

REPORT OF THE SUPERVISORY BOARD

DEAR SHAREHOLDERS,

The financial year 2017 was an important and successful year for Delivery Hero AG. The company was able to sustain its growth trajectory while further strengthening and solidifying its position as an international online marketplace for food orders and food delivery – particularly with its change of legal form to that of a joint stock corporation, its subsequent initial public offering (IPO), and its recently approved and soon-to-be-effected adoption of the legal form of a European joint stock corporation (a *Societas Europaea*, or “SE”).

Delivery Hero AG has been listed in the Prime Standard segment of the Frankfurt Stock Exchange since June 30, 2017. In September 2017, Deutsche Börse decided to include Delivery Hero AG in the SDAX of the Prime Standard of the German stock exchange. With its initial public offering (IPO), the Company has laid the groundwork for its next growth phase. Now that it is a listed company, it is subject to particularly stringent transparency and publicity requirements. These post-listing duties have also had an impact on the work of the Supervisory Board. There are numerous rules and provisions that apply directly to the Supervisory Board and its work with the Management Board. The Supervisory Board has been working with the Management Board to ensure that processes and structures are established within the Company that satisfy the requirements of the exchange.

OVERVIEW

The first Supervisory Board of Delivery Hero AG was constituted itself on May 29, 2017 with the Company’s change of legal form to that of a joint stock company. It has properly and duly discharged the duties incumbent upon it according to the law, the Articles of Association, and its by-laws, diligently protecting the interests of all shareholders while bearing in mind the claims of other affected groups as well.

One of the Supervisory Board’s primary duties is to advise and supervise the Management Board. The main points of focus of this activity during the reporting period were, in particular, the strategic direction of Delivery Hero AG for further growth, corporate planning as a whole, and corporate financing. The successful IPO was of particularly great importance for Delivery Hero AG and the work of the Supervisory Board. The Supervisory Board advised and supported the Management Board during the preparatory work ensuring that the legal and organizational duties arising from the IPO were being met. The Supervisory Board was at all times actively involved in all matters of central importance to the Company and in all decisions of the Management Board. The collaboration between Management Board and Supervisory Board was always trusting, constructive, appropriate, collegial and efficient.

The Management Board reported to the Supervisory Board regularly and extensively, both in writing and verbally, on the Company’s position, strategic plans, and intended business policy along with important business transactions entered into by the Company or Group. It also commented on important questions concerning risk exposure, risk man-

agement, financial, investment and personnel planning, corporate governance and compliance, and the course of business. The Management Board always fulfilled its duties to keep the Supervisory Board informed.

In particular, the Management Board finalised the Company’s further strategic direction in consultation with the Supervisory Board. The Management Board has always included the Supervisory Board fully and directly in all important decisions, particularly in regard to all measures and business transactions that are subject to Supervisory Board approval. Those transactions that were subject to approval were explained by and discussed with the Management Board before any resolution was passed by the Supervisory Board. The discussions took place in meetings – including ones – including via telephone – of the full Supervisory Board and its committees and in direct exchange with the Management Board outside of the meetings.

In regard to the organizational and legal measures pertaining to the IPO, the flow of information from the Management Board to the Supervisory Board was always reliable and regular. The same was true for the cash capital increase that was carried out in early December 2017 by way of an accelerated bookbuilding process. In that regard, too, the Management Board always kept the Supervisory Board informed in a timely and thorough manner, at all times keeping the Supervisory Board fully involved in the crucial deliberations and decisions. The Supervisory Board, and I in particular as Chairman of the Supervisory Board, have otherwise engaged at regular intervals in vigorous discussion with the Management Board in regard to current developments and important decisions.

The Supervisory Board has confirmed that the Management Board has installed a functioning risk management system and a functioning internal control system, which is capable of detecting early developments that might put the company's continued existence at risk; and which ensures that bookkeeping and accounting are done properly and that the financial reporting is reliable. The further expansion of the risk management system and the improvement of both systems remain a particular focus of the work of the Supervisory Board in view of the challenges of our still young and rapidly growing Company. In addition, the Supervisory Board has verified that the company has a functioning internal audit system that ensures independent and objective evaluation of the appropriateness and effectiveness of management and supervisory processes and of the risk management and internal control systems. Finally, the Supervisory Board has confirmed to its satisfaction the further development and effectiveness of the compliance management system that ensures observance of the law and internal guidelines. In this context, the Supervisory Board has also taken care of a further continued development of the internal organization and a faster implementation of the measures which have been developed by the Company for a further enhancement of the financial and accounting department, the compliance management system and the risk management system by way of further professional and personnel reinforcement.

Since the change of form was entered in the commercial register, the Management Board has consisted of consist of Mr Niklas Östberg (Chairman of the Management Board, CEO) and Mr Emmanuel Thomassin (CFO). Mr Östberg and Mr Thomassin have each been appointed members of the Management Board for terms through April 30, 2022.

MEETINGS AND RESOLUTIONS OF THE SUPERVISORY BOARD AND ITS COMMITTEES

In its regular discussions, the Supervisory Board has devoted its attention to the operational and strategic position of Delivery Hero AG and of the Group and apprised itself, through the Management Board's written and verbal reports, of the Company's economic and financial performance. As mentioned, one point of focus in discussions in the financial year 2017 was the preparation and realization of the Company's IPO.

Since being constituted in 2017 following entry of its change of form in the commercial register, the Supervisory Board has had a total of four face-to-face meetings in all. Whenever necessary, the Supervisory Board took its decisions by a written circulation procedure or in telephone conferences. The Supervisory Board met regularly in the presence of the Management Board, except when they met to discuss its remuneration.

To be able to discharge its duties properly and to increase the efficiency of the Supervisory Board's working methods, the Supervisory Board – in accordance with the recommendations of the German Corporate Governance Code – formed three committees in all, specifically an Audit Committee, a Remuneration Committee and a Nomination Committee.

The members of the Audit Committee are Mr Georg Graf von Waldersee and Dr Martin Enderle; the Chairman of the Audit Committee and financial expert on the Audit Committee is Mr Graf von Waldersee. The Remuneration Committee consists of the members Mr Jeffrey Lieberman and Dr Martin Enderle. The members of the Nomination Committee are Mr Lieberman and Dr Enderle.

In financial year 2017, the Audit Committee and the Remuneration Committee each held four meetings. The Nomination Committee did not convene any meetings. The Nomination Committee held no meeting.

Mr Jeffrey Lieberman was prevented from attending one face-to-face meeting and submitted his vote in writing. All other members of the Supervisory Board participated in all face-to-face meetings. All members of the Audit Committee and the Remuneration Committee also attended all meetings of the respective committee.

The subject matters of the meetings and resolutions of the Supervisory Board in plenary session were, in particular, the preparation and realisation of the Company's IPO in the summer of 2017, analysis and discussion of the Management Board's reports concerning the course of business and corporate strategy, preparation and execution of a cash capital increase for the Company in early December by way of an accelerated bookbuilding process, as well as the approval of the budget. Furthermore, there were resolutions in regard to various corporate governance topics, for example the approval of by-laws for the Management Board, the Supervisory Board and the Audit Committee after it was constituted, issuance of the annual Statement of Compliance pursuant to § 161 AktG, the setting of concrete targets for the composition of the Supervisory Board along with the creation of a profile of skills and expertise for the body as a whole and of guidelines for non-audit services by the auditor of Delivery Hero AG.

Certain transactions and measures by the Management Board are subject to prior approval by the Supervisory Board owing to legal requirements or requirements in the Management Board's by-laws. Matters for which the Supervisory Board reserves consent and to which it devoted its attention included the employment contracts of the Management Board members Niklas Östberg and Emmanuel Thomassin, the sale of the shares in Pisces Eservices Private Limited (foodpanda India) to ANI Technologies Private Limited (Ola), India's best-known mobility platform, for a stake in ANI Technologies Private Limited, the acquisition of all shares in Fly & Company Inc., which operates a food delivery platform under the Foodfly brand, and an investment in Rappi Inc., the holding company of a leading on-demand and multi vertical delivery service platform in Latin America.

The **Audit Committee** regularly dealt during the course of the year with the structures and processes in the areas of accounting, the internal control system, internal audit, risk management and the compliance organization and discussed measures with the Management Board to further strengthen these areas. In addition, it dealt in detail with the semi-annual financial reporting for the Company and the Group and the quarterly results for the third quarter of 2017. In addition, a detailed discussion was held with the auditor on the audit planning for the consolidated financial statements and the annual financial statements as well as on the focus of the audit.

The **Remuneration Committee** dealt in particular with the Management Board members' employment contracts, specifically with the setting of their remuneration, and with the introduction of various variable long-term remuneration programs in which, in addition to selected employees, the Management Board members are also included.

In the course of the Supervisory Board's and its committees' deliberations and resolutions, the following **conflicts of interest** have been reported, which were dealt with as follows:

- The member of the Supervisory Board Mr John Green reported a possible conflict of interest in connection with the capital increase against cash contributions in December 2017. Mr Jonathan Green is a partner in an investment firm that holds an interest in Delivery Hero AG through various funds and which took up further shares in connection with the capital increase. Mr Jonathan Green did not take part in the relevant discussions and abstained from the voting.
- The member of the Supervisory Board Mr Patrick Kolek has reported a potential conflict of interest in connection with the sale of the shares in Pisces Eservices Private Limited (foodpanda India) to ANI Technologies Private Limited (Ola) in exchange for an investment in ANI Technologies Private Limited. Mr Patrick Kolek is an employee of a company that holds shares in a competitor of the company which was the subject of the M&A transaction. Mr Patrick Kolek did not participate in the relevant discussions and abstained from voting.
- The member of the Supervisory Board Mr Lukasz Gadowski has reported a possible conflict of interest in connection with the resolution on the early repayment of a loan in June 2017. Mr Lukasz Gadowski is a shareholder of the company that granted the loan. Mr Lukasz Gadowski did not participate in the relevant discussions and abstained from voting.

No other conflicts of interest on the part of Supervisory Board members, which must be promptly disclosed, arose in the financial year 2017.

CORPORATE GOVERNANCE

In its meeting on June 6, 2017 the Supervisory Board discussed various questions relating to corporate governance. It subsequently issued its first Statement of Compliance jointly with the Management Board on December 28, 2017, pursuant to Section 161 AktG, and made it permanently publicly available to the shareholders on the Company's website. With the exceptions explained in the Statement of Compliance, Delivery Hero AG is in compliance with the recommendations of the German Corporate Governance Code in the version of February 7, 2017 and will continue to comply with them in future.

The entire text of the Statement of Compliance, along with further explanations relating to the company's corporate governance, are to be found on the Company's internet page at <http://it.deliveryherom.com/websites/delivery/English/4500/declaration-of-compliance.html>. Further corporate governance-related explanations, likewise with the text of the Statement of Compliance reproduced in full, are contained also in the Corporate Governance Statement and the Group Governance Statement, along with the Corporate Governance Report of the Management Board and Supervisory Board pursuant to §§ 289f, 315d HGB and Section 3.10 DCGK.

AUDIT AND APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

The Management Board submitted to the members of the Audit Committee, the yet unaudited annual financial statements and consolidated financial statements for the financial year 2017, the combined management report of Delivery Hero AG and the Group for the financial year 2017 as well as the non-financial statement for the Group immediately after they were prepared..

KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, audited the Annual Financial Statements of Delivery Hero AG and the Consolidated Financial Statements, along with the Combined Management Report of Delivery Hero AG and the Group for the financial year 2017, and issued an unqualified audit opinion.

In their meeting on April 24, 2018 the members of the Audit Committee discussed in detail, in the auditor's presence, the Annual Financial Statements, the Consolidated Financial Statements, the Combined Management Report of Delivery Hero AG and the Group, the non-financial statement for the Group, and the results of the external audit. The auditor reported on the salient results of his audit. On this basis the Audit Committee proposed that the Supervisory Board approve the financial statements drawn up by the Management Board.

The Supervisory Board approved and took notice of the audit results and the Audit Committee's recommendation. The Supervisory Board then likewise reviewed the 2017 Annual and Consolidated Financial Statements in its meeting on April 24, 2018, along with the joint Management Report of Delivery Hero AG and the Group, and discussed them extensively with the auditor. The auditor reported on the salient results of his audit. The Supervisory Board likewise reviewed the nonfinancial statement for the Group.

The result of the preliminary review by the Audit Committee and the result of the Supervisory Board's own review were entirely consistent with the audit results. There were no objections to be raised after the final results of the Supervisory Board's review. The Supervisory Board therefore approved the Annual Financial Statements and the Consolidated Financial Statements for 2017 on April 25, 2019 via a phone conference and with the participation of the auditor; the 2017 Annual Financial Statements are therefore approved.

PERSONAL INFORMATION

Former Supervisory Board member Mr Kolja Hebenstreit resigned from his office as member of the Supervisory Board of Delivery Hero AG and left the Supervisory Board on June 3, 2017. The Supervisory Board thanks Mr Kolja Hebenstreit for his faithful service and his valuable contribution to the Board's work.

In connection with Mr Kolja Hebenstreit's resignation, the shareholder Naspers Ventures B.V. exercised the right of delegation to which it was entitled at that time under Section 8(1) of the Articles of Association and delegated Mr Patrick Kolek to the Supervisory Board until the end of the General Meeting ratifying the acts of management for the financial year in which the change in form of the former Delivery Hero GmbH into Delivery Hero AG took effect – that being the past, 2017 financial year.

Former Supervisory Board member Mr Lukasz Gadowski likewise resigned from his office as member of the Supervisory Board of Delivery Hero AG by letter of December 15, 2017 and has left the Supervisory Board. The Supervisory Board also thanks Mr Gadowski for his faithful service and his valuable contribution to the Board's work.

On March 20, 2018, the Management Board of Delivery Hero AG submitted an application to the Local Court Charlottenburg for the appointment of Janis Zech as member of the Supervisory Board of Delivery Hero AG by way of a judicial appointment until the end of the next Annual General Meeting. At the time of this report, the Local Court of Charlottenburg has not yet decided on the application.

The Supervisory Board thanks the Management Board and all employees of the Company for their tremendous personal dedication and outstanding accomplishments in financial year 2017. The financial year 2017 was marked by many important milestones and strong growth. These would not have been possible without the commitment, positive attitude, and quality-consciousness of all employees.

Berlin, on April 25, 2018

For the Supervisory Board



Dr Martin Enderle

Chairman of the Supervisory Board of Delivery Hero AG