

This is a non-certified translation of the original Arabic version of the Prospectus. This English version is provided for convenience only and does not constitute a legal document. Subscribers should only rely on the Arabic version of the Prospectus. In the case of any discrepancies or omissions, the Arabic version of the Prospectus shall prevail.

**OFFER TO SUBSCRIBE FOR SHARES IN A FREE ZONE COMPANY IN A PUBLIC  
SUBSCRIPTION IN THE UAE ONLY**

**Prospectus for the Public Offering of Shares in**

**Talabat Holding plc (Free Zone Company) (the “Company” or “talabat”)**

***(a public company limited by shares incorporated in the Abu Dhabi Global Market (“ADGM”)  
and subject to ADGM Companies Regulations 2020 (as amended))***

**talabat**

**Dated: 11 November 2024**

This is the prospectus (the “**Prospectus**”) for the sale of 3,493,236,093 (three billion four hundred ninety three million two hundred thirty six thousand and ninety three) ordinary shares with a nominal value of AED 0.04 each, representing 15% (fifteen per cent) of the total issued shares in the share capital of the Company (the “**Offer Shares**”), to be sold by the Company’s sole shareholder, namely Delivery Hero MENA Holding GmbH (the “**Selling Shareholder**”), in a public subscription in the United Arab Emirates (the “**UAE**”) only. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the Securities and Commodities Authority in the UAE (“**SCA**” or the “**Authority**”). The offer price will be in AED and determined based on the offer price range (the “**Offer Price Range**”), which will be announced on the same day and before the opening of the Offer Period on 19 November 2024. The Offer Shares will be duly and validly issued as at the date of listing of the Shares (the “**Listing**”) on the Dubai Financial Market (the “**DFM**”).

**The final offer price (the “Final Offer Price”) and the final offering size will be announced after the closing of the subscription of the Second Tranche. Please refer to the section on the Final Offer Price in the first section of this Prospectus which sets out a description of how the Final Offer Price will be calculated.**

Except in the UAE only, no action has been taken or will be taken in any jurisdiction that would permit a public subscription of the Offer Shares pursuant to this Prospectus or the possession, circulation or distribution of this Prospectus. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offering material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any jurisdiction except in compliance with any applicable rules and regulations of any such jurisdiction.

The Company is not subject to UAE Federal Decree by Law No. 32 of 2021 concerning commercial

companies (as amended) (the “**UAE Commercial Companies Law**” or “**CCL**”). The Company is established in the ADGM and is subject to the ADGM Companies Regulations 2020 (as amended) (the “**Companies Regulations**”) and other applicable rules and regulations in the ADGM. The ADGM Registration Authority (the “**ADGM Registration Authority**”) is responsible for the supervision and regulation of all public companies incorporated in the ADGM, including the Company, in relation to compliance with the Companies Regulations. The Authority is not responsible for the content of this Prospectus, or the information contained herein.

**Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the “Investment Risks” and the “Important Notice” sections of this Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.**

### **Offer Period**

**The Offer Period for the First Tranche, and the Second Tranche, (as described in this Prospectus) starts on 19 November 2024 and will close on 27 November 2024 for the First Tranche and on 28 November 2024 for the Second Tranche.**

If all of the Offer Shares are subscribed for and allocated, and the Offer size is not increased, the Offer Shares will represent 15% (fifteen per cent) of the total issued ordinary shares in the capital of the Company (the “**Shares**”) (this percentage has been calculated based on the total number of Shares in the share capital of the Company). The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA. Prior to this Offering, the Shares have not been listed on any financial market and there has been no public market for the Shares. Following the closing of the Offer Period in respect of the First Tranche, and the Second Tranche and accepting the subscription for Shares, the Company will apply to list its Shares on the DFM.

Date of the SCA’s approval of publishing this Prospectus: 7 November 2024.

**This Prospectus contains data that has been submitted in accordance with the rules for issuance and disclosure issued by the SCA in the UAE and publishing this Prospectus has been approved by the SCA on 7 November 2024. However, the SCA’s approval of publishing this prospectus does not constitute an endorsement of the feasibility of investment nor a recommendation to subscribe to the Offer Shares; the approval only means that this Prospectus contains the minimum information required in accordance with the applicable rules issued by the SCA with respect to prospectuses. The SCA is not responsible for the accuracy, completeness or adequacy of the information contained in this Prospectus and the SCA does not bear any responsibility for any damages or losses incurred by any person as a result of relying on this Prospectus or any part of it. The members of the Company’s board of directors, jointly and severally, bear full responsibility regarding the validity of the information and data contained in this Prospectus, and they confirm, to the extent of their knowledge and belief, and subject to due diligence and after conducting reasonable enquiries, that there are no other facts or material information, which were not included in this Prospectus that renders any statement contained therein misleading to the Subscribers or which may influence their decision to invest.**

## **Method of sale of the Offer Shares in a public subscription**

The Offer Shares represent 3,493,236,093 (three billion four hundred ninety three million two hundred thirty six thousand and ninety three) Shares with a nominal value of AED 0.04 for each share of the total issued shares in the Company's share capital, which will be sold by the Selling Shareholder and offered for subscription in a public offering whereby the Final Offer Price will be determined through the application of a book building process, where a subscription orders ledger will be created through the subscription orders made only by the Second Tranche Subscribers. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to applicable laws of the UAE and the approval of SCA.

In creating the subscription orders ledger, the Offer Shares subscribed by the Second Tranche Subscribers will constitute all of the Offer Shares used in calculating the Final Offer Price of each Offer Share. In order for the subscription to succeed, the subscription percentage of the Second Tranche Subscribers must not be less than 60%, and the subscription percentage of First Tranche Subscribers must not be more than 40% of the Offer Shares in aggregate.

If the First Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the Second Tranche. The Receiving Banks commit to refund the oversubscription amounts received from the First Tranche Subscribers for the Offering and any earned profit on such amounts one day after the subscription closing until one day prior to the refund to the First Tranche Subscribers, provided that the refund is made within five working days from the date on which all allocations of Offer Shares to successful First Tranche Subscribers is determined.

The Selling Shareholder may not, whether directly or indirectly or through any of its subsidiaries, subscribe for any of the Offer Shares.

### **Book Building Mechanism**

Book building is a mechanism pursuant to which the price is set prior to the Offering.

The book building process comprises these steps:

1. The Company and the Selling Shareholder hire one or more investment banks to act as joint lead manager(s) who are licensed by SCA to carry out on behalf of the Company and the Selling Shareholder the management of the Offering, and to provide advice related to the Offering, and to coordinate with SCA and the Offering Participants and to assist the Company and the Selling Shareholder in determining the price range at which the security can be sold and drafting a prospectus to send out to the investors.
2. The appointed joint lead managers invite certain Professional Investors, normally, but not restricted to, large-scale sophisticated buyers and fund managers (and may also invite other Professional Investors), to submit bids on the number of shares that they are interested in buying and the prices that they would be willing to pay for such shares and recording the Professional Investors' opinions in the register specifically for recording the subscription orders for the shares offered.
3. The book is 'built' by listing and evaluating the aggregated demand for the issue from the

submitted bids. The underwriters analyze the information and based on that analysis, determine with the Company and its Selling Shareholder the final price for the shares, which is termed the Final Offer Price.

4. Shares for submitted bids pertaining to the Second Tranche, are then allocated among the accepted bidders, at the discretion of the Company and the Selling Shareholder.

### **Listing Advisor**

Emirates NBD Capital PSC has been appointed to be the Listing Advisor of the Company (in accordance with the requirements for that role as described in Article 33 (Second) (14) of the Offering Regulations) for a period of twelve (12) months from the date of Listing.

A list of further definitions and abbreviations is provided in the “**Definitions and Abbreviations**” Section of this Prospectus.

## **Tranche Structure**

### **A. First Tranche**

The First Tranche offer will be made pursuant to this Prospectus. 5% (five per cent) of the Offer Shares, representing 174,661,805 (one hundred seventy four million six hundred sixty one thousand eight hundred and five) Shares, are allocated to the First Tranche. Each successful Subscriber in the First Tranche other than the Eligible Employees (as defined below) will be guaranteed a minimum allocation of 1,000 Shares, and each Eligible Employee will be guaranteed a minimum allocation of 10,000 Shares (the “**Minimum Guaranteed Allocation**”). The Minimum Guaranteed Allocation is subject to (i) the total number of Shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size, and (ii) the total number of Shares allocated to any Eligible Employee pursuant to the Minimum Guaranteed Allocation not exceeding the number of Shares applied for by the Eligible Employee based on the Final Offer Price, subject to the limits and conditions set out in this Prospectus. The First Tranche is restricted to the following persons:

- **Individual Subscribers**

Natural persons (including natural persons constituting Assessed Professional Investors) who do not participate in the Second Tranche who have a bank account and hold an Investor Number with DFM (except for any person who is resident in the United States within the meaning of the US Securities Act 1933, as amended (the “**US Securities Act**”). There are no citizenship or residence requirements in order to qualify as an Individual Subscriber.

Minors are permitted to apply for Offer Shares in accordance with the procedures applied by the Receiving Banks and the laws in force in this regard.

- **Other investors**

Other investors (companies and establishments) who do not participate in the Second Tranche and who have a bank account (except for any person who is resident in the United States within the meaning of the US Securities Act).

- **Eligible Employees**

Natural persons (including natural persons constituting Assessed Professional Investors (as described under the Second Tranche)), who have a bank account and do not participate in the Second Tranche and who are Eligible Employees of the Group and whose details have been shared by the Company with the Lead Receiving Bank on or before 21 November 2024 (except for any person who is resident in the United States within the meaning of the US Securities Act, as amended).

All First Tranche Subscribers must hold a NIN with the DFM.

The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche does not exceed 40% of the Offer Shares in aggregate.

If all of the Offer Shares in the First Tranche are not fully subscribed, the unsubscribed Offer Shares will be available to Second Tranche Subscribers, or alternatively (in consultation with the SCA) the Selling Shareholder may (i) extend the Closing Date for the First Tranche and the Second Tranche, and/or (ii) close the Offering at the level of applications received.

The minimum application size for subscribers in this Tranche is AED 5,000 (five thousand UAE dirhams) with any additional application to be made in increments of AED 1,000 (one thousand UAE dirhams).

There is no maximum application size for subscribers in this Tranche.

## **B. Second Tranche**

The Second Tranche offer will be made pursuant to the Second Tranche Document and this Prospectus, 95% (ninety five per cent) of the Offer Shares, amounting to 3,318,574,288 (three billion three hundred eighteen million five hundred seventy four thousand two hundred and eighty eight) Shares, are allocated to the Second Tranche, which is restricted to “**Professional Investors**” (as defined in the SCA Board of Directors’ Chairman Decision No.13/R.M of 2021 (as amended from time to time)), which specifically include those investors which can be categorised in the following manner:

- “**Deemed Professional Investors**” which include:

1. international corporations and organisations whose members are state, central banks or national monetary authorities;
2. governments, government institutions, their investment and non-investment bodies and companies wholly owned by them;
3. central banks or national monetary authorities in any country, state or legal authority;
4. capital market institutions licensed by the SCA or regulated by a supervisory authority equivalent to the SCA;
5. financial institutions;

6. regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies and regulated pension funds;
7. any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions;
8. any company whose shares are listed or accepted to trade in any market of an IOSCO member country;
9. a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 or more;
10. licensed family offices with assets of AED 15,000,000 or more;
11. joint ventures and associations which have or had, at any time during the past two years, net assets of AED 25,000,000 or more (excluding partner and shareholder loans);
12. a body corporate who fulfils (on the date of its last financial statements) a “large undertaking” test, whereby it fulfils at least two of the following requirements:
  - a) holds total assets of AED 75,000,000 or more (excluding short-term liabilities and long-term liabilities);
  - b) has a net annual revenue of AED 150,000,000 or more; or
  - c) has an aggregate total of cash and investments on its balance sheet of or its total equity (after deducting paid up share capital) is, not less than AED 7,000,000.

- **“Service-Based Professional Investors”, which include:**

1. **Any person conducting an activity involving the provision of credit facilities for commercial purposes for:**
  - a) an undertaking;
  - b) a person in control of an undertaking;
  - c) any member of the group to which the undertaking belongs; or
  - d) any joint investment venture in which the undertaking is a partner.
2. **A person conducting credit facility and investment deal arrangement services in connection with structuring, financing, and companies.**

- **“Assessed Professional Investors” which include:**

1. **A natural person who owns net assets, excluding the value of their main residence, of not less than AED 4,000,000 (a “HNWI”);**

**a natural person** who is:

- a) approved by the SCA or a similar supervisory authority;

- b) an employee of a licensed entity or a regulated financial institution who has been employed for the past two years;
  - c) assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); or
  - d) represented by an entity licensed by the SCA;
- 2. a natural person (the “account participant”) with a joint account for investment management with a HNWI (the “main account holder”), provided that each of the following conditions are satisfied:**
- a) the account participant must be an immediate or second degree relative of the main account holder;
  - b) the account is used to manage the investments of the main account holder and their subscribers; and
  - c) written confirmation is obtained from the subscriber (i.e. the account participant) confirming that investment decisions relating to the joint investment account are made on their behalf by the main account holder;
- 3. special purpose vehicles and trusts established for the purpose of managing an investment portfolio of assets for a HNWI;**
- 4. an undertaking which satisfies the following requirements:**
- a) maintains an aggregate total of cash and investments on its balance sheet of; or its total equity (after deducting paid up share capital) is, not less than AED 4,000,000; and
  - b) has sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); and
- 5. an undertaking which:**
- a) it has a controller (e.g. a person controlling the majority of the shares or voting rights in the relevant undertaking or possesses the ability to appoint or remove the majority of the relevant undertaking’s board of directors),
  - b) a holding or subsidiary company; or
  - c) a joint venture partner that meets the definition of a Deemed Professional Investor or an Assessed Professional Investor,

who, in each case, has been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers and to which the following characteristics apply: (a) a person in the United States who is a qualified institutional buyer (“**QIB**”), as defined in Rule 144A under the US Securities Act (“**Rule 144A**”) and to whom an offer can be made in accordance with Rule 144A; (b) a person outside the United States to whom an offer can be made in reliance on Regulation S under the US Securities Act; (c) a person in the DIFC to whom an offer can be made in accordance with the

Markets Rules (MKT) Module of the DFSA Rulebook, and made only to persons who meet the “Deemed Professional Client” criteria set out in the Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons; or (d) a person in the ADGM to whom an offer can be made in accordance with the Financial Services Regulatory Authority (the “**FSRA**”) Financial Services and Markets Regulations (the “**FSMR**”) and the FSRA Market Rules and made only to persons who are Professional Clients’ as defined in the ADGM Conduct of Business Rulebook.

All Second Tranche Subscribers must hold a NIN with the DFM.

If all of the Offer Shares in the Second Tranche are not fully subscribed, then the Offer will be withdrawn.

The minimum application size for the Second Tranche Subscribers is AED 5,000,000 (five million UAE dirhams).

There is no maximum application size for the Second Tranche Subscribers.

Every Subscriber must hold a NIN with DFM and bank account number in order to be eligible to apply for Offer Shares. Subscribers may apply for Offer Shares in only one Tranche. In the event a person applies in more than one Tranche, the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The approval of the Authority has been obtained for publication of the Prospectus for the offer and sale of the Offer Shares in a public subscription in the UAE (outside the ADGM and the DIFC). Other than in the ADGM, the Shares have not been registered with any other regulatory authority in any other jurisdiction.

The publication of the Arabic version of this Prospectus has been approved by the Authority.

A copy of the offering document for the Second Tranche (in English only), referred to as the “**Second Tranche Document**”, which was not sighted or endorsed by the Authority, will be available at <https://ipo.talabat.com>. No information contained in, or referred to in, the Second Tranche Document, forms part of, or is incorporated into this Prospectus.

**Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the “Investment Risks” section of the Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.**

This Prospectus was issued on 11 November 2024

This Prospectus is available on the website of the Company at

<https://ipo.talabat.com>



## **Name and Contact Details of the Offer Participants**

### **JOINT LEAD MANAGERS**

#### ***Emirates NBD Capital PSC***

1<sup>st</sup> Floor, Emirates NBD Head Office Building  
Baniyas Road, Deira  
P.O Box 2336  
Dubai, United Arab Emirates  
Tel: +971 4 201 2940

#### ***Abu Dhabi Commercial Bank PJSC***

ADCB Head office  
Shk Zayed 1st Street  
P.O Box 939  
Abu Dhabi, United Arab Emirates  
Tel: +971 6 005 02030

#### ***EFG HERMES UAE LLC***

Office 106, The Offices 3  
One Central, DWTC  
P.O. Box 112736  
Dubai, United Arab Emirates  
Tel: +971 4 3634000

#### ***First Abu Dhabi Bank PJSC***

FAB Building  
Khalifa Business Park – Al Qurm District  
P.O. Box 6316  
Abu Dhabi, United Arab Emirates  
Tel: +971 2 6161 800

### **LEAD RECEIVING BANK**

#### ***Emirates NBD Bank PJSC***

Headquarters  
Baniyas Road, Deira  
P.O Box 777  
Dubai, United Arab Emirates  
Tel: +971 4 316 0018

### **RECEIVING BANKS**

As per the list of banks attached in Annex (3) to this Prospectus.

### **LISTING ADVISOR**

#### ***Emirates NBD Capital PSC***

1<sup>st</sup> Floor, Emirates NBD Head Office Building Baniyas Road, Deira  
P.O Box 2336  
Dubai, United Arab Emirates  
Tel: +971 4 201 2940

**IPO SUBSCRIPTION LEGAL COUNSEL**

**Legal advisor to the Company as to  
English and U.S. law**

**Gibson, Dunn & Crutcher LLP**  
Gate District 5, Level 4  
Dubai International Financial Centre  
P.O. Box 506654  
Dubai, United Arab Emirates  
+971 4 318 4600

**Legal advisor to the Company as to UAE  
law**

**IBRAHIM .N. PARTNERS**  
24<sup>th</sup> Floor, Al Sila Tower, ADGM Square  
E-mail: Info@inp.legal  
P.O. Box 5100746  
Abu Dhabi, United Arab Emirates  
+971 2 694 8668

**LEGAL ADVISOR TO THE JOINT LEAD MANAGERS AS TO ENGLISH, U.S., AND ADGM  
LAW**

**Linklaters LLP**

Level 12, ICD Brookfield Place  
Al Mustaqbal Street, Dubai International  
Financial Centre  
Dubai, United Arab Emirates

**Linklaters LLP**

One Silk Street  
EC2Y 8HQ  
London, United Kingdom

**INDEPENDENT AUDITORS OF THE COMPANY**

**KPMG Lower Gulf Limited**

The Offices 5 at One Central  
Level 4, Office No: 04.01 Sheikh Zayed Road  
P.O. Box 3800  
Dubai, United Arab Emirates  
Tel: +971 4 403 0300

**IPO SUBSCRIPTION AUDITORS**

**Deloitte & Touche (M.E.) LLP**

Al Sila Tower, 11th Floor  
Abu Dhabi Global Market Square  
P.O. Box 990  
Abu Dhabi, United Arab Emirates  
Tel: +971 2 408 2424

***INVESTOR RELATIONS***

Shady Abdel Hamid

+971 58 544 2072

Teneo Strategy (UAE) Limited

Precinct Building 5 - Office 405, Gate - DIFC - Dubai

ir@talabat.com

This Prospectus is available on the website of the Company at <https://ipo.talabat.com>

The publication of this Prospectus was approved on 7 November 2024.

## IMPORTANT NOTICE

### (To be carefully read by all Subscribers)

- This Prospectus is intended to provide potential Subscribers with information to assist in deciding whether or not to apply for Offer Shares. Potential Subscribers should read this Prospectus in its entirety, and carefully review, examine and consider all data and information contained in it, before deciding whether or not to apply for Offer Shares (and, in particular, Section 9 (“**Investment Risks**”) and the Section (“**Financial Disclosures**”) as well as the Articles of Association of the Company, when considering making an investment in the Company.
- In making an investment decision, each potential Subscriber must rely on its own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved and obtain any necessary advice from his or her legal and financial advisors regarding the investment. An investment in Offer Shares entails considerable risks. Potential Subscribers should not apply for Offer Shares unless they are able to bear the loss of some or all of that investment.
- Recipients of this Prospectus are authorized solely to use this Prospectus for the purpose of considering the subscription in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering whether or not to apply for Offer Shares under the First Tranche. Recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.
- The contents of this Prospectus should not be construed as legal, financial or tax advice.
- The information contained in this Prospectus shall not be subject to revision or addition without securing the approval of the Authority and informing the public of such revision or addition by publication in two daily newspapers in accordance with the rules issued by the Authority. The Selling Shareholder reserves the right to cancel the Offering at any time and at its sole discretion with the prior written approval of the SCA.
- The Offer Shares are being offered for sale under this Prospectus for the purpose of subscription in the UAE only. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the Offer Shares or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, Offer Shares by any person in any jurisdiction outside of the UAE (including the ADGM and the DIFC).
- This Prospectus is not being published or distributed, and must not be forwarded or transmitted, in or into or to any jurisdiction outside the UAE (including the ADGM and the DIFC). The Offer Shares have not been registered with any regulatory authority in any jurisdiction other than the SCA.
- This Prospectus is not intended to constitute a financial promotion, offer, sale or delivery of shares or other securities under the FSRA Markets Rules or the DIFC Markets Law or under the DIFC Markets Rules.

- The Offering has not been approved or licensed by the FSRA or DFSA and does not constitute an offer of securities in the ADGM in accordance with the FSRA Markets Rules or in the DIFC in accordance with the DIFC Markets Law or the DIFC Markets Rules.
- The publication of this Prospectus has been approved by the SCA. The SCA's approval of the publication of this Prospectus shall neither be deemed as an endorsement or approval of the subscription feasibility nor a recommendation of investment, but it means only that the minimum requirements according to the issuance rules and information disclosure applicable to the prospectus and issued by the SCA have been met. The SCA and the DFM shall not be held liable for the accuracy, completeness or sufficiency of the information contained in this Prospectus, nor shall they be held liable for any damage or loss suffered by any person due to reliance upon this Prospectus or any part thereof.

**The publication of this Prospectus was approved on 7 November 2024.**

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### General

No representation or warranty, express or implied, is made and no responsibility or liability is accepted by any person other than the Company, as to the accuracy, completeness, verification or sufficiency of the information contained herein, and nothing in this Prospectus may be relied upon as a promise or representation in this respect, as to the past or future. No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Company. The delivery of this Prospectus shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Prospectus or that the information contained herein is correct as of any time subsequent to its date.

The Company was incorporated in the ADGM on 3 September 2024 for the purpose of facilitating the Listing of the Group. At the time of this Prospectus, the Company has had limited corporate activity since its formation other than (i) the issuance of shares in connection with its capitalisation; (ii) activities in connection with the reorganisation and entry into the agreements related thereto; and (iii) in preparation for this Offering. Consequently, no standalone audited financial information is presented in this Prospectus. However, the Prospectus will present the consolidated financial statements of its subsidiary, Delivery Hero FZ LLC.

The contents of this Prospectus are not to be construed as legal, business or tax advice.

### Historical financial information

The historical financial statements included in this Prospectus are:

- The audited consolidated financial statements for Delivery Hero FZ LLC as of and for the years ended 2022 and 2023 (the “**Annual Financial Statements**”). The Annual Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).
- The reviewed condensed consolidated interim financial statements of Delivery Hero FZ LLC for the nine months ended 30 September 2024 (the “**Interim Financial Statements**”) prepared in accordance with International Accounting Standard 34 ‘Interim Financial Reporting’.

(together, the “**Financial Statements**”).

### Currency presentation

Unless otherwise indicated, all references in this document to:

“**UAE dirham**” or “**AED**” are to the lawful currency of the United Arab Emirates; and

“**US dollar**” or “**USD**” are to the lawful currency of the United States of America.

The value of UAE dirhams has been pegged to US dollar at a rate of AED 3.6725 per USD 1 since 1997. All AED/USD conversions in this Prospectus have been calculated at this rate.

## **Rounding**

Certain data in this document, including financial, statistical, and operating information, has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. The percentages in tables have been rounded and accordingly may not add up to 100%.

## FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. The forward-looking statements contained in this Prospectus speak only as of the date of this Prospectus. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company and all of which are based on current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as “believe”, “expects”, “may”, “will”, “could”, “should”, “would”, “risk”, “intends”, “estimates”, “aims”, “plans”, “targets” “predicts”, “continues”, “assumes”, “positioned” “anticipates” “potential” or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding intentions, beliefs and current expectations concerning, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies, and dividend policy and the industry in which the Company operates.

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts as of the date of this Prospectus involve predictions. No assurance can be given that such future results will be achieved. There is no obligation or undertaking to update these forward-looking statements contained in this Prospectus to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so: (i) as a result of an important change with respect to a material point in this Prospectus; or (ii) by applicable laws of the UAE.

Actual events or results may differ materially as a result of risks and uncertainties that the Company faces. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Please refer to Section 9 (“**Investment Risks**”) for further information.



## IMPORTANT INFORMATION

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

Recipients of this Prospectus are authorized solely to use this Prospectus for the purpose of considering making an investment in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering an investment in the Offer Shares. Such recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus. Prior to making any decision as to whether to invest in the Offer Shares, prospective Subscribers should read this Prospectus in its entirety (and, in particular, the section headed “**Investment Risks**”) as well as the Articles of Association of the Company. In making an investment decision, each Subscriber must rely on their own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved.

No person is authorized to give any information or to make any representation or warranty in connection with the Offering or Offer Shares which is not contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorized by the Company and the Selling Shareholder or the other Offer Participants (as defined below). By applying for Offer Shares, a Subscriber acknowledges that (i) they have relied only on the information in this Prospectus and (ii) no other information has been authorized by the Company, the Selling Shareholder, the Joint Lead Managers (as defined below), any other Offer Participant, the Joint Bookrunners (as defined below), or any advisor to the Company or the Selling Shareholder (the “**Advisors**”) or any of their respective representatives.

No person or Advisor, except the Joint Lead Managers, the Lead Receiving Bank and the Receiving Banks set out on pages 9, 10 and 11, are participating in, receiving subscription funds from, or managing, the public offering of the Offer Shares in the UAE.

Neither the content of the Company’s website or any other website referred to in the Prospectus, nor the content of any website accessible from hyperlinks on any of such websites, forms part of, or is incorporated into, this Prospectus, and neither the Company, the Selling Shareholder, the Joint Lead Managers, any other Offer Participant, the Joint Bookrunners nor any Advisor or any of their respective representatives bears or accepts any responsibility for the contents of such websites.

None of the Company, the Selling Shareholder, the Joint Lead Managers, the Offer Participants, the Joint Bookrunners, or any Advisor or any of their respective representatives accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Company, the Offer or the Offer Shares. None of the Company, the Selling Shareholder, the Joint Lead Managers, the Offer Participants, the Joint Bookrunners, or any Advisor or their respective representatives makes any representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

None of the Company, the Selling Shareholder, the Joint Lead Managers, any of the Offer Participants, the Joint Bookrunners, or any Advisor or any of their respective representatives warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Statements contained in this Prospectus are made as at the date of this Prospectus unless some prior time is specified in relation to them and the publication of this Prospectus (or any action taken pursuant to it) must not be interpreted as giving rise to any implication that there has been no change in the condition, facts or affairs of the Company since such date.

The Internal Shariah Supervision Committee of Emirates NBD Bank PJSC has issued (or is expected to issue) a fatwa confirming that, in its view, the Offering is compliant with Shariah principles. Investors should undertake their own due diligence to ensure that the Offering is compliant with Shariah principles for their own purposes.

Certain of the Group's financing arrangements are Shariah-compliant and references in relation thereto in this Prospectus to "interest", "lender", "borrower", "repayment", "loans", "borrowings" or similar non-Shariah compliant terms in relation thereto should be interpreted as references to "profit", "rental", "finance costs", "financier", "obligor", "payment", "financings", etc. as applicable.

This Prospectus will not be subject to revision, unless the prior written approval of the SCA is received. Any revision will become effective only after it has been announced in two daily newspapers circulating in the UAE. The Selling Shareholder reserves the right, with the prior approval of the SCA, to withdraw the Prospectus and cancel the Offer at any time and in its sole discretion. If the Offer is withdrawn, the subscription amounts will be fully refunded to the Subscribers, along with any earned profits. Neither the delivery of this Prospectus nor any sale made under it may, under any circumstances, be taken to imply that there has been no change in the affairs of the Company since the date of this Prospectus or that the information in it is correct as of any subsequent time.

Emirates NBD Capital PSC has been appointed as the listing advisor ("**Listing Advisor**"), and Emirates NBD Capital PSC, Abu Dhabi Commercial Bank PJSC, First Abu Dhabi Bank PJSC and EFG Hermes UAE LLC have been appointed as the joint lead managers (the "**Joint Lead Managers**"). Emirates NBD Capital PSC, Abu Dhabi Commercial Bank PJSC, First Abu Dhabi Bank PJSC and EFG Hermes UAE LLC are each licensed by the SCA on 10 October 2018, 27 October 2021, 5 November 2017 and 5 November 2017 respectively and will manage the sale, marketing and promotion of the Offer Shares and coordinate with the Company, the SCA and the other Offer Participants with regard to the offering of the Offer Shares in the UAE. Emirates NBD Bank PJSC has also been appointed as the lead receiving bank (the "**Lead Receiving Bank**") and, in its capacity as such, is responsible for receiving the subscription amounts set out in this Prospectus in accordance with the rules and laws applicable in and within the UAE under the First Tranche, and the Second Tranche.

Each of the Offer Participants shall be liable for its participation in the Offering process, including the Selling Shareholder and the Board members, with regard to the validity of the information contained in this Prospectus within the limits of the scope of work and expertise of each Offer Participant.

Emirates NBD Capital PSC, Abu Dhabi Commercial Bank PJSC, First Abu Dhabi Bank PJSC, EFG Hermes UAE LLC and a syndicate of regional and international banks have been appointed as joint

bookrunners (the “**Joint Bookrunners**”).

The Joint Lead Managers are the SCA-licensed entities responsible for managing the UAE offering under the Prospectus. The banks performing this role are therefore named in the Prospectus. As is customary, a number of additional regional and international banks will be responsible for marketing the offering and will be named in the Second Tranche Document. The term “Joint Bookrunners” is a collective definition for the Joint Lead Managers and the syndicate of additional regional and international banks.

The Joint Lead Managers are acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this Prospectus) as a client to any of the Offer Participants in relation to the Offer and will not be responsible to anyone other than the Company and the Selling Shareholder for providing the protections afforded to their respective clients or for giving advice in relation to the Offering or any transaction or arrangement referred to herein. The Advisors and the Offer Participants and their representatives shall act with due care, and each of them shall be liable to perform his duties.

The Joint Lead Managers and the other Offer Participants may have engaged (directly or through their respective affiliates) in transactions with, and provided various investment banking, financial advisory and other services for, the Company and the Selling Shareholder for which they would have received customary fees. Any previous transactions between the Joint Lead Managers and the Offer Participants and the Company or the Selling Shareholder do not constitute any conflict of interest between them.

The Board of the Company in its entirety whose names are set out in this Prospectus assumes joint and several responsibility for the completeness, accuracy and verification of the contents of this Prospectus. They declare that, they have carried out appropriate due diligence investigations, that the information contained in this Prospectus is, at the date hereof, factually accurate, complete and correct and that there is no omission of any information that would make any statement in this Prospectus materially misleading.

This Prospectus contains data submitted according to the issuance and disclosure rules issued by the SCA.

In making an investment decision, each potential Subscriber must rely on its own examination and analysis, having reviewed the information contained in this Prospectus (in its entirety) that has been provided by the Selling Shareholder and the Board members of the Company whose names are set out in this Prospectus.

No action has been taken or will be taken in any jurisdiction other than the UAE that would permit a public subscription or sale of the Offer Shares or the possession, circulation or distribution of this Prospectus, or any other material relating to the Company or the Offer Shares, in any country or jurisdiction where any action for that purpose is required. Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offer material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes must inform themselves of and observe all such restrictions.

None of the Company, the Selling Shareholder, the Joint Lead Managers, any of the Offer Participants, the Joint Bookrunners or any Advisor or any of their respective representatives bears or accepts any responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase Offer Shares by any person, whether or not a prospective purchaser of Offer Shares in any jurisdiction outside the UAE (including the ADGM and the DIFC), and whether such offer or solicitation was made orally or in writing, including electronic mail. None of the Company, the Selling Shareholder, the Joint Lead Managers, any of the Offer Participants, the Joint Bookrunners or any Advisor or any of their respective representatives makes any representation to any potential Subscriber regarding the legality of applying for Offer Shares by such potential Subscriber under the laws applicable to such potential Subscriber.

Apart from the responsibilities and liabilities, if any, which may be imposed on any of the Joint Lead Managers, or the Joint Bookrunners under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Joint Lead Managers, Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents accepts any responsibility whatsoever or makes any representation or warranty, express or implied, as to the accuracy, completeness or verification of the contents of this Prospectus or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Offer Shares or the Offering and nothing in this Prospectus should be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of the Joint Lead Managers, the Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents accordingly disclaims all and any responsibility or liability whatsoever which it might otherwise have in respect of this Prospectus or any such statement or the public offering of the Offer Shares in the UAE generally.

**The publication of the Prospectus was approved by the SCA on 7 November 2024.**

## Definitions and Abbreviations

<b><i>active customers</i></b>	individuals who have placed at least one successful order through our platform within the full calendar month of September 2024.
<b><i>active Partners</i></b>	Partners who have fulfilled at least one successful order through our platform within the full calendar month of September 2024.
<b><i>active riders</i></b>	delivery personnel who successfully delivered at least one order placed through our platform within the full calendar month of September 2024.
<b><i>ADGM</i></b>	Abu Dhabi Global Market.
<b><i>ADGM Registration Authority</i></b>	The Abu Dhabi Global Market Registration Authority.
<b><i>AED or UAE Dirham</i></b>	The lawful currency of the United Arab Emirates.
<b><i>Articles of Association</i></b>	The articles of association of the Company, as set out in Annex 2.
<b><i>Annual Financial Statements</i></b>	The audited consolidated financial statements of Delivery Hero FZ LLC as of and for the years ended 2022 and 2023 and the related notes thereto.
<b><i>Authority or SCA</i></b>	The Securities and Commodities Authority of the United Arab Emirates.
<b><i>AFV</i></b>	Average Food Value means the average monetary value of food orders (excluding delivery and service fees) placed by customers on talabat over a specified period. It is calculated by dividing the total food spend by the number of orders within that period.
<b><i>Board or Board of Directors</i></b>	The board of directors of the Company.
<b><i>CAGR</i></b>	Compound annual growth rate.
<b><i>Carriage Holding</i></b>	Carriage Holding Company Limited.

<b>Closing Date</b>	27 November 2024 for the First Tranche and 28 November 2024 for the Second Tranche.
<b>Companies Regulations</b>	ADGM Companies Regulations 2020 (as amended).
<b>Company or talabat</b>	Talabat Holding plc, a public company limited by shares incorporated in the ADGM pursuant to the Companies Regulations.
<b>Corporate Tax Law</b>	Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses.
<b>Delivery Hero</b>	Delivery Hero SE.
<b>DFM</b>	Dubai Financial Market.
<b>DFSA</b>	Dubai Financial Services Authority.
<b>DHH I SPC</b>	DHH I SPC (DIFC) Ltd.
<b>DH Innovations</b>	Delivery Hero Innovations Hub GmbH.
<b>DIFC</b>	Dubai International Financial Centre.
<b>Directors</b>	The Executive Board Members and the Non-Executive Board Members.
<b>Electronic Applications</b>	Applications via online banking / mobile banking / FTS and ATMS as provided by the Receiving Banks and DFM to the First Tranche Subscribers.
<b>Eligible Employees</b>	Natural persons (including natural persons constituting Assessed Professional Investors (as described under the Second Tranche)), who have a bank account and do not participate in the Second Tranche and who are Eligible Employees of the Group and whose details have been shared by the Company with the Lead Receiving Bank on or before 21 November 2024 (except for any person who is resident in the United States within the meaning of the US Securities Act, as amended).

<b>Final Offer Price</b>	<p>The offer price at which all the Subscribers in the First Tranche, and the Second Tranche will purchase each Offer Share will be at the Final Offer Price.</p> <p>The Final Offer Price of each Offer Share will be determined following a bookbuild process for the Second Tranche and following consultation between the Joint Lead Managers, the Company and the Selling Shareholder. The shares of the Second Tranche Subscribers must represent all of the Offer Shares used to calculate the Final Offer Price of each Offer Share.</p> <p>Following closing of the Second Tranche, the Company will publish an announcement setting out the Final Offer Price (the “<b>Offer Price Announcement</b>”), on the following website:</p> <p><a href="https://ipo.talabat.com">https://ipo.talabat.com</a></p>
<b>Financial Statements</b>	The Annual Financial Statements and the Interim Financial Statements which are listed in Annex 1 of this Prospectus.
<b>Financial year</b>	The financial year of the Company starts on 1 January and ends on 31 December of each year.
<b>First Tranche</b>	The Offering of the Offer Shares in the UAE to First Tranche Subscribers.
<b>First Tranche Subscribers</b>	Individual Subscribers, other investors and Eligible Employees (including natural persons, companies and establishments) who do not participate in the Second Tranche and who hold a NIN with the DFM and have a bank account.
<b>Food Vertical</b>	talabat’s online food ordering and delivery offering.
<b>Free Zone</b>	A designated and defined geographic area within the UAE that is specified in a decision issued by the Cabinet at the suggestion of the Minister.
<b>Free Zone Person</b>	A juridical person incorporated, established or otherwise registered in a Free Zone, including a branch of a Non-Resident Person registered in a Free Zone.
<b>FSMR</b>	ADGM Financial Services and Markets Regulations 2015.

<b>FSRA</b>	ADGM Financial Services Regulatory Authority.
<b>FTA</b>	Federal Tax Authority in the UAE.
<b>FTS Fund Transfer Mode or FTS</b>	UAE Central Bank Fund Transfer mode.
<b>GCC</b>	Gulf Cooperation Council countries comprising the United Arab Emirates, Kingdom of Saudi Arabia, Sultanate of Oman, State of Qatar, State of Kuwait and Kingdom of Bahrain.
<b>GMV</b>	Gross merchandise value.
<b>Governance Rules</b>	The Chairman of the SCA's Board of Directors' Decision No. (3/R.M) of 2020 Concerning Approval of Joint Stock Companies Governance Guide (as amended from time to time).
<b>Groceries and Retail Vertical</b>	talabat's groceries and convenience retail offering.
<b>Group, our, us or we</b>	The Company and its subsidiaries.
<b>IFRS</b>	International Financial Reporting Standards as issued by the International Accounting Standards Board.
<b>Individual Subscribers</b>	Natural persons who hold a NIN with the DFM and have a bank account (including natural persons constituting Assessed Professional Investors who do not participate in the Second Tranche). There are no citizenship or residence requirements.
<b>Industry Consultants</b>	OC&C Strategy Consultants and Redseer Consulting.
<b>Interim Financial Statements</b>	The reviewed condensed consolidated interim financial statements of Delivery Hero FZ LLC for the nine months ended 30 September 2024.
<b>InstaShop</b>	a limited liability company registered under the laws of the British Virgin Islands with no. 1880691 and whose registered address is at Craigmuir Chamber, Tortola, VG 110.



<b>Joint Bookrunners</b>	Emirates NBD Capital PSC, Abu Dhabi Commercial Bank PJSC, First Abu Dhabi Bank PJSC, EFG Hermes UAE LLC and a syndicate of regional and international banks.
<b>Joint Lead Managers</b>	Emirates NBD Capital PSC, Abu Dhabi Commercial Bank PJSC, First Abu Dhabi Bank PJSC and EFG Hermes UAE LLC.
<b>Lead Receiving Bank</b>	Emirates NBD Bank PJSC.
<b>Links</b>	Links Equiom Commercial Brokers LLC.
<b>Local Shops</b>	Local Partners such as grocery stores, pharmacies, and flower shops.
<b>Listing</b>	The listing of the Shares for trading on the DFM.
<b>Listing Advisor</b>	Emirates NBD Capital PSC.
<b>Manager's Cheque</b>	Certified bank cheque drawn on a bank licensed and operating in the United Arab Emirates.
<b>Maximum Investment</b>	No maximum subscription in Offer Shares has been set.
<b>MENA</b>	Middle East and North Africa.
<b>Minimum Guaranteed Allocation</b>	has the meaning given to it under the sections named "Tranche Structure" above.
<b>Minimum Investment</b>	The minimum subscription for Offer Shares in the First Tranche has been set at AED 5,000, with any additional investment to be made in increments of at least AED 1,000. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000 (see the section on " <b>Subscription Amounts</b> " in the first section of this Prospectus for further details).
<b>NIN</b>	A unified investor number that a Subscriber must obtain from DFM for the purposes of subscription.
<b>Non-Executive Directors</b>	The non-executive Directors of the Company.

<b>Non-Resident Person</b>	The Taxable Person specified in Clause 4 of Article 11 of the CT Law of Federal Decree No. (47) of 2022.
<b>Offer Participants</b>	The entities listed on pages 9, 10 and 11 of this Prospectus.
<b>Offer Period</b>	<p>The subscription period for the First Tranche starts on 19 November 2024 and will close on 27 November 2024.</p> <p>The subscription period for the Second Tranche starts on 19 November 2024 and will close on 28 November 2024.</p>
<b>Offer Price Range</b>	The Offer Shares are being offered at an offer price range in AED that will be published on the first business day and before opening of the Offer Period.
<b>Offer Shares</b>	3,493,236,093 (three billion four hundred ninety three million two hundred thirty six thousand and ninety three) Shares which will be sold by the Selling Shareholder in a public subscription process. The Selling Shareholder reserves the right to amend the size of the Offering and the size of each tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and the SCA's approval.
<b>Offering or Offer</b>	<p>The public subscription of 3,493,236,093 (three billion four hundred ninety three million two hundred thirty six thousand and ninety three) of the ordinary shares with a nominal value of AED 0.04, representing 15% (fifteen per cent) of the total issued shares in the Company which are being offered for sale by the Selling Shareholder.</p> <p>The Selling Shareholder reserves the right to amend the size of the Offering and the size of each Tranche at any time prior to the end of the subscription period at its sole discretion, subject to applicable laws of the UAE and the SCA's approval.</p>
<b>Offering Regulations</b>	SCA Chairman of the Board Resolution No. (11/R.M) of 2016 on the Regulations for Issuing and Offering Shares of Public Joint Stock Companies, as amended.
<b>Partners</b>	Restaurants and other groceries and retail vendors.
<b>Professional Client</b>	Persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.

<p><b>Professional Investors</b></p>	<p><b>Professional Investors</b>” (as defined in the SCA Board of Directors’ Chairman Decision No.13/R.M of 2021 (as amended from time to time)), which specifically include those investors which can be categorised in the following manner:</p> <ul style="list-style-type: none"> <li>• <b>“Deemed Professional Investors” which include:</b> <ol style="list-style-type: none"> <li>a. international corporations and organisations whose members are state, central banks or national monetary authorities;</li> <li>b. governments, government institutions, their investment and non-investment bodies and companies wholly owned by them;</li> <li>c. central banks or national monetary authorities in any country, state or legal authority;</li> <li>d. capital market institutions licensed by the SCA or regulated by a supervisory authority equivalent to the SCA;</li> <li>e. financial institutions;</li> <li>f. regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies and regulated pension funds;</li> <li>g. any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions;</li> <li>h. any company whose shares are listed or accepted to trade in any market of an IOSCO member country;</li> <li>i. a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 or more;</li> <li>j. licensed family offices with assets of AED 15,000,000 or more;</li> <li>k. joint ventures and associations which have or had, at any time during the past two years, net assets of AED 25,000,000 or more (excluding partner and shareholder loans);</li> </ol> </li> </ul>
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	<p>I. a body corporate who fulfils (on the date of its last financial statements) a “large undertaking” test, whereby it fulfils at least two of the following requirements:</p> <ul style="list-style-type: none"> <li>i. holds total assets of AED 75,000,000 or more (excluding short-term liabilities and long-term liabilities);</li> <li>ii. has a net annual revenue of AED 150,000,000 or more; or</li> <li>iii. has an aggregate total of cash and investments on its balance sheet of; or its total equity (after deducting paid up share capital) is, not less than AED 7,000,000.</li> </ul> <ul style="list-style-type: none"> <li>• <b>“Service-Based Professional Investors”, which include:</b> <ul style="list-style-type: none"> <li>a. <b>Any person conducting an activity involving the provision of credit facilities for commercial purposes for:</b> <ul style="list-style-type: none"> <li>i. an undertaking;</li> <li>ii. a person in control of an undertaking;</li> <li>iii. any member of the group to which the undertaking belongs; or</li> <li>iv. any joint investment venture in which the undertaking is a partner.</li> </ul> </li> <li>b. <b>A person conducting credit facility and investment deal arrangement services in connection with structuring, financing, and companies.</b></li> </ul> </li> <li>• <b>“Assessed Professional Investors” which include:</b> <ul style="list-style-type: none"> <li>a. <b>A natural person who owns net assets, excluding the value of their main residence, of not less than AED 4,000,000 (a “HNWI”);</b> <ul style="list-style-type: none"> <li>a natural person who is: <ul style="list-style-type: none"> <li>i. approved by the SCA or a similar supervisory authority;</li> </ul> </li> </ul> </li> </ul> </li> </ul>
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	<ul style="list-style-type: none"> <li>ii. an employee of a licensed entity or a regulated financial institution who has been employed for the past two years;</li> <li>iii. assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); or</li> <li>iv. represented by an entity licensed by the SCA;</li> </ul> <p><b>b. A natural person (the “account participant”) with a joint account for investment management with a HNWI (the “main account holder”), provided that each of the following conditions are satisfied:</b></p> <ul style="list-style-type: none"> <li>i. the account participant must be an immediate or second degree relative of the main account holder;</li> <li>ii. the account is used to manage the investments of the main account holder and their subscribers; and</li> <li>iii. written confirmation is obtained from the subscriber (i.e. the account participant) confirming that investment decisions relating to the joint investment account are made on their behalf by the main account holder;</li> </ul> <p><b>c. Special purpose vehicles and trusts established for the purpose of managing an investment portfolio of assets for a HNWI;</b></p> <p><b>d. An undertaking which satisfies the following requirements:</b></p> <ul style="list-style-type: none"> <li>i. maintains an aggregate total of cash and investments on its balance sheet of; or its total equity (after deducting paid up share capital) is, not less than AED 4,000,000; and</li> <li>ii. has sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); and</li> </ul> <p><b>e. An undertaking which:</b></p> <ul style="list-style-type: none"> <li>i. it has a controller (e.g. a person controlling the majority of the shares or voting rights in the relevant undertaking or possesses the ability to appoint or</li> </ul>
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	<p>remove the majority of the relevant undertaking's board of directors),</p> <p>ii. a holding or subsidiary company or</p> <p>iii. a joint venture partner that meets the definition of a Deemed Professional Investor or an Assessed Professional Investor</p> <p>who, in each case, has been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers and to which the following characteristics apply: (a) a person in the United States who is a qualified institutional buyer ("<b>QIB</b>"), as defined in Rule 144A under the US Securities Act ("<b>Rule 144A</b>") and to whom an offer can be made in accordance with Rule 144A; (b) a person outside the United States to whom an offer can be made in reliance on Regulation S under the US Securities Act; (c) a person in the DIFC to whom an offer can be made in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook, and made only to persons who meet the "Deemed Professional Client" criteria set out in the Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons; or (d) a person in the ADGM to whom an offer can be made in accordance with the Financial Services Regulatory Authority (the "<b>FSRA</b>") Financial Services and Markets Regulations (the "<b>FSMR</b>") and the FSRA Market Rules and made only to persons who are Professional Clients' as defined in the ADGM Conduct of Business Rulebook.</p>
<b>QIB</b>	A "qualified institutional buyer" as defined in Rule 144A.
<b>Receiving Banks</b>	The list of banks attached in Annex 3 of this Prospectus.
<b>Regulation S</b>	Regulation S under the US Securities Act.
<b>Resident Person</b>	The Taxable Person specified in Clause 3 of Article 11 of the CT Law.
<b>Restaurants</b>	Restaurant vendors.
<b>ROAS</b>	Return on advertisement spend.
<b>Rule 144A</b>	Rule 144A under the US Securities Act.

<b>Second Tranche</b>	The offer of Offer Shares to Second Tranche Subscribers made under this Prospectus and the Second Tranche Document.
<b>Second Tranche Document</b>	<p>The Second Tranche offer document has been drafted in a specific manner to be addressed only to Professional Investors for the Second Tranche and in compliance with the laws and regulations of the relevant competent jurisdictions and acceptable to such jurisdictions, and it has not been reviewed, endorsed or approved by the SCA, and the offer document does not form part of this Prospectus and the information contained therein does not form part of this Prospectus.</p> <p>The offer document for the Second tranche will be available at:</p> <p><a href="https://ipo.talabat.com">https://ipo.talabat.com</a></p>
<b>Second Tranche Subscribers</b>	Professional Investors.
<b>Selling Shareholder</b>	Delivery Hero MENA Holding GmbH
<b>Shareholder</b>	Holder of Shares in the capital of the Company.
<b>Shares</b>	The ordinary shares of the Company with a nominal value of AED 0.04 each.
<b>SMS</b>	Short Message Service.
<b>Subscriber</b>	A natural or juridical applicant, in either case who applies for subscription in the Offer Shares.
<b>talabat DB</b>	Delivery Hero Talabat DB LLC.
<b>talabat Kuwait</b>	Talabat General Trading and Contracting Company WLL.
<b>Taxable Persons</b>	A Resident Person or a Non-Resident Person.
<b>tMarts</b>	talabat's warehousing and distribution centres designed for the fulfilment of online, on-demand orders of convenience products and groceries.

<b>Tranche</b>	The First Tranche or the Second Tranche.
<b>UAE</b>	United Arab Emirates.
<b>UAE Central Bank</b>	The central bank of the United Arab Emirates.
<b>UAE Commercial Companies Law or CCI</b>	The UAE Federal Decree by Law No. 31 of 2021 concerning commercial companies (as amended).
<b>UK</b>	The United Kingdom of Great Britain and Northern Ireland.
<b>UK Bribery Act of 2010</b>	The UK Bribery Act of 2010 covering offences relating to bribery and for connected purposes.
<b>Underwriting Agreement</b>	The underwriting agreement among the Selling Shareholder, the Company and the Joint Bookrunners.
<b>United States or US</b>	The United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia.
<b>US Securities Act</b>	The US Securities Act of 1933, as amended.
<b>VAT</b>	Value added tax.



## First Section: Subscription Terms and Conditions

### Key details of Offer Shares for sale to the public

- **Name of the Company:** Talabat Holding plc, a public company limited by shares, incorporated in the ADGM, Abu Dhabi, United Arab Emirates.
- **Commercial license of the Company:** Registered Number No. 20827.
- **Company head office:** Office Number 2341, 23<sup>rd</sup> Floor, Sky Tower, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, United Arab Emirates.
- **Share capital:** The share capital of the Company as at the date of this Prospectus has been set at AED 931,529,625 divided into 23,288,240,625 (twenty three billion two hundred eighty eight million two hundred forty thousand six hundred twenty five) Shares paid-in-full, with the nominal value of each Share being AED 0.04.
- **Percentage, number and type of the Offer Shares:** 3,493,236,093 (three billion four hundred ninety three million two hundred thirty six thousand and ninety three) Shares, all of which are ordinary shares, all Shares are of the same class and shall carry equal voting rights and shall rank pari passu in all other rights and obligations, and which constitute 15% of the Company's issued share capital (this percentage has been calculated based on the total number of Shares in the capital as at the Listing date).
- **Offer Price Range per Offer Share:** The Offer Price Range will be in UAE dirhams and will be announced on the same day and before the start of the Offer Period on 19 November 2024.
- **Eligibility of the qualified categories of Subscriber to apply for the acquisition of the Offer Shares:**
  - **First Tranche:** The First Tranche of the Offering will be open to First Tranche Subscribers as described on the cover page of this Prospectus and the "**Definitions and Abbreviations**" section of this Prospectus. All Subscribers in the First Tranche must hold a NIN with DFM and a bank account number. 5% (five per cent) of the Offer Shares, representing 174,661,805 (one hundred seventy four million six hundred sixty one thousand eight hundred and five) Shares are allocated to the First Tranche. Each Subscriber in the First Tranche other than the Eligible Employees will have a Minimum Guaranteed Allocation of 1,000 Shares, and each Eligible Employee will have a Minimum Guaranteed Allocation of 10,000 Shares. The Minimum Guaranteed Allocation is subject to (i) the total number of shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size, and (ii) the total number of Shares allocated to any Eligible Employee pursuant to the Minimum Guaranteed Allocation not exceeding the number of Shares applied for by the Eligible Employee based on the Final Offer Price, subject to the limits and conditions set out in this Prospectus. The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche does not exceed 40% of the Offer Shares in aggregate.

- **Second Tranche:** The Second Tranche of the Offering will be open to Second Tranche Subscribers as described on the cover page of this Prospectus and the “Definitions and Abbreviations” section of this Prospectus. All Subscribers in the Second Tranche must hold a NIN with DFM. 95% (ninety five per cent) of the Offer Shares, representing 3,318,574,288 (three billion three hundred eighteen million five hundred seventy four thousand two hundred and eighty eight) Shares are allocated to the Second Tranche. The Selling Shareholder reserves the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche does not exceed 40% of the Offer Shares in aggregate.

- **Public subscription in the Offer Shares is prohibited as follows:**

Public subscription is prohibited to any Subscriber whose investment is restricted by the laws of the jurisdiction where the Subscriber resides or by the laws of the jurisdiction to which the Subscriber is situated. It is the Subscriber’s responsibility to determine whether the Subscriber’s application for, and investment in, the Offer Shares conforms to the laws of the applicable jurisdiction(s).

- **Minimum Investment:**

The minimum subscription for Offer Shares in the First Tranche has been set at AED 5,000 (five thousand UAE dirhams) with any additional investment to be made in AED 1,000 (one thousand UAE dirhams) increments. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000 (five million UAE dirhams).

- **Maximum Investment:**

No maximum subscription in Offer Shares has been set.

- **Subscription by Selling Shareholder:**

The Selling Shareholder may not subscribe for Offer Shares, whether directly or indirectly, or through any of its subsidiaries.

- **Lock-up period:**

Pursuant to an underwriting agreement to be entered into between the Company, the Selling Shareholder and the Joint Bookrunners prior to the date of Listing (the “**Underwriting Agreement**”), the Shares held by the Selling Shareholder following Listing shall be subject to a lock-up which starts on the date of Listing and ends 180 days thereafter.

- **Reasons for the Offering and Use of Offer Proceeds:**

The net proceeds generated by the Offering (after base fees and discretionary fees are paid) will be received by the Selling Shareholder. The Group will not receive any proceeds from the Offering other than reimbursement from the Selling Shareholder for any expenses relating to the Offering. All expenses of the Offering (including base fees and any discretionary fees) will ultimately be

borne by the Selling Shareholder. The Offering is being conducted, among other reasons, to allow the Selling Shareholder to sell part of its shareholdings while providing increased trading liquidity in the Shares and raising the Group's profile with the investment community.

## Further Information on the First Tranche

### 1. Subscription Applications

Each Subscriber in the First Tranche may submit one subscription application only (i) in the case of a subscription application by a natural person, in his or her personal name (unless he or she is acting as a representative for another Subscriber, in which case the subscription application will be submitted in the name of such Subscriber); or (ii) in the case of a subscription application by a corporate entity, in its corporate name. In case a Subscriber submits more than one application in his or her personal name or its corporate name, the Lead Receiving Bank and the Joint Lead Managers reserve the right to disqualify all or some of the subscription applications submitted by such Subscriber and not to allocate any Offer Shares to such Subscriber.

Subscribers must complete all of the relevant fields in the subscription application along with all required documents and submit it to any Receiving Bank together with the subscription amount during the Offer Period for the First Tranche.

The completed subscription application should be clear and fully legible. If it is not, the Receiving Banks shall refuse to accept the subscription application from the Subscriber until the Subscriber satisfies all the required information or documentation before the close of the subscription.

Subscription for Offer Shares would deem the Subscriber to have accepted the Articles of Association of the Company and complied with all the resolutions issued by the Company's general meeting. Any conditions added to the subscription application shall be deemed null and void. No photocopies of subscription applications shall be accepted. The subscription application should only be fully completed after reviewing this Prospectus and the Company's Articles of Association. The subscription application then needs to be submitted to any of the Receiving Banks' branches mentioned herein or through electronic channels (see "**Electronic subscription**").

The Subscribers or their representatives shall affirm the accuracy of the information contained in the application in the presence of the bank representative in which the subscription was made. Each subscription application shall be clearly signed or certified by the Subscriber or his or her representative.

**The Receiving Banks and the Joint Lead Managers may reject subscription applications submitted by any Subscriber in the First Tranche for any of the following reasons:**

- If the subscription application form is not complete or is not correct with regard to the amount paid or submitted documents (and no Offer Participant takes responsibility for non-receipt of an allotment of Offer Shares if the address of the subscribers is not filled in correctly);
- If the subscription application amount is paid using a method that is not a permitted method of payment;
- If the subscription application amount presented with the subscription application does not match the minimum required investment or the increments set for the First Tranche offer;
- If the completed subscription application form is not clear and fully legible;

- If the Manager's Cheque is returned for any reason;
- If the amount in the bank account mentioned in the subscription application form is insufficient to pay for the application amount mentioned in the subscription application form or the Receiving Banks is unable to apply the amount towards the application whether due to signature mismatch or any other reasons;
- If the NIN is not made available to DFM or if the NIN is incorrect;
- If the subscription application is found to be duplicated (any acceptance of such duplicate application is solely at the discretion of the Selling Shareholder);
- If the subscription application is otherwise found not to be in accordance with the terms of the Offering;
- If the Subscriber is found to have submitted more than one application (it is not permitted to apply in more than one of the First Tranche or the Second Tranche, nor is it permitted to apply in either Tranche more than once), any acceptance of such duplicate / multiple application(s) is solely at the discretion of the Selling Shareholder);
- If the Subscriber is a natural person and is found to have submitted the subscription application other than in his or her personal name (unless he or she is acting as a representative for another Subscriber);
- If a Subscriber has not adhered to the rules applicable to the First Tranche or the Second Tranche offers;
- If it is otherwise necessary to reject the subscription application to ensure compliance with the provisions of the Companies Regulations, the Articles of Association, this Prospectus or the requirements of the UAE Central Bank, the SCA or the DFM; or
- If for any reason FTS/SWIFT/online/mobile/ATM subscription Channels transfer fails or the required information in the special fields is not enough to process the application.

The Receiving Banks and the Joint Lead Managers may reject the application for any of the reasons listed above at any time until allocation of the Offer Shares and have no obligation to inform the subscribers before the notification of the allocation of Shares to such rejected Subscribers.

## **2. Documents accompanying subscription applications**

Subscribers shall submit the following documents along with their subscription application forms:

### **For individuals who are UAE or GCC nationals or nationals of any other country:**

- NIN details;
- The original and a copy of a valid passport or Emirates ID; and
- In case the signatory is different from the Subscriber:

- the duly notarized power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;
- the original passport/Emirates ID of the signatory for verification of signature and a copy of the original passport/Emirates ID; and
- a copy of the passport/Emirates ID of the Subscriber for verification of signature; or
- In case the signatory is a guardian of a minor, the following will be submitted:
  - Original and copy of the guardian's passport/Emirates ID for verification of signature;
  - Original and copy of the minor's passport; and
  - If the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).

**For corporate bodies including banks, financial institutions, investment funds and other companies and establishments:**

- **UAE registered corporate bodies:**
  - The original and a copy of a trade license or commercial registration for verification or a certified copy by one of the following UAE-regulated persons/bodies; a notary public or as otherwise duly regulated in the country;
  - The original and a copy of the document that authorizes the signatory to sign on behalf of the Subscriber and to represent the Subscriber, to submit the application, and to accept the terms and conditions stipulated in the Prospectus and in the subscription form;
  - The original and a copy of the passport/Emirates ID of the signatory; and
  - NIN details
- **Foreign corporate bodies:** the documents will differ according to the nature of the corporate body and its domicile. Accordingly, please consult with the Joint Lead Managers to obtain the list of required documents.

In case the signatory is different from the Subscriber:

- the duly notarized power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;
- the original passport/Emirates ID of the signatory for verification of signature and a copy of the original passport/Emirates ID; and
- NIN details.

**3. Method of subscription and payment for the First Tranche**

## **A. Method of payment for First Tranche**

The subscription application must be submitted by a Subscriber to any of the Receiving Banks listed in this Prospectus and the NIN with DFM and the Subscriber's bank account number must be provided, together with payment in full for the amount it wishes to use to subscribe for the Offer Shares, which is to be paid in one of the following ways:

- Certified bank cheque (Manager's Cheque) drawn on a bank licensed and operating in the UAE, in favor of "**Talabat Holding IPO**";
- Debiting a Subscriber's account with a Receiving Bank; or
- Electronic subscriptions (please refer to the section on Electronic subscription below).

Details of the Subscriber's bank account must be completed on the subscription application form even if the application amount will be paid by Manager's Cheque.

The subscription amount may not be paid or accepted by a Receiving Bank using any of the following methods:

- In cash;
- Cheques (not certified); or
- Any other mode of payment other than mentioned above.

Please refer to Annex 3 for the Receiving Bank's participating branches.

### **Electronic subscription (E-subscription)**

#### **DFM E-subscription**

The DFM will make its official website [www.dfm.ae](http://www.dfm.ae) and DFM mobile application available to Subscribers with a NIN registered on the DFM website [www.dfm.ae](http://www.dfm.ae) or DFM mobile application and holding a valid iVESTOR Card or through the UAE Central Bank payment gateway ("**UAEPGS**") or through offline transfer on the IBAN provided to the investor following the submission of their subscription application. DFM accepts subscription through iVESTOR Card and UAEPGS until the last day of the IPO. For the transfer to the IBAN payment option will be stopped 2 days prior to the IPO closure.

The Receiving Banks and securities brokerage firms may also have their own electronic channels (on-line internet banking applications, mobile banking applications, ATMs, securities brokerage firms' applications and subscription channels provided by DFM etc.) interfaced with the DFM IPO system. By submitting the electronic subscription form the customer submitting the application is accepting the Offering terms and conditions on behalf of the Subscriber and is authorising the iVESTOR Card issuing bank and the Receiving Bank to pay the total subscription amount by debiting the amount from the respective iVESTOR Card or the bank account of the customer and transferring the same to the IPO account in favor of Talabat Holding IPO held at the Lead Receiving Bank, as detailed in the subscription application. The submission of an electronic application will be deemed to be sufficient

for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation, in relation to applications set out elsewhere in this document will not apply to electronic applications under this section. Notification of the final allocation of Offer Shares and the refund of proceeds for unallocated Offer Shares (if any) and any earned profits as a result of its investment thereon following the closing of the Offer Period and prior to the Listing of the Shares shall be performed solely by, and processed through, the Receiving Bank in which the original application for subscription was submitted.

In the event any of the Subscribers do not comply with the terms and conditions set out in this Prospectus, especially in relation to the electronic subscription and/or iVESTOR Card, none of the DFM, the Selling Shareholder, the Company, the Board, the Lead Receiving Bank, the Receiving Banks nor the iVESTOR Card issuing bank shall in any way be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Lead Receiving Bank, Receiving Banks, nor the debiting of the iVESTOR Card by the iVESTOR Card issuing bank, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic subscription facility and/or the iVESTOR Card.

Subscription applications may also be received through UAE Central Bank Fund Transfer (“**FTS**”) mode. Any Subscriber choosing the FTS method will be required to provide their valid NIN along with the value of Offer Shares subscribed for in the special instructions field relevant to the methods of payment of the subscription amounts.

### **E-subscription through the Receiving Banks**

The Receiving Banks may also have their own electronic channels (ATMs, Internet Banking, Mobile Banking applications, Website, etc.) interfaced with the DFM IPO system.

By submitting the Electronic Application, the customer submitting the application is accepting the Offering terms and conditions on behalf of the Subscriber and authorize the relevant Receiving Banks to retrieve Investor details from DFM to submit the subscription application and pay the total subscription amount by debiting the amount from the respective bank account of the customer and transferring the same to the Offer account in favour of “Talabat Holding IPO” held at the Receiving Banks, as detailed in the subscription application.

The submission of an Electronic Application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this Prospectus will not apply to Electronic Applications under this section.

Notification of the final allocation of Offer Shares and the refund of proceeds for unallocated Offer Shares (if any) and any returns earned thereon following the closing of the Offer Period and prior to the listing of the shares shall be performed solely by, and processed through, the Receiving Bank in which the electronic subscription application was submitted.

In the event any of the Subscribers do not comply with this Prospectus, especially in relation to the electronic subscription, neither the DFM, the Selling Shareholder, the Company, the Board, the Receiving Banks shall in anyway be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Receiving Banks, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic



subscription facility.

### **ENBD E-Subscription**

Account holders with Emirates NBD Bank can subscribe via the bank's online internet banking and mobile application channel as well as through ATMs. Eligible persons can access Emirates NBD Bank's ATMs with their debit card, and online banking or mobile application using their relevant username and password (as is customary with these channels). This will be deemed sufficient for the purposes of identification and accordingly the supporting documentation in relation to application set out elsewhere in this Prospectus will not apply to electronic applications.

Subscribers without an Emirates NBD Bank account, who are either in the UAE or outside the UAE, can subscribe through the dedicated IPO website <https://IPO.EmiratesNBD.com> and pay through Online Banking via the UAE Central Bank Payment Gateway ("PGS") or through UAE Central Bank Fund Transfer ("FTS") or SWIFT.

In case of any issues or support, please contact the dedicated Emirates NBD Bank IPO team through our call center 800 ENBD IPO (800 3623 476).

### **E-subscription through the Emirates NBD Bank PJSC – General Terms**

Submitting the electronic subscription application, the customer is accepting the offering terms and conditions on behalf of the subscriber and authorize Emirates NBD Bank PJSC to retrieve Investor details from DFM Market to submit the subscription application and pay the total subscription amount by debiting the amount from the respective bank account of the customer and transferring the same to the offer account in favor of "Talabat Holding IPO" held at the Emirates NBD Bank PJSC.

The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this prospectus will not apply to electronic applications under this section.

Notification of the final allocation of offer shares and the refund of proceeds for unallocated offer shares (if any) and any returns thereon following the closing of the offer period shall be performed solely by, and processed through, the receiving banks in which the electronic subscription application was submitted.

In the event any of the Subscribers do not comply with this Prospectus, especially in relation to the electronic subscription, neither the DFM, the Selling Shareholder, the Company, the Board, Emirates NBD Bank PJSC shall in anyway be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Receiving Banks, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic subscription facility.

### **Emirates Islamic Bank PJSC E-Subscription**

Account holders with Emirates Islamic Bank can subscribe via the bank's mobile application channel as well as through ATMs. Eligible persons can access Emirates Islamic Bank's ATMs with their debit card, and mobile application using their relevant username and password (as is customary with these

channels). This will be deemed sufficient for the purposes of identification and accordingly the supporting documentation in relation to application set out elsewhere in this Prospectus will not apply to electronic applications.

### **E-subscription through the Emirates Islamic Bank PJSC General Terms**

Submitting the electronic subscription application, the customer is accepting the offering terms and conditions on behalf of the subscriber and authorize Emirates Islamic Bank PJSC to retrieve Investor details from DFM Market to submit the subscription application and pay the total subscription amount by debiting the amount from the respective bank account of the customer and transferring the same to the offer account in favor of “Talabat Holding IPO” held at the Emirates Islamic Bank PJSC.

The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this prospectus will not apply to electronic applications under this section.

Notification of the final allocation of offer shares and the refund of proceeds for unallocated offer shares (if any) and any returns thereon following the closing of the offer period shall be performed solely by, and processed through, the receiving banks in which the electronic subscription application was submitted.

In the event any of the Subscribers do not comply with this Prospectus, especially in relation to the electronic subscription, neither the DFM, the Selling Shareholder, the Company, the Board, Emirates Islamic Bank PJSC shall in anyway be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Receiving Banks, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic subscription facility.

### **ADIB E-Subscription**

ADIB’s electronic subscription channels, including online internet banking, are accessible via ADIB’s official website [www.adib.ae](http://www.adib.ae) and mobile banking app. These are duly interfaced with the DFM database and are only available to ADIB account holders.

ADIB account holders will access ADIB’s electronic subscription channels with their relevant username and password and this will be deemed to be sufficient for the purposes of fulfilling the identification requirements.

ADIB account holders complete the electronic application form relevant to their Tranche by providing all required details including an updated DFM NIN, an active ADIB account number, the amount they wish to subscribe for, and by selecting the designated brokerage account.

By submitting the electronic subscription form, the ADIB account holder accepts the Offering terms and conditions, authorizes ADIB to debit the amount from the respective ADIB account and to transfer the same to the IPO account in favour of the issuer account held at ADIB, as detailed in the subscription application.

ADIB account holders with a successful subscription automatically receive an acknowledgement of

receipt by email and have to keep this receipt until they receive the allotment notice.

In case of any issues or support, please contact ADIB call centre at +971 2 652 0878.

### **ADCB E-Subscription**

Process Steps:

Step # 1 ADCB customers to visit the <https://www.adcb.com/Talabat> and click IPO Subscription Link

Step # 2 Complete login authentication using UAE Pass or (Customer ID, Mobile Number and OTP)

Step # 3 Enter NIN Number

Step # 4 Select Broker, Enter Subscription Amount, Select Account and Submit.

### **FAB E-Subscription**

Access <https://www.bankfab.com/en-ae/cib/iposubscription>.

Refer to the “How to subscribe page” and follow the instructions and submit subscriptions for the Retail Tranches.

FAB Mobile Banking application (For FAB Client)

If you need any support, please call FAB Call Centre No. 026161800

### **Mashreq E-Subscription**

Mashreq’s Digital IPO subscription allows existing customers to digitally submit their IPO subscription requests, generate NINs with DFM & open brokerage account with Mashreq Securities in real-time through one seamless journey via their Mashreq Mobile App. Eligible clients can avail instant leverage on their IPO subscriptions.

Non-Mashreq customers can avail the above by first opening their Mashreq account instantly through the Mashreq Mobile App.

For further clarifications please refer to

[www.mashreq.com](http://www.mashreq.com)

### **Mbank E-Subscription**

Mbank UAE Mobile Banking Application

To subscribe through Mbank, download Mbank UAE app on your mobile device from Apple App store or Google Play or Huawei AppGallery. For instructions on the process of applying for the IPO through

the app, access <https://www.mbank.ae/IPO> Refer to the section “How to subscribe” for step by step guidance.

Refer to the section “How to subscribe” for instructions on subscribing through Mbank UAE app on your mobile device (the app is available for download on the Apple App store and Google Play).

Applications for Minors can also be made through the app.

Applicants can also issue DFM NINs from the Mbank mobile app.

Subscription applications through Al Maryah Community Bank LLC will only be accepted if made by UAE residents.

In case of any issues or support, please contact Mbank call centre at 600 571 111.

### **WIO E-Subscription**

Wio Bank's digital IPO subscription allows customers to generate a National Investor Number (NIN) with DFM instantly and submit their IPO subscription requests. Eligible clients can obtain leverage on their IPO subscriptions.

Existing Wio Personal customers can visit the IPO section within the app and subscribe for active IPOs instantly. New customers can avail the service by first opening their Wio Personal account: download the Wio Personal app from the App Store or Google Play onto your mobile device and apply for an account in minutes. Once your application is approved, you can subscribe to active IPOs from within the app immediately.

Subscription applications through Wio Bank will only be accepted if they are made by UAE residents. For any queries or support, please refer to the FAQs under the IPO section in the Wio Personal app. Alternatively, please contact us on 600-500-946. To learn more, visit [wio.io](http://wio.io).

### **Important dates relevant to the methods of payment of the subscription amounts**

- Subscription amounts paid by way of cheque must be submitted by 1.00 p.m. on 25 November 2024.
- Subscription applications received through the UAE Central Bank Payment Gateway (“PGS”), FTS and SWIFT must be made before 1.00 p.m. on 26 November 2024.
- Subscription applications received through ATM, Internet Banking, Mobile Application & Website must be made before / by 1.00 p.m. on 27 November 2024.

### **Subscription amounts**

Subscribers in the First Tranche must submit applications to purchase Offer Shares in the amount of AED 5,000 (five thousand UAE dirhams) or more, with any subscription over AED 5,000 (five thousand UAE dirhams) to be made in increments of AED 1,000 (one thousand UAE dirhams). Subscribers in the First Tranche shall accordingly apply for an AED subscription amount which shall be applied towards purchasing Offer Shares at the Final Offer Price, rather than applying for a specific number of Offer Shares.

## **Final Offer Price**

The offer price at which all the Subscribers will purchase Offer Shares will be at the Final Offer Price.

The Offer Shares will be sold in a public offer and the Final Offer Price will be determined by way of the application of a book building process, where an application orders' ledger will be created through the application orders made only by the Second Tranche Subscribers (see details of who may apply in the Second Tranche). Second Tranche Subscribers will be invited to bid for Offer Shares within the Offer Price Range using price sensitive orders (as in, by indicating application amounts that vary in size depending on price). The Joint Lead Managers will use the information indicating the extent of the demand at various price levels provided by these Second Tranche Subscribers to determine and recommend to the Company and the Selling Shareholder the Final Offer Price (which must be within the Offer Price Range) for all participants in the Offering.

The Shares of the Second Tranche Subscribers must represent all of the Offer Shares used to calculate/determine the Final Offer Price of the Offer Shares.

## **Subscription process**

Subscribers must complete the application form relevant to their Tranche, providing all required details. Subscribers who do not provide the NIN with DFM and bank account details will not be eligible for subscription and will not be allocated any Offer Shares.

Subscribers may only apply for the Offer Shares in one Tranche. In the event a person applies for Offer Shares in more than one Tranche, the Lead Receiving Bank and the Joint Lead Managers may disregard one or both of such applications.

The Receiving Bank through which the subscription is made will issue to the Subscriber an acknowledgement of receipt which the Subscriber has to keep until the Subscriber receives the allotment notice. One copy of the subscription application after being submitted, signed and stamped by the Receiving Bank shall be considered as an acknowledgement for receipt of the subscription application. This receipt shall include the data of the Subscriber, address, amount paid, details of the payment method, and date of the investment. The acknowledgement in the case of Electronic Applications via online internet banking and ATM would provide basic information of the application such as NIN number, amount, date, and customer bank account details.

If the address of the Subscriber is not filled in correctly, the Selling Shareholder, the Joint Lead Managers and the Receiving Banks take no responsibility for non-receipt of such allotment advice.

## **4. Further information on various matters**

### **Offer Period**

Commences on 19 November 2024 for the First Tranche and the Second Tranche, and closes on 27 November 2024 for the First Tranche and closes on 28 November 2024 for the Second Tranche.

### **Receiving Banks**

- **Lead Receiving Bank:** Emirates NBD Bank PJSC .

- **Receiving Banks:** a list of banks attached in Annex 3 of this Prospectus.

**Method of allocation of Offer Shares to different categories of Subscribers** *(Under SCA CHAIRMAN OF THE BOARD RESOLUTION NO. (11/R.M) OF 2016 ON THE REGULATIONS FOR ISSUING AND OFFERING SHARES OF PUBLIC JOINT STOCK COMPANIES), AS AMENDED.*

Should the total size of subscriptions received exceed the number of Offer Shares, then the Selling Shareholder will allocate the Offer Shares according to the allotment policy specified below and will refund to Subscribers the excess subscription amounts and any earned profit resulting thereon.

### **Notice of Allocation**

A notice to successful Subscribers in the First Tranche will be sent by way of SMS initially confirming allocation of offered Shares to them. This will be followed by a notice setting out each Subscriber's allocation of Offer Shares, which will be sent by registered mail or via e-mail to the registered address in the subscription application to each Subscriber.

### **Method of refunding surplus amounts to Subscribers**

By no later than 6 December 2024 (being within five (5) working days of the Closing Date of the Second Tranche), the Offer Shares shall be allocated to Subscribers and, within five (5) working days of such allocation, the surplus subscription amounts, and any earned profit resulting thereon, shall be refunded to Subscribers in the First Tranche who did not receive Offer Shares, and the subscription amounts and any earned profit resulting thereon shall be refunded to the Subscribers in the First Tranche whose applications have been rejected for any of the above reasons. The surplus amount and any earned profit thereon are returned to the same Subscriber's account through which the payment of the original application amount was made. In the event payment of the subscription amount is made by certified bank cheque, these amounts shall be returned by sending a cheque with the value of such amounts to the Subscriber at the address mentioned in the subscription application.

The difference between the subscription amount accepted by the Selling Shareholder for a Subscriber, if any, and the application amount paid by that Subscriber will be refunded to such Subscriber pursuant to the terms of this Prospectus.

### **Inquiries and complaints**

Subscribers who wish to submit an inquiry or complaint with respect to any rejected requests, allocation or refunding of the surplus funds, must contact the Receiving Bank through which the subscription was made, and if a solution cannot be reached, then the Receiving Bank must refer the matter to the Investor Relations Officer. The Subscriber must remain updated on the status of any such inquiry or complaint. The Subscriber's relationship remains only with the party receiving the subscription request.

### **Listing and trading of Shares**

Subsequent to the allocation of Offer Shares, the Company will list all of its Shares on the DFM in accordance with the applicable listing and trading rules as at the Listing date. Trading in the Shares will be effected on an electronic basis, through the DFM's share registry, with the commencement of such trading estimated to take place after completion of the registration and Listing.

## Voting rights

All Shares are of the same class and shall carry equal voting rights and shall rank pari passu in all other rights and obligations. Each Share confers on its holder the right to cast one vote on all Shareholders' resolutions.

## Risks

There are certain risks that are specific to investing in this Offering. Those risks have been discussed in a section headed "**Investment Risks**" of this Prospectus and must be taken into account before deciding to subscribe in Offer Shares.

## 5. Timetable for subscription and Listing

The dates set out below outline the expected timetable for the Offering. However, the Selling Shareholder reserves the right to change any of the dates/times, or to shorten or extend the specified time periods, upon obtaining the approval of the SCA and DFM and publishing such change during the Offering period in daily newspapers.

Event	Date
Offering commencement date (Subscription Opening Date) of the First Tranche and Second Tranche  (The Offer Period for the First Tranche shall continue for 9 (nine) calendar days for the purposes of accepting Subscribers' applications)	19 November 2024
Closing Date of the First Tranche	27 November 2024
Closing Date of the Second Tranche	28 November 2024
Announcement of Final Offer Price	29 November 2024
Allocation of First Tranche	6 December 2024
SMS Confirmation to all successful First Tranche subscribers	6 December 2024
Commencement of refunds of subscription surplus to, and any earned profits as a result of its investments thereon, to the First Tranche Subscribers as well as commencement of dispatch of registered mail relating to allotment of shares	6 December 2024
Expected date of Listing the Shares on the DFM	10 December 2024





## 6. Tranches

The Offering of the Offer Shares is divided as follows:

### The First Tranche:

<b>Size:</b>	174,661,805 (one hundred seventy four million six hundred sixty one thousand eight hundred and five) Shares representing 5% (five per cent) of the Offer Shares. Each Subscriber in the First Tranche other than the Eligible Employees will have a Minimum Guaranteed Allocation of 1,000 Shares, and each Eligible Employee will have a Minimum Guaranteed Allocation of 10,000 Shares. The Minimum Guaranteed Allocation is subject to (i) the total number of shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size, and (ii) the total number of Shares allocated to any Eligible Employee pursuant to the Minimum Guaranteed Allocation not exceeding the number of Shares applied for by the Eligible Employee based on the Final Offer Price, subject to the limits and conditions set out in this Prospectus. The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and approval of the SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
<b>Eligibility:</b>	First Tranche Subscribers (as described in the section of this Prospectus headed " <i>Definitions and Abbreviations</i> ").
<b>Minimum application size:</b>	AED 5,000 (five thousand UAE dirhams), with any additional application in increments of at least AED 1,000 (one thousand UAE dirhams).
<b>Maximum application size:</b>	There is no maximum application size.
<b>Allocation policy:</b>	In case of over-subscription in the First Tranche, the Minimum Guaranteed Allocation is initially allocated to each Subscriber, subject to (i) the total number of shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size, and (ii) the total number of Shares allocated to any Eligible Employee pursuant to the Minimum Guaranteed Allocation not exceeding the number of Shares applied for by the Eligible Employee based on the Final Offer Price, subject to the limits and conditions set out in this

Prospectus, and any excess in the subscribed Offer Shares will be allocated to each First Tranche Subscriber, pro rata to each Subscriber's subscription application amount based on the Final Offer Price. Applications will be scaled back on the same basis if the First Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of Offer Shares will be rounded down to the nearest whole number. Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price.

**Unsubscribed Offer Shares:**

If not all of the Offer Shares allocated to the First Tranche are fully subscribed, such unsubscribed Offer Shares shall be made available for subscription by Professional Investors or, alternatively (in consultation with the SCA) the Selling Shareholder may extend the Closing Date for the First Tranche, and the Second Tranche and/or close the Offering at the level of applications received.

**The Second Tranche:**

**Size:** 3,318,574,288 (three billion three hundred eighteen million five hundred seventy four thousand two hundred and eighty eight) Shares representing 95% (ninety five per cent) of the Offer Shares. The Selling Shareholder reserves the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.

**Eligibility:** Professional Investors (as described in the section of this Prospectus headed "*Definitions and Abbreviations*").

**Minimum application size:** The minimum application size is AED 5,000,000 (five million UAE dirhams).

**Maximum application size:** There is no maximum application size.

**Allocation policy:** Allocations within the Second Tranche will be determined by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers. It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Offer Shares or that they are allocated a number of Offer Shares lower than the number of Offer Shares mentioned in their subscription

application.

Discretionary allocation: The Company and the Selling Shareholder reserve the right to allocate Offer Shares in the Second Tranche in any way it deems necessary. It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Offer Shares or that they are allocated a number of Offer Shares lower than the number of Offer Shares mentioned in their subscription application.

Unsubscribed Offer Shares: If not all of the Offer Shares allocated to the Second Tranche are fully subscribed, the Offer will be withdrawn.

### **Multiple applications**

A Subscriber should only submit an application for Offer Shares under one Tranche. In the event a Subscriber applies for subscription in more than one Tranche, the Lead Receiving Bank and the Joint Lead Managers may deem one or both applications invalid.

### **Important notes**

Subscribers in the First Tranche will be notified of whether they have been successful in their application for Offer Shares by means of an SMS.

Upon Listing of the Shares on the DFM, the Shares will be registered on an electronic system as applicable to the DFM. The information contained in this electronic system will be binding and irrevocable, unless otherwise specified in the applicable rules and procedures governing the DFM.

Subject to the approval of the SCA, The Selling Shareholder reserves the right to alter the percentage of the Offer Shares, which are to be made available to either the First Tranche, or the Second Tranche.

## Second Section: Key details of the Company

### 1. Overview of the Company

<b>Name of the Company:</b>	Talabat Holding plc  A public company limited by shares incorporated in the ADGM pursuant to the Companies Regulations.
<b>Primary activities of the Company:</b>	The activities of the Company are as follows: <ul style="list-style-type: none"><li>• Activities of Head Offices;</li><li>• Proprietary Investment; and</li><li>• Activities of Holding Companies.</li></ul>
<b>Head office:</b>	Office Number 2341, 23 <sup>rd</sup> Floor, Sky Tower, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, United Arab Emirates.
<b>Branches:</b>	None.
<b>Details of trade register and date of engaging in the activity:</b>	License No. 20827; Issue Date: 03 September 2024
<b>Term of the Company:</b>	Not applicable for ADGM companies.
<b>Financial year:</b>	1 January to 31 December.
<b>Independent Auditors:</b>	KPMG Lower Gulf Limited
<b>Major bank(s) dealing with the Company:</b>	Emirates NBD Bank PJSC.

Details of the current Board members:

<b>Name</b>	<b>Year of Birth</b>	<b>Nationality</b>	<b>Capacity</b>	<b>Year of appointment</b>
<b>Mr. Pieter-Jan Vandepitte</b>	1977	Belgian	<b>Chairperson</b>	2024
<b>Mr. Andreas Krause</b>	1977	German	<b>Vice-Chairperson</b>	2024
<b>Ms. Marie-Anne Popp</b>	1975	German & French	<b>Non-Executive Director</b>	2024
<b>Mr. Tomaso Rodriguez</b>	1985	Italian	<b>Executive Director</b>	2024
<b>Mr. Abdullah Alharoun*</b>	1987	Kuwaiti	<b>Independent, Non-Executive</b>	2024
<b>Muhammad Hussain Ghati Al Jbori*</b>	1994	Emirati	<b>Independent, Non-Executive</b>	2024

\*denotes that the Director is considered “*independent*” under the Governance Rules.

None of the board members hold any memberships in the boards of directors of any joint stock companies in the UAE.

No bankruptcy ruling or a bankruptcy arrangement was issued against any member of the board of directors or members of the senior management of the Company.

Certain members of the Board of Directors or senior management own shares in Delivery Hero SE (“**Delivery Hero**”), which indirectly owns 100% of the Company, as follows:

#### 1. Board of Directors

**Pieter-Jan Vandepitte** 43,591 shares

**Andreas Krause** 15,763 shares

**Tomaso Rodriguez** 15,429 shares

#### 2. Senior Management

**Tomaso Rodriguez** 15,429 shares

**Khaled Al Fakesh** 20,693 shares

<b><i>Jérémy Doutté</i></b>	1,179 shares
<b><i>Pedram Assadi</i></b>	14,171 shares
<b><i>Stefano Vecchio</i></b>	5,252 shares
<b><i>Wassim Makarem</i></b>	16,221 shares

### **Summary of the remuneration of the board of directors and senior management team**

The Company did not pay any remuneration to members of the Board or its senior management in the nine months ended 30 September 2024.

## 2. BUSINESS DESCRIPTION:

*Investors should read this section of this Prospectus in conjunction with the more detailed information contained in this Prospectus, including the financial and other information appearing in the Financial Statements, including the related notes, included elsewhere in this Prospectus.*

### Vision and Mission

Empowering our communities. We proudly deliver to the region that delivers. **We're the Orange ones.**

### Overview

talabat is the leading on-demand online food ordering, delivery, takeaway and groceries and convenience retail marketplace in the MENA region, with operations in the UAE, Kuwait, Qatar, Bahrain, Egypt, Oman, Jordan and Iraq. Our marketplace benefits from powerful network effects, with each constituent of our three-sided marketplace (customers, partners and riders) contributing to our growth flywheel. For the month of September 2024, our platform had more than 6 million active customers, more than 65,000 restaurants and other groceries and retail vendors (whom we collectively refer to as “**Partners**”) and more than 119,000 active riders.

Our online marketplace provides a convenient, personalised and simple way of ordering food, groceries and other convenience products from a wide selection of Partners. Through our online food ordering offering (our “**Food Vertical**”), customers order food from our Partner restaurants (“**Restaurants**”). Through our groceries and convenience retail offering (our “**Groceries and Retail Vertical**”), customers are provided with access to everyday essentials, including but not limited to groceries, pharmacy products, beverages, snacks, household items, and personal care products, primarily sourced from various local Partners, such as grocery stores, pharmacies, and flower shops (“**Local Shops**”), and through our own warehousing and distribution centres designed for the fulfilment of online, on-demand orders of convenience products and groceries (“**tMarts**”).

Underpinning our offering is our pioneering and scalable logistics and service technology stack, aimed at transforming the ordering, delivery and takeaway market by automating and personalising all aspects of order placement, processing, fulfilment, delivery and support, to provide a superior experience for our Partners, customers and riders. We constantly seek to improve our technology and processes based on the analysis of data we collect. In developing our technology, we place a particular emphasis on mobile platforms. We also aim to optimise the online fulfilment of orders, enhancing the efficiency of picking, packing, and delivery processes. By focusing on streamlining these operations, we are able to handle orders more effectively, improving operational efficiency and enhancing the overall customer experience. Additionally, our streamlined process often leads to faster fulfilment, resulting in quicker order processing and delivery times, which significantly boosts customer satisfaction.

We have a number of initiatives aimed at enhancing our customers’ experience and journey on our platform by (i) expanding our offering (e.g. talabat Fintech, DineOut Deals), and (ii) strengthening customer loyalty through subscription (talabat pro) and rewards (talabat Rewards) programmes.

Our journey began in 2004 as a food delivery company that offered traditional food delivery services. We have spent the last 20 years working to improve our proposition, market by market, area by area, Partner by Partner and are now the leading on-demand online food ordering, delivery, takeaway and

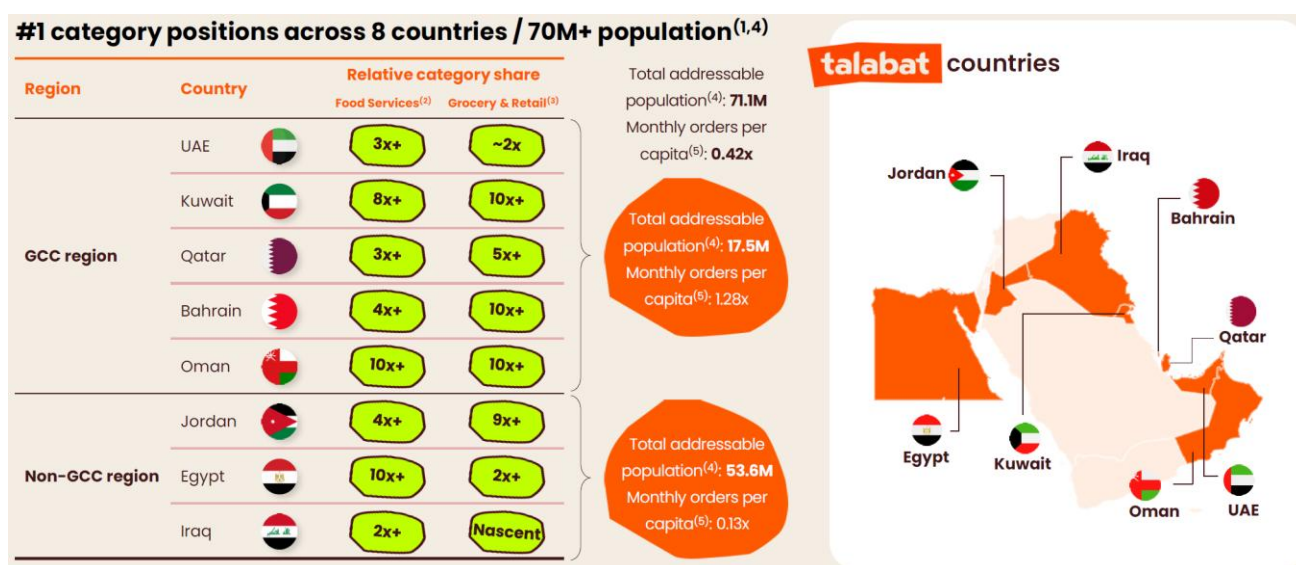
groceries and convenience retail marketplace in the MENA region.

Following the Offering, we will remain indirectly majority-owned by Delivery Hero, which is, by its own estimate, a leading local online food delivery and quick commerce platform, with a presence in around 70 countries grouped in four geographical segments, comprising Asia, the MENA region, Europe and Americas.

## Group Strengths

### *We are leaders in a highly attractive and under-penetrated market*

For the month of September 2024, we had more than 6 million active customers, over 65,000 active Partners and over 119,000 active riders, making us the largest platform in the countries in which we operate, with the highest number of orders, largest relative segment share, and widest geographic reach amongst our peers in the MENA region (according to the Industry Consultants).



Source: OC&C market analysis, talabat information, addressable population based on Euromonitor data.

(1) These comprise the countries within the MENA region in which we operate. These figures are based on our management's estimates (which are based on publicly available data but may not reflect the actual position in a given competitively relevant market).

(2) Relative category share is measured as the relative size of the talabat food service delivery sales compared to the food delivery sales of the next largest online peer platform by geography for the first half of 2024 (based on OC&C market analysis).

(3) Relative category share is measured as the relative size of the talabat groceries and convenience retail service sales compared to the groceries and convenience retail service sales of the next largest online peer platform by geography for the first half of 2024 (based on OC&C market analysis).

(4) We define addressable population as the population aged between 15 and 64 living in urban areas by multiplying the total population by the percentage of that age group and the percentage of urbanisation.

(5) Our monthly orders per capita are calculated as the average monthly orders for the year 2023 divided by addressable population.

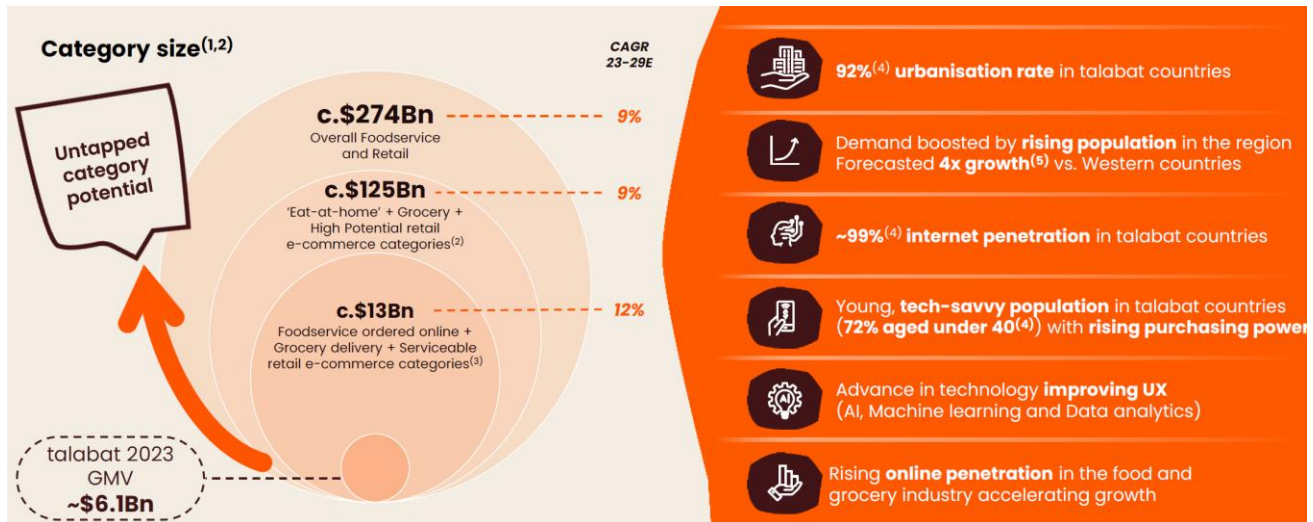
Our platform connects customers, Partners and riders in eight countries in the MENA region, which have a population of over 185 million and an addressable population of approximately 71.1 million (in



each case based on the Industry Consultants' market analysis).

We capitalise on the region's urbanisation rate, growing population and rising online penetration rate in the food and grocery and retail industry, offering localised services that meet the diverse needs of our customers. Our aim is to deliver to our customers the best experience and selection of food, grocery and retail products at the highest value for their money. We believe that our value proposition, across the markets in which we operate, has enabled us to grow at scale, deliver profit growth and have category leadership.

We operate in a region with attractive fundamentals that is under-penetrated.

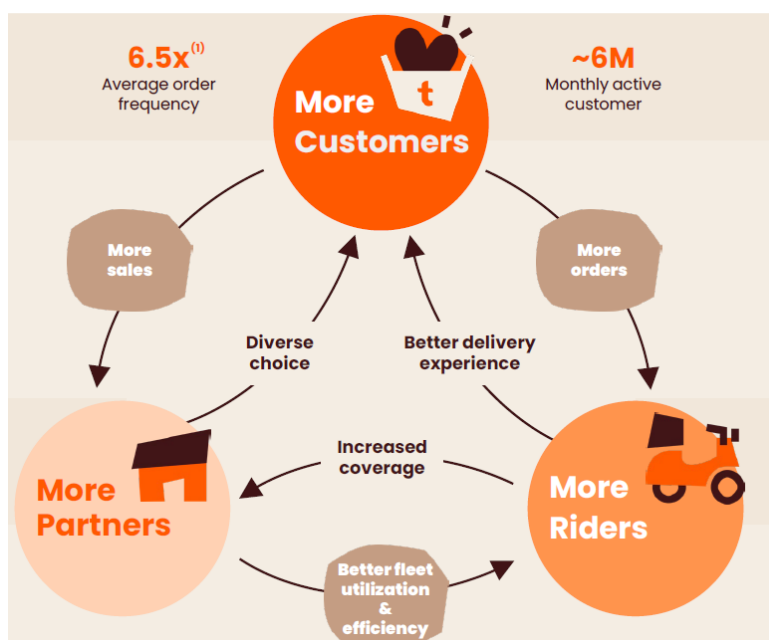


Source: OC&C model from Euromonitor International, Statista, interviews and consumer surveys, OC&C and Redseer market analysis

- (1) This chart does not provide a complete representation of any competitively relevant markets and the actual competitive constraints exercised, as competition comes from a number of different channels including offline order channels.
- (2) The market size includes high potential product categories under the Groceries and Retail Vertical based on ease of logistics and price, including flowers, fashion, pharmacy, health and beauty, small electronics and pet care.
- (3) Product categories include flowers, pharmacy, health and beauty, and small electronics.
- (4) Urbanisation rate, internet penetration rate and percentage of young, tech-savvy population have been calculated using a weighted average of the population for the year 2023 in the GCC markets in which talabat operates (UAE, Kuwait, Bahrain, Qatar and Oman)
- (5) Calculated using a weighted average of the population for the year 2023 across all markets in which we operate.

### ***Our business model fuels growth, service quality and platform loyalty***

Our business model benefits from powerful local network effects, which fuel a virtuous cycle of growth, improvements to service quality and deepening of platform loyalty – the “**talabat flywheel**”. As our value proposition attracts more customers to join our platform, we receive more orders. Greater customer demand attracts more Partners, who benefit from more sales due to the higher volume available on the platform. More Partners provide diverse selection to our customers. More customers and Partners on our platform attract more riders, which in turn leads to better delivery experience to our customers, increased coverage for our Partners and better fleet utilisation and efficiency.



(1) For the month of September 2024, the average order frequency per customer on our platform was 6.5x, as compared to 6x for the month of September 2023. Average order frequency is calculated as total orders for the month of September divided by September active customers.

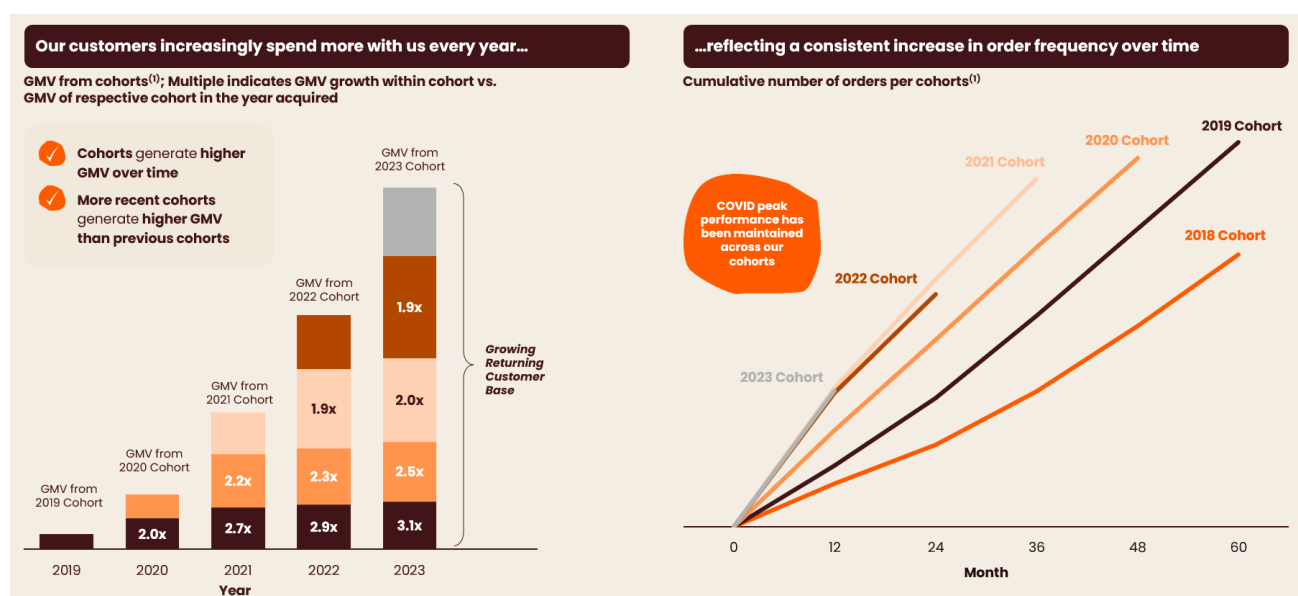
This provides a faster and more reliable service for customers, who also benefit from a wider selection of restaurants or shops and cuisines or products they love, at all price points. As a result of a wider selection, value-for-money and a more efficient and reliable delivery network, customers order more frequently and for a wider set of occasions and circumstances, establishing a virtuous circle which is continuously reinforced to the benefit of all constituents within our marketplace. Since 2019, the number of customers who are active on our platform and the number of transactions from existing customers on our platform have increased significantly. Since January 2019, the number of active Partners on our platform increased by approximately 4.5x from 15,000 (including 300 Local Shops) to over 65,000 (including over 9,500 Local Shops) for the month of September 2024. Since January 2019, the number of active riders has increased from 4,000 to more than 119,000 for the month of September 2024.

We are focused on continuously delivering an attractive value proposition to our customers. We do so across three critical dimensions:

- **Selection:** We have over 56,300 Restaurants, 9,500 Local Shops, and more than 155 cuisines and non-food categories on our platform, including over 20,000 Restaurants and 4,000 Local Shops (of which more than 3,000 are grocery shops) in the UAE (our largest market), signifying what matters to us most: quality, quantity and variety.
- **Experience:** We focus on convenience, reliability and personalisation. For the month of September 2024, our customers benefited from approximately 99% order success rate and an average delivery time of less than 30 minutes.
- **Value:** We offer targeted and personalised promotions and discounts to our customers granting them aggregate annual savings of more than AED 1,565.7 million (equivalent to EUR 391 million) from 30 September 2023 to 30 September 2024, which are funded by Partners, business-to-business partnerships and bank partnerships. The broad selection

of Partners on our platform further strengthens value, offering customers a breadth of options at various price points. Our subscription and rewards programmes also drive affordability, by rewarding customer loyalty. In addition, as of 30 September 2024, 80% of our customers in Kuwait, the UAE, Egypt, Qatar and Bahrain ranked us as their number one preferred platform.

We track our customers on the basis of historical cohorts, with each cohort representing customers who placed their first order on our platform in a given year and have continued to use our platform. As demonstrated in the chart below, on a constant currency basis, each customer cohort has consistently increased the amount it spends on our platform in subsequent years, leading to higher GMV over time, with more recent cohorts generating higher GMV than previous cohorts. This demonstrates our ability to increase customer engagement over time.



(1) Cohort refers to customers grouped by the calendar year in which they first placed an order with talabat. The projected multiples for the full year 2024 calculated by extrapolating the data available through 30 September 2024 are 3.5x since 2019, 3.1x since 2020, 2.9x since 2021, 2.7x since 2022 and 2.0x since 2023.

**We have an attractive financial profile with a robust growth track record**

We have a strong track record of delivering profit growth, with GMV for cohorts of customers acquired since 2019 having increased by approximately 4x over a period of 5 years, and our cash conversion rate reached 96% for the first nine months of 2024.

**We are pioneers in technological innovation and have the ability to leverage the reach, experience and expertise of Delivery Hero**

Our technology is the engine that drives our business, supported by over 480 talented product, design, engineering, and data technologists across our Dubai and Cairo tech-hubs. We leverage cutting-edge platforms including teams at Delivery Hero, alongside select local technologies, to deliver high growth opportunities for Partners, earnings potential for riders, and a broad selection, better experience and value for money to customers. Our data science capabilities seek to optimise these interactions, fuelling the talabat flywheel and aiming to sustain a self-reinforcing cycle of growth and efficiency.

We believe that our commitment to leveraging technology and data at scale is what sets us apart. This is reflected through our approach: “it is not just about keeping pace—it is about setting the pace”. As we continue to scale, the data we collect becomes more valuable, powering the talabat flywheel and delivering superior experiences for customers, Partners, and riders alike.

As customers deepen their engagement with us, we learn more about their favourite Restaurants and Local Shops, and what services they are most likely to try next. Our machine learning models allow us to introduce and cross-sell verticals, as well as initiatives such as talabat pro and talabat Rewards, at the right time for our customers to benefit from. Our understanding of customers also helps us understand the next set of Partners and deals we should introduce to each geography, allowing us to seamlessly bridge the gap between customer demand and Partner interest. Additionally, our rider staffing algorithm (licensed by Delivery Hero) translates our order demand forecasts across time and space into optimised shifts for riders to pick in advance. This enables riders to plan their work schedules ahead of time, swap shifts flexibly, with assurance that each shift they select offers a compelling earning potential.

We also have the ability to leverage the reach, experience and expertise of Delivery Hero’s global teams to amplify our capabilities and to benefit from innovations taking place outside of the MENA region. Our access to, and use of, technology owned by Delivery Hero enables us to have industry-leading innovation capabilities and tailored solutions for our customers, Partners and riders. Over the past 9 years, we have leveraged the competitive advantages of our relationship with Delivery Hero, including access to its tech-stack, technical know-how, innovation capabilities, exchange of in-depth knowledge and best practices on commercial and operational excellence. These factors have contributed to our growth and advantageous position as the leading on-demand online food ordering, delivery, takeaway and groceries and convenience retail marketplace in the MENA region.

***We have a passionate and highly experienced management team with a proven execution track record***

Our success to date has been achieved through our experienced management team, which is fully dedicated to building the best order experience for all constituents of our marketplace. We are proud to have over 40 years combined c-suite management experience in our ranks, with members of our management having previously worked at Uber, Grab, Sultan Center, McKinsey & Company, Jumia, Careem, Microsoft, Bain & Company and others. This translates to a high bar for recruiting and a similar calibre for the broader leadership across both regional and local teams.

Our strategy has been to build effective teams that bring the right mix of technical and management skills, and knowledge of the local and regional online delivery and logistics sector. We also invest in building tools and systems to gather business intelligence and develop a deep understanding of the key market trends and competitive environment in which we operate. Together, we believe this means that we are well-equipped to execute on our future growth and innovation agenda.

Additionally, our local and regional organisational structure provides us with significant operational leverage and allows us to maintain a more efficient selling, general and administrative cost base compared to our regional and international peers. By empowering regional teams, we aim to foster innovation, ensure consistency in planning and execution, and effectively implement best practices across all our markets. Meanwhile, our country teams focus on high-quality execution and cultivating strong relationships with key stakeholders, including Partners, third-party logistics providers, and

government regulators. We believe this dual-layered approach enhances our operational effectiveness and supports our strategic objectives.

## **Group Strategies**

### ***Our aim is to enhance our product offering and increase market penetration***

For the year 2023, in the GCC countries in which we operate, the average number of monthly orders per capita (which we define as the average monthly orders for the year 2023 divided by addressable population) was 1.28x. In our other non-GCC markets, this figure was 0.13x. Overall, for the year 2023, our Group average stood at 0.42x monthly orders per capita. We therefore believe that there remains ample room to expand the average number of monthly orders per capita through our platform. The way we think about it is simple: there are 90 meal occasions in a month – breakfast, lunch and dinner – 30 days a month.

In 2023, the food service total addressable category, grocery and retail total addressable category, and other adjacent product categories total addressable category amounted to approximately USD 21 billion, USD 95 billion and USD 8 billion, respectively, across all of our markets, according to the Industry Consultants. Our aim is to increase our penetration within these markets, which for the year 2023 was 22%, 1% and 1%, respectively, in each of those total addressable categories.

Additionally, the Industry Consultants estimate that the addressable population, as of 31 December 2023, in our non-GCC markets was approximately 54 million, which signifies a substantial opportunity for growth by increasing the penetration of our product offerings in these markets.

We believe that continuing to build out our existing offering will help us support long-term sustainable growth across our Food Vertical and Groceries and Retail Verticals, improving competitive advantage over our peers while pushing us forward towards our goal of being the platform of choice for our customers, Partners and riders.

### ***We plan to continue to invest in our FinTech and Customer Loyalty Programmes***

At talabat, we are continually exploring initiatives to enhance customer engagement, with a particular focus on our “FinTech” and customer loyalty offerings.

We plan to continue investing into our “FinTech” operations by enhancing our payment acceptance capabilities both in terms of performance and cost saving, expanding usage of talabat Postpaid into existing and new markets, increasing adoption of co-branded cards in the UAE as well as expanding into new markets, and continuing to look for more opportunities within the “FinTech” space that can potentially add significant direct and indirect value to our platform. See “–Platform Wide Operations–Operations Enhancement”. talabat Postpaid enables customers to place orders immediately and defer payment without incurring additional costs. This initiative led to a 14% increase in order frequency and reduced order cyclicity. As of the date of this Prospectus, talabat Postpaid service is profitable and has considerable potential for further growth within our existing customer base. As of 30 September, approximately 2.7% of our customers utilised talabat Postpaid. We believe talabat Postpaid presents a viable alternative for customers without credit cards as they are able to be billed up to one month after their purchase, thereby expanding the use of such service among debit card users.

We plan to continue to leverage our extensive loyalty programme and subscription service, talabat pro, with a view to increasing order frequency. See “–Platform Wide Operations–Customer Loyalty Drivers”. talabat pro provides benefits such as free delivery and exclusive deals for a fixed monthly or yearly fee. This subscription model has proven effective in boosting customer engagement and retention, with over 20% increase in order frequency amongst talabat pro subscribers for the month of September 2024. We believe that there remains substantial room for growth, as only 8.3% of our customers were subscribed to talabat pro as of 30 September 2024.

### ***We plan to maintain and enhance the effectiveness of our advertising offerings***

We provide Partners with a range of innovative advertising solutions (“**AdTech products**”) designed to increase their visibility and broaden their customer reach. Our AdTech products have demonstrated significant growth. We consider our advertising products to be a beneficial proposition for our Partners, which significantly contributed to a reduction in their customer acquisition costs. Partners on our platform benefit from sophisticated targeting tools that allow them to reach the right customers (i.e., those most likely to generate the best return-on-investment). Through our data-driven approach, Partners can fine-tune their marketing strategies, offering promotions and deals that resonate with the most relevant customer segments, ultimately driving higher sales and improved business performance.

Our plan is to maintain and enhance the effectiveness of our advertising offerings, and we intend to continually innovate and develop new features, which include: (i) automation, (ii) targeted advertisements, and (iii) algorithmic efficiency. See “–Platform Wide Operations–Advertisements”.

These advancements aim to ensure that our advertising solutions remain effective and valuable for our Partners, supporting their growth and success within our platform.

### ***We plan to enter into adjacent product categories***

We are focused on expanding beyond core food delivery services. Our Grocery and Retail Vertical has become a significant and rapidly growing part of our operations, showcasing our ability to enter and scale new verticals. Leveraging our platform, we are pursuing further diversification. Our Grocery and Retail Vertical is a key element of this strategy, meeting the demand for fast delivery of everyday essentials and paving the way for growth into additional product categories, including beauty and cosmetics, health products, flowers, and pet essentials. We are in the early stages of capturing these opportunities, with plans for further expansion. For the month of September 2024, the frequency of orders per month for food only users (i.e. customers that only ordered food) was 3.8 with a monthly spend of AED 194 (equivalent to USD 53). For that same month, the frequency of orders per month for multi-vertical users (i.e. customers that order food and groceries and retail products) was 12.8 with a monthly spend of AED 814 (equivalent to USD 222). Accordingly, we believe that the Groceries and Retail Vertical enhances our overall operations and provides us with the opportunities for future growth.

Additionally, we plan to continue rolling out more tMarts. We believe this aligns with our objective of being the platform of choice for our customers. tMarts provide our customers with the convenience of ordering groceries and essentials through the same platform they use for Restaurant deliveries. Furthermore, the expansion of tMarts allows us to capitalise on evolving consumer behaviours and preferences. We believe the continued rollout of tMarts will broaden our market footprint, and lead to

additional revenue streams and opportunities for partnerships with additional suppliers and brands.

***We intend to pursue targeted investments, acquisitions, and strategic partnerships***

To complement our organic growth strategy, we expect to continue to selectively pursue investments and acquisitions that we believe will enhance customer experience, as well as solidify and extend our category leadership position, such as our planned acquisition of InstaShop. We have pursued a strategy of making strategic alliances with suitable partners (e.g. “Zomato” in the UAE and “Otlob” in Egypt), and we expect to continue to do so in the future. We intend to focus on investments, acquisitions and alliances that we believe will enhance the experience of existing customers, attract new customers to our platform, and broaden our offerings.

**History and Development**

An overview of the principal events in connection with the history and growth of the Group’s business is set out below.

***Timeline***

<b>Year</b>	<b>Milestone</b>
<b>2004</b>	talabat launches in Kuwait with a goal: to make food ordering simple and easy
<b>2012</b>	Expansion to UAE, Bahrain and Oman
<b>2013</b>	Expansion to Qatar
<b>2015</b>	talabat acquired by Delivery Hero Acquisition of iFood.jo and foodonclick
<b>2017</b>	Launch of own-delivery service and expansion to Jordan and Egypt Delivery Hero, our parent, listed on the Frankfurt Stock Exchange Acquisition of Carriage (Kuwait, Bahrain and UAE)
<b>2018</b>	100 million lifetime orders milestone
<b>2019</b>	talabat launches Groceries and Retail Vertical with Local Shops and tMarts Acquisition of Zomato’s food delivery assets in the UAE
<b>2020</b>	talabat launches “talabat Rewards” loyalty programme talabat rebrands   Otlob rebrands to talabat in Egypt





in 49% of the shares in Talabat for Delivery Services LLC (Baghdad, Iraq) to Delivery Hero FZ LLC and 49% of the shares in Batal al Tawsil for Delivery Services Ltd (Baghdad, Iraq) to Dark Stores MENA Holding Ltd, which was initiated prior to 29 September 2024 and is expected to complete prior to or shortly after Listing, only 51% of our ownership interests in these two Group entities will be structured through nominee arrangements.

3. Company is non-operational and is to be liquidated following Listing.
4. Our interests in Carriage Trading and Services Company WLL and Kitchens Saudi for Food Services LLC are held through the mudaraba arrangements; however, these businesses are to be liquidated following Listing.
5. 100% of our ownership interests in DH Kitchens LLC (Qatar) is structured through a nominee arrangement, pending completion of the registration of the change in legal title to Delivery Hero Kitchens MENA Holding Ltd, which was initiated prior to 30 September 2024 and is expected to complete prior to or shortly after Listing. See "Related Party Transactions – Framework Agreement".

### **Pre-IPO Reorganisation**

On 26 September 2024, the transfer of Delivery Hero's entire shareholding in Delivery Hero FZ LLC to the Company was completed pursuant to the terms of a share purchase agreement between the Company and Delivery Hero, with such transfer at Delivery Hero's carrying value of such shareholding. In connection with completion of the transfer of Delivery Hero FZ LLC to the Company, the Company issued 178,040,951 shares of USD 1.00 each in the Company to the Selling Shareholder.

On 30 September 2024, Delivery Hero (and its affiliates) and Delivery Hero FZ LLC (and its affiliates) entered into agreements to transfer to Delivery Hero FZ LLC, and/or its relevant affiliates, the following: (i) Delivery Hero's 100% shareholding interest in Foodonclick.com FZ-LLC; (ii) Delivery Hero's 49% shareholding interest in Talabat for Delivery Services LLC; (iii) Delivery Hero's 100% indirect shareholding interests in Delivery Hero Egypt SAE; (iv) Delivery Hero's 100% indirect shareholding interest in Dark Stores MENA Holding Ltd; (v) Delivery Hero's 10% indirect shareholding interest in Delivery Hero Stores LLC; (vi) Delivery Hero's 100% indirect shareholding interest in Delivery Hero Kitchens MENA Holding Ltd.; (vii) Delivery Hero's 100% indirect shareholding interest in DH Kitchens LLC; and (viii) Delivery Hero's 100% indirect shareholding interest in Delivery Hero Payments MENA FZ-LLC (the "**Extended Perimeter Group**"), in each case, at nominal value or the transferor's carrying value of such shareholding. In connection with the completion of the transfer of the Extended Perimeter Group to Delivery Hero FZ LLC, the Company issued 75,608,949 shares of USD 1.00 each in the Company to the Selling Shareholder. See also "*Related Party Transactions – Framework Agreement*".

On 9 October 2024, our Shares were re-denominated from USD to AED, with the Company having a share capital of AED 931,529,625 consisting of 253,650,000 ordinary shares of AED 3.6725 each following the re-denomination. Immediately following the re-denomination of our Shares, we subdivided our total share capital from 253,650,000 ordinary shares of AED 3.6725 each to AED 931,529,625 consisting of 23,288,240,625 ordinary shares of AED 0.04 each.

### **Our Parent**

#### **Overview of Delivery Hero**

Delivery Hero SE and its consolidated subsidiaries, offer online food ordering, quick commerce and delivery services in around 70 countries across Asia, the Middle East and Africa, Europe, and Latin America. Delivery Hero is, by its own estimate, a leading local online food delivery and quick commerce platform with approximately 48,000 employees (as of 31 December 2023).

Delivery Hero's business model is based on the vision of always delivering an amazing experience – fast, easy, and to the door. The subsidiaries of the Delivery Hero group operate online platforms under various brand names where users of the online food ordering platform are referred to restaurants as

well as other vendors and can access on-demand delivery services. Delivery Hero group also provides quick commerce solutions, where it primarily offers two distinctive services: it partners with local vendors from whom it delivers groceries, electronics, flowers, pharmaceutical products, or other household items (agent model), and it operates “Dmarts” that are strategically located in densely populated areas to make smaller deliveries of groceries and other convenience products within an hour, sometimes as quickly as in 20–30 minutes (principal model). Orders for both are placed via subsidiary platforms.

Delivery Hero provides a range of IT, marketing, and other services – in particular, commercial consultancy services, as well as product and technology development – to its group entities. In its capacity as the holding company, Delivery Hero also assumes functions such as group controlling and accounting, public relations, investor relations, risk management, and human resources management.

The Delivery Hero group was founded in 2011 and grew rapidly through a combination of organic growth and strategic acquisitions, which included the acquisition of the talabat group in 2015. In 2017, Delivery Hero listed its shares on the Frankfurt Stock Exchange.

## **Our Business Model**

### **Our Food Vertical**

Our platform brings together an industry-leading network of over 56,300 Restaurants across our markets, which we have built and expanded meticulously over two decades. We offer our customers access to the most comprehensive selection of dining options in the region (based on the number of Restaurants on our platform), featuring offerings from “hidden gems” and locally-loved spots to renowned national and international brands. Out of the more than 56,300 Restaurants, more than 17,600 are regional favourite restaurants, 34,700 are boutique restaurants and 4,000 are global leading restaurants. Our Restaurant offering is aligned to the demands of customers who can choose from a wide range of menu items from Restaurants in their neighbourhood and beyond.

Our core mission is to cater to all dining occasions—breakfast, lunch, dinner, and everything in between, twenty-four hours per day— providing a diverse array of cuisines so our customers can enjoy their favourite foods whenever they wish, all from the comfort of their homes.

We offer our Partners a point-of-sale system for them to view and accept orders made on our platform on a live basis. In addition to the online food marketplace, we offer our own delivery services to Restaurants (primarily through the riders provided by third-party logistics providers), with which we deliver the vast majority of our orders. For those orders, we offer our own tracking, rider and customer support, as well as compensation for experience disruptions (e.g. long delays) via the mobile application and online. To spur growth and increase discoverability on the platform, we provide our Partners with a range of advertising and campaigning solutions, designed to drive visibility, brand awareness, and new customer acquisition. Our sophisticated self-service tools allow Restaurants to directly book these advertising solutions or participate in campaigns. Our “Partner portal” and mobile application offer valuable analytics and performance insights related to orders, cuisine performance, customer acquisition and more. Restaurants also gain actionable insights to drive operational excellence, such as optimising food preparation processes to drive preparation time improvements and staffing efficiency. We also offer guidance on menu design and brand development by analysing

consumer tastes and preferences. Finally, we often partner with local and global brands in our out-of-home campaigns driving “top of mind” awareness across the region for those Restaurants.

When signing Restaurants to our platform, we seek to optimise our selection at an area level by analysing customer cuisine and choice preferences in each market. We map our customers to the cuisines, dishes, and price points they prefer by market and design our offering to capture both local favourites and large regional and global brands. This may vary substantially across different locations. For example, in urban centres with a higher concentration of white-collar workers, our customers may have a higher purchasing power and seek a broader choice of different cuisines. In other areas, our customers may prefer a broader choice of affordable restaurant options. Our goal is to optimise the right quantity, variety, and affordability of Restaurants in every area. We also ensure we have the highest quality restaurants that exist in each area on our platform. We do so through a data driven approach and rating classification system. Variety and affordability mean that we seek to cover all cuisines and price points that are relevant for the customer demographic in a certain area. Based on conversion rates, our sales teams analyse how to optimise the Restaurant selection. In areas with high customer traffic but low conversion rates and orders, our sales teams determine whether the quantity, variety, or affordability of Restaurants needs to be improved. For example, if the Restaurant quantity is not right, we will seek to sign more Restaurants, or potentially introduce a Kitchen (as defined below) if an area lacks Restaurant supply or a particular cuisine type.

We also offer a cloud kitchens solution (“**Kitchens**”) whereby we selectively offer Restaurants with commercial kitchen spaces to prepare their meals and, in turn, sell these meals to customers on our platform via a delivery-only model. As of 30 September 2024, we had more than 4,000 cloud kitchen partnerships. Kitchens help us bring quality choices closer to customers. Through Kitchens, we aim to enable our Restaurant to overcome geographic barriers and scale into new areas in an economic and lower risk way. As part of our Kitchens operations, we enter into a lease agreement to rent out an appropriate premises, renovate it so that it can accommodate multiple different kitchen spaces, purchase equipment and then rent out each kitchen space to different Partners to operationalise as a delivery-only restaurant under their brand. In return, we charge a fixed rental fee and a commission fee. When a Restaurant leaves a Kitchen, our sales teams begin approaching alternatives, based on a curated list. As most Restaurants in our Kitchens also operate from non-Kitchen locations, we manage the relationship as one.

Our data-driven approach to building our Restaurant selection is supported by a tightly managed sales process. The Restaurant acquisition activities comprise a review of any geographical, cuisine and price tier gaps in our inventory of Restaurants followed by the generation of relevant leads to close those gaps. The performance of our sales teams is monitored, and we have a standard contract approval process. New Restaurants are assigned to our onboarding team, who provide a detailed introduction to our platform and operational processes. Our Restaurant account management team focuses on improving the commercial and operational performance of Restaurants, optimising menu design and affordability, and suggesting advertising products or campaign participation to boost growth. We work closely together with Restaurants that do not perform well from an operational perspective, and in some cases off-board Restaurants whose operational performance does not improve over time given the negative impact on customer experience. We also have automated systems that may temporarily mark restaurants that are not operationally compliant (e.g. continuously rejecting customer orders) as busy or offline. This approach aims to safeguard the customer experience and eases the order load on Restaurants facing operational challenges.

We generate revenue from our Food Vertical primarily through commissions and advertising fees charged to our Restaurants, and from customer fees, including delivery fees, service fees (in some markets), fees for our subscription offering and small order fees (if the basket size is below the minimum order value). See “–Platform-Wide Operations–Customer Loyalty Drivers”.

Commissions are either based on a contractually agreed percentage of the order value and/or a fixed amount, including VAT. The percentage varies across countries, types of restaurants and the services offered by us, such as our own vs. restaurants’ delivery service. In addition to commissions, we generate non-commission-based revenue, which primarily includes advertising services such as premium placements or targeted discounts to specific profiles of customers. Restaurants may participate in our premium placements to be listed before others in a certain area against payment of a fee. Since we select Restaurants eligible for a premium listing based on strict criteria, we can ensure that only the Restaurants that we expect to provide a great customer experience get a prominent spot. Our Restaurants benefit from premium placements through higher visibility on our platform, which in turn may lead to increase in customer acquisitions and thus order volumes. If there is more than one Restaurant in the relevant area that desires to use our premium listing feature, we either use an auction system enabling the Restaurant making the highest bid to be listed first, or, alternatively, charge a fixed fee and rotate the top position among the Restaurants that paid such a fee. We also charge an annual fee and a set-up fee to cover our expenses related to equipping and onboarding Restaurants.

With regards to customer fees, we mainly charge delivery fees to cover delivery service costs, service fees (only in some markets, to cover other services provided, such as customer service), and subscription fees (if customers subscribe to talabat pro). Delivery fees may vary with distance from Restaurant to customer, time of day or basket size.

### **Our Groceries and Retail Vertical**

The Groceries and Retail Vertical at talabat represents a strategic expansion beyond our core Food Vertical, encompassing categories beyond food for our customers’ needs with the convenience of fast delivery. Through our platform, we offer a comprehensive range of essential products across various categories, including but not limited to groceries, pharmacy products, cosmetics, electronics, flowers, and pet supplies. These products are sourced from third-party Partners, which we refer to as Local Shops, and from our tMarts. Our core focus is on fast and reliable delivery, reflecting our approach of “everything you want delivered right away.” Our Groceries and Retail- offering is available in all of the markets in which we operate.

As of the date of this Prospectus, groceries dominate our Groceries and Retail Vertical. Pharmacy (where we deliver over-the-counter pharmaceutical products) is our next strongest category in terms of GMV contribution to our platform, particularly in key markets like the UAE, where we have established a strong presence. Additionally, we hold a solid position in the flowers category, with significant growth expected from other categories as well.

Our Groceries and Retail platform operates as a marketplace with a flexible model that offers both delivery and picking services directly through us (own-delivery and own-picking), tailored to our Partners’ needs. This model allows us to secure the customer experience by maintaining control over the preparation and delivery processes. It also supports Partners who may lack the necessary capabilities to meet fast delivery expectations, allowing them to still deliver a high-quality service. By

leveraging our existing technology and rider network, we aim to enhance both our service offerings and the flexibility we provide to our Partners.

Our Groceries and Retail Vertical has already established a strong customer base, which is being seamlessly connected to an expanding Partner network. This growth is driven by our proprietary technology, designed to enhance every aspect of the customer and Partner experience:

- Customer Base: As of 30 September 2024, our Groceries and Retail had a 39% penetration rate of our total active customers.
- Partner Base: As of 30 September 2024, our Groceries and Retail Vertical had a network of more than 9,500 Local Shops across all of the markets in which we operate.
- Onground Operations Base: As of 30 September 2024, we deployed more than 4,300 onground operational staff (who are primarily sourced through our third-party logistics providers) in both Local Shops and tMarts across all of the markets in which we operate who are situated in the stores or tMarts (as the case may be) and, among other things, manage the end-to-end product fulfilment, including product picking, dispatching, receiving and scanning.

The business models forming our Groceries and Retail Vertical are further described below:

#### Local Shops business model

We offer our platform and delivery services to a wide variety of Partners including, but not limited to, supermarkets and hypermarkets, convenience shops, pharmacies, and flower shops, in all of the markets in which we operate. We refer to these Partners collectively as our Local Shops.

We aim to provide Local Shops with a cost-effective online presence, and, in turn, provide our customers with access to a variety of retail goods quickly and conveniently via the same mobile application used for Restaurant food deliveries. Similar to our Food Vertical, we believe the value proposition of our Local Shops for customers is built on three key pillars: (i) choice, (ii) affordability, and (iii) experience. Firstly, selection is a significant strength, with over 9,500 Local Shops and more than 700,000 stock keeping units across all of the markets in which we operate as of 30 September 2024, providing customers with extensive options. Our marketplace ensures comprehensive coverage of local and popular brands across all verticals, with Local Shops onboarded with their full assortment and supported by content and inventory management tools to keep their listings up to date. Secondly, we aim to maintain affordability by encouraging Local Shops to match in-store prices. In addition, approximately 27% of the orders delivered through our Local Shops include at least one item with a promotion, resulting in a more affordable price for our customers. Our integrated inventory tools and self-service discount options also enable Local Shops to offer exclusive discounts, and our advertising tools enable Partners to use our platform to help drive the growth of their businesses. We believe our automated tools and operational frameworks achieve a high level of customer satisfaction.

Operationally, our Local Shops business model is managed through a combination of dedicated human resources and advanced technology. Local Shops partnerships are driven by our local sales executives who identify gaps in our offering, and target and onboard both major brands and local businesses that suit customer needs with tailored services. These services include listing only (whereby we manage the listing of our Local Shop's products on our mobile application but the Local

Shops deliver the orders to our customers directly), listing with logistics (whereby we deliver the orders to our customers), or comprehensive solutions encompassing logistics and order fulfilment (whereby we provide dedicated onground operations staff stationed at the Local Shops to pick and pack the orders and hand them over to our riders for delivery). Sales executives also provide training on how shops can operate and grow on our platform. Post onboarding, our Local Shops are managed by our account management teams, but also may get access to many self-service tools such as (i) inventory updates, which show the availability status of the products listed by Local Shops (i.e. whether or not such products are in stock) and allow Local Shops to manage such updates, (ii) product creation, which is the process of adding new products on our platform and linking such products to the Local Shops' profile within our product listing system, (iii) discounts, and (iv) advertisements, to be able to manage and grow their business.

We generate revenue from our Local Shops business model through commissions, listing fees, and advertising fees charged to our Local Shops, and from customer fees, including delivery fees, service fees (in some markets), and fees for our subscription offering. See “–Platform-Wide Operations–Customer Loyalty Drivers”.

#### tMarts business model

In 2019, we identified a gap in the MENA region for reliable and fast grocery delivery. Accordingly, we rolled out tMarts in all of the markets in which we operate. Through our tMarts, we aim to reliably meet customers' immediate needs and complement the offerings of our Local Shops. To further enhance this synergy, we also enable our Local Shops to leverage fast delivery by allowing them to utilise our tMart tech stack (for back-end technology, logistics systems, HR services, and treasury services), providing them with the tools and infrastructure needed to fulfil online orders with the same efficiency, which includes, among other things, the use of our picking devices (which are handheld devices sourced from third parties, and that use our software) for several functions such as scanning items for availability, managing order picking, and overseeing picker operations.

Our customers order from tMarts directly through our platform in the same manner as they would do for Restaurants and Local Shops. Through our delivery platform, customers have the ability to order from a variety of items that are picked and delivered from our tMarts within a targeted time of less than 30 minutes.

Our operations involve renting warehouses or retail spaces in locations that are close to the existing customer base (to cater for speed) and fitting the locations to enable us to operate an online-only retail business. While the exact size and assortment of tMarts vary across the different markets in which we operate, it mainly focuses on snacks and fresh and ultra fresh products, such as fruits, vegetables, and dairy products. Goods are sourced by our own commercial teams from suppliers and are stocked on shelves within the warehouse, which are organised to facilitate quick picking by our employees. Items are arranged based on their picking frequency and ease of access, with high-turnover products placed in easily reachable locations to accelerate order fulfilment. Our tMarts are configured with narrow aisles to accommodate only single-person access, optimising the picking process. When a customer places an order, the order is transmitted to the relevant tMart and our employees in the tMart (known as “pickers” or “shoppers”) collect the goods from within that tMart and prepare them in the final packaging bags, which are branded as “talabat mart”. Designated picking zones minimise walking distances, while packing and dispatching stations are equipped with necessary packaging materials, tools for labelling, and security checks before products are handed

over to our riders. In the meantime, the delivery rider is dispatched and arrives to pick up the order from the tMart to deliver the ordered products to the customer location. As part of this business model, we also collaborate with consumer-packaged goods (CPG) companies, which play an increasingly important role in enhancing the interaction between us, our customers, and our Partners. We share certain data points (such as sales information) with CPG companies for them to improve their offering, while they help us enhance our product content.

tMarts are designed to optimise the online fulfilment of grocery orders, enhancing the efficiency of picking, packing, and delivery processes. By focusing on streamlining these operations, tMarts enable us to handle high volumes of orders more effectively, without the complexities associated with managing a physical storefront. This model not only improves operational efficiency but also enhances the overall customer experience. Furthermore, our tMarts employ real-time inventory tracking to ensure that items are available when ordered, minimising the likelihood of stockouts and improving inventory management.

As of 30 September 2024, we had 127 strategically located tMarts within the markets in which we operate, spread across Egypt, the UAE, Kuwait, Jordan, Qatar, Oman, Bahrain, and Iraq, thereby enhancing choice and proximity for our customers. The size of our tMarts typically ranges from 200 to 400 sqm. Additionally, significant investments in technology and operational models seek to ensure a seamless customer experience, achieving approximately 99% seamless orders, as of 30 September 2024.

The primary revenue stream for our tMarts consists of the retail sale of products, which we source directly from suppliers and wholesalers. In certain locations, private label products, as well as ready-to-eat and ready-to-drink items prepared in tMarts, are also available for purchase through the tMarts section on the mobile application. In addition to retail sales, revenue is generated from customer fees and advertising fees from suppliers.

## **Platform-Wide Operations**

### ***Technology and Data***

Our technology is at the core of our ability to deliver food and groceries seamlessly from one location to another and to exceed the expectations of our customers, Partners, and riders. It aims to balance all three sides of our marketplace, leading to Partners increasing sales, riders enhancing their earning potential, and customers receiving their food and everyday essentials of choice on time with high quality.

Our technology is supported by over 480 talented employees (out of which 25% are female) from more than 70 different nationalities across our Dubai and Cairo tech-hubs.

We benefit from a highly scalable tech stack with the ability to support 2x the current order level on our platform.

#### ***1) Data-Driven Growth***

Every interaction on our platform generates data that we harness to enhance the experience for all stakeholders. As of 30 September 2024, approximately 13 terabytes of data is generated daily.

- Customer behaviour informs personalised recommendations (which require at least 6 orders per customer to be placed on our platform), driving higher conversion rates and order values.
- Partners receive targeted insights, enabling them to advertise more effectively and enhance their inventory, pricing and assortment, boosting their sales and return-on-investment.
- Our order data pinpoints supply gaps, allowing us to strategically onboard new Partners and enhance market coverage.
- For riders, our technology seeks to optimise routes and delivery schedules, reducing costs and improving efficiency.

These continuous optimisations seek to create a virtuous cycle—each improvement feeds back into our system, enhancing overall performance and reinforcing our market position.

### *2) Our Customer Mobile Application*

Our aim is to make ordering seamless and delightful to transition customers from ordering offline to online. The talabat mobile application provides customers with a personalised, efficient ordering experience—whether they are selecting food, groceries, or other essentials. Our data-driven approach aims to deliver the right products to the right customers at the right time, enhancing both customer satisfaction and Partners’ return-on-investment.

### *3) Optimising Rider and Delivery Efficiency*

Our rider technology is designed to enhance efficiency and satisfaction. Advanced dispatch algorithms, real-time GPS tracking, and optimised payment systems allow riders to complete deliveries quickly and efficiently, reducing fuel consumption and improving their earnings. Additionally, our rider staffing algorithm (licensed to us from Delivery Hero (see “*Related Party Transactions–Global Licensing and Services Agreement with Delivery Hero*”)) translates our order demand forecasts into optimised shifts for riders to pick in advance, enabling them to plan their work schedules ahead of time and swap shifts flexibly, with assurance that each shift they pick offers compelling earning potential. Further, our order dispatch algorithms (also licensed from Delivery Hero (see “*Related Party Transactions–Global Licensing and Services Agreement with Delivery Hero*”)) are designed to seek to optimise both rider pay and delivery experience. From 2020 to the first half of 2024, we have seen a 15% increase in the area covered by our riders (based our estimates for orders delivered by talabat riders only) and a 17% improvement in average delivery time (which we define as the time indicated to the customer for delivery upon placing an order on our platform).

### *4) Empowering Partner Growth*

The “talabat Partner Portal” (licensed by Delivery Hero) is at the essence of our Partner growth strategy. Partners can manage their operations, optimise their menus, and tap into powerful advertising tools—all within a user-friendly, mobile-first interface. This platform allows Partners to track their performance, gain valuable insights on customer preferences, and manage their menus and hours of availability on our mobile application efficiently. Additionally, it helps Partners attract new customers by enabling them to directly launch targeted ad campaigns and offer discounts on our mobile application.



### *5) Optimising Shops Order Fulfilment*

For Local Shops, our integration capabilities allow us to capture up-to-date inventory of the Local Shops, our picking tools (licensed by Delivery Hero) allow onground operations staff to pick orders efficiently, as well as enable customers to simulate in-store experience (e.g. recommending the right items if something is unavailable). Our forecasting algorithms align rider arrivals with order readiness, improving wait times and consequently enhancing the freshness of fresh deliveries.

### *6) Leveraging Data for Competitive Advantage*

We generate vast amounts of data daily, from backend systems, mobile apps, and customer interactions. This data is collected and actively analysed and applied across our operations. From refining our recommendation engines to accelerating “A/B testing” (which compares two versions of a mobile application or a webpage against each other to determine which one performs better), we use data to drive smarter decisions and faster innovations. Our experimentation culture allows us to continuously improve, seek to stay ahead of trends and deliver value to our customers and Partners.

Our data-driven approach also extends to internal operations, where we seek to optimise Partner management, inventory control, and fulfilment processes. By integrating data insights into daily, weekly, and monthly reports, we enable smarter business decisions that drive growth and efficiency.

### **Advertising**

Our platform offers an attractive opportunity for Partners to amplify their visibility and drive revenue growth through targeted advertising. Our Partner advertising solutions are designed to help Restaurants and Local Shops enhance their presence directly within our mobile application, helping them reach the right customers at the right time. By leveraging our advanced analytics and user behaviour insights, Partners can create highly targeted campaigns that increase their chances of attracting new customers and boosting repeat business. Our platform allows for customised promotional strategies, including featured listings and sponsored search placements, which aim to elevate a Partner’s profile on our platform and drive more orders. This targeted approach not only improves Partners’ visibility but also helps to enhance their return-on-investment by aligning their promotions with customer preferences and behaviours.

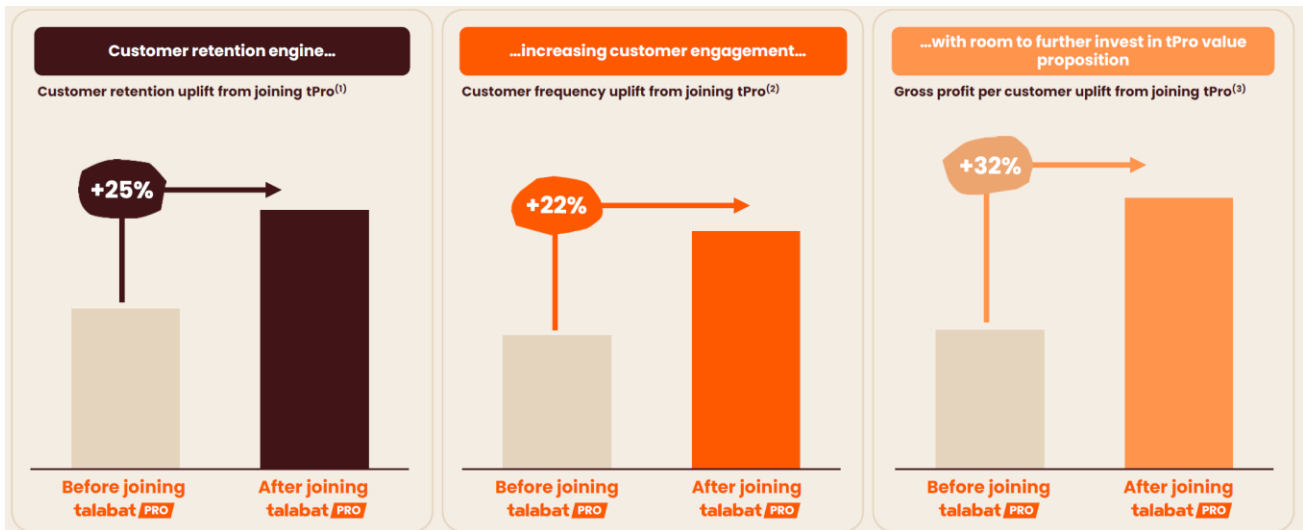
Additionally, we offer a range of platform-wide advertising options, such as banner ads and promotional placements, to provide our Partners with the opportunity to further enhance revenue potential. These ads are strategically positioned throughout our mobile application to capture customer attention and drive engagement with diverse brands and offers. Our banner ads provide high-impact visibility, while promotional placements feature key messages and offers prominently in prime locations. By harnessing our proprietary and sophisticated ad placement algorithms and audience segmentation tools, advertisers can reach a broad customer base with precision, leading to higher click-through rates and conversions. This robust advertising ecosystem creates additional revenue streams for us and delivers measurable results for our Partners, enhancing our ability to both attract and retain customers.

### **Customer Loyalty Drivers**

In an effort to further engage our active customers and strengthen loyalty, we have launched a number of initiatives aiming to reward customer loyalty.

## talabat pro

talabat pro is a subscription service that was initially launched in March 2022 in the UAE, designed to unlock savings for talabat pro subscribers by providing free delivery (subject to a minimum basket size) and exclusive deals on a wide selection of Partners participating in the service, in return for a fixed monthly or annual fee. As of the date of this Prospectus, talabat pro is available in all our markets, except Egypt and Iraq. We believe that talabat pro has proved to be a popular programme amongst subscribers, yielding (on average) an attractive subscriber return-on-investment, which we measure by calculating customers' total monthly savings from talabat pro incentives (such as free delivery and exclusive deals) against the monthly subscription price.



- (1) Retention is measured for customers who joined talabat pro in July 2023. This is calculated as a percentage of talabat pro customers that are retained on talabat 12 months after joining talabat pro, relative to lookalike customers (i.e., customers that have exactly the same frequency, AFV & talabat tenure as talabat pro customers in the period before joining talabat pro, but that did not join talabat pro).
- (2) talabat pro frequency uplift is measured for the month of July 2024. The data refers to the difference in frequency of talabat pro customer cohort versus lookalike customers.
- (3) Measured for customers who joined talabat Pro and paid subscription fees in July 2024 (except for Bahrain, which is based on June 2024) and calculated as a percentage increase in gross profit per customer for new talabat pro customers 30 days after paying for talabat pro, relative to gross profit per customer 30 days prior to joining talabat pro.

talabat pro is an essential lever of our growth flywheel. By providing free delivery and exclusive deals on top food and Groceries and Retail brands, including our tMarts, we enable customers to save on every talabat pro order, encouraging them to order more frequently. Accordingly, we observe on average an increase in customer retention and rise in monthly order frequency among talabat pro subscribers. For the month of July 2024, there was more than a 20% uplift in order frequency among talabat pro subscribers. This indicates that customers who join talabat pro tend to order more often and develop greater loyalty to our platform. Going forward, we aim to expand talabat pro customer adoption by continuously improving the value proposition of our service to further enhance overall customer loyalty and engagement.

talabat pro targets frequent customers with a monthly or yearly plan. Subscribers can cancel at any time on both the monthly and yearly plans; however, refunds are not provided. Once a subscriber cancels, they continue to enjoy talabat pro's benefits until the renewal date. The annual plan is provided at a discount compared to the monthly subscription and is designed to encourage long-term commitment to talabat pro and, consequently, to talabat.

Beyond benefiting customers, talabat pro aims to help participating Partners attract more talabat pro subscribers (through some of talabat pro's key features described below), who on average tend to place orders more frequently on our platform and spend more than non-talabat pro customers. This, in turn, helps boost Partners' order volumes on our platform.

In terms of profitability, we have approached funding talabat pro strategically from the start, as we are committed to maintaining a profitable programme. In addition to subscription fee revenue from subscribers, Partners contribute a fixed charge per talabat pro order to support the free delivery benefit. To access this benefit, customers must meet a minimum basket size, which we believe boosts basket sizes and, consequently, revenue for both Partners and us.

We continuously work on strengthening the talabat pro value proposition for both customers and Partners, with a view to ensuring that the program evolves to better serve our community. Some of the key features that subscribers receive today include:

- (i) Free Delivery: access to free delivery (i.e. no delivery fees) on participating food, tMart, and Local Shops Partners, subject to a specific minimum basket size.
- (ii) Exclusive Deals: access to exclusive talabat pro subscriber only discounts on popular food brands, top-selling items on tMarts, and talabat DineOut Deals (only in the UAE).
- (iii) Exclusive Lifestyle Benefits: access to exclusive lifestyle benefits (e.g. discounts on taxi services, laundry services, and music streaming platforms) via the talabat Rewards catalogue.
- (iv) 2-times Rewards Points (only in UAE): earning 2-times rewards points on each amount spent.

#### *talabat Rewards*

talabat Rewards is a loyalty programme designed to increase customer spend and retention on our platform. The programme allows customers to earn points for each order placed. Customers can then exchange those points against rewards. Our reward programme has increasingly been adopted by our customers and has resulted in higher order frequency amongst our customers. As of September 2024, the rewards programme adoption rate was approximately 18% and the uplift in average order frequency per customers was over 15% (calculated by comparing the frequency of first-time redeemers 30 days after redeeming their points for the first time versus 30 days prior). talabat rewards is available in all the markets in which we operate, and no subscription or active enrolment is required for talabat Rewards. Some of the key features of talabat Rewards include:

- (i) Earn and Redeem Points: Customers accumulate reward points with every purchase, which can be redeemed for discounts, or exclusive offers such as those offered to talabat pro subscribers and other similar lifestyle benefits to non-talabat pro subscribers, from a wide range of Restaurants and Local Shops that opt in. The points earned differ from market to market based on the local currency of each market. Customers are able to redeem their points within a period of sixty (60) days.
- (ii) Gamification: The points obtained by customers can be exchanged for raffle tickets for the opportunity to win prizes such as mobile phones, tablets and other electronic devices and vouchers with a specified monetary value to use on our platform, which are run every month on our platform in each of the markets in which we operate.

- (iii) Integrated Experience: talabat Rewards is fully integrated in our mobile application, thereby enabling customers to track their points, view available rewards, and receive personalised notifications about their rewards status and opportunities.

### *talabat Dineout Deals*

We officially launched our talabat Dineout Deals initiative in May 2024 in the UAE. Dineout Deals is designed to provide customers with the option to explore a range of Restaurants while enabling them to discover, save and seamlessly pay for their meal through our mobile application. talabat Dineout Deals enables customers to access discounts and deals (provided by the Restaurants) whenever they dine out at the Restaurants available on our platform without any subscription being required. There are also no limits on the number of times customers can utilise the talabat Dineout Deals feature on our mobile application. talabat Dineout Deals also offers Restaurants the opportunity to significantly expand their customer base and increase visits by attracting new customers through our platform, which provides access to the entire talabat customer network. Some of its key features include:

- (i) Exclusive Discounts: talabat Dineout Deals provides customers with access to a range of special discounts at Restaurants.
- (ii) Enhancing the value of talabat pro: talabat Dineout Deals enhances the value of the talabat pro subscription programme by offering additional subscriber-only discounts at select restaurants featured on talabat Dineout Deals, thereby strengthening the appeal of the subscription for our customers. See “–Customer Loyalty Drivers–talabat pro”.
- (iii) Curated Partnerships: Customers also benefit from a diverse array of Restaurants to choose from.
- (iv) Enhanced Customer Engagement: By offering attractive dining incentives, talabat Dineout Deals drives customer engagement with the talabat platform and encourages increased frequency of visits to Restaurants.
- (v) Growing Restaurant Partners: Dineout Deals allows us to onboard new Restaurants which we had not worked with before, thereby offering a broader variety of cuisines to our customers.

### **Operations Enhancement**

Over the past three years, we have focused on enhancing our operations through financial technologies (“FinTech”) by establishing a dedicated division and creating a robust payments platform to seamlessly accept online payments from customers. In addition to strengthening the core payments platform for accepting online payments, we have also created new products and services, such as postpaid and co-branded cards. We believe that these products and services deliver substantial value to our platform, offer direct benefits to customers and, as a result, strengthen our competitive advantage in the market. These services comprise: (i) postpaid; and (ii) co-brand cards, while we also continue to explore more opportunities.

#### *Postpaid*

talabat Postpaid service allows customers to be billed up to a month after their purchase. As

customers' frequency of transactions on our platform increased, we looked to create a frictionless method for customers to pay for these frequent transactions. Historically, we have seen a decrease in the number of orders and spending from certain customers during the final days of each month (which precede salary payments). We believe the talabat Postpaid feature provides these customers with payment and budgeting flexibility, and in turn, allows us to seek to maintain the number of orders and customer spending throughout the month resulting in incremental business for talabat. talabat Postpaid is currently only offered in the UAE; however, we may in the future decide to launch this (or similar) service in other markets.

### *Co-Branded Cards*

With the vast majority of talabat orders being paid online, representing a highly engaged and digital savvy customer base, we believe that there is a significant opportunity to partner with banks and card issuers across the region to offer co-branded credit and/or prepaid card products. These partnerships allow banks to digitally acquire a highly engaged customer base against incentives being offered on our platform. We started this programme in the UAE in August 2023 with Abu Dhabi Commercial Bank (“**ADCB**”) and may expand it in more markets with other Partners. Our arrangement with ADCB is for a five-year period which may be renewed by mutual agreement. As part of our arrangement with ADCB, customers benefit from, among other things (i) a welcome bonus of AED 500 (as talabat credit which may be redeemed for orders on our platform) upon achieving a minimum spend of AED 2,500 in 45 days; (ii) unlimited free delivery in respect of Restaurants on talabat pro with a minimum order value of AED 50 for food orders and AED 100 for non-food orders; and (iii) certain cash-back benefits.

### **Payment Solutions**

With a view to offering a seamless ordering experience, in addition to cash on delivery, we offer our customers a range of online payment options on our platform. These online payment options include saved cards on file (tokenised through our payment service provider), Apple Pay, Google Pay and direct payments with some local payment networks. To create and operate this significant online payment ecosystem, we work with payment service providers, various global and regional payment gateways such as Mastercard Payment Gateway Services, Knet, QPay, Benefit and Omannet, and more than a dozen banks and licensed acquirers. In addition, we operate a closed-loop wallet in most markets to facilitate instant refunds to customers, options to top-up credit and offer incentives in the form of wallet credit that can instantly be redeemed for spend on our platform. The key success metric for our online payments is the acceptance rate, which represents the percentage of orders that were successfully processed.

### **Our Value Proposition**

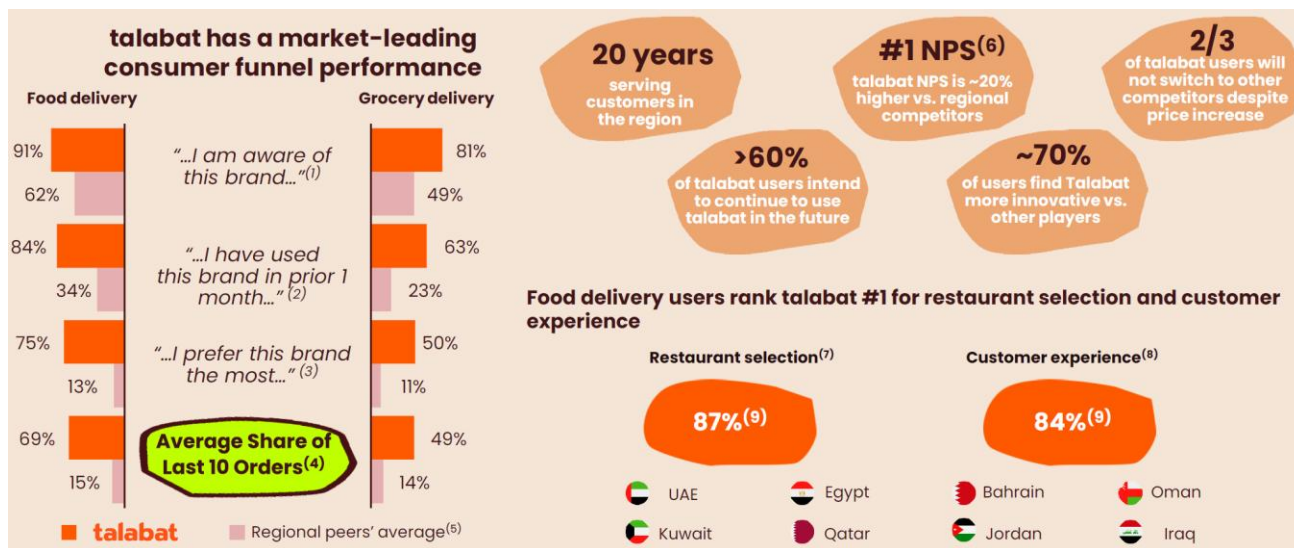
Our value proposition is optimised for all three constituents of our flywheel (customers, Partners and riders), with each constituent contributing to our growth flywheel.

#### *Customers*

For customers, we strive to provide the broadest selection at the best prices. We offer a selection of both local and global brands and personalise the selection based on order preferences and needs. Together with our simple and fast order placement, we enable convenience for consumers throughout their entire day, from breakfast to lunch, to grocery or dinner delivery straight to their doorsteps. We

believe that the convenient access we provide to the highest amount of selection at the best possible prices drives customer engagement and retention. We developed easy-to-use interfaces, one-click reorder options, a proprietary logistics technology for reliable delivery times and transparent delivery tracking which make our delivery experience seamless and consistent. We created various occasions in select markets such as “flash sales” during salary week, or “weekend drops” that feature the best deals the platform has to offer to showcase our selection and affordability and have been able to nurture repeat buying behaviour by our customers. Those occasions often prompt Partners to showcase special offers and, on a limited scale, we participate in the co-funding of those discounts. Given our size and scale, we believe this results in the highest volume of savings returned back to our customers.

We believe that based on our leading value proposition, customers prefer to use our platform:



Source: OC&C and Redseer analysis of consumer survey data in the UAE, Kuwait, Egypt, Qatar, Bahrain, Jordan, Oman and Iraq.

- (1) Awareness Question: “Which of the following online food / grocery delivery players are you aware of?”; Food delivery number of respondents – 3,102; Grocery and retail delivery number of respondents – 3,913
- (2) Usage Question: “Which of the following food / grocery delivery players have you used in the past 1 month?”; Food delivery number of respondents – 3,102; Grocery and retail delivery number of respondents – 3,913
- (3) Preference Question: “Which of the following food / grocery delivery apps do you prefer the most?”; Food delivery number of respondents – 3,102; Grocery and retail delivery number of respondents – 3,913.
- (4) Share of Average Last 10 Orders Question: “Of your last 10 orders, how many orders were placed through each food / grocery delivery app?”; Food delivery number of respondents – 3,102; Grocery and retail delivery number of respondents – 3,913.
- (5) Includes next leading peers from UAE, Kuwait, Egypt, Qatar, Bahrain, Jordan, Oman and Iraq.
- (6) “NPS” means net promoter score.
- (7) Share of food delivery users ranking talabat as #1 for restaurant selection. Ranking Question: “Please rank the top 3 food delivery apps based on the selection (variety of restaurants and cuisines they offer)”; number of respondents – 3,102.
- (8) Share of food delivery users ranking talabat as #1 for customer experience. Ranking Question: “Please rank the top 3 food delivery apps based on the experience (delivery time, rider behavior and customer support)”; number of respondents – 3,102.
- (9) Based on the average of UAE, Kuwait, Egypt, Qatar, Bahrain, Jordan, Oman and Iraq.

Our marketing engine tracks the entire customer journey from building awareness with our brand featured in marquee spaces and alongside key public and private Partners to digital ads and social and influencer campaigns that drive purchase behaviour. Our automated marketing engine learns based on previous customer behaviour and suggests the next best action or reactivation flows for

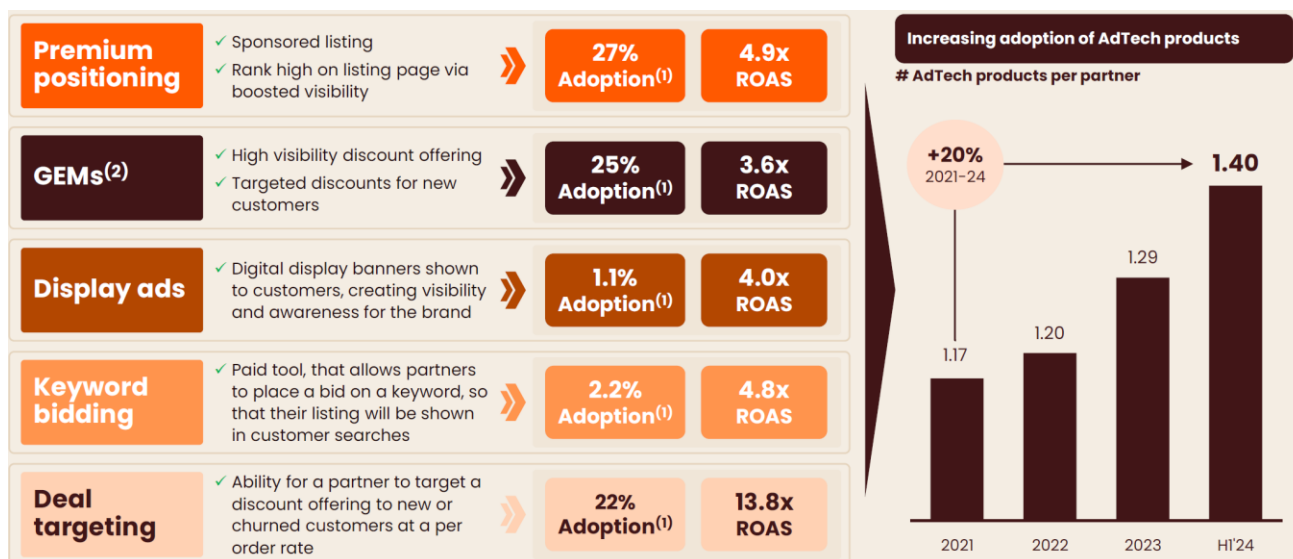
those customers that might have reduced their ordering frequency. Finally, we believe our brand is recognised as the “authority on all things food” by customers throughout the 8 markets and we often sponsor or donate to causes, events, or competitions that speak to our customer base.

We have created a robust payments platform to seamlessly accept online payments from our customers (see “–Platform-Wide Operations–Operations Enhancements”). As part of our aim to enhance customer experience, we launched talabat Pay, which is a closed-loop wallet that allows us to facilitate instant refunds to customers, provide customers with the ability to top-up credit, and offer customer incentives (including third party incentives) and compensation in a seamless fashion.

### Partners

For Partners, we offer access to our large customer base through a listing on our online marketplaces, offering them a path to incremental orders and GMV. We provide our Partners with a comprehensive, end-to-end solution that enables them to effortlessly receive orders from our customer base and fulfil them through our extensive logistics network. Partners gain access to a dedicated portal (see “–Platform-Wide Operations–Technology and Data–Empowering Partner Growth”), offering all the necessary tools to engage with talabat and meet customer demands. For grocery Partners, we also offer in-house pickers, equipped with our technology, to prepare orders with high precision and ensure timely dispatch, meeting our promised delivery times.

We also provide Partners with marketing and visibility tools, help them optimise their value chain and share data-driven insights with them (see “–Platform-Wide Operations–Advertisements”). Our in-app advertising solutions offer Partners the opportunity to grow their topline in a cost-controlled manner while being able to accurately track their return-on-investment. We provide our Partners with the capability to target either broad audiences or highly specific cohorts through deals, special offers, and enhanced visibility.



(1) This refers to the share of Partners using respective AdTech product.

(2) GEMs allow Restaurants to acquire new customers or win back lost customers, by offering a limited time discount. GEMs offer high visibility through prime real estate on our mobile application, such as the pop-up on the food list, and advertiser pay for every customer acquired. GEMs are recommended for Restaurant with low/declining customer acquisition or retention rates.

Furthermore, we provide our Partners with the opportunity to participate in our offline advertising and

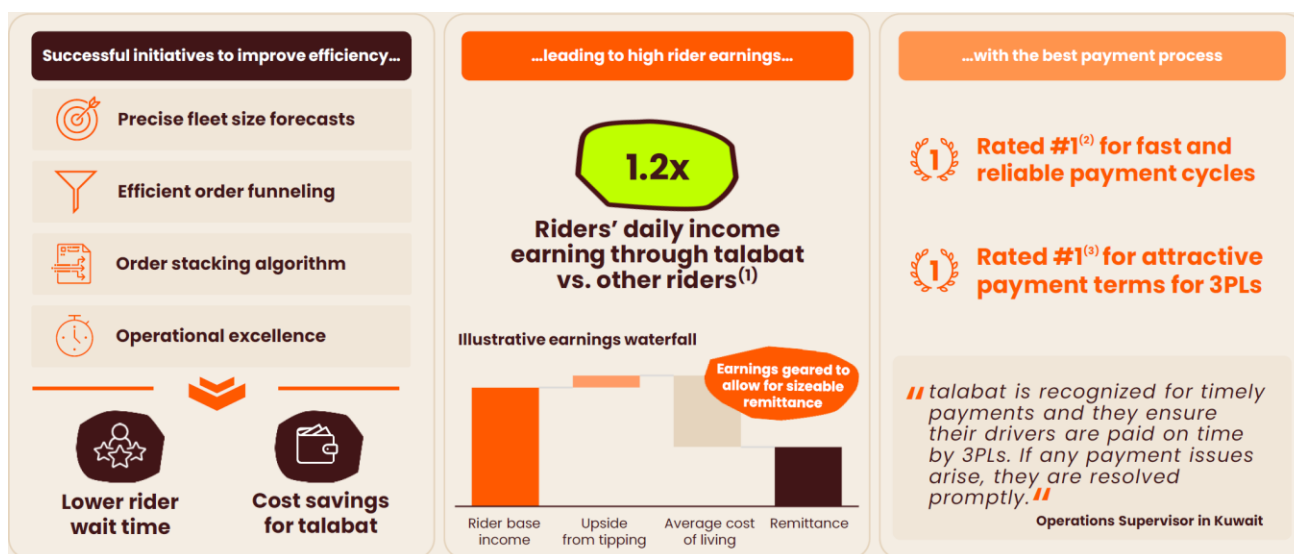
sponsorship events further driving visibility and growth for their brands. Our comprehensive solutions enable Partners to design a tailored marketing growth plan that best aligns with their brand.

### Riders

To deliver orders from our Partners to customers, we source approximately 95% of our riders through third-party logistics providers that employ such riders and provide delivery services. See “*Material Agreements – Delivery Service Agreements*”. For riders, we offer a comprehensive compliance and training programme to uphold high standards, including over 1,200 riders being trained in a physical academy in the UAE and 78,000 riders being trained on “tcamp” (an online training application) in Egypt, the UAE, Bahrain, Kuwait and Oman, over the last twelve months. For example, we complement the training provided by their third-party logistics employers on best practices in customer interactions, effective ways to maximise their earnings with talabat, as well as core food delivery and road safety lessons both in-person and through our digital learning platform. In addition, we provide or offer appropriate equipment in line with the standards of local authorities on road safety and food handling. We also invest in safety gear, such as our Group's food delivery bags, reflective shirts and jackets, and seasonal climate protection products with adequate replacement cycles.

We were also pioneers in launching initiatives like “tPatrollers” within the region. This dedicated on-ground fleet supports riders by providing timely reminders for kit replacement to maintain hygiene standards, sharing vital operational information, and ensuring real-time operational capability during challenging circumstances, such as inclement weather or road incidents.

We have taken a keen interest in investing in our riders and ensuring that they value the Group in return. For example, riders have full control over their schedule and starting points. We have managed to scale the size of our fleet together with the increase in number of orders, while also increasing the average tenure of riders (based on the average for each month) from 33 weeks in January 2022 to 64 weeks in September 2024, reflecting an increase of 1.9x. As of 30 September 2024, our rider satisfaction rating in the UAE was approximately 4.2 (out of 5.0).



Source: Data is based on rider surveys and interviews carried out across the UAE, Kuwait, Qatar and Egypt conducted in August 2024.

(1) Earning potential is calculated on the basis of the number of orders served. Where a fixed monthly salary is provided, it is divided by days of the month.



- (2) Rated as no. 1 for payment cycles by riders based on interviews.
- (3) Rated as no. 1 for payment terms / payment cycles by third-party logistics providers based on interviews.

## **Our Brands and Intellectual Property**

Our online marketplace and delivery services span eight countries: the UAE, Kuwait, Qatar, Bahrain, Egypt, Oman, Jordan and Iraq.

We hold the word and device trademarks: “Talabat” for our online delivery business and private label products in multiple jurisdictions, including Bahrain, Egypt, Iraq, Jordan, Kuwait, Oman, Qatar, and the UAE. For our tMarts business, we hold the sub-brands “Talabat mart” and “tMart”. For our Kitchens business, we hold the sub-brand “Talabat Kitchen”. For our payments related offers we hold the sub-brand “Talabat pay”.

Further, we hold the trademark “Carriage” in Bahrain, Kuwait, and the United Arab Emirates, and the trademark “Otlob” in Egypt, both of which have been used for the respective online delivery businesses in the past. In the UAE, we acquired the assets of the food delivery business of Zomato Media Private Ltd. (Zomato) in February 2019, and operated under both brands, talabat and Zomato, until November 2022, at which point we merged the Zomato operations under the talabat brand. In Kuwait, Bahrain and the UAE, we also operated under the brand Carriage, which was rebranded to talabat in January 2020. In Egypt, we operated under the brand Otlob, which was rebranded to talabat in September 2020. In Qatar, operations under both the Carriage and talabat brands were continued. However, we have effectively focused all of our operations in Qatar on our talabat brand as operations under our Carriage business were wound down in June 2023, and we intend to liquidate the Carriage business following Listing.

In addition, we own the internet domains (both country-code and generic) that relate to our brands. The “Talabat” internet domain is considered material to our business. We also own the copyright in the talabat platform, including the talabat website and mobile applications.

Moreover, we use the Delivery Hero owned brand “EVERYDAY ROASTERY”. The use of this brand is governed by licence agreements between Delivery Hero and the Group. We operate the Everyday Roastery brand in Egypt and the UAE. See “*Related Party Transactions–Everyday Roastery Trademark License Agreements*”.

As of the date of this *Prospectus*, we do not hold any patents.

## **Employees**

As of 30 September 2024, the total number of employees employed by the Group was 6,642:

	<b>Number of employees as of 30 September 2024</b>
In-house Contact Centre	517
Fleet Management	894

tPatrollers and riders <sup>(1)</sup>	627
Sales	1,232
Product and Tech	481
Support Functions	1,522
tMart and Kitchens	1,369
<b>Total number of employees</b>	<b>6,642</b>

(1) tPatrollers are dedicated on-ground fleet supporting riders. There are 627 tPatrollers and riders in Qatar, Bahrain and Kuwait.

We aim to build a high-performance culture through an engaged, talented and diverse workforce. Our employees are from approximately 90 different nationalities reflecting our commitment to innovation and inclusivity. We believe that our global perspective drives better results, creativity, and collaboration. We also believe in investing in our people. Since the start of 2024, approximately 50% of our managers have gone through at least one leadership development programme aimed at driving a learning culture within their respective teams, approximately 36% of senior leadership roles are made up of internal talent, and approximately one-third of women in middle management roles were promoted to the next level.

We care about high employee satisfaction. We received the “Great Place to Work” certificate in 5 of the countries in which we operate: (i) UAE between November 2023 and November 2024, (ii) Qatar between January 2023 and January 2024, (iii) Bahrain between June 2023 and June 2024, (iv) Kuwait between February 2024 and February 2025, and (v) Oman between March 2024 and March 2025. During the first nine months of 2024, we retained approximately 94% of our high-performers and only had a 13% attrition rate, which we believe reflects the strong commitment from our top-tier talent and our ability to retain employees.

### ***Employee Benefits***

We endeavour to provide employee compensation that we consider to be competitive with other organisations operating in the same markets. We provide a range of employee benefits, such as medical insurance, salary advances and housing advances (in the UAE), and other benefits. There are different types of leaves accorded to employees to help them attend to their exigencies such as annual leave, maternity leave, paternity leave, compassionate leave, celebratory leave, sick leave, and unpaid leave. These employee benefits are periodically reviewed, to ensure that the Group can attract and maintain a skilled workforce.

### ***Long-Term Incentive Programme of Delivery Hero***

Employees of the Group are currently or may be eligible to participate in equity programs offered by Delivery Hero. In 2018, Delivery Hero established a Long-Term Incentive Program (“**LTIP**”) which comprises a restricted stocks plan (“**RSP**”) and until March 2024, a stock option plan (“**SOP**”). Under the RSP, restricted stock units (“**RSU**” or “**RSUs**”) can be granted to the members of the management

board of the Delivery Hero, to certain key employees of Delivery Hero, as well as to members of managing corporate bodies and certain key employees of subsidiaries of Delivery Hero (including the Group). The SOP was only offered to senior management members and Delivery Hero ceased offering stock options (“**Stock Options**”) as of March 2024. Under the LTIP, Delivery Hero awards a certain EUR amount annually (“**Equity Target**”) to the eligible participants.

**RSU:** The number of RSUs awarded to a participant of the RSP is calculated by dividing Equity Target (in EUR) by the 30-day average share price of Delivery Hero prior to the award date. In order for RSUs to be settled to the participant, they must remain employed with the relevant company for at least 12 months (“**Cliff**”). Generally, once the Cliff has passed, the RSUs for the respective award vest on a quarterly basis. Upon satisfaction of the required conditions, the RSUs are settled to the participants. One RSU entitles to the transfer of one no-par-value registered share (*auf den Namen lautende Stückaktie*) of Delivery Hero or, at the discretion of Delivery Hero, to a payment of an amount equal to the market value of such share. A good leaver retains all vested RSUs, and bad leavers lose all vested and unvested awards.

**SOP:** Although Delivery Hero no longer offers Stock Options as at the time of publication of this Prospectus, there may still be participants from the Group whose SOPs remain in effect from legacy awards. The number of Stock Options awarded to a SOP participant is calculated by taking the fair value of a stock option at the award date. Stock Options offered participants to purchase shares in Delivery Hero at the strike price (three (3)-month average price per share before the annual award date) at a later point in time. As these stock options are offered by Delivery Hero, they are subject to German law. In Germany, there is a statutory waiting period of four (4) years before Stock Options may be exercised. Additionally, the exercisability of Stock Options following the end of waiting period depends on the achievement of a revenue growth target. The performance target is derived from the Delivery Hero’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 stock options expire without substitute or compensation. The Stock Options can only be exercised within two (2) years following the end of the waiting period during exercise windows as determined by Delivery Hero.

#### *Hero Grant*

Since 2020, the RSP has also been adapted to provide a bonus award known as the “Hero Grant”, which is issued as a one-time grant with varying amounts to certain employees of Delivery Hero and other Delivery Hero entities for various reasons (e.g. substitute for discretionary bonus payments). Under this program, Delivery Hero commits to issue RSUs to the employee on the basis of a certain EUR award amount. The number of RSUs is calculated by dividing the award amount by the fair market value of one RSU derived from the 30-trading day average share price of Delivery Hero prior to the award date. The Hero Grant is usually subject to a 12-month or 24-month Cliff and vesting period.

Following Listing, the Board of Directors intends to review possible additional or alternative incentive plans for employees of the Group.

### **Our Environmental, Social and Governance (ESG) Targets**

At talabat, our environmental and social commitments are anchored around four key pillars:

employees, the community (including riders, restaurants, charities, and government bodies), investors, and the environment (encompassing carbon footprint, packaging, and food waste). Guided by our materiality assessment, our current focus areas are giving back, climate action, and rider wellbeing.

### ***Environmental Initiatives***

We are dedicated to making our business more environmentally friendly and minimising the negative impacts of our operations. The primary environmental concerns in our sector include greenhouse gas emissions from our riders and Partners and waste from food packaging. To address these issues, we follow a strategic environmental program developed by Delivery Hero in 2019, which concentrates on reducing packaging waste and emissions.

#### *Emissions*

Our operations, along with those of our supply chain and Partners, contribute to greenhouse gas emissions. Given the global challenge of climate change, our strategy emphasises reducing carbon emissions over offsetting them. Our climate action plan includes measures such as increasing the use of renewable energy, expanding zero-emission deliveries, and promoting sustainable packaging among our suppliers, including those providing products for our tMarts.

Our approach involves measuring our carbon footprint and exploring further emission reduction opportunities to lower offsetting costs.

In alignment with the 13th UN Sustainable Development Goal (“**SDG**”) on Climate Action, we partner with global organisations like the UN Global Compact, The Sustainable Restaurant Association, Klimato, and Emirates Nature WWF, as well as local entities such as the Circular Packaging Association and the UAE Alliance for Climate Action (UACA). We are in our third year of carbon footprint mapping, producing the most comprehensive report in our industry, which covers all facilities, activities, and resources (scopes 1, 2, and 3). In 2022, the majority of our delivery emissions came from tailpipe (45%) and packaging (18%). To address tailpipe emissions, we have launched an electric vehicle (EV) roadmap, aiming to scale EV use sustainably in our region. Our extensive pilot programs have demonstrated that transitioning to two-wheeler EVs could enhance rider earnings, reduce cost per order (by 2030), and decrease our overall emissions. In alignment with the 2<sup>nd</sup> UN SDG on Zero Hunger, we aim to reduce food waste, increase health and nutrition awareness.

#### *Packaging*

The packaging of food delivered through our platforms has historically relied on plastic due to its cost and availability. However, we acknowledge the environmental impact of plastic, from emissions during production to its persistence in the environment post-disposal. We support our Partners in finding solutions to mitigate this impact and conduct packaging surveys in each market to identify problem areas. We are committed to using sustainable packaging in our Kitchens, and tMarts are working towards transitioning the material of their bags from virgin plastic to 100% recycled-plastic bags to further reduce packaging waste.

### ***Social***

In alignment with the 2<sup>nd</sup> UN SDG on Zero Hunger, our commitment to social impact focuses on

addressing societal issues that matter to our business, employees, and stakeholders. Recognising the power of our platform, we are dedicated to leveraging it for positive change through our #tech4good initiatives. True to our promise of always being there for our customers, we also strive to support our communities during critical times. We have launched impactful campaigns that have raised significant funds for regions including Gaza, Oman and Pakistan.

In 2020, we introduced our first virtual charity initiative in the UAE. Today, we support 40 charities across six markets, each featured in a “Give Back” section and accessible via a dedicated home screen widget in all our markets (other than Kuwait). This initiative provides a seamless donation experience, allowing customers to support causes they care about. Since its inception in 2020, we have facilitated over 7.3 million meal donations.

In alignment with the 8<sup>th</sup> UN SDG on Decent Work and Economic Growth, we are also dedicated to supporting and growing small and medium-sized enterprises within our ecosystem. We offer special rates and host training sessions, known as “tAcademy”, across various markets to aid in the growth of small and medium-sized enterprises. Our efforts include memoranda of understanding with government entities, collaborations with social and civil society organisations, and in-house solutions tailored to address the specific needs of smaller restaurants. These initiatives provide technical support and growth solutions to help these businesses thrive.

### ***Ethics and Integrity***

At talabat, we are committed to upholding a framework of ethics and integrity, ensuring compliance with all local laws and regulations in the markets where we operate. Our operations are guided by our Code of Conduct and the Third Party Code of Conduct (“**TPCoC**”), which are designed to foster awareness among employees that adherence to these standards benefits both the company and our stakeholders.

The Code of Conduct provides essential guidance for decision-making and establishes the standards of behaviour expected within talabat. It is mandatory for all employees across our Group, in accordance with relevant legal frameworks. The code is accessible through our training system and is presented to all new employees during onboarding. Prior to onboarding or dealing with any Restaurant, Local Shop or third-party logistics provider, we conduct a thorough due diligence process with the aim of ensuring their adherence to regulatory standards, and alignment with our quality and compliance requirements. We also conduct surveys with riders on a regular basis to identify any violations or areas of non-compliance.

Our TPCoC is grounded in principles from the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. It aims to promote responsible business practices throughout the value chain to mitigate financial, reputational, and supply chain risks associated with potential human rights violations. The TPCoC addresses issues such as fair remuneration and the prohibition of forced or illicit labour. It underscores that talabat evaluates suppliers not only on economic criteria but also on their environmental, human rights, labour, social standards, and anti-corruption practices. This evaluation occurs both when selecting suppliers and when extending contracts, covering criteria such as environmental impact, business ethics, anti-bribery and corruption, economic sanctions, conflicts of interest, antitrust, intellectual property protection, data protection, and food safety. In alignment with the 8<sup>th</sup> UN SDG, we aim to foster decent

work and economic growth by applying good governance practices, create employment opportunities and increase rider safety and earnings.

Our commitment to ethical corporate behaviour is demonstrated through our dedication to respecting human rights, creating equal opportunities, and maintaining a workplace free from discrimination, harassment, intimidation, and abuse. We do not tolerate fraud, bribery, corruption, financial crimes, or any form of non-compliant behaviour from our employees or stakeholders. Employees are expected to make business decisions solely in the company's interest, avoiding personal benefit.

The Governance, Risk, and Compliance ("**GRC**") team at talabat is responsible for reinforcing our ethical principles and ensuring compliance. This team, directed by the VP Legal and GRC, who reports to the CFO, addresses uncertainties and risks to help achieve business objectives. To facilitate access to compliance-related information, the GRC portal is available to all talabat employees, offering resources on compliance, data protection, and cybersecurity, including a comprehensive policy repository, disclosure forms, training materials, and information on the Speak Up Portal.

Mechanisms for reporting ethical concerns are regularly reviewed. The GRC team continually updates talabat's policies based on new concerns and business decisions, involving internal and external experts as needed. talabat enforces a strict zero-tolerance policy towards corruption, supported by our Group-wide Anti-Corruption and Anti-Bribery Policy, and a dedicated Gift, Hospitality, and Entertainment Policy. Employees are encouraged to report potential violations through internal contacts or the external online Speak Up Portal, which is available 24/7 in multiple languages and ensures anonymity and security for whistleblowers. All reports are carefully reviewed by the central compliance team of Delivery Hero, with appropriate handling and protection of all involved parties. Our aim is to raise awareness, mitigate risks, and promote a culture of integrity within the organisation.

## **Health and Safety**

We seek to ensure that strict health and safety standards are observed throughout our operations. We are committed towards quality assurance and have implemented a robust rider equipment distribution, maintenance and replacement process to ensure orders are delivered in a safe and hygienic manner. This includes standardised thermal food pouches and delivery boxes to transport orders and maintain their conditions as long as possible. We also actively replace rider equipment to ensure cleanliness and roadworthiness with a third-party tracking solution. Furthermore, the talabat-branded rider kit (caps, shirts, jackets, and boxes) are designed to be highly visible and reflective to ensure rider safety on the road. For the month of September 2024, we had a 94% rider safety score (which reflects the average safety compliance of all riders based on multiple factors, including adherence to speed limits, avoidance of dangerous riding, and not using mobile phones while driving). Additionally, we lead regional initiatives and regulations focused on rider well-being. To protect riders from summer heat, we establish rest areas equipped with air conditioning, cooling kits, and water bottles. As part of our "Summer Together" 2024 initiative across the markets in which we operate, we had 44 rest areas in the form of 30 branded buses and 14 solar-powered rest areas set up for our riders. We also distributed to our riders more than 57,800 thermal bottles (which represented a 71.3% year-on-year increase compared to summer 2023) and more than 46,200 snoods (which represented a 35.2% year-on-year increase compared to summer 2023), and had more than 36,300 windshields installed. We also have sustainability-focused pilot projects in Qatar aiming to contribute to Qatar's National Vision 2030, and a strategic partnership with the Jordanian Food Bank which aims to

encourage customers to donate food parcels with our employees actively participating in the distribution of such donations. We also invest in safety technologies, such as telematics (which is technology used to monitor rider driving patterns, such as speed, acceleration, braking and cornering), and provide in-person defensive training through partnerships with established academies in select markets to enhance road safety. By analysing safety data, we collaborate with key regulators and public authorities to improve road infrastructure and co-organise quarterly road safety events to raise awareness on this crucial issue.

In our Groceries and Retail Vertical, we have stringent controls in place to ensure the maintenance of high standards for the products we deliver. This includes oversight of Partner storage conditions, where we collaborate with a third-party provider for tMarts. Our operational processes empower pickers to identify, flag, and address any issues during order preparation. Additionally, our logistics team enforces strict protocols for riders, and our customer service team follows comprehensive standards-of-operations to handle any concerns that arise post-delivery.

## Insurance

We have insurance policies (covering different risks depending on business needs) in all jurisdictions where we operate, including Bahrain, Egypt, Iraq, Jordan, Kuwait, Oman, Qatar, and the UAE. These policies (as relevant) cover a range of risks including business interruption, director and officer liability, employee fidelity, goods in transit, cyberattacks, data breaches and other cyber security issues, motor incidents, professional indemnity, property all risk and public liability, as well as coverage against general liability claims that may arise through the course of our normal business operations. We engage an insurance broker to advise on the necessary types and levels of coverage. We continually review our coverage and consult with our broker at least annually.

Additionally, our insurance policies cover group life, personal accidents, workmen's compensation, occupational diseases and critical illness for our employees (including riders employed by our Group) at no cost to them.

Riders sourced through third-party logistics providers are covered by insurance policies in which such third-party logistics providers are the policyholders and the riders are the direct beneficiaries. Any claims are notified and managed by the third-party logistics provers through direct engagement with the relevant insurance provider (other than factual information requested by insurers in connection with a claim, which we would provide).

## Properties

As of 30 September 2024, the Group owned two properties and leased 211 properties. These properties consist of the following:

Country	Kitchens <sup>(1)</sup>	tMart Stores <sup>(2)</sup>	Land	Offices, Warehouses	Hubs	and	Grand Total
Bahrain	2	6		5			13
Egypt		45		13			56

<b>Country</b>	<b>Kitchens<sup>(1)</sup></b>	<b>tMart Stores<sup>(2)</sup></b>	<b>Land</b>	<b>Offices, Warehouses</b>	<b>Hubs and</b>	<b>Grand Total</b>
Iraq		4		8		12
Jordan		14	2	9		24
Kuwait	4	13		3		20
Oman		7		3		10
Qatar	1	7		4		12
UAE	19	32		12		66
<b>Grand Total</b>	<b>26</b>	<b>127</b>	<b>2</b>	<b>57</b>		<b>213</b>

(1) This refers to Kitchens locations.

(2) Inclusive of tMarts that have been leased but are not yet operational.

## **Litigation**

In the ordinary course of our business and on an ongoing basis, the Group is involved in various legal disputes (either as a plaintiff or defendant) and is subject to regulatory oversight from various authorities. We have historically been successful in settling these disputes and address concerns raised by regulatory bodies out of court and without administrative adjudication. These disputes – and in a few cases judicial and administrative proceedings – are in most instances routine matters of labour, commercial and other laws, and do not have a significant impact on our business. We are currently the subject of regulatory and administrative investigations, audits, and inquiries conducted by governmental agencies concerning our business practices, the classification and compensation of riders, our key partnership clauses, and other matters. See *“Risk Factors–Risks Relating to Our Business–Government regulation of the internet, e-commerce, quick commerce, and the food industry (including cloud kitchens) is still evolving, may not yet cover certain aspects of our business, and may change in a manner that could negatively impact our operations, and we may fail to comply with applicable regulations due to the complexity of the regulatory landscape–and–We may be subject to competition law and related investigations due to the perceived strong market position in some of our current markets”*.

The Telecommunications Regulatory Authority (“**TRA**”) in Oman issued a decision requiring us to register as a postal service provider and obtain the necessary license for postal services, which we appealed by filing an administrative case against the TRA challenging its decision. Subsequently, the TRA filed a criminal case against us before the primary court in Muscat. The TRA’s criminal case against us is currently suspended until the Omani administrative court renders its final judgement. The administrative court ruled in our favour, and accordingly, we view the chances of the primary



court ruling in favour of the TRA to be remote. Nevertheless, should the TRA be successful in its claim, we will be subject to additional licensing requirements and fees to be paid to the TRA which could adversely affect our business in Oman. See *“Risk Factors–Risks Relating to Our Business–Government regulation of the internet, e-commerce, quick commerce, and the food industry (including cloud kitchens) is still evolving, may not yet cover certain aspects of our business, and may change in a manner that could negatively impact our operations, and we may fail to comply with applicable regulations due to the complexity of the regulatory landscape”*.

In addition to this, as of the date of this Prospectus, the Group is not involved in any material judicial, legal or arbitration proceedings (including any such proceedings, which are pending or threatened or of which we are aware) that may have significant effects on the Group’s financial position or profitability.

## **Competition**

The markets in which we operate are intensely competitive and characterised by shifting consumer preferences, fragmentation, and frequent introductions of new services and offerings. We believe that the main food delivery and takeaway platforms we compete with across our eight markets are: Deliveroo, Careem, noon, Jahez and Snoonu. We also compete with all the other channels through which customers are able to order or pick up food or consumer goods, including phone orders, takeaway, and orders on Partners’ direct online channels. See *“Risk Factors–Risks Relating to our Business–We face competition from a wide range of channels, including phone-based services, restaurants, vendors, retailers, franchisors’ direct offerings, third-party online platforms including social media ordering services, e-commerce platforms, our partners providing delivery and pick-up options, and new entrants to the industry, as well as consolidation in the markets in which we operate, which have a significant influence on our revenue and operating margins.”*

## **Recent Developments**

### **InstaShop Acquisition**

Delivery Hero and Delivery Hero FZ-LLC signed a share purchase agreement (“**InstaShop SPA**”) on 11 September 2024 to transfer 100% of the share capital of InstaShop, from Delivery Hero to Delivery Hero FZ-LLC. The agreed purchase price under the InstaShop SPA is approximately USD 31.9 million, which reflects the capital amount of InstaShop (including the subscribed capital and the capital reserves). The closing of the transaction is expected to occur in 2025, subject to the satisfaction of certain conditions. See *“Related Party Transactions–InstaShop Share Purchase Agreement”*.

InstaShop, through its subsidiaries, acts as a e-marketplace that connects users with local stores. As of 30 June 2024, the InstaShop group had approximately 8,800 partners across 20 different sub-verticals. InstaShop, through its subsidiaries, primarily operates in the groceries and retail space in the UAE and Egypt, where customers can order groceries, pharmacy products, beauty items, and other personal products, with delivery times of approximately 30 minutes.

### 3. Statement of capital development

Company's current share capital structure before the commencement of the Offering:

On incorporation in the ADGM on 3 September 2024, the total issued share capital of the Company was USD 100 consisting of 100 ordinary shares with a nominal value of USD 1.00 each, which was subscribed for in full by the Selling Shareholder.

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

On 26 September 2024, the Company issued 75,608,949 ordinary shares with a nominal value of USD 1.00 each to the Selling Shareholder in connection with the transfer of certain entities in the Extended Perimeter Group to Delivery Hero FZ LLC and the settlement of an intra-group receivable held by the Selling Shareholder. This increased the Company's share capital to USD 253,650,000 consisting of 1.00 ordinary shares of USD 1.00 each.

On 9 October 2024, the Company's Shares were re-denominated from USD to AED, with the Company having a share capital of AED 931,529,625 consisting of 253,650,000 ordinary shares of AED 3.6725 each following the re-denomination. Immediately following the re-denomination of the Company's Shares, the Company sub-divided the total share capital from 253,650,000 ordinary shares of AED 3.6725 each to AED 931,529,625 consisting of 23,288,240,625 ordinary shares of AED 0.04 each.

As at the date of this Prospectus, the capital of the Company has been fixed at AED 931,529,625, divided into 23,288,240,625 (twenty three billion two hundred eighty eight million two hundred forty thousand six hundred twenty five) Shares with a nominal value of AED 0.04 each. All Shares are equal in respect of all rights.

The following table illustrates the Company's ownership structure before and after completion of the Offering:

As at the date of this Prospectus –

#### Before Offering

Name	Nationality / Country of Incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
Delivery Hero MENA Holding GmbH	Germany	Ordinary	23,288,240,625	AED 931,529,625	100%

\*Based on the nominal value.

## After Offering

Name	Nationality / Country of Incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
Delivery Hero MENA Holding GmbH	Germany	Ordinary	19,795,004,532	AED 791,800,181.28	85%
Successful Subscribers at Listing	Various	Ordinary	3,493,236,093	AED 139,729,443.72	15%

\*Based on the nominal value.

## Company's capital structure upon completion of the Offering

Upon the completion of the Offering, the Company's paid-up share capital shall be AED 931,529,625, divided into 23,288,240,625 (twenty three billion two hundred eighty eight million two hundred forty thousand six hundred twenty five) Shares with a nominal value of AED 0.04 per Share.

Assuming all of the Offer Shares are allocated and the Offer size is not increased, the Selling Shareholder will hold in aggregate 85% (eighty five per cent) of the total share capital of the Company, assuming that the Selling Shareholder sells all of the Shares being offered and the Offering size is not increased. The Company has presented its plan to SCA for the Selling Shareholder to offer 15% (fifteen per cent) of the total share capital of the Company. The Selling Shareholder reserves the right to amend the size of the Offering and size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the SCA's approval.

<b>No. of Selling Shareholder's Shares:</b>	<b>19,795,004,532 (nineteen billion seven hundred ninety five million four thousand five hundred and thirty two) Shares</b>
<b>No. of total Subscribers' Shares (assuming all Offer Shares are allocated including all tranches mentioned under the Prospectus and the Offer size is not increased)</b>	<b>3,493,236,093 (three billion four hundred ninety three million two hundred thirty six thousand and ninety three) Shares</b>
<b>Total:</b>	<b>23,288,240,625 (twenty three billion two hundred eighty eight million two hundred forty thousand six hundred twenty five)</b>

	<b>Shares</b>
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**4. Statement of the status of litigation actions and disputes with the Company over the past three years:**

The Telecommunications Regulatory Authority (“TRA”) in Oman issued a decision requiring us to register as a postal service provider and obtain the necessary license for postal services, which we appealed by filing an administrative case against the TRA challenging its decision. Subsequently, the TRA filed a criminal case against us before the primary court in Muscat. The TRA’s criminal case against us is currently suspended until the Omani administrative court renders its final judgement. The administrative court ruled in our favour, and accordingly, we view the chances of the primary court ruling in favour of the TRA to be remote. Nevertheless, should the TRA be successful in its claim, we will be subject to additional licensing requirements and fees to be paid to the TRA which could adversely affect our business in Oman.

As at the date of this prospectus, the Group has not been involved in any legal proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had, a significant effect on the Group’s financial position or profitability.

**5. Statement of the number and type of employees of the Group and of its subsidiaries:**

As at 30 September 2024, the Group employed 6,642 full-time employees.

**6. Accounting policies adopted at the Company:**

The Company prepares its accounts in accordance with IFRS as issued by the International Accounting Standards Board and applicable requirements of ADGM rules and regulations.

**7. Statement of Group’s financings, credit facilities and indebtedness and the most significant conditions thereof:**

The Group does not have significant debt financing arrangements with third-party financial institutions. The Group maintains a facility line with HSBC Bank Middle East Limited (the “**HSBC Facility Line**”) through one of its subsidiaries, talabat DB, pursuant to a facility offer letter dated as of 28 March 2023 (as renewed and amended pursuant to the offer letter dated as of 25 June 2024). The HSBC Facility Line is an ancillary facility line within the Credit Agreement dated as of 12 May 2022 by, amongst others, Delivery Hero, Delivery Hero Finco LLC, certain lenders party thereto, and J.P. Morgan SE, as an administrative agent. The total amount of the HSBC Facility Line is EUR 9 million, and it is used for the purposes of issuing letters of guarantees in the ordinary course of business. An additional commercial credit card facility in an amount of AED 200,000 is available under the HSBC Facility Line that is covered by a 100% cash margin.

As at 30 September 2024, the Group has issued letters of guarantees under the HSBC Facility Line to multiple beneficiaries, in a total amount of approximately EUR 7.5 million, with approximately EUR 1.5 million remaining outstanding.

**8. Statement of current pledges and encumbrances on the Group's assets:**

None.

**9. Investment Risks:**

*Investing in and holding the Shares involves financial risk. Prospective investors in the Shares should carefully review all of the information contained in this Prospectus and should pay particular attention to the following risks associated with an investment in the Company and the Shares that should be considered together with all other information contained in this Prospectus. If one or more of the following risks were to arise, our business, financial condition, results of operations, prospects or the price of the Shares could be materially and adversely affected and investors could lose all or part of their investment. The risks set out below may not be exhaustive and do not necessarily include all of the risks associated with an investment in the Company and the Shares. Additional risks and uncertainties not currently known to the Company or which it currently deems immaterial may arise or become material in the future and may have a material adverse effect on the Company's business, results of operations, financial condition, prospects or the price of the Shares.*

**Risk Factors**

**Risks Relating to our Business**

***We face competition from a wide range of channels, including phone-based services, restaurants, vendors, retailers, franchisors' direct offerings, third-party online platforms including social media ordering services, e-commerce platforms, our Partners providing delivery and pick-up options, and new entrants to the industry, as well as consolidation in the markets in which we operate, which have a significant influence on our revenue and operating margins.***

We are the leading on-demand online food ordering, delivery, takeaway and groceries and convenience retail marketplace in the MENA region. We operate an online marketplace that enables customers to order food, groceries and other convenience products from a selection of local restaurants and local shops, such as but not limited to grocery stores, bakeries, pharmacies or flower shops. We face intense competition from both established players and new entrants in our markets. This competition includes:

- traditional offline restaurants and shops providing delivery and pick-up options;
- restaurants, chains and retailers that are increasingly developing their own online ordering and delivery capabilities through websites, mobile applications and social media ordering services;
- "Tech Giants" and large technology companies with significant financial resources, which may choose to enter, or expand their presence in, our markets;
- new local and international entrants that may employ aggressive pricing and marketing strategies to quickly gain market share;
- other online food and grocery ordering and delivery platforms that operate in our markets;

- companies that are integrated across e-commerce, quick commerce, and food order and delivery;
- “SuperApps” offering a wide range of services including food delivery; and
- any other medium available to customers to order, to pick-up or to takeaway food to eat at home, in the office or elsewhere.

The food, groceries and other consumer goods ordering, delivery and takeaway market in our region has been characterised by consolidation, which could lead to the emergence of larger, better-resourced competitors. This consolidation trend may continue, potentially altering the competitive landscape in ways that could negatively impact our market position, thereby materially and adversely affecting our business, financial condition, results of operations and prospects.

Competitive pressures may require us to reduce our commission rates or fees charged to our Partners and customers, increase our marketing expenditures, offer more incentives to our customers and Partners, increase the rates or modify the basis on which we pay or engage with riders, pickers, and third-party logistics providers, and continuously innovate and improve our platform and offerings. These actions could negatively affect our revenue and operating margins. If we fail to compete effectively, we may lose our existing customers, Partners, and riders or fail to attract new ones to our platform.

Our ability to maintain and grow our market share depends on our capacity to adapt quickly to changing market conditions and customer preferences, enhance the user-friendliness and features of our platform, expand our Food Vertical and Groceries and Retail Vertical, invest in our marketing initiatives, and provide reliable and efficient delivery and customer support services. To stay competitive, we believe continuous innovation and technology development is crucial. This requires significant investment in engineering, data science, marketing and research and development. Failure to enhance our platform and customer experiences, and effectively address competitive challenges or maintain our competitive position in our markets could materially and adversely affect our business, financial condition, results of operations and prospects.

***Government regulation of the internet, e-commerce, quick commerce, and the food industry (including cloud kitchens) is still evolving, may not yet cover certain aspects of our business, and may change in a manner that could negatively impact our operations, and we may fail to comply with applicable regulations due to the complexity of the regulatory landscape.***

Government regulation (or the lack thereof) and legal uncertainties could impose administrative and financial burdens on our operations. For example, in Qatar, we experienced public pressure from restaurant owners, who formally complained to the local government about rising costs of commission rates, which caused an investigation by the Ministry of Commerce and Industry (MOCI) and resulted in the imposition of a price cap on commission rates that we can charge and a ban on our delivery registration fees. While such restrictions do not exist in all of our markets, there can be no assurance that such restrictions will not be imposed in the future.

Moreover, as the internet continues to transform commercial relationships on a global scale, and as the use of the internet and mobile devices in everyday life becomes more prevalent, new laws and regulations relating to the internet, e-commerce, quick commerce sectors and the food industry (including cloud kitchens and dark stores) may still be introduced. These laws and regulations may

cover issues such as the collection, use and protection of data from website visitors and related privacy issues, online payments, transparency, pricing, anti-bribery, tax, the commission rates charged to our Partners, content, copyrights, trademarks, origin and distribution and quality of goods and services. New or additional permits, licences or authorisation requirements may also potentially become applicable to us in relation to our FinTech initiatives, such as our postpaid service allowing customers to be billed up to thirty (30) days after the date of purchase. See “*Business—Platform-Wide Operations—Enhancements*”.

Given that these laws and regulations are very local and specific, it is challenging to adopt a global approach to compliance. Each local requirement can be costly and time-consuming to adhere to, especially in light of an ever-changing consumer law framework as well as unstable and unreliable local authorities and legal systems in some of our markets. This complexity can potentially affect our profitability and scale, while also significantly increasing the burden of compliance, making it more difficult to navigate and meet regulatory requirements across the different jurisdictions in which we operate. It is also important to note that there are added complexities of compliance with multiple regulatory bodies (across country) with incongruous or conflicting regulations. Our delivery service may also be classified as a postal service, which could trigger additional licensing requirements. For example, in Oman, the Telecommunications Regulatory Authority (“**TRA**”) has requested that we obtain such a license, which we have contested through the Omani courts. There are ongoing proceedings related to this matter and should the courts rule in favour of the TRA, we will be subject to additional licensing requirements and fees to be paid to the TRA which could adversely affect our business in Oman. Should this classification occur in other markets in which we operate, our profitability may be negatively affected as a result of the additional fees to be paid. In addition, failure to obtain the necessary licenses could expose us to regulatory investigations and legal claims (see “*Business—Litigation*”). In such cases, governmental authorities may take legal action against us, or members of our governing bodies or employees, for non-compliance with postal service regulations.

We also face restrictions and more burdensome obligations to operate a retail business as a foreign-owned entity in some of our markets (see “*—The Group’s business in UAE, Kuwait, Bahrain and Iraq is subject to risks associated with foreign ownership restrictions.*”), which may result in us not being able to operate such business in these respective markets or to find other solutions that may not be as financially advantageous as initially envisaged. In addition, in some of the markets in which we operate, we face constraints in customer delivery fee pricing (including service fees, minimum order values and other pricing mechanisms) as well as rider tipping as they are subject to market-specific regulations and caps. This may increase our costs and/or inhibit our profitability, flexibility in our pricing structure and our competitive position.

Due to the relative novelty of cloud kitchens and delivery-only warehouses, we may face situations where no appropriate licences are available for our Kitchens and tMarts or where significant amount of lobbying from us is required to be able to operate all aspects of our business in those jurisdictions. This may restrict some of our operations in those jurisdictions.

The growth and development of the internet, e-commerce and quick commerce may prompt calls for more stringent consumer protection laws in the MENA region. Any failure to comply with existing and new regulation may lead to significant fines, reputational damage or other restrictions and could materially affect our business, financial condition, result of operations and prospects.

***We may be subject to competition law and related investigations due to the perceived strong***

***market position in some of our current markets.***

We may be considered to have or gain a strong position in the countries where we operate, or which we want to expand to. Accordingly, there are heightened risks that actions we take may be scrutinised under national antitrust and competition laws or merger control clearances we apply for may be rejected by local antitrust or competition law authorities. The Kuwait Competition Protection Authority is currently conducting investigations into complaints, filed by other aggregators in the Kuwaiti market, alleging misconduct in our dealings with Partners. The Kuwait Competition Protection Authority has also brought cases to the Court of Cassation against decisions from the Court of Appeal which nullified the Kuwait Competition Protection Authority's finding of infringement against us. Another lawsuit has been filed in Kuwait by a restaurant against the Ministry of Commerce and Industry, the Kuwait Competition Protection Authority, and us, where the restaurant requests the appointment of an expert to assess the damages resulting from alleged practices such as monopoly, market control and harm to freedom of competition. In the UAE, we received two notices from the Competition and Consumer Protection Department following complaints regarding key partnership clauses (which are clauses in our Partner subscription agreements that grant Partners with a discount on commission fees should such Partners elect to only use our platform to offer their products) (see "*Material Agreements–Subscription Agreements*"). In addition, the competition authority in Iraq has inquired about our operations in this market, although no notice of a complaint has been received.

In a number of countries in which we operate and carry out transactions, antitrust and competition laws as well as competent authorities are relatively new and, therefore, there is a higher degree of uncertainty as to how these laws are interpreted and enforced by these authorities. In some countries, antitrust and competition law enforcement has become more systematic than in the past, leading to an increased risk of allegations of violations of antitrust and competition laws. In general, antitrust and competition laws, and in particular those relating to vertical agreements and merger control notifications, require an ad-hoc assessment, which is always associated with a higher degree of uncertainty.

We cannot rule out that contracts, or some clauses in contracts, that we have entered into or arrangements we have made, including best price, preferred partnership, loyalty rebates or any other restrictive clauses used in the past in certain agreements with Partners are found to violate applicable antitrust and competition laws and regulations or similar laws, and/or are considered unenforceable. If we are found to be in violation of applicable antitrust and competition laws and regulations or similar laws, the competent authorities may require us to remove such clauses and impose monetary fines and/or criminal charges on us or our representatives. In addition, there is a risk in connection with acquisitions of other businesses or sales of our own businesses, of rejection of merger control clearance or that merger control clearance is granted only subject to material conditions, such as divesting of material assets or subsidiaries, which ultimately may have an impact on our operations. Further, there is a risk in connection with acquisitions of other business or sales of our own business that their review of the competent authorities adds delay and transaction risks to our expansion.

If these risks were to materialise, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

***The number and size of orders placed through our platform may be negatively impacted by any deterioration of economic conditions or other instances leading to a decrease in customer spending.***



Our performance is closely tied to economic conditions in the MENA markets where we operate and their impact on customer spending levels. Various factors can affect discretionary customer spending, including general economic conditions and outlook; tax policies; unemployment rates; consumer debt levels; changes in net worth; fluctuations in stock markets, inflation rates, values of real estate, and other asset classes; geopolitical events or uncertainties; energy prices; interest rates; and consumer confidence and shifts in preferences or lifestyle trends.

Changes in these factors can significantly influence customer behaviour. For instance, the introduction of value-added tax (“VAT”) in GCC countries has impacted consumer purchasing power. The recent implementation of corporate income tax in the UAE may further affect business operations and potentially consumer spending patterns.

During periods of economic uncertainty, recession, or when disposable income is adversely affected, customers tend to reduce spending on discretionary items such as online food ordering and quick commerce. This can lead to a decrease in both the frequency and size of orders placed through our platform. The economic challenges resulting from the global COVID-19 pandemic have demonstrated how economic insecurity, lower incomes, and job losses can impact consumer behaviour in our sector. See “*–Natural disasters, industrial catastrophes and health epidemics or pandemics could unfavourably impact our industry and our delivery orders, which could materially adversely affect our financial performance and business.*”

Economic downturns can disproportionately affect small businesses, including many of our Partners, which often lack the substantial resources of larger chains or franchises. If a significant number of our Partners experience declining sales and consequently start reducing their investment in our platform or go out of business due to poor economic conditions and, therefore, do not invest in our platform at all, this could result in a drop in order discounts and deals available to customers on our platform which could, in turn, reduce the attractiveness of our services to potential customers, reduce the number of orders placed on our platform and harm our business and operational results. An economic downturn could also adversely affect, in particular, the smaller third-party logistics providers whom we contract with for rider/picker staffing, resulting in issues with delivery logistics.

Moreover, adverse economic conditions can impact our corporate clients, potentially leading to decreased usage of our platform for corporate food ordering programs. This could further negatively affect our order volumes and revenue.

Our ability to maintain and grow our business depends in part on general economic conditions and our ability to adapt to changes in consumer behaviour during challenging economic periods. Any of these factors could slow the growth of our key performance indicators and materially and adversely affect our business, financial condition, results of operations and prospects.

***Any disruptions of the third-party or internal IT systems that we significantly rely on, and any failure of cyber-security measures may adversely affect our performance, operations, and reputation.***

We rely on complex IT and telecommunication systems to enable our customers to conveniently access our platform and enhance their ordering experience. We also use such technology for processing orders, managing delivery operations, and invoicing. IT and telecommunication systems provided by Delivery Hero and third parties (such as hosting providers and customer relationship

management (CRM) software providers), may be difficult to integrate with other tools due to their complexity, resulting in high data inconsistency and incompatibility. There is no assurance that the IT systems underlying our platform will not temporarily fail.

Insufficient security practices and controls, such as using unprotected software, the use of default credentials or their reuse coupled with the use of cloud services, the use of unauthorised IT tools which are not compliant with IT security standards, inadequate physical protection against unauthorised access and/or manipulation may result in the vulnerability of our IT systems. The increased prevalence of remote work may further exacerbate these security risks. The roll-out of new IT systems to us may be delayed or fail, resulting in insufficient scale to support the potential growth of our business.

Our incident management aimed at identifying operational problems, such as failures in IT programs, may be inadequate. Any failure of, or disruptions to, our IT systems may adversely affect our performance and may lead to a loss of revenue and reputation. Despite our security practices, cyber-attacks might lead to a loss of revenue due to the platform being unavailable for potential customers and could also lead to data protection violations. Our technical know-how about cybersecurity may not always result in a full implementation of a coordinated and centrally controlled cybersecurity policy framework and monitoring of its adherence.

Should algorithms suffer from a programming failure or should our IT systems be subject to a disruption, this may leave us unable to deliver food, groceries and other consumer goods on time or result in misallocations of orders, ultimately negatively affecting our performance and reputation. Any system outages affecting the operation of telecommunications or the internet may restrict the ability of customers to access our platform or Partners and our ability to process orders. Such failures could significantly impact customer trust and loyalty, potentially leading to long-term negative effects on our business.

When carrying out a review of the IT security and data protection requirements in connection with selecting suitable suppliers, we cannot guarantee absolute protection of the confidentiality, integrity, and availability of the data processed and stored on these third-party systems. Any leakage of sensitive information could lead to a misuse of data, violate applicable privacy, data protection and other laws, cause significant legal and financial risks and negative publicity, and adversely affect our business and reputation.

We rely significantly on technology infrastructure and systems provided by Delivery Hero. See “—*We are subject to risks in connection with our dependency on Delivery Hero.*”. This dependency means that any disruptions or security breaches in Delivery Hero's systems could directly impact our operations and, in turn, our reputation. Our ability to quickly respond to and resolve IT issues may be limited by our reliance on our parent company's technical support and expertise.

While we are continuously working to improve our IT systems and cybersecurity measures, including regular security audits and employee training, the rapidly evolving nature of cyber threats means that risks in this area remain significant and ongoing. If any of these risks were to materialise, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We may face online security breaches and service disruptions due to hacking, viruses, fraud, and malicious attacks and may have to devote significant resources to protect our technology***

**and IT infrastructure.**

We operate websites, networks, payment solutions, and other data systems through which we collect, maintain, transmit, and store information about our Partners, customers, suppliers, and others, including credit card information and personal information, as well as other confidential and proprietary information. We also employ third-party service providers that store, process, and transmit proprietary, personal, and confidential information on our behalf. Furthermore, we rely on encryption and authentication technology licensed from third parties in an effort to securely transmit confidential and sensitive information, including payment details such as credit card and current account details. Our reliance on Delivery Hero's technology infrastructure extends to many of these critical systems, including payment solutions and data storage. While this allows us to benefit from Delivery Hero's robust security measures, it also means that we are vulnerable to any security breaches or data protection issues that may occur at the parent company level. See “—*We are subject to risks in connection with our dependency on Delivery Hero.*”.

Our Partners and customers rely on the security of our websites, networks, other data systems, backend, and IT infrastructure and the protection of any third-party data. We take steps to protect the security, integrity, and confidentiality of the information and user data we collect, store, or transmit, but regularly record attempts to break into our systems. However, we may not always be successful in preventing security breaches or hackers from accessing personal data. In December 2022, we were hacked by an external attacker in Norway who gained access to the personal data of 144,469 customers in one of the markets in which we operate. Upon learning of this external attack, we informed the competent data protection regulator, which launched an investigation, and we were required to pay a penalty of USD 150,000. Should we fail in preventing any security breaches or hackers from accessing personal data in the future, we may be required to apply additional prevention and detection tools or be liable to pay significant fines.

Advances in computer capability, new technological discoveries, or other developments could increase the frequency or likelihood of security breaches. In addition, security breaches can also occur as a result of non-technical issues, including intentional or inadvertent breaches by current or former employees or by persons with whom we have commercial relationships. Security breaches may also result where our internal security practices are inadequate or where we have an inadequate IT architecture to prevent or detect or limit the effects of external attacks. Our access management regarding our data systems is still evolving and may prove insufficient, resulting in, for example, misuse, loss, leakage, or damage of data, or unauthorised access to sensitive data and systems, or manual inputs into systems leading to inaccurate data. A leakage of customer, Partner or employee data caused by hacking attacks, inadequate data protection, or a former or current employee with access to customer or Partner data, could lead to a misuse of data, for example, in the form of unsolicited emails or other communications based on spam lists fed with such data. Inefficient management of administrator and user accounts may increase the risk of fraud, disclosure, and malfunctions.

The significant resources we devote to protect against security breaches, including, inter alia, an information security team specialised in all relevant areas of security domains, including security incident response, application security, and security compliance, may not be sufficient to anticipate or continue to prevent all types of attacks and techniques used to obtain unauthorised access to our systems. Since these techniques change frequently and are often only recognised after they are launched against a target, we may also not have the technical sophistication to provide adequate

protection at all. Therefore, we cannot guarantee that inadvertent or unauthorised use or disclosure will not occur, or that third parties will not gain unauthorised access to this information despite our efforts. Any such breach or unauthorised access could violate applicable privacy, data security, or other laws and result in significant legal and financial exposure, a loss of confidence in the security of the products and services we offer, regulatory action against us by public authorities, and may damage our reputation (through social media or otherwise), including the reputation of the companies not directly affected by the security breach, which could in turn have a material adverse effect on our business, financial condition, results of operations and prospects.

***The growth and success of our industry depends on the continued growth of e-commerce and quick commerce as marketplaces, the corresponding channel shift from offline to online and mobile devices, the development of new technologies as well as customers' acceptance of online aggregator platforms, all of which may not develop as experienced in the past.***

Our growth depends to a large extent on the growth of the internet and mobile devices as channels for online customer transactions in the markets in which we operate. The food, groceries and other consumer goods ordering, delivery and takeaway market is likely to continue growing only if acceptance of the internet and mobile devices as retail channels continues, and if we can maintain the availability, functionality and user-friendliness of our platform to gain new Partners and new customers. Even if our customers and Partners desire to make use of the internet for e-commerce, quick commerce, and other transactions, the difficulties of developing mobile infrastructure and, at times, electricity outages or unreliable internet networks in some of the markets in which we operate, such as Egypt, may limit their ability to do so and may limit our growth opportunities.

There is no guarantee that the markets in which we operate will continue to grow at rates experienced in the past. Customers may not readily adapt to, or continue to adapt to, the use of online channels for food and non-food ordering, delivery or takeaway. Competitors may provide alternatives or substitutes for the current form of ordering online food and everyday items that could render our business obsolete. Moreover, the demand for ordering convenience articles online to be delivered in a particularly short time frame may not be as high as we expect.

In addition, disruptive technological innovations may modify the sector in which we operate and impact our current business model if we are not able to keep up with the relevant pace. New generations of customers and Partners might expect different technological applications and solutions we may not be able to provide or successfully integrate into our business model. For example, as the transition we have undergone from a pure marketplace business to a marketplace with our own delivery capabilities implied significant technological developments and challenges already, any innovative delivery models (e.g., drones and robots) may require us to undergo new technological challenges and developments in the future, which we may not be able to implement successfully into our business model, potentially adversely impacting our operations and financial performance. If our growth slows down, this may adversely impact our business, financial condition, results of operations and prospects.

***We rely on third-party logistics providers for delivery and order fulfilment services.***

We rely heavily on third-party logistics providers to fulfil and deliver orders to our customers. While this arrangement allows us to scale our operations efficiently, it also exposes us to certain risks:

- **Compliance with Local Laws:** Although we do not directly employ the majority of the riders and pickers, we cannot guarantee that our third-party logistics providers are always compliant with all applicable local laws and regulations regarding sourcing, employment, work permits and licensing, working hours and breaks management, minimum wage, on-time and complete payments to riders and pickers and social security contributions. Any non-compliance by these providers could indirectly affect our operations and reputation.
- **Quality Control:** As these riders and pickers wear talabat-branded outfits, customers associate them directly with our brand. We have limited control over the hiring, training, roadworthiness and day-to-day performance of these riders, which could lead to inconsistent service quality and potential reputational damage. While we conduct rider criminal record checks in markets where it is mandated, and have policies against harassment, we may not be able to fully eliminate such risks.
- **Legal and Reputational Risks:** While the primary liability for the riders and pickers rests with the third-party logistics providers, we cannot rule out the possibility of us becoming a party to investigations and/or legal proceedings or us facing reputational risks due to the actions of riders, pickers or third-party logistics providers. There is a risk that riders or pickers might attempt to claim an employment relationship with us, especially if they are unsatisfied with their terms of engagement with the third-party logistics provider as well as the risk that third parties may try to make us liable for certain employment benefits for riders or pickers.
- **Operational Dependency:** Our heavy reliance on these third-party logistics providers for our core delivery and onground operations staff exposes us to risks if these providers face operational issues, labour disputes, or financial difficulties. Any disruption in their services could significantly impact our ability to fulfil customer orders. In addition, if the third-party logistics providers do not perform their services adequately or terminate their relationship with us, our costs may increase and our business could be interrupted.
- **Regulatory Scrutiny:** As regulations evolve in the MENA region, there's a risk that authorities may scrutinise the relationship between platforms like ours and the riders or pickers who deliver or fulfil through our platform, even if they are employed by third parties. Changes in regulations or their interpretation could force us to alter our business model or face increased costs. There may also be changes in regulation affecting the admittance of certain nationalities (including the nationalities from which the majority of our riders or pickers originate) from into the countries in which we operate.
- **Cost Fluctuations:** Our agreement with third-party logistics providers may be subject to price fluctuations based on market conditions, fuel costs, and labour availability and regulatory requirements. Significant increases in the costs charged by these providers could impact our profitability if we are unable to pass these costs on to customers. Alternatively, operating cost fluctuations due to the aforementioned may put these third-party logistics providers out of business or cause cashflow problems.
- **Supply and Demand for Riders:** To provide a high-quality service to our customers, we

require effective operations to maintain a balance between supply and demand for riders in any given area at any given time. With the increase in customer orders, the number of riders available to us may be at times insufficient to cover the increase in demand.

- **Supply and Demand for Pickers:** To effectively manage store operations and cost efficiencies, we require accurate store-level order forecasting and shift allocations within most large-format grocery Partners to ensure we minimise idle picking time and also picker assignment time. With the volatility in order patterns across hours, days and stores, we may not be able to scale this as dynamically with third party providers.
- **Concentration Risks:** In some markets, a few third-party logistics providers represent a significant share of the rider fleet or onground operations staff, exacerbating the operational dependencies outlined above. On the other hand, we have contractual agreements with a large number of such third-party logistics providers in some markets, which may result in logistical challenges. For example, the largest third-party logistics provider in Jordan represents approximately 20% of the rider fleet in that market. In other markets such as Bahrain, Qatar, Oman, Iraq and Egypt, the top seven third-party logistics providers represent approximately 50% of the rider fleet in their respective markets.
- **Scalability Issues:** As we may expand into new markets, there is a risk that our current or new third-party logistics providers may not be able to scale their operations at the same pace, leading to potential service disruptions or delays in market entry.

While we strive to manage these risks through careful selection of our third-party logistics providers and ongoing monitoring of their performance, the nature of this arrangement means that some level of risk is inherent in our business model. Any of these risks materialising could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We face risks related to disruption and labour disputes.***

In May 2022, we experienced significant disruption to our operations in Dubai when hundreds of delivery riders, including many of our riders (the vast majority of whom are contracted through our third-party logistics providers), participated in a strike (which was initiated by riders working at other platforms). We also experienced rider disruptions on a smaller scale in other markets in which we operate such as Jordan, Egypt, Oman and Iraq. While we were able to resolve the immediate issues and resume normal operations, this incident highlighted our vulnerability to labour disputes, particularly when we do not directly employ our riders. In addition, we have established a monthly feedback loop for riders to share any variances in their received compensation from their third-party logistics provider. However, these measures may not be sufficient to prevent future disruptions or labour disputes.

Any future disruptions or labour disputes could significantly interrupt our ability to fulfil orders, potentially leading to substantial revenue losses and damage to our reputation for reliability. Even though the vast majority of our riders and pickers are employed by third-party logistics companies, any labour disputes are likely to be associated with our brand in the public eye given most of the riders delivering talabat orders carry our branded delivery bags and wear talabat-branded kit, potentially damaging our reputation with customers and Partners.

Labour disputes may attract increased attention from regulatory bodies, the media and the public,

potentially leading to new regulations or enforcement actions that could impact our business model or increase our operational costs. Although the vast majority of our riders are employed by third party logistics providers, we may be reclassified as the *de facto* employer of such riders and pickers in such labour disputes, which may result in us becoming liable under such claims. Resolving labour disputes may require financial concessions, either directly from us or through our third-party logistics providers, which could impact our profitability.

Labour unrest can lead to reduced motivation among riders and pickers, potentially impacting the quality of our delivery service. Recurring labour issues could cause instability in our delivery network, making it difficult to maintain consistent service levels across our markets.

While we are committed to ensuring fair treatment of all riders associated with our platform and have implemented measures to monitor their working conditions, we cannot guarantee that we will not face future disruptions or labour disputes. Our ability to maintain positive relationships with riders, even as they are employed by third parties, and to quickly and effectively resolve any disputes, will be crucial to mitigating these risks. The occurrence of such events could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We depend on the performance and enhancement of the reputation of our brand. Any failure or misconduct by us, our parent company, our Partners, or our riders and pickers may harm the reputation of our brand, impair the success of future marketing efforts or other promotional activities, and may negatively affect our profitability.***

The e-commerce and quick commerce industries typically favour the participants with the strongest brands. While it may be possible for less-established brands to operate profitably, the best-performing and best-known participant typically captures a very large share of the market. Developing and maintaining the reputation of our brand is of central importance to our success. The recognition and reputation of our brand among our customers and Partners are critical factors for the growth and success of our business, are determinative for our marketing spending and customer acquisition costs, and are essential to maintaining our competitiveness in our markets. Any negative impact on the reputation of our brand may negatively affect our profitability in many ways, including by forcing us to cease cooperation with profitable Partners or significantly reduce the commission rates charged to our Partners. In addition, customers may also boycott the talabat platform or certain foreign products or brands which we view as high value Partners on our platform. For example, customers in Kuwait have been boycotting certain brands starting from the latter months of 2023, which reduced the number of orders on our platform and negatively affected our performance. Some markets may have infrastructure and technology limitations, affecting our ability to provide consistent service quality.

To maintain and enhance our brand, we have to take into account several factors, including, for example, our ability (i) to provide a high-quality and efficient online food delivery and takeaway experience, (ii) to maintain and improve the attractiveness of our offering, platforms, and the Partners listed there, (iii) to increase our brand awareness, (iv) to continuously innovate our offerings, such as products from tMarts, and adapt them to the changing preferences of our customers, (v) to preserve our reputation and the goodwill of our customers and business Partners in the event of any negative publicity regarding our offerings or the industry we operate in, (vi) to effectively manage our relationships with Partners and riders, (vii) to navigate regulatory challenges that may affect our operations, and (viii) to ensure consistent and reliable customer service. Additionally, new or changing

advertising and other brand-building activities of other platforms may require us to significantly increase our marketing expenditure more than we currently anticipate, which would materially adversely affect our margins.

Any failure or misconduct by us, our parent company, our Partners, riders, pickers or the third-party logistics providers, such as money laundering, tax evasion, food contamination, the violation of food hygiene or food-labelling regulations, offering bad customer service quality, or systemic problems in the food industry, and our riders or riders of third parties, such as late deliveries, accidents caused by them, misbehaviour vis-à-vis customers, or mismanagement of rider administration, or misuse of customer data they have typically access to, as well as other negative publicity related to us (such as public opinion regarding the level of our commission rates charged to our Partners or vouchers not working properly) could damage our reputation, diminish the value of our brand, undermine the trust and credibility we have established for ourselves, and have a negative impact on our ability to attract new or retain existing customers and to enter new markets or sectors (see “—*We are exposed to risks in connection with actual or alleged infringements of product labelling, safety, hygiene and public health regulations and of the food, groceries and consumer products ordering and delivery industry, including regulation relating to warehouse and storage infrastructure.*”). The risk of reputational damage due to human error or misconduct may increase if we grow and expand our business, as the quality of customer care processes or service quality may suffer. Employees who have been terminated may feel treated unfairly and could intentionally harm our business, such as by sharing or destroying information or other assets. Our IT systems, for which we rely significantly on Delivery Hero to provide (see “—*We are subject to risks in connection with our dependency on Delivery Hero.*”), may not always work reliably and the integration of Partners and order processing may not be seamless, leading to a delay in order fulfilment or an increase in the number of orders not being fulfilled at all. Also, the Partners in our network may be unable to provide and deliver food or groceries and other consumer goods if order volumes increase.

In our marketing efforts, we are highly reliant on direct traffic (i.e., visitor frequency of our online marketplace and listings of our Partners without them having paid or advertised for such listing), which is influenced by the strength of our brand and can be negatively influenced by the insufficient performance of our Partners, which will be perceived by our customers as a product directly provided by us. We have devoted, and will continue to devote, time and resources to marketing and customer relations, but our marketing efforts and other promotional activities may not achieve the expected results. Promotion and enhancement of our brand is also expected to depend on our success in providing a positive experience for customers ordering food or groceries and other consumer goods through our online marketplace and an efficient and effective service for Partners seeking orders through the additional channel. Moreover, we rely heavily on social media for brand promotion and marketing, and any negative publicity or reputational damage may be accelerated through social media due to its immediacy and accessibility as a means of communication.

In addition, our Partners may violate our terms of business or engage abusive practices against our platform or our riders, which could expose us to liability or damage our reputation or brand. Customer complaints about our platform, delivery issues, privacy or security practices, pay model or any changes to our technology or offerings, whether accurate or otherwise, could adversely affect our reputation. Moreover, negative publicity about Delivery Hero could also negatively affect us, even if the publicity is not directly related to us.

If we are not able to protect the reputation of our brands and make successful marketing efforts as



well as other promotional activities in the future, this could adversely affect our future growth and competitive position in the markets in which we operate, which could in turn have a material adverse effect on our business, financial condition, results of operations and prospects.

***We face the risk of fraudulent conduct by customers, Partners, third party logistics providers, riders and pickers in our network, which could negatively affect our operations and reputation.***

We may experience various forms of fraudulent and other criminal conduct by customers, Partners, third party logistics providers, riders and pickers in our network, potentially leading to a negative financial impact on our operations and profits. Our customers may use stolen credit cards or counterfeit credit cards based on stolen credit card information in connection with the payment for food, groceries or other consumer goods. We are particularly vulnerable to fraudulent charges as we usually carry the risk for fraudulent payments. We are typically required to refund the customers involved should they dispute the charges to their cards, even if the claim of the customer is unsubstantiated. In addition, high levels of payment card fraud could force us to comply with additional requirements or to pay higher credit card and debit card processing fees or chargebacks or fines or, also, ultimately cause us to lose our permission to process payment cards. Furthermore, permitting further online payment options may increase the risk of fraud.

Partners in our network may engage in fraudulent conduct or collude with customers, riders and/or pickers in order to get monetary benefits. For example, Partners in our network may make false claims under vouchers provided by us in the course of marketing efforts, allowing customers to order food, groceries or other consumer goods at reduced rates and, at the same time, obligating us to refund the Partners a part of the order value in the nominal amount of the voucher. Alternatively, existing customers could also create fake profiles to get vouchers reserved for new users or place false orders and then again cancel such in order to receive commissions. Such misuses of vouchers or orders would allow Partners in our network to benefit from unjustified payments by us. Similar methods of fraud may arise for cash payment orders, where the collusion is between the Partner and riders. It cannot be precluded that there will not be instances of fraud in the future and that we will have sufficient anti-fraud management systems in place. Our Partners could also commit fraudulent acts directed at our customers, thereby damaging our reputation. Therefore, any fraudulent conduct by the Partners in our network or by our customers could negatively affect our business, financial condition, results of operations and prospects.

***In order to attract new and retain existing customers, it is important that our brand appears prominently in internet and app stores search results. Changes to internet search engines' or app stores' algorithms or terms of service could cause our websites or mobile app to appear less prominently in search results.***

The majority of our customers access our platform through our mobile application. A significant number of customers access our websites by clicking on a link contained in search engines' organic search results. Transactions effected by these customers result in higher gross margins, as there are lower associated direct costs. Search engines do not monetise their organic search results and instead rely on algorithms to determine which websites are included in the results of a search query.

We have App Store Optimisation (“**ASO**”), which is used by companies to improve the visibility and conversion rate of their applications in the mobile application stores. We believe ASO is a critical factor for the success of our mobile application and should Apple or Google change their algorithms

on where our mobile application shows up when searching for terms related to our business (such as “food”), we could see a decline in our mobile application downloads. Additionally, new channels such as ChatGPT could direct customers towards other platforms. We rely on mobile operating systems and mobile application marketplaces to reach our Partners and customers. If we are unable to secure favourable placements or maintain high user ratings, the usage of our mobile application, brand recognition, and business performance could decline, which could, in turn, materially adversely affect our business, financial condition, results of operations and prospects.

In addition to ASO, we endeavour to enhance the relevance of our websites to common customer search queries and thereby improve the rankings of these websites in organic search results, a process known as “search engine optimisation” (or “**SEO**”). Search engines frequently modify their algorithms and ranking criteria to prevent their organic search results from being manipulated, which could impair these SEO activities. These algorithms and ranking criteria may be confidential or proprietary information, and we may not have complete information on the methods used to rank our websites. If we are unable to quickly recognise and adapt our techniques to such modifications in search engine algorithms or if the effectiveness of our SEO activities is affected for any other reason, we may need to increase our spending on other forms of marketing or may potentially suffer a significant decrease in traffic to our websites.

Search engines may also prohibit the use of any software, process, or service that sends automated queries to determine the ranking of a website or webpage (an important tool in developing successful SEO techniques), or the use of particular methods deemed by the search engine to be manipulative or deceptive. A violation of a search engine's terms of services may result in a website's exclusion from that search engine's organic search results. If a search engine were to modify its terms of service or interpret existing or modified terms of service in a manner such that the SEO practices we employ were deemed to violate such terms, our websites could be excluded from the search engine's organic search results. Such exclusion could significantly reduce our ability to direct higher-margin customer traffic to our websites, thereby increasing customer acquisition costs and could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We rely on social media, digital marketing, email and other messaging services in our marketing efforts, and restrictions on sending emails or messages, delays in their delivery, adverse actions by third parties, or a declining use of social networking and messaging services could adversely affect our business.***

We depend upon social media, digital marketing, email and other messaging services to promote our sites and products. We circulate emails and alerts and publish online announcements to inform our customers of the offerings on our online marketplace, and we believe these communications help generate a substantial portion of our revenue and growth. If we are unable to deliver our communications to our customers, if such messages are delayed, or if customers do not open them, if the content fails to capture their interest, if messages are flagged as spam or blocked by filters, our revenue and profitability could be materially adversely affected. Changes in how webmail apps organise and prioritise email could reduce the number of customers opening emails from us. For example, Alphabet Inc.'s Gmail service organises incoming emails into categories (e.g., primary, social, and promotions). Such categorisation or similar inbox organisational features could result in messages sent by us being shown as “spam” or lower priority to our customers, which could reduce the likelihood of customers opening or responding positively to them. Actions by third parties to block, impose restrictions on, or charge for the delivery of emails or other messages, as well as legal or

regulatory changes limiting our right to send such messages or imposing additional requirements on us in connection with them, could impair our ability to communicate with our customers using emails or other messages. The use of email and other messaging services by us could also result in legal claims against us, which could increase our expenses and potentially expose us to additional liability.

We also rely on social networking and messaging services to communicate with our customers. Changes to the terms and conditions of these services could limit our promotional capability, and there could be a decline in the use of such social networking services by customers and potential customers.

In addition, we rely on third-party service providers to deliver emails, and delays or errors in the delivery of such emails or other messaging could occur and are largely beyond our control. The use of third-party solutions can also lead to incorrect implementation. In the past, this has led to customers, whose accounts had already been deleted automatically, creating a new account by reopening the mobile application. Such and similar technical problems cannot be completely ruled out in the future despite careful monitoring and the implementation of appropriate technical and organisational measures. If we do not manage to use email and other messaging services as part of our marketing efforts effectively and in a data protection-compliant way, we could fail to build and maintain a loyal customer base and to expand our relevance in the markets in which we operate, which could adversely affect our business, financial condition, results of operations and prospects.

***There may be a decrease in demand in e-commerce and quick commerce ordering in the event of a change in customer behaviour due to diseases and other health-related concerns.***

In recent years, various health-related concerns associated with food products have emerged globally, including in the MENA region. These concerns can range from foodborne illnesses to broader public health issues that may impact food production, handling, or consumption. While specific outbreaks may vary by region, the potential for health-related concerns to affect the food industry remains a constant risk.

Any outbreak of diseases or other widespread health-related concerns could have multiple impacts on our business. It could increase costs for our Partners or for us in sourcing alternative suppliers, contracting riders, other business disruptions that affect our workforce or implementing additional safety measures. Such outbreaks may have an adverse impact on customer demand, preferences, and ultimately customer spending. Furthermore, they could lead to increased regulatory scrutiny and compliance requirements in the food, groceries and other consumer goods ordering, delivery and takeaway market and may result in temporary closures of restaurants, food preparation facilities, or local vendors, or inoperability of the rider fleet, in each case, disrupting our supply chain.

A widespread outbreak of any disease or health concern, particularly one associated with food products, in the countries and regions in which we operate or elsewhere, could have an adverse effect on our Partners' ability to operate and maintain quality standards, the number of customers ordering through our platform, and the general economic conditions in our markets. Moreover, even in the absence of actual outbreaks, public perception of health risks associated with certain foods or food preparation methods could lead to changes in consumer behaviour that negatively impact our business.

Our ability to respond quickly and effectively to such health-related concerns, including implementing

additional safety measures and reassuring customers, is crucial to maintaining trust in our platform and services. However, despite our best efforts, we may not be able to fully mitigate the impact of such events on our business, which could materially affect our business, financial condition, results of operations and prospects.

***If we fail to retain our existing customers and Partners or to attract new customers and Partners, our marketing spend may increase and our business as well as our results may be negatively affected.***

The development and growth of our business is dependent on our ability to retain our existing customers and Partners and to attract new customers and Partners. The growth rates for the number of orders and gross merchandise value may slow down in the future, even if we continue to add active customers on an absolute basis and expand into new markets. Although we believe that many of our new customers originate from word-of-mouth communication, social media, and other non-paid referrals from existing customers, and although we seek to unlock the benefits from a virtuous circle driven by the interdependency of an increasing number of customers and Partners, we expect to continue to incur costs to acquire additional customers. The increase in Partners attracts more customers to our platform and the increase in customers attracts more Partners. This network takes time to build and may grow slower than we expect or that it has grown in the past. If we fail to retain either our existing Partners, especially our most popular Partners, or customers, the value of our network would be diminished. In order to remain competitive and retain existing customers and Partners or attract new ones we may maintain or lower our commission rates and fees or maintain or increase our incentives, discounts, and promotions in order to remain competitive. Such efforts could reduce our margins and in turn negatively affect our financial performance. There are also no guarantees that such efforts will be successful in retaining or attracting new customers and Partners.

We currently rely on a variety of online and offline marketing channels, including costly basic marketing techniques such as advertisements, flyers, vouchers or delivery fee reductions or free delivery coupons for new and existing customers. However, competitors may decide to spend significant amounts on marketing, and we may be required to increase our marketing budget in order to defend our market. While our marketing budget is typically set and allocated based on a return-driven approach, we may decide to adapt our allocation or increase our marketing budget without regard to return targets if competitors increase their marketing efforts in a certain country or region, depending on the potential effect of our contemplated marketing efforts and the general competitive landscape. We may also exceed our expected marketing budget. However, we may not be able to reliably measure the effectiveness of our marketing campaigns due to our data being inaccurate or due to no data being available. There is no assurance that the revenue from our existing customers or customers we acquire will ultimately exceed the cost of acquisition. Any failure to ratchet up marketing effectiveness may adversely affect our financial performance and results of operations. In addition, if we are unsuccessful in attracting and retaining popular Partners, if Partners cease to invest in our platform or enter into exclusive arrangements with other platforms, if we fail to negotiate satisfactory terms with Partners, or if we ineffectively manage our relationships with Partners, our business, financial condition, results of operations and prospects could be adversely affected.

***We rely on key commercial relationships and the loss of such relationships could adversely affect our business.***

We partner with various national and global brands in each of our Food Vertical and Groceries and

Retail Vertical and in each of the markets in which we operate. Our ability to renew existing contracts with Partners (see “*Material Agreements*”), incorporating key partnership clauses, or to enter into new contractual relationships, either on commercially attractive terms or at all, depends on a range of commercial and operational factors and events, including our ability to offer a competitive and compelling commercial package, the ability of the parties to reach agreement as to pricing, or service levels, and the commercial decisions of such counterparties, any of which may be beyond our control.

If (i) we are unable to maintain our existing contracts with key Partners (i.e. Partners which contribute towards the generation of a significant share of our revenue), (ii) we are unable to enter into agreements with new key Partners, (iii) we are unable to enter into new agreements with existing key Partners because we are unable to agree mutually acceptable commercial terms, (iv) our selection no longer appeals as strongly or at all to our consumers over time, (v) key Partners experience disruptions in their supply chains, affecting the availability or quality of their products, or (vi) regulatory changes impact our ability to contract with certain key Partners or influence the terms of our agreements, in each case in both our Food Vertical and Groceries and Retail Vertical, this could lead to reduced sales, lower margins, or a loss of existing customers and difficulties in attracting new customers, which could in turn have a material adverse effect on our business, financial condition, results of operations and prospects.

***We may not be successful in identifying, onboarding, and retaining new Partners and replacing the same is a time-consuming and costly process, and we may not be able to recoup our investments.***

Our customers expect to have a choice from a broad variety of culinary offerings from a large number of restaurants, local shops, and tMarts. In order to provide an appealing variety of offerings on our online marketplace, we need to identify Partners that provide quality products in a timely manner. The process of identifying and onboarding Partners is time-consuming, costly, and includes many manual steps, such as engaging in negotiations with Partners and the execution of contracts, so that other platforms may be faster in finalizing the onboarding of new Partners. Once identified, we engage in discussions with these Partners on the basis of our terms and conditions. If they agree to these terms and conditions, we onboard the Partners. This process often includes investments in point-of-sale equipment and other investments in the Partners, especially sales efforts. There can be no assurance that our investments will pay off. In particular, due to limited testing of the Partners’ offerings at the time of onboarding, we cannot be certain that Partners will perform well on our platform and are well-liked by customers for reasons such as poor quality, inconsistent product availability, higher prices, poor customer service, failure to meet specific customer preferences or long delivery times. Poorly performing Partners can damage the reputation of our brands. Accordingly, we seek to eliminate these Partners from our platform (either temporarily as a mechanism to improve their operational performance, or altogether), which means that we will not be able to recoup our investments in them. In addition, we must look out for suitable replacements to be in a position to offer our customers a sufficiently broad selection of Partners. However, there can be no assurance that we find suitable replacements or that potential replacement Partners are willing to work with us.

While our contractual arrangements with our Partners in most markets require that Partners maintain competitive prices on our platform, we may not be able to accurately monitor changes made by our Partners to their products’ prices, leading to a discrepancy between the price of the product offered on our platform and offline directly by our Partners or through other platforms. We also cannot prevent Partners from joining multiple online platforms and from offering their products via other channels.

Most of the Partners in our network are free to discontinue their cooperation with us at short notice. This factor becomes more relevant as the number of active Partners in our network and intensified competitive pressure on the market grows, potentially increasing the churn rate of Partners. Partners may also be unsatisfied with the sales volumes through our platform, commission rates or the association with our brand. If a substantial number of Partners discontinue their cooperation with us, we may be faced with significant extra costs to find replacement Partners or may even have to discontinue servicing a certain geographic area. A loss of well-performing Partners or key account Partners may lead to a loss of customers, which could also impair our bargaining power in negotiations with new Partners or groups of restaurants or local shops. Even if a Partner does not discontinue their cooperation with us, it may decide to cease to invest in our platform. In addition, if Partners on our platform are subject to any operational risks that lead to the temporary or permanent suspension of their business, if they experience financial distress or additional operating expenses, or if they wish to negotiate the commercial terms of their dealings with us, this will affect our relationship with such Partners. Some Partners may not be in full compliance with their legal requirements, and would, therefore, not pass our onboarding requirements, while other platforms may accept to onboard such Partners. Consequently, for the foregoing reasons, we may have to provide fewer options to customers on our platform, which may materially and negatively affect our revenue. Moreover, if we are unable to attract Partners with high customer demand for any reason such as competitive factors, the existence of exclusive arrangements with other competing platforms, or the inability to negotiate favourable commercial terms, we may not be able to attract or retain such Partners, which in turn would lead to the inability to attract and retain customers. See “—*If we fail to retain our existing customers and Partners or to attract new customers and Partners, our marketing spend may increase and our business as well as our results may be negatively affected.*”.

Any of these risks would have a material negative effect on our business, financial condition, results of operations and prospects.

***We rely on our Partners for many aspects of our business, and any failure by them to maintain their service and quality levels could harm our reputation and business. If the operations of our Partners on our platform were to be disrupted, we may not be able to satisfy our customers' demands.***

We rely on our Partners, varying from small and local independent businesses to multinational franchises, to provide food, groceries and other consumer products to customers of our online marketplace. If these Partners experience difficulty servicing our customer demands, producing a certain quality of food, particularly in light of the risk of food poisoning, providing timely delivery as well as good packaging and service, or meeting other requirements or standards, our reputation and brand could be damaged. While we seek to eliminate weak performers from our network, there can be no assurance that we detect performance issues or that these will be addressed in a timely and effective manner. Partners that have received poor reviews or failed health or hygiene inspections may try to cover up such breaches by changing their name or setting up aliases and operating under multiple names in order to rid themselves of any bad reputation and to induce customers to place orders with them without making any changes to their operations. Since we do not check systematically whether Partners operate under multiple names or brands, we bear the risk that our compliance teams cannot detect Partners with poor performance or that do not satisfy our standards.

If Partners in our networks were to cease operations either temporarily or permanently, face financial distress or encounter other business disruption, or if our relationships with Partners in our network

deteriorate, we may not be able to provide customers with sufficient Partner selection. This risk is more pronounced in areas where we have fewer Partners, e.g. the outskirts of city centres, new communities, or cities where we recently launched operations. Also, Partner operating costs could increase, causing Partners in our networks to raise prices or cease operations. Any increase in prices could lead to a decrease in order volume. In many cases, these Partners may not be able to pass along increased costs to their customers and, as a result, may cease operations, which could also harm our profitability and results of operations. Any failure by the Partners in our networks to maintain their service and quality levels could harm our financial performance and could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We are subject to risks in connection with our dependency on Delivery Hero.***

As an indirect wholly-owned subsidiary of Delivery Hero, we have historically relied on Delivery Hero for the provision of technology, support services, infrastructure and certain personnel and intend to continue relying on Delivery Hero's provision of such services after Listing. Prior to Listing, we entered into a corporate services agreement with Delivery Hero on an arm's-length basis (see "*Related Party Transactions—Corporate Support Services Agreement and Services Agreements*"). The agreement sets out the terms, conditions and pricing for Delivery Hero to provide certain corporate services to us, including access to Delivery Hero's tech stack for back-end technology, logistics systems and HR services. If Delivery Hero were to fail to provide us with the support services we currently rely upon under the corporate services agreement, we would be required either to contract with another provider of these services, or to develop the capability to perform these services internally, either of which could take a considerable amount of time and increase our costs. In such circumstances, we may not be able to cover our needs at all, or at the same or commercially acceptable costs. Additionally, our reliance on Delivery Hero's tech stack for critical back-end technology could pose significant operational risks if there were disruptions or if we needed to transition to a different system. See "*—Any disruptions of the third-party or internal IT systems that we significantly rely on, and any failure of cyber-security measures may adversely affect our performance, operations, and reputation.*"

Prior to Listing, we also entered into the DH Group Treasury Management Agreement with Delivery Hero and a cash pooling bank, pursuant to which (a) the Group will seek to enhance the return on our surplus cash by benefitting from Delivery Hero's scale and centralized procurement power, (b) the Group will aim to streamline its internal treasury operations, (c) Group companies may opt to deposit a portion of our Surplus Cash (as defined under "*Related Party Transactions—DH Group Treasury Management Agreement*") in bank current accounts set up pursuant to the DH Group Treasury Management Agreement (subject to certain conditions) pending other uses, such as distributions as dividends to shareholders or reinvestment into the Group's assets or operations and (d) Delivery Hero may incur overdraft borrowings from the designated cash pooling bank secured by, inter alia, a pledge of Group company deposits at the designated cash pooling bank, subject to certain conditions. This arrangement is expected to enhance our interest income and streamline our treasury operations, but will also expose us to additional counterparty risks. Any failure to recover, or otherwise be made whole for, our deposits at the cash pooling bank may have a material adverse effect on our liquidity, financial condition, earnings and prospects. See "*Related Party Transactions—DH Group Treasury Management Agreement.*"

Any failure or interruption in the employee benefits and/or HR services provided by Delivery Hero (see "*Business—Employee Benefits—Long-Term Incentive Program of Delivery Hero*") could also disrupt our operations and potentially impact our ability to manage our workforce effectively which could in

turn have a material adverse effect on our business, financial condition, results of operations and prospects.

***We are subject to risks arising from employee, rider or picker error or misconduct.***

Our employees may commit acts or mistakes that may negatively affect our business and result in a violation of laws, which could lead the competent authorities to impose regulatory penalties on us. Such penalties may vary according to misconduct or error, which may lead to us incurring financial liabilities and/or damage to our reputation. Employees' errors include misuse of our information or systems, the disclosure of confidential information, the dissemination of misleading information, or the failure to comply with applicable laws or internal controls and procedures. In addition, we may not always be able to prevent our employees from committing acts that lead to serious errors or ensure that they comply with our internal policies and procedures. Our employees may also commit serious errors including fraud or theft of our resources or the resources of customers, Partners or third parties on our platform. There is no guarantee that our corporate governance and compliance policies will protect us from our employees' misconduct. We may also be liable for Partner compensation and the cost of items in instances where an order has been collected by our riders, but its delivery has not been completed due to unforeseen circumstances, or otherwise. Such liability could arise from the need to cover the value of the undelivered product and compensate our Partners for the associated losses. In addition, pickers operating within Local Shops may commit theft or carry out other illegal acts. These acts may also lead to the Local Shops lodging financial claims or seeking to terminate their relationship with us on the grounds that our reputation may affect their reputation. See "*—We may not be successful in identifying, onboarding, and retaining new Partners and replacing the same is a time-consuming and costly process, and we may not be able to recoup our investments.*". If customers' or Partners' trust in our platform is affected, this will lead to a significant decrease in footfall.

Any such fines, losses or claims could negatively affect our profitability. In addition, the negative publicity resulting from the misconduct of our employees, pickers or riders may negatively affect our reputation and revenue, and the number of Partners and customers. If any of the risks above were to materialise, this could have a material adverse effect on our business, financial condition, results of operations and prospects.

***Failure to protect or misuse the personal data we collect, store, and process could negatively affect our business.***

We collect, store and process the personal data of a large number of individuals, and as we continue to grow and our customer, Partner and rider base expands, we will collect, store and process more data. This may increase our potential exposure under laws and regulations designed to protect privacy and personal data, particularly as regulators in certain of the key markets in which we operate are currently focused on the rights of consumers, employees, riders, and other individuals, and have active enforcement regimes. Data protection laws require us to take appropriate steps to protect personal data, which means that we have to continually assess whether our practices and policies, including in relation to data security, data subject rights, and data retention, are appropriate in light of the personal data we process. While we take steps to review our practices and policies, we may not keep pace with the growth of our business in the way we identify or implement updates to our practices, controls and policies.



Any non-compliance by us with the applicable regulations could lead to fines and other sanctions. For example, the Data Protection Regulation 2021 in the ADGM provides strict conditions and limitations on the processing, use, and transmission of personal data.

Any breach of such regulations could expose us to liability through fines and compensation claims, which could lead to significant reputational harm and a loss of trust that could deter customers from using our platform, which could in turn have a material adverse effect on our business, financial condition, results of operations and prospects.

***Changes to the laws regulating the use of cookies or similar technologies may lead to broader restrictions on our marketing and personalisation activities.***

We use cookies and similar technologies on our websites to allow our websites to work, to analyse and improve them, to personalise a customer's experience, and to market our products to users both on our website and on other third-party websites through advertisements. New regulation concerning cookies and similar technologies may lead to broader restrictions on our marketing and personalisation activities and may negatively impact our efforts to understand customers' internet usage, as well as the effectiveness of our marketing and business generally. Application and enforcement of such regulations may differ from jurisdiction to jurisdiction, which may require us to adopt varying marketing practices in the jurisdictions in which we operate. The regulations may also have a negative effect on businesses, including ours, that collect and use online usage information for customer acquisition and marketing; may increase the cost of operating a business that collects or uses such information and undertakes online marketing; may reduce the rate at which we are able to grow our customer base; and may also increase regulatory scrutiny and increase potential civil liability and fines under data protection and similar laws. All of these factors may have a material adverse effect on our business, financial condition, results of operations and prospects.

***The riders in all our markets collect the cash paid by customers on behalf of our Partners and are responsible for returning it to us. Any loss of cash through theft or other factors may negatively affect our operations and our reputation.***

A portion of our customers choose to pay for their orders in cash. This is pronounced in cash-heavy markets like Egypt, Iraq and Jordan. When customers make cash payments, the riders collect the full order value on behalf of our Partners. We then transfer an amount equal to the cash payments collected, less our commissions and other fees, to the Partners in our network. The payments to our Partners are made periodically and, until such payment is made, we are responsible for the cash we hold on their behalf.

This cash-heavy model exposes us to several risks. Any loss of cash through bank failures, IT security issues, or other factors (such as theft or embezzlement of funds by employees due to insufficient internal controls) may have a material adverse effect on our reputation, business, and financial condition. The risk is particularly pronounced in markets like Egypt, Iraq and Jordan, where cash transactions are more prevalent and banking systems may be less robust.

We face challenges in ensuring the security and accurate accounting of cash collected by the riders. Any failure in the controls relating to processes by which we reconcile cash on hand on behalf of our Partners and payments due to them could have a material adverse effect. Additionally, we may not always be able to fully receive back or reconcile cash balances from riders, who owe us money. This

issue is exacerbated in cash-heavy markets where the volume of physical currency handled is higher.

Furthermore, in the event of bank failures or financial system disruptions in these markets, we may face difficulties in accessing or transferring the collected funds. This could potentially lead to delays in payments to our Partners or even loss of funds, which could strain our relationships with Partners and impact our operations.

The prevalence of cash transactions in markets such as Egypt, Iraq and Jordan also increases our exposure to counterfeit currency risks and potential theft during the physical transfer of funds. Any such incidents could result in financial losses and damage to our reputation. Our ability to effectively manage these risks is crucial to maintaining the trust of our Partners and the overall stability of our business in these important markets. These risks associated with handling cash on behalf of our Partners in cash-heavy markets could negatively affect our business, financial condition, results of operations and prospects.

***We or our Partners may not be able to deliver products to our customers on time or at all, for example, due to traffic conditions, building access issues, product unavailability or because of technology failure.***

Our business relies on deliveries by road. This leaves our business exposed to traffic congestion, road works, congestion charging, and inclement weather, all of which could render deliveries difficult or even impossible. Additionally, not every customer has an individual, easily identifiable address with street names and numbers. In such cases, our delivery technology may fail to locate a customer's address. This is also prevalent in areas where new roads and communities are constantly being built, which worsens the above issues (e.g., Egypt and UAE) as existing map technologies may not have kept up to speed.

Furthermore, many of our customers live in apartment buildings, which presents additional challenges for timely delivery. Our riders often need to show identification to security personnel, wait for service elevators, and navigate complex building layouts to reach specific apartment numbers. The same challenges apply to picking up orders in shopping malls, which represent a material share of orders in the GCC markets. These factors can significantly increase delivery times and may lead to delays or complications in order fulfilment.

In cases where we are unable to locate the address or destination of a delivery, or where building access proves challenging, we may fail to deliver orders to customers on time or at all. Should meals be delivered late or if they cannot be delivered at all, it would have a negative effect on the customers' order experience with us and may lead to the loss of customers and revenue.

Moreover, if a customer orders a grocery or retail product that is unavailable, we will substitute it with the most similar alternative—potentially a different brand or a more expensive option—during the fulfilment and dispatch process. The customer will be notified of this only at the time of order placement. This replacement may lead to customer concerns, as the alternative could be pricier or not the exact brand originally requested, possibly resulting in customer dissatisfaction.

These challenges in delivering orders efficiently and on time, whether due to traffic conditions, address location difficulties, building access issues, or product unavailability could significantly impact our service quality and customer satisfaction. This, in turn, may adversely affect our reputation, customer retention, and overall business performance in the competitive food ordering, delivery and

takeaway market, which could in turn have a material adverse effect on our business, financial condition, results of operations and prospects.

***We are exposed to risks in connection with actual or alleged infringements of product labelling, safety, hygiene and public health regulations and of the food, groceries and consumer products ordering and delivery industry, including regulation relating to warehouse and storage infrastructure.***

We, and our Partners, may be subject to numerous product labelling, safety, hygiene and public health regulations on the provision of food information and non-food products (such as tobacco, electronic cigarettes, chemical products, or pharmaceutical products) to consumers. It also may be the case that our online marketplace (or certain aspects of it, mainly relating to our Groceries and Retail Vertical) is, or will become, subject to those regulations. These regulations may provide for, among other things, labelling requirements with regard to the name of the food, the list of ingredients and particularly those causing allergies or intolerances, the net quantity of the food or the “consume by date”, as well as health or safety warnings and usage instructions for non-food items. With respect to non-food products, there may be restrictions on the sale of such products, such as the sale of tobacco products or electronic cigarettes to minors, or other requirements such as temperature controls for pharmaceutical products. Compliance with these regulations requires us and our Partners to be aware of the ingredients and allergen content of food and products offered online on our platform. In many instances, we are dependent on the accuracy of the relevant information being furnished to our marketplace by our Partners and there is no guarantee that the provided information is sufficient and/or correct. There can be no assurance that the information provided by our Partners for inclusion on our marketplace will comply with such regulations in the future. Non-compliance with applicable product labelling and/or public health regulations could result in further legal disputes, litigation and enforcement actions by authorities as well as damage claims by consumers. Any such actions could result in substantial monetary claims against us, substantial fines and other measures being imposed by competent authorities. We could also experience significant loss of revenue should we be forced to remove a substantial number of Partners from our marketplace or to take certain aspects of our marketplace offline until compliance with product labelling rules is achieved.

Since 2019, we have rolled out Kitchens and tMarts in several cities, which exposes us to additional regulations relating to food safety, public health, storage and preparation, including compliance with Hazard Analysis Critical Control Points (HACCP), as well as local permits, licences, or authorisations related to physical stores, cloud kitchens and personnel. In certain tMarts locations, we sell private label products and/or ready-to-eat and ready-to-drink products that are prepared in the tMarts and are also available for purchase within the tMarts page on the mobile application. The tMarts business model additionally exposes us to local consumer law compliance requirements as a supplier, including warranty obligations for defective goods or products, which may have a negative impact on our business, regardless of agreements entered into with our distributors. This is particularly relevant since we also offer private label products in tMarts, branded “talabat”, which could lead to us being perceived as the manufacturer by customers and authorities. There are also additional uncertainties around how certain regulations, originally designed to govern offline supermarkets and grocery stores, would apply to tMarts, which are delivery-only warehouses operated online.

Incidents related to the safety and quality of the products or ingredients stored in our tMarts may occur, which may result in product liability claims, product recall, negative publicity, fines from the competent authorities or closure of our tMarts. If any of the items sold through our online marketplace

causes any harm or damage to third parties, we could be subject to liability. Moreover, we may not have insurance or sufficient coverage to cover such claims. If we incur substantial costs because of this type of liability, our expenses will increase and our revenue will decrease, which may also limit our growth. Non-compliance with applicable product labelling, safety, hygiene and public health regulations could lead to regulatory enforcement action against us and result in substantial fines and other sanctions. In addition, we may be unable to adhere to product recall obligations in time, which could lead us to incur fines, charges or other penalties. The occurrence of any such event could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, new or amended regulations which may affect our operations as well as the operations of Partners in our online delivery and takeaway networks pose a challenge to the Group's compliance structures may also relate to issues such as the infrastructure of warehouses and safety and hygiene measures in food premises, e.g., measures to avoid cold chain interruptions. Compliance with such regulations may require significant investments by us as well as the Partners in our network and may prove to be difficult in markets where the regulatory systems are complex. We may fail to adequately prioritise such compliance. Non-compliance with the applicable regulations relating to our business could lead to significant fines or penalties with respect to every single violation. Our decision to assist the Partners in our network in complying with these regulations may result in significant costs and the need to commit significant resources, which we may not have. Neither we nor the Partners in our network may become fully compliant with the relevant regulations in time. Non-compliance with such regulations could lead to substantial fines and other sanctions and could adversely affect our business, financial condition, results of operations and prospects.

***We are subject to risks related to past and potential future acquisitions.***

While our growth has primarily been organic, we have engaged in selective acquisitions to enhance our market presence, most notably the acquisition of Zomato's food delivery business in the UAE, the acquisition and integration of Carriage's assets in Kuwait, and the acquisition of InstaShop (see "*—The InstaShop acquisition is subject to conditions precedent and there are no assurances that it will be consummated.*"). As we continue to expand our operations, we may consider further acquisitions as part of our growth strategy. However, such a strategy exposes us to several risks and challenges:

- **Identifying and Valuing Targets:** The process of identifying suitable acquisition targets is complex and resource-intensive. We may not always be able to identify the most appropriate targets or accurately assess their value and potential synergies with our existing operations. Intense competition for attractive targets in our sector may also drive up acquisition costs, potentially impacting the financial viability of such transactions.
- **Integration Challenges:** The integration of acquired businesses presents significant operational and management challenges. We may face difficulties in integrating the acquired company's technology, operations, personnel, and corporate culture with our own. The process of harmonizing different systems, processes, and practices can be time-consuming and may divert management attention from day-to-day operations. Moreover, upon completion of the InstaShop Acquisition (see "*—The InstaShop acquisition is subject to conditions precedent and there are no assurances that it will be consummated.*"), we will be required to integrate that business into ours which may present significant challenges, such as the ones

mentioned above, aligning disparate control systems and harmonising compliance practices.

- **Financial Risks:** Acquisitions often involve substantial financial commitments, including the purchase price and subsequent integration costs. There is a risk that the financial benefits of an acquisition may not materialise as expected, or that the acquired business may not perform as anticipated post-acquisition. This could lead to impairment charges or other financial losses.
- **Operational Disruptions:** The acquisition and integration process may cause disruptions to both our existing operations and those of the acquired business. This could result in a temporary decline in service quality or customer satisfaction, potentially impacting our market position and financial performance.
- **Regulatory and Compliance Risks:** Acquisitions, particularly cross-border ones, expose us to additional regulatory scrutiny and compliance requirements. Some acquisitions may be conditional on prior regulatory clearance and in this regard we may face resistance from national authorities to grant clearance, or if clearance is granted, it may be conditional (i.e., subject to structural or behavioural conditions). We may encounter challenges from authorities with different interpretations as to whether prior regulatory clearance is required, or increased scrutiny of our operations by regulatory authorities going forward post-acquisition. Authorities may also perceive our position as dominant. Further, we may face challenges in ensuring that the acquired business quickly aligns with our compliance standards and relevant regulatory frameworks.
- **Due Diligence Limitations:** Despite our best efforts, our due diligence process may not always uncover all potential liabilities or challenges associated with an acquisition target. Unforeseen issues that come to light post-acquisition could result in unexpected costs or liabilities.
- **Management Strain:** The demands of identifying, negotiating, and integrating acquisitions can place significant strain on our management and operational resources, potentially distracting from other strategic initiatives and day-to-day operations.
- **Cultural and Workforce Integration:** The successful integration of an acquired business's workforce into our own is essential to realizing the full value of the acquisition. Differences in corporate culture, management style, and employee expectations can lead to internal conflicts, reduced morale, and higher turnover rates, all of which can undermine the success of the integration.
- **Technology Integration and Data Security:** Merging different technological systems and platforms can be complex and may expose us to data security risks, including potential breaches or loss of sensitive information during the transition period. Ensuring compatibility and security across systems is critical to maintaining operational integrity and protecting against cyber threats.
- **Reputation:** If the acquired business has a history of legal, environmental, or ethical issues, our association with that business could negatively impact our brand reputation. Additionally, any failure to successfully integrate or manage the acquisition could lead to negative publicity and erosion of customer and stakeholder trust.

While we aim to approach any potential acquisitions with thorough analysis and careful planning, there can be no assurance that we will be successful in identifying suitable acquisition targets, negotiating favourable terms, or effectively integrating acquired businesses. If any of these risks were to materialise, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

***The InstaShop acquisition is subject to conditions precedent and there are no assurances that it will be consummated.***

In August 2020, our ultimate parent, Delivery Hero acquired 100% of the share capital of InstaShop Ltd. (“**InstaShop**”), one of the leading online grocery delivery marketplaces based in the MENA region. Delivery Hero and Delivery Hero FZ-LLC signed a share purchase agreement (“**InstaShop SPA**”) on 11 September 2024 to transfer 100% of the share capital of InstaShop, from Delivery Hero to Delivery Hero FZ-LLC (“**InstaShop Acquisition**”). The closing of the transaction is expected to occur in 2025, subject to the satisfaction of certain conditions. There can be no assurances that these conditions will be satisfied or that the acquisition will be completed as planned. If any of these conditions are not met, or if unforeseen issues arise, the acquisition may be delayed or may not proceed at all. In such an event, we could experience delays in realising the anticipated benefits of the acquisition, or we may incur additional costs related to the failed or delayed transaction. In addition, our business strategy and financial results could be adversely affected if the acquisition is not consummated, or if it is completed on less favourable terms than anticipated. Any such delay or failure to complete the InstaShop Acquisition could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We are subject to risks related to our expansion and growth plans.***

We intend to continue investing to support our business growth. Our ability to implement growth will depend on developing new features and services such as additional customer loyalty drivers or operations enhancements (see “*Business–Customer Loyalty Drivers*” and “*Business–Operations Enhancement*”), improving our existing services, developing our operational infrastructure or acquiring complementary businesses and technologies (see “*–We are subject to risks related to past and potential future acquisitions*”). We may need additional funds to respond to business challenges, as well as the necessary talent and competencies for innovation and development. Failure to obtain additional funding may result in the failure to achieve the desired economic results of such growth and expansion plans. We may also require additional permits or licenses to carry out additional services and we may not be able to obtain the necessary approvals, licences or permits in a timely manner or at all. In addition, the Group’s expansion plans are subject to specific timelines and may require additional funding to cover the additional costs. Furthermore, we may expand into additional business models that are complementary to our Food Vertical and Groceries and Retail Vertical. The success of our expansion strategy in such areas will depend on our ability to expand at the right time and at the right cost. Our expansion projects, or other future projects, may not be as successful as desired and may not achieve the required profitability. The failure of our expansion plans and growth projects to achieve our required goals could have a material adverse effect on our business, financial position, results of operations and prospects.

***Our industry is fast-paced, which forced us to grow quickly in the past. There is no assurance that our organisational set up, internal control systems and compliance procedures were adequate at all times, and that we will be able to successfully manage potential future growth***

***and that we will have sophisticated risk management and risk reporting procedures as well as compliance management systems in place.***

The rapid growth of the industry in which we operate has required us to expand our operations at an exceptionally fast pace. Our rapid expansion may have outpaced our organisational development. As we quickly entered new markets and scaled our operations, there is a risk that our internal structures, processes, and controls may not have evolved at the same rate as our business growth. This mismatch could potentially lead to inefficiencies, operational issues, or compliance gaps.

Moreover, the speed of our growth may have created potential gaps in our internal control systems and compliance procedures. As we rapidly expanded across multiple jurisdictions, each with its own regulatory environment, ensuring comprehensive compliance across all aspects of our operations has been challenging. We cannot guarantee that our compliance procedures have been adequate at all times across all our markets.

Furthermore, the fast-paced nature of our industry has required us to scale our local operations quickly, including rapidly expanding our network of third-party logistics providers. This rapid scaling presents challenges in maintaining consistent service quality, ensuring adequate training, and managing a rapidly growing workforce. There is a risk that our ability to recruit, train, and retain sufficient riders may not always have kept pace with our growth, potentially affecting our service quality or capacity to meet demand.

While we have made efforts to strengthen our organisational structure, internal controls, and compliance procedures, we cannot assure that these systems have been or are currently adequate for the scale and complexity of our operations.

Although we have developed and implemented internal controls, policies, and procedures aimed at preventing errors or misstatements in our financial reporting, these measures may not always be effective. Some of our operations rely on manual controls, which are inherently susceptible to human error and inconsistent application. Although we have recently introduced or upgraded automated controls, we may not always have sufficient internal resources with the necessary technical expertise to operate such controls, potentially requiring additional expenditures to secure the necessary support in a timely manner. Additionally, as we continue to grow and introduce new product offerings, our internal control systems and certain aspects of our financial systems may require ongoing enhancements.

We continue to work on enhancing our organisational setup, improving our internal control systems, and strengthening our compliance procedures. However, if we fail to address these challenges effectively, we may face operational inefficiencies, increased vulnerability to fraud or security breaches, compliance issues, or reputational damage, any of which could materially and adversely affect our business, financial condition, results of operations and prospects.

Future growth will continue to pose various challenges to us, such as finding and/or retaining suitable personnel, including qualified IT personnel, implementing an enhanced risk and control framework to support operations and establishing sufficiently robust compliance procedures and recruiting appropriately skilled compliance personnel. Our workforce management may prove insufficient for our existing business and growth plans, and our existing teams may not be adequately staffed to handle an increase in the workload and compliance with reporting requirements. Continued growth requires

us to simultaneously expand and improve our operational, IT, financial, accounting, compliance and management controls, and enhance our compliance and risk reporting systems and procedures, which may not always be possible or prove lengthy or costly, particularly in combination with external factors such as taxation considerations, local legislation, limited resources and geographic location across the MENA region.

The level of documentation and standardisation of our compliance framework may not be sufficient for all purposes and prevent us from both effectively executing compliance activities and monitoring our compliance management system. Our existing risk management may not give an overview of our total risk exposure, and new risk management requirements may not always be complied with in time.

We may not be able to scale and adapt our existing technology and network infrastructure fast enough to match our growth in the rapidly evolving food, groceries and other consumer goods ordering, delivery and takeaway market across the MENA region. In addition, we may incur losses or fail to identify or enter new markets or new segments successfully, which may impair our ability to reach a strong position in our market. Any failure by us to successfully expand our operations, facilities, and staff may have an adverse effect on our brands, business, results of operations, or growth of our key performance indicators.

A decrease in our profitability may lead to a loss of key accounts and significant Partners of our business may decide to terminate their relationships with us if their expectations are not met. We may not be able to find replacements in due time or at all. This is particularly critical in the competitive landscape of the MENA food, groceries and other consumer goods ordering, delivery and takeaway market, where maintaining strong relationships with Partners and delivery personnel is crucial to our success.

As we continue to grow and potentially enter new markets or segments, these challenges may persist or new ones may arise. Our future success will depend on our ability to effectively manage our growth while maintaining robust organisational structures, internal controls, and compliance procedures.

***We have entered into various service agreements with third parties, which are material to our business and if these third parties do not perform adequately or terminate their relationships with us, our costs may increase, our business could be interrupted and our results of operations could be harmed.***

Our success depends upon our relationships with third parties, which provide various services relevant for our business to us, such as software, marketing, payment processing or data host services, and point of sale systems for our Partners. For example, we rely on third-party payment processors and encryption and authentication technology licensed from third parties that is designed to effect secure transmission of personal information provided by our customers. We also rely on third-party data centre hosts and network carriers to provide a reliable network backbone with the speed, data capacity, security and hardware necessary for reliable internet access and services and secure back-up of data. Several of these service agreements concluded with third parties are deemed material to our business, either due to the amount of fees that are paid to third parties or because the services provided by the respective third party are not easily replaceable. See “*Material Agreements*”. Some of the agreements concluded with third parties grant the other party the right to immediately terminate the relationship in case of a change of control, merger or other forms of corporate transactions. Furthermore, we cannot rule out that our understanding of, and approach to, determining



the fees payable under the relevant agreement differs from the understanding and approach of the relevant third party.

If the relevant third parties would terminate their relationship with us or refuse to renew their agreement with us on commercially reasonable terms, or simply do not perform adequately, we may have difficulty finding an alternate provider on similar terms and in an acceptable timeframe, our costs may increase and our operations could be interrupted, which in turn could have a material adverse effect on our business, financial condition, results of operations and prospects.

***Corporate restructurings and intra-group transactions in the past and in the future could lead to increased scrutiny by the local tax authorities and, if challenged, to additional tax payments.***

Members of our Group have been subject to complex restructurings in the past and we plan further reorganisations after the Offering in order to optimise our overall group structure as well as cross-border intra-group transactions. See “*Business—History and Development—Pre-IPO Reorganisation*”. In the event that tax authorities challenge the implementation of past or future restructurings, tax loss carryforwards could be reduced, or we could be obliged to pay additional taxes. The constant restructuring efforts in our Group may also result in fines or penalties, which could have material adverse effects on our assets, financial condition, cash flows and results of operations.

In addition, restructurings and intra-group transactions are regularly subject to tax audits. While our current transfer pricing model aims to take into account international and national regulations as well as business developments to proactively manage transfer pricing risks, and our tax department, in cooperation with reputable tax advisors and regional and local tax managers, regularly reviews and updates the transfer pricing model, there remains uncertainty regarding the acceptance by the tax authorities of the remuneration and/or transfer pricing models we apply. We believe the uncertainty regarding the transfer pricing model is based on the following main factors:

- new business models in a relatively young industry;
- quantification of the value contributions of intangible assets;
- complex organisational structure (central, regional, and local levels);
- significant investments in the start-up phase which may lead to tax loss carry-forwards at central and local level;
- different operational requirements and stages of development of local operating units; and
- limited availability of industry-related comparable data used for transfer pricing purposes.

Consequently, a different regulatory view may lead to unilateral transfer pricing adjustments and associated double taxation. In addition, as a consequence of current or future tax audits or previously completed tax audits for which no final tax assessments have been issued, or as a result of possibly divergent tax law interpretations by the tax authorities or tax courts, any tax loss carryforwards could be reduced, or we could be obliged to pay additional taxes (e.g., resulting from the non-deductibility of intra-group payments for services or loans or interest and/or requalification of intra-group payments for services or loans or non-deductibility of input VAT) or to form provisions related thereto. The occurrence of such events could have a material adverse effect on our business, financial condition,

results of operations and prospects.

***We are subject to risks relating to the processing, authorisation, receipt and collection of payments, including any increase of costs for processing payments, customer claims relating to defective payments and unfulfilled payment obligations.***

Customers who order through our online marketplace may choose from a range of payment methods, including, among others, cash, credit and debit cards, direct e-banking, postpaid service (which allows customers to be billed up to thirty (30) days after the date of their order) and closed-loop wallets. Due to the complexity of this broad variety of payment methods, we face the risk of operational failures in our checkout process, which could adversely affect our conversion rate (i.e., the percentage of people visiting our platform that actually place an order) and customer satisfaction. We may also face the risk that customers default on the deferred payment under our postpaid service, which would ultimately result in us bearing such cost. In addition, we may be unable to provide automated online payment processes in some of our markets and for certain Partners due to a lack of sophisticated local payment systems. For certain payment methods, including credit and debit cards, we pay bank interchange and other fees. These fees may increase over time, raising our operating costs and lowering our profitability. We rely on third parties to provide these payment processing services in relation to credit and debit card payments, and if these companies become unwilling or unable to provide these services or increase the costs of providing such services, we may be disrupted or our services may become unreliable, and our operating costs, including transaction fees, could increase.

We are compliant as a merchant with Level 1 requirements of the Payment Card Industry Data Security Standard (PCI DSS). This compliance is re-validated annually through external auditors. Although we invest significant resources into maintaining an adequate level of compliance, we cannot guarantee compliance with all applicable requirements at all times, which may expose us to contractual fines and penalties, the suspension or termination of payment processing services or the loss of business opportunities as many of our Partners require compliance with PCI DSS standards as a condition of doing business with us.

Furthermore, we face potential risks relating to customer claims in the event purchases or payments are not properly authorised or are transmitted in error, as well as the risk of fraud taking place through our platform. While we have implemented a fraud detection system based on machine learning tools, any failure to detect, avoid or limit losses from fraudulent transactions could damage our reputation and result in increased costs, legal expenses and financial losses.

We may also face the risk that customers or Partners do not fulfil their payment obligations to us or have insufficient funds, and we have in the past experienced problems with collections from, and payments to, Partners due to system malfunctions and there can be no guarantee that this system is up-to-date or otherwise sufficient to adequately protect us from such risks. In addition, our invoice and billing IT systems may malfunction due to new product implementations, data errors, faulty changes in the invoicing code or other IT configuration issues, which may also impair our ability to create correct invoices, avoid the recording of duplicate invoices or payments and collect payments in time or at all. For example, if the data uploaded to our billing systems is incorrect or restaurant and customer records (i.e., commission rates, tax rates, tax IDs, other revenue and billing email addresses and others) are not checked or updated continuously, data errors could lead to incorrect or no invoices being issued or wrong amounts being charged to our Partners or customers. Although we are constantly improving our systems and processes, we may not be able to perform collections of

payments on time or maturity because of a lack of standardised dunning processes (i.e., processes for the collection of overdue account receivables), such as reminders per email or calls. Not all orders may be billed in a timely manner due to data transmission issues across involved systems like platform, CRM system or billing systems. Given the number of Partners active on our platform, there is a risk of triggering payments towards wrong or outdated Partner bank accounts. This might be due to transmission errors, time delays or input errors for those countries that offer self-service functionality in the Partner portal. Any failure to effectively collect payments could adversely affect our business, financial condition, results of operations and prospects.

***We may provide regulated payment, e-money or similar financial services in the future, which would result in the supervision by competent financial authorities and the applicability of license and regulatory requirements, any non-compliance of which could result in fines and prohibition of such services.***

Our payment systems, which enable the collection of 100% of the order value from end-customers, splitting of commission fees from Partner payables as well as the payment of the Partner payables to the Partner, are in many instances subject to payment regulations in the markets in which we operate. As we continue to explore business opportunities in the area of digital payment solutions, such as e-wallets or digital wallets, which enable users to store credit on online platforms and use it for online payments for goods and services, we may become subject to additional and new/continuously changing regulatory requirements, which would further increase our compliance risk. Our “Postpaid” service under the talabat FinTech initiative that enables customers to be billed up to thirty (30) days after the date of their order, and our “talabat Pay” service which allows customers to use existing credit on the mobile application to make purchases, may in the future be considered as a regulated payment or financial service and therefore expose us to increased regulatory oversight. We may be adversely affected by any failure to obtain or maintain any such license or comply with laws and regulations applicable to us as a result of the relevant authorisations. New regulatory requirements may include minimum capital and other prudential and organisational requirements, conduct of business, anti-money laundering, cybersecurity, know-your-customer (KYC) rules and other anti-financial crime requirements as well as disclosure obligations towards regulators and public reporting requirements. We may also become subject to regulatory actions and investigations. Even if we do not ourselves obtain any license or otherwise become subject to regulatory supervision, new regulatory requirements for us and other Group companies could result from national laws and regulations of the jurisdictions in which our subsidiaries may provide regulated services.

Our limited experience with regulated business activities in this area and in dealing with foreign financial supervisory authorities increases our risk of non-compliance. As the laws and regulations governing payment, e-money and other financial services are subject to constant change, we may fail to effectively monitor and address such changes in real time. Violation of applicable license and regulatory requirements could result therefore in fines, the temporary or permanent prohibition of certain activities, or other sanctions and reputational harm, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We depend on talented management personnel to grow and operate our business and we may not be able to retain, attract new or replace such qualified personnel.***

Our growth strategy depends, among other things, on our ability to expand our organisation by attracting and hiring high-quality personnel. Identifying, attracting, recruiting, training, integrating,

managing and motivating talented individuals will require significant time, expense, and attention. Competition for talent is intense, particularly in technology-driven industries such as ours. If we are not able to effectively recruit and retain our talent, our business and our ability to achieve our strategic objectives would be harmed. See “*Business—Employee Benefits—Long-Term Incentive Program of Delivery Hero*”.

The unexpected departure or loss of any of our key personnel could have a material adverse effect on our business, financial condition and our results of operations, in particular, if such key personnel is hired by other platforms. There can be no assurance that we will be able to attract or retain suitable replacements for such personnel in a timely manner or at all. We may also incur significant additional costs in recruiting and retaining suitable replacements. Also, if our senior management team fails to work together effectively and to execute our plans and strategies, our business and our results of operations could be harmed. The occurrence of such events could have a material adverse effect on our business, financial condition, results of operations and prospects.

***If we are unable to attract and retain skilled employees, we will be unable to operate efficiently.***

We depend upon the continued services and performance of our employees. Our current operations and future success will depend upon our ability to identify, hire, develop, motivate and retain talented personnel. Due to the fast pace of our operations and our hiring of expatriates in many of the markets in which we operate, our employees may, in certain limited cases, have been onboarded on an urgent basis due to business requirements before receiving the necessary work permits or visas.

A large portion of our employees have a short employment history with us and are still in the onboarding phase, and we experience significant employee fluctuation which challenges our ability to effectively integrate and align our workforce with our strategic goals. We may not be able to retain the services of any of our employees or other members of senior management in the future due to, for example, salaries which are below market average or very short bilateral termination periods with respect to their employment contracts. From time to time, there may be changes to our employees that may be disruptive to our business, and which could, in turn, have a material adverse effect on our business, financial condition, results of operations and prospects.

***We may be subject to litigation proceedings that stem from the nature of our business and could disrupt and harm our business and reputation.***

We face potential liability, expenses for legal claims, and harm to our business that stem from the nature of the online food delivery and takeaway, tMarts and Kitchen businesses. These potential claims include those related to food offerings, delivery (including cancellations and refunds), and quality (including expiry and defects), since we might be regarded as placing food on the market due to our promotion of our Partners and our own delivery service, as well as other convenience products.

Partners may bring claims based on our commission model or the non-disclosure of fixed fees paid to other Partners and unequal treatment. Third parties may seek to assert legal claims against us in connection with personal injuries related to food poisoning, packaging defects (e.g., unlabelled allergens, spilling), tampering, or accidents caused by the riders. The riders typically have access to customers’ data, which may subject us to harassment complaints from our users in case of misuse of such data.

Investigations by health authorities as well as labour law related issues, e.g., in connection with

delivery riders, salary levels, and untimely or insufficient payments for employee social security, may also lead to legal claims against us. If we violate any applicable law or regulation, governmental authorities may take legal action against us or the members of our respective governing bodies or employees.

We may also face employment reclassification cases despite our contractual relationship with riders through third-party logistics providers given the public and general association of riders to our brand as they were talabat-branded kit and deliver orders generated through our platform. Our exhibited duty of care for the rider fleet in some markets (including communications and engagement, supplementary training and insurance provision, and irregular audits of third-party logistics providers practices) can be viewed by the courts as direct management of riders, which strengthens the reclassification likelihood despite the company's good intentions to safeguard the proposition and elevate the operations of the third-party logistics providers which we work with.

An unfavourable ruling may result in damage claims by third parties or other adverse legal consequences, including criminal and civil sanctions, injunctions against future conduct, profit disgorgements, occupational and employment bans, the loss and/or suspension of business licenses or permits, or other restrictions. In addition to monetary and non-monetary sanctions, monitoring trustees could be appointed to review future business practices to ensure compliance with applicable laws, and we may otherwise be required to modify our business practices and/or compliance program.

We may also face potential liability, expenses for legal claims, and harm to our business resulting from litigation proceedings in connection with the nominee arrangements we have in place (see “*The Group’s business in UAE, Kuwait, Bahrain and Iraq is subject to risks associated with foreign ownership restrictions*” and “*Business–Litigation*”), the acquisition and divestment of operations, including potential claims related to business combinations, integration squeeze-outs, or other corporate measures by third-party shareholders of Group companies, as well as other adverse legal consequences due to claims of regulatory authorities.

Regardless of the outcome, potential litigation or administrative proceedings can be costly and may damage our reputation and have a material adverse impact on our ability to compete for business. Such proceedings could divert management's attention from day-to-day operations, result in substantial monetary damages and legal expenses, and potentially lead to decreased demand for our services, which would in turn have a material adverse effect on our business, financial condition, results of operations and prospects.

***We may not be able to adequately protect our intellectual property rights or may be accused of infringing the intellectual property rights of third parties. We may have to commit significant resources in our efforts to protect them.***

We believe that customer data, copyrights, trade secrets, proprietary technology and similar intellectual property of us are critical to our success, and we rely on trademark and copyright protection agreements and other methods, such as taking reasonable measures to protect our trade secrets with our Partners, employees and others to protect our proprietary rights. In addition, we have developed, and will continue to develop, a substantial number of programs, processes and other know-how on a proprietary basis that are of key importance to the successful functioning of our business. We might not be able to obtain effective intellectual property protection in every country in which we are active or in which such protection is relevant, and our efforts to protect our intellectual

property could require the expenditure of significant financial, managerial and operational resources as well as some of our proprietary rights (such as trade secrets, confidential information, or know-how) cannot be protected by registration, and we depend on contractual provisions and operational processes to maintain their value. Some of our intellectual property rights could be challenged or invalidated through administrative processes or litigation, and we cannot be certain that others will not independently develop or otherwise acquire equivalent or superior technology or intellectual property rights. In a limited number of instances, we programmed software and IT tools that we use in connection with our operations (e.g., order transmission or logistics software) on the basis of licensed proprietary and non-proprietary software from third parties, which was perpetually licensed to us. We cannot guarantee that these perpetual licenses will remain unchallenged or upheld in legal proceedings and litigation. Additionally, we cannot guarantee that licensors or other third parties will not assert that the use of the systems or software based on this perpetual software infringes upon their intellectual property rights.

Due to the rapid speed with which our business is growing, we may launch new businesses (such as our tMarts and/or Kitchens) without a registered trademark in place upon launch, but with a pending trademark application. Whilst all care is taken to perform the preliminary search and obtain the necessary information on the availability of the trademark in the respective markets, we are not able to guarantee that no third party or authority will oppose or object to the registration of the respective trademark application. In such an event, we could face considerable legal fees in defending our position and potentially also having to rebrand in certain markets. Moreover, given the success and well-known status of some of our brands, we may have third parties registering identical or remarkably similar trademarks in markets in which we operate or other markets where we do not have any presence. Hence, in the markets in which we do not have trademark registrations, these third parties would have acquired an earlier right, preventing us from entering that market with our proprietary trademark and leaving us with the only recourse to file a passing off action which can be difficult and costly to prove. In some cases, the cost for trying to enforce our trademark right in passing off legal actions goes beyond the budget and time we are willing to invest, and we might have to give up our trademark and rebrand in that given market. In addition, our brand “talabat” means “orders” in Arabic, and we have seen several platforms use similar names, claiming that the term is descriptive and cannot be protected. This has led us to bring legal claims against such other platforms. An unfavourable outcome could lead to the dilution of our market presence, reduce our competitive advantage, confuse consumers and erode brand loyalty, which could have a material adverse effect on our business, financial condition, results of operation and prospectus.

In addition, we operate platforms where customers may order a variety of products for delivery from our Partners, predominantly prepared meals from our Partner restaurants, who offer their menus and dishes, but also from supermarkets, flower shops and other Partners, who also offer their products on our platform. We also operate business-to-business platforms for our Partners and logistics partners. It is possible that third parties, customers or regulatory authorities will allege that logos, trademarks or fonts used by us or our Partners infringe third-party copyrights, trademarks or other intellectual property rights. Providers of internet services have been sued in the past, sometimes successfully, based on the content made available through their websites or mobile applications. We may therefore be subject to allegations of civil or criminal liability for unlawful activities carried out by us or third parties through our online platform (including our business-to-business platform). Furthermore, much of the content provided on our online marketplace is drawn from information compiled by sources outside our Group, and this information may contain errors.

Moreover, Partners whose content is removed by us, for example due to infringement of third-party rights, breach of their contracts with us or content impropriety, may dispute such actions and commence action against us for damages based on an alleged breach of contract or other causes of action, or make public complaints or allegations. Other Partners, with which we may only have verbal agreements, may claim that we were not allowed to list them or their products on our online marketplace.

We might be required to spend significant resources to monitor, protect and defend our intellectual property rights. We may not be able to discover or determine the extent of any infringement, misappropriation or other violation of our intellectual property rights and other proprietary rights, or not do so within the contractual or statutory time limitation. We may initiate claims or litigation against others for infringement, misappropriation or violation of our intellectual property rights or proprietary rights or to establish the validity of such rights. Despite our efforts, we may be unable to prevent third parties from infringing upon, misappropriating or otherwise violating our intellectual property rights and other proprietary rights. In addition, some of the agreements we entered into with third parties may contain clauses regarding the protection of their intellectual property rights licensed to us. The violation of these clauses, such as the unauthorised sub-licensing or disclosure of a confidential source code licensed to us, may result in significant penalties as well as the revocation of the right to use such licensed intellectual property. Accusations of infringing intellectual property rights of third parties against us could also lead to costly proceedings, the outcome of which is not certain. Any litigation, whether or not resolved in our favour, could result in significant expenses to us and divert the efforts of our technical and management personnel.

Agreements with third party software suppliers may also contain supplier limitations of liability in relation to breaches of third-party intellectual property rights. Such limitations of liability create a risk on our part in the event of any inadvertent breach of such third-party intellectual property rights by our Group when using the respective third-party software. Accusations of infringing intellectual property rights of third parties against us may lead to settlements or proceedings, which may be costly and of an uncertain outcome. Any litigation, whether or not resolved in our favour, could result in significant expenses to us and divert the efforts of our legal, technical and management personnel. In addition, in some of the markets in which we operate, the enforcement of intellectual property rights is limited due to a lack of appropriate control and legal remedies.

If these risks were to materialise, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We may be unable to acquire, use or maintain the domain names for our websites or publish our applications on the relevant app stores in our targeted markets, which could force us to incur significant additional marketing spend.***

We are the registrants of various internet domains for our brands in many of the jurisdictions we operate in. Domain names are generally regulated by internet regulatory bodies and are also subject to trademark laws and other related laws of each country. If we do not have or cannot obtain or maintain on reasonable terms the ability to use our registered trademarks or other trademarks that we may need in the future in a particular country, or to use or register our domain name or new domain names that we may require, we could be forced either to incur significant additional expenses to market our platform and food ordering services within that country, including paying large sums of money in order to acquire domain names which are blocking us from using a specific domain name

which could be associated with one of our brands within a specific market, potentially having to develop a new brand and create new promotional materials and packaging, or to choose not to operate in that country.

Furthermore, the regulations governing domain names and laws protecting trademarks and similar proprietary rights could change in ways that block or interfere with our ability to use relevant domains or current brands. In addition, we might not be able to prevent third parties from registering, using or retaining domain names that interfere with our customer communications or infringe or otherwise decrease the value of our trademarks, domain names and other proprietary rights. Regulatory bodies may establish additional generic or country-code top-level domains or may allow modifications of the requirements for registering, holding or using domain names. As a result, we might not be able to register, use or maintain our domain names in all of the countries in which we currently conduct business or intend to conduct business in the future.

Additionally, we may be unable to publish or update our mobile applications on the relevant app platforms (including Apple App Store, Google Play, Huawei AppGallery) due to the guidelines, policies and terms and conditions of these platforms, which could result in the removal or suspension of our applications, or rejection of app updates. We may also need to adapt our applications and its content (including the offering of certain product items in our marketplace) to comply with these guidelines, policies and terms and conditions.

If these risks were to materialise, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

***Disagreements with local residents and landlords in the areas in which we operate, competition for new or replacement sites, and related public scrutiny and debate could adversely impact our business and reputation.***

We have experienced, and may in the future experience, various challenges from local residents and landlords in the areas in which we operate and related public scrutiny and debate around existing or proposed Kitchen sites and tMarts warehouses, which we rely on to bolster the reach of our network of Partners and our tMarts. As a result, we could face difficulties procuring the necessary planning consents from the competent authorities (including the municipalities) for prospective Kitchen sites and tMarts warehouses or face local planning authority enforcement action. In the worst case, this could result in us having to dismantle and relocate certain existing Kitchens or tMarts. In addition, we face considerable competition for suitable sites in all of our markets and might not be able to identify or receive timely approval for enough appropriate new sites or replacement sites to expand the number of Kitchens and tMarts as per our plans. If we are unable to procure planning consents for new prospective Kitchen sites or tMarts warehouses or are required to relocate one or more Kitchen sites or tMarts warehouses and cannot locate replacement sites, this could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We are exposed to risks associated with our reliance on leased properties for our operations.***

As of the date of this Prospectus, our operations depend heavily on leased properties, as we do not own real estate assets except for two plots of land in Jordan. Our headquarters, offices, branches, kitchens, and tMarts are all situated on leased premises. See “*Business–Properties*”. We may face potential risks from rent increases upon renewal of our leases, which could lead to unforeseen



additional expenses. Furthermore, if a landlord decides to terminate or not renew our lease, it could significantly impact our operations, financial condition, and prospects.

Additionally, we may face challenges in renewing all our lease agreements, and we might face terms that are inconsistent with our strategic goals. If we are required to vacate any leased location due to lease termination, non-renewal, or unfavourable renewal terms, we would incur additional costs to find and secure new suitable locations, the new lease terms for which could be materially higher than the current rates we are paying. Any of these risks could have a materially adverse effect on our business, financial condition, results of operations, and prospects.

***Failure to maintain optimal inventory levels in our tMarts operations could increase our loss rate or cause us to lose sales, either of which may have a negative impact on our business and results of operations***

tMarts are pick-up and delivery-only warehouses that we lease and operate, and from which we sell and deliver a variety of products, including, but not limited to, snacks, beverages, grocery and household and personal care products. tMarts function as an online version of a grocery store, where our customers are able to browse through offerings and place orders through our online mobile application. Accordingly, our tMarts need to maintain a certain level of inventory to be able to provide our customers with their orders quickly and conveniently. Maintaining an optimal level of inventory is critical to the success of our tMarts operations, particularly in relation to the fresh produce stocked by us which generally has a short storage and shelf life and high turnover in nature. We are exposed to increased inventory risks as a result of factors beyond our control, including changing consumer preferences, uncertainty of market acceptance of new products, unexpected weather conditions or seasonality (see “—*The number of orders placed through our platform fluctuates and depends on weather conditions, seasonal trends and special events, which may have a significant influence on our revenue and operating margins.*”), third parties electing to terminate their existing supplier agreements with us or refusing to supply us with the stock we require to maintain adequate levels of inventory, or disruptions to the delivery of goods due to geopolitical factors (see “—*Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect our business, financial condition, results of operations and prospects.*”). Although we proactively adjust our procurement plans from time to time based on our analysis of trends and data available to us, including procurements and inventory level, there can be no assurances that there will not be under- or over-stocking of inventory. Moreover, we generally estimate the demands for our products ahead of procurement and the actual time of sales. There can be no assurances that our predictions are always accurate to avoid any under- or over-stocking of inventory. For example, a sudden decrease in market demand and a corresponding unanticipated drop in the sales of a product result in an accumulation of inventory, which in turn may increase our wastage, particularly in relation to perishable products. Alternatively, if our inventory is understocked, for example, if the Group were to underestimate the popularity of a particular product, it will lose the sales opportunity and our results of operations may be adversely affected. Either under- or over-stocking inventory could adversely and materially affect our business, financial condition, results of operations and prospects.

***The number of orders placed through our platform fluctuates and depends on weather conditions, seasonal trends and special events, which may have a significant influence on our revenue and operating margins.***

Demand for online food takeaway and delivery is subject to weather conditions and shows a seasonal

pattern in the MENA region. Order numbers across the online food ordering industry typically fluctuate based on local weather patterns, seasonal events and special events. See “—*We face risks related to climate and environmental regulations which affect our delivery operations.*”. For instance, order volumes may decrease in some seasons such as during Eid holidays, Ramadan and summer vacation periods when many residents travel. There were also certain locations in Qatar during the FIFA 2022 World Cup where our operations were restricted. Furthermore, unexpected weather events can significantly impact our operations and order volumes. For example, the floods in Dubai in April 2024 led to a temporary but significant disruption in our services. On April 16 and 17, 2024, orders dropped by 90% and 99%, respectively. Our operations fully recovered on the fifth day following the floods; however, during that time, we ceased operations and only opened up deliveries on a measured basis.

Any difficult weather conditions and seasonal fluctuations can have a significant adverse impact on our order numbers, financial performance, and results of operations. Our ability to accurately forecast and adjust to these seasonal and weather-related fluctuations is crucial for maintaining stable operations and financial performance throughout the year.

Any of these risks would have a material negative effect on our business, financial condition, results of operations and prospects.

***We face risks related to climate and environmental regulations which affect our delivery operations.***

In certain markets where we operate, such as Kuwait and Qatar, regulations have been implemented to protect delivery riders from extreme heat conditions and sandstorms. These “heat campaign” regulations prohibit motorcycle-based deliveries during specific hours of the day when temperatures are at their highest. To comply with these regulations and maintain our service levels, we have expanded our delivery fleet to include cars, which has had a minor impact on our financial performance due to increased operational costs and our delivery times affecting the customers’ experience.

While we have successfully adapted our operations in Kuwait and Qatar by expanding our delivery fleet to include cars, there is no guarantee that similar regulations will not be introduced in other key markets where we operate, such as the UAE. Furthermore, there is a risk that Kuwait and Qatar may extend the hours (which are currently between 10 a.m. and 3.30 p.m.) during which motorbikes cannot be ridden, which could significantly impact our business model and operational efficiency in these markets.

The implementation or extension of such regulations in our markets could pose several risks to our business. It could lead to operational disruptions, particularly if introduced without adequate notice, potentially resulting in decreased order fulfilment rates and customer satisfaction. Expanding our fleet to include more cars or other alternative vehicles would likely increase our operational costs, including higher fuel consumption and parking fees, increased maintenance expenses, and potentially higher payments to third-party logistics providers.

Cars may be less efficient than motorcycles in navigating through traffic in densely populated urban areas and locating parking spots before picking up and dropping off orders, which could lead to longer delivery times and reduced Partner and customer satisfaction. A significant expansion of our car-based fleet across multiple markets would require substantial capital expenditure, which could impact

our profitability and cash flow.

The transition from motorcycle to car-based delivery might require retraining and licensing of riders and could potentially lead to a temporary shortage of qualified delivery personnel. The increased operational costs associated with car-based delivery might necessitate an increase in delivery fees or service charges, which could impact our competitiveness in price-sensitive markets and profitability where such fees are heavily capped or regulated by local authorities.

While we strive to anticipate regulatory changes and adapt our operations accordingly, the introduction of similar heat campaign regulations in other key markets, particularly the UAE, or the extension of existing regulations in Kuwait and Qatar, could have a material adverse effect on our business, financial condition, results of operations and prospects.

Moreover, we are subject to a number of environmental regulations in the UAE and in our other markets, including Federal Law No. 24 of 1999 on the Protection and Development of the Environment, Ministerial Resolution No. 380 of 2022 Regulating the Use of Single-use Products in UAE Markets and Executive Council Resolution No. (124) of 2023 on Single-use Products. For example, the Dubai Executive Council announced the introduction of a 25 fils tariff for single-use plastics with a view to eventually ban all use of single-use products, which would be applied in retail outlets, clothing stores, restaurants and pharmacies, as well as on delivery orders and e-commerce orders. Such trend could have a material adverse effect the costs of our vendors and their products, and adversely affect demand from customers to purchase such products for delivery rather than picking up, and therefore on our sales and ability to achieve our strategy. There can be no assurance that the introduction of any changes to government policies would not increase our costs or otherwise materially adversely affect our business, financial condition, results of operations and prospects.

***Natural disasters, industrial catastrophes and health epidemics or pandemics could unfavourably impact our industry and our delivery orders, which could materially adversely affect our financial performance and business.***

Our business operations are subject to disruption by natural disasters, industrial catastrophes, and health epidemics or pandemics, as well as other events beyond our control. The MENA region, where we operate, is prone to various natural phenomena such as floods, earthquakes, and severe weather conditions. For instance, recent flooding events in the UAE and Oman have demonstrated the potential for significant disruption to normal business operations. See “—*The number of orders placed through our platform fluctuates and depends on weather conditions, seasonal trends and special events, which may have a significant influence on our revenue and operating margins.*”.

Furthermore, the occurrence of health epidemics or pandemics can impact our industry in affected regions. While we have demonstrated resilience during recent global health crises, future outbreaks could potentially cause widespread effects on consumer behaviour, restrictions on movement, and economic downturns, all of which could negatively impact our business.

Industrial catastrophes, such as major accidents or technological failures in the cities where we operate, including internet outages, could also significantly impair our ability to conduct business. These events might affect not only our own operations but also those of our Partners and the broader supply chain we rely on.

The impact of such events could extend beyond immediate operational disruptions. We may incur

significant costs and losses in our efforts to manage these situations, assist our Partners, or restore full operational capabilities. The productivity of our Partners may be severely affected, leading to a decrease in order volumes and revenue.

While we strive to have contingency plans in place, the unpredictable nature and potentially severe impact of these events make it challenging to fully mitigate these risks. Any such occurrences could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We are subject to risks related to the lack of experience in managing a public limited company listed on the DFM.***

Most of our senior management have limited or no experience managing public limited companies listed on the DFM and complying with the laws and regulations pertaining to such companies, in particular, the regulatory rules and procedures relating to listed public limited companies. In particular, the internal or external training that our senior management will receive in managing a DFM publicly listed company, coupled with the obligations imposed on public companies, including regulatory oversight and reporting obligations, will require substantial attention from our senior management, which may divert their attention away from the day-to-day management of the Group. If we do not comply with the regulations and disclosure requirements imposed on listed companies in a timely manner, we may be exposed to regulatory sanctions and fines. The imposition of fines on the Group could materially and negatively affect our business, financial condition, results of operations and prospects.

**Risks relating to the UAE and the MENA Region**

***Our operations are across a number of markets in the MENA region, which exposes us to political, economic, legal and other risks.***

Currently, we conduct business in eight countries in the MENA region, exposing us to a variety of local economic, political, and social conditions. These include political instability, economic uncertainty, underdeveloped legal and regulatory systems, and sudden policy changes. The varying levels of government influence in different markets affect our operations, costs, and strategic planning. In some markets, we may enjoy relative freedom to operate, while in others, we may face significant government oversight or intervention. This variability complicates our efforts to standardise our operations and strategic approach across the region.

Some of the markets in which we conduct our business rely heavily on hydrocarbons (such as the UAE, Kuwait, Qatar, and Iraq) where the general economic conditions are influenced by oil and gas prices. These hydrocarbon-based economies are sensitive to changes in global oil and gas prices, which can be volatile and subject to fluctuations due to various factors. The global price of oil may have an impact on the development of government regulations, policies, and the overall economic well-being of these countries, which in turn could affect the demand for our services.

Any unexpected changes in the political, social, economic or other conditions in the MENA region or neighbouring countries could have a material adverse effect on our business. These changes may include, but are not limited to, changes in inflation rates, foreign exchange controls, tax regimes, foreign ownership regulations, employment visa policies, and policies regarding the nationalisation of assets. Governments have applied and may continue to apply restrictions on work visas being granted

to individuals from certain nationalities, including the countries from which are our riders in the GCC are predominantly from, which could affect the number of riders available to us (see “—*We rely on third-party logistics providers for delivery and order fulfilment services.*”). In addition, governments may impose certain regulations capping delivery fees, commissions and service fees, potentially negatively affecting our operations.

We also face challenges related to currency fluctuations (particularly in Egypt where the Egyptian Pound was further devaluated in March 2024), fund transfer restrictions (which we experienced prior to the March 2024 devaluation as there was a severe shortage of US Dollars in the market), and potential preferential treatment of local businesses over foreign ones. Furthermore, the earnings achieved in certain of our markets (such as Egypt) may be difficult to repatriate. Certain countries in which we operate currently have varying degrees of capital controls. Profitability may not contribute to our liquidity should the political, regulatory, and/or economic environment not permit, or complicate, the repatriation of earned funds to the parent entity. Our operations are also subject to risks associated with currency fluctuations and exchange controls. Currency fluctuations may affect our revenue, costs, and overall profitability. For instance, a devaluation of local currencies against the US Dollar (against which our reporting currency is pegged), as has been the case in Egypt (which operates a managed float system and does not peg its currency to the US Dollar), has led to higher costs for imported goods and services, reducing our profit margins. Many countries in the MENA region maintain tight control over their currencies, which can lead to sudden changes in exchange rates or restrictions on currency conversion and repatriation of profits. These factors can affect our ability to manage our finances effectively across our operations and may impact our profitability.

Given our geographic footprint, some of our operations are in jurisdictions with less evolved legal systems and may be subject to conflicting regulatory requirements. This may, among other things, lead to uncertainties in relation to the application of payment regulations and payment service license requirements, and we may also face laws that were introduced before e-commerce and quick commerce changed consumer shopping habits. The market practice for managing contracts with Partners is less developed in certain of our markets. Applying for and obtaining visas for some employees or certain regulatory approvals or permits related to our business may be more difficult than anticipated, and we may have applied for and been granted visas, approvals, or permits for employment in a different legal entity than the actual employing entity. In some cases, we may be treated unfairly or differently than predominantly local businesses and may be subject to arbitrary or harmful enforcement actions by authorities, such as delays in granting and higher costs of obtaining licences or other difficulties, with little or no means of recourse. Additionally, our multinational structure may cause taxation-related issues, such as determining the beneficial owner for tax purposes, which makes tax assessments within our organisation generally more complex and time-consuming. Financial and economic sanctions may also be imposed or tightened on the countries in which we operate by other countries or international organisations. There is no guarantee that we can manage these risks effectively or at all.

We also face specific risks as a foreign-owned company doing business in markets that often have regulations designed to restrict or limit the ability of foreign companies to conduct business. See “—*The Group’s business in UAE, Kuwait, Bahrain and Iraq is subject to risks associated with foreign ownership restrictions.*”. For example, several countries have higher funding requirements in place, such as a higher share capital. In some countries, we are obliged to employ a certain percentage of local employees and may not be in compliance with these requirements. With respect to certain local brands, we are implementing restructuring measures to comply with local laws restricting our ability

to conduct business or foreign investments. However, these restructuring efforts may not be successful, and therefore we cannot guarantee that all our various operations will comply with all pertinent local laws concerning foreign businesses or foreign investments. Additionally, the restructuring measures could negatively affect our management structure.

Moreover, we conduct business in, and may expand our business to, certain countries where corruption and extortion are considered to be widespread, and we may be required to obtain approvals from or comply with certain formalities or other obligations of public officials. As a result, we have been and are exposed to the risk that employees, agents or authorised persons of us could make payments or grant hidden benefits in violation of anti-corruption laws and regulations, especially in response to demands or attempts at extortion. In addition, our current internal controls, prevention (such as our anti-corruption and anti-bribery policy) and training programs may prove to be insufficient. Despite our best prevention efforts, our employees, agents or authorised persons may have been or could be engaged in activities for which we could be held liable.

Some laws and regulations promulgated against corruption may require that controls, procedures and internal regulations be implemented to ensure that the operations of a given entity do not involve corruption, illegal payments or extortion. The great diversity and complexity of these local laws and regulations and the expansive nature of the business conducted by us in various countries and markets create a risk that we may be deemed liable for violations of local laws and regulations. Any violation or breach of these laws and regulations could affect our overall reputation and, depending on the case, expose us to administrative or judicial proceedings, which could result in criminal and civil judgments, including a possible prohibition on maintaining business relationships with suppliers, Partners or customers in certain countries.

In addition to corruption, operating in countries with known human rights issues increases the likelihood that our activities, directly or indirectly, may contribute to or be associated with such violations. This exposure may lead to reputational damage and potential legal consequences if our operations are found to infringe upon human rights standards or regulations.

We are also subject to international economic sanctions regulations, which impose restrictions on doing business with certain countries, entities, or individuals. Breaches of these sanctions, whether through direct transactions or indirect relationships with sanctioned subjects, could result in severe penalties, including fines and restrictions on our operations and reputational damage. Ensuring compliance with evolving international sanctions regimes is crucial to avoid potential legal, operational and financial repercussions.

Any penalties, fines, sanctions or other consequences arising out of a breach or lack of compliance with any applicable anti-money laundering, anti-corruption, international economic sanctions regulations, human rights regulations or similar laws could have a material adverse effect on our business, financial condition, results of operations and prospects.

These interconnected risks can be exacerbated by regional events, with issues in one country potentially affecting others. While we strive to mitigate these risks through careful market analysis and robust compliance procedures, the complex and evolving nature of the MENA region presents ongoing challenges. Any significant negative developments in these areas could materially and adversely affect our business, financial condition, results of operations and prospects.

***Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect our business, financial condition, results of operations and prospects.***

Although the UAE has enjoyed domestic political stability and generally positive international relations in recent years, there has been political unrest in a number of countries in the MENA region, including Bahrain, Egypt, Iran, Iraq, Libya, Syria, Tunisia and Yemen. The unrest has ranged from public demonstrations to, in extreme cases, armed conflict and civil war and has given rise to a number of regime changes and increased political uncertainty across the region. It is not possible to predict the occurrence of events or circumstances such as civil unrest, war or other hostilities, or the impact that such events or occurrences might have on the UAE. The MENA region currently is subject to a number of armed conflicts including those in Yemen, Syria (in which multiple state and non-state actors are involved, such as the USA, Russia, Turkey and Iran), Lebanon, Iraq and Palestine, as well as conflicts with militants associated with the Islamic State. Starting in November 2023, the Yemeni Houthi militia seized or attacked several commercial vessels in the Red Sea. On 18 February 2024, Houthi groups attacked a UK-owned cargo ship in the Southern Red Sea, and on 21 August 2024, Houthi groups launched further attacks on a Greek-flagged oil tanker (the *Sounion*) in the Red Sea, which was carrying 150,000 tonnes of Iraqi crude oil, thereby adversely impacting shipping through one of the world's most important maritime trade routes. In addition, the ongoing conflict between Israel and Palestine and the Israeli strikes in Lebanon have further heightened tensions in the region and globally.

Furthermore, the UAE is, and will continue to be, affected by political developments in or affecting the wider MENA region, and investors' reactions to developments in any country in the MENA region may affect securities of issuers in other markets, including the UAE. In recent years, there have been several significant geopolitical events in the region, including drone attacks on oil facilities, military confrontations, and attacks on commercial vessels in key shipping routes.

Although the UAE has generally not experienced terrorist attacks or armed conflict such as those experienced by a number of other countries in the MENA region, there can be no assurance that extremists or terrorist groups will not initiate terrorist or other violent activity in the UAE, or that the UAE will not be impacted by any escalation of regional armed conflict. Any terrorist incidents in or affecting the UAE and increased regional geopolitical instability (whether or not directly involving the UAE), or any heightened levels of military conflict in the region or globally, may have a material adverse effect on the UAE's attractiveness for foreign investment and capital, its ability to engage in international trade, its tourist industry, and, consequently, its economic, external and fiscal positions, and therefore could adversely impact our business, financial condition, results of operations and prospects.

Furthermore, the UAE is dependent on expatriate labour, including unskilled labourers as well as highly skilled professionals in a range of industry sectors, and has made significant efforts in recent years to attract high volumes of foreign businesses and tourists to the country. These steps make the UAE potentially more vulnerable should regional instability increase, foreign militants commence operations in the country, or extremist or terrorist groups engage in activities in the country. In addition, as the government endeavours to further diversify the UAE's economy into other sectors, including tourism, the exposure to broader regional and global economic trends and geopolitical developments likely will increase.

Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

***The Group's business in UAE, Kuwait, Bahrain and Iraq is subject to risks associated with foreign ownership restrictions.***

Consistent with the approach taken by many foreign-owned companies operating in certain countries of the MENA region, in several of our markets, including the UAE, Kuwait, Bahrain, and Iraq, we operate under nominee arrangements due to foreign ownership restrictions or other regulatory requirements. These arrangements involve local nominees holding significant portions of our business entities on our behalf. The following ownership in our Group entities is held by DHH I SPC, a wholly-owned subsidiary of Links, and/or Carriage Holding Company Limited: (i) 100% of the shares in our Group entities that operate our business in Kuwait (including our Carriage business), excluding our tMart and Kitchens business; (ii) 51% of the shares in our Group entities that operate our tMart and Kitchens business in Bahrain and Kuwait, with the remaining 49% of the shares held by wholly-owned members of our Group; and (iii) 100% of the shares in our Group entities that operate our Carriage business in the UAE, Kuwait and Bahrain. See "*Material Agreements–Nominee Arrangements–Mudaraba Agreements – Bahrain and Kuwait businesses, and Carriage business*". In Iraq, the ownership of our two Group entities is structured through nominee agreements Delivery Hero FZ LLC has entered into with Iraqi nationals, pursuant to which such nominees hold 51% of shares in Talabat for Delivery Services LLC (Baghdad, Iraq) and 100% of shares in Batal Al Tawsil for Delivery Services Ltd (Baghdad, Iraq), in each case, on trust as nominees for our benefit. See "*Material Agreements–Nominee Agreements – Iraq business*" and also "*Related Party Transactions – Framework Agreement*" in respect of our ownership in 49% of the share in Talabat for Delivery Services LLC which is structure through a nominee agreement.

In the UAE, the "Carriage" business was established at the time certain foreign ownership restrictions were in place and although these foreign ownership restrictions no longer apply to the "Carriage" business in the UAE, we have not as of the date of this International Prospectus undertaken a restructuring to remove the existing nominee arrangement.

These nominee structures expose us to various risks. There is a possibility that local authorities or courts may challenge the validity or enforceability of these arrangements, potentially viewing them as circumventing foreign ownership restrictions. If such challenges were successful, we could be forced to restructure our operations in these countries, potentially leading to disruptions in our business activities, fines, or even the loss of our operating licences. We may also face potential liability, expenses for legal claims, and harm to our business resulting from litigation proceedings in connection with the nominee arrangements we have in place. Nominees may assert certain rights or make demands that could affect our operations, including loss of the economic benefit of those businesses. Additionally, nominees may challenge the terms of their arrangements or pursue claims against us, which could disrupt our business or result in significant court-imposed payments for contractual damages or settlement payments. For instance, we operated through a nominee arrangement for several years with TLG Commercial Brokers LLC ("**TLG**"), which were the previous nominees that held 100% of the shares in DHH I SPC (the "**DHH Shares**"), and were replaced by Links, the current holder of the DHH Shares. Following such replacement, TLG filed a claim against us in 2021 before the Dubai courts, requesting the nullification of the transfer of the DHH Shares to Links. The Dubai courts ruled that they lacked jurisdiction over the case. TLG filed a claim for disclosure of certain share transfer documents from the DIFC Companies Registrar against us before the DIFC courts in 2023,



and the DIFC courts ruled in our favour. TLG informed us that they would amend their claim to seek monetary damages; however, no such steps have been taken to date. Subsequently, in July 2024, TLG requested an appointment of experts in a dispute against the directors of DHH I SPC at Dubai Courts' Amicable Dispute Resolution Centre ("ADRC"), which was dismissed by the Dubai Courts' ADRC in September 2024.

Furthermore, relying on nominees means we do not have full legal ownership of significant portions of our business entities in these countries. This could potentially lead to difficulties in implementing strategic decisions, responding quickly to market changes, or ensuring full compliance with our corporate policies and standards.

The nominee arrangements also create a layer of complexity in our corporate structure, potentially leading to increased administrative burdens, higher compliance costs, and challenges in financial reporting and consolidation. There is also a risk that changes in local laws or regulations could further restrict or prohibit the use of nominee structures, requiring us to find alternative means of operating in these markets.

While we believe our current arrangements are compliant with local laws and regulations, any adverse changes in the interpretation or enforcement of these laws could materially affect our ability to operate in these markets. The loss or significant alteration of these nominee arrangements could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We are exposed to the tax laws of multiple jurisdictions in which we operate, including risks in connection with challenges to our tax positions.***

We operate in numerous countries across the MENA region, subjecting us to a complex array of tax laws and regulations in multiple jurisdictions. The interpretation and application of these tax regimes can be ambiguous and subject to change, often with retrospective effect. Our tax liability determinations are based on our interpretations (regularly supported by local external tax advisors) of applicable tax laws and regulations, which may differ from the views of relevant tax authorities.

We are subject to periodic tax audits by governmental authorities in the countries where we operate. These audits are inherently uncertain and may result in assessments that differ from our interpretations and expectations. Negative or unexpected results from one or more such tax audits could adversely affect our business, financial condition, and results of operations.

Changes in tax laws, regulations, or their interpretation, whether prospective or retrospective, may expose us to additional tax liabilities, including interest payments and potential penalties. For instance, the recent introduction of corporate income tax in the UAE from June 1, 2023, creates uncertainty regarding the applicable tax rate and potential impact on our operations in that key market. See "*Taxation*".

The complexity of our international operations increases the risk of disputes with tax authorities regarding the allocation of profits (or losses) among various jurisdictions. Transfer pricing arrangements between our affiliated entities are subject to review and possible challenge by tax authorities. If any tax authority were to successfully challenge our operational structure, intercompany pricing policies, or the taxable presence of our subsidiaries in certain countries, it could result in a higher tax liability, interest, and penalties.

Furthermore, as we continue to expand into new jurisdictions, our tax profile may become more complex, potentially increasing our effective tax rate and future cash tax payments. The tax regimes in some of the emerging markets where we operate may be less developed, leading to greater uncertainty in the application of tax laws.

In addition to corporate income taxes, we are also subject to various indirect taxes, including, without limitation, VAT, payroll taxes, and sales taxes, across the jurisdictions in which we operate. While we are responsible for collecting and remitting these taxes, there is a risk that tax authorities may question or challenge our methods of calculation, reporting, or collection and demand additional taxes, interest, and potentially impose penalties and fees.

While we strive to comply with all applicable tax laws and regulations, there can be no assurance that a tax authority will not have a different interpretation of the law than we do or that we will be able to ultimately sustain our tax positions if challenged. Any additional tax liability, interest, and penalties resulting from audits or challenges to our tax positions could have a material adverse effect on our business, financial condition, results of operations, and prospects. In addition to any financial implications, significant tax disputes or adverse audit outcomes could also lead to negative publicity and reputational damage.

***Workforce nationalisation initiatives in the countries where we operate may increase our costs and reduce our ability to rationalise our workforce.***

We are subject to workforce nationalisation initiatives in several countries where we operate, including the UAE's Emiratisation program and similar initiatives in other MENA countries, such as Kuwaitisation in Kuwait, Bahrainisation in Bahrain, Qatarisation in Qatar and Omanisation in Oman. These programs aim to increase the participation of nationals in the private sector workforce. As a technology-driven food delivery and e-commerce platform operating across multiple jurisdictions, we rely on a diverse workforce that includes both local nationals and expatriates in various roles, from technology development to operations and customer service. With respect to the riders provided by third-party logistics providers in the aforementioned countries, they are predominantly from South Asia. Should any of the nationalisation initiatives or programs require a higher number of local riders, this would potentially affect the number of riders available to us and could also result in the detention of riders from third-party logistics providers due to non-compliance with these initiatives. For example, this has occurred in Oman.

The requirements and targets set by these nationalisation programs are subject to change and may become more stringent over time. For example, in the UAE, recent changes to the Emiratisation program have set new targets for private sector companies, including those in the technology sector.

The UAE and other countries in the MENA region where we operate may introduce or intensify similar initiatives. Compliance with these initiatives may:

- Increase our operating costs, as salaries for national employees are often higher than those for expatriate workers in similar positions.
- Limit our flexibility in managing our workforce, as there may be restrictions on terminating the employment of national workers.
- Create challenges in finding suitably qualified national candidates for certain

specialised roles, particularly in technology and software development.

- Result in penalties or restrictions on our ability to obtain work permits for expatriate employees if we fail to meet the required nationalisation quotas.
- Result in changes to the requirements applying to third-party logistics providers, whereby riders (which already forms the vast majority of their workforce) would be considered as part of the company's active employment base. In addition, GCC nationals are highly unlikely to work as riders in this region due to their poor perception of and high effort requirements for this occupation
- In addition, governments may impose entry restrictions on certain nationalities thereby limiting the number of individuals available to work as riders in the markets in which we operate to expedite their nationalisation agenda.

Moreover, as a rapidly growing technology company, we require a flexible and highly skilled workforce to support our expansion and innovation. The nationalisation requirements may constrain our ability to quickly scale our operations or adapt our workforce to changing business needs. While we are committed to supporting the development of local talent and complying with local regulations, these initiatives may adversely affect our ability to recruit, retain, and manage our workforce efficiently. This could potentially impact our operational effectiveness, increase our costs, and ultimately affect our competitiveness in the market. Any failure to meet the nationalisation requirements could result in fines, restrictions on our ability to obtain necessary permits, or limitations on our ability to expand in certain markets. This could have a material adverse effect on our business, financial condition, results of operations, and prospects in the affected countries.

***Our financial condition and results of operations may be materially adversely affected if the USD/AED exchange rate were to change.***

The Group maintains its accounts, and reports its results, in UAE dirhams. Although the UAE dirham has been pegged to the US dollar at a rate of AED 3.6725 to USD 1.00 since 1997, there can be no assurance that the UAE Central Bank will continue to maintain this fixed rate in the future. Any de-pegging or change to the USD/AED exchange rate could increase the costs that the Group pays for its services or to service its indebtedness or could cause its results of operations and financial condition to fluctuate due to currency translation effects, any of which could have a material adverse effect on the Group's business, financial condition, results of operation and prospects.

## **Risks Relating to the Offering and to the Shares**

***After the Offering, Delivery Hero will continue to hold the majority of the Shares.***

Delivery Hero currently indirectly holds 100% of the Company's issued share capital and will continue to indirectly hold at least 85% following the Offering (assuming all offered Shares are sold). This allows Delivery Hero to exercise control over the Company's management and operations, including dividend payments, Board of Directors elections, and other matters. While Delivery Hero's support has historically driven the Group's success, its interests may not always align with the Group's strategic or commercial objectives or those of other shareholders.

Delivery Hero's significant indirect Share ownership may: (i) delay or deter a change of control

(including deterring a third party from making a takeover offer for the Company); (ii) deprive shareholders of opportunities to receive premiums for their Shares; and (iii) affect Share liquidity, potentially impacting the market price of the Shares. In addition, there may be circumstances where our businesses compete directly or indirectly with Delivery Hero's businesses, and Delivery Hero may take decisions with respect to those businesses that are adverse to the interests of our other shareholders.

We historically have engaged, and intend to continue to engage, in significant transactions with Delivery Hero and its subsidiaries, on an arm's length basis, relating to, among other things, the provision of corporate services to us, including access to Delivery Hero's tech stack for back-end technology, logistics systems, HR services, and treasury services (see "*Related Party Transactions*"). There can be no assurance that any of the transactions with Delivery Hero and its other subsidiaries will be on terms favourable to us, or that Delivery Hero and its other subsidiaries will act in the best interest of our public shareholders.

***Substantial sales of Shares by our Selling Shareholder or future issuances of Shares by the Group could depress the price of the Shares.***

Significant Share sales by our Selling Shareholder post-Offering or future Share issuances by the Company may substantially reduce the market price of the Shares. Our Selling Shareholder has agreed to certain restrictions on Share dealings for 180 days from the Closing Date, with limited exceptions, unless consented to by the Joint Bookrunners. However, we cannot predict whether substantial amounts of Shares will be sold in the open market post-Offering. Any substantial Share sales, or the perception thereof, could materially affect the Shares' market price.

Future Share issuances may dilute shareholders' holdings and depress Share prices. The Company is subject to a 180 day lock-up period post-Closing Date. However, the Company may offer additional Shares or convertible securities in the future, including as stock-based compensation. Such sales could dilute shareholdings, affect prevailing market prices for the Shares, and impair the Company's ability to raise capital through future equity securities sales.

The Offering may not result in an active or liquid market for the Shares, and trading prices of the Shares may be volatile and may decline. In addition, the DFM is significantly smaller in size than other established securities markets, which may also affect liquidity in the Shares.

No prior public market for the Shares exists. We cannot assure that an active trading market will develop or sustain post-Offering, or that the market price won't decline below the Offer Price. Share trading prices may fluctuate widely due to various factors, including stock market fluctuations and general economic conditions, potentially affecting the market price regardless of the Company's performance.

The Company has applied for DFM listing. The DFM's future success and Share liquidity cannot be guaranteed. The DFM is substantially smaller than established securities markets, with generally higher transaction costs.

These factors could decrease liquidity, increase volatility, and impair the ability to sell Shares on the DFM at desired amounts, prices, and times achievable in more liquid markets. This could adversely affect the Shares' value and trading price.

***The Company may not pay dividends on the Shares and consequently, investors may not receive any return on investment unless they sell their Shares for a price greater than that which was paid for them.***

The distribution of dividends by the Company will be dependent upon a number of factors, including the future profit, financial position, capital requirements, statutory reserve requirements, the amount of distributable reserves, available credit of the Company and general economic conditions and other factors that the Board of Directors deem significant from time to time. Also, the Company's ability to declare and pay cash dividends on the Shares may be restricted by, among other things, covenants in any credit facilities that the Company may enter into in the future, the recovery of any incurred losses in the future and provisions of ADGM law. While the Company's subsidiaries have historically been able to pay regular dividends and intend to pay dividends in respect of the Shares, there can be no assurance that any such future dividends will be paid, nor can there be an assurance as to the amount, if any, which will be paid in any given year. See "*—Because the Company is a holding company and substantially all of the Group's operations are conducted through the Company's subsidiaries, the Company's ability to pay dividends on the Shares depends on its ability to obtain cash dividends or other cash payments or obtain loans from such entities.*".

In addition, any decision to declare and pay dividends in the future will be made based on the assessment and recommendation of the Board of Directors and will depend on, among other things, applicable laws and regulations, the Group's results of operations, financial condition, cash requirements, contractual restrictions, future projects and plans and other factors that Board of Directors may deem relevant. As a result, investors may not receive any return on an investment in the Shares unless they sell their Shares for a price greater than the one paid for them. See "*—Dividend Policy*".

***Because the Company is a holding company and substantially all of the Group's operations are conducted through the Company's subsidiaries, the Company's ability to pay dividends on the Shares depends on its ability to obtain cash dividends or other cash payments or obtain loans from such entities.***

The Company currently conducts all of its operations through its subsidiaries, and such entities generate substantially all of the Group's operating income and cash flow. Because the Company has no direct operations or significant assets other than the capital stock of these entities, the Company relies on those entities for cash dividends, investment income, financing proceeds and other cash flows to pay dividends, if any, on the Shares and, in the long term, to pay other obligations at the holding company level that may arise from time to time.

The ability of such entities to make payments to the Company depends largely on their financial condition and ability to generate profits. In addition, because the Company's subsidiaries are separate and distinct legal entities, they will have no obligation to pay any dividends or to lend or advance the Company funds and may be restricted from doing so by contract, including other financing arrangements, other shareholders or applicable laws and regulations of the various countries in which they operate. Similarly, because of the Company's holding company structure, claims of the creditors of the Company's subsidiaries, including trade creditors, banks and other lenders, effectively have priority over any claims that the Company may have with respect to the assets of these entities. Further, the Company cannot be certain that, in the long term, the Company's subsidiaries will generate sufficient profits and cash flows, or otherwise prove willing or able, to pay dividends or lend

or advance to the Company sufficient funds to enable it to meet the Company's obligations and pay interest, expenses and dividends, if any, on the Shares.

The inability of one or more of these entities to pay dividends or lend or advance the Company funds and currency control restrictions and restrictions on the repatriation of dividends imposed on the Company or its subsidiaries may adversely affect not only the Company's ability as a holding company to pay dividends, but also the Company's business, financial condition, results of operations and prospects.

***Holders of the Shares in certain jurisdictions outside of the UAE may not be able to exercise their pre-emptive rights if the Company increases its share capital.***

Under the Articles of Association to be adopted in connection with the Offering, holders of the Shares generally have the right to subscribe and pay for a sufficient number of ordinary shares to maintain their relative ownership percentages prior to the issuance of any new ordinary shares in exchange for cash consideration. Holders of the Shares outside of the UAE may not be able to exercise their pre-emptive rights unless certain registrations are effective with respect to such rights and the related ordinary shares or an exemption from their respective registration requirements. The Company currently does not intend to register the Shares under the Securities Act or the laws of any other jurisdiction, and no assurance can be given that an exemption from such registration requirements will be available to enable holders of the Shares outside of the UAE to exercise their pre-emptive rights or, if available, that the Company will utilise such exemption. To the extent that holders of the Shares outside of the UAE are not able to exercise their pre-emptive rights, the pre-emptive rights would lapse and the proportional interests of such holders outside of the UAE would be reduced.

## TAXATION

### UAE Taxation

*The following comments are general in character and are based on the current and proposed tax regimes applicable in the UAE and the current practice of the UAE authorities as at the date of this Prospectus. The comments do not purport to be a comprehensive analysis of all the tax consequences applicable to all types of shareholders and do not relate to any taxation regime outside the UAE. Each shareholder is responsible for its own tax position and, if you are in any doubt as to your own tax position, you should seek independent professional advice without delay.*

### UAE Emirate-level Corporate Taxation

Historically, most of the individual Emirates have enacted their own corporate tax decrees. Whilst in theory these decrees could potentially levy corporate tax on all companies in the relevant Emirate, in practice, corporate tax was only applied to certain companies operating in the upstream oil and gas industry and to mainland branches of foreign banks in the UAE on their net income. Therefore, the Company should in principle continue to be subject to the Emirate-level corporate tax regime. In practice, however, the Company is not currently paying any corporate tax and not required to make any Emirate level corporate tax filings.

### UAE Federal-level Corporate Taxation

Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses (the “**Corporate Tax Law**”) introduced corporate tax on juridical persons with a permanent establishment or nexus in the UAE or deriving UAE sourced income, including corporations, partnerships, foundations, non-resident entities and natural persons engaged in a business or business activity from 25 October 2022; effective for businesses for tax periods commencing on or after 1 June 2023.

This Corporate Tax Law is as yet untested and guidance published by the Ministry of Finance (the “**MoF**”) and the Federal Tax Authority (the “**FTA**”) have not resolved all points of uncertainty. Consequently, how the Corporate Tax Law will be applied to the Company remains unclear.

### Corporate Tax Rates

The corporate tax rate is set at 0% for taxable income up to AED 375,000, and 9% for taxable income that exceeds AED 375,000.

The MoF has announced that, as a member of the OECD Base Erosion and Profit Shifting (“**BEPS**”) Inclusive Framework, it is committed to addressing the challenges faced by tax jurisdictions internationally. On the announcement of the UAE corporate tax, the MoF stated that UAE entities within a large multinational group that fall under the scope of Pillar 2 of the OECD BEPS 2.0 framework, being those with consolidated global annual revenue of more than EUR 750 million, equivalent to approximately AED 3 billion, will be subject to a different higher rate, which is still yet to be announced. The global minimum effective tax rate proposed by the OECD is 15%.

It is not currently clear how the UAE will embed the Pillar 2 rules into domestic legislation and how the Pillar 2 regime will interact with the new corporate tax regime, but it should be noted that this may impact the application of the zero rate for Qualifying Free Zone entities that fall within the Pillar 2 rules.

The UAE is expected to enact Pillar 2 from 2025.

### ***Taxable profit***

UAE corporate tax will be payable on taxable income, being the net profit reported in the financial statements of the business, subject to certain adjustments.

No deductions are available when calculating taxable income for the following items, among others:

- expenditure not incurred for the purpose of the taxable person's business;
- losses not connected with, or arising out of, the taxable person's business;
- net interest / finance expense which exceeds the higher of: (i) 30% of tax adjusted EBITDA, or (ii) AED 12,000,000 (subject to certain additional requirements);
- penalties, bribes or other illicit payments;
- dividends or other profit distributions;
- corporate tax imposed under the Corporate Tax Law, tax imposed on the taxable person outside the UAE and recoverable VAT;
- donations paid to organisations that are not a Qualifying Public Benefit Entity (as defined under Article 9 of the Corporate Tax Law);
- 50% of expenditure incurred by the taxable person on the entertainment of customers, shareholders, suppliers or other business partners;
- adjustment for transactions with related parties that are not on arm's length;
- such other expenditure as may be specified in a decision issued by the cabinet; and
- "**Exempt Income**" and expenditure incurred in deriving Exempt Income, defined as: (i) dividends paid by UAE resident juridical person; (ii) dividends and other profit distributions received from a foreign participation that is not a resident person and local/foreign capital gains or losses on the transfer, sale or other disposition of participating interest (or part thereof) subject to complying with the participation exemption rules; (iii) income of a foreign permanent establishment where an election under Article 24 of the Corporate Tax Law has been made; and (iv) income derived by a non-resident person from operating aircraft or ships in international transportation that meets certain conditions.

### ***Free Zone Persons***

The Corporate Tax Law provides for a specific regime for "**Qualifying Free Zone Persons**", being persons incorporated, established or otherwise registered in one of the UAE's free zones, including a branch of a non-resident person registered in a free zone, ("**Free Zone Persons**") meeting all of the following criteria:

- it maintains adequate substance in the free zone;



- its income is derived from transactions with other Free Zone Persons, except for income derived from “**Excluded Activities**” (as defined in Ministerial Decision No. 139 of 2023 Regarding Qualifying Activities in Excluded Activities). The other Free Zone Persons must be the beneficial recipients of a transaction where that other Free Zone Person has the right to use and enjoy the supply by the Qualifying free Zone Person without being under a legal or contractual obligation to pass on the services or goods supplied to another person; or income derived from transactions with a non-Free Zone Person, but only in respect of qualifying activities that are not Excluded Activities; or any other income provided that the Qualifying Free Zone Person satisfies the “de minimis” requirements of the Corporate Tax Law (“**Qualifying Income**”). Qualifying Income cannot include income attributable to a foreign permanent establishment or a domestic permanent establishment or income attributable to the ownership or exploitation of immovable property (except in the case of transactions with Free Zone Persons involving commercial property located in a free zone).
- it has not elected to be subject to corporate tax;
- it has complied with the arms-length principle and transfer pricing documentation requirements of the Corporate Tax Law;
- it does not fail the “de minimis test” defined in the Cabinet Decision No. 55 of 2023;
- it prepares audited financial statements in accordance with Ministerial Decision No.82 of 2023; and
- it has complied with any other conditions set by the MoF.

A Free Zone Person who fails to satisfy any of the above criteria will be subject to a corporate tax rate of 9% for each year in which it fails to meet the above criteria and for a further four years following a year that it fails to qualify. A Free Zone Person subject to a corporate tax rate of 9% does not benefit from the AED 375,000 zero tax band. The corporate tax FAQs published by the MoF and FTA specify that Qualifying Free Zone entities that are part of a large multinational group are expected to be subject to the Pillar 2 global minimum tax, once implemented.

### ***Withholding tax***

The UAE applies withholding tax at a rate of 0% to certain domestic and cross-border payments made by UAE businesses. Consequently, UAE businesses will not be required to make any deductions from payments made to resident or non-resident recipients, nor will there be an obligation to file withholding tax returns.

The Corporate Tax Law includes provisions which specifically allow the UAE Cabinet of Ministers to change the withholding tax rate. The Corporate Tax Law also specifies that a Cabinet decision will be issued which will detail the categories of income which will be subject to withholding taxes. The UAE Cabinet of Ministers decisions have not yet been issued.

### ***Transfer Pricing***

Under the Corporate Tax Law, transactions carried out between related parties and connected parties should be priced in line with the arm’s length principle. The arm’s length principle is met where the

transaction or agreement is consistent with the results that would have been realised where unrelated parties had engaged in a similar transaction or agreement under similar circumstances.

The arm's length principle should be supported by a functional, assets and risk analysis which is intended to be aligned with the OECD TP Guidelines as clarified by the explanatory guide issued by the MoF.

### ***Value Added Tax***

VAT was introduced in the UAE on 1 January 2018, pursuant to Federal Decree Law No. (8) of 2017 on VAT and its Executive Regulations. The standard VAT rate is 5% and applies to most goods and services, with some goods and services subject to a 0% rate or an exemption from VAT (subject to specific conditions being met).

The 0% VAT rate applies to goods and services exported outside the UAE, international transportation, the supply of crude oil and natural gas, the first supply of residential real estate, and some specific areas, such as health care and education.

A VAT exemption applies to certain financial services, as well as to the subsequent supply of residential real estate. In addition, transactions related to bare land, residential buildings (other than the first supply) and domestic passenger transport are also exempt from VAT. Further, certain transactions in goods between companies established in UAE Designated Free Zones (as notified specifically for VAT purposes) ("DZs") may not be subject to VAT. The supply of goods and services within DZs is, however, subject to VAT in accordance with the general application of the UAE VAT legislation. The purchase of Shares is considered an exempt supply for the purposes of VAT (unless a zero-rating provision applies) pursuant to Article 42 of the UAE VAT Executive Regulations. Under the UAE VAT legislation, no VAT should be payable in respect to the acquisition or sale of Shares. However, it should be noted that fees relating to the transfer of ownership of shares would be subject to VAT at the standard rate of 5%.

Businesses are entitled to claim a credit for VAT paid on their purchases (subject to maintaining the relevant supporting documents especially a tax invoice) if they relate to a supply that is standard rated or zero-rated (taxable supplies). However, any VAT incurred in connection with a supply that is exempt from VAT cannot be reclaimed. Where VAT incurred cannot be attributed specifically to a taxable or an exempt supply, it is possible to recover a portion of this (for example, overhead costs for the business). This recovery can be made in line with an apportionment calculation and subsequent annual washup exercise.

Excess input VAT can, in principle, be claimed back from the FTA, subject to a specific procedure. Alternatively, VAT credits may be carried forward and offset against the net VAT payable in the next taxable period(s). The FTA may offset unclaimed VAT credits against taxpayer liabilities, including outstanding penalty amounts.

Businesses that do not comply with their VAT obligations can be subject to fines and penalties. There are both fixed and percentage based penalties. The FTA may offset unclaimed VAT credits against taxpayer liabilities, including outstanding penalty amounts.

Under the UAE VAT legislation, no VAT should be payable in respect to the acquisition or sale of Shares. However, it should be noted that fees relating to the transfer of ownership of Shares would

be subject to VAT at the standard rate of 5%. Certain fees may be subject to VAT at 0% where the buyer is non-resident and the sale meets the conditions for zero-rated export of services.

For completeness, dividend income received by merely holding shares in a company does not constitute consideration for a supply. Therefore, passively earned dividend income would not amount to a consideration for a taxable supply and should be outside the scope of UAE VAT.

A sale of assets would be subject to VAT at the standard rate of 5%, unless it qualifies as a transfer of a business as a going concern (in which case a transaction should be outside the scope of UAE VAT). Capital gains realised from the sale of assets would not constitute a consideration for a taxable supply and should be outside the scope of UAE VAT.

## **UAE Taxation Considerations for Prospective Investors**

As of the date of this Prospectus, there is currently no federal-level or Emirate-level personal income tax levied on individuals in the UAE. Non-UAE tax residents, or dual tax residents, individuals and corporations may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Offering based on local tax regulations in their respective jurisdictions.

Individuals who conduct a business or business activity in the UAE will be subject to corporate tax. Businesses or business activities conducted by a resident person or non-resident person shall be subject to corporate tax only where the total turnover derived from such businesses or business activities exceeds AED 1 million within a calendar year.

### ***Taxation on purchase of shares***

Completion of the Offering is likely to be characterised for UAE tax purposes as a purchase of shares by the investor. If an investor is tax resident outside the UAE and/or is subject to tax in another jurisdiction, the Offering may be characterised differently and may be subject to tax in that other tax jurisdiction.

There are no transfer taxes in the UAE on the purchase of shares. Accordingly, a purchase of Shares should not result in any UAE tax liabilities for investors who are individuals or corporations that are tax resident in the UAE. Non-UAE tax residents, or dual tax resident individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations in their respective jurisdictions.

From a VAT perspective, the purchase of shares is considered an exempt supply for the purposes of VAT unless a zero rate provision applies pursuant to Article 42 of the UAE VAT Executive Regulations. Under the UAE VAT legislation, no VAT should be payable in respect to the acquisition or sale of Shares. However, it should be noted that fees relating to the transfer of ownership of shares would be subject to VAT at the standard rate of 5% (see “—*Value Added Tax*”).

Investors should seek advice in relation to the impact of VAT in relation to their acquisition of Shares.

### ***Taxation of dividends and capital gains on sale of shares***

#### ***UAE tax resident individual shareholders***

Pursuant to the Corporate Tax Law, a purchase of shares and any related dividend income, or gains on sale of shares, should not result in any UAE tax liabilities for UAE tax resident or non-resident natural persons so long as it qualifies as a “personal investment”. Under UAE Cabinet decision No 49 for 2023 a “personal investment” is defined as investment activity that a natural person conducts for their personal account that is neither conducted through a licence or requiring a licence from a licensing authority in the UAE, nor considered as a commercial business in accordance with the UAE Federal Decree-Law No 50 of 2022, Commercial Transactions Law.

#### *Non-UAE tax resident individual shareholders*

Non-UAE tax residents, or dual tax residents, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with the Shares based on local tax regulations in their respective jurisdictions.

#### *UAE tax resident corporate shareholders*

Under the Corporate Tax Law, the purchase of Shares should not result in any UAE tax liabilities for corporations which are tax resident in the UAE. Similarly, dividends received from UAE resident juridical persons are exempt from tax.

Gains realised by UAE resident corporate investors in relation to the disposal of their investment will be subject to corporate tax at a rate of 9%. The participation exemption may exempt any gain arising where all of the following conditions are met:

- the ownership interest held by the investor represents at least 5% or the minimum historical acquisition costs of AED 4,000,000 is met;
- the investor holds the investment for a 12-month uninterrupted period (or has the intention to hold the investment for a 12-month period);
- the investment is subject to tax in its country or territory of residence at a rate that is not lower than 9% (this condition is assumed to be met where the investment is either a Qualifying Free Zone Person or an Exempt Person);
- not more than 50% of the direct and indirect assets held by the underlying foreign subsidiaries / investments consist of ownership interests that would not have qualified for a participation exemption if held directly by the investment;
- the investor has a right to receive at least 5% of the profits and liquidation proceeds of the subsidiary; and
- any other conditions as may be prescribed by the MoF.

Where the participation exemption applies on the disposal of the investment, any expenditure incurred in relation to the acquisition, transfer or sale of the investment, will not be deductible.

#### *Non-UAE tax resident corporate shareholders*

Non-UAE tax resident companies or dual tax resident corporations may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations in their respective jurisdictions.

Under the Corporate Tax Law, dividends from resident juridical persons are exempt from tax. Where dividends from resident juridical persons are classed as state sourced income, the dividend income would be subject to withholding tax which is currently charged at 0%. Gains realized by non-UAE tax resident corporate investors or a non-UAE permanent establishment in relation to the disposal of their investment would represent UAE sourced income and therefore would be subject to tax under the Corporate Tax Law. This gain would be subject to withholding tax which is currently charged at 0% (see “—Withholding Tax”).

**THE ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE SHARES UNDER THE INVESTOR’S OWN CIRCUMSTANCES.**

### Third Section: Financial Disclosures

#### Summary of the Financial Statements and a Summary of Key Notes and Key Financial Indicators as at the years ended 31 December 2022 and 2023 and the reviewed Interim Financial Statements for the nine months ended 30 September 2024

The following should be read in conjunction with the Annual Financial Statements and the Interim Financial Statements included elsewhere in this Prospectus. Investors should also read certain risks associated with the purchase of Offer Shares in the section entitled “Investment Risks”.

#### Selected Financial Information and Operating Data

The summary historical financial information set forth below is based upon the Annual Financial Statements and the Interim Financial Statements. The summary historical financial information should be read in conjunction with the “Selected Historical Financial Information”, and the Annual Financial Statements, and the Interim Financial Statements including the related notes, included elsewhere in this Prospectus.

#### A. Annual Financial Statements

##### 1. Consolidated statement of financial position as at the financial years ended 31 December

	2023 AED	2022 AED
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property and equipment	245,147,846	195,740,704
Intangible assets and goodwill	1,153,089,949	1,132,152,222
Loan to a related party	27,657,454	-
Trade and other receivables	11,962,688	8,650,774
<b>Total non-current assets</b>	<b>1,437,857,937</b>	<b>1,336,543,700</b>
<b>Current assets</b>		
Inventories	49,884,655	54,784,856
Trade and other receivables	232,607,017	244,328,145
Due from related parties	196,390,322	136,914,883
Cash and cash equivalents	1,065,498,800	1,450,414,842
<b>Total current assets</b>	<b>1,544,380,794</b>	<b>1,886,442,726</b>
<b>Total assets</b>	<b>2,982,238,731</b>	<b>3,222,986,426</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	15,050,000	50,000
Shareholder's contribution	529,145,367	532,572,266
Foreign currency translation reserve	14,293,129	27,590,624
Retained earnings	1,032,647,626	979,174,005
Other reserves	56,126,335	45,588,700
<b>Total equity attributable to shareholder of the Company</b>	<b>1,647,262,457</b>	<b>1,584,975,595</b>
Non-controlling interests	(7,325,551)	(7,054,172)
<b>Total equity</b>	<b>1,639,936,906</b>	<b>1,577,921,423</b>
<b>Non-current liabilities</b>		
Loans from related parties	128,444,857	521,853,783
Trade and other payables	2,523,363	1,736,179
Lease liabilities	105,361,434	75,881,779
Employees' end of service benefits	45,487,128	30,436,237
<b>Total non-current liabilities</b>	<b>281,816,782</b>	<b>629,907,978</b>
<b>Current liabilities</b>		
Due to related parties	110,615,377	172,941,390
Trade and other payables	907,071,235	797,979,604
Lease liabilities	26,313,690	28,017,413
Income tax liabilities	16,484,741	16,218,618
<b>Total current liabilities</b>	<b>1,060,485,043</b>	<b>1,015,157,025</b>
<b>Total liabilities</b>	<b>1,342,301,825</b>	<b>1,645,065,003</b>
<b>Total equity and liabilities</b>	<b>2,982,238,731</b>	<b>3,222,986,426</b>

2. Consolidated statement of profit or loss and other comprehensive income for the financial years ended 31 December

	2023 AED	2022 AED
Revenue	6,162,876,061	5,072,984,530
Cost of sales	<u>(3,855,439,893)</u>	<u>(3,228,239,362)</u>
Gross profit	2,307,436,168	1,844,745,168
Marketing expense	(411,365,931)	(449,818,490)
IT expense	(198,562,405)	(174,411,084)
General administrative expense	(394,579,484)	(424,977,655)
Other income	178,780,729	244,173,856
Other expenses and impairment	<u>(387,646,089)</u>	<u>(215,170,870)</u>
Operating profit	1,094,062,988	824,540,925
Net finance costs	(6,475,792)	(35,230,648)
Foreign exchange gain, net	4,294,859	6,739,649
Profit before income tax	<u>1,091,882,055</u>	<u>796,049,926</u>
Current income tax expense	<u>(7,738,890)</u>	<u>(26,851,191)</u>
Net profit	<u>1,084,143,165</u>	<u>769,198,735</u>
<b>Other comprehensive income (Net)</b>		
<i>Items that will be subsequently reclassified to profit or loss:</i>		
Foreign currency translation reserve	<u>(13,297,495)</u>	26,861,599
Other comprehensive (loss)/income, net of tax	<u>(13,297,495)</u>	26,861,599
<b>Total comprehensive income</b>	<u>1,070,845,670</u>	<u>796,060,334</u>
<b>Net profit attributable to:</b>		
Shareholder of the Company	1,084,414,544	767,056,698
Non-controlling interests	<u>(271,379)</u>	<u>2,142,037</u>
	<u>1,084,143,165</u>	<u>769,198,735</u>
<b>Total comprehensive income attributable to:</b>		
Shareholder of the Company	1,071,117,049	793,918,297
Non-controlling interests	<u>(271,379)</u>	<u>2,142,037</u>
	<u>1,070,845,670</u>	<u>796,060,334</u>

### 3. Consolidated statement of changes in equity for the financial years ended 31 December

	Attributable to shareholder of the Company						Non-controlling interest	Total equity
	Share capital	Shareholder's contribution	Retained earnings	Other reserves	Foreign currency translation reserve	Total		
	AED	AED	AED	AED	AED	AED		
Balance at 1 January 2022	50,000	532,572,266	801,792,128	33,569,998	729,025	1,368,713,417	(49,943,678)	1,318,769,739
<u>Total comprehensive income for the year:</u>								
Net profit	-	-	767,056,698	-	-	767,056,698	2,142,037	769,198,735
Other comprehensive income	-	-	-	-	26,861,599	26,861,599	-	26,861,599
	-	-	767,056,698	-	26,861,599	793,918,297	2,142,037	796,060,334
Transfers during the year	-	-	(12,018,702)	12,018,702	-	-	-	-
<u>Transactions with owners of the Group:</u>								
Equity settled share-based transactions	-	-	84,728,925	-	-	84,728,925	-	84,728,925
Deconsolidation of subsidiaries under common control	-	-	42,410,631	-	-	42,410,631	40,747,469	83,158,100
Dividends paid	-	-	(704,795,675)	-	-	(704,795,675)	-	(704,795,675)
<b>Balance at 31 December 2022</b>	<b>50,000</b>	<b>532,572,266</b>	<b>979,174,005</b>	<b>45,588,700</b>	<b>27,590,624</b>	<b>1,584,975,595</b>	<b>(7,054,172)</b>	<b>1,577,921,423</b>
Balance at 1 January 2023	50,000	532,572,266	979,174,005	45,588,700	27,590,624	1,584,975,595	(7,054,172)	1,577,921,423
<u>Total comprehensive income for the year:</u>								
Net profit	-	-	1,084,414,544	-	-	1,084,414,544	(271,379)	1,084,143,165
Other comprehensive income	-	-	-	-	(13,297,495)	(13,297,495)	-	(13,297,495)
	-	-	1,084,414,544	-	(13,297,495)	1,071,117,049	(271,379)	1,070,845,670
Transfers during the year	-	-	(10,537,635)	10,537,635	-	-	-	-
<u>Transactions with owners of the Group:</u>								
Equity settled share-based transactions	-	-	45,502,553	-	-	45,502,553	-	45,502,553
Issuance of share capital	15,000,000	-	-	-	-	15,000,000	-	15,000,000
Reduction in capital	-	(3,426,899)	-	-	-	(3,426,899)	-	(3,426,899)
Dividends paid	-	-	(1,065,905,841)	-	-	(1,065,905,841)	-	(1,065,905,841)
<b>Balance at 31 December 2023</b>	<b>15,050,000</b>	<b>529,145,367</b>	<b>1,032,647,626</b>	<b>56,126,335</b>	<b>14,293,129</b>	<b>1,647,262,457</b>	<b>(7,325,551)</b>	<b>1,639,936,906</b>



#### 4. Consolidated statement of cash flows for the financial years ended 31 December

	2023 AED	2022 AED
<b>Cash flows from operating activities</b>		
Net profit	1,084,143,165	769,198,735
<u>Adjustments for:</u>		
Depreciation of property and equipment	73,974,165	64,615,447
Amortisation of intangible assets	15,660,376	23,643,218
Employees' end-of-service benefits	15,245,667	7,652,696
Gain on disposal of property and equipment	(3,148,733)	(220,837)
Provision for expected credit loss	4,619,666	6,653,914
Interest expense on lease liabilities	6,822,499	4,340,705
Loss on termination of leases	6,168,228	13,714,207
Equity settled share-based transactions	45,502,553	84,728,925
Interest expense on loans from related parties	15,130,747	32,203,251
Interest income	(15,477,454)	(1,313,308)
Impairment of investments in equity-accounted investees	-	15,000,000
Current income tax expense	7,738,890	26,851,191
<b>Operating cash flows before changes in working capital</b>	<b>1,256,379,769</b>	<b>1,047,068,144</b>
<u>Working capital changes:</u>		
Inventories	4,900,202	(21,695,547)
Trade and other receivables	3,789,546	(123,607,646)
Due from related parties	(52,253,968)	(17,216,566)
Due to related parties	(62,326,013)	(572,706)
Trade and other payables	109,878,815	256,895,111
<b>Cash generated from operating activities</b>	<b>1,260,368,351</b>	<b>1,140,870,790</b>
Employees' end-of-service indemnity paid	(8,370,585)	(8,316,129)
Interest received	15,477,454	1,313,308
Income tax paid	(7,472,766)	(25,889,262)
<b>Net cash generated from operating activities</b>	<b>1,260,002,454</b>	<b>1,107,978,707</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(71,613,403)	(96,341,949)
Proceeds from disposal of property and equipment	4,562,142	8,477,468
Addition of intangible assets	(36,615,804)	(32,770,401)
Loans provided to related parties	(27,657,454)	-
<b>Net cash used in investing activities</b>	<b>(131,324,519)</b>	<b>(120,634,882)</b>
<b>Cash flows from financing activities</b>		
Proceeds from the issuance of shares	15,000,000	-
Repayment on account of shareholder's contribution	(3,426,899)	-
Dividend paid	(1,065,905,841)	(704,795,675)
Payment of principle portion of lease liabilities	(31,730,036)	(27,954,512)
Payments of interest on lease liabilities	(6,822,499)	(4,340,705)
Proceeds of loans from related parties	62,029,026	55,010,966
Repayment of loans from related parties	(477,094,962)	(364,421,740)
Net cash outflow on deconsolidation of subsidiaries under common control	-	(20,944,521)
<b>Net cash used in financing activities</b>	<b>(1,507,951,211)</b>	<b>(1,067,446,187)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(379,273,276)</b>	<b>(80,102,362)</b>
Exchange differences	(5,642,766)	26,083,630
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,450,414,842</b>	<b>1,504,433,574</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,065,498,800</b>	<b>1,450,414,842</b>

## B. Interim Financial Statements

### 1. Condensed consolidated interim statement of financial position as at 30 September 2024

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property and equipment	545,084,600	245,147,846
Intangible assets and goodwill	1,166,956,599	1,153,089,949
Loan to a related party	-	27,657,454
Trade and other receivables	21,527,122	11,962,688
<b>Total non-current assets</b>	<b>1,733,568,321</b>	<b>1,437,857,937</b>
<b>Current assets</b>		
Inventories	142,935,781	49,884,655
Trade and other receivables	443,905,310	232,607,017
Due from related parties	3,528,826	196,390,322
Cash and cash equivalents	1,161,062,323	1,065,498,800
<b>Total current assets</b>	<b>1,751,432,240</b>	<b>1,544,380,794</b>
<b>Total assets</b>	<b>3,485,000,561</b>	<b>2,982,238,731</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	15,050,000	15,050,000
Shareholder's contribution	806,914,032	529,145,367
Foreign currency translation reserve	14,809,199	14,293,129
Retained earnings	562,632,574	1,032,647,626
Other reserves	56,444,310	56,126,335
<b>Total equity attributable to the shareholder of the Company</b>	<b>1,455,850,115</b>	<b>1,647,262,457</b>
Non-controlling interests	-	(7,325,551)
<b>Total equity</b>	<b>1,455,850,115</b>	<b>1,639,936,906</b>
<b>Non-current liabilities</b>		
Loans from related parties	5,829,687	128,444,857
Trade and other payables	2,796,205	2,523,363
Lease liabilities	269,953,688	105,361,434
Employees' end of service benefits	65,854,871	45,487,128
<b>Total non-current liabilities</b>	<b>344,434,451</b>	<b>281,816,782</b>
<b>Current liabilities</b>		
Due to related parties	121,268,759	110,615,377
Trade and other payables	1,420,714,930	907,071,235
Lease liabilities	69,717,898	26,313,690
Income tax liabilities	73,014,408	16,484,741
<b>Total current liabilities</b>	<b>1,684,715,995</b>	<b>1,060,485,043</b>
<b>Total liabilities</b>	<b>2,029,150,446</b>	<b>1,342,301,825</b>
<b>Total equity and liabilities</b>	<b>3,485,000,561</b>	<b>2,982,238,731</b>

These condensed consolidated interim financial statements were authorised and approved for issue by the Board of Directors on 21 October 2024 and signed on their behalf by:

**2. Condensed consolidated interim statement of profit or loss and other comprehensive income for the nine months period ended 30 September 2024**

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited)
<b>Revenue</b>	5,678,891,936	4,481,527,822
Cost of sales	<u>(3,505,639,293)</u>	<u>(2,812,274,540)</u>
<b>Gross profit</b>	2,173,252,643	1,669,253,282
Marketing expense	(322,098,282)	(304,104,374)
IT expense	(160,895,008)	(143,707,002)
General administrative expense	(294,400,196)	(293,157,045)
Other income	105,754,329	122,473,058
Other expenses and impairment	<u>(361,866,840)</u>	<u>(280,568,364)</u>
<b>Operating profit</b>	1,139,746,646	770,189,555
Net finance income / (costs)	23,109,394	(6,619,313)
Foreign exchange gain, net	<u>(1,725,286)</u>	<u>9,277,960</u>
<b>Profit before income tax</b>	1,161,130,754	772,848,202
Income tax expense	<u>(85,970,208)</u>	<u>(28,935,232)</u>
<b>Net profit</b>	<u>1,075,160,546</u>	<u>743,912,970</u>
<b>Other comprehensive income (Net)</b>		
<i>Items that will be subsequently reclassified to profit or loss:</i>		
Foreign currency translation reserve	516,070	(15,671,986)
<b>Other comprehensive income, net of tax</b>	<u>516,070</u>	<u>(15,671,986)</u>
<b>Total comprehensive income</b>	<u>1,075,676,616</u>	<u>728,240,984</u>
<b>Net profit attributable to:</b>		
Shareholder of the Company	1,072,774,678	744,510,848
Non-controlling interests	<u>2,385,868</u>	<u>(597,878)</u>
	<u>1,075,160,546</u>	<u>743,912,970</u>
<b>Total comprehensive income attributable to:</b>		
Shareholder of the Company	1,073,290,748	728,838,862
Non-controlling interests	<u>2,385,868</u>	<u>(597,878)</u>
	<u>1,075,676,616</u>	<u>728,240,984</u>

### 3. Condensed consolidated interim statement of changes in equity for the nine months period ended 30 September 2024

AED	Attributable to the shareholder of the Company					Total	Non-controlling interest	Total equity
	Share capital	Shareholder's contribution	Retained earnings	Other reserves	Foreign currency translation reserve			
Balance at 1 January 2023 (Audited)	50,000	532,572,266	979,174,005	45,588,700	27,590,624	1,584,975,595	(7,054,172)	1,577,921,423
<u>Total comprehensive income for the period:</u>								
Net profit (Unaudited)	-	-	744,510,848	-	-	744,510,848	(597,878)	743,912,970
Other comprehensive income (Unaudited)	-	-	-	-	(15,671,986)	(15,671,986)	-	(15,671,986)
	-	-	744,510,848	-	(15,671,986)	728,838,862	(597,878)	728,240,984
<u>Transactions with owners of the Group:</u>								
Issuance of additional share capital	15,000,000	-	-	-	-	15,000,000	-	15,000,000
Equity settled share-based transactions	-	-	30,376,405	-	-	30,376,405	-	30,376,405
Dividends paid	-	-	(679,914,299)	-	-	(679,914,299)	-	(679,914,299)
<b>Balance at 30 September 2023 (Unaudited)</b>	<b>15,050,000</b>	<b>532,572,266</b>	<b>1,074,146,959</b>	<b>45,588,700</b>	<b>11,918,638</b>	<b>1,679,276,563</b>	<b>(7,652,050)</b>	<b>1,671,624,513</b>
Balance at 1 January 2024 (Audited)	15,050,000	529,145,367	1,032,647,626	56,126,335	14,293,129	1,647,262,457	(7,325,551)	1,639,936,906
<u>Total comprehensive income for the period:</u>								
Net profit (Unaudited)	-	-	1,072,774,678	-	-	1,072,774,678	2,385,868	1,075,160,546
Other comprehensive income (Unaudited)	-	-	-	-	516,070	516,070	-	516,070
	-	-	1,072,774,678	-	516,070	1,073,290,748	2,385,868	1,075,676,616
Transfers	-	-	(317,975)	317,975	-	-	-	-
<u>Transactions with owners of the Group:</u>								
Additional contribution	-	277,768,665	-	-	-	277,768,665	-	277,768,665
Equity settled share-based transactions	-	-	36,573,946	-	-	36,573,946	-	36,573,946
Dividends paid	-	-	(366,318,837)	-	-	(366,318,837)	-	(366,318,837)
Acquisition of subsidiaries under common control	-	-	(1,207,787,181)	-	-	(1,207,787,181)	-	(1,207,787,181)
Transfer of non-controlling interests on acquisition of subsidiaries under common control	-	-	(4,939,683)	-	-	(4,939,683)	4,939,683	-
<b>Balance at 30 September 2024 (Unaudited)</b>	<b>15,050,000</b>	<b>806,914,032</b>	<b>562,632,574</b>	<b>56,444,310</b>	<b>14,809,199</b>	<b>1,455,850,115</b>	<b>-</b>	<b>1,455,850,115</b>

4. Condensed consolidated interim statement of cash flows for the nine months period ended 30 September 2024

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited)
<b>Cash flows from operating activities</b>		
Net profit	1,075,160,546	743,912,970
<u>Adjustments for:</u>		
Depreciation of property and equipment	55,633,602	52,746,123
Gain on disposal of property and equipment	(104,835)	(146,152)
Amortisation of intangible assets	15,810,764	12,067,451
Interest expense on lease liabilities	5,675,948	4,403,219
Loss on termination of leases	470,790	-
Provision for employees' end-of-service benefits	23,384,943	20,150,907
Provision for expected credit loss	631,267	7,191,316
Interest expense on loans from related parties	9,306,822	13,196,732
Interest income	(38,092,162)	(11,351,725)
Equity settled share-based transactions	36,573,947	30,376,405
Income tax expense	85,970,208	28,935,231
<b>Operating cash flows before changes in working capital</b>	<b>1,270,421,840</b>	<b>901,482,477</b>
<u>Working capital changes:</u>		
Inventories	(353,484)	6,745,333
Trade and other receivables	(30,439,096)	(109,590)
Due from related parties	8,408,095	(29,475,400)
Due to related parties	(47,240,890)	(85,034,753)
Trade and other payables	75,256,489	116,849,979
<b>Cash generated from operating activities</b>	<b>1,276,052,954</b>	<b>910,458,046</b>
Employees' end-of-service indemnity paid	(12,837,454)	(7,730,198)
Interest received	38,092,162	11,351,725
Income tax paid	(29,440,541)	(32,711,011)
<b>Net cash generated from operating activities</b>	<b>1,271,867,121</b>	<b>881,368,562</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(17,985,113)	(52,345,302)
Proceeds from disposal of property and equipment	421,004	4,725,879
Addition of intangible assets	(28,997,308)	(23,831,281)
Cash acquired on acquisition of subsidiaries under common control	260,223,956	-
Loans to the Ultimate Parent Company	(997,912,111)	-
<b>Net cash used in investing activities</b>	<b>(784,249,572)</b>	<b>(71,450,704)</b>
<b>Cash flows from financing activities</b>		
Payment of principle portion of lease liabilities	(21,731,415)	(23,278,133)
Payment of interest on lease liabilities	(5,675,948)	(4,403,219)
Dividends paid	(366,318,837)	(679,914,299)
Proceeds from loans from related parties	1,536,260	116,399,678
Repayment of loans from related parties	-	(467,271,749)
Proceeds from the issuance of shares	-	15,000,000
<b>Net cash used in financing activities</b>	<b>(392,189,940)</b>	<b>(1,043,467,722)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>95,427,609</b>	<b>(233,549,864)</b>
Exchange differences	135,914	(9,840,598)
Cash and cash equivalents at the beginning of the period	1,065,498,800	1,450,414,842
<b>Cash and cash equivalents at the end of the period</b>	<b>1,161,062,323</b>	<b>1,207,024,380</b>

### **Mechanism of calculating goodwill:**

In February 2019, the Group acquired an online delivery business in the UAE where the acquisition was completed for a total consideration amounting to AED 792 million. The consideration included cash consideration amounting to AED 631 million, out of which AED 503 million was payable at the time of acquisition and AED 128 million was payable after one year of acquisition. The consideration also included AED 161 million consideration that was contingent over the future performance of the acquired business. The Group discounted deferred and contingent consideration payable at present value. The group identified intangible assets related to customer contracts amounting to AED 15 million. Accordingly, goodwill amounting to AED 768 million was recognised at the time of acquisition.

Management had planned expected synergies from the acquisition of this business considering the intention of the Group to transfer the customers eventually to a unified platform i.e. Talabat. These synergies would be materialised mainly in Talabat's UAE business (Talabat UAE). Talabat UAE obtained significant benefits from the synergies due to the acquisition of the business in the UAE. Accordingly, Goodwill related to the above acquisition has been allocated and tested using "value in use" cash flows related to Talabat UAE.

Additionally, in January 2020, the Group restructured its business in the MENA region, merging one of its online food delivery businesses that was acquired in 2017, into Talabat Kuwait. This reorganisation involved the transfer of all customer data and relevant restaurant contracts from this business to Talabat Kuwait where this brand was phased out and its platform orders redirected to Talabat Kuwait. As a result of the business reorganisation, this business is no longer operated or monitored as a separate entity but is fully integrated into the Talabat Kuwait business. Consequently, the Goodwill amounting to AED 342 million is allocated to Talabat Kuwait. Accordingly, Goodwill related to this acquisition has been tested using "value in use" cash flows related to Talabat Kuwait.

In line with the requirements of IAS 36, the Group conducted annual impairment testing for both of the above allocated Goodwill to assess indicators for possible impairment as of 31 December 2023 and 31 December 2022. Based on this assessment, no indications of impairment were identified as the recoverable amount was assessed as being higher than its carrying value. The value in use was calculated by applying the discounted cash flow method. The basis for determining the expected future cash flow is a detailed planning period of five years (forecast period) for the free cashflows.

The following table shows the range of key assumptions of Talabat UAE and Talabat Kuwait for 2023 and 2022:

	<b>2023</b>	<b>2022</b>
	%	%
Revenue growth p. a. in planning period (CAGR)	13-17	13-17
EBITDA margin in planning period	19-22	19-22
Terminal value revenue growth	1	1
EBITDA margin after end of planning period	19-24	19-24
Discount rate in planning period/WACC (post tax)	12	12

For more details, please see pages 31-32 of the Annual Financial Statements.

**The Company confirms that all goodwill valuations, calculations, and relevant information have been prepared in accordance with IFRS standards, reviewed and opined by the company auditor and all goodwill information has been disclosed in the audited financial statements.**

## **Dividend Policy**

The Company's ability to pay dividends is dependent on a number of factors, including the availability of distributable reserves and its capital expenditure plans and other cash requirements in future periods, and there is no assurance that the Company will pay dividends or, if a dividend is paid, what the amount of such dividend will be. See "Risk Factors—Risks Relating to the Offering and to the Shares—The Company may not pay dividends on the Shares and consequently, investors may not receive any return on investment unless they sell their Shares for a price greater than that which was paid for them". Any level or payment of dividends will depend on, among other things, future profits, the business plan of the Company and additional growth avenues, at the discretion of the Board of Directors and subject to the approval from the shareholders in the General Assembly.

Subject to the foregoing, the Company intends to pay a minimum dividend in the amount of AED 367.25 million (equivalent to USD 100 million) in April 2025 in respect of the financial results of the fourth quarter of 2024. The Company intends to pay a minimum dividend in the amount of AED 1,469 million (equivalent to USD 400 million) in two instalments in October 2025 and April 2026 in respect of the financial results for the year ending 31 December 2025. Following such distribution, the Company intends to pay dividends twice each calendar year, with an interim payment based on the first-half financial results being paid in October of that calendar year, and a second payment following full-year financial results being paid in April of the following calendar year, in each case with a target net income payout of 90%.

This dividend policy is designed to reflect the Company's expectation of strong cash flow and expected long-term earnings potential, while allowing the Company to retain sufficient capital to fund ongoing operating requirements and continued investment for long-term growth. This dividend policy is subject to the consideration of the Board of Directors of the cash management requirements of the Company's business for operating expenses, financing expenses and anticipated capital expenditures. In addition, the Company expects that the Board of Directors will also consider market conditions, the then current operating environment in the Company's markets, and the Board of Directors' outlook for the Company's business.



## **Material events and agreements concluded by the Company (including related party agreements)**

**The following is a summary of certain terms of our material agreements. The following summaries do not purport to describe all of the applicable terms and conditions of such contracts and are qualified in their entirety by reference to the actual agreements.**

### **Material Agreements**

*The following summaries of selected provisions of the material agreements are not considered or intended to be full statements of the terms of these agreements. Unless otherwise stated, any reference in this Prospectus to any agreement will mean such agreement and all schedules, exhibits and attachments thereto as in effect on the date hereof. Definitions of capitalised terms defined within a description of any agreement in this section shall apply to that agreement only and not to any other agreement described in this section or elsewhere in this Prospectus. Definitions of capitalised terms used but not defined in any description of any agreement in this section shall have the definition set forth under "Glossary of Selected Terms" or as otherwise provided in this Prospectus.*

### **General**

Certain material or otherwise important agreements are summarised below and cover such areas as (i) our relationships with our Partners, (ii) engagement of riders who deliver orders placed through our platform to our customers, and (iii) certain payment and digital infrastructure support arrangements.

### **Subscription Agreements**

We provide our services and grant access to our platform and other digital infrastructure to our Partners on a subscription basis. See "*Business—Overview*". Pursuant to the subscription model, a Partner (the "**Subscriber**") enters into a subscription agreement (the "**Subscription Agreement**") with one or several members of the Group (the "**talabat Provider**") in one or several jurisdictions where the Group and the Subscriber operate. Although the terms and conditions of the Subscription Agreements may vary to some extent in different jurisdictions in which the Group operates, the Subscription Agreements are generally standardised and follow a similar template.

Pursuant to the Subscription Agreement, the talabat Provider provides ordering, pick-up, delivery, payment processing and cash handling as well as other related services to the Subscriber and supplies the Subscriber with electronic devices to receive and process orders (the "**Subscription Services**").

In consideration for the Subscription Services, the Subscribers pay certain fees. The fee structure may include all or some of the following elements: (i) a one-time registration fee upon signing of the Subscription Agreement; (ii) a monthly subscription fee; (iii) a commission fee chargeable on the total order value; (iv) payment service provider charges and cash handling fees as well as any bank charges; and (v) an annual renewal fee. While the talabat Provider does not limit the Subscribers' ability to use other competing platforms, in some instances, in the event a Subscriber elects to only use our platform and not any other competing platforms, the Subscriber may be eligible for discounted commission rates.

Some Subscription Agreements also contain provisions regulating pricing and assortment of the

Subscribers, advertising and marketing, customer compensation, cancellation refunds, further technological developments, performance data reporting and other aspects of the Subscription Services.

The Subscription Agreements are typically entered into for a term of one year and extend automatically for the same period, unless terminated earlier by either party upon providing 30 days' notice. Several Subscription Agreements with major Subscribers (i.e. Subscribers generating a significant share of the Group's revenue) are entered into for a period of five years.

The Subscription Agreements generally may be terminated by either party if: (i) a sum owing to that party is not paid within ten days of the due date; (ii) if the other party commits any material breach which continues unremedied (if applicable) for longer than ten days; or (iii) either party provides a 30-day prior notice of termination to the other party for any reason.

The Subscription Agreements are subject to talabat's Partner terms and conditions which are available on our website. Subscription Agreements are typically governed by the laws of the country of operation. Any disputes must be resolved through one-month consultations and negotiations or, if not so resolved, referred to the local courts of the country of operation.

### ***Delivery Service Agreements***

To deliver orders from our Partners to end-customers, the Group sources riders primarily through third-party logistics providers that employ riders and provide delivery services to the Group.

Pursuant to the general terms of the master services agreements between Group members ("**Delivery Services Recipients**") and third-party logistics providers ("**Master Delivery Service Agreement**"), the third-party logistics providers (the "**Third-Party Logistics Providers**") must at all times ensure that they engage a sufficient number of duly licensed and sufficiently experienced riders and that their riders are provided with or otherwise possess a sufficient number of fully equipped and registered vehicles to perform food and non-food delivery services (the "**Delivery Services**"), provided that, some individual terms of such Delivery Services may vary in different jurisdictions. The Third-Party Logistics Providers are fully responsible for the management, supervision and remuneration of their riders. The Master Delivery Service Agreements specify that the riders remain employees of the Third-Party Logistics Providers and can under no circumstances be considered employees of the Delivery Services Recipients.

The Third-Party Logistics Providers provide riders with mobile devices, whilst the Delivery Services Recipients grant them access to our mobile application that shows order requests (which riders can accept or reject), pick-up and drop-off locations and any time constraints. Upon accepting an order, the rider picks it up and delivers it to the drop-off location. Any failure to deliver or late delivery of the order is presumed to be the Third-Party Logistics Provider's fault, and the Third-Party Logistics Providers must rectify such fault or indemnify the Delivery Services Recipients for any relevant losses.

In consideration of the Delivery Services, the Third-Party Logistics Providers are paid certain fees that are calculated on a per-order basis (the fee depends on whether the order was successfully picked up, delivered or cancelled by the customer), and in some markets, additional fees for any longer deliveries. All costs related to the fleet of vehicles, vehicle maintenance, fuel, traffic fines and mobile devices are included in the fees payable to the Third-Party Logistics Providers. The Delivery Services Recipients, however, are responsible for providing riders with delivery boxes and our branded

clothing, provided that, in some markets, riders co-pay for new rider kits.

The Master Delivery Service Agreements are typically entered into for a period of one year and renew automatically, unless terminated earlier by either party upon a 30-day written notice or for certain other reasons set forth in the Master Delivery Service Agreements.

### ***Third-Party Payment Technology and Digital Infrastructure Arrangements***

The Group has various arrangements in place with third-party service providers that provide payment gateway and digital infrastructure support services.

#### *Merchant Agreements*

In order to facilitate the processing of payments, the Group maintains a series of merchant agreements with financial services and payment processing companies. While the terms of such agreements vary, the service providers typically provide standard secure electronic payment gateway services (including automating transactions between the customers and Group entities and payment authentication). The payment processing companies generally take a small percentage as a commission for facilitating the payment process.

#### *Application Programming Interface Agreements*

The Group entities across Bahrain, Kuwait, Oman, Qatar, and the UAE have entered into several Application Programming Interface (“**API**”) agreements with various third-party integrators relating to point-of-sale (POS) systems. The third-party integrators offer software applications that help restaurants, cafes, enterprises, and delivery locations (“**Brand Outlets**”) manage their delivery channels. Under the API agreements, the Group entities license talabat API to the third-party integrator for the purposes of developing an integration with the third party’s customer’s POS system. A monthly fee per Brand Outlet is paid to the relevant Group member for the license granted to use talabat’s API and certain talabat trademarks, trade names, service marks, branding or logos.

Typically, the initial term of these API agreements is five years, with automatic extension for periods of one year. The API agreements generally may be terminated for any reason by either party upon a 30-day prior notice of termination to the other party.

### **Certain Financing Arrangements of the Group**

The Group does not have significant debt financing arrangements with third-party financial institutions. The Group maintains a facility line with HSBC Bank Middle East Limited (the “**HSBC Facility Line**”) through one of its subsidiaries, talabat DB, pursuant to a facility offer letter dated as of 28 March 2023 (as renewed and amended pursuant to the offer letter dated as of 25 June 2024). The HSBC Facility Line is an ancillary facility line within the Credit Agreement dated as of 12 May 2022 by, amongst others, Delivery Hero, Delivery Hero Finco LLC, certain lenders party thereto, and J.P. Morgan SE, as an administrative agent. The total amount of the HSBC Facility Line is EUR 9 million, and it is used for the purposes of issuing letters of guarantees in the ordinary course of business. An additional commercial credit card facility in an amount of AED 200,000 is available under the HSBC Facility Line that is covered by a 100% cash margin.

As at 30 September 2024, the Group has issued letters of guarantees under the HSBC Facility Line

to multiple beneficiaries, in a total amount of approximately EUR 7.5 million, with approximately EUR 1.5 million remaining outstanding.

## **Nominee Arrangements**

Due to foreign ownership restrictions and other local law requirements in some of our markets, we have put in place contractual arrangements with local nominees to protect the Group's rights and ensure that we have the full benefit of, and control over, our operations subject to such arrangements in the UAE, Kuwait, Bahrain and Iraq. See "*Business—Corporate Structure*" and "*Risk Factors—Risks relating to the UAE and the MENA Region—The Group's business in UAE, Kuwait, Bahrain and Iraq is subject to risks associated with foreign ownership restrictions*". Such contractual arrangements are structured either through Islamic finance (asset management) instruments or through nominee agreements.

### ***Mudaraba Agreements – Bahrain and Kuwait businesses, and Carriage business***

On 23 January 2018, an amended and restated mudaraba agreement (as amended from time to time) was entered into between Delivery Hero FZ LLC and DHH I SPC (the "**DHH Mudareb**") (the "**DHH Mudaraba Agreement**") and, on 17 July 2017 (with effect from 14 June 2017), a mudaraba agreement (as amended from time to time) was entered into between Delivery Hero FZ LLC and Carriage Holding Company Limited (the "**Carriage Mudareb**") ("**Carriage Mudaraba Agreement**") and, together with the DHH Mudaraba Agreement, the "**Mudaraba Agreements**"). The DHH Mudareb is a wholly-owned subsidiary of Links and the Carriage Mudareb is a wholly-owned subsidiary of DHH Mudareb.

In accordance with the terms of the Mudaraba Agreements, the following ownership in our Group entities is held by the DHH Mudareb and/or the Carriage Mudareb: (i) 100% of the shares in our Group entities that operate our business in Kuwait (including our Carriage business), excluding our tMart and Kitchens business; (ii) 51% of the shares in our Group entities that operate our tMart and Kitchens business in Bahrain and Kuwait, with the remaining 49% of the shares held by wholly-owned members of our Group; and (iii) 100% of the shares in our Group entities that operate our Carriage business in the UAE, Kuwait and Bahrain (together, the "**Asset Companies**").

The DHH Mudareb and the Carriage Mudareb are responsible for the management of the Asset Companies which they hold. The board of directors of the DHH Mudareb are comprised of directors appointed in consultation with Delivery Hero FZ LLC and the board of directors of the Carriage Mudareb are comprised of one director appointed by the Carriage Mudareb and two directors appointed in consultation with Delivery Hero FZ LLC.

The DHH Mudareb and the Carriage Mudareb are required to, among other things, comply with all reasonable and lawful instructions of Delivery Hero FZ LLC, procure the appointment to the board of directors of the Asset Companies persons nominated by Delivery Hero FZ LLC and carry out their obligations under the Mudaraba Agreements in such manner as they think best to promote the interests of Delivery Hero FZ LLC. Further, Delivery Hero FZ LLC is permitted to be actively engaged in the business of the Asset Companies. Certain actions cannot be taken without the prior consent of Delivery Hero FZ LLC, including passing board or shareholder resolutions, entering into any agreements, appointing, removing or replacing directors or, in respect of the DHH Mudareb, the Carriage Mudareb or the Asset Companies.

Following the discharge of any amounts due and payable by the DHH Mudareb or the Carriage Mudareb, as applicable, to creditors, Delivery Hero FZ LLC is entitled to 99.9% of the income in each financial year derived from the Asset Companies and the DHH Mudareb or the Carriage Mudareb, as applicable, is entitled to 0.1% of the income in each financial year derived from the Asset Companies.

The general terms and conditions of the two Mudaraba Agreement are substantially the same, save for the shares in our Asset Companies that are subjects of the Mudaraba Agreements and capital payment requirements which predominantly relate to the initial transfer of the shares in the Asset Companies to the DHH Mudareb or the Carriage Mudareb, as applicable.

Each of the Mudaraba Agreements remain valid and effective until the date the DHH Mudareb's interests or the Carriage Mudareb's interests, as applicable, in the Asset Companies that they hold have been sold or transferred or otherwise disposed of, or unless the Mudaraba Agreements are otherwise terminated.

The Mudaraba Agreements are governed by English law. Any disputes arising out of the Mudaraba Agreements must be resolved by arbitration under the Arbitration Rules of the DIFC-LCIA Arbitration Centre.

### ***Security Documents***

In connection with the Mudaraba Agreements, Delivery Hero FZ LLC and the Links entered into the Security Interest Agreement (the "**SIA**") and the Call Option Agreement (the "**COA**") on 26 October 2020.

Pursuant to the SIA, the Links has agreed to grant a security interest in favour of Delivery Hero FZ LLC with respect to its legal and beneficial ownership of equity interests in the DHH Mudareb, as a security for the secured obligations, which include all moneys, liabilities and obligations owed to the Delivery Hero FZ LLC by the Links and/or the DHH Mudareb pursuant to the SIA, the COA and the DHH Mudaraba Agreement. Delivery Hero FZ LLC is entitled to enforce its security interests in the event of a breach by the Links or the DHH Mudareb of the SIA, the COA and/or the DHH Mudaraba Agreement. The SIA is governed by the laws of the Dubai International Financial Centre. Any disputes arising out of the SIA must be resolved by arbitration under the Arbitration Rules of the DIFC-LCIA Arbitration Centre.

Pursuant to the COA, the Links (the "**Option Grantor**") has agreed to grant a call option (the "**Call Option**") in favour of Delivery Hero FZ LLC (the "**Option Holder**") with respect to the purchase of its equity interests in the DHH Mudaraba for one US Dollar. The Call Option is exercisable in whole at any time as long as the DHH Mudaraba Agreement is in force. The Option Grantor is authorised to exercise any voting rights and to receive distributions, profit and income arising from holding equity interests in the DHH Mudareb. The Option Grantor must ensure that the DHH Mudareb carries on and conducts its business on a commercial basis in a proper, lawful and efficient manner for its own benefit, transacts all business on arm's length terms, and is duly supervised by its directors. The COA is governed by English law. Any disputes arising out of the SIA must be resolved by arbitration under the Arbitration Rules of the DIFC-LCIA Arbitration Centre.

### ***Nominee Agreements – Iraq business***

In Iraq, the ownership of our two Group entities is structured through nominee agreements (the

**“Nominee Agreements”**) Delivery Hero FZ LLC has entered into with Iraqi nationals (the **“Nominees”**) pursuant to which the relevant Nominees hold 51% of shares in Talabat for Delivery Services LLC (Baghdad, Iraq) and 100% of share in Batal al Tawsil for Delivery Services Ltd (Baghdad, Iraq), in each case, on trust as nominees for our benefit. See also *“Related Party Transactions – Framework Agreement”* in respect of our ownership in 49% of the shares in Talabat for Delivery Services LLC which is structured through Nominees.

Pursuant to the Nominee Agreements, the Nominees declare and acknowledge that they hold the legal title to the shares and rights thereon on trust as nominees for our benefit or, to the extent the trust is not recognized under applicable law, agree to act as an agent and nominee, and hold the legal title to the shares and rights thereon in that capacity for us and on our behalf. The Nominees specifically acknowledge that they can only exercise any rights (including voting rights) in respect of the shares held by them in accordance with our instructions and are required to promptly account to us in respect of any dividends, distributions received in respect of the shares held by them.

The Nominee Agreements also include call options pursuant to which we may require the Nominees to transfer to us or any third party designated by us any and all of the shares held by the Nominees at a price of 1 Iraqi Dinar per share.

The Nominee Agreements are governed by the laws of the Republic of Iraq. Any disputes arising out of the Nominee Agreements must be resolved by arbitration under the DIFC-LCIA Rules, with the seat of arbitration at the Dubai International Financial Centre.

### ***Related Party Transactions***

The Group is and has been a party to various agreements and other arrangements with related parties comprising the Company and certain of its other subsidiaries and Delivery Hero. The most significant of these transactions are described below. For details of the impact of related party transactions on the Group’s financial position and financial results as at and for the years ended 31 December 2022 and 2023, please refer to note 9 of the Annual Financial Statements, included elsewhere in this Prospectus. For details of the impact of related party transactions on the Group’s financial position and financial results as at and for the nine months ended 30 September 2023 and 2024, please refer to note 9 of the Interim Financial Statements.

### **Information Sharing Agreement**

Our relationship with Delivery Hero provides us with the ability to leverage the reach, experience and expertise of Delivery Hero’s global teams to amplify our capabilities and to benefit from innovations taking place outside of the MENA region. As part of this relationship, we share certain information regarding the Group with Delivery Hero including, without limitation, in connection with our access to Delivery Hero’s tech-stack, technical know-how, innovation capabilities and exchange of in-depth knowledge and best practices on commercial and operational excellence.

The Company and Delivery Hero entered into an information sharing agreement (the **“ISA”**) in November 2024, which sets out the guidelines on sharing material non-public information and insider trading.

Pursuant to the ISA, we agree to provide Delivery Hero with access to such information regarding the Group as Delivery Hero may require from time to time, which may include, without limitation, for the

purposes of: (i) satisfying the requirements of law, regulations or the rules and regulations of any regulatory body or international exchange, including the Frankfurt Stock Exchange, to which it is subject and any obligation relating thereto; (ii) financial and/or non-financial reporting obligations, including producing and verifying the consolidated group accounts of the Delivery Hero group and any related report or obligation; (iii) providing information as required by governmental authorities; and (iv) enhancing and optimising our performance and our technological capabilities.

The ISA contains certain obligations on both parties to ensure that they are in compliance with DFM and SCA rules, in particular, regarding the protection of inside information and to ensure that information shared with Delivery Hero is not used in a manner detrimental to the Group in the markets it operates in or plans to operate in.

The ISA is governed by the laws of the ADGM. Any disputes arising out of the ISA must initially be discussed between the parties in good faith with a spirit of cooperation to amicably settle any dispute, failing which, such dispute shall be referred to the parties senior managers for resolution, and if the dispute is still not resolved, it shall be resolved by arbitration in accordance with the rules then in effect of the London Court of International Arbitration.

## **Delivery Hero Licensing and Services Agreements**

### ***Overview***

The Group's organisational structure is diversified and includes dozens of entities that operate in local markets and perform various functions. To operate the local businesses and perform such functions, Delivery Hero and/or its affiliates offer the Group entities access to various intangible assets and provide related services.

### ***Global Licensing and Services Agreement with Delivery Hero***

Several members of our Group located in Bahrain, Egypt, Iraq, Oman, Jordan and Qatar (the "**GLSA Recipients**") have entered into a global licensing and services agreement (the "**GLSA**") with Delivery Hero with effect as of 1 January 2024, which was amended on 29 October 2024.

Pursuant to the terms of the GLSA, Delivery Hero provides certain intellectual property developed and/or owned by Delivery Hero as well as certain products, technologies and services (the "**Central Value Baskets**") that the GLSA Recipients localise and use to run their businesses. The Central Value Baskets include, among other items, various data management and communication tools, logistics tools (including rider recruitment tools and mobile and web applications for our Partners), customer management tools, audit tools, various technical tools for our Partners, rating and review tools, quick commerce tools (catalogue and assortment intelligence, purchase management tools, supplier portal, inventory management tools, store management, supplier invoice module, rider management tools and advertising and promotion tools) and fintech tools (including wallets, payment and fraud protection solutions) and performance marketing strategy tools. The Central Value Baskets also include various business management services in the areas of sales and operation (i.e., managing commercial and operational aspects of products and services) and international marketing (i.e., marketing and media strategy and execution advice, support with the use of customer relationship and marketing tools, support with growth topics (e.g., pricing, customer loyalty and subscription) and marketing business intelligence).

In consideration of the Central Value Baskets, the GLSA Recipients pay Delivery Hero an arm's length compensation. The compensation is calculated as the sum of applicable fees for each specific Central Value Basket provided to a GLSA Recipient. The applicable fee is calculated by multiplying a GLSA Recipient's revenue by the respective percentage assigned to each Central Value Basket. The Central Value Basket fee depends on the actual Earnings before Interest and Taxes ("**EBIT**") of a GLSA Recipient for the current year. The Central Value Baskets fee becomes due in full if a GLSA Recipient's EBIT for the current year is equal to or greater than that GLSA Recipient's revenue multiplied by the full Central Value Basket rate and the full regional value basket rate regulated in separate agreements between the GLSA Recipients and the regional value basket provider. If a GLSA Recipient's EBIT is positive but lower than the revenue multiplied by the full Central Value Basket rate and the full regional value basket rate, then the maximum compensation paid by that GLSA Recipient to both Delivery Hero and the regional value basket provider equals the EBIT of that GLSA Recipient and must be proportionately shared between Delivery Hero and the regional value basket provider. If the EBIT of a GLSA Recipient is negative, then no Central Value Basket fee or regional value basket fee becomes due.

In respect of each GLSA Recipient, the GLSA remains valid and effective indefinitely, unless terminated based on convenience of that GLSA Recipient or Delivery Hero with prior notice, or for breach.

In accordance with the terms of the GLSA, Delivery Hero and the GLSA Recipients are party to the Delivery Hero Group Inter-Company Data Transfer Agreement (see "*—Delivery Hero Licensing and Services Agreements—Delivery Hero Group Inter-Company Data Transfer Agreement*").

The GLSA is governed by the laws of the Federal Republic of Germany. The courts in the Federal Republic of Germany have jurisdiction over any disputes arising out of the GLSA.

### ***Global Licensing and Services Agreements with Delivery Hero Innovations Hub GmbH***

Additionally, each of talabat Kuwait and talabat DB entered into separate global licensing and services agreements (the "**GLSA Kuwait**" and the "**GLSA UAE**", respectively) with DH Innovations, with effect as of 1 January 2024, which were amended on 28 October and 29 October 2024, respectively.

The terms and conditions of the GLSA Kuwait and GLSA UAE are substantially similar to the terms and conditions of the GLSA. According to the GLSA Kuwait and the GLSA UAE, DH Innovations provides the Central Value Baskets that talabat Kuwait and talabat DB localise and use to run their respective local businesses. In consideration of the Central Value Baskets, each of talabat Kuwait and talabat DB pay DH Innovations an arm's length compensation that is calculated as the sum of applicable fees for each specific Central Value Basket provided to talabat Kuwait and talabat DB, which is not dependent on the EBIT of talabat Kuwait and talabat DB.

In accordance with the terms of the GLSA Kuwait and the GLSA UAE, DH Innovations, talabat Kuwait and talabat DB are parties to the Delivery Hero Group Inter-Company Data Transfer Agreement (see "*—Delivery Hero Licensing and Services Agreements—Delivery Hero Group Inter-Company Data Transfer Agreement*").

The GLSA Kuwait and the GLSA UAE are governed by the laws of the Federal Republic of Germany. The courts in the Federal Republic of Germany have jurisdiction over any disputes arising out of the GLSA Kuwait and GLSA UAE.



### **Corporate Support Services Agreement with Delivery Hero**

Several members of our Group (the “**CSSA Recipients**”) entered into a corporate support services agreement (the “**CSSA**”) with Delivery Hero with effect as of 1 January 2023, which was amended on 29 October 2024 and pursuant to which the Company entered into the CSSA and became a CSSA Recipient.

Pursuant to the CSSA, Delivery Hero provides the CSSA Recipients with certain corporate support services in the areas of finance, legal support, finance systems, human resources, and procurement (the “**CSSA DH Services**”) on a continuing basis and engages third-party service providers to provide software and certain goods and services (the “**CSSA Third-Party Services**”). The CSSA DH Services include core people operations (human resources and talent acquisition), external reporting (accounting, treasury, tax and global payroll), finance insights, legal support (regulatory compliance, employment law and legal support of commercial operations), procurement, as well as System Applications and Products (SAP) services. The CSSA Third-Party Services also include software solutions and licenses for delivery and logistics, sales, business support, marketing and administration, server maintenance costs, insurance policies, supply of tangible merchandise products as well as consulting services. The CSSA Recipients may also request Delivery Hero to provide additional services to the extent necessary to facilitate efficient and expeditious implementation and execution of the business of objectives of the CSSA Recipients and Delivery Hero and to rationalise overheads and to create cost efficiencies (the “**CSSA Direct Services**”, and together with the CSSA DH Services and the CSSA Third-Party Services, the “**CSSA Services**”).

In consideration of the CSSA Services, the CSSA Recipients pay Delivery Hero an arm’s length consideration calculated as follows:

for the CSSA DH Services and the CSSA Direct Services, fees are calculated on a cost-plus basis and include a cost basis (i.e., the actual costs incurred in rendering the CSSA DH Services and the CSSA Direct Services) plus an appropriate mark-up (which is subject to periodic review) varying depending on the relevant service; and

for the CSSA Third-Party Services, fees are calculated as an amount equal to the costs and expenses charged by the third-party providers by using an appropriate allocation key, where necessary.

In respect of each CSSA Recipient, the CSSA remains valid and effective indefinitely, unless terminated based on convenience of that CSSA Recipient or Delivery Hero with prior notice, or for breach.

In accordance with the terms of the CSSA, Delivery Hero and the CSSA Recipients are party to the Delivery Hero Group Inter-Company Data Transfer Agreement (see “—*Delivery Hero Licensing and Services Agreements—Delivery Hero Group Inter-Company Data Transfer Agreement*”).

The CSSA is governed by the laws of the Federal Republic of Germany. The courts in the Federal Republic of Germany have jurisdiction over any disputes arising out of the CSSA.

### **Corporate Support Services Agreement with Delivery Hero Innovation Hub GmbH**

Additionally, each of talabat Kuwait and talabat DB each entered into separate corporate support services agreements (the “**CSSA Kuwait**” and the “**CSSA UAE**”, respectively) with DH Innovations,

with effect as of 1 January 2024 and which were amended on 28 October 2024 and 29 October 2024, respectively.

The terms and conditions of the CSSA Kuwait and CSSA UAE are substantially similar to the terms and conditions of the CSSA. According to the CSSA Kuwait and the CSSA UAE, DH Innovations provides the CSSA Services to talabat Kuwait and talabat DB. In consideration of the CSSA Services, each of talabat Kuwait and talabat DB pays DH Innovations an arm's length compensation that is calculated according to the same principles as the compensation paid under the CSSA.

In accordance with the terms of the CSSA Kuwait and the CSSA UAE, DH Innovations, talabat Kuwait and talabat DB are parties to the Delivery Hero Group Inter-Company Data Transfer Agreement (see "*—Delivery Hero Licensing and Services Agreements—Delivery Hero Group Inter-Company Data Transfer Agreement*").

The CSSA Kuwait and the CSSA UAE are governed by the laws of the Federal Republic of Germany. The courts in the Federal Republic of Germany have jurisdiction over any disputes arising out of the CSSA Kuwait and the CSSA UAE.

### **Corporate Support Services Agreement with InstaShop**

As part of the InstaShop integration into the Group (see "*Risk Factors—Risks Relating to our Business—The InstaShop acquisition is subject to conditions precedent and there are no assurances that it will be consummated.*"), InstaShop DMCC (the "**InstaShop Services Provider**") entered into a corporate support services agreement (the "**IST Services Agreement**") with talabat DB, with effect as of 1 November 2024.

The IST Services Agreement sets out the terms on which the InstaShop Services Provider provides a portfolio of services in the areas of business support, support in operational and commercial activities, and other administrative and consultancy services (the "**InstaShop Services**") to talabat DB on an as-needed basis.

Additionally, the InstaShop Services Provider may engage third parties to provide certain services (the "**Third-Party InstaShop Services**") on an as-needed basis. talabat DB uses the InstaShop Services as well as the Third-Party InstaShop Services to run its businesses in the local markets where it operates. In consideration of the InstaShop Services, talabat DB pays the InstaShop Services Providers an arm's length compensation on a cost-plus basis plus an appropriate mark-up (which is subject to periodic review). The costs and expenses of the Third-Party InstaShop Services are passed through to talabat DB.

The IST Services Agreement remains valid and effective indefinitely, unless terminated based on convenience of InstaShop Services Provider or talabat DB with prior notice, or for breach..

In accordance with the terms of the IST Services Agreements, the InstaShop Services Provider and talabat DB are party to the Delivery Hero Group Inter-Company Data Transfer Agreement (see "*—Delivery Hero Licensing and Services Agreements—Delivery Hero Group Inter-Company Data Transfer Agreement*").

The IST Services Agreement is governed by the laws of the UAE. Any disputes arising out of the IST Services Agreement must be resolved by the courts of the jurisdiction of the InstaShop Services Provider's domiciliation (i.e., the Emirate of Dubai, UAE).

### ***Central Q-Commerce Agreement***

Several members of our Group that operate tMarts ("**CQCA Recipients**") entered into a Central Q-Commerce Agreement (the "**CQCA**") with Delivery Hero with effect as of 1 January 2023.

Delivery Hero develops, enhances and maintains global quick commerce standards by building 'Global Dmart Products' (i.e., an equivalent of tMarts in the markets where talabat has no operations). The 'Global Dmart Strategy and Guidance' outlines the implementation strategy for the 'Global Dmart Products'. Pursuant to the CQCA, the services and products provided by Delivery Hero to the CQCA Recipients include catalogue and assortment intelligence, purchase management tools, supplier portal, inventory management tools, store management, supplier invoice module, rider management tools and advertising and promotion tools. Additionally, Delivery Hero provides advisory services in the areas of grocery and retail global strategy trends monitoring, evaluation and development of new business opportunities and concepts, grocery and retail global standards, development of corporate relationship with suppliers, brands and retail partners, supplier performance management, store design, training of employees and other guidance.

The CQCA Recipients are required to use their best efforts to successfully operate the tMarts business in the local markets in which they operate and maintain the organisation necessary to ensure optimal business operations, including local procurement and supply chain management and the management of local tMarts operations.

In consideration of the CQCA Recipients operating the tMarts business, the CQCA Recipients earn arm's length compensation which ensures that each CQCA Recipient earns an agreed profit margin on their revenue. If the profit margin on the actual earnings before interest and taxes (the "**EBIT**") of a CQCA Recipient is below the agreed profit margin, Delivery Hero pays an amount to the relevant CQCA Recipient to ensure that the agreed profit margin is achieved. If the profit margin on the actual EBIT of a CQCA Recipient is above the agreed profit margin, the relevant CQCA Recipient is required to pay an amount to Delivery Hero which is equal to the excess above the agreed profit margin.

In respect of each CQCA Recipient, the CQCA remains valid and effective indefinitely, unless terminated based on convenience of that CQCA Recipient or Delivery Hero with prior notice, or for breach.

On 29 October 2024, the CQCA Recipients and Delivery Hero agreed to terminate the CQCA as it applies to the CQCA Recipients, with effect as of 31 December 2024. From 1 January 2025, the CQCA Recipients shall receive all required services and technical solutions (catalogue and assortment intelligence, purchase management tools, supplier portal, inventory management tools, store management, supplier invoice module, rider management tools and advertising and promotion tools) in order to operate the tMarts business pursuant to the GLSA, the GLSA Kuwait and the GLSA UAE by way of the GLSA Recipients, talabat Kuwait and talabat DB, respectively, sub-licensing such services and technical solutions to the CQCA Recipients in exchange for the GLSA Recipients, talabat Kuwait and talabat DB, respectively, receiving a commission fee which shall be calculated as an agreed percentage of the GMV of the tMart orders in addition to the commission fee that the CQCA

Recipients pay to the GLSA Recipients, talabat Kuwait and talabat DB, respectively, for platform listing services. The GLSA Recipients, talabat Kuwait and talabat DB, respectively, pay Delivery Hero an arm's length compensation under the terms of the GLSA, the GLSA Kuwait and the GLSA UAE, as described in "*—Global Licensing and Services Agreement with Delivery Hero*" and "*—Global Licensing and Services Agreement with Delivery Hero Innovations Hub GmbH*" above.

In accordance with the terms of the CQCA, Delivery Hero and the CQCA Recipients are parties to the Delivery Hero Group Inter-Company Data Transfer Agreement (see "*—Delivery Hero Licensing and Services Agreements—Delivery Hero Group Inter-Company Data Transfer Agreement*").

The CQCA is governed by the laws of the Federal Republic of Germany. The courts in the Federal Republic of Germany have jurisdiction over any disputes arising out of the CQCA.

### ***Kitchens Agreements***

Delivery Hero entered into services agreements (the "**Kitchens Services Agreements**") with the Group entities that operate our Kitchens business in the UAE, Bahrain, Kuwait, Qatar and Jordan (the "**Kitchens Services Recipients**") with effect as of 1 January 2022, which were amended on 29 October 2024.

The Kitchens Services Agreements set out the terms on which Delivery Hero provides, or engages a third party to provide, a portfolio of services and intellectual property, i.e., various tools and products that constitute Delivery Hero's know-how as to how to run the Kitchens business and include a software suite to manage sales, orders, kitchen operation, data-related support, design and other products and services (the "**Kitchens Services**"). The Kitchens Services Recipients use the Kitchen Services to run the Kitchens business in the local markets where they operate.

In consideration of the Kitchens Services, the Kitchens Services Recipients pay the Kitchen Services Provider an arm's length compensation calculated by multiplying the Kitchens Services Recipient's gross revenue by an agreed rate, which is subject to re-evaluation and adjustment in the event of any significant changes of circumstances.

In respect of each Kitchens Services Agreement, the Kitchens Services Agreement remains valid and effective indefinitely, unless terminated based on convenience of Delivery Hero or the relevant Kitchens Recipient with prior notice, or for breach.

In accordance with the terms of the Kitchens Services Agreements, the Kitchen Services Provider and the Kitchens Services Recipients are party to the Delivery Hero Group Inter-Company Data Transfer Agreement (see "*—Delivery Hero Licensing and Services Agreements—Delivery Hero Group Inter-Company Data Transfer Agreement*").

The Kitchens Services Agreements are governed by the laws of the Federal Republic of Germany. Any disputes arising out of the Kitchens Services Agreements must be resolved by the courts of the jurisdiction of the Delivery Hero's domiciliation (i.e., the Federal Republic of Germany).

### ***Delivery Hero Group Inter-Company Data Transfer Agreement***

With the aim of governing the global processing of personal data and providing appropriate safeguards concerning the protection of privacy and rights and freedoms of personal data subjects

and ensuring compliance with data protection laws, Delivery Hero has entered into an inter-company data transfer agreement, dated as of 15 October 2021 (the “DTA”) and which were amended on 30 October 2024, with each of its controlled subsidiaries and affiliated entities, including certain entities in our Group.

The DTA sets out the principles for the processing of global transfer of personal data among the parties and is incorporated by reference into the GLSA. The DTA requires that any processing by a party thereto complies with the ‘Binding Corporate Rules Policy’ and associated guidelines, policies and standard procedures. Additionally, all parties to the DTA must maintain appropriate administrative, technical, and physical measures for security, confidentiality, and integrity of personal data.

The DTA and the relevant data transfer may be terminated: (i) with respect to a data importing party (a) that gives notice to a data exporting party that it is unable to comply with the applicable data protection laws, (b) that is in material breach of any of its obligations under the DTA, or (c) in relation to which the competent authority or judicial body has established that there has been a breach of any relevant laws, by the relevant data exporting party upon a thirty-day notice (unless a shorter period is required under applicable data protection laws); and (ii) with respect to a data exporting party that is in material breach of its obligations under the DTA, by the relevant data importing party upon a thirty-day notice.

The European Commission's Standard Contractual Clauses under Commission Implementing Decision (EU) 2021/914 of 04 June 2021 on standard contractual clauses for the transfer of personal data to third countries pursuant to Regulation (EU) 2016/679 of the European Parliament and of the Council, including any succeeding implementing decisions (the “**Standard Contractual Clauses**”) are incorporated by reference into the DTA.

Except with respect to the Standard Contractual Clauses and certain other clauses, the DTA is governed by the laws of the Federal Republic of Germany. Any disputes arising of the DTA must be resolved pursuant to the Standard Contractual Clauses or, if the Standard Contractual Clauses are silent on the competent court in relation to a specific dispute, by the courts of Berlin in the Federal Republic of Germany.

## **talabat Software Development and Services Agreements**

As part of our relationship with Delivery Hero, certain Group entities provide services to Delivery Hero and its affiliates, including contract software development services for Delivery Hero’s key central and global projects and certain business advisory and support services in the UAE and Egypt.

### ***Software Development Agreement***

Delivery Hero and talabat DB entered into a software development agreement (the “**Software Development Agreement**”) with effect as of 1 December 2023, which was amended on 29 October 2024. Under the terms of the Software Development Agreement, Delivery Hero outsources certain software development services to talabat DB, which Delivery Hero provides in both source code and object code format, includes building a global developer platform led by Delivery Hero, defining a roadmap for collaboration with product counterparts, planning and ensuring stability, scalability and long-term objectives and results, API related services, frontend related services and other software development services requested by Delivery Hero (together, the “**Software Services**”).

In consideration of the Software Services, Delivery Hero pays talabat DB an arm's length compensation calculated on a cost-plus basis which includes a cost basis in providing the Software Services plus an appropriate mark-up. If talabat DB engages any third-party service providers, such costs are passed through (without any mark-up) to Delivery Hero.

Delivery Hero owns and holds all intellectual property rights to all Software Services individually developed by Delivery Hero, its employees, or consultants, including, but not limited to, copyright and trademark rights. In addition, Delivery Hero has the exclusive and unrestricted rights of use for any results, improvements, developments, inventions and other know-how, whether patentable or not, as well as documents and other material being subject to copyrights, created in the performance of the Software Development Agreement.

The Software Development Agreement may be terminated by either party for convenience with prior notice.

The Software Development Agreement is governed by the laws of the Federal Republic of Germany, and the courts of Berlin have non-exclusive jurisdiction over any disputes arising from the Software Development Agreement.

### ***UAE Services Agreement***

Delivery Hero and talabat DB entered into a services agreement (the "**talabat UAE Services Agreement**") with effect as of 1 June 2020, which was amended on 29 October 2024.

Under the terms of the talabat UAE Services Agreement, talabat DB may provide certain services to Delivery Hero in the areas of marketing, market research and analysis, logistics, product support, human resources, and finance and legal support and any other services requested on an as-needed basis directly or through third-parties (the "**talabat Services**").

As of the date of this Prospectus, the talabat Services provided to Delivery Hero mainly include support services provided by certain employees solely for the benefit of Delivery Hero.

In consideration of the talabat Services, Delivery Hero pays talabat DB an arm's length compensation calculated based on the actual direct and indirect costs incurred in connection with providing the UAE Services plus an appropriate mark-up. If a third-party provider was engaged to provide the talabat Services, the costs invoiced by such third-party provider plus a handling fee are passed through to Delivery Hero.

The talabat UAE Services Agreement remains valid and effective indefinitely, unless terminated based on convenience of Delivery Hero or talabat DB with prior notice, or for breach.

In accordance with the terms of the talabat UAE Services Agreement, talabat DB and Delivery Hero are party to the Delivery Hero Group Inter-Company Data Transfer Agreement (see "*—Delivery Hero Licensing and Services Agreements—Delivery Hero Group Inter-Company Data Transfer Agreement*").

The talabat UAE Services Agreement is governed by the laws of the United Arab Emirates, and the courts of talabat DB's domicile (i.e., the Emirate of Dubai) have jurisdiction over any disputes arising out of the talabat UAE Services Agreement.

### ***Egypt Services Agreements***

Delivery Hero and Delivery Hero Egypt SAE entered into a services agreement with effect as of 1 June 2020 and Delivery Hero and Delivery Hero Dmart Egypt LLC (together with Delivery Hero Egypt SAE, the “**ESA Service Providers**”) entered into a services agreement with effect as of 1 April 2024 (together, the “**talabat Egypt Services Agreements**”), which were amended on 29 October 2024.

The terms and conditions of the talabat Egypt Services Agreements are substantially similar to the terms and conditions of the talabat UAE Services Agreement (including the scope of the talabat Services). In consideration of the talabat Services, Delivery Hero pays the ESA Services Providers an arm’s length compensation that is calculated according to the same principles as the compensation paid under the talabat UAE Services Agreement, provided that no handling fee is applied to costs invoiced by a third-party provider in the case of Delivery Hero Dmart Egypt LLC as the ESA Service Provider.

As of the date of this Prospectus, the talabat Services provided to Delivery Hero include mainly support services provided by certain employees solely for the benefit of Delivery Hero.

In accordance with the terms of the talabat Egypt Services Agreements, the ESA Services Providers and Delivery Hero are party to the Delivery Hero Group Inter-Company Data Transfer Agreement (see “—*Delivery Hero Licensing and Services Agreements—Delivery Hero Group Inter-Company Data Transfer Agreement*”).

The talabat Egypt Services Agreements are governed by the laws of Egypt, and the courts of the ESA Services Providers’ domicile (i.e., Egypt) have jurisdiction over any disputes arising out of the talabat Egypt Services Agreements.

### ***InstaShop Corporate Services Agreements***

As part of the InstaShop integration into the Group (see “*Risk Factors—Risks Relating to our Business—The InstaShop acquisition is subject to conditions precedent and there are no assurances that it will be consummated.*”), several Group entities have entered into services agreements with InstaShop DMCC. In particular, (i) talabat DB has entered into a corporate services agreement (the “**TIS Services Agreement**”) with InstaShop DMCC (the “**talabat Services Recipient**”) and (ii) Delivery Hero Stores DB LLC (the “**Stores Services Provider**”) has entered into a corporate services agreement (the “**Stores-InstaShop Services Agreement**”) with InstaShop DMCC (the “**Stores Services Recipient**”), each with effect as of 1 November 2024.

The TIS Services Agreement sets out the terms on which talabat DB provides a portfolio of services in the areas of human resources (talent acquisition, rewards and people systems), external reporting (accounting, treasury, tax and global payroll), finance insights, legal support (government relations and regulatory affairs, commercial matters and commercial operations), business support, support in operational and commercial activities, and administrative and consultancy services, and public and media relations (the “**talabat Portfolio Services**”) to the Talabat Services Recipient on an as-needed basis.

The Stores-InstaShop Services Agreement sets out the terms on which the Stores Services Provider provides a portfolio of services in the areas of business support, support in operational and

commercial activities, and other administrative and consultancy services (the “**Stores Services**”) to Stores Services Recipient on an as-needed basis.

Additionally, talabat DB and the Stores Services Provider may engage third parties to provide certain services (the “**Third-Party Services To InstaShop**”) on an as-needed basis. The talabat Services Recipient and the Stores Services Recipient use the talabat Portfolio Services and the Stores Services, respectively, as well as the Third-Party Services To InstaShop to run their InstaShop businesses in the local markets where they operate.

The terms of the TIS Services Agreement and the Stores-InstaShop Services Agreement regarding calculation and payment of consideration, validity term and termination, participation in the Delivery Hero Group Inter-Company Data Transfer Agreement, governing law and dispute resolution are substantially the same as the relevant terms of the IST Services Agreement described above (see “—*Delivery Hero Licensing and Services Agreements—Corporate Support Services Agreement with InstaShop*”).

### **InstaShop Share Purchase Agreement**

In connection with the acquisition of InstaShop (“**InstaShop Acquisition**”), Delivery Hero and Delivery Hero FZ LLC entered into a share purchase agreement dated 11 September 2024 (the “**InstaShop SPA**”). See “*Risk Factors—Risks Relating to our Business—The InstaShop acquisition is subject to conditions precedent and there are no assurances that it will be consummated.*”

Pursuant to the InstaShop SPA, Delivery Hero agreed to sell and transfer, and Delivery Hero FZ LLC agreed to purchase, 100% of the share capital of InstaShop. The purchase price under the InstaShop SPA is an amount equal to the paid in capital and capital reserves of InstaShop and is payable in cash.

The closing of the InstaShop Acquisition is subject to certain conditions precedent outlined in the InstaShop SPA, including the provision of financial statements, accounting onboarding, and the commencement of liquidation of certain subsidiaries of InstaShop. The InstaShop Acquisition is expected to close in 2025. Upon completion of the InstaShop Acquisition, Delivery Hero FZ LLC will hold 100% of the share capital of InstaShop.

The InstaShop SPA is governed by the laws of the Dubai International Financial Centre (“**DIFC**”). Any disputes arising out of the InstaShop SPA must be resolved through amicable settlement within one month. If the parties are unable to resolve any such dispute amicably within one month, the dispute must be referred to arbitration and finally settled in accordance with the rules of the London Court of International Arbitration, with the seat of arbitration at the DIFC.

In connection with the InstaShop SPA, Delivery Hero, InstaShop and the Company intend to enter into a common interest agreement prior to Listing relating to the sharing of information in respect of any legal proceedings arising relating to InstaShop in respect of the period InstaShop was fully owned by Delivery Hero.

### **Everyday Roastery Trademark License Agreement**

The Group currently operates the Everyday Roastery brand, a Delivery Hero-owned brand, in Egypt and the UAE. In 2023 and 2024, Delivery Hero and certain Group entities in these and other



jurisdictions where the Group used to in the past, and may in the future, operate the Everyday Roastery brand (each a “**ER Licensee**”) entered into separate trademark license agreements (each a “**TLA**”), which were amended on 29 October 2024, with respect to the use of the “Everyday Roastery” trademarks (the “**ER Trademarks**”) in the UAE, Kuwait, Bahrain, Qatar and Egypt.

Pursuant to the terms of each TLA, Delivery Hero granted the ER Licensee a non-exclusive, revocable, non-transferable, non-assignable and non-sublicensable license for the use of the ER Trademarks in the relevant jurisdictions. Each TLA specifies that the license is fully paid up.

In respect of each TLA, the TLA remains valid and effective indefinitely, unless terminated based on convenience of Delivery Hero or the relevant ER Licensee with prior notice, or for breach.

Each TLA is governed by the laws of the Federal Republic of Germany. Any disputes arising out of a TLA are to be resolved through arbitration pursuant to the Arbitration Rules of the German Institutions of Arbitration e.V.

## **DH Group Treasury Management Agreement**

### *Overview*

Under the DH Group Treasury Management Agreement to be entered prior to Listing, the Company, certain Group subsidiaries, and Delivery Hero agreed to centralise investment of surplus cash and streamline treasury operations by establishing a notional cash pool at ING Bank N.V., acting under the trade name Bank Mendes Gans located in the Netherlands (the “**Cash Pooling Bank**”). Pursuant to the agreement, Delivery Hero and each participating Group company may set up a bank current account in its own name at the Cash Pooling Bank for purposes of investing Surplus Cash and procuring financings.

### *Investments of Surplus Cash*

Pursuant to the terms of the DH Group Treasury Management Agreement, Delivery Hero and each participating Group company may opt to invest Surplus Cash in one or more bank current accounts established in its own name at the Cash Pooling Bank. The Group intends to deposit cash into the bank current accounts only to the extent that certain conditions are met, such as the interest/profit rate received by the Group in such accounts being equal to or exceeding the Benchmark Bank Rates.

“**Surplus Cash**” is defined as the difference (if positive) at the time of determination between the total balance of cash and cash equivalents held by a Group company and the cash required in local bank accounts to maintain day-to-day operations. For the avoidance of doubt, cash collected by the Group on behalf of Partners is required for day-to-day operations and will not be considered surplus cash.

“**Benchmark Bank Rates**” are defined as the interest/profit rates available to a Group company at the time of determination for demand deposits in bank current accounts in a given currency at banks in such Group company’s country of domicile.

### *Ability to Borrow*

Delivery Hero and each participating Group company may borrow from the Cash Pooling Bank by placing its account into an overdraft position. To secure any such overdraft borrowings, Delivery Hero

and each participating Group company have each pledged to the Cash Pooling Bank all their present and future claims on bank current accounts set up under the DH Group Treasury Management Agreement. This arrangement will allow Delivery Hero to incur overdraft borrowings secured by a pledge over participating Group company bank current accounts with the Cash Pooling Bank but only to the extent that Delivery Hero has first provided to the Company an irrevocable and unconditional guarantee issued by a regulated financial institution with a long-term credit rating from at least two internationally recognised rating agencies of not less than A- (or equivalent), in an amount at least equal to the amount of any such overdraft borrowings by Delivery Hero.

#### *Default Provisions*

If Delivery Hero (or the relevant participating Group company) fails to repay overdraft borrowings from the Cash Pooling Bank when due, such bank has the right to enforce its pledge over any of the bank current accounts set up under the DH Group Treasury Management Agreement (including participating Group company accounts). The DH Group Treasury Management Agreement includes limits on borrowing to mitigate losses from such enforcement including the irrevocable and unconditional guarantee described above under “–*Ability to Borrow*”. The Company will have the right to demand immediate payment on such irrevocable and unconditional guarantee to cover any losses to Group companies as a result of Delivery Hero’s failure to repay overdraft borrowings from the Cash Pooling Bank.

In addition, pursuant to a side letter between the Company and Delivery Hero, the Company will, if it fails to be made whole pursuant to the irrevocable and unconditional guarantee described above under “–*Ability to Borrow*”, be entitled to offset any shortfall in recovery against dividends, if any, payable to the Selling Shareholder.

#### *Governing Law*

The DH Group Treasury Management Agreement is governed by the laws of the Netherlands.

#### **MasterCard Rebate Agreement**

Among other payment systems and payment gateway services, the Group uses the MasterCard payment gateway infrastructure pursuant to an agreement between Delivery Hero and Mastercard Asia/Pacific Pte Ltd (“**Mastercard**”), dated as of 30 August 2020 (as amended, the “**Mastercard Agreement**”) (see “*Material Agreements —General —Third-Party Payment Technology and Digital Infrastructure arrangements —Merchant Agreements*”).

In connection with the rebate programme offered by Mastercard, Delivery Hero and several of its subsidiaries in the UAE, Kuwait, Qatar, Egypt, Oman, Jordan, Bahrain and other jurisdictions (the “**Rebate Recipients**”) have entered into an intercompany agreement (the “**MasterCard Rebate Agreement**”) to account for the rebates received by Delivery Hero but attributable to the Rebate Recipients and regulate the invoicing and compensation process for such rebates.

Pursuant to the MasterCard Rebate Agreement, Delivery Hero has agreed to pay each Rebate Recipient an appropriate portion of the Mastercard rebates attributable to such Rebate Recipient against an invoice issued by the Rebate Recipient approximately once in every six months. Alternatively, Delivery Hero and each Rebate Recipient may set any payment obligations under the MasterCard Rebate Agreement off against any other payment obligations owed to each other.

The MasterCard Rebate Agreement remains effective for as long as the Mastercard Agreement remains effective. Delivery Hero may also terminate the MasterCard Rebate Agreement upon thirty-days' written notice to a Rebate Recipient, provided that Delivery Hero reserves the right to terminate the MasterCard Rebate Agreement with immediate effect. If any Mastercard rebates to which a Rebate Recipient is entitled has not been invoiced at the time of termination of the MasterCard Rebate Agreement, the provisions of the terminated MasterCard Rebate Agreement will continue to apply until the outstanding compensation is paid.

The Delivery Hero MasterCard Rebate Agreement is governed by the laws of the Federal Republic of Germany. Any disputes arising out of the Delivery Hero MasterCard Rebate Agreement must be resolved by the courts of the jurisdiction where Delivery Hero is domiciled (i.e., the Federal Republic of Germany).

#### Framework Agreement

Certain members of our Group and Delivery Hero entered into a framework agreement (the "**Framework Agreement**") on 29 September 2024 pursuant to which, among other things, Delivery Hero agreed to hold: (i) 49% of the shares in Talabat for Delivery Services LLC (Baghdad, Iraq), and (ii) 100% of shares in DH Kitchens LLC (Qatar), in each case, on trust as nominees for our benefit on substantially the same terms as the existing nominee agreements with Iraqi nationals (see "*Material Agreements–Nominee Agreements–Iraq business*"), pending completion of the registration of the change in legal title in such shares to Delivery Hero FZ LLC and Delivery Hero Kitchens MENA Holding Ltd, respectively, which, in each case, was initiated prior to the date of the Framework Agreement and is expected to complete prior to or shortly after Listing. The Framework Agreement is governed by the laws of Germany.

## Fourth Section: Other Details

### 1. Mechanism for adopting a governance system in the Company

The Board of Directors (the “**Board**”) is committed to standards of corporate governance that are in line with international best practice. As at the date of this Prospectus, the Company complies, and intends to comply, with the Governance Rules.

### 1. The Company’s proposed management structure

#### Company’s Board structure

The Board consists of six Directors of whom there are five non-executive Directors, one executive Director and two independent Directors as set out below:

Name	Year of Birth	Nationality	Capacity	Year of appointment
<i>Mr. Pieter-Jan Vandepitte</i>	1977	Belgian	Chairperson	2024
<i>Mr. Andreas Krause</i>	1977	German	Vice-Chairperson	2024
<i>Ms. Marie-Anne Popp</i>	1975	German & French	Non-Executive Director	2024
<i>Mr. Tomaso Rodriguez</i>	1985	Italian	Executive Director	2024
<i>Mr. Abdullah Alharoun*</i>	1987	Kuwaiti	Independent, Non-Executive	2024
<i>Muhammad Hussain Ghati Al Jbori*</i>	1994	Emirati	Independent, Non-Executive	2024

*\*Denotes that the Director is considered independent under the Governance Rules.*

The business address of the Company is Office Number 2341, 23rd Floor, Sky Tower, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, United Arab Emirates, United Arab Emirates.

The management expertise and experience of each of the Directors is set out below:

#### Board of Directors

##### *Mr. Pieter-Jan Vandepitte – Chairperson*

Pieter-Jan Vandepitte was appointed to our Board in 2024. Pieter-Jan was appointed in August 2015 as Chief Operating Officer of Delivery Hero. Pieter-Jan is responsible for the International Markets at Delivery Hero, and he is the global lead for Sales, Customer Care and Business Intelligence. Prior to

joining Delivery Hero, he worked as chief financial officer for Peak Games, International VP for Groupon, and was co-founder of Citydeal, before it was acquired by Groupon. Before entering the start-up scene, he worked for McKinsey as a management consultant and Deloitte in M&A and Transaction Support. Pieter-Jan holds a Master's degree in Commercial Engineering from the University of KU Leuven and an MBA from INSEAD Business School.

***Mr. Andreas Krause – Vice-Chairperson***

Andreas Krause was appointed to our Board in 2024. Andreas joined Delivery Hero as General Counsel in 2016 after working for the founding shareholder of the company. At Delivery Hero, he built out and continues to lead the global legal, governance, and assurance functions. His expertise spans across regulatory compliance, M&A, corporate governance, and digital business models. Prior to Delivery Hero, Andreas started his career at an international law firm before transitioning to work for incubators and venture capital firms. He is a solicitor in both Germany and England/Wales. He holds an LLM in International Business Law from the National University of Singapore and an Executive MBA from IE Madrid.

***Ms. Marie-Anne Popp – Non-Executive Director***

Marie-Anne Popp was appointed to our Board in 2024. Marie-Anne Popp has been Delivery Hero's interim Chief Financial Officer since July 2024. She joined Delivery Hero in September 2023 as SVP Finance, and was responsible for Delivery Hero's central finance functions. During a career spanning over 25 years, Marie-Anne has built leadership experience in financial management, business development and strategy.

She has vast corporate finance expertise in emerging markets. Prior to joining us, she held several global and emerging-market focused senior leadership roles. She was SVP Corporate Finance at Adidas, following 19 years at General Electric, including as CFO Emerging Markets and Head of Project Finance for the MENA region.

Marie-Anne holds an MBA from Harvard Business School and a Master of Economics from ESCP, a leading European Business School.

***Mr. Tomaso Rodriguez – Executive Director*** (Please refer to “Senior Management – Chief Executive Officer”)

***Mr. Abdullah Alharoun – Independent, Non-Executive***

Abdullah Alharoun was appointed to our Board in 2024. Abdullah is an attorney based in Kuwait City and the Boston Area with a multidisciplinary professional and educational background. He is an expert on Kuwaiti law and has extensive experience acting on complex matters for major local and multinational clients across various industries. Abdullah is admitted to practice as an attorney in the State of Kuwait, the State of New York, and the Commonwealth of Massachusetts. He holds an LLM from Columbia Law School, an LLB from Queen Mary, University of London, and a BSc in Environmental Sciences from Dalhousie University (Canada).

***Mr. Muhammad Hussain Ghati Al Jbori – Independent, Non-Executive***

Muhammad Hussain Ghatai Al Jbori was appointed to our Board in 2024. Muhammad Hussain Ghatai Al Jbori is the Chairman of Binghatti, one of the Middle-East's largest property development companies with an investment value exceeding USD 10 billion. Muhammad's expertise spans real estate, architecture, and brand development. Muhammad has also been a recipient of multiple awards and honorary recognitions and has been listed on Forbes Top 100 Most Impactful Real Estate Leaders in the Middle-East. Muhammad holds a bachelor's degree in Architecture and Design.

## Senior Management

The day-to-day management of the Group's operations is conducted by the senior management team. The current members of the Group's senior management are as follows:

Name	Position(s)
Tomaso Rodriguez	Chief Executive Officer
Khaled Al Fakesh	Chief Financial Officer
Jérémy Doutedé	Chief Business Officer
Yi-Wei Ang	Chief Product Officer
Pedram Assadi	Chief Operations Officer
Stefano Vecchio	Vice-President of People & Strategy
Wassim Makarem	Senior Vice-President Grocery & Retail

## Senior Management

### ***Mr. Tomaso Rodriguez – Chief Executive Officer***

Tomaso Rodriguez was appointed to our Board in 2024. Since 2019, Tomaso has served as our Chief Executive Officer. Tomaso launched his career in 2008 by founding AgencyManagement, which was later acquired by a major consumer goods company. At Uber Eats, Tomaso led Regional Operations in the Asia-Pacific region and managed Uber in Italy and Greece. In 2018, as Head of GrabFood, he expanded its food delivery business from 1 to 250 cities in 18 months. Tomaso graduated from Università degli Studi di Padova, Italy, and holds an MBA from Collège des Ingénieurs, Paris.

### ***Mr. Khaled Alfakesh – Chief Financial Officer***

Khaled joined talabat as Chief Financial Officer in 2016. He leads a team of over 200 professionals and oversees our financial, legal, risk management, taxation, and capital control functions. With nearly 20 years of experience in corporate finance and governance, Khaled plays a critical role in driving talabat's growth.

Before joining talabat, Khaled served as Group Financial Controller at The Sultan Center for 10 years. Khaled holds a bachelor's degree in commerce from Damascus University. He is passionate about innovation, driving growth, and leading diverse teams.

***Mr. Jérémy Doutté – Chief Business Officer***

Jérémy Doutté, joined talabat in September 2020 as Chief Business Officer. He manages talabat's eight markets and collaborates with managing directors to grow business across the region. Previously, he was Vice President of talabat UAE, leading operations and growth with a team of over 250 people.

Before talabat, Jérémy spent eight years at Jumia in Africa, ending as Executive Vice President, and worked as a management consultant at McKinsey & Company. He holds a Business bachelor's degree from ESSEC Business School and an MBA from Harvard Business School.

***Mr. Yi-Wei Ang – Chief Product Officer***

Yi-Wei joined talabat in 2020 as Chief Product Officer and oversees the development of the Technology, Product & Design teams in Cairo and Dubai. He also oversees the Branding department. Prior to talabat, Yi-Wei was VP of Product at Property Finder and Director of Product at TradeGecko, which was acquired by Intuit. He also held positions at Microsoft and IBM.

Yi-Wei has extensive global experience, having lived in Singapore, Seattle, Vancouver, Toronto, Beijing, Hong Kong, and Kuala Lumpur, establishing him as a leading figure in product management. Yi-Wei graduated from the University of Toronto in 2013 and holds a bachelor of Applied Science degree in Industrial Engineering.

***Mr. Pedram Assadi – Chief Operations Officer***

Pedram Assadi joined talabat in 2024 as Chief Operations Officer, leading operations, commercial, marketing and customer experience regionally. Pedram brings over a decade of experience in scaling high-growth food and grocery delivery companies across three regions. He previously served as chief executive officer of Foodora and Yemeksepeti at Delivery Hero, where he led the quick commerce and delivery business across eight European markets. Before that, he was the chief operations officer of Foodpanda, where he significantly expanded operations and scaled the business across the Asia Pacific region.

In the MENA region, Pedram founded a food delivery startup in Dubai and also launched and led Uber Eats' operations as one of its first employees. His diverse background includes roles at leading tech-companies like Amazon, IBM, and Rocket Internet. Pedram holds a degree in International Business Administration from the Rotterdam School of Management, Erasmus University.

***Mr. Stefano Vecchio – Vice-President of People & Strategy***

Stefano serves as VP of People & Strategy at talabat, where he leverages his global experience to drive strategic initiatives. He oversees organisational objectives and key results, governance, and leads the "New Ventures" function, spearheading key projects like talabat DineOut Deals, and talabat loyalty programmes. Further, he leads the people and culture department and oversees communications, public affairs and sustainability as well.

With nearly 20 years in diverse sectors including Ride-Hailing and Consumer Goods, Stefano's prior roles include positions at Fiat Automobiles, Bain & Company, Axiata, Ernst & Young, and Grab. He holds a degree in Economics and Business Law from Università Cattolica del Sacro Cuore and studied in Amsterdam through the Erasmus Exchange Program.

***Mr. Wassim Makarem – Senior Vice-President Grocery & Retail***

In his role as Senior Vice President Grocery & Retail at talabat, Wassim Makarem is at the forefront of driving talabat's regional quick commerce initiatives, leading our groceries and retail business across the MENA region. With a keen focus on building and scaling businesses, Wassim fosters strategic thinking, innovation and adaptation across various markets.

Previously serving as VP of Grocery & Retail, Wassim played a pivotal role in building high-performing teams that significantly enhanced sustainable growth, profitability, and customer experience. His earlier tenure leading talabat Kuwait also showcased his strategic acumen in fostering accelerated growth. Wassim holds a bachelor's degree in Computer Science from the American University of Beirut and an MBA from Maastricht University.

**Company's Organization Chart**

Please refer to Annex 5.

**Employment positions of members of the senior executive in the Company's subsidiaries and other public joint stock companies in the UAE:**

Some members of the senior management hold executive positions in the Company's subsidiaries.

**Employment positions of members of the board of directors in the Company's subsidiaries and other public joint stock companies in the UAE:**

Tomaso Rodriguez holds certain executive positions in the Company's subsidiaries.

**Conditions of eligibility, election, removal and the Board of the Company**

Board members will be elected by the shareholders. The Board of Directors was appointed by the Selling Shareholder for a period of three years.

If a position becomes vacant during the term of the Board, then a replacement may be appointed in accordance with the provisions of the Company's Articles of Association. Any such replacement shall serve the remaining term of the director who vacated her or his or her position.

**The key responsibilities of the Board include:**

- determining the Company's strategy, budget and structure;
- approving the fundamental policies of the Company;
- implementing and overseeing appropriate financial reporting procedures, risk management policies and other internal and financial controls;



- proposing the issuance of new ordinary shares and any restructuring of the Company;
- appointing executive management;
- determining the remuneration policies of the Company and ensuring the independence of Directors and that potential conflicts of interest are managed; and
- calling Shareholder meetings and ensuring appropriate communication with Shareholders.

## 2. Board Committees

The Board has an Audit Committee, a Nomination and Remuneration Committee and an Executive Committee (each of which will be subject to the composition requirements of the Governance Rules). If the need should arise, and subject to the Articles of Association, the Board may set up additional committees as appropriate. In accordance with the Governance Rules, the Chairman is not permitted to be a member of either the Audit Committee or the Nomination and Remuneration Committee.

A high-level overview of the mandate of each of these committees, as at Listing, is set out below.

## 3. Audit Committee

The members of the Audit Committee are as follows:

<u>Name</u>	<u>Position</u>
Abdullah Al Haroun .....	Chairperson
Muhammad Hussain Ghatai Al Jbori .....	Member
Marie-Anne Popp .....	Member
Stijn Merks .....	Member
Thomas Haas .....	Member

The duties of the Audit Committee include assisting the Board of Directors in reviewing the Group's financial and accounting policies and procedures, monitoring and reviewing the integrity of the Group's financial statements and reports and its controls, overseeing matters relating to the Group's external auditor, overseeing matters relating to the Group's internal audit, reviewing related party transactions and making appropriate recommendations to the Board of Directors in respect of any such matters, and overseeing the Group's risk management. The ultimate responsibility for reviewing and approving the Group's annual report and financial statements remains with the Board of Directors. The Audit Committee shall be required to take appropriate steps to ensure that the Group's external auditors are independent of the Group.

The Governance Rules require that the Audit Committee must have a minimum of three and a maximum of five members who are non-executive and at least two members who are independent,

none of which may be the Chairman. One of the independent members must be appointed as chairman of the Audit Committee. All the members of the Audit Committee are required to be well-informed on financial and accounting matters and at least one of the members is required to have prior experience and/or certifications in accounting, finance or other related fields. The Audit Committee shall be required to meet at least four times per year and as may be further required.

#### 4. Nominations and Remuneration Committee

The members of the Nominations and Remuneration Committee are as follows:

<b>Name</b>	<b>Position</b>
Muhammad Hussain Ghatai Al Jbori.....	Chairperson
Andreas Krause .....	Member
Abdullah Al Haroun .....	Member
Ana Mitrasevic .....	Member
Marie-Anne Popp.....	Member

The duties of the Nominations and Remuneration Committee include assisting the Board of Directors in developing a policy to apply for membership to the Board of Directors and senior management taking into account gender diversity, and relevant regulatory and independence requirements, ensuring the independence of independent Board members, reviewing and overseeing the remuneration and benefits of senior management and employees, reviewing human resource policies of the Group and making recommendations to the Board of Directors in respect of any of the relevant matters where appropriate. Moreover, the Committee is responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board of Directors and committees of the Board of Directors.

The Governance Rules require that the Nominations and Remuneration Committee must be comprised of a minimum of three and a maximum of five members who are non-executive and at least two members who are independent, none of which may be the Chairman. One of the independent members must be appointed as chairman of the Nominations and Remuneration Committee. The Nominations and Remuneration Committee shall be required to meet at least once a year and are required to hold meetings as needed.

#### 5. Executive Committee

The members of the Executive Committee are as follows:

Name	Position
Suseem Jain.....	Chairperson
Julia Schmidtman.....	Member
Khaled Alfakesh.....	Member

The Executive Committee will assist the Board in discharging its responsibilities, including in relation to the Company's commercial, financial and operational performance, function and planning. The Executive Committee's role will include the approval and/or endorsement of any matters delegated to it for approval and/or endorsement under the Company's delegation of authority matrix. The Executive Committee will also receive information and reporting relating to the business and operations of the Group. All members of the Executive Committee will be required to comply with the Company's insider trading policy which sets out guidelines on matters relating to the sharing of material non-public information and insider trading.

The Executive Committee Terms of Reference to be adopted prior to Listing will require that the Executive Committee must comprise three members. The Executive Committee will meet at least every two weeks.

## 6. Legal matters

The following is a summary of the legal matters that will apply to the Company following its Listing. The legal matters listed below must be read in light of the provisions of the Company's Articles of Association (which are set out in Annex 2 of this Prospectus).

- **Articles of Association**

The Company's Articles of Association and the Companies Regulations describe the rights and obligations associated with the ownership of the Shares in detail. The full text of the Articles of Association of the Company is annexed in Annex 2 of this Prospectus.

- **The applicability of Governance Rules and the Companies Regulations**

The Company decided voluntarily to comply with the Governance Rules as issued by the Securities and Commodities Authority, as amended from time to time, with certain modifications that are in compliance with the Companies Regulations. In the event of any conflict between the Governance Rules and the Articles of Association, the Articles of Association shall take precedence. The modified provisions of the Governance Rules, as approved by the DFM, are detailed in article 4(1) of the Articles of Association, which is attached to this Prospectus as Annex 2.

- **Attending General Meeting and voting rights**

Each Shareholder shall have the right to attend the General Meeting and shall have a number of votes equal to the number of their Shares (other than in relation to the election of directors, where Shareholders shall have an additional number of votes in accordance with the cumulative voting

system set out in the Articles).

- **Share register**

Upon listing on the DFM, the Shares will be dematerialized and the share register will be maintained by the DFM.

- **Financial information**

A Shareholder is entitled to request a copy of the annual audited financial statements of the Company.

- **Financial year**

The financial year of the Company will start on the 1<sup>st</sup> of January and end on 31<sup>st</sup> of December of each year.

- **Dividends and liquidation proceeds**

The Company shall pay dividends on Shares in compliance with the relevant laws and regulations applicable to the Company. Shareholders shall have the sole right to the profits due on those Shares. In the event of liquidation of the Company, each Shareholder shall be entitled to a part of the Company's assets in accordance with the Company's Articles of Association and applicable law and regulation in the ADGM.

- **General Meeting**

An annual general meeting shall be held in accordance with the Companies Regulations, at such place or places (including electronic platforms), date and time as may be decided by the Directors.

The Directors may, whenever they think fit, call a general meeting. The Directors are required to call a general meeting once the Company has received requests from its members to do so in accordance with the Companies Regulations. The Directors shall determine whether a general meeting is to be held as a physical general meeting or an electronic general meeting.

Notice of general meetings shall include all information required to be included by the Companies Regulations and shall be given to all members other than those members who are not entitled to receive such notices from the Company under the provisions of the Articles.

- **Liability of the Board**

The members of the Board owe general duties to the Company in accordance with the Companies Regulations (including exercising reasonable care, skill and diligence and acting to promote the success of the Company). The Company may bring a claim against any member of the Board in breach of its directors' duties, with available remedies varying depending on the severity of the breach but may include damages, injunctive relief and other remedies.

Subject to the prior permission of the ADGM court, an eligible shareholder may independently initiate proceedings against any member of the Board if the Company fails to do so in respect of a cause of action arising from an actual or proposed act or omission involving negligence, default, breach of duty or breach of trust by that member of the Board.

So far as may be permitted by the Companies Regulations, every Director, officer, senior manager or alternate director (or former director, officer, senior manager or alternate director) of the Company or of an associated company (as contemplated by section 278 of the Companies Regulations) may be indemnified out of the Company's assets against any liability incurred by them in connection with any negligence, default, breach of duty or breach of trust by them or any other liability incurred by them in the execution of their duties, the exercise of their powers or otherwise in connection with their duties, powers or offices.

- **Appointment of the Chairperson and the Powers of the Chairperson**

Mr. Pieter-Jan Vandepitte is the chairperson of the Board, and is considered the chairperson during Board meetings and in the absence of the chairperson, the vice chairperson shall chair such meetings.

- **Corporate Governance**

The Company shall be subject to the Governance Rules as published by SCA and amended from time to time and in accordance with any modifications agreed to by the DFM in this regard, as well as the Company's Articles of Association.

## **7. Supervision and Regulation**

The Company is a public company limited by shares incorporated in the ADGM. The ADGM is a financial free zone within the meaning of UAE Federal Law No. 8 of 2004 (the "**Financial Free Zones Law**") and was established pursuant to UAE Federal Decree No. 15 of 2013. As a company incorporated in the ADGM, and in accordance with the Financial Free Zones Law, the Company is not subject to UAE federal civil and commercial laws. In particular, and without limitation, the Company is not subject to the provisions of the UAE Commercial Companies Law nor a variety of other legislation which applies to companies incorporated 'onshore' in the UAE. Instead, the Company is governed by applicable laws and regulations in the ADGM including the Companies Regulations.

In accordance with the ADGM legal framework applicable to public companies such as the Company, its primary constitutional document is its Articles of Association. Apart from various matters governed by the Companies Regulations and other ADGM legislation, the principal corporate governance and disclosure and transparency rules applicable to the Company are set out in the SCA Governance Guide, the provisions of the Chairman of Authority's Board of Directors' Decision no. 3 of 2000 concerning the regulations as to disclosure and transparency and in the Articles of Association and related documents (such as charters, policies and procedures adopted by the Board of Directors from time to time). The ADGM Board of Directors and, in certain circumstances, the ADGM Registration Authority has the power and authority to investigate violations of the Companies Regulations, including if it appears to it that there are circumstances suggesting that an ADGM company's affairs are being or have been conducted in a manner which is unfairly prejudicial to some part of its members, and in certain cases to refer such violations to ADGM courts. Shareholders in ADGM companies may also directly seek injunctions from ADGM courts against acts in violation of the Companies Regulations or constitutional documents and can seek to recover damages for such violations from ADGM companies and their directors.

Investors should familiarize themselves with applicable ADGM laws and regulations, and the Company's Articles of Association annexed to the Prospectus.

## **8. ADGM No Objection**

The ADGM Registration Authority has issued a certificate of no objection to the Listing and the Offering in accordance with Article 33 of SCA Decision No. 11 RM of 2016 concerning the Regulation of Offering and Issuing Shares in Public Joint Stock Companies (as amended).

## **9. Independent Auditors**

KPMG Lower Gulf Limited audited the Annual Financial Statements for the years ended 31 December 2022 and 2023, and the reviewed condensed consolidated interim financial statements for the nine months ended 30 September 2024, as stated in their report included herein.

### ***KPMG Lower Gulf Limited***

The Offices 5 at One Central

Level 4, Office No: 04.01 Sheikh Zayed Road

P.O. Box 3800

Dubai, United Arab Emirates

Tel: +971 4 403 0300

## **10. Details of any employee ownership scheme**

The Company does not have any employee share ownership schemes.

**Annex 1 – Financial Statements**

# Delivery Hero FZ - LLC

Consolidated financial statements  
*31 December 2023*

**Principal business address:**

Premises No: EX 75, Ground Floor, Building No: 07, Co-Work,  
Dubai Outsource City, Dubai  
United Arab Emirates



# Delivery Hero FZ - LLC

Consolidated financial statements  
31 December 2023

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KPMG Lower Gulf Limited  
The Offices 5 at One Central  
Level 4, Office No: 04.01  
Sheikh Zayed Road, P.O. Box 3800  
Dubai, United Arab Emirates  
Tel. +971 (4) 4030300, www.kpmg.com/ae

## Independent auditors' report

### To the Shareholder of Delivery Hero FZ LLC

#### Report on the Audit of the Consolidated Financial Statements

##### Opinion

We have audited the consolidated financial statements of Delivery Hero FZ LLC and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

##### Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the Dubai Creative Clusters Private Companies Regulations 2016 issued pursuant to Law No. (15) of 2014, as amended and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements (continued)**

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

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

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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



## Report on Other Legal and Regulatory Requirements

We further report that the financial statements have been prepared, in all material respects, in compliance with the Dubai Creative Clusters Private Companies Regulations 2016 issued pursuant to Law No. (15) of 2014, as amended.

KPMG Lower Gulf Limited

Richard Ackland  
Registration No.: 1015  
Dubai, United Arab Emirates

Date: **11 SEP 2024**

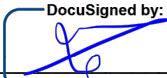
# Delivery Hero FZ - LLC

## Consolidated statement of financial position As at 31 December 2023

	Notes	2023 AED	2022 AED
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	5	245,147,846	195,740,704
Intangible assets and goodwill	6	1,153,089,949	1,132,152,222
Loan to a related party	9	27,657,454	-
Trade and other receivables	7	11,962,688	8,650,774
<b>Total non-current assets</b>		<b>1,437,857,937</b>	<b>1,336,543,700</b>
<b>Current assets</b>			
Inventories	8	49,884,655	54,784,856
Trade and other receivables	7	232,607,017	244,328,145
Due from related parties	9	196,390,322	136,914,883
Cash and cash equivalents	10	1,065,498,800	1,450,414,842
<b>Total current assets</b>		<b>1,544,380,794</b>	<b>1,886,442,726</b>
<b>Total assets</b>		<b>2,982,238,731</b>	<b>3,222,986,426</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	11	15,050,000	50,000
Shareholder's contribution	12.1	529,145,367	532,572,266
Foreign currency translation reserve		14,293,129	27,590,624
Retained earnings		1,032,647,626	979,174,005
Other reserves	12.2	56,126,335	45,588,700
<b>Total equity attributable to shareholder of the Company</b>		<b>1,647,262,457</b>	<b>1,584,975,595</b>
Non-controlling interests		(7,325,551)	(7,054,172)
<b>Total equity</b>		<b>1,639,936,906</b>	<b>1,577,921,423</b>
<b>Non-current liabilities</b>			
Loans from related parties	9	128,444,857	521,853,783
Trade and other payables	13	2,523,363	1,736,179
Lease liabilities	14	105,361,434	75,881,779
Employees' end of service benefits	15	45,487,128	30,436,237
<b>Total non-current liabilities</b>		<b>281,816,782</b>	<b>629,907,978</b>
<b>Current liabilities</b>			
Due to related parties	9	110,615,377	172,941,390
Trade and other payables	13	907,071,235	797,979,604
Lease liabilities	14	26,313,690	28,017,413
Income tax liabilities		16,484,741	16,218,618
<b>Total current liabilities</b>		<b>1,060,485,043</b>	<b>1,015,157,025</b>
<b>Total liabilities</b>		<b>1,342,301,825</b>	<b>1,645,065,003</b>
<b>Total equity and liabilities</b>		<b>2,982,238,731</b>	<b>3,222,986,426</b>

To the best of our knowledge, the consolidated financial statements fairly present, in all material respects, the financial position, results of operation and cash flows of Delivery Hero FZ – LLC and its subsidiaries as of, and for, the year ended 31 December 2023.

These consolidated financial statements were authorised and approved for issue by the Board of Directors on 10 September 2024 and signed on their behalf by:

DocuSigned by:  
  
 Director  
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The notes on pages 8 to 49 are an integral part of these consolidated financial statements.  
 The independent auditors' report is set out on pages 1 to 3.

# Delivery Hero FZ - LLC

## Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2023

		2023 AED	2022 AED
	<i>Notes</i>		
<b>Revenue</b>	16	<b>6,162,876,061</b>	5,072,984,530
Cost of sales	17	<b>(3,855,439,893)</b>	(3,228,239,362)
<b>Gross profit</b>		<b>2,307,436,168</b>	1,844,745,168
Marketing expense	18	<b>(411,365,931)</b>	(449,818,490)
IT expense	19	<b>(198,562,405)</b>	(174,411,084)
General administrative expense	20	<b>(394,579,484)</b>	(424,977,655)
Other income	21	<b>178,780,729</b>	244,173,856
Other expenses and impairment	22	<b>(387,646,089)</b>	(215,170,870)
<b>Operating profit</b>		<b>1,094,062,988</b>	824,540,925
Net finance costs	23	<b>(6,475,792)</b>	(35,230,648)
Foreign exchange gain, net		<b>4,294,859</b>	6,739,649
<b>Profit before income tax</b>		<b>1,091,882,055</b>	796,049,926
Current income tax expense	24	<b>(7,738,890)</b>	(26,851,191)
<b>Net profit</b>		<b>1,084,143,165</b>	769,198,735
<b>Other comprehensive income (Net)</b>			
<i>Items that will be subsequently reclassified to profit or loss:</i>			
Foreign currency translation reserve		<b>(13,297,495)</b>	26,861,599
<b>Other comprehensive (loss)/income, net of tax</b>		<b>(13,297,495)</b>	26,861,599
<b>Total comprehensive income</b>		<b>1,070,845,670</b>	796,060,334
<b>Net profit attributable to:</b>			
Shareholder of the Company		<b>1,084,414,544</b>	767,056,698
Non-controlling interests		<b>(271,379)</b>	2,142,037
		<b>1,084,143,165</b>	769,198,735
<b>Total comprehensive income attributable to:</b>			
Shareholder of the Company		<b>1,071,117,049</b>	793,918,297
Non-controlling interests		<b>(271,379)</b>	2,142,037
		<b>1,070,845,670</b>	796,060,334

The notes on pages 8 to 49 are an integral part of these consolidated financial statements.  
The independent auditors' report is set out on pages 1 to 3.

# Delivery Hero FZ – LLC

## Consolidated statement of changes in equity

For the year ended 31 December 2023

	Attributable to shareholder of the Company						Non-controlling interest	Total equity
	Share capital	Shareholder's contribution	Retained earnings	Other reserves	Foreign currency translation reserve	Total		
	AED	AED	AED	AED	AED	AED		
<b>Balance at 1 January 2022</b>	50,000	532,572,266	801,792,128	33,569,998	729,025	1,368,713,417	(49,943,678)	1,318,769,739
<u>Total comprehensive income for the year:</u>								
Net profit	-	-	767,056,698	-	-	767,056,698	2,142,037	769,198,735
Other comprehensive income	-	-	-	-	26,861,599	26,861,599	-	26,861,599
	-	-	767,056,698	-	26,861,599	793,918,297	2,142,037	796,060,334
Transfers during the year (Note 12.2)	-	-	(12,018,702)	12,018,702	-	-	-	-
<u>Transactions with owners of the Group:</u>								
Equity settled share-based transactions (Note 26)	-	-	84,728,925	-	-	84,728,925	-	84,728,925
Deconsolidation of subsidiaries under common control (Note 29)	-	-	42,410,631	-	-	42,410,631	40,747,469	83,158,100
Dividends paid (Note 30)	-	-	(704,795,675)	-	-	(704,795,675)	-	(704,795,675)
<b>Balance at 31 December 2022</b>	<b>50,000</b>	<b>532,572,266</b>	<b>979,174,005</b>	<b>45,588,700</b>	<b>27,590,624</b>	<b>1,584,975,595</b>	<b>(7,054,172)</b>	<b>1,577,921,423</b>
<b>Balance at 1 January 2023</b>	<b>50,000</b>	<b>532,572,266</b>	<b>979,174,005</b>	<b>45,588,700</b>	<b>27,590,624</b>	<b>1,584,975,595</b>	<b>(7,054,172)</b>	<b>1,577,921,423</b>
<u>Total comprehensive income for the year:</u>								
Net profit	-	-	1,084,414,544	-	-	1,084,414,544	(271,379)	1,084,143,165
Other comprehensive income	-	-	-	-	(13,297,495)	(13,297,495)	-	(13,297,495)
	-	-	1,084,414,544	-	(13,297,495)	1,071,117,049	(271,379)	1,070,845,670
Transfers during the year (Note 12.2)	-	-	(10,537,635)	10,537,635	-	-	-	-
<u>Transactions with owners of the Group:</u>								
Equity settled share-based transactions (Note 26)	-	-	45,502,553	-	-	45,502,553	-	45,502,553
Issuance of share capital (Note 11)	15,000,000	-	-	-	-	15,000,000	-	15,000,000
Reduction in capital (Note 12.1)	-	(3,426,899)	-	-	-	(3,426,899)	-	(3,426,899)
Dividends paid (Note 30)	-	-	(1,065,905,841)	-	-	(1,065,905,841)	-	(1,065,905,841)
<b>Balance at 31 December 2023</b>	<b>15,050,000</b>	<b>529,145,367</b>	<b>1,032,647,626</b>	<b>56,126,335</b>	<b>14,293,129</b>	<b>1,647,262,457</b>	<b>(7,325,551)</b>	<b>1,639,936,906</b>

The notes on pages 8 to 49 are an integral part of these consolidated financial statements.

# Delivery Hero FZ – LLC

## Consolidated statement of cash flows

For the year ended 31 December 2023

	Notes	2023 AED	2022 AED
<b>Cash flows from operating activities</b>			
Net profit		1,084,143,165	769,198,735
<u>Adjustments for:</u>			
Depreciation of property and equipment	5	73,974,165	64,615,447
Amortisation of intangible assets	6	15,660,376	23,643,218
Employees' end-of-service benefits	15	15,245,667	7,652,696
Gain on disposal of property and equipment	21	(3,148,733)	(220,837)
Provision for expected credit loss	22	4,619,666	6,653,914
Interest expense on lease liabilities	23	6,822,499	4,340,705
Loss on termination of leases	14,28	6,168,228	13,714,207
Equity settled share-based transactions		45,502,553	84,728,925
Interest expense on loans from related parties	9	15,130,747	32,203,251
Interest income		(15,477,454)	(1,313,308)
Impairment of investments in equity-accounted investees	22a	-	15,000,000
Current income tax expense		7,738,890	26,851,191
<b>Operating cash flows before changes in working capital</b>		<b>1,256,379,769</b>	<b>1,047,068,144</b>
<u>Working capital changes:</u>			
Inventories		4,900,202	(21,695,547)
Trade and other receivables		3,789,546	(123,607,646)
Due from related parties		(52,253,968)	(17,216,566)
Due to related parties		(62,326,013)	(572,706)
Trade and other payables		109,878,815	256,895,111
<b>Cash generated from operating activities</b>		<b>1,260,368,351</b>	<b>1,140,870,790</b>
Employees' end-of-service indemnity paid	15	(8,370,585)	(8,316,129)
Interest received		15,477,454	1,313,308
Income tax paid		(7,472,766)	(25,889,262)
<b>Net cash generated from operating activities</b>		<b>1,260,002,454</b>	<b>1,107,978,707</b>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	5,28	(71,613,403)	(96,341,949)
Proceeds from disposal of property and equipment		4,562,142	8,477,468
Addition of intangible assets	6	(36,615,804)	(32,770,401)
Loans provided to related parties	9	(27,657,454)	-
<b>Net cash used in investing activities</b>		<b>(131,324,519)</b>	<b>(120,634,882)</b>
<b>Cash flows from financing activities</b>			
Proceeds from the issuance of shares	11	15,000,000	-
Repayment on account of shareholder's contribution	12.1	(3,426,899)	-
Dividend paid	30	(1,065,905,841)	(704,795,675)
Payment of principle portion of lease liabilities	14	(31,730,036)	(27,954,512)
Payments of interest on lease liabilities	14	(6,822,499)	(4,340,705)
Proceeds of loans from related parties	9	62,029,026	55,010,966
Repayment of loans from related parties	9	(477,094,962)	(364,421,740)
Net cash outflow on deconsolidation of subsidiaries under common control	29	-	(20,944,521)
<b>Net cash used in financing activities</b>		<b>(1,507,951,211)</b>	<b>(1,067,446,187)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(379,273,276)</b>	<b>(80,102,362)</b>
Exchange differences		(5,642,766)	26,083,630
Cash and cash equivalents at the beginning of the year		1,450,414,842	1,504,433,574
<b>Cash and cash equivalents at the end of the year</b>	10	<b>1,065,498,800</b>	<b>1,450,414,842</b>

The notes on pages 8 to 49 are an integral part of these consolidated financial statements.  
The independent auditors' report is set out on pages 1 to 3



# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements

### 1. General information

Delivery Hero FZ-LLC, Dubai – United Arab Emirates (the “Parent” or the “Company”) was incorporated on 3 November 2016 as a Free Zone Limited Liability FZ-LLC and operates in the United Arab Emirates under a commercial license no. 93866, issued by the Commercial Registration Department of Dubai Creative Clusters Authority.

The registered address of the Company is Premises no. EX 75, Ground floor, Building no. 07, Co- Work, Dubai Outsource City, Dubai, United Arab Emirates. The Company and its subsidiaries are collectively referred to as the Group (the “Group”). The principal activity of the Group is to provide access to an online platform to order food and deliver to end customers.

The Company is 100% owned by Delivery Hero SE and is the ultimate controlling parent of the Group which is also the ultimate controlling party (the “Ultimate Parent Company”).

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

Name of the subsidiary	Country of Incorporation	Principal activities	Effective holding 2023	Effective holding 2022
Talabat QFC LLC	Qatar	Provide professional services of information services in relation to an online restaurant ordering and advertisement services.	100%	100%
Talabat Services Company S.P.C	Bahrain	Engaged in business of retail sale via internet.	100%	100%
DHH I SPC (DIFC) Ltd.*	United Arab Emirates	Licensed to do structured financing for qualifying purposes.	100%	100%
Talabat Electronic and Delivery Services Company SPC	Oman	Licensed for export and import, delivery of meals, and software designing and programming.	100%	100%
Delivery Hero Talabat DB LLC	United Arab Emirates	Provide access to an online platform to order food and deliver to end customers.	100%	100%
Talabat For General Trading and Electronic Commerce Ltd	Iraq	Online food ordering commercial services and electronic trading	100%	100%
Talabat For Stores Services Company (Private Shareholding Company)	Iraq	Commercial services and general trade of all kinds in the local and global market, exporting legally approved materials and equipment, providing delivery services for all legally permitted materials from all related services.	100%	100%
Talabat General Trading and Contracting Company W.L.L.*	Kuwait	General trading and contracting	100%	100%

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 1. General information (*continued*)

Name of the subsidiary	Country of Incorporation	Principal activities	Effective holding 2023	Effective holding 2022
Carriage Holding Company Limited*	United Arab Emirates	Registered as Special Purpose Vehicle in Abu Dhabi Global Market and is acting as holding entity of its subsidiaries. The subsidiaries are engaged in processing online orders on behalf of customers and delivering food to customers.	100%	100%
DH Stores Bahrain WLL	Bahrain	Food and beverage service activities, general trade and sale of tobacco products.	51%	51%
Stores Services Kuwait for General Trading Company WLL	Kuwait	Import and export, grocery, central market, non-food supermarket, general trade office, commission agent.	51%	51%
Delivery Hero Kitchens Kuwait Food Services Management Company WLL	Kuwait	Bakery management, management of catering services, food equipment, fast food stores, restaurant	51%	51%
Delivery Hero Kitchens Bahrain WLL	Bahrain	Real estate activities with own or leased property and general trade	51%	51%

\* These entities are effectively and beneficially fully owned by the Parent Company under the terms of a Mudarabah Agreement, which grants Parent Company control over the relevant activities of these companies and rights over the variable returns.

### 2. New standards or amendments

#### 2.1 New and revised IFRSs applied with no material effect on the consolidated financial statements of the Group.

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2023, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported but may affect the accounting for future transactions or arrangements.

Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (non-current liability with covenants)	The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or noncurrent in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of ‘settlement’ to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively.
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# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

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

#### 2.1 *New and revised IFRSs applied with no material effect on the consolidated financial statements of the Group (continued)*

Amendments to IFRS 16 Leases– Lease liability in a sale and leaseback	The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures relating to Supplier Finance Arrangements	<p>The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity’s liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity’s exposure to concentration of liquidity risk.</p> <p>The term ‘supplier finance arrangements’ is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information.</p> <p>To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:</p> <ul style="list-style-type: none"> <li>• The terms and conditions of the arrangements</li> <li>• The carrying amount, and associated line items presented in the entity’s statement of financial position, of the liabilities that are part of the arrangements</li> <li>• The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers</li> <li>• Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement</li> <li>• Liquidity risk information</li> </ul> <p>The amendments contain specific transition reliefs for the first annual reporting period in which an entity applies the amendments.</p>

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

<u>New and revised IFRSs</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to IAS 21– Lack of exchangeability	1 January 2025
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date not yet decided.
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS Accounting Taxonomy 2023 – Update 1 International Tax Reform – Pillar Two Model Rules, Supplier Finance Arrangements and Lack of Exchangeability	Effective date not yet decided.
IFRS Accounting Taxonomy 2023 – Update 2 Common Practice for Financial Instruments, General Improvements and Technology Update	Effective date not yet decided.

# Delivery Hero FZ – LLC

Notes to the consolidated financial statements (*continued*)

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

### **2.2. New and amended IFRSs in issue but not yet effective and not early adopted (*continued*)**

## **3. Material accounting policy information**

### **3.1 Statement of compliance**

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and with the Dubai Creative Clusters Private Companies Regulations 2016 issued pursuant to Law No. (15) of 2014, as amended.

### **3.2 Basis of preparation**

#### **(a) Basis of measurement**

The consolidated financial statements have been prepared on the historical cost basis as explained in the accounting policies below.

#### **Business combination common control transactions**

A business combination involving entities or businesses under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same Ultimate Parent Company both before and after the combination.

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

#### **(b) Use of estimates and judgments**

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

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 3. Material accounting policy information (*continued*)

#### 3.2 Basis of preparation (*continued*)

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

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

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

A liability is current when:

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

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

##### (d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 3. Material accounting policy information (*continued*)

#### 3.2 Basis of preparation (*continued*)

##### (e) Functional and presentation currency

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

##### (f) Basis of consolidation

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

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

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

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

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

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

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

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

Non-controlling interests in subsidiaries are identified separately from the Group’s equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests’ proportionate share of the fair value of the acquiree’s identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests’ share of subsequent changes in equity.

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 3. Material accounting policy information (*continued*)

#### 3.2 Basis of preparation (*continued*)

##### (f) Basis of consolidation (*continued*)

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

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

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

##### *Interests in equity-accounted investees*

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

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

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### **3. Material accounting policy information (*continued*)**

#### **3.2 Basis of preparation (*continued*)**

##### **(f) Basis of consolidation (*continued*)**

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

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

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

##### **(g) Business combination**

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

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

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

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

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



# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### **3. Material accounting policy information (*continued*)**

#### **3.2 Basis of preparation (*continued*)**

##### **(g) Business combination (*continued*)**

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

##### *Goodwill or bargain purchase gain*

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

#### **3.3 Revenue recognition**

##### *Revenue recognition under IFRS 15 Revenue from Contracts with Customer:*

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

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

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

##### *Step 2: Identify the performance obligations in the contract*

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

##### *Step 3: Determine the transaction price*

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

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

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

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

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 3. Material accounting policy information (*continued*)

#### 3.3 Revenue recognition (*continued*)

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

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

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

The stand-alone selling prices are determined based on the observable price at which the Group sells the goods or services. For items that are not sold separately the Group estimates standalone selling prices using other methods.

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

The Group determines for each specified good and service promised to the customer, primarily restaurants and/or orderers, whether it obtains control of the good or service before it is transferred to the customer. Often the Group is principal for a specified service, but agent for another service, when a single order is placed through its online marketplaces (refer to Note 4 for more details).

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

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

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### **3. Material accounting policy information (*continued*)**

#### **3.3 Revenue recognition (*continued*)**

For advertising services to restaurants and other businesses (customer of the service), the Group entities also act as principal. The control over the advertising services passes to the customer over time. Revenue for advertising services is recognised based on the time elapsed relative to the contract term at the reporting date or in the amount to which the Group entity has a right to invoice.

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

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

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

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

#### **3.4 Leases**

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

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

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

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 3. Material accounting policy information (*continued*)

#### 3.4 Leases (*continued*)

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

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

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

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

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

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

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

#### *Short-term leases and leases of low-value assets*

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

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### **3. Material accounting policy information (*continued*)**

#### **3.4 Leases (*continued*)**

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

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

#### **3.5 Foreign currencies and operations**

##### ***Foreign currencies***

Transactions in foreign currencies are translated into AED at the exchange rates at the dates of the transactions.

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

##### ***Foreign operations***

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

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

#### **3.6 Employee benefits**

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

##### **Short-term employee benefits**

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

##### **Provision for end of service benefits**

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 3. Material accounting policy information (*continued*)

#### 3.6 *Employee benefits (continued)*

##### Share based payment

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

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

#### 3.7 *Property and equipment*

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

The estimated useful lives for the current and comparative years of significant items of property and equipment are as follows:

	Years
Buildings	5-10
Leasehold improvements	2-10
Tools and machinery	5
Furniture and fixtures	5
Vehicles fleet	3
Office equipment	4-5
Technical equipment	3

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

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

#### 3.8 *Capital work in progress*

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 3. Material accounting policy information (*continued*)

#### 3.9 Intangible assets

##### *Intangible assets acquired separately*

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

The estimated useful lives for the current and comparative years of intangible assets are as follows:

	Years
Goodwill	Indefinite
Licenses and software	2-5
Development costs of internally generated intangible assets	1.5-2
Other intangible assets	2-5

##### *Research and development expenditure on internally generated intangible assets*

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

##### *Intangible assets acquired in a business combination.*

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

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

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

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

#### 3.10 Impairment of non-financial assets including goodwill

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### **3. Material accounting policy information (*continued*)**

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

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

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

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

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

#### **3.11 Inventories**

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

#### **3.12 Provisions**

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

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



# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### **3. Material accounting policy information (*continued*)**

#### **3.12 Provisions (*continued*)**

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

#### **3.13 Shareholder's contribution**

Shareholder's contribution represents amounts contributed by the shareholder to fund the acquisition of a subsidiary. There are no financial or non-financial obligations regarding this contribution and any repayment to the shareholder is entirely at the discretion of the Group. Accordingly, the total contribution provided by the shareholder as at the reporting date has been recorded as equity in these consolidated financial statements.

#### **3.14 Financial instruments**

##### ***Financial assets***

##### *Initial measurement of financial assets*

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

##### *Classification of financial assets*

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

##### *Financial assets measured at amortized cost.*

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

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

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

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 3. Material accounting policy information (*continued*)

#### 3.14 Financial instruments (*continued*)

##### *Financial assets (continued)*

##### *Financial assets measured at amortized cost (continued)*

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables (including trade and other receivables), bank balances and cash and others were measured at amortised cost using the effective interest method, less any impairment.

Financial instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

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

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

##### *Impairment of financial assets*

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

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

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

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### **3. Material accounting policy information (*continued*)**

#### **3.14 Financial instruments (*continued*)**

##### ***Financial assets (*continued*)***

###### *Receivables*

Receivables were non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables (including trade and other receivables), bank balances and cash and others were measured at amortised cost using the effective interest method, less any impairment.

###### *Derecognition*

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

##### ***Financial liabilities and equity***

###### *Classification as debt or equity*

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

###### *Equity instruments*

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

###### *Financial liabilities*

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

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

###### *Financial liabilities measured subsequently at amortised cost.*

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

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

###### *Derecognition of financial liabilities*

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### **3. Material accounting policy information (*continued*)**

#### **3.14 Financial instruments (*continued*)**

##### ***Financial liabilities and equity (continued)***

###### ***Derecognition of financial liabilities (continued)***

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

###### ***Offsetting financial instruments***

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

### **4. Judgements and use of estimates**

In the application of the accounting policies, which are described in note 3 to these consolidated financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgements and estimates made by management that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

#### **4.1 Critical judgements in applying accounting policies**

##### ***Revenue recognition of commissions from marketplace services***

The Group considers itself an agent with respect to the provision of food ordering service via its online platforms as the companies of the Group are neither (i) the obligor for the ordered food, (ii) exposed to the inventory risk nor (iii) have pricing power for the food offered by restaurants but receive a commission as remuneration from restaurants.

Although users of the Group platforms are generally not a contracting party of the Group entities, they purchase the goods or services from the Group customers (e.g. restaurants).

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

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

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

##### *Revenue recognition of commissions from marketplace services (*continued*)*

Accordingly, the Group deducts vouchers and discounts granted to orderers, equal to a consideration payable to the customer, from revenue.

##### *Revenue recognition of delivery services*

As the demand for logistic services not offered by restaurant or quick commerce-partners, courier models are continuously being adapted to market demand and towards efficiency with consideration of the regulatory environment. The adaptation of delivery models considers changes to the responsibilities of parties involved in delivering the service and therefore judgement is required in weighing all facts and circumstances for determination of being a principal or an agent for these services. The Group assessed to operate as a principal for organizing delivery activities through electronic platforms and controls all services before it is transferred to the orderer.

##### *Determination of lease term and implicit interest rate*

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

##### *Determining whether activities should be considered research activities or development activities*

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

#### **4.2 Assumptions and estimation uncertainty**

##### *Goodwill impairment testing*

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

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

Following conditions are considered for recognising an intangible asset:

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

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

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

#### **4.2 Assumptions and estimation uncertainty (*continued*)**

*Determining whether the conditions for recognising an intangible asset are met requires assumptions about future market conditions, customer demand, and other developments. (*continued*)*

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

*Determining whether a cost is directly or indirectly attributable to an intangible asset and whether a cost is necessary for completing a development.*

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

#### *Amortisation of intangible assets with finite useful lives*

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

#### *Useful lives of property and equipment*

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

#### *Impairment of financial assets*

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the relevant notes to the consolidated financial statements.

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 5. Property and equipment

	Buildings and leasehold improvements	Technical equipment and machineries	Office equipment and others	Vehicle fleet	Computers and IT equipment	Capital work in progress	Total
Cost	AED	AED	AED	AED	AED	AED	AED
<b>As at 1 January 2022</b>	<b>111,991,576</b>	<b>34,752,551</b>	<b>41,950,433</b>	<b>39,819,505</b>	<b>28,652,819</b>	<b>17,874,551</b>	<b>275,041,435</b>
Deconsolidation of subsidiaries under common control ( <i>Note 29</i> )	(56,520,510)	(6,175,485)	(2,407,529)	-	(1,069,921)	(3,683,179)	(69,856,624)
Additions	104,620,767	12,479,884	538,860	1,494,969	8,235,667	41,015,908	168,386,055
Reclassifications	13,760,201	1,203,834	91,017	986,646	1,951,068	(17,992,766)	-
Disposals	(15,660,716)	(921,037)	(2,039,239)	(77,493)	(117,801)	-	(18,816,285)
Termination of leases ( <i>Note 28</i> )	(26,364,717)	-	-	-	-	-	(26,364,717)
Translation differences	(446,660)	(64,952)	(60,512)	(181,255)	(129,055)	(93,416)	(975,850)
<b>As at 31 December 2022</b>	<b>131,379,941</b>	<b>41,274,795</b>	<b>38,073,030</b>	<b>42,042,372</b>	<b>37,522,777</b>	<b>37,121,099</b>	<b>327,414,014</b>
Additions	95,359,457	7,925,251	7,335,358	7,002,076	3,814,943	24,599,632	146,036,717
Reclassifications	42,971,422	1,289,743	1,481,953	-	161,859	(45,904,977)	-
Disposals	(10,915,228)	(621,480)	(1,057,887)	(11,659,150)	(1,453,776)	(88,477)	(25,795,998)
Termination of leases ( <i>Note 28</i> )	(7,978,703)	-	-	(27,847,145)	-	-	(35,825,848)
Translation differences	(683,300)	87,869	(17,446)	(237,755)	(97,178)	(92,414)	(1,040,224)
<b>As at 31 December 2023</b>	<b>250,133,589</b>	<b>49,956,178</b>	<b>45,815,009</b>	<b>9,300,398</b>	<b>39,948,622</b>	<b>15,634,863</b>	<b>410,788,659</b>
<b>Accumulated depreciation:</b>							
<b>As at 1 January 2022</b>	<b>(38,703,524)</b>	<b>(18,278,245)</b>	<b>(19,667,341)</b>	<b>(9,150,997)</b>	<b>(13,548,677)</b>	<b>-</b>	<b>(99,348,784)</b>
Deconsolidation of subsidiaries under common control ( <i>Note 29</i> )	13,261,165	1,236,549	359,532	-	353,956	-	15,211,202
Depreciation (a)	(30,809,189)	(8,709,833)	(8,953,151)	(10,801,801)	(5,341,473)	-	(64,615,447)
Disposals	9,442,799	160,156	896,881	28,920	30,898	-	10,559,654
Termination of leases ( <i>Note 28</i> )	6,178,499	-	-	-	-	-	6,178,499
Translation differences	146,460	28,398	57,119	30,053	79,536	-	341,566
<b>As at 31 December 2022</b>	<b>(40,483,790)</b>	<b>(25,562,975)</b>	<b>(27,306,960)</b>	<b>(19,893,825)</b>	<b>(18,425,760)</b>	<b>-</b>	<b>(131,673,310)</b>
Depreciation (a)	(36,002,307)	(11,284,836)	(4,897,473)	(10,090,186)	(11,699,363)	-	(73,974,165)
Disposals	10,915,228	621,480	321,429	11,270,390	1,254,063	-	24,382,590
Termination of leases ( <i>Note 28</i> )	3,468,506	-	-	11,647,127	-	-	15,115,633
Translation differences	217,894	29,071	56,287	117,938	87,251	-	508,441
<b>As at 31 December 2023</b>	<b>(61,884,468)</b>	<b>(36,197,260)</b>	<b>(31,826,718)</b>	<b>(6,948,554)</b>	<b>(28,783,812)</b>	<b>-</b>	<b>(165,640,812)</b>
Carrying amount as at 31 December 2022	90,896,151	15,711,820	10,766,070	22,148,547	19,097,017	37,121,099	195,740,704
<b>Carrying amount as at 31 December 2023</b>	<b>188,249,120</b>	<b>13,758,918</b>	<b>13,988,291</b>	<b>2,351,844</b>	<b>11,164,810</b>	<b>15,634,863</b>	<b>245,147,846</b>

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

	2023 AED	2022 AED
Cost of sales	(7,389,957)	(5,402,794)
General administrative expense	(66,584,208)	(59,212,653)
	<b>(73,974,165)</b>	<b>(64,615,447)</b>

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 6. Intangible assets and goodwill

	Goodwill	Licenses	Software	Development costs of internally generated intangible assets	Other intangible assets	Total
	AED	AED	AED	AED	AED	AED
<b>Cost</b>						
<b>As at 1 January 2022</b>	1,110,232,368	1,041,803	41,824,802	13,989,773	11,170,859	1,178,259,605
Additions	-	-	15,569,106	17,201,295	-	32,770,401
Translation differences	-	(11,783)	(633,047)	(76,573)	-	(721,403)
<b>As at 31 December 2022</b>	<b>1,110,232,368</b>	<b>1,030,020</b>	<b>56,760,861</b>	<b>31,114,495</b>	<b>11,170,859</b>	<b>1,210,308,603</b>
Additions	-	-	36,725	36,579,079	-	36,615,804
Translation differences	-	(10,913)	(588,691)	(75,000)	-	(674,604)
<b>As at 31 December 2023</b>	<b>1,110,232,368</b>	<b>1,019,107</b>	<b>56,208,895</b>	<b>67,618,574</b>	<b>11,170,859</b>	<b>1,246,249,803</b>
<b>Accumulated amortisation</b>						
<b>As at 1 January 2022</b>	-	(653,365)	(36,676,490)	(7,385,696)	(10,284,500)	(55,000,051)
Amortisation	-	(54,918)	(18,116,915)	(4,585,026)	(886,359)	(23,643,218)
Translation differences	-	7,390	405,737	73,761	-	486,888
<b>As at 31 December 2022</b>	<b>-</b>	<b>(700,893)</b>	<b>(54,387,668)</b>	<b>(11,896,961)</b>	<b>(11,170,859)</b>	<b>(78,156,381)</b>
Amortisation	-	(287,332)	(2,090,211)	(13,282,833)	-	(15,660,376)
Translation differences	-	8,948	576,504	71,451	-	656,903
<b>As at 31 December 2023</b>	<b>-</b>	<b>(979,277)</b>	<b>(55,901,375)</b>	<b>(25,108,343)</b>	<b>(11,170,859)</b>	<b>(93,159,854)</b>
Carrying amount as at 31 December 2022	1,110,232,368	329,127	2,373,193	19,217,534	-	1,132,152,222
Carrying amount as at 31 December 2023	<b>1,110,232,368</b>	<b>39,830</b>	<b>307,520</b>	<b>42,510,231</b>	<b>-</b>	<b>1,153,089,949</b>

#### **Goodwill impairment**

In February 2019, the Group acquired an online delivery business in the UAE where the acquisition was completed for a total consideration amounting to AED 792 million. The consideration included cash consideration amounting to AED 631 million, out of which AED 503 million was payable at the time of acquisition and AED 128 million was payable after one year of acquisition. The consideration also included AED 161 million consideration that was contingent over the future performance of the acquired business. The Group discounted deferred and contingent consideration payable at present value. The group identified intangible assets related to customer contracts amounting to AED 15 million. Accordingly, goodwill amounting to AED 768 million was recognised at the time of acquisition.

Management had planned expected synergies from the acquisition of this business considering the intention of the Group to transfer the customer eventually to a unified platform i.e. Talabat. These synergies would be materialized mainly in Talabat's UAE business (Talabat UAE). Talabat UAE obtained significant benefits from the synergies due to the acquisition of the business in the UAE. Accordingly, Goodwill related to the above acquisition has been allocated and tested using "value in use" cash flows related to Talabat UAE.

Additionally, in January 2020, the group restructured its business in the MENA region, merging one of its online food delivery businesses that was acquired in 2017, into Talabat Kuwait. This reorganization involved the transfer of all customer data and relevant restaurant contracts from this business to Talabat Kuwait where this brand was phased out and its platform orders redirected to Talabat Kuwait. As a result of the business reorganization, this business is no longer operated or monitored as a separate entity but is fully integrated into the Talabat Kuwait business. Consequently, the Goodwill amounting to AED 342 million is allocated to Talabat Kuwait. Accordingly, Goodwill related to this acquisition has been tested using "value in use" cash flows related to Talabat Kuwait.

In line with the requirements of IAS 36, the Group conducted annual impairment testing for both of the above allocated Goodwill to assess indicators for possible impairment as of 31 December 2022. Based on this assessment, no indications of impairment were identified as the recoverable amount was assessed as being higher than its carrying value.



# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 6. Intangible assets and goodwill (*continued*)

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

The following table shows the range of key assumptions of Talabat UAE and Talabat Kuwait for 2023 and 2022:

	2023	2022
	%	%
Revenue growth p. a. in planning period (CAGR)	13-17	13-17
EBITDA margin in planning period	19-22	19-22
Terminal value revenue growth	1	1
EBITDA margin after end of planning period	19-24	19-24
Discount rate in planning period/WACC (post tax)	12	12

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

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

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

As part of the annual impairment testing in 2023, a sensitivity analysis was conducted with regard to the headroom. Management noted that any reasonably possible change (+/- 5%) in the key assumptions shown above will not lead to a situation where the carrying value exceeds its value in use.

### 7. Trade and other receivables

	2023	2022
	AED	AED
Trade receivables	26,670,490	24,899,835
Receivable from riders	19,041,932	29,813,357
<b>Gross trade receivables</b>	<b>45,712,422</b>	<b>54,713,192</b>
Less: Allowance for expected credit loss ( <i>Note 31</i> )	(5,003,337)	(7,862,542)
<b>Net trade receivables</b>	<b>40,709,085</b>	<b>46,850,650</b>
Receivable from payment service providers (a)	141,334,695	108,197,288
Deposits	15,579,393	14,785,790
Loans to employees	740,412	2,841,137
Other receivables	46,206,120	80,304,054
<b>Total</b>	<b>244,569,705</b>	<b>252,978,919</b>
<i>there of non-current</i>	<b>11,962,688</b>	<b>8,650,774</b>
<i>there of current</i>	<b>232,607,017</b>	<b>244,328,145</b>

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 7. Trade and other receivables (*continued*)

Information about the Group's exposure to credit and market risks, and impairment losses for trade receivables and other receivables is included in Note 31.

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

Movement in provision for impairment of trade receivables, receivable from riders and other receivables is as follows:

	<b>2023</b>	2022
	<b>AED</b>	AED
<b>As at 1 January</b>	<b>(7,862,542)</b>	(8,215,397)
Charge during the year	<b>(4,619,666)</b>	(6,653,914)
Utilized during the year	<b>7,447,936</b>	7,005,154
Translation differences	<b>30,935</b>	1,615
<b>As at 31 December</b>	<b>(5,003,337)</b>	(7,862,542)

### 8. Inventories

	<b>2023</b>	2022
	<b>AED</b>	AED
Trading inventories	<b>35,650,728</b>	23,219,423
Rider equipment	<b>13,531,782</b>	30,840,637
Others	<b>702,145</b>	724,796
<b>Total</b>	<b>49,884,655</b>	54,784,856

### 9. Related party transactions and balances

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard 24 Related Party Disclosures. Related parties comprise companies and entities under common ownership and/or common control, key management personnel and shareholders. The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as on other charges.

Balance included in the consolidated statement of financial position as on 31 December 2023:

	<b>Ultimate Parent Company AED</b>	<b>Companies Under Common Control AED</b>	<b>Total AED</b>
Due from related parties – current (1)	<b>14,020,012</b>	<b>182,370,310</b>	<b>196,390,322</b>
Loan to a related party – non-current (2)	<b>27,657,454</b>	-	<b>27,657,454</b>
	<b>41,677,466</b>	<b>182,370,310</b>	<b>224,047,776</b>
Due to related parties – current (1)	<b>73,580,007</b>	<b>37,035,370</b>	<b>110,615,377</b>
Loans from related parties – non-current (3)	<b>127,975,411</b>	<b>469,446</b>	<b>128,444,857</b>
	<b>201,555,418</b>	<b>37,504,816</b>	<b>239,060,234</b>

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 9. Related party transactions and balances (*continued*)

Balance included in the consolidated statement of financial position as on 31 December 2022:

	Ultimate Parent Company AED	Companies Under Common Control AED	Total AED
Due from related parties – current (1)	1,822,355	135,092,528	136,914,883
	<u>1,822,355</u>	<u>135,092,528</u>	<u>136,914,883</u>
Due to related parties – current (1)	95,657,593	77,283,797	172,941,390
Loan from a related party – non-current (3)	521,853,783	-	521,853,783
	<u>617,511,376</u>	<u>77,283,797</u>	<u>694,795,173</u>

(1) Due to and from related parties are priced at a mutually agreed terms and are to be settled in cash within 12 months of the reporting date. None of these balances are secured. No exposure has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

(2) Loan to a related party is unsecured and carries interest rate of 5% plus KIBOR. The loan is maturing in 2028.

(3) The movement for the loan from related parties is as follows:

	2023 AED	2022 AED
<b>Balance as at 1 January</b>	<b>521,853,783</b>	801,566,933
Additions during the year	<b>62,029,026</b>	55,010,966
Interest charged during the year ( <i>a</i> )	<b>15,130,747</b>	32,203,251
Repayments made during the year	<b>(477,094,962)</b>	(364,421,740)
Translation differences	<b>6,526,263</b>	(2,505,627)
<b>Balance as at 31 December</b>	<b><u>128,444,857</u></b>	<u>521,853,783</u>

(a) Intercompany loans bear interest ranging from 3%-9% for the year ended 31 December 2023 (2022: 3%-9%). Interest and principal are payable in full at the end of the loan's five-year term, with no covenants or security required.

Transactions included in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023:

	Ultimate Parent Company AED	Companies Under Common Control AED	Total AED
Commission fees	-	245,382,456	245,382,456
Other income from service allocation	-	160,624,468	160,624,468
Transfer of end of service benefit	-	7,221,471	7,221,471
Shared group cost charges	(372,413,281)	(10,613,142)	(383,026,423)

Transactions included in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2022:

	Ultimate Parent Company AED	Companies Under Common Control AED	Total AED
Commission fees	-	208,902,851	208,902,851
Other income from service allocation	-	144,419,720	144,419,720
Transfer of end of service benefit	-	7,095,390	7,095,390
Shared group cost charges	(186,855,629)	(6,661,327)	(193,516,956)

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 9. Related party transactions and balances (*continued*)

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

#### Compensation of key management personnel

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

	<b>2023</b>	2022
	<b>AED</b>	AED
Short-term benefits	<b>21,701,083</b>	22,062,968
Share based compensation	<b>16,056,745</b>	17,067,246
Employees' end of service benefits	<b>635,943</b>	649,814
	<b>38,393,771</b>	39,780,028

The above shows the compensation received by key management personnel who were actively engaged with the Group throughout the fiscal year.

### 10 Cash and cash equivalents

	<b>2023</b>	2022
	<b>AED</b>	AED
Cash at banks (a)	<b>1,050,419,764</b>	1,195,360,028
Cash in hand	<b>3,174,274</b>	7,279,892
Short term deposits (b)	<b>11,904,762</b>	247,774,922
<b>Total</b>	<b>1,065,498,800</b>	1,450,414,842

(a) The Group's cash at bank and short term deposit are amounting to AED 1,062,324,436 at 31 December 2023 (2022: AED 1,443,134,950). These are held with financial institutions, which are rated AA- to AA+, based on S&P Global Ratings. Impairment on cash at bank and short term deposit has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The group considers that these have low credit risk based on the external credit ratings of the counterparties.

(b) Short term deposits carry interest rate of 4.5% - 5.0% per annum (2022: 4.5% - 5.0% per annum) and have an original maturity of less than 90 days.

### 11. Share capital

	<b>2023</b>	<b>2023</b>	2022	2022
	<b>No. of shares</b>	<b>AED</b>	No. of shares	AED
Shares of AED 1000 each	<b>15,050</b>	<b>15,050,000</b>	50	50,000

The share capital as at 31 December 2023 comprises of 15,050 (2022: 50) authorized, issued and fully paid ordinary shares with a par value of AED 1,000 each. During the year 2023, the Company issued 15,000 ordinary shares with a par value of AED 1000 per share resulting in an increase in the share capital amounting to AED 15,000,000.

### 12. Shareholder's contribution and other reserves

#### 12.1 Shareholder's contribution

One of the Group's subsidiaries entered into a share purchase agreement for the acquisition of an online food delivery businesses in Kuwait for a total consideration amounting to AED 342,475,610. This amount was funded by the Ultimate Parent Company, who also provided an additional amount of AED 190,096,656 as funding for the future operation of the business. This entire amount that was initially recorded as a payable to the related party and was subsequently waived off in the year 2019 based on the waiver agreement dated November 12, 2019.

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 12. Shareholder's contribution and other reserves (*continued*)

#### 12.1 Shareholder's contribution (continued)

Current year movement includes a shareholder's contribution reduction amounting to AED 3,426,899, resulting into the balance of AED 529,145,367 as at 31 December 2023 as disclosed in the consolidated statement of changes in equity.

#### 12.2 Other reserves

In accordance with local regulatory requirements, certain subsidiaries within the Group are required to establish a reserve for statutory reporting purposes i.e., statutory reserve. This reserve is not available for distribution except as stipulated by the companies' laws in the respective countries. The Group's statutory reserve represents the sum total of statutory reserves of all limited liability companies consolidated in these consolidated financial statements. During the year, a transfer was made to the other reserves of AED 10,537,635 (2022: AED 12,018,702).

### 13. Trade and other payables

	2023 AED	2022 AED
Liabilities to restaurants	278,392,219	256,559,273
Liabilities for outstanding invoices	294,462,280	224,689,657
Trade payables	171,389,770	147,675,775
Liabilities to riders	1,221,158	1,732,186
Staff related accruals	93,344,624	86,363,605
Other payables	70,784,547	82,695,287
<b>Total</b>	<b>909,594,598</b>	<b>799,715,783</b>
<i>thereof non-current</i>	<i>2,523,363</i>	<i>1,736,179</i>
<i>thereof current</i>	<i>907,071,235</i>	<i>797,979,604</i>

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

### 14. Lease liabilities

The movement in the lease liabilities is as follows:

	2023 AED	2022 AED
<i>As at 1 January</i>	<i>103,899,192</i>	<i>90,765,553</i>
Deconsolidation of subsidiaries under common control	-	(24,239,930)
Additions	74,423,314	72,044,106
Related to early termination of right-of-use assets	(14,541,987)	(6,472,011)
Finance charges on lease liabilities	6,822,499	4,340,705
Lease payments	(38,552,535)	(32,295,217)
Translation adjustments	(375,359)	(244,014)
<b>As at 31 December</b>	<b>131,675,124</b>	<b>103,899,192</b>
<i>thereof non-current</i>	<i>105,361,434</i>	<i>75,881,779</i>
<i>thereof current</i>	<i>26,313,690</i>	<i>28,017,413</i>

During the year, the Group derecognised lease liabilities amounting to AED 14,541,987 (2022: AED 6,472,011) as a result of termination of lease contracts prior to the end of the lease term. Lease liabilities are monitored within the Group's treasury function.

# Delivery Hero FZ – LLC

Notes to the consolidated financial statements (*continued*)

## 14. Lease liabilities (*continued*)

### Amounts recognised in profit or loss

	2023 AED	2022 AED
Finance charges on lease liabilities	6,822,499	4,340,705
Depreciation on right-of-use assets ( <i>Note 28</i> )	28,855,435	17,255,008
Short term and low value leases ( <i>Note 20</i> )	2,016,041	12,061,942

### Amounts recognised in statement of cash flow

	2023 AED	2022 AED
Payment of principal portion lease liabilities	31,730,036	27,954,512
Payments of interest on lease liabilities	6,822,499	4,340,705

## 15. Employees' end of service benefits

The movement in the provision for employees' end of service benefits is as follows:

	2023 AED	2022 AED
<b>As at 1 January</b>	<b>30,436,237</b>	24,649,473
Deconsolidation of subsidiaries under common control ( <i>Note 29</i> )	-	(1,585,857)
Charge for the year	15,245,667	7,652,696
Payments during the year	(8,370,585)	(8,316,129)
Transfers from related parties	7,221,471	7,095,390
Translation adjustments	954,338	940,664
<b>As at 31 December</b>	<b>45,487,128</b>	30,436,237

## 16. Revenue

	2023 AED	2022 AED
Commission fees	2,991,791,398	2,640,325,337
Delivery fees	1,527,532,721	1,297,037,727
Advertising and listing fees	534,441,059	399,067,006
Service fees	176,987,076	67,290,788
Subscription fees	97,504,566	61,735,689
Other direct income	984,550,657	723,605,380
Less vouchers	(149,931,416)	(116,077,397)
<b>Total</b>	<b>6,162,876,061</b>	5,072,984,530

### Timing of revenue recognition

	2023 AED	2022 AED
Revenue recognised at point in time	5,530,930,436	4,612,181,835
Revenue recognised over time	631,945,625	460,802,695
	<b>6,162,876,061</b>	5,072,984,530

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 16. Revenue (*continued*)

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

	2023	2022
	AED	AED
Receivables included in “trade receivables” ( <i>Note 7</i> )	45,712,422	54,713,192
Receivables included in “due from related parties”	4,621,793	12,451,099
Payables to restaurants included in “ trade and other payables “ ( <i>Note 13</i> )	278,392,219	256,559,273

### 17. Cost of sales

	2023	2022
	AED	AED
Delivery expenses	(2,973,416,986)	(2,529,905,712)
Order processing cost	(352,663,990)	(305,603,269)
Other direct cost	(529,358,917)	(392,730,381)
<b>Total</b>	<b>(3,855,439,893)</b>	<b>(3,228,239,362)</b>

### 18. Marketing Expense

	2023	2022
	AED	AED
Restaurant acquisition	(224,404,421)	(229,719,734)
Customer acquisition	(125,304,647)	(159,749,478)
Other marketing expenses	(61,656,863)	(60,349,278)
<b>Total</b>	<b>(411,365,931)</b>	<b>(449,818,490)</b>

### 19. IT Expense

	2023	2022
	AED	AED
Personnel expenses	(173,480,873)	(152,363,594)
Other non-personnel IT expenses	(25,081,532)	(22,047,490)
<b>Total</b>	<b>(198,562,405)</b>	<b>(174,411,084)</b>

### 20. General administrative expenses

	2023	2022
	AED	AED
Personnel expenses	(171,705,359)	(145,607,606)
Share-based compensation ( <i>Note 26</i> )	(45,502,553)	(84,728,925)
Depreciation and amortisation	(82,244,584)	(82,855,870)
Consulting and professional services	(12,123,088)	(13,769,328)
Other (non-income) taxes	(58,992)	(6,624,936)
Other office expenses	(20,363,132)	(22,749,662)
Travel expenses	(6,112,380)	(5,129,586)
Insurances	(4,458,968)	(3,443,674)
Telecommunications	(7,777,967)	(7,629,332)
Other HR and recruiting costs	(3,207,922)	(947,731)
Bank charges	(3,025,616)	(2,225,120)
Rent and lease expenses	(2,016,041)	(12,061,942)
Miscellaneous	(35,982,882)	(37,203,943)
<b>Total</b>	<b>(394,579,484)</b>	<b>(424,977,655)</b>

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 21. Other income

	2023 AED	2022 AED
Other income (a)	175,631,996	163,370,801
Gains on disposal of property and equipment	3,148,733	220,837
Reversal of contingent consideration (b)	-	80,582,218
<b>Total</b>	<b>178,780,729</b>	<b>244,173,856</b>

- (a) Other income represents domestic and cross-border intra-group transactions involving the allocation of use of licenses and operational requirements at various organizational levels.
- (b) In 2022, the Group reversed contingent liability related to acquisition of Zomato business as management did not expect to repay the liability.

### 22. Other expenses and impairment

	2023 AED	2022 AED
Shared group cost (i)	(383,026,423)	(193,516,956)
Bad debt expense (Note 7)	(4,619,666)	(6,653,914)
Impairment charge (Note 31)	-	(15,000,000)
<b>Total</b>	<b>(387,646,089)</b>	<b>(215,170,870)</b>

- (i) Shared group cost mainly represents the charges from the Ultimate Parent Company, as disclosed in note 9, in relation to the use of global services.

### 23. Net finance costs

	2023 AED	2022 AED
Interest income	15,477,454	1,313,308
Interest expense on lease liabilities (Note 14)	(6,822,499)	(4,340,705)
Interest expense on loans (Note 9)	(15,130,747)	(32,203,251)
<b>Total</b>	<b>(6,475,792)</b>	<b>(35,230,648)</b>

### 24. Current income tax

	2023 AED	2022 AED
Current tax expense	(7,738,890)	(26,851,191)
<b>Reconciliation of effective tax rate</b>	<b>2023 AED</b>	<b>2022 AED</b>
Earnings before Income Taxes (A)	1,091,882,055	796,049,926
Tax at the Company's domestic rate of 0%	-	-
Effect of tax rates in foreign jurisdictions	(16,550,075)	(16,347,597)
Current tax (prior year adjustments)	(847,963)	(844,446)
Reversal / (Effect) of income tax provision*	9,659,148	(9,659,148)
Total tax expense (B)	(7,738,890)	(26,851,191)
Net results (Net profit after taxes)	1,084,143,165	769,198,735
<b>Effective tax rate (B/A)</b>	<b>0.71%</b>	<b>3.37%</b>

\* In 2022, a provision was recognised for an income tax claim in one of the jurisdictions where the Group operates. However, in 2023, following a favourable resolution of the matter, the provision was reversed. Accordingly, the reversal of the provision has been accounted for, reducing the current tax expense for 2023.



# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 25. Contingent liabilities and guarantees

Except for the ongoing business obligations which are under normal course of business, there has been no other known capital commitment on Group's financial statements as at reporting date. As at 31 December 2023, in addition to the above, the outstanding bank guarantees issued on behalf of the certain Group entities amounted to AED 26,188,110 (2022: AED 9,279,153).

### 26. Share based payments

The Ultimate Parent Company has been operating share-based payment programs since 2011. As at 31 December 2023, the Group is participating in the following share-based payment arrangements managed by the Ultimate Parent Company.

#### 26.1 Long-term incentive plan

##### Terms and conditions

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

##### Measurement of fair values

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

	2023			2022		
	Number of options	Weighted average exercise price EURO	Number of RSUs	Number of options	Weighted average exercise price EURO	Number of RSUs
<b>Outstanding as at January 1</b>	<b>203,537</b>	<b>56.10</b>	<b>381,580</b>	162,889	66.64	80,680
Granted during the year*	25,231	41.52	407,130	52,532	49.42	396,253
Forfeited during the year	(87)	38.94	(43,601)	(11,884)	53.10	(30,396)
Exercised/released during the year	-	-	(325,091)	-	-	(64,957)
<b>Outstanding as at December 31</b>	<b>228,681</b>	<b>54.74</b>	<b>420,018</b>	203,537	56.10	381,580

\* Reflects number of options and shares fixed at the reporting date.

The options outstanding as at December 31, 2023 had strike prices between Euro 28.68 and Euro 122.14 (2022: year: Euro 35.30 and Euro 122.14) and a weighted average remaining contractual life of 39 months (2022: 43 months). The plan contributed AED 39,978,166 of expenses in 2023 (2022: AED 78,424,114).

# Delivery Hero FZ – LLC

Notes to the consolidated financial statements (*continued*)

## 26. Share based payments (*continued*)

### 26.2 Hero Grant

#### Terms and conditions

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

#### Measurement of fair values

The grant date fair value of the awards is the contractually fixed euro value. Such fair value does not incorporate dividend expectations. A total of 14,560 RSUs were granted in 2023 (2022: 94,868 RSUs). The plan contributed AED 5,524,386 of expenses in 2023 (2022: AED 6,304,811).

## 27. Investment in equity-accounted investees

The investment in equity-accounted investees represent the following:

Name of the associate	Principal activity	Place of incorporation	2023 AED	2022 AED
Zone Elite Investment LLC	Logistics	United Arab Emirates	-	-

The Group's ownership interest in Zone Elite Investment LLC was 30% as at 31 December 2023 (2022: 30%). The principal activities of Zone Elite Investment LLC is to manage riders fleet. During the year ended 31 December 2022, investment in Zone Elite Investment LLC was written off in entirety and an impairment charge of AED 15,000,000 was recognised in the consolidated statement of profit or loss and other comprehensive income.

The movement in the investment in equity-accounted investees is as follows:

	2023 AED	2022 AED
As at 1 January	-	15,000,000
Impairment charge for the year	-	(15,000,000)
As at 31 December	-	-

## Delivery Hero FZ – LLC

Notes to the consolidated financial statements (*continued*)

### 28. Right-of-use assets

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

	Buildings and leasehold improvements	Technical equipment and machineries	Vehicle fleet	Total
	AED	AED	AED	AED
<b>Cost</b>				
<b>As at 1 January 2022</b>	94,628,314	-	36,362,802	130,991,116
Deconsolidation of subsidiaries under common control ( <i>Note 29</i> )	(35,701,424)	-	-	(35,701,424)
Additions	72,654,981	-	1,240,524	73,895,505
Termination of leases	(26,364,717)	-	-	(26,364,717)
Translation differences	(398,390)	-	(166,360)	(564,750)
<b>As at 31 December 2022</b>	<b>104,818,764</b>	<b>-</b>	<b>37,436,966</b>	<b>142,255,730</b>
Additions	<b>72,595,478</b>	<b>1,827,836</b>	-	<b>74,423,314</b>
Termination of leases	<b>(7,978,703)</b>	-	<b>(27,847,145)</b>	<b>(35,825,848)</b>
Translation differences	<b>(571,841)</b>	<b>88,587</b>	<b>(214,052)</b>	<b>(697,306)</b>
<b>As at 31 December 2023</b>	<b>168,863,699</b>	<b>1,916,422</b>	<b>9,375,769</b>	<b>180,155,890</b>
<b>Accumulated depreciation</b>				
<b>As at 1 January 2022</b>	(36,889,031)	-	(7,028,317)	(43,917,348)
Deconsolidation of subsidiaries under common control ( <i>Note 29</i> )	11,422,083	-	-	11,422,083
Depreciation	(7,324,091)	-	(9,930,917)	(17,255,008)
Termination of leases	6,178,499	-	-	6,178,499
Translation differences	131,974	-	24,801	156,775
<b>As at 31 December 2022</b>	<b>(26,480,566)</b>	<b>-</b>	<b>(16,934,433)</b>	<b>(43,414,999)</b>
Depreciation	<b>(24,816,649)</b>	<b>(600,668)</b>	<b>(3,438,119)</b>	<b>(28,855,435)</b>
Termination of leases	<b>3,468,506</b>	-	<b>11,647,127</b>	<b>15,115,633</b>
Translation differences	<b>176,164</b>	<b>(29,111)</b>	<b>120,087</b>	<b>267,140</b>
<b>As at 31 December 2023</b>	<b>(47,652,545)</b>	<b>(629,778)</b>	<b>(8,605,338)</b>	<b>(56,887,662)</b>
Carrying amount as at 31 December 2022	78,338,198	-	20,502,533	98,840,731
<b>Carrying amount as at 31 December 2023</b>	<b>121,211,154</b>	<b>1,286,644</b>	<b>770,431</b>	<b>123,268,227</b>

### 29. Deconsolidation of subsidiaries under common control

As part of the restructuring plan of the Ultimate Parent Company, in 2022, the Group transferred ownership and control of its subsidiaries, Delivery Hero Kitchen DB L.L.C and Delivery Hero Stores DB L.L.C, Dubai, U.A.E to related parties, namely Delivery Hero Kitchens MENA Holding Ltd, and Dark Stores MENA Holding Ltd respectively.

Both the acquirer and acquiree were under the ownership and control of the Ultimate Parent Company. The consideration agreed to be transferred was AED 600,000 which was equal to the share capital of the respective subsidiaries. As the transaction was a common control transaction, the Group followed book-value accounting for the disposal of the subsidiaries and accordingly, impact on disposal was transferred through the equity.

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 29. Deconsolidation of subsidiaries under common control (*continued*)

The effect of de-consolidation due to the loss of control under the common control transfer of these entities is as follows:

Description	2022
	AED
Property and equipment	54,645,422
Inventories	14,543,762
Trade and other receivables	31,033,444
Cash and cash equivalents	21,544,521
Total liabilities	(204,325,249)
<b>Net liabilities at the date of transfer</b>	<b>(A) (82,558,100)</b>
Consideration received	<b>(B) 600,000</b>
Cash and cash equivalents transferred	(21,544,521)
<b>Net cash outflows from transfer</b>	<b>(20,944,521)</b>
<b>Impact on transfer of subsidiaries</b>	<b>(B-A) (83,158,100)</b>

<i>Impact of deconsolidation of subsidiaries under common control</i>	2022
	AED
Impact related to non-controlling interest (49%)	40,747,469
Gain pertaining to shareholder of the Company (51%)	42,410,631

### 30. Dividend

During the year the Board of Directors of the Company approved and paid dividends of AED 70,824.31 (2022: AED 46,830.28) per share amounting to AED 1,065,905,841 (2022: AED 704,795,675) to the shareholder of the Company.

### 31. Financial instruments/ Financial risk management

#### Risk management framework

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

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

#### Credit risk

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

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2023, the Group's maximum exposure to credit risk without taking *into* account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

# Delivery Hero FZ – LLC

Notes to the consolidated financial statements (*continued*)

## 31. Financial instruments/ Financial risk management (*continued*)

### Credit risk (*continued*)

#### Exposure to credit risk

	Note	2023 AED	2022 AED
Trade and other receivables		198,363,585	172,674,865
Cash at bank	10	1,050,419,764	1,195,360,028
Short term deposits	10	11,904,762	247,774,922
Loan to a related party	9	27,657,454	-
Due from related parties	9	196,390,322	136,914,883
		<b>1,484,735,887</b>	<b>1,752,724,698</b>

The Group held cash at bank and short term deposit balances of AED 1,062,324,436 as at 31 December 2023 (2022: AED 1,443,134,950). The cash and cash bank balances are held with bank and financial institution counterparties, which are rated AA- to AA+, based on S&P Global Ratings.

#### Expected credit loss for receivables

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

	Weighted average loss rate	Gross carrying amount AED	Loss allowance AED
<b>31 December 2023</b>			
Current	0.13%	28,655,418	(38,141)
1-30 Days	11.13%	5,457,877	(607,513)
31-60 Days	37.88%	3,788,921	(1,435,267)
61-90 Days	14.07%	2,362,679	(332,378)
91-120 Days	14.44%	1,374,708	(198,444)
120-180	22.38%	1,387,647	(310,615)
Above 180 days	77.50%	2,685,172	(2,080,979)
<b>Total</b>		<b>45,712,422</b>	<b>(5,003,337)</b>

	Weighted average loss rate	Gross carrying amount AED	Loss allowance AED
<b>31 December 2022</b>			
Current	0.22%	36,979,835	(79,949)
1-30 Days	15.56%	4,224,740	(657,405)
31-60 Days	44.13%	3,828,803	(1,689,470)
61-90 Days	39.25%	1,286,160	(504,804)
91-365 Days	49.75%	1,541,853	(767,136)
120-180	55.79%	1,428,863	(797,215)
Above 180 days	62.08%	5,422,938	(3,366,563)
<b>Total</b>		<b>54,713,192</b>	<b>(7,862,542)</b>

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 31. Financial instruments/ Financial risk management (*continued*)

#### *Expected credit loss for receivables (continued)*

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

In order to minimise credit risk, the Group has tasked its management to develop and maintain the Group's credit risk gradings to categories exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, management uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Amounts due from related parties is not considered to be credit-impaired as at 31 December 2023 (*2022: not credit-impaired*).

#### **Liquidity risk**

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

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

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

	Carrying amount AED	Contractual Cash flows			
		Total AED	Less than one year AED	One to five years AED	More than five years AED
<i>31 December 2023</i>					
Trade and other payables (excluding advance from customer and unearned income)	745,477,511	745,477,511	745,477,511	-	-
Due to related parties	110,615,377	110,615,377	110,615,377	-	-
Loans from related parties	128,444,857	179,951,245	-	179,951,245	-
Lease liabilities	131,675,124	155,801,780	32,364,100	92,390,820	31,046,860
<b>Total</b>	<b>1,116,212,869</b>	<b>1,191,845,913</b>	<b>888,456,988</b>	<b>272,342,065</b>	<b>31,046,860</b>

# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### 31. Financial instruments/ Financial risk management (*continued*)

#### Liquidity risk (*continued*)

	Carrying amount	Contractual Cash flows			
		Total	Less than	One to five	More than five
31 December 2022	AED	AED	one year	years	years
			AED	AED	AED
Trade and other payables (excluding advance from customer and unearned income)	630,669,072	630,669,072	630,669,072	-	-
Due to related parties	172,941,390	172,941,390	172,941,390	-	-
Loans from related parties	521,853,783	685,976,798	-	685,976,798	-
Lease liabilities	103,899,192	116,258,519	31,099,328	69,753,874	15,405,317
<b>Total</b>	<b>1,429,363,437</b>	<b>1,605,845,779</b>	<b>834,709,790</b>	<b>755,730,672</b>	<b>15,405,317</b>

#### Market risk

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

#### Currency risk

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

#### Interest rate risk

##### Exposure to interest rate risk

At the reporting date the interest rate profile of the Group’s interest-bearing financial instruments was as follows.

	Carrying amount	
	2023	2022
	AED	AED
<b>Fixed rate instruments</b>		
Short term deposits ( <i>Note 10</i> )	<b>11,904,762</b>	247,774,922
<b>Variable rate instruments</b>		
Loan to a related party ( <i>Note 9</i> )	<b>27,657,454</b>	-
Loan from related parties ( <i>Note 9</i> )	<b>128,444,857</b>	521,853,783
<b>Net exposure- variable rate instruments</b>	<b>100,787,403</b>	521,853,783

#### Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (*decreased*) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

# Delivery Hero FZ – LLC

Notes to the consolidated financial statements (*continued*)

## 31. Financial instruments/ Financial risk management (*continued*)

Market risk (*continued*)

Interest rate risk (*continued*)

Cash flow sensitivity analysis for variable rate instruments (*continued*)

	Profit or loss		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>2023</b>				
Variable rate instruments	(1,007,874)	1,007,874	(1,007,874)	1,007,874
<b>Cash flow sensitivity (net)</b>	<b>(1,007,874)</b>	<b>1,007,874</b>	<b>(1,007,874)</b>	<b>1,007,874</b>
<b>2022</b>				
Variable rate instruments	(5,218,538)	5,218,538	(5,218,538)	5,218,538
<b>Cash flow sensitivity (net)</b>	<b>(5,218,538)</b>	<b>5,218,538</b>	<b>(5,218,538)</b>	<b>5,218,538</b>

## 32. Fair value measurement

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of cash and bank balances, amounts due from related parties and trade and other receivables. Financial liabilities consist of trade payables and other payable and amounts due to related parties.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



# Delivery Hero FZ – LLC

## Notes to the consolidated financial statements (*continued*)

### **32. Fair value measurement (*continued*)**

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

### **33. Capital risk management**

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

### **34. Subsequent events**

#### **Subsequent event – Acquisition of entities**

On 1 July 2024, the Company obtained control of the following subsidiaries as part of the common control transaction:

- Delivery Hero's 100% shareholding interest in Foodonclick.com FZ-LLC;
- Delivery Hero's 49% shareholding interest in Talabat for Delivery Services LLC;
- Delivery Hero's 100% indirect shareholding interests in Delivery Hero Egypt SAE;
- Delivery Hero's 100% indirect shareholding interest in Dark Stores MENA Holding Ltd.;
- Delivery Hero's 10% indirect shareholding interest in Delivery Hero Stores LLC;
- Delivery Hero's 100% indirect shareholding interest in Delivery Hero Kitchens MENA Holding Ltd.;
- Delivery Hero's 100% indirect shareholding interest in DH Kitchens LLC; and
- Delivery Hero's 100% indirect shareholding interest in Delivery Hero Payments MENA FZ-LLC.

#### *Primary reasons for the acquisition:*

The acquisition of the aforementioned companies was strategically executed to streamline and centralize both operational and financial management. By restructuring under the full control of Delivery Hero FZ LLC, our goal is to enhance efficiency, improve decision-making processes, and align all business activities with the Group's long-term strategic objectives. These companies were already under common control, with Delivery Hero SE as the ultimate beneficiary.

For the entity where only a partial acquisition occurred, the rationale was primarily because the acquirer already owned the remaining portion.

### **35. Impact of UAE Corporate Tax Law**

On December 9, 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after June 1, 2023.

The Cabinet of Ministers Decision No. 116/2022 effective from January 2023, has confirmed the threshold of income over which the 9% tax rate would apply, and the Law is considered to be substantively enacted.

## Delivery Hero FZ – LLC

Notes to the consolidated financial statements (*continued*)

### **35. Impact of UAE Corporate Tax Law (*continued*)**

A rate of 9% will apply to taxable income exceeding AED 375,000. A rate of 0% will apply to taxable income not exceeding AED 375,000.

For the Company, current taxes shall be accounted for as appropriate in the financial statements for the period beginning 1 January 2024. In accordance with IAS 12 Income Taxes, the related deferred tax accounting impact has been considered for the year ended 31 December 2023.

The Company has assessed the deferred tax implications for the year ended 31 December 2023 and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with regard to transition rules), it has been concluded that it is not expected to be material.

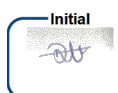
The Company shall continue to monitor critical Cabinet Decisions to determine the impact on the Company, from deferred tax perspective.

## Delivery Hero FZ - LLC

Condensed consolidated interim financial statements  
*30 September 2024*

**Principal business address:**

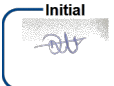
Premises No: EX 75, Ground Floor, Building No: 07, Co-Work,  
Dubai Outsource City, Dubai  
United Arab Emirates



# Delivery Hero FZ - LLC

Condensed consolidated interim financial statements  
30 September 2024

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# Independent Auditors' Report on Review of Interim Financial Information

## To the Shareholder of Delivery Hero FZ- LLC

### Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Delivery Hero FZ-LLC and its subsidiaries as at 30 September 2024, the condensed consolidated interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the nine month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 September 2024 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

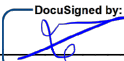
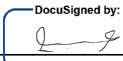
Richard Ackland  
Registration No.: 1015  
Dubai, United Arab Emirates  
Date: 22 October 2024

# Delivery Hero FZ - LLC

## Condensed consolidated interim statement of financial position As at 30 September 2024

		30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
	<i>Notes</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	5	545,084,600	245,147,846
Intangible assets and goodwill	6	1,166,956,599	1,153,089,949
Loan to a related party	9	-	27,657,454
Trade and other receivables	7	21,527,122	11,962,688
<b>Total non-current assets</b>		<b>1,733,568,321</b>	<b>1,437,857,937</b>
<b>Current assets</b>			
Inventories	8	142,935,781	49,884,655
Trade and other receivables	7	443,905,310	232,607,017
Due from related parties	9	3,528,826	196,390,322
Cash and cash equivalents	10	1,161,062,323	1,065,498,800
<b>Total current assets</b>		<b>1,751,432,240</b>	<b>1,544,380,794</b>
<b>Total assets</b>		<b>3,485,000,561</b>	<b>2,982,238,731</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	11	15,050,000	15,050,000
Shareholder's contribution	12.1	806,914,032	529,145,367
Foreign currency translation reserve		14,809,199	14,293,129
Retained earnings		562,632,574	1,032,647,626
Other reserves	12.2	56,444,310	56,126,335
<b>Total equity attributable to the shareholder of the Company</b>		<b>1,455,850,115</b>	<b>1,647,262,457</b>
Non-controlling interests		-	(7,325,551)
<b>Total equity</b>		<b>1,455,850,115</b>	<b>1,639,936,906</b>
<b>Non-current liabilities</b>			
Loans from related parties	9	5,829,687	128,444,857
Trade and other payables	13	2,796,205	2,523,363
Lease liabilities	14	269,953,688	105,361,434
Employees' end of service benefits		65,854,871	45,487,128
<b>Total non-current liabilities</b>		<b>344,434,451</b>	<b>281,816,782</b>
<b>Current liabilities</b>			
Due to related parties	9	121,268,759	110,615,377
Trade and other payables	13	1,420,714,930	907,071,235
Lease liabilities	14	69,717,898	26,313,690
Income tax liabilities	19	73,014,408	16,484,741
<b>Total current liabilities</b>		<b>1,684,715,995</b>	<b>1,060,485,043</b>
<b>Total liabilities</b>		<b>2,029,150,446</b>	<b>1,342,301,825</b>
<b>Total equity and liabilities</b>		<b>3,485,000,561</b>	<b>2,982,238,731</b>

These condensed consolidated interim financial statements were authorised and approved for issue by the Board of Directors on 21 October 2024 and signed on their behalf by:

DocuSigned by: 	DocuSigned by: 
_____ <b>Director</b> Khaleel Al Fakresh	_____ <b>Director</b> Abdullah Mohamed Alghrawi

The notes on pages 6 to 22 are an integral part of these condensed consolidated interim financial statements.  
The independent auditors' review report is set out on page 1.

Initial

# Delivery Hero FZ - LLC

## Condensed consolidated interim statement of profit or loss and other comprehensive income For the nine months period ended 30 September 2024

		30 September 2024	30 September 2023
		AED	AED
	Notes	(Unaudited)	(Unaudited)
<b>Revenue</b>	15	<b>5,678,891,936</b>	4,481,527,822
Cost of sales	16	<b>(3,505,639,293)</b>	(2,812,274,540)
<b>Gross profit</b>		<b>2,173,252,643</b>	1,669,253,282
Marketing expense		<b>(322,098,282)</b>	(304,104,374)
IT expense		<b>(160,895,008)</b>	(143,707,002)
General administrative expense		<b>(294,400,196)</b>	(293,157,045)
Other income	17	<b>105,754,329</b>	122,473,058
Other expenses and impairment	18	<b>(361,866,840)</b>	(280,568,364)
<b>Operating profit</b>		<b>1,139,746,646</b>	770,189,555
Net finance income / (costs)		<b>23,109,394</b>	(6,619,313)
Foreign exchange gain, net		<b>(1,725,286)</b>	9,277,960
<b>Profit before income tax</b>		<b>1,161,130,754</b>	772,848,202
Income tax expense	19	<b>(85,970,208)</b>	(28,935,232)
<b>Net profit</b>		<b>1,075,160,546</b>	743,912,970
<b>Other comprehensive income (Net)</b>			
<i>Items that will be subsequently reclassified to profit or loss:</i>			
Foreign currency translation reserve		<b>516,070</b>	(15,671,986)
<b>Other comprehensive income, net of tax</b>		<b>516,070</b>	(15,671,986)
<b>Total comprehensive income</b>		<b>1,075,676,616</b>	728,240,984
<b>Net profit attributable to:</b>			
Shareholder of the Company		<b>1,072,774,678</b>	744,510,848
Non-controlling interests		<b>2,385,868</b>	(597,878)
		<b>1,075,160,546</b>	743,912,970
<b>Total comprehensive income attributable to:</b>			
Shareholder of the Company		<b>1,073,290,748</b>	728,838,862
Non-controlling interests		<b>2,385,868</b>	(597,878)
		<b>1,075,676,616</b>	728,240,984

The notes on pages 6 to 22 are an integral part of these condensed consolidated interim financial statements.  
The independent auditors' review report is set out on page I.

# Delivery Hero FZ – LLC

## Condensed consolidated interim statement of changes in equity For the nine months period ended 30 September 2024

AED	Attributable to the shareholder of the Company							Total equity
	Share capital	Shareholder's contribution	Retained earnings	Other reserves	Foreign currency translation reserve	Total	Non-controlling interest	
Balance at 1 January 2023 (Audited)	50,000	532,572,266	979,174,005	45,588,700	27,590,624	1,584,975,595	(7,054,172)	1,577,921,423
<u>Total comprehensive income for the period:</u>								
Net profit (Unaudited)	-	-	744,510,848	-	-	744,510,848	(597,878)	743,912,970
Other comprehensive income (Unaudited)	-	-	-	-	(15,671,986)	(15,671,986)	-	(15,671,986)
	-	-	744,510,848	-	(15,671,986)	728,838,862	(597,878)	728,240,984
Transactions with owners of the Group:								
Issuance of additional share capital (Note 11)	15,000,000	-	-	-	-	15,000,000	-	15,000,000
Equity settled share-based transactions (Note 21)	-	-	30,376,405	-	-	30,376,405	-	30,376,405
Dividends paid (Note 24)	-	-	(679,914,299)	-	-	(679,914,299)	-	(679,914,299)
<b>Balance at 30 September 2023 (Unaudited)</b>	<b>15,050,000</b>	<b>532,572,266</b>	<b>1,074,146,959</b>	<b>45,588,700</b>	<b>11,918,638</b>	<b>1,679,276,563</b>	<b>(7,652,050)</b>	<b>1,671,624,513</b>
Balance at 1 January 2024 (Audited)	15,050,000	529,145,367	1,032,647,626	56,126,335	14,293,129	1,647,262,457	(7,325,551)	1,639,936,906
<u>Total comprehensive income for the period:</u>								
Net profit (Unaudited)	-	-	1,072,774,678	-	-	1,072,774,678	2,385,868	1,075,160,546
Other comprehensive income (Unaudited)	-	-	-	-	516,070	516,070	-	516,070
	-	-	1,072,774,678	-	516,070	1,073,290,748	2,385,868	1,075,676,616
Transfers	-	-	(317,975)	317,975	-	-	-	-
Transactions with owners of the Group:								
Additional contribution (Note 12.1)	-	277,768,665	-	-	-	277,768,665	-	277,768,665
Equity settled share-based transactions (Note 21)	-	-	36,573,946	-	-	36,573,946	-	36,573,946
Dividends paid (Note 24)	-	-	(366,318,837)	-	-	(366,318,837)	-	(366,318,837)
Acquisition of subsidiaries under common control (Note 25)	-	-	(1,207,787,181)	-	-	(1,207,787,181)	-	(1,207,787,181)
Transfer of non-controlling interests on acquisition of subsidiaries under common control (Note 25)	-	-	(4,939,683)	-	-	(4,939,683)	4,939,683	-
<b>Balance at 30 September 2024 (Unaudited)</b>	<b>15,050,000</b>	<b>806,914,032</b>	<b>562,632,574</b>	<b>56,444,310</b>	<b>14,809,199</b>	<b>1,455,850,115</b>	<b>-</b>	<b>1,455,850,115</b>

The notes on pages 6 to 22 are an integral part of these condensed consolidated interim financial statements.



# Delivery Hero FZ – LLC

## Condensed consolidated interim statement of cash flows

For the nine months period ended 30 September 2024

	30 September 2024	30 September 2023
	AED	AED
Notes	(Unaudited)	(Unaudited)
<b>Cash flows from operating activities</b>		
Net profit	1,075,160,546	743,912,970
<u>Adjustments for:</u>		
Depreciation of property and equipment	55,633,602	52,746,123
Gain on disposal of property and equipment	(104,835)	(146,152)
Amortisation of intangible assets	15,810,764	12,067,451
Interest expense on lease liabilities	5,675,948	4,403,219
Loss on termination of leases	470,790	-
Provision for employees' end-of-service benefits	23,384,943	20,150,907
Provision for expected credit loss	631,267	7,191,316
Interest expense on loans from related parties	9,306,822	13,196,732
Interest income	(38,092,162)	(11,351,725)
Equity settled share-based transactions	36,573,947	30,376,405
Income tax expense	85,970,208	28,935,231
19	<u>1,270,421,840</u>	901,482,477
<b>Operating cash flows before changes in working capital</b>		
<u>Working capital changes:</u>		
Inventories	(353,484)	6,745,333
Trade and other receivables	(30,439,096)	(109,590)
Due from related parties	8,408,095	(29,475,400)
Due to related parties	(47,240,890)	(85,034,753)
Trade and other payables	75,256,489	116,849,979
<b>Cash generated from operating activities</b>	<u>1,276,052,954</u>	910,458,046
Employees' end-of-service indemnity paid	(12,837,454)	(7,730,198)
Interest received	38,092,162	11,351,725
Income tax paid	(29,440,541)	(32,711,011)
<b>Net cash generated from operating activities</b>	<u>1,271,867,121</u>	881,368,562
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(17,985,113)	(52,345,302)
Proceeds from disposal of property and equipment	421,004	4,725,879
Addition of intangible assets	(28,997,308)	(23,831,281)
Cash acquired on acquisition of subsidiaries under common control	260,223,956	-
Loans to the Ultimate Parent Company	(997,912,111)	-
6	<u>(784,249,572)</u>	(71,450,704)
25		
<b>Net cash used in investing activities</b>	<u>(784,249,572)</u>	(71,450,704)
<b>Cash flows from financing activities</b>		
Payment of principle portion of lease liabilities	(21,731,415)	(23,278,133)
Payment of interest on lease liabilities	(5,675,948)	(4,403,219)
Dividends paid	(366,318,837)	(679,914,299)
Proceeds from loans from related parties	1,536,260	116,399,678
Repayment of loans from related parties	-	(467,271,749)
Proceeds from the issuance of shares	-	15,000,000
24	<u>(392,189,940)</u>	(1,043,467,722)
<b>Net cash used in financing activities</b>	<u>(392,189,940)</u>	(1,043,467,722)
<b>Net increase / (decrease) in cash and cash equivalents</b>		
	95,427,609	(233,549,864)
Exchange differences	135,914	(9,840,598)
Cash and cash equivalents at the beginning of the period	1,065,498,800	1,450,414,842
10	<u>1,161,062,323</u>	1,207,024,380

The notes on pages 6 to 22 are an integral part of these condensed consolidated interim financial statements.  
The independent auditors' review report is set out on page 1.

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 1. General information

Delivery Hero FZ-LLC, Dubai – United Arab Emirates (the “Company”) was incorporated on 3 November 2016 as a Free Zone Limited Liability FZ-LLC and operates in the United Arab Emirates under a commercial license no. 93866, issued by the Commercial Registration Department of Dubai Creative Clusters Authority.

The registered address of the Company is Premises no. EX 75, Ground floor, Building no. 07, Co- Work, Dubai Outsource City, Dubai, United Arab Emirates. The Company and its subsidiaries are collectively referred to as the Group (the “Group”). The principal activity of the Group is to provide access to an online platform to order food and deliver to end customers.

In September 2024, the ultimate parent of the Company transferred its shareholding in the Company to Talabat Holding Limited (the “Parent”) as part of a Group restructuring initiative. This restructuring was carried out with the objective of realigning the Group’s corporate structure in preparation for an Initial Public Offering (IPO) by Talabat Holding Limited.

Delivery Hero SE is the ultimate parent company and ultimate controlling party of the Group (the “Ultimate Parent Company”).

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

Name of the entities	Country of incorporation	Principal activities	Effective shareholding	
			30 September 2024	30 September 2023
Talabat QFC LLC	Qatar	Provide professional services of information services in relation to an online restaurant ordering and advertisement services.	100%	100%
Talabat Services Company S.P.C	Bahrain	Engaged in business of retail sale via internet.	100%	100%
DHH I SPC (DIFC) Ltd.*	United Arab Emirates	Licensed to do structured financing for qualifying purposes.	100%	100%
DHH II SPC (DIFC) Ltd.	United Arab Emirates	Licensed to do structured financing for qualifying purposes.	100%	100%
Talabat Electronic and Delivery Services Company SPC	Oman	Licensed for export and import, delivery of meals, and software designing and programming.	100%	100%

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 1. General information (continued)

Name of the entities	Country of incorporation	Principal activities	Effective shareholding	
			30 September 2024	30 September 2023
Delivery Hero Talabat DB LLC	United Arab Emirates	Provide access to an online platform to order food and deliver to end customers.	100%	100%
Talabat For General Trading and Electronic Commerce Ltd	Iraq	Online food ordering commercial services and electronic trading	100%	100%
Talabat For Stores Services Company (Private Shareholding Company)	Iraq	Commercial services and general trade of all kinds in the local and global market, exporting legally approved materials and equipment, providing delivery services for all legally permitted materials from all related services.	100%	100%
Talabat General Trading and Contracting Company W.L.L*	Kuwait	General trading and contracting	100%	100%
Carriage Holding Company Limited*	United Arab Emirates	Registered as Special Purpose Vehicle in Abu Dhabi Global Market and is acting as holding entity of its subsidiaries. The subsidiaries are engaged in processing online orders on behalf of customers and delivering food to customers.	100%	100%
Carriage Logistics General Trading LLC	Kuwait	Wholesale and retail trade	100%	100%
Delivery Hero Carriage Kuwait for Delivery of Consumables S.P.C.	Kuwait	Delivery service for consumables products	100%	100%
Carriage Logistics SPC	Bahrain	Retail sales via internet and food transportation for companies	100%	100%
Delivery Hero Carriage DB LLC	United Arab Emirates	Delivery services coordination and provision	100%	100%

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 1. General information (continued)

Name of the entities	Country of incorporation	Principal activities	Effective shareholding	
			30 September 2024	30 September 2023
Carriage Delivery Services AD LLC	United Arab Emirates	Delivery services coordination and provision	100%	100%
Kitchens Saudi For Food Services LLC	Saudi Arabia	Food services contractors including transportation, storage and cooling	-	100%
Carriage Trading and Services W.L.L	Qatar	Trading via internet	100%	100%
DH Stores Bahrain WLL	Bahrain	Food and beverage service activities, general trade and sale of tobacco products.	100%	51%
Stores Services Kuwait for General Trading Company WLL	Kuwait	Import and export, grocery, central market, non-food supermarket, general trade office, commission agent.	100%	51%
Delivery Hero Kitchens Kuwait Food Services Management Company WLL	Kuwait	Bakery management, management of catering services, food equipment, fast food stores, restaurant	100%	51%
Delivery Hero Kitchens Bahrain WLL	Bahrain	Real estate activities with own or leased property and general trade	100%	51%
Delivery Hero Lebanon	Lebanon	Online ordering of food and other consumer goods, distribution and delivery services for the individuals, companies and other entities in all sectors	100%	100%
Foodonclick.com FZ-LLC	United Arab Emirates	Registered as Special Purpose Vehicle in Abu Dhabi Global Market and is acting as holding entity of its subsidiaries. The subsidiaries are engaged in processing online orders on behalf of customers and delivering food to customers.	100%	-

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 1. General information (continued)

Name of the entities	Country of incorporation	Principal activities	Effective shareholding	
			30 September 2024	30 September 2023
Foodclick .com Jordan Private Shareholding Co.	Jordan	Providing integrated solutions in the field of information and communications systems	100%	-
Talabat Log. & Online Management	Jordan	Providing logistics services	100%	-
Talabat for Delivery Services LLC	Iraq	Food and beverage service activities, general trade and sale of tobacco products.	100%	-
Batal Al Tawsil for Delivery Services Ltd.	Iraq	Providing logistics services	100%	-
Delivery Hero Egypt SAE	Egypt	Import and export, grocery, central market, non-food supermarket, general trade office, commission agent.	100%	-
Dark Stores MENA Holding Ltd	United Arab Emirates	Bakery management, management of catering services, food equipment, fast food stores, restaurant	100%	-
Jordanian Stores for General Trading LLC	Jordan	Ecommerce and retail trade	100%	-
Talabat Services Company W.L.L.	Qatar	Wholesale and retail trade	100%	-
Delivery Hero Stores DB LLC	United Arab Emirates	General trade	100%	-
Delivery Hero Dmart Egypt LLC	Egypt	General trade and distribution	100%	-
Delivery Hero Stores LLC	Oman	Real estate activities with own or leased property and general trade	100%	-

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 1. General information (continued)

Name of the entities	Country of incorporation	Principal activities	Effective shareholding	
			30 September 2024	30 September 2023
Delivery Hero Kitchens MENA Holding Ltd	United Arab Emirates	Ecommerce and other activities	100%	-
Delivery Hero Kitchen DB LLC	United Arab Emirates	Trading and service supply	100%	-
DH Kitchens LLC	Qatar	Ready-meal supply and trade of fresh and preserved fruits and vegetables	100%	-
Delivery Hero Payments MENA FZ-LLC	United Arab Emirates	Development, consultancy and support service provider	100%	-
Delivery Hero Tech Payment Limited	United Arab Emirates	Development & research technology	100%	-
Delivery Hero Kitchens MENA Holding Jordan LLC	Jordan	Real estate activities with own or leased property and general trade	100%	-

\* These entities are effectively and beneficially fully owned by the Company under the terms of a Mudarabah Agreement, which grants Company control over the relevant activities of these companies and rights over the variable returns.

### 2 Material accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2023. The policy for accounting for acquisition of subsidiaries under common control is consistent with that applied in the previous period and is described below:

#### **Business combination common control transactions**

A business combination involving entities or businesses under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same Ultimate Controlling Party both before and after the combination.

The Company follows book value (carry-over basis) accounting on the basis that the investment has simply been moved from one part of the group to another. As per the book value accounting, the Company recognizes assets and liabilities at their book values at the acquisition date and do not opt to restate the prior year comparatives. The difference between book values of assets acquired and liabilities assumed, and the consideration payable is reflected in retained earnings within the statement of changes in equity.

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 2 Material accounting policies (continued)

#### New standards or amendments

##### *New and revised IFRSs applied with no material effect on the condensed consolidated interim financial statements of the Group*

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these condensed consolidated interim financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported but may affect the accounting for future transactions or arrangements.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments.
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	<p>In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:</p> <ul style="list-style-type: none"> <li>• What is meant by a right to defer settlement</li> <li>• That a right to defer must exist at the end of the reporting period</li> <li>• That classification is unaffected by the likelihood that an entity will exercise its deferral right</li> <li>• That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification</li> </ul> <p>In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.</p>

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

##### New and revised IFRSs

##### Effective for annual periods beginning on or after

Amendments to IAS 1 – Lack of exchangeability

1 January 2025

Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Effective date deferred indefinitely

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 3. Basis of accounting

These condensed consolidated interim financial statements for the nine months period ended 30 September 2024 have been prepared in accordance with International Accounting Standard 34 '*Interim Financial Reporting*' and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2023. These do not include all the information required for a complete set of financial statements prepared in accordance with the IFRS accounting standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in Group's financial position and performance since the last annual consolidated financial statements.

### 4. Judgements and use of estimates

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgements and estimates made by management that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period were the same as those described in the last annual consolidated financial statements.

### 5. Property and equipment

During the nine months period ended 30 September 2024, the Group acquired property and equipment at a cost of AED 357,619,490 (*30 September 2023: AED 98,385,319*), out of which AED 309,396,706, net of depreciation (*30 September 2023: AED Nil*) relates to the acquisition of the subsidiaries under common control (Refer note 25).

### 6. Intangible assets and goodwill

During the nine months period ended 30 September 2024, the Group acquired intangible assets with a cost of AED 29,675,793 (*30 September 2023: AED 23,831,281*), out of which AED 678,485 (*30 September 2023: AED Nil*) relates to the acquisition of the subsidiaries under common control (Refer note 25).



## Delivery Hero FZ – LLC

### Notes to the condensed consolidated interim financial statements (continued)

#### 7. Trade and other receivables

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Trade receivables	20,111,291	26,670,490
Receivable from riders	64,235,953	19,041,932
<b>Gross trade receivables</b>	<b>84,347,244</b>	<b>45,712,422</b>
Less: Allowance for expected credit loss	(17,687,961)	(5,003,337)
<b>Net trade receivables</b>	<b>66,659,283</b>	<b>40,709,085</b>
Receivable from payment service providers	159,772,450	141,334,695
Deposits	23,293,543	15,579,393
Loans to employees	38,222,827	740,412
Other receivables	177,484,329	46,206,120
<b>Total</b>	<b>465,432,432</b>	<b>244,569,705</b>
<i>thereof non-current</i>	<b>21,527,122</b>	<b>11,962,688</b>
<i>thereof current</i>	<b>443,905,310</b>	<b>232,607,017</b>

During the nine months period ended 30 September 2024, the trade and other receivables balances increased due to acquisition of subsidiaries under common control amounting to AED 191,054,896 (Refer note 25).

Movement in provision for impairment of trade receivables, receivable from riders and other receivables is as follows:

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
<b>As of 1 January</b>	<b>(5,003,337)</b>	<b>(7,862,542)</b>
Transfer on acquisition of subsidiaries under common control	(12,450,326)	-
Charge during the period / year	(631,267)	(4,619,666)
Utilized during the period / year	416,785	7,447,936
Translation differences	(19,816)	30,935
<b>As of 30 September / 31 December</b>	<b>(17,687,961)</b>	<b>(5,003,337)</b>

#### 8. Inventories

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Trading inventories	132,812,454	35,650,728
Rider equipment	7,608,509	13,531,782
Others	2,514,818	702,145
<b>Total</b>	<b>142,935,781</b>	<b>49,884,655</b>

During the nine months period ended 30 September 2024, the inventories balances increased due to acquisition of subsidiaries under common control amounting to AED 92,697,643 (Refer note 25).

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 9. Related party transactions and balances

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard 24 Related Party Disclosures. Related parties comprise companies and entities under common ownership and/or common control, key management personnel and shareholders. The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as on other charges.

Balance included in the condensed consolidated interim statement of financial position as on 30 September 2024 (unaudited):

	Ultimate Parent Company AED	Companies Under Common Control AED	Total AED
Due from related parties – current (1)	1,855,683	1,673,143	3,528,826
Due to related parties – current (1)	45,053,088	76,215,671	121,268,759
Loans from related parties – non-current (2)	-	5,829,687	5,829,687
	<b>45,053,088</b>	<b>82,045,358</b>	<b>127,098,446</b>

Balance included in the consolidated statement of financial position as on 31 December 2023 (audited):

	Ultimate Parent Company AED	Companies Under Common Control AED	Total AED
Due from related parties – current (1)	14,020,012	182,370,310	196,390,322
Loan to a related party – non-current	27,657,454	-	27,657,454
	<b>41,677,466</b>	<b>182,370,310</b>	<b>224,047,776</b>
Due to related parties – current (1)	73,580,007	37,035,370	110,615,377
Loans from related parties – non-current (2)	127,975,411	469,446	128,444,857
	<b>201,555,418</b>	<b>37,504,816</b>	<b>239,060,234</b>

(1) Due to and from related parties are priced at a mutually agreed terms and are to be settled in cash within 12 months of the reporting date. None of these balances are secured. No exposure has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

(2) The movement for the loan from related parties is as follows:

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
<b>Balance as at 1 January</b>	<b>128,444,857</b>	521,853,783
Transfers on acquisition of subsidiaries under common control	5,699,273	-
Transfers from related parties (a)	1,098,098,656	-
Additions	1,536,260	62,029,026
Interest charged during the period / year (c)	9,306,822	15,130,747
Repayments and settlements during the period / year (b)	(1,237,161,309)	(477,094,962)
Translation differences	(94,872)	6,526,263
<b>Balance as at 30 September / 31 December</b>	<b>5,829,687</b>	128,444,857

## Delivery Hero FZ – LLC

### Notes to the condensed consolidated interim financial statements (continued)

#### 9. Related party transactions and balances (continued)

- a) Before the date of acquisition of control of acquired subsidiaries as specified in note 25 below, during September 2024, the Company, its Ultimate Parent and acquired subsidiaries entered into various assignment agreements regarding loans disbursed by the Ultimate Parent to the acquired subsidiaries under common control. As per these agreements, the Ultimate Parent transferred its rights over the loans (given to the acquired subsidiaries) to the Company and accordingly the Company recognised the related receivable from the acquired subsidiaries with a corresponding payable to the Ultimate Parent.
- b) Thereafter, the Company, the Parent and Ultimate Parent entered into a settlement agreement to settle the loans from the Ultimate Parent amounting to AED 1,237,161,309 with the loans to Ultimate Parent amounting to AED 1,025,569,565 and the net remaining loans payable amounting to AED 211,591,744 were waived off and accordingly were reclassified to shareholder's contribution within the consolidated statement of changes in equity.
- c) Intercompany loans bear interest ranging from 3%-9% for the nine months period ended 30 September 2024 (31 December 2023: 3%-9%). Interest and principal are payable in full at the end of the loan's five-year term, with no covenants or security required.

Transactions included in the condensed consolidated interim statement of profit or loss and other comprehensive income for the nine months period ended 30 September 2024 (unaudited):

	Ultimate Parent Company AED	Companies Under Common Control AED	Total AED
Commission fees	-	84,742,542	84,742,542
Other direct income	-	154,290,074	154,290,074
Other income form service allocation	-	93,608,631	93,608,631
Shared group cost charges	(344,065,345)	(17,170,228)	(361,217,359)

Transactions included in the condensed consolidated interim statement of profit or loss and other comprehensive income for the nine months period ended 30 September 2023 (unaudited):

	Ultimate Parent Company AED	Companies Under Common Control AED	Total AED
Commission fees	-	63,000,144	63,000,144
Other direct income	-	114,305,103	114,305,103
Other income form service allocation	-	106,712,783	106,712,783
Shared group cost charges	(266,615,115)	(6,761,932)	(273,377,047)

The transactions with related parties are entered on mutually agreed terms.

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 9. Related party transactions and balances (continued)

#### Compensation of key management personnel

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

	<b>30 September 2024</b>	30 September 2023
	<b>AED</b>	AED
	<b>(Unaudited)</b>	(Unaudited)
Short-term benefits	17,741,241	15,722,149
Share based compensation	15,454,182	11,551,545
Employees' end of service benefits	604,342	458,910
	<u>33,799,765</u>	<u>27,732,604</u>

The amounts show the compensation received by key management personnel who were actively engaged with the Group throughout the fiscal period.

### 10 Cash and cash equivalents

	<b>30 September 2024</b>	31 December 2023
	<b>AED</b>	AED
	<b>(Unaudited)</b>	(Audited)
Cash at banks (a)	1,155,579,025	1,050,419,764
Cash in hand	5,483,298	3,174,274
Short term deposits (a and b)	-	11,904,762
<b>Total</b>	<u>1,161,062,323</u>	<u>1,065,498,800</u>

(a) The Group's cash at bank and short term deposits are amounting to AED 1,155,579,025 at 30 September 2024 (31 December 2023: AED 1,062,324,526). These are held with financial institutions, which are rated AA- to AA+, based on S&P Global Ratings. Impairment on cash at bank and short term deposit has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures.

(b) The Group considers that these have low credit risk based on the external credit ratings of the counterparties. Short term deposits carry interest rate of 4.5% - 5% per annum (2023: 4.5% - 5% per annum).

### 11. Share capital

	<b>30 September</b>	<b>30 September</b>	31 December	31 December
	<b>2024</b>	<b>2024</b>	2023	2023
	<b>No. of shares</b>	<b>AED</b>	No. of shares	AED
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	(Audited)	(Audited)
Shares of AED 1000 each	<u>15,050</u>	<u>15,050,000</u>	15,050	15,050,000

The share capital as at 30 September 2024 comprises of 15,050 (31 December 2023: 15,050) authorized, issued and fully paid ordinary shares with a par value of AED 1,000 each.

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 11. Share capital (continued)

### 12. Shareholder's contribution and other reserves

#### 12.1 Shareholder's contribution

One of the Group's subsidiaries entered into a share purchase agreement for the acquisition of an online food delivery businesses in Kuwait for a total consideration amounting to AED 342,475,610. This amount was funded by the Ultimate Parent Company, who also provided an additional amount of AED 190,096,656 as funding for the future operation of the business. This entire amount that was initially recorded as a payable to the related party and was subsequently waived off in the year 2019 based on the waiver agreement dated 12 November 2019.

During September 2024, the Company, Parent Company and Ultimate Parent Company entered into a settlement agreement resulting in an increase in shareholder's contribution amounting to AED 211,591,744 (Note 9 (b)). Further, the Company, Parent and Ultimate Parent Company entered into a settlement agreement to waive off the consideration payable amounting to AED 66,176,921 resulting in the reclassification of consideration payable to shareholder's contribution. (Refer note 25 (e)).

#### 12.2 Other reserves

In accordance with local requirements, certain subsidiaries within the Group are required to establish a reserve for statutory reporting purposes i.e., statutory reserve. This reserve is not available for distribution except as stipulated by the companies' laws in the respective countries. The Group's statutory reserve represents the sum total of statutory reserves of all limited liability companies consolidated in these condensed consolidated interim financial statements.

### 13. Trade and other payables

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Liabilities to restaurants	359,239,251	278,392,219
Liabilities for outstanding invoices	436,106,727	294,462,280
Trade payables	395,741,483	171,389,770
Liabilities to riders	1,566,199	1,221,158
Staff related accruals	128,872,490	93,344,624
Other payables	101,984,985	70,784,547
<b>Total</b>	<b>1,423,511,135</b>	<b>909,594,598</b>
<i>thereof non-current</i>	<b>2,796,205</b>	<b>2,523,363</b>
<i>thereof current</i>	<b>1,420,714,930</b>	<b>907,071,235</b>

During the nine months period ended 30 September 2024, the trade and other payables balances increased due to acquisition of subsidiaries under common control amounting to AED 438,660,048 (Refer note 25).

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

### 14. Lease Liabilities

During the period, the Group recognised lease liabilities and right of use assets amounting to AED 231,367,634 (30 September 2023: AED 46,040,017), out of which AED 201,129,963 (30 September 2023: AED Nil) relates to the acquisition of the subsidiaries under common control (Refer note 25).

## Delivery Hero FZ – LLC

### Notes to the condensed consolidated interim financial statements (continued)

#### 14. Lease Liabilities *(continued)*

During the period, the Group derecognised lease liabilities amounting to AED 2,379,086 (30 September 2023: AED 21,978,286) as a result of termination of lease contracts prior to the end of the lease term. Lease liabilities are monitored within the Group’s treasury function.

#### 15. Revenue

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited)
Commission fees	2,570,702,019	2,220,066,003
Delivery fees	1,374,884,898	1,113,923,092
Advertising and listing fees	542,095,593	423,412,252
Service fees	200,711,966	126,584,870
Subscription fees	72,397,288	39,692,651
Other direct income*	1,088,453,493	694,228,344
Less:		
- Vouchers	(116,155,748)	(87,449,182)
- Others	(54,197,573)	(48,930,208)
<b>Total</b>	<b>5,678,891,936</b>	<b>4,481,527,822</b>

\* This includes other direct income from related parties, refer Note 9

The Group’s operations and main revenue streams are those described in the last annual financial statements. The Group’s revenue is mainly derived from contracts with customers.

#### *Timing of revenue recognition*

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited)
Revenue recognized at point in time	5,064,399,055	4,018,422,919
Revenue recognized over time	614,492,881	463,104,903
	<b>5,678,891,936</b>	<b>4,481,527,822</b>

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

	30 September 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Receivables included in “trade receivables” (Note 7)	84,347,244	45,712,422
Receivables included in “due from related parties”	6,732,410	4,621,793
Trade payables included in “Trade and other payables” (Note 13)	395,741,483	171,389,770
Payables to restaurants included in “trade and other payables” (Note 13)	359,239,251	278,392,219

## Delivery Hero FZ – LLC

### Notes to the condensed consolidated interim financial statements (continued)

#### 16. Cost of sales

Cost of sales primarily includes expenses related to the delivery operations of the group, costs associated with order processing, and other direct costs.

#### 17. Other income

Other income represents domestic and cross-border intra-group transactions involving the allocation of use of licenses and operational requirements at various organizational levels.

#### 18. Other expenses and impairment

	<b>30 September 2024</b>	30 September 2023
	<b>AED</b>	AED
	<b>(Unaudited)</b>	(Unaudited)
Shared group cost (a)	<b>(361,235,573)</b>	(273,377,047)
Provision for expected credit loss	<b>(631,267)</b>	(7,191,317)
<b>Total</b>	<b>(361,866,840)</b>	(280,568,364)

(a) *Shared group cost mainly represents the charges from the Ultimate Parent Company, as disclosed in note 9, in relation to the use of global services.*

#### 19. Income tax expense

	<b>30 September 2024</b>	30 September 2023
	<b>AED</b>	AED
	<b>(Unaudited)</b>	(Unaudited)
Current tax expense	<b>(85,970,208)</b>	(28,935,232)
<b>Reconciliation of effective tax rate</b>	<b>30 September 2024</b>	30 September 2023
	<b>AED</b>	AED
	<b>(Unaudited)</b>	(Unaudited)
Earnings before Income Taxes (A)	<b>1,161,130,754</b>	772,848,202
Tax at the Company's domestic rate of 9% / 0%	<b>(52,622,618)</b>	-
Effect of tax rates in foreign jurisdictions	<b>(20,400,975)</b>	(14,476,942)
Withholding taxes	<b>(12,946,615)</b>	(14,458,290)
Total tax expense (B)	<b>(85,970,208)</b>	(28,935,232)
Net results (Net profit after taxes)	<b>1,075,160,546</b>	743,912,970
<b>Effective tax rate (B/A)</b>	<b>7.40%</b>	3.74%

#### 20. Contingent liabilities and bank guarantees

During the period, one of the Group entities entered a contract for the construction of a solar energy project. As a part of the contractual obligations, the entity issued a performance guarantee in favor of the service provider. The service provider has acquired two plots of land for the project, with the legal titles of these plots held in the name of the entity. As at 30 September 2024, the total contract value amounted to AED 7,086,967.

As of 30 September 2024, in addition to the above, the outstanding bank guarantees issued on behalf of the certain entities of the Group amounted to AED 67,554,659 (31 December 2023: AED 32,079,939).

# Delivery Hero FZ – LLC

## Notes to the condensed consolidated interim financial statements (continued)

### 21. Share based payments

The Ultimate Parent Company has been operating share-based payment programs since 2011. As at 30 September 2024, the Group is participating in share-based payment arrangements managed by the Ultimate Parent Company.

During the nine months period ended 30 September 2024, a total of 883,805 RSUs were granted (30 September 2023: 393,905 RSUs). The plans contributed AED 36,573,946 of expenses (30 September 2023: AED 30,376,405).

### 22. Fair value measurement

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of cash and bank balances, amounts due from related parties and trade and other receivables. Financial liabilities consist of trade payables and other payable and amounts due to related parties.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The fair values of the financial instruments are not materially different from their carrying values.

The Group uses the following hierarchy for determining and disclosing the fair value of available-for-sale investments and investment properties by valuation technique:

- Level 1:* quoted (unadjusted) prices in active markets for identical assets;
- Level 2:* other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3:* techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

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



## Delivery Hero FZ – LLC

### Notes to the condensed consolidated interim financial statements (continued)

#### 23. Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to Shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from those of the prior periods. The capital structure of the Group consists of equity attributable to the shareholders, comprising issued capital, reserves, and retained earnings.

#### 24. Dividends

During the period, the Board of Directors of the Company approved and paid dividends of AED 24,340 (30 September 2023: AED 45,177) per share amounting to AED 366,318,837 (30 September 2023: AED 679,914,299) to the shareholder of the Company.

#### 25. Acquisition of subsidiaries under common control

##### *Business combination common control transactions*

A business combination involving entities or businesses under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same Ultimate Controlling Party both before and after the combination.

The Company follows book value (carry-over basis) accounting on the basis that the investment has simply been moved from one part of the group to another. As per the book value accounting, the Company recognizes assets and liabilities at their book values at the acquisition date. The difference between book values of assets acquired and liabilities assumed, and the consideration paid is reflected in retained earnings within the statement of changes in equity.

On 30 September 2024, the Company obtained control of the following entities and their respective subsidiaries as part of the common control transaction.

- Foodonclick.com FZ-LLC; \*
- Talabat for Delivery Services LLC;\*\*
- Delivery Hero Egypt SAE;\*\*
- Dark Stores MENA Holding Ltd;\*
- Delivery Hero Kitchens MENA Holding Ltd;\*
- DH Kitchens LLC; and\*\*
- Delivery Hero Payments MENA FZ-LLC.\*

\* The shares of these entities have been legally transferred to the Company as of 30 September 2024.

\*\* The shares of these entities have not been legally transferred to the Company as of 30 September 2024 on account of procedural legal matters which will be completed in due course. Subsequently on 20 October 2024, the shares of Delivery Hero Egypt SAE have been transferred to the Company.

The acquisition of the aforementioned companies was strategically executed to streamline and centralize both operational and financial management. By restructuring under the full control of Delivery Hero FZ LLC, Group's goal is to enhance efficiency, improve decision-making processes, and align all business activities with the Group's long-term strategic objectives. These companies were already under common control, with Delivery Hero SE as the Ultimate Parent.

The revenue and net losses of the aforementioned entities for the nine months ended 30 September 2024 amounted to AED 1,925,408,073 and AED 310,726,363, respectively. If the acquisition had occurred on 1 January 2024, the management estimates that the consolidated interim revenue and consolidated interim profit for the nine months ended 30 September 2024 would have been AED 7,604,300,009 and AED 764,434,183, respectively.

## Delivery Hero FZ – LLC

### Notes to the condensed consolidated interim financial statements (continued)

#### 25. Acquisition of subsidiaries under common control (continued)

##### *Identifiable assets acquired and liabilities assumed:*

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

##### *Identifiable assets acquired and liabilities assumed (continued):*

	Note	30 September 2024 AED
Property and equipment	5	309,396,706
Intangible assets	6	678,485
Inventories	8	92,697,643
Trade and other receivables	7	191,054,896
Due from related parties (a)		36,945,103
Cash and cash equivalents		260,223,956
Investments (non-controlling interests) (b)		4,939,683
Loans to related parties (c)		279,270,815
Loans from related parties (c)		(1,383,068,745)
Due to related parties (d)		(239,331,043)
Trade and other payables	13	(438,660,048)
Lease liabilities	14	(201,129,963)
Employees' end of service benefits		(9,726,333)
<b>Total identifiable net liabilities assumed</b>		<b>(1,096,708,845)</b>
Less: cash consideration payable (e)		(111,078,336)
<b>Net impact on acquisition of entities under common control taken to equity</b>		<b>(1,207,787,181)</b>

- a) These represents balances arising from the transactions with related parties entered into mutually agreed terms. Out of the total receivable, AED 36,945,103 was receivable from the Company and accordingly eliminated as a result of the acquisition.
- b) This represents acquisition of non-controlling interests in certain consolidated subsidiaries of the Company. Accordingly, as at the date of acquisition the equity component of the noncontrolling interest amounting to AED 4,939,683 is reclassified to retained earnings, which has been presented in the condensed consolidated interim statement of changes in equity.
- c) These represents loans payable to the Company and loans to related parties and accordingly, these balances were eliminated in these condensed consolidated interim financial statements. Also refer note 9.
- d) These represents balances arising from the transactions with related parties entered into mutually agreed terms. Out of the total payable, AED 219,209,332 was payable to the Company and accordingly eliminated as a result of the acquisition.
- e) Further, the Company, Parent and Ultimate Parent Company entered into a settlement agreement to waive off the consideration payable amounting to AED 66,176,921 to equity. Accordingly, the consideration amounting to AED 66,176,416 was reclassified to shareholder's contribution within the consolidated statement of changes in equity. Further, the remaining payable amounting to AED 44,901,415 is recognised as due to related parties.

The acquisition of the aforementioned entities is considered as a business combination under common control, which does not fall under IFRS 3 - Business Combination. Accordingly, the acquisition of the aforementioned entities was accounted for prospectively at the book values of the acquiree as at the acquisition date.

## **Annex 2 – Articles of Association**

## ARTICLES OF ASSOCIATION

of

## TALABAT HOLDING PLC

*Talabat Holding PLC (the “Company”) is a public company limited by shares incorporated in the Abu Dhabi Global Market (“ADGM”). It is not subject to United Arab Emirates (“UAE”) Federal Law No. 32 of 2021 on commercial companies (as may be amended from time to time). The Securities and Commodities Authority in the UAE is not responsible for the content of these Articles of Association or the information contained herein. The Company is subject to the ADGM Companies Regulations 2020 (as may be amended from time to time) (“Companies Regulations”) and other Applicable Law and regulation in the ADGM. The ADGM Registration Authority is responsible for the supervision and regulation of all public companies incorporated in the ADGM, including the Company, in relation to compliance with the Companies Regulations.*

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## PART 1 INTERPRETATION AND LIMITATION OF LIABILITY

### 1. Defined terms

(1) In these Articles, unless the context requires otherwise:

“**Abu Dhabi**” means the Emirate of Abu Dhabi in the UAE;

“**Admission Date**” means the date upon which the Shares are first admitted to trading on the Dubai Financial Market;

“**Affiliate**” means, in relation to a person, any other person that, as of the relevant time, directly or indirectly, Controls, is Controlled by, or is under common Control with, such person, provided that no member of the Group shall be regarded as being an Affiliate of any Major Shareholder;

“**Alternate Chairperson**” has the meaning given to it in Article 14(9);

“**Applicable Law**” means all applicable national and international laws, including any applicable export control or sanctions laws, treaties, statutes, decrees, edicts, codes, orders, judgments, rules, ordinances, decisions and regulations of any local, municipal, territorial, provincial, federal, national or any other duly constituted Governmental Authority or agency of any Governmental Authority;

“**Articles**” means the Company’s articles of association;

“**Associated Company**” has the meaning given to it in Article 78(3)(a);

“**Board**” means the board of directors of the Company;

“**Board Appointment Period**” has the meaning given to it in Article 19(1);

“**Board Committee**” has the meaning given to it in Article 7(1)(a);

“**Board Secretary**” has the meaning given to it in Article 15(1);

“**Board Vacancy Number**” has the meaning given to it in Article 19(4)(g);

“**Business Day**” means each day which is not a Saturday, Sunday or a public sector holiday in the UAE;

“**Call**” has the meaning given to it in Article 47(1);

“**Call Notice**” has the meaning given to it in Article 47(1);

“**Call Payment Date**” has the meaning given to it in Article 50(2)(a);

“**Capitalised Sum**” has the meaning given to it in Article 71(1)(a);

“**Certificate**” means a paper certificate evidencing a person’s title to specified shares or other securities;

“**Certificated**” in relation to a Share, means that it is not an Uncertificated Share;



“**Chairperson**” has the meaning given to it in Article 14(1);

“**Chairperson of the Meeting**” has the meaning given to it in Article 26(4);

“**Committee Members**” has the meaning given to it in Article 8(2);

“**Companies Regulations**” means the ADGM Companies Regulations 2020 (as may be amended from time to time);

“**Company**” means Talabat Holding PLC, a public company limited by shares duly organised and existing under the laws of the Abu Dhabi Global Market (registered number: 20827) and having its registered office at Office Number 2341, 23rd Floor, Sky Tower, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, United Arab Emirates;

“**Company’s Lien**” has the meaning given to it in Article 45(1);

“**Conflicted Director**” means, in respect of a particular matter, a Director who is prohibited from voting in a Board meeting, or the relevant part of a Board meeting, in relation to that matter, pursuant to Article 16;

“**Control**” means, in respect of a person:

- (a) the possession, directly or indirectly, of the power to vote more than fifty per cent. (50%) of the voting stock (other than directors’ qualifying shares or other *de minimis* holdings required by Applicable Law to be held by other person(s)) of such person; or
- (b) ownership, directly or indirectly, of more than fifty per cent. (50%) of the equity interests (other than directors’ qualifying shares or other *de minimis* holdings required by Applicable Law to be held by other person(s)) in such person; or
- (c) the ability, directly or indirectly, to direct or procure the direction of the management and policies of such person, whether through the ownership of shares, by contract or otherwise,

and the terms “**Controlled by**”, “**Controlling**” and “**under common Control with**” shall be construed accordingly;

“**Director**” means a director of the Company, and includes any person occupying the position of a director of the Company, by whatever name called;

“**Director Group**” has the meaning given to it in Article 19(8);

“**Director Election Resolution**” has the meaning given to it in Article 19(4)(a);

“**Distribution Recipient**” has the meaning given to it in Article 65(2);

“**Executive Management Team**” means the Chief Executive Officer, the Chief Financial Officer, the Chief Business Officer, the Chief Product Officer, the Chief Operations Officer, the Vice-President of People & Strategy, the Senior Vice-President Non-Food of the Company and any other person reporting directly to the Chief Executive Officer;

**“Financial Year”** means, in relation to the Group, the financial year of the Company, as may be determined by the Board from time to time;

**“Governmental Authority”** means:

- (a) any governmental authority of Abu Dhabi or the UAE; and
- (b) in respect of a person, a governmental authority that has jurisdiction over such person or its Ultimate Controlling Person,

including, in each case, any political subdivision of any of the foregoing, any multinational organisation or body comprised of one of the foregoing, any agency, department, commission, board, bureau, court or other authority thereof, or any quasi-governmental or private body exercising, or purporting to exercise, any executive, legislative, judicial, administrative, police, regulatory or taxing authority or power of any nature, or any company or instrumentality owned or Controlled by any such governmental authority, and any recognised stock exchange;

**“Group”** means the Company and its subsidiaries, and the expressions **“Group Company”** and **“member of the Group”** mean any of them;

**“Group Management and Governance Policy”** means a policy of the Company regarding certain group management and corporate governance matters, as may be adopted and amended by the Board from time to time;

**“Large Director Group”** means each Director Group comprising three (3) or more Directors (including any Conflicted Directors) but excluding any Director Group formed solely of Standalone Directors in accordance with Article 19(8)(d);

**“Lien Enforcement Notice”** has the meaning given to it in Article 46;

**“Major Shareholder”** means a Shareholder that holds Shares representing more than twenty-five per cent. (25%) of the entire issued share capital of the Company;

**“Nomination & Remuneration Committee”** means the nomination & remuneration committee of the Company;

**“Persons Entitled”** has the meaning given to it in Article 71(1)(b);

**“Primary Shareholder”** has the meaning given to it in Article 19(8)(a);

**“Proxy Notice”** has the meaning given to it in Article 32(1);

**“Proxy Notification Address”** has the meaning given to it in Article 33(1);

**“Related Party”** has the meaning given to it in the SCA Corporate Governance Guide (subject to the provisions of Article 4(1));

**“Related Party Transaction”** means any transaction between any Group Company, on the one hand, and a Related Party, on the other hand;

**“Relevant Rate”** has the meaning given to it in Article 50(2)(b);

“**Relevant Rules**” has the meaning given to it in Article 44(1);

“**Relevant System**” means a computer-based system and procedures, which enable title to a security to be evidenced and transferred without a certificate of title or any written instrument of transfer pursuant to the Uncertificated Securities Rules;

“**Replacement Director**” has the meaning given to it in Article 19(6);

“**SCA Corporate Governance Guide**” has the meaning given to it in Article 4(1);

“**Shares**” means shares in the Company;

“**Shareholder**” means a person who is the holder of a Share;

“**Shareholder Votes**” has the meaning given to it in Article 19(4)(b);

“**Standalone Director**” has the meaning given to it in Article 19(8)(d);

“**Terms of Reference**” has the meaning given to it in Article 8(2);

“**Transmittee**” means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law;

“**UAE**” means the United Arab Emirates;

“**Ultimate Controlling Person**” means, in relation to a specified person, the person that Controls such specified person and is not itself Controlled by any person;

“**Uncertificated**” in relation to a Share means that, by virtue of the Uncertificated Securities Rules and any other legislation (other than section 715 of the Companies Regulations) permitting title to Shares to be evidenced and transferred without a Certificate, title to that Share is evidenced and may be transferred without a Certificate;

“**Uncertificated Securities Rules**” means the Uncertificated Securities Rules 2021 (as may be amended from time to time);

“**US Dollars**” or “**US\$**” means the then lawful currency of the United States; and

“**Vice-Chairperson**” has the meaning given to it in Article 14(2).

(2) Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Regulations as in force on the Admission Date.

(3) In these Articles:

(a) the words “include” or “including” or similar expressions shall be deemed to be followed by “without limitation” or “but not limited to”, whether or not they are followed by such phrases or words of like import;

(b) references to the Executive Management Team include, in each case, similar officeholders regardless of the title used to describe such position;

- (c) reference to a “senior manager” of the Company or the Group includes each member of the Executive Management Team;
- (d) “bankruptcy” or “bankrupt” include individual insolvency proceedings in any jurisdiction;
- (e) a “holder” of Shares means the person whose name is entered in the Company’s register of members as the holder of such Shares;
- (f) “ordinary resolution” and “special resolution” have the meanings given in sections 298 and 299, respectively, of the Companies Regulations;
- (g) “paid” means paid or credited as paid;
- (h) “fully paid” in relation to a Share, means that the issue price to be paid to the Company in respect of that Share has been paid to the Company;
- (i) “partly paid” in relation to a Share means that part of that Share’s issue price has not been paid to the Company;
- (j) reference to a “person” means an individual, partnership, corporation (including a business trust), company, trust, unincorporated association, joint venture or other entity, whether a body corporate or an unincorporated association of persons, or a Governmental Authority, and “persons” shall be construed accordingly;
- (k) the terms “holding company” and “subsidiary” shall each be construed in accordance with section 1015 of the Companies Regulations;
- (l) “writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise (and references to “written” shall be construed accordingly);
- (m) a reference to:
  - (i) a “document” includes, unless otherwise specified, any document sent or supplied in electronic form;
  - (ii) an “instrument” means a document in hard copy form; and
  - (iii) “electronic form” and “hard copy form” shall each be construed in accordance with section 1023 of the Companies Regulations; and
- (n) unless expressly stated otherwise, a reference to the size of a Director Group or the number of Directors comprising a Director Group (or any similar expression) is to be construed as a reference to the number of Directors forming part of such Director Group pursuant to Article 19(8) and, in circumstances where there is any vacancy on the Board, shall include the number of additional Director(s) which would form part of that Director Group pursuant to Article 19(8)(g) upon Replacement Director(s) being appointed to fill the relevant

vacancy/ies (and references to the “Large Director Group” or any similar expression shall be construed accordingly).

## **2. Liability of Shareholders**

- (1) The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

## **3. Exclusion of model articles**

- (1) The relevant model articles (as defined in section 18 of the Companies Regulations) do not apply to the Company.

## **4. SCA Corporate Governance Guide**

- (1) The Company has opted to comply with the Corporate Governance Guide for Joint Stock Companies issued by the SCA pursuant to Decision No. 3/RM of 2020 (as amended) (the “**SCA Corporate Governance Guide**”), with certain modifications as agreed with the Dubai Financial Market. In particular, the Dubai Financial Market has issued a no objection to the Company not applying a number of provisions of the SCA Governance Guide, including articles 6(3), 6(4), 7(B), 8(3)(A), 8(3)(F), 15, 16, 20, 21, 22, 23, 24(5)(C), 24(9), 25(1) and (2), 26(1), 27, 32, 40 – 48 (other than 41(1)), 51(1)(a), 59(5), (6), (7), (9), (10) and (11), 59(12), 60(1), 62(1), 64 (third), 65, 67(3)(B), 67(5), 68(7), 69(2), 71(2) and (4), 80, and 82(1)(B) and (C) of the SCA Corporate Governance Guide. The DFM issued a no objection to the interpretation of a number of other provisions of the SCA Corporate Governance Guide in a manner consistent with the Companies Regulations and these Articles.
- (2) In case of any inconsistency between the Articles and the SCA Corporate Governance Guide, the provisions of the Articles shall prevail.

## **PART 2 BOARD’S POWERS AND RESPONSIBILITIES**

### **5. Board’s general authority**

- (1) Subject to the Articles, the Board is responsible for the overall management of the Company’s business, for which purpose it may exercise all the powers of the Company.
- (2) The Board shall, no later than October 25<sup>th</sup> of each Financial Year, prepare, and shall (subject to the Articles) decide whether or not to approve:
  - (a) an annual update to the Group’s business plan, which shall set out the Company’s strategy and plan for developing, financing and operating the Group for a rolling period of five (5) Financial Years; and
  - (b) a new annual budget for the Group for the following Financial Year, consistent with the proposed annual update to the business plan,

provided that if such updated business plan or such new budget (as the case may be) is not approved by the Board in accordance with these Articles as of the first (1<sup>st</sup>) day of the relevant Financial Year then the last approved business plan or the last approved annual budget (as the case may be) shall continue to apply and remain in effect on an

interim basis until the earlier of: (i) approval of an annual update to the business plan or the approval of a new budget (as the case may be) by the Board in accordance with these Articles; and (ii) expiration of the relevant Financial Year).

- (3) In accordance with these Articles, the Board may adopt the Group Management and Governance Policy from time to time, and the Company shall comply with the terms of, and its affairs shall be conducted in accordance with, such policy.

## **6. Shareholders' reserve power**

- (1) The Shareholders may by special resolution direct the Board to take, or refrain from taking, specified action. No special resolution shall invalidate anything which the Board has done before the passing of the resolution.

## **7. Board may delegate**

- (1) Subject to the Articles, the Board may delegate any of the powers which are conferred on it under the Articles:
  - (a) to such person or committee of the Board (a "**Board Committee**");
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions;

as it may decide.

- (2) If the Board so specifies, any such delegation may authorise further delegation of the Board's powers by any person to whom they are delegated.
- (3) The Board may revoke any delegation in whole or part, or alter its terms and conditions.

## **8. Committees**

- (1) Subject to the relevant Terms of Reference (as defined below), the Board Committees to which the Board delegates any of its powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by the Board.
- (2) Subject to the Articles, the Board may make rules of procedure for all or any Board Committees (all of such procedures, authorities, roles, responsibilities and other rules relating to a Board Committee being that committee's "**Terms of Reference**"). The Terms of Reference shall not prevail over rules derived from the Articles to the extent that the Terms of Reference are inconsistent with the Articles. The number of members of a Board Committee (the "**Committee Members**") shall be specified in that Board Committee's Terms of Reference. Subject to the Articles and Applicable Law, the Terms of Reference of any particular Board Committee may provide for certain matters to be reserved for decision by that Board Committee.

- (3) In relation to each Board Committee, the membership of such committee (and the manner of appointment, removal and replacement of such members) shall be specified in the relevant Terms of Reference.

## **9. Management**

- (1) The members of the Executive Management Team and other management personnel shall be appointed, removed and replaced as approved by the Board.

### **DECISION-MAKING BY THE BOARD**

## **10. Board Resolutions**

- (1) Subject to the Articles, the Board shall make decisions by the following means:
  - (a) by resolution of such Directors present at a duly convened and quorate meeting of the Board, if approved by a simple majority of the Directors attending and entitled to vote at that Board meeting (where each Director attending a Board meeting shall have one (1) vote). Minutes of Board meetings shall be taken and shall be circulated to the Directors for approval by a simple majority of Directors in attendance and entitled to vote at that meeting following the meeting (and such approval may be given: (i) in writing; (ii) by email; or (iii) by any other electronic means, failing which approval of the minutes may be an agenda item for the next following Board meeting). Following approval by the Directors, minutes shall be signed (including by any electronic means) by: (i) the Chairperson or the Vice-Chairperson; and (ii) the Board Secretary, and once signed in this manner such minutes shall evidence the meeting and the resolutions of the Directors at such meeting; or
  - (b) by written resolution without a meeting, and any such written resolution shall be as valid and effective for all purposes as a resolution passed by the Directors at a Board meeting duly convened, held and constituted, provided that:
    - (i) Directors may sign written resolutions in more than one counterpart and do not need to all sign the same copy of the resolution;
    - (ii) all proposed written resolutions shall: (A) be circulated (including by any electronic means) simultaneously to each Director; (B) be accompanied by any relevant documentation; and (C) include a date not less than five (5) Business Days following circulation (or less than five (5) Business Days if a shorter notice period has been notified to the Directors and has been approved by at least the same majority of Directors as would have been required to agree to the holding of a Board meeting on short notice pursuant to Article 11(2)) by which each Director shall be required to deliver to the Chairperson a signed copy of the written resolution if they approve such written resolution;
    - (iii) any Director who fails to respond to a proposed written resolution by the deadline specified in the written resolution pursuant to Article 10(1)(b)(ii)(C) shall be deemed to have rejected all proposed resolutions set out therein;

- (iv) the Chairperson or, in his or her absence, the Vice-Chairperson shall notify each Director whether the proposed resolutions set out in the written resolution have been approved promptly following the earlier of:
  - (A) the Chairperson or, in his or her absence, the Vice-Chairperson having received the requisite number of approvals required pursuant to these Articles to pass the relevant resolution(s) of the Board; and
  - (B) the deadline set out in Article 10(1)(b)(ii)(C).
- (2) Subject to the Articles, if a Director has an interest in an actual or proposed transaction or arrangement with the Company:
  - (a) that Director and that Director's alternate may not vote on any proposal relating to it, but
  - (b) this does not preclude the Director's alternate from voting in relation to that transaction or arrangement on behalf of another Director who does not have such an interest.

## **11. Calling a Board Meeting**

- (1) The Chairperson, or in his or her absence, the Vice-Chairperson, may call, set the agenda for and chair each Board meeting.
- (2) Subject to Article 13(3), each Director, and his or her alternate (if any), must be notified in writing of the relevant Board meeting no later than ten (10) Business Days prior to the proposed date of such meeting (or less than ten (10) Business Days if: (x) a simple majority in number of the Directors and (y) a simple majority of the Directors in each Large Director Group consent to a shorter notice period). The notice of any Board meeting must indicate:
  - (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (3) Board meetings must be convened no less frequently than four (4) times per year (and at such other times following written request from any Director to the Chairperson).
- (4) The Directors may propose to the Chairperson items to be included on the agenda. Subject to Article 11(5), the agenda shall be sent to each of the Directors at least five (5) Business Days prior to the applicable Board meeting and such agenda shall: (i) include any items submitted by any Director at least six (6) Business Days prior to the Board meeting; and (ii) be accompanied by any relevant documentation.
- (5) If, pursuant to Article 11(2), a Board meeting is called on a shorter notice period, the agenda shall be sent to each of the Directors concurrently with the notice of such Board



meeting and such agenda shall: (i) include any items which may have been submitted by any Director prior to the date of such notice; and (ii) be accompanied by any relevant documentation.

- (6) Any Director may at any time waive the requirement that due notice of a Board meeting be given to him or her. The presence of a Director at a Board meeting will constitute automatic waiver by him or her of such requirement in respect of such Board meeting.
- (7) Breach of any of the provisions of this Article 11 shall not affect the validity of any meeting of the Board at which all Directors are present nor shall it affect the validity of any written resolutions duly passed by the Directors without a meeting.

## **12. Participation in Board meetings**

- (1) Subject to the Articles, Directors participate in a Board meeting, or part of a Board meeting, when:
  - (a) the meeting has been called and takes place in accordance with the Articles; and
  - (b) it is held either:
    - (i) subject to Article 12(2) below, by telephone, video conferencing or other similar methods by means of which all persons participating in the meeting can at all times during such meeting hear and speak to each other (provided that if any Directors participate in a Board meeting by telephone, video conference or other similar method, the meeting shall be initiated in the UAE, and as such shall be deemed to be held in the UAE); or
    - (ii) in person.
- (2) At least half the Directors participating in Board meetings shall be present in person in the UAE for at least half of the Board meetings in each year, provided that any failure to comply with the requirement in this Article 12(2) shall not invalidate the proceedings of any Board meeting nor shall it invalidate any decisions taken or resolutions passed by the Board.
- (3) Any Director may invite consultants or other persons to attend (as non-voting participants or observers) a Board meeting at which input from any such consultants or other persons is required or desirable, except where a simple majority of the Board resolves that such consultants or other persons may not attend.

## **13. Quorum for Board meetings**

- (1) At a Board meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) Subject to Articles 13(3) and 16, a quorum shall exist at any Board meeting (or part of a Board meeting) if a simple majority of the total number of Directors who are entitled to attend and participate at such Board meeting are present or are represented by an alternate Director.

- (3) If a quorum is not present at a meeting of the Board within one (1) hour following the commencement time specified in the notice, the meeting shall be adjourned and reconvened to discuss the same agenda. The Directors will be given at least forty-eight (48) hours' notice of the reconvened meeting unless the Directors unanimously agree otherwise. At that reconvened meeting, the same quorum requirement shall apply. If, however, a quorum is not present at that reconvened meeting within one (1) hour of the scheduled commencement time, the meeting shall be adjourned once again and reconvened to discuss the same agenda and the Directors will be given at least forty-eight (48) hours' notice of that second reconvened meeting unless the Directors unanimously agree otherwise. At that second reconvened meeting, then, to the extent that such second reconvened meeting considers the same agenda, a quorum shall exist if a simple majority of Directors are present (whether in person or in any other manner permitted by these Articles) or represented by alternate Directors.

#### **14. Chairing Board meetings**

- (1) Subject to the Articles, the Board may have a chairperson of the Board (the “**Chairperson**”). The Chairperson shall be one of the Directors and shall chair Board meetings.
- (2) Subject to the Articles, the Board may have a vice-chairperson of the Board (the “**Vice-Chairperson**”). The Vice-Chairperson shall be one of the Directors (other than the Chairperson) and shall chair Board meetings in the Chairperson's absence.
- (3) The Chairperson shall be nominated and appointed (and removed and replaced from time to time) by a simple majority decision of the Board.
- (4) The Vice-Chairperson shall be nominated and appointed (and removed and replaced from time to time) by a simple majority decision of the Board.
- (5) In order to serve as Chairperson the relevant person must be a Director and in order to serve as Vice-Chairperson the relevant person must be a Director (and must not also be the Chairperson).
- (6) In the event of an equality of votes at a meeting of the Board, the Chairperson shall have a second or casting vote (and, for the avoidance of doubt, such second or casting vote shall also apply in the event of an equality of votes following a decision of the Board to select any replacement Chairperson). In the event of an equality of votes at a meeting of the Board chaired by the Vice-Chairperson, the Vice-Chairperson shall not have a second or casting vote.
- (7) Whenever a Director holding the position of Chairperson or Vice-Chairperson is subject to re-election by the Shareholders at the end of the Board Appointment Period, such Director shall immediately resume holding office as Chairperson or Vice-Chairperson (as applicable) if he or she is immediately re-elected at the relevant annual general meeting, unless the identity of the Chairperson or Vice-Chairperson (as the case may be) is changed by a simple majority decision of the Board.
- (8) Where a Director appointed as Chairperson or Vice-Chairperson ceases to hold office as a Director (other than where he or she is immediately re-elected as referred to in

Article 14(7)), such person shall automatically vacate his or her appointment as Chairperson or Vice-Chairperson (as applicable).

- (9) If neither the Chairperson nor the Vice-Chairperson is participating in a Board meeting within ten (10) minutes following the time at which it was to start, the participating Directors must appoint one of themselves to chair the meeting (the “**Alternate Chairperson**”). In the event of an equality of votes at a meeting of the Board chaired by an Alternate Chairperson, the Alternate Chairperson shall not have a second or casting vote.

## **15. Board Secretary**

- (1) The Board shall appoint a secretary (the “**Board Secretary**”) (or two (2) or more persons as joint Board Secretaries) for such term and upon such conditions as the Board may think fit, and the Board Secretary (or joint Board Secretaries) so appointed may be removed by the Board.
- (2) The Board Secretary shall be the company secretary and shall be responsible, under the guidance of the Chairperson, for giving notice, and administering and documenting the business of the Board and general meetings and such other things set out in the Articles or as the Board may determine from time to time.
- (3) The Board Secretary shall prepare minutes of each meeting of the Board, including any matters resolved in such meeting, and circulate a draft of such minutes to each of the Directors promptly following the meeting. Once approved by the Board, such minutes (reflecting any approved changes) shall be signed by (i) the Chairperson or the Vice-Chairperson and (ii) the Board Secretary. This is without prejudice to the provisions of Article 10(1)(a).
- (4) Any Board Secretary shall be a secretary of the Company within the meaning of Chapter 1 of Part 12 of the Companies Regulations.

## **16. Conflicts of interest**

- (1) Without prejudice to Chapter 3 of Part 10 of the Companies Regulations, each Director shall declare the nature and extent of his or her interest in a proposed transaction or arrangement involving any Group Company to the Board.
- (2) Subject to Article 16(3), if a Board meeting, or part of a Board meeting, is concerned with an actual or proposed transaction or arrangement with the Company in which a Director has an interest, that Director shall be prohibited from participating in that meeting, or part of that meeting, at which the relevant proposed transaction or arrangement is considered and shall be prohibited from participating in any decision-making process or vote related thereto. Without prejudice to the preceding sentence, any such Director is not to be counted as participating in that meeting, or part of that meeting, for quorum or voting purposes.
- (3) But if Article 16(4) applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company may participate in a Board meeting, or part of a Board meeting, at which the relevant proposed transaction or arrangement is considered and may participate in any decision-making process and vote related thereto.

Any such Director shall be entitled to be counted as participating in that meeting, or part of that meeting, for quorum and voting purposes.

- (4) Subject to Article 16(6), this Article 16(4) applies when:
- (a) the Directors (excluding any Director(s) who are potentially conflicted), having considered the facts and circumstances of any such interest, have, by unanimous vote, determined that a Director with any such interest may vote upon the relevant transaction or arrangement, provided that the Directors (excluding any Director(s) who are potentially conflicted):
    - (i) may, by unanimous vote, extend any such authorisation to any actual or potential conflict of interest which may arise out of the matter so authorised; and
    - (ii) shall also be entitled, by simple majority decision, to:
      - (A) make any such authorisation subject to any limits or conditions they expressly impose (whether at the time of the giving of the authorisation or subsequently); and
      - (B) terminate such authorisation at any time;
  - (b) the Company by ordinary resolution disapplies the provision of the Articles which would otherwise prohibit a Director from participating in, or voting at, a Board meeting;
  - (c) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - (d) the Director is not aware of the conflict of interest;
  - (e) the Director's conflict of interest arises from a permitted cause as referred to in Article 16(5);
  - (f) the conflict of interest is limited to such Director holding office as Director of, or any other office or employment with:
    - (i) any Group Company; or
    - (ii) that Director's Primary Shareholder (or such Primary Shareholder's Affiliate);
  - (g) if such interest or duty is limited to such Director being a participant in any scheme, transaction or arrangement for the benefit of the employees or former employees of:
    - (i) any Group Company; or
    - (ii) that Director's Primary Shareholder (or such Primary Shareholder's Affiliate);

- (h) if such interest or duty is limited to such Director being interested in any shares or other securities of:
    - (i) any Group Company; or
    - (ii) that Director's Primary Shareholder (or such Primary Shareholder's Affiliate); or
  - (i) the conflict of interest is limited to such Director's Primary Shareholder (or an Affiliate of the Director's Primary Shareholder) being a shareholder in another Group Company.
- (5) Subject to Article 16(6), for the purposes of this Article 16, the following are permitted causes:
- (a) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries; and
  - (b) arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.
- (6) Without prejudice to any requirement of Applicable Law, Articles 16(4)(f)(ii), 16(4)(g)(ii) and 16(4)(h)(ii) shall not apply in relation to any Related Party Transaction:

**17. Records of decisions to be kept**

- (1) The Board must ensure that the Company keeps a record, in writing, for at least ten (10) years from the date of the decision recorded, of every unanimous or majority decision taken by the Board.

**18. Board discretion to make further rules**

- (1) The Board may make any rules which they think fit about how they take decisions (including, pursuant to any Group Management and Governance Policy), and about how such rules are to be recorded or communicated to Directors, including the adoption of approval thresholds higher than that of a simple majority, provided that such rules do not create lower approval thresholds as may already be set out in these Articles.

**APPOINTMENT OF DIRECTORS**

**19. Appointment and termination of Directors**

- (1) As at the Admission Date, the Board shall comprise six (6) Directors. The number of Directors comprising the Board may be increased or decreased pursuant to a vote of a simple majority of the Board. Subject to this Article 19, the entire Board shall be elected at every third annual general meeting of the Company (each period between an annual general meeting at which the Board is elected to the third annual general meeting thereafter being the "**Board Appointment Period**"). Notwithstanding the preceding sentence, in relation to the Board holding office as at the Admission Date, the first

Board Appointment Period shall expire on the date of the third annual general meeting following the Admission Date.

- (2) There shall not be any limit on the number of times any particular Director may be re-appointed (and in these Articles, references to the appointment of a Director include his or her re-appointment).
- (3) Any Shareholder holding at least five per cent. (5%) of the total number of issued Shares (or Shareholders together holding at least such number of Shares) shall be entitled to nominate one (1) or more candidates for election as Directors. Such nomination(s) shall be made by notice to the Company (by written notice addressed to the Board and containing a signed statement from the candidate in question confirming they are willing to stand for election) delivered to the Company at least four (4) weeks prior to the date of the relevant annual general meeting to elect the Board at the end of the Board Appointment Period. Any existing Director may also nominate any one (1) or more candidates (including themselves) for election. Existing Directors shall be automatically included in the list of candidates for election unless the Director in question notifies the Board in writing that such Director does not intend to stand for re-election. The relevant Shareholder(s) or Directors proposing any candidate(s) for election must also provide details of the experience and brief biographical details of such candidate(s), provided that such details shall not be required in relation to existing Directors. Each candidate nominated in accordance with this Article 19(3) shall be included in the Director election process referred to in Article 19(4) other than to the extent that any such candidate is not entitled to serve as a Director by virtue of any express restriction contained in Applicable Law.
- (4) In circumstances where the general meeting is to consider the appointment of any Directors, the following procedures shall apply:
  - (a) Each candidate nominated or proposed for election shall be subject to a separate appointment resolution (each a “**Director Election Resolution**”). Director Election Resolutions shall only be approved in accordance with the procedures set out in this Article 19 and not in any other manner.
  - (b) In relation to the Director Election Resolutions (taken together), every Shareholder shall be entitled to an aggregate number of votes equal to the Board Vacancy Number multiplied by the number of votes to which the Shareholder’s Shares are entitled (the “**Shareholder Votes**”).
  - (c) Every Shareholder shall be entitled to: (i) vote all of his or her Shareholder Votes in favour of only one Director Election Resolution; or (ii) distribute his or her Shareholder Votes among more than one Director Election Resolution in such manner as that Shareholder considers appropriate.
  - (d) The Board shall ensure that the procedures adopted at the general meeting in relation to the consideration of the Director Election Resolutions: (i) enable Shareholders to clearly allocate their Shareholder Votes among the Director Election Resolutions in any manner permitted by these Articles; (ii) provide for the number of Shareholder Votes cast by each Shareholder to be verified to ensure that Shareholders do not cast more votes than their respective entitlements pursuant to these Articles; and (iii) enable the Company to identify

the Director Groups and the Directors comprising each such Director Group in accordance with these Articles. Such procedures may include separate polling cards issued to each Shareholder present at the meeting which list all candidates for election as separate Director Election Resolutions and enable the Shareholder to indicate the number of votes (if any) allocated to each separate Director Election Resolution.

- (e) In the event that a Shareholder allocates more Shareholder Votes across the Director Election Resolutions than they are entitled to cast, the number of votes allocated to each Director Election Resolution by that Shareholder shall be reduced proportionately and any remaining fractions shall be rounded down to the nearest integer.
  - (f) The person(s) that shall be appointed Director(s) shall first be the person who, as compared to the rest of the Director Election Resolutions, receives the greatest number of “for” votes, and then shall second be the person who, as compared to the rest of the Director Election Resolutions, receives the second greatest number of “for” votes and so on until the number of Directors appointed equals (but in no circumstance exceeds) the Board Vacancy Number (and any remaining candidates for appointment shall not be appointed). The relevant Director Election Resolutions shall be deemed to have been passed or rejected accordingly. Votes cast against a Director Election Resolution and votes withheld shall have no legal effect.
  - (g) For the purpose of this Article 19, “**Board Vacancy Number**” means the number of Directors which constitutes the entire Board under Article 19(1).
- (5) A person ceases to be a Director as soon as:
- (a) that person ceases to be a Director by virtue of any provision of the Companies Regulations or is prohibited from being a Director by law;
  - (b) that person becomes bankrupt;
  - (c) a composition is made with that person’s creditors generally in satisfaction of that person’s debts;
  - (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
  - (e) by reason of that person’s mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
  - (f) notification is received by the Company from the Director that the Director is resigning from office as Director, and such resignation has taken effect in accordance with its terms.
- (6) In the event that a vacancy arises on the Board during the Board Appointment Period and:

- (a) the Director vacating his or her position was, immediately prior to vacating such position, a member of a Director Group where the relevant Primary Shareholder was a Major Shareholder, such Shareholder (if still a Major Shareholder at the time the vacancy occurs) shall have the right to appoint a replacement Director by written notice to the Company; or
- (b) in circumstances other than those set out in Article 19(6)(a) above, the Board shall appoint a replacement Director pursuant to a vote of a simple majority of the Board,

in each case, any such replacement Director appointed pursuant to this Article 19 is referred to in these Articles as a “**Replacement Director**”.

- (7) A Replacement Director appointed pursuant to this Article 19 shall hold office for the remainder of the Board Appointment Period, provided that the appointment of any Replacement Director pursuant to this Article 19 shall be ratified at the next annual general meeting. Accordingly, any such Replacement Director whose appointment has been ratified at an annual general meeting shall hold office until the next annual general meeting at which the entire Board shall be elected pursuant to Article 19(1), whereupon all positions on the Board shall be vacant and subject to election at that time.
- (8) For the purposes of these Articles, Directors shall be allocated into separate groups (each a “**Director Group**”) determined in accordance with the following provisions:
  - (a) upon the election of the Board, the number of votes cast for each Director shall be assessed in order to determine the specific Shareholder which cast the largest number of votes for that Director (in relation to that Director, such Shareholder being the “**Primary Shareholder**”);
  - (b) Directors shall then, on a preliminary basis, be grouped according to the identity of their respective Primary Shareholders;
  - (c) subject to Article 19(8)(d):
    - (i) all of the Directors which have the same Primary Shareholder shall form a Director Group; and
    - (ii) where a Shareholder is the Primary Shareholder for only one (1) Director, such Director may form a Director Group on his or her own;
  - (d) in the event that a Shareholder is the Primary Shareholder for only one (1) Director, and such Primary Shareholder holds, in aggregate, less than five per cent. (5%) of the total number of issued Shares, that Director shall be designated a “**Standalone Director**” and shall be grouped together with any other Standalone Directors into a separate Director Group. For the avoidance of doubt, if there is a single Standalone Director then that Standalone Director shall form a Director Group on his or her own;
  - (e) the Board shall retain a record of the Directors in each Director Group and may also, for administrative purposes, refer to each Director Group by such designation as may be appropriate (for example and without limitation,



designations may include ‘Director Group A’, ‘Director Group B’, ‘Director Group C’, and so on);

- (f) by way of illustrative example:
  - (i) assume Shareholder A casts the largest number of votes received by each of Directors 1, 2 and 3, Shareholder B (who holds more than five per cent. (5%) of the total number of issued Shares) casts the largest number of votes received by Director 4, Shareholder C (who holds more than five per cent. (5%) of the total number of issued Shares) casts the largest number of votes received by Director 5 and Shareholder D (who holds less than five per cent. (5%) of the total number of issued Shares) casts the largest number of votes received by Director 6;
  - (ii) Shareholder A is the Primary Shareholder for Directors 1, 2 and 3, and those Directors will form one Director Group. The Board chooses to designate this as ‘Director Group A’;
  - (iii) Shareholder B is the Primary Shareholder for Director 4. Because Shareholder B holds more than five per cent. (5%) of the total number of issued Shares, this Director forms a Director Group on their own. The Board chooses to designate this as ‘Director Group B’;
  - (iv) Shareholder C is the Primary Shareholder for Director 5. Because Shareholder C holds more than five per cent. (5%) of the total number of issued Shares, this Director forms a Director Group on their own. The Board chooses to designate this as ‘Director Group C’;
  - (v) Shareholder D is the Primary Shareholder for Director 6. Because Shareholder D holds less than five per cent. (5%) of the total number of issued Shares and is the Primary Shareholder for only one (1) Director, this Director is designated as a Standalone Director. The Board chooses to designate the Standalone Director as ‘Director Group D’;
- (g) any Replacement Director appointed pursuant to this Article 19 shall be deemed to form part of the same Director Group as the relevant Director who vacated his or her position and is being replaced;
- (h) the Director Groups shall be reconstituted after each election of the Board; and
- (i) the Director Groups as at the Admission Date shall be as specified by resolution of the Board passed on or prior to such date.

## **20. Alternate Directors**

- (1) Any Director (other than an alternate Director) may appoint one (1) person, who may be either: (i) any other Director; or (ii) any other natural person approved by the Chairperson, in each case at any one time, to be his or her alternate Director and may remove from office any alternate Director so appointed by him or her. Appointment or removal of an alternate Director shall be made by written notice to the Board and shall be effective upon receipt by the Chairperson of such notice. Any appointment or removal of an alternate Director by the Chairperson shall be effective upon receipt by

the Company. For the avoidance of doubt, a person may act as an alternate Director for more than one Director simultaneously.

- (2) An alternate Director shall, subject to: (i) giving to the Company an address (and an e-mail address) to which notices may be sent to him or her; and (ii) the Director who appointed such alternate Director notifying each of the Chairperson and the Board Secretary of the meetings in respect of which such alternate Director has been appointed as an alternate Director, be entitled to receive notice of all such meetings of the Board. An alternate Director shall not, in his or her capacity as such, be entitled to appoint his or her own alternate Director (but if he or she is also a Director he or she shall be entitled to appoint an alternate Director in that capacity).
- (3) In the absence of any Director who has appointed an alternate Director, such alternate Director shall: (i) be entitled to the same voting rights, and to perform all the functions, of such Director, in addition to his or her own (if any); and (ii) be counted in the quorum for meetings of the Board as each Director for whom he or she acts as alternate Director (and him or herself if he or she also acts as a Director) and shall have one (1) vote for every Director represented by him or her who is absent in addition to his or her own vote (if any).
- (4) If a Director ceases to hold the office of Director for any reason, the appointment of his or her alternate Director, and his or her appointment as alternate Director by any other Director, shall thereupon automatically cease.

## **21. Directors' remuneration**

- (1) Directors may undertake any services for the Company that the Board decides.
- (2) Directors are entitled to such remuneration in accordance with the Articles and the provisions of the SCA Corporate Governance Guide:
  - (a) for their services to the Company as Directors; and
  - (b) for any other service which they undertake for the Company.
- (3) Subject to the Articles and the provisions of the SCA Corporate Governance Guide, a Director's remuneration may:
  - (a) take any form; and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- (4) Unless the Board decides otherwise, Directors' remuneration accrues from day to day.
- (5) Unless the Board decides otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

- (6) Directors shall not be accountable to the Company for any remuneration which they receive as Directors or other officers or employees of any Major Shareholder (or Affiliate of any Major Shareholder).

**22. Directors' expenses**

- (1) The Company may pay any reasonable expenses which the Directors and the alternate Directors properly incur in connection with their attendance at:
- (a) meetings of Directors or committees;
  - (b) general meetings; or
  - (c) separate meetings of the holders of any class of Shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

**PART 3 DECISION-MAKING BY SHAREHOLDERS**

**ORGANISATION OF GENERAL MEETINGS**

**23. Shareholders can call general meeting if not enough Directors**

- (1) If:
- (a) the Company has fewer than two (2) Directors; and
  - (b) the Director (if any) is unable or unwilling to appoint sufficient Directors to make up a quorum or to call a general meeting to do so,

then one or more Shareholders holding together in aggregate Shares representing more than twenty-five per cent. (25%) of the entire issued share capital of the Company may call a general meeting (or instruct the Board Secretary to do so) for the purpose of appointing one or more Directors.

**24. Attendance and speaking at general meetings**

- (1) Following resolution by the Board to call a general meeting, the Chairperson or, in his or her absence, the Vice-Chairperson, shall call, set the agenda for and chair each general meeting, which shall be convened:
- (a) except as provided in Article 25(3), by notifying each Shareholder no later than:
    - (i) fourteen (14) calendar days prior to the proposed date of the relevant general meeting; or
    - (ii) twenty-one (21) calendar days prior to the proposed date of the annual general meeting; provided that, in each case, the meeting may be called on less than the relevant period of notice specified in (i) or (ii) if approved by the Shareholders in accordance with sections 324 or 356(2) of the Companies Regulations (as the case may be);
  - (b) on a Business Day; and
  - (c) at least once a year.

- (2) The Board Secretary, or in their absence, a proxy nominated by the Chairperson from time to time, shall be responsible for, among other things, administering and documenting the business of a general meeting.
- (3) General meetings shall be held:
  - (a) by telephone, video conferencing or other similar methods, by means of which all persons participating in the meeting can at all times during such meeting hear and speak to each other, and such participation shall constitute presence in person at such meeting; or
  - (b) in person.
- (4) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- (5) Without prejudice to Article 19, a person is able to exercise the right to vote at a general meeting when:
  - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (6) The Board may make whatever arrangements it considers appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

## **25. Quorum for general meetings**

- (1) Subject to Article 25(3) and due notice of a general meeting being given, a quorum shall exist at any general meeting of the Company if Shareholders holding at least a simple majority of the aggregate number of voting rights attaching to the entire issued share capital of the Company are present (in person or by proxy).
- (2) No business other than the appointment of the Chairperson of the Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- (3) If a quorum is not present at a general meeting of the Company within one (1) hour following the commencement time specified in the notice, the meeting shall be adjourned and reconvened to discuss the same agenda. At least forty-eight (48) hours' notice of the reconvened meeting will be given unless the Shareholders unanimously agree otherwise. At that reconvened meeting, the same quorum requirement shall apply. If, however, a quorum is not present at that reconvened meeting within one (1) hour of the scheduled commencement time, the meeting shall be adjourned once again and reconvened to discuss the same agenda and at least forty-eight (48) hours' notice of the second reconvened meeting will be given unless the Shareholders unanimously agree otherwise. At that second reconvened meeting, then, to the extent that the second reconvened meeting considers the same agenda, a quorum shall exist provided that Shareholders holding at least a simple majority of the aggregate number of voting rights

attaching to the entire issued share capital of the Company are present (in person or by proxy).

## **26. Chairing general meetings**

- (1) If the Board has appointed a Chairperson, the Chairperson shall chair general meetings if present and willing to do so.
- (2) If the Board has appointed a Vice-Chairperson, and the Chairperson is unwilling to chair the meeting or is not present within ten (10) minutes of the time at which a meeting was due to start, the Vice-Chairperson shall chair the general meeting if present and willing to do so.
- (3) If the Board has not appointed a Chairperson and a Vice-Chairperson, or if each of the Chairperson and Vice-Chairperson is unwilling to chair the meeting or if both are not present within ten (10) minutes of the time at which a meeting was due to start:

- (a) the Directors present; or
- (b) if no Directors are present, the meeting,

must appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairperson of the Meeting must be the first business of the meeting.

- (4) The person chairing a general meeting in accordance with this Article 26 is referred to as the “**Chairperson of the Meeting**”.

## **27. Attendance and speaking by Directors and non-Shareholders**

- (1) Directors may attend and speak at general meetings, whether or not they are Shareholders.
- (2) The Chairperson of the Meeting may permit other persons who are not:
  - (a) Shareholders of the Company; or
  - (b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,

to attend and speak at a general meeting.

## **28. Adjournment**

- (1) The Chairperson of the Meeting must adjourn a general meeting if:
  - (a) such adjournment is required pursuant to Article 25; or
  - (b) directed to do so by the meeting.
- (2) The Chairperson of the Meeting may adjourn a general meeting at which a quorum is present if:
  - (a) the meeting consents to an adjournment; or

- (b) it appears to the Chairperson of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) When adjourning a general meeting, the Chairperson of the Meeting must:
  - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Board; and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (4) If the continuation of an adjourned meeting is to take place more than fourteen (14) calendar days after it was adjourned, the Company must give at least seven (7) clear calendar days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
  - (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
  - (b) containing the same information which such notice is required to contain.
- (5) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **VOTING AT GENERAL MEETINGS**

### **29. Voting: general**

- (1) Subject to Article 19, a resolution put to the vote of a general meeting must be decided on by a poll in accordance with the Articles.
- (2) If a matter is reserved by Applicable Law or these Articles to the Company's Shareholders, any such matter shall, unless a higher majority is required by Applicable Law, require the approval of:
  - (a) subject to Article 29(2)(b), a simple majority vote of the Shareholders attending (in person or by proxy) a duly convened and quorate general meeting, and each Shareholder shall have such number of votes as is equal to the Shares held by such Shareholder; or
  - (b) in relation to the appointment of Directors, the Shareholders in accordance with Article 19.
- (3) In the event of an equality of votes in relation to a resolution of the Shareholders, no person shall have a second or casting vote.

### **30. Errors and disputes**

- (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

- (2) Any such objection must be referred to the Chairperson of the Meeting whose decision is final.

### **31. Procedure on a poll**

- (1) Subject to the Articles, polls at general meetings must be taken when, where and in such manner as the Chairperson of the Meeting directs.
- (2) The Chairperson of the Meeting may appoint scrutineers (who need not be Shareholders) and decide how and when the result of the poll is to be declared.
- (3) Subject to the Articles, the result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.
- (4) A poll on:
  - (a) the election of the Chairperson of the Meeting; or
  - (b) a question of adjournment,must be taken immediately.
- (5) Other polls must be taken within thirty (30) days of their being demanded.
- (6) A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.
- (7) No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded.
- (8) In any other case, at least seven (7) days' notice must be given specifying the time and place at which the poll is to be taken.
- (9) This Article 31 is without prejudice to the provisions of Article 19.

### **32. Content of Proxy Notices**

- (1) Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which:
  - (a) states the name and address of the Shareholder appointing the proxy;
  - (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
  - (c) specifies the mandate for the Shareholder's proxy and the term for which the Proxy Notice may be used;
  - (d) is signed by or on behalf of the Shareholder appointing the proxy, or is otherwise authenticated in such manner as the Board may determine; and
  - (e) is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

- (2) The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a Proxy Notice indicates otherwise, it must be treated as:
  - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

### **33. Delivery of Proxy Notices**

- (1) Any notice of a general meeting must specify the address or addresses (“**Proxy Notification Address**”) at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- (2) A person who is entitled to attend, speak or vote (on a poll or otherwise) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- (3) Subject to Articles 33(4) and 33(5), a Proxy Notice must be delivered to a Proxy Notification Address not less than forty-eight (48) hours before the general meeting or adjourned meeting to which it relates.
- (4) In the case of a poll taken more than forty-eight (48) hours after it is demanded, the notice must be delivered to a Proxy Notification Address not less than twenty-four (24) hours before the time appointed for the taking of the poll.
- (5) In the case of a poll not taken during the meeting but taken not more than forty-eight (48) hours after it was demanded, the Proxy Notice must be delivered:
  - (a) in accordance with Article 33(3); or
  - (b) at the meeting at which the poll was demanded to the Chairperson, secretary or any Director.
- (6) An appointment under a Proxy Notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given to a Proxy Notification Address.
- (7) A notice revoking a proxy appointment only takes effect if it is delivered before:
  - (a) the start of the meeting or adjourned meeting to which it relates; or
  - (b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.



- (8) If a Proxy Notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

#### **34. Amendments to resolutions**

- (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the Board Secretary in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than forty-eight (48) hours before the meeting is to take place (or such later time as the Chairperson of the Meeting may determine); and
  - (b) the proposed amendment does not, in the reasonable opinion of the Chairperson of the Meeting, materially alter the scope of the resolution.
- (2) A special resolution or Director Election Resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the Chairperson of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the Chairperson of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairperson's error does not invalidate the vote on that resolution.

#### **35. Corporate representatives**

- (1) In accordance with section 341 of the Companies Regulations, a corporation which is a Shareholder may by resolution of its Directors or other governing body authorise a person or persons to act as its representative or representatives at any general meeting of the Company.
- (2) Section 349 of the Companies Regulations shall be deemed to also apply to a representative of a corporation (within the meaning of section 341 of those regulations) as if references in that section to a proxy were to both a proxy and such representative of a corporation.

#### **36. No voting of Shares on which money owed to Company**

- (1) No voting rights attached to a partly paid Share may be exercised at any general meeting or at any adjournment of it, if a Call has been made in respect of that Share, such Call has not been paid in full when due and such Call remains outstanding at the relevant time.

#### **37. Application to class meetings**

- (1) The provisions of the Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares.

## **PART 4 SHARES AND DISTRIBUTIONS**

### **SHARES**

#### **38. Powers to issue different classes of share**

- (1) Subject to the Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution or, if no such resolution has been passed, or so far as the resolution does not make special provision, as the Board may decide subject to the Articles.
- (2) Subject to the Articles, the Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Board may determine the terms, conditions and manner of redemption of any such Shares.

#### **39. Payment of commissions on subscription for Shares**

- (1) Subject to the Articles, the Company may pay any person a commission in consideration for that person:
  - (a) subscribing, or agreeing to subscribe, for Shares; or
  - (b) procuring, or agreeing to procure, subscriptions for Shares.
- (2) Any such commission may be paid:
  - (a) in cash, or in fully paid or partly paid Shares or other securities, or partly in one way and partly in the other; and
  - (b) in respect of a conditional or an absolute subscription.

#### **40. Company not bound by less than absolute interests**

- (1) Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

#### **41. Share Certificates**

- (1) Subject to the Articles, the Company must issue each Shareholder with one (1) or more Certificates in respect of the Shares which that Shareholder holds.
- (2) This Article 41 does not apply to:
  - (a) Uncertificated Shares; or
  - (b) Shares in respect of which the Companies Regulations permit the Company not to issue a Certificate.

- (3) Except as otherwise specified in the Articles, all Certificates must be issued free of charge.
- (4) No Certificate may be issued in respect of Shares of more than one (1) class.
- (5) If more than one (1) person holds a Share, only one (1) Certificate may be issued in respect of it.
- (6) Every Certificate must specify:
  - (a) in respect of how many Shares, of what class, it is issued;
  - (b) the issue price of those Shares;
  - (c) the amount paid up on them; and
  - (d) any distinguishing numbers assigned to them.
- (7) Certificates must:
  - (a) have affixed to them the Company's common seal; or
  - (b) be otherwise executed in accordance with the Companies Regulations.

#### **42. Consolidated Share certificates**

- (1) This Article 42 does not apply to:
  - (a) Uncertificated Shares; or
  - (b) Shares in respect of which the Companies Regulations permit the Company not to issue a Certificate.
- (2) When a Shareholder's holding of Shares of a particular class increases, the Company may issue that Shareholder with:
  - (a) a single, consolidated Certificate in respect of all the Shares of a particular class which that Shareholder holds; or
  - (b) a separate Certificate in respect of only those Shares by which that Shareholder's holding has increased.
- (3) When a Shareholder's holding of Shares of a particular class is reduced, the Company must ensure that the Shareholder is issued with one (1) or more Certificates in respect of the number of Shares held by the Shareholder after that reduction. But the Company need not (in the absence of a request from the Shareholder) issue any new Certificate if:
  - (a) all the Shares which the Shareholder no longer holds as a result of the reduction; and
  - (b) none of the Shares which the Shareholder retains following the reduction,

were, immediately before the reduction, represented by the same Certificate.

- (4) A Shareholder may request the Company, in writing, to replace:
  - (a) the Shareholder's separate Certificates with a consolidated Certificate; or
  - (b) the Shareholder's consolidated Certificate with two (2) or more separate Certificates representing such proportion of the Shares as the Shareholder may specify.
- (5) When the Company complies with such a request it may charge such reasonable fee as the Board may decide for doing so.
- (6) Subject to Article 43, a consolidated Certificate must not be issued unless any Certificates which it is to replace have first been returned to the Company for cancellation.

#### **43. Replacement Share certificates**

- (1) This Article 43 does not apply to:
  - (a) Uncertificated Shares; or
  - (b) Shares in respect of which the Companies Regulations permit the Company not to issue a Certificate.
- (2) If a Certificate issued in respect of a Shareholder's Shares is:
  - (a) damaged or defaced; or
  - (b) said to be lost, stolen or destroyed,

that Shareholder is entitled to be issued with a replacement Certificate in respect of the same Shares.

- (3) A Shareholder exercising the right to be issued with such a replacement Certificate:
  - (a) may at the same time exercise the right to be issued with a single Certificate or separate Certificate;
  - (b) must return the Certificate which is to be replaced to the Company if it is damaged or defaced; and
  - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Board decides.

### **SHARES NOT HELD IN CERTIFICATED FORM**

#### **44. Uncertificated Shares**

- (1) In this Article 44, the "**Relevant Rules**" means:

- (a) any applicable provision of the Companies Regulations and the Uncertificated Securities Rules about the holding, evidencing of title to, or transfer of Shares other than in Certificated form; and
  - (b) any applicable legislation, rules or other arrangements made under or by virtue of such provision.
- (2) The provisions of this Article 44 have effect subject to the Relevant Rules.
- (3) Any provision of the Articles which is inconsistent with the Relevant Rules must be disregarded, to the extent that it is inconsistent, whenever the Relevant Rules apply.
- (4) Any Share or class of Shares may be issued or held on such terms, or in such a way, that:
  - (a) title to it or them is not, or must not be, evidenced by a Certificate; or
  - (b) it or they may or must be transferred wholly or partly without a Certificate.
- (5) Subject to the Articles, the Directors have power to take such steps as they think fit in relation to:
  - (a) the evidencing of and transfer of title to Uncertificated Shares (including in connection with the issue of such Shares);
  - (b) any records relating to the holding of Uncertificated Shares;
  - (c) the conversion of Certificated Shares into Uncertificated Shares; or
  - (d) the conversion of Uncertificated Shares into Certificated Shares.
- (6) Subject to the Articles, the Company may by notice to the holder of a Share require that Share:
  - (a) if it is Uncertificated, to be converted into Certificated form; and
  - (b) if it is Certificated, to be converted into Uncertificated form, to enable it to be dealt with in accordance with the Articles.
- (7) If:
  - (a) the Articles give the Directors power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of Shares; and
  - (b) Uncertificated Shares are subject to that power, but the power is expressed in terms which assume the use of a Certificate or other written instrument,

the Directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to Uncertificated Shares. In particular, the Directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an Uncertificated Share or otherwise to enforce a lien in respect of it.

- (8) Unless the Directors otherwise determine, Shares which a Shareholder holds in Uncertificated form must be treated as separate holdings from any Shares which that Shareholder holds in Certificated form.
- (9) A class of Shares must not be treated as two (2) classes simply because some Shares of that class are held in Certificated form and others are held in Uncertificated form.

## **PARTLY PAID SHARES**

### **45. Company's Lien over partly paid Shares**

- (1) The Company has a lien (the "**Company's Lien**") over every Share which is partly paid for any part of that Share's issue price which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a Call Notice has been sent in respect of it.
- (2) The Company's Lien over a Share:
  - (a) takes priority over any third party's interest in that Share; and
  - (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.
- (3) The Board may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

### **46. Enforcement of the Company's Lien**

- (1) Subject to the provisions of this Article, if:
  - (a) a Lien Enforcement Notice has been given in respect of a Share; and
  - (b) the person to whom the notice was given has failed to comply with it,the Company may sell that Share in such manner as the Board may decide.
- (2) A Lien Enforcement Notice:
  - (a) may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
  - (b) must specify the Share concerned;
  - (c) must require payment of the sum payable within fourteen (14) days of the notice;
  - (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
  - (e) must state the Company's intention to sell the Share if the notice is not complied with.

- (3) Where Shares are sold under this Article:
- (a) the Board may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and
  - (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- (4) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and
  - (b) second, to the person entitled to the Shares at the date of the sale, but only after the Certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost Certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable in respect of the Shares after the date of the Lien Enforcement Notice.
- (5) A statutory declaration by a Director or the Board Secretary that the declarant is a Director or the Board Secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

#### **47. Call Notices**

- (1) Subject to the Articles and the terms on which Shares are allotted, the Board may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "**Call**") which is payable in respect of Shares which that Shareholder holds at the date when the Board decide to send the Call Notice.
- (2) A Call Notice:
- (a) may not require a Shareholder to pay a Call which exceeds the total sum unpaid on that Shareholder's Shares;
  - (b) must state when and how any Call to which it relates it is to be paid; and
  - (c) may permit or require the Call to be paid by instalments.
- (3) A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before fourteen (14) days have passed since the notice was sent.

- (4) Before the Company has received any Call due under a Call Notice the Board may:
- (a) revoke it wholly or in part, or
  - (b) specify a later time for payment than is specified in the notice,
- by a further notice in writing to the Shareholder in respect of whose Shares the Call is made.

**48. Liability to pay Calls**

- (1) Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.
- (2) Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share.
- (3) Subject to the terms on which Shares are allotted, the Board may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them:
  - (a) to pay Calls which are not the same, or
  - (b) to pay Calls at different times.

**49. When Call Notice need not be issued**

- (1) A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share:
  - (a) on allotment;
  - (b) on the occurrence of a particular event; or
  - (c) on a date fixed by or in accordance with the terms of issue.
- (2) But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

**50. Failure to comply with Call Notice: automatic consequences**

- (1) If a person is liable to pay a Call and fails to do so by the Call Payment Date:
  - (a) the Board may issue a notice of intended forfeiture to that person; and
  - (b) until the Call is paid, that person must pay the Company interest on the Call from the Call Payment Date at the Relevant Rate.



- (2) For the purposes of this Article 50:
- (a) the “**Call Payment Date**” is the time when the Call Notice states that a Call is payable, unless the Board gives a notice specifying a later date, in which case the “**Call Payment Date**” is that later date;
  - (b) the “**Relevant Rate**” is:
    - (i) the rate fixed by the terms on which the Share in respect of which the Call is due was allotted;
    - (ii) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the Board;
    - (iii) if no rate is fixed in either of these ways, five per cent. (5%) per annum.
- (3) The Board may waive any obligation to pay interest on a Call wholly or in part.

### **51. Notice of intended forfeiture**

- (1) A notice of intended forfeiture:
- (a) may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice;
  - (b) must be sent to the holder of that Share or to a person entitled to it by reason of the holder’s death, bankruptcy or otherwise;
  - (c) must require payment of the Call and any accrued interest by a date which is not less than fourteen (14) days after the date of the notice;
  - (d) must state how the payment is to be made; and
  - (e) must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited.

### **52. Board’s power to forfeit Shares**

- (1) If a notice of intended forfeiture is not complied with on or before the date by which payment of the Call is required in the notice of intended forfeiture, the Board may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.

### **53. Effect of forfeiture**

- (1) Subject to the Articles, the forfeiture of a Share extinguishes:
- (a) all interests in that Share, and all claims and demands against the Company in respect of it; and
  - (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

- (2) Any Share which is forfeited in accordance with the Articles:
  - (a) is deemed to have been forfeited when the Board decides that it is forfeited;
  - (b) is deemed to be the property of the Company; and
  - (c) may be sold, re-allotted or otherwise disposed of as the Board thinks fit.
- (3) If a person's Shares have been forfeited:
  - (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members;
  - (b) that person ceases to be a Shareholder in respect of those Shares;
  - (c) that person must surrender the Certificate for the Shares forfeited to the Company for cancellation;
  - (d) that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
  - (e) the Board may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- (4) At any time before the Company disposes of a forfeited Share, the Board may decide to cancel the forfeiture on payment of all Calls and interest due in respect of it and on such other terms as they think fit.

#### **54. Procedure following forfeiture**

- (1) If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Board may authorise any person to execute the instrument of transfer.
- (2) A statutory declaration by a Director or the Board Secretary that the declarant is a Director or the Board Secretary and that a Share has been forfeited on a specified date:
  - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.
- (3) A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.

- (4) If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
  - (a) was, or would have become, payable; and
  - (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

## **55. Surrender of Shares**

- (1) A Shareholder may surrender any Share:
  - (a) in respect of which the Board may issue a notice of intended forfeiture;
  - (b) which the Board may forfeit; or
  - (c) which has been forfeited.
- (2) The Board may accept the surrender of any such Share.
- (3) The effect of surrender on a Share is the same as the effect of forfeiture on that Share.
- (4) A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

## **TRANSFER OF SHARES**

### **56. Transfers: general**

- (1) This Article 56 does not apply to:
  - (a) Uncertificated Shares; or
  - (b) Shares in respect of which the Companies Regulations permit the Company not to issue a Certificate.
- (2) Certificated Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Board, which is executed by or on behalf of:
  - (a) the transferor; and
  - (b) if any of the Shares is partly paid, the transferee.
- (3) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.
- (4) The Company may retain any instrument of transfer which is registered.

- (5) The transferor remains the holder of a Certificated Share until the transferee's name is entered in the register of members as holder of it.
- (6) The Directors may refuse to register the transfer of a Certificated Share if:
  - (a) the Share is not fully paid;
  - (b) the transfer is not lodged at the Company's registered office or such other place as the Directors have appointed;
  - (c) the transfer is not accompanied by the Certificate for the Shares to which it relates, or such other evidence as the Directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;
  - (d) the transfer is in respect of more than one (1) class of Share; or
  - (e) the transfer is in favour of more than four (4) transferees.
- (7) The Board may refuse to register the transfer of a Certificated Share if it is in breach of these Articles and, if it does so, the instrument of transfer must be returned to the transferee with the notice of refusal unless the Board suspects that the proposed transfer may be fraudulent.

#### **57. Transfer of Uncertificated Shares**

- (1) All transfers of Shares which are in Uncertificated form shall be effected by means of a Relevant System unless the Uncertificated Securities Rules provide otherwise.
- (2) A transfer of an Uncertificated Share must not be registered if it is in favour of more than four (4) transferees.

### **TRANSMISSION**

#### **58. Transmission of Shares**

- (1) If title to a Share passes to a Transmittor, the Company may only recognise the Transmittor as having any title to that Share.
- (2) Nothing in these Articles releases the estate of a deceased Shareholder from any liability in respect of a Share solely or jointly held by that Shareholder.
- (3) A Transmittor who produces such evidence of entitlement to Shares as the Board may properly require:
  - (a) may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person; and
  - (b) subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had.

- (4) But Transmittees do not have the right to attend or vote at a general meeting in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares.

**59. Exercise of Transmittees' rights**

- (1) Transmittees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.
- (2) If the Share is a Certificated Share and a Transmitttee wishes to have it transferred to another person, the Transmitttee must execute an instrument of transfer in respect of it.
- (3) If the Share is an Uncertificated Share and the Transmitttee wishes to have it transferred to another person, the Transmitttee must:
- (a) procure that all appropriate instructions are given to effect the transfer; or
  - (b) procure that the Uncertificated Share is changed into Certificated form and then execute an instrument of transfer in respect of it.
- (4) Any transfer made or executed under this Article 59 is to be treated as if it were made or executed by the person from whom the Transmitttee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

**60. Transmitttees bound by prior notices**

- (1) If a notice is given to a Shareholder in respect of Shares and a Transmitttee is entitled to those Shares, the Transmitttee is bound by the notice if it was given to the Shareholder before the Transmitttee's name has been entered in the register of members.

**CONSOLIDATION OF SHARES**

**61. Procedure for disposing of fractions of Shares**

- (1) This Article 61 applies where:
- (a) there has been a consolidation or division of Shares; and
  - (b) as a result, Shareholders are entitled to fractions of Shares.
- (2) The Board may:
- (a) sell the Shares representing the fractions to any person including the Company for the best price reasonably obtainable;
  - (b) in the case of a Certificated Share, authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and
  - (c) distribute the net proceeds of sale in due proportion among the holders of the Shares.

- (3) Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by a resolution of the Board, that Shareholder's portion may be distributed to an organisation which is a charity for the purposes of the laws of Abu Dhabi and/or the Abu Dhabi Global Market.
- (4) The person to whom the Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- (5) The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

## **NEW SHARE ISSUANCES**

### **62. Pre-emption rights in the Companies Regulations**

- (1) Subject to the Articles, without prejudice to the provisions of these Articles, the provisions in the Companies Regulations shall apply in relation to the issuance and allotment of equity securities (including an allotment by operation of sections 519(2) and 519(3) of the Companies Regulations and including the sale, re-allotment or other disposal of Shares pursuant to Articles 53(2)(c) or 55(4)).
- (2) Subject to the Articles, for the purposes of section 510 of the Companies Regulations, the Directors may seek from the Shareholders a specific or a general authorisation to issue and allot equity securities (within the meaning of Article 62(1)). In no circumstances shall the Directors be empowered to issue and allot any equity securities absent a valid authorisation.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **63. Procedure for declaring dividends**

- (1) Subject to the Articles, the Company may by ordinary resolution declare dividends, and the Board may decide to pay interim dividends.
- (2) A dividend must not be declared unless the Board has made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Board.
- (3) No dividend may be declared or paid unless it is in accordance with the Shareholders' respective rights and the provisions of these Articles.
- (4) Unless the Shareholders' resolution to declare or Board decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it.
- (5) If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- (6) The Board may pay at intervals any dividend payable at a fixed rate if it appears to it that the profits available for distribution justify the payment.

- (7) If the Directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

#### **64. Calculation of dividends**

- (1) Except as otherwise provided by the Articles or the rights attached to Shares, all dividends must be:
- (a) declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and
  - (b) apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.
- (2) If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly.
- (3) For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount.

#### **65. Payment of dividends and other distributions**

- (1) Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:
- (a) transfer to a bank account specified by the Distribution Recipient either in writing or as the Board may otherwise decide;
  - (b) sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing or as the Board may otherwise decide;
  - (c) sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified either in writing or as the Board may otherwise decide; or
  - (d) any other means of payment as the Board agrees with the Distribution Recipient either in writing or by such other means as the Board decides.
- (2) In the Articles, the "**Distribution Recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:
- (a) the holder of the Share; or
  - (b) if the Share has two or more joint holders, whichever of them is named first in the register of members; or

- (c) if the holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmittée.

(3) No Shareholder shall have any right to demand any non-cash distribution.

**66. Deductions from distributions in respect of sums owed to the Company**

(1) If:

- (a) a Share is subject to the Company's Lien; and
- (b) the Board is entitled to issue a Lien Enforcement Notice in respect of it,

the Board may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that the Board is entitled to require payment under a Lien Enforcement Notice.

(2) Money so deducted must be used to pay any of the sums payable in respect of that Share.

(3) The Company must notify the Distribution Recipient in writing of:

- (a) the fact and amount of any such deduction;
- (b) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
- (c) how the money deducted has been applied.

**67. No interest on distributions**

(1) The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:

- (a) the terms on which the Share was issued; or
- (b) the provisions of another agreement between the holder of that Share and the Company.

**68. Unclaimed distributions**

(1) All dividends or other sums which are:

- (a) payable in respect of Shares; and
- (b) unclaimed after having been declared or become payable, may be invested or otherwise made use of by the Board for the benefit of the Company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.



- (3) If:
- (a) twelve (12) years have passed from the date on which a dividend or other sum became due for payment; and
  - (b) the Distribution Recipient has not claimed it,
- the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

**69. Non-cash distributions**

- (1) Subject to the terms of issue of the Share in question and these Articles, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any Company).
- (2) If the Shares in respect of which such a non-cash distribution is paid are Uncertificated, any Shares in the Company which are issued as a non-cash distribution in respect of them must be Uncertificated.
- (3) Subject to the Articles, for the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
  - (a) fixing the value of any assets;
  - (b) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and
  - (c) vesting any assets in trustees.

**70. Waiver of distributions**

- (1) Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:
  - (a) the Share has more than one holder; or
  - (b) more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

**CAPITALISATION OF PROFITS**

**71. Authority to capitalise and appropriation of Capitalised Sums**

- (1) Subject to the Articles, the Board may, if it is so authorised by an ordinary resolution:

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of any of the Company's reserves or funds, including but not limited to, the merger reserve, revaluation reserve or the Company's capital redemption reserve; and
  - (b) appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**Persons Entitled**") and in the same proportions.
- (2) Capitalised Sums must be applied:
- (a) on behalf of the Persons Entitled; and
  - (b) in the same proportions as a dividend would have been distributed to them.
- (3) Any Capitalised Sum may be applied in paying up new Shares of an issue price equal to the Capitalised Sum which are then allotted credited as fully paid to the Persons Entitled or as they may direct.
- (4) A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the Persons Entitled or as they may direct.
- (5) Subject to the Articles the Board may:
- (a) apply Capitalised Sums in accordance with Article 71(3) and 71(4) partly in one way and partly in another;
  - (b) make such arrangements as it may decide to deal with Shares or debentures becoming distributable in fractions under this Article 71 (including the issuing of fractional Certificates or the making of cash payments); and
  - (c) authorise any person to enter into an agreement with the Company on behalf of all the Persons Entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article 71.

## **PART 5 ADMINISTRATIVE ARRANGEMENTS**

### **72. Means of communication to be used**

- (1) Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Regulations provides for documents or information which are authorised or required by any provision of the Companies Regulations to be sent or supplied by or to the Company. In particular, but without limitation, the Company may send or supply documents or information to Shareholders:
- (a) in electronic form, subject to compliance with part 3 of schedule 5 of the Companies Regulations; and/or

- (b) by making them available on a website, subject to compliance with part 4 of schedule 5 of the Companies Regulations (and for the purposes of paragraph 10 thereof, this Article 72(1)(b) constitutes a provision that the Company may send or supply documents or information to members by making them available on a website).
- (2) Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by the Board may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than forty-eight (48) hours.

**73. Failure to notify contact details**

- (1) If:
  - (a) the Company sends two consecutive documents to a Shareholder over a period of at least twelve (12) months; and
  - (b) each of those documents is returned undelivered, or the Company receives notification that it has not been delivered,

that Shareholder ceases to be entitled to receive notices from the Company.

- (2) A Shareholder who has ceased to be entitled to receive notices from the Company becomes entitled to receive such notices again by sending the Company:
  - (a) a new address to be recorded in the register of members; or
  - (b) if the Shareholder has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively.

**74. Company seals**

- (1) Any common seal may only be used by the authority of the Board.
- (2) The Board may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the Board, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this Article 74, an authorised person is:
  - (a) any Director of the Company;
  - (b) the Board Secretary; or

- (c) any person authorised by the Board for the purpose of signing documents to which the common seal is applied.
- (5) If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the Directors.

## **75. Destruction of documents**

- (1) The Company is entitled to destroy:
  - (a) all instruments of transfer of Shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six (6) years after the date of registration;
  - (b) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two (2) years after they have been recorded;
  - (c) all Share Certificates which have been cancelled from one (1) year after the date of the cancellation;
  - (d) all paid dividend warrants and cheques from one (1) year after the date of actual payment; and
  - (e) all Proxy Notices from one (1) year after the end of the meeting to which the Proxy Notice relates.
- (2) If the Company destroys a document in good faith, in accordance with the Articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the Company that:
  - (a) entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made;
  - (b) any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
  - (c) any Share Certificate so destroyed was a valid and effective Certificate duly and properly cancelled; and
  - (d) any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.
- (3) This Article 75 does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this Article 75 permits it to do so.
- (4) In this Article 75, references to the destruction of any document include a reference to it being disposed of in any manner.

**76. No right to inspect accounts and other records**

- (1) Except as provided by law or authorised by the Board or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

**77. Provision for employees on cessation of business**

- (1) The Board may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

**DIRECTORS' INDEMNITY AND INSURANCE**

**78. Indemnity**

- (1) Subject to Article 78(2), a relevant Director, officer, senior manager or alternate Director of the Company or an Associated Company may be indemnified out of the Company's assets against:
- (a) any liability incurred by that person in connection with any negligence, default, breach of duty or breach of trust by him or her or any other liability incurred by him or her in the execution of his or her duties, the exercise of his or her powers or otherwise in connection with his or her duties, powers or offices;
  - (b) any liability incurred by that person in connection with the activities of the Company or an Associated Company in its capacity as a trustee of an occupational pension scheme (as defined in section 222(6) of the Companies Regulations); or
  - (c) any other liability incurred by that person as an officer of the Company or an Associated Company.
- (2) This Article 78 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Regulations or by any other provision of Applicable Law, and Article 78(1) shall be construed accordingly.
- (3) In this Article 78:
- (a) references to an “**Associated Company**” mean a member of the Group from time to time other than the Company; and
  - (b) a “**relevant Director, officer, senior manager or alternate Director**” means any Director, officer, senior manager or alternate Director or any former Director, officer, senior manager or alternate Director of the Company or an Associated Company.

**79. Insurance**

- (1) The Board may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director, officer, senior manager or alternate Director in respect of any relevant loss.
- (2) In this Article 79:
  - (a) “**Associated Company**” has the same meaning as given in Article 78(3)(a);
  - (b) a “**relevant Director, officer, senior manager or alternate Director**” has the same meaning as given in Article 78(3)(b); and
  - (c) a “**relevant loss**” means any loss or liability which has been or may be incurred by a relevant Director, officer, senior manager or alternate Director in connection with that person’s duties or powers in relation to the Company, any Associated Company or any pension fund or employees’ share scheme of the Company or Associated Company.

## **Annex 3 – Receiving Banks' Branches**

## Project Golf – Banks Branches (English)

### ENBD - Participating Branches (English)

EMIRATES	BRANCH	Location	Working Hours	IPO Working Hours	Contact
Dubai	Deira Branch	Ground Floor, new Emirates NBD Building at Abra Rd, Deira, Dubai	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(8:00 AM - 12:00 PM)	(8:00 AM - 11:00 AM)	
			Saturday	Saturday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
Dubai	Jumeirah Branch	Emirates NBD Building, Al Wasl Rd Intersection, Umm Suquiem 3, Jumeirah, Dubai	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(8:00 AM – 3:00 PM)	(8:00 AM - 11:00 AM)	
			Saturday	Saturday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
Dubai	Al Qusais Branch	Damascus St, Near Dubai Grand Hotel, Al Qusais, Dubai	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(8:00 AM - 12:00 PM)	(8:00 AM - 11:00 PM)	
			Saturday	Saturday	



EMIRATES	BRANCH	Location	Working Hours	IPO Working Hours	Contact
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
Abu Dhabi	Abu Dhabi Main Branch	Ground Floor, Al Neem Building, Shaikh Khalifa street , Abu Dhabi	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 2:00 PM)	
			Friday	Friday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 12:00 PM)	
Abu Dhabi	Al Muroor Branch	New Airport Road, Muroor, Abu Dhabi	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(8:00 AM - 12:00 PM)	(8:00 AM - 11:00 AM)	
			Saturday	Saturday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
Al Ain	Al Ain Main Branch	Sheikh Khalifa Bin Zayed St, (in front of Burjeel Hospital), Al Ain	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(8:00 AM - 12:00 PM)	(8:00 AM - 11:00 AM)	
			Saturday	Saturday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
Ajman	Ajman Branch	Emirates NBD Building, Sheikh	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	

EMIRATES	BRANCH	Location	Working Hours	IPO Working Hours	Contact
		Rashid Bin Humaid St, Al Sawan, Ajman	Friday	Friday	
			(8:00 AM - 12:00 PM)	(8:00 AM - 11:00 AM)	
			Saturday	Saturday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	

### Emirates Islamic Bank - Participating Branches (English)

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Healthcare City Branch	Dubai	Monday to Thursday (8am - 4pm) Friday (8 - 12.30pm & 2pm - 4pm)	Monday to Thursday (8am - 1pm) Friday (8am - 11.30am)	Building 16, Dubai Health Care City
2	Nad Al Hamar	Deira	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Bel Remaitha Club Building, Show Rooms # S-8 & S-9, Nad Al Hamar Area, Al Rubat street
3	Halwan Branch	Sharjah & NE Region	Monday to Saturday (8am - 8pm) Friday (8am - 11.30am)	Monday to Saturday (8am - 1pm) Friday (8am - 10.30am)	Sheikh Isam Building, Wasit Street, Industrial Area, Halwaan, Sharjah
4	Ajman Kalifa Bin Zayed	Ajman	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Sara Plaza 2, Al Jurf 2 area - Shaikh Khalifa Bin Zayed St - Ajman
5	Ras Al Khaimah Branch	Ras Al Khaimah	Monday to Saturday (8am - 8pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Emirates Islamic Tower, Ground Floor, Al Muntaser Road - Al Nakheel Area

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
6	Fujairah Branch	Fujairah	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Near Choithram Supermarket, Sheikh Hamad Bin Abdulla Street
7	Main Branch Abu Dhabi	Abu Dhabi	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Khalidiyah Corniche Area, Wave Tower
8	Al Ain Main Branch	Al Ain	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Al Ain, Al Murabaa Area, Othman Bin Affan Street, opposite to Al Ain Mall

### **ADIB - Participating Branches (English)**

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday - Saturday )	Customer Timing (Friday )	Branch Address
1	Al Bateen Branch	Normal Branch	33	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	Abu Dhabi - Al Bateen king Abdulla bin AbdulAziz Al Saud Street - near UAE Central Bank
2	Sheikh Zayed Main Branch	Normal Branch	403	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	Sheikh Rashid Bin Saeed St(Old Airport Road) opposite to Hilton Capital Grand Hotel
3	Nation Towers Branch	Mall Branch	71	Abu Dhabi	1	10:00 AM to 10:00 pm	04:00 PM to 10:00 PM	Nation Towers Galleria – Corniche Road, First Floor
4	Baniyas Branch	Normal Branch	13	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	Al Mafraq –Dubai Road opposite Al Mafraq Hospital - Baniyas

#	Branch name	Branch Type	Branch Code	Branch Location- Area	Area Code	Customer Timing (Monday - Saturday )	Customer Timing (Friday )	Branch Address
5	Khalifa A City Branch	Normal Branch	94	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	Khalifa A city, street # 16/21 south west.
6	Madinat Zayed Branch	Normal Branch	7	Abu Dhabi West (Gharbiya)	5	08:00 am to 02:00 pm	8:00 AM to 12:00 PM	Madinat Zayed City - Western Region
7	Oud Al Toba Branch	Normal Branch	54	Al Ain	2	08:00 am to 08:00 pm	8:00 AM to 12:00 PM	Oud Al Toba St., No.133
8	Al Tawaam Branch	Normal Branch	365	Al Ain	2	08:00 am to 08:00 pm	8:00 AM to 12:00 PM	Sheik Khalifa Bin Zayed St, 135th St, Opposite UAE university
9	Al Qusais Branch	Normal Branch	51	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Al Qusais Area -Al Wasl Building
10	Second of December Branch	Normal Branch	86	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Jumeirah beach street, Dubai
11	Sheikh Zayed Road Branch	Normal Branch	14	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Emarat Atrium Building, Sheikh Zayed Road
12	Nad Al Sheba Branch	Normal Branch	15	Dubai	3	10:00am to 05:00pm	04:00 PM to 10:00 PM	Avenue Mall - Nad Al Sheba - Nad Al Sheba 2 - Dubai
13	Dubai Internet City - Arenco Branch	Normal Branch	53	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Arenco Tower, Dubai Internet City
14	Fujairah Branch	Normal Branch	6	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Shaikh Hamad Bin Abdulla Street
15	Ras Al Khaimah Branch	Normal Branch	11	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Opposite Al Manar Mall, Al Muntasir Road

#	Branch name	Branch Type	Branch Code	Branch Location- Area	Area Code	Customer Timing (Monday - Saturday )	Customer Timing (Friday )	Branch Address
16	Dibba Branch	Normal Branch	17	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Sheikh Zayed Street, Opposite Dibba Police Station - Fujairah
17	Kalba Branch	Normal Branch	49	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Al Wahda Street - Khamis Khalfan Al Zahmi Building - Block No:19
18	Al Dhaid Branch	Normal Branch	38	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Al Dhaid Expo Center
19	Khorfakkan Branch	Normal Branch	22	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Corniche Road, Banks Area
20	Umm Al Quwain Branch	Normal Branch	29	Sharjah North East Area	4	08: am to 02:00 pm	8:00 AM to 12:00 PM	Umm Al Quwain Union Coop
21	Sharjah Main Branch	Normal Branch	5	Sharjah North East Area	4	08: am to 02:00 pm	8:00 AM to 12:00 PM	Al Mussala Area opposite Etisalat building

### ADCB - Participating Branches (English)

#	Branch name	Area	Branch Timing	Subscription Timing	Branch Location
1	Shahama Branch	Abu Dhabi	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Dubai Abu Dhabi Road, Near Bani Yas Coop P.O.Box: 76122 Abu Dhabi
2	Hazza Bin Zayed Stadium Branch	Abu Dhabi, Al Ain	08:00 AM - 07:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Hazza Bin Zayed Stadium, Al Ain

#	Branch name	Area	Branch Timing	Subscription Timing	Branch Location
3	Zayed Town Branch	Abu Dhabi, Al Dhafra Region	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Zayed Town Main Street, Near Zayed Town Court P.O.Box: 50013 Zayed Town
4	Al Riggah Branch	Dubai	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Al Riggah Road, Near Al Riggah Metro-Station P.O.Box: 5550 Dubai
5	Business Bay Branch	Dubai	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Business Bay, Al Khaleej Al Tejari, Dubai, Nearest landmark-Business bay metro station
6	Ajman Branch	Ajman	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Al Ittihad Street, Near Lulu centre P.O.Box: 1843 Ajman
7	Ras Al Khaimah Branch	RAK	08:00 AM - 07:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Al Naeem Mall, New central business district P.O.Box: 1633 Ras Al Khaimah
8	Fujairah Branch	Fujairah	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Hamed Bin Abdulla Street, Near ADNOC P.O.Box: 770 Fujairah
9	Ruwais Branch	Al Dhafrah Region	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Ruwais Housing Complex Sh. Zayed Road, Near Etisalat Office P.O.Box: 11851 Ruwais
10	Al Zahiya City Centre Branch	Sharjah	10:00 AM - 09:00 PM Monday to Thursday & Saturday 03:00 PM - 09:00 PM on Friday Closed on Sunday	10:00 AM - 03:00 PM Monday to Thursday & Saturday No IPO Subscription on Friday Closed on Sunday	Sheikh Mohammed Bin Zayed Street, Al Zahiya City Centre, Ground level, near Entrance A, P.O.Box: 23657
11	Reem Mall Branch	Abu Dhabi	10:00 AM - 09:00 PM Monday to Thursday & Saturday 03:00 PM - 09:00 PM on Friday Closed on Sunday	10:00 AM - 03:00 PM Monday to Thursday & Saturday No IPO Subscription on Friday Closed on Sunday	Ground level, Al Reem Island, Abu Dhabi. P.O.Box: 939 Abu Dhabi

## FAB - Participating Branches (English)

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Business Park, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Khalifa Park Al Qurm, PO BOX:6316
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturda)	
2	FAB One Tower, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Intersection of Shaikh Khalifa street and Baniyas street,PO BOX:2993
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
3	Khubeirah	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Near Spinneys Khalidya Street Abu Dhabi
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
4	Oud Al Touba	Al Ain - Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Oud Al Touba Area, National housing loans building, Ali Bin Abi Talieb street, Al Ain.
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
5	Sheikh Zayed Rd.	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	ALQUZE NEXT TO GOLDEN DAIMOND ;PO BOX:52053
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
6	Deira Branch (ABS)	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Abu Baker Al Siddique Rd, Deira
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
7	Sharjah	Sharjah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Al Reem Plaza, Ground floor Buheira Corniche, Sharjah;PO BOX:1109
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
8	Ajman	Ajman	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Lulu Center, Al Ittihad street, Downtown, Ajman
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
9	Fujairah	Fujairah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Opposite to Plaza Theatre Hamdan Bin Abdulla street;PO BOX:79
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
10	RAK (LNBAD)	Ras Al Khaimah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	FAB RAK (LNBAD) , Corniche Al Qawasim Road , Near to NMC Royal Medical Center , RAK
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
11	Umm Al Quwain	Umm Al Quwain	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Building No 211, King Faisal Road Al Maidan Area, Umm Al Quwain;Po BOX:733
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	

### **MBANK - Participating Branches (English)**

#	Branch name	Area	Branch Timing	Subscription Timing	Branch Location
1	Al Maryah Community Bank, Innovation Hub	Abu Dhabi	8AM to 4PM (Monday -Thursday)	8AM to 4PM and 24x7 through Mbank app (Monday -Thursday)	Al Maryah Community Bank, Innovation Hub, 454 Shakhboub Bin Sultan Street, Abu Dhabi, UAE
			8AM to 12PM (Friday)	8AM to 12PM and 24x7 through Mbank app (Friday)	
			8AM to 4PM (Saturday)	8AM to 4PM and 24x7 through Mbank app (Saturday)	
2	Al Maryah Community Bank, Mall of the Emirates	Dubai	Monday-Sunday: 10AM to 10PM	Monday-Sunday: 10AM to 10PM and 24x7 through Mbank app	Al Maryah Community Bank, Level 1, Ski Dubai Entrance, Mall of the Emirates, Dubai, UAE
3	Al Maryah Community Bank, Capital Mall	Abu Dhabi	Monday-Saturday: 10AM to 10PM	Monday-Saturday: 10AM to 10PM and 24x7 through Mbank app	Al Maryah Community Bank, Mohammed Bin Zayed City, Mussaffah - Abu Dhabi, UAE
			Sunday Closed	24x7 through Mbank app	



#### Annex 4 – Company’s Investments in the Subsidiaries<sup>1</sup> of the Company

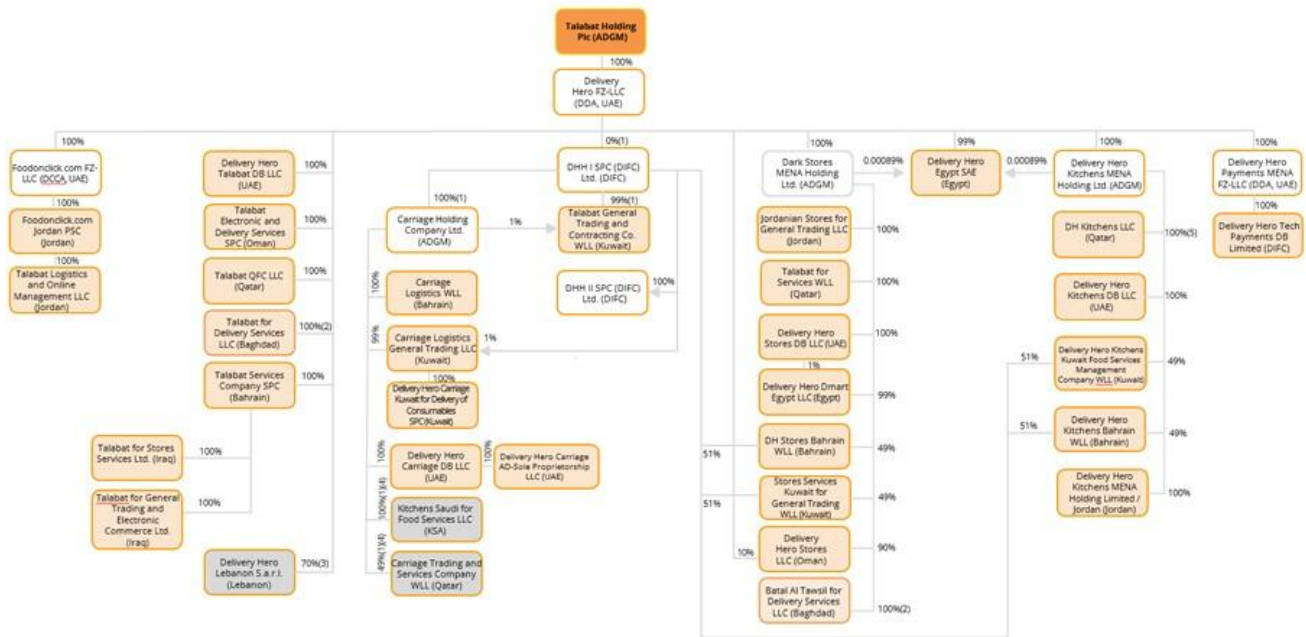
#	Subsidiary
1.	Talabat For General Trading and Electronic Commerce Ltd
2.	Talabat For Stores Services Company (Private Shareholding Company)
3.	Talabat General Trading and Contracting Company W.L.L*
4.	Carriage Holding Company Limited*
5.	Carriage Logistics General Trading LLC
6.	Delivery Hero Carriage Kuwait for Delivery of Consumables S.P.C.
7.	Carriage Logistics SPC
8.	Delivery Hero Carriage DB LLC
9.	Carriage Delivery Services LLC
10.	Kitchens Saudi For Food Services LLC
11.	Carriage Trading and Services W.L.L
12.	DH Stores Bahrain WLL
13.	Stores Services Kuwait for General Trading Company WLL
14.	Delivery Hero Kitchens Kuwait Food Services Management Company WLL
15.	Delivery Hero Kitchens Bahrain WLL
16.	Delivery Hero Lebanon
17.	Foodonclick.com FZ-LLC
18.	Foodclick .com Jordan Private Shareholding Co.
19.	Talabat Log. & Online Management
20.	Talabat for Delivery Services LLC

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<sup>1</sup> Subsidiaries are entities in which the Company holds at least 50% of its share capital.

21.	Batal Al Tawsil for Delivery Services Ltd.
22.	Delivery Hero Egypt SAE
23.	Dark Stores MENA Holding Ltd
24.	Jordanian Stores for General Trading LLC
25.	Talabat Services Company W.L.L.
26.	Delivery Hero Stores DB LLC
27.	Delivery Hero Dmart Egypt LLC
28.	Delivery Hero Stores LLC
29.	Delivery Hero Kitchens MENA Holding Ltd
30.	Delivery Hero Kitchen DB LLC
31.	DH Kitchens LLC
32.	Delivery Hero Payments MENA FZ-LLC
33.	Delivery Hero Tech Payment Limited

## Annex 5 – Company’s Organization Chart



**Notes:**

- 100% of our ownership interests in Talabat General Trading and Contracting Co. WLL, 51% of our ownership interests in the Group entities operating our tmarts and Kitchens businesses in Kuwait and Bahrain, and 100% of our ownership interests in the Group entities operating our Carriage business (with the exception of Carriage Qatar – see note 4 below) are structured through nominee arrangements in the form of Islamic finance (asset management) instruments (referred to as mudaraba agreements) with DHH SPC I (DIFC) Ltd (“DHH I”) (which is directly wholly owned by Links Equiom Commercial Brokers LLC (“Links”)) and Carriage Holding Company Limited (which is indirectly wholly owned by Links through DHH I). The mudaraba agreements provide us with profit sharing and governance rights in respect of these entities (including certain governance rights in respect of DHH I). See “Material Agreement—Nominee Arrangements— Mudaraba Agreements – Bahrain and Kuwait businesses, and Carriage business”.
- 100% of the ownership interests in Talabat for Delivery Services LLC (Baghdad, Iraq) and 100% of our ownership interests in Batal Al Tawsil for Delivery Services LLC (Baghdad, Iraq) are structured through nominee arrangements See “Material Agreement–Nominee Arrangements– Nominee Agreements – Iraq business” and “Related Party Transactions – Framework Agreement”. Following completion of the transfer and registration of the change in legal title in 49% of the shares in Talabat for Delivery Services LLC (Baghdad, Iraq) to Delivery Hero FZ LLC and 49% of the shares in Batal al Tawsil for Delivery Services Ltd (Baghdad, Iraq) to Dark Stores MENA Holding Ltd, which was initiated prior to 29 September 2024 and is expected to complete prior to or shortly after Listing, only 51% of our ownership interests in these two Group entities will be structured through nominee arrangements.
- Company is non-operational and is to be liquidated following Listing.
- Our interests in Carriage Trading and Services Company WLL and Kitchens Saudi for Food Services LLC are held through the mudaraba arrangements; however, these businesses are to be liquidated following Listing.
- 100% of our ownership interests in DH Kitchens LLC (Qatar) is structured through a nominee arrangement, pending completion of the registration of the change in legal title to Delivery Hero Kitchens MENA Holding Ltd, which was initiated prior to 30 September 2024 and is expected to complete prior to or shortly after Listing. See “Related Party Transactions – Framework Agreement”.