Delivery Hero FZ - LLC

Condensed consolidated interim financial statements

30 September 2024

Principal business address:
Premises No: EX 75, Ground Floor, Building No: 07, Co-Work,
Dubai Outsource City, Dubai
United Arab Emirates

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Delivery Hero FZ - LLC

Condensed consolidated interim financial statements
30 September 2024

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Independent Auditors' Report on Review of Interim Financial Information

To the Shareholder of Delivery Hero FZ- LLC

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Delivery Hero FZ-LLC and its subsidiaries as at 30 September 2024, the condensed consolidated interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the nine month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons 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 International Standards on Auditing 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 September 2024 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

Richard Ackland
Registration No.: 1015
Dubai, United Arab Emirates
Date: 22 October 2024

Delivery Hero FZ - LLC

Condensed consolidated interim statement of financial position
As at 30 September 2024

	Notes	**30 September 2024 AED (Unaudited)**	31 December 2023 AED (Audited)
ASSETS			
Non-current assets			
Property and equipment	*5*	**545,084,600**	245,147,846
Intangible assets and goodwill	*6*	**1,166,956,599**	1,153,089,949
Loan to a related party	*9*	**-**	27,657,454
Trade and other receivables	*7*	**21,527,122**	11,962,688
Total non-current assets		**1,733,568,321**	1,437,857,937
Current assets			
Inventories	*8*	**142,935,781**	49,884,655
Trade and other receivables	*7*	**443,905,310**	232,607,017
Due from related parties	*9*	**3,528,826**	196,390,322
Cash and cash equivalents	*10*	**1,161,062,323**	1,065,498,800
Total current assets		**1,751,432,240**	1,544,380,794
Total assets		**3,485,000,561**	2,982,238,731
EQUITY AND LIABILITIES			
Equity			
Share capital	*11*	**15,050,000**	15,050,000
Shareholder's contribution	*12.1*	**806,914,032**	529,145,367
Foreign currency translation reserve		**14,809,199**	14,293,129
Retained earnings		**562,632,574**	1,032,647,626
Other reserves	*12.2*	**56,444,310**	56,126,335
Total equity attributable to the shareholder of the Company		**1,455,850,115**	1,647,262,457
Non-controlling interests		**-**	(7,325,551)
Total equity		**1,455,850,115**	1,639,936,906
Non-current liabilities			
Loans from related parties	*9*	**5,829,687**	128,444,857
Trade and other payables	*13*	**2,796,205**	2,523,363
Lease liabilities	*14*	**269,953,688**	105,361,434
Employees' end of service benefits		**65,854,871**	45,487,128
Total non-current liabilities		**344,434,451**	281,816,782
Current liabilities			
Due to related parties	*9*	**121,268,759**	110,615,377
Trade and other payables	*13*	**1,420,714,930**	907,071,235
Lease liabilities	*14*	**69,717,898**	26,313,690
Income tax liabilities	*19*	**73,014,408**	16,484,741
Total current liabilities		**1,684,715,995**	1,060,485,043
Total liabilities		**2,029,150,446**	1,342,301,825
Total equity and liabilities		**3,485,000,561**	2,982,238,731

These condensed consolidated interim financial statements were authorised and approved for issue by the Board of Directors on 21 October 2024 and signed on their behalf by:

DocuSigned by: 50D1013037AF4BB... DocuSigned by: 68C7DB7BC171401...

Director Khaled Al Fakesh Abdullah Mohamed Alghrawi

The notes on pages 6 to 22 are an integral part of these condensed consolidated interim financial statements.
The independent auditors' review report is set out on page 1.

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Delivery Hero FZ - LLC

Condensed consolidated interim statement of profit or loss and other comprehensive income
For the nine months period ended 30 September 2024

	Notes	**30 September 2024 AED (Unaudited)**	30 September 2023 AED (Unaudited)
Revenue	15	**5,678,891,936**	4,481,527,822
Cost of sales	16	**(3,505,639,293)**	(2,812,274,540)
Gross profit		**2,173,252,643**	1,669,253,282
Marketing expense		**(322,098,282)**	(304,104,374)
IT expense		**(160,895,008)**	(143,707,002)
General administrative expense		**(294,400,196)**	(293,157,045)
Other income	17	**105,754,329**	122,473,058
Other expenses and impairment	18	**(361,866,840)**	(280,568,364)
Operating profit		**1,139,746,646**	770,189,555
Net finance income / (costs)		**23,109,394**	(6,619,313)
Foreign exchange gain, net		**(1,725,286)**	9,277,960
Profit before income tax		**1,161,130,754**	772,848,202
Income tax expense	19	**(85,970,208)**	(28,935,232)
Net profit		**1,075,160,546**	743,912,970
Other comprehensive income (Net)			
Items that will be subsequently reclassified to profit or loss:			
Foreign currency translation reserve		**516,070**	(15,671,986)
Other comprehensive income, net of tax		**516,070**	(15,671,986)
Total comprehensive income		**1,075,676,616**	728,240,984
Net profit attributable to:			
Shareholder of the Company		**1,072,774,678**	744,510,848
Non-controlling interests		**2,385,868**	(597,878)
		1,075,160,546	743,912,970
Total comprehensive income attributable to:			
Shareholder of the Company		**1,073,290,748**	728,838,862
Non-controlling interests		**2,385,868**	(597,878)
		1,075,676,616	728,240,984

The notes on pages 6 to 22 are an integral part of these condensed consolidated interim financial statements.
The independent auditors' review report is set out on page 1.

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Delivery Hero FZ – LLC

Condensed consolidated interim statement of changes in equity

For the nine months period ended 30 September 2024

	Attributable to the shareholder of the Company							
AED	**Share capital**	**Shareholder's contribution**	**Retained earnings**	**Other reserves**	**Foreign currency translation reserve**	**Total**	**Non-controlling interest**	**Total equity**
Balance at 1 January 2023 (Audited)	50,000	532,572,266	979,174,005	45,588,700	27,590,624	1,584,975,595	(7,054,172)	1,577,921,423
Total comprehensive income for the period:								
Net profit (Unaudited)	-	-	744,510,848	-	-	744,510,848	(597,878)	743,912,970
Other comprehensive income (Unaudited)	-	-	-	-	(15,671,986)	(15,671,986)	-	(15,671,986)
	-	-	744,510,848	-	(15,671,986)	728,838,862	(597,878)	728,240,984
Transactions with owners of the Group:								
Issuance of additional share capital (Note 11)	15,000,000	-	-	-	-	15,000,000	-	15,000,000
Equity settled share-based transactions (Note 21)	-	-	30,376,405	-	-	30,376,405	-	30,376,405
Dividends paid (Note 24)	-	-	(679,914,299)	-	-	(679,914,299)	-	(679,914,299)
Balance at 30 September 2023 (Unaudited)	**15,050,000**	**532,572,266**	**1,074,146,959**	**45,588,700**	**11,918,638**	**1,679,276,563**	**(7,652,050)**	**1,671,624,513**
Balance at 1 January 2024 (Audited)	**15,050,000**	**529,145,367**	**1,032,647,626**	**56,126,335**	**14,293,129**	**1,647,262,457**	**(7,325,551)**	**1,639,936,906**
Total comprehensive income for the period:								
Net profit (Unaudited)	**-**	**-**	**1,072,774,678**	**-**	**-**	**1,072,774,678**	**2,385,868**	**1,075,160,546**
Other comprehensive income (Unaudited)	**-**	**-**	**-**	**-**	**516,070**	**516,070**	**-**	**516,070**
	-	**-**	**1,072,774,678**	**-**	**516,070**	**1,073,290,748**	**2,385,868**	**1,075,676,616**
Transfers	**-**	**-**	**(317,975)**	**317,975**	**-**	**-**	**-**	**-**
Transactions with owners of the Group:								
Additional contribution (Note 12.1)	**-**	**277,768,665**	**-**	**-**	**-**	**277,768,665**	**-**	**277,768,665**
Equity settled share-based transactions (Note 21)	**-**	**-**	**36,573,946**	**-**	**-**	**36,573,946**	**-**	**36,573,946**
Dividends paid (Note 24)	**-**	**-**	**(366,318,837)**	**-**	**-**	**(366,318,837)**	**-**	**(366,318,837)**
Acquisition of subsidiaries under common control (Note 25)	**-**	**-**	**(1,207,787,181)**	**-**	**-**	**(1,207,787,181)**	**-**	**(1,207,787,181)**
Transfer of non-controlling interests on acquisition of subsidiaries under common control (Note 25)	**-**	**-**	**(4,939,683)**	**-**	**-**	**(4,939,683)**	**4,939,683**	**-**
Balance at 30 September 2024 (Unaudited)	**15,050,000**	**806,914,032**	**562,632,574**	**56,444,310**	**14,809,199**	**1,455,850,115**	**-**	**1,455,850,115**

The notes on pages 6 to 22 are an integral part of these condensed consolidated interim financial statements.

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Delivery Hero FZ – LLC

Condensed consolidated interim statement of cash flows

For the nine months period ended 30 September 2024

	Notes	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited)
Cash flows from operating activities			
Net profit		**1,075,160,546**	743,912,970
Adjustments for:			
Depreciation of property and equipment		**55,633,602**	52,746,123
Gain on disposal of property and equipment		**(104,835)**	(146,152)
Amortisation of intangible assets		**15,810,764**	12,067,451
Interest expense on lease liabilities		**5,675,948**	4,403,219
Loss on termination of leases		**470,790**	-
Provision for employees' end-of-service benefits		**23,384,943**	20,150,907
Provision for expected credit loss		**631,267**	7,191,316
Interest expense on loans from related parties		**9,306,822**	13,196,732
Interest income		**(38,092,162)**	(11,351,725)
Equity settled share-based transactions		**36,573,947**	30,376,405
Income tax expense	19	**85,970,208**	28,935,231
Operating cash flows before changes in working capital		**1,270,421,840**	901,482,477
Working capital changes:			
Inventories		**(353,484)**	6,745,333
Trade and other receivables		**(30,439,096)**	(109,590)
Due from related parties		**8,408,095**	(29,475,400)
Due to related parties		**(47,240,890)**	(85,034,753)
Trade and other payables		**75,256,489**	116,849,979
Cash generated from operating activities		**1,276,052,954**	910,458,046
Employees' end-of-service indemnity paid		**(12,837,454)**	(7,730,198)
Interest received		**38,092,162**	11,351,725
Income tax paid		**(29,440,541)**	(32,711,011)
Net cash generated from operating activities		**1,271,867,121**	881,368,562
Cash flows from investing activities			
Purchase of property and equipment		**(17,985,113)**	(52,345,302)
Proceeds from disposal of property and equipment		**421,004**	4,725,879
Addition of intangible assets	6	**(28,997,308)**	(23,831,281)
Cash acquired on acquisition of subsidiaries under common control	25	**260,223,956**	-
Loans to the Ultimate Parent Company		**(997,912,111)**	-
Net cash used in investing activities		**(784,249,572)**	(71,450,704)
Cash flows from financing activities			
Payment of principle portion of lease liabilities		**(21,731,415)**	(23,278,133)
Payment of interest on lease liabilities		**(5,675,948)**	(4,403,219)
Dividends paid	24	**(366,318,837)**	(679,914,299)
Proceeds from loans from related parties		**1,536,260**	116,399,678
Repayment of loans from related parties		**-**	(467,271,749)
Proceeds from the issuance of shares		**-**	15,000,000
Net cash used in financing activities		**(392,189,940)**	(1,043,467,722)
Net increase / (decrease) in cash and cash equivalents		**95,427,609**	(233,549,864)
Exchange differences		**135,914**	(9,840,598)
Cash and cash equivalents at the beginning of the period		**1,065,498,800**	1,450,414,842
Cash and cash equivalents at the end of the period	10	**1,161,062,323**	1,207,024,380

The notes on pages 6 to 22 are an integral part of these condensed consolidated interim financial statements.
The independent auditors' review report is set out on page 1.

Initial

1. General information

Delivery Hero FZ-LLC, Dubai – United Arab Emirates (the "Company") was incorporated on 3 November 2016 as a Free Zone Limited Liability FZ-LLC and operates in the United Arab Emirates under a commercial license no. 93866, issued by the Commercial Registration Department of Dubai Creative Clusters Authority.

The registered address of the Company is Premises no. EX 75, Ground floor, Building no. 07, Co- Work, Dubai Outsource City, Dubai, United Arab Emirates. The Company and its subsidiaries are collectively referred to as the Group (the "Group"). The principal activity of the Group is to provide access to an online platform to order food and deliver to end customers.

In September 2024, the ultimate parent of the Company transferred its shareholding in the Company to Talabat Holding Limited (the "Parent") as part of a Group restructuring initiative. This restructuring was carried out with the objective of realigning the Group's corporate structure in preparation for an Initial Public Offering (IPO) by Talabat Holding Limited.

Delivery Hero SE is the ultimate parent company and ultimate controlling party of the Group (the "Ultimate Parent Company").

These consolidated financial statements include the results of operations and the financial position of the subsidiaries, as shown below:

Name of the entities	**Country of incorporation**	**Principal activities**	**Effective shareholding**	
			30 September 2024	30 September 2023
Talabat QFC LLC	Qatar	Provide professional services of information services in relation to an online restaurant ordering and advertisement services.	**100%**	100%
Talabat Services Company S.P.C	Bahrain	Engaged in business of retail sale via internet.	**100%**	100%
DHH I SPC (DIFC) Ltd.*	United Arab Emirates	Licensed to do structured financing for qualifying purposes.	**100%**	100%
DHH II SPC (DIFC) Ltd.	United Arab Emirates	Licensed to do structured financing for qualifying purposes.	**100%**	100%
Talabat Electronic and Delivery Services Company SPC	Oman	Licensed for export and import, delivery of meals, and software designing and programming.	**100%**	100%

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Delivery Hero FZ – LLC
Notes to the condensed consolidated interim financial statements (continued)

1. General information *(continued)*

Name of the entities	Country of incorporation	Principal activities	Effective shareholding	
			30 September 2024	30 September 2023
Delivery Hero Talabat DB LLC	United Arab Emirates	Provide access to an online platform to order food and deliver to end customers.	**100%**	100%
Talabat For General Trading and Electronic Commerce Ltd	Iraq	Online food ordering commercial services and electronic trading	**100%**	100%
Talabat For Stores Services Company (Private Shareholding Company)	Iraq	Commercial services and general trade of all kinds in the local and global market, exporting legally approved materials and equipment, providing delivery services for all legally permitted materials from all related services.	**100%**	100%
Talabat General Trading and Contracting Company W.L.L*	Kuwait	General trading and contracting	**100%**	100%
Carriage Holding Company Limited*	United Arab Emirates	Registered as Special Purpose Vehicle in Abu Dhabi Global Market and is acting as holding entity of its subsidiaries. The subsidiaries are engaged in processing online orders on behalf of customers and delivering food to customers.	**100%**	100%
Carriage Logistics General Trading LLC	Kuwait	Wholesale and retail trade	**100%**	100%
Delivery Hero Carriage Kuwait for Delivery of Consumables S.P.C.	Kuwait	Delivery service for consumables products	**100%**	100%
Carriage Logistics SPC	Bahrain	Retail sales via internet and food transportation for companies	**100%**	100%
Delivery Hero Carriage DB LLC	United Arab Emirates	Delivery services coordination and provision	**100%**	100%

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1. General information *(continued)*

Name of the entities	Country of incorporation	Principal activities	Effective shareholding	
			30 September 2024	30 September 2023
Carriage Delivery Services AD LLC	United Arab Emirates	Delivery services coordination and provision	**100%**	100%
Kitchens Saudi For Food Services LLC	Saudi Arabia	Food services contractors including transportation, storage and cooling	**-**	100%
Carriage Trading and Services W.L.L	Qatar	Trading via internet	**100%**	100%
DH Stores Bahrain WLL	Bahrain	Food and beverage service activities, general trade and sale of tobacco products.	**100%**	51%
Stores Services Kuwait for General Trading Company WLL	Kuwait	Import and export, grocery, central market, non-food supermarket, general trade office, commission agent.	**100%**	51%
Delivery Hero Kitchens Kuwait Food Services Management Company WLL	Kuwait	Bakery management, management of catering services, food equipment, fast food stores, restaurant	**100%**	51%
Delivery Hero Kitchens Bahrain WLL	Bahrain	Real estate activities with own or leased property and general trade	**100%**	51%
Delivery Hero Lebanon	Lebanon	Online ordering of food and other consumer goods, distribution and delivery services for the individuals, companies and other entities in all sectors	**100%**	100%
Foodonclick.com FZ-LLC	United Arab Emirates	Registered as Special Purpose Vehicle in Abu Dhabi Global Market and is acting as holding entity of its subsidiaries. The subsidiaries are engaged in processing online orders on behalf of customers and delivering food to customers.	**100%**	-

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Delivery Hero FZ – LLC
Notes to the condensed consolidated interim financial statements (continued)

1. General information *(continued)*

Name of the entities	Country of incorporation	Principal activities	Effective shareholding	
			30 September 2024	30 September 2023
Foodclick .com Jordan Private Shareholding Co.	Jordan	Providing integrated solutions in the field of information and communications systems	**100%**	-
Talabat Log. & Online Management	Jordan	Providing logistics services	**100%**	-
Talabat for Delivery Services LLC	Iraq	Food and beverage service activities, general trade and sale of tobacco products.	**100%**	-
Batal Al Tawsil for Delivery Services Ltd.	Iraq	Providing logistics services	**100%**	-
Delivery Hero Egypt SAE	Egypt	Import and export, grocery, central market, non-food supermarket, general trade office, commission agent.	**100%**	-
Dark Stores MENA Holding Ltd	United Arab Emirates	Bakery management, management of catering services, food equipment, fast food stores, restaurant	**100%**	-
Jordanian Stores for General Trading LLC	Jordan	Ecommerce and retail trade	**100%**	-
Talabat Services Company W.L.L.	Qatar	Wholesale and retail trade	**100%**	-
Delivery Hero Stores DB LLC	United Arab Emirates	General trade	**100%**	-
Delivery Hero Dmart Egypt LLC	Egypt	General trade and distribution	**100%**	-
Delivery Hero Stores LLC	Oman	Real estate activities with own or leased property and general trade	**100%**	-

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1. General information *(continued)*

Name of the entities	**Country of incorporation**	**Principal activities**	**Effective shareholding**	
			30 September 2024	30 September 2023
Delivery Hero Kitchens MENA Holding Ltd	United Arab Emirates	Ecommerce and other activities	**100%**	-
Delivery Hero Kitchen DB LLC	United Arab Emirates	Trading and service supply	**100%**	-
DH Kitchens LLC	Qatar	Ready-meal supply and trade of fresh and preserved fruits and vegetables	**100%**	-
Delivery Hero Payments MENA FZ-LLC	United Arab Emirates	Development, consultancy and support service provider	**100%**	-
Delivery Hero Tech Payment Limited	United Arab Emirates	Development & research technology	**100%**	-
Delivery Hero Kitchens MENA Holding Jordan LLC	Jordan	Real estate activities with own or leased property and general trade	**100%**	-

* *These entities are effectively and beneficially fully owned by the Company under the terms of a Mudarabah Agreement, which grants Company control over the relevant activities of these companies and rights over the variable returns.*

2 Material accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2023. The policy for accounting for acquisition of subsidiaries under common control is consistent with that applied in the previous period and is described below:

Business combination common control transactions

A business combination involving entities or businesses under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same Ultimate Controlling Party both before and after the combination.

The Company follows book value (carry-over basis) accounting on the basis that the investment has simply been moved from one part of the group to another. As per the book value accounting, the Company recognizes assets and liabilities at their book values at the acquisition date and do not opt to restate the prior year comparatives. The difference between book values of assets acquired and liabilities assumed, and the consideration payable is reflected in retained earnings within the statement of changes in equity.

2 Material accounting policies *(continued)*

New standards or amendments

New and revised IFRSs applied with no material effect on the condensed consolidated interim financial statements of the Group

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these condensed consolidated interim financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported but may affect the accounting for future transactions or arrangements.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments.
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify: • What is meant by a right to defer settlement • That a right to defer must exist at the end of the reporting period • That classification is unaffected by the likelihood that an entity will exercise its deferral right • That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

2.2 New and amended IFRSs in issue but not yet effective and not early adopted

New and revised IFRSs	**Effective for annual periods beginning on or after**
Amendments to IAS 1 – Lack of exchangeability	1 January 2025
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date deferred indefinitely

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3. Basis of accounting

These condensed consolidated interim financial statements for the nine months period ended 30 September 2024 have been prepared in accordance with International Accounting Standard 34 *'Interim Financial Reporting'* and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2023. These do not include all the information required for a complete set of financial statements prepared in accordance with the IFRS accounting standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in Group's financial position and performance since the last annual consolidated financial statements.

4. Judgements and use of estimates

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgements and estimates made by management that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period were the same as those described in the last annual consolidated financial statements.

5. Property and equipment

During the nine months period ended 30 September 2024, the Group acquired property and equipment at a cost of AED 357,619,490 *(30 September 2023: AED 98,385,319),* out of which AED 309,396,706, net of depreciation *(30 September 2023: AED Nil)* relates to the acquisition of the subsidiaries under common control (Refer note 25).

6. Intangible assets and goodwill

During the nine months period ended 30 September 2024, the Group acquired intangible assets with a cost of AED 29,675,793 *(30 September 2023: AED 23,831,281),* out of which AED 678,485 *(30 September 2023: AED Nil)* relates to the acquisition of the subsidiaries under common control (Refer note 25).

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Delivery Hero FZ – LLC

Notes to the condensed consolidated interim financial statements (continued)

7. Trade and other receivables

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Trade receivables	**20,111,291**	26,670,490
Receivable from riders	**64,235,953**	19,041,932
Gross trade receivables	**84,347,244**	45,712,422
Less: Allowance for expected credit loss	**(17,687,961)**	(5,003,337)
Net trade receivables	**66,659,283**	40,709,085
Receivable from payment service providers	**159,772,450**	141,334,695
Deposits	**23,293,543**	15,579,393
Loans to employees	**38,222,827**	740,412
Other receivables	**177,484,329**	46,206,120
Total	**465,432,432**	244,569,705
thereof non-current	**21,527,122**	11,962,688
thereof current	**443,905,310**	232,607,017

During the nine months period ended 30 September 2024, the trade and other receivables balances increased due to acquisition of subsidiaries under common control amounting to AED 191,054,896 (Refer note 25).

Movement in provision for impairment of trade receivables, receivable from riders and other receivables is as follows:

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
As of 1 January	**(5,003,337)**	(7,862,542)
Transfer on acquisition of subsidiaries under common control	**(12,450,326)**	-
Charge during the period / year	**(631,267)**	(4,619,666)
Utilized during the period / year	**416,785**	7,447,936
Translation differences	**(19,816)**	30,935
As of 30 September / 31 December	**(17,687,961)**	(5,003,337)

8. Inventories

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Trading inventories	**132,812,454**	35,650,728
Rider equipment	**7,608,509**	13,531,782
Others	**2,514,818**	702,145
Total	**142,935,781**	49,884,655

During the nine months period ended 30 September 2024, the inventories balances increased due to acquisition of subsidiaries under common control amounting to AED 92,697,643 (Refer note 25).

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Delivery Hero FZ – LLC

Notes to the condensed consolidated interim financial statements (continued)

9. Related party transactions and balances

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard 24 Related Party Disclosures. Related parties comprise companies and entities under common ownership and/or common control, key management personnel and shareholders. The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as on other charges.

Balance included in the condensed consolidated interim statement of financial position as on 30 September 2024 (unaudited):

	Ultimate Parent Company AED	**Companies Under Common Control AED**	**Total AED**
Due from related parties – current (1)	**1,855,683**	**1,673,143**	**3,528,826**
Due to related parties – current (1)	**45,053,088**	**76,215,671**	**121,268,759**
Loans from related parties – non-current (2)	**-**	**5,829,687**	**5,829,687**
	45,053,088	**82,045,358**	**127,098,446**

Balance included in the consolidated statement of financial position as on 31 December 2023 (audited):

	Ultimate Parent Company AED	Companies Under Common Control AED	Total AED
Due from related parties – current (1)	14,020,012	182,370,310	196,390,322
Loan to a related party – non-current	27,657,454	-	27,657,454
	41,677,466	182,370,310	224,047,776
Due to related parties – current (1)	73,580,007	37,035,370	110,615,377
Loans from related parties – non-current (2)	127,975,411	469,446	128,444,857
	201,555,418	37,504,816	239,060,234

(1) Due to and from related parties are priced at a mutually agreed terms and are to be settled in cash within 12 months of the reporting date. None of these balances are secured. No exposure has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

(2) The movement for the loan from related parties is as follows:

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Balance as at 1 January	**128,444,857**	521,853,783
Transfers on acquisition of subsidiaries under common control	**5,699,273**	-
Transfers from related parties (a)	**1,098,098,656**	-
Additions	**1,536,260**	62,029,026
Interest charged during the period / year (c)	**9,306,822**	15,130,747
Repayments and settlements during the period / year (b)	**(1,237,161,309)**	(477,094,962)
Translation differences	**(94,872)**	6,526,263
Balance as at 30 September / 31 December	**5,829,687**	128,444,857

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Delivery Hero FZ – LLC

Notes to the condensed consolidated interim financial statements (continued)

9. Related party transactions and balances *(continued)*

a) Before the date of acquisition of control of acquired subsidiaries as specified in note 25 below, during September 2024, the Company, its Ultimate Parent and acquired subsidiaries entered into various assignment agreements regarding loans disbursed by the Ultimate Parent to the acquired subsidiaries under common control. As per these agreements, the Ultimate Parent transferred its rights over the loans (given to the acquired subsidiaries) to the Company and accordingly the Company recognised the related receivable from the acquired subsidiaries with a corresponding payable to the Ultimate Parent.

b) Thereafter, the Company, the Parent and Ultimate Parent entered into a settlement agreement to settle the loans from the Ultimate Parent amounting to AED 1,237,161,309 with the loans to Ultimate Parent amounting to AED 1,025,569,565 and the net remaining loans payable amounting to AED 211,591,744 were waived off and accordingly were reclassified to shareholder's contribution within the consolidated statement of changes in equity.

c) Intercompany loans bear interest ranging from 3%-9% for the nine months period ended 30 September 2024 *(31 December 2023: 3%-9%).* Interest and principal are payable in full at the end of the loan's five-year term, with no covenants or security required.

Transactions included in the condensed consolidated interim statement of profit or loss and other comprehensive income for the nine months period ended 30 September 2024 (unaudited):

	Ultimate Parent Company	**Companies Under Common Control**	**Total**
	AED	**AED**	**AED**
Commission fees	**-**	**84,742,542**	**84,742,542**
Other direct income	**-**	**154,290,074**	**154,290,074**
Other income form service allocation	**-**	**93,608,631**	**93,608,631**
Shared group cost charges	**(344,065,345)**	**(17,170,228)**	**(361,217,359)**

Transactions included in the condensed consolidated interim statement of profit or loss and other comprehensive income for the nine months period ended 30 September 2023 (unaudited):

	Ultimate Parent Company	**Companies Under Common Control**	**Total**
	AED	**AED**	**AED**
Commission fees	-	63,000,144	63,000,144
Other direct income	-	114,305,103	114,305,103
Other income form service allocation	-	106,712,783	106,712,783
Shared group cost charges	(266,615,115)	(6,761,932)	(273,377,047)

The transactions with related parties are entered on mutually agreed terms.

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9. Related party transactions and balances *(continued)*

Compensation of key management personnel

The remuneration of members of key management during the period was as follows:

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited)
Short-term benefits	**17,741,241**	15,722,149
Share based compensation	**15,454,182**	11,551,545
Employees' end of service benefits	**604,342**	458,910
	33,799,765	27,732,604

The amounts show the compensation received by key management personnel who were actively engaged with the Group throughout the fiscal period.

10 Cash and cash equivalents

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Cash at banks (a)	**1,155,579,025**	1,050,419,764
Cash in hand	**5,483,298**	3,174,274
Short term deposits (a and b)	**-**	11,904,762
Total	**1,161,062,323**	1,065,498,800

(a) The Group's cash at bank and short term deposits are amounting to AED 1,155,579,025 at 30 September 2024 *(31 December 2023: AED 1,062,324,526)*. These are held with financial institutions, which are rated AA- to AA+, based on S&P Global Ratings. Impairment on cash at bank and short term deposit has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures.

(b) The Group considers that these have low credit risk based on the external credit ratings of the counterparties. Short term deposits carry interest rate of 4.5% - 5% per annum *(2023: 4.5% - 5% per annum)*.

11. Share capital

	30 September 2024 No. of shares (Unaudited)	**30 September 2024 AED (Unaudited)**	31 December 2023 No. of shares (Audited)	31 December 2023 AED (Audited)
Shares of AED 1000 each	**15,050**	**15,050,000**	15,050	15,050,000

The share capital as at 30 September 2024 comprises of 15,050 *(31 December 2023: 15,050)* authorized, issued and fully paid ordinary shares with a par value of AED 1,000 each.

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11. Share capital *(continued)*

12. Shareholder's contribution and other reserves

12.1 Shareholder's contribution

One of the Group's subsidiaries entered into a share purchase agreement for the acquisition of an online food delivery businesses in Kuwait for a total consideration amounting to AED 342,475,610. This amount was funded by the Ultimate Parent Company, who also provided an additional amount of AED 190,096,656 as funding for the future operation of the business. This entire amount that was initially recorded as a payable to the related party and was subsequently waived off in the year 2019 based on the waiver agreement dated 12 November 2019.

During September 2024, the Company, Parent Company and Ultimate Parent Company entered into a settlement agreement resulting in an increase in shareholder's contribution amounting to AED 211,591,744 (Note 9 (b)). Further, the Company, Parent and Ultimate Parent Company entered into a settlement agreement to waive off the consideration payable amounting to AED 66,176,921 resulting in the reclassification of consideration payable to shareholder's contribution. (Refer note 25 (e)).

12.2 Other reserves

In accordance with local requirements, certain subsidiaries within the Group are required to establish a reserve for statutory reporting purposes i.e., statutory reserve. This reserve is not available for distribution except as stipulated by the companies' laws in the respective countries. The Group's statutory reserve represents the sum total of statutory reserves of all limited liability companies consolidated in these condensed consolidated interim financial statements.

13. Trade and other payables

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Liabilities to restaurants	**359,239,251**	278,392,219
Liabilities for outstanding invoices	**436,106,727**	294,462,280
Trade payables	**395,741,483**	171,389,770
Liabilities to riders	**1,566,199**	1,221,158
Staff related accruals	**128,872,490**	93,344,624
Other payables	**101,984,985**	70,784,547
Total	**1,423,511,135**	909,594,598
thereof non-current	**2,796,205**	2,523,363
thereof current	**1,420,714,930**	907,071,235

During the nine months period ended 30 September 2024, the trade and other payables balances increased due to acquisition of subsidiaries under common control amounting to AED 438,660,048 (Refer note 25).

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

14. Lease Liabilities

During the period, the Group recognised lease liabilities and right of use assets amounting to AED 231,367,634 *(30 September 2023: AED 46,040,017)*, out of which AED 201,129,963 (30 September 2023: AED Nil) relates to the acquisition of the subsidiaries under common control (Refer note 25).

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14. Lease Liabilities *(continued)*

During the period, the Group derecognised lease liabilities amounting to AED 2,379,086 *(30 September 2023: AED 21,978,286)* as a result of termination of lease contracts prior to the end of the lease term. Lease liabilities are monitored within the Group's treasury function.

15. Revenue

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited)
Commission fees	**2,570,702,019**	2,220,066,003
Delivery fees	**1,374,884,898**	1,113,923,092
Advertising and listing fees	**542,095,593**	423,412,252
Service fees	**200,711,966**	126,584,870
Subscription fees	**72,397,288**	39,692,651
Other direct income*	**1,088,453,493**	694,228,344
Less:		
- Vouchers	**(116,155,748)**	(87,449,182)
- Others	**(54,197,573)**	(48,930,208)
Total	**5,678,891,936**	4,481,527,822

* *This includes other direct income from related parties, refer Note 9*

The Group's operations and main revenue streams are those described in the last annual financial statements The Group's revenue is mainly derived from contracts with customers.

Timing of revenue recognition

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited)
Revenue recognized at point in time	**5,064,399,055**	4,018,422,919
Revenue recognized over time	**614,492,881**	463,104,903
	5,678,891,936	4,481,527,822

The following table provides information about receivables and payables from contract with customers.

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Receivables included in "trade receivables" *(Note 7)*	**84,347,244**	45,712,422
Receivables included in "due from related parties"	**6,732,410**	4,621,793
Trade payables included in "Trade and other payables "*(Note 13)*	**395,741,483**	171,389,770
Payables to restaurants included in "trade and other payables "(*Note 13)*	**359,239,251**	278,392,219

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16. Cost of sales

Cost of sales primarily includes expenses related to the delivery operations of the group, costs associated with order processing, and other direct costs.

17. Other income

Other income represents domestic and cross-border intra-group transactions involving the allocation of use of licenses and operational requirements at various organizational levels.

18. Other expenses and impairment

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited)
Shared group cost (a)	**(361,235,573)**	(273,377,047)
Provision for expected credit loss	**(631,267)**	(7,191,317)
Total	**(361,866,840)**	(280,568,364)

(a) Shared group cost mainly represents the charges from the Ultimate Parent Company, as disclosed in note 9, in relation to the use of global services.

19. Income tax expense

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited)
Current tax expense	**(85,970,208)**	(28,935,232)

Reconciliation of effective tax rate	**30 September 2024 AED (Unaudited)**	30 September 2023 AED (Unaudited)
Earnings before Income Taxes *(A)*	**1,161,130,754**	772,848,202
Tax at the Company's domestic rate of 9% / 0%	**(52,622,618)**	-
Effect of tax rates in foreign jurisdictions	**(20,400,975)**	(14,476,942)
Withholding taxes	**(12,946,615)**	(14,458,290)
Total tax expense *(B)*	**(85,970,208)**	(28,935,232)
Net results (Net profit after taxes)	**1,075,160,546**	743,912,970
Effective tax rate (B/A)	**7.40%**	3.74%

20. Contingent liabilities and bank guarantees

During the period, one of the Group entities entered a contract for the construction of a solar energy project. As a part of the contractual obligations, the entity issued a performance guarantee in favor of the service provider. The service provider has acquired two plots of land for the project, with the legal titles of these plots held in the name of the entity. As at 30 September 2024, the total contract value amounted to AED 7,086,967.

As of 30 September 2024, in addition to the above, the outstanding bank guarantees issued on behalf of the certain entities of the Group amounted to AED 67,554,659 (31 December 2023: AED 32,079,939).

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21. Share based payments

The Ultimate Parent Company has been operating share-based payment programs since 2011. As at 30 September 2024, the Group is participating in share-based payment arrangements managed by the Ultimate Parent Company.

During the nine months period ended 30 September 2024, a total of 883,805 RSUs were granted *(30* September *2023: 393,905 RSUs)*. The plans contributed AED 36,573,946 of expenses *(30* September *2023: AED 30,376,405).*

22. Fair value measurement

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of cash and bank balances, amounts due from related parties and trade and other receivables. Financial liabilities consist of trade payables and other payable and amounts due to related parties.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The fair values of the financial instruments are not materially different from their carrying values.

The Group uses the following hierarchy for determining and disclosing the fair value of available-for-sale investments and investment properties by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The management considers that the carrying amounts of financial assets and financial liabilities recognized at amortised cost in the condensed consolidated interim financial statements approximate their fair values.

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23. Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to Shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from those of the prior periods. The capital structure of the Group consists of equity attributable to the shareholders, comprising issued capital, reserves, and retained earnings.

24. Dividends

During the period, the Board of Directors of the Company approved and paid dividends of AED 24,340 *(30 September 2023: AED 45,177)* per share amounting to AED 366,318,837 *(30 September 2023: AED 679,914,299)* to the shareholder of the Company.

25. Acquisition of subsidiaries under common control

Business combination common control transactions

A business combination involving entities or businesses under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same Ultimate Controlling Party both before and after the combination.

The Company follows book value (carry-over basis) accounting on the basis that the investment has simply been moved from one part of the group to another. As per the book value accounting, the Company recognizes assets and liabilities at their book values at the acquisition date. The difference between book values of assets acquired and liabilities assumed, and the consideration paid is reflected in retained earnings within the statement of changes in equity.

On 30 September 2024, the Company obtained control of the following entities and their respective subsidiaries as part of the common control transaction.

- Foodonclick.com FZ-LLC; *
- Talabat for Delivery Services LLC;**
- Delivery Hero Egypt SAE;**
- Dark Stores MENA Holding Ltd;*
- Delivery Hero Kitchens MENA Holding Ltd;*
- DH Kitchens LLC; and**
- Delivery Hero Payments MENA FZ-LLC.*

* The shares of these entities have been legally transferred to the Company as of 30 September 2024.
** The shares of these entities have not been legally transferred to the Company as of 30 September 2024 on account of procedural legal matters which will be completed in due course. Subsequently on 20 October 2024, the shares of Delivery Hero Egypt SAE have been transferred to the Company.

The acquisition of the aforementioned companies was strategically executed to streamline and centralize both operational and financial management. By restructuring under the full control of Delivery Hero FZ LLC, Group's goal is to enhance efficiency, improve decision-making processes, and align all business activities with the Group's long-term strategic objectives. These companies were already under common control, with Delivery Hero SE as the Ultimate Parent.

The revenue and net losses of the aforementioned entities for the nine months ended 30 September 2024 amounted to AED 1,925,408,073 and AED 310,726,363, respectively. If the acquisition had occurred on 1 January 2024, the management estimates that the consolidated interim revenue and consolidated interim profit for the nine months ended 30 September 2024 would have been AED 7,604,300,009 and AED 764,434,183, respectively.

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25. Acquisition of subsidiaries under common control (continued)

Identifiable assets acquired and liabilities assumed:

The following table summarises the book values of assets acquired and liabilities assumed at the date of acquisition:

Identifiable assets acquired and liabilities assumed (continued):

	Note	30 September 2024 AED
Property and equipment	5	**309,396,706**
Intangible assets	6	**678,485**
Inventories	8	**92,697,643**
Trade and other receivables	7	**191,054,896**
Due from related parties (a)		**36,945,103**
Cash and cash equivalents		**260,223,956**
Investments (non-controlling interests) (b)		**4,939,683**
Loans to related parties (c)		**279,270,815**
Loans from related parties (c)		**(1,383,068,745)**
Due to related parties (d)		**(239,331,043)**
Trade and other payables	13	**(438,660,048)**
Lease liabilities	14	**(201,129,963)**
Employees' end of service benefits		**(9,726,333)**
Total identifiable net liabilities assumed		**(1,096,708,845)**
Less: cash consideration payable (e)		**(111,078,336)**
Net impact on acquisition of entities under common control taken to equity		**(1,207,787,181)**

a) These represents balances arising from the transactions with related parties entered into mutually agreed terms. Out of the total receivable, AED 36,945,103 was receivable from the Company and accordingly eliminated as a result of the acquisition.

b) This represents acquisition of non-controlling interests in certain consolidated subsidiaries of the Company. Accordingly, as at the date of acquisition the equity component of the noncontrolling interest amounting to AED 4,939,683 is reclassified to retained earnings, which has been presented in the condensed consolidated interim statement of changes in equity.

c) These represents loans payable to the Company and loans to related parties and accordingly, these balances were eliminated in these condensed consolidated interim financial statements. Also refer note 9.

d) These represents balances arising from the transactions with related parties entered into mutually agreed terms. Out of the total payable, AED 219,209,332 was payable to the Company and accordingly eliminated as a result of the acquisition.

e) Further, the Company, Parent and Ultimate Parent Company entered into a settlement agreement to waive off the consideration payable amounting to AED 66,176,921 to equity. Accordingly, the consideration amounting to AED 66,176,416 was reclassified to shareholder's contribution within the consolidated statement of changes in equity. Further, the remaining payable amounting to AED 44,901,415 is recognised as due to related parties.

The acquisition of the aforementioned entities is considered as a business combination under common control, which does not fall under IFRS 3 - Business Combination. Accordingly, the acquisition of the aforementioned entities was accounted for prospectively at the book values of the acquiree as at the acquisition date.

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