Delivery Hero AG, Berlin

Half-year report

AS OF JUNE 30, 2017

Foreword

Dear shareholders,

the first half of 2017 was extremely eventful and successful for Delivery Hero. We operated the last few months as a private company before we went public on June 30, 2017. This was a terrific milestone, which will pave the way for many opportunities, and foster a process of maturing at all levels for our fairly young company.

Delivery Hero's success story is written by 12,000 employees with an absolute passion for constantly improving each single detail of the customer experience process, always focusing on the overall aim of creating an amazing takeaway experience. Together we achieved a lot.

As the world market leader in our industry, we pride ourselves on the great service we built, which brings pleasure and enjoyment to millions of people around the world. At the same time, we are aware that we are still at the very beginning. Though we achieved a lot, our vision and ambition is much bigger.

We have always communicated that strong growth at our stage is a key factor for success in our industry. The figures in our half-yearly report impressively reflect this belief.

Yours
Niklas Östberg

Delivery Hero at a Glance

Group	H1 2017 Unit million / EUR million	H1 2016 (LfL)[1] Unit million / EUR million	H1 2016 (Reported) Unit million / EUR million	Change (LfL)[2] %
Orders	**131.8**	**89.4**	79.4	47
GMV	**1,752.2**	**1,163.9**	1,059.1	51
Revenue[3]	**246.5**	**148.9**	131.3	66
adjusted EBITDA	**−45.3**	**−69.7**	−47.0	
Europe				
Orders	**35.1**	**27.9**	25.2	26
GMV	**551.0**	**434.2**	410.4	27
Revenue	**95.5**	**70.4**	67.6	36
adjusted EBITDA	**−25.5**	**−28.1**	−27.6	
MENA				
Orders	**54.0**	**33.6**	32.1	61
GMV	**601.7**	**373.6**	351.8	61
Revenue	**62.3**	**33.5**	32.7	86
adjusted EBITDA	**15.5**	**6.2**	7.7	
Asia				
Orders	**30.2**	**19.4**	13.5	56
GMV	**425.6**	**259.7**	200.5	64
Revenue	**67.2**	**35.1**	21.1	91
adjusted EBITDA	**−24.2**	**−38.1**	−17.3	
Americas				
Orders	**12.5**	**8.6**	8.6	45
GMV	**173.9**	**96.4**	96.4	80
Revenue	**21.5**	**9.9**	9.9	117
adjusted EBITDA	**−11.0**	**−9.8**	−9.8	

1 All numbers on a like-for-like basis
2 Change H1 2017 compared to H1 2016 numbers on like-for-like basis
3 Total segment revenue

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Delivery Hero

01.

Interim Group Management Report

A. Group profile

The statements on the business model, segments, management system and research and development included in the 2016 management report are still applicable.

At its core our strategy encompasses:

+ Strive to create a positive takeaway experience around food, ordering and service and enhancing the quality, quantity and variety of restaurants listed on our platforms;
+ Operating multiple brands across our markets to target our different customer demographics;
+ Increasing the orders and services we provide to our restaurant partners and increasing the commission and additional income streams to improve the take rate;
+ Seek to improve our margin and reach adjusted EBITDA break-even by improving customer satisfaction and focusing on markets with clear market leadership or strong market position.

01 LEGAL FORM

Following the transformation of its legal form from a limited liability company (GmbH) to a German stock corporation (Aktiengesellschaft, AG), the company has been trading as Delivery Hero AG, Berlin, since 29 May 2017. The change of legal form became effective upon registration in the commercial registration of the Local Court, Berlin-Charlottenburg on 29 May 2017.

Delivery Hero AG's Executive Board consists of two members. The Executive Board is responsible for the strategy and management of the Group. The CEO Niklas Östberg is responsible for the areas Strategy, Operations, Technology, Personnel, Marketing, Public Relations and Investor Relations. Emmanuel Thomassin is responsible for the areas Finance, Purchasing, Legal, Internal Audit as well as Governance, Risk and Compliance. The Supervisory Board advises the Executive Board and monitors the Management Board. It consists of six members. The Supervisory Board is involved in transactions of fundamental importance to the company.

02 IPO

Since June 30, 2017, the shares in Delivery Hero AG are traded in the Prime Standard segment of the Frankfurt Stock Exchange.

The listing is preceded by an offer of 18,950,000 new registered shares with no par value (no par value shares) from the cash capital increase resolved by the extraordinary general meeting of Delivery Hero AG on June 19, 2017.

The shares were offered to investors in the period from June 20, 2017, to June 28, 2017. The price range for the offer within which purchase offers can be made was between EUR 22.00 and EUR 25.50. The final offer price on June 29, 2017 was set at EUR 25.50.

In the course of the IPO, Delivery Hero AG received cash of EUR 476.0 million after deducting the basis fee retained by the banks. Cash payment occured partly after June 30, 2017.

B. Economic report

01 GENERAL ECONOMIC CONDITIONS AND INDUSTRY ENVIRONMENT

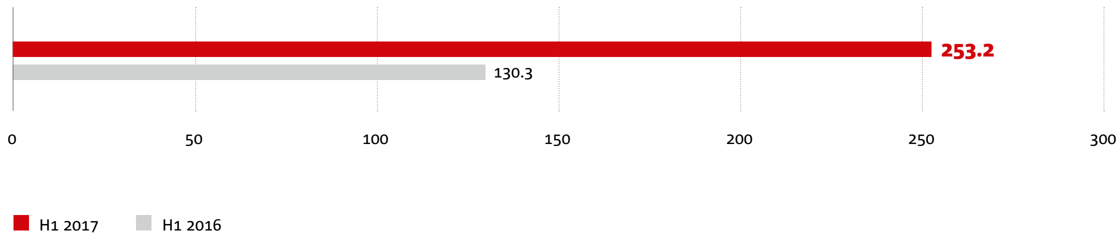
The global economy was stronger than widely predicted in the first half of 2017. This meant the International Monetary Fund (IMF), in its World Economic Outlook from April 2017, marginally increased its growth forecast the global economy for the 2017 calendar year to 3.5 %. Growth of 3.6 % is still forecast for the 2018 calendar year. The expected upturn will be driven by a number of factors, however the IMF still sees great risks to global economic growth. According to the IMF, these include in particular protectionist economic policies and increased political uncertainty.[1]

The growth of Delivery Hero's business is supported by the size and growth of the underlying Consumer Food-service market, which in Delivery Hero's countries of operation is expected to grow to EUR 636 billion in 2017 (from EUR 594 billion in 2016).[2]

02 BUSINESS PERFORMANCE

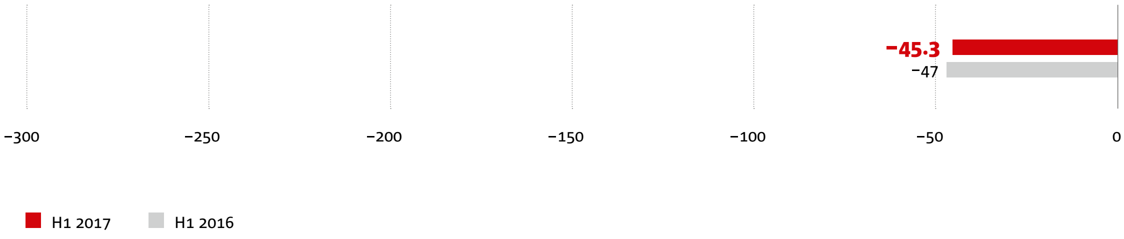
As expected, we recorded a significant increase in sales revenue (94 %) in the first half of the year compared with the same period last year. Organic sales growth was additionally strengthened by the acquisition of the foodpanda Group. At the same time, an improvement in negative adjusted EBITDA is expected for 2017. In the first six months of the year, the Group's adjusted EBITDA improved compared to the same period of the previous year, while the companies of the foodpanda Group acquired on December 31, 2016 contributed a negative adjusted EBITDA of EUR 20.7 million for the first time in the six months period ended June 30 2017. The total segment's negative adjusted EBITDA margin for the first half of 2016 improved significantly from −35.7 % to −18.4 %.

Group revenue
EUR million



1 International Monetary Fund, World Economic Outlook, April 2017: Gaining Momentum?
2 Euromonitor

Adjusted EBITDA of the segments
EUR million



As part of a financing round in May 2017, Naspers Ventures B.V. (Naspers) a leading global internet and entertainment group and big technology investor, invested a total amount of EUR 387 million in Delivery Hero. Naspers acquired 42,967 newly issued shares against payment of EUR 301.4 million (after the capital increase from company funds on June 12, 2017, this corresponds to 12,890,100 shares) in Delivery Hero AG by way of a cash capital increase.

Delivery Hero-FZ-LLC (UAE), a subsidiary of Delivery Hero AG, concluded a sales agreement for the Carriage Group on May 29, 2017. In the course of the acquisition, 100% of the shares in Carriage Logistics General Trading Company LLC (Kuwait), Carriage Delivery Services LLC (UAE), Carriage Logistics SPC (Bahrain) and Carriage Trading & Services Co. WLL (Qatar) were acquired directly and indirectly. The transaction was completed in mid-June 2017 and the group has been fully consolidated since this time.

The capital increase from company funds was entered in the commercial register of the Berlin-Charlottenburg District Court on June 12, 2017. In the course of the capital increase from company funds, the share capital of the Company increased by a multiple of 300, from EUR 0.5 million to EUR 153.0 million. As part of the IPO of Delivery Hero AG, a total of 18,950,000 new registered shares were issued.

03 OPERATING RESULT OF THE GROUP

Continuing operations

Due to the plan to sell the hungryhouse Group, the explanations on the Group's operating results in the 2017 half-year report refer to the Company's continued business operations. The sale of the hungryhouse Group continues to be conditional on the approval of the United Kingdom's Competition and Markets Authority (CMA).

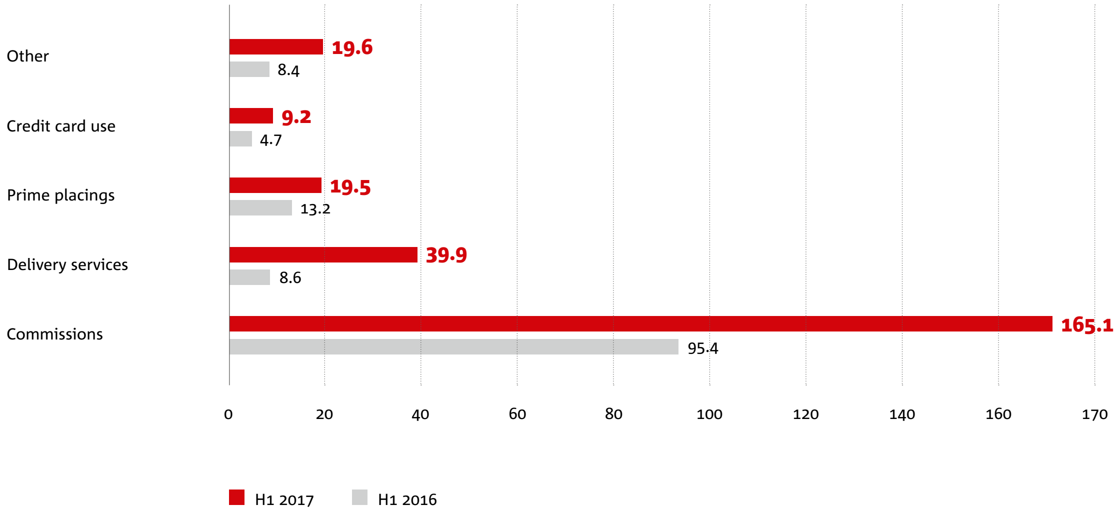
Consolidated statement of profit or loss and other comprehensive income

The condensed consolidated statement of profit or loss for the first half of 2017 shows continuous strong revenue growth while the negative operating result increased due to the ongoing growth. The expansion of Delivery Hero Group's business is reflected in the Group's net assets, financial position, and results of operations.

		H1 2017	H1 2016	Change	
	Continuing operations	**EUR million**	**EUR million**	**EUR million**	**%**
1.	Revenue	253.2	130.3	122.9	94.3
2.	Cost of sales	−89.3	−37.9	−51.5	> −100
	Gross profit	**163.8**	**92.4**	**71.4**	**77.3**
3.	Marketing expenses	−155.8	−106.1	−49.7	−46.9
4.	IT expenses	−21.6	−16.6	−5.1	−30.5
5.	Administrative expenses	−114.3	−58.3	−55.9	> −100
6.	Other operating income	2.4	1.5	0.9	−59.8
7.	Other operating expenses	−9.1	−3.5	−5.6	> −100
	Operating earnings	**−134.5**	**−90.6**	**−43.9**	**48.5**
	Adjusted EBITDA of the segments	**−45.3**	**−47.0**	**1.7**	**−3.6**

The Delivery Hero Group increased its revenue in the first half of 2017 by EUR 122.9 million to EUR 253.2 million. This meant revenue increased by 94.3 % in comparison to the first half of 2016. The increase in revenue is due to the increased number of orders in particular. The number of orders in the first half of 2017 increased by 66.0 % in comparison to the first half of 2016, to 131.8 million. In addition to commission and delivery revenue, other revenue from premium placements and advertisement also increased significantly in the first half of 2017. The first-time recognition of the Foodpanda Group added EUR 43.7 million to revenue in the first half of 2017.

Group revenue by type
EUR million



Cost of sales increased disproportionately to revenues by EUR 51.5 million. This development is mainly due to the increase in personnel expenses and delivery costs resulting from the expansion of the delivery business by EUR 20.9 million and EUR 15.3 million respectively.

Marketing expenses increased by EUR 49.7 million year on year to EUR 155.8 million. Marketing expenses as of the reporting date were mainly influenced by expenses for TV and radio advertisement of EUR 33.1 million (H1 2016: EUR 16.4 million) and expenses in connection with restaurant acquisition of EUR 35.2 million (H1 2016: EUR 29.0 million).

The increase in IT expenses by EUR 5.1 million to EUR 21.6 million, amounting to EUR 4.6 million, is mainly attributable to personnel expenses incurred in connection with the further development of the order platforms.

At EUR 114.3 million, administrative expenses were significantly higher than in the previous year (H1 2016: EUR 58.3 million). This is mainly due to the increase in expenses for share-based payment by EUR 31.9 million to EUR 51.1 million and the increase in other personnel expenses by EUR 10.6 million to EUR 23.9 million. In the course of the conversion of Delivery Hero GmbH into a stock corporation, the six existing share-based compensation programs were combined into a new, uniform share-based compensation program in the second quarter of 2017 and accounted for as share-based compensation with compensation by means of equity instruments. The awards granted under the VSP foodora and Option foodora programs ceased to apply in the period under review and were replaced by awards in the new DH SOP. The fair value of the awards at the time of the conversion of EUR 91.4 million was recorded in the capital reserve. As of June 30, 2017, the fair value of these awards amounted to EUR 94.4 million. In addition, a cash-settlement agreement was concluded for the remaining cash-settled compensation awards, with a reclassification of the obligations of EUR 6.8 million to other liabilities as of the balance sheet date.

While other operating income increased slightly, other operating expenses increased from EUR 3.5 million in H1 2016 to EUR 9.1 million in the reporting year. The increase in other operating expenses is mainly due to the increase in write offs on trade receivables by EUR 4.1 million to EUR 6.7 million in the first half of 2017.

The total segment adjusted EBITDA improved slightly in the first half of 2017, due in particular to higher revenues, partially offset by increased marketing expenses. The discontinuation of Valk Fleet operations in March 2016 and the sale of our China business in May 2016 also had a positive effect on the improved adjusted EBITDA of the segments.

04 BUSINESS DEVELOPMENT BY SEGMENT

The key financial performance indicators for managing the Group are revenue and adjusted EBITDA, the development of which is presented below. Please refer to the consolidated financial statements as of December 31, 2016 for information on the basis of segment reporting.

	H1 2017	H1 2016		Change
	EUR million	EUR million	EUR million	%
Europe	95.5	67.6	27.9	41.3
MENA	62.3	32.7	29.6	90.5
Asia	67.2	21.1	46.1	> 100
Americas	21.5	9.9	11.6	> 100
Segment revenue	**246.5**	**131.3**	**115.2**	**87.7**
Reconciliation effects	6.7	−1.0	7.7	> 100
Group revenue	**253.2**	**130.3**	**122.9**	**94.3**

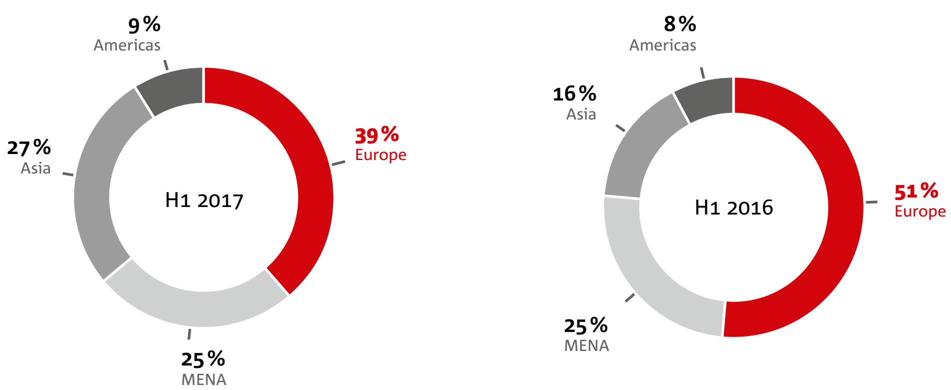
	H1 2017	H1 2016		Change
	EUR million	EUR million	EUR million	%
Europe	−25.5	−27.6	2.1	−7.5
MENA	15.5	7.7	7.8	> 100
Asia	−24.2	−17.3	−7.0	40.2
Americas	−11.0	−9.8	−1.2	12.5
Total segment adjusted EBITDA	**−45.3**	**−47.0**	**1.7**	**−3.6**
Consolidation adjustments	−1.0	−0.5	−0.5	> 100
Management adjustments	−7.2	−3.5	−3.7	> 100
Expenses for share-based payment	−51.1	−19.2	−31.9	> 100
Other reconciliation effects	−5.3	0.4	−5.7	> 100
Amortization and depreciation	−24.7	−20.9	−3.8	18.3
Interest and finance income / costs	−75.4	−33.1	−42.3	> 100
Loss from continuing operations before taxes	**−209.9**	**−123.7**	**−86.3**	**69.7**

The number of orders and gross merchandise volume (GMV) are other performance indicators used to manage the Group.

	H1 2017	H1 2016	Change	
Number of orders	**million**	**million**	**million**	**%**
Europe	35.1	25.2	9.9	39.4
MENA	54.0	32.1	21.9	68.1
Asia	30.2	13.5	16.7	>100
Americas	12.5	8.6	3.9	45.2
Total	**131.8**	**79.4**	**52.4**	**66.0**

	H1 2017	H1 2016	Change	
GMV	**EUR million**	**EUR million**	**EUR million**	**%**
Europe	551.0	410.4	140.6	34.3
MENA	601.7	351.8	249.9	71.0
Asia	425.6	200.5	225.1	>100
Americas	173.9	96.4	77.5	80.4
Total	**1,752.2**	**1,059.1**	**693.1**	**65.4**

Group revenue by segments



Europe

The segment Europe recorded an increase in revenue of 41.3 % to EUR 95.5 million in the first half of 2017 (H1 2016: EUR 67.6 million). The key growth driver for this was the 39.4 % increase in the number of orders.

Positive revenue development was partially offset by higher costs as a result of growth, in particular marketing expenses, and led to a slight improvement in negative adjusted EBITDA to EUR −25.5 million (H1 2016: EUR −27.6 million). The negative adjusted EBITDA margin for the Europe segment improved from −40 % in the first half of 2016 to −26 % in the first half of 2017. The significant organic growth in the Europe segment is attributable to our home market of Germany and other European markets.

MENA

The MENA segment showed continued strong growth in the six-month period. At EUR 62.3 million, revenues in the MENA segment were 90 % higher than in the previous year (H1 2016: EUR 32.7 million). This development is evident in all the region's major markets. At EUR 15.5 million, adjusted EBITDA of the MENA segment was 101.2 % higher than in the previous year.

In addition to predominantly organic growth in the MENA segment, the inorganic growth achieved through the acquisition of the foodpanda group as of December 31, 2016, in particular the acquired brand Hungerstation contributed EUR 8.8 million to sales in the first six months of the year. The Carriage Group included as of June 14, 2017 did not yet have a significant impact on the development of the MENA segment.

Asia

Revenue for the Asia segment of EUR 67.2 million was EUR 46.1 million higher than the prior year (H1 2016: EUR 21.1 million). The number of orders and gross merchandise volume (GMV) developed correspondingly in the reporting period. Positive revenue development is driven by strong growth in Korea in particular. The negative adjusted EBITDA of the segment was EUR −24.2 million and thus 40 % higher than in the prior period (H1 2016: EUR −17.3 million). The increase in the negative result was due in particular to additional marketing expenses as a result of the continued growth strategy and the acquisition of the foodpanda Group. in the course of the ongoing growth strategy. The negative adjusted EBITDA margin improved significantly to −36 % in the first six months of 2017 (H1 2016: −82 %).

Americas

Revenue in the Americas segment increased in the reporting year by 117 % to EUR 21.5 million (H1 2016: EUR 9.9 million). The growth in revenue was due in particular to the increase in the number of orders (45 %) and increased commissions and delivery fees. The negative adjusted EBITDA increased slightly to EUR −11.0 million. The adjusted EBITDA margin improved significantly from −99 % to −51 %.

05 FINANCIAL POSITION

As a majority of the Group entities have not yet reached break-even, the negative cashflow from operating activities (continued and discontinued business areas) in the first half of 2017 was still negative at EUR −79.0 million. The increase in the outflow of funds of 17.1 % in comparison to the same period in the previous year (H1 2016: EUR −67.5 million) is a result of the Group's organic and inorganic growth.

Cash flows from investing activities (continued and discontinued business areas) of EUR −89.2 million mainly includes payment for the acquisition of shares in the Carriage Group in the first half of 2017 (EUR −81.0 million). There were no comparable company acquisitions in the same period in the prior year.

Cash flows from financing activities (continued and discontinued business areas) of EUR 248.2 million (H1 2016: EUR 3.1 million) resulted in particular payments from capital injections in the course of the Naspers funding round (EUR 301.4 million) in May 2017. A further significant cash inflow resulted from the utilization of additional tranches of EUR 25.0 million of shareholder loans in the first quarter of 2017.

Part of the cash from the Naspers funding round was used to repay two shareholder loans totaling EUR 90.9 million in June 2017. In addition, the bank loan of EUR 7.5 million was partially repaid.

After the balance sheet date, other loans amounting to a nominal EUR 190.0 million were repaid on July 4, 2017 and liabilities to banks of EUR 111.0 million were repaid on July 6, 2017 in connection with proceeds received from the IPO.

Cash and cash equivalents increased by EUR 74.9 million to EUR 305.8 million as of the reporting date (December 31, 2016: EUR 230.9 million).

Cash and cash equivalents were not subject to any significant restrictions on disposal as of the reporting date. Due to local currency controls in Argentina, transferring capital to other countries may be restricted.

In the course of the IPO of Delivery Hero AG on June 30, 2017, the Company received liquid funds in the amount of EUR 476.0 million after deduction of the base fee withheld by the banks (EUR 7.2 million). The inflow of cash and cash equivalents occurred mainly after the reporting date. In this context, we refer to the notes to the half-year financial statements in Chapter G. 04.

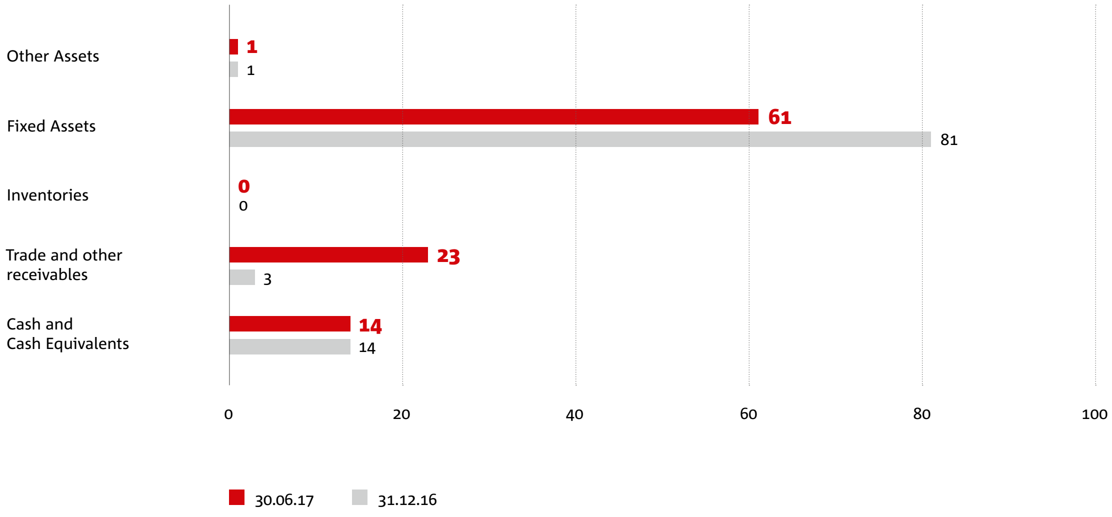
As a result of the capital and liquidity measures described above, the Group's financial position has improved significantly compared to December 31, 2016.

Delivery Hero AG concluded a revolving credit facility agreement of EUR 75 million on June 15, 2017. The credit facility can be drawn down as necessary from July 2017 for the Group's general business purposes as well as for acquisitions. The credit facility has an indefinite term.

06 NET ASSETS

There are two reasons for the significant increase in the Group's total assets. Firstly, the proceeds from the IPO as of June 30, 2017 (EUR 457.0 million) recognized in other receivables and cash (EUR 19.0 million) and secondly, the cash payment received from the Naspers funding round in May 2017 (EUR 301.4 million) less the shareholder loan repayments made (EUR 90.9 million) and the payment for the acquisition of the Carriage Group (EUR 81.0 million), both occurring in June 2017.

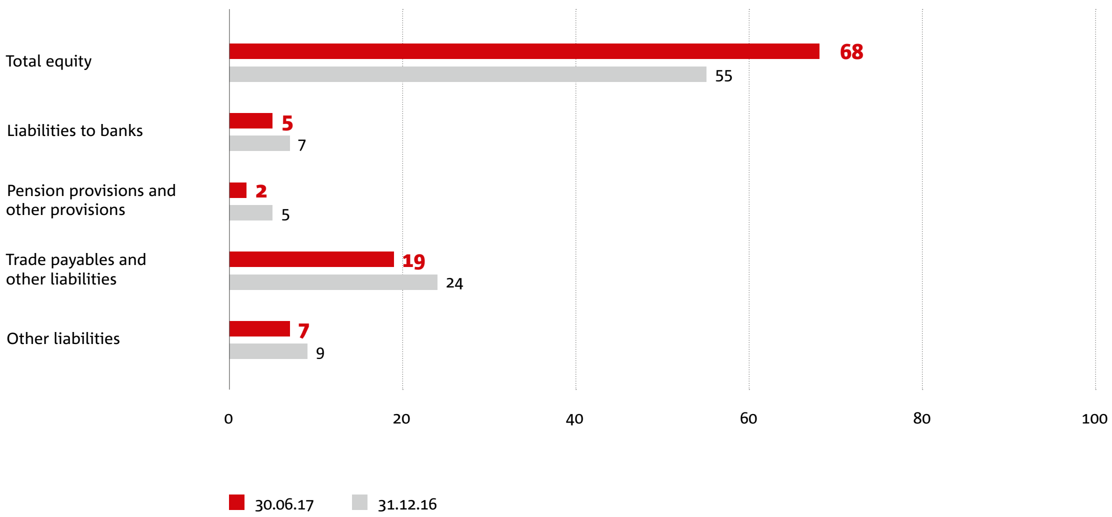
Structure of Statement of Financial Position in % of total assets



The major element of total assets remains non-current assets. These are mainly intangible assets (EUR 1,313.3 million, December 31 2016: EUR 1,305.0 million). Of the intangible assets, EUR 753.4 million (EUR 702.2 million) is attributable to goodwill, EUR 406.0 million (December 31, 2016: EUR 437.0 million) to brands and EUR 134.3 million (December 31, 2016: EUR 148.0 million) to customer and supplier relationships. The goodwill of EUR 79.8 million resulting from the acquisition of the Carriage Group contributed significantly to the increase in intangible assets as of June 30, 2017.

The significant increase in current assets in the first half of 2017 is mainly due to the increase in current receivables as a result of the proceeds from the IPO and the related issue of new no-par value shares as well as the Naspers financing round.

Structure of Statement of Financial Position in % of liabilities and Equity



Besides equity, the liabilities consists mainly of current debt. This makes up 27% (PY: 14%) of the Group's total assets.

Equity increased in the first half of 2017 due mainly to the increase in share capital (EUR 19.0 million) as part of the IPO and the related contribution of the premium from the issuance of new registered shares (EUR 464.3 million) to the capital reserve less the transactions costs (EUR −15.3 million) attributable to the capital increase. The contribution of the premium from the cash capital increase following the Naspers funding round increased the capital reserve by EUR 301.4 million in the first half of 2017. As part of the conversion of Delivery Hero GmbH into a stock corporation, the Group has combined its share-based compensation programs (VSP DH) into a new share-based compensation program. The new agreements are accounted for as equity-settled share-based payment arrangements. As a result of the conversion, the capital reserve increased due to the reclassification of the major part of the obligation from other provisions and the recognition of claims earned after the conversion date (total of EUR 94.4 million). Contrary, the negative result of the period of EUR 265.0 million for the first half of 2017 led to a decline in equity. The equity ratio increased from 55% to 68% compared to December 31, 2016.

As of the reporting date, non-current liabilities mainly included deferred tax liabilities of EUR 95.1 million (December 31, 2016; EUR 108.1 million), which was largely attributable to the intangible assets acquired during the course of the company purchases. Due to the early maturity of the bank loan as a result of the IPO, liabilities to banks were reported as a current liability of EUR 111.0 million as of June 30, 2017 (December 31, 2016: EUR 116.4 million). The bank loan was repaid on 6 July 2017. The decrease in long-term trade payables and other liabilities by EUR 261.3 million is mainly due to the repayment of shareholder loans amounting to EUR 90.9 million and the reclassification of shareholder loans with a nominal amount of EUR 190.0 million to current trade payables and other liabilities as a result of the exercise of a call option after the IPO on June 30, 2017. The shareholder loans were completely repaid in July 2017.

The increase in current liabilities is due primarily to the aforementioned reclassifications following a change in maturities. The decline in current and non-current other provisions from EUR 80.2 million as of December 31, 2016, to EUR 32.9 million as of June 30, 2017, is due to the aforementioned reclassification of the commitment from share-based payment (December 31, 2016: EUR 66.4 million). The first-time recognition of the commitment to acquire the remaining shares in RGP Korea Ltd from March 2017 increased current trade payables and other liabilities by EUR 26.4 million.

Employees

The number of employees increased to 12,594 as of June 30, 2017 (December 31, 2016: 9,209). The increase is mainly due to the increase in driver personnel.

C. Notes on the performance indicators used

The definitions included on page 14, 16 and 27 of the 2016 annual report apply. The adjusted EBITDA ratio used in Delivery Hero's half-year financial report is not a defined ratio according to International Financial Reporting Standards (IFRS).

D. Shares and Investor Relations

01 DISCLOSURES ON THE SHARES

Since June 30, 2017, the shares in Delivery Hero AG are traded in the Prime Standard segment of the Frankfurt Stock Exchange. The first market price on June 30, 2017, was EUR 26.90 and thus higher than the issue price of EUR 25.50. The share closed off the first trading day in the Xetra system at EUR 27.80.

IPO data	
First trading day	June 30, 2017
First price	EUR 26.90
Offering price	EUR 25.50
Offering period	June 20, 2017 – June 28, 2017
Price range	EUR 22.0–25.50
Consortium	Joint Global Coordinators & Joint Bookrunners: Citigroup, Goldman Sachs International, Morgan Stanley Joint Bookrunners: UniCredit Bank AG, Berenberg, Jefferies, UBS Investment Bank
Placement volume excl. greenshoe	EUR 865,725,000.00
Placement volume (shares) excl. greenshoe	33,950,000
Placement volume incl. greenshoe	EUR 989,002,404.00
Placement volume exercised greenshoe	EUR 123,277,404.00
Capital increase (shares)	18,950,000
Reallocation (shares)	19,834,408
Available greenshoe (shares)	5,092,500
Exercised greenshoe (shares)	4,834,408
Free float	39.70 %

Key share figures	
Stock exchange code	DHER
ISIN	DE000A2E4K43
WKN	A2E4K4
Common Code	163274973
Exchange	Frankfurter Wertpapierbörse (Frankfurt Stock Exchange)
Market segment	Regulated Market (Prime Standard)
Number of shares	171,998,900
Share capital	EUR 171,998,900
Type of share	Registered shares

E. Risks and opportunities

Compared to December 31, 2016, the Company's liquidity position has improved significantly as a result of the Naspers financing round and the IPO of Delivery Hero AG on June 30, 2017. In addition, the Delivery Hero Group's risk and opportunity profile did not change significantly in the reporting period compared with the disclosures in the Annual Report 2016. In our opinion, there are currently no discernible risks that could jeopardize going concern of the Delivery Hero Group.

F. Outlook 2017

The Institute for the World Economy slightly adjusted its forecast from March 2017 upwards and forecasts an increase in the global GDP of 3.6 % for 2017 (following 3.1 % in the prior year). Despite uncertainty regarding future global economic policy, higher growth is expected in developed economies as well as the developing and emerging markets. In addition, an increase in economic growth of 4.5 % is forecast in 2017. GDP growth of 4.1 % is expected for the developing and emerging economies in 2017, while GDP growth of 1.9 % is projected for the advanced economies.[3]

For 2017, it is anticipated that the global market for food delivery services will continue to achieve growth. Besides increased urbanization, key drivers of this development are the increased usage of online and mobile services and the growing purchasing power of customers. In addition, further increases in internet penetration will also lead to further growth of Delivery Hero's relevant markets. In addition, we see great potential for food delivery services that offer their own delivery service for short distances.

Delivery Hero expects revenues between EUR 530 million and EUR 540 million for the financial year 2017.

For 2017 we expect an adjusted EBITDA between EUR −79.5 million and EUR −93.0 million, compared to the 2016 total segment adjusted EBITDA of Delivery Hero in the amount of EUR −71.2 million and the region adjusted EBITDA of the acquired foodpanda group of EUR −44.6 million.

For 2017 we anticipate an adjusted EBITDA margin between −15 % to −17 %. We remain committed to grow into adjusted EBITDA break-even for the group in 2018 and full-year adjusted EBITDA positive in 2019.

3 World Bank Group, Global Economic Prospects, June 2017

02.

Unaudited half-year financial statements

A. Consolidated statement of financial position

			Jun. 30, 2017	Dec. 31, 2016
	Assets	**Note**	**EUR million**	**EUR million**
A.	**Non-current assets**			
I.	Intangible assets	F.01	1,313.3	1,305.0
II.	Property, plant and equipment	F.02	19.0	15.5
III.	Other financial assets		3.9	6.7
IV.	Trade and other receivables	F.03	0.0	0.0
V.	Other assets		0.4	0.1
VI.	Deferred tax assets		1.0	4.4
VII.	Equity-accounted investees		6.9	3.3
			1,344.5	**1,334.9**
B.	**Current assets**			
I.	Inventories		0.9	0.6
II.	Trade and other receivables	F.03	505.7	53.3
III.	Other assets		17.7	11.3
IV.	Income tax receivables		1.0	0.6
V.	Cash and cash equivalents	F.04	305.8	230.9
	Assets included in a disposal group classified as held for sale		0.3	0.5
			831.3	**297.2**
	Total assets		**2,175.8**	**1,632.1**

			Jun. 30, 2017	Dec. 31, 2016
	Equity and liabilities	**Note**	**EUR million**	**EUR million**
A.	**Equity**			
I.	Share capital / subscribed capital	F.03	172.0	0.5
II.	Capital reserves	F.05 / F.06	2,252.4	1,582.8
III.	Retained earnings and other reserves		−944.4	−681.5
IV.	Treasury shares		−0.7	0.0
	Equity attributable to shareholders of the Parent Company		1,479.3	901.8
V.	Non-controlling interests		3.3	−9.6
			1,482.7	**892.2**
B.	**Non-current liabilities**			
I.	Liabilities to banks	F.07	0.0	116.4
II.	Pension provisions		1.4	1.2
III.	Other provisions	F.08	3.3	11.8
IV.	Trade payables and other liabilities	F.09	4.7	265.0
V.	Other liabilities		1.0	0.2
VI.	Deferred tax liabilities		95.1	108.1
			105.5	**502.7**
C.	**Current liabilities**			
I.	Liabilities to banks	F.07	111.0	0.0
II.	Other provisions	F.08	29.6	68.4
III.	Trade payables and other liabilities	F.09	399.3	127.8
IV.	Other liabilities		38.0	34.3
V.	Income tax liabilities		9.7	6.7
	Liabilities included in a disposal group classified as held for sale		0.0	0.1
			587.7	**237.3**
	Total equity and liabilities		**2,175.8**	**1,632.1**

B. Consolidated statement of profit or loss and other comprehensive income

			H1 2017	H1 2016	Q2 2017	Q2 2016
	Continuing operations	**Note**	**EUR million**	**EUR million**	**EUR million**	**EUR million**
1.	Revenue	E.01	253.2	130.3	132.0	67.5
2.	Cost of sales	E.02	−89.3	−37.9	−47.8	−18.2
	Gross profit		**163.8**	**92.4**	**84.2**	**49.3**
3.	Marketing expenses	E.03	−155.8	−106.1	−82.9	−51.1
4.	IT expenses		−21.6	−16.6	−11.3	−7.4
5.	Administrative expenses	E.04	−114.3	−58.3	−85.3	−27.3
6.	Other operating income		2.4	1.5	0.7	0.6
7.	Other operating expenses		−9.1	−3.5	−4.2	−1.7
	Operating result		**−134.5**	**−90.6**	**−98.8**	**−37.5**
8.	Interest expense	E.05	−36.2	−15.0	−27.4	−6.4
9.	Other finance costs	E.06	−39.2	−18.1	−36.0	−16.2
	Result before income taxes		**−209.9**	**−123.7**	**−162.2**	**−60.2**
10.	Income taxes	E.07	−4.9	−0.1	−6.2	−0.6
	Consolidated net income / loss for the period from continuing operations		**−214.9**	**−123.7**	**−168.4**	**−60.8**
	Consolidated net income / loss for the period from discontinued operations		−6.5	−1.8	−2.1	0.1
	Consolidated loss		**−221.4**	**−125.5**	**−170.5**	**−60.7**
	Other comprehensive income, net					
	Items not reclassified to consolidated profit or loss:					
11.	Remeasurement of net liability (asset) arising on defined benefit pension plans		0.0	0.0	0.0	0.0
	Items that will be reclassified to profit or loss in the future:					
12.	Effect of movements in exchange rates		−43.7	−2.6	−18.7	3.8
	Total other comprehensive income (loss)		**−43.7**	**−2.6**	**−18.7**	**3.8**

		H1 2017	H1 2016	Q2 2017	Q2 2016
Continuing operations	**Note**	**EUR million**	**EUR million**	**EUR million**	**EUR million**
Total comprehensive income (loss) for the period		**−265.0**	**−128.1**	**−189.2**	**−56.9**
Consolidated loss for the period attributable to:					
+ Shareholders of the Parent Company		−220.1	−121.4	−169.1	−59.6
+ Non-controlling interests		−1.3	−4.2	−1.4	−1.2
Consolidated comprehensive income (loss) attributable to:					
+ Shareholders of the Parent Company		−262.9	−123.9	−187.6	−55.7
+ Non-controlling interests		−2.1	−4.2	−1.6	−1.2
Diluted and basic earnings per share from continuing operations in EUR		**−1.49**	**−1.00**	**−1.00**	**−1.00**
Diluted and basic earnings per share from continued and discontinued operations in EUR		**−1.54**	**−1.02**	**−1.02**	**−1.02**

C. Consolidated statement of changes in equity

Jan. 1, 2017 – Jun. 30, 2017

	Attributable to the owners of the Parent Company								
			Retained earnings and other reserves						
EUR million	Sub-scribed capital[1]	Capital reserves[1]	Retained earnings	Translation reserve	Reval-uation reserve from pension commit-ments	Treasury shares	**Total**	Non-con-trolling interests	**Equity**
As of Jan. 1, 2017	**0.5**	**1,582.8**	**−587.6**	**−93.7**	**−0.2**	**–**	**901.9**	**−9.6**	**892.2**
Consolidated loss	–	–	−220.1	–	–	–	**−220.1**	−1.3	**−221.4**
Other comprehensive income (loss)	–	–	–	−42.8	0.0	–	**−42.8**	−0.9	**−43.7**
Total comprehensive income (loss)	**–**	**–**	**−220.1**	**−42.8**	**0.0**	**–**	**−262.9**	**−2.1**	**−265.0**
Transactions with owners – Payments from and changes in non-controlling interests									
Capital increases	171.5	600.4	–	–	–	−0.7	**771.3**	–	**771.3**
Share-based payment (IFRS 2 program)	–	96.5	–	–	–	–	**96.5**	–	**96.5**
Acquisition of non-controlling interests without change of control	–	−5.8	–	–	–	–	**−5.8**	5.8	**0.0**
Other transactions with non-controlling interests without change of control	–	−21.6	–	–	–	–	**−21.6**	9.3	**−12.3**
Transactions with owners	**171.5**	**669.5**	**–**	**–**	**–**	**−0.7**	**840.4**	**15.1**	**855.5**
As of Jun. 30, 2017	**172.0**	**2,252.4**	**−807.7**	**−136.5**	**−0.2**	**−0.7**	**1,479.4**	**3.3**	**1,482.6**

1 see notes F.05

Jan. 1, 2016 – Jun. 30, 2016

	Attributable to the owners of the Parent Company								
			Retained earnings and other reserves						
EUR million	Subscribed capital	Capital reserves	Retained earnings	Translation reserve	Revaluation reserve from pension commitments	Treasury shares	**Total**	Non-controlling interests	**Equity**
As of Jan. 1, 2016	**0.4**	**1,204.2**	**−400.1**	**−32.2**	**−0.3**	**0.0**	**772.0**	**−6.5**	**765.5**
Consolidated loss	–	–	−121.4	–	–	–	−121.4	−4.2	−125.6
Other comprehensive income (loss)	–	–	–	−2.5	0.0	–	−2.5	−0.1	−2.6
Total comprehensive income (loss)	**–**	**–**	**−121.4**	**−2.5**	**0.0**	**–**	**−123.9**	**−4.2**	**−128.1**
Capital increases	–	18.9	–	–	–	–	18.9	–	18.9
Share-based payment (IFRS 2 program)	–	0.5	–	–	–	–	0.5	–	0.5
Acquisition of non-controlling interests without change of control	–	−0.8	–	–	–	–	−0.8	0.0	−0.8
Other transactions with non-controlling interests without change of control	–	−6.2	–	–	–	–	−6.2	2.9	−3.3
Other changes in the scope of consolidated companies	–	2.3	–	–	–	–	2.3	−3.2	−0.9
Other changes	–	0.0	–	–	–	–	0.0	–	0.0
Transactions with owners	**–**	**14.7**	**–**	**–**	**–**	**–**	**14.7**	**−0.3**	**14.4**
As of Jun. 30, 2016	**0.4**	**1,218.9**	**−521.5**	**−34.7**	**−0.3**	**0.0**	**662.8**	**−11.0**	**651.8**

D. Consolidated statement of cash flows

			H1 2017	H1 2016	Change	
	Continued and discontinued operations	**Note**	**EUR million**	**EUR million**	**EUR million**	**%**
1.	**Cash flows from operating activities**					
	Consolidated loss		−221.4	−125.5	−95.8	76.3
	Elimination of income taxes		5.1	0.0	5.0	> 100
	Income tax paid (−)		−2.3	−2.2	−0.1	2.5
	Amortization, depreciation and write-downs	E.01 / E.02	24.9	21.1	3.8	18.0
	Increase (+) / decrease (−) in provisions		5.2	−5.7	10.9	> 100
	Other non-cash expenses (+) and income (−)		−8.3	−3.4	−4.9	> 100
	Non-cash expenses (+) / income (−) from share-based payments	E.04	51.1	19.2	31.9	> 100
	Gain (−) / loss (+) on disposals of fixed assets		0.1	0.0	0.1	> 100
	Gain (−) / loss (+) on deconsolidation		0.4	−0.8	1.2	> 100
	Increase (−) / decrease (+) in inventories, trade receivables and other assets		−3.3	−21.3	17.9	−84.4
	Increase (+) / decrease (−) in trade and other payables		6.8	20.4	−13.6	−66.6
	Interest income (−) and expense (+)	E.05	62.6	30.7	31.9	> 100
	Cash flows from operating activities		**−79.0**	**−67.5**	**−11.5**	**17.1**
2.	**Cash flows from investing activities**					
	Proceeds (+) from the disposal of property, plant and equipment		0.7	0.0	0.6	> 100
	Payments (−) for investments in property, plant and equipment	E.01	−5.7	−2.5	−3.2	> 100
	Proceeds (+) from disposal of intangible assets		0.1	0.4	−0.3	−72.4
	Payments (−) to acquire intangible assets	E.02	−2.8	−3.6	0.8	−21.6

			H1 2017	H1 2016		Change
	Continued and discontinued operations	**Note**	**EUR million**	**EUR million**	**EUR million**	**%**
	Payments (–) / proceeds (+) for investments in financial assets		0.5	–1.8	2.3	> 100
	Net payments for (–) / proceeds (+) from loans to third parties		–1.0	–0.4	–0.7	> 100
	Net payments (–) / proceeds (+) to acquire shares in consolidated companies	D.	–81.5	–1.1	–80.4	> 100
	Interest received (+)		0.6	0.2	0.4	> 100
	Cash flows from investing activities		**–89.2**	**–8.7**	**–80.5**	**> 100**
3.	**Cash flows from financing activities**					
	Proceeds (+) from capital contributions	F.05	325.5	0.0	325.5	> 100
	Proceeds (+) from loans and borrowings		25.2	120.2	–95.0	–79.0
	Repayments (–) of loans and borrowings	F.07 / F.09	–91.4	–110.5	19.1	–17.3
	Interest paid (–)		–11.1	–6.5	–4.5	69.4
	Cash flows from financing activities		**248.2**	**3.1**	**245.1**	**> 100**
4.	**Cash and cash equivalents at end of period**					
	Net change in cash and cash equivalents (subtotals 1 – 3)		80.0	–73.1	153.1	> 100
	Effect of exchange rate movements on cash and cash equivalents		–5.1	–0.2	–4.9	> 100
	Cash and cash equivalents at the beginning of the period		230.9	160.2	70.7	44.1
	Cash and cash equivalents at the end of period		**305.8**	**86.9**	**218.9**	**> 100**

Delivery Hero

03.

Selected notes to half-year financial statements

A. General information on the half-year financial statements

01 COMPANY INFORMATION

The Delivery Hero Group (also: DH, DH Group, Delivery Hero or Group) offers online food ordering services in more than 40 countries on six continents. The Group operates online food ordering and online food delivery services in various countries in Europe, Latin and South America and also in Asia, Africa, North America and Australia.

Delivery Hero AG is the parent company and located in Oranienburger Straße 70, 10117 Berlin. It is registered with the commercial register of the Local Court, Berlin Charlottenburg under HRB 187081 B.

The change in legal form from Delivery Hero GmbH to a stock corporation (Aktiengesellschaft) Delivery Hero AG became effective with registration in the commercial register on May 29, 2017.

By way of a cash capital increase, the Naspers Group acquired 42,967 newly issued shares in Delivery Hero AG in May 2017 (this corresponds to 12,890,100 shares after the capital increase from company funds).

The capital increase from company funds was entered in the commercial register on June 12, 2017, in the course of which the share capital of Delivery Hero AG increased by a multiple of 300, from EUR 0.5 million to EUR 153.0 million.

As part of the IPO of Delivery Hero AG, a total of 18,950,000 new registered shares as well as already existing registered shares were issued. The shares in Delivery Hero AG were admitted for trading in the Prime Standard segment of the Frankfurt Stock Exchange from June 30, 2017.

Comparison of the consolidated statement of profit or loss and OCI of June 30, 2017, with the first half of the prior year is limited due to the acquisition of the shares in Emerging Markets Online Food Delivery Holding S.á.r.l. (foodpanda-Group) as of December 31, 2016.

The Executive Board prepared the half-year financial statements by September 25, 2017 and submitted these directly to the Supervisory Board for approval.

02 BASIS OF FINANCIAL REPORTING IN ACCORDANCE WITH IFRS

a) Basis of preparation

The condensed Group interim report of DH Group for the first half of 2017 was prepared in accordance with IAS 34 Interim Financial Reporting and complies with the International Financial Reporting Standards (IFRS) as adopted by the European Union for interim financial reporting that are valid as of the reporting date.

The condensed Group interim report does not contain all information and disclosures in the notes that are required for consolidated financial statements and should thus be read in conjunction with the consolidated financial statements as of December 31, 2016. To gain an understanding of the significant changes in the financial position and financial performance since the prior consolidated financial statements, selected disclosures in the notes regarding significant events and transactions are included in the Group interim report.

The condensed consolidated interim financial statements are prepared in Euro. Unless otherwise stated, all figures have been rounded to the nearest EUR million. Disclosures on changes are based on exact values. In addition, for computational reasons, there may be rounding differences to the exact mathematical values in tables and references.

In June 2016, the IASB published amendments to IFRS 2 “Share-based Compensation”. The amendments will apply to reporting periods beginning on or after 1 January 2018. The amendments relate, among other things, to the accounting treatment of modifications of share-based compensation transactions from cash settled to equity settled instruments that were applied prematurely in the second quarter of 2017. In addition, the accounting policies used in preparing the condensed interim consolidated financial statements for the year ended December 31, 2016 have been applied unchanged.

In addition to the accounting policies applied as of December 31, 2016, the Group has deducted transaction costs directly attributable to the raising of equity from equity in accordance with IAS 39.9 without affecting net income.

The preparation of consolidated financial statements in accordance with IFRS requires estimates and valuations by management. The recoverability of goodwill is dependent on the occurrence of the underlying assumptions for revenue- and adjusted EBITDA growth used in the planning process.

The half-year financial statements and the interim group management report have not been audited or reviewed by an auditor.

b) New standards and interpretations that have not yet been applied

The evaluation of the expected effects of the new standards and interpretations on the consolidated financial statements of DH is presented in the following table.

Standard	Issued by the IASB	To be applied from	Effects
IFRS 15 Revenue from Contracts with Customers	May 2014 / September 2015	January 1, 2018	The likely effects are assessed by DH.
IFRS 9 Financial Instruments	July 2014	January 1, 2018	The likely effects are assessed by DH.
IFRS 16 Leases	January 2016	January 1, 2019	The likely effects are assessed by DH.
Annual Improvements to the IFRS 2014–2016 Cycle: Amendments to IFRS 12, IFRS 1 and IAS 28	December 2016	January 1, 2017 January 1, 2018 (IASB)	No effect expected.
Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	September 2016	January 1, 2018 (IASB)	No effect expected.
IFRIC 22: Foreign Currency Transactions and Advance Consideration	December 2016	January 1, 2018 (IASB)	No effect expected.
Amendments to IAS 40: Transfers of Investment Property	December 2016	January 1, 2018 (IASB)	No effect expected.

The new standards IFRS 9, IFRS 15 and IFRS 16 are currently being examined by DH for their effect on consolidated financial statements. At the time of preparing the half-year financial statements, DH cannot yet completely assess the effects of the new provisions.

B. Seasonal influences on business operations

Business operations are affected by fluctuations related to weather and public holidays at the level of the individual entity and are subject to seasonal influence in some regions where the seasons are particularly pronounced, such as Northern Europe. In these regions, order demand is typically higher in autumn and winter owing to shorter daylight hours and frequent poor weather.

At Group level, seasonal influences are not as dramatic due to the diversification of all entities and are eclipsed by organic and external growth. Political and economic crises have also not had an impact on the development of the Group.

C. Disclosures concerning the half-year financial statements

01 REPORTING SEGMENTS

a) Revenue

	H1 2017	H1 2016		Change
	EUR million	EUR million	EUR million	%
Europe	95.5	67.6	27.9	41.3
MENA (Middle East and North Africa)	62.3	32.7	29.6	90.5
Asia	67.2	21.1	46.1	>100
Americas	21.5	9.9	11.6	>100
Segment revenue	**246.5**	**131.3**	**115.2**	**87.7**
Reconciliation effects	6.7	−1.0	7.7	>100
Group revenue	**253.2**	**130.3**	**122.9**	**94.3**

Reconciliation effects primarily comprise sales revenues from food ordering and delivery services of a Group company, which act as principal and whose gross sales and cost of sales are reported. Segment revenues are reported net for the purpose of presenting segment revenues.

b) Adjusted EBITDA

The profitability of the reporting segments is measured on the basis of adjusted EBITDA. Adjusted EBITDA relates to the earnings from continuing business operations before income tax, finance income/costs, depreciation and amortization and non-operating effects on earnings. For definitions of adjusted EBITDA and the composition of non-operating earnings effects, please refer to the disclosures in section C. 01 b of the Annual Report 2016).

	H1 2017	H1 2016		Change
	EUR million	EUR million	EUR million	%
Europe	−25.5	−27.6	2.1	−7.5
MENA	15.5	7.7	7.8	>100
Asia	−24.2	−17.3	−7.0	40.2
Americas	−11.0	−9.8	−1.2	12.5
Total segment adjusted EBITDA	**−45.3**	**−47.0**	**1.7**	**−3.6**
Consolidation adjustments	−1.0	−0.5	−0.5	>100
Management adjustments	−7.2	−3.5	−3.7	>100
Expenses for share-based payment	−51.1	−19.2	−31.9	>100
Other reconciliation effects	−5.3	0.4	−5.7	>100
Amortization and depreciation	−24.7	−20.9	−3.8	18.3
Interest and finance income/costs	−75.4	−33.1	−42.3	>100
Loss from continuing operations before taxes	**−209.9**	**−123.7**	**−86.3**	**69.7**

Management adjustments include expenses for services related to corporate transactions and funding rounds of EUR 4.1 million (H1 2016: EUR 2.1 million), expenses related to capital market entry of EUR 2.2 million (H1 2016: EUR 0.8 million), expenses for reorganization measures of EUR 0.8 million (H1 2016: EUR 0.0 million) and expenses for implementing information technology of EUR 0.0 million (H1 2016: EUR 0.6 million).

Other reconciliation effects include non-operating income and expenses. In the first half of 2017 this item included in particular expenses for non-income tax-related taxes of EUR 2.4 million (H1 2016: EUR 0.6 million), losses on the disposal of fixed assets of EUR 0.1 million (H1 2016: EUR 0.0 million) and losses on the disposal of subsidiaries of EUR 0.4 million (H1 2016: EUR −1.0 million).

02 DISCONTINUED OPERATION

The plan to sell hungryhouse Group remains unchanged.

The transaction is still subject to the condition precedent of the approval of the United Kingdom's Competition and Markets Authority (CMA). Approval is expected in the course of the financial year 2017.

D. Acquisitions

In the first half of the year 2017, material purchases were made as part of acquisitions, which are presented in detail in the section below.

01 CARRIAGE GROUP

The acquisition of the Carriage Group (Carriage) on June 14, 2017, represents a strategic investment in the MENA region. Carriage is based in Kuwait and operates an innovative and fast growing food ordering portal in several countries in the Middle East. Carriage pursues a hybrid strategy and offers delivery of the order for the restaurants in addition to the ordering platform.

In the course of the acquisition, 100% of the shares in Carriage Logistics General Trading Company LLC (Kuwait), Carriage Delivery Services LLC (UAE), Carriage Logistics SPC (Bahrain) and Carriage Trading & Services Co. WLL (Qatar) were acquired directly and indirectly.

The shares acquired also represent voting rights. The consideration for the acquisition amounted to a total of EUR 84.8 million in cash.

The transaction costs for the acquisition recognized under administrative expenses for 2017 amounted to EUR 0.3 million.

The acquisition costs of this business combination were allocated to the acquired assets and liabilities using the purchase price allocation as of the acquisition date as follows:

EUR million	Fair values after acquisition
Intangible assets	5.2
Property, plant and equipment	1.0
Trade and other receivables	0.7
Other assets	0.2
Cash and cash equivalents	3.1
Provisions and liabilities	−0.7
Trade payables	−3.6
Deferred tax liabilities	−0.8
Net assets	**5.0**
Consideration transferred	**84.8**
Goodwill	**79.8**

In light of the complexity of the acquisition, the Company retains the option of making a retroactive adjustment. Key open issues include reviewing how the brands and customer relationships and deferred taxes are measured. Therefore, the disclosures are provisional pursuant to IFRS 3.45.

Goodwill, which consists primarily of not separable components such as positive business prospects and employee know-how, is not deductible for tax purposes. No items of acquired intangible assets have an indefinite useful life. Trade receivables from third parties with a gross value of EUR 0.7 million were acquired and are assessed as being fully recoverable. The fair value of the trade receivables from third parties amounts to EUR 0.7 million.

A performance-related earn-out-component has been agreed with the seller's representatives in management functions of the Carriage companies, which is recognized in profit or loss over the service period ending on December 31, 2018. The fair value of the earn-out-component amounted to EUR 40.3 million, and the portion expensed in the interim period ended June 30, 2017 amounted to EUR 1.4 million. These expenses are excluded from adjusted EBITDA as part of the management adjustments for M&A transactions.

Since first-time inclusion as of June 14, 2017, Carriage has contributed EUR 0.7 million to Group revenue and a negative amount of EUR 0.1 million to the consolidated profit/loss. If Carriage had been consolidated as of January 1, 2017, the Carriage Group would have contributed EUR 6.1 million to revenue and a negative amount of EUR 0.2 million to the consolidated profit/loss.

E. Notes on the consolidated statement of profit or loss and other comprehensive income

01 REVENUE

Revenue is broken down as follows:

	H1 2017	H1 2016		Change
	EUR million	EUR million	EUR million	%
Revenue from:				
+ Commissions	165.1	95.4	69.7	73.0
+ Delivery services	39.9	8.6	31.3	>100
+ Prime placings	19.5	13.2	6.3	48.2
+ Credit card use	9.2	4.7	4.5	95.7
+ Other	19.6	8.4	11.1	>100
Total	**253.2**	**130.3**	**122.9**	**94.3**

02 COST OF SALES

Cost of sales is broken down as follows:

	H1 2017	H1 2016		Change
	EUR million	EUR million	EUR million	%
Personnel expenses	32.3	11.4	20.9	> 100
Delivery costs	27.4	12.1	15.3	> 100
Fees for payment services	10.9	5.4	5.5	> 100
Goods and merchandise	8.0	1.7	6.3	> 100
Purchase of terminals and other POS systems	3.0	3.5	−0.5	−14.6
Server hosting	3.2	1.5	1.7	> 100
Data transfer costs	2.9	1.1	1.7	> 100
Call center	0.3	0.3	0.0	−3.5
Other costs of sales	1.5	0.9	0.5	58.1
Total	**89.3**	**37.9**	**51.5**	**> 100**

03 MARKETING EXPENSES

Marketing expenses are broken down as follows:

	H1 2017	H1 2016		Change
	EUR million	EUR million	EUR million	%
Customer acquisition	82.9	48.3	34.5	71.4
Restaurant acquisition	35.2	29.0	6.2	21.2
Expenses for write-downs on brands	10.9	11.2	−0.3	−2.8
Expenses for write-downs on customer / supplier base	9.1	7.7	1.4	17.8
Other marketing expenses	17.8	9.8	8.0	81.4
Total	**155.8**	**106.1**	**49.7**	**46.9**

04 ADMINISTRATIVE EXPENSES

Administrative expenses mainly comprise expenses for personnel of EUR 74.0 million (H1 2016: EUR 32.6 million), consulting and audit costs of EUR 9.5 million (H1 2016: EUR 7.4 million) and expenses for office equipment and office space of EUR 8.0 million (H1 2016: EUR 4.8 million). Personnel expenses include expenses for share-based compensation amounting to EUR 51.1 million (H1 2016: EUR 19.2 million).

The increase in administrative expenses by EUR 56.4 million from the first quarter of 2017 to EUR 85.3 million in the second quarter of 2017 is mainly due to the increase in expenses for share-based compensation of EUR 50.8 million (Q1 2017: EUR 0.3 million).

a) Expenses for share-based payment

The Group has been operating a share-based payment program since 2011 so that top management participates in the performance of the Company and to reward their contribution to the sustained success of Group. The group of beneficiaries comprises members of the Executive Board and the top management of Delivery Hero AG as well as management bodies and the top management of affiliates of the Group.

The six virtual DH programs (VSP I-VI) in existence as of 31 March 2017 were converted into a stock option program (SOP) in the second quarter. As of June 30, 2017, there are three other IFRS 2 programs in addition to the DH SOP.

Going forward, settlement of share-based payments is to be made mainly in equity instruments (see F.06).

05 INTEREST EXPENSE

The negative interest result, which was EUR 21.2 million higher than in the first half of 2016, was mainly due to increased expenses for the amortization of transaction costs of EUR 20.2 million (H1 2016: EUR 8.0 million) as a result of the early repayment requirements of loans or the exercise of a termination option for a loan as result of the the IPO on June 30, 2017 (see notes F.07 and F.09) as well as increased interest expenses amounting to EUR 13.6 million (H1 2016: EUR 7.0 million).

The negative interest result deteriorated from EUR −8.8 million in the first quarter of 2017 to EUR −27.4 million in the second quarter of 2017 and is mainly due to the above-mentioned factors.

06 OTHER FINANCE COSTS

Finance costs increased compared to the first half of 2016 by EUR 19.6 million compared to EUR 39.2 million. EUR 13.8 million of this is due to negative currency effects in particular (H1 2016: EUR 2.2 million currency income). Furthermore, there were expenses (EUR 39.7 million, H1 2016: EUR 23.1 million) and income (EUR 13.2 million, H1 2016: EUR 7.3 million) from measuring financial instruments at fair value. A contributory factor is the first time recognition of the valuation loss from the put / call agreement for the acquisition of the outstanding minority interests in RGP Korea Ltd. of EUR 18.8 million as of June 30, 2017.

The negative financial result, which deteriorated by EUR 32.8 million compared to the first quarter of 2017, is mainly due to the negative currency effects (EUR 19.3 million) described above, as well as expenses (EUR 29.0 million) and income from the valuation of financial instruments (EUR 12.0 milion), which had a significant impact on the second quarter of 2017.

07 INCOME TAXES

For the calculation of period income tax expenses and income for entities for which income tax expenses and income are expected for the current financial year, the Group uses the respective tax rate that would be applicable for the total expected expenditure and income.

F. Notes on the consolidated statement of financial position

01 INTANGIBLE ASSETS

Movements in intangible assets:

Aquisition cost in EUR million	Goodwill	Licenses and similar rights	Brands	Software	Advance payments on intangible assets and capitalized development costs	Internally generated intangible assets	Customer and supplier base plus miscellaneous intangible assets	**Total**
As at Jan. 1, 2017	**717.7**	**4.9**	**479.2**	**11,5**	**3.9**	**6.7**	**177.9**	**1,401.8**
Additions through business combinations	80.6	0.0	3.5	0,9	0.0	2.6	0.0	**87.7**
Additions	0.0	0.4	0.0	0,6	0.4	0.7	0.6	**2.8**
Reclassifications	0.0	1.1	0.0	0,6	0.1	−0.3	−0.8	**0.8**
Disposals	0.0	0.0	0.0	0,0	0.0	−0.1	0.0	**−0.2**
Foreign currency translation differences	−29.5	−0.3	−24.9	−0,2	0.0	−0.3	−7.0	**−62.2**
As of Jun. 30, 2017	**768.8**	**6.1**	**457.9**	**13,5**	**4.4**	**9.4**	**170.7**	**1,430.7**
Accumulated amortization and depreciation in EUR million								
As at Jan. 1, 2017	**−15.5**	**−3.5**	**−42.2**	**−5,1**	**−0.3**	**−0.4**	**−29.8**	**−96.8**
Additions through business combinations	0.0	0.0	0.0	−0,9	0.0	−1.0	0.0	**−1.9**
Amortization and depreciation	0.0	−0.4	−11.2	−1,1	0.0	−1.0	−8.9	**−22.5**
Write-downs	0.0	0.0	−0.1	0,1	0.0	0.0	−0.1	**−0.1**
Reclassifications	0.0	−0.5	0.1	−0,8	0.0	0.0	0.5	**−0.6**
Disposals	0.0	0.1	0.0	0,0	0.0	0.0	0.0	**0.1**
Foreign currency translation differences	0.0	0.2	2.1	0,1	0.0	0.0	1.9	**4.4**
As of Jun. 30, 2017	**−15.5**	**−4.0**	**−51.3**	**−7,6**	**−0.3**	**−2.3**	**−36.4**	**−117.4**
Carrying amount as of Jun. 30, 2017	**753.3**	**2.1**	**406.5**	**5,9**	**4.0**	**7.1**	**134.3**	**1,313.3**
Carrying amount as of Jan. 1, 2017	**702.2**	**1.5**	**437.0**	**6,4**	**3.6**	**6.3**	**148.0**	**1,305.0**

02 PROPERTY, PLANT AND EQUIPMENT

Movements in intangible assets:

Aquisition cost in EUR million	**Leasehold improve-ments**	**Operating and office equipment**	**Advance payments for property, plant and equipment**	**Total**
As of Jan. 1, 2017	**4.9**	**21.3**	**0.0**	**26.1**
Additions through business combinations	0.1	1.3	0.0	1.4
Additions	0.3	3.3	2.1	5.7
Reclassifications	0.0	−0.1	0.0	0.0
Disposals	0.0	−0.6	0.0	−0.7
Exchange differences	−0.1	−0.6	0.0	−0.7
As at Jun. 30, 2017	**5.2**	**24.5**	**2.1**	**31.7**
Accumulated amortization and depreciation in EUR million				
As of Jan. 1, 2017	**−1.5**	**−9.1**	**0.0**	**−10.6**
Additions through business combinations	0.0	−0.4	0.0	−0.4
Amortization and depreciation	−0.3	−2.0	0.0	−2.3
Reclassifications	0.0	0.1	0.0	0.1
Disposals	0.0	0.2	0.0	0.2
Exchange differences	0.0	0.3	0.0	0.3
As at Jun. 30, 2017	**−1.8**	**−10.9**	**0.0**	**−12.7**
Carrying amount as of Jun. 30, 2017	**3.3**	**13.7**	**2.0**	**19.0**
Carrying amount as of Jan. 1, 2017	**3.3**	**12.2**	**0.0**	**15.5**

03 TRADE AND OTHER RECEIVABLES

The increase in current trade receivables and other receivables is due mainly to income from the IPO on June 30, 2017, and the related issue of new no par value shares.

04 CASH AND CASH EQUIVALENTS

The increase in cash and cash equivalents is mainly due to the cash capital increase against issuance of new shares to the Naspers Group in May 2017, partly offset by repayments of bank loans and the purchase price payment for the Carriage Group.

05 EQUITY

The change in legal form from Delivery Hero GmbH (HRB 135090B) to Delivery Hero AG (HRB 187081B) became effective with entry in the commercial register on May 29, 2017.

Key developments in equity are explained below.

a) Share capital

The Company's share capital was changed in the first half of 2017 by the following capital increases:

+ With entry in the commercial register on March 30, May 17, May 19, May 30 and June 9, 2017, the share capital of EUR 463,711 was increased by a total of EUR 46,452 to EUR 510,163.
+ With entry in the commercial register on June 12, 2017, there was a capital increase from company funds of EUR 152.5 million to EUR 153.0 million from the reclassification from capital reserves (see A.01.).
+ With entry in the commercial register on June 27, 2017, the share capital was increased by EUR 19.0 million to EUR 172.0 million.

b) Capital reserve

The capital reserve increased in the first half of 2017 by EUR 669.5 million, from EUR 1,582.8 million to EUR 2,252.4 million. The increase resulted mainly from:

+ 301.4 million from the cash capital increase in connection with the acquisition of shares by the Naspers Group (see A.01).
+ Reduction of the capital reserve through the capital increase from company funds of EUR 152.5 million less deduction for own shares of EUR 0.7 million (see A.01).
+ Contribution of the premium from issuing new registered shares in the course of the IPO as of June 30, 2017, of EUR 464.3 million less the transactions costs of EUR 15.3 million recorded in capital reserves.
+ The conversion from cash-settled- to equity-settled share-based payment plans with an overall effect of EUR 96.6 million as of the balance sheet date (see Note F.06).
+ The reduction in the capital reserve due to transactions with non-controlling interests without a change of control (EUR −27.4 million) had an opposite effect.

06 SHARE-BASED PAYMENTS

As part of the conversion of Delivery Hero Holding GmbH into a stock corporation on May 29, 2017, the Group restructured its share-based compensation programs and combined them into a new, uniform share-based compensation program. The new agreements entered into with the beneficiaries are accounted for as equity-settled share-based payment arrangements, as the Group plans to exercise its option to settle in the future only by means of equity instruments. All other parameters of the programs remain unchanged. In the event of contractually agreed exit events (e. g. a change of control), the program conditions provide for a cash settlement by the Group, the occurrence of such an event is currently considered unlikely.

The fair value of the compensation commitments at the time of the transformation amounts to EUR 91.4 million, which was recorded in capital reserves. As of June 30, 2017, the fair value of these commitments amounted to EUR 94.4 million.

A cash settlement agreement has been concluded for the remaining cash-settled remuneration commitments, so that they are shown under other financial liabilities as of June 30, 2017 in the amount of EUR 6.8 million.

The foodora VSP and Option programs were discontinued in the period under review. The beneficiaries of these programs have received new share-based payment awards from the above-mentioned DH SOP.

07 LIABILITIES TO BANKS

The decline in liabilities to banks resulted from the partial repayment of the bank loan of EUR 7.5 million.

In accordance with the underlying contractual provisions, the bank loan became due immediately after the IPO on June 30, 2017. Due to the changed maturities, it is shown as a current liability in the nominal amount of EUR 111.0 million. The embedded derivatives previously reported separately in the balance sheet have accordingly ceased to exist and have been derecognized through profit or loss.

08 OTHER PROVISIONS

The decline in both non-current and current other provisions in comparison to December 31, 2016, is mainly connected with the conversion from VSPs to SOPs in Q2 in 2017 and the associated recognition of the obligation in equity (see F.06).

09 TRADE PAYABLES AND OTHER LIABILITIES

The decrease in non-current trade payables and other liabilities is mainly due to the repayment of other loans in the second quarter of 2017 amounting to EUR 83.0 million and the reclassification of other loans with a total nominal amount of EUR 190.0 million to current trade payables and other liabilities due to the use of a call option in connection with the IPO and the related early maturity of the loans. The embedded derivatives from the loan agreements, which were previously shown separately in the balance sheet, ceased to exist at this point in time.

Current trade payables and other liabilities also include put/call and earn-out obligations. In the first quarter of 2017, an agreement was concluded that includes a put/call option for the acquisition of the outstanding minority interests in RGP Korea Ltd. As of June 30, 2017, this liability amounted to EUR 39.7 million and contributed to the increase in current trade payables and other liabilities. The initial recognition of the pro rata temporis Carriage earn-out of EUR 0.4 million is included in current liabilities and EUR 1.0 million in non-current trade payables and other liabilities. The fair value of the earn-out is EUR 40.3 million.

In connection with the contribution of the remaining minority interests in the PedidosYa Group, the existing variable purchase price agreement in the amount of EUR 3.1 million and the put/call option agreement on minority interests in the amount of EUR 7.1 million were canceled. In return for the contribution of these minority interests, DH shares were issued, payments of up to EUR 3.7 million were agreed upon depending on the share price at the time of the IPO, which are included in short-term other liabilities, and share-based payment commitments from the above-mentioned DH VSP, which were then converted into the DH SOP as described.

G. Other disclosures

01 RELATED PARTIES

a) Relations to related entities

As was the case on the prior year's reporting date of June 30, 2016, there were no material receivables from or liabilities to (EUR 0.1 million or above) related parties as of the reporting date June 30, 2017.

Apart from interest expenses of EUR 0.4 million (H1 2016: EUR 0.0 million), there were no significant expenses and income (EUR 0.1 million or more) with related parties (H1 2016: EUR 0.1 million) in the first half of 2017.

b) Related party disclosures

We include the members of the Management Board and the members of the Supervisory Board as key management personnel. Until the time of the conversion into a stock corporation (Aktiengesellschaft), the members of the C-Level were also counted as management personnel. Correspondingly the remuneration of the C-Level is included up to this time. The remuneration in H1 2017 is as follows:

EUR million	Jun. 30, 2017	Jun. 30, 2016
Short-term employee benefits	0.5	0.7
Termination benefits	0.0	0.1
Expenses related to share-based payments (SOPs)	12.1	3.8

Until the transformation of the company into a German stock corporation (Aktiengesellschaft, AG) on 29 May 2017, the management and representatives of the first management level and the advisory board were members of the key management personnel. Until the conversion in the first half of 2017, they received short-term remuneration of EUR 0.5 million (H1 2016: EUR 0.5 million), termination benefits in the amount of EUR 0.0 million (H1 2016: EUR 0.1 million) and expenses from share-based payments of EUR 0.4 million (H1 2016: EUR 1.4 million). In light of the changed responsibilities and decision-making powers of the members of the first management level, with the transformation of the legal form into a German stock corporation only, in addition to the representatives of the supervisory body, the members of the Management Board are considered key management personnel.

The Advisory Board discharged in the first half of the year did not receive any remuneration.

The stock options granted to current related parties are as follows:

Measurement date	Jun. 30, 2017	Dec. 31, 2016[1]
No. of shares owed	1,206,600	1,896,600
No. of tendered shares	1,113,067	1,354,500
Fair value (in EUR million)	19.2	13.1
Addition to the provisions recognized under expenses in H1 2017 (in EUR million)	12.1	4.9

1 In 2016 and until the transformation of the company into a German stock corporation in May 2017, Key management personal were members of the management, members of the advisory board and members of the C-level. In this context, this group of persons was fully taken into account as of December 31, 2016, in the provisions for stock options issued to related persons.

02 FINANCIAL INSTRUMENTS

a) Notes on financial instruments

Financial assets and liabilities by measurement category and class are shown in the following table.

The following abbreviations are used for the measurement categories:

+ LaR: Loans and Receivables
+ AfS: Available for Sale
+ FLaC: Financial Liability at Cost
+ FAHfT: Financial Assets Held for Trading
+ FLHfT: Financial Liabilities Held for Trading

Jun. 30, 2017	**Classification pursuant to IAS 39**	**Measured at amortized cost**		**Measured at fair value**	**Total line items**
EUR million		**Carrying amount**	**Fair value**	**Carrying amount**	**Carrying amount**
Investments[1]	AfS	1.2	n/a		1.2
Loans granted	LaR	1.8	1.8		1.8
Security deposits	LaR	0.9	0.9		0.9
Other financial assets		**3.9**	**2.7**	**0.0**	**3.9**
Trade receivables	LaR	38.0	38.0		38.0
Security deposits	LaR	1.9	1.9		1.9
Bank deposits and related receivables	LaR	465.8	465.8		465.8
Trade receivables and other receivables		**505.7**	**505.7**	**0.0**	**505.7**
Cash and cash equivalents		**305.8**	**305.8**		**305.8**
Total financial assets		**815.4**	**814.1**	**0.0**	**815.4**
Liabilities to banks	**FLaC**	**111.0**	**111.0**		**111.0**
Trade payables	FLaC	55.0	55.0		55.0
Other financial liabilities	FLaC	61.3	61.3		61.3
Security deposits received	FLaC	0.8	0.8		0.8
Derivative financial instruments[2]	FLHfT			60.5	60.5
Finance lease payables	FLaC	4.3	4.3		4.3
Loans payable[2]	FLaC	190.4	190.3		190.4
Trade payables and other liabilities		**311.8**	**311.8**	**60.5**	**872.3**
Total financial liabilities		**422.8**	**422.8**	**60.5**	**483.3**

1 Investments and other securities are measured at cost
2 Level 3 of the fair value hierarchy. Measurement methods for fair value according to level 3 are unchanged and can be derived from the consolidated notes to the financial statements for the 2016 financial year.

Dec. 31, 2016	Classification pursuant to IAS 39	Measured at amortized cost		Measured at fair value	Total line items
EUR million		Carrying amount	Fair value	Carrying amount	Carrying amount
Investments[1]	AfS	2.6	n/a		2.6
Loans granted	LaR	1.9	1.9		1.9
Bank deposits	LaR	0.3	0.3		0.3
Derivative financial instruments	FAHfT			1.0	1.0
Security deposits	LaR	1.0	1.0		1.0
Other financial assets		**5.7**	**3.2**	**1.0**	**6.7**
Trade receivables	LaR	48.9	48.9		48.9
Other securities[1]	AfS	0.2	n/a		0.2
Security deposits	LaR	2.9	2.9		2.9
Bank deposits and related receivables	LaR	1.3	1.3		1.3
Trade receivables and other receivables		**53.4**	**53.1**	**0.0**	**53.4**
Cash and cash equivalents		**230.9**	**230.9**	**0.0**	**230.9**
Total financial assets		**289.9**	**287.2**	**1.0**	**290.9**
Liabilities to banks	**FLaC**	**116.4**	**119.0**	**0.0**	**116.4**
Trade payables	FLaC	52.8	52.8		52.8
Other financial liabilities	FLaC	48.3	48.3		48.3
Other purchase price obligation[2]	FLHfT			14.2	14.2
Security deposits received	FLaC	0.6	0.6		0.6
Derivative financial instruments[2]	FLHfT			41.4	41.4
Finance lease payables	FLaC	4.6	4.6		4.6
Loans payable[2]	FLaC	230.8	228.5		230.8
Trade payables and other liabilities		**337.1**	**334.8**	**55.7**	**392.7**
Total financial liabilities		**453.5**	**453.7**	**55.7**	**509.2**

1 Investments and other securities are measured at cost
2 Level 3 of the fair value hierarchy. Measurement methods for fair value according to level 3 are unchanged and can be derived from the consolidated notes to the financial statements for the 2016 financial year.

All derivative financial instruments are classified in the fair value hierarchy as level 3 as the measurement is carried out on the basis of unobservable input factors.

The carrying amounts for cash and cash equivalents, trade receivables, granted loans, deposits received, liabilities to banks, trade payables, finance lease payables and other liabilities are approximately in line with fair value as of the reporting date.

The reconciliation of level 3 instruments measured at fair value is as follows:

EUR million	Assets	Liabilities	Total
As of Jan. 1, 2016	**2.9**	**−54.8**	**−51.9**
Additions due to acquisition and issuance	0.3	−4.0	−3.6
Disposals due to sale and settlement	−2.9	-	−2.9
Profits recognized in the consolidated statement of profit or loss and other comprehensive income	1.2	12.6	13.8
Losses recognized in the consolidated statement of profit or loss and other comprehensive income	−0.5	−7.8	−8.4
As of Dec. 31, 2016	**1.0**	**−54.0**	**−53.0**
As of Jan. 01, 2017	1.0	−54.0	−53.0
Additions due to acquisitions and issuances	0.0	−20.9	−20.9
Disposals due to sale and settlement	−0.7	34.7	34.0
Profits recognized in the consolidated statement of profit or loss and other comprehensive income	0.0	13.3	13.3
Losses recognized in the consolidated statement of profit or loss and other comprehensive income	−0.3	−33.7	−34.0
As of Jun. 30, 2017	**0.0**	**−60.5**	**−60.5**

No reconciliation between the different levels of the fair value hierarchy took place in the quarter.

Realized gains and losses from the change in level 3 instruments are recognized in finance income/expense. Unrealized gains or losses are recognized in revenue reserves and other reserves.

There were no separable embedded derivatives as of the reporting date. The fair value of the separable embedded derivatives in the prior periods was determined using an option pricing model at each relevant reporting date. As part of the measurement process, the required publicly available market data was collected and unobservable input parameters were updated using internal calculations. The latter related in particular in the prior period to the value determined for each company share of DH using a discounted cash flow model as well as the specific risk premium for DH. Both parameters were updated on each measurement date in the prior periods. The calculation of the sensitivities for unobservable input parameters is presented in the ‚Market risks‘ section. The company value was derived from the market capitalization in course of the IPO on June 30, 2017.

The future payment obligation for non-controlling shares for Clickdelivery is linked via various contractual parameters to the corporate value of DH on the date of the exit event. As the IPO on June 30, 2017 represents an exit event, the market capitalization was used as a basis for calculating the company value on the reporting date.

As part of the measurement process, the required publicly available market data is collected and unobservable input parameters are updated at the respective reporting date using internal calculations. Volatility is derived from the historical volatility of peer group companies as of the reporting date.

The conditional payment obligation for the earn out provision is linked via various contractual parameters to financial and operational performance indicators for the respective company when measuring the put/call option agreements for the acquisition of further shares in Foodarena GmbH and the put/call option agreement for the acquisition of the remaining shares in RGP Korea Ltd. The measurement is based on publicly available, observable market data and on unobservable input parameters. The unobservable input parameters include mainly financial and operational key performance indicators. Measurement is made at each relevant reporting date and the parameters updated accordingly.

b) Market risks

Some of the loans drawn by the Group have floating interest rates on the basis of reference interest rates. Changes in market interest rates may increase the interest payable in the future, which would negatively affect the Company's financial performance. As the loans were due on the reporting date, the DH Group is not exposed to any interest rate risks. If the market interest rate were 1 % higher (lower) in the prior year, this would have an earnings effect of EUR 0.8 million (EUR 0.0 million).

Based on derivatives held or issued by the DH Group as of the reporting date, a hypothetical change (quantified using sensitivity analysis) for the share values relevant to the respective instruments would have the following effects (before tax) as of the reporting date:

Financial instruments as of Jun. 30, 2017	**Effect on earnings**	
EUR million	**+10 %**	**−10 %**
Derivatives from put / call options	−6.3	6.3

With respect to the determined value of the separable embedded derivatives as of December 31, 2016 (similar to the derivatives from put / call options and the variable purchase price component), the value per DH company share determined using the discounted cash flow method is a parameter which has a material impact on the measurement result. As of December 31, 2016, the sensitivity analysis is as follows:

Financial instruments as of Dec. 31, 2016	**Effect on earnings**	
EUR million	**+10 %**	**−10 %**
Separable embedded derivatives	−0.7	0.9
Variable purchase price component of PedidosYa	−0.3	0.3
Derivatives from put / call options	−3.6	3.9

In terms of the separable embedded derivatives, DH's risk premium is another unobservable input factor in the prior period in addition to the DH share value. A 1 % higher or lower risk premium as of December 31, 2016 would have led to an earnings effect of EUR −0.9 million or EUR 1.2 million.

03 EARNINGS PER SHARE

Basic earnings per share from continuing operations is calculated by dividing the income / loss from continuing operations attributable to shareholders attributable to the ordinary shares by the weighted average number of undiluted shares in the respective financial year.

Basic earnings per share from continuing and discontinued operations are calculated by dividing the consolidated income / loss for the period attributable to shareholders of the parent company attributable to ordinary shares by the undiluted weighted average number of shares in the respective fiscal year.

The weighted average number of ordinary shares is calculated from the number of shares in circulation at the beginning of the period adjusted by the number of shares issued during the period and multiplied by a time-weighting factor. The time-weighting factor reflects the ratio of the number of days on which shares were issued and the total number of days of the period.

	H1 2017	**H1 2016**	**Change**	
	kEUR	**kEUR**	**kEUR**	**%**
Consolidated net income / loss for the period from continuing operations	−214,851	−123,739	−91,112	74
Income / loss from continuing operations attributable to non-controlling interests	1,253	4,157	−2,904	70
Income / loss from continuing operations attributable to shareholders	**−213,598**	**−119,582**	**−94,016**	**79**
Weighted average number of shares issued	142,963	119,259	23,704	20
Diluted and basic earnings per share from continuing operations in EUR	**−1.49**	**−1.00**	**−0.49**	**49**
Consolidated Income / loss for the period from continuing and discontinued operations attributable to shareholders	−220,099	−121.388	−98,711	81
Weighted average number of shares issued	142,963	119,259	23,704	20
Diluted and basic earnings per share from continued and discontinued operations in EUR	**−1.54**	**−1.02**	**−0.52**	**51**

Diluted earnings per share are calculated on the basis of share-based payment systems and other contracts that can be settled in shares or cash. In accordance with IAS 33.58, settlement in shares was assumed for contracts where the Company has a choice between settlement in cash or shares. Dilution protection was provided for all equity instruments. As a result, basic earnings per share correspond to diluted earnings per share.

The following equity instruments were not taken into account in determining the diluted earnings per share as they would display dilution protection.

Number of potential ordinary shares	**Jun. 30, 2017**	**Jun. 30, 2017**
Put/call option	93,349	113,700
Virtual share programs	3,576,151	260,700
Escrow loan	404,413	1,275,313
Total number of potential ordinary shares	**4,073,913**	**1,649,713**

All figures for the shares and earnings per share in H1 2017 and H1 2016 include the share split at a ratio of 1:300, which was carried out in the second quarter of 2017.

04 EVENTS AFTER THE REPORTING PERIOD

The Group received the remaining EUR 457.0 million from the proceeds of the IPO (EUR 476.0 million) on July 4, 2017; on the same day, the proceeds from the IPO were used to repay the other loans in the nominal amount of EUR 190.0 million and, on July 6, 2017, liabilities to banks in the amount of EUR 111.0 million.

As of September 20, 2017, Delivery Hero acquired the remaining shares in Foodfly, a food delivery platform based in Seoul. Before the transaction, Delivery Hero already held a fully diluted stake of 21 % in Fly & Company Inc., Korea, operating the Foodfly business. Foodfly operates a food delivery marketplace with own delivery service, allowing it to add restaurants to its platform that do not offer deliver services themselves.

04.

Responsibility statement of the legal representatives

01 RESPONSIBILITY STATEMENT OF THE LEGAL REPRESENTATIVES

We hereby confirm that, to the best of our knowledge and in accordance with generally accepted accounting principles, the consolidated interim financial statements give a true and fair view of the consolidated interim financial position of the Group and of its consolidated interim financial performance and its consolidated interim cash flows in accordance with applicable accounting policies for interim reporting, and that the Group interim management report gives a true and fair view of the Group's business development including its performance and financial position, and also describes significant opportunities and risks relating to the Group's anticipated development in the remaining financial year.

Berlin, September 25, 2017

Niklas Östberg   Emmanuel Thomassin

02 IMPRESSUM

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HRB 187081 B

03 DISCLAIMER AND FURTHER INFORMATION

This information also contains forward-looking statements. These statements are based on the current view, expectations and assumptions of the management of Delivery Hero AG (“Delivery Hero”). Such statements are subject to known and unknown risks and uncertainties that are beyond Delivery Hero’s control or accurate estimates, such as the future market environment and the economic, legal and regulatory framework, the conduct of other market participants, the successful integration of newly acquired companies and the realization of expected synergy effects, as well as measures by public authorities. If any of these or other uncertainties and imponderables materialize, or if the assumptions on which these statements are based prove to be incorrect, actual results could differ materially from those expressed or implied by such statements. Delivery Hero does not warrant or assume any liability that the future development and future actual results will be consistent with the assumptions and estimates expressed in this report. Delivery Hero does not intend or assume any obligation to update forward-looking statements to reflect events or developments after the date of this report, except as required by law.

Due to rounding, it is possible that single figures in this and other documents do not add up exactly to the specified sum and that the percentages shown do not exactly reflect the absolute values to which they relate.

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