

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

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

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

**Sub: Shareholders letter dated February 8, 2024**

Dear Sir/ Ma'am,

Pursuant to Regulations 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed shareholders letter dated February 8, 2024.

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

**For Zomato Limited**

**Sandhya Sethia**  
**Company Secretary & Compliance Officer**  
**Place: Gurugram**  
**Date: February 8, 2024**  
**Encl.: As above**

# zomato

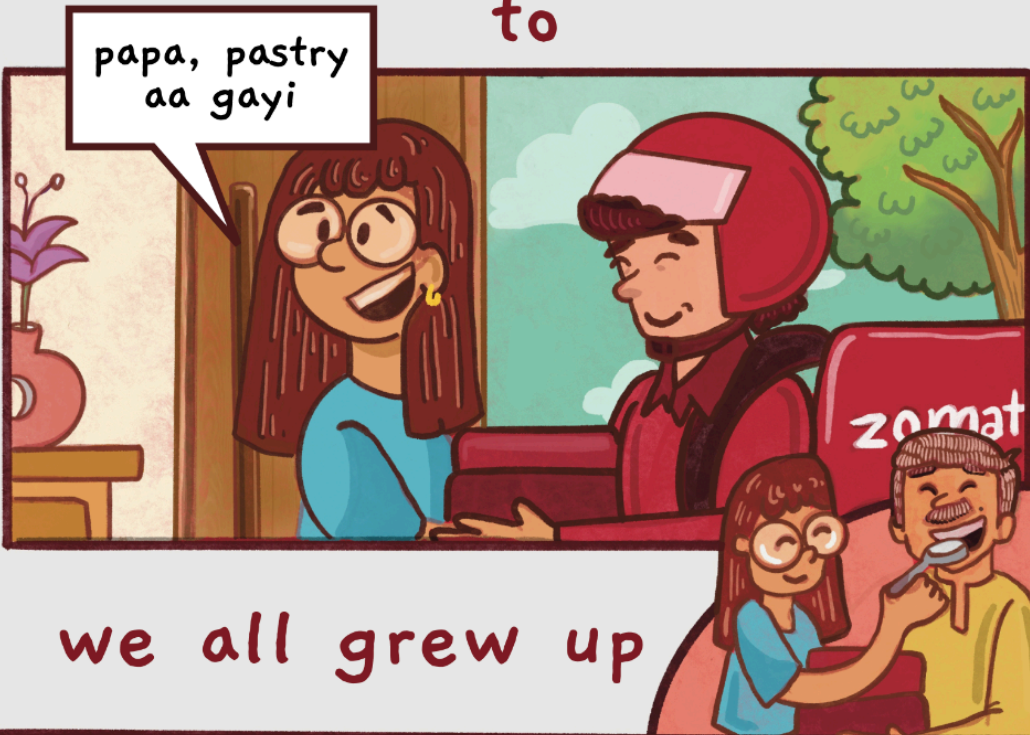
## Shareholders' Letter and Results

Q3FY24 | FEBRUARY 8, 2024

somewhere between...



to



POWERING INDIA'S CHANGING LIFESTYLES

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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

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**zomato**

**hyperpure**  
BY ZOMATO

**blinkit**

**feeding india**  
A ZOMATO GIVEBACK

# Headline Results for Q3FY24

## (Quarter ending December 31, 2023)

### Consolidated

GOV (B2C business)

**INR 12,886 crore**

▲ 47%

YoY growth

Adjusted Revenue

**INR 3,609 crore**

▲ 53%

YoY growth

Adjusted EBITDA

**INR 125 crore**

**INR -265 crore (Q3FY23)**

▲ INR 390 crore YoY improvement

This is the first quarter where the prior year period (Q3FY23) has Blinkit financials consolidated for the full quarter, and hence we are not reporting the above metrics 'excluding quick commerce'.

#### Notes:

- 1) GOV (B2C business) defined as the combined GOV of consumer facing businesses i.e. food delivery, quick commerce and Going-out.
- 2) 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).
- 3) Adjusted EBITDA defined as EBITDA (+) share-based payment expense (-) rental paid for the period pertaining to 'Ind AS 116 leases'.

In the letter below, we will address the key questions that we think investors might have. Please refer to Annexure A for the key financial and operating metrics data.

## **Q1. How was the business performance in Q3FY24?**

**Akshant:** We continued to build on the momentum in the first two quarters of FY24.

GOV across our B2C businesses grew 47% YoY (13% QoQ) to INR 12,886 crore. On an annualised basis, we have now crossed INR 50,000 crore of GOV in our B2C businesses. Food delivery GOV grew 27% YoY (6.3% QoQ), quick commerce GOV grew 103% YoY (28% QoQ) and Going-out GOV grew 154% YoY (26% QoQ).

Consolidated Adjusted Revenue grew 53% YoY (12% QoQ) to INR 3,609 crore.

On the profitability front, consolidated Adjusted EBITDA was positive for the third consecutive quarter at INR 125 crore and improved by INR 390 crore as compared to the same quarter last year.

Please refer to Annexure A for the key financial and operating metrics data.

**Deepinder:** I think the key takeaways are as follows -

- 1) Our consolidated topline (Adjusted Revenue) continues to grow meaningfully above our stated expectation of 40%+ YoY. Infact, at this point, we expect the topline to continue growing at 50%+ YoY.
- 2) Food delivery
  - a) GOV growth is now back up to 25%+ YoY. At this point, we expect GOV to continue growing at 20%+ YoY, and perhaps accelerate further if we see more than expected market share gains and revival in macro consumer demand.
  - b) Annualised Adjusted EBITDA profit is now INR 1,000+ crore. We expect both margin expansion and GOV growth to drive further improvement in absolute profits.
- 3) Blinkit
  - a) GOV growth at 103% YoY (28% QoQ) continues unabated. Losses continue to decline and we are on track to meet our guidance of Adjusted EBITDA break-even on or before Q1FY25.

## **Q2. Everything seems to be going great. Anything we should watch out for?**

**Deepinder:** I would say complacency and accepting the status quo as the ideal place to be in, is when the culture and the business start to deteriorate. We need to continue being paranoid about driving innovation and disruption, or someone else will.

A lot of innovation in our business happens behind the scenes - which may not be obvious to a customer, but which compounds to make our platform more robust and hence improve the customer experience. To give you some examples -

(1) We built our proprietary geo-location technology which leverages our data on millions of deliveries and more accurately pinpoints customer location down to the last few metres. Enhancements to this platform have led to a dramatic >30% decrease in drop location errors in the last 12 months.

(2) Our in-house customer support platform 'One Support' has automated most of our customer support workflows by leveraging data sets built over the years. This has led to about a 35% reduction in our in-app query resolution time.

Several such innovations have eventually led to about a 20% decline in order cancellations and rejections, and a ~20% reduction in orders requiring support in our food delivery business over the last one year.

This improvement in quality of customer experience is a core building block for future growth as it drives higher customer adoption and ordering frequency.

### **Q3. The discretionary consumption in India across sectors was subdued in Q3FY24 but the food delivery business seems to have grown well. Any comments on that?**

**Rakesh:** Yes, the demand environment was muted in the last quarter (Q3FY24) and that is true even for the broader restaurant industry. Hence, food delivery GOV growth (at 6.3% QoQ /27% YoY) was lower than our expectations but still higher than some of the other players in the restaurant industry space.

One of the things driving the growth of our food delivery business is the fact that our platform is still underserved from a supply standpoint. The monthly active restaurant base on our platform has grown by 20%+ YoY in Q3FY24. This growth is driven both by new restaurants opening-up and our coverage of existing restaurants increasing.

### **Q4. Is the weakness in demand persisting in the current quarter (Q4FY24)?**

**Rakesh:** It is trending as per our projections so far. Please refer to the response in Q1 above for our outlook on more longer-term growth.

### **Q5. How is Zomato Gold contributing to the growth of the business?**

**Rakesh:** At this point, it is being used tactically to acquire (and re-acquire) customers and hence the pricing of the membership program is much lower than what we would want it to be. Customers have more than one option and hence we have to remain competitive on pricing. We are also seeing a lot of customers switching platforms at the time of membership renewal depending on who is offering the lowest price. While there is no debate on the need for a loyalty program, we are yet to get to sustainable pricing here.

### **Q6. Despite the drop in Zomato Gold pricing, how has the contribution margin still expanded to 7.1%?**

**Akshant:** Margins have continued to expand due to incremental improvements in other aspects of the business, as has been the case over the last four quarters since the launch of the Gold program. Many of these improvements have been a result of years of relentless work put in by the team, which is starting to pay off now. One example is the work we've done around improving ad-monetization, which is leading to consistent QoQ increase in ad revenue per order over the last several quarters. Introduction of a platform fee for all customers (including Gold members) in July 2023 has also helped in margin improvement.

### **Q7. Given ad revenue and platform fee revenue have increased, why has Adjusted Revenue as a percentage of GOV fallen in Q3FY24?**

**Akshant:** This is because only a small fraction of platform fee collected is reflected in reported revenue. The same is true for subscription revenue (for example Zomato Gold) also.

As per Indian accounting standards (Ind AS 115), we are required to net off any discounts and subsidies offered to customers against revenue earned from them (such as the platform fee and Zomato Gold subscription revenue). Adjusting for this difference, the Adjusted Revenue as a % of GOV would not have dropped in Q3FY24 as compared to Q2FY24.

This accounting adjustment however did not have any impact on GOV or Contribution (as our discounts and subsidies expense line was also correspondingly lower) or Adjusted EBITDA .

The above dynamic might continue to impact reported Adjusted Revenue as a % of GOV going forward as well if platform fee continues to increase (albeit with no impact on GOV or Contribution or Adjusted EBITDA).

## Q8. How much do you plan to increase the platform fee going forward?

**Rakesh:** We think it is too early to predict how the platform fee will shape up. Much like the Gold program, we are still testing the waters on what works and makes sense here from a long term perspective.

We will continue to tactically use levers like these to optimise both growth and margin expansion. Most importantly, as we do this, we will also continue to ensure the viability and well-being of each of our stakeholders – our customers, restaurant partners and delivery partners.

## Q9. Moving onto quick commerce, Blinkit had yet another quarter of hyper-growth. What drove this growth?

**Albinder:** In-line with our expectations, GOV grew 28% QoQ (103% YoY) largely driven by the robust uptick in demand that we witnessed due to the multiple festivals and occasions in the quarter. This growth was also fuelled by having the right assortment which addressed the most pertinent needs of our customers. The team also ensured consistently high service levels through minimal stock-outs and adequate delivery partner availability during periods of peak demand.

While most of the GOV growth was order volume-led, part of it was also driven by an increase in average order value, which continued to benefit from a higher mix of high ASP (average selling price) categories such as electronics, festive needs, home décor, among others.

We also added 40 net new stores this quarter, taking the total store count to 451 as at the end of the quarter. Despite the increase in store count, our average GOV per day, per store grew 17% QoQ reflecting healthy same store sales growth.

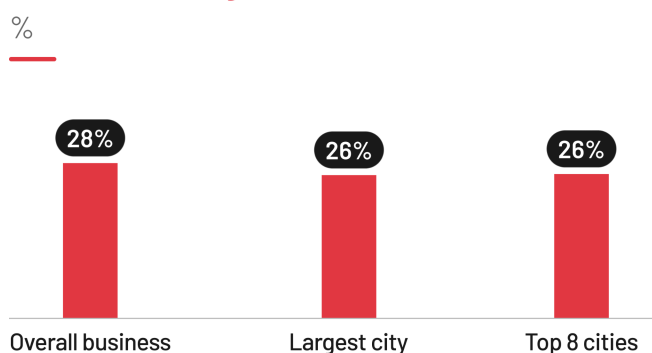
## Q10. Are your tier 1 cities still growing or is the growth driven more by smaller cities now?

**Albinder:** ~90% of our GOV comes from our top eight cities currently and hence to maintain the current pace of growth in the overall business, even our top eight cities would need to grow at roughly the same pace.

As mentioned in our last letter, most of our new store addition is focused on (a) existing neighbourhoods where we are exceeding current store capacity or (b) covering more neighbourhoods in existing cities.

Outside of this, we are selectively adding a couple of stores to test the waters in high potential new cities. So far, all the new cities that we have launched in are showing good potential and we will look to subsequently scale these cities as well. In the last quarter, we launched stores in two new cities – Goa and Agra.

**Blinkit GOV QoQ growth (Q3FY24)**



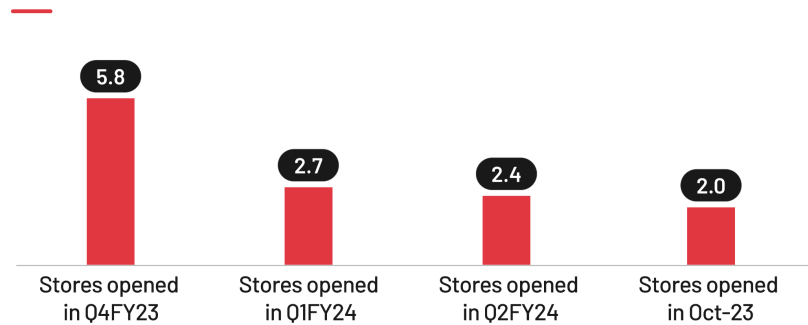
## Q11. What is driving the increase in contribution margin despite the acceleration in store expansion?

**Albinder:** As mentioned in our last letter, the aggregate contribution margin in the business is a weighted average of Contribution profits from scaled stores and the cost to break-even on new stores. In Q3FY24, close to 70% of our stores were Contribution positive and ~20% of these were operating at a 5%+ contribution margin resulting in a growing pool of Contribution profit, which is creating room for investing in new stores while also continuing to improve the aggregate contribution margin.

**Akshant:** Our new stores are also ramping up faster than before given the strong product market fit and growing awareness of quick commerce amongst customers. In the last four quarters, the average time taken for newly launched stores to reach a volume of 1,000 orders per day (at which point stores typically start to achieve Contribution break-even), has consistently reduced from an average of 5.8 months for our cohort of new stores added in Q4FY23 to about two months for our most recent cohort of stores opened in October 2023.

### Time taken for new stores to reach 1,000 orders per day (OPD)

# of months



Note: Data shown above represents weighted average of time taken to reach 1,000 OPD by each monthly cohort of new stores opened in the quarter.

Quicker store ramp-up means quicker recovery of all fixed costs related to dark stores and warehouses and hence lesser time to reach Contribution break-even, resulting in lower investment per new store launched. This gives us room to further accelerate network expansion without impacting our Adjusted EBITDA break-even timeline.

## Q12. How is ad monetization shaping up at Blinkit?

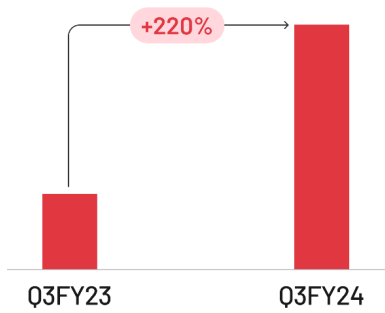
**Albinder:** The quick commerce advertising opportunity is turning out to be promising so far. Blinkit ad revenue has grown at double the pace of GOV growth over the last one year (up 220% YoY in Q3FY24 vis-à-vis 103% YoY GOV growth). Based on the feedback we are receiving from advertisers, we believe that the following factors are making Blinkit a preferred advertising platform for both large and emerging brands in the country -

1. **Quick commerce is one of the most transacted categories online** - Transacting frequency on Blinkit is amongst the highest in any consumer internet category in India. Brands are therefore looking to build visibility with a highly engaged and fast-growing customer base with spending power.
2. **Easy-to-use self-serve ad platform** - Our programmatic ad-bidding platform gives brands full flexibility to efficiently serve ads with multiple permutations and combinations, thereby helping them drive more targeted ad spends.
3. **Measurable and high ROI on ad spends** - Linking ad impressions to actual sales helps brands accurately measure ROI. Moreover, given the speed of order fulfilment, brands are also able to see almost real time impact of their ad spends. With the hyperlocal insights and targeting that is possible on our platform, brands have been generating high ROI on their ad spends, which is in turn driving high advertiser retention rates for us.

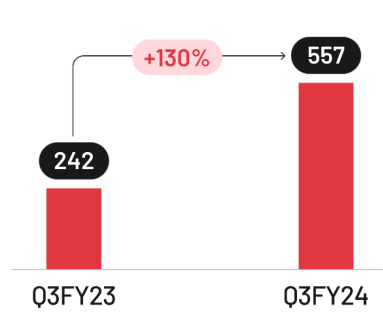
All of the above have led to a healthy increase in the number of advertisers and ad spend per advertiser over the last five quarters. Revenue concentration of the top 20 advertisers has fallen from 61% in Q3FY23 to 40% in Q3FY24 despite a 108% YoY growth in ad spends by the top 20 advertisers.



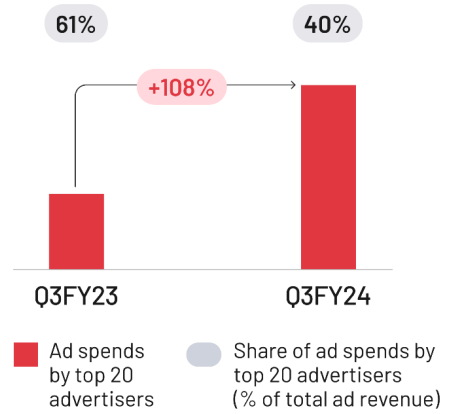
### Ad revenue



### # of advertisers



### Ad spends by top 20 advertisers



## Q13. Any updates on the ESG front?

**Deepinder:** Yes, we do have a few updates.

On the environment front, to encourage our restaurant partners to use eco-friendly alternatives for packaging, we have started recognizing restaurant partners that have made the switch to plastic-free packaging options for deliveries made through our platform. We do this by highlighting such restaurants with a 'Plastic-free-order' banner on our app. The aim is to expand the program and facilitate delivery of 100 million plastic-free orders by the end of 2025. This initiative is over and above our '100% plastic neutral deliveries' initiative where we voluntarily recycle more than 100% of all plastic utilised by restaurant partners in the packaging of orders placed on the food delivery platform.

On the social front, we launched an industry-first maternity insurance plan for women delivery partners, which is aimed at creating an inclusive environment for our women delivery partners. This plan offers crucial assistance throughout the pregnancy period by covering key costs related to pregnancy and childbirth, and is available to all women delivery partners who meet certain criteria of orders delivered through the Zomato platform.

Finally, in terms of contributing to road safety, we have launched an impactful 'first-responder training program' initiative for our delivery partners across India. Under this initiative, we are enabling our delivery partners to learn the nuances of medical first-aid & CPR (Cardiopulmonary Resuscitation) through professional and certified training programs. By December 31st, we had over 6,500 first-response emergency heroes within our delivery partner network across Delhi-NCR, Mumbai, Bangalore, Hyderabad and Pune. We aim to expand this program to reach three lakh delivery partners across India.

## Q14. What was the cash balance at the end of Q3FY24?

**Akshant:** The cash balance increased by INR 254 crore in the quarter. This was the third consecutive quarter of increase in our cash balance. Please see the bridge between Adjusted EBITDA and closing cash balance below.

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>
<b>Adjusted EBITDA</b>	<b>-265</b>	<b>-175</b>	<b>12</b>	<b>41</b>	<b>125</b>
Add: Treasury income received	117	230	329	37	136
Less: Capital expenditure incurred	-35	-25	-24	-35	-60
Add: Other items	-13	10	-91	21	18
<b>Cash (burn) / surplus</b>	<b>-197</b>	<b>40</b>	<b>226</b>	<b>64</b>	<b>219</b>
Add: (Increase) / Decrease in net working capital	114	-180	25	124	35
<b>Change in cash</b>	<b>-83</b>	<b>-140</b>	<b>251</b>	<b>188</b>	<b>254</b>
Add: Opening cash balance	11,546	11,463	11,323	11,573	11,761
<b>Closing cash balance</b>	<b>11,463</b>	<b>11,323</b>	<b>11,573</b>	<b>11,761</b>	<b>12,015</b>

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

### **Q15. The cash balance is now more than INR 12,000 crore and increasing. Are there any plans to return cash to shareholders?**

**Akshant:** Our business and industry structure are still young and nascent. At this point we want to keep a strong balance sheet. I would say that it is safe to assume that we may not do any buyback or dividend distribution in FY24 or FY25.

### **Q16. Anything else you would like to add?**

**Deepinder:** Yes, a quick note on Hyperpure and Going-out.

Hyperpure Revenue grew 15% QoQ (104% YoY) driven by growth in both the core restaurant supplies business and the relatively newer quick commerce opportunity. To address a growing need of our restaurant partners, we are now setting up a plant for processing value-added food supplies including, sauces, spreads, pre-cut and semi-finished perishable products, among others. Over time, this has the potential to expand margins and drive higher engagement with our restaurant partners.

On Going-out, we have launched our events ticketing platform in nine cities in India - we now have a separate 'Events' tab on our Zomato app in these cities.

That's it for now.

—  
THE END

## Annexure A - Quarterly disclosures

### Consolidated summary financials

#### Adjusted Revenue

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>	<b>QoQ change</b>
Food delivery	1,565	1,530	1,742	1,925	2,025	5%
Hyperpure (B2B supplies)	421	478	617	745	859	15%
Quick commerce	301	363	384	505	644	28%
Going-out	58	41	42	49	73	49%
Others	17	2	1	3	8	167%
<b>Adjusted Revenue</b>	<b>2,363</b>	<b>2,413</b>	<b>2,786</b>	<b>3,227</b>	<b>3,609</b>	<b>12%</b>
YoY % change	66%	57%	54%	53%	53%	-

#### Adjusted EBITDA

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>	<b>QoQ change</b>
Food delivery	23	78	181	204	252	48
Hyperpure (B2B supplies)	-53	-45	-35	-34	-34	0
Quick commerce	-227	-203	-133	-125	-89	36
Going-out	-7	-2	3	1	1	0
Others	-2	-3	-4	-5	-5	0
<b>Adjusted EBITDA</b>	<b>-265</b>	<b>-175</b>	<b>12</b>	<b>41</b>	<b>125</b>	<b>84</b>

Notes:

- Adjusted Revenue shown above does not include inter-segment revenue.
- There could be some totalling anomalies in the numbers displayed above due to the impact of rounding off.

### GOV (B2C business)

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>	<b>QoQ change</b>
Food delivery	6,680	6,569	7,318	7,980	8,486	6%
Quick commerce	1,749	2,046	2,140	2,760	3,542	28%
Going-out	338	348	616	682	858	26%
<b>GOV (B2C business)</b>	<b>8,767</b>	<b>8,963</b>	<b>10,074</b>	<b>11,422</b>	<b>12,886</b>	<b>13%</b>
YoY % change (Food delivery)	21%	12%	14%	20%	27%	-
YoY % change (Quick commerce)	-	-	-	-	103%	-
YoY % change (Going-out)	0%	10%	61%	129%	154%	-
<b>YoY % change (B2C business)<sup>1)</sup></b>	<b>50%</b>	<b>45%</b>	<b>48%</b>	<b>47%</b>	<b>47%</b>	<b>-</b>

Notes:

- Quick commerce data used for YoY % change (B2C business) computation includes Blinkit data from 10-Aug-22 onwards (transaction closing date).

## Food delivery

### Financial metrics

INR crore, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
GOV	6,680	6,569	7,318	7,980	8,486
YoY % change	21%	12%	14%	20%	27%
Adjusted Revenue	1,565	1,530	1,742	1,925	2,025
YoY % change	30%	19%	19%	22%	29%
Contribution	339	380	466	525	601
Contribution as a % of GOV	5.1%	5.8%	6.4%	6.6%	7.1%
Adjusted EBITDA	23	78	181	204	252
Adjusted EBITDA as a % of GOV	0.3%	1.2%	2.5%	2.6%	3.0%

### Operating metrics

'000, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Average monthly transacting customers (million)	17.4	16.6	17.5	18.4	18.8
Average monthly active food delivery restaurant partners	209	215	226	238	254
Average monthly active delivery partners	330	316	352	410	419

## Hyperpure (B2B supplies)

### Financial metrics

INR crore, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Revenue	421	478	617	745	859
YoY % change	169%	146%	126%	123%	104%
Adjusted EBITDA	-53	-45	-35	-34	-34
as a % of Revenue	-13%	-9%	-6%	-5%	-4%

## Quick commerce

### Financial metrics

INR crore, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
GOV	1,749	2,046	2,140	2,760	3,542
YoY % change	-	-	83%	86%	103%
Revenue	301	363	384	505	644
YoY % change	-	-	134%	114%	114%
Contribution	-79	-56	-14	36	86
Contribution as a % of GOV	-4.5%	-2.7%	-0.6%	1.3%	2.4%
Adjusted EBITDA	-227	-203	-133	-125	-89
Adjusted EBITDA as a % of GOV	-13.0%	-9.9%	-6.2%	-4.5%	-2.5%

### Operating metrics

million, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Orders	31.6	39.2	36.8	45.5	55.8
Average order value (AOV)(INR)	553	522	582	607	635
Average monthly transacting customers	3.1	3.9	3.9	4.7	5.4
Average monthly active riders ('000)	39	43	46	59	73
Average GOV per day, per store (INR '000)	524	625	620	757	889
Stores at the end of the period (#)	362	377	383	411	451

Notes:

- 1) Refer to Annexure C for definitions relating to the quick commerce business.
- 2) GOV per day, per store is calculated as a simple average of total GOV transacted per day divided by total number of stores operational for the day, for that period.

## Going-out

### Financial metrics

INR crore, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
GOV	338	348	616	682	858
YoY % change	0%	10%	61%	129%	154%
Revenue	58	41	42	49	73
YoY % change	91%	13%	-10%	88%	26%
Adjusted EBITDA	-7	-2	3	1	1
as a % of GOV	-2%	-1%	0.5%	0.1%	0.1%

## Annexure B - Adjusted Revenue and Adjusted EBITDA reconciliation

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

### Adjusted Revenue

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>
Revenue from operations	1,948	2,056	2,416	2,848	3,288
Add: Customer delivery charges	415	357	370	379	321
<b>Adjusted Revenue</b>	<b>2,363</b>	<b>2,413</b>	<b>2,786</b>	<b>3,227</b>	<b>3,609</b>

### Adjusted EBITDA

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>
<b>Adjusted EBITDA</b>	<b>-265</b>	<b>-175</b>	<b>12</b>	<b>41</b>	<b>125</b>
Add: Other income	173	171	181	212	219
Add: Rental paid pertaining to 'Ind AS 116 leases'	28	33	40	44	48
Less: Depreciation & amortization expense	155	134	130	128	128
Less: Finance cost	16	15	18	16	18
Less: ESOP expense	129	84	100	132	122
Less: Exceptional items	0	0	0	0	0
Less: Tax expense	-17	-16	-17	-15	-14
<b>Profit / (loss) for the period</b>	<b>-347</b>	<b>-188</b>	<b>2</b>	<b>36</b>	<b>138</b>

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

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

### Consolidated

Term	Description
Revenue	Consolidated revenue from operations as per financials which includes food delivery Revenue (+) Hyperpure (B2B supplies) Revenue (+) Quick commerce Revenue (+) Going-out Revenue
Adjusted Revenue	Defined as Revenue (+) 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
Revenue	Defined as commission and other charges (+) ad revenue (+) platform fee and subscription revenue (net of discounts, credits and refunds other than free delivery)(+) restaurant & delivery partner onboarding fee
Adjusted Revenue	Defined as Revenue (+) actual customer delivery charges paid (net of any discounts, including free delivery discounts on account of Zomato Gold program)
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

## Food delivery (continued)

Term	Description
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



## Quick commerce (continued)

Term	Description
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

## Going-out

Term	Description
Gross order value (GOV)	Defined as total monetary value of transactions across our Dining-out and Zomato Live platforms gross of discounts (+) convenience fee paid by the customer (+) taxes (as applicable)
Revenue	Defined as commission charged from restaurant partners on dining-out bills paid through the Zomato app in India and UAE (+) subscription revenue for Zomato Gold UAE for access to dining-out offers in UAE (+) ad revenue (+) convenience fee collected from customers (+) take-rate earned from third-party event organizers on sale of tickets through Zomato platform in India (+) ticket sale collections for events managed by Zomato (e.g., Zomaland)(+) sponsorship revenue relating to Zomato live events (+) rentals and commission charged on sale of food & other products from restaurants / merchants participating in Zomato managed live events (+) other income
Adjusted Revenue	Same as Revenue

# Annexure D - Statement of consolidated profit and loss account

(INR crores)

S. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	3,288	2,848	1,948	8,552	5,023	7,079
II	Other income	219	212	173	612	511	682
III	<b>Total income (I+II)</b>	<b>3,507</b>	<b>3,060</b>	<b>2,121</b>	<b>9,164</b>	<b>5,534</b>	<b>7,761</b>
IV	<b>Expenses</b>						
	Purchase of stock-in-trade	783	685	393	2,025	1,001	1,438
	Changes in inventories of stock-in-trade	(1)	(11)	(3)	(7)	(45)	(43)
	Employee benefits expense	423	417	395	1,178	1,125	1,465
	Finance costs	18	16	16	52	33	49
	Depreciation and amortisation expenses	128	128	155	386	303	437
	Other expenses						
	Advertisement and sales promotion	374	355	348	1,043	925	1,227
	Delivery and related charges	1,068	919	655	2,797	1,818	2,537
	Others	590	530	526	1,560	1,184	1,665
	<b>Total expenses</b>	<b>3,383</b>	<b>3,039</b>	<b>2,485</b>	<b>9,034</b>	<b>6,344</b>	<b>8,775</b>
V	<b>Profit/ (loss) before share of profit / (loss) of an associate, exceptional items and tax (III-IV)</b>	<b>124</b>	<b>21</b>	<b>(364)</b>	<b>130</b>	<b>(810)</b>	<b>(1,014)</b>
VI	Share of profit / (loss) of an associate and joint venture	-	-	-	-	(0)	(1)
VII	<b>Profit/ (loss) before exceptional items and tax (V+VI)</b>	<b>124</b>	<b>21</b>	<b>(364)</b>	<b>130</b>	<b>(810)</b>	<b>(1,015)</b>
VIII	Exceptional items (refer note 3)	-	-	-	-	-	0
IX	<b>Profit/ (loss) before tax (VII+VIII)</b>	<b>124</b>	<b>21</b>	<b>(364)</b>	<b>130</b>	<b>(810)</b>	<b>(1,015)</b>
X	<b>Tax expense:</b>						
	Current tax	0	1	0	1	0	0
	Deferred tax	(14)	(16)	(17)	(47)	(27)	(44)
XI	<b>Profit / (loss) for the period / year (IX-X)</b>	<b>138</b>	<b>36</b>	<b>(347)</b>	<b>176</b>	<b>(783)</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	0	5	1	4	2	4
	- Equity instruments through other comprehensive income	11	(15)	-	43	(140)	(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	3	0	14	8
	- Debt instruments through other comprehensive income	0	(29)	-	(32)	-	0
	- Income tax relating to above	-	-	-	-	-	-
	<b>Other comprehensive income / (loss) for the period / year</b>	<b>11</b>	<b>(37)</b>	<b>4</b>	<b>15</b>	<b>(124)</b>	<b>(99)</b>
XIII	<b>Total comprehensive income / (loss) for the period / year (XI+XII)</b>	<b>149</b>	<b>(1)</b>	<b>(343)</b>	<b>191</b>	<b>(907)</b>	<b>(1,070)</b>
XIV	<b>Profit / (loss) for the period / year attributable to:</b>						
	Equity shareholders of the parent	138	36	(347)	176	(783)	(971)
	Non-controlling interest	-	-	-	-	(0)	0
XV	<b>Other comprehensive income / (loss) for the period / year attributable to:</b>						
	Equity shareholders of the parent	11	(37)	4	15	(124)	(99)
	Non-controlling interest	(0)	0	(0)	0	(0)	(0)
XVI	<b>Total comprehensive income / (loss) for the period / year attributable to:</b>						
	Equity shareholders of the parent	149	(1)	(343)	191	(907)	(1,070)
	Non-controlling interest	(0)	0	(0)	0	(0)	-
XVII	<b>Paid-up share capital (face value of INR 1 per share)</b>	<b>857</b>	<b>845</b>	<b>836</b>	<b>857</b>	<b>836</b>	<b>836</b>
XVIII	<b>Other equity</b>						<b>18,624</b>
XIX	<b>Earnings / (loss) per equity share (INR)<sup>1</sup> (face value of INR 1 each)</b>						
	(a) Basic	0.16	0.04	(0.42)	0.21	(0.98)	(1.20)
	(b) Diluted	0.16	0.04	(0.42)	0.20	(0.98)	(1.20)

<sup>1</sup> EPS is not annualised for the quarter and nine months ended December 31, 2023, quarter ended September 30, 2023 and quarter and nine months ended December 31, 2022.

## Annexure E - Statement of consolidated balance sheet

(INR crores)

Particulars	As at December 31, 2023	As at September 30, 2023	As at March 31, 2023	As at December 31, 2022
	Unaudited	Unaudited	Audited	Unaudited
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	256	218	209	213
Right-of-use assets	526	474	427	417
Capital work-in-progress	5	12	7	15
Goodwill	4,717	4,717	4,717	4,717
Other intangible assets	809	862	991	1,063
Financial assets				
- Investments	9,390	8,227	2,280	3,165
- Other financial assets	567	726	1,894	3,841
Tax assets (net)	201	153	116	118
Other non-current assets	105	98	127	117
<b>Total non-current assets</b>	<b>16,576</b>	<b>15,487</b>	<b>10,768</b>	<b>13,666</b>
<b>Current assets</b>				
Inventories	90	89	83	84
Financial assets				
- Investments	2,206	2,492	4,485	1,412
- Trade receivables	680	563	457	415
- Cash and cash equivalents	259	353	218	580
- Other bank balances	549	778	799	393
- Loans	-	0	0	0
- Other financial assets	2,127	2,040	4,418	4,961
Other current assets	279	306	371	421
<b>Total current assets</b>	<b>6,190</b>	<b>6,621</b>	<b>10,831</b>	<b>8,266</b>
<b>Total assets</b>	<b>22,766</b>	<b>22,108</b>	<b>21,599</b>	<b>21,932</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	857	845	836	836
Other equity	19,169	18,897	18,624	18,703
<b>Equity attributable to equity holders of the parent</b>	<b>20,026</b>	<b>19,742</b>	<b>19,460</b>	<b>19,539</b>
Non-controlling interests	(7)	(6)	(7)	(7)
<b>Total equity</b>	<b>20,019</b>	<b>19,736</b>	<b>19,453</b>	<b>19,532</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
- Borrowings	-	-	6	14
- Lease liabilities	434	390	351	346
- Other financial liabilities	8	5	5	5
Provisions	80	75	94	96
Deferred tax liabilities	203	217	249	266
<b>Total non-current liabilities</b>	<b>725</b>	<b>687</b>	<b>705</b>	<b>727</b>
<b>Current liabilities</b>				
Financial liabilities				
- Borrowings	-	-	35	35
- Lease liabilities	144	131	115	102
- Trade payables				
a. total outstanding dues of micro enterprises and small enterprises	15	11	9	8
b. total outstanding dues of creditors other than micro enterprises and small enterprises	855	777	670	839
- Other financial liabilities	636	449	310	400
Provisions	27	26	26	26
Other current liabilities	345	291	276	263
<b>Total current liabilities</b>	<b>2,022</b>	<b>1,685</b>	<b>1,441</b>	<b>1,673</b>
<b>Total liabilities</b>	<b>2,747</b>	<b>2,372</b>	<b>2,146</b>	<b>2,400</b>
<b>Total equity and liabilities</b>	<b>22,766</b>	<b>22,108</b>	<b>21,599</b>	<b>21,932</b>

# Annexure F - Statement of consolidated cash flows

(INR crores)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>A) Cash Flows from operating activities</b>						
Profit / (loss) before tax	124	21	(364)	130	(810)	(1,015)
<b>Adjustments to reconcile profit/ (loss) before tax to net cash flows:</b>						
- Liabilities written back	(1)	(2)	(9)	(4)	(17)	(28)
- Depreciation on property, plant and equipment and right-of-use assets	71	67	61	200	120	181
- Amortization on intangible assets	57	61	94	186	183	256
- Provision for doubtful debts and advances	20	31	6	57	16	30
- Bad debts written-off	-	-	-	-	-	1
- Gain on termination of lease contracts	(1)	(3)	-	(7)	(3)	(8)
- Share-based payment expense	122	132	129	354	422	506
- (Profit)/ loss on sale of property, plant and equipment (net)	-	(1)	(0)	(1)	(0)	(1)
- Net gain on mutual funds	(30)	(24)	(25)	(96)	(53)	(91)
- Share in (profit) / loss of associate	-	-	(0)	-	0	1
- Interest income on government securities	(27)	(31)	(19)	(85)	(53)	(67)
- Interest income on debentures or bonds	(92)	(87)	-	(215)	-	(0)
- Interest income on bank deposits and others	(49)	(56)	(109)	(174)	(359)	(457)
- Amortisation of premium / (discount) on government securities	(12)	(9)	5	(22)	14	14
- Amortisation of premium / (discount) on Bonds	(1)	1	-	1	-	-
- Interest expense	-	-	2	2	3	5
- Gain on disposal of investment	(2)	-	-	(2)	-	(0)
- Interest on lease liabilities	16	16	13	47	27	41
- Interest income on income tax refund	(0)	-	(2)	(0)	(2)	(5)
<b>Operating profit / (loss) before working capital changes</b>	<b>195</b>	<b>116</b>	<b>(218)</b>	<b>371</b>	<b>(512)</b>	<b>(637)</b>
Movements in working capital :						
- Trade receivables	(125)	(86)	(108)	(230)	(155)	(203)
- Other financial assets	(181)	(61)	(249)	(244)	(248)	(198)
- Other assets	15	57	(23)	81	(61)	(4)
- Inventory	(1)	(11)	(3)	(7)	(45)	(43)
- Financial liabilities and other liabilities	238	129	418	403	395	318
- Provisions	7	2	5	(8)	25	25
- Trade payables	82	93	75	189	93	(71)
<b>Cash generated from / (used in) operations</b>	<b>230</b>	<b>239</b>	<b>(103)</b>	<b>555</b>	<b>(508)</b>	<b>(813)</b>
Income taxes refund / (paid) (net)	(48)	(20)	(7)	(85)	(35)	(31)
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>182</b>	<b>219</b>	<b>(110)</b>	<b>470</b>	<b>(543)</b>	<b>(844)</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)	(61)	(38)	(36)	(128)	(77)	(103)
Proceeds from sale of property, plant and equipment	1	3	0	9	0	2
Investment in bank deposits (having maturity of more than 3 months)	(158)	(169)	(3,787)	(1,492)	(8,093)	(5,433)
Proceeds from maturity of bank deposits (having maturity of more than 3 months)	678	291	3,871	5,630	9,433	8,721
Proceeds from redemption of mutual fund units	6,723	4,901	1,232	21,703	5,326	12,649
Investment in mutual fund units	(7,139)	(4,993)	(1,145)	(20,059)	(5,032)	(14,443)
Sale of non-current investments	2	-	-	2	-	-
Investment in government securities	(375)	-	-	(1,885)	(523)	(565)
Proceeds from maturity of government securities	735	-	-	785	-	-
Investment in debentures or bonds	(779)	(102)	-	(5,337)	-	(50)
Consideration paid for acquisition of warehousing division of HOTPL	-	-	-	-	(61)	(61)
Loan given	-	-	-	-	(750)	(750)
Loan received back	0	0	-	0	-	-
Interest received	136	37	108	502	243	490
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>(237)</b>	<b>(70)</b>	<b>243</b>	<b>(270)</b>	<b>466</b>	<b>457</b>
<b>C) Cash flows from Financing activities</b>						
Proceeds from issue of equity shares	10	2	-	14	4	4
Repayment of borrowing	-	-	(12)	(40)	(15)	(23)
Share-based payment on cancellation of option	(0)	(0)	(0)	(0)	(0)	(0)
Amount collected by ESOP Trust on exercise of employee stock options (net of tax)	2	6	6	8	7	7
Payment of principal portion of lease liabilities	(34)	(29)	(15)	(91)	(42)	(65)
Payment of interest portion of lease liabilities	(16)	(16)	(15)	(47)	(27)	(41)
Interest paid	-	-	(3)	(2)	(8)	(9)
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(38)</b>	<b>(37)</b>	<b>(39)</b>	<b>(158)</b>	<b>(81)</b>	<b>(127)</b>
Net increase in cash and cash equivalents (A+B+C)	(93)	112	94	42	(158)	(514)
Cash and cash equivalents acquired through business combination	-	-	-	-	339	339
Net foreign exchange difference	(1)	1	(1)	(1)	7	1
Cash and cash equivalents as at the beginning of the year/ period	353	240	487	218	392	392
<b>Cash and cash equivalents as at the end of the year/ period</b>	<b>259</b>	<b>353</b>	<b>580</b>	<b>259</b>	<b>580</b>	<b>218</b>

## Use of non-GAAP financial measures

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

Non-GAAP measures used by us are defined below:

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

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

### Forward looking statements

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

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