Consolidated Financial Statements of
Delivery Hero Holding GmbH

DECEMBER 31, 2015

Consolidated statement of financial position

Assets		Note	Dec. 31, 2015 KEUR	Dec. 31, 2014 KEUR
A.	**Non-current assets**			
I.	Intangible assets	C.01.	1.161.690	464.390
II.	Property, plant and equipment	C.02.	7.686	3.439
III.	Other financial assets	C.03.	4.688	1.300
IV.	Trade and other receivables	C.04.	3	80
V.	Other assets	C.05.	38	0
VI.	Deferred tax assets	C.07.	9.483	720
VII.	Equity-accounted investees	B.03.	12.487	0
			1.196.075	**469.929**
B.	**Current assets**			
I.	Inventories	C.08.	657	734
II.	Trade and other receivables	C.04.	22.687	10.866
III.	Other assets	C.05.	8.996	3.242
IV.	Income tax receivables	C.06.	880	184
V.	Cash and cash equivalents	C.09.	160.150	32.829
			193.370	**47.855**
Total assets			**1.389.445**	**517.783**

Consolidated statement of financial position

Equity and liabilities		Note	Dec. 31, 2015 KEUR	Dec. 31, 2014 KEUR
A.	**Equity**			
I.	Subscribed capital		394	255
II.	Capital reserves		1.204.179	422.890
III.	Revenue and other reserves		-432.607	-153.773
IV.	Treasury shares		-5	-6
	Equity attributable to the shareholders of the parent company		771.961	269.366
V.	Non-controlling interests		-6.469	-524
		C.10.	**765.492**	**268.842**
B.	**Non-current liabilities**			
I.	Pension provisions	C.12.	782	428
II.	Other provisions	C.13.	8.203	16.230
III.	Trade payables and other liabilities	C.14.	295.574	112.399
IV.	Other liabilities	C.15.	9	16
V.	Deferred tax liabilities	C.07.	138.671	55.772
			443.239	**184.845**
C.	**Current liabilities**			
I.	Liabilities to banks	C.11.	0	832
II.	Other provisions	C.13.	52.719	7.520
III.	Trade payables and other liabilities	C.14.	111.180	46.467
IV.	Other liabilities	C.15.	15.381	8.924
V.	Income tax liabilities	C.16.	1.434	353
			180.714	**64.096**
Total equity and liabilities			**1.389.445**	**517.783**

Consolidated statement of financial position

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			180.714	**64.096**
Total equity and liabilities			**1.389.445**	**517.783**

Consolidated statement of profit or loss and other comprehensive income

		Note	2015 KEUR		2014 KEUR
1	Revenue	D.01.	199.507		88.008
2	Cost of sales	D.02.	-29.585		-16.933
	Gross profit			**169.922**	**71.075**
3	Marketing expenses	D.03.	-208.317		-77.462
4	IT expenses	D.04.	-22.437		-11.846
5	General administrative expenses	D.05.	-149.628		-67.015
6	Other operating income	D.06.	10.202		6.152
7	Other operating expenses	D.07.	-17.597		-2.134
	Earnings before interest and taxes			**-217.855**	**-81.230**
8	Finance income	D.08.	26.725		6.287
9	Finance costs	D.09.	-55.504		-19.432
10	Other finance income/costs	D.10.	-8.126		-86
11	Income taxes	D.11.	1.815		5.555
	Consolidated loss for the period			**-252.945**	**-88.906**
	Other comprehensive income, net				
	Items that will not be reclassified to profit or loss				
12	Remeasurements of defined benefit liability (asset)	C.10.	-234		-58
	Items that will be reclassified to profit or loss in the future				
13	Foreign currency translation differences	C.10.	-33.989		804
	Other comprehensive income (loss)			**-34.223**	**746**
	Total comprehensive loss for the period			**-287.168**	**-88.160**
	Loss for the period attributable to:				
	Shareholders of the parent company			-244.622	-86.044
	Non-controlling interests			-8.323	-2.862
	Total comprehensive loss attributable to:				
	Shareholders of the parent company			-278.834	-85.068
	Non-controlling interests			-8.334	-3.092

Consolidated statement of changes in equity

Jan. 1, 2015 to Dec. 31, 2015 in KEUR	Attributable to the owners of the Parent Company								
			Revenue and other reserves						
	Subscribed capital	Capital reserves	Revenue and other reserves	Translation reserve	Revaluation reserve from pension commitments	Treasury shares	**Total**	Non-controlling interests	**Equity**
Note	C. 10. a) and b)	C. 10. c)	C. 10. d)	C. 10. d)	C. 10. d)	C. 10. e)		C. 10. f)	
Jan. 1, 2015	**255**	**422.890**	**-155.525**	**1.802**	**-50**	**-6**	**269.366**	**-524**	**268.842**
Net loss for the year	-	-	-244.622	-	-	-	**-244.622**	-8.323	**-252.945**
Other comprehensive income (loss)	-	-	-	-34.016	-197	-	-34.213	-11	-34.224
Total comprehensive income (loss)	**-**	**-**	**-244.622**	**-34.016**	**-197**	**-**	**-278.835**	**-8.334**	**-287.169**
Transactions with owners - Payments from and changes in non-controlling interests									
Capital increases	139	779.667	-	-	-	-	**779.806**	2.261	**782.067**
Disposal of treasury shares	-	-	-	-	-	0	**-**	-	**-**
Purchase of treasury shares	-	-	-	-	-	-	**-**	-	**-**
Loan equity component	-	3.426	-	-	-	-	**3.426**	-	**3.426**
Share-based payment (IFRS 2 program)	-	4.435	-	-	-	-	**4.435**	-	**4.435**
Acquisition of NCI without a change in control	-	-4.036	-	-	-	-	**-4.036**	434	**-3.602**
Acquisition of subsidiary with non-controlling interests	-	-454	-	-	-	-	**-454**	-202	**-656**
Other transactions with NCI without a change in control	-	-2.121	-	-	-	-	**-2.121**	-140	**-2.261**
Other changes in the scope of consolidated companies	-	-49	-	-	-	-	**-49**	36	**-13**
Other changes	-	421	-	-	-	-	**421**	-	**421**
Transactions with owners	**139**	**781.289**	**-**	**-**	**-**	**-**	**781.428**	**2.389**	**783.817**
Dec. 31, 2015	**394**	**1.204.179**	**-400.147**	**-32.214**	**-247**	**-5**	**771.961**	**-6.469**	**765.492**

Consolidated statement of changes in equity

Jan. 1, 2014 to Dec. 31, 2014	**Attributable to the owners of the Parent Company**								
in KEUR			**Revenue and other reserves**						
	Subscribed capital	Capital reserves	Revenue and other reserves	Translation reserve	Revaluation reserve from pension commitments	Treasury shares	**Total**	Non-controlling interests	**Equity**
Note	C. 10. a) and b)	C. 10. c)	C. 10. d)	C. 10. d)	C. 10. d)	C. 10. e)		C. 10. f)	
Jan. 1, 2014	**140**	**108,073**	**-69,510**	**776**	**-**	**-7**	**39,472**	**-419**	**39,053**
Net loss for the year	-	-	-86,044	-	-	-	**-86,044**	-2,862	**-88,906**
Other comprehensive income (loss)	-	-	-	1,026	-50	-	**976**	-230	**746**
Total comprehensive income (loss)	**-**	**-**	**-86,044**	**1,026**	**-50**	**-**	**-85,068**	**-3,092**	**-88,160**
Capital increases	115	303,787	-	-	-	-	**303,903**	-	**303,903**
Disposal of treasury shares	-	1,266	-	-	-	2	**1,268**	-	**1,268**
Purchase of treasury shares	-	-123	-	-	-	-1	**-124**	-	**-124**
Loan equity component	-	9,995	-	-	-	-	**9,995**	-	**9,995**
Share-based payment (IFRS 2 program)	-	-	-	-	-	-	**-**	-	**-**
Acquisition of NCI without a change in control	-	-1,174	-	-	-	-	**-1,174**	-45	**-1,219**
Acquisition of subsidiary with non-controlling interests	-	-123	-	-	-	-	**-123**	3,227	**3,103**
Other transactions with NCI without a change in control	-	-	-	-	-	-	**-**	-	**-**
Other changes in the scope of consolidated companies	-	-	-	-	-	-	**-**	-	**-**
Other changes	-	1,187	29	-	-	-	**1,216**	-195	**1,021**
Transactions with owners	**115**	**314,817**	**29**	**-**	**-**	**1**	**314,962**	**2,987**	**317,949**
Dec. 31, 2014	**255**	**422,890**	**-155,525**	**1,802**	**-50**	**-6**	**269,366**	**-524**	**268,842**

Consolidated statement of cash flows

	Note	Dec. 31, 2015 in KEUR	Dec. 31, 2014 in KEUR
1. Cash flows from operating activities			
Loss for the period		-252.945	-88.906
Elimination of current income taxes		3.459	1.269
Income tax paid (-)		-5.832	-1.113
Depreciation of property, plant and equipment and amortization of intangible assets (+)	C.01./C.02.	44.279	11.276
Increase (+)/decrease (-) in provisions		13.802	16.505
Other non-cash income and expenses		1.891	1.550
Gain (-)/loss(+) on disposals of fixed assets	D.06./D.07.	156	-284
Loss (+)/ gains (-) from deconsolidation	B.03.c)	123	-217
Increase (-)/decrease (+) in inventories, trade receivables and other assets		-11.450	690
Increase (+)/decrease (-) in trade payables and other liabilities		30.845	-3.363
Interest income (-) and expense (+)	D.09./D.10.	28.806	8.076
Cash flows from operating activities		**-146.866**	**-54.517**
2. Cash flows from investing activities			
Proceeds (+) from disposal of property, plant and equipment		92	158
Payments (-) to acquire property, plant and equipment	C.02.	-5.024	-2.194
Proceeds (+) from disposal of intangible assets		373	0
Payments (-) to acquire intangible assets	C.01.	-3.931	-5.494
Payments (-) to acquire financial assets	C.03./04.	-9.572	-843
Payments (-) for loans to third parties	C.04.	-1.348	-2.727
Net proceeds (+) from disposal of consolidated companies	B.03.c)	0	41
Net payments (-) to acquire shares in consolidated companies	B.01	-239.276	-291.751
Interest received (+)		1.221	172
Cash flows from investing activities		**-257.465**	**-302.638**
3. Cash flows from financing activities			
Proceeds (+) from capital contributions	C.11.	458.347	303.477
Payments (-) to repurchase treasury shares	C.11.	0	-48
Proceeds (+) from loans and borrowings	C.15.	97.354	103.131
Repayments (-) of loans and borrowings	C.15	-21.778	-19.052
Interest paid (-)		-618	-6.845
Cash flows from financing activities		**533.305**	**380.663**
4. Cash and cash equivalents at end of period			
Net change in cash and cash equivalents (subtotals 1 to 3)		128.975	23.506
Effect of exchange rate movements on cash and cash equivalents		-1.654	37
Cash and cash equivalents at beginning of period	C.10.	32.829	9.286
Cash and cash equivalents at end of period		**160.150**	**32.829**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A. General disclosures concerning the consolidated financial statements

01. Group profile

Delivery Hero Holding GmbH (hereinafter also referred to as: "DHH") is an international company, which together with its subsidiaries (hereinafter collectively: the "DH Group") provides online food ordering services in over 30 countries on five continents (Europe, South America, North America, Asia and Australia).

The Company has its registered office at Mohrenstrasse 60, 10117 Berlin, and is entered in the Commercial Register of the Berlin Charlottenburg District Court under HRB 135090. The Company is a limited liability company in accordance with German law.

Management prepared the consolidated financial statements as of June 28, 2016, and submitted these directly to the shareholders for approval.

02. Basis of preparation of the consolidated financial statements in accordance with IFRS

The consolidated financial statements of the DH Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted and issued by the International Accounting Standards Board (IASB), as adopted by the European Union. Preparation of the consolidated financial statements occurred under application of the provisions of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of July 19, 2002, on the application of international accounting standards in conjunction with Section 315a (3) of the German Commercial Code [HGB] taking into consideration the supplementary provisions of German commercial law.

The consolidated financial statements comply with the classification regulations stipulated in IAS 1. The consolidated statement of profit or loss and other comprehensive income has been prepared in accordance with the cost-of-sales method. There is a distinction between current and non-current assets and liabilities in the presentation of the consolidated statement of financial position. Assets or liabilities falling due within one year are classified as current. Individual items in the consolidated statement of profit or loss and other comprehensive income and the statement of financial position are summarized to improve the clarity of the presentation. These items are explained in the notes to the consolidated financial statements.

The consolidated financial statements are presented in euros. Unless otherwise stated, all figures have been rounded to the nearest EUR thousand (KEUR). For computational reasons, there may be rounding differences to the exact mathematical values in tables and references.

The consolidated financial statements are prepared on the basis of the going concern principle which assumes that the Group is able to meet the obligatory terms of redemption of loan liabilities, as specified in note C.14 (refer also to F.02.d). The continuation of Delivery Hero Holding, its subsidiaries and the Group as a going concern is nonetheless dependent on the implementation of further measures to secure capital and liquidity by the shareholders of the Parent Company and potential investors. The DH Group generated a consolidated loss of KEUR -252,945 in the 2015 financial year (2014: KEUR -88,906). Owing to the procurement of debt capital and equity, the previous loss arising from operating activities will be offset again in the 2015 financial year. As of the reporting date, capital resources could be raised to a considerable extent from third parties (refer also to Section E). As a consequence, management realistically expects that the Group will have adequate resources to continue business activities for the foreseeable period. Assets and liabilities are therefore principally measured at amortized cost. Excluded from this are financial assets and liabilities that are carried at the fair value applicable on the reporting date. These are listed under notes G.09.a) and G.09.b).

The consolidated financial statements and group management report are published in the German Federal Gazette [Bundesanzeiger].

The preparation of consolidated financial statements in accordance with IFRSs requires management estimates and measurements. Areas involving a higher degree of judgment or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note G.15.

B. Scope of consolidation

01. Changes in the Group

In the reporting year, the number of entities to be fully consolidated changed as follows:

Number of fully consolidated companies	**2015**	**2014**
Jan. 1	**40**	**24**
Additions	70	24
Disposals due to sale	0	1
Disposals due to merger	3	7
Disposals due to liquidation	1	0
Dec. 31	**106**	**40**

Three companies were merged into other subsidiaries and one subsidiary was liquidated in 2015. While one subsidiary was not consolidated due to immateriality in the 2014 reporting period, all controlled companies were included in the scope of consolidated in the reporting year.

In the 2015 financial year, material purchases were made as part of acquisitions, which are presented in detail in the section below in accordance with the requirements of IFRS 3.

The number of equity-accounted companies developed as set forth in the following table:

Number of equity-accounted companies	**2015**	**2014**
Jan. 1	**0**	**0**
Additions	2	0
Disposals	0	0
Dec. 31	**2**	**0**

The DH Group was able to realize a large number of acquisitions in 2015. The following table summarizes the cash purchase price components paid and cash and cash equivalents assumed in the course of company acquisitions.

in KEUR	Cash portion of consideration transferred	Cash and cash equivalents assumed
Yemek Sepeti group	231,127	5,430
E-Food group	10,000	64
Talabat group	0	10,064
Foodora group	13,203	3,695
Total	**254,330**	**19,253**

02. Acquisitions

a) Yemek Sepeti group

With the acquisition of the Yemek Sepeti group on May 1, 2015, a strategic investment was made in order to obtain comprehensive access to new customers in Southeast Europe. Yemek Sepeti operates restaurant portals to handle online food orders and is the market leader in Turkey with further activities in the Middle East and Greece.

In the course of the acquisition, the Company acquired

- 100% of the shares in Yemek Sepeti Elektronik Iletisim Tanitim Pazarlama Gida Sanayi ve Ticaret A.S. (Turkey), Food Basket Elektronik İletişim Gıda Ticaret ltd. Şti (Turkey), The Netherland Yemek Sepeti Coöperatie U.A. (The Netherlands), Yemek Sepeti BV. (Dubai), Foodonclick.com FZ-LLC (UAE) und Gulf BV. (The Netherlands),
- 76% of the shares in Click Delivery S.A. (Greece) and Ceraon BV. (The Netherlands), as well as
- 60% of the shares in Foodonclick.com Jordan Private Shareholding Company (Jordan).

The shares acquired also represent voting rights. The consideration for the acquisition amounted to a total of KEUR 505,602. DHH's shares in Luxembourg Investment Company 43 S.à r.l. (parent company of Yemek Sepeti A.S.) and in Yemek Sepeti A.S. incl. all associated rights, titles, dividends etc. were pledged as collateral for the two loans taken out for the company acquisitions. The collateral applies to all existing and future debts, obligations and liabilities assumed by DHH in connection with the loan agreement. The pledging of shares to the lender takes priority over any other claims to the pledged assets.

The transaction costs for the acquisition recognized under administrative expenses for the 2015 financial year amounted to KEUR 754.

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

In KEUR	**Fair value after acquisition**
Intangible assets	364,103
Property, plant and equipment	1,188
Trade and other receivables	28,514
Other assets	1,149
Cash and cash equivalents	5,430
Deferred tax assets	5,217
Provisions and liabilities	-30,952
Trade payables	-4,136
Deferred tax liabilities	-72,178
Net assets	**298,335**
Consideration transferred	**505,602**
thereof cash consideration	231,127
thereof convertible loans	112,098
thereof vendor loans	115,634
thereof shareholder's non-cash contribution and other consideration	46,743
Non-controlling interests	613
Goodwill	**207,880**

Goodwill, which represents mainly non-separately identifiable assets such as the positive future business outlook, employee expertise and the expected synergy effects arising from integration, is not tax-deductible. Acquired intangible assets are not subject to an indefinite useful life. Trade receivables from third parties with a gross value of KEUR 3,271 were acquired, of which KEUR 268 is probably uncollectible. The fair value of the trade receivables from third parties amounts to KEUR 3,003.

Due to its dominating importance, the fair value of the "Yemeksepeti" brand was calculated using the multi-period excess earnings method ("MEEM"); the value of the customer and supplier relationships was determined on the basis of replacement costs.

On account of the number and complexity of acquisitions in the 2015 financial year, the Company retains the option of making a retroactive adjustment. Key, open issues include but are not limited to reviewing how the brand, the fair value of consideration and deferred tax assets are measured. Therefore, the disclosures are provisional in terms of IFRS 3.45.

Since first-time inclusion on May 1, 2015, Yemek Sepeti has contributed KEUR 21,830 to group revenue and a KEUR 3,494 loss to consolidated earnings. Had Yemek Sepeti already been fully consolidated on January 1, 2015, the acquired group would have contributed KEUR 31,201 to group revenue and a KEUR 23,221 loss to consolidated earnings.

b) E-Food group

On May 1, 2015, all shares in OFD Online Food Delivery Services Limited (Cyprus) and Online Delivery SA Promotion of Internet Services Societe Anonyme (Greece) were acquired, thereby strengthening the regional market presence in Greece via the E-Food platform.

The amount determined for the consideration totaled KEUR 21,877 and comprises the purchase price paid in the reporting period of KEUR 10,000 and a contingent purchase price liability with a fair value of KEUR 11,877 recognized as of the acquisition date. The contingent purchase price component consists of two earn-out components which are due at the respective maturity dates. The amount of the two components depends on the development of net revenue and earnings before interest, taxes, depreciation and amortization (EBITDA) of the acquired companies during the earn-out periods. The contingent purchase price component is limited to a maximum total of KEUR 45,000. The following table shows the development of the fair values of the contingent purchase price component and the length of the earn-out periods.

			Fair value in KEUR	
	Start of term	Maturity date	May 1, 2015	Dec. 31, 2015
Earn-out component 1	May 1, 2015	Apr. 30, 2016	4,914	568
Earn-out component 2	May 1, 2016	Apr. 30, 2017	6,963	9,148
Total			**11,877**	**9,716**

After initial recognition, fair value changes to the financial liability are recognized in profit or loss under finance income or costs commensurate with the rules for contingent purchase price components.

The transaction costs for the acquisition recognized under administrative expenses for the 2015 amounted to KEUR 5.

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

In KEUR	**Fair value after acquisition**
Intangible assets	6,284
Property, plant and equipment	116
Trade and other receivables	310
Other assets	4
Cash and cash equivalents	64
Deferred tax assets	104
Provisions and liabilities	-74
Trade payables	-550
Deferred tax liabilities	-1,822
Net assets	**4,436**
Consideration transferred	**21,877**
thereof cash consideration	10,000
thereof contingent consideration	11,877
Goodwill	**17,441**

Goodwill, which represents mainly non-separately identifiable assets such as the positive future business outlook, employee expertise and the expected synergy effects arising from integration, is not tax-deductible. Trade receivables from third parties with a gross value of KEUR 310 were acquired and are fully recoverable. The fair value of the trade receivables from third parties amounts to KEUR 310.

The fair value of the E-Food brand was calculated using the royalty relief method; the value of customer and supplier relationships was determined on the basis of replacement costs.

On account of the number and complexity of acquisitions in the 2015 financial year, the Company retains the option of making a retroactive adjustment. Key, open issues include but are not limited to reviewing how the brand, the fair value of consideration and deferred tax assets are measured. Therefore, the disclosures are provisional in terms of IFRS 3.45.

Since first-time inclusion as of May 1, 2015, the companies acquired have contributed KEUR 1,757 to group revenue and a KEUR 1,233 loss to consolidated earnings. Had E-Food already been fully consolidated on January 1, 2015, the group would have contributed KEUR 2,277 to group revenue and a KEUR 1,543 loss to consolidated earnings.

c) Talabat group

The acquisition of the Talabat Group (Talabat) as of June 1, 2015, represents a strategic investment in the countries in the Middle East. Tabalat operates restaurant portals for processing online food orders in various Arab states in Western Asia. In the course of the acquisition, the Company acquired

- 100% of the shares in Talabat General Trading and Contracting Company W.L.L (Kuwait) and Talabat Services Company W.L.L (Qatar) and
- 99% of the shares in Talabat Services Company W.L.L (Bahrain), Talabat Middle East Internet Services Company L.L.C (UAE), Talabat for Restaurants Company W.L.L (Saudi Arabia) and Talabat Electronic Services Company W.L.L (Oman).

The consideration transferred for the acquisition of the shares is composed mainly of a non-cash capital contribution by the shareholder of KEUR 142,120 and a liability of KEUR 11,341 recognized in the course of a contractually fixed put option. The put option for the contribution of shares to the non-cash contribution was measured as part of the Yemek acquisition at a fair value of KEUR 9,657.

On account of the number and complexity of acquisitions in the 2015 financial year, the Company retains the option of making a retroactive adjustment. Key, open issues include but are not limited to reviewing how the brand, the fair value of consideration and deferred tax assets are measured. Therefore, the disclosures are provisional in terms of IFRS 3.45.

The allocation of acquisition costs for the business combination to the acquired assets and liabilities using the provisional purchase price allocation as of the acquisition date is as follows:

In KEUR	**Fair value after acquisition**
Intangible assets	105,405
Property, plant and equipment	665
Trade and other receivables	6,229
Other assets	251
Cash and cash equivalents	10,064
Provisions and liabilities	-226
Trade payables	-16,281
Deferred tax liabilities	-12,936
Net assets	**93,171**
Consideration transferred	**153,461**
thereof non-cash contribution in exchange for the issue of new shares	*142,120*
thereof put option	*11,341*
Non-controlling interests	187
Goodwill	**60,477**

Goodwill, which represents mainly non-separately identifiable assets such as the positive future business outlook, employee expertise and the expected synergy effects arising from integration, is not tax-deductible. Acquired intangible assets are not subject to an indefinite useful life. Trade receivables from third parties with a gross value of KEUR 1,146 were acquired and are fully recoverable. The fair value of the trade receivables from third parties amounts to KEUR 1,146.

The fair value of the Talabat brand was calculated using the royalty relief method; the value of customer and supplier relationships was determined on the basis of replacement costs.

The transaction costs for the acquisition recognized under administrative expenses for the 2015 amounted to KEUR 103.

Since first-time inclusion as of June 1, 2015, Talabat has contributed KEUR 9,266 to group revenue and KEUR 4,860 in income to consolidated earnings. Had Talabat already been fully consolidated on January 1, 2015, the group would have contributed KEUR 13,750 to group revenue and KEUR 5,068 in income to consolidated earnings.

d) Foodora group

The Foodora group, a globally active online order and delivery provider for high-quality local restaurants, was acquired as of September 30, 2015. At the time of acquisition, the Foodora group was active in seven German cities and in a further 14 major cities in 11 countries around the globe.

In addition to the acquisition of 21 holding companies, mainly the following shares in operating companies of the Foodora group were acquired the course of the acquisition:

- 87.24% of the shares in Foodora GmbH (Germany), SSC Volo GmbH (Germany), DS XXXVI Italy S.r.l. (Italy), Volo Netherlands B.V. (The Netherlands), Volo Food Delivery, S.L. (Spain), Foodora France SAS (France), Volo Ds XXXVI 9 GmbH (Austria), Foodora Norway AS (Norway), Foodora AB (Sweden), Foodora Finland Oy (Finland), and
- 100% of the shares in Foodora Delivery Services LLC (United Arab Emirates), Suppertime Australia Pty Limited (Australia) and DeliverMe Technologies Inc. (Canada)

The cash consideration for the acquisition amounts to KEUR 13,203.

The transaction costs for the business combination totaled KEUR 82 and were included in administrative expenses for the 2015 financial year.

The acquisition of the Foodora group allows the use of the brand as well as the "foodora.de" domain and grants access to new customers and restaurants.

The following table illustrates in summary form the provisionally determined fair values of the acquired assets and liabilities of the Foodora group as of September 30, 2015:

In KEUR	**Fair values after acquisition**
Intangible assets	2,842
Property, plant and equipment	222
Trade and other receivables	539
Other assets	10,413
Cash and cash equivalents	3,695
Provisions and liabilities	-1,077
Trade payables	-15,459
Deferred tax liabilities	-713
Net assets	**462**
Cash consideration transferred	**13,203**
Non-controlling interests	-1,056
Goodwill	**11,685**

Goodwill, which represents mainly non-separately identifiable assets such as the positive future business outlook, employee expertise and the expected synergy effects arising from integration, is not tax-deductible. Acquired intangible assets are not subject to an indefinite useful life. Trade receivables from third parties with a gross value of KEUR 408 were acquired and are fully recoverable. The fair value of the trade receivables from third parties amounts to KEUR 408.

The fair value of the "Foodora" brand was determined using the royalty relief method.

On account of the number and complexity of acquisitions in the 2015 financial year, the Company retains the option of making a retroactive adjustment. Key, open issues include but are not limited to reviewing how the brand, the fair value of consideration and deferred tax assets are measured. Therefore, the disclosures are provisional in terms of IFRS 3.45.

Since first-time inclusion as of September 30, 2015, the Foodora group has contributed KEUR 3,551 to group revenue and a KEUR 15,120 loss to the consolidated loss. Had the group already been fully consolidated on January 1, 2015, it would have contributed KEUR 4,916 to group revenue and a KEUR 25,684 loss to consolidated loss.

03. Disclosures on participations pursuant to IFRS 12

a) Subsidiaries

On the reporting date, DHH had 106 subsidiaries, including subsidiaries in which participations were merely held within the Group or which served as shell companies.

Cash and cash equivalents and short-term deposits of KEUR 2,271 (December 31, 2014: KEUR 1,232) are held in China and are subject to local foreign exchange controls. These local foreign exchange controls set restrictions on the export of capital not consisting of regular dividends. In addition, the DH Group holds cash and cash equivalents of KEUR 213 (December 31, 2014: KEUR 107) in Argentina, which are also subject to local foreign exchange controls.

The list of shareholdings contains information on the subsidiaries and any non-controlling interests.

As in the prior year, DHH controls the following subsidiary with material non-controlling interests as of December 31, 2015:

Name	Registered office	Type of business activity	Percentage of common shares directly held by the Parent Company	Percentage of common shares directly held by the Group	Percentage of common shares held by non-controlling shareholders
RGP Korea Ltd.	Seoul, South Korea	Services	0%	84%	16%

RGP Korea Ltd. provides online food ordering services in Korea.

The financial information for subsidiaries with non-controlling interests that are classified as material is summarized below (IFRS 12.B10). Intragroup transactions are not eliminated for the stated amounts.

Summarized statement of financial position of RGP Korea Ltd. **In KEUR**	**Dec. 31, 2015**	**Dec. 31, 2014**
Current		
Assets	11,487	4,469
Liabilities	12,188	4,790
Current net assets	-701	-321
Non-current		
Assets	5,258	958
Liabilities	55,354	22,488
Non-current net assets	-50,096	-21,530
Total net assets	**-50,797**	**-21,851**

Summarized statement of profit or loss and other comprehensive income of RGP Korea Ltd. **In KEUR**	**2015**	**2014**
Revenue	22,757	13,341
Earnings before income taxes	-28,649	-14,287
Earnings after taxes	-28,649	-14,287
Other comprehensive loss	-300	-1,329
Total comprehensive loss	**-28,949**	**-15,616**
Comprehensive loss attributable to non-controlling interests	-7,104	-2,489

Summarized statement of cash flows of RGP Korea Ltd. In KEUR	**2015**	**2014**
Cash generated from operations	-25,237	-12,718
Net cash generated from operating activities	-25,237	-12,718
Net cash flows from investing activities	-5,359	-767
Net cash provided by financing activities	32,405	14,875
Net change in cash and cash equivalents	1,842	1,391
Cash and cash equivalents at the beginning of the period	2,283	756
Effect of exchange rate movements on cash and cash equivalents	34	136
Cash and cash equivalents at the end of the period	4,159	2,283

Accumulated non-consolidated shares of RGP Korea Ltd. amount to KEUR -8,109 as of December 31, 2015 (December 31, 2014: KEUR -3,494).

b) Associates

The following section presents the associates which the Group sees as material as of December 31, 2015. The equity of the associate listed below consists simply of common shares directly held by the Group. The country where the company is registered is also its principal place of business.

Nature and scope of the investment in associates in 2015 is as follows:

Name	**Place of business**	**Nature of business**	**Interest held**	**Measurement method**
Takeeateasy.be SA	Brussels, Belgium	Services	31.45%	equity-accounted

Takeeateasy.be SA (also: TEE.be) provides online food ordering services in Belgium. As up until now Delivery Hero had no subsidiary in Belgium, this investment is a strategic partnership for the Group. The associate is an unlisted company which means that a listed market price for the shares is not available.

There are no contingent liabilities in relation to Group associates.

The following section presents the summarized financial information for TEE.be, which was accounted for using the equity method. The information stated presents the amounts shown in the financial statements of the associate and not the share of DHH in them.

Summarized statement of financial position of Takeeateasy.be SA In KEUR	**Dec. 31, 2015**
Current	
Assets	7,919
thereof cash and cash equivalents	6,824
Liabilities	2,469
Current net assets	5,450
Non-current	
Assets	631
Liabilities	0
Non-current net assets	631
Total net assets	**6,081**

Summarized statement of profit or loss and other comprehensive income of Takeeateasy.be SA in KEUR	**Aug. - Dec. 2015**
Revenue	1,177
Earnings before income taxes	-7,325
Earnings after taxes	-7,325
Other comprehensive income (loss)	0
Total comprehensive loss	**-7,325**

Reconciliation of the summarized financial information presented above to the carrying amount of the shares in TEE.be is structured as follows:

Reconciliation of the financial information of Takeeateasy.be SA in KEUR	**2015**
Net assets as of the time of initial consolidation	13,406
Loss for the period	-7,325
Net assets as of December 31	**6,081**
Share in associates (31.45%)	1,912
Goodwill	9,115
Carrying amount	**11,028**

DHH also has investments in, when taken in isolation, non-material associates. The following tables shows a breakdown in aggregate form of the carrying amount and share in profit and other comprehensive income of these associated companies.

In KEUR	**Dec. 31, 2015**
Carrying amount of the shares in associates	1,459
Share of:	
- Loss from continuing operations	203
Total of share in profit/loss and other comprehensive income	**203**

c) Loss of control of subsidiaries

DHH liquidated the subsidiary Foodora Limited in 2015 and sold the subsidiary RGP Local Holding VI GmbH, Berlin, in 2014. Please see the following overview for a summary:

In KEUR	**2015**	**2014**
Cash consideration received	0	52
Assets and liabilities for which control was lost:		
Cash and cash equivalents	0	11
Non-current assets	48	2,763
Current assets	25	0
liabilities	499	2,931
Net assets	**-425**	**-157**

A deconsolidation loss of KEUR 123 arose from the deconsolidation of Foodora Limited in 2015, which is recognized under other operating expenses.

A one-time deconsolidation gain of KEUR 217 arose from the deconsolidation of RGP Local Holding VI GmbH in 2014, which is recognized under other operating income.

C. Disclosures on the consolidated statement of financial position

01. Intangible assets

a) Reconciliation of carrying amount

Intangible assets mainly increased due to large-volume business combinations in the reporting period. Owing to this, goodwill rose by KEUR 280,891, trademarks by KEUR 364,647 and customer and supplier relationships by KEUR 1,876 in 2015 (for details of company acquisitions, please see Section B.02). Internally generated intangible assets were also acquired in the course of company acquisitions in 2015. They mainly relate to costs of the development of websites.

Expenses for amortization of intangible assets are recognized in administrative expenses. For the overall amount of amortization in the financial year, refer to Section F.04.

Movements in intangible assets:

Cost in KEUR	Goodwill	Licenses and similar rights	Trademarks	Software	Payments for intangible assets and capitalized development costs	Internally generated intangible assets	Customer/ supplier base and other intangible assets	Total
As of Jan. 1, 2015	**246,528**	**789**	**153,083**	**4,164**	**338**	**0**	**78,336**	**483,240**
Additions through business combinations	295,329	304	384,838	2,083	602	702	87,520	**771,378**
Additions	0	74	267	1,268	873	1,292	157	**3,931**
Reclassifications	0	307	0	-298	-24	0	24	**9**
Disposals	0	-10	0	-46	-302	0	-34	**-392**
Exchange rate differences	-14,428	-16	-20,457	-62	-49	-118	-878	**-36,009**
As of Dec. 31, 2015	**527,431**	**1,448**	**517,731**	**7,110**	**1,438**	**1,876**	**165,124**	**1,222,157**
Accumulated amortization in KEUR								
As of Jan. 1, 2015	**-5,805**	**-581**	**-5,519**	**-2,323**	**-315**	**0**	**-4,295**	**-18,839**
Additions through business combinations	0	-39	-8	-1,014	0	-63	-30	**-1,154**
Amortization	0	-180	-18,986	-1,089	0	-114	-12,870	**-33,239**
Impairment losses	-2,089	-69	-4,194	-45	0	0	-2,136	**-8,533**
Disposals	0	9	0	5	0	0	0	**14**
Exchange rate differences	32	8	822	26	55	10	347	**1,300**
As of Dec. 31, 2015	**-7,872**	**-853**	**-27,886**	**-4,447**	**-259**	**-167**	**-18,984**	**-60,468**
Carrying amount as of Dec. 31, 2015	**519,558**	**595**	**489,845**	**2,663**	**1,179**	**1,709**	**146,140**	**1,161,690**
Carrying amount as of Jan. 1, 2015	**240,712**	**208**	**147,564**	**1,841**	**23**	**0**	**74,041**	**464,390**

Cost in KEUR	Goodwill	Licenses and similar rights	Trademarks	Software	Payments for intangible assets and capitalized development costs	Internally generated intangible assets	Customer/ supplier base and other intangible assets	Total
As of Jan. 1, 2014	**86,564**	**623**	**5,657**	**2,241**	**0**	**0**	**231**	**95,316**
Additions through business combinations	159,553	60	146,494	1,457	0	0	72,951	380,517
Additions	0	95	430	459	365	0	4,050	5,399
Disposals	0	0	-152	0	0	0	0	-152
Exchange rate differences	410	11	655	7	-27	0	1,104	2,160
As of Dec. 31, 2014	**246,529**	**789**	**153,083**	**4,164**	**338**	**0**	**78,336**	**483,239**
Accumulated amortization in KEUR								
As of Jan. 1, 2014	**-5,815**	**-512**	**-1,726**	**-1,225**	**0**	**0**	**-231**	**9,509**
Additions through business combinations	0	-8	0	-139	0	0	-24	-171
Amortization	0	-61	-3,932	-975	-341	0	-2,974	-8,283
Impairment losses	0	0	0	0	0	0	-1,021	-1,021
Disposals	0	0	152	0	0	0	0	152
Exchange rate differences	0	0	-14	16	26	0	-45	-17
As of Dec. 31, 2014	**-5,815**	**-581**	**-5,519**	**-2,323**	**-315**	**0**	**-4,295**	**-18,848**
Carrying amount as of Dec. 31, 2014	**240,712**	**208**	**147,564**	**1,841**	**23**	**0**	**74,041**	**464,390**
Carrying amount as of Jan. 1, 2014	**80,749**	**110**	**3,931**	**1,016**	**0**	**0**	**0**	**85,805**

b) Breakdown of goodwill

We refer to the explanations in Section G.05 for the general assumptions and methods for conducting an impairment test.

For the purpose of testing for impairment, goodwill is allocated to the cash generating units of the Group as follows:

In KEUR	**2015**	**2014**
Yemek Sepeti group	193,901	0
Lieferheld GmbH	68,082	68,082
pizza.de GmbH	67,299	67,299
Talabat group	60,415	0
Online Pizza Norden AB	37,965	37,965
Subtotal	**427,662**	**173,346**
Multiple entities without significant amounts of goodwill	91,896	67,367
Total	**519,558**	**240,712**

The year-on-year increase in goodwill of KEUR 278,845 (116%) resulted mainly from the company acquisitions in 2015. Key acquisitions included the Yemek Sepeti group and the Talabat group (see company acquisitions in Section B.02).

The recoverable amount for the aforementioned CGUs is based on the value in use as fair value cannot be reliably determined. The following assumptions were made in determining value in use:

in %	**WACC**		**EBITDA margin**		**Perpetual annuity growth**	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
Yemek Sepeti group	12.9	-	59.1	-	2.0	-
Lieferheld GmbH	12.5	12.6	28.2	40.4	2.0	1.0
pizza.de GmbH	9.5	9.6	59.1	53.2	2.0	1.0
Talabat group	16.3	-	64.4	-	2.0	-
Online Pizza Norden AB	13.1	13.2	56.5	54.3	2.0	1.0
Others	17.7	15.7	24.6	29.3	2.0	1.0

With one exception as explained in the next section, the determination of value in use for CGUs led to a recoverable amount exceeding the carrying amounts stated above.

Derivation of the equity component of WACC is based on a uniform risk-free base rate of 0.75% for the EUR area (PY: 1.75%) and a CGU-specific risk premium of between 6.0% and 29.8% (PY: 6.8% to 22.8%). The risk premium contains adjustment components for inflation and country risk as well as market risk and CGU-specific premiums, which depend largely on the period of occurrence and are reduced as the history is extended. In addition, an entity-specific risk factor (beta factor) of 1.29 is used across CGUs. Tax rates of between 15.0% and 30.8% are used dependent on the CGU.

As part of annual impairment testing as of December 31, 2015, a sensitivity analysis was also conducted. In each case, an increase of the base rate by 100 bps, a proportional reduction of planned annual revenue growth by ten percent and an absolute reduction of the planned EBITDA margin by five percent was assumed for this. None of these adjustments led to a need for a write-down.

c) Impairment test for intangible assets

The impairment loss on goodwill of KEUR 2,089 determined in the reporting period related to the cash generating unit of the operating segment of the China group. The impairment was due to the unfavorable economic outlook in the segment concerned as determined by management. The value in use of the China group as determined in line with these findings also resulted in impairment of intangible assets (trademarks) of KEUR 4,194 and the customer/supplier relationships of KEUR 2,136.

The value in use was determined by applying the discount rate before taxes of 34.7% and a steady growth rate of two percent from 2025.

02. Property, plant and equipment

Movements in property, plant and equipment:

Cost in KEUR	Leasehold improvements	Operating and office equipment	Advance payments for property, plant and equipment	Total
As of Jan. 1, 2015	**1,021**	**4,963**	**0**	**5,985**
Additions through business combinations	528	2,997	0	3,525
Additions	142	3,764	1,119	5,024
Reclassifications	1	-28	-2	-29
Disposals	0	-547	0	-547
Exchange rate differences	-38	-130	1	-167
As of Dec. 31, 2015	**1,654**	**11,020**	**1,118**	**13,792**
Accumulated depreciation in KEUR				
As of Jan. 1, 2015	**-181**	**-2,365**	**0**	**-2,546**
Additions through business combinations	-164	-1,179	0	-1,343
Depreciation	-454	-1,556	0	-2,010
Impairment losses	-466	-67	0	-533
Reclassifications	0	7	0	7
Disposals	0	246	0	246
Exchange rate differences	12	69	0	81
As of Dec. 31, 2015	**-1,254**	**-4,852**	**0**	**-6,106**
Carrying amount as of Dec. 31, 2015	**401**	**6,167**	**1,118**	**7,686**
Carrying amount as of Jan. 1, 2015	**840**	**2,599**	**0**	**3,439**

Cost in KEUR	Leasehold improvements	Operating and office equipment	Advance payments for property, plant and equipment	Total
As of Jan. 1, 2014	**1**	**1,721**	**0**	**1,722**
Additions through business combinations	877	1,391	0	2,267
Additions	143	2,051	0	2,194
Disposals	0	-256	0	-256
Exchange rate differences	0	57	0	57
As of Dec. 31, 2014	**1,021**	**4,963**	**0**	**5,984**
Accumulated depreciation in KEUR				
As of Jan. 1, 2014	**0**	**-791**	**0**	**-791**
Additions through business combinations	348	-233	0	115
Depreciation	-160	-1,378	0	-1,538
Impairment losses	-369	-64	0	-433
Disposals	0	98	0	98
Exchange rate differences	0	3	0	3
As of Dec. 31, 2014	**-181**	**-2,365**	**0**	**-2,546**
Carrying amount as of Dec. 31, 2014	**840**	**2,599**	**0**	**3,438**
Carrying amount as of Jan. 1, 2014	**1**	**930**	**0**	**931**

The increase in the carrying amount for operating and office equipment is based on an increase in purchasing driven by strong growth of operations as well as additions due to acquisitions. For acquisitions in the financial year, please refer also to Section B.02. Advance payments in 2015 resulted from the reconstruction of a rented office space to be used in the future.

As in the prior year, impairment losses were recognized on leasehold improvements in 2015 relating primarily to the relocation of operating activities of a DH entity.

Operating and office equipment includes facilities leased by the Group to third parties as short-term operating leases that can be terminated at short notice: these facilities have the following carrying amounts:

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Cost	1,133	639
Accumulated depreciation on Jan. 1	-81	-7
Exchange rate effects	-7	0
Depreciation during the financial year	-139	-74
Net carrying amount	**906**	**558**

As operating leases can generally be terminated by the lessee at any time, disclosure of minimum lease payments is waived.

03. Other financial assets

Other non-current financial assets are composed as follows:

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Shares in unconsolidated subsidiaries,	0	4
Investments	2,530	755
Loans granted	1,421	131
Others	737	410
Total	**4,688**	**1,300**

Investments as of December 31, 2015, mostly relate to an interest in RGP Local Commons IV GmbH & Co. KG and a participation in Hungry Netherlands B.V.

04. Trade and other receivables

The following table gives an overview of group receivables:

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Trade receivables	12,818	6,202
Trade and other receivables from affiliated companies	25	6
Receivables from derivative financial instruments	2,892	1
Other bank deposits	83	84
Other financial assets	1,379	594
Loans granted	443	3,080
Other receivables	5,050	978
Total	**22,690**	**10,946**
thereof current	22,687	10,866
thereof non-current	3	80

The majority of trade and other receivables is current; trade receivables as well as other receivables are broken down by maturity, as indicated above.

The increase in receivables from derivative financial instruments is due to a separable embedded termination option which was separated from a vendor loan taken out in 2015. The derivative related to a level 3 instrument. Other receivables relate mainly to receivables from payment service providers.

05. Other assets

Other assets are broken down as follows:

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Tax refund claims	3,904	1,870
Advance payments/prepaid expenses	4,015	1,080
Other miscellaneous	1,116	292
Total	**9,034**	**3,242**
thereof current	8,996	3,242
thereof non-current	38	0

Other assets predominantly relate to VAT receivables as well as advance payments on services that have not yet been rendered.

06. Income tax receivables

Income tax receivables mainly relate to prepayments or overpayments of corporation and trade tax that have already been made.

07. Deferred income taxes

Deferred tax assets and liabilities for the two reporting dates under review are as follows:

In KEUR	Dec. 31, 2015		Dec. 31, 2014	
	assets	**liabilities**	**assets**	**liabilities**
Deferred taxes	**21,175**	**150,363**	**9,762**	**64,814**
thereof current	9,329	2,168	480	1
thereof non-current	11,846	148,195	9,282	64,813
Offsetting	**-11,692**	**-11,692**	**-9,042**	**-9,042**
Total after offsetting	**9,483**	**138,671**	**720**	**55,772**

The change in deferred tax assets and liabilities between the years 2014 and 2015 mainly results from the acquisition of companies in 2015 and the related recognition of deferred tax liabilities on the hidden reserves disclosed.

The change in deferred tax assets and liabilities results from the effects, presented below; in the process, recognition of the change directly in equity does not apply. The share of deferred taxes recorded directly in equity resulted mainly from deferred taxes on equity components of loans granted and the associated derivatives.

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Deferred tax assets	9,483	720
Deferred tax liabilities	138,671	55,772
Net recognition of deferred taxes	**129,189**	**55,052**
Year-on-year change	**74,136**	**54,682**
thereof recognized in profit or loss	5,274	6,824
thereof recognized directly in equity	-1,481	-1,174
thereof through acquisitions	-82,328	-60,139
Exchange rate differences	4,399	-193

Deferred tax assets for tax loss carryforwards and deductible temporary differences are recognized only to the extent that the realization of the tax benefit through future taxable profits is probable. The Group has not recognized any deferred tax assets for temporary differences amounting to KEUR 3,951 (December 31, 2014: KEUR 7,063). In addition, deferred tax assets were not recognized for the interest carryforward amounting to KEUR 6,845 in 2015 (December 31, 2014: KEUR 4,693). Furthermore, no deferred tax assets were stated for domestic trade tax loss carryforwards of KEUR 117,954 (December 31, 2014: KEUR 71,307) as well as for domestic and international corporation tax loss carryforwards of KEUR 256,733 (December 31, 2014: KEUR 128,214). Trade tax loss carryforwards have no limitations on use. The maximum usable period for corporation tax loss carryforwards is as follows:

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Corporation tax loss carryforwards	**256,733**	**128,214**
Expiry date		
Within five years	23,255	9,456
After 5 years	54,864	23,244
Eligible to be carried forward indefinitely	178,614	95,514

Significant unrecognized deferred tax assets for unused tax loss carryforwards relate to Delivery Hero Holding GmbH amounting to KEUR 57,524 (December 31, 2014: KEUR 35,642), Lieferheld GmbH amounting to KEUR 50,452 (December 31, 2014: KEUR 35,734) and RGP Korea Ltd. amounting to KEUR 42,008 (December 31, 2014: KEUR 22,235).

Furthermore, deferred tax assets and liabilities result from the following items on the statement of financial position:

In KEUR	Dec. 31, 2015		Dec. 31, 2014	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Non-current assets				
Intangible assets	266	137,842	289	62,597
Property, plant and equipment	24	33	1	0
Other financial assets	9	0	0	0
Current assets				
Inventories	5	0	5	0
Trade and other receivables	93	893	56	0
Other assets	0	2	0	1
Non-current liabilities				
Pension provisions	21	0	0	0
Other provisions	1,547	0	783	159
Trade and other payables	639	10,320	3,394	2,057
Other liabilities	0	0	493	0
Current liabilities				
Other provisions	2,197	0	60	0
Trade and other payables	6,982	1,270	358	0
Other liabilities	52	3	0	0
Tax loss carryforwards	**9,340**	0	**4,323**	**0**
Total	**21,175**	**150,363**	**9,762**	**64,814**
Offsetting	**-11,692**	**-11,692**	**-9,042**	**-9,042**
Total after offsetting	**9,483**	**138,671**	**720**	**55,772**

No deferred tax liabilities were recognized on temporary differences relating to interests in subsidiaries of KEUR 50,081 (December 31, 2014: KEUR 1,567) as it is improbable that the temporary differences will be reversed in the foreseeable future.

08. Inventories

Inventories mainly comprise terminals, packaging materials, such as pizza boxes, and advertising materials which are sold to contracting restaurants. Inventories are subject to reservation of ownership through to settlement of the purchase price claim.

This item is broken down as follows:

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Advance payments	14	95
Finished goods and merchandise	643	639
Total	**657**	**734**

The amount of inventories recognized as an expense during the period amounts to KEUR 1,762 (2014: KEUR 1,408).

09. Cash and cash equivalents

Cash and cash equivalent can be broken down as follows:

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Cash at banks	159,855	32,527
Cash on hand	295	302
Total	**160,150**	**32,829**

Cash at banks consists of variable interest call deposits. Short-term deposits are made for periods of up to three months.

Movements in cash and cash equivalents during the reporting period are evident from the consolidated statement of cash flows.

10. Equity

Movements in equity components are presented in the consolidated statement of changes in equity.

a) Subscribed capital

The subscribed capital of the Company was increased in 2015 by KEUR 139 through the issue of a total of 139,182 shares in the course of ten capital measures. The subscribed capital of DHH as of December 31, 2015, was KEUR 394 and was fully paid in.

b) Authorized capital

By shareholder resolution, management is authorized to increase the authorized capital of the Company within five years after entry into the Commercial Register by issuing new shares against cash contributions, on one or several occasions, by a total not exceeding EUR 1,601 ("Authorized Capital"). The authorized capital serves to secure the subscription rights on shares that were issued to investors in the course of corporate financing. The subscription right of shareholders is excluded.

By shareholder resolution, management is furthermore authorized to increase the authorized capital of the Company within five years after entry into the Commercial Register by issuing new shares against cash contributions, on one or several occasions, by a total not exceeding EUR 7,274 ("Authorized Capital II") or EUR 77,402 ("Authorized Capital III"). The subscription right of shareholders is excluded. Authorized Capital II serves to secure the subscription rights on shares that were issued to lenders by means of a loan and escrow agreement in the course of corporate financing. Authorized Capital III can be used for any purpose.

c) Capital reserves

DHH's capital reserves increased by KEUR 781,289 in the reporting year; this is mainly attributable to the following circumstances:

An increase in capital reserves of KEUR 779,667 resulted from premiums paid in the course of the aforementioned ten capital increases.

In addition, there was an increase in capital reserves of KEUR 4,435 in connection with a share-based payment agreement (for details on IFRS 2 see Section F.01.c)).

In addition, capital reserves increased by KEUR 3,426 due to the equity component of a loan and the deferred tax liability in part attributed to this. The change in capital reserves consists of the increase due to the equity component of the loan amounting to KEUR 4,907 and the reduction due to the deferred tax liability amounting to KEUR 1,481. In addition to interest and principal payments, this loan also grants lenders regular distributions of DHH shares (cover shares).

A reduction in the capital reserve by KEUR 6,611 (2014: KEUR 1,297) results from transactions with companies with non-controlling shares in equity.

d) Revenue and other reserves

As in the prior year, revenue reserves and other reserves of the Group consists of the revaluation reserve from the first-time adoption, the profit/loss carryforward at the beginning of the period, the loss in the reporting period as well as other comprehensive income.

Other comprehensive income from the period contains differences arising from currency translation of the separate financial statements of international subsidiaries recognized directly in equity as well as effects from the remeasurement of net defined benefit liabilities in 2015. The increase in currency differences in 2015 resulted mainly from the depreciation of the Turkish lira against the euro in the reporting year. The following table shows the effects:

	Attributable to the owners of the Parent Company				
In KEUR	Translation reserve	Revaluation reserve for pension commitments	**Total**	**Non-controlling interests**	**Total other comprehensive income (loss)**
2015					
Effect of movements in exchange rates	-34,016	0	**-34,016**	26	**-33,989**
Revaluation of net liability arising on defined benefit pension plan	4	-201	**-197**	-37	**-234**
Total	**-34,012**	**-201**	**-34,213**	**-11**	**-34,224**
2014					
Effect of movements in exchange rates	1,026	0	**1,026**	-222	**804**
Revaluation of net liability arising on defined benefit pension plan	0	-50	**-50**	-8	**-58**
Total	**1,026**	**-50**	**976**	**-230**	**746**

e) Treasury shares

The reserve for treasury shares of the company comprises shares in DHH held by the Group. As of December 31, 2015, treasury shares held declined by 105 shares, which is attributable to a share swap with a minority shareholder.

f) Non-controlling interests

Non-controlling interests mainly arise from RGP Korea Ltd. Refer to the disclosures in Section B.03.a).

11. Liabilities to banks

Liabilities to banks have changed as follows:

In KEUR	**Dec. 31, 2015**	**Dec. 31, 2014**
Liabilities to banks	0	832
Total	**0**	**832**

Liabilities to banks from the prior year were fully repaid in the reporting year.

Liabilities to banks show the following maturity structure:

In KEUR	**Dec. 31, 2015**	**Dec. 31, 2014**
Current	0	832
Non-current	0	0
Total	**0**	**832**

12. Pension provisions

One DH group entity in Korea granted employees pension benefits based on a defined benefit plan. After one year of continuous employment, employees are entitled to at least one monthly salary for each year of employment based on the final three months of employment. The pension benefits are awarded as a lump-sum payment. The retirement age in Korea is 60 years. In addition, based on statutory provisions Yemek Sepeti granted employees pension benefits based on a defined benefit plan.

The provision is determined on the basis of the projected unit credit method. The actuarial assumptions underlying the calculation are summarized in the following table:

Actuarial assumptions (%)	**2015**	**2014**
Actuarial interest rate	2.40 - 4.66	2.79
Salary trend	3.71 - 5.10	0.70 - 5.70
Mortality – males	0.01 - 0.05	0.01 - 0.06
Mortality – females	0.01 - 0.02	0.01 - 0.03
Expected return on plan assets	n/a	2.79
Turnover rate	8.73 - 11.50	7.85 - 13.43

The sensitivity of the present value of defined benefit pension obligations (DBO) is presented in the following table:

Sensitivity analysis (KEUR)	**2015**	**2014**
DBO on the basis of the current discount rate	782	457
DBO given an increase in the discount rate of 1 percentage point	725	433
DBO given a decrease in the discount rate of 1 percentage point	793	489
DBO on the basis of the current salary trend	782	457
DBO given an increase in the salary trend of 1 percentage point	850	489
DBO given a decrease in the salary trend of 1 percentage point	704	432

The present value of the defined benefit obligation changed as follows:

Development of the DBO (KEUR)	**2015**	**2014**
DBO on Jan. 1	428	126
Addition due to business combination	73	0
Service cost	359	334
Pension benefits	-390	-84
Interest expense	16	9
Actuarial losses	294	47
Foreign currency translation	2	25
DBO on Dec. 31	**782**	**457**

The plan assets available for securing pension obligations and the resulting carrying amount of the obligations changed as follows in the reporting year:

Development of obligations in the statement of fin. position incl. plan assets (KEUR)	**2015**	**2014**
Present value of pension obligations as of Dec. 31	782	457
Fair value of plan assets	0	-29
thereof contributions to plan assets	*0*	36
thereof payments on plan assets	*0*	-7
Obligations in the statement of fin. position on Dec. 31	**782**	**428**

For the 2016 financial year, pension payments of KEUR 236 are expected.

13. Other provisions

The increase in other provisions in 2015 primarily results from the addition of the provision for share-based payment. Share-based payment is discussed separately in Section F.01. of the notes to the consolidated financial statements. The addition to provisions for personnel is based on obligations to employees of a newly acquired company. This program was settled according to plan until July 2017, a share of the provision was already utilized in 2015. There are significant uncertainties regarding the amount of the outflow.

The restructuring provisions mainly concern obligations arising from the relocation of premises and personnel restructuring at one DH entity. A share of the provision was already utilized in 2015. There are significant uncertainties in respect of the extent and due date of outflows; restructuring of this entity is expected to be completed in 2016.

In addition, the DH Group is exposed to further business risks, which however do not allow for any reasonable assessment to be made due to their type and very low probability of occurrence. For practical reasons, no disclosures on contingent liabilities and receivables are made in accordance with IAS 37.91.

The following table shows the development of other provisions and their breakdown by maturity date.

In KEUR	Share-based payment	Replacement obligations	Restructuring	Advisory services	Personnel	Other	Total
As of Jan. 1, 2014	**3,630**	**160**	**0**	**1,132**	**1,366**	**437**	**6,726**
Acquired through business combinations	0	50	1,217	0	0	3	**1,270**
Addition	12,402	188	3,664	80	436	293	**17,064**
Utilized	0	0	0	-440	-154	-253	**-847**
Reversed	0	-59	0	-32	-360	-12	**-463**
As of Dec. 31, 2014	**16,033**	**339**	**4,881**	**740**	**1,288**	**469**	**23,750**
Non-current	16,033	181	17	0	0	0	**16,230**
Current	0	159	4,864	740	1,288	469	**7,520**
As of Jan. 1, 2015	**16,033**	**339**	**4,881**	**740**	**1,288**	**469**	**23,750**
Acquired through business combinations	0	0	0	0	24,714	0	**24,714**
Addition	27,124	173	52	0	2,016	604	**29,969**
Utilized	-2,176	-48	-2,022	-5	-609	-287	**-5,148**
Reclassification	0	78	0	-110	598	32	**598**
Reversed	0	0	-30	-580	-11,170	-116	**-11,897**
Exchange rate differences	-50	6	0	0	-1,005	-16	**-1,065**
As of Dec. 31, 2015	**40,931**	**548**	**2,881**	**45**	**15,832**	**685**	**60,922**
Non-current	0	187	17	0	7,998	0	**8,203**
Current	40,931	360	2,863	45	7,834	685	**52,719**

14. Trade and other payables

Trade and other payables are broken down as follows:

In KEUR	**Dec. 31, 2015**	**Dec. 31, 2014**
Trade payables	31,040	22,007
Financial liabilities from derivative financial instruments	45,075	22,828
Financial liabilities		
from outstanding purchase invoices	5,841	132
from contingent purchase price obligation	9,716	0
from seller loans	128,808	11,132
from other loans	161,486	98,524
from security deposits received	579	57
from other	24,208	4,185
Total	**406,753**	**158,866**
Current	111,180	46,467
Non-current	295,574	112,399

The maturity of trade payables and other liabilities is broken down, as indicated above. Non-current trade payments and other liabilities mainly relate to other loans, liabilities from derivative financial instruments and vendor loans.

The increase in vendor loans is due to the taking out of a vendor loan in the course of the Yemek Sepeti transaction with a carrying amount as of December 31, 2015, of KEUR 128.808. The vendor loan includes a termination option on the part of Delivery Hero, which represents a separable embedded derivative and which was separated upon taking out the loan from the base contract. The termination option had a market value of KEUR 2,892 as of December 31, 2015, and is recorded under trade and other receivables.

The other loans related mainly to a new loan taken out in 2015 with a nominal value of KEUR 90,000, which has a carrying amount of KEUR 74,063 as of December 31, 2015, and a loan already taken out in 2014 with a nominal value of KEUR 100,000 and a carrying amount of KEUR 84,660 as of December 31, 2015 (December 31, 2014: KEUR 92.868). The loan with a nominal value of KEUR 100,000 was restructured twice in 2015. Both restructurings led to a disposal of the existing liability and re-recognition of the restructured loan at fair value. Both the restructured loan and the new loan taken out are hybrid financial instruments pursuant to IAS 32.28, containing both equity and debt components. The debt component of both loans was determined in the course of initial recognition as present value of future interest and principal payments. Subsequent measurement occurs at amortized cost. The equity component is calculated using the residual value method as the difference between the fair value of the entire instrument and the fair value of the debt component taking into account all separable derivatives embedded in the loan agreement. The agreement stipulates that both loans are to be repaid by mid-2018.

Both loan agreements include several embedded derivatives, each of which is to be treated as a compound derivative in accordance with IAS 39.AG29 and stated at fair value. The embedded derivatives relate to stock interest, i.e. the supply of shares in lieu of interest payments, and special termination rights. The market value of the embedded derivatives from both loan agreements amounts to KEUR 19,267 as of December 31, 2015 (December 31, 2014: KEUR 0) and increases the liabilities from derivative financial instruments. All embedded derivatives are level 3 instruments.

In 2015, derivative financial liabilities also relate to written put and purchased call options (synthetic forward transactions) on non-controlling interests of acquired companies PedidosYa S.A. (PedidosYa group) and Inversiones CMR S.A.S. (ClickDelivery Group) totaling KEUR 22,659 as of December 31, 2015 (December 31, 2014: KEUR 15,199). The option on non-controlling interests of Baedaltong Co. Ltd. was cleared in 2015 (December 31, 2014: KEUR 4,656). In addition, for the PedidosYa group there is also a variable purchase price component for the controlling interests in the value of own DHH shares. This is also linked to the value at the date of the exit event and amounts to KEUR 3,159 as of December 31, 2015 (December 31, 2014: KEUR 2,973). All of the derivatives described are level 3 instruments.

The contingent purchase price liability from the acquisition of E-Food was KEUR 9,716 as of the reporting date and is a level 3 instrument.

Specific bank accounts, trademark rights and receivables serve as a collateral base for individual loan agreements and shares in individual companies are pledged as security. The agreements serve solely to secure payment obligations to creditors. No voting rights materialize for the pledgee from this. Secured financial liabilities amount to KEUR 297,636 as of December 31, 2015 (December 31, 2014: KEUR 92,868). The carrying amount of the financial assets serving as collateral amounted to KEUR 875,718 (December 31, 2014: KEUR 298,832), which mainly related to investments in subsidiaries which are eliminated for the purposes of the consolidated financial statements.

15. Other liabilities

Other liabilities are broken down as follows:

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Social security	977	365
To employees	3,547	2,307
Audit expenses and costs for preparing the financial statements	1,121	569
Taxes and charges	6,066	2,441
Remaining other liabilities	3,680	3,258
Total	**15,390**	**8,940**

Deferred revenue from customer loyalty programs under IFRIC 13 of KEUR 1,036 (December 31, 2014: KEUR 523) is shown under other liabilities.

The maturity structure of other liabilities is broken down as follows:

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Current	15,381	8,924
Non-current	10	16
Total	**15,390**	**8,940**

16. Income tax liabilities

Income tax liabilities relate mainly to obligations of individual group companies due to positive taxable income.

D. Disclosures on the consolidated statement of profit or loss and other comprehensive income

01. Revenue

Revenue is broken down as follows:

In KEUR	2015	2014
Revenue from		
- Commissions	147,487	69,793
- Prime placings	19,710	2,791
- Credit card use	12,898	6,171
- Basic fees	6,738	3,374
- Delivery fees	5,625	0
- Set-up fees	3,936	2,095
- Other	3,113	3,785
Total	**199,507**	**88,008**

The geographic distribution of revenue is shown in the following table:

In KEUR	2015	2014
Germany	56,411	29,685
Other European countries	88,924	40,410
Middle East	10,674	0
North, Latin and South America	11,429	2,809
Australia and Asia	32,069	15,105
Total	**199,507**	**88,008**

02. Cost of sales

Cost of sales is broken down as follows:

In KEUR	2015	2014
Fees for payment services	8,845	5,366
Personnel expenses	5,468	49
Allowances for receivables	4,414	2,299
Purchased goods	2,768	2,030
Restaurant marketing	2,170	0
Server hosting	2,107	970
Data transfer costs	2,079	2,007
Call center	448	2,767
Other costs of sales	1,285	1,446
Total	**29,585**	**16,933**

03. Marketing expenses

Marketing expenses are broken down as follows:

In KEUR	2015	2014
Radio and TV advertising (branding)	73,055	32,268
Personnel expenses	36,958	18,653
Search Engine Marketing (SEM)	32,220	12,220
Mobile marketing	9,819	1,584
Display marketing	6,013	2,121
Social marketing	3,538	845
Affiliate Marketing	1,126	687
Search Engine Optimization (SEO)	403	216
Other selling and distribution expenses	12,857	2,293
Other marketing expenses	32,328	6,574
Total	**208,317**	**77,462**

04. IT expenses

IT expenses are broken down as follows:

In KEUR	2015	2014
Personnel expenses	18,312	10,234
Material expenditure	4,126	1,612
Total	**22,437**	**11,846**

IT expenses relate partly to expenses for research and development, for instance for the development of the order platform. Despite strong growth, the DH Group continues to be in the start-up and structuring phase of company organization, administration and process architecture. The close interaction between maintenance, adjustment to market conditions and the resulting development of the order platform does not currently permit the determination of research and development costs. The Group is nevertheless working on a structure which will allow research and development costs to be quantified in future. Further disclosures on research and development can be found in the group management report for the 2015 financial year.

05. General administrative expenses

General administrative expenses are broken down as follows:

In KEUR	**2015**	**2014**
Amortization, depreciation and impairment losses	48,903	11,096
Share-based payment	31,490	12,402
Personnel expenses	20,010	16,701
Audit and consulting expenses	19,313	11,165
Office expenses	6,888	4,261
Rent and leasing expenses	5,470	3,567
Travel and subsistence expenses	5,060	1,656
Telecommunications	2,708	1,324
Other taxes	579	58
Other expenses	9,208	4,786
Total	**149,628**	**67,015**

06. Other operating income

Other operating income is broken down as follows:

In KEUR	**2015**	**2014**
Gains from currency translation	8,961	3,014
Gains from the disposal of fixed assets	13	412
Income from licenses, patents and commission	13	0
Impairment losses reversed	0	16
Others	1,214	2,710
Total	**10,202**	**6,152**

Expenditure allowances for the employment of specific employees are recognized directly in profit or loss in accordance with IAS 20 (2015: KEUR 435; 2014: KEUR 100). There are no unfulfilled restrictions and other contingencies related to recognized government assistance in the consolidated financial statements.

07. Other operating expenses

Other operating expenses are broken down as follows:

In KEUR	**2015**	**2014**
Losses from currency translation	16,847	1,752
Losses on the disposal of fixed assets	229	128
Other expenses	518	254
Total	**17,595**	**2,134**

08. Finance income

Breakdown of finance income:

In KEUR	2015	2014
Income from measuring derivative financial instruments at fair value	13,437	5,518
Income from amortizing the transaction costs of financial instruments	12,035	597
Other interest and similar income	1,253	172
Total	**26,725**	**6,287**

The increase in income from the measurement of derivative financial instruments resulted from the subsequent measurement of the separated embedded derivatives and the derecognition of the related embedded derivatives in the course of restructuring the base loan instruments.

The increase in income from the amortization of transactions costs was mainly a result of the effects on earnings connected with two restructurings of a loan agreement for KEUR 100,000. Both restructurings led to derecognition in the income statement of the existing liability and a subsequent re-recognition in the income statement of the fair value of the liability.

09. Finance costs

Finance costs are broken down as follows:

In KEUR	2015	2014
Expenses from amortizing the transaction costs of financial instruments	30,811	2,633
Other interest and similar expenses	12,445	8,248
Expenses from measuring derivative financial instruments at fair value	12,248	8,551
Total	**55,504**	**19,432**

The increase in expenses from the amortization of transactions costs resulted mainly from the effects on earnings connected with two restructurings of a loan agreement for KEUR 100,000. Both restructurings led to derecognition in the income statement of the existing liability and a subsequent re-recognition in the income statement of the fair value of the liability.

The increase in expenses from the measurement of derivative financial instruments resulted from the subsequent measurement of the separated embedded derivatives and the derecognition of the related embedded derivatives in the course of restructuring the base loan instruments.

10. Other finance income/costs

As in the prior year, other finance income/costs led to an expense and is broken down as follows:

In KEUR	**2015**	**2014**
Impairment of investments	5,524	86
Loss from equity-accounted investments	2,511	0
Loss from other financial investments	91	0
Total	**8,126**	**86**

The impairment of investments in 2015 resulted mainly from the amortization of an investment acquired in 2015.

The equity-accounted investments in associates recognized generated a negative profit contribution of KEUR 2,511.

11. Income taxes

Expenses or income for income taxes are broken down as follows:

In KEUR	**2015**	**2014**
Income taxes	**1,815**	**5,555**
Current income taxes:	**-3,459**	**-1,269**
Current income taxes	-3,743	-1,161
PY current income taxes	284	-108
Deferred income taxes	**5,274**	**6,824**
Deferred income taxes	5,274	6,824

Reconciliation between the consolidated profit/loss before taxes and expected income taxes on the one side, and the current income tax expense on the other is as follows:

In KEUR	**2015**	**2014**
Earnings before income taxes	**-254,759**	**-94,461**
Anticipated tax income (2015: 30.18%; 2014: 30.18%)	**76,886**	**28,508**
Adjustments to the anticipated tax income		
Deviations between the Group's tax rate and tax rate changes	-9,172	-1,937
Non-deductible operating expenses	-14,199	-1,791
Tax-exempt income	564	703
Tax effects from adding back and deducting for local taxes	-375	-149
Effects from the non-recognition of deferred tax assets on tax loss carryforwards	-42,614	-19,095
Effects from the recognition/non-recognition of deferred tax assets Taxes from temporary differences	-1,009	1,837
Prior-period income taxes	-3,101	-108
Effects from consolidation measures	283	53
Effects of equity-accounted companies	-719	0
Effects of goodwill impairment	-522	0
Permanent differences	-4,131	-2,395
Other tax effects	-76	-71
Income taxes	**1,815**	**5,555**

The tax rate applied to determine the expected income tax expense corresponds to the tax rate of the parent and is composed of the tax rate for corporation tax inclusive of solidarity surcharge of 15.83% and the trade tax rate of 14.35%.

E. Disclosures on the consolidated statement of cash flows

The consolidated statement of cash flows was prepared in accordance with IAS 7 and shows the inflow and outflow of cash flows during the reporting year. Cash flows are broken down into cash flows from operating activities, cash flows from investing activities and cash flows from financing activities. The cash flows arising from operating activities are determined using the indirect method pursuant to IAS 7.18 (b).

The cash and cash equivalents shown in the consolidated statement of cash flows correspond to cash and cash equivalents in the statement of financial position, namely cash on hand and at banks; please refer to Section C.09. Cash and cash equivalents accessible to the Group amounted to KEUR 160,150 as of December 31, 2015 (December 31, 2014: KEUR 32,829). Some of the payment service providers used by the DH Group block a minor percentage of the available credit for some days until the transactions are fully processed. Please refer to Section B.03.a) in respect of possible restrictions due to currency controls in China and Argentina.

The negative cash flow from operating activities in 2014 and 2015 results mainly from the loss for the period and the increase in current assets. The increase in trade receivables and other assets reflects in particular the Company's growth. The cash flow from investing activities in 2015 mainly comprises the acquisitions presented in C.3 and investments in intangible fixed assets, mainly IT software. The item "Net payments for the acquisition of shares in consolidated companies" includes mainly the balance from the cash component of the consideration transferred and the cash and cash equivalents assumed (KEUR 235,169) for the company acquisitions as well as the buyback of minority interests (KEUR 4,106). The cash flows from financing activities reflects the cash increase in equity capital in 2014 and 2015. In addition, additional loans were taken out both in 2014 and 2015. The two contributed to securing the DH Group's operations. The Group is positioned very broadly, nevertheless it has not yet reached break-even.

Aggregated disclosures on assets and liabilities of acquired subsidiaries, inclusive of the acquired cash and cash equivalents and cash components of remuneration of the acquisition, are to be found in Section B.02. Disclosures on deconsolidation are to be found in Section B.03.c).

F. Other disclosures

01. Share-based payment – IFRS 2 Program

The DH Group has been operating a share-based payment program since 2011 so that top-level management participates in the development of the Company and its contribution to the sustained success of the DH Group is honored in comparison to the competition. The group of beneficiaries comprises members of management and the top management of Delivery Hero Holding GmbH as well as management bodies and the top management of affiliates of the DH Group.

a) VSP: Description of the program

Five programs (Virtual Share Program I-V) were approved by the Advisory Board of the Company. The nominal value of each virtual share amounts to EUR 1. Shares are issued successively following approval.

Entitled persons have an individual contractual claim on the Company for payment of a cash equivalent to the shares issued. In the case of a material change in the shareholder structure ("exit"), these claims are immediately payable. An exit is deemed to exist if a sale or transfer of more than 75% of all shares in the Company occurs. An exchange or acquisition as part of an individual transaction or a series of consecutive transactions as well as a sale or transfer of more than 75% of assets or a liquidation or de facto liquidation of the Company is treated in the same way.

In the case of an exit, all claims on virtual shares already issued are immediately due for payment at the date of concluding the transaction. Following the exit, tendered claims are being assigned on a monthly basis. The number of shares issued is individually specified in contractual agreements. In addition, additional or other tender scenarios or criteria governing the vested nature are individually specified and defined in the individual contractual agreements. The Company, however, proceeded in 2014 to standardize these arrangements in their entirety.

The exercise prices agreed in the programs (strike prices) vary in the range presented below depending on the issuance date of the subscription right. Shares in individual programs are distributed as follows:

Program	**VSP I**	**VSP II**	**VSP III**	**VSP IV**	**VSP V**
Strike Price (in EUR/piece)	0 - 1	957	1,031 - 1,500	1,053 - 4,000	1 - 4,500
Shares	776	958	4,300	7,731	1,190
Expired shares	332	264	1,925	1,020	0

No rights to the subscription of GmbH ownership interests of the Company and dividends resulting from ownership interests or distributions from the virtual shares are granted to entitled persons. In the event of conversion of the GmbH into a stock corporation, the virtual shares would be converted into share options. The arrangement for these share options after conversion to a stock corporation, e.g. whether settlement occurs in shares or in cash, has not yet been made.

The VSPs end on December 31, 2030. The individual agreements can be terminated by the Company with effect from December 31, 2030. In the case of termination of agreements as of or after December 31, 2030, the Company must provide compensation payment.

All taxes, other levies or fees, which accompany the issuance of virtual shares or cash payments as part of these agreements are to be borne by the beneficiary and may be withheld by the Company and deducted from payments as part of this agreement. Excluded from this are the corresponding employer's contributions which were added into the calculation.

b) VSP: Vesting period/non-forfeiture

To the extent that there are no other arrangements in individual agreements, the contractual vesting period extends over a period of 48 months. Prior to the commencement of the contractual vesting period, an additional vesting period (cliff) of up to 12 months can be arranged on the part of the issuer and a period of up to 24 months can be arranged individually by the participant between the Company and the beneficiary. These vesting periods have an impact on non-forfeiture as they present a type of waiting period from the beginning of the contractual subscription period and non-forfeiture of individual claims can materialize only at a later date. If the work or engagement relationship, irrespective of the reason, ends during the vesting period, the virtual shares expire.

Employees who opt to leave the Company ('bad leaver') have no claim to virtual shares.

Measurement of share-based payment of employees is made using an option pricing model (Black-Scholes model) based on the valuation of a call option on the Company's shares. The volatilities used for this are derived by applying a standard peer group and amount to 40%. The exit was assumed for the maturity of the options, namely December 31, 2016. Market prices were determined using a company valuation. The exercise price corresponds to the aforementioned strike prices. The underlying risk-free interest rate is 0%. To derive the underlying company valuation, a DCF-based company valuation was conducted based on the business plan and the statement of financial position as of the reporting date; the parameters for discounting the recovery of capital correspond to the specifications given for impairment testing (refer to Section C.01.b)). Assumptions regarding the key performance indicators of the business plan, such as the underlying EBITDA margin, were also applied. The measurement using these parameters is shown below. Changes in the measurement of liabilities arising from share-based payment were recognized through profit or loss in the respective period.

Measurement date	**Dec. 31, 2015**	**Dec. 31, 2014**
No. of shares owed	14,955	9,634
No. of tendered shares	8,861	4,395
Fair value (KEUR)	35,287	16,033
Total expenses for the period (KEUR)	21,430	11,876
Intrinsic value of liabilities for vested benefits (KEUR)	35,111	15,122

Earnings per share are not disclosed as no dilution effect is to be considered for virtual share options and respective virtual shares match these.

The number and weighted average exercise prices for virtual share options developed as follows: For practical reasons, DHH does not differentiate between expired and forfeited shares.

	No. of virtual share options in 2015	Weighted average exercise price 2015 in EUR	No. of virtual share options in 2014	Weighted average exercise price 2015 in EUR
Outstanding as of Jan. 1	7,896	1,252	5,527	984
Expired during the year	-1,802	1,387	-1,029	1,219
Pledged during the year	5,321	2,524	3,398	1,645
Outstanding as of Dec. 31	**11,415**	**1,824**	**7,896**	**1,252**

c) E-Food: Description of share option program

On May 2, 2015, ECommerce Business 10 S.à r.l. granted the senior executives of OFD Online Delivery Services Ltd (OFD) ("Beneficiaries" or "Option Holders") a share option for a portion of the shares in OFD. In connection with this, a put and call agreement was concluded between ECommerce Business 10 S.à r.l. and the senior executives. The exercise of the put and call option agreed therein is dependent on the exercise of the share option and on the rendering of work performance by the senior executives. Following each exercise of the share option, the option holder has the right to sell the shares in OFD acquired via the share option. This right is granted to the option holder for 30 days following exercise of the share option. The sale price of a share corresponds to the market value of all shares in the company at the respective vesting period of the share, multiplied by a performance factor and divided by the number of shares in the company. The option program allows senior executives to share in the performance of OFD. As the share option and the put and call agreement are mutually dependent, the option program, in economic terms, is considered a commitment that is accounted for as a share-based IFRS 2 program.

The commitment includes the option between the issuance of shares of a listed group company and the cash payment or issuance of shares of an unlisted company within the DH Group. As no past DH Group operational practice or declared guidelines exist on this issue and no legal obligation to make cash payment is present, this commitment is to be recognized as an equity-settled share-based payment transaction.

The integrated option consists of two individual agreements. In the course of the first option, the founders have the right to buy shares in the Greek company (OFD). The purchase price itself and the value of the shares itself is unclear as of the reporting date. In the case that the option is advantageous and is thus exercised, the founders again have the immediate right to tender the shares to DHH. In this case, the founders surrender their acquired shares and in return receive payment which via various contractual parameters is linked to key financial and operational performance indicators of OFD over the next few years.

With respect to the economic dependency of the two transactions, the options were considered as one interdependent transaction, this means it is decisive for the exercise of the option whether the payment amount to the founders for the acquired shares in the (contingent) second option is larger than the purchase price to be paid by the founders for the shares in the first option.

With regard to the two underlying shares of the agreements, two tranches are set out in terms of the vesting period, the number of shares granted and the future measurement dates. This is also taken into account in the measurement.

Due to the mutual dependency and the uncertainty as to future variables, the financial and operational benchmarks were derived from a multi-level, integrated Monte Carlo simulation. On the basis of resulting values, it was determined when the combined option is valuable and thus when it should be exercised.

The measurement is based on publicly available, observable market data and on unobservable input parameters. The unobservable input parameters include mainly future financial and operational key performance indicators. These are simulated using a Monte Carlo method with the model being calibrated based on development in line with existing budget plans for the relevant companies. Other financial key performance indicators were taken from the available financial statements of the relevant companies and extrapolated in line with the simulation results.

Measurement takes place just once at the conclusion of the agreement. A measurement is only repeated if the contractual parameters are modified. Then the measurement takes place with due regard to the modified parameters – otherwise applying the same assumptions and conditions.

For the commitment as agreed on May 2, 2015, an expense of KEUR 1,351 was recorded under administrative expenses in 2015.

The agreement was modified on December 7, 2015. The original number of shares to be vested in tranche 1 was 47 and 93 in tranche 2. This was reduced in December 2015 to 30 shares in tranche 1 and 40 shares in tranche 2.

The vesting period for tranche 1 was originally May 2, 2015, to April 30, 2017, and for tranche 2 from May 2 to December 31, 2018. The contract modification extended the vesting period for tranche 1 until December 31, 2018 and tranche 2 until December 31, 2019. The modification also postponed the exercise period for one year. The vested purchase rights can be exercised between December 31, 2019, and March 31, 2020, and expire after this time period. As of the reporting date December 31, 2015, the average contractual life of the options was 3.5 years.

The exercise price per share corresponds to the original amount of total contributions paid in the course of the acquisition of OFD as determined by the share purchase agreement, divided by the total number of shares in the company. The contract modification increased the exercise price by a total of KEUR 8,866.

In connection with revocation of a portion of the shares following the contract modification, an additional expense of KEUR 3,083 was recorded in 2015.

With regard to the other modifications, a net adjustment was carried out. The re-measured fair value of the non-revoked shares following modification of the commitment (KEUR 2,592) is less than the fair value of the non-revoked shares in the course of the original commitment (KEUR 3,103). Therefore in accordance with IFRS 2.B44, no adjustment was made with regard to the other modifications.

The number of options and the weighted average exercise price developed in 2015 as follows:

	Number of options		**Average exercise price per share in KEUR**	
	Tranche 1	**Tranche 2**	**Tranche 1**	**Tranche 2**
As of Jan. 1, 2015	**0**	**0**	**0**	**0**
Issue	47	93	20	20
Expiration	-17	-53	20	20
As of Dec. 31, 2015	**30**	**40**	**20**	**17**
thereof outstanding	30	40	-	-

As of December 31, 2015, the average market value of the options granted in 2015 was KEUR 13 per option for tranche 1 and KEUR 68 per option for tranche 2. The weighted average option price was KEUR 160 for tranche 1 and KEUR 201 for tranche 2.

The expected monthly (bi-annual) volatility in terms of revenue, which is the main influencing factor, amounted to 17.8% (7.6%). The expected monthly (bi-annually) volatility in terms of share price is 14.5% (35.8%). No dividends are expected in the measurement model. The risk-free interest rate of 0% is assumed. Early exertion is not expected.

d) Other IFRS 2 programs

In addition to the two programs described above, there are another three programs drafted in 2015, which for reasons of materiality are summarized below. The aim of these programs is to allow for management of certain subsidiaries to share in the performance of the companies run by them. The programs are cash-settled, in the case of an exit, all claims on virtual shares already issued are immediately due for payment at the date of concluding the transaction. Following the exit, tendered claims are being assigned on a monthly basis. The number of shares issued is individually specified in contractual agreements. In addition, additional or other tender scenarios or criteria governing the vested nature are individually specified and defined in the individual contractual agreements. During the programs the exercise price of RGP Korea is between EUR 1–2,000 per share, the other two programs hold no exercise price.

Measurement of share-based payment of employees is made using an option pricing model (Black-Scholes model) in line with the approach in measuring the virtual share program.

Measurement date	RPGK Dec. 31, 2015	RPP Dec. 31, 2015	PeYa Dec. 31, 2015
No. of shares owed	1,990	1,032	2,278,948
No. of tendered shares	1,054	1,032	1,762,619
In KEUR			
Fair value	2,421	783	2,379
Total expenses for the period	2,421	783	2,379
Intrinsic value of liabilities for vested benefits	2,422	783	2,106

02. Financial instruments

a) Disclosures on financial instruments

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

The following abbreviations are used for the measurement categories:

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

Dec. 31, 2015	Classification pursuant to IAS 39	Measured at amortized cost		Measured at fair value	Total line items
In KEUR		**Carrying amount**	**Fair value**	**Carrying amount**	**Carrying amount**
Investments	AfS	2,530	n/a		2,530
Loans granted	LaR	1,421	1,421		1,421
Bank deposits	LaR	234	234		234
Security deposits	LaR	503	n/a		503
Other financial assets		**4,688**	**1,654**		**4,688**
Trade receivables	LaR	17,893	17,893		17,893
Loans granted	LaR	443	443		443
Other securities	AfS	44	n/a		44
Security deposits	LaR	792	n/a		792
Derivative financial instruments	FAHfT			2,892	2,892
Bank deposits and related receivables	LaR	626	626		626
Trade and other receivables		**19,798**	**18,962**	**2,892**	**22,690**
Cash and cash equivalents		**160,150**	**160,150**		**160,150**
Total financial assets		**184,636**	**180,767**	**2,892**	**187,529**
Liabilities to banks	**FLaC**	**0**	**0**		**0**
Trade payables	FLaC	36,883	36,883		36,883
Other current liabilities	FLaC	24,102	24,102		24,102
Other purchase price obligation[1)]	FLHfT			9,820	9,820
Security deposits received	FLaC	579	579		579
Derivative financial instruments[2)]	FLHfT			45,075	45,075
Loans payable[3)]	FLaC	290,294	295,056		290,294
Trade and other payables		**361,679**	**356,620**	**54,895**	**406,753**
Total financial liabilities		**361,679**	**356,620**	**54,895**	**416,574**

Dec. 31, 2014	Classification pursuant to IAS 39	Measured at amortized cost		Measured at fair value	Total line items
In KEUR		**Carrying amount**	**Fair value**	**Carrying amount**	**Carrying amount**
Investments	AfS	759	n/a		759
Loans granted	LaR	131	131		131
Security deposits	LaR	410	n/a		410
Other financial assets		**1,300**	**131**		**1,300**
Trade receivables	LaR	7,187	7,187		7,187
Loans granted	LaR	3,080	3,080		3,080
Security deposits	LaR	594	0		594
Derivative financial instruments	FAHfT	1	1		1
Current bank deposits	LaR	84	84		84
Trade and other receivables		**10,946**	**10,351**		**10,946**
Cash and cash equivalents		**32,829**	**32,829**	**0**	**32,829**
Total financial assets		**45,075**	**43,312**		**45,075**
Liabilities to banks	**FLaC**	**832**	**832**	**0**	**832**
Trade payables	FLaC	26,381	26,381		26,381
Derivative financial instruments[2)]	FLHfT			22,828	22,828
Loans payable[3)]	FLaC	109,656	113,722		109,656
Trade and other payables		**136,037**	**140,103**	**22,828**	**158,866**
Total financial liabilities		**136,870**	**140,935**	**22,828**	**159,698**

Classifying the underlying input factors for determining fair value pursuant to IFRS 13.93 (b)/IFRS 13.97:
1) Purchase price liability: Level 3 pursuant to the fair value hierarchy (measurement due to non-observable input factors/market data)
2) Derivative: Level 3 pursuant to the fair value hierarchy (measurement due to non-observable input factors)
3) Loans payable: Level 3 pursuant to the fair value hierarchy (measurement due to observable input factors/market data)

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

The carrying amounts for cash and cash equivalents, trade receivables, granted loans, deposits received, trade and other payables have predominantly short terms and are approximately in line with the fair value as of the reporting date.

The remaining available-for-sale financial assets (AfS) shown in the statement of financial position refer to other investments and securities; these are recognized at cost as quoted prices on an active market are not available and the fair value cannot be reliably determined. There are currently no significant sale intentions.

DHH loans liabilities are recognized at amortized cost. Thus the carrying amount does not correspond to the fair value. The fair value of loan liabilities is determined as the present value of future cash flows taking account of risk-less interest rates valid as of the reporting date and a specific risk premium for DHH.

Net result by measurement category:

In accordance with IFRS 7.20 (a), net gains and losses of financial instruments are to be disclosed for each measurement category of IAS 39.

The net results of individual measurement categories pursuant to IAS 39 are as follows:

Net income (loss) by measurement category (in KEUR)	**2015**	**2014**
LaR	-5,391	-2,608
AfS	-5,533	-8
FAHfT	5,942	0
FLHfT	-6,914	-3,033
FLaC	-28,526	-9,431
Total	**-40,423**	**-15,080**

The net result of the LaR measurement category contains impairment losses and reversals on trade receivables. The net result of the LaR measurement category also includes interest income. The net result of the FLHfT measurement category includes results from the measurement of these derivatives at market prices. The net result of the FLaC measurement category includes interest expenses for ongoing debt service as well as the result from loan amortization which is also included in interest expense.

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

In KEUR	Assets	Liabilities	Total
As of Jan. 1, 2014	**2,341**	**-5,602**	**-3,261**
Additions due to acquisitions and issuances		-21,890	-21,890
Disposals due to sale and settlement	-2,340	7,477	5,137
Net profits recognized directly in equity		220	220
Profits recorded in the consolidated statement of profit or loss and OCI		5,518	5,518
Losses recorded in the consolidated statement of profit or loss and OCI		-8,551	-8,551
As of Dec. 31, 2014	**1**	**-22,828**	**-22,827**
Additions due to acquisitions and issuances	5,835	-49,963	-44,128
Disposals due to sale and settlement		13,763	13,763
Net profits recognized directly in equity		268	268
Profits recorded in the consolidated statement of profit or loss and OCI	101	13,173	13,274
Losses recorded in the consolidated statement of profit or loss and OCI	-3,045	-9,204	-12,249
As of Dec. 31, 2015	**2,892**	**-54,791**	**-51,899**

No reconciliation between the different levels of the fair value hierarchy took place during the financial year.

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

The fair value of the separable embedded derivatives is determined using an option pricing model at each relevant reporting date. In the course of the measurement process, the required publicly-available market data is collected and unobservable input parameters are updated using internal calculations. The latter relates in particular to the value determined for each company share of DHH and the specific risk premium for DHH. Both parameters were updated on each measurement date. The calculation of the sensitivities for unobservable input parameters is presented in the Section "Market risks".

The future payment obligation for non-controlling shares for PedidosYa and Clickdelivery is linked via different contractual parameters to the company value of DHH at the date of the exit event. Owing to this interdependence, the fair value of put/call options is determined using Monte Carlo simulations. Measurement is made at each relevant reporting date. In the course of the measurement process, the required publicly available market data is collected and unobservable input parameters are updated at the respective reporting date using internal calculations. The latter relates in particular to the value determined for each company share of DHH using a discounted cash flow approach, which represents the key influencing factor for the measurement result. Volatility is derived from the historical volatility of peer group companies as of the reporting date.

In line with the presentation above, the calculation of the fair value of the variable purchase price component of PedidosYa group valued in own DHH shares is based on the value of each DHH company share as determined using the discounted cash flow approach. The option value is calculated using the Black-Scholes model. The significant unobservable input parameters of the model to calculate the value of DHH shares are found in Section C.01.b). The estimated fair value of options would rise (decline) if the DHH share price was to rise (fall).

The put/call options at Baedaltong Co., Ltd. are based on a contractually determined subsequent settlement of deferred consideration and was settled in advance in 2015.

The contingent payment obligation for the earn-out provision at OFD is linked via various contractual parameters to key financial and operational performance indicators of OFD over the next few years. Due to the mutual dependency and the uncertainty as to future variables, the financial and operational benchmarks are derived from a Monte Carlo simulation. Based on the results of the simulation, the value of a potential earn-out payment at the respective future dates is determined based on contractual agreements. The measurement is based on publicly available, observable market data and on unobservable input parameters. The unobservable input parameters include mainly future financial and operational key performance indicators. These are simulated using a Monte Carlo approach with the model being calibrated based on development in line with existing budget plans for the relevant companies. Other financial key performance indicators were taken from the existing financial statement of the related companies and extrapolated in line with the simulation results. Measurement is made at each relevant reporting date and the parameters updated accordingly. This relates to both the publicly available market data and unobservable input parameters, e.g. the OFD's budget planning.

b) Risk management

The DH Group considers itself exposed to default risks, liquidity risks and market risks, especially interest rate and foreign exchange risks, through the use of financial instruments. DHH actively monitors these risks and manages them using an effective risk management system. The risk management function is integrated in Group Controlling. For a description of the risks arising from the use of financial instruments, we also refer to the relevant comments in the group management report.

c) Credit risk

The credit or default risk is the risk that the business partners, mainly restaurants, are unable to fulfill their payment obligations, which would mean the DH Group incurs a loss. Such risks mainly involve current trade receivables. The DH Group does not regard itself as being exposed to a major default risk from any single individual customer. The concentration of the creditworthiness risk is limited due to the broad and heterogeneous customer base. The DH monitors the default risk and manages this actively by making any necessary credit checks and by optimizing the payment process. Consequently, the risk is largely transferred to the restaurants (also by way of an effective debt collection system).

The maximum default risk corresponds to the carrying amount of the financial assets.

In addition, the following table presents the maturity structure of the financial assets that are not impaired, not past due date as well as those due as of the reporting date. In respect of receivables which are neither impaired nor past due date, there was no indication on the reporting date that the debtors would not meet their payment obligations.

in KEUR	Carrying amount	Thereof neither overdue nor impaired	Thereof overdue as of the reporting date, but not impaired (in days) < 30	30-60	61-90	91-120	> 120
as of Dec. 31, 2015							
Loans granted	1,863	1,863					
Bank deposits and related receivables	860	860					
Security deposits	1,295	1,295					
Trade and other receivables	17,893	13,962	3,130	22	33	39	183
Derivative financial instruments	2,892	2,892					
Total	**24,804**	**20,873**	**3,130**	**22**	**33**	**39**	**183**
as of Dec. 31, 2014							
Loans granted	3,212	3,212					
Security deposits	1,004	957					47
Trade and other receivables	5,733	5,242	306	114	53	19	0
Derivative financial instruments	1	1					
Current bank deposits	84	84					
Total	**10,033**	**9,494**	**306**	**114**	**53**	**19**	**47**

Impairment losses developed as follows:

Allowance account in KEUR	As of Jan.1,	Change	As of Dec.31,
2015			
Loans to third parties	0	-2,677	-2,677
Trade receivables	-1,660	-3,940	-5,600
2014			
Trade receivables	-1,417	-244	-1,660

Impairment losses almost wholly arise from the item trade receivables. In addition, a loan was subject to impairment in 2015.

Impaired financial assets in KEUR	Carrying amount before impairment	Impairment	Carrying amount
as of Dec. 31, 2015			
Loans to third parties	4,540	-2,677	1,863
Trade receivables	23,494	-5,600	17,893
as of Dec. 31, 2014			
Trade receivables	6,383	-1,660	4,722

d) Liquidity risk

Owing to strong growth, the DH Group has to rely on external financing to ensure sufficient liquidity. A lack of external financing could threaten the Group's ability to continue as a going concern. Through proper budget planning, the DH Group's liquidity management makes sure that sufficient funds are available. Furthermore, a constantly secured and adequate amount of cash and cash equivalents ensures that operations can be financed. Unused credit lines are also available. As stated in Section F.03, the Group has a loan that includes specific financial and non-financial covenants. A future breach of the covenants could lead to the loan being repayable earlier than specified in the table below.

The following table presents contractual (undiscounted) interest and principal payments for the DH Group's non-derivative financial liabilities and derivative financial instruments with negative fair value Derivative financial liabilities are only taken into account in the analysis if the contractual due date is required for comprehension of the timing of cash flows. The maturity is based on the contractually determined interest obligations of financial liabilities.

Type of liability in KEUR	Carrying amount	Remaining terms in years		
		< 1	1 - 5	> 5
as of Dec. 31, 2015				
Liabilities to banks	0	0	0	0
Trade payables	36,883	36,874	9	0
Other current liabilities and purchase price liabilities	33,922	24,670	9,252	0
Derivative financial instruments	45,075	25,818	0	0
Loan liabilities	290,294	25,179	323,005	0
Total	**406,174**	**112,541**	**332,266**	**0**
as of Dec. 31, 2014				
Liabilities to banks	832	832	0	0
Derivative financial instruments	22,828	0	22,828	0
Trade payables	26,381	26,381	0	0
Loan liabilities	109,657	29,933	108,871	0
Total	**159,698**	**57,146**	**131,699**	**0**

e) Market risk

The DH Group generates a significant portion of its revenue in foreign currencies through its international subsidiaries. In order to reduce foreign exchange risk, the DH Group generally tries to generate income and incur expenses in the same functional currency. Nevertheless, each group entity of the DH Group is exposed to currency risk as soon as transactions are concluded and the resulting payment flows do not correspond to the functional currency of the respective entity. The following table shows the income statement effects that would result if the presented foreign currencies had appreciated or depreciated by 10% as of the reporting date.

Changes in KEUR	Dec. 31, 2015		Dec. 31, 2014	
	10%	-10%	10%	-10%
EUR-USD	-11,403	12,543	387	-425
EUR-KRW	5,546	-6,100	2,082	-2,290
EUR-AUD	1,800	-1,980	953	-1,048
EUR-GBP	2,215	-2,436	750	-825
EUR-SEK	842	-926	60	-66
TRY-USD	1,404	-1,544	0	0

A Turkish subsidiary of the DH Group holds cash in USD, harboring a foreign exchange rate risk between the TRY and USD, which effected the net income (loss) for the period.

In addition, the DH Group considers itself exposed to foreign exchange risk through its investment in international subsidiaries when translating net assets. However, this is not a foreign exchange risk as defined by IFRS 7.

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

Financial instruments as of Dec. 31, 2015	Effect on profit or loss	
In KEUR	+10%	-10%
Separable embedded derivatives	-1,309	1,429
Variable purchase price component PedidosYa	-316	316
Derivatives from put/call options	-3,256	3,163

With respect to the determined value of the separable embedded derivatives (similar to the derivatives arising from put/call options and the variable purchase price component), the value per DHH company share determined using the discounted cash flow method is a parameter having a material impact on the measurement result. As of December 31, 2014, the sensitivity analysis is as follows:

Financial instruments as of December 31, 2014	Effect on profit or loss	
In KEUR	+10%	-10%
Separable embedded derivatives	0	0
Variable purchase price component PedidosYa	-297	297
Derivatives from put/call options	-1,472	1,483

In addition to DHH's share value and relative to the separable embedded derivatives, DHH's risk premium is another unobservable input factor. A 1% higher or lower risk premium would have led to an effect on profit or loss of KEUR +2,051 or KEUR +1,851.

The expected future revenue of E-Food is a key unobservable input factor in the measurement of the contingent purchase price obligation from the acquisition of the E-Food group. A 5% higher or lower revenue would have led to an effect on profit or loss of KEUR -2,678 or KEUR +2,634. The estimated fair value of the obligation would rise (decline) if the DHH expected revenue of the E-Food group was to rise (fall).

03. Capital management

The objectives of the DH Group's capital management are primarily expounded as being to finance the growth strategy of the Group. The integrated strategy of capital management is unchanged over the prior year.

The capital structure is directed based on a targeted debt-ratio. The debt-equity ratio is defined as the ratio of net debt capital (debt capital less cash and cash equivalents) to equity.

The Group is subject to external covenants from loans issued by venture capitalists, which were not infringed in the reporting year or in the prior year. The objectives of capital management were attained in the reporting year. The debt-equity ratio developed as shown in the reporting year:

In KEUR	Dec. 31, 2015	Dec. 31, 2014
Loans and borrowings	623,953	248,941
Cash and cash equivalents	160,150	32,829
Net debt	**463,803**	**216,112**
÷ equity	765,492	268,843
Leverage ratio (%)	**61%**	**80%**

04. Disclosures on the cost of sales method

The expense for employee benefits amounted to KEUR 112,237 in 2015 (2014: KEUR 58,039). The expense for defined benefit plans amounted to KEUR 4,623 in 2015 (2014: KEUR 3,046), which includes, in particular, employer's contributions to statutory pension schemes.

Expenses for depreciation and amortization amounted to KEUR 35,550 in 2015 (2014: KEUR 10,254).

05. Headcount

The DH Group employs an average of 2,843 people in the current financial year (2014: 1,018 employees). The distribution by employee group can be derived from the following:

Average number of employees by group	2015	2014
Delivery	432	0
Sales	712	482
Marketing	861	182
IT	401	207
Management	59	40
Office Admin	378	107
Total	**2,843**	**1,018**

06. Total fee for the auditor

The auditor's fees are broken down by service as follows:

In KEUR	2015	2014
Audit services	751	422
Tax advisory services	624	782
Other services	166	77
Total	**1,541**	**1,281**

07. Related party disclosures

a) Relations to related entities

IAS 24 defines related entities of the company as entities that are under significant influence of the company or can exercise significant influence on the company. This also applies for entities that are significantly influenced by related parties of the company; for the definition of a related party, please refer to the following comments. On the basis of this, the following entities are referred to as related parties:

- Team Europe Holding I GmbH *
- Team Europe Holding II GmbH *
- Team Europe Trust GmbH *
- Team Europe Ventures Ltd. *
- Team Europe Management GmbH *
- Luktev GmbH *
- Östberg Investment Professionals AG *
- Nordic Tide Ltd. *
- Nordic Tide AG *

* Significantly influenced by related persons

The following lists show the receivables and payables from/to related entities as well as expenses and income resulting from transactions with related entities.

In KEUR	**Dec. 31, 2015**	**Dec. 31, 2014**
Statement of financial position		
Receivables from affiliated companies	25	6
Liabilities to companies with significant influence	0	1,109
Liabilities to affiliated companies	1	9

In KEUR	**Dec. 31, 2015**	**Dec. 31, 2014**
Statement of profit or loss and OCI		
Income from companies controlled by related parties	0	29
Income from affiliated companies	14	16
Interest payable to companies with significant influence	0	2
Interest expenses payable to companies controlled by related parties	88	121
Other expenses payable to companies controlled by related parties	64	100
Expenses payable to affiliated companies	97	11

In the 2015 financial year, related parties provided capital to DHH in the form of loans. To a limited extent other services were also made available to the DH Group by related parties. All loans from affiliated companies including interest accrued were repaid in the current financial year.

In the 2014 financial year, a convertible warrant (contracted in 2013) was converted, inclusive of accrued interest, into equity. Interest and principal repayments were made on loans drawn down. In addition, related entities made services and capital available to the Company in 2014. Income from related parties resulted from the leasing of premises.

b) Related party disclosures

Corresponding to the requirements of standard IAS 24, the Company discloses relations with related parties. Owing to their significant influence on the Company, members of management and the Advisory Board are defined as related persons. The group of related parties extends to their family members.

Reportable transactions are, inter alia, the conclusion of loan and lease agreements, guarantee agreements as well as the settlement of services provided these occur between a related person and the Company or a related entity.

In the 2015 financial year, there were the following transactions and legal transactions with related persons: the prior year receivables from and liabilities arising from salary entitlements to Niklas Östberg were settled following conclusion of the tax audit. As of Dec. 31, 2014, the receivables from salary entitlements were KEUR 165, in the course of which DHH granted a loan amounting to KEUR 41 as of the reporting date and included interest of KEUR 1. Receivables were not hedged and no impairments were carried out in the reporting year.

Management received the following compensation in 2015.

Management compensation in KEUR	2015	2014
Short-term employee benefits	867	759
Termination benefits	0	336
Expenses related to share-based payments (VSPs)*	10,371	1,734

*For details see the following presentation

The total remuneration of the Advisory Board amounts to KEUR 0 (2014: KEUR 0).

Provisions for virtual share options issued to former members of management amount to KEUR 221 (December 31, 2014: KEUR 202); beyond this, there are no obligations to former members of management.

The composition of provisions due to virtual share options issued to current members of management and members of the Advisory Board is broken down as follows:

Measurement date	Dec. 31, 2015	Dec. 31, 2014
No. of shares owed	5,239	1,932
No. of tendered shares	3,035	532
Fair value (KEUR)	11,480	1,919
Expenses from the addition to the provision in 2015 (in KEUR)	9,561	1,734

Corresponding to the requirements of Section 315a HGB, the Company is also obliged to publish additional disclosures regarding the remuneration of management within the meaning of this regulation. Only the aggregated remuneration of management amounting to KEUR 129 in the prior year is disclosed.

08. Lessee relations and other financial obligations

Future cumulative minimum lease payments from operating lease agreements, with the respective remaining terms, are presented in the following table:

	Remaining term in years			
In KEUR	**< 1**	**1 - 5**	**> 5**	**Total**
as of Dec. 31, 2015	6,247	20,532	14,433	**41,211**
as of Dec. 31, 2014	1,474	2,922	2,464	**6,860**

Operating lease agreements relate to DHH's office lease agreements in Berlin and various subsidiaries' locations as well as vehicle leasing and leases for items of office and business equipment. These agreements confer an advantage on continuing business operations as investing measures and the associated cash outflows are not immediately required. There are no evident risks arising from these agreements. The DH Group does not have significant renewal or purchase options. The lease for the office premises in Berlin grants a contractual renewal option two times, in each case for three years respectively.

The expense for lease payments in the 2015 financial year amounted to KEUR 3,095 (2014: KEUR 3,567). In addition, contingent lease payments of KEUR 25 (2014: KEUR 0) and payments for subleases of KEUR 24 (2014: KEUR 0) were recognized as an expense in profit or loss.

Future cumulative obligations from other agreements amount to KEUR 2,880 as of December 31, 2015 (December 31, 2014: KEUR 2,323).

As of December 31, 2015, there is a purchase commitment amounting to KEUR 191 (December 31, 2014: KEUR 56).

09. List of shareholdings pursuant to Section 313 (2) HGB

DHH has an interest in the following fully consolidated companies as of December 31, 2015:

Name and registered office of the company	Share of capital as of Dec. 31, 2015 (%)	Functional currency	Amount of equity (KEUR)	Profit (loss) in the financial year (KEUR)	Share of capital as of Dec. 31, 2014 (%)
Germany:					
9Cookies GmbH, Berlin	100.00	EUR	-8	-3	100.00
Delivery Hero Austria GmbH, Berlin	100.00	EUR	-430	-535	-
Delivery Hero Local Verwaltungs GmbH, Berlin	100.00	EUR	14	-2	100.00
Delivery Hero MENA GmbH, Berlin	100.00	EUR	23	-2	-
Foodora GmbH (formerly Volo Logistics UG), Berlin	87.70	EUR	-7	-4	-
Hungry House GmbH, Berlin**	80.63	EUR	1	776	100.00
Lieferheld GmbH, Berlin	100.00	EUR	-45	-15	100.00
Pizza.de GmbH, Berlin	100.00	EUR	-2	5	100.00
RGP Local Commons I GmbH & Co. KG, Berlin	70.39	EUR	-4	0	-
RGP Local Holding I GmbH, Berlin	95.91	EUR	6	103	86.47
RGP Local Holding IV GmbH, Berlin	84.06	EUR	6	129	84.06
RGP Trust GmbH, Berlin	100.00	EUR	11	-3	100.00
SSC Volo GmbH (formerly Jade 1215. GmbH), Berlin	87.70	EUR	-8	-4	-
Valk Fleet Deutschland GmbH (formerly Rushy Logistik), Berlin	100.00	EUR	-69	-94	-
Valk Fleet Holding GmbH & Co. KG, Berlin	100.00	EUR	-870	-880	-
Valk Fleet Verwaltungs GmbH, Berlin	100.00	EUR	23	-2	-

Name and registered office of the company	Share of capital as of Dec. 31, 2015 (%)	Functional currency	Amount of equity (KEUR)	Net income (loss) for the financial year (KEUR)	Share of capital as of Dec. 31, 2014 (%)
International:					
Aravo S.A., Montevideo (UY)**	81.32	UYU	10,785	-2,151	81.32
Baedaltong Co. Ltd., Seoul (KR)	100.00	KRW	-10,516	-8,547	85.00
Bazinga SA, Buenos Aires (AR)**	81.32	ARG	5	-103	69.56
Beijing Aidi Information Technology Company Ltd., Beijing (CN)*	90.50	CNY	-2,661	-308	84.80
CD-Inversiones Delivery Hero CMR S.A. (formerly Hellofood Hallo Essen Hollesen S.A.), Quito (EC)**	77.17	USD	-405	-302	69.56
Ceraon B.V., Rotterdam (NL)	76.00	EUR	2,846	-29	-
Click Delivery Cyprus Limited, Nikosia (CY)	76.00	EUR	-7	-157	-
Click Delivery Digital Processing of Telematics Data Societe Anonyme, Athens (GR)	76.00	EUR	312	-499	-
ClickDelivery S.A.C, Lima (PE)**	77.17	PEN	317	-1,045	69.56
ClickDelivery S.A.S., Bogota (CO)**	77.17	COP	-16	-19	69.56
Damejidlo s.r.o., Prague (CZ)	100.00	CZK	-1,906	-1,892	100.00
DeliverMe Technologies Inc (Hurrier), Toronto (CAN)	100.00	CAD	-30	-73	-
Delivery Hero (Hong Kong) Company Ltd., Hong Kong (HK)	90.50	USD	16,569	-2,750	84.80
Delivery Hero Pty Ltd., Sydney (AUS)	95.91	AUD	-16,347	-6,549	86.47
Digital Services XXXIV (GP) S.à r.l., Senningerberg (LU)	87.70	EUR	10	-7	-
Digital Services XXXVI (GP) S.à r.l., Senningerberg (LU)	87.70	EUR	483	-35	-
Digital Services XXXVI 1 S.C.Sp., Senningerberg (LU)	87.70	EUR	-3	-2	-
Digital Services XXXVI 10 S.C.Sp., Senningerberg (LU)	87.70	EUR	-7	-2	-
Digital Services XXXVI 11 S.C.Sp., Senningerberg (LU)	87.70	EUR	-3	-2	-
Digital Services XXXVI 12 S.C.Sp., Senningerberg (LU)	87.70	EUR	-4	-2	-
Digital Services XXXVI 12 Sweden AB, Stockholm (SE)	87.70	EUR	-438	-235	-
Digital Services XXXVI 13 S.C.Sp., Senningerberg (LU)	87.70	EUR	-4	-2	-
Digital Services XXXVI 14 S.C.Sp., Senningerberg (LU)	87.70	EUR	-6	-2	-
Digital Services XXXVI 15 S.C.Sp., Senningerberg (LU)	87.70	EUR	-3	-2	-
Digital Services XXXVI 2 S.C.Sp., Senningerberg (LU)	87.70	EUR	-4	-2	-
Digital Services XXXVI 3 S.C.Sp., Senningerberg (LU)	87.70	EUR	-6	-2	-
Digital Services XXXVI 4 S.C.Sp., Senningerberg (LU)	87.70	EUR	-7	-5	-
Digital Services XXXVI 5 S.C.Sp., Senningerberg (LU)	87.70	EUR	-504	-501	-
Digital Services XXXVI 6 S.C.Sp., Senningerberg (LU)	87.70	EUR	-7	-2	-
Digital Services XXXVI 7 S.C.Sp., Senningerberg (LU)	87.70	EUR	-4	-2	-
Digital Services XXXVI 8 S.C.Sp., Senningerberg (LU)	87.70	EUR	-7	-3	-

Name and registered office of the company	Share of capital as of Dec. 31, 2015 (%)	Functional currency	Amount of equity (KEUR)	Net income (loss) for the financial year (KEUR)	Share of capital as of Dec. 31, 2014 (%)
Digital Services XXXVI 9 S.C.Sp., Senningerberg (LU)	87.70	EUR	-6	-3	-
Digital Services XXXVI Italy Srl, Bolzano (ITA)	87.70	EUR	-732	-549	-
Digital Services XXXVI S.à r.l., Senningerberg (LU)	100.00	EUR	12,023	87	-
Ecommerce Business 10 S.à r.l., Luxembourg (LU)	100.00	EUR	-627	-639	-
Fast Food Innovations Europe AB, Stockholm (SE)	100.00	SEK	99	-14	100.00
Food Basket Elektronik İletişim Gıda Ticaret ltd. Şti, Istanbul (TR)	100.00	TRY	111	21	-
Food Delivery Holding 15 S.à r.l., Senningerberg (LU)	100.00	EUR	-146	-89	-
Food Delivery Holding 16 S.à r.l., Senningerberg (LU)	100.00	EUR	-25	-17	-
Food Delivery Holding 17 S.à r.l., Senningerberg (LU)	100.00	EUR	-20	-14	-
Foodarena GmbH, Biel (CH)**	50.07	CHF	-74	-110	50.07
Foodonclick.com / Jordan Private Shareholding Company, Amman (JR)	60.00	JOD	102	-148	-
Foodonclick-com FZ-LLC, Dubai (UAE)	100.00	AED	1,226	-1,287	-
Foodora Delivery Services LLC, Dubai (UAE)	100.00	AED	-566	-483	-
Foodora France SAS, Paris (FRA)	87.70	EUR	-1,850	-1,152	-
Foodora Inc. (Canada), Toronto (CAN)	87.70	CAD	-614	-403	-
Foodora Norway AS, Oslo (NOR)	87.70	NOK	-371	-317	-
Gulf B.V., Rotterdam (NL)	100.00	EUR	-14	-11	-
Hungry House Holdings Ltd., London (GB)	80.63	GBP	2,483	-33	80.00
Hungry House.com Ltd., London (GB)**	80.63	GBP	-27,083	-14,431	80.00
Inversiones CMR S.A.S, Bogota (CO)**	77.17	COP	532	-4,350	69.56
Lokanta Net Elektronik İletişim Gıda Ticaret A.Ş., Istanbul (TR)	100.00	TRY	4	-4	-
Luxembourg Investment Company 43 S.à r.l., Luxembourg (LU)	100.00	EUR	528,067	-38	-
Mjam GmbH, Vienna (AT)	100.00	EUR	1,970	224	94.37
OFD Online Food Delivery Services Ltd., Nicosia (CY)	100.00	EUR	813	-127	-
Online Delivery AE, Athens (GR)	100.00	EUR	283	-1,372	-
Online Pizza Norden AB, Stockholm (SE)	100.00	SEK	7,937	4,213	100.00
Pedidos Ya Paraguay S.A.**, Asunción (PRY)	81.32	PYG	0	-1	-
PedidosJá Ltda., São Paulo (BR)**	81.32	BRL	-1,748	-10,131	81.32
PedidosYa S.A. (formerly Kinboy S.A.), Montevideo (UY)**	81.32	USD	-2,398	-618	81.32
PedidosYa S.A., Buenos Aires (AR)**	81.32	ARG	-58	-6,133	81.32
PedidosYa S.A.C, Lima (PE)**	77.17	PEN	0	5	81.32
PedidosYa SPA, Santiago (CL)**	81.32	CLP	-957	-2,308	81.32

Name and registered office of the company	Share of capital as of Dec. 31, 2015 (%)	Functional currency	Amount of equity (KEUR)	Net income (loss) for the financial year (KEUR)	Share of capital as of Dec. 31, 2014 (%)
Restaurant Partner Polska Sp. z.o.o., Lodz (PL)**	89.71	PLN	-9,618	-4,174	89.71
Restaurant Partner Suomi Oy, Espoo (FI)	100.00	EUR	2	-3	100.00
RGP Korea Ltd., Seoul (KR)	84.06	KRW	-46,537	-24,289	84.06
R-SC Internet Services Finland OY, Helsinki (FIN)	87.70	EUR	-452	-308	-
Shanghai AiCan Business Consulting Company Ltd., Shanghai (CN)*	90.50	CNY	-6,125	-11,347	84.80
SLM Finland Oy, Keraya (FI)	100.00	EUR	2,907	1,901	100.00
Subdelivery Ltda., São Paulo (BR)**	81.32	BRL	-143	-169	81.32
Suppertime Australia Pty, Sydney (AUS)	100.00	AUD	-2,170	-1,397	-
Talabat Electronic Services Company W.L.L, Maskat (OM)	99.00	OMR	-1,305	-700	-
Talabat General Trading & Contracting Company W.L.L, Sharq (KW)	100.00	KWD	9,469	1,860	-
Talabat Middle East Internet Services Company L.L.C, Dubai (UAE)	99.00	AED	-2,894	-979	-
Talabat Restaurants Company W.L.L, Riyadh (KSA)	99.00	SAR	-2,919	-1,525	-
Talabat Services Company W.L.L, Doha (QA)	100.00	QAR	-2,004	-611	-
Talabat Services Company W.L.L, Manama (BH)	99.00	BHD	-565	-400	-
TBL Sweden AB, Stockholm (SE)	100.00	SEK	176	2	100.00
Valk Fleet Sweden AB, Stockholm (SE)	100.00	SEK	85	-86	-
Valk Fleet UK Ltd., London (UK)	100.00	GBP	-4,465	-4,498	-
VF Poland Sp. z o.o., Lodz (PL)	100.00	PLN	-231	-246	-
Volo Australia Pty Ltd, Sydney (AUS))***	100.00	AUD	n/a	n/a	-
Volo DS XXXVI 9 GmbH (formerly CM Foratis 12 VV GmbH), Vienna (AT)	87.70	EUR	-991	-770	-
Volo Food Delivery, S.L., Madrid (ESP)	87.70	EUR	-969	-495	-
Volo Netherlands B.V., Amsterdam (NL)	87.70	EUR	-853	-463	-
Xiupu Mai (Shanghai) Information Company Ltd., Shanghai (CN)*	90.50	CNY	-548	-309	84.80
Yemek Sepeti (Dubai) B.V., Rotterdam (NL)	100.00	EUR	8,680	-28	-
Yemek Sepeti (Russia) B.V., Rotterdam (NL)	100.00	EUR	155	-305	-
Yemek Sepeti Coöperatie U.A., Rotterdam (NL)	100.00	EUR	12,742	-428	-
Yemek Sepeti Elektronik İletişim Tanıtım Pazarlama Gıda Sanayi ve Ticaret A.Ş., Istanbul (TR)	100.00	TRY	24,563	8,344	-
Yogiyo Media Company Ltd., Seoul (KR)	84.06	KRW	-1	-1	84.06

* Added to DHH due to the VIE structure typical for foreign shareholders in China

** Due to application of the anticipated acquisition method, the legal shareholding shown here may deviate from the minority interests stated in accordance with IFRS in the consolidated financial statements.

*** Company was consolidated in Suppertime Australia Pty, Sydney (AUS)

The following companies were included as associates in the DHH consolidated financial statements:

Name and registered office of the associate	Share of capital (%)
Fly & Company Inc., Seoul (KR)	21.00
TakeEatEasy.be SA, Brussels (BE)	31.45

10. Management

Management consists of the following persons in the reporting period:

- Niklas Östberg, CEO, since November 2012

Management is supported in decision-making by the following persons at DHH C-level:

- Mats Diedrichsen, Chief Marketing Officer, since January 2015
- Scott Fletcher, Chief Technical Officer (Interim), since January 2015
- Bilal Mekkaoui, Head of International Relations, since May 2015
- Pieter-Jan Vandepitte, Chief International Officer, since August 2015
- Emmanuel Thomassin, Chief Finance Officer, since January 2014
- Sebastian Bielski, Chief Strategy Officer, from April 2014 to December 2015
- Martin Kütter, Chief Operating Officer, from November 2014 to June 2015
- Hugo Suidmann, Chief Marketing and Personnel Officer, August 2014 to January 2015
- Brian Walker, Chief Technical Officer, from May 2014 to March 2016

11. Advisory Board

The Advisory Board of DHH consists of seven members. The Advisory Board's duties are advising and monitoring management. The following members were elected by the shareholder meeting:

- Lukasz Gadowski, Chairman
- Kolja Hebenstreit
- Edward Shenderovich
- Jeff Lieberman
- Niklas Östberg
- Jonathan Green

As chairman, Lukasz Gadowski has two votes; the other members of the Advisory Board each hold one vote.

G. Accounting policies

The DHH financial statements and those of subsidiaries in and outside of Germany are prepared according to uniform accounting policies. In the process, the principles are consistently applied for all presented periods and reporting dates in the consolidated financial statements.

01. Methods of consolidation

a) Subsidiaries

DHH and all subsidiaries over which DHH has the possibility of direct or indirect control are fully consolidated in the consolidated financial statements of the DH Group. First-time consolidation occurs at the date of obtaining the possibility of control. DHH controls a participating undertaking when it is exposed to variable returns from its involvement and has the ability to affect those returns through its power of control. If DHH loses the possibility of control, the relevant participating undertaking is deconsolidated.

Acquirees are recognized by applying the acquisition method. In applying the acquisition method, the cost of the acquired shares is offset against the proportionate fair value of the acquired assets, liabilities and contingent liabilities of the subsidiary at the acquisition date. A positive difference arising from offsetting is capitalized as derived goodwill. Negative differences that result from capital consolidation at the date of acquisition are immediately reclassified from equity to profit or loss.

Non-controlling interests constitute the share of profit or loss and net assets that are not attributed to the parent's shareholders and are recognized separately. They are measured at the acquisition date using the proportionate share of the acquiree’s net identifiable assets. Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Concerning written put options agreed in the course of acquisitions regarding remaining non-controlling interests, the Company makes uses of its option. Written put options are recognized according to the anticipated acquisition method. Thus, non-controlling interests were no longer recognized for these in the financial statements.

When the Group loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary and all related non-controlling interests and other equity components. Any gain or loss is recognized in profit or loss. Any retained interest in the former subsidiary is recognized at fair value on the date when control was lost.

Expenses and income, as well as receivables and payables between consolidated entities, are eliminated along with intragroup profits/losses arising from intragroup transactions.

In the case of a subsidiary, inclusion in the consolidated financial statements is waived due to the subordinate importance and materiality as well as the negative cost-benefit ratio.

b) Associates and joint agreements

Associates are companies over which DHH has a significant influence; this usually assumes a holding of between 20% to 50% of voting rights. Joint ventures are joint arrangements for which DHH jointly shares rights to the net assets of the arrangement with other companies. As of the reporting date, two associates were included in the consolidated financial statements (Dec. 31, 2014: none). As in the prior years, in DHH's view there were no joint agreements.

The list of shareholdings in Section F.09 contains a detailed overview of all DHH subsidiaries and associates.

02. Currency translation

Currency translation is made in accordance with the functional currency concept. The functional currency for all subsidiaries included in the consolidated financial statements of DHH is the respective local currency. The consolidated financial statements are prepared in euro (reporting currency).

Transactions not conducted in the functional currency of an entity included in the consolidation group (foreign currency transactions) are translated into the functional currency of the respective unit at the rate on the transaction date. Exchange gains and losses arising from the settlement of such transactions and from the measurement of monetary assets and liabilities are recognized in the income statement at the closing rate in the separate financial statements.

For the purposes of inclusion in the consolidated financial statements of DHH, subsidiaries that do not have the euro as functional currency translate their separate financial statements, prepared in local currency, into the euro reporting currency as follows:

- Assets and liabilities are translated at the closing rate, income and expenses are translated at the average rate.
- Equity subject to obligatory first-time consolidation in the course of acquiring international subsidiaries is translated at the respective reporting date with the historical rate at the date of acquisition. Differences arising from currency translation are shown separately in equity.
- As long as the subsidiary is included in the group of consolidated entities, translation differences are continued in group equity. If subsidiaries leave the group of consolidated entities, the corresponding translation difference are reclassified from equity to profit or loss.
- Goodwill and restatements of the fair value of assets and liabilities due to acquisitions of international subsidiaries are treated as assets and liabilities of international subsidiaries and translated with the rate as of the reporting date.
- There are no subsidiaries registered in hyperinflation countries pursuant to IAS 29.
- Currency translation differences arising from the translation of shares in one international subsidiary as well as from loans, which are a part of the net investment in this international subsidiary, are recognized in equity. If an international subsidiary leaves the group of consolidated entities, the currency translation differences are derecognized through profit or loss.

The following exchange rates (rounded) were used for currency translation:

	Exchange rate as of		Average rate	
EUR 1 equals:	Dec. 31, 2015	Dec. 31, 2014	2015	2014
Argentine peso (ARS)	14.4718	10.3769	10.1954	10.8957
Australian dollar (AUD)	1.5074	1.4828	1.4775	1.4715
Bahraini dinar (BHD)	0.4140	-	0.4184	-
Brazilian real (BRL)	4.3141	3.2206	3.5663	3.1199
British pound (GBP)	0.7342	0.7789	0.7288	0.8061
Chilean peso (CLP)	772.0675	736.3660	720.1234	759.6050
Chinese yuan (CNY)	7.0880	7.5358	6.9716	8.1733
Hong Kong dollar (HKD)	-	9.4162	-	9.5602
Jordanian dinar (JOD)	0.7761	-	0.7726	-
Canadian dollar (CAD)	1.5184	-	1.4587	-
Qatari riyal (QAR)	3.9968	-	3.9667	-
Colombian peso (COP)	3,465.6700	2,856.8900	2,973.1567	2,636.3269
Kuwaiti dinar (KWD)	0.3330	-	0.3340	-
Mexican peso (MXN)	-	17.8571	-	17.6471
Norwegian krone (NOK)	9.5147	-	9.3284	-
Paraguayan guaraní (PYG)	6,399.5085	-	6,215.6456	-
Peruvian nuevo sol (PEN)	3.5638	3.6023	3.5012	3.7603
Omani rial (OMR)	0.4232	-	0.4273	-
Polish zloty (PLN)	4.2412	4.2735	4.1872	4.1844
Saudi riyal (SAR)	4.1195	-	4.1647	-
Swedish krona (SEK)	9.1912	9.3897	9.3503	9.0950
Swiss franc (CHF)	1.0806	1.2024	1.0640	1.2146
South Korean won (KRW)	1,282.7300	1,324.8000	1,253.6629	1,398.1400
Czech koruna (CZK)	27.0300	27.7350	27.3601	27.6243
Turkish lira (TRY)	3.1990	-	3.0086	-
UAE dirham (AED)	4.0323	-	4.0756	-
Uruguayan peso (UYU)	32.5733	28.7482	29.4035	29.6736
US dollar (USD)	1.0947	1.2140	1.1105	1.3285

03. Recognition of income and expenses

Expenses and income are not offset unless IFRS accounting requirements permit this or require offsetting.

a) Revenue

The DH Group generates revenue from commission and fees for linking to the Delivery Hero online platform, for the provision of order confirmation terminals at contractual partners, for eye-catching presentation on the DH order platform (premium placement) and for the use of credit cards.

Commission is collected from restaurants for order forwarding via the Delivery Hero online platform. In generating commission income, the DH Group acts as an agent as the DH Group is solely an intermediary between the main supplier and the end customer. The corresponding revenue is recognized as soon as the customer's online order is completed. Commissions are recognized at fair value less discounts, value added tax and other price discounts.

Furthermore, DHH provides contractual partners with order confirmation terminals to confirm order acceptance directly to the customer via the Delivery Hero online platform. The DH Group provides terminals on a leasing or purchase basis. In the case of selling a terminal, revenue is recognized as soon as the risks and rewards arising from the goods are transferred to customers, namely upon delivery.

Connection fees are realized directly after contact to the Delivery Hero online platform. Fees are payable in all cases.

Fees for the use of credit cards are realized as soon as the customer order is fully processed and no further performance obligations are to be fulfilled on the part of the DH Group.

Revenue from premium placement is recognized over the period in which this service is rendered by the DH Group.

Service fees are collected from restaurants for the distribution of orders. In generating delivery income, the DH Group acts as an agent as the DH Group solely assumes delivery to the end customer. The corresponding revenue is recognized as soon as delivery is made to the customer. Delivery fees are recognized at fair value less discounts, value added tax and other price discounts.

b) Customer loyalty program

Some DH Group companies have set up customer loyalty programs; customers can use these to collect points (award credits) through placing orders, entitling them to discounted ordering in future.

Award credits are recognized as separately identifiable components of sales transactions. The fair value of the consideration received in the course of the original sale is allocated to award credits and other components of the transaction. The relative fair value method is used to determine values.

The award-credit portion of the consideration is recognized as revenue when the credit is redeemed and the group company has fulfilled its obligation to surrender the credit (refer also to Section C.15). The amount of revenue is determined by the number of surrendered award credits in relation to the total number of expected credits to be redeemed. Award credits expire 12 months after the day of the original transaction.

c) Interest and similar income

Interest income is recognized as income when it is probable that economic benefits will flow to the Company and the extent of the income can be reliably determined.

d) Expenses

Expenses are presented in the income statement as soon as the underlying service has been rendered.

04. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost also comprises incidental purchase costs less price reductions.

Depreciation occurs on a straight-line basis over the time period of the expected useful life of the asset.

In the reporting year, depreciation is based on the following useful lives:

Useful life in years	2015	2014
Operating and office equipment	2-25	2-25
Leasehold improvements	8-20	8-20

In addition, processes are introduced which take account of the requirements of IAS 36 in respect of impairment of assets. The residual carrying amount as well as estimates of the expected useful life are checked at each reporting date for the occurrence of events that no longer justify the measurement. If the carrying amount exceeds the recoverable amount for the individual asset value, additional impairment losses are recognized directly in the income statement. If the requirements for impairment in following years are no longer in place, prior corrections are reversed.

Repair and maintenance expenses are expensed at the time of their occurrence. Material innovations and improvements are capitalized.

05. Intangible assets and goodwill

Intangible assets acquired for consideration are carried at amortized cost. They are amortized on a straight-line basis over their individual useful lives. Internally generated intangible assets are measured at cost and amortized over their estimated useful lives. Development expenditure is capitalized if development costs can be reliably measured, the product or process is technically and commercially feasible, future benefit is probable and the Group intends and has sufficient resources to be able to complete development and use or sell the asset. Other development expenditure are expensed as incurred. Capitalized development expenditure is measured at cost less accumulated amortization and accumulated impairment losses. Research costs are expensed as incurred.

The expected useful life of the brand is forecast in accordance with verifiable history and observable user behavior. The underlying useful life of customer and supplier relationships is determined individually corresponding to historical migration rates.

An annual review of intangible assets pursuant to IAS 36 is made to check for necessary impairment losses in the DH Group. This checks for the presence of indications of impairment. In this case, the recoverable amount is determined for the asset concerned. The recoverable amount is the higher of fair value less costs to sell and the value in use. Market interest rates before tax are used for discounting.

In the reporting year, depreciation is based on the following useful lives:

Useful life in years	2015	2014
Software	2-3	2-3
Trademarks	5-25	5-25
Customer and supplier relationships	3-10	3-10

Goodwill principally results from the acquisition of subsidiaries and corresponds to the sum of the transferred consideration, the amount of all non-controlling interests in the acquiree and the fair value of the previously held equity interests in the acquiree less the fair value of acquired net assets. If the fair value of the acquired net assets exceeds the sum of the transferred consideration, the amount of all non-controlling interests in the acquiree and the fair value of the previously held equity interests, the difference is directly recognized in the income statement.

In accordance with IFRS 3, goodwill is subjected to an impairment test pursuant to IAS 36 annually as well as in the case of indications of impairment. For the purposes of impairment testing, goodwill is allocated to a cash generating unit (CGU), the future cash flows of which are interdependent. In the DH Group, CGUs are largely monitored at the level of the operating segment, which – barring three exceptions in the international part of the Group – corresponds to the individual companies.

An impairment is made if the carrying amount of the individual CGU, to which goodwill is allocated, exceeds the recoverable amount. This recoverable amount corresponds to the higher of fair value less costs of disposal and its value in use. As the fair value cannot be reliably determined, testing for impairment of the value in use is made.

The value in use of the CGU was calculated by applying the discounted cash flow method, as follows: owing to the character of the acquired companies and the condition of the business not yet being in full swing, 10-year detailed planning and, subsequently, revenue growth of 2% into perpetuity was considered for the valuation model. This forms the basis for determining the expected future free cash flows (before interest and taxes) of the cash-generating unit.

The weighted average cost of capital (WACC) is used for discounting the thus determined excess cash flows; the WACC reflects the rate of return required by the capital markets to grant debt or equity capital to the DH Group.

Cost of equity is determined using the capital asset pricing model (CAPM). The beta factor is derived from a peer group of comparable businesses.

On the basis of the determined free cash flows before tax, a weighted average cost of capital before tax is used for testing goodwill for impairment.

Any possible impairment loss is not reversed in subsequent periods.

06. Leases

a) Accounting as lessee

The DH Group has entered into lease arrangements which do not meet the criteria for finance leases and are consequently classified as operating lease agreements. Lease payments are recognized as expenses on a straight-line basis over the lease term.

b) Accounting as lessor

Some companies in the DH Group act as lessors in terms of order confirmation terminals which restaurants put into place to directly confirm order acceptance to the customer via the Delivery Hero online platform. As significant risks and rewards of ownership are retained by the DHH, these agreements are classified as operating leases pursuant to IAS 17.

Accordingly, DHH depreciates terminals on a straight-line basis over the expected useful life and recognizes lease payments in a similar way over the term of the lease agreement.

07. Inventories

Inventories are carried at cost which is determined on the basis of direct production costs and production-related overheads. Inventories are carried at the lower of cost and net realizable value as of each reporting date.

Cost includes all costs of purchase, production and other costs that are incurred in bringing the inventories to their present location and condition. The first-in, first-out method (FIFO) is used to measure cost. Net realizable value is the estimated selling price less estimated costs of completion and estimated costs necessary to make the sale.

08. Income taxes

Taxes on income for the period are the sum of current and deferred income taxes. These are recognized in the consolidated income statement unless they relate to items recognized directly in equity or other comprehensive income. In this case, income tax is also recognized directly in equity or other comprehensive income.

a) Current income taxes

The current income tax expense is calculated by applying the tax regulations enacted on the reporting date in countries in which the DH Group operates and taxable income is generated. In assessing income tax demands and liabilities, estimates must be partially made. A deviating tax assessment by the respective tax authorities cannot be excluded. The associated uncertainty is taken into account by only stating uncertain tax demands and liabilities if the probability of occurrence from the perspective of DHH is greater than 50%. The expected tax payment is taken as a base as best estimate for the recognition of uncertain tax items.

b) Deferred income taxes

Deferred taxes are recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable income. Furthermore, deferred tax assets are recognized for tax loss carryforwards.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for temporary differences and tax loss carryforwards to the extent to which it is probable that sufficient future taxable income will be available against which deductible temporary differences and/or loss carryforwards can be utilized.

Deferred taxes are measured in accordance with IAS 12. The tax rate used corresponds to the adopted or virtually adopted tax rate which is relevant to the period of the reversal of temporary differences and/or loss carryforwards.

The change in deferred taxes is recognized in the income statement provided it relates to items in the statement of financial position which were recognized in the income statement. If the items in the statement of financial position directly relate to equity or other comprehensive income, the corresponding deferred taxes are also recognized in these items.

Deferred tax assets and liabilities arising through temporary differences related to investments in subsidiaries, associates or joint arrangements are taken into account unless the date for reversal of temporary differences can be determined at group level and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset if the Group has a legally enforceable right to set off current tax assets against current tax liabilities, and deferred tax assets and liabilities relate to income taxes levied by the same taxation authority and concern the same taxable entity. In addition, deferred taxes concerning items in the statement of financial position with the same maturity are offset.

09. Financial instruments

a) Financial assets

In accordance with IAS 39, financial assets are broken down into the following categories:

a) Assets measured at fair value through profit or loss
b) Loans and receivables
c) Financial assets held for sale

Classification is made at first-time recognition.

Re. a)

Financial assets at fair value through profit or loss are financial assets held for trading. This classification is made if the asset was acquired with the intention to sell in the short term. These assets are shown as current if their realization is expected within 12 months. All other assets are shown as non-current.

Derivative financial instruments are measured upon initial recognition and subsequently at fair value. Financial derivatives held for trading purposes are recognized as current assets.

Re. b)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not traded in an active market. They are included in current assets as long as their maturities do not extend beyond 12 months after the reporting date. Otherwise they are classified as non-current assets.

Loans and receivables are stated at the date of first-time recognition at fair value plus transaction costs. Subsequent measurement occurs at amortized cost.

Using empirical values and individual risk assessments, possible default risks are recognized using appropriate impairment taking into consideration net cash flows. In doing so, a distinction is made between specific valuation allowances and general valuation allowances. Objective indications of the materialization of an impairment loss could be the following: indications of financial difficulties at a customer or group of customers, default or delay in paying interest or principal, a heightened probability of insolvency or observable data that point to a quantifiable contraction in estimated future cash flows from a group of financial assets. In the case of general valuation allowances, the Group uses historical information on the timing of payments and the extent of losses occurring, adjusted by the executive board judging whether the current general business environment and credit conditions are such that the actual losses are probably higher or lower than the losses that would have been expected based on historical trends.

If, in a subsequent period, the amount of the impairment falls and this fall results from circumstances occurring after the first-time recognition of the impairment, the reversal of the impairment loss is recognized in the consolidated income statement.

Impairment losses are indirectly recognized through an allowance account. In the event of there being no realistic prospect of the receivable being collected, the carrying amount of the receivable is derecognized from the allowance account.

Cash and cash equivalents comprise all cash-related assets which have a remaining term of less than three months at the date of acquisition or investment. This includes mainly cash at banks and cash on hand. Cash and cash equivalents are measured at nominal value.

Re. c)

Held-for-sale financial assets are measured at fair value if this can be reliably determined. If this is not possible, these assets are measured at cost less impairment losses.

b) Financial liabilities

In accordance with IAS 39, financial liabilities are broken down into the following categories:

a) At amortized cost
b) Measured at fair value through profit or loss

Re. a)

Financial liabilities are stated at fair value taking into account transaction costs as well as premiums and discounts at initial recognition. The fair value at the date of the financial liability being incurred corresponds to the present value of future payment obligations based on a market interest rate with a matching term and risk.

Subsequent measurement occurs at amortized cost using the effective interest method. The effective interest rate is determined at the date liabilities to banks are incurred.

Amendments to the terms and conditions in respect of the amount and/or date of interest and principal payments result in remeasurement of the carrying amount of the liability in the amount of the present value and on the basis of the originally determined effective interest rate. Differences to the carrying amount of the liability previously stated are recognized in profit or loss. If changes in terms and conditions lead to materially different contract terms pursuant to IAS 39.AG 62, the original liability is treated in accordance with IAS 39.40 as if it were fully paid off. Recognition subsequently occurs as a new liability at fair value.

Re. b)

Financial liabilities which are measured at fair value relate mainly to written embedded derivatives, earn-outs and liabilities from put/call options.

10. Employee benefits

a) Current employee benefits

Current employee benefits are expensed in the period service is rendered. A liability is recognized for the amount expected to be paid if the DH 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 reliably estimated.

b) Pension obligations

Pension obligations and similar obligations arise from the obligations of one DH group entity to its employees. The obligations of these defined benefit plans are measured using the projected unit credit method. Under this method, expected future increases in salaries and pensions are taken into account in addition to the pensions and acquired pension entitlements known at the reporting date.

Pension obligations are determined by independent actuaries. Effects arising from the remeasurement of actuarial gains and losses, the return on plan assets (excluding interest) and the impact of any asset ceiling (excluding interest) are recognized in the consolidated statement of profit or loss and other comprehensive income. The discount rate stated reflects the interest rate generated by senior fixed-interest bonds with matching maturities on the reporting date.

The fair value of any plan assets is deducted from the discounted pension obligation.

The interest rate effect included in pension expenses is recognized in the consolidated statement of profit or loss and other comprehensive income under interest expenses. Service cost is shown in individual functional areas in operating profit.

c) Share-based payments

DHH grants group management and selected senior management share-based payment in the form of virtual shares (options). These virtual options mature as soon as an 'exit event' occurs. The acquisition of more than 75% of shares in DHH by one or more investors, as well as the liquidation of the Company, is defined as an exit event. In addition, since 2015 there are further share-based payment programs at DHH subsidiaries.

The components recognized in the income statement beyond the exercise period correspond to the fair value of options at the date of their being granted as the obligation by DHH is made in cash and/or in cash equivalents. In this regard, the fair value is determined using recognized measurement models. Recognition of the obligation and/or its increase or decrease over time occurs in administrative expenses.

Equity-settled share-based payment transaction are measured in the DH Group at the fair value on the time of payment, the fair value being determined using approved measurement methods. The fair value of the obligation is recognized over the vesting period in administrative expenses and offset with the capital reserve.

11. Other provisions

Other provisions are set up if a legal or constructive obligation to the DH Group resulting from a past event exists, its fulfilment is probable and its amount can be reliably determined. Recognition is made in the amount of the expected settlement amount.

In view of estimation uncertainty in determining the amount, the actual outflow of resources may deviate from the original amounts recognized on the basis of estimates.

Non-current provisions are recognized at the discounted settlement amount on the reporting date based on corresponding term and risk matching interest rates.

12. Fair value of financial instruments

The fair value of financial instruments is determined on the basis of corresponding market values or valuation methods. The fair value of cash and cash equivalents and other current primary financial instruments corresponds approximately to the carrying amounts recognized on the respective reporting dates.

The fair value of non-current receivables as well as other assets and liabilities is determined based on the expected cash flow using the reference interest rates valid at the reporting date. The fair value of derivatives is determined on the basis of option pricing models.

The fair value of financial instruments carried on the statement of financial position is principally determined using corresponding market or exchange prices. If no market or exchange prices are available, measurement is made using standard valuation methods taking account of instrument-specific market parameters. Fair value is determined using the discounted cash flow method, whereby individual credit ratings and other market conditions are taken into account in the form of standard credit and/or liquidity spreads in determining present value.

13. Determination of fair value

According to the provisions of IFRS 13, fair value is the price that would be generated by the sale of the asset or paid to transfer a liability in the primary market or, if this is not available, the most advantageous market. Fair value is to be determined using measurement parameters which are as market-based as possible as the input factors. The measurement hierarchy (fair value hierarchy) attributes three stages in descending order for input factors used in the valuation technique, placing the highest priority on the most market-based inputs:

- Level 1: Market prices (unadjusted) used in an active market for identical assets or liabilities which the entity can access on the valuation date.
- Level 2: Measurement parameters other than level 1 quoted prices which can be observed for assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Measurement parameters for assets and liabilities that are not based on observable market data.

Where various input factors are relevant for measurement, the fair value is categorized at the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

14. Government grants

Government grants are recognized if there is reasonable assurance that the grants will be made and the entity complies with the conditions attached to them. Expense-related grants are recognized as income over the period required to offset them with the corresponding expenses that the grants are meant to compensate for.

15. Judgment and use of estimates

In the application of accounting policies and the preparation of the consolidated financial statements, management makes decisions based on judgment and estimates. This applies in particular to the following cases:

a) Judgments

Going concern assumption:

DHH continues to be reliant on external financial resources; in 2015 considerable equity and debt financing was raised to secure future business activities. As a consequence, the going concern assumption is deemed to be satisfied.

Revenue recognition of commission income:

DHH classifies its intermediary activity as agent activity as DHH does not act as the main supplier, is not exposed to storage risk, cannot influence the pricing of counterparties and receives commission as remuneration.

Use of the anticipated acquisition method for acquisitions:

For put options written on remaining non-controlling interests in the course of acquisitions, the Company makes use of its de facto option and recognizes the put options as if they had already been exercised in accordance with the anticipated acquisition method As a consequence, put options are treated as contingent considerations. To that effect, no non-controlling interests are shown for these interests in group equity.

b) Assumptions and estimation uncertainty

Recognition and measurement of other provisions

In respect of recognition and measurement, there are uncertainties in respect of future price increases as well as in respect of the extent, date and probability of utilization of the respective provision.

Measurement of financial liabilities

In measuring financial liabilities, estimates of future cash flows and any changes in terms and conditions are of particular significance. Furthermore, estimates are required for entity-specific risk premiums.

Scope for recognizing deferred tax assets

An excess of deferred tax assets is only recognized if it is probable that future tax benefits can be realized based on tax budgets. The current taxable profit situation in future reporting years and thus the actual usability of deferred tax assets can vary from the estimate made at the date of recognizing deferred taxation. Recognition of deferred tax assets on tax loss carryforwards or temporary differences is made based on future taxable income as part of a planning horizon of five reporting years.

Share-based payment (IFRS 2)

In respect of the accounting of virtual shares, assumptions and estimates are made for the development of performance indicators and fluctuation as well as the determination of entity value. These are determined using option pricing models.

Goodwill impairment testing

Determination of the recoverable amount requires assumptions and estimates, in particular on the future development of EBIT and sustainable growth rates.

Additional comments on the assumptions and estimates made are listed in the individual financial statement items in the disclosures. All assumptions and estimates are based on the conditions prevailing and assessments at the reporting date.

In assessing the future business development, the business environment, assumed as realistic at this point, was also taken into account for the sectors and regions in which the DH Group operates. While management assumes that the assumptions and estimates used are appropriate, any unforeseeable changes to these assumptions could affect the Group's financial position, financial performance and cash flows.

H. New standards and interpretations that have not yet been applied

The measurement of expected effects of the new standards and interpretations on the consolidated financial statement of DHH are presented below:

Standard	Published by the IASB	To be applied from	Effects
IFRS 15 Revenue from Contracts with Customers	May 2014 / September 2015	January 1, 2018 (IASB)	The likely effects are assessed by DHH.
IFRS 9 Financial Instruments	July 2014	January 1, 2018 (IASB)	Likely effects are assessed by DHH.
IFRS 16 Leases	January 2016	January 1, 2019 (IASB)	Likely effects are assessed by DHH.
Amendments to IAS 1: Notes Disclosures	December 2014	January 1, 2016	Likely effects on the notes to the financial statements
Amendments to IAS 7: Notes Disclosures	January 2016	January 1, 2017 (IASB)	Likely effects on the notes to the financial statements
Amendments to IAS 19: Defined Benefit Plans: Employee Contributions	November 2013	February 1, 2015	No significant effect expected.
Annual Improvements to the IFRS 2010-2012 Cycle: Amendments to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38	December 2013	February 1, 2015	No significant effect expected.
Annual Improvements to the IFRS 2012-2014 Cycle: Amendments to IFRS 5, IFRS 7, IAS 19, IAS 34	September 2014	January 1, 2016	No significant effect expected.
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization	May 2015	January 1, 2016	No effect expected
Amendments to IAS 16 and IAS 41: Bearer Plants	June 2014	January 1, 2016	No effect expected
Amendments to IAS 27: Equity Method in Separate Financial Statements	August 2014	January 1, 2016	No effect expected
Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations	May 2014	January 1, 2016	No effect expected

IFRIC 21 and the annual improvements to the IFRS 2011-2013 Cycle are binding for the first time for the reporting periods from January 1, 2015, and had no significant effect on DHH.

The following new standards are currently being examined by DHH for their effect on information to be presented in the consolidated financial statements. At the time of preparing the consolidated financial statements for the 2015 reporting period, DHH cannot yet completely assess the effects of the new provisions. DHH will perform a more precise assessment of the impacts in the near future.

- IFRS 9: This standard serves recognition, measurement and derecognition of financial instruments and introduces new provisions on hedge accounting. In July 2014, the IASB published further changes to the provisions on recognition and measurement and a new model for recording impairments. The new standard for financial instruments is now fully completed following publication of the most recent amendments.
- IFRS 15: This standard replaces IAS 18 for income from the sale of goods and income from service transactions and IAS 11 for construction contracts. The aim of the new standards is for income to be first recognized upon completion of the supply of the goods or rendering of services. The concept of recognizing income upon completion of the performance obligation by the company replaces the existing concept of risks and consideration. The standard allows for modified retrospective adoption. This means that during the transition period companies can recognize the adjustments as retained earnings until the date of first adoption without an entry in the comparative period. These new provisions are only used for agreements not yet fulfilled at the time of first time adoption.
- IFRS 16: This standard replaces the currently applicable standards for lease accounting (IAS 17, SIC-27 and IFRIC 4) and governs the recognition, measurement, disclosure and the tax liabilities in relation to the leases of both contracting parties, i.e. the lessee and lessor. The most significant amendment that the new standard introduces is the recognition by the lessee of all assets from lease agreements. There are exceptions for certain current and low-value assets.

I. Subsequent events

DHH continued to improve its equity base in 2016 up to the date of preparing the 2015 consolidated financial statements. In January 2016, a portion of the Yemek Sepeti vendor loan was contributed to the capital reserve in return for the issue of newly created DHH share certificates.

In addition, considerable external funding was obtained from a banking consortium granting DHH a credit line of up to KEUR 120,000 in February 2016 for general company financing. The loans are secured by, inter alia, shareholdings, bank accounts, receivables and industrial property rights and copyrights of DHH and its significant subsidiaries. The loan periods are between three and four years per tranche. A portion of the funds is used for early repayment of the Yemek Sepeti vendor loan, which bears interest at significantly higher rates.

In March 2016, management decided to cease business operations in China and operations under the Valk Fleet brand, which is to have a positive impact on the Group's financial performance over the coming years as these business activities have thus far only made negative contributions to the Group's performance.

Berlin, June 29, 2016

Niklas Östberg
Managing Director

Group Management Report

Unless otherwise stated, all figures have been rounded to the nearest EUR thousand (KEUR). For computational reasons, there may be rounding differences to the exact mathematical values in tables and references.

A. Group profile

01. Business model

The Delivery Hero Group ("Delivery Hero" or "Group") offers online food ordering services with a presence in over 30 countries on five continents. This includes various countries not only in Europe, Latin and South America, but also Asia, North America and Australia.

Using internet platforms, customers can choose from a variety of delivery services in their country and view the menus of these services. The order can be placed by app or through the website and subsequently paid for either in cash or using cashless means of payment. Delivery Hero generates the majority of its revenue from commission on orders. Delivery Hero offers catering establishments the option of a delivery and point of sale system that allows them to immediately view and accept the orders placed on the platform. In addition, Delivery Hero offers products and services such as food packaging as well as advertising and printing services for catering establishments.

02. Business model

The parent company Delivery Hero Holding GmbH ("DHH") was founded in 2011 with its registered office in Berlin and has expanded its presence to local markets worldwide since then. Following considerable acquisitions in 2015, the Delivery Hero Group's global consolidation scope included 106 companies (PY: 40 companies) as of the reporting date. Further information can be found in Section 2c) of the economic report. DHH exercises complete control over all subsidiaries either directly or indirectly.

Delivery Hero Holding GmbH is managed by a CEO who is directly supported by other executives in the area of strategy, finance, operations and information technology (in short "IT"). Management is monitored by an advisory board.

03. Management system

Revenue is the most important key financial performance indicator for managing the company. Besides financial performance indicators, an array of non-financial performance indicators are used to manage the company. These are explained further in Chapter B.02. d) financial and non-financial key performance indicators.

04. Research and development

The majority of the staff in the IT division work not only on ensuring that orders are processed smoothly, but also on further developing the ordering platforms that are used by Delivery Hero Group in the respective sales markets. These platforms represent the core resource for generating revenue at Delivery Hero Group.

Research and development in this division focuses on providing the user with a comfortable, reliable and secure ordering platform. In addition, the switch towards the increased use of mobile applications is also to be addressed by the technology. The fact that it is difficult to split up the activity into maintenance, safeguarding, further and new development and also that the systems are constantly being improved means that it is not possible to separate the individual areas in quantitative terms. The essential structures and content of research and development activities in the Delivery Hero Group did not change in comparison with the prior year.

The Group's total expenses for the IT department equaled EUR 22,437. This corresponds to 11% of revenue in 2015. It is currently not possible to provide an exact allocation of employee numbers on account of the organization of product, development, maintenance and design work within the IT department. Therefore it is also not possible to break down total expenses into research and development activities. Due to limited personnel capacities, third parties are also utilized for development services.

B. Economic report

01. General economic conditions and industry environment

Moderate economic growth was observed in 2015 for the relevant markets in Europe where Delivery Hero is active. Year-on-year GDP growth equaled a price-adjusted 1.5% in Germany, 0.4% in Finland, 2.2% in the UK, 0.8% in Austria, 3.6% in Poland, 3.4% in Sweden and 4.4% in the Czech Republic.[1] In the markets outside Europe, growth in gross domestic product fluctuated between 6.9% in China, 2.4% in Australia and 2.6% in South Korea.[2]

On the other hand, economic development South American markets shows a different picture in 2015. While countries like Uruguay and Colombia experienced strong growth of 1.5% and 3.1% respectively, a significant decline in GDP of 3.8% reflects the domestic political difficulties in Brazil.[3] The development in the markets relevant for Delivery Hero on the Arabian Peninsula was similarly positive in 2015. The economies of the countries in the Gulf Cooperation Council (GCC), which mainly includes the markets where Delivery Hero is active, grew by 3.3% in 2015.[4] An increase in 3.8% in Turkey in 2015 was marginally higher than this.[5]

On the markets in Europe especially relevant to Delivery Hero Group, the price-adjusted change in private consumer spending in 2015 compared to the prior year was between 1.7% in Finland and 3.9% in the Czech Republic.[6] Spending by private households for the consumption of food services[7], as provided by the Delivery Hero Group, also remain highly country-specific. In Delivery Hero's European markets, spending on food services as a percentage of total household spending fluctuates between 10.0% in Austria and 2.3% in Poland.[8]

There are often strong competitors in the regional markets, such as Lieferando in Germany or Just Eat in the UK, whose strategies and market penetration vary regionally within these countries. The market for ordering food online is characterized by fierce global competition. The target group is primarily

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1 Kiel Institute for the World Economy

2 Kiel Institute for the World Economy

3 International Monetary Fund

4 International Monetary Fund

5 Kiel Institute for the World Economy

6 German Federal Statistical Office

7 In accordance with Article 6 of the EU Regulation 282/2011, restaurant and catering services are defined as the supply of prepared or unprepared food or beverages or both (...) allowing for the immediate consumption thereof.

8 International Monetary Fund

medium- and high-income households. In addition, restaurant chains such as Domino's Pizza also offer their own online ordering services for their respective products. In some countries, however, Delivery Hero has established and is continuing to expand a dominant position.

02. Business performance

a) Revenue performance

The DH Group continued the strong growth in its core business in 2015. At KEUR 199,507 (PY: KEUR 88,008), revenue in the reporting period again more than doubled.

Besides the sharply rising number of restaurants and new users, revenue growth was heavily driven by external acquisitions. As a result, comparability in particular of the Group's financial performance with the prior year is therefore limited. The companies acquired during the year were consolidated only on a pro-rata basis in 2015.

The following overview shows the proportionate annual revenue acquired within the scope of the first-time consolidation of these companies/groups:

First-time consolidation	**Company**	**2015**
May 1, 2015	Yemek Sepeti group	21,830
May 1, 2015	E-Food group	1,757
June 1, 2015	Talabat group	9,266
Oct. 1, 2015	Foodora group	3,551
Total		**36,404**

b) Financing measures

In 2015, as part of various funding rounds, Delivery Hero was able to secure investor funds in the form of increases in capital, which occurred via both non-cash and cash contributions. In total, Delivery Hero received KEUR 458,347 in cash and cash equivalents.

This broader equity base supports both the operating activities of Delivery Hero and its growth through acquisitions. In addition, the Company also received KEUR 97,354 in cash as a result of taking out a loan. This loan has a nominal value of KEUR 90,000 and has fixed interest and repayment rates and an additional issue of cover shares to the lenders. It is to be repaid by 2018 but can unilaterally be terminated by DHH at any time.

Furthermore, a loan with a nominal value of KEUR 100,000 from 2014 was restructured in 2015 leading to an increase in capital which will have a positive impact on the liquidity situation.

c) Acquisitions

In the 2015 reporting period, considerable investments were made by acquiring the following companies:

- Yemek Sepeti Elektronik Iletisim Tanitim Pazarlama Gida Sanayi ve Ticaret A.S., Istanbul, Turkey, and subsidiaries
- OFD Online Food Delivery Services Limited, Nikosia, Cyprus, and subsidiaries
- Talabat General Trading and Contracting Company W.L.L, Kuwait, and subsidiaries
- Digital Services XXXVI S.à r.l. Luxembourg, Food Delivery Holding 15 S.à r.l. and subsidiaries

The equity and loans received in 2015 were mainly used for the acquisition of these companies.

The biggest transaction was the acquisition of the Turkish competitor of Delivery Hero, the Yemek Sepeti group. The acquisition of Yemek Sepeti group significantly affected the Group's financial position, financial performance and cash flows. The acquisition of the Turkish market leader significantly increased the Group's order and user numbers and as a result significantly increased revenue. The acquired intangible assets of the Yemek Sepeti group led to a significant increase in the Group's non-current assets.

The Talabat group operates successful online food ordering platforms in the Arabian Peninsula and is the market leader in the region. In its home market Kuwait, Talabat already operates at a profit and generates stable EBITDA margins. Management considers the future market potential in the Middle East to be substantial. Overall, the Talabat group already makes a positive contribution to the results of operations of the Delivery Hero Group. The acquired intangible assets of the Talabat group led to a significant increase in the Group's non-current assets.

In addition to the acquisition of companies in Turkey, the Middle East, Delivery Hero also expanded its position in Europe. By acquiring OFD Online Food Delivery Services Limited, the Group took over a competitor with a strong position in the Greek market, thereby further expanding its continental European market leadership. As Online Delivery was still a relatively young company at the time of the acquisition, there was no direct significant effect on the Group's financial position, financial performance and cash flows at first.

By contrast, the focus of the Foodora acquisition was on the technology factor and the strategic positioning as a premium vendor. With Foodora as a partner, Delivery Hero is looking to further perfect its delivery systems and logistics services. As Foodora was still a relatively young company at the time of the acquisition, there was no direct significant effect on the Group's financial position, financial performance and cash flows at first.

d) Financial and non-financial performance indicators

Revenue represents the most significant financial performance indicator for Delivery Hero. It reflects the capacity to sell services in the market and makes it possible to determine the Group's competitive position. In addition, the EBITDA result of the subsidiaries and the Group is used for management; for more detailed information on the structure of revenue, see the comments on the consolidated statement of profit and loss and other comprehensive income in the notes to the consolidated financial statements.

In the non-financial area, the most important indicators are the number of orders per financial year and the number of restaurants included in the online platforms:

- Number of orders: this performance indicator tracks orders placed by end-customers in the respective period.
- Restaurants online: this performance indicator presents the number of restaurants on the respective platform that end customers can order from during the reporting period.

Thus, the number of orders increased from 39.5 million in the prior year to 111.5 million in the reporting year due to organic growth and acquisitions. The number of restaurants included on the platform increased just as significantly. It increased from approx. 91,000 to almost 300,000.

e) Business development

The high increases in both new users and restaurants are due to the company acquisitions and the success of marketing and sales activities that were stepped up in the financial year. In addition to conventional advertising, such as TV commercials and online advertising, marketing collaborations were increasingly used to position the respective brands in the local markets.

Especially organization and administration at Delivery Hero were once again improved in the financial year under review. As part of the rapid growth of the local operating companies, back office and the IT department were expanded to create structures for further growth from operations. In addition, processes were analyzed in the local companies to identify their potential for optimization. Further investments in outstanding customer service were made around the world.

In management's opinion, business development progressed favorably in view of the strong organic sales growth in 2015. Management feels that positive operating performance confirms that Delivery Hero Group's services represent an attractive product worldwide for which there is still strong demand potential.

03. Employee development

Average headcount increased from 1,018 employees in 2014 to 2,843 employees in 2015.

The following is an overview by function:

Function	**2015**	**2014**	**Change**
Delivery	432	0	
Sales	712	482	48%
Marketing	861	182	373%
IT	401	207	93%
Management	59	40	48%
Office Administration	378	107	254%
Total	**2,843**	**1,018**	**179%**

This increase was due to the acquisitions made in the reporting year. In addition, there was a group-wide expansion of operating activities which was continued in 2016.

Skilled and motivated employees represent one of the most important resources for Delivery Hero Group. At the same time, Delivery Hero Group, like so many other companies, is being affected by a shortage of qualified employees. For that reason, some companies in Delivery Hero Group are conducting active applicant management with their own specialized staff, especially on various online networks and also at trade fairs. Employees of Delivery Hero Group are supported in their continuing and further education; at German subsidiary Lieferheld GmbH, for example, through an in-house leadership academy by training programs for executives.

04. Financial position, financial performance and cash flows

a) Financial performance

The Group's financial performance is presented below in a condensed statement of profit and loss:

In thousands of euro (KEUR)	2015	2014	Change %
Revenue	199,507	88,008	127%
Cost of sales	-29,585	-16,933	75%
Gross profit	**169,922**	**71,075**	**139%**
Selling expenses	-230,755	-89,308	158%
Admin. expenses (excl. depreciation/amortization)	-100,725	-55,919	80%
Other operating income	10,202	6,152	66%
Other operating expenses	-17,595	-2,134	725%
EBITDA	**-168,951**	**-70,134**	**141%**
EBITDA margin (%)	*-84.7%*	*-79.7%*	*6%*
Amortization/depreciation in admin. expenses	-48,903	-11,096	341%
EBIT	**-217,854**	**-81,228**	**168%**
EBIT margin (%)	*-109.2%*	*-92.3%*	*18%*

Delivery Hero Group's revenue rose by KEUR 111,499 in the reporting period. The growth is mainly due to organic growth, which accounts for an increase in revenue of KEUR 75,095, representing an increase of 85.3% over the prior year. Beside this, the acquisitions made in the reporting year contributed KEUR 36,404 to revenue growth. The geographic distribution of revenue is presented in the notes to the consolidated financial statements under D.01. The growth in revenue was achieved thanks to a significant increase in the number of food orders on the online platforms. The number of orders climbed from 39.5 million as of December 2014 to 111.5 million in the reporting year.

Cost of sales rose at a disproportionately low rate to revenue, increasing by KEUR 12,652 as these are, in part, fixed costs. Credit card costs, impairment losses on receivables and personnel expenses due to more deliveries by own employees increased largely due to transaction volumes.

Stepped-up market penetration activities drove up marketing expenses disproportionately by KEUR 130,855. The biggest drivers behind this increase were expenses for TV and radio advertising with an increase of KEUR 40,787, costs for optimizing the customer's internet searches, email advertising and other advertising and marketing measures and personnel expenses.

IT expenses rose mainly due to building up personnel resources as part of the Group's growth.

Administrative expenses also rose sharply by KEUR 44,806 due to Group expansion. Increased expenses for share-based payments, advisory services and travel were the main reasons for the increase in administrative expenses.

Other operating expenses and income increased significantly and mainly included currency translation effects.

Negative EBITDA increased by 141%. Due to operating expenses that rose disproportionately because of build-up activities, the EBITDA margin deteriorated further from -79.7% to -84.7%.

Depreciation and amortization primarily included the amortization of intangibles assets, such as rights, licenses, brands and customer relationships, as well as the depreciation of property, plant and equipment. The increase in depreciation and amortization expenses resulted mainly from higher amortization of intangible assets acquired within the course of the company acquisitions in 2015.

b) Cash flows

The Group's cash flows are shown using the condensed statement of cash flows below:

In thousands of euro (KEUR)	**2015**	**2014**
Cash and cash equivalents at beginning of financial year	32,829	9,286
Cash flows from operating activities	-146,865	-54,518
Net cash used in investing activities	-257,465	-302,638
Cash flows from financing activities	533,306	380,662
Effect of exchange rate movements on cash and cash equivalents	-1,654	37
Net increase/decrease in cash and cash equivalents	128,975	23,506
Cash and cash equivalents at end of financial year	**160,150**	**32,829**

The negative cash flows from operating activities predominantly resulted from the net loss for the period. The change in working capital as presented in the consolidated statement of financial position resulted mainly from the acquisitions made in the reporting year and thus had only a minor impact on cash flows from operating activities.

Cash flows from investing activities essentially include shares purchased and associated investments in intangible fixed assets. On account of its business model, the Group generally has relatively minor other investing activities in property, plant and equipment as most of the capital is tied up in intangible assets.

Cash flows from financing activities reflect the cash increase in equity in 2015. There was also further borrowing in 2015. Both contributed to securing Delivery Hero's operations and the financing of acquisitions. More information on financing measures is included in Section 2 (Business development).

In 2015, the solvency of the Parent Company and the subsidiaries was ensured, in particular, through payments received from shareholders in the course of capital increases and the issuance of convertible loans. Management expects that the shareholders and/or other potential investors will provide the funds necessary for the Parent Company, the subsidiaries concerned and, thus, the Group to continue as going concerns until their financial position has stabilized, and has therefore prepared the financial statements on a going concern basis.

Overall, continuation of the Parent Company, its subsidiaries and the Group as a going concern is therefore dependent on implementing further measures to secure capital and liquidity by the shareholders and/or additional potential investors. Furthermore, recoverability of the reported carrying amounts for goodwill are dependent on realization of the revenue and EBITDA growth assumed in the budget.

The liquid resources reported under cash and cash equivalents were not subject to any material constraints on disposal as of the reporting date. Local exchange controls in China and Argentina mean the transfer of capital to other countries can be restricted.

The majority of liabilities and provisions is due within one year; only liquid funds of KEUR 332,266 for loans are due within 1-5 years.

c) Financial position

The Group's financial position is illustrated using a condensed statement of financial position:

Assets	Dec. 31, 2015	Share	Dec. 31, 2014	Share	Change
Non-current assets	1,196,074	86%	469,929	91%	726,145
Current assets	193,371	14%	47,855	9%	145,516
Total assets	**1,389,445**	**100%**	**517,784**	**100%**	**871,661**

Equity and liabilities	Dec. 31, 2015	Share	Dec. 31, 2014	Share	Change
Equity	765,492	55%	268,843	52%	496,650
Non-current liabilities	443,239	32%	184,846	36%	258,393
Current liabilities	180,714	13%	64,096	12%	116,618
Total equity and liabilities	**1,389,445**	**100%**	**517,784**	**100%**	**871,661**

Driven by acquisitions, the Group's gross assets rose significantly by 168%. Of the additional assets, the larger portion was financed using own resources and a smaller portion through non-current borrowings.

The situation of gross assets being predominantly made up of non-current assets remained unchanged. These are mainly intangible assets by a significant margin. Essential intangible assets as of the reporting date included KEUR 519,558 in goodwill, KEUR 489,845 in brands and KEUR 146,140 in customer and supplier relationships. Investments made in property, plant and equipment amounted to KEUR 5,024 in 2015.

The marked increase in current receivables in 2015 was largely due to growth in operating activities.

The significant increase in current assets in 2015 resulted mainly from the expansion of operating activities and from the following described measures following the acquisition-related cash outflows leading to an increase in cash and cash equivalents of KEUR 127,321.

Apart from equity, the liabilities side of the statement of financial position consists mainly of non-current borrowings. Current borrowings only accounted for 13%.

The liabilities side of the statement of financial position consists mainly of non-current liabilities in addition to equity. Equity increased by KEUR 781,289 in 2015 due mainly to various measures that had an effect on equity. This increase was partially offset by the negative total comprehensive loss of KEUR -287,169. The equity ratio increased in total from 52% to 55%. Of equity, KEUR 6,469 was attributable to non-controlling interests as of the reporting date.

As of the reporting date, non-current liabilities mainly included deferred tax liabilities of KEUR 138,671 (PY: KEUR 55,772), which was largely attributable to the intangible assets acquired during the course of the company purchases, and loans of KEUR 290,294 (PY: KEUR 109,657) taken out to finance company acquisitions and general company activities. A loan taken out in August 2014 with a nominal value of KEUR 100,000 was divided into two tranches in 2015. This restructuring meant that the term was extended and the interest rates were reduced in favor of a higher share in equity shares.

The rise in current liabilities is the result of both an increase in operating activities and a rise in commitments relating to financial derivatives, which resulted mainly from the company acquisitions in the reporting year.

d) Overall evaluation

Management rates the overall financial position, financial performance and cash flows of operations as positive or – in view of the major expansion carried out during the reporting period – as expected. Even though the Group continued to generate significant losses, these are within the scope of what was expected and budgeted for in light of the acquisitions and, in some cases, related to fundamental business start-up work. There were substantial equity resources as of the reporting date. In addition, some companies already made a positive contribution to consolidated earnings in 2015.

In the 2014 group management report, the Group aimed to significantly increase the total number of platform users and the number of orders, thereby also significantly increasing revenue. These increases were to be generated from organic growth and further company acquisitions.

Revenue increased by 127% in the reporting year, which represents a very sharp increase. Included in this is inorganic revenue growth as a result of company acquisitions in 2014 and 2015, which for the most part materialized as forecast.

C. Subsequent events

The Group was able to further expand both its equity and debt capital base in 2016. In January 2016, a share of the Yemek Sepeti vendor loan was contributed to the capital reserve in return for the issue of newly created DHH share certificates.

In addition, considerable financing with borrowed funds could be secured with a banking consortium granting DHH a credit line of up to KEUR 120,000 in February 2016 for general company financing. The loans are secured by, inter alia, shareholdings, bank accounts, receivables and industrial property rights and copyrights of DHH and its significant subsidiaries. The loan periods are between three and four years per tranche. A portion of the funds is used for early repayment of the Yemek Sepeti vendor loan, which bears interest at significantly higher rates.

In March 2016, management decided to cease business operations in China and operations under the brand name Valk Fleet, which is to have a positive impact on the Group's financial performance over the coming years as these business activities have thus far only made negative contributions to the Group's earnings.

D. Forecast, opportunities and risk report

01. Forecast

a) Future general economic conditions and industry environment

The global economy is expected to see an increase in gross domestic product of 2.9% in 2016 (after 3.0% in 2015).[9] Positive global economic development will continue to be largely driven by emerging markets such as China and India, where the economic difficulties, however, will only be gradually

[9] Kiel Institute for the World Economy

overcome. Economic downturn in China and the widespread monetary expansion policy of various central banks represent substantial risks for the world economy.[10]

The global market for food delivery services continued to grow in 2015 with a current turnover of approx. EUR 83.1 billion.[11] This market is expected to grow by an annual average of 3.6% over the coming years.[12] In addition to increasing urbanization, key drivers for this development are a further increase in medium-income households and an increase in consumer spending. In addition, further increases in internet penetration will also lead to further growth of Delivery Hero's relevant market, i.e. online delivery services. Currently, Asia and the Middle East account for approx. 37% of the global market for food delivery services, followed by Europe at approx. 32%, North America at 23% and Latin America at approx. 7%. Latin America, however, is expected to see one of the highest growth rates at an expected market growth rate of 4.2%.[13] A sub-segment of the market for food delivery services is the market for internet food delivery services, which involves orders being placed online via dedicated ordering platforms. The Group expects considerably higher growth rates for this relatively young market segment compared to the traditional delivery market involving phone orders.

b) Future development of the Group

Therefore, Delivery Hero Group's management predicts that both the number of orders and the number of affiliated restaurants will continue to increase in the 2016 financial year. These increases will continue to be supported by concentrated marketing measures in 2016, which should ensure the lasting use of the order platform by existing customers and the acquisition of new customer. The number of orders in 2016 is to increase by 30% year on year. The number of platforms included on the platform (restaurants online) is to slightly increase in 2016 thereby supporting the growth of orders and thus revenue growth.

In the course of these measures, management expects revenue to increase in the 2016 financial year by more than 60% (adjusted for currency effects), albeit not quite so sharply as in the reporting year. Besides the organic growth of the Group described above, this increase is to result from the first-time full-year consolidation of the companies acquired in the 2015 reporting year.

At the same time, management expects to reduce the negative EBITDA due to the continued growth strategy and the cost reduction program initiated in 2015. Furthermore, it is expected that higher amortization of the intangible assets identified in the 2015 purchase price allocations, which will have a full-year effect for the first time, will have negative effects on the net income for the year. However, management sees large growth potential in the development of markets for online food ordering services. However, the Group must still bear further start-up costs. For this reason, the Group anticipates negative EDITDA in the medium double-digit millions for 2016. According to the available forecasts, EBITDA break-even will be achieved in 2017.

c) Overall evaluation by management

Overall, the course in the 2015 financial year and the economic situation are considered favorable. The Delivery Hero Group reach its growth target and significantly strengthened its capital basis allowing the Group to finance further growth.

Assumptions regarding the economic development of the market and the industry are based on estimates that the management of Delivery Hero Group currently considers realistic based on the information available. However, these estimates are subject to uncertainty and entail the unavoidable risk that forecast developments will not actually occur, either in terms of their trend or extent. The

[10] Kiel Institute for the World Economy
[11] McKinsey & Company
[12] McKinsey & Company
[13] McKinsey & Company

forecast is based on the composition of the Group in the forecast period as known at the time of planning.

The activities of Delivery Hero are subject to various risks presented in the risk report. Measures have been introduced as far as possible to protect against current and potential risks. Delivery Hero's market position should improve further over the medium term.

02. Risk report

The risk report addresses business risks that faced Delivery Hero Group in the 2015 financial year or as of the reporting date, and covers a period of at least one year.

The risks presented below are set out in order of their relevance for the Group (gross presentation).

Despite strong sales growth, Delivery Hero Group remains dependent on external financing. For that reason, turbulence on the financial markets could have a negative impact on the financing options of Delivery Hero Holding GmbH, which finances operations. Unanswered questions on the economic and institutional stability of the euro zone, the expansive monetary policy of major central banks around the world and the unresolved debt problems in numerous industrial and developing countries continue to hold significant risk factors. Management estimates the risks potentially affecting the Company's business from the current political situation in Greece as being low. Potential hyperinflation in Argentina represents a substantial risk to business activities there.

Delivery Hero Holding GmbH secured a considerable amount of finance in 2015 in the context of capital increases, allowing the Group to fund the business activities of its operating subsidiaries in 2015. In addition, there are unutilized committed credit lines both at the level of Delivery Hero Holding GmbH and at the level of the subsidiaries.

The ability of the Parent Company, subsidiaries and Group to continue as a going concern will depend on the implementation of further measures to secure capital and liquidity by the shareholders in the Parent Company or potential investors. We also refer here to the statements in Section 4. b).

To generate sales, Delivery Hero essentially relies on the functionality, security and stability of various websites, in particular the online ordering platforms. Outages and disruptions would lead immediately to a loss of sales and would also damage the Company's reputation in the medium term. Especially the many new technologically advanced platforms represent a risk. Given the nature of these sensitive systems, even small changes can trigger considerable effects in terms of error rates or even shutdowns. Best practice processes are being implemented to an increasing extent in order to prevent damage. In addition, internal controls and our staff's IT know-how are constantly being expanded. The software, developed in-house, is tested as part of a quality assurance process before it is released. To defend against external attacks, external service providers and redundant systems are employed, among other things, while load tests are run on a regular basis. As part of an incident management process, systematic searches for the causes of disruptions are carried out and measures are developed to permanently eliminate these.

Delivery Hero Group works on a global basis and is subject to the local laws and regulations of the countries in which it operates. The operating activities of the respective local subsidiaries could be affected by changes in the existing legal framework. Furthermore, there are tax risks that may arise and can impact the financial situation of the companies. Following assessment of the respective probabilities of occurrence, provisions were set up for tax risks recognized as liabilities as of the reporting date. The actual utilization of these provisions will depend on whether and to what extent the risks materialize.

Risks for Delivery Hero Group include ongoing legal disputes resulting from the Group's operating activity. After assessing the respective probabilities of occurrence, provisions were set up for pending legal disputes as of the reporting date. The actual utilization of these provisions will depend on whether and to what extent the risks materialize. The amount of the provisions for legal disputes is of minor importance.

There is the risk of default for individual claims; for example, in the event of the customer's total or partial default. This default risk is minimized by checking the amount of outstanding receivables before a new order is accepted by the sales department and by offsetting against the cash collected for the customer. In addition, the Group is striving to increase the share of online payment, which further reduces the risk of default. These measures are employed in an attempt to effectively limit and, where possible, further reduce bad debts. Management assesses the risk of defaulting debtors as being negligible and intends to push further professionalization of the debt collection system.

Risks also arise for the Group from fraud in the use of diverse payment options. Ordering activities are monitored as part of a fraud management system in order to be able to identify and prevent cases of fraud. In addition, intensified efforts are being made by the operating units to outsource the risk of fraud. For the above reasons, Delivery Hero Group's management assesses the risks from fraud to be minor.

Also due to low barriers to market entry, the economic environment remains characterized by fierce competition. In addition, restaurant chains such as Domino's Pizza also offer their own online ordering services for their respective products. Delivery Hero Group's objective is to offer end customers the best purchasing experience worldwide, with the greatest comfort and widest selection, and thereby stand out from the competition. As a consequence, management assumes that the Group will continue to successfully hold its own on the market despite stiff competition. As Delivery Hero Group was among the first market entrants in many markets, the risk of it being squeezed out of the market by competitors is assessed as being relatively low.

The Group considers the risks connected with the integration of acquired companies in the consolidated group as relatively low as the operating activities remain largely unchanged in these companies and only administrative functions are centralized.

Delivery Hero Group faces risks from both external developments and internal company processes. Weakening consumer spending in private households could have a negative impact on the Group's sales. However, in view of the cautiously positive forecasts for the global economy in 2016, management assesses the risk of a downturn in consumer spending to be low.

In summary, Delivery Hero Group faces a heightened risk that is common to start-ups. The break-even point for the Group has not yet been achieved, with the result that it relies on external financing. As there continues to be considerable potential for growth, even despite skyrocketing sales in the past, management assumes that it will be possible to draw upon external financing options until break-even is reached. It sees itself confirmed in this opinion by the extremely successful capital increases at Delivery Hero Holding GmbH in 2015 and early 2016.

03. Opportunities

Opportunities include business opportunities that present themselves to Delivery Hero Group during the year after the reporting date.

The opportunities presented below are set out in order of their relevance to the Group.

In the field of catering, the home delivery market is regarded along with takeaway as a trend with higher than average growth rates. This is true both for developed markets such as Germany and for emerging countries in Latin America, Asia-Pacific and the Middle East. Thanks to rigorously aligning the business model with customer needs within a growth market, the opportunity to realize increasing sales continues to present itself to Delivery Hero Group. The Company intends to further raise its brand recognition globally through selective marketing campaigns, sponsorship and discount programs. These marketing activities combined with the best purchasing experience are designed to win over new customers and increase the loyalty of existing customers.

Looking forward, the industry is trending towards the delivery of high-quality and fresh meals in developed markets in particular. The investment in Foodora meant the acquisition of both expertise and a strong global brand in this sector. Management is convinced that long-term attractive growth rates can be achieved in this sector and is therefore accelerating activities in this future market.

Additional synergies can be realized through the joint use of the online platform by multiple companies of Delivery Hero Group. An ordering platform is to be progressively developed and maintained centrally and filled with local content by the individual companies. By sharing the expenses incurred in the development and maintenance of the platform between the individual participating companies of Delivery Hero Group, the expenditure for the national subsidiaries will be reduced, an approach that represents a clear competitive edge over competitors that do not have a similar platform system.

Synergies also result from the joint use of marketing measures and the global exchange of ideas, to the extent that cultural differences in individual regions do not work against this.

Delivery Hero can also create potential from exchanges within the Group between the local subsidiaries. As a result of this exchange of ideas, Delivery Hero can identify global trends in the business early on and react promptly. The Group's acquisitions in the reporting year not only expand the options for internal group exchanges, but also provide new drive for innovation.

Additional significant strategic potential can be tapped by further optimizing the liquidity and cash flows of the parties involved in the order process by integrating digital payment systems. This approach must first overcome major administrative hurdles and regulatory requirements.

Delivery Hero Group is also responding to the trend towards the increasing use of mobile consumer devices, or smartphones. The Delivery Hero apps will be rigorously developed for various mobile operating systems. The Group is reporting a steadily increasing number of orders placed by mobile consumer devices.

Delivery Hero's target group is young and internet savvy. It frequently uses social networks to exchange information. Delivery Hero is therefore increasingly integrating these types of social networks. In some countries, it is already possible to log in to the ordering process using popular social networks, which should simplify the ordering process. This will also further improve Delivery Hero's brand recognition.

In summary, Delivery Hero has the opportunity to participate in global trends, such as increasing networking, the use of apps on smartphones and changing eating habits. The growth of the global business activities will be supported by professional structures in IT and back office.

E. Use of financial instruments

01. Risk management

Delivery Hero Group faces default risks, liquidity risks and market risks, in particular interest rate and foreign exchange risks, due to the use of financial instruments. Delivery Hero actively monitors these risks and manages them using an effective risk management system. The risk management function is integrated in Group Controlling.

02. Liquidity risk

Strong external growth means Delivery Hero Group has to rely on external financing to ensure sufficient liquidity. A lack of external financing could threaten the Group's ability to continue as a going concern. Through proper budget planning, Delivery Hero Group's liquidity management makes sure that sufficient funds are available. Furthermore, a constantly secured and adequate amount of cash and cash equivalents ensures that operations can be financed. Unused credit lines are also available.

03. Market risk

Through its foreign subsidiaries, Delivery Hero Group generates a significant portion of its revenue in foreign currencies. In order to reduce the foreign exchange risk, Delivery Hero Group generally tries to generate income and incur expenses in the same functional currency. In addition, Delivery Hero Group's investments in foreign subsidiaries means it is exposed to foreign exchange risks when converting the value of net assets. However, this is not a foreign exchange risk as defined by IFRS 7.

The loans taken out by the Group contain, to a certain extent, variable interest on the basis of reference interest rates. A change in market interest rates may result in an increase in future interest payable which would have a negative effect on the Company's financial performance. For the forecast period, the Company sees the risk of an interest rate hike as low, however expects interest to increase over the medium-term. In the course of its risk management system, the DH Group monitors market developments and, if necessary, will limit interest rate risks with appropriate derivative financial instruments.

The credit or default risk is the risk that the business partners, mainly restaurants, are unable to fulfill their payment obligations, which would mean Delivery Hero Group incurs a loss. Such risks mainly involve current trade receivables. Delivery Hero Group is not exposed to a major default risk from any single individual customer. The concentration of the creditworthiness risk is limited due to the broad and heterogeneous customer base. Delivery Hero Group monitors the default risk and manages this actively by making any necessary credit checks and optimizing the payment process. Consequently, the risk is largely transferred to the restaurants (also by way of an effective debt collection system). The maximum default risk corresponds to the carrying amount of the financial assets.

Berlin, June 29, 2016

Niklas Östberg
Managing Director

Auditor's report

We have audited the consolidated financial statements prepared by Delivery Hero Holding GmbH, Berlin, comprising the consolidated statement of financial position, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the notes to the consolidated financial statements, together with the group management report for the financial year from January 1 to December 31, 2015. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315a (1) of the German Commercial Code [HGB] are the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with Section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors [IDW]. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the financial position, financial performance and cash flows in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315a (1) HGB, and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Without qualifying our opinion, we draw attention to management's comments in the group management report in Section B.04.b) and in the notes to the consolidated financial statement in Section A.02. It is explained in this section that the continuation as a going concern of the Parent Company, the subsidiaries and, therefore, the Group is dependent on the implementation of further measures by the parent company's shareholders and other potential investors to secure capital and liquidity.

Berlin, June 29, 2016

KPMG AG
Wirtschaftsprüfungsgesellschaft
[original German version signed by:]

Sternberg Wirtschaftsprüfer [German Public Auditor]	Knorr Wirtschaftsprüfer [German Public Auditor]