talabat reports strong results for Q1 2025[1]

- *GMV grew 30%, overcoming the impact of an earlier Ramadan season*
- *Revenue grew 34%, Adjusted EBITDA 34% and Adjusted Net Income 24%*
- *Adjusted EBITDA margin[2] expanded to 6.7% from 6.5% for the same period last year*
- *Adjusted Net Income margin of 4.8%, absorbing the impact of higher corporate income tax*
- *instashop acquisition completed in Q1 2025 with meaningful cost synergies expected*

Dubai, UAE, 12 May 2025: Talabat Holding plc ("talabat" or the "Company"), the leading on-demand online ordering and delivery platform in the MENA region, today announces its pro forma financial results for the three-month period ended 31 March 2025.

GMV grew 30% for the period versus the prior year to reach USD 2.1 billion. On a constant currency basis[3], GMV grew at a faster rate of 33%. Revenue grew 34% to reach USD 846 million for the period and, at constant currency, grew 38%. Adjusted EBITDA grew 34% to USD 140 million, or 6.7% of GMV, and net income grew almost four-fold to USD 103 million or 4.9% of GMV. On a normalised basis, adjusting for material non-recurring items to allow for a like-for-like comparison, net income grew 24% to USD 99 million or 4.8% of GMV.

This strong performance was driven by top line growth and margin expansion across both GCC markets (UAE, Kuwait, Qatar, Bahrain and Oman) and non-GCC markets (Egypt, Jordan and Iraq) as well as across both the Food and Grocery & Retail ("G&R")[4] verticals. The strong results were supported by increased resilience to the impact of Ramadan, thanks in part to an expanding G&R vertical which benefits from consumer behaviour trends during this period. Furthermore, the results reflected prior-year impacts related to ongoing geopolitical developments in the region, which had continued to weigh on performance during the comparative period.

Highlights for the period include:

- **GMV** of USD 2.1 billion, up 30% year-on-year and 33% at constant currency.
  - Strong double digit growth in the core GCC segment and Food vertical, and even faster growth in non-GCC markets and the G&R vertical, albeit from a lower base.
  - Driven by customer acquisition, increased order frequency and talabat pro adoption, as well as base year effects.
  - GMV geographical mix was 84% GCC and 16% non-GCC (prior year: 86% and 14%).

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[1] Financial and operational performance referenced in this press release *excludes* instashop, which is consolidated in talabat's reported financial results as of 25 February 2025. See also Editors' Note below. Capitalised terms used in this press release are defined in the footnotes on page 4.

[2] Margins calculated as a percentage of GMV unless otherwise specified.

[3] "Constant currency basis" refers to current period figures that are restated using prior-period foreign exchange rates, to neutralise currency variations.

[4] G&R segment comprises our first party vendor model (tMart dark stores) and our third party vendors (local shops).

- **Management Revenue** of USD 846 million, up 34% year-on-year and 38% at constant currency, representing a GMV-to-revenue conversion ratio of 41% (prior year: 40%).
- **Adjusted EBITDA** of USD 140 million, up 34% year-on-year and equivalent to 6.7% of GMV (prior year: 6.5%).
- **Net income** of USD 103 million, 3.8x the prior year level, and equivalent to 4.9% of GMV (prior year: 1.7%). Net income in the prior year was impacted by an FX loss on an intercompany loan to talabat's Egyptian subsidiary following the Egyptian pound's devaluation against the US Dollar in March 2024.
- **Adjusted Net Income** of USD 99 million, up 24% year-on-year and equivalent to 4.8% of GMV (prior year: 5.0%), absorbing the impact of increased corporate income tax rates of 15% in the GCC markets.
- **Strong cash generation** with Adjusted Free Cash Flow of USD 135 million, up 39% year-on-year, and equivalent to 6.5% of GMV (prior year: 6.0%) and a Cash Conversion Ratio of 96% (prior year: 92%).

Tomaso Rodriguez, Chief Executive Officer of talabat, commented: “We have had a strong start to the year, delivering excellent financial results that reflect the effectiveness of our strategy and execution. Our continued focus on enhancing the consumer value proposition, expanding across multiple verticals and deepening customer loyalty is driving sustained growth. Notably, our Groceries and Retail vertical contributed approximately one-third of GMV when including instashop for the full quarter, reinforcing the opportunity in scaling this vertical further. We also saw our most successful launch yet of talabat pro, our premium subscription loyalty programme, in Egypt, marking an important milestone and strengthening our offering in one of our fastest-growing markets.

“We were equally pleased to welcome the instashop team into our operations in the first quarter. As a leading grocery delivery e-marketplace in MENA, instashop is a strong strategic fit for talabat, and aligns closely with our ambition to expand and integrate our ecosystem. In a scale-driven business like ours, we expect to realise meaningful cost synergies as integration progresses over the next few quarters.”

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Q1 2025 pro forma financial information[5]:

USD millions	Q1 2025	Q1 2024	%Δ y/y
GMV[6]	**2,084**	**1,603**	**30%**
o/w GCC	1,751	1,377	27%
o/w non-GCC	333	226	47%
GMV at constant currency	2,129	1,603	33%
Management Revenue[7]	**846**	**634**	**34%**
Management Revenue at constant currency	873	634	38%
Adjusted EBITDA[8]	**140**	**104**	**34%**
margin (% of GMV)	*6.7%*	*6.5%*	*0.2pp*
Net income	**103**	**27**	**278%**
margin (% of GMV)	*4.9%*	*1.7%*	*3.2pp*
Adjusted Net Income[9]	**99**	**80**	**24%**
margin (% of GMV)	*4.8%*	*5.0%*	*-0.2pp*
Adjusted Free Cash Flow[10]	**135**	**97**	**39%**
margin (% of GMV)	*6.5%*	*6.0%*	*0.4pp*
Cash Conversion Ratio[11]	*96%*	*92%*	*3.9pp*

The full set of disclosures today can be found within the Investor Relations section on talabat's website.

Note to Editors:

The financial information referenced in this press release has been prepared on a pro forma basis, as if the corporate restructuring that was carried out at the end of September 2024, ahead of talabat's Initial Public Offering ("IPO"), took place on 1 January 2023. This enables like-for-like comparability of the combined Company with prior year periods. Note that this *excludes* instashop which is consolidated in talabat's reported financials as of 25 February 2025. These financials are prepared on the same basis as the financials in the International Offering Memorandum used for the IPO.

— Ends —

For investor enquiries, please contact ir@talabat.com, and for media enquiries, press@talabat.com.

[5] Numbers have been rounded off to the nearest decimal figures, while percentages are calculated on the actual numbers

[6] Gross Merchandise Value, the total value (including VAT) paid by end customers for goods and services sold through the platform (excluding rider tips and subscription fees paid by customer).

[7] Management reporting revenue, defined as IFRS revenue *before* deducting vouchers/discounts issued by talabat to customers.

[8] Adjusted EBITDA is defined as net income *before* current income tax expenses, net finance costs, net foreign exchange loss, depreciation of property and equipment, other non-income tax and non-operating earnings effects. Non-operating earnings effects include, in particular: (i) expenses from share-based compensation, and (ii) other adjustments.

[9] Adjusted Net Income is defined as net income excluding (i) foreign exchange income (loss) (mainly related to non-cash unrealised foreign exchange loss from shareholder loan liability in Delivery Hero Egypt SAE); and (ii) and interest expense on loans and interest income (mainly related to shareholder loans and deposits that were capitalised prior to the IPO).

[10] Adjusted Free Cash Flow is defined as Adjusted EBITDA *minus* change in working capital (change in working capital excludes receivables from payment service providers and restaurant liabilities) *minus* capex *minus* IFRS 16 lease payments *minus* tax.

[11] Cash Conversion Ratio is defined as Adjusted Free Cash Flow *divided* by Adjusted EBITDA.

About talabat

talabat is the the leading on-demand delivery platform in the Middle East and North Africa (MENA) region, offering customers a convenient and personalized way to order food, groceries, and other convenience products from a wide selection of restaurants and retailers. Founded in Kuwait in 2004, talabat has expanded its operations to cover the United Arab Emirates, Kuwait, Qatar, Egypt, Bahrain, Oman, Jordan and Iraq, serving over six and a half million active customers as of December 2024. talabat is headquartered in Dubai, the United Arab Emirates and in December 2024, successfully completed its initial public offering on the Dubai Financial Market (DFM). As a subsidiary of Delivery Hero SE, talabat leverages global expertise to strengthen its market position and drive innovation in the on-demand delivery sector, focusing on expanding its product offerings and increasing market penetration across its operating regions. With a robust network of over thousands of partners and riders, talabat continues to solidify its leadership in the MENA region's on-demand delivery market, connecting customers, partners, and riders through its advanced technology platform.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This announcement contains certain forward-looking statements with respect to the Company. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts.

Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "will", "goal", "believe", "aim", "may", "would", "could" or "should" or other words of similar meaning or the negative thereof. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from those expressed or implied by these forward-looking statements. The Company does not accept any responsibility for the accuracy or fairness of forward-looking statements and expressly disclaims any obligation to update any such forward looking statement, except as required pursuant to applicable law and regulation.

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