DELHIVERY

Date: August 08, 2026

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001, India

Scrip Code: 543529

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

Symbol: DELHIVERY

Sub: Letter to Shareholders on financial results for the quarter ended June 30, 2026

Dear Sir/ Madam,

Please find enclosed herewith the letter to shareholders dated August 08, 2026 on the financial results for the quarter ended June 30, 2026, in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This disclosure will also be hosted on the Company's website at www.delhivery.com as per the provisions of the SEBI Listing Regulations.

You are requested to take this on record.

Thank you.

Yours sincerely,
For Delhivery Limited

Madhulika Vipin Rawat
Digitally signed by Madhulika Vipin Rawat
Date: 2026.08.08 16:27:59 +05'30'

Madhulika Rawat
Company Secretary & Compliance Officer
Membership No: F8765

Encl.: As above

Delhivery Limited
Corporate Office: Plot 5, Sector 44, Gurugram - 122 002, Haryana, India
Registered Office: N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi – 110037
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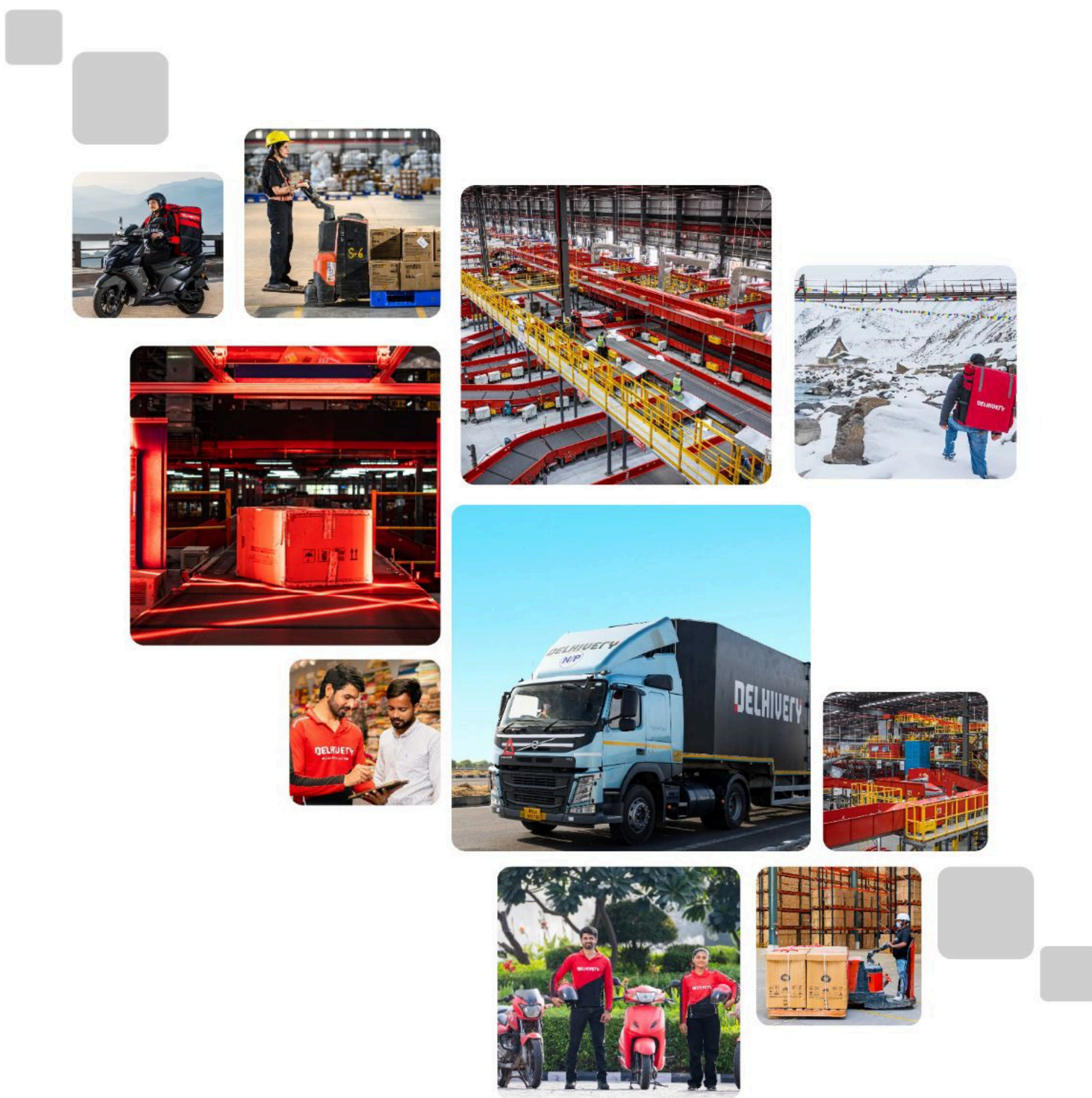
DELHIVERY

Letter to Shareholders

Q1FY27



Dear Shareholders,

We are pleased to present our results for Q1FY27.

We continued to see strong volume and revenue growth momentum in Q1. Our network carried 322 million express shipments (+55.2% YoY) and 542K MT of PTL freight (+18.4% YoY). Overall revenue from services stood at Rs.2,931 Cr (+27.8% YoY) with Adjusted EBITDA of Rs.76 Cr (2.6% margin), reported EBITDA of Rs.156 Cr (5.3% margin) and PAT of Rs.62 Cr prior to integration costs.

We maintained heightened focus in Q1 on maintaining stable network service quality in the face of a challenging external environment owing to labour availability, seasonal factors, geopolitical factors leading to an increase in fuel, a key input cost, and statutory changes to labour codes. Prioritizing forward investments in additional labour and supervisory capacity and careful network expansion enabled us to sustain strong topline growth across our transportation business, reaffirming the confidence our clients place in Delhivery as their preferred supply chain partner.

We continue to enhance strategic technology and engineering capabilities to improve operational precision, profitability and customer experience. We continue to refine our demand-shaping and dynamic load management capabilities, launching AI-powered capabilities for customer support, to enable clients to reduce return rates and manage claims. To de-risk from labour availability challenges and increasing labour costs we continue to develop and deploy customized automation systems (ASRS, AMRs, pallet shuttles) across transportation and fulfillment operations. We have also launched Delhivery Maps, to convert proprietary GIS data into new revenue streams. Together, we believe these investments position us well to deliver sustained performance in an evolving and complex operating environment.

Capital expenditure for the quarter stood at 3.1% of revenue, well within our overall guidance of capex stabilizing at <4.5% of revenues. Net working capital position also remained at 9 days. Our overall cash position continues to be robust with cash balance as of quarter end being at Rs.4,677 Cr as compared to Rs.4,555 Cr last quarter. As things stand we expect the environment ahead to improve and anticipate continued growth and improvements in profitability and cash flow.

We remain steadfast in our commitment to delivering service excellence, powered by investments in automation, technology and people. We remain on track to deliver our long-term growth and profitability targets and thank you for your continued trust and support.

322 Mn Express parcel shipments YoY: 55.2% / QoQ: 5.2%	**542K MT** PTL freight tonnage YoY: 18.4% / QoQ: (1.4%)	**₹2,931 Cr** Revenue from services YoY: 27.8% / QoQ: 2.9%
₹76 Cr / 2.6% Adj. EBITDA(1) / Adj. EBITDA margin Q1FY26: ₹75 Cr / 3.3% Q4FY26: ₹151 Cr / 5.3%	**₹156 Cr / 5.3%** EBITDA(1) / EBITDA margin Q1FY26: ₹149 Cr / 6.5% Q4FY26: ₹231 Cr / 8.1%	**₹62 Cr / 2.0%** PAT(1) / PAT margin Q1FY26: ₹ 91 Cr / 3.8% Q4FY26: ₹ 87 Cr / 3.0%

Note - (1) Excludes impact of Ecom integration costs and exceptional items

We have addressed key questions about operational and financial performance in Q1FY27 and future outlook below.

1. Express and PTL volumes have both shown strong YoY growth and consistent quarterly growth. What are the growth expectations for the rest of FY27?

   The growth in our transportation volumes reflects sustained market share gains and strong customer demand for our services. Express volumes grew 55% YoY in Q1FY27 through share gain with existing customers as well as new customer additions across D2C, SME and consumer segments. We anticipate this healthy momentum to continue and expect overall Express volume growth for FY27 to be in the range of 20-30%.

   PTL volumes grew 18% YoY with revenue growth of 24% YoY in Q1FY27. Our investment in expanding the geographic spread of our business development teams has increased the pace of new client addition, apart from growth from existing customers. We remain confident of delivering our overall target of 18-22% volume growth for FY27 with continued improvements in yield as well.

2. Given the challenging external environment what is the overall outlook for margins in FY27?

   Our business has an underlying seasonality in margins with H1 margins typically being lower than H2. Q1 environment was particularly challenging owing to volatile labour availability owing to elections and climate disruptions, geopolitical uncertainty and statutory changes to labour codes, requiring us to take heightened measures to support network service quality in the form of buffer staff and network capacity. This increase in cost will be absorbed with revenue growth through the rest of FY27.

   Increase in fuel costs following the rise in global crude prices during Q1 translated into higher petrol and diesel prices and cost of crude-related consumables. Our customer contracts provide for fuel cost pass-through mechanisms and have been activated. Some of these contractual revisions have a time lag of 1 month and will reflect fully in Q2FY27.

   Revision of statutory minimum wages across 4 key states - Haryana, Karnataka, Uttar Pradesh and Punjab - also led to a meaningful increase in labour costs across the network and at our key operating facilities at Tauru (Haryana) and Hoskote (Karnataka). We began revising pricing across client contracts in response to this increased input cost and expect this to continue through Q2FY27.

   Overall, despite these cost headwinds overall Service EBITDA remained healthy YoY at 13.1% in Q1FY27 vs 13.0% in Q1FY26, and we anticipate no change to our medium and long-term margin expansion trajectory.

3. How effectively has the fuel pass-through mechanism been implemented? What is the expected impact of fuel inflation in the coming quarters?

   Elevated fuel prices had a direct inflationary impact on petrol and diesel prices, raising transportation costs across our network. Higher crude prices also drove up the cost of certain consumables used in our operations. Our contracts with clients have in-built price revision mechanisms linked to changes in fuel prices. These contractual adjustments are based on monthly average fuel prices and therefore full revenue benefits come in with a time lag of up to 1 month, resulting in a temporary adverse mismatch between fuel cost and revenue during periods of rapid fuel price movements. In an environment where fuel prices decline, the contractual mechanism creates a temporary beneficial mismatch between fuel cost and revenue. We also continue to accelerate the introduction of electric vehicles across our network. We have partnered with multiple automotive OEMs with a plan to introduce 5,000+ electric cargo vehicles in FY27.

4. Are there any additional integration costs related to the acquisition of Ecom Express that are expected during FY27?

   We completed the acquisition of Ecom Express in July 2025 and have incurred total integration costs of Rs.165 Cr since the completion of the acquisition. This is significantly lower than our original guidance of Rs.300 Cr. The costs correspond to exiting legacy contracts, rationalising network footprint and optimising employee base. The integration costs have largely run-off and going forward there will be no Ecom-related integration costs separately called out in our earnings reports.

5. How are the new businesses scaling up?

   Delhivery Local, our on-demand intra-city logistics service is operational in 6 cities with plans to expand to 10 cities in FY27. We closed Q1FY27 with an annualized revenue run-rate of Rs.100 Cr+ and operate currently at an annualized revenue run-rate of ~Rs.140 Cr along with improved contribution margins. As discussed previously we remain on track to end this year with an annualized revenue run rate of Rs.200 Cr+.

   Our wholly owned subsidiary, Delhivery Financial Services Private Limited (DFS), received a NBFC license in July 2026. Under Financial Services, we plan to develop and commercialize a suite of services including insurance and lending to fleet owners in order to improve supply of service providers to the larger Delhivery network. DFS is being built as an asset-light, capital-efficient model. Working with well-established lending partners will be the cornerstone of our strategy. We believe that rich operational data on fleet owners, transporters, truck drivers and MSME shippers gives us a differentiated ability to originate high-quality credit opportunities for our lending partners and will also allow us to further monetise our existing ecosystem.

   During Q1FY27, we invested Rs.32 Cr into the setup and launch of these new businesses. As stated previously, we have a planned outlay of Rs.130-160 Cr for investment into new businesses for FY27.

6. What investments are we making in technology, engineering and automation?

   We continue to sustain our investments in proprietary internal platforms and capabilities to improve productivity, strengthen customer experience and support growth and profitability.

   This quarter we launched **SmartNDR**, an AI-powered value-added service designed to help e-commerce brands reduce return (RTO) rates. By combining our proprietary RTO prediction models, last-mile delivery insights, and AI-led customer communication the solution has delivered improvements of up to 10% in delivery success rates. Over 500 clients have subscribed to this service by the end of Q1FY27.

   We have also commissioned our first Automated Storage and Retrieval System (ASRS) at a key Fulfilment Centre in Q1FY27. The 6,000-pallet system enables automated warehousing operations, enhancing storage density, throughput, and operational efficiency. This is part of a broader automation initiative across our large facilities to mitigate the rising challenges around manpower availability and cost. We also continue to scale up deployment of Autonomous Mobile Robots (AMRs) across transportation operations. Operational pilots are running with automation partners and our in-house R&D team has advanced the first prototype with field trials having begun this quarter.

   We have also launched **Delhivery Maps**, India's first AI-native mapping suite built on commercial logistics telemetry. Developed using insights from 2+ billion shipments and 1 billion daily GPS pings, the platform has been purpose-built to address the complexities of India's address ecosystem through precise geocoding, address standardization, dynamic routing, and vehicle restriction constraints. Having successfully powered Delhivery's own operations, Delhivery Maps is now being offered to enterprises and developers as a standalone location intelligence platform, with over 200 businesses currently in active integration discussions.

We are deploying AI agents across our entire stack - including customer support, claims processing, POD auditing, order manifestation, NDR management for clients, assessing RVP QC pickups and more. In all of these cases - we have been able to augment speed, accuracy while bringing down cost for us or our clients. We continue to find more innovative ways of doing this across our entire value chain - and will continue to invest in this area in the coming quarters.

7. How is Delhivery establishing benchmarks for the welfare of frontline workforce?

Our frontline workforce is at the heart of Delhivery's operations, and investing in their well-being, safety and long-term development remains a strategic priority as we continue to scale our network.

During the quarter, we launched **Vishram**, India's largest nationwide network of 1,000+ rest stops for delivery personnel. The initiative provides access to essential amenities such as drinking water, washrooms, seating, mobile charging and first-aid facilities across 600 cities and towns. Importantly, Vishram has been designed as an open ecosystem initiative and is available to every delivery personnel across the logistics industry, not just limited to Delhivery partners.

We also introduced **Abhayam**, a comprehensive welfare programme for our frontline workforce. The programme provides enhanced financial protection through accident insurance, family health cover, income support during hospitalisation, scholarships for children and other initiatives aimed at improving long-term financial well-being.

These initiatives reflect our long-term commitment to our frontline workforce and are expected to strengthen employee engagement, improve service quality and reinforce Delhivery's position as an employer of choice in the logistics sector.

In addition to the FAQs covered above specific to Q1FY27 performance, we have previously shared updates about our core businesses, steady state margin aspirations, near-term plans for new initiatives, and overall capital intensity trajectory in the shareholders' letters for Q1FY26 (Link), Q2FY26 (Link), Q3FY26 (Link) and Q4FY26 (Link)

Warm regards,
Delhivery Ltd.