0	9	300	Non-cash expense due to fair value adjustment of CCPS
Add: Discontinued costs & exceptional items	0	0	0	41	180	One-time discontinued expense on account of certain employee payments & exceptional item
Add: Non-cash non operating cost	0	0	0	0	0	Non-cash expense due to mark to market of short-term financial investments
Adjusted cash PAT	101	(32)	34	(82)	212	

Note: Not adjusted for any non-cash deferred taxes
(1) FY22 figures are on proforma basis

Appendix

Quarterly financial performance

₹ Cr									
Income	Q3 FY22	Q2 FY23	Q3 FY23	Q-o-Q Growth %	Y-o-Y Growth %		FY21	FY22	Y-o-Y Growth %
Revenue for services (A)	1,995	1,796	1,822	1%	(9%)		4,439	7,054	59%
Revenue from traded goods (B)	0	-	2	-	-		11	1,88	-
Revenue from customers (A+B)	1,995	1,796	1,824	2%	(9%)		4,450	7,241	63%
Other income	24	87	94	8%	290%		194	158	(19%)
Total income	2,019	1,883	1,918	2%	(5%)		4,644	7,399	59%
Expense									
Total freight, handling and servicing cost	1,454	1,436	1,409	(2%)	(3%)		3,370	5,240	56%
Employee benefit expense									
<i>Employee benefit expense excl. share-based payments & one-time expenses</i>	227	273	273	(0%)	20%		625	863	38%
<i>Employee benefit expense: share based payments</i>	95	79	67	(16%)	(29%)		83	320	286%
<i>Employee benefit expense: one-time expenses</i>	-	-	-	-	-		0	178	-
Other operating expense	166	145	148	2%	(10%)		431	783	81%
Fair value loss on financial liabilities	-	-	-	-	-		9	300	-
Finance costs	28	24	21	(11%)	(22%)		126	131	4%
Depreciation and amortization expense	187	200	207	4%	11%		559	694	24%
Total expenses	2,155	2,158	2,126	(1%)	(1%)		5,203	8,509	64%
Share of profit / (loss) of associates (net)	0	8	(1)	-	-		0	(3)	
Profit / (Loss) before exceptional items and tax	(136)	(266)	(209)				(558)	(1,113)	
Profit / (Loss) after Tax	(127)	(254)	(196)				(596)	(1,081)	
Adj. EBITDA	74	(125)	(67)				(226)	72	
Adj. EBITDA margin	3.7%	(7.0%)	(3.7%)	330 bps	(740) bps		(5.1%)	1.0%	606 bps

Wide ownership across organization

ESOPs ¹		
Stage	Total	% shareholding on fully diluted basis
ESOPs granted, of which	36,648,908	4.55%
<i>Vested</i>	3,830,631	
<i>Unvested</i>	32,818,277	
ESOPs ungranted, of which	40,344,413	5.01%
<i>Performance-based ESOPs²</i>	14,722,500	
<i>Time-based ESOPs³</i>	25,621,913	
Total (Granted + Ungranted)⁴	76,993,321	9.56%

Number of Employees holding ESOPs¹ (vested + unvested) : 1,528

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

(1) As of 31st December 2022

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

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

(4) Out of the total ESOP pool of 78.1Mn, 45.3Mn options have time-based vesting and 32.9Mn options have performance-based vesting

Projected ESOP costs

Estimated P&L charge (non-cash) for ESOPs already granted		
₹ Cr	Cost of time-based options ⁽¹⁾	Cost of performance-based options ⁽²⁾
FY23	238	57
FY24	143	94
FY25	71	40
FY26	23	12
FY27	2	2
Total	477	204

Distribution of P&L charge over vesting period for future ESOP grants ⁽³⁾	
Year	Time-based
Y1	42.5%
Y2	32.5%
Y3	17.5%
Y4	7.5%
Total	100%

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

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

(2) Related to costs attributable to 5.1 Mn performance-based ESOPs already granted. The cost is calculated using Monte Carlo simulation. Options to be unlocked in three equal tranches upon achieving share prices of ₹800, ₹1,000 and ₹1,200; and vest equally over 2 years thereafter

(3) Cost of an ESOP = Fair market value at time of grant minus exercise price (₹1), to be recognized in P&L over the vesting period as per the schedule in the table

Definitions and abbreviations

Cross Border	Cross border express parcel and freight service by the Company
ONDC	Open network for digital commerce
Proforma financials	The proforma consolidated P&L, adjusted EBITDA and adjusted cash PAT have been compiled by our Company to illustrate the impact of the acquisition of SpotOn Logistics Private Limited on our historical financial statements for the year ended March 31, 2021 and consolidated financial statements for the year ended March 31, 2022 as if the acquisition occurred on 1 st April 2020 and 1 st April 2021 respectively and have not been reviewed / audited by auditors
PTL freight	Part truck load freight service by the Company
RedSeer report	Report titled “Logistics Market in India” dated April 21, 2022 prepared by RedSeer in connection with the recent public offer by the Company
SCS	Supply chain services by the Company through which the Company provides integrated supply chain solutions
SpotOn	SpotOn Logistics Private Limited
TL	Truck load freight service by the Company which connects shippers with fleet-owners and suppliers of truckload capacity across the country via a centralized bidding and matching engine

Thank You

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