



Quarterly Statement Q3 2022

Delivery Hero's Platform business reached adjusted EBITDA break-even including Glovo during Q3 2022

- During the third quarter of 2022, Delivery Hero's Gross Merchandise Value (GMV) increased 12% YoY (6% QoQ) to EUR 11.45 billion, of which the GMV of all segments outside of Asia grew over 30% YoY combined, and Total Segment Revenue increased 28% YoY to EUR 2.5 billion
- The Company updates its FY 2022 adjusted EBITDA/GMV margin guidance to -1.4% to -1.5% (previously -1.5% to -1.6%), driven by a higher adjusted EBITDA performance than expected in both its Platform¹ business as well as Integrated Verticals segment in Q3 2022
- FY 2022 GMV and Total Segment Revenue are expected to be at the lower end of the former outlook (previously EUR 44.7 billion to EUR 46.9 billion for GMV and EUR 9.8 billion to EUR 10.4 billion for Total Segment Revenue)
- The profitable markets of the Company's Platform business are on target to reach EUR 1 billion adjusted EBITDA run-rate in Q4 2022
- The Company is committed to reach free cash flow break-even during H2 2023

Berlin, 10 November 2022 – Delivery Hero SE (“Delivery Hero”, the “Company” or “Group”), the world's leading local delivery platform, today published its Q3 2022 results². In the third quarter, the Company achieved a GMV of EUR 11.45 billion (+12% YoY) and generated a Total Segment Revenue of EUR 2.5 billion (+28% YoY), showcasing continued double-digit growth in the face of a volatile macroeconomic environment.

Niklas Östberg, CEO and Co-Founder of Delivery Hero, said: *“We were able to generate healthy GMV growth while maintaining a strong focus on profitability. All segments outside of Asia exceeded*

¹ Platform business corresponds to the four regional segments (Americas, Asia, Europe, MENA) excluding the Integrated Verticals segment.

² Unless specified, all financials include Glovo, as well as Woowa and exclude Delivery Hero Korea on a pro forma basis from Q1 2021 onwards.



expectations and grew more than 30% YoY combined in this past quarter, offsetting the tough comparables for the Asia segment due to a COVID boost in the region back in 2021. More importantly, we accomplished this growth while improving our quarterly adjusted EBITDA with over EUR 200 million since Q4 2021.”

Continuous growth across the globe

Strong GMV development in the MENA (+28% YoY) and Americas (+52% YoY) segments contributed to Delivery Hero’s promising growth trajectory in Q3 2022, while the Integrated Verticals³ segment also played an important role. Notwithstanding the 60 Dmart⁴ net closures during the quarter (1,197 stores in total by the end of Q3 2022 including Glovo and the Mouhalis Group⁵), the Integrated Verticals segment GMV grew 55% YoY in Q3 2022, driven by higher basket values as well as greater customer demand. In addition, the Europe segment saw an acceleration of GMV growth to 27% YoY (13% YoY excluding Glovo). Glovo represents a key factor with a robust GMV increase of 40% YoY in Q3 2022, in spite of the impact on operations in Ukraine (the third largest market for Glovo prior to March 2022).

Advancing on the path towards profitability

In line with former guidance, Delivery Hero’s Platform business reached break-even including Glovo during the third quarter 2022. The profitable markets in the Platform business are expected to achieve an adjusted EBITDA of more than EUR 450 million for H2 2022, EUR 50 million higher than previous guidance as they outperformed in Q3 2022 and are expected to be in line with the plan to reach EUR 250 million adjusted EBITDA in Q4 2022, implying a run-rate of EUR 1 billion. The Company also foresees the entire Platform business increasing its adjusted EBITDA in Q4 2022 to be within the previous guidance of EUR 40 million to EUR 120 million, albeit below the midpoint due to slightly lower GMV growth compared to the initial plan and minor additional investments in two key MENA markets. In terms of the Integrated Verticals segment, Delivery Hero made further improvement on unit economics in Q3 2022 and updated its FY 2022 adjusted EBITDA guidance for the Integrated Verticals segment to between EUR -380 million and EUR -400 million, up from the previous guidance of up to EUR -475 million.

³ The segment Integrated Verticals captures the business where Delivery Hero acts as a principal.

⁴ Delivery Hero-owned small warehouses located in strategically relevant locations for delivery.

⁵ Following the approval of the Hellenic Competition Authority, Delivery Hero successfully acquired certain subsidiaries from Mouhalis Group in Q3 2022 and integrated the operations into efood.



Emmanuel Thomassin, CFO of Delivery Hero, said: *“Our strong execution on profitability levers and cost control in the last quarters has been paying off and led to further improvement of our contribution margin⁶. The fully loaded⁷ contribution margin reached a new record high with positive numbers in all four regional segments. We also made great progress in launching innovative [Advertising Technology](#) across the business, with revenue⁸ increasing around 70% YoY and on path to generate more than EUR 2 billion in FY 2024/2025.”*

Updated outlook for FY 2022 and clear ambition for FY 2023

Delivery Hero updates its FY 2022 guidance and is now expecting the adjusted EBITDA/GMV margin to arrive at -1.4% to -1.5%, improving from the previously given outlook of -1.5% to -1.6%. Furthermore, the updated FY 2022 guidance puts the Company's GMV at the lower end of the former forecast of EUR 44.7 billion to EUR 46.9 billion, and Total Segment Revenue at the lower end of the previously anticipated EUR 9.8 billion to EUR 10.4 billion. Looking ahead, Delivery Hero plans to generate a positive adjusted EBITDA/GMV margin of over 0.5% for FY 2023 and over 1% for H2 2023 on Group level, resulting in up to EUR 1.0 billion adjusted EBITDA uplift compared to FY 2022. The Company is committed to reach free cash flow break-even during H2 2023.

Liquidity and financial position

In Q3 2022, Delivery Hero started deleveraging through a partial buyback of its Convertible Bonds due in January 2024. Between July 2022 and September 2022, the Company repurchased EUR 85 million (approximately 10%) of the originally issued Convertible Bonds due in January 2024 (EUR 875 million) for a cash amount of less than EUR 85 million. In September 2022, Delivery Hero cancelled the repurchased bonds. An additional buyback of up to EUR 80 million (around 10%) of the outstanding Convertible Bonds due in January 2024 (EUR 790 million) was announced earlier today to further improve the Company's capital structure. Delivery Hero's financial position remains solid.

⁶ Contribution margin relates to Platform business and includes the costs of the physical delivery of the order as well as the transmission and support costs of the order (i.e. payment costs, dispatching costs, customer support).

⁷ After vouchers which correspond to marketing initiatives to incentivize the acquisition of new users or the retention of existing users.

⁸ Refers to non-commission based revenues (NCR) which also include other revenues (e.g. subscription), excluding Woowa and Glovo.



Delivery Hero – Key Performance Indicators Q3 2022

(All values include Glovo, as well as Woowa and exclude Delivery Hero Korea on a pro forma basis)

	Q3 2021	Q3 2022
	EUR million	EUR million
GMV Group	10,197.9	11,449.4
%YoY Growth (RC)	-	12.3%
%YoY Growth (CC)	-	7.6%
Asia	6,659.9	6,804.5
MENA	1,763.4	2,260.6
Europe	1,261.2	1,604.7
Americas	513.4	779.6
Integrated Verticals	320.9	496.3
Total Segment Revenues Group	1,952.6	2,498.7
%YoY Growth (RC)	-	28.0%
%YoY Growth (CC)	-	20.3%
Asia	853.7	970.1
MENA	418.5	594.1
Europe	285.4	312.8
Americas	131.9	202.2
Integrated Verticals	301.0	473.3
Intersegment consolidation ¹	(38.0)	(53.8)

Note:

For Group, MENA, Americas and Integrated Verticals, revenues, adjusted EBITDA, Gross Merchandise Value (GMV) as well as the respective growth rates are impacted by the Argentinian, Lebanese and/or Turkish operations qualifying as hyperinflationary economies according to IAS 29.

RC = Reported Currency / CC = Constant Currency.

Glovo financials are on a preliminary basis and subject to potential adjustments.

1. Difference between Total Segment Revenue and the sum of segment revenues is mainly due to intersegment consolidation adjustments for services charged by the Platform businesses to the Integrated Verticals businesses.

ABOUT DELIVERY HERO

Delivery Hero is the world's leading local delivery platform, operating its service in over 70 countries across Asia, Europe, Latin America, the Middle East and Africa. The Company started as a food delivery service in 2011 and today runs its own delivery platform on four continents. Additionally, Delivery Hero is pioneering quick commerce, the next generation of e-commerce, aiming to bring



groceries and household goods to customers in under one hour and often in 20 to 30 minutes. Headquartered in Berlin, Germany, Delivery Hero has been listed on the Frankfurt Stock Exchange since 2017 and is now part of the MDAX stock market index. For more information, please visit www.deliveryhero.com

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