

Talabat Holding PLC

Consolidated financial statements

For the period since inception on 3 September 2024 till 31 December 2025

Principal business address:

Unit no. 2341, 23rd Floor, Sky Tower, Shams,
Abu Dhabi, Al Reem Island
United Arab Emirates



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For the period since inception on 3 September 2024 till 31 December 2025

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Talabat Holding PLC

Director's Report

The Board of Directors of Talabat Holding PLC (the “**Company**”) presents the consolidated statement of financial position of the Company and its Subsidiaries (the “**Group**”) as at 31 December 2025 and the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period since inception on 3 September 2024 till 31 December 2025.

Principal activities

The Group's principal activities during the period ended 31 December 2025 were providing an online platform for ordering food, grocery, and retail, along with delivery services to end customers and ad-tech solutions to partners.

Financial Highlights and Performance

The calendar year 2025 marked a major milestone for the Company. The Group delivered a 27% year-on-year increase in Gross Merchandise Value (GMV), reaching a record USD 9.4 billion, in line with guidance range. Revenue grew by 31% to USD 3.9 billion, in line with the guided range. Adjusted EBITDA increased by 24% to nearly USD 615 million, representing 6.5% of GMV and meeting expectations. Net income rose by 34% to USD 464 million, equivalent to 4.9% of GMV and near expectations. Excluding material non-recurring items to enable a like-for-like comparison, net income increased by 15% to USD 451 million, 4.8% of GMV.

Financial Results

The Group reported a revenue of USD 4,652 million for the period since inception on 3 September 2024 till 31 December 2025. The Group's profit for the same period was USD 606 million.

Dividend

During the period, the Board of Directors proposed and paid two cash dividends amounting to USD 110,020,688 for the fourth quarter of 2024 and USD 202,159,050 for the six months period ended 30 June 2025. Additionally, the Board of Directors proposed a dividend of 218,773,125 in respect of the financial results of the fourth quarter of 2025. which is subject to shareholders' approval at the forthcoming Annual General Meeting.

Outlook and Strategy for 2026

The Group expects its strong growth momentum to continue into 2026. The growth outlook and profitability targets for 2026 are detailed in the financial guidance.

Transactions with Related Parties

Related party transactions and balances are fully disclosed in Note 9 of the consolidated financial statements. All such transactions are conducted in the ordinary course of business of the Company and in accordance with all applicable laws and regulations.

Auditors

KPMG Lower Gulf Limited (“**KPMG**”) served as external auditors for the Group for the financial year ended 31 December 2025. KPMG has indicated its willingness to continue in this capacity for the fiscal year 2026. A recommendation for the reappointment of KPMG for the subsequent financial year will be submitted for shareholder approval at the forthcoming Annual General Meeting.

Statement of Disclosure to Auditors

The Directors of Talabat Holding PLC hereby certify that, to the best of their knowledge, there exists no material audit information of which the Group's auditor is unaware. The Directors further confirm that all necessary measures have been taken as Directors to ascertain the completeness of all relevant audit information provided to the Group's auditor.

Directors

Name	Position
Mr. Pieter-Jan Vandepitte	Chairperson
Mr. Andreas Krause	Vice Chairperson
Mr. Tomaso Rodriguez	Executive Director
Ms. Marie-Anne Popp	Non-Executive Director
Mr. Abdullah Alharoun	Independent, Non-Executive
Mr. Abdul Wahab Al-Halabi	Independent, Non-Executive

On behalf of the Board



Pieter-Jan Vandepitte
 Chairperson
 Dubai, UAE
 12 February 2026



KPMG Lower Gulf Limited
Office No 15-111, 15th Floor
Al Khatem Tower,
Abu Dhabi Global Market Square, Al Maryah Island
Abu Dhabi, United Arab Emirates
Tel. +971 (2) 401 4800, www.kpmg.com/ae

Independent auditors' report

To the Shareholders of Talabat Holding PLC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Talabat Holding PLC ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the 485 days period then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the 485 days period then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Abu Dhabi Global Market ("ADGM"). We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key Audit Matters (continued)

Revenue

See Note 15 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
<p>Revenue is a key driver of the Group's financial performance and is primarily earned through online marketplace services, separately charged delivery fees, orders placed in the Group's delivery-only stores, platform advertising services (collectively "platform-related revenue"), Tmart advertising revenue, subscription and other fees</p> <p>The Group's platform-related revenue recognition process is highly automated, and relies on multiple IT systems and interfaces to record and process a high volume of daily customer transactions across its online marketplace platform and billing environment.</p> <p>Revenue is one of the Group's principal performance indicators and a key metric used by management and external stakeholders to assess business growth and profitability. As a result, there is an inherent risk of revenue overstatement.</p> <p>Given the significance of revenue to the consolidated financial statements and the incentives and users expectations regarding growth of the business, we identified the risk of unsubstantiated or inappropriate revenue being recognized through direct postings into the general ledger for both platform-related and Tmart advertising revenues.</p>	<p>To address these risks, we performed the following procedures amongst others:</p> <ul style="list-style-type: none"> • We assessed, on a sample basis, whether accounting for the Group's significant revenue streams complies with the requirements of IFRS 15. • We obtained an understanding of the Group's revenue cycle from contract inception to revenue recognition. We evaluated the design and implementation of key controls designed to mitigate the identified risks. • We performed tests of details and substantive analytical procedures, including data analytics routines, over orders placed by customers and the related amounts collected to assess the existence of revenue • We also performed tests of details and substantive analytical procedures over the revenue recognised in the consolidated financial statements. • We reconciled platform related revenue recorded in the general ledger to the aggregated transaction data generated by the Group's online marketplace platform. We examined reconciling items, on a sample basis, by examining their underlying documentation to determine whether they represented valid revenue transactions and were recorded in accordance with IFRS 15. • We analyzed journal entries using our data analytics routines to identify any unusual journal entries related to revenue. We tested these entries by inspecting the underlying documentation to check their appropriateness and business rationale. • We assessed the adequacy of presentation and disclosures in the consolidated financial statements in accordance with the applicable financial reporting framework.



Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon. We obtained the Director's report prior to the date of this auditor's report, and we expect to obtain the remaining sections of the Annual Report after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the ADGM Companies Regulations 2020 (as amended), the ADGM Companies Regulations (International Accounting Standards) Rules 2015 and the Market Rules and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the provisions of the ADGM Companies Regulations 2020 (as amended), the ADGM Companies Regulations (International Accounting Standards) Rules 2015 and the Market Rules, we report that:

1. the consolidated financial statements, in all material respects, have been properly prepared in compliance with the requirements of the ADGM Companies Regulations 2020 (as amended), the ADGM Companies Regulations (International Accounting Standards) Rules 2015 and the Market Rules; and
2. the financial information included in the Director's report, in so far as it relates to these consolidated financial statements, is consistent with the books of account of the Group.

KPMG Lower Gulf Limited



Anurag Bajpai
Abu Dhabi, United Arab Emirates
Date:

12 FEB 2026

Consolidated statement of financial position As at 31 December 2025

	Notes	2025 USD
ASSETS		
Non-current assets		
Property and equipment	5	236,653,654
Intangible assets and goodwill	6	326,673,094
Deferred tax assets, net	25	7,813,711
Trade and other receivables	7	6,682,882
Total non-current assets		<u>577,823,341</u>
Current assets		
Inventories	8	75,829,192
Trade and other receivables	7	188,325,385
Due from related parties	9	4,738,758
Cash and cash equivalents	10	773,680,921
Total current assets		<u>1,042,574,256</u>
Total assets		<u>1,620,397,597</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	11	253,650,000
Foreign currency translation reserve		(3,223,712)
Retained earnings		449,501,724
Total equity		<u>699,928,012</u>
Non-current liabilities		
Trade and other payables	12	1,310,979
Lease liabilities	13	121,223,088
Employees' end of service benefits	14	20,460,321
Income tax liabilities		36,039,858
Total non-current liabilities		<u>179,034,246</u>
Current liabilities		
Due to related parties	9	31,930,378
Trade and other payables	12	635,331,683
Lease liabilities	13	31,572,316
Employees' end of service benefits	14	5,690,990
Income tax liabilities		36,909,972
Total current liabilities		<u>741,435,339</u>
Total liabilities		<u>920,469,585</u>
Total equity and liabilities		<u>1,620,397,597</u>

To the best of our knowledge, the consolidated financial statements present fairly in all material respects, the financial position, results of operation and cash flows of the group as at, and for the period ended 31 December 2025.

These consolidated financial statements were authorised and approved for issue by the Board of Directors on 12 February 2026 and signed on their behalf by:

Chief Financial Officer



Chairperson

The notes on pages 11 to 67 are an integral part of these consolidated financial statements.
The independent auditors' report is set out on pages 3 to 6.

Consolidated statement of profit or loss and other comprehensive income

For the period since inception on 3 September 2024 till 31 December 2025

	<i>Notes</i>	For the period since inception till 31 December 2025 USD
Revenue	15	4,651,861,456
Cost of sales	16	<u>(3,234,120,644)</u>
Gross profit		1,417,740,812
Marketing expense	17	(247,439,494)
IT expense	18	(83,459,661)
General and administrative expense	19	(237,527,765)
Other income	22	20,152,855
Other expenses	23	(185,007,206)
Provision for expected credit loss	7	<u>(12,645,588)</u>
Operating profit		671,813,953
Net finance income	24	12,917,312
Foreign exchange gain, net		<u>3,264,661</u>
Profit before income tax		687,995,926
Income tax expense	25	<u>(82,401,346)</u>
Net profit		605,594,580
Other comprehensive income		
<i>Items that will be subsequently reclassified to profit or loss:</i>		
Foreign currency translation reserve		(3,473,059)
Related taxes net investment in foreign operations	25	<u>249,347</u>
Other comprehensive (loss), net of tax		(3,223,712)
Total comprehensive income		602,370,868
Earnings per share (cent/share)		
Basic	26	<u>2.73</u>
Diluted	26	<u>2.73</u>

The notes on pages 11 to 67 are an integral part of these consolidated financial statements.
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Talabat Holding PLC

Consolidated statement of changes in equity

For the period since inception on 3 September 2024 till 31 December 2025

	Share capital USD	Retained earnings USD	Foreign currency translation reserve USD	Total equity USD
<u>Total comprehensive income for the period</u>				
Net profit	-	605,594,580	-	605,594,580
Other comprehensive income	-	-	(3,223,712)	(3,223,712)
	-	605,594,580	(3,223,712)	602,370,868
<u>Transactions with owners of the Group:</u>				
Issuance of share capital (Note 11)	253,650,000	-	-	253,650,000
Acquisition of subsidiaries under common control (Note 35)	-	128,484,954	-	128,484,954
Equity settled share-based transaction (Note 28)	-	27,601,928	-	27,601,928
Dividends (Note 30)	-	(312,179,738)	-	(312,179,738)
Balance at 31 December 2025	253,650,000	449,501,724	(3,223,712)	699,928,012

The notes on pages 11 to 67 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the period since inception on 3 September 2024 till 31 December 2025

	Notes	2025 USD
Cash flows from operating activities		
Net profit		605,594,580
<u>Adjustments for:</u>		
Depreciation of property and equipment	5	65,387,183
Amortisation of intangible assets	6	8,234,897
Gains on disposal of property and equipment	22	(1,033,061)
Employees' end-of-service benefits	14	12,366,674
Provision for expected credit loss	7	12,645,588
Interest expense on lease liabilities	13,24	9,195,530
Equity settled share-based transactions	19,28	27,601,928
Interest income, net	24	(22,254,427)
Income tax expense, net	25	82,401,346
Operating cash flows before changes in working capital		800,140,238
<u>Working capital changes:</u>		
Inventories		(36,016,196)
Trade and other receivables		(45,581,922)
Due from related parties		(3,777,880)
Due to related parties		(1,188,958)
Trade and other payables		213,181,402
Cash generated from operating activities		926,756,684
Employees' end-of-service indemnity paid	14	(5,464,727)
Income tax paid		(41,627,458)
Net cash generated from operating activities		879,664,499
Cash flows from investing activities		
Purchase of property and equipment		(52,715,474)
Proceeds from disposal of property and equipment		1,832,568
Addition of intangible assets	6	(17,010,846)
Net cash acquired on acquisition of subsidiaries under common control	35	305,911,892
Interest received		21,849,874
Net cash generated from investing activities		259,868,014
Cash flows from financing activities		
Payments of principal portion of lease liabilities	13	(38,801,572)
Payments of interest on lease liabilities	13	(9,195,530)
Repayment of loans from related parties	9	(8,679,345)
Dividends paid	30	(312,179,738)
Net cash used in financing activities		(368,856,185)
Net increase in cash and cash equivalents		770,676,328
Effect of movement in exchange rates on cash held		3,004,593
Cash and cash equivalents at the end of the period	10	773,680,921

The notes on pages 11 to 67 are an integral part of these consolidated financial statements.
The independent auditors' report is set out on pages 3 to 6.

1. Reporting entity

Talabat Holding PLC, Dubai – United Arab Emirates (the “Company”) was incorporated on 3 September 2024 (date of inception) in accordance with ADGM laws, ADGM registration number: is 20827.

The registered address of the company: Unit no. 2341, 23rd Floor, Sky Tower, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, UAE.

Delivery Hero MENA Holding GmbH is the parent company (the “Parent”). Delivery Hero SE is the ultimate parent company of the Group which is also the ultimate controlling party (the “Ultimate Parent Company”).

The Company was established as part of a broader restructuring plan initiated by the Ultimate Parent Company to facilitate the listing of its shares on the Dubai Financial Market (“DFM”) through an Initial Public Offering (“IPO”). The restructuring involved transactions among entities under common control to consolidate the Ultimate Parent Company’s business in the MENA region, which includes the United Arab Emirates (“UAE”), Kuwait, Qatar, Oman, Bahrain, Iraq, Egypt, and Jordan.

On 24 September 2024, the Ultimate Parent Company transferred its shareholding and control in Delivery Hero FZ LLC (“DH FZ”) and its subsidiaries to the Company. Further, on 30 September 2024, DH FZ acquired control of certain entities as part of a common control transaction (refer to Note 27).

In exchange for these acquisitions, the Company issued 253,649,900 ordinary shares to the Parent Company (refer to Note 11).

These transactions were undertaken to align the Group’s corporate structure with the Ultimate Parent Company’s plan to offer 20% of its shareholding in the Company through an IPO.

During November 2024, the Security and Commodities Authority (“SCA”) (UAE) accepted the Company’s application for the offering and issuance of 20% of the Company’s authorised and issued share capital. On 10 December 2024, the Company was admitted to be listed on the Dubai Financial Market (“DFM”).

On 25 February 2025, Talabat Holding PLC acquired 100% of Instashop Ltd’s (Instashop) share capital from Delivery Hero SE (the Ultimate Parent Company), under a common control transaction. (refer to Note 27).

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, grocery and deliver to end customers.

These consolidated financial statements have been prepared for the period since inception on 3 September 2024 till 31 December 2025 being an extended reporting period, in accordance with the ADGM Regulations applicable to first-year consolidated financial statements.

Talabat Holding PLC

Notes to the consolidated financial statements

1. Reporting entity (continued)

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

Name of the subsidiary	Country of Incorporation	Principal activities	Effective holding 2025
Delivery Hero FZ-LLC	United Arab Emirates	Provide access to an online platform to order food and deliver to end customers	100%
Talabat QFC LLC	Qatar	Provide professional services of information services in relation to an online restaurant ordering and advertisement services.	100%
Talabat Services Company S.P.C	Bahrain	Engaged in business of retail sale via internet.	100%
DHH I SPC (DIFC) Ltd.*	United Arab Emirates	Licensed to do structured financing for qualifying purposes.	100%
DHH II SPC (DIFC) Ltd.	United Arab Emirates	Licensed to do structured financing for qualifying purposes.	100%
Talabat Electronic and Delivery Services Company SPC	Oman	Licensed for export and import, delivery of meals, and software designing and programming.	100%
Delivery Hero Talabat DB LLC	United Arab Emirates	Provide access to an online platform to order food and deliver to end customers.	100%
Talabat For General Trading and Electronic Commerce Ltd	Iraq	Online food ordering commercial services and electronic trading	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%
Talabat General Trading and Contracting Company W.L.L*	Kuwait	General trading and contracting	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%
Carriage Logistics General Trading LLC	Kuwait	Wholesale and retail trade	100%

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Notes to the consolidated financial statements

1. Reporting entity (continued)

Name of the subsidiary	Country of Incorporation	Principal activities	Effective holding 2025
Delivery Hero Carriage Kuwait for Delivery of Consumables S.P.C.	Kuwait	Delivery service for consumables products	100%
Carriage Logistics SPC	Bahrain	Retail sales via internet and food transportation for companies	100%
Delivery Hero Carriage DB LLC	United Arab Emirates	Delivery services coordination and provision	100%
Carriage Delivery Services AD LLC	United Arab Emirates	Delivery services coordination and provision	100%
Carriage Trading and Services W.L.L	Qatar	Trading via internet	100%
DH Stores Bahrain WLL	Bahrain	Food and beverage service activities, general trade and sale of tobacco products.	100%
Stores Services Kuwait for General Trading Company WLL	Kuwait	Import and export, grocery, central market, non-food supermarket, general trade office, commission agent.	100%
Delivery Hero Kitchens Kuwait Food Services Management Company WLL	Kuwait	Bakery management, management of catering services, food equipment, fast food stores, restaurant	100%
Delivery Hero Kitchens Bahrain WLL	Bahrain	Real estate activities with own or leased property and general trade	100%
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%
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%
Foodclick.com Jordan Private Shareholding Co.	Jordan	Providing integrated solutions in the field of information and communications systems	100%

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Notes to the consolidated financial statements

1. Reporting entity *(continued)*

Name of the subsidiary	Country of Incorporation	Principal activities	Effective holding 2025
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%
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%

Talabat Holding PLC

Notes to the consolidated financial statements

1. Reporting entity (continued)

Name of the subsidiary	Country of Incorporation	Principal activities	Effective holding 2025
Instashop Ltd	BVI	Holding company	100%
InstaShop General Trading LLC	United Arab Emirates	General Trading	100%
Instashop Portal LLC, Dubai	United Arab Emirates	Network websites contents entering and supplying, and E-Commerce through websites	100%
InstaShop DMCC	United Arab Emirates	Software House, Computer Systems Consultancies, Web Design, Internet Content Provider, E-Marketplace Service Provider (DMCC) and Delivery Service	100%
InstaShop Supermarket - Sole Proprietorship LLC	United Arab Emirates	Super Market	100%
GroCart DMCC	United Arab Emirates	E-Marketplace service provider (DMCC)	100%
GroCart General Trading	United Arab Emirates	General Trading	100%
InstaShop Co WLL	Bahrain	Computer programming activities and Operations of e-marketplaces, websites, web portals	100%
InstaShop LLC	Egypt	E-Commerce, E-Marketing and Providing home delivery services	100%
InstaShop WLL	Qatar	Providing the professional services of information services in relation to an e-commerce platform.	100%
InstaShop WLL	Qatar	Transferring consumables to customers and trading via internet.	100%
InstaShop Saudi for Information Technology LLC	Kingdom of Saudi Arabia	Delivery services via electronic platform, system analyses, designing and performing special software, establishing the infrastructure for hosting websites, data processing services and related services, registration to provide cloud computing services and providing marketing services on behalf of others.	100%

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Notes to the consolidated financial statements

1. Reporting entity *(continued)*

Name of the subsidiary	Country of Incorporation	Principal activities	Effective holding 2025
InstaShop SPC	Oman	Delivery of meals, collection of data from one or more sources, designing and programming software, maintenance of soft wares and designing of websites, data entry services, retail sale via Internet (E-Commerce), create and implement databases and web pages, cloud and Hosting Services and systems analysis	100%
InstaShop SARL	Lebanon	Design, create, own, manage, maintain, buy, sell and distribute all kinds of applications, computer software and websites. Develop applications, computer software and websites and provide necessary consultancy, support and studies, perform all commercial and production operations in Lebanon and abroad in compliance with provisions of D.L n.35 of August 5, 1967.	100%
InstaShop Single Member Private Company	Greece	Information technology design and development services, food delivery services, electronic advisory activities, electronic systems management services, public relations and communication services, marketing consulting services, other advisory services and sale of advertising space or time with payment or contract	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.*

Talabat Holding PLC

Notes to the consolidated financial statements

2. New accounting standards or amendments

2.1 *New and revised IFRSs applied with no material effect on the consolidated 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 consolidated 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 periods in the year of initial application of the amendments.
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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.
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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:
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- 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.

Talabat Holding PLC
Notes to the consolidated financial statements

2. New accounting standards or amendments (*continued*)

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

<u>New and revised IFRSs</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to IFRS 9 and IFRS 7- Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information

3.1 Basis of accounting

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), the applicable provisions of Abu Dhabi Global Market Companies Regulations 2020 (as amended), Abu Dhabi Global Market Companies Regulations (International Accounting Standards) Rules 2015 and the Market Rules.

3.2 Basis of preparation

(a) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis as explained in the accounting policies 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 Parent Company both before and after the combination.

The Group follows book value (carry-over basis) accounting prospectively, 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 Group 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.

When a subsidiary is deconsolidated on account of loss of control over subsidiary in a common control transaction with no / nominal consideration, the difference between the net book value of the subsidiary and the consideration received is recognised in retained earnings within equity.

(b) Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in these consolidated financial statements are described in note 4.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.2 Basis of preparation *(continued)*

(c) Current vs non-current classification (continued)

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other assets and liabilities as non-current.

(d) Fair value measurement

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.2 *Basis of preparation (continued)*

(e) Functional and presentation currency

These consolidated financial statements, unless otherwise indicated are presented in United States Dollar (“USD”), which is the Company’s presentation currency. United Arab Emirates Dirhams (AED) is the functional currency of the company. The rate used to translate AED to USD is 3.6725. Items included in the consolidated financial statements in respect of foreign subsidiaries are measured using the currency of the primary economic environment in which they operate and are translated in accordance with the policy stated in note 3.5.

(f) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- The size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed off during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group’s accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.2 Basis of preparation *(continued)*

(f) Basis of consolidation (continued)

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owner of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Interests in equity-accounted investees

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.2 Basis of preparation *(continued)*

(f) Basis of consolidation (continued)

Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues to recognise its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests. When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When the Group transacts with an associate or a joint venture of the Group, unrealised profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

(g) Business combination

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired include inputs and processes applied to those inputs that have the ability to contribute to the creation of outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.2 Basis of preparation *(continued)*

(g) Business combination (continued)

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Goodwill or bargain purchase gain

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3.3 Revenue recognition

Revenue recognition under IFRS 15 Revenue from Contracts with Customer:

The Group recognises revenue from contracts with customers based on the five-step model set out in IFRS 15:

Step 1: Identify the contract(s) with a customer

A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify the performance obligations in the contract

A performance obligation is a unit of account and a promise in a contract with a customer to transfer a good or service to the customer.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.3 Revenue recognition *(continued)*

Step 3: Determine the transaction price

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract

For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as and when the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group, and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for selling of goods or rendering services to the customers, excluding amounts collected on behalf of third parties. Revenue is adjusted for expected sales discounts and volume discounts, which are estimated based on the historical data or forecast and projections. The Group recognises revenue after the services are rendered to its customers and on the basis of contractual rates agreed with the customers.

The stand-alone selling prices are determined based on the observable price at which the Group sells the goods or services.

The Group generates revenue mainly from online marketplace services, separately charged delivery fees, orders placed in the Group's delivery-only stores and advertising services, as well as subscription fees, service fees and, in certain cases, separately charged payment fees.

The Group determines for each specified good and service promised to the customer, primarily restaurants and/or orderers, whether it obtains control of the good or service before it is transferred to the customer.

For online marketplace services in which the Group arranges for restaurants to sell food to orderers, the Group acts as an agent. The consideration for the online marketplace services primarily consists of commission fees charged to restaurants. Based on the specific contract with the partner restaurant, the Group might charge and recognise separately a fee for online payments, despite this payment option not representing a distinct performance obligation. Revenue from commission fees is recognised at a point in time when the order has been placed.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.3 Revenue recognition *(continued)*

The Group also offers delivery services in which the ordered meals or other products are collected at a restaurant or store and delivered to the orderers, the Group acts as principal for these services. The Group entities carry out the delivery services to the orderer (customer for delivery service) as principal. The consideration for the usage of delivery services primarily consists of delivery fees charged to customers and restaurants. Revenue from delivery fees is recognised at a point in time when the order is delivered.

For the sale and delivery of a variety of grocery and other convenience items through our delivery-only stores to orderers (customer of sold items), the Group acts as principal. The consideration for the orders placed in delivery-only stores comprises the Gross Merchandise Value (“GMV”) net of VAT. GMV is the total value paid by customers (including VAT, delivery fees, service fees less other subsidies, such as voucher and other discounts). Revenue from delivery-only stores sales is recognised at a point in time when the order is delivered.

The Group provides advertising services to restaurants, vendors and other businesses (customer for the service). The Group acts as a principal in respect of these services. The control over the advertising services passes to the customer over time. Revenue for advertising services is recognised based on the time elapsed relative to the contract term.

For subscription programs offered to orderers and restaurants, the Group acts as principal. Revenue from subscription fees is recognised on a straight-line basis over the period of the subscription.

Service fees are separately charged to orderers in certain markets for the usage of marketplace platforms. The Group acts as principal for the services offered. Revenue from services fees is recognised at a point in time when an order has been placed.

Other direct income mainly includes revenue generated from retail sales, payment processing fee, and other income streams. Retail sales are attributable to orders placed through our stores where the Group acts as a principal. Revenue from retail sales is recognised at a point in time when the order is delivered. For payment processing fees, based on the specific contract with the partner restaurant, the Group might charge and recognise separately a fee for online payments, despite this payment option not representing a distinct performance obligation.

Vouchers and discounts are treated as a reduction of revenue. The consideration is collected via online payment providers, as cash or via invoices to the restaurants. Settlement of the earned commissions and fees is initiated on a weekly, bi-weekly, or monthly basis contingent on an individual contractual agreement. The payment terms vary between two and ninety days.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information (*continued*)

3.4 Leases

As a lessee, the Group leases various offices, warehouses, retail stores, equipment and cars. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is classified within property and equipment based on the intended use of the assets by the Group. Right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.4 Leases *(continued)*

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to nil.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'General and administrative expenses' in the consolidated statement of profit or loss and other comprehensive income.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group presents right-of-use assets in 'property and equipment', and lease liabilities in 'lease liabilities'.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

In order to determine the lease term for lease contracts in which the Group is a lessee that include renewal or termination options, judgment is applied to assess the exercise of the respective option (refer to Note 4 for more details).

3.5 Foreign currencies and operations

Foreign currencies

Transactions in foreign currencies are translated into functional currency of the respective group entity at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency of the respective group entity at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.5 *Foreign currencies and operations (continued)*

Foreign operations

The assets and liabilities of foreign operations and fair value adjustments arising on acquisition are translated into USD at the exchange rates at the reporting date. The income and expenses of foreign operations are translated to USD at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

3.6 *Employee benefits*

Provision is made for the full amount of end of service indemnity due to employees in accordance with the applicable Labour Law and is based on current remuneration and their period of service at the end of the reporting year.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Provision for end of service benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

Share based payment

The Group participates in several share-based payment arrangements established and operated by the Ultimate Parent Company, under which its employees are awarded shares in the Ultimate Parent Company in return for their services to the Group. The Group classifies its share-based compensation programs as equity settled as the Group has no obligation to settle the award on behalf of the Ultimate Parent Company.

The grant date fair value of equity-settled share-based payment arrangements granted to employees is recognised as an expense, with a corresponding increase in the retained earning in equity over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect forfeited awards.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.7 *Property and equipment*

Items of property and equipment are measured at cost less accumulated depreciation and any impairment losses. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. All other repairs and maintenance are expensed when incurred. Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives of significant items of property and equipment are as follows:

	Years
Buildings	5-10
Leasehold improvements	2-10
Technical equipment and machineries	5
Office equipment and others	4-5
Vehicles fleet	3
Computer and IT equipment	3

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated statement of profit or loss and other comprehensive income.

3.8 *Capital work in progress*

Assets in the course of construction for supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes directly attributable costs incurred and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets is charged on the same basis as other property and equipment, commences when assets are ready for their intended use.

3.9 *Intangible assets*

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over the estimated useful life of the asset. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses, if any and tested for impairment annually.

The estimated useful lives for the period of intangible assets are as follows:

	Years
Goodwill	Indefinite
Licenses and software	2-5
Development costs of internally generated intangible assets	1.5-3
Intangible assets under development	2-5

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information (continued)

3.9 Intangible assets (continued)

During the period, the Group reviewed the expected useful lives of its internally generated intangible assets in line with IAS 38. As a result, the amortization period for development costs has been extended from 1.5–2 years to 1.5–3 years. The change has been applied prospectively to assets capitalized from 1 April 2025 onward. The effect of these changes on actual and expected amortization expense, was as follows.

	2025 USD	2026 USD	2027 USD
(Decrease)/ increase in amortization expense	(3,550,350)	(262,398)	3,812,749

Research and development expenditure on internally generated intangible assets

Expenditure on research activities is recognised in the consolidated statement of profit or loss and other comprehensive income as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are possible, and the Group intends to and has sufficient resources to complete development and to use the asset. Otherwise, it is recognised in consolidated statement of profit or loss and other comprehensive income as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets acquired in a business combination.

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

3.10 *Impairment of non-financial assets including goodwill*

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.10 *Impairment of non-financial assets including goodwill (continued)*

At each reporting date, the Group reviews the carrying amounts of its non-financial assets, including goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets, including goodwill, with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Where an impairment loss on non-financial assets, excluding goodwill, subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

An impairment loss on goodwill is not subsequently reversed.

3.11 *Inventories*

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on a weighted average basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Rebates received from suppliers or merchants are recognized when probable and reliably measurable. Rebates are recognized as a reduction in inventory cost and expensed through cost of sales when sold.

3.12 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows discounted at pre-tax rate. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.13 Financial instruments

Financial assets

Initial measurement of financial assets

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of financial assets not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of a financial asset measured at fair value through profit or loss are recognised in profit or loss. A trade receivable is initially measured at the transaction price.

Classification of financial assets

The Group classifies financial assets at initial recognition as either financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income (not applicable at the reporting date), or financial assets measured at fair value through profit or loss. (not applicable at the reporting date)

Financial assets measured at amortized cost.

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost:

- The financial asset is held within the Group's business model of which the objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss.

Within the Group, such financial assets are represented by cash and cash equivalents and receivables. Cash and cash equivalent comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables (including trade and other receivables), Cash and cash equivalent are measured at amortised cost using the effective interest method, less any impairment. Trade receivables are typically unsecured and are derived from revenue earned from restaurants and other customers.

Financial assets measured at FVOCI

A financial asset is classified as measured at FVOCI if both of the following conditions are met:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.13 Financial instruments *(continued)*

Financial assets (continued)

Financial assets measured at FVOCI (continued)

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Impairment of financial assets

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Derecognition

The Group derecognises financial assets when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information *(continued)*

3.13 Financial instruments *(continued)*

Financial liabilities and equity (continued)

Financial liabilities measured subsequently at amortised cost.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognised in profit or loss as the modification gain or loss within other gains and losses.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information (*continued*)

3.14 *Income taxes*

Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

3.15 *Earnings per share*

Basic earnings per share is calculated by dividing the profit from continuing operations attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to future expected conversion of all dilutive potential ordinary shares. As the Group does not have any dilutive potential, the basic and diluted earnings per share are the same.

Talabat Holding PLC

Notes to the consolidated financial statements

3. Material accounting policy information (*continued*)

3.16 Operating segment

The Group follows the management approach for segment reporting in accordance with IFRS 8 – Operating Segments. Operating segments are determined based on the internal reporting structure used by the Chief Operating Decision Maker (CODM), who is responsible for resource allocation, performance evaluation, and strategic decision-making. In the case of the Group, Executive Management has ultimate decision-making authority and is identified as the CODM for the purposes of IFRS 8.

Segments are identified based on the country level, as profitability and performance assessments are reviewed and conducted at this level. Each country in which the Group operates is considered a separate operating segment, and the internal management reporting structure is organized accordingly.

For aggregation purposes, the Group has considered the geographical characteristics, economic environment, and the risks and characteristics of its business activities. Based on management's analysis, the Gulf Cooperation Council (GCC) region, comprising UAE, Kuwait, Qatar, Bahrain and Oman, is considered a single operating segment due to the similarity in economic characteristics and performance across these countries. The GCC segment constitutes more than 75% of the Group's total revenue and assets, far exceeding the 10% threshold set out by IFRS 8.13, and is therefore classified as a reportable segment.

As the Egypt operations have met the quantitative thresholds for reportable segments, they are presented as a separate reportable segment.

In contrast, the Non-GCC countries (Jordan, and Iraq) do not individually meet the 10% threshold for revenue, assets, or profits. As such, these countries do not qualify as reportable segments.

4. Judgements and use of estimates

In the application of the accounting policies, which are described in note 3 to these consolidated financial statements, 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 recognised 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 year are described below:

Talabat Holding PLC

Notes to the consolidated financial statements

4. Judgements and use of estimates *(continued)*

4.1 *Critical judgements in applying accounting policies*

Revenue recognition of commission and payment fees from marketplace services

The Group has assessed its role in the provision of food, groceries and other ordering services via its online platforms and concluded that it acts as an agent. This assessment is based on the fact that the Group does not have primary responsibility for fulfilling these orders, does not bear inventory risk, and does not have discretion in setting the prices offered by restaurants or partners. Instead, the Group facilitates transactions between orderer and restaurants or other partners and earns a commission and payment fees as remuneration for its services.

Revenue recognition of delivery services

The Group exercises judgment in determining whether it acts as a principal or an agent in relation to logistics services not provided by restaurant or quick commerce partners. This assessment considers market demand, operational efficiencies, and the evolving regulatory environment. Given the ongoing adaptation of courier models, the Group evaluates the responsibilities of the parties involved in the delivery process. Based on this assessment, the Group has assessed that it operates as a principal for organizing and providing delivery services through its platforms, as it is primarily responsible for carrying out the delivery as it controls the delivery service before they are transferred to the orderer.

Determination of lease term and implicit interest rate

Lease contracts entered into by entities occasionally include extension options. The Group applies judgment on whether exercise of extension options is reasonably certain. The Group also applies judgment in determining the incremental borrowing rate in the lease.

Determining whether activities should be considered research activities or development activities

Activities which have been carried out merely to maintain an existing asset are expensed. The costs of research activities related to development of new features are expensed whereas the costs incurred on activities for development of new features within the platform are capitalized as it is probable that there would be future economic benefits which would be derived from the new features. The management carries out a review on a periodic basis to check the accuracy and completeness of the assets capitalized and cost expensed.

Determination of cash generating unit for goodwill impairment

The Group allocates goodwill acquired in a business combination to each of the cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies of the combination.

Talabat Holding PLC

Notes to the consolidated financial statements

4. Judgements and use of estimates *(continued)*

4.1 *Critical judgements in applying accounting policies (continued)*

Determination of cash generating unit for goodwill impairment (continued)

For the purposes of impairment testing, the Group exercises judgement to determine the appropriate CGU based on the internal management structure and the operational synergy expected from acquisitions. Each CGU or group of CGUs to which goodwill is allocated must:

- Represent the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- Not be larger than an operating segment, as defined by IFRS 8 Operating Segments, before aggregation.

As the Group operates an online marketplace across multiple regions, the geographical segment structure forms the basis for CGU identification. Specifically, the Group considers countries as its segments prior to aggregation.

Goodwill arising from the acquisition of a business in the UAE was allocated to Talabat UAE, as the integration of customers into the platform generated synergies that were primarily realized in this market. Similarly, goodwill related to the acquisition in Kuwait was allocated to Talabat Kuwait, as the synergies were realized in this market. Both goodwill amounts were tested for impairment using the “value in use” cash flows specific to each market.

Consequently, the UAE and Kuwait are considered distinct CGUs for the purpose of goodwill allocation and impairment testing, consistent with the internal management reporting structure and segment aggregation under IFRS 8.

Determining operating segments for reporting

The determination of operating segments and the subsequent aggregation of those segments requires significant management judgement. The Group's Executive Management assesses the economic characteristics, risks, and performance across various geographical locations to determine the most appropriate basis for segment reporting.

While each country is treated as a separate operating segment based on the Group's internal reporting structure, judgement is applied in aggregating countries with similar economic environments. The GCC region (UAE, Kuwait, Qatar, Bahrain and Oman) has been identified as a single operating segment due to the similar economic characteristics shared by these countries. These factors include shared market conditions, consumer behavior, and business practices within the region, resulting in homogeneous economic results for the Group.

Talabat Holding PLC

Notes to the consolidated financial statements

4. Judgements and use of estimates (*continued*)

4.2 Assumptions and estimation uncertainty

Goodwill impairment testing

Determination of a CGU's recoverable amount for the purpose of impairment testing requires assumptions and estimates, in particular on the Weighted Average Cost of Capital (WACC), future development of EBITDA and revenue growth per annum over the planning period. While management believes that the assumptions and estimates used are appropriate, any unforeseeable changes to these assumptions could affect the Group's financial position and financial performance.

Determining whether the conditions for recognising an internally generated intangible asset are met requires assumptions about future market conditions, customer demand, and other developments.

Following conditions are considered for recognising an intangible asset:

- a) Technical feasibility of completing the intangible asset so that it will be available for the use or sale;
- b) The Group has intention to complete the asset and ability to use the asset;
- c) Asset will generate future probable economic benefits;
- d) The Group has availability of resource to complete and use the asset; and
- e) Expenditure for development can be measured reliably.

All costs incurred are reviewed and any assumptions relating to future market conditions, customer demand and other developments are considered before determining if the cost is to be recognised as an intangible asset.

Direct and indirect costs to develop an asset are identifiable and those costs cannot be avoided as they are necessary to the completion of it. The management carries out a feasibility study and acquires all necessary approvals internally before incurring a particular cost.

Amortisation of intangible assets with finite useful lives

The determination of the useful lives of intangible assets with finite useful lives requires the use of assumptions and estimates, which serve as the basis for calculating the appropriate amortisation charge. These useful lives are regularly reviewed by the Group management and adjusted when necessary to reflect any changes in circumstances or new information.

Useful lives of property and equipment

Property and equipment is depreciated over its estimated useful life, which is based on expected usage of the asset and expected physical wear and tear which depends on operational factors. The management has not considered any residual value as it is deemed immaterial.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the relevant notes to the consolidated financial statements. The Group considers a financial asset to be in a default when the debtor is unlikely to pay its credit obligations to the Group in full, or the financial asset is more than 90 days past due for 'buy now postpaid' customers, and 180 days past due for trade and other receivables. (Refer to note 32)

Talabat Holding PLC

Notes to the consolidated financial statements

5. Property and equipment

	Buildings and leasehold improvements	Technical equipment and machineries	Office equipment and others	Vehicle fleet	Computers and IT equipment	Capital work in progress*	Total
	USD	USD	USD	USD	USD	USD	USD
Cost							
Acquisition through business combination (Note 35)	163,111,785	30,174,397	22,991,055	22,424,766	15,879,041	6,716,694	261,297,738
Additions	108,134,319	9,280,314	6,122,253	30,909	3,755,221	28,261,368	155,584,384
Reclassifications	8,086,538	1,053,377	4,673,868	100,236	500,673	(14,414,692)	-
Disposals/write off	-	(347,050)	(1,166,793)	(4,263,599)	(121,052)	(387,311)	(6,285,805)
Termination of leases (Note 29)	(12,377,911)	(342,071)	-	(32,466)	-	-	(12,752,448)
Translation differences	(496,974)	12,903	117,536	(71,548)	4,389	2,456	(431,238)
As at 31 December 2025	266,457,757	39,831,870	32,737,919	18,188,298	20,018,272	20,178,515	397,412,631
Accumulated depreciation:							
Acquisition through business combination (Note 35)	(51,821,832)	(20,353,644)	(13,198,352)	(11,864,357)	(11,315,194)	-	(108,553,379)
Depreciation (a)	(45,869,383)	(7,699,847)	(4,455,695)	(3,888,067)	(3,474,191)	-	(65,387,183)
Disposals/write off	-	173,248	1,002,190	4,244,243	66,616	-	5,486,297
Termination of leases (Note 29)	7,281,026	188,182	-	32,466	-	-	7,501,674
Translation differences	151,851	(10,691)	(20,350)	48,017	24,787	-	193,614
As at 31 December 2025	(90,258,338)	(27,702,752)	(16,672,207)	(11,427,698)	(14,697,982)	-	(160,758,977)
Carrying amount as at 31 December 2025	176,199,419	12,129,118	16,065,712	6,760,600	5,320,290	20,178,515	236,653,654

*Capital work in progress primarily comprises costs incurred for Tmart stores, kitchen development projects and leasehold improvements.

- (a) Depreciation has been apportioned as follows in the consolidated statement of profit or loss and other comprehensive income:

	2025
	USD
Cost of sales	(4,070,813)
General administrative expense	(61,316,370)
	(65,387,183)

Talabat Holding PLC

Notes to the consolidated financial statements

6. Intangible assets and goodwill

	Goodwill USD	Licenses USD	Software USD	Development costs of internally generated intangible assets USD	Intangible assets under development USD	Total USD
Cost						
Acquisition through business combination (Note 35)	302,309,699	280,344	1,507,077	18,373,998	8,948,887	331,420,005
Additions	-	65,346	44,380	16,901,120	-	17,010,846
Reclassifications	-	-	-	8,940,905	(8,940,905)	-
Disposals	-	-	(1,799)	-	(2,593)	(4,392)
Translation differences	18,019	(2,413)	(4,315)	(31,520)	(5,389)	(25,618)
As at 31 December 2025	302,327,718	343,277	1,545,343	44,184,503	-	348,400,841
Accumulated depreciation:						
Acquisition through business combination (Note 35)	-	(280,344)	(1,271,789)	(11,970,030)	-	(13,522,163)
Amortisation (a)	-	-	(134,621)	(8,100,276)	-	(8,234,897)
Disposals	-	-	1,088	-	-	1,088
Translation differences	-	2,858	10,052	15,315	-	28,225
As at 31 December 2025	-	(277,486)	(1,395,270)	(20,054,991)	-	(21,727,747)
Carrying amount as at 31 December 2025	302,327,718	65,791	150,073	24,129,512	-	326,673,094

(a) Amortisation has been apportioned as follows in the consolidated statement of profit or loss and other comprehensive income:

	2025
	USD
General administrative expense	<u>(8,234,897)</u>

Goodwill background

Impairment testing for CGUs containing goodwill

For the purpose of impairment testing, following goodwill has been allocated to the Group's CGUs.

	2025
	USD
Talabat UAE	209,081,531
Talabat Kuwait	93,246,187
	<u>302,327,718</u>

In line with the requirements of IAS 36, the Group conducted annual impairment testing for both of the above allocated Goodwill. Based on the management's assessment, the recoverable amount was assessed as being higher than its carrying value, accordingly no impairment was recognised at the reporting date.

Talabat Holding PLC

Notes to the consolidated financial statements

6. Intangible assets and goodwill (*continued*)

The value in use was calculated by applying the discounted cash flow method. The basis for determining the expected future cash flow is a detailed planning period of five years for the free cashflows.

The following table shows the range of key assumptions applied in the value in use calculations for Talabat UAE and Talabat Kuwait:

	2025
	%
Revenue growth p. a. in planning period (CAGR)	7-14
EBITDA margin in planning period	19-19
Terminal value revenue growth	1
EBITDA margin after end of planning period	14-15
Discount rate in planning period/WACC (post tax)	10-10

For calculating EBITDA and revenue budgets, the process is based on a structured bottom-up approach that is carried out once a year. The overall process is directed by regional management via top-down target-setting in the form of specific KPIs. The respective local management then prepares the budget and adjusts it in an iterative process together with regional management. The business plan is prepared by regional management.

Local management teams use cohort models for revenue planning. The cohort models analyse the past order behaviour of (local) end customers and apply statistical methods to forecast the future behaviour of existing end customers. Future revenue from new end customers is derived from the planned marketing expenses and the development of estimated acquisition costs per new end customer. The key inputs of the cohort models include the customer retention/reorder rate, customer activity rate, average order size, and commission rates.

The discount rate was a post-tax measure estimated based on the historical industry weighted average cost of capital.

As part of the impairment testing in 2025, a sensitivity analysis was conducted with regard to the headroom. Management noted that any reasonably possible change (+/- 5%) in the key assumptions shown above will not lead to a situation where the carrying value of the cash generating unit exceeds its value in use.

Talabat Holding PLC

Notes to the consolidated financial statements

7. Trade and other receivables

	2025
	USD
Trade receivables	57,160,062
Receivable from riders	15,399,235
Gross trade receivables	72,559,297
Less: Allowance for expected credit loss (Note 32)	(18,324,059)
Net trade receivables	54,235,238
Receivable from payment service providers (a)	56,722,665
Prepayments	34,808,457
Deposits	8,188,812
Loans to employees	782,904
Other tax receivables	13,541,454
Other receivables	26,728,737
Total	195,008,267
<i>there of non-current</i>	6,682,882
<i>there of current</i>	188,325,385

Information about the Group's exposure to credit and market risks, and impairment losses for trade receivables and other receivables is included in Note 32.

- (a) As an online delivery service platform, a significant portion of the Group's Gross Merchandise Value (GMV) is collected through online payments made via debit and credit cards, reflecting the Group's high level of online penetration. The Group typically receive funds from its payment service providers and payment gateways within one to two days (T+1 or T+2) depending on the country of operation. These accumulated balances are subsequently settled and distributed to the Group's restaurant partners following the clearing of funds from payment service providers usually on a weekly basis, depending on the specific country of operation.

There is no history of default of these receivables. and hence no expected credit loss provision was considered.

Movement in provision for expected credit loss of trade receivables and receivable from riders is as follows:

	2025
	USD
Acquisition through business combination	(8,473,386)
Charge during the period	(12,645,588)
Utilized during the period	2,796,805
Translation differences	(1,890)
Balance as at 31 December 2025	(18,324,059)

Talabat Holding PLC

Notes to the consolidated financial statements

8. Inventories

	2025 USD
Trading inventories	68,757,850
Rider equipment	5,904,315
Others	1,167,027
Total	75,829,192

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 IAS 24 Related Party Disclosures. Related parties comprise companies and entities under common ownership and/or common control of the ultimate parent company, 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 consolidated statement of financial position as of 31 December 2025:

	Ultimate Parent Company USD	Companies Under Common Control USD	Total USD
Due from related parties (a)	4,487,205	251,553	4,738,758
Due to related parties (a)	8,424,361	23,506,017	31,930,378

(a) 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 period for bad or doubtful debts in respect of amounts owed by related parties.

Loan from related parties represents an interest-bearing loan obtained by instashop single member private company from the Ultimate Parent Company. The loan is repayable on maturity in September 2027. However, it was early settled by the end of 2025.

Transactions included in the consolidated statement of profit or loss and other comprehensive income for the period since inception on 3 September 2024 till 31 December 2025:

	Ultimate Parent Company USD	Under common control USD	Equity accounted investee USD	Total USD
Other income from service allocation (Note 22)	17,137,012	1,760,490	-	18,897,502
Shared group cost (Note 23)	(50,264,295)	(129,124,115)	-	(179,388,410)
Delivery expenses *	-	-	(34,465,953)	(34,465,953)
Other expenses	-	(1,521,208)	-	(1,521,208)

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Notes to the consolidated financial statements

9. Related party transactions and balances (continued)

Transactions with related parties are priced at a mutually agreed terms and are in normal course of business.

* Transactions include the logistic services provided by Zone Elite Investment LLC (Equity accounted investee operating in UAE) to group subsidiaries in the UAE amounting USD 34,465,953 for the period since inception till 31 December 2025. The liability to Zone Elite Investment LLC amounted to USD 2,444,392 included in trade payable (Note 12). The Group has significant influence over the equity accounted investee however, as of 31 December 2025 management assessed that the investment amounting to USD 4 million in the equity accounted investee was not recoverable and accordingly, was recognised at Nil value.

Compensation of key management personnel

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

	2025
	USD
Short-term benefits	7,875,343
Share based compensation	8,316,260
Employees' end of service benefits	496,211
Total	<u>16,687,814</u>

The above shows the compensation received by key management personnel with the Group throughout the period.

Remuneration of Directors

In addition to the above compensation of key management personnel, the Group pays to independent directors a fixed fee of USD 212,054 calculated on a pro-rata basis throughout the period. This fee covers all duties related to the directors' appointments and their participation in the Board of Directors and its committees.

10. Cash and cash equivalents

	2025
	USD
Cash at banks (*)	511,524,310
Cash in hand	4,039,579
Term deposit (**)	258,117,032
Total	<u>773,680,921</u>

*The Group's cash at bank are amounting to USD 511,524,310 at 31 December 2025. These are held with financial institutions, which are rated AA- to AA+, based on S&P Global Ratings. Impairment on cash at bank has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The group considers that these have low credit risk based on the external credit ratings of the counterparties.

**The balance is represented in a term deposit with several banks, the interest rate on term deposit ranges from 3.53% to 4.5% annually.

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Notes to the consolidated financial statements

11. Share capital

	2025	2025
	Ordinary shares	USD
Issued for cash (refer i below)	100	100
Issued in business combination (refer ii below)	253,649,900	253,649,900
At 08 October 2024 before share split (refer iii below)	253,650,000	253,650,000
Nominal value per share before stock split	1	1
	Ordinary shares	AED
Nominal value per share	1	0.04
Outstanding at 31 December 2025 after share split (refer iii below)	23,288,240,625	931,529,625

i) On incorporation in the Abu Dhabi Global Market (“ADGM”) on 3 September 2024, the company issued 100 ordinary shares with a nominal value of USD 1.00 each, which were fully subscribed by the Parent Company

ii) On 26 September 2024, the Company issued 178,040,951 ordinary shares with a nominal value of USD 1.00 each to the Parent in connection with the transfer of Delivery Hero FZ LLC to the Company. This increased the Company’s share capital to USD 178,041,051 consisting of 178,041,051 ordinary shares of USD 1.00 each.

Additionally, 75,608,949 ordinary shares with a nominal value of USD 1.00 each were issued to the Parent Company in connection with the transfer of certain other subsidiaries to Delivery Hero FZ LLC on 30 September 2024. Following this issuance, the Company’s share capital increased to USD 253,650,000 consisting of ordinary shares of USD 1.00 each.

iii) On 9 October 2024, Shares were re-denominated from USD to AED, accordingly the registered share capital of the Company was changed to AED 931,529,625 (USD 253,650,000). Furthermore, the nominal value of each share was also changed from USD 1 to AED 0.04 and accordingly the Company re-issued 23,288,240,625 ordinary shares of AED 0.04 each (USD 0.01).

12. Trade and other payables

	2025
	USD
Trade payables	205,034,198
Liabilities for outstanding invoices	147,590,544
Liabilities to restaurants	198,434,342
Liabilities to riders	394,859
Staff related accruals	39,573,069
Other payables	45,615,650
Total	636,642,662
<i>There of non-current</i>	1,310,979
<i>There of current</i>	635,331,683

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

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Notes to the consolidated financial statements

13. Lease liabilities

The movement in the lease liabilities is as follows:

	2025
	USD
Acquisition through business combination (Note 35)	94,154,838
Additions	102,868,910
Related to early termination of right-of-use assets	(5,250,774)
Interest expense (Note 24)	9,195,530
Lease payments	(47,997,102)
Translation difference	(175,998)
As at 31 December 2025	152,795,404
<i>thereof non-current</i>	<u>121,223,088</u>
<i>thereof current</i>	<u>31,572,316</u>

During the period, the Group derecognised lease liabilities amounting to USD 5,250,774 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.

Amounts recognised in profit or loss

	2025
	USD
Finance charges on lease liabilities (Note 24)	9,195,530
Depreciation on right-of-use assets (Note 29)	(39,495,512)
Short term and low value leases (Note 19)	(569,153)

Amounts recognised in statement of cash flow

	2025
	USD
Payment of principal portion lease liabilities	(38,801,572)
Payments of interest on lease liabilities	(9,195,530)

14. Employees' end of service benefits

	2025
	USD
Acquisition through business combination (Note 35)	19,478,098
Charge for the period	12,366,674
Payments during the period	(5,464,727)
Translation difference	(228,734)
As at 31 December 2025	26,151,311
<i>thereof non-current</i>	<u>20,460,321</u>
<i>thereof current</i>	<u>5,690,990</u>

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Notes to the consolidated financial statements

14. Employees' end of service benefits *(continued)*

Principal assumptions used in determining benefit obligations for the Company are shown below:

	2025
Discount rate	3.70% _ 6.30%
Salary increase rate	3%
Normal retirement age (years)	60 years
	2025
	USD
Current service cost	10,874,590
Finance cost	<u>1,151,295</u>

The expected maturity analysis of undiscounted employee benefits obligations is as follows:

Less than 1 year	6,859,337
Between 1 – 5 years	13,860,563
Over 5 years	<u>6,778,996</u>

A quantitative sensitivity analysis for significant assumptions on the defined benefit obligation as at 31 December 2025 is, as shown below:

	Impact on defined benefit obligation
Discount rate:	
0.1% increase	(1,015,105)
0.1% decrease	<u>1,123,818</u>
Salary increase rate:	
0.1% increase	1,244,114
0.1% decrease	<u>(1,143,660)</u>

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

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Notes to the consolidated financial statements

15. Revenue

	For the period since inception till 31 December 2025
	USD
Commission fees	1,631,764,688
Delivery fees	839,271,891
Advertising and listing fees	397,341,762
Service fees	239,606,826
Subscription fees	83,790,496
Other direct income	1,604,260,347
Less:	
- Vouchers	(104,841,997)
- Other revenue reduction	(39,332,557)
Total	<u>4,651,861,456</u>

Timing of revenue recognition

	For the period since inception till 31 December 2025
	USD
Revenue recognised at point in time	4,170,729,198
Revenue recognised over time	481,132,258
	<u>4,651,861,456</u>

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

	2025 USD
Receivables included in “trade receivables” (Note 7)	72,559,297
Payables to restaurants included in “ trade and other payables “ (Note 12)	<u>198,434,342</u>

16. Cost of sales

	For the period since inception till 31 December 2025
	USD
Delivery expenses	(1,803,923,079)
Order processing cost	(232,607,946)
Other direct cost*	(1,197,589,619)
Total	<u>(3,234,120,644)</u>

* Other direct costs include costs of groceries, payment service providers, other overheads and salaries and other benefits of staff that are directly related to the generation of revenue.

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17. Marketing Expense

	For the period since inception till 31 December 2025
	USD
Restaurant acquisition (a)	(123,835,165)
Customer acquisition (b)	(85,715,600)
Other marketing expenses (c)	(37,888,729)
Total	<u>(247,439,494)</u>

- (a) Restaurant acquisition costs relate to general support to restaurants' sales.
- (b) Customer acquisition costs include television, radio, offline marketing, search engine marketing (SEM) and other costs related to social media, display, and mobile marketing.
- (c) Other marketing expenses mainly include personnel costs for salaries and wages, expenses for influencers, vendor branding, marketing tools and research and sponsorships costs.

18. IT Expense

	For the period since inception till 31 December 2025
	USD
Personnel expenses	(70,793,334)
Other non-personnel IT expenses	(12,666,327)
Total	<u>(83,459,661)</u>

IT expenses are primarily associated with research focusing on platform and product innovation.

19. General and administrative expenses

	For the period since inception till 31 December 2025
	USD
Personnel expenses	(102,131,703)
Depreciation and amortisation	(69,551,267)
Share-based compensation (Note 28)	(27,601,928)
Consulting and professional services	(9,634,603)
Other office expenses	(5,259,854)
Travel expenses	(4,388,515)
Telecommunications	(2,773,383)
Bank charges	(2,452,178)
Insurances	(1,929,764)
Other (non-income) taxes	(801,317)
Rent and lease expenses (Note 13)	(569,153)
Miscellaneous	(10,019,092)
Other HR and recruiting costs	(415,008)
Total	<u>(237,527,765)</u>

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Notes to the consolidated financial statements

20. Employee benefits expense

Below is the split of expenses by nature:

	For the period since inception till 31 December 2025
Wages and salaries	(316,489,290)
Employees end of service benefits	(12,366,674)
Shared based payments	(27,601,928)
Total	<u>(356,457,892)</u>

21. Average number of employees

The average monthly number of persons employed by the company during the financial period was:

	For the period since inception till 31 December 2025
Direct operations	4,262
IT	573
Sales and marketing	2,559
Support functions	1,174
Total	<u>8,568</u>

22. Other income

	For the period since inception till 31 December 2025
	USD
Other income from service allocation (Note 9)	18,897,502
Gains on disposal of property and equipment	1,033,061
Other income	222,292
Total	<u>20,152,855</u>

23. Other expenses

	For the period since inception till 31 December 2025
	USD
Shared group cost (a)	(179,388,410)
Other expenses	(5,618,796)
Total	<u>(185,007,206)</u>

(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.

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Notes to the consolidated financial statements

24. Net finance income

	For the period since inception till 31 December 2025 USD
Interest income	22,254,427
Interest expense on lease liabilities (Note 13)	(9,195,530)
Other interest expenses	(141,585)
Total	<u>12,917,312</u>

25. Income tax

25.1 Income tax recognised in profit or loss

	For the period since inception till 31 December 2025 USD
Current tax	
Current tax expense for the period	(49,849,196)
Current tax expense related to global minimum top-up tax	(41,841,610)
Total current income tax recognised	<u>(91,690,806)</u>
Deferred tax	
Recognition of previously unrecognized tax losses	5,051,177
Recognition of previously unrecognized deductible temporary differences	4,238,283
Total deferred tax credit recognised	<u>9,289,460</u>
Total income tax expense during the period	<u>(82,401,346)</u>

25.2 Reconciliation of effective tax rate:

	For the period since inception till 31 December 2025 USD
Profit before tax (A)	<u>687,995,926</u>
Tax at the Company's domestic rate of 9%	(61,919,633)
Current tax expense related to global minimum top up tax	(41,841,610)
Effect of (income)/expenses that are not deductible in determining taxable profit	12,070,437
Recognition of previously unrecognized tax losses	5,051,177
Recognition of previously unrecognized deductible temporary differences	4,238,283
Total tax expense (B)	<u>(82,401,346)</u>
Effective tax rate (B/A)	<u>11.98%</u>

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Notes to the consolidated financial statements

25. Income tax (continued)

25.3 Movement in deferred tax asset

The Group has recognized a deferred tax asset/ liabilities related to temporary differences arising from unrealized foreign exchange losses and property and equipment depreciation temporary differences. These losses are expected to be realized in the foreseeable future.

	For the period since inception till 31 December 2025 USD
Deferred tax assets recognised during the period	9,515,407
Deferred tax liability recognised during the period	(225,947)
Adjusted against tax charge for the period	(2,467,964)
Recognised in other comprehensive income	1,482,685
Translation differences	(490,470)
Total deferred tax assets, net As at 31 December 2025	<u><u>7,813,711</u></u>

Amount recognised in other comprehensive income:

	2025 USD
Items that will be subsequently reclassified to profit or loss:	
Deferred tax income on net investment in foreign operations	1,482,685
Current tax income on net investment in foreign operations	(1,233,338)
	<u><u>249,347</u></u>

The Group has recorded deferred tax asset net amounting of USD 7,813,711 for the period ended 31 December 2025, primarily arising from unrealized foreign exchange losses. These losses are expected to be realized in the foreseeable future. Out of the total deferred tax asset, USD 1,482,685 is recognised in the relation exchange loss on net investment in foreign operations. The related exchange loss on net investment in foreign operations is recorded in other comprehensive income.

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25. Income tax (continued)

Recent changes in tax laws in the markets where the Group operates

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ('CT Law') to enact a new CT regime in the UAE.

The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. The taxable income of the entities that are in scope for UAE CT purposes is subject to 9% CT rate.

On 23 May 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 12 'Income taxes' introducing a mandatory temporary exception to the requirements of IAS 12 under which an entity does not recognise or disclose information about deferred tax assets and liabilities related to the Pillar Two rules. In line with IAS 12 (as amended), the Group has applied the exception with regards to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes

Domestic Minimum Top-Up Tax

Bahrain has enacted the Domestic Minimum Top-up Tax (DMTT) at 15% rate for multinational enterprises (MNEs), effective from 1 January 2025.

UAE has also enacted the Domestic Minimum Top-up Tax (DMTT) at 15% rate for multinational enterprises (MNEs), effective from 1 January 2025.

Additionally, Kuwait and Qatar (current tax of 10%) have announced the introduction of a Domestic Minimum Top-up Tax (DMTT) at 15%.

26. Earnings per share

	For the period since inception till 31 December 2025
	USD
Net profit for the period	605,594,580
Weighted average number of shares outstanding at the end of the period:	22,183,850,268
Basic and diluted earning (cent/share)	2.73

27. Contingent liabilities and guarantees

As at 31 December 2025, the outstanding bank guarantees issued on behalf of the certain Group entities amounted to USD 10,180,222.

28. Share based payments

The Ultimate Parent Company has been operating share-based payment programs since 2011. As at 31 December 2025, the Group is participating in the following share-based payment arrangements managed by the Ultimate Parent Company.

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28. Share based payments(continued)

28.1 Long-term incentive plan

Terms and conditions

Ultimate Parent Company is operating a long-term incentive plan (LTIP) consisting of two types of awards: Restricted Stock Plan (RSP) and Stock Option Program (SOP). Eligible participants are the management board, managing directors of certain subsidiaries, other members of the management, as well as certain employees. The Ultimate Parent Company commits to award restricted stock units (RSUs) and stock options based of a certain euro amount per year-over-the period of four years. The award consists of individual annual tranches that are awarded to the participants in a single award agreement in year one.

Measurement of fair values

The grant date fair value of the awards is a contractually fixed euro value. The instruments are vested in instalments over the one year or quarterly vesting period, based on the contract with employees. As a result, the total cost recognised each year will be different over the vesting period, which will result in recognition of a higher proportion of cost in the early years of the overall plan. Additionally, the stock options also have a non-market based performance condition which the Ultimate Parent Company is expected to meet.

	Number of options	Weighted average exercise price Euro	Number of RSUs
Outstanding as at 30 September 2024	254,883	53	903,294
Granted during the period	-	-	711,902
Forfeited during the period	(124,596)	39	(241,919)
Exercised/released during the period	-	-	(1,104,813)
Outstanding as at 31 December 2025	130,287	67	268,464

The options outstanding as at December 31, 2025 had strike prices between Euro 28.68 and Euro 122.14 respectively. and a weighted average remaining contractual life of 24 months.

The RSUs weighted average fair value at the measurement (grant) date between Euro 18.59 and Euro 27.45 respectively.

The plan contributed USD 24,388,482 of expenses for the period since inception till 31 December 2025.

28.2 Hero Grant

Terms and conditions

Since 2020, the Hero Grant is issued as a one-time grant with different amounts to certain employees of the Group for various reasons (e.g. a substitute for discretionary bonus payments). Under this program, the Ultimate Parent Company committed itself to issue RSUs on the basis of a certain euro amount. The Hero Grant is usually subject to a twelve-month vesting and cliff period; in certain cases, up to two periods respectively.

Measurement of fair values

The grant date fair value of the awards is the contractually fixed euro value. Such fair value does not incorporate dividend expectations. The plan contributed USD 3,213,446 of expenses for the period since inception till 31 December 2025.

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29. Right-of-use assets

The movement in the right-of-use assets balance, included in property and equipment (Note 5), during the period is as follows:

	Buildings and leasehold improvements	Technical equipment and machineries	Vehicle fleet	Total
	USD	USD	USD	USD
Cost				
Acquisition through business combination	115,530,418	469,156	16,449,474	132,449,048
Additions	102,605,971	262,939	-	102,868,910
Termination of leases (Note 5)	(12,377,911)	(342,071)	(32,466)	(12,752,448)
Translation differences	(371,600)	(59)	(60,208)	(431,867)
As at 31 December 2025	205,386,878	389,965	16,356,800	222,133,643
Accumulated depreciation:				
Acquisition through business combination	(37,493,394)	(57,316)	(6,449,541)	(44,000,251)
Depreciation	(35,543,006)	(321,016)	(3,631,490)	(39,495,512)
Termination of leases (Note 5)	7,281,026	188,182	32,466	7,501,674
Translation differences	314,364	10	39,808	354,182
As at 31 December 2025	(65,441,010)	(190,140)	(10,008,757)	(75,639,907)
Carrying amount as at 31 December 2025	139,945,868	199,825	6,348,043	146,493,736

30. Dividend

On 26 March 2025, the Board of Directors proposed and paid an interim cash dividend of USD 110,020,688 (USD 0.005 per share) in respect of the financial results for the fourth quarter of 2024, which was approved by the shareholders at their annual general assembly meeting held on 29 April 2025.

Further, on 22 September 2025, the Board of Directors proposed an additional interim cash dividend of USD 202,159,050 (USD 0.009 per share) in respect of the financial results for the six months period ended on 30 June 2025. The dividend was paid on the 21 October 2025.

Subsequent to the end of the reporting year, the Board of Directors announced the Company's intention to declare dividends to the shareholders amounting to USD 218,773,125 million (USD 0.009 per share) in respect of the financial results of the fourth quarter of 2025. The proposed dividend is subject to approval of the shareholders at the annual general assembly meeting.

31. Operating segment

A segment is a separate and distinct unit of the Group's engagement in business activities that result in recognition of revenues or expenses. Operating segments are disclosed on the basis of internal reports reviewed by the Executive Management, who is the Chief Operating Decision Maker (CODM), and responsible for resource allocation, performance evaluation, and strategic decision making on operational segments. Operating segments with similar geographical characteristics, economic characteristics, products, services, and similar customer categories are required to be aggregated and recorded where possible as units to be reported.

The Executive Management reviews the internal management reports of each segment at least monthly.

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31. Operating segment (continued)

a) Basis for segmentation

This segment is derived based on their geographical location or region which is the key consideration by CODM for evaluating performance, making strategic decisions and allocating resources.

The following table describes, in more detail, about the segment and the countries included therein:

Reportable Segment	Details
Gulf Cooperation Council (“GCC”) region	This segment includes countries falling within the GCC region where the Group is currently operating its business and offering its products and services. This region includes Kuwait, United Arab Emirates, Oman, Qatar and Bahrain. Management assessed the economic characteristics of the operations within these countries. Based on the management’s assessment, the operations of these countries have similar economic characteristics and therefore are aggregated together into one reportable segment.
Egypt	This segment includes the Group’s operations in Egypt, where the Group offers its products and services through its local operating entities. As Egypt operations have met the quantitative thresholds for reportable segments, they are presented as a separate reportable segment.

Reportable segment and other segments generate revenue mainly from online marketplace services, separately charged delivery fees, orders placed in the Group’s delivery-only stores and advertising services, as well as subscription fees, service fees and, in certain cases, separately charged payment fees.

b) Segment financial information and reconciliation of segment information

The revenue with external customers reported to the CODM generally equals the measurement of the revenue recognised in the consolidated interim statement of profit and loss and other comprehensive income with the following exceptions:

- i) reconciliation effects – these mainly include adjustments to other direct income for on demand riders' revenue, for which Group is a principal and revenue is presented on gross basis whereas for management reporting purpose such revenue is netted of against its related cost.

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Notes to the consolidated financial statements

31. Operating segment (continued)

(b) Segment financial information (continued)

	GCC	Egypt	Non-GCC	Total
For the period since inception till 31 December 2025	USD	USD	USD	USD
Segment revenue	3,903,939,423	528,054,617	365,316,864	4,797,310,904
Reconciliation effect	(1,255,953)	(65,616)	46,675	(1,274,894)
Vouchers and other revenue deductions	(107,297,917)	(18,052,824)	(18,823,813)	(144,174,554)
External revenue	3,795,385,553	509,936,177	346,539,726	4,651,861,456
Gross profit	1,231,063,958	124,995,968	61,680,886	1,417,740,812
Profit/ (loss) before income taxes	653,263,854	39,726,696	(4,994,624)	687,995,926
Net profit/ (loss)	568,255,640	44,354,242	(7,015,302)	605,594,580
Delivery cost	(1,523,248,572)	(113,128,547)	(167,545,960)	(1,803,923,079)
Depreciation and amortization	(62,666,475)	(6,211,557)	(4,744,048)	(73,622,080)

c) Information about geographical area

The tables below shows the revenue for material countries in the group:

I. Revenue

	For the period since inception till 31 December 2025
	USD
United Arab Emirates	1,680,452,563
Kuwait	1,175,785,453
Egypt	509,936,177
Qatar	462,169,888
Others	823,517,375
	<u>4,651,861,456</u>

II. Non- Current assets

	2025
	USD
United Arab Emirates	458,999,769
Others	111,009,861
	<u>570,009,630</u>

Non current assets do not include deferred tax assets.

A country is considered material if it is representative of >10 % of the respective metric.

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32. Financial instruments/ financial risk management

Risk management framework

The Group's management has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's management is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade and other receivables. The carrying amounts of financial assets represent the maximum credit exposure.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2025, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

Exposure to credit risk

	Note	2025 USD
Trade and other receivables (excluding prepayments)	7	160,199,810
Cash at bank	10	511,524,310
Short term deposits	10	258,117,032
Due from related parties	9	4,738,758
		<u>934,579,910</u>

The Group held cash at bank and short term deposit balances of USD 769,641,342 as at 31 December 2025. The cash and cash bank balances are held with bank and financial institution counterparties, which are rated AA- to AA+, based on S&P Global Ratings.

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Notes to the consolidated financial statements

32. Financial instruments/ Financial risk management (continued)

Trade and other receivables

For trade and other receivables across Group, management applies the simplified approach and accordingly impairment loss is measured as “lifetime expected credit loss”.

The Group uses a practical expedient to calculate the expected credit losses on its trade receivables and, if applicable, contract assets using a provision matrix. The Group uses historical credit loss experience (adjusted if necessary, for changes in macroeconomic conditions) to estimate the lifetime expected credit losses.

Expected credit loss for postpaid customers

The following table provides information about the exposure to credit risk and the expected credit loss for postpaid customers:

	Weighted average loss rate	Gross carrying amount USD	Loss allowance USD
<i>December 31, 2025</i>			
Current, not passed due	0.78%	22,051,037	(172,721)
1-30 Days	5.30%	1,688,310	(89,480)
31-60 Days	51.00%	1,117,666	(570,010)
61-90 Days	72.20%	1,028,044	(742,238)
Above 90 days	100%	10,425,352	(10,425,352)
Total		36,310,409	(11,999,801)

Postpaid allows individual customers to purchase items immediately and pay for them over time (within 30 days).

Expected credit loss for trade and other trade receivables

The following table provides information about the exposure to credit risk and the expected credit loss for trade and other trade receivables:

	Weighted average loss rate	Gross carrying amount USD	Loss allowance USD
<i>December 31, 2025</i>			
Current, not passed due	0.49%	22,560,896	(111,473)
1-30 Days	10.92%	4,303,099	(469,950)
31-60 Days	75.05%	6,807,257	(5,109,043)
61-90 Days	20.80%	1,128,238	(234,672)
91-120 Days	25.10%	775,948	(194,765)
120-180 Days	29.50%	665,384	(196,289)
Above 180 days	100.00%	8,066	(8,066)
Total		36,248,888	(6,324,258)

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Notes to the consolidated financial statements

32. Financial instruments/ Financial risk management (continued)

Credit risk (continued)

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Due from related parties

Based on management's assessment, amounts due from related parties are not considered to be credit-impaired as at 31 December 2025.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following table summaries the maturity profile of the Group's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the statement of financial position date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

The maturity profile of the assets and liabilities at the statement of financial position date based on contractual repayment arrangements was as follows:

	Carrying amount	Contractual Cash flows			
		Total	Less than one year	One to five years	More than five years
	USD	USD	USD	USD	USD
31 December 2025					
Trade and other payables (excluding staff related accruals and other payables)	551,453,942	551,453,942	551,453,942	-	-
Due to related parties	31,930,378	31,930,378	31,930,378	-	-
Lease liabilities	152,795,404	190,467,181	41,075,971	111,813,639	37,577,571
Total	736,179,724	773,851,501	624,460,291	111,813,639	37,577,571

Market risk

Market risk is the risk that changes in market prices – e.g., foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

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32. Financial instruments/ Financial risk management (continued)

Currency risk

The Company's exposure to foreign exchange risk is limited, as a significant proportion of the foreign currency transactions, monetary assets and liabilities are in the currencies which are pegged to the US Dollar and have minimal exchange rate impact.

The Reporting Entity is exposed to currency risk due to mismatches between the currencies in which sales, purchases, and borrowings are denominated and the functional currencies of Group entities. The functional currencies of Group companies are primarily the UAE Dirham (AED), Saudi Arabia Riyal (SAR), Jordanian Dinar (JOD), Kuwaiti Dinar (KWD), Egyptian Pound (EGP), Omani Rial (OMR), Bahraini Dinar (BHD), Iraqi Dinar (IQD) and Qatari Riyal (QRY).

	2025		
	Assets	Liabilities	Net Assets
EUR	16,799,178	32,182,597	(15,383,419)
IQD	45,239,936	9,142,719	36,097,217
BHD	119,015,906	19,221,106	99,794,800
EGP	119,943,714	4,139,739	115,803,975
JOD	99,580,520	6,397,357	93,183,163
KWD	258,965,221	80,347,586	178,617,635
OMR	38,667,784	2,028,034	36,639,750
QAR	69,141,211	4,813,323	64,327,888
SAR	7,521	-	7,521

The following significant exchange rates were applied:

	2025	
	Average rate	Closing rate
EUR	0.89	0.85
IQD	1,310	1,310
BHD	0.38	0.38
EGP	49.11	47.70
JOD	0.71	0.71
KWD	0.31	0.31
OMR	0.39	0.39
QAR	3.65	3.65
SAR	3.75	3.75

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Notes to the consolidated financial statements

32. Financial instruments/ Financial risk management (continued)

Currency risk (continued)

Sensitivity analysis

The Reporting Entity's exposure to foreign currency risk for a reasonably possible change of 1% fluctuation in foreign currencies is as follows:

2025	Strengthening		Weakening	
	Equity	Profit	Equity	Profit
	USD	USD	USD	USD
EUR	(153,834)	(153,834)	153,834	153,834
IQD	360,972	360,972	(360,972)	(360,972)
BHD	997,948	997,948	(997,948)	(997,948)
EGP	1,158,040	1,158,040	(1,158,040)	(1,158,040)
JOD	931,832	931,832	(931,832)	(931,832)
KWD	1,786,176	1,786,176	(1,786,176)	(1,786,176)
OMR	366,397	366,397	(366,397)	(366,397)
QAR	643,279	643,279	(643,279)	(643,279)
SAR	75	75	(75)	(75)
	6,090,885	6,090,885	(6,090,885)	(6,090,885)

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group is not exposed to interest rate risk.

33. 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.

Talabat Holding PLC

Notes to the consolidated financial statements

33. Fair value measurement (*continued*)

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

34. Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to Shareholder through the optimisation of the debt and equity balance. The capital structure of the Group consists of equity attributable to the shareholder, comprising issued capital, reserves, and retained earnings.

35. 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 Group follows book value (carry-over basis) accounting prospectively 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 Group 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.

As part of a broader restructuring plan initiated by the Ultimate Parent Company, several transactions among entities under common control were executed to consolidate the Ultimate Parent Company's business in the MENA region ahead of the Initial Public Offering ("IPO").

On 24 September 2024, the Ultimate Parent Company transferred its shareholding and control in Delivery Hero FZ LLC ('DH FZ') and its subsidiaries to the Company. In consideration for this transfer, the Company issued 178,040,951 ordinary shares to the Parent Company (refer to Note 11 – Share Capital for details).

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Notes to the consolidated financial statements

35. Acquisition of subsidiaries under common control *(continued)*

On 30 September 2024, the DH FZ obtained control of the following entities and their respective subsidiaries as part of the common control transaction. To facilitate this transfer, the Company issued an additional 75,608,949 ordinary shares to the Parent Company. This also included the settlement of certain intra-group liabilities towards the Ultimate Parent. (refer to Note 11 – Share Capital for details).

- 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.

These transactions were executed to realign the Group's corporate structure in preparation for the IPO, in line with the Ultimate Parent Company's objective of offering 20% of its shareholding in the Company through the IPO.

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 the Company, Group's goal was to list the shares of the Company on the DFM. These companies were already under common control, with Delivery Hero SE as the Ultimate Parent.

On 25 February 2025, Talabat Holding PLC acquired 100% of Instashop Ltd's (Instashop) share capital from Delivery Hero SE (the Ultimate Parent Company), under a common control transaction. With this acquisition, Instashop becomes a wholly-owned subsidiary of The Company.

Total consideration for the acquisition transaction is USD 31,928,889, reflecting the capital amount of Insta Shop Ltd, including the subscribed capital and capital reserves. The consideration was paid in cash.

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Notes to the consolidated financial statements

35. Acquisition of subsidiaries under common control (continued)

Business combination common control transactions (continued)

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

	Delivery Hero FZ LLC *	Instashop Ltd's	Total
	USD	USD	USD
Property and equipment (Note 5)	148,423,687	4,320,672	152,744,359
Intangible assets (Note 6)	317,823,453	74,389	317,897,842
Trade and other receivables	126,734,495	35,337,439	162,071,934
Inventories	38,920,567	892,429	39,812,996
Due from related parties	960,878	-	960,878
Cash and cash equivalents**	316,150,394	21,690,387	337,840,781
Loans from related parties	(1,587,389)	(6,616,994)	(8,204,383)
Due to related parties	(33,020,765)	(98,571)	(33,119,336)
Trade and other payables	(388,376,407)	(33,155,570)	(421,531,977)
Lease liabilities (Note 13)	(92,490,561)	(1,664,277)	(94,154,838)
Employees' end of service benefits (Note 14)	(17,786,656)	(1,691,442)	(19,478,098)
Income tax liabilities	(19,881,395)	(895,020)	(20,776,415)
Total identifiable net assets acquired	395,870,301	18,193,442	414,063,743
Less: Issuance of share capital (Note 11) ***	(253,649,900)	-	(253,649,900)
Less: Consideration paid**	-	(31,928,889)	(31,928,889)
Net impact on acquisition of entities under common control taken to retained earnings within equity	142,220,401	(13,735,447)	128,484,954

* This includes the book value of net assets of DH FZ on 24 September 2024, and the net assets of the subsidiaries acquired by DH FZ on 30 September 2024.

** The net cash acquired from the acquisition of subsidiaries under common control (Delivery Hero FZ LLC and Instashop Ltd) amounting to USD 305,911,892 represents cash and cash equivalents received amounting to USD 337,840,781 less the cash paid for the acquisition of Instashop Ltd's amounting to USD 31,928,889.

*** The Company issued share capital to the parent company as a consideration for the acquisition of Delivery Hero FZ LLC subsidiaries.

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.