Annual financial statement and combined management report

Delivery Hero SE

As of December 31, 2019

COMBINED **MANAGEMENT REPORT**

COMBINED MANAGEMENT REPORT

A. GROUP PROFILE

01. BUSINESS MODEL

Delivery Hero SE (the “Company”) and its consolidated subsidiaries, together Delivery Hero Group (also “DH”, “DH Group”, “Delivery Hero” or “Group”), provide online and food delivery services in over 40 countries and four geographical segments, comprising Europe, Middle East and North Africa (“MENA”), Asia and Americas.

The Company has been trading as Delivery Hero SE with its registered office in Berlin. Further information on the Group structure and segments can be found in the chapters “Group structure” and “Segments”.

The subsidiaries of the Group operate Internet platforms under various brand names, where users of the platform are referred to restaurants as well as other vendors and provided with on-demand delivery services. The Delivery Hero Internet platforms are aligned to the demands of the local end customers who can choose from a wide range of menu items from restaurants in their neighborhood. Orders can be placed by app or via website and are subsequently paid either in cash or via online payment methods. As an option, Delivery Hero offers its partner restaurants a point of sale system in order for them to immediately view and accept orders made on the platform. Furthermore, Delivery Hero offers products and services for restaurants, such as food packaging, advertising and printing services. In addition to the online food ordering platforms, the Group also offers own delivery services to restaurants without this capability. The own delivery fleet is coordinated using proprietary dispatch software.

Delivery Hero generates a large portion of its revenue from online marketplace services, primarily on the basis of orders placed. The commission fees are based on a contractually specified percentage of the order value. The percentage varies depending on the country, type of restaurant and services provided, such as the use of a point of sale system, last mile delivery and marketing support.

In addition to commissions, Delivery Hero generates revenue from delivery fees and non-commission based revenue in particular premium placements. Premium placement means that, for a fee, restaurants are ranked on top among all the listed restaurants in their relevant delivery area displayed in a specific manner.

In the second half of 2019 Delivery Hero accelerated the rollout of delivery-only stores (“dark stores”). Through our delivery platforms, customers are offered online a broad variety of stock keeping units (SKUs) that are delivered to the customer in less than 15 minutes on average.

Alongside the management of the Group, Delivery Hero SE assumes a range of IT, marketing and other services, in particular commercial and technical consultancy services. In addition, as the holding company, Delivery Hero SE assumes functions such as Group controlling and accounting, public relations, investor relations, risk management and human resources management.

The Delivery Hero Group’s business model is based on the vision of the management team to provide platform users with an amazing on-demand experience. This includes appealing and seamless handling of the order as well as first-class quality of food and a top delivery service.

In order to enhance clarity we mainly limited the disclosures of the combined management report to those required by law. Therefore information on corporate strategy is no longer included in this management report. Information on our corporate strategy is available on our website and within other parts of the annual report.

02. GROUP STRUCTURE

The parent company Delivery Hero SE, with its headquarter in Berlin, was founded in 2011 and has since expanded its presence in local markets worldwide with various brands. Delivery Hero Group comprises 133 companies as of the reporting date (previous year: 126 companies). For further details, refer to Section D.01. of the consolidated financial statements. Delivery Hero SE exercises either direct or indirect control over all subsidiaries.

03. SEGMENTS

The business of Delivery Hero is divided into the following four geographical segments:

— MENA (Middle East and North Africa)
— Asia
— Americas
— Europe

The services and order platforms are suited to local market demand and the respective competitive situation.

The MENA segment includes Turkey, while Canada is part of the Americas segment. In the prior year, the Asia segment included Australia, which was closed in the third quarter 2018.

MENA
In the MENA segment, Delivery Hero is represented in the markets of Bahrain, Dubai, Egypt, Jordan, the Kingdom of Saudi Arabia (KSA), Kuwait, Oman, Qatar and the United Arab Emirates (UAE) with the brands Talabat, Carriage, Hungerstation and Otlob.

Furthermore the MENA segment includes Turkey, the most mature of our food delivery markets in the MENA segment, where the Group is represented with its Yemeksepeti brand. In 2019 in Turkey the brand banabi was established in connection with the rollout of delivery-only stores (dark stores).

In February 2019, the Group acquired the food delivery business of Zomato Media Private Ltd. ("Zomato") in UAE, which has been included in the MENA segment since then.

Asia
The Group has a strong presence in South Korea where the Group operates mainly the brand Yogiyo.

Further Asian markets in which Delivery Hero Group was present with its foodpanda brand during the reporting period comprise various high-growth markets such as Bangladesh, Hong Kong, Malaysia, Pakistan, the Philippines, Singapore, Taiwan and Thailand. The businesses are operating either an own delivery model or mixed models, which provide both own delivery and marketplace services. Further, at the end of 2019 the Group started operations in Laos, Myanmar and Cambodia.

Americas
In the Americas segment, Delivery Hero operates in eleven geographical markets, including Canada, where the Group is represented with the foodora brand.

In Latin America, Delivery Hero operates primarily the brands PedidosYa and Clickdelivery. PedidosYa connects customers and restaurants in Argentina, Bolivia, Chile, Paraguay and Uruguay. Clickdelivery operates in Columbia, Ecuador and Peru. In Panama Delivery Hero is present with the brand Appetito24.

In 2019 the footprint in the Americas segment was enlarged by acquisition of Movil Media S.R.L., Dominican Republic, ("Delivery RD"), the leading online food delivery business in the Dominican Republic operating under the brand "deliveryrd".

Europe
In the Europe segment, Delivery Hero operates with both business models – marketplace as well as own delivery – and is represented in Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, the Czech Republic, Finland, Greece, Hungary, Montenegro, Norway, Romania, Serbia and Sweden with their local brands.

In April 2019, Delivery Hero strategically invested in the Swedish market by acquiring RestaurangOnline Sverige AB and its subsidiary Hungry Delivery AB (together referred to as "Hungrig Group"). In July 2019, AA Foody Cyprus Ltd. ("Foody"), the leading restaurant marketplace for food delivery in Cyprus, operating under the brand name Foody, was acquired.

As of April 1, 2019, the sale of the German food delivery businesses to Takeaway.com N.V., including all three brands (pizza.de, Lieferheld, and foodora) was completed (refer to Section A.02. and D.03.d) of the consolidated financial statements). The German food delivery business is excluded from the segment performance.

04. MANAGEMENT SYSTEM

Delivery Hero SE's Management Board consists of two members. The Management 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, and Internal Audit, as well as Governance, Risk and Compliance. The Supervisory Board advises and supervises the Management Board. The Supervisory Board is involved in transactions of fundamental importance to the Company.

The Management Board steers the Group both at a segment level (i.e., Europe, MENA, Asia and Americas) and group level. The key financial performance indicators monitored are Total Segment Revenues[1] and adjusted EBITDA[2]. While Total Segment Revenue is indicative of the Group´s ability to grow and to provide attractive service offerings to its customers, adjusted EBITDA indicates the Groups ability to become profitable.

Delivery Hero also uses non-financial performance indicators to manage the Group:

- **Orders**[3] is a key performance indicator that drives revenue and growth. In 2019, orders of the segments increased by 80.3 %.
- **Gross Merchandise Value**[4] (GMV) is influenced by the number of orders and has an instant impact on revenues. It is one of the key elements controlled by our management. In 2019, GMV of the segments increased by 66.9 %.

[1] Total Segment Revenue is defined as revenue in accordance with IFRS 15, excluding the effect of vouchers and other discounts. Further, revenues for which the Group acts as a principal are included on a net basis with corresponding cost-of-sales to increase comparability to revenue from transactions where the Group acts as agent.

[2] Performance measure not defined by International Financial Reporting Standards (IFRS). Adjusted EBITDA is defined as earnings from continuing operations before income taxes, financial result, depreciation and amortization and non-operating earnings effects. Non-operating earnings effects comprise, in particular (i) expenses for share-based compensation, (ii) expenses for services in connection with corporate transactions and financing rounds, (iii) expenses for reorganization measures, (iv) expenses for the implementation of information technology and (v) other non-operating expenses and income, especially the result from disposal of tangible and intangible assets, the result from the sale and abandonment of subsidiaries, allowances for other receivables, and non-income taxes. Adjusted EBITDA excludes depreciation from right-of-use assets under IFRS 16 that were included in the prior period as corresponding rent expenses.

	FY 2019	FY 2018	CHANGE IN %
GROUP			
ORDERS (MILLION)	666.0	369.4	80.3
GMV (EUR MILLION)	7,435.5	4,454.4	66.9

05. RESEARCH AND DEVELOPMENT

Our vision of always creating an amazing experience is contingent on constant innovation and technological development in all areas of the customer experience. Consequently, innovation and technology is focusing on the enhancement of the value for the platform users by refining our personalization, recommendation and search algorithms in order to provide more personalized offers, order tracking and visibility, as well as facilitating discovering of new restaurants and dishes and improving the user interface, performance and stability of our apps.

[3] Orders represent orders made by end consumers in the period indicated. Orders for our South Korean click-to-call operations (similar to a restaurant-specific business directory where customers click on a button that will connect them directly with the restaurant via telephone) have been estimated based on the number of phone calls made by users to restaurants through these click-to-call platforms in the relevant period that lasted 25 seconds or longer multiplied by 60 %.

[4] GMV refers to gross merchandise value, which means the total value of orders (including VAT) transmitted to restaurants. GMV for our click-to-call operations (similar to a restaurant-specific business directory where customers click on a button that will connect them directly with the restaurant via telephone) have been estimated based on the estimated number of orders multiplied by the average basket size for the orders placed through our South Korean non-click-to-call online marketplaces during the same period.

Innovation and technology is further aiming to enhance the value of our restaurant partners by improving the forecast of demand and supply, inventory management and enabling faster and better delivery and offering tailored marketing solutions. Further, we are increasingly investing into the development of new payment solutions (e.g., wallet solutions), machine learning, smart catalogue management and data infrastructure. Innovation and technology is additionally focusing on the further automatization of operations, e.g., enhancing processes in customer care, billing and rider onboarding.

The research and development (R&D) activities of Delivery Hero are focusing on the challenges of providing an exceptional on-demand experience today and in the future. These challenges include the processing of millions of orders in near real time without glitches, responsible collection of a staggering amount of data and coping with widely different local requirements across our markets.

The R&D activities continue to concentrate on the development and enhancement of local technology and platforms in order to provide highly localized solutions combined with an approach of innovations by a central support function in:

- Data and analytics
- Logistics, including fleet management and driver/rider scheduling
- Marketing, CRM and campaign automation
- Restaurant order transmission, driver tracking and POS integration
- Consumer experience

In order to provide local solutions but also leveraging from our global platform, we follow a flexible approach with strong and agile regional tech teams in all our segments. The largest team is situated in Berlin.

In 2019, R&D expenses of the Group amounted to about € 65.0 million (previous year: € 42.2 million). This corresponds to 5.1% (previous year: 5.5%) of revenue. Development costs of € 13.0 million were capitalized (previous year: € 5.1 million), this represents 19.9% (previous year: 12.1%) of total development costs of the year. Amortization of capitalized development costs amounted to € 4.1 million (previous year: € 3.1 million). Third-party R&D services are used only to a minor extent.

At the end of the financial year, 1,289 people (previous year: 906 people) were employed in our R&D activities. This represents 5.2% (previous year: 3.6%) of total employees.

B. ECONOMIC REPORT

01. MARKET AND INDUSTRY ENVIRONMENT

Global growth decelerated in 2019, with continued weakness in global trade and investment. However, as of December 31, 2019, global growth was expected to recover to 2.5% in 2020. Moreover, growth was then projected to gradually rise to 2.6% by 2021, predicated on continued benign global financing conditions and a modest recovery in emerging market and developing economies. Risks are firmly on the downside, aside from the possibility of a further escalation of trade tensions[5], particularly that the outbreak of the coronavirus disease will have effects on global growth. Beginning March 2020, concerns that global growth assumptions cannot be maintained were raised. At that time it was analyzed that global growth might be significantly impacted by the worldwide outbreak of the coronavirus (COVID-19) and might drop by 0.5% to 1.5% compared to initial expectations – depending on the intensity of the coronavirus outbreak. However, accelerated outbreaks throughout Europe and North and South America may have a more severe impact on the global economy. Research analysts project a significant contraction of GDP of the US economy and the eurozone in the first and second quarters of 2020 with a potential to rebound in the third and fourth quarters of the year.[6] The global growth prospects for 2020 are contingent on many aspects, including the duration and intensity of the outbreak, the effectiveness of public health measures and supportive macroeconomic measures, and remain highly uncertain.[7]

Below we examine the environment and outlook by region based on the World Bank Global Economic Prospect Report as of December 31, 2019.[8, 9]

MENA

MENA regional growth is projected to rise to 2.4% in 2020, largely driven by a rebound in growth among oil exporters. Growth among oil exporters is anticipated to pick up to 2.0% in 2020, supported by capital investment in the GCC. Among oil importing economies, increasing growth is predicated on policy reform progress and healthy tourism prospects.

Asia

Growth in the East Asia and Pacific region is projected to slow from 5.8% in 2019 to 5.7% in 2020. The year 2019 marked the first time since the 1997–1998 Asian financial crisis that growth in the region dropped below 6%. Outside of China, the region is expected to grow at a moderate 4.9% in 2020, broadly flat compared to 5.1% growth in 2019, before rebounding in 2021 as global trade stabilizes. The outlook for South Asia remains solid, with growth picking up to 5.5% in 2020 and 5.9% in 2021. Domestic demand growth is expected to remain robust with support from monetary and fiscal policy.

Americas

After subdued growth of 0.8% in 2019, reflecting challenging conditions in several of the largest economies, the regional growth is expected to accelerate to 1.8% in 2020, helped by a rebound in fixed investment and private consumption. Argentina is projected to revert to positive growth in 2020 as the effects of financial market pressures fade.

Since Delivery Hero has significant operations in countries outside of the eurozone, a substantial percentage of its sales, earnings and liabilities are denominated in currencies other than the euro. Delivery Hero is therefore exposed to fluctuations in the values of these currencies relative to the euro. In the financial year 2019 Delivery Hero operations in its MENA and Americas segments were adversely impacted by the volatility and devaluation of some currencies, such as the Turkish lira and the Argentinian peso, respectively.

Since Q3 2018, the Americas segment's revenues and growth rates were impacted by the Argentinian operation qualifying as a hyperinflationary economy under IAS 29, starting from the September 1, 2018 (refer to Section B.14.b) of the consolidated financial statements). This assessment has remained applicable in 2019. No other country of operation has qualified as hyperinflationary to date.[10]

[5] www.worldbank.org/en/publication/global-economic-prospects

[6] www.jpmorgan.com/global/research/coronavirus-impact

[7] OECD Interim Economic Assessment Coronavirus: The world economy at risk; March 2, 2020

[8] www.worldbank.org/en/publication/global-economic-prospects

[9] Definitions of segment differ from Delivery Hero segments.

[10] Company information as of December 31, 2019.

Europe
Europe and Central Asia region is expected to grow at 2.6% in 2020, slightly up from 2.0% in 2019, with a tailwind from modest growth in domestic demand offset by a small drag from net exports. In Central Europe, fiscal stimulus and the resulting boost to private consumption will begin to fade in some of the subregion's largest economies next year, while growth is expected to slightly recover in Eastern Europe.

Outside of the aforementioned impact, all segments exhibited positive business developments.

Regarding the foreign exchange rates, within 2019 the euro appreciated versus a basket of currencies with the most appreciation relative to the following three currencies[11]:

- Argentinian peso (ARS) +58.19%
- Turkish lira (TRY) +12.48%
- South Korean won (KRW) +1.68%

Sector development
Delivery Hero boasts a wide geographic footprint with operations across a number of attractive markets in Europe, MENA, Asia and Americas regions. In our view the positive outlook for the online food and on-demand delivery services market is predicated on secular growth trends that will drive compounding growth for decades to come:

- Perpetually increasing online and smartphone penetration
- Development of last mile logistics technology
- Lifestyle, urbanization and socio-demographic trends, such as a higher incidence of single-person households

While Delivery Hero's first phase of disruption was propelled by the transition of orders from over the phone to online, establishing own delivery capabilities allowed Delivery Hero to connect incremental restaurants to our platforms and expand the total addressable market ("TAM") for food delivery by offering a wider selection of restaurants to more customer. By continuously investing in logistics and technology, we are looking for ways to maximize the efficiency of our operations and utilization of our rider network.

The growing consumer demand for on-demand services encouraged us to extend our product offering beyond our core business pillar of food delivery, in order to capture a greater share of consumer wallet. And while food delivery will remain the core of our business model, we see significant upside to cohort quality by investing into additional verticals. As a result, in 2019 we took the strategic decision to accelerate the transition to a third-generation delivery company, which involved the following initiatives:

- Provision of kitchen spaces and expertise, including knowledge on industrialization of kitchens and virtual restaurant concepts
- Successful dark store launch and rollout in the MENA and Asia segment
- Continued rollout of additional verticals such as groceries and other everyday items

02. BUSINESS PERFORMANCE

a) Performance
In 2019 the revenue of the Group increased to € 1,237.6 million (previous year: € 665.1 million). This increase is mainly attributable to strong organic growth across all segments as a result of investments in improved service offering, including the further rollout of own delivery services and targeted investments into customer acquisition. The organic growth is supplemented by the acquisition of the Zomato business in February 2019.

In 2019 orders and GMV grew significantly (+80.3% and +66.9%, respectively) compared to 2018, fully meeting the target of a significant year-on-year increase. Total Segment Revenue amounted to € 1,455.7 million, exceeding the target range of between € 1,080 million and € 1,150 million that was announced in the annual report 2018 and subsequently increased to between € 1,440 million and € 1,480 million.

For 2019 adjusted EBITDA of the segments was negative € 430.9 million and accordingly outside the expected range of between negative € 270 million and negative € 320 million, which was modified throughout 2019 to the lower end of the range of negative € 370 million and negative € 420 million due to accelerated investments into additional verticals.

[11] Calculated from FactSet data on annual end-of-period foreign exchange rates per euro (EUR).

In 2019 the adjusted EBITDA of the MENA segment of € 43.3 million was below the expectation of € 70 million due to higher costs incurred mainly in association with a third-party logistics change at Hungerstation, the integration of Zomato UAE and investments into dark stores and virtual restaurants in MENA.

The Europe segment was expected to break even on an adjusted EBITDA basis during the second half of 2019, which was achieved for the month of December 2019.

b) Acquisitions and investments

Acquisitions during the reporting period comprise the food delivery business of Zomato Media Pvt. Ltd. in the United Arab Emirates ("Zomato UAE") in February 2019 as well as a minority investment in Zomato Holding, India, in the amount of € 43.2 million. Further, Delivery Hero acquired the Hungrig Group in April 2019, Foody in July 2019 and Delivery RD in July 2019, food delivery platforms based in Sweden, Cyprus and Dominican Republic. The total consideration for the acquisitions was € 207.8 million.

In 2019 Delivery Hero participated in a funding round of the Glovo Group and invested a further € 19.1 million, resulting in a total stake of 12.7%. Further minority investments in the total amount of € 5.2 million were carried out in BIO-LUTIONS International AG, Germany, a producer of packaging from agricultural waste, in NOSH services, Cayman Islands, a B2C and B2B virtual cafeteria and food retail company operating in Hong Kong, and in Wisefood GmbH, Germany, a producer of fruit and vegetable-based edible straws.

On December 13, 2019 Delivery Hero SE entered into agreements to acquire approximately 88% of the shares in the South Korean Woowa Brothers Corp. and resolved on a capital increase against a contribution in kind under the exclusion of subscription rights. The closing of the transaction is subject to certain conditions such as financing of the cash consideration and regulatory approvals, including merger control clearance by the Korean Fair Trade Commission, and is expected to occur in the second half of 2020. The consideration will consist of up to approx. € 1.7 billion in cash and up to approx. € 1.9 billion in Delivery Hero new shares. In the context of financing the cash component of the consideration on January 15, 2020 Delivery Hero placed € 1.75 billion convertible bonds and new shares from a cash capital increase with gross proceeds of about € 571 million (refer to section I. of the consolidated financial statements).

c) Discontinued operations and divestments

On April 1, 2019, Delivery Hero closed the sale of its German food delivery operations. The businesses comprising Lieferheld, Pizza.de and foodora were sold to Takeaway.com N.V. ("Takeaway.com") in exchange for cash and an equity stake in Takeaway.com.

The total consideration amounted to (i) 5.7 million ordinary shares in Takeaway.com, (ii) 3.8 million warrants convertible into ordinary shares of Takeaway.com at zero cost and (iii) € 508 million of cash, including the cash position of the transferred entities. Measured at market values, at closing date the consideration amounted to € 1.2 billion.

The warrants were exercised and converted into ordinary shares of Takeaway.com in May 2019. The share component post warrant exercise represented 15.5% of the total issued and outstanding share capital of Takeaway.com at the date of closing.

The gain from this divestment contributed € 930.1 million to the net profit for the full year 2019 of € 230.2 million.

03. NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

a) Financial performance of the Group

Business activities presented as discontinued operations are not subject to the following discussion of net assets, financial position and result of operations (unless otherwise stated).

Consolidated statement of profit or loss and other comprehensive income
The 2019 Group result developed as follows:

CONTINUING OPERATIONS

EUR MILLION	2019	2018	CHANGE EUR MILLION	CHANGE %
REVENUE	1,237.6	665.1	572.5	86.1
COST-OF-SALES	−926.4	−318.0	−608.4	>100
GROSS PROFIT	**311.2**	**347.2**	**−36.0**	**−10.4**
MARKETING EXPENSES	−495.2	−313.9	−181.3	57.8
IT EXPENSES	−94.8	−54.3	−40.5	74.6
GENERAL ADMINISTRATIVE EXPENSES	−373.5	−217.2	−156.3	72.0
OTHER OPERATING INCOME	19.9	10.0	9.8	97.8
OTHER OPERATING EXPENSES	−6.7	−9.2	2.6	−27.6
IMPAIRMENT LOSSES ON TRADE RECEIVABLES AND CONTRACT ASSETS	−8.8	−4.3	−4.5	>100
OPERATING RESULT	**−648.0**	**−241.7**	**−406.3**	**>100**
NET INTEREST COST	−9.4	2.8	−12.2	>100
OTHER FINANCIAL RESULT	93.7	18.8	74.9	>100
SHARE OF THE PROFIT OR LOSS OF ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD	−99.7	−38.6	−61.1	>100
EARNINGS BEFORE INCOME TAXES	**−663.4**	**−258.8**	**−404.6**	**>100**

The 2019 segment performance excludes the operations of the German businesses that were sold in 2019.

Adjusted EBITDA of the segments reconciles to earnings before income taxes as follows:

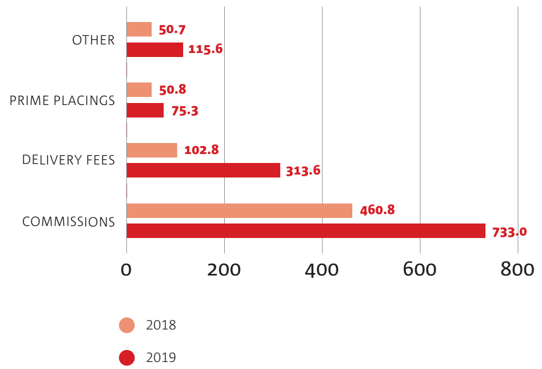
CONTINUING OPERATIONS

EUR MILLION	2019	ADJUSTED 2018	CHANGE EUR MILLION	CHANGE %
ADJUSTED EBITDA OF THE SEGMENTS	**−430.9**	**−100.2**	**−330.7**	**>100**
CONSOLIDATION ADJUSTMENTS	−6.3	−12.3	6.0	−48.7
ITEMS EXCLUDED FROM SEGMENT PERFORMANCE	−22.0	−20.0	−2.0	10.0
MANAGEMENT ADJUSTMENTS	−49.0	−44.1	−4.9	11.1
EXPENSES FOR SHARE-BASED COMPENSATION	−44.8	−17.2	−27.6	>100
OTHER RECONCILIATION ITEMS	2.3	−0.2	2.5	>100
AMORTIZATION AND DEPRECIATION	−97.2	−47.7	−49.5	>100
NET INTEREST AND OTHER FINANCIAL RESULT	−15.5	−17.1	1.6	−9.3
EARNINGS BEFORE INCOME TAXES	**−663.4**	**−258.8**	**−404.6**	**>100**

Development of revenue
The Delivery Hero Group increased its revenue in 2019 to € 1,237.6 million (previous year: € 665.1 million). The revenue increase was mainly driven by high organic revenue growth, especially in MENA and Asia, resulting from continuing investments in our service offering, customer experience, and the expansion of the Group's own delivery services, as well as the accelerated rollout of dark stores.

Rebates and voucher expenses increased from € 41.0 million in 2018 to € 225.3 million in 2019, mainly in the Asia segment as part of additional marketing investments.

GROUP REVENUE BY TYPE[1]
EUR MILLION



[1] DISCOUNTS DEDUCTED FROM COMMISSION REVENUE.

Commissions revenues increased to € 733.0 million (previous year: € 460.8 million) representing 59.2 % (previous year: 69.3 %) of total revenue and remaining the largest component of revenue, while the share of revenue from delivery fees charged to the customer increased significantly from 15.4 % (€ 102.8 million) in 2018 to 25.3 % (€ 313.6 million) in 2019.

Development of adjusted EBITDA

Delivery expenses (€ 777.0 million, previous year: € 258.3 million) represent 83.9 % (previous year: 81.2 %) of cost-of-sales in 2019. The continuous expansion of the delivery business, additionally pronounced by the ramp up of dark stores in the second half of 2019, resulted in a disproportional increase of cost-of-sales (191.3 %) compared to the increase of revenue year on year. Delivery expenses comprise own delivery personnel expenses (€ 144.8 million, previous year: € 95.7 million) and external riders and other operating delivery expenses (€ 632.1 million, previous year: € 162.6 million). In addition, fees for payment services increased by € 32.0 million due to a higher transaction number as well as an increase in the online payment share.

Gross profit margin in 2019 was 25.1 % (previous year: 52.2 %). The decline is mainly attributed to the higher delivery expenses as described above.

Marketing expenses increased by € 181.3 million year on year to € 495.2 million due to higher investments particularly in the Asia segment. They mainly include expenses for customer acquisition of € 239.3 million (previous year: € 148.6 million) and expenses relating to restaurant acquisitions of € 150.4 million (previous year: € 91.7 million). This increase reflects the increased competition in certain markets, the extension of the Group's restaurant portfolio as well as the rollout of supplementary service offerings, e.g., dark stores.

IT expenses increased by € 40.5 million to € 94.8 million. They mainly comprise personnel expenses. Most of our IT expenses is attributable to research and development activities, predominantly for the refinement of our local platforms to enhance the value for our partner restaurants and to further improve the customer experience (2019: about € 65.0 million; previous year: € 36.2 million).

General administrative expenses amount to € 373.5 million in 2019 (previous year: € 217.2 million). They include depreciation expenses of € 27.0 million (previous year: n/a) for right-of-use assets that were recognized upon transition to IFRS 16 as of January 1, 2019. Consequently, lease expenses decreased by € 9.1 million to € 6.6 million in 2019 reflecting short-term and low value leases. Expenses for share-based compensation increased to € 44.8 million (previous year: € 17.2 million) and other personnel-related general administrative expenses increased to € 128.6 million (previous year: € 96.8 million) in 2019. This is primarily driven by an increase in administrative headcounts. Consulting expenses increased to € 48.3 million (previous year: € 22.6 million) mainly due to services related to the preparation and execution of M&A transactions.

Other operating income of € 19.9 million (previous year: € 10.0 million) includes primarily gains from a settlement of warranty claims related to the acquisition of the foodpanda group in 2016 of € 9.3 million as well as gains from the recharge of costs to Takeaway of € 7.3 million.

Other operating expenses amount to € 6.7 million in 2019 (previous year: € 9.2 million) and include primarily goodwill and asset impairments of € 1.9 million (previous year: € 4.3 million) and losses from the wind ups and liquidations of subsidiaries in 2019 of € 2.0 million (previous year: € 3.8 million).

The impairment losses on trade receivables and other assets increased to € 8.8 million (2018: € 4.3 million) due to an increase of rider receivables in the context of implementing new payment opportunities for orderers in 2019.

Development of adjusted EBITDA of the segments

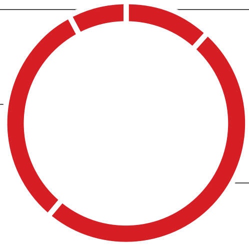
In 2019, the negative adjusted EBITDA of the Segments increased to negative € 430.9 million (previous year: negative € 100.2 million). The raise of the negative adjusted EBITDA margin to 34.8 % (previous year: negative 15.1 %) is mainly driven by higher cost-of-sales as a result of the continued expansion of own delivery services in many markets, including the rollout of further on-demand items (groceries, flowers, etc.) and an accelerated rollout of dark stores in the second half of 2019.

b) Business development by segment

The key financial performance indicators for managing the Group on segment level are Total Segment Revenues and adjusted EBITDA of the Segments.

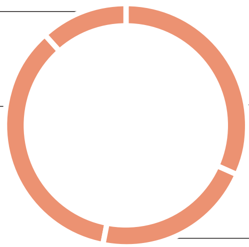
SEGMENT REVENUE 2019

EUR MILLION



SEGMENT REVENUE 2018 ADJUSTED

EUR MILLION



The performance of our segments is summarized based on these main KPIs below:

REVENUE

			CHANGE	
EUR MILLION	**2019**	ADJUSTED 2018	EUR MILLION	%
MENA	*716.6*	*316.4*	*400.2*	*>100*
ASIA	*455.5*	*192.5*	*263.0*	*>100*
EUROPE	*173.2*	*115.9*	*57.3*	*49.4*
AMERICAS	*110.4*	*62.1*	*48.3*	*77.8*
TOTAL SEGMENT REVENUE	**1,455.7**	**686.9**	**768.8**	**>100**
DISCOUNT	*−225.3*	*−41.0*	*−184.3*	*>100*
OTHER RECONCILING ITEMS	*7.2*[1]	*19.2*[2]	*−12.0*	*−62.5*
GROUP REVENUE	**1,237.6**	**665.1**	**572.5**	**86.1**

[1] *FOR SEGMENT REPORTING PURPOSES REVENUES FROM OTHER ON-DEMAND ITEMS WHERE DELIVERY HERO ACTS AS PRINCIPAL ARE PRESENTED NET OF MERCHANDISE VALUE (GROSS PROFIT PRESENTATION).*

[2] *RECONCILIATION EFFECTS IN 2018 INCLUDE GROSS REVENUE (BEFORE VOUCHER DEDUCTION) OF OPERATIONS ABANDONED OR SOLD DURING THE REPORTING PERIOD THAT ARE NOT IN THE SCOPE OF IFRS 5. IN 2018 THESE DIVESTMENTS INCLUDED AUSTRALIA, FRANCE, ITALY AND NETHERLANDS.*

ADJUSTED EBITDA

			CHANGE	
EUR MILLION	**2019**	ADJUSTED 2018	EUR MILLION	%
MENA	*43.3*	*18.1*	*25.2*	*>100*
ASIA	*−312.2*	*−51.9*	*−260.3*	*>100*
EUROPE	*−19.0*	*−15.4*	*−3.6*	*23.4*
AMERICAS	*−143.0*	*−50.9*	*−92.1*	*>100*
ADJUSTED EBITDA OF THE SEGMENTS	**−430.9**	**−100.2**	**−330.7**	**>100**
CONSOLIDATION ADJUSTMENTS	*−6.3*	*−12.3*	*6.0*	*−48.7*
ITEMS EXCLUDED FROM SEGMENT PERFORMANCE	*−22.0*	*−20.0*	*−2.0*	*10.0*
MANAGEMENT ADJUSTMENTS	*−49.0*	*−44.1*	*−4.9*	*11.1*
EXPENSES FOR SHARE-BASED COMPENSATION	*−44.8*	*−17.2*	*−27.6*	*>100*
OTHER RECONCILIATION ITEMS	*2.3*	*−0.2*	*2.5*	*>100*
AMORTIZATION AND DEPRECIATION	*−97.2*	*−47.7*	*−49.5*	*>100*
FINANCIAL RESULT	*−15.5*	*−17.1*	*1.6*	*−9.3*
EARNINGS BEFORE INCOME TAXES	**−663.4**	**−258.8**	**−404.6**	**>100**

Consolidation adjustments substantially relate to the elimination of transactions with discontinued operations.

Items excluded from segment performance of € 22.0 million in 2019 relate to expenses for operations, which were divested in 2018 (previous year € 20.0 million). Management adjustments include (i) expenses for services related to corporate transactions of € 34.8 million (previous year: € 40.1 million), thereof € 13.3 million expenses recognized for earn-out liabilities in connection with acquisitions of current and previous years (previous year: € 30.1 million) and (ii) expenses for corporate restructuring of € 14.3 million (previous year: € 3.9 million), which include in 2019 expenses for legal consulting in connection with the reorganization of the management structure of Hungerstation.

Other reconciling items include non-operating income and expenses. In 2019, this item included in particular gains from the settlement of warranty claims related to the acquisition of the foodpanda group in 2016 of € 9.3 million, losses on the disposal or discontinuation of business activities of € 2.0 million (previous year: gain of € 4.4 million) as well as non-income-tax expenses of € 4.3 million (previous year: € 5.5 million).

NUMBER OF ORDERS

MILLION	2019	ADJUSTED 2018	CHANGE MILLION	CHANGE %
MENA	298.6	190.6	108.0	56.7
ASIA	227.0	82.6	144.4	>100
EUROPE	85.0	60.3	24.7	41.1
AMERICAS	55.4	36.0	19.4	53.9
TOTAL	**666.0**	**369.5**	**296.5**	**80.3**

GMV

EUR MILLION	2019	ADJUSTED 2018	CHANGE EUR MILLION	CHANGE %
MENA	3,476.8	2,099.9	1,376.9	65.6
ASIA	2,357.5	1,213.7	1,143.8	94.2
EUROPE	1,047.5	734.6	312.9	42.6
AMERICAS	553.6	406.3	147.3	36.3
TOTAL	**7,435.4**	**4,454.5**	**2,980.9**	**66.9**

MENA

In 2019, the MENA segment continued to grow strongly in revenue by 126.5 % to € 716.6 million (previous year: € 316.4 million) and in orders by 56.7 % to 298.6 million (previous year: 190.6 million). The strong organic growth is primarily driven by the further rollout of own delivery services. The revenues from own delivery services increased by 222.3 % from € 147.7 million in 2018 to € 476.1 million in 2019. The acquisition of the Zomato UAE business on February 28, 2019 further contributed to the growth. The appreciation of the euro against the Turkish lira softened the increase in segment revenue.

The adjusted EBITDA in the MENA segment increased from € 18.1 million in 2018 to € 43.3 million in 2019. The growth in adjusted EBITDA of the region was in particular softened by investments into dark stores and virtual restaurants in 2019. The adjusted EBITDA was further affected by costs related to the restructuring of the fleet management of Hungerstation and the integration of Zomato UAE. The adjusted EBITDA margin slightly improved to 6.0 % in 2019 (previous year: 5.8 %).

Asia

During the year 2019, the Asia segment has shown a strong growth, with an increase in segment revenue by 136.6 % to € 455.5 million (previous year: € 192.5 million). Orders grew even stronger by 174.8 % to 227.0 million (previous year: 82.6 million). Positive revenue and order development are driven by investments in affordability, restaurant coverage and an improved service offering, including the launch of new payment and product solutions “Panda Pay” and “Pandamart” in 2019, as well as the expansion to new cities and areas.

The negative adjusted EBITDA increased to negative € 312.2 million (previous year: negative € 51.9 million) mainly as a result from the investments in own delivery services and marketing mentioned above. Consequentially, the adjusted EBITDA margin deteriorated to negative 68.5 % (previous year: negative 27.0 %).

Americas

In 2019, revenue in the Americas segment increased by 77.8 % to € 110.4 million (previous year: € 62.1 million) and the number of orders grew by 53.9 % to 55.4 million (previous year: 36.0 million). The growth in revenue is further positively affected by the continuous rollout of delivery services including the expansion of delivery services to further on-demand items. Revenue was further affected by partially compensatory effects from inflation and the appreciation of the euro, in particular in relation to the Argentinian peso.

Adjusted EBITDA increased by 181.0 % to negative € 143.0 million in 2019 (previous year: negative € 50.9 million), representing particularly the higher investments in own delivery services, including new verticals as well as customer acquisition and retention activities in a highly competitive market.

Europe

The revenue of the Europe segment increased by 49.4 % to € 173.2 million mainly driven by a higher number of orders (85.0 million, plus 41.1 %). The strong organic growth was thereby accompanied by strategic acquisitions in Sweden and Cyprus in 2019.

The negative adjusted EBITDA increased from € 15.4 million to € 19.0 million resulting in an adjusted EBITDA margin of negative 10.9 % (previous year: negative 13.2 %). The increase of the negative adjusted EBITDA results mainly from continued investments in own delivery services and marketing.

c) Financial position

The Delivery Hero Group treasury function manages the liquidity requirements for Delivery Hero SE and its consolidated subsidiaries. The primary goal of financial management is the timely provision of liquidity to the Group's subsidiaries, meeting the Group's payment obligation in due course and efficiently consigning excess funds to banks. Financial management is based on twelve months' cash forecast for the Group and a detailed monthly liquidity plan for the operating entities of the Group. The cash inflow from the disposal of assets and capital increases are administrated by Delivery Hero SE. They will be allocated in accordance with the business plan to subsidiaries and provided for strategic measures as needed. During the reporting period, the Group was able to meet its payment obligations at any time.

The condensed statement of cash flows of the Group is as follows:

EUR MILLION	2019	2018
CASH AND CASH EQUIVALENTS AS OF JAN. 1[1]	439.8	640.9
CASH FLOWS FROM OPERATING ACTIVITIES	−364.8	−164.6
CASH FLOWS FROM INVESTING ACTIVITIES	627.3	−37.1
CASH FLOWS FROM FINANCING ACTIVITIES	−0.1	10.6
EFFECT OF EXCHANGE RATE MOVEMENTS ON CASH AND CASH EQUIVALENTS	−2.8	−10.1
NET CHANGE IN CASH AND CASH EQUIVALENTS	262.4	−191.1
CASH AND CASH EQUIVALENTS AS OF DEC. 31[1]	**699.4**	**439.8**

[1] *CASH INCLUDED IN A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE DECEMBER 31, 2019: NIL (DECEMBER 31, 2018: € 75.7 MILLION).*

In 2019 cash flow from operating activities (continued and discontinued operations) was negative at € 364.8 million, due to the emphasis on growth resulting in many group entities not having reached profitability yet. The negative cash flow from operating activities was overcompensated by the positive cash flow from investing activities.

The investing activities in 2019 are characterized by the net cash inflow from the divestment of the German operations of € 487.5 million, as well as cash inflows of € 226.5 million in connection with the sale of shares in Takeaway.com and a cash inflow of € 208.0 million in connection with a multi-year collar-loan agreement with respect to 3.2 million shares in Takeaway.com. Cash outflows of € 133.2 million (net of cash) relate to the acquisitions of Zomato UAE, Hungrig Group, Foody, Delivery RD and the additional investment in Glovo. The cash flow from investing activities in 2018 reflected mainly the cash inflow from the consideration for the divestment of hungryhouse group (€ 233.5 million) in January 2018 and the cash outflow from the investment in a minority stake of Rappi Inc. (€ 138.1 million).

Cash flow from financing activities in 2019 consists of cash inflows of € 27.6 million (2018: € 12.2 million) resulting from capital increases in connection with the exercise of equity-settled stock options. In 2019 cash flow from financing activities include cash outflows of € 28.2 million from repayment of lease liabilities following the first time application of IFRS 16. In 2018 cash outflows from operating leases were reflected in cash flow from operating activities. The cash flow from financing further includes the inflow from the bridge financing for the acquisition of the Zomato business and corresponding repayment with proceeds from the divestment of the German operations (see cash flow from investing activities).

Cash and cash equivalents were not subject to any significant restrictions as of the reporting date.

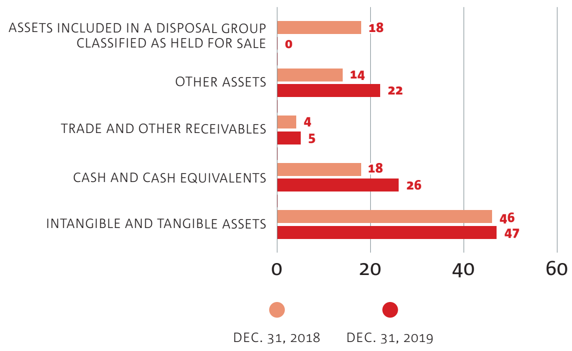
d) Net assets

The Group’s balance sheet is structured as follows:

EUR MILLION	DEC. 31, 2019	%	DEC. 31, 2018	%	CHANGE
NON-CURRENT ASSETS	1,723.0	64.5	1,129.2	56.3	593.8
CURRENT ASSETS	949.7	35.5	875.8	43.7	73.9
TOTAL ASSETS	**2,672.7**	**100.0**	**2,005.0**	**100.0**	**667.8**

EUR MILLION	DEC. 31, 2019	%	DEC. 31, 2018	%	CHANGE
EQUITY	1,869.5	69.9	1,615.0	80.6	254.5
NON-CURRENT LIABILITIES	185.4	6.9	62.6	3.1	122.8
CURRENT LIABILITIES	617.9	23.1	327.4	16.3	290.5
TOTAL LIABILITIES AND EQUITY	**2,672.7**	**100.0**	**2,005.0**	**100.0**	**667.7**

STRUCTURE OF STATEMENT OF FINANCIAL POSITION
(IN % OF TOTAL ASSETS)

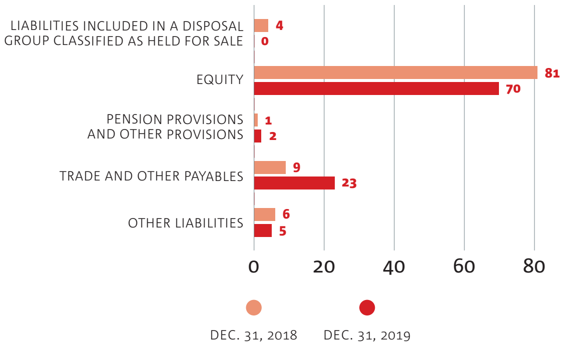


The Group’s total assets as of December 31, 2019 increased by 33.3 % compared to the previous year.

Non-current assets remain the largest portion of the balance sheet with 64.5 % as of December 31, 2019 (previous year: 56.3 %). They mainly comprise intangible assets of € 1,046.7 million (previous year: € 878.0 million), thereof goodwill € 766.6 million (previous year: € 570.4 million), trademarks € 161.3 million (previous year: € 187.7 million) and the customer base € 83.9 million (previous year: € 86.2 million). Intangible assets increased by € 168.7 million mainly due to additions in goodwill in connection with the acquisition of Zomato UAE and Hungrig Group in 2019. Investments account for 21.8 % (€ 379.1 million) of the non-current assets and mainly relate to shares in Takeaway.com. Right-of-use assets that were recognized in accordance with IFRS 16 contributed € 115.0 million to the higher non-current assets. The increase was partly offset by currency effects in connection with the appreciation of the euro to some currencies like the Turkish lira and Argentinian peso.

The increase in current assets in 2019 is mainly due to an increase of € 335.3 million in cash and cash equivalents. Further the organic growth of the Group in 2019 led to higher trade and other receivables, which increased by 51.9 % to € 129.3 million. Contrary, assets included in a disposal group classified as held for sale decreased by € 366.8 million due to the divestment of the German business in April 2019.

STRUCTURE OF STATEMENT OF FINANCIAL POSITION
(IN % OF LIABILITIES AND EQUITY)



In 2019 the Group's equity increased by 15.7 % due to the net profit of € 230.2 million. Capital increases from the authorized capital in connection with the exercise of equity-settled stock options raised equity by € 27.5 million. Further services received under equity-settled share-based payment arrangements increased equity by € 32.7 million. Contrary currency translation losses reflected in other comprehensive income reduced equity by € 27.7 million.

As of the reporting date, non-current liabilities increased significantly by 196.4% compared to the previous year. They were impacted by the recognition of long-term lease liabilities of € 89.7 million, in accordance with IFRS 16. Further, non-current liabilities as of December 31, 2019 include earn-out liabilities and deferred compensation from acquisitions of € 36.4 million primarily from the Zomato UAE acquisition.

The increase of current liabilities resulted mainly from the Group's organic growth during the reporting period leading to higher restaurant liabilities (increase of € 109.0 million) and from the recognition of short-term lease liabilities of € 29.7 million as of December 31, 2019, in accordance with IFRS 16. Contrary, liabilities included in a disposal group classified as held for sale decreased by € 74.8 million due to the divestment of the German business in April 2019.

e) Overall assessment

The Management Board assesses the financial position, financial performance and earnings situation as positive. Beginning in 2019, Delivery Hero implemented a comprehensive investment program that was further extended in the second half of 2019. The program was targeted at strengthening the Group's customer offering through significantly expanding restaurant coverage, enhanced technology and product innovation, as well as an improved service offering through additional verticals. Total Segment Revenue of € 1,455.7 million exceeded expectations in 2019. The positive impact on accelerated order growth and revenue 2019 resulted in adjusted EBITDA of the segments of negative € 430.9 million (2018: negative € 100.2 million), which is slightly higher than the targeted adjusted EBITDA range. However, the additional revenue growths and the enhanced service offering, we believe, outweighs the higher than expected costs.

04. EMPLOYEES

The average number of employees within our continued operations increased from 16,627 in 2018 to 22,515 in 2019. This change occurred primarily in the areas of delivery, sales, product development and business administration. As of December 31, 2019, Delivery Hero employed 24,617 staff (previous year: 20,608).

C. RISK AND OPPORTUNITY REPORT

01. RISK POLICY PRINCIPLES AND RISK STRATEGY

The constant monitoring, assessment and weighing of known and emerging risks is a fundamental principle of Delivery Hero and the responsibility of the Group's risk management. The aim of risk management is to develop a strategy and to set objectives that ensure an optimal balance between the growth of business, on the one hand, and the mitigation of associated risks, on the other hand, thereby systematically and sustainably fostering the Group's shareholder value.

A risk is considered as a threat of an event, action or non-action occurring that could adversely affect Delivery Hero's ability to achieve its business objectives or implement its strategy. When identifying risks, both negative impacts and lost opportunities are considered equally.

The Group's formalized risk management system (RMS) focuses solely on managing risks, whereas the consideration of opportunities is not part of this formalized system. Possible opportunities arising in business activities are described in Section C.06. Opportunity report.

a) Risk policy principles

Our Enterprise Risk Management ("ERM") is based on the following principles:

- Conscious acceptance of economically viable risks is an essential part of any business activity.
- The goal of ERM is not to avoid risks but to ensure risk transparency through a systematic ERM process. Thereby, risks can be accepted if they are known, assessed, managed and monitored. Further, in consideration of cost-benefit aspects, an accepted risk should correlate with a potential higher return and added value for the Group.
- ERM is an integral part of Delivery Hero's business processes and relates to all business activities within the Group.
- The Management Board, the global and local ERM functions and local management teams are responsible for enhancing risk culture and risk awareness. Delivery Hero stands for a strong tone from the top with regards to ERM and all other Governance, Risk and Compliance matters ("GRC") in general. Accordingly, over the past years Group management strengthened the GRC and Internal Audit function by adding relevant expertise, embedding local risk management policies in subsidiaries supported by central subject matter experts.
- The ERM ensures a uniform risk understanding throughout the Group by setting definitions, rules and procedures and by documenting them in the ERM manual.
- Every employee within the Group has the responsibility to proactively participate in and support the ERM.
- The ERM enables risk awareness in business decisions.

b) Risk strategy

The main goal of Delivery Hero's risk strategy is not necessarily to avoid all present and future risks, but to assess risk with regards to costs and benefits from running the risk as well as to preserve risk transparency. As we conduct an innovative and growing business with relatively high inherent risks that rewards with potential future returns, we are willing to accept risks and even seeking certain risks to achieve our goals within the defined and pursued strategy (risk appetite).

Materiality thresholds

Risk-related materiality thresholds are derived from our risk appetite. Based on the continuing growth focus of the Group, the key metric used as a reference for the definition of the materiality thresholds is revenue.

Delivery Hero distinguishes between two types of materiality thresholds:

- Reporting thresholds for the identification and assessment of risks: if exceeded, the risks have to be included in the Group's enterprise risk assessment and our regular reporting process. The reporting threshold, considered to have an insignificant financial impact, is defined as follows: Group revenue x 1% x 0.5 (€ 6.2 million).

— Materiality limits/escalation criteria for ad-hoc reporting: if exceeded during the monitoring phase, risks have to be immediately reported to the risk manager, the Management Board or the Supervisory Board, depending on the risk level (low, medium, high). The materiality limit/escalation criteria for ad-hoc reporting, corresponding to a medium financial impact, is defined as follows: Group revenue x 2.5% (> € 30.9 million).

Local entities apply the same formulas with local revenue input for determining risks to be reported to the GRC function.

02. GROUP-WIDE RISK MANAGEMENT SYSTEM ("RMS")

The key objectives of Delivery Hero's RMS are to manage and streamline the group-wide risk management process, to control all risk management-related activities and to ensure a comprehensive view on all significant risks of the Group. The RMS identifies, assesses, treats, monitors and reports risks.

Delivery Hero's RMS considers the key elements in accordance with Section 315 (2), No. 1a HGB and the internationally recognized COSO framework of the Committee of Sponsoring Organizations of the Treadway Commission.

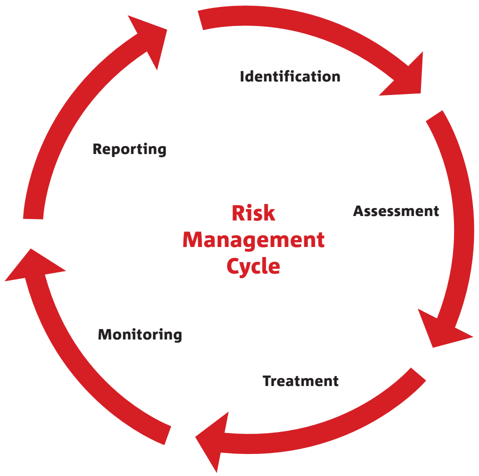
It consists of the pillars risk identification, risk assessment, risk treatment, risk monitoring and risk reporting. This includes the risk management process and its instruments as well as all underlying principles and guidelines. The RMS is closely aligned with the determination of the Group's strategy and its business objectives, including safeguarding of the Group's assets and the value chain. The RMS deals with all significant risks, not only with risks that could jeopardize the existence of the Group.

a) Risk identification

Risks are identified by all employees of Delivery Hero, including our nominated risk owners throughout the different departments of the Group and by the Global Risk Manager or local risk managers on the basis of data analyses, process reviews, interviews and actual events.

b) Risk assessment

After identification, the risk owners, supported by local risk managers, assess their individual risks based on the evaluation criteria described as following. Those criteria are applicable to all subsidiaries of Delivery Hero to ensure that all risks are assessed uniformly in order to ensure comparability.



Identification
Risks are identified and listed through data research, interviews, review of processes and follow-up incidents.

Assessment
Identified risks are assessed according to their likelihood and impacts, which determines the risk rating.

Treatment
Assessed risks are treated according to one of the selected risk responses: avoid, reduce/mitigate, transfer or accept.

Monitoring
All identified risks and the related response strategies are closely and regularly monitored. Key Risk Indicators are the main tools used for monitoring.

Reporting
Monitored risks are periodically reported to management.

Risks are assessed with respect to two dimensions:

- **Impact** is the extent to which the risk, if realized, would affect Delivery Hero and its objectives.
- **Likelihood** is defined as the probability of a risk occurring over a predefined period.

The combination of likelihood of occurrence and impact results in the risk assessment.

Identified risks in the red area of the matrix require immediate action from management with high priority or need to be monitored closely. Risks in the amber area are categorized as medium risks, which require mid-term action and/or regular monitoring. Risks in the green area are not excluded from actions but have a lower priority.

For assessing the potential impact of a risk, different perspectives are considered. Risks can be evaluated either from a quantitative (financial) perspective and/or from qualitative perspectives such as business objectives, brand image, operations, health, legal and environment.

The impact scale ranges from insignificant (score of one) to critical (score of five):

I. Insignificant: The risk does not affect the daily performance/insignificant financial losses/no injuries

II. Low: Minimal impairment of daily business/first aid for injuries required/situation immediately under control/low financial losses

III. Medium: Medium interruptions of daily business/medical care needed in case of injuries/medium financial losses/damage is limited by external assistance

IV. High: Temporary loss of business functionality and capacity, major violation/damage to reputation, but without long-term and subsequent effects or large financial losses

V. Critical: Massive financial losses/bankruptcies/death, reputational damage or damage of the relationship with the stakeholders.

The financial impact is usually the primary scale for the impact assessment.

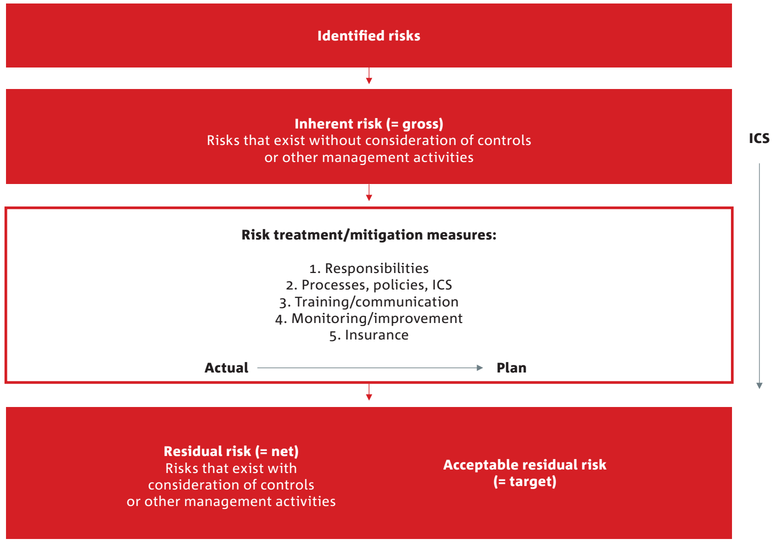
RISK MATRIX AND FINANCIAL IMPACT SCALE OF DELIVERY HERO

Impact \ Likelihood	(1–20%)	(>20–40%)	(>40–60%)	(>60–80%)	(>80%)
Critical (€ >123.8 million)	Medium	Medium	High	High	High
High (€ 61.9–123.8 million)	Medium	Medium	Medium	High	High
Medium (€ 30.9–61.9 million)	Low	Medium	Medium	Medium	High
Low (€ 6.2–30.9 million)	Low	Low	Medium	Medium	Medium
Insignificant (€ <6.2 million)	Low	Low	Low	Medium	Medium

Gross versus net risk
In a first step, we evaluate a risk without considering the effect of the risk treatment strategy and the risk mitigation measures (the gross risk). In the second step, we then define the remaining net risk, taking into account the risk treatment as well as the implementation of any risk mitigation measures.

The chart below presents the differences between gross and net risk.

DIFFERENCES BETWEEN GROSS AND NET RISK



c) Risk treatment
The treatment of risks encompasses actions or strategies to manage identified and assessed risks. One of the five following options needs to be chosen by the risk owner in alignment with management:

I. Risk avoidance: Risk can be avoided by stopping a certain activity that is posing the risk

II. Risk reduction/mitigation: Risk can be reduced by taking necessary measures

III. Risk transfer: The risk can be transferred to a third party, insurance or consulting company

IV. Risk acceptance: Taking no action can be favored considering a cost-benefit analysis

V. Risk diversification: e.g., spreading risk through serving of multiple markets

d) Risk monitoring
Risk monitoring refers to the continuous follow-up of identified, assessed and treated risks with the respective risk controller and/or local risk and compliance manager with the purpose of evaluating the latest likelihoods and impacts as well as to monitor and re-evaluate the defined actions and the progress of implementation. Continuous risk monitoring is a collective responsibility between the Global Risk Manager, local risk managers, as well as with the respective risk owners. Continued risk monitoring is carried on a regular basis.

e) Risk reporting
We have established the following reporting structure for the key risks identified:

I. Quarterly Risk & Compliance Committee Meeting

II. Regular updates to the Audit Committee

III. On-demand updates to the Supervisory Board

IV. Ad-hoc updates for critical risks to the Management Board and/or Supervisory Board

03. SYSTEM OF INTERNAL FINANCIAL REPORTING CONTROLS

Delivery Hero has implemented a detailed system of internal financial reporting controls. This system aims to identify, evaluate and control all risks that could have a significant impact on the proper preparation of the consolidated financial statements in compliance with the relevant accounting standards and applicable laws. As a key component of the accounting and reporting process, the system of internal financial reporting controls comprises preventive, monitoring and investigative control measures in accounting and operational functions, which ensure a methodical and consistent process for preparing the financial statements. The control system is based on the various Group processes that have a significant impact on financial reporting.

These processes and the relevant risk for the financial reporting are analyzed and documented. A control matrix contains all controls, including a description of the control, type of control and the frequency with which it is carried out. We have implemented standardized monthly reporting and review procedures for subsidiary financial statements. These are subject to a multi-level monthly review process on a regional and Group level to ensure consistency and correctness across the Group.

Our global accounting manual provides detailed accounting instructions for all key components of the financial statements to the Group's finance teams. The identification of risks for the consolidated financial statements further involves the observations of the Group's internal audit function, the results of statutory audits and the risk assessment of the Group accounting function. Based on the assessment of complexity and the involvement of judgment within the application of accounting policies, the accounting for selected complex reporting topics, e.g., business combinations and share-based compensation arrangements, is centrally administered to comply with the Group's reporting requirements. Risks are further mitigated by the cross-functional exchange among central functions, in particular between Legal, Strategy, Group Accounting and Group Controlling. Identified risks are continuously monitored and reassessed. Based on this assessment and in accordance with the requirements of the respective International Financial Reporting Standards, the risks are reflected and disclosed in the Group's consolidated financial statements. The system of internal controls is subject to regular reviews by the GRC department and/or risk-based assessments performed by internal audit.

04. INTERNAL AUDIT SYSTEM

Independence is the cornerstone of Delivery Hero's internal audit function. Internal Audit provides independent and objective assurance to the Management Board, Audit Committee and Supervisory Board regarding the adequacy and effectiveness of the Group's other governance processes (risk management, compliance management and internal controls). This is accomplished via risk-based audits performed by the Internal Audit Team throughout the Delivery Hero Group and subsequent reporting to the Management Board and the Supervisory Board.

Internal Audit serves to promote responsible corporate governance in accordance with the standards and code of ethics of the Institute of Internal Auditors (IIA) and Deutsches Institut für Interne Revision (DIIR). It provides the Audit Committee of the Supervisory Board with a report on its activities on a quarterly basis, and the Supervisory Board with a report at least once a year. These reports contain, inter alia, an account of the current status of the various audits conducted under the flexible audit plan, significant findings of completed audits and any outstanding issues relating to implementation of management action plans.

05. RISK REPORT AS OF DECEMBER 31, 2019

In 2019 the Delivery Hero Group´s risk and opportunity profile did not substantially change compared to the profile as described in the risk and opportunity report of the annual report 2018.

Individual risks are generally assessed for existence for a twelve-month period from the reporting date. The key risks in each risk area are described below. These risks are applicable to all our segments (unless explicit reference to individual segments is made) and based on the gross risk assessment. The actions taken as described below are – unless otherwise stated – considered adequate to mitigate the respective risks.

a) Strategic risks

The online food delivery market is continuing to grow very quickly, supported by the Internet penetration and the use of smartphones worldwide.

The industry continues to be highly competitive. In various countries Delivery Hero is subject to pressure from other existing aggregators, own delivery models, large food chains and brands, as well as new well-funded market entrants. Our success depends crucially on our ability to maintain a strong position in our markets.

If we are unable to protect leading market positions, our service may be exposed to pricing pressure and sales may decline. Complementary delivery services and “super-apps” that extend the scope of services and products to be delivered (e.g., groceries) may attract our brands’ customers and consequently affect our market position.

Delivery Hero is continuously focusing on increasing its restaurant base and on the enhancement of the customer loyalty by investing in a seamless customer experience. Additionally, we are improving our logistics services by replacing delivery time estimates with custom-built machine learning algorithms based on proprietary data.

In addition, in 2019 Delivery Hero started rolling out complementary service offerings in selected cities to enhance the frequency of orders on its platforms. The risk of increasing competitive pressure is considered high.

Technological changes and disruptive technologies may affect our current business model, if we are not able to keep a technological leadership position. New generations of consumers and restaurants might expect different technological applications and solutions. Delivery Hero’s product and technology teams are constantly focusing on innovation in all areas of the consumer experience. In this context technological developments in the online food delivery space and in other Internet-based business models are constantly evaluated. The risk of disruptive technologies is considered high.

As we are operating in emerging and developing markets, we are subject to economic, political and legal risks in these countries. Unexpected regulatory- or capital market requirements as well as changes in applicable laws may require Delivery Hero to flexibly react to changes to its business processes. Furthermore, financial turbulences, economic and institutional instability in certain markets, an expansive monetary policy of large central banks worldwide and an unresolved debt problem in numerous industrial and developing countries result in considerable risks for our business. Further considering the expansion into new markets and investments in new verticals with differing applicable regulations, overall, the risk of economic, political, legal and financial risks is considered high.

Online food delivery is based on the aggregation of customer demand for food and beverages as well as the offering of a broad selection of menu options by our restaurant partners. Disruptions in the restaurant supply may have an adverse effect on the performance of our business model. The outbreak of the coronavirus in the beginning of 2020 is one of the rare events that resulted in broad restrictions to restaurant operations, including temporary closure of restaurants, as well as curfews in cities and countries. Such restrictions in the first place have a harmful effect on restaurants’ ability to continue operations, but in the second place may disruptively affect the success of Delivery Hero’s business model in the relevant markets. Potential authoritative measures for pandemic control can be initiated and altered at short notice and might impact our business operations extensively. The impact is contingent on many aspects, including the duration and intensity of the outbreak, the effectiveness of public health measures and supportive macroeconomic measures. Considering our diversification in several markets that are differently exposed to the corona outbreak and corresponding pandemic control measures, we currently assess the risk as medium.

To identify such strategic risks in a timely manner, we promote local entrepreneurship to enable our local management teams to react quickly to individual market changes. In addition, Delivery Hero promotes the strategical and technological collaboration between local and central teams to leverage the global organization. If a reaction to local developments is needed, mitigating actions are established based on the individual facts and circumstances identified.

b) Operational risks

Delivery Hero operates websites, platforms, payment solutions and other data processing systems, which we use to collect, maintain, transmit and store information about our partner restaurants, customers and suppliers. They all rely on the security of our systems and the fact that their data is handled properly and is not misused. Any breaches may result in material reputational damage. Therefore, we maintain and continuously improve our technical and organizational measures and implement our standards worldwide.

However, IT security risks, in particular cybersecurity, remain the biggest inherent risk of our business model. As the nature and characteristics of cyberattacks are constantly evolving, the risk that new security gaps can only be closed with a time lag exists.

Delivery Hero is also subject to several business continuity risks. As an Internet-based company, we are strongly dependent on the functionality, security and stability of our websites and online order platforms. As online food delivery is preferred mainly because of its convenience, even short system downtimes can lead to high financial losses, including reputational damage to our brands. The risk is considered high.

To avoid harm to our systems, we are continuously evaluating, improving and implementing processes with the aim to reflect best practice processes, which include comprehensive internal controls, process improvements and employee IT expertise. Before implementation, proprietary software is subject to a quality assurance process. Methods used to protect against external attacks include the use of external service providers, redundant systems and regular stress and penetration tests. Moreover, an incident management process is in place that enables a systematic search for the causes of any malfunctions. The continuous monitoring and constant efforts of improving our system security is of utmost priority for the Group. Due to the importance of data to our business, we assess the risk of data security issues and system malfunctions as high.

We are continuously increasing the number of deliveries and expanding our logistics business in several regions. This may be combined with a larger volume of cash that is collected and transferred, bearing the risk of theft, inconsistencies in cash reconciliations and administrative effort. To mitigate this risk, several control mechanisms are established that secure the cash-payment procedure. In addition, several projects have been initiated to mitigate the named risks. At the same time, we are strongly promoting online payment options to our business partners and customers. The risk is considered as medium.

Country-specific and economic requirements, including employment legislation and social security, increase the complexity of the rider management as part of the own delivery services. The constant analysis of regulatory developments is needed to find the best approach in advancing the logistics business. Non-compliance with regulatory requirements may lead to higher rider costs and possible non-compliance fines. This also includes the risk of unavailability of rider personnel restraining the further expansion of the logistic services. In order to mitigate the risks, global projects with a focus on rider contracts, rider safety and cash-on-delivery solutions have been initiated with the aim of complying with local regulatory employment requirements. This risk is considered as high.

c) Compliance risks

Government regulations and legal uncertainties may place administrative and financial burdens on our business. As the Internet continues to revolutionize commercial relationships on a global scale, the use of the Internet and mobile devices in everyday life becomes more prevalent and the business of food delivery gets more and more attention from local governments and the media. New laws and regulations relating to the Internet and the e-commerce and food sector in particular may be changed and published. These laws and regulations may affect many aspects of our business, such as the collection, use and protection of data from website visitors and related privacy issues, online payment services, pricing, anti-bribery, tax, commission rates charged to our partner restaurants, content, copyrights, trademarks and the origin, distribution and quality of goods, foods and services. Furthermore, in 2019 the Group launched delivery-only stores (“dark stores”) in several cities, which exposes Delivery Hero to additional regulations.

Delivery Hero is, in many countries of its Europe segment, subject to the EU Payment Services Directive II (PSDII), which covers online-based payment services and provides a uniform regulation of payments via the Internet and mobile phones. It increases customer protection and the requirements for user authentication. In particular, the Payment Services Directive II prevents European companies without a banking or payment services license to collect and hold payments resulting from online transactions on behalf of others (e.g., restaurants in Delivery Hero’s business model). This forces companies to either outsource the provision of payment services to third parties, to discontinue online payment services or to apply for a banking or payment services license. Monitoring of adherence as well as modification of or non-compliance with such regulations could adversely affect our business by increasing compliance costs, including non-compliance fines and administrative burdens. An assessment and design of relevant processes has been conducted under consideration of external advice. The Group has initiated first steps for license application. The risk from payment service regulations is considered as high.

Privacy-related regulation of the Internet could interfere with our strategy to collect and use personal information as part of our marketing efforts and operations. With the General Data Protection Regulation (Regulation 2016/679/EU of the European Parliament and Council of April 27, 2016, the “General Data Protection Regulation”), which came into force on May 25, 2018, data controllers have more obligations when it comes to handling personal data. Due to different interpretation possibilities of the General Data Protection Regulation (GDPR) with regard to marketing activities as well as the use of new and innovative technologies or processes, the risk exists that regulatory authorities and judicature may represent an interpretation of the legislative language that deviates from our understanding. Due to a lack of guidance that is not conducive to the overall complexity, the question of whether and how the cookie banner settings must be set remains a matter of legal uncertainty. The mitigation of this uncertainty can exist through the complete and thus possibly disproportionate adjustment of the cookie banner setting to the requirement formulated by the European Court of Justice in its decision (case number ECLI:EU:C:2019:801- C-673/17) of October 1, 2019. Alternatively, a potential risk can be reduced to an acceptable level by continuously monitoring the overall situation, regularly assessing the risk of varying likelihood and severity for the rights and freedoms of natural persons, evaluating changes of the legal situation and preparing suitable measures for immediate implementation. Regarding GDPR, we review our data processing activities critically, particularly for compliance with the principles of data processing and adjusted security measures as defined by Art. 25 and Art. 32 GDPR. Additionally, the Group has established a data protection management system to ensure compliance with the GDPR requirements. The non-compliance with applicable regulations can result in fines and other sanctions. The risk is considered as high.

Restaurants and grocery retailers in our European segments are subject to numerous food labeling regulations such as the EU Regulation on the provision of food information to consumers. Our online marketplaces in the European Union are subject to those regulations. Compliance with these regulations by our partner restaurants requires the awareness of ingredients, allergens and cross-contamination risks. We are dependent on the accuracy of the relevant information being supplied to our marketplaces by our partner restaurants. In order to support our partner restaurants, we have worked on several process improvements and training courses for our restaurant care agents. Our dark stores and kitchens are not only subject to food labeling regulations in each country, but also to hygiene and safety requirements. Food safety refers to the proper handling, cooking and preservation of food in order to protect people from foodborne illnesses. To achieve this, we need to adhere to several global and local standards to ensure the delivery of high-quality products, which are safe to consume. Each country has certain requirements in kitchen hygiene and warehouse infrastructure. A project has been initiated to mitigate the risks. Food safety and food compliance risks are inherent to our service offering and therefore rated as high.

Delivery Hero is subject to the antitrust and competition laws in place in the countries in which it operates and carries out transactions. In a number of these countries, antitrust laws and authorities are relatively new and there is therefore a lot of uncertainty as to how these laws are interpreted and enforced by the authorities. In some countries, antitrust law enforcement has become more systematic than in the past, leading to an increased risk of allegations of violations of antitrust laws. In general, antitrust laws, and in particular those relating to vertical agreements and merger notifications, require the self-assessment of behavior, which is never without risk. The self-assessment of such behavior is carried out under consideration of external legal advice, and Delivery Hero is constantly looking to enhance its internal compliance systems and resilience to adapt to changes in the regulatory environment. Non-compliance with antitrust regulations can result in fines and other sanctions. The risk from antitrust regulations is considered as high.

d) Financial risks

As an internationally operating group we are exposed to various financial risks. The risks comprise liquidity risks, financial market risks and default risks.

Risk management in relation to the use of financial instruments

The objective of our financial risk management is to limit financial risks arising from business activities and to generally avoid transactions outside the operating business activities that may expose the Group to additional financial risks. Accordingly, such risks are monitored within our risk management system and managed by the Group's treasury function. Financial risk management addresses the risk by selecting appropriate means, including the limitation of external financing in order to minimize interest rate risks, matching when possible foreign currency denominated cash inflows and outflows within the Group to mitigate the foreign currency exposure as well as the performance of aging analyses and the enforcement of a higher share of online payment to reduce the default risk.

Liquidity risk

Liquidity risk is the potential inability to meet the Group's financial obligations due to the lack of financial resources. Liquidity risks may arise in the form of limited access to financing opportunities as a result of the general market situation or rising refinancing costs, including the risk of the DH Group credit rating being downgraded. The exposure to liquidity risk is closely monitored on group level using weekly liquidity status reports and regular cash forecast reports to ensure adequate distribution of funds and early identification of additional funding needs. An undrawn revolving credit facility of € 125 million further secures the funding of operations of the Group. In addition, cash received in the sale of the German operations and in connection with a multi-year agreement with respect to 3.2 million of its shares in Takeaway.com N.V. positively affected the liquidity of the Group in 2019. The liquidity risk is assessed as medium.

Subject to the closing of the transaction with Woowa that is expected to occur in the second half of 2020 (refer to Section D.02. of the consolidated financial statements) a cash consideration of up to approx. € 1.7 billion will become payable. Delivery Hero intends to finance the cash component of the consideration for the purchased shares in Woowa through a combination of debt and equity/equity-linked instruments. In this context on January 15, 2020, Delivery Hero placed € 1.75 billion in convertible bonds and new shares from a cash capital increase with gross proceeds of about € 571 million (refer to section I. of the consolidated financial statements).

Financial market risk
Since our operations are conducted in many different currencies, we are exposed to risks from changes in foreign currency exchange rates. Driven by our geographic footprint and investing activities outside the European Monetary Union, such risks are caused by fluctuations or devaluations of currencies as well as foreign exchange controls or governmental measures that impact our ability to convert currencies and repatriate dividends, if any. Currency exchange risks and movements in foreign exchange rates between the euro and the currencies of the local markets may materially impact the results of our operations due to translation effects. The Group's entities are exposed to currency risk in particular with regard to intercompany loan obligations denominated in foreign currencies and intercompany receivables and payables. Adverse translation effects are caused by the translation of financial results of our consolidated subsidiaries prepared in their respective functional currencies into euros, our reporting currency, in the course of preparing the Group's consolidated financial statements. The foreign currency exposure includes, among others, the Turkish lira, the Argentinian peso, the Korean won, the US dollar, the Saudi riyal and the Kuwaiti dinar. The volatility of foreign exchange rates and depreciations of currencies against the euro are especially noted for the Turkish lira and Argentinian peso. Argentina's economy continues to be considered highly inflationary and is reported as a hyperinflationary economy under IAS 29 (refer to Section B.14. of the consolidated financial statements). No other country has qualified as hyperinflationary to date. Foreign currency devaluations are closely monitored and the associated financial risks are reassessed. For material foreign currency positions, financial instruments to mitigate the risk are evaluated by the Treasury department and entered into if assessed to be economically reasonable. Currency risks are considered medium.

The effects on profit or loss that would result if the foreign currencies had appreciated or depreciated by 10% as of the reporting date are presented in Section H.02. of the consolidated financial statements.

Since the Group currently does not have significant interest-bearing liabilities, the Group is currently not exposed to risks arising from interest rate fluctuation.

Default risk
The default risk is the risk that business partners, primarily restaurants, do not meet their payment obligations, which may result in a loss for the Group. This risk mainly involves current trade receivables from offline payments. Delivery Hero is not exposed to a significant default risk from a single customer. The default risk is generally spread widely over multiple restaurant partners. Besides an active accounts receivable management, the Group mitigates the default risk by aiming for a higher online payment share. Overall, the default risk is classified as low risk considering the high degree of diversification.

06. OPPORTUNITY REPORT

The opportunity report deals with the business opportunities for Delivery Hero, which can materialize during the year following the reporting date.

Macroeconomic development
Every person that has access to the Internet is a potential customer. We believe that growth opportunities in our markets will continue to increase by online and mobile customer engagement and last-mile logistics capabilities, as well as shifts in customer behavior due to changes in lifestyle, urbanization and convenience. In our view this trend is particularly driven by a generation of millennials that heavily relies on smartphones for everyday transactions and appreciates overall convenience, and represents the growing on-demand culture. Additionally, technology evolves and fundamentally changes consumption habits.

Other market developments

Also 2019 was driven by order growth. We expect this trend to continue in the upcoming years, as we believe that the need of daily items like groceries will further increase. Especially our new dark stores and kitchen concepts that offer a variety of products are expected to drive a further increase in the frequency of orders and customer loyalty.

As more consumers generate more orders, the marketplace becomes more attractive to restaurants, and being listed in the marketplace becomes an operational necessity at some point.

We envision growth opportunities by focusing on and investing in markets where we are leading players and markets where we see a potential to become market leaders with a reasonable investment level. Delivery Hero operates in more than 40 countries, which provides us with a substantially larger growth opportunity in comparison with our peers, lower operational and financial risks, and a better opportunity in terms of the significant investments in technology.

Logistics

Investments in logistics services provide opportunities to reduce delivery time and offer a more seamless customer experience. Innovation in delivery, including demand forecasting models, fleet management and route optimization will enable us to cost-optimize our own delivery business further and increase customer loyalty and satisfaction.

As a result of the investments we made in our logistics services, our deliveries have continuously increased. We expect that the near future will see a steady rise in the use of our delivery services by restaurants and new verticals like dark stores worldwide.

Our logistics infrastructure and management enabled us to deliver other on-demand products and expand our market to the non-food sector (e.g., groceries or flowers). We expect that our efforts and investment in logistics will be valuable to respond to the developing customer demands and the delivery of other on-demand products as fast as we did regarding grocery delivery. Finally, alternative delivery options, including automated guided vehicles and drones, may complement the delivery options and increase the coverage of our services.

Personalization and customer experience

The hyper personalization of services and recommendation of menu options enhance the end-customer experience. Based on data collection and analysis, we aim to identify users' meal and grocery preferences before they decide themselves. Such an aspect of convenience may provide further growth potential.

Enhancing the customer experience by providing services tailored to individual preferences may further increase the user exposure to our websites. This may enable us to generate complementary revenue from marketing services as well as the cross-listing of other services and products. We believe that the ongoing development of personalized offerings will have a significant impact on customer retention.

Technology

The group continues to integrate global solutions into local platforms and aims at standardization. This approach will further simplify our complex IT landscape and reduce maintenance. This will also have a positive effect on IT development expenses. By advancing the automatization of operations, we expect to improve pace and service quality in areas like customer care, billing and rider onboarding in the near term. In addition, we will further invest in technological innovation to constantly improve our on-demand platforms.

Personnel opportunities

Delivery Hero has professionals worldwide, which enables us to grow at speed while maintaining best practices. We are able to dedicate our resources to challenges we may face in any country.

Our people operations department supports the business in core operations, people partnering, talent development, employee engagement, employee experience and talent acquisition. This ensures the ability to retain those talented professionals we work alongside, attract new talent worldwide and further grow our reputation and business.

D. OUTLOOK

01. MACROECONOMIC AND INDUSTRY OUTLOOK

As of December 31, 2019, global growth was expected to recover to 2.5 % in 2020, predicated on continued benign global financing conditions and a modest recovery in emerging markets and developing economies. Europe and Central Asia region was expected to grow at 2.6 % in 2020. MENA regional growth was projected to rise to 2.4 % in 2020, largely driven by rebound in growth among oil exporters. Growth in South Asia was expected to pick up to 5.5 % in 2020. Americas' regional growth was expected to accelerate to 1.8 % in 2020.[12]

Subsequent to December 31, 2019, on March 11, 2020 the World Health Organization (WHO) officially declared the coronavirus outbreak a global pandemic after it had spread to more than a hundred countries with accelerating infections outside of China.[13] At the beginning of March 2020, concerns that global growth assumptions cannot be maintained were raised. At that time it was predicted, that global growth might be significantly impacted by the worldwide outbreak of the coronavirus (COVID-19) and might drop by 0.5% to 1.5% compared to initial expectations – depending on the intensity of the coronavirus outbreak. However, accelerated outbreaks throughout Europe and North and South America may have a more severe impact on the global economy. Research analysts project a significant contraction of GDP of the US economy and eurozone in the first and second quarters of 2020 with a potential to rebound in the third and fourth quarters of the year.[14] While online food delivery is less impacted by COVID-19, and the government measures that come with it, than other sectors, the effect on online food delivery is depending from market to market. While some markets note an acceleration in order growth throughout COVID-19 driven by an expansion of the customer base and customers preferring to order online in times of social distancing, other markets have temporarily been impacted negatively (i.e., due to government imposed curfews) but have recovered in recent weeks. It is expected that COVID-19 expands the market opportunity and that it is beneficial to online food delivery in the long term, given an increased level of restaurants and customer acquisitions.

The global growth prospects for 2020 are contingent on many aspects, including the duration and intensity of the outbreak, the effectiveness of public health measures and supportive macroeconomic measures, and remain highly uncertain.[15]

The highly fragmental global food service market continues to provide further growth opportunities.[16] Delivery Hero's Total Addressable Market (TAM) is expected to continue expanding into a larger food services market opportunity. The expansion is mainly driven by structural trends such as:

— Online & mobile engagement

— On demand & last mile logistics

— Lifestyle, urbanization & convenience[17]

This assessment is also supported by current independent studies.

Delivery Hero is well positioned to benefit from these favorable trends and developments due to its global footprint, its leading market position in key markets and its broad customer base. Impacts from the coronavirus outbreak need to be closely monitored.

02. COMPANY EXPECTATIONS

In 2019, on a total segment level Delivery Hero has achieved an order, GMV and revenue growth of 80.3 %, 66.9 % and 111.9 %, respectively. For 2020, the Group expects to achieve Total Segment Revenues above € 2.4 billion and thus significantly higher compared to 2019. The growth is expected to be driven by a significant increase in orders and GMV compared to 2019 as a result of investments into marketing, restaurant coverage, technology and product capabilities, the continuous rollout of new vertical concepts as well as deployed investments into early-stage markets during 2019, which are expected to continue throughout 2020.

The budgeted measures and investments for 2020 are expected to result in a negative adjusted EBITDA of the segments at a level slightly lower compared to the 2019 adjusted EBITDA of € 430.9 million.

Due to the comparatively short history of the Group and the fact that Delivery Hero is operating in a relatively new market, and the outbreak of the coronavirus pandemic in 2020, any forecast on the earnings trend is subject to considerable uncertainty. Besides factors that can be impacted by Delivery Hero, adjusted EBITDA is also contingent on factors that cannot be influenced. For example, if our restaurant partner or customers in our markets are exposed to long-lasting restrictive measures in context with the coronavirus outbreak, or the Group were forced to defend its position against new competitors in specific markets or

[12] www.worldbank.org/en/publication/global-economic-prospects
[13] www.who.int/dg/speeches/detail/who-director-general-s-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020
[14] www.jpmorgan.com/global/research/coronavirus-impact
[15] OECD Interim Economic Assessment Coronavirus: The world economy at risk; March 2, 2020
[16] Euromonitor, Independent Consumer Foodservice
[17] KBB Review (2018): www.kbbreview.com/news/is-the-kitchen-dead-new-report/

to react to revenue downturns, then measures that may not have been scheduled previously may have to be implemented, which can negatively affect adjusted EBITDA and trigger considerable deviations from the estimated results.

The assumptions on the economic development of the market and the industry are based on assessments that the management of the Delivery Hero Group considers realistic in line with currently available information. However, these estimates are subject to uncertainty and bring with them the unavoidable risk that the forecasts do not occur, either in terms of direction or in relation to extent. The forecast for the forecast period is based on the composition of the Group at the time the financial statements were prepared.

E. OTHER DISCLOSURES

01. TAKEOVER-RELATED INFORMATION PURSUANT TO SECTIONS 289A AND 315A OF THE GERMAN COMMERCIAL CODE (HGB)

We refer to the information included at the end of this document.

02. COMPENSATION REPORT PURSUANT TO SECTION 162 OF GERMAN STOCK CORPORATION ACT (AKTG)

We refer to the information included at the end of this document.

03. CORPORATE GOVERNANCE CODE

The Management and Supervisory Boards of Delivery Hero SE have issued a statement of conformity pursuant to the German Corporate Governance Code (Section 161 of the German Stock Corporation Act (AktG)) in the version dated February 7, 2017, which was published on the website of Delivery Hero SE in December 2019 (https://ir.deliveryhero.com/websites/delivery/English/4500/declaration-of-compliance.html).

The Statement of Corporate Governance according to Section 289f and Section 315d of the German Commercial Code (HGB) is included in section Corporate Governance report of the 2019 Annual report.

04. NON-FINANCIAL REPORT

The unaudited combined separate non-financial report of Delivery Hero SE and the Group prepared in accordance with Sections 315b and c and 289 b to e of the German Commercial Code (HGB) is included in the annual report 2019 in section non-financial statement for the Group and is published on the website of Delivery Hero SE (https://ir.deliveryhero.com/websites/delivery/English/4050/non-financial-statement.html).

05. TREASURY SHARES

For information of the treasury shares held as of the reporting date in accordance with Section 160 (1) no. 2 of the German Stock Corporation Act (AktG) we refer to the notes to the 2019 financial statements of Delivery Hero SE, section III. Notes to the individual balance sheet items – Equity, published on the website of Delivery Hero SE (https://ir.deliveryhero.com/websites/delivery/English/3100/financial-reports.html).

F. SUPPLEMENTARY MANAGEMENT REPORT TO THE SEPARATE FINANCIAL STATEMENTS OF DELIVERY HERO SE

The management report of Delivery Hero SE and the group management report have been combined. The annual financial statements of Delivery Hero SE were prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*/HGB).

01. BUSINESS MODEL

Delivery Hero SE (the “Company” or “DH SE”), a European stock corporation, is the parent company of the Delivery Hero Group with its registered office at Oranienburger Strasse 70, 10117 Berlin, Germany.

Delivery Hero SE is the holding company of the Group’s subsidiaries that operate online food ordering and delivery marketplace businesses under the brand Delivery Hero as well as certain regional brands. Its operating activities include the administration of participation in other companies as well as the provision of general administrative-, marketing- and IT-related services and financing to these direct and indirect participations.

Through merger agreements dated June 27, 2019 and shareholder approvals of June 26, 2019 and July 2, 2019, the wholly owned subsidiaries RGP Local Holding IV GmbH and Luxembourg Investment Company 43 S.à r.l. were fully merged with Delivery Hero SE. The assets of RGP Local Holding IV GmbH were acquired with effect from January 1, 2019 and those of Luxembourg Investment Company 43 S.à r.l. from May 1, 2019. The acquiring legal entity, Delivery Hero SE, continued the carrying amounts of the merged entities. The mergers were registered with the Company in August 2019 in the Berlin-Charlottenburg commercial register.

Due to the mergers, the amounts in the balance sheet as of December 31, 2019 are not comparable with those as at December 31, 2018 and the amounts in the income statement 2019 are not comparable with the previous year's amounts.

The Company is represented by its Management Board, which also determines the corporate strategy of the Group. In its capacity as a Group holding company, Delivery Hero SE maintains central functions including group controlling, group accounting, investor relations, risk management, internal audit, corporate taxes, mergers and acquisitions, treasury and human resources.

02. NET ASSETS, FINANCIAL POSITION AND RESULT OF OPERATIONS OF THE COMPANY

a) Results of operations

The results of operations of Delivery Hero SE are shown below in a summarized income statement:

			CHANGE	
EUR MILLION	2019	2018	EUR MILLION	%
REVENUE	91.5	55.6	35.9	64.6
INCREASE OR DECREASE IN FINISHED AND UNFINISHED PRODUCTS AND SERVICES	−0.6	0.0	−0.6	N/A
OTHER OWN WORK CAPITALIZED	3.8	1.5	2.3	>100
OTHER OPERATING INCOME	874.6	281.9	592.7	>100
MATERIAL EXPENSES	−7.8	−5.9	−1.9	32.2
PERSONNEL EXPENSES	−132.7	−79.0	−53.7	68.0
DEPRECIATION, AMORTIZATION AND IMPAIRMENTS	−157.3	−110.7	−46.6	42.1
OTHER OPERATING EXPENSES	−307.5	−168.7	−138.8	82.3
NET INTEREST RESULT	38.4	16.9	21.5	>100
INCOME FROM INVESTMENTS	57.2	3.3	53.9	>100
EARNINGS BEFORE TAXES (EBT)	**459.7**	**−5.0**	**464.7**	**>100**
TAXES	−13.2	−2.0	−11.2	>100
NET PROFIT/LOSS	**446.5**	**−7.0**	**453.6**	**>100**

The increase in revenue in 2019 was mainly attributable to higher services recharges to Group subsidiaries.

Other operating income increased by € 592.7 million year on year due to the completion of the sale of the German subsidiaries Delivery Hero Germany GmbH and Foodora GmbH to Takeaway.com in 2019, which – at € 797.0 million – has mainly driven the considerable increase in other operating income. The disposal gain includes income not related to the accounting period in the amount of € 37.6 million from the reversal of the impairment of the stake in Delivery Hero Germany GmbH. Other operating income in 2019 further includes € 40.1 million of recharged costs incurred on behalf of Group subsidiaries (previous year: € 38.1 million), € 20.2 million (previous year: € 0.0 million) income from the sale of shares and € 6.0 million (previous year: € 12.9 million) of realized and unrealized foreign currency gains.

The increase of € 1.9 million in material expenses compared to the previous year results mainly from restaurant merchandise and equipment, which was purchased as part of shared service center functions for the Group subsidiaries.

Personnel expenses rose by € 53.7 million on the previous year. This is primarily attributable to an increase in the number of staff and increased share-based compensation expenses (2019: € 47.7 million; previous year: € 15.9 million).

Other operating expenses increased by € 138.8 million to € 307.5 million, mainly due to merger losses of € 131.8 million from the merged companies RGP Local Holding IV GmbH and Luxembourg Investment Company 43 S.à r.l. results (previous year: merger losses of € 65.8 million). In addition, expenses for impending losses were recognized in the amount of € 41.5 million resulting from the valuation of derivatives that were concluded as part of a multi-year hedging transaction in relation to 3.2 million shares in

Takeaway.com ("collar transaction"). Furthermore, the increase in other operating expenses is attributable to higher expenses for IT and licenses of € 23.2 million (previous year: € 13.8 million), expenses for servers of € 12.0 million (previous year: € 4.7 million) and higher expenses for consulting services of € 34.0 million (previous year: € 19.9 million).

In connection with the planned transaction with Woowa Brothers Corp., South Korea, a transaction-dependent foreign currency option (deal-contingent option) was concluded on December 13, 2019 to hedge the USD-nominated cash component of the purchase price. As of the reporting date, the valuation of the deal-contingent option resulted in a loss of € 3.0 million.

Depreciation, amortization and impairments include amortization of intangible assets of € 4.8 million (previous year: € 3.1 million), depreciation of property, plant and equipment of € 2.6 million (previous year: € 2.0 million), impairment of shares in affiliated companies of € 67.7 million (previous year: € 28.7 million), impairment of shares in equity investments of € 1.5 million (previous year: € 0.0 million), and impairment of loans of € 80.0 million (previous year: € 58.4 million) as well as trade receivables from third parties (€ 0.6 million; previous year: € 3.3 million) and trade receivables from affiliated companies (€ 0.1 million; previous year: € 11.0 million).

In 2019, the impairment of shares in and loans to affiliated companies and receivables from affiliated companies related to entities in South America (€ 84.6 million), Asia (€ 27.8 million), Middle East (€ 15.1 million) and Europe (€ 20.3 million).

Income from investments relates to dividends received from profitable group companies.

The disposal gain from the sale of German operations contributed significantly to the improvement of the net result in 2019.

The net profit in 2019 includes research and development expenses of € 31.1 million (previous year: € 19.3 million). Furthermore, development costs of € 3.8 million (previous year: € 1.5 million) were capitalized in 2019.

b) Financial position

The following condensed cash flow statement (indirect method) shows the Company's financial position:

EUR MILLION	**2019**	2018
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	*111.4*	*403.0*
CASH FLOWS FROM OPERATING ACTIVITIES	*−130.8*	*−38.1*
CASH FLOWS FROM INVESTING ACTIVITIES	*37.7*	*−261.7*
CASH FLOWS FROM FINANCING ACTIVITIES	*232.8*	*5.6*
NET CHANGE IN CASH AND CASH EQUIVALENTS	*139.7*	*−294.2*
EFFECT OF MOVEMENTS IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	*1.1*	*2.6*
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	**252.2**	**111.4**

The negative cash flow from operating activities is mainly the result of usual business payments, for example personnel and consulting expenses, which are only partially recharged to the companies within the Group as a result of the Group-wide cost-allocation concept.

The cash flow from investing activities mainly includes payments for investments in other companies, capital increases in subsidiaries and payments for long-term loans to subsidiaries totaling € 802.8 million. Cash inflows of € 852.7 million result from the sale of Delivery Hero Germany GmbH and Foodora GmbH and from dividends received.

The positive cash flow from financing activities mainly results from cash receipts from capital increases in connection with the exercise of equity-settled stock options in the amount of € 27.6 million and cash receipts in the amount of € 208.0 million from a loan in connection with the collar transaction. The loan is included in liabilities to banks.

c) Net assets

Net assets are illustrated by means of a condensed balance sheet:

	DEC. 31, 2019		DEC. 31, 2018		
	EUR MILLION	SHARE (%)	EUR MILLION	SHARE (%)	CHANGE (%)
ASSETS					
NON-CURRENT ASSETS	3,005.4	87.4	2,421.4	91.4	24.1
CURRENT ASSETS	421.1	12.3	222.8	8.4	89.0
PREPAID EXPENSES	10.3	0.3	4.4	0.2	>100
TOTAL ASSETS	**3,436.8**		**2,648.6**		**29.8**
LIABILITIES					
EQUITY	3,074.3	89.5	2,563.3	96.8	19.9
PROVISIONS	139.5	4.1	22.0	0.5	>100
LIABILITIES	222.0	6.5	62.2	2.3	>100
DEFERRED INCOME	1.0	0.0	1.1	0.0	–12.2
TOTAL EQUITY AND LIABILITIES	**3,436.8**		**2,648.6**		**29.8**

The total assets of Delivery Hero SE increased by 29.8 % in 2019. This increase results primarily from the sale of the German companies and payments from a loan that Delivery Hero received as part of the collar transaction. The Company used the funds received to finance its affiliates.

Non-current assets as at December 31, 2019 mainly comprised shares in affiliated companies (€ 1,479.0 million; previous year: € 1,686.3 million), investments (€ 269.3 million; previous year: € 206.2 million), loans to affiliated companies (€ 766.9 million; previous year: € 500.4 million); and securities (€ 464.3 million; previous year: € 7.3 million).

Current assets as at December 31, 2019 consisted primarily of cash and cash equivalents of € 252.1 million (previous year: € 111.4 million) and receivables and other assets of € 164.2 million (previous year: € 106.2 million).

Equity increased to € 3,074.3 million as of December 31, 2019 (previous year: € 2,563.3 million) as a result of the positive net result of € 446.5 million driven by the sale of the German business and due to additions to the capital reserve for services received as part of the share-based compensation programs. The equity ratio is 89.5% (previous year: 96.8%) and has slightly decreased compared to the previous year.

Provisions mainly comprise € 44.8 million for the deal-contingent obligation to pay the option premium of the deal-contingent option that was concluded in order to hedge the USD-nominated purchase price liability of the planned Woowa transaction in South Korea), provisions for invoices not yet received (€ 28.6 million; previous year: € 15.1 million), provisions for share-based compensation (€ 10.5 million; previous year: € 0.0 million) and provisions for personnel expenses (€ 3.4 million; previous year: € 2.0 million). Further, a contingent loss provision in the amount of € 41.5 million (previous year: € 0.0 million) was recognized for the valuation of derivatives that were concluded as part of the collar transaction.

The liabilities as of December 31, 2019 of € 222.0 million (previous year: € 62.2 million) mainly include the liability from a loan granted as part of the collar transaction (€ 208.0 million). All loans to other Delivery Hero Group companies that were included in the previous year were repaid in 2019 (previous year: € 54.2 million).

d) Overall assessment

Overall, the management assesses the Company's net assets, financial position and results of operations as positive. Due to the disposal gain from the sale of the German entities, a significantly positive net result was achieved, which substantially strengthened the financial position of the Company.

The net result in 2019 is decisively driven by the disposal gain from the sale of the German entities. As it is assumed that the expansion in the Asian segment and the expansion of vertical services within the Group will result in an increase in costs also at central level, Delivery Hero expects that the annual result for 2020 will be significantly lower than the result of the current reporting period, based on the assumed cost increase and the disposal gain from the sale of the German operations that was recognized in 2019.

TAKEOVER-RELATED DISCLOSURES AND EXPLANATORY NOTES BY THE MANAGEMENT BOARD

This chapter contains the disclosures pursuant to Sections 289a (1), 315a (1) of the German Commercial Code together with the explanatory report of the Management Board pursuant to Section 176 (1) sentence 1 German Stock Corporation Act [*Aktiengesetz* – AktG] in conjunction with Section 9(1) lit. C (ii) SE Regulation.

COMPOSITION OF SUBSCRIBED CAPITAL

At the end of the reporting period, the Company's subscribed capital amounted to € 188,755,039.00, which was subdivided into 188,744,039 no-par value bearer shares.

In January 2020 and in March 2020, four further capital increases were registered, so that at the time of the publication of this report the Company´s subscribed capital amounts to € 197,777,550.00, which is subdivided into 197,777,550 no-par value bearer shares.

There are no different share classes. The same rights and obligations are associated with all shares. Each share grants one vote and determines the shareholder's share in the profits. Shares held by the Company itself, which do not grant the Company any rights in accordance with Section 71b AktG, are excluded from this.

RESTRICTIONS THAT CONCERN VOTING RIGHTS OR THE TRANSFER OF SHARES

Restrictions on transfer

According to the understanding of the Management Board of the Company, the restrictions on transfer as stated by the law on obligations are as follows:

— Overall 3,505,500 shares were held in escrow according to a shareholders agreement and several supplementary agreements. Depending on the respective trustor, the agreements contained vesting periods of twelve and twenty-four months. The twelve months vesting period ended at the conclusion of December 31, 2017 and the twenty-four months vesting period ended at the conclusion of December 31, 2018. The shares were transferred back to the trustors or any proceeds from the sale of the shares were paid out to the trustors or the Company to settle claims.

— Overall 367,200 shares were held in escrow according to an investment agreement. The agreement contains vesting periods respectively for one third of the shares, which ended at the conclusion of June 30, 2018, June 30, 2019, respectively, and will end at the conclusion of June 30, 2020.

Persons who perform management duties at Delivery Hero SE within the meaning of the European Market Abuse Regulation (MAR) must observe the closed periods (trading prohibitions) established by Article 19(11) MAR.

Restriction on voting rights

According to the understanding of the Management Board of the Company, the restrictions on voting rights as stated by the law on obligations are as follows:

— Pursuant to Sections 71b and 71d AktG, there are no voting rights with respect to approx. 78,230 shares in the Company.

— In accordance with Section 136 AktG, members of the Management Board are restricted in exercising their voting rights with respect to the 691,608 shares in the Company held by them, or which are held in trust on their behalf.

— There is an agreement between the shareholders who had invested in the Company before the IPO to the effect that they may exercise their voting rights at the first annual general meeting following the IPO at which the Supervisory Board will be newly elected in such a way as to determine the composition and term of office of the Supervisory Board, provided that this General Meeting takes place before the end of 2019. Specifically, the period of office agreed by the shareholders will end when the Supervisory Board is discharged for the second complete financial year following the IPO.

- Pursuant to a Shareholders Agreement, 3,505,500 shares originally held in escrow were subject to the contractual obligation to uniformly use the voting rights of the shares, held for the respective shareholders in escrow. The shares were transferred back to the trustors or any proceeds from the sale of the shares were paid out to the trustors or the Company to settle claims.

There may be voting right restrictions that go beyond this arising from the Stock Corporation Act, such as Section 136 AktG or capital market law provisions, in particular Sections 33 et seq of the German Securities Trading Act (*Wertpapierhandelsgesetz* – WpHG).

SHAREHOLDINGS EXCEEDING 10% OF VOTING RIGHTS

At the end of the 2019 financial year, the following direct and indirect holdings in Delivery Hero SE existed, which exceeded the threshold of 10% of the voting rights[2] and which were notified to the Company by means of voting rights notifications in accordance with Sections 33, 34 WpHG (Sections 32, 22 WpHG old version):

- Naspers Limited with its registered seat in Cape Town, South Africa through in particular MIH Food Holdings B.V. (attributed)
- Baillie Gifford & Co with its registered seat in Edinburgh, United Kingdom through in particular Vanguard Word Fund (attributed)

Further information on the amount of the holdings listed above can be found in the disclosures on voting right notifications in the notes to the Delivery Hero SE 2019 annual financial statements as well as the "Voting Rights Notifications" item on the Company's website at https://ir.deliveryhero.com/websites/delivery/English/6400/voting-rights-notifications.html.

[2] The information shown here takes into account the most recent notifications of voting rights received by the Company. These notifications of voting rights may take into account capital increases that have not already been carried out.

SHARES WITH SPECIAL RIGHTS CONFERRING POWERS OF CONTROL

There are no shares with special rights conferring powers of control.

STATUTORY REQUIREMENTS AND PROVISIONS IN THE ARTICLES OF ASSOCIATION REGARDING NOMINATION AND DISMISSAL OF MEMBERS OF THE MANAGEMENT BOARD, AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with Section 7 (1) of the Articles of Association, the Management Board consists of one or more individuals. The number of individuals is determined by the Supervisory Board. The Management Board of Delivery Hero SE currently consists of two individuals. In accordance with Sections 9 (1), 39 (2), 46 SE Regulation, Sections 84 and 85 AktG and Section 7 (3) (4) of the Articles of Association, the Supervisory Board appoints the members of the Management Board for a maximum term of six years. Individuals may be reappointed. If multiple individuals are appointed to the Management Board, the Supervisory Board may designate a Chair as well as a Deputy Chair, pursuant to Section 7 (2) of the Articles of Association. If an essential member of the Management Board is absent, the court must, in urgent cases and at the request of an involved party, appoint another member; see Section 85 (1), sentence 1 AktG. If there is cause to do so, the Supervisory Board may revoke the appointment of the member of the Management Board as well as the designation as Chair of the Management Board, see Sections 9 (1), 39 (2) SE Regulation and Section 84 (3), s. 1 and 2 AktG.

Amendments to the Articles of Association are made by resolution of the General Meeting in accordance with Section 20 (2) of the Articles of Association, requiring, unless this conflicts with mandatory legal provisions, a majority of two-thirds of the valid votes cast or, if at least one-half of the share capital is represented, the simple majority of the valid votes cast. As far as the law requires a capital majority in addition to a majority of votes for resolutions of the General Meeting, a simple majority of the share capital represented at the time the resolution is passed shall be sufficient to the extent that this is legally permissible. In accordance with Section 12 (5) of the Articles of Association, the Supervisory Board is authorized to make editorial changes to the Articles of Association by resolution.

POWERS OF THE MANAGEMENT BOARD IN PARTICULAR WITH RESPECT TO THE POSSIBILITY OF ISSUING OR BUYING BACK SHARES

The Management Board of the Company (formerly Delivery Hero AG) was originally authorized to increase the registered capital of the Company until June 8, 2022 with the consent of the Supervisory Board once or repeatedly, by up to a total of € 882,300.00 by the issuance of up to 882,300 new no-par value registered shares against contributions in cash (Authorized Capital/II). The Authorized Capital/II was cancelled by resolution of the annual general meeting on June 6, 2018 (agenda item 6).

The Management Board of the Company was originally to increase the registered capital of the Company until June 8, 2022, with the consent of the Supervisory Board once or repeatedly, by up to a total of € 8,158,550.00 by the issuance of up to 8,158,550 new no-par value registered shares against contributions in cash (Authorized Capital/III). The subscription rights of the shareholders were excluded. The Authorized Capital/III is to be used for any purposes (including, without limitation, in connection with acquisition transactions by the Company, the participation of further investors in the Company, share swap transactions, the issuance of additional shares under the so-called Loan and Escrow Agreement entered into on August 7, 2014, as amended from time to time, or any new loan agreements, etc.). The Management Board of the Company was authorized to determine with the consent of the Supervisory Board the further scope of the shareholders' rights pertaining to the shares to be newly issued and the further conditions of the issuance of the new shares. The Authorized Capital/III was fully utilized.

The Management Board of the Company was originally authorized to increase the registered capital of the Company until June 8, 2022, with the consent of the Supervisory Board once or repeatedly, by up to a total of € 8,961,523.00 by the issuance of up to 8,961,523 new no-par value registered shares against contributions in cash (Authorized Capital/IV). The Authorized Capital/IV has been used several times since the original authorization. The subscription rights of the shareholders are excluded. The Authorized Capital/IV serves the fulfilment of acquisition rights (option rights), which have been granted or promised by the Company to current or former employees and managing directors of the Company and its affiliated companies, members of the Supervisory Board of the Company and further beneficiaries who are or were acting for the Company or its affiliated companies, in order to replace the hitherto existing virtual share program of the Company with effect as of April 21, 2017; shares out of the Authorized Capital/IV may only be issued for this purpose. The Management Board is authorized to determine with the consent of the Supervisory Board the further scope of the shareholders' rights pertaining to the shares to be newly issued and the further conditions of the issuance of the new shares.

The Management Board of the Company is authorized to increase the registered capital of the Company until June 8, 2022, with the consent of the Supervisory Board once or repeatedly, by up to a total of € 18,675,300.00 by the issuance of up to 18,675,300 new no-par value registered shares against contributions in cash (Authorized Capital/V). The subscription rights of the shareholders are excluded. The Authorized Capital/V serves the fulfilment of contractual claims, already agreed upon prior to January 1, 2017, of those shareholders who have subscribed for new shares in Delivery Hero GmbH (prior to the conversion into Delivery Hero AG) based on the resolution dated December 4 to 9, 2016 for an increase of the nominal share capital; shares out of the Authorized Capital/V may only be issued for this purpose. For certain claims, the utilization of the Authorized Capital/V is limited to 3,505,500 new shares. The shares shall be issued at the lowest issue price. The Management Board is authorized to determine with the consent of the Supervisory Board the further scope of the shareholders' rights pertaining to the shares to be newly issued and the further conditions of the issuance of the new shares.

The Management Board of the Company was originally authorized to increase the registered capital of the Company (formerly Delivery Hero AG) until June 8, 2022, with the consent of the Supervisory Board once or repeatedly, by up to a total of € 12,890,100.00 by the issuance of up to 12,890,100 new no-par value registered shares against contributions in cash (Authorized Capital/VI). The Authorized Capital/VI was cancelled by resolution of the annual general meeting on June 6, 2018 (agenda item 6).

The Management Board was originally authorized to increase the share capital of the Company until June 8, 2022, with the consent of the Supervisory Board once or repeatedly, by up to a total of € 25,000,000.00 by the issuance of up to 25,000,000 new no-par value registered shares against contributions in cash and/or non-cash contributions (Authorized Capital/VII). By resolution of the annual general meeting (formerly Delivery Hero AG), the Authorized Capital/VII was completely cancelled on June 6, 2018 (agenda item 6) and increased by € 55,546,866.00 to € 55,546,866.00. By resolution of the annual general meeting on June 12, 2019 (agenda item 5), the Authorized Capital/VII was completely cancelled and increased by € 54,071,949.00 to € 54,071,949.00. The subscription rights of the shareholders are only excluded in certain cases or can only be excluded by the Management Board with the consent of the Supervisory Board. The Management Board is authorized to determine any further details of the capital increase and its implementation, subject to the consent of the Supervisory Board; this also includes the determination of the profit participation of the new shares, which may, in deviation of Section 60 (2) AktG, also participate in the profit of completed fiscal years. Shares that are issued to members of the Management Board and employees of the Company, as well as to members of the corporate bodies and employees of affiliated companies of the Company within the meaning of Sections 15 et seq AktG, shall have in each case a full profit participation for the fiscal year in which they are issued.

On December 5, 2017, the Management Board (formerly Delivery Hero AG) resolved to use the Authorized Capital/VII to increase the Company's share capital by up to € 10,500,000.00 from € 171,998,900.00 to € 182,498,900.00 by the issuance of up to 10,500,000 new no-par value registered shares. The final number of new shares amounting to 10,500,000 to be issued was set in accordance with the resolution of the Management Board on December 6, 2017. The capital increase and the implementation of the capital increase were entered in the commercial register on December 6, 2017.

On February 21, 2018, the Management Board (formerly Delivery Hero AG) resolved to use Authorized Capital/IV to increase the Company's share capital by up to € 2,603,642.00

from € 182,498,900.00 to a maximum of € 185,102,542.00 by the issuance of up to 2,603,642 new no-par value registered shares against contributions of cash.

The final number of new shares to be issued was determined in accordance with the resolution of the Management Board (formerly Delivery Hero AG) on March 12, 2018:

a) 1,366,311 shares

The capital increase and its implementation were entered in the commercial register on March 14, 2018.

b) 90,100 shares

The capital increase and its implementation were entered in the commercial register on March 19, 2018.

On May 29, 2018, the Management Board (formerly Delivery Hero AG) resolved to use Authorized Capital/IV to increase the Company's share capital by up to € 500,266.00 from € 183,955,311.00 to a maximum of 184,455,577.00 by the issuance of up to 500,266 new no-par value registered shares against contributions of cash. The final number of new shares to be issued was set at 500,266 shares in accordance with the resolution of the Management Board of May 30, 2018. The capital increase and its implementation were entered in the commercial register on May 31, 2018.

On August 1, 2018, the Management Board resolved to use the Authorized Capital/VII to increase the Company's share capital by up to € 1,474,917.00 from € 184,455,577.00 to a maximum of € 185,930,494.00 by the issuance of up to 1,474,917 new registered shares against in-kind contributions. The capital increase and the implementation were entered in the commercial register on August 8, 2018. The Authorized Capital/VII still amounts to € 54,071,949.00 after partial utilization at the end of the reporting period.

On February 20, 2019, the Management Board resolved to use the Authorized Capital/IV to increase the Company's share capital by up to € 1,521,328.00 from € 185,930,494.00 to a maximum of € 187,451,822.00 by the issuance of up to 1,521,328 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on February 21, 2019.

On February 20, 2019, the Management Board resolved to use the Authorized Capital/IV to increase the Company's share capital by up to € 52,400.00 from € 187,451,822.00 to a maximum of € 187,504,222.00 by the issuance of up to 52,400 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on February 25, 2019.

On May 21, 2019, the Management Board resolved to use the Authorized Capital/IV to increase the Company's share capital by up to € 1,173,942.00 from € 187,504,222.00 to a maximum of € 188,678,164.00 by the issuance of up to 1,173,942 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on May 22, 2019.

On May 21, 2019, the Management Board resolved to use the Authorized Capital/IV to increase the Company's share capital by up to € 96,875.00 from € 188,678,164.00 to a maximum of € 188,775,039.00 by the issuance of up to 96,875 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on June 3, 2019. The Authorized Capital/IV still amounts to € 6,116,978.00 after partial utilization.

On December 13, 2019, the Management Board resolved to use the Authorized Capital/VII to increase the Company´s share capital by up to € 42,087,761.00 from the registered share capital by the date this decision is implemented through the issuance of up to 42,087,761 new no-par value registered shares against mixed contribution in kind. The capital increase and the implementation has not taken place yet.

On January 15, 2020, the Management Board resolved to use the Authorized Capital/III to increase the Company's share capital by € 8,158,550.00 from € 188,775,039.00 to € 196,933,589.00 by the issuance of 8,158,550 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on January 17, 2020. The Authorized Capital/III was fully utilized.

On March 3, 2020, the Management Board resolved to use the Authorized Capital/IV to increase the Company's share capital by up to € 657,251.00 from € 196,933,589.00 to € 197,590,840.00 by the issuance of up to 657,251 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on March 5, 2020. The Authorized Capital/IV still amounts to € 5,459,727.00 after partial utilization.

On March 3, 2020, the Management Board resolved to use the Authorized Capital/IV to increase the Company's share capital by up to € 8,125.00 from € 197,590,840.00 to € 197,598,965.00 by the issuance of up to 8,125 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on March 12, 2020. The Authorized Capital/IV still amounts to € 5,451,602.00 after partial utilization.

On March 15, 2020, the Management Board resolved to use the Authorized Capital / VII to increase the Company´s share capital by up to € 178,585.00 from € 197,598,965.00 to € 197,777,550.00 by the issuance of up to 178,585 new registered shares against a mixed contribution in kind. The capital increase and the implementation were entered in the commercial register on March 20, 2020. The Authorized Capital/VII still amounts to € 53,893,364.00 after partial utilization."

The share capital of the Company was originally conditionally increased by up to € 61,219,560.00 by issuing up to 61,219,560 new no-par value registered shares of the Company with a fractional amount of the registered share capital of € 1.00 per share (Conditional Capital 2017/I). By resolution of the annual general meeting on June 12, 2019 (agenda item 6), the Conditional Capital 2017/1 was completely cancelled and conditionally increased by € 61,219,560.00 to € 61,219,560.00 (Conditional Capital 2019/1). The conditional capital increase serves the granting of shares on the exercise of conversion or option rights or the fulfilment of conversion or option obligations to the holders or creditors of convertible bonds, warrant bonds, profit participation rights and/or income bonds (or a combination of these instruments), issued on the basis of the authorizing resolution of the general meeting of June 13, 2017. The new shares participate in profits from the beginning of the fiscal year in which they are created and for all subsequent fiscal years. In deviation hereof, the Management Board can, insofar as legally permissible and with the approval of the Supervisory Board, determine that the new shares participate in profits from the beginning of the fiscal year for which at the time of the exercise of the conversion or option rights, the fulfilment of the conversion or option obligations or the granting (of shares) instead of the amount due, still no resolution by the general meeting as to the appropriation of the balance sheet profit has been passed. The Management Board is authorized to determine the further details of the implementation of the conditional capital increase.

In accordance with authorization by the general meeting of June 13, 2017 (agenda item 4, lit. a), the share capital of the Company is conditionally increased by € 3,485,000.00 by issuing up to 3,485,000 new no-par value registered shares of the Company with a fractional amount of the registered share capital of € 1.00 per share (Conditional Capital 2017/II). The Conditional Capital 2017/II serves to secure subscription rights from stock options issued by the Company under the authorization of the general meeting (formerly Delivery Hero AG) of June 13, 2017, (agenda item 4, lit. a) as part of the Stock Option Program 2017/II from the date of the registration of Conditional Capital 2017/II until June 30, 2020 to members of the Management Board of the Company, members of managing corporate bodies of affiliated companies, as well as selected executives and employees of the Company or affiliated companies in Germany and abroad. The new shares will be entitled to dividends from the beginning of the fiscal year for which a resolution of the annual general meeting has not yet been made on the appropriation of the balance sheet profit at the time the subscription right is exercised. The Management Board of the Company or, to the extent members of the Management Board are affected, the Supervisory Board of the Company is authorized to determine the further details of the conditional capital increase and its consummation.

In accordance with authorization by the general meeting of June 12, 2019 (agenda item 11), the share capital of the Company is conditionally increased by € 3,000,000.00 by issuing up to 3,000,000 new no-par value registered shares of the Company with a fractional amount of the registered share capital of € 1.00 per share (Conditional Capital 2019/II). The Conditional Capital 2019/II serves exclusively to secure subscription rights from Stock Options issued by the Company to members of the Management Board of the Company, members of managing corporate bodies of affiliated companies, as well as selected executives and employees of the Company or affiliated companies in Germany and abroad. The new shares will be entitled to dividends from the beginning of the fiscal year for which a resolution of the annual general meeting has not yet been made on the appropriation of the balance sheet profit at the time the subscription right is exercised. The Management Board of the Company or, to the extent members of the Management Board are affected, the Supervisory Board of the Company is authorized to determine the further details of the conditional capital increase and its consummation.

On January 15, 2020, the Management Board resolved, that the Company will issue – partially utilizing the authorization by the annual general meeting of the Company of June 12, 2019 – against contribution in cash two tranches of convertible bonds in the principle amount of at least € 1,500,000,000.00, with conversion rights to new shares of the Company from the Conditional Capital 2019/I or to existing shares of the Company ("Convertible Bonds"), thereby excluding the subscription rights of the shareholders to the Convertible Bonds.

The complete version of these authorizations is set out in the Company's Articles of Association in the version of March 19, 2020 (registered in the trade registry on March 20, 2020). The current version of the Articles of Association of the Company is available in the subsection "Articles of Association" on the Company's website at https://ir.deliveryhero.com/websites/delivery/English/4400/articles-of-association.html.

Subject to approval by the Supervisory Board, and while upholding the principle of equality (Section 53a, AktG), the Management Board is (or respectively – regarding the authorization to take their own shares as security – was), authorized, until June 12, 2022, to acquire shares to be held by the Company itself up to a total of 10% of the Company share capital existing at the time of the resolution or – if this value is smaller – of the share capital existing at the time that the authorization is exercised, or – subject to the time limit to June 30, 2017 – to take the same as security. Together with other shares held by the Company itself and which the Company has already acquired or taken as security and still owns, or which are attributed to it in accordance with Section 71a et seq AktG, the shares acquired under the above-mentioned authorization and taken as security must not exceed 10% of the respective share capital in the Company at any time. This authorization may be exercised by the Company once or multiple times, fully or in partial amounts, for a single or multiple purposes, but also by group companies or third parties for the account of the Company or group companies. The authorization must not be exercised for the purpose of trading the Company's own shares.

MATERIAL COMPANY AGREEMENTS THAT ARE SUBJECT TO THE CONDITION OF A CHANGE OF CONTROL RESULTING FROM A TAKEOVER BID AND SUBSEQUENT EFFECTS

The following material agreements of the Company exist that are subject to a change of control following a takeover bid:

The Company is party to two substantial software license contracts, which are subject to a change of control clause. One of them contains an automatic termination of a service component and the other one a termination right. Furthermore, the Company is party to two substantial lease contracts, which contain a common consent requirement for the transfer of the lease agreement.

COMPENSATION AGREEMENTS CONCLUDED BY THE COMPANY WITH MEMBERS OF THE MANAGEMENT BOARD OR EMPLOYEES FOR THE EVENT OF A TAKEOVER BID

In the event of a change of control, members of the Management Board are entitled to resign from their position within three months of the date of the change of control, subject to a notice period of three months to the end of a calendar month. Resignation from the Management Board becoming effective results in termination of the respective Board member's contract of employment.

In the case of resignation from office following a change of control, Management Board member Mr. Emmanuel Thomassin is entitled to compensation in the amount of 150% of the severance cap, which may not exceed the remaining term of the Service Agreement (CoC-Cap). In the case of resignation from office following a change of control, the incentive instruments held by Management Board members Mr. Niklas Östberg and Mr. Emmanuel Thomassin (such as convertible bonds and share options) become vested or are immediately allocated. In the case of Mr. Thomassin, the CoC-Cap is also applicable in this respect. The employment contracts for each of the Management Board members provide for payments in lieu of vacation in the event of resignation from office following a change of control.

The employment contracts for members of the Management Board do not provide for any other compensation in the event of the termination of the employment due to a change of control. There are no similar compensation agreements with other Company employees.

COMPENSATION REPORT PURSUANT TO SECTIONS 289a(2), 315a(2) HGB

(This Compensation report pursuant to §§ 289a (2), 315a (2) HGB constitutes part of the Combined management report 2019).

The following compensation report complies with the accounting standards for capital market-oriented companies (German Commercial Code, German accounting standards and International Financial Reporting Standards) along with the recommendations of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex*) in the version of February 7, 2017 (hereinafter “DCGK”). The basic features of the compensation system for Executive and Supervisory Board members are described, and information is provided with respect to the remuneration granted and paid out to the members of the Management Board and the Supervisory Board of Delivery Hero SE in 2019.

BASIC FEATURES AND OBJECTIVES OF THE COMPENSATION SYSTEM FOR MEMBERS OF THE MANAGEMENT BOARD

The Supervisory Board adopts the compensation system for Management Board members as proposed by the Compensation Committee. The compensation system and the appropriateness of the total compensation, along with the individual compensation components, are regularly reviewed and adjusted as necessary. In particular, the provisions of § 87 AktG (*Aktiengesetz*, German Stock Corporation Act) and the recommendations and suggestions made in Section 4.2.2 and 4.2.3 DCGK have been taken into account. In its review of the appropriateness of the compensation level and system, the Supervisory Board of Delivery Hero SE was assisted by independent external compensation experts.

The remuneration system for the members of the Management Board was resolved by the Supervisory Board in June 2017 and revised effective January 1, 2018. The revised compensation system applies equally to all members of the Management Board. It is in alignment with the Company's corporate strategy and suitable to facilitate a sustainable corporate development. A distinct variable share-based compensation component is targeted to achieve a close alignment with shareholder interests. The agreed internal performance target corresponds with the Company's growth ambitions. The stock option plan awarded to the Management Board balances risk (total loss) and opportunities (upside without cap), thereby ensuring harmonization with the interest of shareholders.

The Supervisory Board will regularly review and adjust the compensation system to take account of the Company's further development.

THE STRUCTURE OF THE COMPENSATION SYSTEM

The current compensation system for Management Board members consists of two main components: the non-performance-based salary and a long-term performance-based compensation component. Consequentially, the variable compensation is provided for a multi-year period as recommended by DCGK.

NON-PERFORMANCE-BASED COMPENSATION

Base salary

The base salary of the Management Board members is paid in twelve monthly installments.

Fringe benefits

In addition to reimbursement of travel costs and other business-related expenses, the Management Board members receive monthly contributions to their health and nursing care insurance as provided by law.

The Company also grants the Management Board members accident insurance with coverage of € 350,000 in the case of death and € 800,000 in the case of disability. Additionally, the Company assumes the costs of a preventive medical examination every two years.

In addition, Mr. Östberg has been granted a personal budget of € 25,000 annually, which, subject to presentation of receipts, covers the costs for commuting between his place of residence and place of work.

PERFORMANCE-BASED COMPENSATION

Share-based compensation

Until the IPO, the performance-based compensation consisted of a virtual share program (VSP). The Management Board members received virtual shares from the Company's VSP. In connection with the IPO, all outstanding virtual shares of the Company's VSP were converted into option rights. Consequentially the Stock Option Program 2017 (SOP 2017) was launched. For the conversion into option rights and the grant of new option rights under the SOP 2017, the general meeting-authorized Share Capital IV was used.[3]

Under the SOP 2017 the beneficiaries receive share option rights that have an individual exercise price that depends on the date on which those rights were granted. The vesting period of the granted options is four years. In part, the granted stock options can be exercised after the first two years of the vesting period ("cliff"). All other options vest during the remaining two years of the vesting period. The options have to be exercised two years after the end of the four-year vesting period at the latest ("exercise period"). The exercise requires a share price higher than the exercise price at the exercise date. Instead of equity settlement, the Company reserves the right to cash settle the vested options, however the Company aims for equity settlement. In case of cash settlement the beneficiary receives for each option right an amount equal to the difference between the share price at the time of exercise and the exercise price. Only during the exercise periods specified by the Company option rights can be exercised. It was not permitted to exercise options during the first year after the IPO.

[3] For detailed information about SOP 2017 and other share-based compensation programs refer to Section H.01. of the consolidated financial statements.

Since 2018, the performance-based compensation consists of a new Long-Term Incentive Plan (LTIP).

Under the LTIP, the performance-based compensation is granted in the form of a stock option plan that is settled in shares. Contractually, a target value of stock options in euro is granted annually. The commitment is binding for four years. To calculate the number of stock options (SOPs) granted in a financial year, the annual target value in euro is divided by the fair value of an SOP at the grant date. The calculated number of SOPs granted is blocked for a period for four years from the date on which they are granted. Subsequently, an exercise period of two years is provided. The members of the Management Board do not receive any shares in the form of “Restricted Stock Units” (RSU), as is customary in the general LTIP.

The performance period of four years in total begins one year before the grant date and runs for three more years.

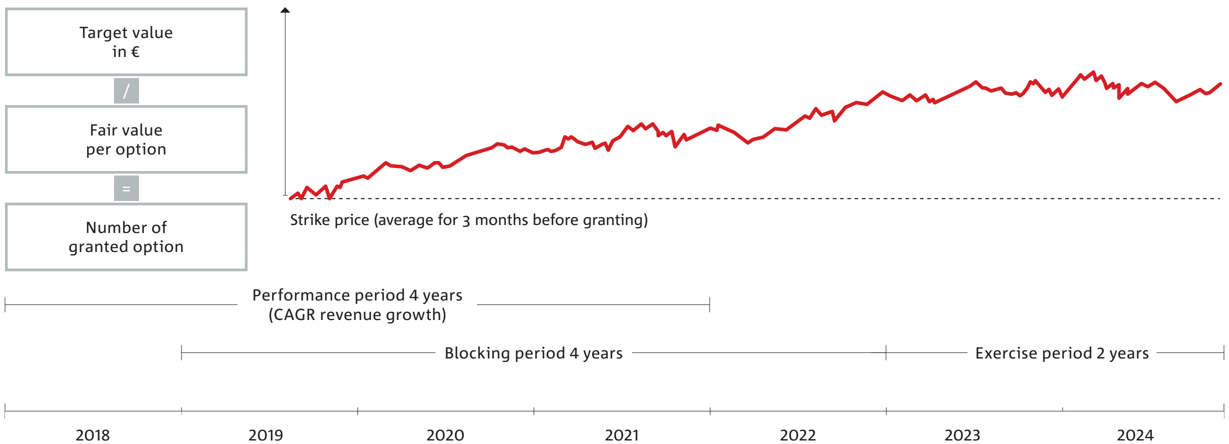
The exercisability of the SOP after the blocking period depends on the achievement of a revenue growth target. The performance target is derived from the Company’s corporate strategy. It is defined as a compound annual revenue growth rate (CAGR) of at least 20% over the performance period, i.e., an average revenue growth of 20% annually. Should this target not be reached, all SOPs expire without substitute or compensation.

There are two exercise windows each year within the two-year exercise period. The exercise price is the equivalent of Delivery Hero’s average share price during the three months before the grant date. The share price at which the option rights may be exercised is not capped in order to support a strong alignment with the interests of the shareholders. Because of equity settlement, the absence of a cap on the share price imposes no additional risks or costs on the Company. Hence no maximum value is provided for the SOP. In the event of extraordinary events, however, the Supervisory Board can, as called for in § 87 (1) sentence 3 AktG, set a limit to ensure the appropriateness of the compensation.

Special compensation

In the current and previous year no special compensation was granted. In 2018 the second tranche of Mr. Thomassin’s special bonus granted in 2017 for his extraordinary efforts in connection with the IPO process became payable.

LONG-TERM INCENTIVE PROGRAM (LTIP)



PENSION COMMITMENTS

No pension arrangement with Management Board members exist.

PAYMENTS AT THE END OF MANAGEMENT BOARD SERVICE

In the event that a Management Board member dies before the term of his service contract ends, the spouse of the deceased is entitled to a grant of the unreduced remuneration for the month of death and the six following months, but for no longer than the end of the original term of the service contract.

If the service relationship ends early due to dismissal or resignation from office, or as a result of a termination agreement, then the Management Board members are entitled to severance pay. This does not apply in the event that, in accordance with § 626 BGB, the Company terminates the employment agreement for good cause for which the Management Board member is responsible, respectively, in the event that the Management Board member terminates the employment agreement without good cause (§ 626 BGB) for which the Company is responsible. The severance pay may not exceed the value of two years' total compensation and may equate at a maximum to the compensation for the remaining term of contract (severance pay cap). The severance provision thus complies with the recommendation of DCGK.

In the event of a change of control, the Management Board member has the right to resign from his office with three months' notice. His employment agreement will also end at that time. A change of control is present if:

- the Company is delisted;
- the Management Board member's appointment is terminated by a change in the Company's form or by a merger of the Company with another company, unless an appointment as member of the Management Board of the new company on equal economic terms as before is offered to the Management Board member;
- an intercompany agreement according to §§ 291 et seqq AktG is made with the Company as a dependent company, or the company is integrated according to §§ 319 et seqq AktG;
- a shareholder or third party directly or indirectly acquires at least 30% of the voting rights in the Company, including the voting rights that are attributable to the shareholder or third party according to § 30 WpÜG (*Wertpapiererwerbs- und Übernahmegesetz*, German Securities Acquisition and Takeover Act).

In the event of a resignation from office or dismissal due to the change of control, Mr. Thomassin is entitled to a remuneration in the amount of 150% of the severance cap, which may not under any circumstances remunerate more than the remaining term of the employment agreement. This provision is likewise in compliance with the relevant recommendation of DCGK.

The Management Board members' contracts provide a post-contractual non-competition clause for two years. During the non-compete period the Management Board member is entitled to a waiting allowance equal to 50% of the remuneration lastly received. Other remuneration earned during the term of the non-compete period is offset with the waiting allowance to the extent that the total of the waiting allowance and the other remuneration would exceed the remuneration lastly received according to the contract.

LOANS AND ADVANCES

The Management Board members have not received advances or loans in 2019.

DISCLOSURES PURSUANT TO THE REQUIREMENTS OF DCGK

The following tables follow the recommendations of DCGK and present the individualized Management Board members' compensation. The table "Granted benefits" presents the target values (the value of the compensation at 100% target achievement) of the compensation components that were granted in financial year 2019, not the compensation that was actually paid. The value of the performance-based, share-based compensation components reflects the grant date fair values. Besides the target values, minimum and maximum compensation amounts to the extent applicable are also shown. The table "Payout" shows the compensation actually paid in financial year 2019. The values "Base salary" and "Fringe benefits" correspond to the values in the "Granted benefits" table, as they are paid irrespective of whether the performance targets are achieved.

Granted benefits

EUR K	NIKLAS ÖSTBERG CEO 2018	2019	2019 (MIN)	2019 (MAX)	EMMANUEL THOMASSIN CFO 2018	2019	2019 (MIN)	2019 (MAX)
BASE SALARY	*250.0*	*325.0*	*325.0*	*325.0*	*250.0*	*325.0*	*325.0*	*325.0*
FRINGE BENEFITS	*25.0*	*25.0*	*0.0*	*25.0*	*0.0*	*0.0*	*0.0*	*0.0*
SUM	**275.0**	**350.0**	**325.0**	**350.0**	**250.0**	**325.0**	**325.0**	**325.0**
SPECIAL BONUS	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
MULTI-YEAR VARIABLE COMPENSATION	*1,000.0*	*2,202.6*	*0.0*	*N/A*	*500.0*	*1,101.3*	*0.0*	*N/A*
LTIP (4 YEAR PLAN TERM)	*1,000.0*	*2,202.6*	*0.0*	*N/A*	*500.0*	*1,101.3*	*0.0*	*N/A*
TOTAL COMPENSATION	**1,275.0**	**2,552.6**	**325.0**	**N/A**	**750.0**	**1,426.3**	**325.0**	**N/A**

Payout

EUR K	NIKLAS ÖSTBERG CEO 2018	2019	EMMANUEL THOMASSIN CFO 2018	2019
BASE SALARY	*250.0*	*325.0*	*250.0*	*325.0*
FRINGE BENEFITS	*25.0*	*25.0*	*0.0*	*0.0*
SUM	**275.0**	**350.0**	**250.0**	**325.0**
SPECIAL BONUS	*0.0*	*0.0*	*150.0*[1]	*0.0*
MULTI-YEAR VARIABLE COMPENSATION	*0.0*	*0.0*	*0.0*	*1,190.0*
VSP/SOP 2017	*0.0*	*0.0*	*0.0*	*1,190.0*
LTIP (4 YEAR PLAN TERM)	*0.0*	*0.0*	*0.0*	*0.0*
TOTAL COMPENSATION	**275.0**	**350.0**	**400.0**	**1,515.0**

[1] *IN THE PREVIOUS YEAR MR. THOMASSIN WAS PAID THE SECOND TRANCHE OF A SPECIAL BONUS GRANTED IN 2017 FOR HIS EXTRAORDINARY EFFORTS IN CONNECTION WITH THE IPO PROCESS.*

In the financial year, members of the Management Board became entitled to a one-time grant of LTIP options of € 1,054 k, of which € 703 k relates to Niklas Östberg and € 351 k to Emmanuel Thomassin. In the previous year, members of the Management Board became entitled to four annual tranches of LTIP with an annual grant of € 1,500 k, thereof € 1,000 k were granted to Niklas Östberg and € 500 k were granted to Emmanuel Thomassin. During the financial year, 40,000 options were exercised and sold by Emmanuel Thomassin resulting in a payout of € 1,190 k. In the previous year, no previously granted compensation components were exercised. There are still outstanding options, which have been granted in previous years but have not yet been exercised and may be exercised in 2020 or the following years.

DISCLOSURES PURSUANT TO THE GERMAN GAAP ("HGB")

According to the applicable international accounting standards, compensation for the Management Board members in financial year 2019 came to € 4.0 million (previous year: € 2.2 million), of which non-performance-based components accounted for € 0.7 million (previous year: € 0.5 million) and performance-based components accounted for € 3.3 million (previous year: € 1.7 million).

The individualized total compensation received by the Management Board members, broken down by non-performance-based and performance-based compensation components, can be seen in the following tables.

2019

EUR K	NON-PERFORMANCE-BASED COMPONENTS		PERFORMANCE-BASED COMPONENTS				
				LTIP			
ACTING BOARD MEMBERS	BASE SALARY	FRINGE BENEFITS	SPECIAL BONUS	ALLOCATION VALUE[1]	NUMBER OF SHARES/ OPTIONS[2]	FAIR VALUE[3]	**TOTAL**
NIKLAS ÖSTBERG	*325.0*	*25.0*	*0.0*	*2,202.6*	*221,669*	*2,202.6*	*2,552.6*
EMMANUEL THOMASSIN	*325.0*	*0*	*0.0*	*1,101.3*	*110,833*	*1,101.3*	*1,426.3*
TOTAL	**650.0**	**25.0**	**0.0**	**3,303.9**	**332,502**	**3,303.9**	**3,978.9**

[1] *IN THE FINANCIAL YEAR, THE LTIP COMMITMENTS FROM THE PREVIOUS YEAR WERE RAISED FOR NIKLAS ÖSTBERG FOR THE 2019 TRANCHE TO € 1,500 K AND FOR THE TRANCHES OF 2020 AND 2021 TO € 2,500 K (PREVIOUSLY € 1,000 K EACH). THE LTIP COMMITMENTS FROM THE PREVIOUS YEAR FOR EMMANUEL THOMASSIN WERE INCREASED TO € 750 K FOR THE 2019 TRANCHE AND TO € 850 K FOR THE TRANCHES OF 2020 AND 2021 (PREVIOUSLY € 500 K EACH). BESIDES THERE WAS A ONE-OFF COMMITMENT IN THE AMOUNT OF € 703 K FOR NIKLAS ÖSTBERG AND IN THE AMOUNT OF € 351 K FOR EMMANUEL THOMASSIN.*
[2] *NUMBER OF OPTIONS GRANTED, SUBJECT TO THE ACHIEVEMENT OF THE PERFORMANCE TARGET. INFORMATION RELATES TO THE COMMITMENT FOR 2019. THE NUMBER OF FUTURE OPTIONS CAN ONLY BE MADE DURING THE RESPECTIVE ALLOCATION YEARS, AS THESE ARE DEPENDENT ON FUTURE SHARE PRICES.*
[3] *FAIR VALUE AT THE GRANT DATE (DATE OF THE LEGALLY BINDING COMMITMENT). INFORMATION ON THE VALUATION MODEL CAN BE FOUND IN THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.*

2018

EUR K	NON-PERFORMANCE-BASED COMPONENTS		PERFORMANCE-BASED COMPONENTS				
				LTIP			
ACTING BOARD MEMBERS	BASE SALARY	FRINGE BENEFITS	SPECIAL BONUS	ALLOCATION VALUE[1]	NUMBER OF SHARES/ OPTIONS[2]	FAIR VALUE[3]	TOTAL
NIKLAS ÖSTBERG	*250.0*	*25*	*0.0*	*1,000*	*103,156*	*1,000.0*	*1,275.0*
EMMANUEL THOMASSIN	*250.0*	*0*	*150.0*	*500*	*51,578*	*500.0*	*900.0*
TOTAL	**500.0**	**25.0**	**150.0**	**1,500**	**154,734**	**1,500.0**	**2,175.0**

[1] *IN 2018, MEMBERS OF THE EXECUTIVE BOARD WERE GRANTED STOCK OPTIONS WORTH € 1,500 K FOR THE NEXT FOUR YEARS (OF WHICH € 1,000 K EACH YEAR IS TO NIKLAS ÖSTBERG AND € 500 K EACH YEAR IS TO EMMANUEL THOMASSIN).*
[2] *NUMBER OF OPTIONS GRANTED, SUBJECT TO THE ACHIEVEMENT OF THE PERFORMANCE TARGET. INFORMATION RELATES TO THE COMMITMENT FOR 2018 (€ 1,000 K NIKLAS ÖSTBERG AND € 500 K EMMANUEL THOMASSIN). THE NUMBER OF FUTURE OPTIONS CAN ONLY BE MADE DURING THE RESPECTIVE ALLOCATION YEARS, AS THESE ARE DEPENDENT ON FUTURE SHARE PRICES.*
[3] *FAIR VALUE AT THE GRANT DATE (DATE OF THE LEGALLY BINDING COMMITMENT). INFORMATION ON THE VALUATION MODEL CAN BE FOUND IN THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.*

The expense from share-based compensation recognized in 2019 amounted to € 5.1 million (previous year: € 1.2 million) for Mr. Östberg and € 2.4 million (previous year: € 0.6 million) for Mr. Thomassin.

In 2019, a total of 221,669 new stock options in the amount of € 2.2 million were granted under the LTIP to Mr. Östberg. Mr. Thomassin was granted a total of 110,833 new stock options in the amount of € 1.1 million in 2019. The option rights can be exercised in financial year 2023 at the earliest. In the previous year, a total of 103,156 new stock options in the amount of € 1.0 million were granted under the LTIP to Mr. Östberg. Mr. Thomassin was granted a total of 51,578 new stock options in the amount of € 0.5 million in 2018. The option rights granted to the Management Board members and outstanding are shown below:

STOCK OPTIONS SOP 2018

	NIKLAS ÖSTBERG		EMMANUEL THOMASSIN	
	WEIGHTED AVERAGE EXERCISE PRICE IN EUR	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE IN EUR	NUMBER OF OPTIONS
OUTSTANDING STOCK OPTIONS AS OF JAN. 1 2018	**5.71**	**846,600**	**11.67**	**390,000**
GRANTED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
FORFEITED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
EXERCISED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
EXPIRED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
OUTSTANDING STOCK OPTIONS AS OF JAN. 1 2019	**5.71**	**846,600**	**11.67**	**390,000**
GRANTED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
FORFEITED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
EXERCISED IN THE REPORTING PERIOD	*N/A*	–	*5.00*	*40,000*
EXPIRED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
OUTSTANDING STOCK OPTIONS AS OF DEC. 31 2019	**5.71**	**846,600**	**12.43**	**350,000**
EXERCISABLE ON DEC. 31 2019	*N/A*	–	*N/A*	–

STOCK OPTIONS LTIP

	NIKLAS ÖSTBERG		EMMANUEL THOMASSIN	
	WEIGHTED AVERAGE EXERCISE PRICE IN EUR	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE IN EUR	NUMBER OF OPTIONS
OUTSTANDING STOCK OPTIONS AS OF JAN. 1 2018	*N/A*	–	*N/A*	–
GRANTED IN THE REPORTING PERIOD	*38.30*	*103,156*	*38.30*	*51,578*
FORFEITED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
EXERCISED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
EXPIRED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
OUTSTANDING STOCK OPTIONS AS OF JAN. 1 2019	**38.30**	**103,156**	**38.30**	**51,578**
GRANTED IN THE REPORTING PERIOD	*36.89*	*221,669*	*36.89*	*110,833*
FORFEITED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
EXERCISED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
EXPIRED IN THE REPORTING PERIOD	*N/A*	–	*N/A*	–
OUTSTANDING STOCK OPTIONS AS OF DEC. 31 2019	**37.34**	**324,825**	**37.34**	**162,411**
EXERCISABLE ON DEC. 31 2019	*N/A*	–	*N/A*	–

FORMER MANAGEMENT BOARD MEMBERS' COMPENSATION

As of the balance sheet date, Delivery Hero SE has no pension recipients or other beneficiaries among its former Executive Board members or Management Board members. Total remuneration for former Management Board members and their survivors, along with pension liabilities to former Management Board members and their survivors, therefore amount to € 0.

OTHER PROVISIONS

In the event of a temporary incapacity to work because of illness, accident or other reason for which the Management Board member is not at fault, the member continues to receive its unreduced remuneration for six months, but no longer than the term of its employment. Mr. Thomassin is entitled to receive for another six months, but no longer than the term of his employment, a payment of 80% of his remuneration.

Both Management Board members are covered by the Company's directors' and officers' liability insurance with a standard coverage level. The insurance provides a minimum deductible of 10% of any claim up to a maximum of 150% of the fixed annual salary, as prescribed by the German Stock Corporation Act.

Payments at the end of Management Board service

In the event of early termination of Management Board services before the applicable performance period of a current SOP tranche ends, the SOPs expire without substitute or compensation in the following cases:

- Revocation of the appointment for good cause
- Revocation of the appointment without good cause in the first year of the first contractual four-year commitment
- The Management Board member's resignation from office in the first two years of any contractual commitment

Otherwise the Management Board members are entitled to the already non-forfeitable SOP at the normal end of the blocking period.

COMPENSATION OF MEMBERS OF THE SUPERVISORY BOARD OF DELIVERY HERO SE

The compensation received by the members of the Supervisory Board is specified in § 15 of the Articles of Association of Delivery Hero SE. The members of the Supervisory Board receive a fixed annual salary of € 15,000. The chairman of the Supervisory Board receives an annual fixed salary in the amount of € 150,000 (previous year: € 75,000), while the deputy chairman receives a fixed salary in the amount of € 20,000. The chairman of the Audit Committee receives additionally a fixed annual salary of € 15,000. The other chairmen of committees additionally receive a fixed annual remuneration of € 5,000.

In addition, all out-of-pocket expenses incurred in the performance of the duties as a Supervisory Board member as well as a the value added tax on the Supervisory Board compensation are reimbursed.

For service in a committee of the Supervisory Board an annual salary of € 2,000 is granted in addition. The committee chairman receives no additional committee salary.

The individual values for the financial year are shown in the following table.

	FIXED SALARY		COMMITTEE COMPENSATION		TOTAL COMPENSATION	
EUR	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
DR. MARTIN ENDERLE	*150,000*	*75,000*	*14,000*	*9,058*	*164,000*	*84,058*
PATRICK KOLEK	*20,000*	*9,027*	*21,000*	*15,090*	*41,000*	*24,118*
HILARY GOSHER (FROM 13.07.2018)	*15,000*	*7,068*	*7,000*	*1,677*	*22,000*	*8,745*
VERA STACHOWIAK (FROM 13.07.2018)	*15,000*	*7,068*	*2,000*	*838*	*17,000*	*7,907*
BJÖRN LJUNGBERG (FROM 13.07.2018)	*15,000*	*7,068*	*2,000*	*838*	*17,000*	*7,907*
CHRISTIAN GRAF VON HARDENBERG (FROM 01.04.2019)	*11,301*	–	–	–	*11,301*	–
SEMIH YALCIN (FROM 13.07.2018 UNTIL 01.04.2019)	*3,740*	–	–	*7,068*	*3,740*	*7,068*
GEORG GRAF VON WALDERSEE (UNTIL 13.07.2018)	–	–	–	*15,945*	–	*15,945*
JEFF LIEBERMANN (UNTIL 13.07.2018)	–	*10,630*	–	*2,126*	–	*12,756*
JONATHAN GREEN (UNTIL 13.07.2018)	–	*7,973*	–	–	–	*7,973*
JANIS ZECH (FROM 06.06.2018 UNTIL 13.07.2018)	–	*1,562*	–	–	–	*1,562*
TOTAL	**230,041**	**125,397**	**46,000**	**52,641**	**276,041**	**178,038**

In 2019, a total of € 6,525 (previous year: € 28,053) has been reimbursed for expenses.

In 2019, a total of 7,381 new stock options in the amount of € 75,000 were granted under the LTIP to Christian Graf von Hardenberg, member of the Supervisory Board. In addition, a total of 663 shares in the form of RSUs in the amount of € 25,000 were granted.

Berlin, April 22, 2020

Niklas Östberg
Chief Executive Officer

Emmanuel Thomassin
Chief Financial Officer

Delivery Hero SE, Berlin

Balance sheet as of December 31, 2019

Assets

				31.12.2019		31.12.2018	
				EUR	EUR	EUR	EUR
A.	Fixed assets						
	I.	Intangible assets					
		1.	Internally generated intangible assets	4.210.624,54		1.491.439,92	
		2.	Purchased trademarks and software	11.453.356,33		12.942.771,61	
		3.	Advance payments and Investments in development	2.383.836,40	18.047.817,27	715.548,05	15.149.759,58
	II.	Property, plant and equipment					
		1.	Plant and machinery	315.875,73		221.554,76	
		2.	Office and other operating equipment	6.290.456,90		5.587.415,53	
		3.	Advance payments and assets under construction	1.323.216,96	7.929.549,59	210.737,28	6.019.707,57
	III. Financial assets						
		1.	Shares in affiliated companies	1.479.002.121,16		1.686.319.991,85	
		2.	Loans to affiliated companies	766.856.064,01		500.379.379,32	
		3.	Investments	225.674.437,76		205.937.859,83	
		4.	Securities held as fixed assets.	464.275.334,11		7.309.142,96	
		5.	Shares in other investments	43.661.696,00	2.979.469.653,04	276.663,44	2.400.223.037,40
					3.005.447.019,90		2.421.392.504,55
B.	Current assets						
	I.	Inventories					
		1.	Unfinished goods and unfinished service	955.500,00		1.892.106,23	
		2.	Finished goods and merchandise	1.627.670,65		1.882.596,26	
		3.	Advance payments	2.174.514,78	4.757.685,43	1.470.467,55	5.245.170,04
	II.	Receivables and other assets					
		1.	Trade receivables	4.658.315,93		859.965,68	
		2.	Receivables from affiliated companies	102.202.971,07		77.029.358,85	
		3.	Other assets	57.374.973,61	164.236.260,61	28.276.374,95	106.165.699,48
	III.	Cash on hands and bank balances			252.069.430,24		111.379.269,19
					421.063.376,28		222.790.138,71
C.	Deferred expenses				10.253.281,16		4.414.052,24
					3.436.763.677,34		**2.648.596.695,50**

Shareholder's equity and liabilities

				31.12.2019		31.12.2018	
				EUR	EUR	EUR	EUR
A.	**Shareholder's Equity**						
	I.	**Issued capital**					
		1.	Subscribed capital	188.775.039,00		185.930.494,00	
		2.	Own shares (nominal value)	-78.230,02	188.696.808,98	-78.230,02	185.852.263,98
	II.	**Capital reserve**			2.785.105.143,10		2.723.479.566,21
	III.	**Loss carryforward**			-346.045.872,26		-339.030.839,23
	IV.	**Net profit/loss for the year**			446.490.782,70		-7.015.033,03
					3.074.246.862,52		2.563.285.957,93
B.	**Provisions**						
	1.	Tax provisions			8.285.712,91		3.173.288,91
	2.	Other provisions			131.228.928,83		18.783.997,49
					139.514.641,74		21.957.286,40
C.	**Liabilities**						
	1.	Liabilities to banks			208.000.000,00		0,00
	1.	Trade payables			437.682,47		466.391,74
	2.	Liabilities to affiliated companies			2.683.112,27		54.172.932,19
	3.	Other liabilities – thereof for taxes EUR 1.646.674,80 (PY: EUR 1.143.492,44) – – thereof for social security EUR 268.136,95 (PY: EUR 172.108,27) –			10.862.123,71		7.574.675,83
					221.982.918,45		62.213.999,76
D.	**Deferred income**				1.019.254,63		1.139.451,41
					3.436.763.677,34		**2.648.596.695,50**

Delivery Hero SE, Berlin

Income statement for the period from January 1 to December 31, 2019

	2019		2018	
	EUR	EUR	EUR	EUR
1. Revenue		91.531.469,33		55.640.501,92
2. Increase or decrease in finished and unfinished goods and services		-598.606,23		
3. Other own work capitalized		3.821.302,44		1.517.269,70
4. Other operating income		874.572.018,86		281.916.986,08
5. Cost of materials				
a) Cost of raw materials, supplies and purchased goods		-7.758.293,42		-5.895.149,14
6. Personnel expenses				
a) Wages and salaries	-120.897.475,64		-70.388.669,88	
b) Social security and other benefits	-11.808.544,46	-132.706.020,10	-8.603.531,98	-78.992.201,86
– thereof for pensions: EUR -110.318,21 (PY: EUR -46.559,74) –				
7. Amortization of				
a) intangible assets and depreciation of property, plant and equipment	-7.309.169,02		-5.088.513,51	
b) Write-downs on current assets exceeding ordinary write-downs usual for the Company	-829.539,38	-8.138.708,40	-18.585.166,90	-23.673.680,41
8. Other operating expenses		-307.452.649,06		-168.696.061,27
9. Income from investments		57.198.361,90		3.317.813,55
– thereof from affiliated companies: EUR 57.198.361,90 (PY: EUR 3.317.813,55) –				
10. Income from the lending of financial assets		44.199.694,47		19.845.975,08
– thereof from affiliated companies: EUR 44.199.694,47 (PY: EUR 19.845.975,08) –				
11. Interest and similar income		843.045,41		872.778,16
12. Write-downs of financial assets		-149.207.609,32		-87.047.053,21
13. Interest and similar expenses		-6.616.718,75		-3.817.135,38
– thereof to affiliated companies: EUR -2.647.442,31 (PY: EUR -2.864.189,24) –				
14. Income taxes		-13.118.621,88		-1.551.307,02
– thereof for deferred taxes: EUR -105.837,40 (PY: EUR -971.632,73) –				
15. Earnings after taxes		446.568.665,25		-6.561.263,80
16. Other taxes		-77.882,55		-453.769,23
17. Net profit/loss for the year		**446.490.782,70**		**-7.015.033,03**

Delivery Hero SE, Berlin

Notes to the Financial Statements for Fiscal Year 2019

I. General Information

Delivery Hero SE, based in Berlin, met the definition of a large corporation set out in Section 267(3) and (4) of the German Commercial Code (*Handelsgesetzbuch*, HGB) as at the end of the reporting period on December 31, 2019. The Company is entered on the register of companies maintained by the Local Court of Charlottenburg under the number 198015 B with the business address Oranienburger Straße 70, 10117 Berlin, Germany.

The wholly owned subsidiaries RGP Local Holding IV GmbH and Luxembourg Investment Company 43 S.à.r.l. were fully absorbed into Delivery Hero SE through merger agreements dated June 27, 2019. The assets of RGP Local Holding IV GmbH were acquired with effect from January 1, 2019. The assets of Luxembourg Investment Company 43 S.à.r.l. were acquired with effect from May 1, 2019.

As the receiving legal entity, Delivery Hero SE carried forward the book values of the acquired legal entities. The mergers were recorded under the absorbing company on the Berlin-Charlottenburg register of companies on August 17 and August 27, 2019. The figures reported on the statement of financial position for December 31, 2019 can only be compared with those for December 31, 2018 to a limited extent due to these mergers; same applies to the income statement. Comparability with the previous year is ensured by explanatory notes and a supplementary column in the schedule of fixed assets.

The Delivery Hero SE financial reports have been prepared in accordance with the provisions of the German Commercial Code (*Handelsgesetzbuch*, HGB) as well as those of the German Companies Act (*Aktiengesetz*, AktG).

The fiscal year corresponds with the calendar year.

Delivery Hero SE closed fiscal year 2019 with an annual profit of € 446.5 million (previous year: annual loss of € 7.0 million). The Management Board is working on the basis that Delivery Hero SE will remain equipped with sufficient liquidity and capital to continue trading. Accordingly, these statements have been prepared on the assumption that the Company will remain a going concern.

German Corporate Governance Code Declaration per AktG § 161/HGB § 285(16)

The Management and Supervisory Boards of Delivery Hero SE submitted the declaration of compliance with the recommendations of the "German Corporate Governance Code 2017" Commission as specified in AktG § 161 on December 11, 2019. This statement is permanently available to view at:

https://ir.deliveryhero.com/websites/delivery/English/4500/declaration-of-compliance.html

II. Accounting and Reporting Policies

1. General Information

The income statement has been classified by the nature of costs in accordance with HGB § 275(2).

In the interests of improved clarity and conciseness, some of the remarks that statutory provisions make optional for the statement of financial position have been published in these notes.

2. Accounting Policies

The following accounting policies were the main ones applied for the preparation of the annual financial reports:

ASSETS

Fixed Assets

Intangible fixed assets acquired for cash are recognized at their acquisition cost and, where subject to exhaustion or obsolescence, are systematically amortized using the linear method in line with their normal useful life. IT programs acquired for cash are amortized over a normal useful life of two to three years. An exception is made for IT programs with an acquisition cost under € 800 (previous year: € 250), which are immediately expensed at their full amount. Licenses are amortized over the useful life specified in the relevant license agreement. The option to capitalize internally generated intangible assets is utilized in accordance with HGB § 248(2). Internally generated intangible assets, including own work capitalized, are recognized at production cost and systematically amortized using the linear method over one to three years. Individual costs as well as prorated, directly attributable overheads are considered for this in accordance with HGB § 255(2). Options to incorporate general administration costs and reasonable expenses for the Company's social benefits, voluntary social payments, and retirement benefits were not utilized.

Tangible fixed assets are measured at their acquisition or production cost less scheduled, linear depreciation. Tangible fixed-asset additions are normally depreciated pro rata temporis. This depreciation uses depreciation rates that are determined based on predicted useful life and do not vary significantly from the depreciation schedules provided by tax laws.

The accounting provision of Section 6(2) of the German Income Tax Act (*Einkommensteuergesetz*, EStG) is applied when recognizing **low-value assets**. Acquisition or production costs for movable fixed assets that are subject to wear and tear and can be used independently are charged in full as an expense during the fiscal year in which they are acquired, produced, or contributed if the acquisition or production costs do not exceed € 800 (previous year: € 800) for the individual asset after deducting the input-tax amount included in the costs.

The **investments section** measures investments in affiliated companies, investments, other investments which contain non-securitised shares in companies that do not constitute an investment in accordance with § 271 (1) HGB as well as securities held as fixed assets at acquisition cost or their fair value. Borrowings are recognized at their nominal or fair value.

The Company uses the discounted-cash-flow method to calculate the fair value of investments in affiliates as part of an impairment test. If there is no exchange or market price, the discounted-cash-flow method is also used analogously for borrowings depending on the remaining term.

Fixed assets that lose value permanently are subjected to impairment write-downs. Corresponding write-ups are carried out if the grounds for the write-downs cease to apply.

Current Assets

Inventory includes advance payments, which are recognized at their nominal or fair value. Unfinished goods, finished goods and merchandise are recognized at acquisition cost in compliance with the lower of cost or market principle

Receivables and other assets are recognized at their nominal or fair value as at the end of the reporting period. Reasonable write-downs are made if the collection of receivables is laden with identifiable risks, and uncollectible receivables are fully written off. Receivables in foreign currencies are valued in accordance with the strict lower of cost or market principle. When they are first recognized they are converted using the mean rate on the day they. Receivables with a remaining term of less than one year are measured using the mean spot exchange rate as at the end of the reporting period. Long-term receivables are recognized at a lower value if the exchange rate is lower at the end of the reporting period, while any gains from a higher exchange rate remain unrecognized.

Cash and cash equivalents are recognized at their nominal value as at the end of the reporting period.

Recognized **prepaid expenses** refer to payments prior to the end of the reporting period if the expense is for a given time period following the end of the reporting period. They are recorded at their nominal value as at the end of the reporting period.

LIABILITIES

The **subscribed capital** is reported at nominal value.

Delivery Hero SE has existing stock-appreciation plans. The stock plans give employees rights that generally entitle the beneficiary to acquire shares in the Company (share-based compensation settled in equity instruments) on completion of a specified period of work for the Company. With some plans, the Company is required to settle the rights in cash at certain exit events (e.g. change of control). In addition, the Company has an option to settle by issuing new shares or in cash. The occurrence of exit events is seen as unlikely at the present time. There are no plans to utilize the option for settling in cash for the stock-appreciation plans, with the exception of the Virtual Share Program 2017, which was converted to cash settlement in 2019. The remaining stock plans are classified as share-based compensation settled in equity instruments. These commitments are reported in accordance with international IFRS 2 rules since the German Commercial Code does not provide explicit regulation for such share-based compensation. The entitlements from the commitments are recognized under personnel expenses with an offsetting entry in the capital reserve under equity. The obligation arising from the cash-settled share-based compensation plan is included in other provisions. The total entitlements are measured by pricing the options using the Black-Scholes model.

Provisions are recognized at the settlement amount seen necessary based on reasonable commercial judgment. All recognizable risks, uncertain liabilities and impending losses from pending transactions are taken into account.

Provisions with a remaining term of more than one year are discounted based on a market interest rate that averages the last seven fiscal years and corresponds to the remaining term.

Provisions were formed for future expenses incurred through fulfillment of statutory obligations for business-document archival; these provisions were of the relevant settlement amount, i.e. incorporating costs foreseen for the time of fulfillment. Provisions were calculated for archival costs on the assumption of an average remaining retention period of 5.5 years and predicted price/cost increases of 1.2% p.a. (previous year: 1.7%).

Payables are recognized at their settlement amount. Payables in foreign currencies are converted using the mean daily rate at the time of recognition. Current foreign-currency payables with a remaining term of one year or less are measured using the mean spot exchange rate. Noncurrent foreign-currency payables are recognized and charged at a greater amount if the rate is higher at the end of the reporting period. Any lower rate (producing a valuation gain) remains unrecognized.

DEFERRED TAX LIABILITIES

If there are differences between the methods under commercial law for measuring assets, debts, accruals, and deferrals and those under tax law, and the resulting differing amounts will foreseeably break down in later fiscal years, any net tax burden incurred is recognized under deferred tax liabilities in the statement of financial position. Any net tax relief incurred through these differences is not recognized, in accordance with the option under HGB § 274(1), second sentence, which we utilize.

VALUATION UNITS

Derivative financial instruments were concluded in 2019 to hedge foreign currency risks and fair value risks. No valuation units in accordance with § 254 HGB were formed.

III. Explanation of Statement Items

Fixed Assets

Developments among fixed assets are described along with the fiscal year's amortization and depreciation in the schedule of assets in Appendix I of these notes.

The investments in affiliates, and interests in other entities recognized in the investments section are composed as illustrated in Appendix II to these notes.

Other investments include non-securitised shares in companies that do not constitute an investment in accordance with § 271 (1) HGB.

By merging with RGP Local Holding IV GmbH and Luxembourg Investment Company 43 S.à.r.l., Delivery Hero SE acquired investments in affiliates totaling € 800.4 million, including Yemek Sepeti Elektronik İletişim Tanıtım Pazarlama Gıda Sanayi ve Ticaret A.Ş., Istanbul, in Delivery Hero Korea, Seoul and in Delivery Hero Sweden, Stockholm.

On April 1, 2019, the sale of the German operations to Takeaway.com was completed. The total consideration comprised (i) 5,733,726 ordinary shares in Takeaway.com, (ii) 3,766,274 warrants that were converted into ordinary shares of Takeaway.com in May 2019, and (iii) € 551.5 million in cash. Measured at market values at closing date the consideration amounted to € 1.2 billion.

On April 4, 2019 the company entered into a multi-year collar agreement in relation to 3.2 million shares in Takeaway.com with the objective of hedging a price decline. The collar agreement partially allows Delivery Hero to continuously participate in any further increase in the share price Takeaway.com. In the course of the collar transaction, the underlying shares were transferred in trust and sold by Morgan Stanley on April 4, 2019 via an accelerated bookbuilding process.

Delivery Hero received the proceeds from the collar transaction as a loan. The underlying shares in Takeaway.com of the collar transaction are included in the statement of financial position of Delivery Hero as the beneficial ownership is attributable to Delivery Hero.

Further 3.0 million shares in Takeaway.com were sold on the market during the second half of 2019.

The **loans to affiliates** of € 766.9 million (previous year: € 500.4 million) result from internal Group financing.

Predicted ongoing loss of value resulted in impairment of **investments in affiliates** worth € 69.2 million (previous year: € 28.7 million)**.** Predicted ongoing loss of value **of loans** resulted in impairment of € 80.0 million (previous year: € 58.4 million).

Securities held as fixed assets mainly include the shares in Takeaway.com that are attributable to the company as of the balance sheet date (see explanations above).

Exercising the option to capitalize internally generated intangible assets saw recognition of € 6.6 million in 2019 (previous year: € 2.1 million).

Due to the capitalization of internally generated, fixed intangible assets, HGB § 268(8) imposes a restriction on distributions worth € 4.2 million (previous year: € 0.7 million).

Receivables and Other Assets

The **trade receivables from third parties,** amounting to € 4.7 million (previous year: € 0.9 million), mainly result from passing on marketing costs to the German entities that were sold to Takeaway.com.

Receivables from affiliates were, like last year, mainly the result of trade and services rendered. Due to a predicted ongoing loss of value impairment was recognized for receivables from affiliates at € 0.1 million (previous year: € 11.0 million).

The **other assets** mainly include € 41.8 million (previous year: € 0.0 million) for a deal contingent USD/EUR option that was concluded on December 13, 2019 in the course of entering into agreements to acquire approx. 88% of the shares in Woowa Brothers Corp., South-Korea. Further, security-payments made upon signing of a secondary transaction to acquire additional shares in Glovo of € 8.0 million (previous year: € 0.0 million) and security deposits where the remaining term was less than one year of € 0.3 million (previous year: € 0.3 million) are included. The escrow payment of € 26.7 million from the sale of a participation that was included in other assets previous year was settled in 2019.

The figure for the **prepaid-expense item** is mainly the result of insurance premiums remitted for years up until 2022 as well as usage fees for software licenses prepaid during the fiscal year.

All other receivables and other assets mature, like last year, within one year.

Equity

Takeover-related disclosures and explanatory notes by the Management Board

This chapter contains the disclosures pursuant to Sections 289a (1), 315a(1) of the Commercial Code together with the explanatory report of the Management Board pursuant to Section 176(1) sentence 1 German Stock Corporation Act [Aktiengesetz – AktG] in conjunction with Section 9(1) lit. C(ii) SE Regulation.

The Delivery Hero SE **subscribed capital** is underpinned by no-par bearer shares of € 1.00. The subscribed capital amounts to € 188.8 million (previous year: € 185.9 million) (shares at December 31, 2019: 188,775,039.00, of which 2,844,545 were subscribed from the authorized capital at a nominal value of € 1.00). As part of the stock plan, 2,844,545 shares were issued on February 28, 2019 and June 3, 2019 with a nominal value of € 1.00.

In January 2020 and in March 2020, four further capital increases were registered, so that at the time of the publication of this report the Company´s subscribed capital amounts to EUR 197,777,550.00, which is subdivided into 197,777,550 no par value bearer shares.

There are no different share classes. The same rights and obligations are associated with all shares. Each share grants one vote and determines the shareholder’s share in the profits. Shares held by the Company itself, which do not grant the Company any rights in accordance with Section 71b AktG, are excluded from this.

The Delivery Hero SE **authorized and conditional capital** as at December 31, 2019 consisted of 154,727,337 shares with a nominal value of € 1.00 (previous year: 154,571,882 shares).

Restrictions that concern voting rights or the transfer of shares

Restrictions on transfer
According to the understanding of the Management Board of the Company, the restrictions on transfer as stated by the law on obligations are as follows:

- Overall 3,505,500 shares were held in escrow according to a shareholders agreement and several supplementary agreements. Depending on the respective trustor, the agreements contained vesting periods of twelve and twenty-four months. The twelve months vesting period ended at the conclusion of December 31st, 2017 and the twenty-four months vesting period ended at the conclusion of December 31st, 2018. The shares were transferred back to the trustors or any proceeds from the sale of the shares were paid out to the trustors or the Company to settle claims.
- Overall 367,200 shares were held in escrow according to an investment agreement. The agreement contains vesting periods respectively for one third of the shares, which ended at the conclusion of June 30th, 2018, June 30th, 2019, respectively and will end at the conclusion of June 30th, 2020.

Persons who perform management duties at Delivery Hero SE within the meaning of the European Market Abuse Regulation (MAR) must observe the closed periods (trading prohibitions) established by Article 19(11) MAR.

Restriction on voting rights
According to the understanding of the Management Board of the Company, the restrictions on voting rights as stated by the law on obligations are as follows:

- Pursuant to Sections 71b and 71d AktG, there are no voting rights with respect to approx. 78,230 shares in the Company.
- In accordance with Section 136 AktG, members of the Management Board are restricted in exercising their voting rights with respect to the 691,608 shares in the Company held by them, or which are held in trust on their behalf.
- There is an agreement between the shareholders who had invested in the Company before the IPO to the effect that they may exercise their voting rights at the first General Meeting following the IPO at which the Supervisory Board will be newly elected in such a way as to determine the composition and term of office of the Supervisory Board,

provided that this General Meeting takes place before the end of 2019. Specifically, the period of office agreed by the shareholders will end when the Supervisory Board is discharged for the second complete financial year following the IPO.

- Pursuant to a Shareholders Agreement, 3,505,500 shares originally held in escrow were subject to the contractual obligation to uniformly use the voting rights of the shares, held for the respective shareholders in escrow. The shares were transferred back to the trustors or any proceeds from the sale of the shares were paid out to the trustors or the Company to settle claims.

There may be voting right restrictions that go beyond this arising from the Stock Corporation Act, such as Section 136 AktG or capital market law provisions, in particular Sections 33 et seq. of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG).

Shareholdings exceeding 10% of voting rights

At the end of the 2019 financial year, the following direct and indirect holdings in Delivery Hero SE existed, which exceeded the threshold of 10% of the voting rights[1] and which were notified to the Company by means of voting rights notifications in accordance with Sections 33, 34 WpHG (Sections 32, 22 WpHG old version):

- Naspers Limited with its registered seat in Cape Town, South Africa through in particular MIH Food Holdings B.V. (attributed)
- Baillie Gifford & Co with its registered seat in Edinburgh, United Kingdom through in particular Vanguard Word Fund (attributed)

Further information on the amount of the holdings listed above can be found in the disclosures on voting right notifications in the notes to the Delivery Hero SE 2018 annual financial statement as well as the "Voting Rights Notifications" item on the Company's website at

https://ir.deliveryhero.com/websites/delivery/English/6400/voting-rights-notifications.html.

Shares with special rights conferring powers of control

There are no shares with special rights conferring powers of control.

Statutory requirements and provisions in the Articles of Association regarding nomination and dismissal of members of the Management Board, and amendments to the Articles of Association

In accordance with Section 7(1) of the Articles of Association, the Management Board consists of one or more individuals. The number of individuals is determined by the Supervisory Board. The Management Board of Delivery Hero SE currently consists of two individuals. In accordance with Sections 9(1), 39(2), 46 SE Regulation, Sections 84 and 85 AktG, and Section 7(3)(4) of the Articles of Association, the Supervisory Board appoints the members of the Management Board for a maximum term of six years. Individuals may be reappointed. If

[1] The information shown here takes into account the most recent notifications of voting rights received by the Company. These notifications of voting rights may take into account capital increases that have not already been carried out.

multiple individuals are appointed to the Management Board, the Supervisory Board may designate a Chair as well as a Deputy Chair, pursuant to Section 7(2) of the Articles of Association. If an essential member of the Management Board is absent, the court must, in urgent cases and at the request of an involved party, appoint another member; see Section 85(1), s. 1 AktG. If there is cause to do so, the Supervisory Board may revoke the appointment of the member of the Management Board as well as the designation as Chair of the Management Board, see Sections 9(1), 39(2) SE Regulation and Section 84 (3), ss. 1 and 2 AktG.

Amendments to the Articles of Association are made by resolution of the General Meeting in accordance with Section 20(2) of the Articles of Association, requiring, unless this conflicts with mandatory legal provisions, a majority of two-thirds of the valid votes cast or, if at least one-half of the share capital is represented, the simple majority of the valid votes cast. As far as the law requires a capital majority in addition to a majority of votes for resolutions of the General Meeting, a simple majority of the share capital represented at the time the resolution is passed shall be sufficient to the extent that this is legally permissible. In accordance with Section 12(5) of the Articles of Association, the Supervisory Board is authorized to make editorial changes to the Articles of Association by resolution.

Powers of the Management Board in particular with respect to the possibility of issuing or buying back shares

The Management Board of the Company was originally authorized to increase the registered capital of the Company until June 8, 2022 with the consent of the Supervisory Board once or repeatedly, by up to a total of EUR 882,300.00 by the issuance of up to 882,300 new no-par value registered shares against contributions in cash (Authorized Capital / II). The Authorized Capital / II was cancelled by resolution of the annual general meeting on 6 June 2018 (agenda item 6).

The Management Board of the Company was originally authorized to increase the registered capital of the Company until June 8, 2022, with the consent of the Supervisory Board once or repeatedly, by up to a total of EUR 8,158,550.00 by the issuance of up to 8,158,550 new no par value registered shares against contributions in cash (Authorized Capital / III). The subscription rights of the shareholders were excluded. The Authorized Capital / III is to be used for any purposes (including, without limitation, in connection with acquisition transactions by the Company, the participation of further investors in the Company, share swap transactions, the issuance of additional shares under the so-called Loan and Escrow Agreement entered into on 7 August 2014, as amended from time to time, or any new loan agreements, etc.). The Management Board of the Company was authorized to determine with the consent of the Supervisory Board the further scope of the shareholders' rights pertaining to the shares to be newly issued and the further conditions of the issuance of the new shares. The Authorized Capital / III was fully utilized.

The Management Board of the Company was originally authorized to increase the registered capital of the Company until June 8, 2022, with the consent of the Supervisory Board once or repeatedly, by up to a total of EUR 8,961,523.00 by the issuance of up to 8,961,523 new no par value registered shares against contributions in cash (Authorized Capital / IV). The

Authorized Capital IV has been used several times since the original authorization. The subscription rights of the shareholders are excluded. The Authorized Capital / IV serves the fulfilment of acquisition rights (option rights) which have been granted or promised by the Company to current or former employees and managing directors of the Company and its affiliated companies, members of the supervisory board of the Company and further beneficiaries who are or were acting for the Company or its affiliated companies, in order to replace the hitherto existing virtual share program of the Company with effect as of April 21, 2017, shares out of the Authorized Capital / IV may only be issued for this purpose. The Management Board is authorized to determine with the consent of the Supervisory Board the further scope of the shareholders' rights pertaining to the shares to be newly issued and the further conditions of the issuance of the new shares.
The Management Board of the Company is authorized to increase the registered capital of the Company until June 8, 2022, with the consent of the Supervisory Board once or repeatedly, by up to a total of EUR 18,675,300.00 by the issuance of up to 18,675,300 new no par value registered shares against contributions in cash (Authorized Capital / V). The subscription rights of the shareholders are excluded. The Authorized Capital / V serves the fulfilment of contractual claims, already agreed upon prior to January 1, 2017, of those shareholders who have subscribed for new shares in Delivery Hero GmbH (prior to the conversion into Delivery Hero AG) based on the resolution dated 4 to 9 December 2016 for an increase of the nominal share capital; shares out of the Authorized Capital / V may only be issued for this purpose. For certain claims, the utilization of the Authorized Capital / V is limited to 3,505,500 new shares. The shares shall be issued at the lowest issue price. The Management Board is authorized to determine with the consent of the Supervisory Board the further scope of the shareholders' rights pertaining to the shares to be newly issued and the further conditions of the issuance of the new shares.

The Management Board of the Company was originally authorized to increase the registered capital of the Company (formerly Delivery Hero AG) until June 8, 2022, with the consent of the Supervisory Board once or repeatedly, by up to a total of EUR 12,890,100.00 by the issuance of up to 12,890,100 new no par value registered shares against contributions in cash (Authorized Capital / VI). The Authorized Capital / VI was cancelled by resolution of the annual general meeting on 6 June 2018 (agenda item 6).

The Management Board was originally authorized to increase the share capital of the Company until June 8, 2022, with the consent of the Supervisory Board once or repeatedly, by up to a total of EUR 25,000,000.00 by the issuance of up to 25,000,000 new no par value registered shares against contributions in cash and/or non-cash contributions (Authorized Capital / VII). By resolution of the annual general meeting (formerly Delivery Hero AG), the Authorized Capital / VII was completely cancelled on 6 June 2018 (agenda item 6) and increased by EUR 55,546,866.00 to EUR 55,546,866.00. By resolution of the annual general meeting on June 12, 2019 (agenda item 5), the Authorized Capital / VII was completely cancelled and increased by EUR 54,071,949.00 to EUR 54,071,949.00. The subscription rights of the shareholders are only excluded in certain cases or can only be excluded by the Management Board with the consent of the Supervisory Board. The Management Board is authorized to determine any further details of the capital increase and its implementation, subject to the consent of the Supervisory Board; this also includes the determination of the profit participation of the new shares, which may, in deviation of Section 60 (2) AktG, also participate in the profit of completed fiscal years. Shares which are issued to members of the Management Board and employees of the Company, as well as to members of the corporate bodies and employees of affiliated companies of the Company within the meaning of Sections 15 et seqq. AktG, shall have in each case a full profit participation for the fiscal year in which they are issued.

On December 5, 2017, the Management Board (formerly Delivery Hero AG) resolved to use the Authorized Capital / VII to increase the Company`s share capital by up to EUR 10,500,000.00 from EUR 171,998,900.00 to EUR 182,498,900.00 by the issuance of up to 10,500,000 new no-par value registered shares. The final number of new shares to be issued was set at 10,500,000 shares in accordance with the resolution of the Management Board on December 6, 2017. The capital increase and the implementation of the capital increase were entered in the commercial register on December 6, 2017.

On February 21, 2018, the Management Board (formerly Delivery Hero AG) resolved to use Authorized Capital / IV to increase the Company's share capital by up to EUR 2,603,642.00 from EUR 182,498,900.00 to a maximum of EUR 185,102,542.00 by the issuance of up to 2,603,642 new no-par value registered shares against contributions of cash.

The final number of new shares to be issued was determined in accordance with the resolution of the Management Board (formerly Delivery Hero AG) on March 12, 2018:

a) 1,366,311 shares.
The capital increase and its implementation were entered in the commercial register on March 14, 2018.

b) 90,100 shares.
The capital increase and its implementation were entered in the commercial register on March 19, 2018.

On May 29, 2018, the Management Board (formerly Delivery Hero AG) resolved to use Authorized Capital / IV to increase the Company's share capital by up to EUR 500,266.00 from EUR 183,955,311.00 to a maximum of 184,455,577.00 by the issuance of up to 500,266 new no-par value registered shares against contributions of cash. The final number of new shares to be issued was set at 500,266 shares in accordance with the resolution of the Management Board of May 30, 2018. The capital increase and its implementation were entered in the commercial register on May 31, 2018.

On August 1, 2018, the Management Board resolved to use the Authorized Capital / VII to increase the Company's share capital by up to EUR 1,474,917.00 from EUR 184,455,577.00 to a maximum of EUR 185,930,494.00 by the issuance of up to 1,474,917 new registered shares against in-kind contributions. The capital increase and the implementation were entered in the commercial register on August 8, 2018. The Authorized Capital / VII still amounts to EUR 54,071,949.00 after partial utilization at the end of the reporting period.

On February 20, 2019, the Management Board resolved to use the Authorized Capital / IV to increase the Company's share capital by up to EUR 1,521,328.00 from EUR 185,930,494.00

to a maximum of EUR 187,451,822.00 by the issuance of up to 1,521,328 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on February 21, 2019.

On February 20, 2019, the Management Board resolved to use the Authorized Capital / IV to increase the Company's share capital by up to EUR 52,400.00 from EUR 187,451,822.00 to a maximum of EUR 187,504,222.00 by the issuance of up to 52,400 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on February 25, 2019.

On May 21, 2019, the Management Board resolved to use the Authorized Capital / IV to increase the Company's share capital by up to EUR 1,173,942.00 from EUR 187,504,222.00 to a maximum of EUR 188,678,164.00 by the issuance of up to 1,173,942 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on May 22, 2019.

On May 21, 2019, the Management Board resolved to use the Authorized Capital / IV to increase the Company's share capital by up to EUR 96,875.00 from EUR 188,678,164.00 to a maximum of EUR 188,775,039.00 by the issuance of up to 96,875 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on February 25, 2019. The Authorized Capital / IV still amounts to EUR 6,116,978.00 after partial utilization.

On December 13, 2019, the Management Board resolved to use the Authorized Capital / VII to increase the Company´s share capital by up to EUR 42,087,761.00 from the registered share capital by the date this decision is implemented through the issuance of up to 42,087,761 new no par value registered shares against mixed contribution in kind. The capital increase and the implementation has not taken place yet.
On January 15, 2020, the Management Board resolved to use the Authorized Capital / III to increase the Company's share capital by EUR 8,158,550.00 from EUR 188,775,039.00 to EUR 196,933,589.00 by the issuance of 8,158,550 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on January 17, 2020. The Authorized Capital / III was fully utilized.

On March 3, 2020, the Management Board resolved to use the Authorized Capital / IV to increase the Company's share capital by up to EUR 657,251.00 from EUR 196,933,589.00 to EUR 197,590,840.00 by the issuance of up to 657,251 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on March 05, 2020. The Authorized Capital / IV still amounts to EUR 5,459,727.00 after partial utilization.

On March 3, 2020, the Management Board resolved to use the Authorized Capital / IV to increase the Company's share capital by up to EUR 8,125.00 from EUR 197,590,840.00 to EUR 197,598,965.00 by the issuance of up to 8,125 new registered shares against cash contribution. The capital increase and the implementation were entered in the commercial register on March 12, 2020. The Authorized Capital / IV still amounts to EUR 5,451,602.00 after partial utilization.

On March 15, 2020, the Management Board resolved to use the Authorized Capital / VII to increase the Company´s share capital by up to EUR 178,585.00 from EUR 197,598,965.00 to EUR 197,777,550.00 by the issuance of up to 178,585 new registered shares against a mixed contribution in kind. The capital increase and the implementation were entered in the commercial register on March 20, 2020. The Authorized Capital / VII still amounts to EUR 53,893,364.00 after partial utilization.

The share capital of the Company was originally conditionally increased by up to EUR 61,219,560.00 by issuing up to 61,219,560 new no-par value registered shares of the Company with a fractional amount of the registered share capital of EUR 1.00 per share (Conditional Capital 2017 / I). By resolution of the annual general meeting on June 12, 2019 (agenda item 6), the Conditional Capital 2017 / 1 was completely cancelled and conditionally increased by EUR 61,219,560.00 to EUR 61,219,560.00 (Conditional capital 2019 / 1). The conditional capital increase serves the granting of shares on the exercise of conversion or option rights or the fulfilment of conversion or option obligations to the holders or creditors of convertible bonds, warrant bonds, profit participation rights and/or income bonds (or a combination of these instruments), issued on the basis of the authorizing resolution of the general meeting of June 13, 2017. The new shares participate in profits from the beginning of the fiscal year in which they are created and for all subsequent fiscal years. In deviation hereof, the Management Board can, insofar as legally permissible, and with the approval of the Supervisory Board, determine that the new shares participate in profits from the beginning of the fiscal year for which at the time of the exercise of the conversion or option rights, the fulfilment of the conversion or option obligations or the granting (of shares) instead of the amount due, still no resolution by the general meeting as to the appropriation of the balance sheet profit has been passed. The Management Board is authorized to determine the further details of the implementation of the conditional capital increase.

In accordance with authorization by the general meeting of June 13, 2017 (agenda item 4, lit. a)), the share capital of the Company is conditionally increased by EUR 3,485,000.00 by issuing up to 3,485,000 new no-par value registered shares of the Company with a fractional amount of the registered share capital of EUR 1.00 per share (Conditional Capital 2017 / II). The conditional capital 2017 / II serves to secure subscription rights from Stock Options issued by the Company under the authorization of the general meeting (formerly Delivery Hero AG) of June 13, 2017, (agenda item 4, lit. a)) as part of the Stock Option Program 2017 / II from the date of the registration of Conditional Capital 2017 / II until June 30, 2020 to members of the Management Board of the Company, members of managing corporate bodies of affiliated companies as well as selected executives and employees of the Company or affiliated companies in Germany and abroad. The new shares will be entitled to dividends from the beginning of the fiscal year for which not yet a resolution of the General Meeting has been made on the appropriation of the balance sheet profit at the time the subscription right is exercised. The Management Board of the Company or, to the extent members of the Management Board are affected, the Supervisory Board of the Company, is authorized to determine the further details of the conditional capital increase and its consummation.

The share capital of the Company is conditionally increased by EUR 3,000,000.00 by issuing up to 3,000,000 new no par value registered shares of the Company with a fractional amount of the registered share capital of EUR 1.00 per share (Conditional Capital 2019/II). The Conditional Capital 2019/II serves exclusively to secure subscription rights from Stock Options issued by the Company to members of the Management Board of the Company, members of managing corporate bodies of affiliated companies as well as selected executives and employees of the Company or affiliated companies in Germany and abroad. The new shares will be entitled to dividends from the beginning of the fiscal year for which not yet a resolution of the annual general meeting has been made on the appropriation of the balance sheet profit at the time the subscription right is exercised. The Management Board of the Company or, to the extent members of the Management Board are affected, the Supervisory Board of the Company, is authorized to determine the further details of the conditional capital increase and its consummation.

On January 15, 2020, the Management Board resolved, that the Company will place – partially utilizing the authorization by the annual general meeting of the Company of June 12, 2019 – to issues against contribution in cash two tranches of convertible bonds in the principle amount of at least EUR 1,500,000,000.00, with conversion rights to new shares of the Company from the Conditional Capital 2019/I or to existing shares of the Company („Convertible Bonds"), thereby excluding the subscription rights of the shareholders to the Convertible Bonds.

The complete version of these authorizations is set out in the Company's Articles of Association in the version of March 19, 2020 (registered in the trade registry on March 20, 2020). The current version of the Articles of Association of the Company is available in the sub-section "Articles of Association" on the Company's website at https://ir.deliveryhero.com/websites/delivery/English/4400/articles-of-association.html

Subject to approval by the Supervisory Board and whilst upholding the principle of equality (Section 53a, AktG), the Management Board is (or respectively – regarding the authorization to take their own shares as security – was), authorized, until June 12, 2022, to acquire shares to be held by the Company itself up to a total of 10% of the Company share capital existing at the time of the resolution or – if this value is smaller – of the share capital existing at the time that the authorization is exercised, or – subject to the time limit to June 30, 2017 – to take the same as security. Together with other shares held by the Company itself and which the Company has already acquired or taken as security and still owns, or which are attributed to it in accordance with Section 71a et seq. AktG, the shares acquired under the above-mentioned authorization and taken as security must not exceed 10% of the respective share capital in the Company at any time. This authorization may be exercised by the Company once or multiple times, fully or in partial amounts, for a single or multiple purposes, but also by group companies or third parties for the account of the Company or group companies. The authorization must not be exercised for the purpose of trading the Company's own shares.

Material company agreements that are subject to the condition of a change of control resulting from a takeover bid and subsequent effects

The Company is party to two substantial software license contracts, which are subject to a change of control clause. One of them contains an automatic termination of a service component and the other one a termination right. Furthermore, the Company is party to two substantial lease contracts, which contain a common consent requirement for the transfer of the lease agreement.

Compensation agreements concluded by the company with members of the Management Board or employees for the event of a takeover bid

In the event of a change of control, members of the Management Board are entitled to resign from their position within three months of the date of the change of control, subject to a notice period of three months to the end of a calendar month. Resignation from the Management Board becoming effective results in termination of the respective Board member's contract of employment.

In the case of resignation from office following a change of control, Management Board member Mr Emmanuel Thomassin is entitled to compensation in the amount of 150% of the severance cap, which may not exceed the remaining term of the Service Agreement (CoC-Cap). In the case of resignation from office following a change of control, the incentive instruments held by Management Board members Mr Niklas Östberg and Mr Emmanuel Thomassin (such as convertible bonds and share options) become vested or are immediately allocated. In the case of Mr Thomassin, the CoC-Cap is also applicable in this respect. The employment contracts for each of the Management Board members provide for payments in lieu of vacation in the event of resignation from office following a change of control.

The employment contracts for members of the Management Board do not provide for any other compensation in the event of the termination of the employment due to a change of control. There are no similar compensation agreements with other Company employees.

The **capital reserve** increased by € 61.6 million to € 2,785.1 million in 2019. The increase resulted from the issue of further shares as part of the stock-option plan.

Total of Capital Reserves Pursuant to HGB § 272

	December 31, 2019
	€ million
HGB 272(2) No. (1)	1,290.5
HGB 272(2) No. (2)	287.4
HGB 272(2) No. (3)	0.0
HGB 272(2) No. (4)	1,207.2
	2,785.1

In 2018, Delivery Hero SE issued a long-term incentive plan (LTIP) comprising two types of award: a restricted-stock plan (RSP) and stock-option program (SOP). Eligibility was extended to the Management Board, executives of certain subsidiaries, other executives, and certain employees. Delivery Hero has undertaken to award restricted-stock units (RSUs) and stock options over a period of four years based on a specific € amount per year. The amounts awarded in each round (four in total) are set out in an award agreement received by participants in the first year.

A number of RSUs and stock options to which every participant is entitled are defined on a recurring annual basis by dividing the corresponding award amount by the market value of an RSU equivalent to the thirty-day average of the DH share price prior to the relevant time or by the market value of a stock option, with the price to exercise any option being calculated based on the three-month average of the price for each share prior to the corresponding award time stipulated in the agreement.

All entitlements are awarded quarterly over a year following the agreed award date. The first award is normally subject to a twenty-four-month blackout period. Bad leavers lose all earned and unearned entitlements. Good leavers retain all earned RSUs and stock options. The SOP includes a performance target based on sales.

Awards come in the form of shares. Although Delivery Hero has the option to settle the shares' fair value as at the settlement date in cash, DH does not intend to make use of this option.

A total of € 46.3 million (previous year: € 10.9 million) in entitlements to stock-based compensation was recorded in the capital reserve for the LTIP as at December 31, 2019. There were 2,011,422 (previous year: 941,083) nonexercised options that had been issued as at December 31, 2019; 332,502 (previous year: 154,734) nonexercised options were awarded to the Management Board and 1,133,905 (previous year: 786,349) non-exercised options were awarded to employees. There were 592,287 (previous year: 149,046) restricted stock units (RSUs) that had been issued as of December 31, 2019.

Beneficiaries of the Delivery Hero SE SOP received options that, given certain conditions, entitle the holder to subscribe for Delivery Hero SE stocks. The vesting period lasts forty-eight months and is subject to individual blackout periods of twelve to twenty-four months. If a beneficiary leaves the Company before fulfilling the requirements for exercising the options, his or her rights under this program are forfeited.

The Group plans to settle in equity instruments and classifies the program as a share-based compensation plan settled in equity instruments. The plan's conditions provide for cash settlement by the Group if there transpire certain exit events (e.g. if controlling interests change). However, the occurrence of such an event is currently viewed as unlikely.

A total of € 114.9 million (previous year: € 114.9 million) in entitlements to share-based compensation was recorded in the capital reserve for the SOP as at December 31, 2019. There were 3,164,871 (previous year: 6,780,772) nonexercised options that had been issued as at December 31, 2019; 1,196,600 nonexercised options (previous year: 1,236,600) pertain to the Management Board and 1,968,271 nonexercised options (previous year: 5,544,172) pertain to other employees.

The net profit of € 100.4 million is the difference of an annual profit of € 446.5 million and a loss of € 346.0 million carried forward.

Statement Required under AktG § 160(1)(8)

Pursuant to AktG § 160(1)(8), information must be provided about the existence of interests that have been disclosed to Delivery Hero SE in accordance with WpHG § 33(1) or (2) (or, until December 31, 2017, § 21(1) or (1a)). The reportable interests for which Delivery Hero SE has received written notification can be viewed in the table below. All publications by Delivery Hero SE concerning notifications of interests during the reporting period and after, up to December 31, 2019, are available on the Company's website:

https://ir.deliveryhero.com/websites/delivery/English/6400/voting-rights-notifications.html

Readers should be aware that the information about the size of the interest, expressed as a percentage and in voting rights, may no longer be current.

Information Required under AktG § 160(1)(8)

There are interests in Delivery Hero SE that have been reported in accordance with WpHG § 33 or WpHG § 38(1) No. (1) or 38(1) No. (2) and published pursuant to WpHG § 40(1)[2]:

Notifying Entity	Date Reached, Exceeded, or Fell Under	Notification Threshold	Notification Requirements under WpHG § 33[3]/WpHG § 38(1) No. (1)[4]/WpHG § 38(1) No. (2)[5] or Attributions Under WpHG § 34[6]	Interest in %	Interest in Voting Rights
Citi Group Inc, Wilmington, Delaware, United States[7]	June 28, 2017	5% Over	WpHG § 34	5.51%	9,475,000
Naspers Limited, Cape Town, South Africa[8]	June 28, 2017	10% Over	WpHG § 34	10.65%	18,310,002
Citi Group Inc, Wilmington,	June 29, 2017	3%	WpHG § 34	0.00%	0

3 formerly WpHG § 21 (until December 31, 2017)
4 formerly WpHG § 25(1)(1) (until December 31, 2017)
5 formerly WpHG § 25(1)(2) (until December 31, 2017)
6 formerly WpHG § 22 (until December 31, 2017)
7 cf. publication by Delivery Hero SE from July 4, 2017
8 cf. publication by Delivery Hero SE from July 6, 2017

Delaware, United States[9]		Under			
Lukasz Gadowski[10]	June 28, 2017	5% Over	WpHG §§ 34, 38(1) No. (1)	6.47%	11,119,800
Goldman Sachs Group, Inc., Wilmington, Delaware, United States[11]	June 28, 2017	5% Over	WpHG § 34	5.51%	9,475,000
Jeff Horning[12]	June 28, 2017	5% Over	WpHG § 34	7.51%	12,912,900
Christian Leone[13]	June 28, 2017	5% Over	WpHG § 34	8.92%	15,340,500
Luxor Capital Partners Offshore, Ltd., George Town, Cayman Islands[14]	June 28, 2017	5% Over	WpHG § 34	7.15%	12,292,200
Rocket Internet SE, Berlin, Germany[15]	June 28, 2017	30% Over	WpHG §§ 34, 38(1) No. (1)	31.76%	54,633,219
Rocket Internet SE, Berlin, Germany[16]	July 4, 2017	30% Under	WpHG §§ 34, 38(1) No. (1)	28.64%	49,266,522
Goldman Sachs Group, Inc, Wilmington, Delaware, United States[17]	July 4, 2017	3% Under	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	1.74%	2,993,889

9 cf. publication by Delivery Hero SE from July 6, 2017

10 cf. publication by Delivery Hero SE from July 6, 2017

11 cf. publication by Delivery Hero SE from July 6, 2017

12 cf. publication by Delivery Hero SE from July 6, 2017 and correction by Delivery Hero SE from July 7, 2017

13 cf. publication by Delivery Hero SE from July 6, 2017 and correction by Delivery Hero SE from July 7, 2017

14 cf. publication by Delivery Hero SE from July 6, 2017

15 cf. publication by Delivery Hero SE from July 7, 2017

16 cf. publication by Delivery Hero SE from July 11, 2017

17 cf. publication by Delivery Hero SE from July 12, 2017

Naspers Limited, Cape Town, South Africa[18]	September 28, 2017	20% Over	WpHG §§ 34, 38(1) No. (2)	23.65%	40,669,859
Rocket Internet SE, Berlin, Germany[19]	December 6, 2017	25% Under	WpHG §§ 34, 38(1) No. (1)	24,35%	44,432,114
Lukasz Gadowski[20]	December 6, 2017	5% Under	WpHG §§ 34, 38(1) No. (1)	4.95%	9,035,003
Christian Leone[21]	January 5, 2018	5% Under	WpHG § 34	4.76%	8,691,075
Luxor Capital Partners Offshore, Ltd., George Town, Cayman Islands[22]	January 5, 2018	3% Over	WpHG § 34	3.30%	6,020,786
Christian Leone[23]	March 2, 2018	5% Over	WpHG § 34	5.003%	9,130,879
Naspers Limited, Cape Town, South Africa[24]	March 22, 2018	20% Over	WpHG §§ 34, 38(1) No. (2)	22.75%	41,849,859
Naspers Limited, Cape Town, South Africa[25]	March 26, 2018	20% Over	WpHG §§ 34, 38(1) No. (2)	22.75%	41,849,859
Naspers Limited, Cape Town, South Africa[26]	March 28, 2018	20% Over	WpHG §§ 34, 38(1) No. (2)	22.75%	41,849,859
Rocket Internet SE, Berlin, Germany[27]	March 28, 2018	10%	WpHG §§ 34, 38(1) No. (1)	8.39%	15,439,412

18 cf. publication by Delivery Hero SE from October 2, 2017
19 cf. publication by Delivery Hero SE from December 13, 2017
20 cf. publication by Delivery Hero SE from December 15, 2017
21 cf. publication by Delivery Hero SE from January 15, 2018
22 cf. publication by Delivery Hero SE from January 15, 2018
23 cf. publication by Delivery Hero SE from March 12, 2018
24 cf. publication by Delivery Hero SE from March 27, 2018
25 cf. publication by Delivery Hero SE from March 29, 2018
26 cf. publication by Delivery Hero SE from March 29, 2018
27 cf. publication by Delivery Hero SE from April 5, 2018

		Under			
Lukasz Gadowski[28]	April 27, 2018	3% Under	WpHG § 34	2.55%	4,684,634
Vanguard World Funds, Wilmington, Delaware, United States[29]	May 3, 2018	3% Over	WpHG § 33	3.07%	5,651,813
BlackRock, Inc., Wilmington, Delaware, United States[30]	June 15, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.39%	6,251,043
BlackRock, Inc., Wilmington, Delaware, United States[31]	June 19, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.33%	6,139,565
BlackRock, Inc., Wilmington, Delaware, United States[32]	June 20, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.34%	6,157,882
Baillie Gifford & Co., Edinburgh, Scotland, United Kingdom[33]	June 25, 2018	3% Over	WpHG § 34	3.21%	5,915,414
BlackRock, Inc., Wilmington, Delaware, United States[34]	July 3, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.30%	6,080,206
BlackRock, Inc., Wilmington,	July 4, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.26%	6,015,245

28 cf. publication by Delivery Hero SE from May 7, 2018
29 cf. publication by Delivery Hero SE from May 11, 2018
30 cf. publication by Delivery Hero SE from June 22, 2018
31 cf. publication by Delivery Hero SE from June 22, 2018
32 cf. publication by Delivery Hero SE from June 25, 2018
33 cf. publication by Delivery Hero SE from June 29, 2018
34 cf. publication by Delivery Hero SE from July 10, 2018

Delaware, United States[35]					
BlackRock, Inc., Wilmington, Delaware, United States[36]	July 5, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.37%	6,208,458
BlackRock, Inc., Wilmington, Delaware, United States[37]	July 6, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.28%	6,051,749
BlackRock, Inc., Wilmington, Delaware, United States[38]	July 9, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.28%	6,043,515
BlackRock, Inc., Wilmington, Delaware, United States[39]	July 16, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.27%	6,032,134
BlackRock, Inc., Wilmington, Delaware, United States[40]	July 17, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.27%	6,034,233
Baillie Gifford & Co., Edinburgh, Scotland, United Kingdom[41]	July 24, 2018	5% Over	WpHG § 34	5.01%	9,236,540
BlackRock, Inc., Wilmington, Delaware, United States[42]	July 25, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.26%	6,014,762
BlackRock, Inc., Wilmington,	August 3, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.28%	6,053,350

35 cf. publication by Delivery Hero SE from July 10, 2018
36 cf. publication by Delivery Hero SE from July 10, 2018
37 cf. publication by Delivery Hero SE from July 16, 2018
38 cf. publication by Delivery Hero SE from July 16, 2018
39 cf. publication by Delivery Hero SE from July 19, 2018
40 cf. publication by Delivery Hero SE from July 24, 2018
41 cf. publication by Delivery Hero SE from July 30, 2018
42 cf. publication by Delivery Hero SE from August 2, 2018

Delaware, United States[43]					
BlackRock, Inc., Wilmington, Delaware, United States[44]	August 15, 2018	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.20%	5,953,516
Ruane, Cunniff & Goldfarb L.P., Wilmington, Delaware, United States[45]	September 14, 2018	3% Over	WpHG § 34	3.01%	5,604,465
Caledonia (Private) Investments Pty Limited, Sydney, Australia[46]	October 11, 2018	3% Over	WpHG § 33	3.09%	5,752,875
Rocket Internet SE, Berlin, Germany[47]	January 17, 2019	5% Over	WpHG §§ 34, 38(1) No. (1)	5.25%	9,755,504
Rocket Internet SE, Berlin, Germany[48]	January 25, 2019	5% Under	WpHG §§ 34, 38(1) No. (1)	4.95%	9,205,215
Rocket Internet SE, Berlin, Germany[49]	April 5, 2019	5% Under	WpHG §§ 34, 38(1) No. (1)	3.28%	6,148,215
Rocket Internet SE, Berlin, Germany[50]	April 18, 2019	3% Under	WpHG §§ 34, 38(1) No. (1)	2.93%	5,498,504
BlackRock, Inc., Wilmington, Delaware, United States[51]	May 17, 2019	3% Over	WpHG §§ 34, 38(1) No. (1)	3.19%	5,984,661

43 cf. publication by Delivery Hero SE from August 8, 2018

44 cf. publication by Delivery Hero SE from August 20, 2018 and correction by Delivery Hero SE from November 6, 2018

45 cf. publication by Delivery Hero SE from September 24, 2018

46 cf. publication by Delivery Hero SE from October 15, 2018

47 cf. publication by Delivery Hero SE from January 25, 2019

48 cf. publication by Delivery Hero SE from January 31, 2019

49 cf. publication by Delivery Hero SE from April 10, 2019

50 cf. publication by Delivery Hero SE from April 25, 2019

51 cf. publication by Delivery Hero SE from May 23, 2019

BlackRock, Inc., Wilmington, Delaware, United States[52]	May 20, 2019	3% Over	WpHG §§ 34, 38(1) No. (1)	3.17%	5,937,342
BlackRock, Inc., Wilmington, Delaware, United States[53]	May 22, 2019	3% Over	WpHG §§ 34, 38(1) No. (1)	3.24%	6,109,240
BlackRock, Inc., Wilmington, Delaware, United States[54]	May 27, 2019	3% Over	WpHG §§ 34, 38(1) No. (1)	3.15%	5,948,850
BlackRock, Inc., Wilmington, Delaware, United States[55]	May 28, 2019	3% Over	WpHG §§ 34, 38(1) No. (1)	3.45%	6,515,001
Baillie Gifford & Co., Edinburgh, Scotland, United Kingdom[56]	August 20, 2019	5% Over	WpHG § 34	6.88%	12,981,413
BlackRock, Inc., Wilmington, Delaware, United States[57]	September 6, 2019	3% Over	WpHG §§ 34, 38(1) No. (1)	3.54%	6,675,133
BlackRock, Inc., Wilmington, Delaware, United States[58]	September 10, 2019	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.53%	6,671,303
Baillie Gifford & Co., Edinburgh, Scotland, United Kingdom[59]	October 1, 2019	10% Over	WpHG § 34	10.57%	19,952,248

52 cf. publication by Delivery Hero SE from May 27, 2019
53 cf. publication by Delivery Hero SE from May 28, 2019
54 cf. publication by Delivery Hero SE from June 3, 2019
55 cf. publication by Delivery Hero SE from June 3, 2019
56 cf. publication by Delivery Hero SE from August 26, 2019
57 cf. publication by Delivery Hero SE from September 12, 2019
58 cf. publication by Delivery Hero SE from September 16, 2019
59 cf. publication and correction by Delivery Hero SE from October 8, 2019

BlackRock, Inc., Wilmington, Delaware, United States[60]	November 6, 2019	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.48%	6,574,448
Naspers Limited, Cape Town, South Africa[61]	March 20, 2019	20% Over	WpHG § 34	22.32%	41,849,859
Naspers Limited, Cape Town, South Africa[62]	May 16, 2019	20% Over	WpHG § 34	22.32%	41,849,859
Naspers Limited, Cape Town, South Africa[63]	September 14, 2019	20% Over	WpHG § 34	22.17%	41,849,859
Gregory Alexander[64]	November 6, 2019	5% Over	WpHG § 34	5.38%	10,163,854
Ruane, Cunniff & Goldfarb L.P., Wilmington, Delaware, United States[65]	November 6, 2019	3% Under	WpHG § 34	0.02%	28,464
BlackRock, Inc., Wilmington, Delaware, United States[66]	November 13, 2019	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.50%	6,607,334
The Capital Group Companies, Inc., Los Angeles, California, United States[67]	January 10, 2020	3% Over	WpHG § 34	3.13%	5,908,196

60 cf. publication by Delivery Hero SE from November 12, 2019
61 cf. publication by Delivery Hero SE from November 12, 2019
62 cf. publication by Delivery Hero SE from November 12, 2019
63 cf. publication by Delivery Hero SE from November 12, 2019
64 cf. publication by Delivery Hero SE from November 13, 2019
65 cf. publication by Delivery Hero SE from November 13, 2019
66 cf. publication by Delivery Hero SE from November 19, 2019
67 cf. publication and correction by Delivery Hero SE from January 16, 2020

Naspers Limited, Cape Town, South Africa[68]	January 15, 2020	20% Over	WpHG § 34	22.17%	41,849,859
The Capital Group Companies, Inc., Los Angeles, California, United States[69]	January 16, 2020	5% Over	WpHG § 34	5.82%	10,984,331
BlackRock, Inc., Wilmington, Delaware, United States[70]	January 16, 2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.64%	6,866,113
BlackRock, Inc., Wilmington, Delaware, United States[71]	January 17, 2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.48%	6,847,893
BlackRock, Inc., Wilmington, Delaware, United States[72]	January 20, 2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.48%	6,848,127
BlackRock, Inc., Wilmington, Delaware, United States[73]	January 21, 2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.46%	6,821,120
Gregory Alexander[74]	January 17, 2020	3% Over	WpHG § 34	4.87%	9,600,000
BlackRock, Inc., Wilmington, Delaware, United States[75]	January 22, 2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3.46%	6,814,532

68 cf. publication by Delivery Hero SE from January 17, 2020
69 cf. publication by Delivery Hero SE from January 22, 2020
70 cf. publication by Delivery Hero SE from January 23, 2020
71 cf. publication by Delivery Hero SE from January 24, 2020
72 cf. publication by Delivery Hero SE from January 24, 2020
73 cf. publication by Delivery Hero SE from January 24, 2020
74 cf. publication by Delivery Hero SE from January 27, 2020
75 cf. publication by Delivery Hero SE from January 27, 2020

BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika76	January 30, 2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,46%	6,808,447
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika77	February 04, 2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,44%	6,780,412
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[78]	24.02.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,48%	6.856.219
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[79]	25.02.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,46%	6.808.005
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[80]	28.02.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,46%	6.821.710
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[81]	05.03.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,45%	6.808.059
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[82]	10.03.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,45%	6.820.611
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[83]	12.03.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,43%	6.774.776

76 vgl. Veröffentlichung durch die Delivery Hero SE vom 05.02.2020

77 vgl. Veröffentlichung durch die Delivery Hero SE vom 10.02.2020

78 vgl. Veröffentlichung durch die Delivery Hero SE vom 03.03.2020

79 vgl. Veröffentlichung durch die Delivery Hero SE vom 03.03.2020

80 vgl. Veröffentlichung durch die Delivery Hero SE vom 05.03.2020

81 vgl. Veröffentlichung durch die Delivery Hero SE vom 11.03.2020

82 vgl. Veröffentlichung durch die Delivery Hero SE vom 17.03.2020

83 vgl. Veröffentlichung durch die Delivery Hero SE vom 18.03.2020

BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[84]	20.03.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,46%	6.852.688
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[85]	23.03.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,47%	6.872.103
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[86]	26.03.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,59%	7.110.022
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[87]	27.03.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,50%	6.929.682
BlackRock, Inc., Wilmington, Delaware, Vereinigte Staaten von Amerika[88]	31.03.2020	3% Over	WpHG §§ 34, 38(1) No. (1), 38(1) No. (2)	3,65%	7.211.360

Provisions

Other provisions mainly included provisions for obligations to staff, outstanding invoices, expenses for legal services, advice, and annual accounting; and anticipated losses as at December 31, 2019.

As part of the collar transaction with respect to 3.2 million shares in Takeaway.com, combinations of short call and long put options were concluded that expire in tranches between October 2021 and September 2022. The option pairs were measured based on a Black-Scholes model. As per December 31, 2019 valuation of collar options resulted in impending losses of € 41.5 million that were provided for accordingly.

Further, other provisions include € 44.8 million relating to the deal contingent USD/EUR option premium payable upon closing of the planned Woowa transaction.

The obligations to staff are the result of entitlements to share-based compensation.

84 vgl. Veröffentlichung durch die Delivery Hero SE vom 27.03.2020

85 vgl. Veröffentlichung durch die Delivery Hero SE vom 27.03.2020

86 vgl. Veröffentlichung durch die Delivery Hero SE vom 01.04.2020

87 vgl. Veröffentlichung durch die Delivery Hero SE vom 02.04.2020

88 vgl. Veröffentlichung durch die Delivery Hero SE vom 06.04.2020

The provisions – except for the provision for impending losses (see above) - mostly have a remaining time of up to one year before they mature.

	December 31, 2019	December 31, 2018
	EUR million	EUR million
Obligations to staff	14.2	2.3
Outstanding invoices	28.5	15.1
Legal, advice, and annual-accounting expenses	1.2	1.0
Onerous-contract provision	86.3	0.0
Other	1.0	0.5
	131.3	18.8

Payables

Payables are categorized by remaining time to maturity as illustrated in the following schedule of payables.

Liablities to banks include a loan of € 208.0 million (previous year: € 0,0 million) that Delivery Hero has received from Morgan Stanley as part of the collar transaction.

2019	Total	Remaining Time to Maturity		
		Up to 1 Year	1 to 5 Years	More than 5 Years
	EUR million	EUR million	EUR million	EUR million
- Liabilities to banks	208.0	0.0	208.0	0.0
- Trade payables	0.4	0.4	0.0	0.0
of which owed to affiliated companies	*0.0*	*0.0*	*0.0*	*0.0*
- Liabilities to affiliated companies	2.7	2.7	0.0	0.0
of which trade liabilities	*2.7*	*2.7*		
- Other liabilities	10.9	3.8	7.1	0.0
of which other loans and financial liabilities	*5.0*	*0.0*	*5.0*	*0.0*
of which tax	*1.6*	*1.6*	*0.0*	*0.0*
of which social security	*0.3*	*0.3*	*0.0*	*0.0*
	222.0	**6.9**	**215.1**	**0.0**

2018	Total	Remaining Time to Maturity		
		Up to 1 Year	1 to 5 Years	More than 5 Years
	EUR million	EUR million	EUR million	EUR million
- Trade payables	0.5	0.5	0.0	0.0
of which owed to affiliated companies	*0.0*	*0.0*	*0.0*	*0.0*

- Liabilities to affiliated companies	54.2	3.9	50.3	0.0
of which trade liabilities	*3.3*	*3.3*		
- Other liabilities	7.6	6.5	1.1	0.0
of which tax	*1.2*	*1.2*	*0.0*	*0.0*
of which social security	*0.2*	*0.2*	*0.0*	*0.0*
	62.2	**10.9**	**51.4**	**0.0**

Deferred tax liabilities increased by € 0.1 million to € 2.7 million (previous year: € 2.6 million) in 2019. Deferred tax assets and liabilities were netted. The tax burden is avoided based on existing loss carryforwards by forming deferred tax assets in accordance with DRS 18.21. The temporary differences pertain to internally generated intangible assets, financial assets, other provisions, and liabilities. The Company-specific tax rate used as a basis for this is 30.18 percent.

	At Beginning of Fiscal Year EUR million	**Change EUR million**	**At Close of Fiscal Year EUR million**
Deferred tax assets	2.5	0.2	2.7
Deferred tax liabilities	2.6	0.1	2.7

IV. Notes on the Income Statement

Revenue

Revenue for fiscal year 2019 came to € 91.5 million (previous year: € 55.6 million) and includes intra-Group allocations and forwarded Group charges exclusively.

Other Operating Income

Other operating income in 2019 is primarily including gains of € 819.4 million (previous year: € 210.4 million) from the sale of financial assets, mainly from the sale of the German operations to Takeaway.com (€ 797.0 million, including a reversal of investment value of € 37.6 million not related to the reporting period) and gains from the sale of Takeaway.com shares (€ 20.2 million).

Further, charges of € 40.1 million (previous year: € 38.1 million) forwarded directly within the Group, and currency conversion of € 6.0 million (previous year: € 12.9 million) are included.

Personnel Expenses

Personnel expenses increased year on year by € 53.7 million to € 132.7 million (previous year: € 79.0 million). The increase results primarily from rising expenses for share-based compensation of € 47.7 million (previous year: € 15.9 million).

Internal production costs for the improvement of search algorithms and upgrade of the ERP system used amounted to € 5.6 million (previous year: € 2.1 million). The Company's research-and-development costs totaled € 31.1 million (previous year: € 19.3 million).

Other Operating Expenses

Other operating expenses mainly include expenses for software licenses at an amount of € 23.2 million (previous year: € 13.8 million), server costs at an amount of € 12.0 million (previous year: € 4.7 million), marketing costs of € 18.4 million (previous year: € 18.3 million), and consultancy services in connection with the optimization of the Group's structure at € 34.0 million (previous year: € 19.9 million).

Valuation of the collar options resulted in expenses for impending losses of € 41.5 million. Valuation of the deal contingent option resulted in expenses of € 3.0 million as of the reporting date.

The mergers of the reporting period resulted in a merger loss of € 131.8 million.

Write-Downs of Financial Assets

Impairment write-downs were made on investments in affiliates and loans to affiliates at a value of € 149.2 million (previous year: € 87.0 million).

Taxes on Income and Profit

Taxes on income and profit of € 13.2 million (previous year: € 2.0 million) are mainly attributable to withholding taxes from trading and rendering services to affiliated companies and current taxes for the 2019 fiscal year of € 2.0 million.

V. Other Disclosures

Employees

The average employee numbers during fiscal year 2019 were as follows

	2019	**2018**
Sales	213	195
Marketing	143	113
IT	383	161
Management	8	7
Office administration	313	411
Total	1.059	887

Supervisory Board

The Delivery Hero SE Supervisory Board had the following members during the fiscal year:

- Dr. Martin Enderle, chair of the Supervisory Board of Delivery Hero SE;

chair of the Nomination and Remuneration Committees of Delivery Hero SE and member of the Audit and Strategy Committees of Delivery Hero SE; managing director of allmyhomes GmbH, me GmbH, Chaconne GmbH, and feegoo invest UG (ended during 2019); member of the Boards of Trustees of the Egmont Foundation and CEWE Stiftung & Co. KGaA (ended during 2019)

- Patrick Kolek, (B.S), deputy chair of the Delivery Hero SE Supervisory Board, Chair of the Audit Committee, member of the Delivery Hero SE Nomination, Remuneration, and Strategy Committees; member of the board of directors of MakeMyTrip Ltd. (ended during 2019), COO of Naspers Limited (not on the board of directors)

- Hilary Gosher, (B.A und LLB), member of the Delivery Hero SE Supervisory Board, chair of the Delivery Hero SE Strategy Committee, member of the Delivery Hero SE Nomination Committee, member of the board of directors of Insight Ventures Partners LLC, member of the board of directors of Parity Partners, LLC. (ended during 2019) and Hustle, Inc.

- Vera Stachowiak, (Dipl. Media Sciences), member of the Delivery Hero SE Supervisory Board, member of the Delivery Hero SE Remuneration Committee

- Semih Yalcin, (M.A), member of the Delivery Hero SE Supervisory Board (until April 1, 2019)

- Christian Graf von Hardenberg, (Dipl. Ing), member of the Delivery Hero SE Supervisory Board (from April 1, 2019) and CTO
- Björn Ljungberg, (Industrial Engineering and Management), member of the Delivery Hero SE Supervisory Board and Audit Committee

Active members of the Supervisory Board received earnings of T€ 276.0 for their work (previous year: T€ 148.1).

Management Board

The Delivery Hero SE Management Board in fiscal year 2019 comprised:

Chief Executive Officer Niklas Östberg, businessman, Zollikon, Switzerland – chair of Management Board

and

Chief Financial Officer Emmanuel Thomassin, businessman, Berlin, Germany – member of Management Board

If one Management-Board member is appointed, he or she represents the Company alone. Where there are multiple Management-Board members, two Management-Board members, or one Management-Board member accompanied by an authorized representative, represent the

Company. The Supervisory Board may grant to individual Management-Board members the right to represent the Company alone.

Management-Board remuneration for fiscal year 2019, according to the applicable international accounting guidelines, totaled € 4.0 million (previous year: € 2.2 million), of which € 0.7 million (previous year: € 0.5 million) came from fixed remuneration components and € 3.3 million (previous year: € 1.7 million) from performance-based components. The expenses recognized in 2019 for share-based compensation came to € 7.5 million for the fiscal year (previous year: € 1.8 million).

The Remuneration Report, which forms part of the Management Report, contains particularized information about Management- and Supervisory-Board remuneration.

Contingent Liabilities

There exist letters of comfort for two subsidiaries totaling € 68.7 million (previous year: € 13.5 million). By issuing these letters of comfort, the Company has undertaken to furnish the relevant companies such that they can satisfy their financial and commercial obligations to their creditors up to the guaranteed amount.

Delivery Hero SE is liable for credit-card securities and other securities stipulated in agreements at an amount of € 0.2 million (previous year: € 0.4 million).

Provisions were not formed for letters of comfort and rent guarantees as current planning for assets, finances, and earnings indicates that neither utilization nor a burden on the Company is likely.

Other Financial Obligations

As at the end of the reporting period there existed other financial obligations of € 78.9 million in total (previous year: € 38.2 million). These obligations concern, among other things, the specific areas listed in the following table:

		Remaining Time to Maturity		
	Total	**Up to 1 Year**	**1 to 5 Years**	**More than 5 Years**
	EUR million	**EUR million**	**EUR million**	**EUR million**
- from rent and lease agreements	49.8	8.8	33.5	7.5
of which owed to affiliated companies	*0*	*0*	*0*	*0*
- from obligations of long-term purchase contracts	29.1	14.5	14.6	0.0
	78.9	**23.2**	**48.1**	**7.5**

Apart from the other financial obligations and contingent liabilities described here, there are no transactions outside this statement that were of significance to the Company’s financial position.

Rent and lease agreements primarily relate to the administration building in Berlin and certain office and business equipment (copy machines and printers). All these were operating leases, which meant that the property concerned is not included in the Company’s accounts. In addition, purchase agreements have been concluded with Amazon Web Services and Salesforce.

Shareholders and Group Relationship

Delivery Hero SE, Berlin, as the parent company, has prepared a consolidated financial statement as at December 31, 2019 for the fiscal year from January 1, 2019 through December 31, 2019 for both the narrowest and widest scope of company consolidation. The consolidated financial statement is published on the Federal Gazette website.

Audit Fees

KPMG rendered audit services for the audit of the consolidated financial statement and statutory financial statements of Delivery Hero SE. Integrated with the audit procedures reviews of interim financial statements were performed. Tax advice was provided that included consulting services in connection with an audit by the German fiscal authorities and advisory services in connection with social security legislation. In addition, other services were rendered in the form of advisory services in connection with the enforcement examination carried out by the Financial Reporting Enforcement Panel (FREP).

Please refer to item H.07 in the consolidated notes for fees paid to auditors during the fiscal year.

Appropriation of Profit

The Management Board proposes to carry forward the net profit of € 100.4 million produced by the annual profit of € 446.5 million and loss carryforward of € 346.0 million.

VI. Events after the Reporting Period

Placement of convertible bond and new shares

On January 15, 2020, Delivery Hero SE placed two tranches ("Tranche A" and "Tranche B") of senior, un-secured convertible bonds maturing in January 2024 (Tranche A) and January 2027 (Tranche B) in a principal amount of € 875 million (Tranche A) and € 875 million (Tranche B), divided into 17,500 bonds in a nominal amount of € 100,000 each (the "Convertible

Bonds"). The Convertible Bonds are initially convertible into approximately 17.9 million new or existing ordinary no-par value registered shares of Delivery Hero.

The Convertible Bonds will be issued at 100% of their nominal value and with a semi-annually payable coupon of 0.25% p.a. (Tranche A) and 1.00% p.a. (Tranche B). The initial conversion price amounts to € 98.00 (Tranche A) and € 98.00 (Tranche B), representing a conversion premium of 40.00% (Tranche A) and 40.00% (Tranche B) above the reference price of € 70.00 (placement price of the concurrent share offering). The Convertible Bonds have been placed solely to institutional investors in certain jurisdictions via a private placement. Shareholders' subscription rights were excluded. The Convertible Bonds are trading on the non-regulated open market segment (Freiverkehr) of the Frankfurt Stock Exchange.

Delivery Hero is entitled to redeem the Convertible Bonds at any time (i) on or after February 13, 2023 (Tranche A) and February 13, 2025 (Tranche B), if the stock exchange price per Delivery Hero share amounts to at least 130% (Tranche A) or 150% (Tranche B) of the then relevant conversion price over a certain period or (ii) if 15% or less of the aggregate principal amount of the relevant tranche of the Convertible Bonds remain outstanding.

Further, Delivery Hero increased its current share capital by approximately 4.3%, from € 188,775,039 to € 196,933,589, through the exercise of its authorized capital. Shareholders' subscription rights were excluded. The 8,158,550 new no-par value ordinary registered shares have been placed with institu-tional investors at a placement price of € 70.00 per new share by way of an accelerated bookbuilding. The new shares carry full dividend rights as of January 1, 2019.

The Company received gross proceeds amounting to € 1.75 billion from the Convertible Bonds and € 571 million from the Capital Increase. The proceeds are intended to be used to finance a portion of the cash component of the consideration for the purchased shares in Woowa Brothers Corp., and for general corporate purposes.

Forward share purchase and multi-year collar agreement

On February 12, 2020 the Company has decided to enter into a forward share purchase and multi-year equity collar agreement to restore its exposure in Just Eat Takeaway.com N.V. ("Just Eat Takeaway.com") to approximately 10.6% following the dilution that had been caused by the merger between Takeaway.com and Just Eat plc.

Delivery Hero will purchase 8.4 million additional Just Eat Takeaway.com shares by entering into a forward purchase agreement with a financial institution, which will be entirely financed by a multi-year equity collar transaction over approximately 8.8 million Just Eat Takeaway.com shares that also in-cludes approximately 0.4 million shares that Delivery Hero had received in connection with the sale of its German food delivery businesses to Takeaway.com on April 1, 2019. As such, no negative impact on Delivery Hero's cash balance is expected from the transaction.

The objective of the transaction is to provide downside protection on, and some limited upside expo-sure to, the value of the underlying Just Eat Takeaway.com shares.

Global coronavirus outbreak

Subsequent to December 31, 2019, the World Health Organization (WHO) declared on March 11, 2020 the coronavirus outbreak officially a global pandemic after having spread to more than hundred countries with accelerating infections outside of China. The outbreak may have a severe impact on global economy. Measures to control the outbreak of the virus may result among others in broad restrictions to restaurant operations, including temporary closure of restaurants, as well as curfew in cities and countries. Although Delivery Hero SE as holding company is less directly affected, the implications of the pandemic are also affecting global financial markets as investors disinvest from company stocks and other financial assets in favor of cash assets, which might adversely affect the measurement of our financial engagements into listed and non-listed investments. The global impact as well as the impact on our business operations in 2020 are contingent on many aspects, including duration and intensity of the outbreak, effectiveness of public health measures, supportive macroeconomic measures. The financial effect from the global coronavirus outbreak on the entity's financial positions, result and cash flows cannot be estimated as of this date.

Berlin, April 22, 2020

Niklas Östberg
Management Board member

Emmanuel Thomassin
Management Board member

Affirmation by Statutory Representatives

We hereby affirm that, to the best of our knowledge, this annual financial statement presents an accurate image of Delivery Hero SE assets, finances, and earnings in accordance with applicable accounting principles and that the combined management report describes the course of business, including the operating result and the Company's overall position, in such a way that it presents an accurate image of the actual state of affairs and describes the material opportunities and risks associated with the Company's expected performance.

Berlin, April 22, 2020

Delivery Hero SE

Niklas Östberg
Management Board member

Emmanuel Thomassin
Management Board member

Delivery Hero SE, Berlin
Annex I
Statement of movements in fixed assets during the 2019 financial year (gross presentation)

	Costs						
	Carried forward 01.01.2019	Additions from mergers 01.01.2019	Status after mergers 01.01.2019	Additions	Reclassifications	Disposals	31.12.2019
	EUR Mio.	EUR Mio.	EUR Mio.	EUR Mio.	EUR Mio.	EUR Mio.	EUR Mio.
I. Intangible assets							
1. Internally generated intangible assets	2,0	0,0	0,0	3,6	0,5	-0,2	5,9
2. Purchased trademarks and software	17,9	0,0	0,0	2,1	-0,2	0,0	19,9
3. Advance payments and assets under development	0,7	0,0	0,0	2,0	-0,3	0,0	2,4
	20,6	0,0	0,0	7,7	0,0	-0,2	28,2
II. Property, plant and equipment							
1. Plant and machinery	0,3	0,0	0,0	0,2	0,0	0,0	0,4
2. Office and other operating equipment	9,9	0,0	0,0	3,3	0,0	-0,1	13,1
3. Advance payments and construction in progress	0,2	0,0	0,0	1,1	0,0	0,0	1,3
	10,4	0,0	0,0	4,5	0,0	-0,1	14,8
III. Financial assets							
1. Shares in affiliated companies	1.795,2	800,4	2.595,6	253,7	0,0	-1.149,3	1.700,1
2. Loans to afilliated companies	607,5	89,5	697,0	624,1	0,0	-367,0	954,0
3. Investments	205,9	0,0	0,0	24,2	0,0	-2,9	227,2
4. Securities classified as fixed assets	7,3	0,0	0,0	504,7	0,0	-47,7	464,3
5. Other Investments	5,6	0,0	0,0	43,4	0,0	0,0	49,0
	2.621,6	889,9	3.292,6	1.450,0	0,0	-1.566,9	3.394,5
	2.652,6	**889,9**	**3.292,6**	**1.462,2**	**0,0**	**-1.567,2**	**3.437,5**

Accumulated amortization, depreciation and write-downs							Net book value	
Carried forward 01.01.2019	Amotization, depreciation and write-downs from mergers 01.01.2019	Status after mergers 01.01.2019	Amotization, depreciation and write-downs during the fiscal year	Reclassifications	Disposals	31.12.2019	31.12.2019	31.12.2018
EUR Mio.	EUR Mio.	EUR Mio.	EUR Mio.	EUR Mio.	EUR Mio.	EUR Mio.	EUR Mio.	EUR Mio.
0,5	0,0	0,0	1,3	0,0	-0,1	1,7	4,2	1,5
5,0	0,0	0,0	3,5	0,0	0,0	8,4	11,5	12,9
0,0	0,0	0,0	0,0	0,0	0,0	0,0	2,4	0,7
5,5	0,0	0,0	4,8	0,0	-0,1	10,1	18,0	15,1
0,0	0,0	0,0	0,1	0,0	0,0	0,1	0,3	0,2
4,3	0,0	0,0	2,5	0,0	-0,1	6,8	6,3	5,6
0,0	0,0	0,0	0,0	0,0	0,0	0,0	1,3	0,2
4,4	0,0	0,0	2,6	0,0	-0,1	6,9	7,9	6,0
108,9	106,9	215,8	67,7	0,0	-62,4	221,1	1.479,0	1.686,3
107,1	0,0	0,0	80,0	0,0	0,0	187,1	766,9	500,4
0,0	0,0	0,0	1,5	0,0	0,0	1,5	225,7	205,9
0,0	0,0	0,0	0,0	0,0	0,0	0,0	464,3	7,3
5,3	0,0	0,0	0,0	0,0	0,0	5,3	43,7	0,3
221,3	106,9	215,8	149,2	0,0	-62,4	415,0	2.979,5	2.400,2
231,2	**106,9**	**215,8**	**156,5**	**0,0**	**-62,6**	**432,0**	**3.005,4**	**2.421,4**

Appendix II
List of Shareholdings persuant to Section 313 of the German Commercial Code (HGB)

Name and registered office of the affiliated company	Share of Capital 2019 (%)	Functional Currency	Amount of equity in EUR million	Net income (loss) for the year in EUR million
Germany:				
Brillant 1421. GmbH, Berlin	100,00	EUR	7,68	0,07
Delivery Hero (Hong Kong) UG (haftungsbeschränkt) & Co. KG (ehem. Jade 1343 GmbH & Co. 15. Verwaltungs KG), Berlin	100,00	EUR	-6,78	-0,42
Delivery Hero (India) UG (haftungsbeschränkt) & Co. KG (ehem. Jade 1343 GmbH & Co. Siebte Verwaltungs KG), Berlin	100,00	EUR	-9,68	-0,98
Delivery Hero (Pakistan) UG (haftungsbeschränkt) & Co. KG (ehem. Jade 1343 GmbH & Co. Neunte Verwaltungs KG), Berlin	100,00	EUR	2,68	0,08
Delivery Hero (Philippines) UG (haftungsbeschränkt) & Co. KG (ehem.Jade 1343 GmbH & Co. 13. Verwaltungs KG), Berlin	100,00	EUR	3,78	0,10
Delivery Hero Austria GmbH, Berlin	100,00	EUR	0,54	0,03
Delivery Hero Kitchens Holding GmbH, Berlin	100,00	EUR	0,03	0,00
Delivery Hero Local Verwaltungs GmbH, Berlin	100,00	EUR	0,02	0,00
Delivery Hero Stores Holding GmbH (ehem. Foodora Services Germany GmbH), Berlin	100,00	EUR	0,53	-0,02
DH Financial Services Holding GmbH (ehem. Delivery Hero Payments GmbH), Berlin	100,00	EUR	0,12	-0,02
Foodpanda GmbH, Berlin	100,00	EUR	132,67	-0,76
Foodpanda GP UG (haftungsbeschränkt), Berlin	100,00	EUR	0,02	0,00
Jade 1343 GmbH & Co. Vierte Verwaltungs KG, Berlin	100,00	EUR	2,22	0,08
Juwel 220. VV UG (haftungsbeschränkt), Berlin	100,00	EUR	0,56	0,00
RGP Trust GmbH, Berlin	100,00	EUR	0,00	0,00
Sweetheart Kitchen Operations GmbH, Berlin	60,00	EUR	-4,99	-5,32
Valk Fleet Deutschland GmbH (ehem. Rushy Logistik), Berlin	100,00	EUR	-0,78	-0,04
Valk Fleet Holding GmbH & Co. KG, Berlin	100,00	EUR	-9,66	-0,36
Valk Fleet Verwaltungs GmbH, Berlin	100,00	EUR	0,02	0,00
International:				
Appetito Veinticuatro Ltda., San Jose (CR)	100,00	CRC	-0,16	0,01
Aravo S.A., Montevideo (UY)	100,00	UYU	17,08	-39,79
Baedaltong Co. LLC (ehem. Baedaltong Co. Ltd.), Seoul (KR)	100,00	KRW	-14,76	1,09
Carriage Delivery Services LLC, Abu Dhabi (UAE)	100,00	AED	-4,68	-0,80
Carriage Holding Company Ltd., Abu Dhabi (UAE)	100,00	AED	85,06	131,74
Carriage KSA LLC, (ehem. Establishment of Abdullah Al Mutawa), Kuwait (KW)	100,00	SAR	-24,30	-15,43
Carriage Logistics SPC, Manama (BH)	100,00	BHD	-9,44	-5,22
Carriage Trading & Services Co. WLL, Doha (QA)	100,00	QAR	9,95	6,28
ClickDelivery S.A.C, Lima (PE)	100,00	PEN	-3,44	-1,69
ClickDelivery S.A.S., Bogota (CO)	100,00	COP	0,00	0,00
Cloud Treats Romania SA, Cluj-Napoca (ROU)	100,00	RON	-1,14	-0,74
Damejidlo cz. s.r.o. (ehem. Pizzatime s.r.o.), Prag (CZ)	100,00	CZK	-8,57	-2,08
Dámejídlo.cz. Logistiks s.r.o. (ehem. Valk Fleet s.r.o.), Prag (CZ)	100,00	CZK	-1,99	-1,09
Dark Stores MENA Holding Ltd., Abu Dhabi (UAE)	100,00	AED	0,00	0,00
Delivery Hero (Cyprus) Ltd. (ehem. AA Foody Cyprus Ltd.), Nikosia (CYP)	100,00	EUR	0,99	0,34
Delivery Hero (Singapore) Pte. Ltd. (ehem. Foodpanda Singapore Pte. Ltd.), Singapur (SGP)	100,00	SGD	-88,42	-55,02
Delivery Hero (WanTea Singapore) Pte Ltd., Singapur (SGP)	100,00	SGD	-0,03	-0,03
Delivery Hero APAC PTE. Ltd., Singapur (SGP)	100,00	SGD	-0,95	-0,95
Delivery Hero Bulgaria EOOD (ehem. Foodpanda Bulgaria EOOD), Sofia (BRG)	100,00	BGN	-11,38	-6,56
Delivery Hero Cambodia Co. Ltd. , Phnom Penh (KHM)	100,00	USD	1,97	-0,11
Delivery Hero Carriage DB LLC (ehem. Carriage Food Delivery Services LLC), Dubai (UAE)	100,00	AED	-7,73	-4,23
Delivery Hero Carriage Egypt LLC, Kairo (EGY)	100,00	EGP	-2,22	-2,09
Delivery Hero Carriage Kuwait for Delivery of Consumables LLC (ehem. Carriage Logistics General Trading Company LLC), Kuwait (KW)	100,00	KWD	16,49	-0,93
Delivery Hero Finland Oy (ehem. SLM Finland Oy), Helsinki (FI)	100,00	EUR	-0,01	-0,01
Delivery Hero FZ-LLC, Dubai (UAE)	100,00	AED	-3,38	0,00
Delivery Hero Hungary Kft (ehem. Viala Kf), Budapest (HU)	100,00	HUF	0,79	-2,00
Delivery Hero India Holding S.a.r.L. , Luxembourg (LU)	100,00	EUR	-0,02	-0,02
Delivery Hero Korea LLC (ehem. RGP Korea Ltd.), Seoul (KR)	100,00	KRW	44,95	-43,91
Delivery Hero Lao Sole Co. Ltd. , Lao (LA)	100,00	LAK	-0,41	-0,41
Delivery Hero Lebanon Sarl, Beirut (LBN)	100,00	LBP	0,00	0,00
Delivery Hero Myanmar Co. Ltd., Yangon (MMR)	100,00	MMK	1,39	-0,17
Delivery Hero Stores (Singapore) Pte. Ltd., Singapur (SGP)	100,00	SGD	0,08	-0,12
Delivery Hero Stores APAC Holding PTE. LTD., Sinagur (SGP)	100,00	SGD	0,52	0,00
Delivery Hero Stores DB LLC, Dubai (UAE)	100,00	AED	0,07	0,00
Delivery Hero Sweden AB (ehem. Online Pizza Norden AB), Stockholm (SE)	100,00	SEK	19,39	4,05
Delivery Hero Talabat DB LLC (ehem. Talabat Services Company L.L.C.), Dubai (UAE)	100,00	BHD	9,67	4,05
Delivery Hero Thailand Co. Ltd. (ehem. Foodpanda Co. Ltd.), Bangkok (THA)	100,00	THB	-47,21	-36,73
DH SSC Malaysia Sdn. Bhd, Kuala Lumpur (MYS)	100,00	MYR	0,11	0,00
DH Stores (Taiwan) Co. Ltd., Daan Dist Taipei (TWN)	100,00	TWD	0,18	-0,11
DHE Logistics Malaysia Sdn. Bhd, Kuala Lumpur (MYS)	80,00	MYR	-0,98	-0,98
DHH I SPC (DIFC) Ltd., Dubai (UAE)	100,00	AED	-0,04	-0,03
DHH II SPC (DIFC) Ltd., Dubai (UAE)	100,00	AED	0,00	0,00
Donesi d.o.o., Banja Luka (BIH)	100,00	BAM	-0,04	-0,03
Donesi d.o.o., Podgorica (MNE)	100,00	EUR	0,02	0,02
Eatoye (PVT) Limited, Karachi (PK)	100,00	PKR	-1,24	-0,13
Ecommerce Business 10 S.à. r.l., Luxemburg (LU)	100,00	EUR	-7,68	-1,99
Emerging Markets Online Food Delivery Holding S.à.r.l., Luxemburg (LU)	100,00	EUR	345,26	-0,33
Fly&Company LLC (ehem. Fly & Company Inc.), Seoul (KR)	100,00	KRW	-13,35	-10,44
Food Basket Elektronik İletişim Gıda Ticaret Ltd. Şti, Nikosia (CYP)	100,00	TRY	0,42	0,38
Food Delivery Holding 12. S.à r.l., Luxemburg (LU)	100,00	EUR	-6,37	-5,76
Food Delivery Holding 15. S.à.r.l., Luxemburg (LU)	100,00	EUR	0,02	29,64
Food Delivery Holding 20. S.à r.l., Luxemburg (LU)	100,00	EUR	0,00	-0,01
Food Delivery Holding 21. S.à r.l., Luxemburg (LU)	100,00	EUR	0,00	-0,01
Food Delivery Holding 5. S.à r.l., Luxemburg (LU)	100,00	EUR	6,18	-0,01
Food Panda Philippines Inc., Makati (PHL)	100,00	PHP	-30,87	-19,82
Foodonclick.com / Jordan Private Shareholding Company, Amman (JR)	100,00	JOD	-3,30	-2,66
Foodonclick-com FZ-LLC, Dubai (UAE)	100,00	AED	1,45	0,01
Foodora AB, Stockholm (SE)	100,00	SEK	1,16	-3,19
Foodora Finland Oy (ehem. R-SC Internet Services Finland OY) Helsinki, (FI)	100,00	EUR	-5,29	-1,28
Foodora France SAS, Paris (FRA)	100,00	EUR	-27,17	0,00
Foodora Inc. (Canada), Toronto (CAN)	100,00	CAD	-25,26	-10,51
Foodora Norway AS, Oslo (NOR)	100,00	NOK	-1,05	-5,50
Foodpanda (B) SDN BHD, Bandar Seri Begawan (BRN)	100,00	BND	-0,64	0,01
Foodpanda Bangladesh Ltd., Dhaka (BGD)	100,00	BDT	-8,29	-6,73
Foodpanda Malaysia Sdn. Bhd., Kuala Lumpur (MYS)	100,00	MYR	-40,51	-30,73
Foodpanda RO SRL, Bucharest (RO)	100,00	RON	-16,72	-10,52
Foodpanda Taiwan Co. Ltd., Daan Dist Taipei (TWN)	100,00	TWD	-67,19	-50,40

Appendix II
List of Shareholdings persuant to Section 313 of the German Commercial Code (HGB)

Name and registered office of the affiliated company	Share of Capital 2019 (%)	Functional Currency	Amount of equity in EUR million	Net income (loss) for the year in EUR million
Go Delivery SA, Attica (GR)	100,00	EUR	0,31	0,01
Hungerstation LLC, Dammam (KSA)	63,00	SAR	-5,09	8,65
Hungerstation SPC Ltd., Dubai (UAE)	63,00	AED	-0,37	-0,81
Hungry Delivery AB, Lund (SWE)	100,00	SEK	0,10	-0,24
Inversiones CMR S.A.S, Bogota (CO)	100,00	COP	-21,57	-23,81
Inversiones Delivery Hero CMR S.A. (ehem. Hellofood Hallo Essen Hollesen S.A.), Quito (EC)	100,00	USD	0,29	-3,42
Lokanta Net Elektronik İletişim Gıda Ticaret A.Ş., Istanbul (TR)	100,00	TRY	0,01	0,00
Maidan Limited, Hong Kong (HK)	100,00	HKD	-1,30	-0,04
Mjam GmbH, Wien (AT)	100,00	EUR	9,69	-0,86
Mobile Venture Latin America Inc., Panama (PA)	100,00	USD	-5,59	-4,33
Motwer S.A., Montevideo (URY)	100,00	UYU	0,03	-0,15
Movil Media S.R.L.,Santo Domingo (DOM)	100,00	DOP	-1,41	-1,25
OFD Online Food Delivery Services Ltd., Nicosia (CYP)	100,00	EUR	4,01	3,93
Online Delivery Promotion of Internet Services Société Anonyme, Attica (GR)	100,00	EUR	19,70	11,14
Otlob for Restaurants Reservations Services S.A.E, Kairo (EGY)	100,00	EGP	-20,34	-10,19
OZON MEDIA d.o.o., Zagreb (HR)	100,00	HRK	-1,13	-1,28
Pagos Ya S.A., Buenos Aires (AR)	100,00	ARS	0,64	-0,08
Pedidos Ya Paraguay S.A., Asunción (PY)	100,00	PYG	-0,85	-0,68
PedidosYa S.A. (ehem. Kinboy S.A.), Montevideo (UY)	100,00	USD	-78,96	-60,28
PedidosYa S.A., Buenos Aires (AR)	100,00	ARS	20,46	-17,29
PedidosYa Servicios S.A. , Santa Cruz de la Sierra (BOL)	100,00	BOB	-4,73	-3,97
PedidosYa SPA, Santiago (CL)	100,00	CLP	-44,66	-41,33
Plotun d.o.o., Belgrad (SRB)	100,00	RSD	0,78	0,07
Ranila Online Services Limited, New Delhi (IND)	100,00	INR	0,06	-0,07
Repartos Ya S.A, Buenos Aires (AR)	100,00	ARS	0,61	-1,35
Repartos Ya S.A, Montevideo, (UY)	100,00	UYU	-1,32	-1,33
RestaurangOnline Sverige AB, Lund (SWE)	100,00	SEK	0,66	-1,39
Rocket Food Limited, Sheung Wan (HK)	100,00	HKD	-56,32	-36,20
R-SC Internet Services Pakistan (PVT) Limited, Karachi (PK)	100,00	PKR	-29,01	-20,95
Stores Services Kuwait S.P.C., Kuwait (KW)	100,00	KWD	1,90	-0,87
Sweetheart Kitchen Holding (DIFC), Dubai (UAE)	60,00	AED	-0,62	-0,62
Sweetheart Kitchen Kuwait Company, Kuwait (KW)	60,00	KWD	-0,22	-0,23
Sweetheart Kitchen LLC , Dubai (UAE)	60,00	AED	1,30	1,28
Sweetheart Kitchen Operations Singapore PTE Ltd., Singapur (SGP)	60,00	SGD	0,00	0,00
Sweetheart Kitchen Saudi Arabia Limited, Kuwait (KW)	100,00	SAR	-0,10	-0,10
Talabat Electronic and Delivery Services LLC. (ehem. Talabat Electronic Services Company L.L.C.), Al Khuwair (OM)	100,00	OMR	-7,28	-3,34
Talabat General Trading & Contracting Company W.L.L, Sharq (KW)	100,00	KWD	86,76	32,52
Talabat Logistics & Online Management LLC, Amman, (JR)	100,00	JOD	0,04	0,07
Talabat Ltd., Kuwait (KW)	100,00	KWD	1,45	0,00
Talabat Middle East Internet Services Company L.L.C, Dubai (UAE)	100,00	AED	-3,04	-7,58
Talabat QFC LLC, Doha (QA)	100,00	QAR	6,93	6,98
Talabat Restaurants Company L.L.C. Riyadh (KSA)	100,00	SAR	-8,51	0,42
Talabat Services Company L.L.C. Doha (QA)	100,00	QAR	1,82	-0,13
Volo Netherlands B.V., Amsterdam (NL)	100,00	EUR	-2,45	-0,85
Yemek Sepeti (Dubai) B.V., Amsterdam (NL)	100,00	EUR	147,94	-138,96
Yemek Sepeti Elektronik İletişim Tanıtım Pazarlama Gıda Sanayi ve Ticaret A.Ş., Istanbul	100,00	TRY	32,66	22,13
Yogiyo Media Company Ltd., Seoul (KR)	100,00	KRW	0,00	0,00
non-consolidated companies (at equity):				
Hungry Holding ApS, Lystrup (DK)	24,50	DKK	0,40	1,32
Rappi Inc., San Francisco (USA)	13,97	USD	-413,07	453,55
GlovoApp23 S.L., Madrid (ES)	12,70	EUR	-136,72	-177,87
BIO-LUTIONS International AG (DE)	20,16	EUR	8,63	1,61
Nosh - TZCJ Co. Ltd. (HK)	21,80	HKD	-1,20	-0,06

Reproduction of the independent auditor's report

Based on the results of our audit, we have issued the following unqualified audit opinion:

Independent Auditor's Report

To Delivery Hero SE, Berlin

Report on the Audit of the Annual Financial Statements and of the Combined Management Report

Opinion

We have audited the annual financial statements of Delivery Hero SE, Berlin, which comprise the balance sheet as of December 31, 2019, and the income statement for the financial year from January 1 to December 31, 2019, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the combined management report of Delivery Hero SE, Berlin, for the financial year from January 1 to December 31, 2019. In accordance with German legal requirements, we have not audited the content of the components of the combined management report mentioned in the section "Other information" of our audit opinion.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of December 31, 2019, and of its financial performance for the financial year from January 1 to December 31, 2019, in accordance with German legally required accounting principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the

annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Our opinion on the combined management report do not cover the section “Other infor-mation”.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

Basis for the Opinion

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and EU Audit Regulation No. 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the combined management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2019. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Impairment of shares in and loans made to affiliated companies

For information on the accounting policies applied, please see item II.2 in the notes to the financial statements.

THE FINANCIAL STATEMENT RISK

In the annual financial statements of Delivery Hero SE as of December 31, 2019, financial assets included shares in affiliated companies of EUR 1,479 million and loans to affiliated companies of EUR 767 million. This amounts to 65 % of total assets and thus has a material influence on the Company's assets and liabilities.

Shares in and loans to affiliated companies are recognized at cost or nominal value or, if they are expected to be permanently impaired, at their lower fair value. The Company calculates the fair value of the shares in affiliated companies using the discounted cash flow method. The discounted cash flow method is also used for loans in accordance with the remaining term. If the fair value is lower than the carrying amount, qualitative and quantitative criteria are used to determine whether the impairment is considered to be permanent.

There is a risk for the financial statements that shares in and loans to affiliated companies are impaired.

Calculation of the fair value according to the discounted cash flow method is complex and, as regards the assumptions made, based largely on estimates and assessments of the Company. This applies particularly to estimates of future cash flows and long-term growth rates used for valuation, determination of the capitalization rate and, where applicable, the assessment of whether impairment is permanent.

Based on the results of the impairment testing, the Company recognized impairment losses of EUR 147.7 million on shares in and loans to affiliated companies in financial year 2019.

OUR AUDIT APPROACH

For the purposes of impairment testing of shares in and loans to affiliated companies, we calculated our own estimates for the Company's individual investments with the involvement of our valuation experts and based on general as well as sector-specific market expectations and compared these estimates with the Company's measurements.

In the event of significant deviations between our estimates and the Company's measurements, we assessed the appropriateness of the Company's key assumptions. For this purpose, we discussed with those responsible for planning the expected business and earnings development and the assumed long-term growth rates as well as the modeling of the estimated sustainable surplus cash flow. We also reconciled this information with the budget prepared by the Management Board at the group level and approved by the Supervisory Board. We also assessed the calculation method used by the Company.

We evaluated the accuracy of the previous forecasts by comparing the budgets of previous financial years with actual results and by analyzing deviations.

We compared the assumptions and parameters underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta factor, with our own assumptions and publicly available data.

To ensure the computational accuracy of the valuation model used, we verified the Company's calculations on the basis of selected risk-based elements.

OUR OBSERVATIONS

The approach used for impairment testing of shares in and loans to affiliated companies is appropriate and in line with the accounting policies. The Company's assumptions and parameters are reasonable overall.

Other Information

Management is responsible for the other information. The other information comprises:

- the non-financial statement and the corporate governance statement,
- the corporate governance report and
- the remaining parts of the annual report, with the exception of the audited annual financial statements, the combined management report information audited for content and our auditor's report.

Our opinion on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of Management and the Supervisory Board for the Annual Financial Statements and the Combined Management Report

Management is responsible for the preparation of annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, management is responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinion on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor at the annual general meeting on June 12, 2019. We were engaged by the Supervisory Board on November 18, 2019. We have been the group auditor of Delivery Hero SE without interruption since financial year 2017.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Björn Knorr.

Berlin, April 22, 2020

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

[signature] Knorr Wirtschaftsprüfer [German Public Auditor]	*[signature]* Heidgen Wirtschaftsprüfer [German Public Auditor]