

Strong execution with positive free cash flow in H1; additional £150 million return of structural surplus capital

Highlights¹

- **Good top-line performance driven by execution on strategy in a stabilising consumer environment**
 - **Growth across key metrics** with GTV* up 6% and revenue up 2% in constant currency* (5% and 1%, respectively, in reported currency), and orders returning to growth of 2%, all delivered alongside a stable gross profit margin.
 - **Good GTV growth in both UKI and International**; constant currency GTV growth of 7% in UKI and 5% in International, where orders returned to growth driven by improvement in France and continued strength in UAE and Italy.
 - **Encouraging early signs in consumer behaviour**: positive inflection in most markets, with frequency returning to growth and retention improving, supported by improvements in our consumer value proposition ('CVP').
- **Delivering for our consumers through investments to further enhance our CVP**
 - **Innovation in Plus loyalty programme**: in line with our ambition to be a Plus-first business by 2026, we introduced a new premium tier, Plus Diamond, and launched it in the UK, and we made improvements to Plus Gold and Plus Silver in UKI and France.
 - **Strong growth in grocery**: reached 14% of Group GTV in H1; broad-based growth across markets driven by improved experience and awareness, and further penetration in mid-sized baskets (£30-£60).
 - **Retail rollout**: focused on driving awareness and increased selection through new partnerships and expanded site rollouts with major brands in the UK and UAE, showing positive early progress; launched proposition in Kuwait and Hong Kong.
 - **Continued improvement in net promoter score ('NPS')** with June 2024 the highest level since mid-2021.
- **Key financial milestones reached with positive profit for the period and positive free cash flow***
 - **Strong growth in adjusted EBITDA***, up 57% to £62 million (H1 2023: £39 million); adjusted EBITDA margin (as a % of GTV)* increased to 1.7% (H1 2023: 1.1%); profit improvement drivers included higher advertising contribution, efficiencies in the delivery network and overhead efficiencies.
 - **Profit for the period** of £1 million, compared to a loss of £(83) million in H1 2023.
 - **Free cash flow** of £3 million, which includes a £(43) million outflow for cash exceptionals*.
- **New £150 million share buyback reflects financial progress in the last year and confidence in the outlook**
 - **Net cash* of £662 million (H2 2023: £679 million)**; £30 million EBT share purchase completed in H1 2024.
 - **Additional £150 million return of structural surplus capital** through on-market programme to purchase shares for cancellation. This brings announced share purchases for cancellation to a total of £450 million, alongside £105 million EBT purchases since 2022 to offset dilution from employee share awards.

2024 outlook

- **GTV growth** (in constant currency) anticipated to be in the range of 5-9% (unchanged).
- **Adjusted EBITDA** expected to be in the upper half of the previously-guided range of £110-130 million (updated).
- **Free cash flow** expected to be positive for the full year 2024 (unchanged).

This announcement includes inside information as defined in Article 7 of the Market Abuse Regulation No. 596/2014 and is being released on behalf of Deliveroo PLC by Catherine Sukmonowski, Company Secretary.

¹ In this section, all growth rates are year-on-year and in reported currency unless otherwise stated.

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

Will Shu, Founder and CEO of Deliveroo, said:

"I am pleased with the performance we have achieved this half, which was driven by effective execution of our growth and profitability initiatives. As a result, we reached two major financial milestones: positive free cash flow and positive profit for the period.

We took important steps to make our CVP even more compelling. We innovated our loyalty programme, Plus, with the biggest changes since we launched the programme in 2017 as we continue to make strides towards our ambition to be a Plus-first business by 2026. I'm also delighted that we have further improved our Net Promoter Score, a key indicator of consumer satisfaction. I strongly believe that consumer trust is the key to unlocking further growth in this industry and that is why we are relentlessly focussed on achieving a flawless delivery experience, along with ensuring fair pricing for our consumers.

Looking ahead, while there is continued uncertainty in the external environment, I am encouraged by the inflection we are currently seeing in consumer behaviour in many of our markets. The Deliveroo platform is more powerful than ever, and we remain responsive to the external environment while continuing to optimise our proposition for consumers, riders and merchants. We operate across attractive verticals, in large, underpenetrated markets, and it's clear that there is a lot of room for growth in our industry. I want to thank the Deliveroo team whose talent and expertise is invaluable as we continue to capture the many opportunities ahead of us."

Summary financial information²

£ million unless stated	H1 2024	H1 2023	YoY change (reported)	YoY change (constant)
Orders	147.4	145.2	2%	2%
GTV per order (£)*	25.0	24.2	4%	5%
GTV*	3,689.7	3,506.8	5%	6%
Revenue	1,028.2	1,020.3	1%	2%
Revenue take rate (as % of GTV)*	27.9%	29.1%	(120) bps	-
Gross profit	382.5	365.1	5%	-
Gross profit margin (as % of GTV)*	10.4%	10.4%	0 bps	-
Adjusted EBITDA*	61.7	39.4	57%	-
Adjusted EBITDA margin (as % of GTV)*	1.7%	1.1%	60 bps	-
Profit/(loss) for the period^	1.3	(82.9)	n/a	-
Free cash flow*^	3.2	(27.7)	n/a	-
Net cash*^	662.1	947.8	(30)%	-

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

^ Continuing and discontinued operations.

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² The year-on-year changes in tables within this report are based on unrounded figures.

Analyst and investor call

A conference call and webcast with Q&A for analysts and investors will be held today at 09:00 BST / 10:00 CEST.

Registration details as follows:

Conference call: +44 (0) 33 0551 0200 (quote 'Deliveroo HY24' when prompted by the operator)

Webcast: https://brrmedia.news/ROO_HY24

The webcast will also be available to view at <https://corporate.deliveroo.co.uk/>. A replay will be made available later.

Upcoming events

Q3 2024 trading update: 17 October 2024

About Deliveroo plc ('Deliveroo' or 'the Company' or 'we')

Deliveroo is an award-winning delivery service founded in 2013 by William Shu and Greg Orlowski. Deliveroo works with approximately 182,000 best-loved restaurants, grocers and retail partners, as well as around 140,000 riders to provide the best on-demand delivery experience in the world. Deliveroo is headquartered in London, with offices around the globe. Deliveroo operates across 10 markets, including Belgium, France, Hong Kong, Italy, Ireland, Kuwait, Qatar, Singapore, United Arab Emirates and the United Kingdom.

Further information regarding Deliveroo is available on the Company's website at <https://corporate.deliveroo.co.uk/>.

Disclaimer

This announcement may include forward-looking statements, which are based on current expectations and projections about future events. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target", "believe", "expect", "aim", "intend", "may", "anticipate", "estimate", "plan", "project", "will", "can have", "likely", "should", "would", "could" and any other words and terms of similar meaning or the negative thereof. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its subsidiaries and its investments, including, among other things, the development of its business, trends in its operating environment, and future capital expenditures and acquisitions. The forward-looking statements in this announcement speak only as at the date of this announcement. These statements reflect the beliefs of the Directors, (including based on their expectations arising from pursuit of the Group's strategy) as well as assumptions made by the Directors and information currently available to the Company. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate and none of the Company nor any member of the Group, nor any of such person's affiliates or their respective directors, officers, employees, agents and/or advisors, nor any other person(s) accepts any responsibility for the accuracy or fairness of the opinions expressed in this announcement or the underlying assumptions. Actual events or conditions are unlikely to be consistent with, and may differ significantly from, those assumed. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur. No representation or warranty is made that any forward-looking statement will come to pass. No one undertakes to update, supplement, amend or revise any forward-looking statements. You are therefore cautioned not to place any undue reliance on forward-looking statements.

Operating and strategic review³

1. Key developments

Growth and operating environment

In H1 2024, orders returned to growth of 2% and GTV growth improved to 6% year-on-year in constant currency, driven by the ongoing enhancements we have been making to our CVP as well as the continued easing of food price inflation. GTV grew year-on-year in both restaurant and grocery delivery.

The UKI performed well, with GTV growing 7% in constant currency. The improvement in Group GTV growth was driven by International, which grew 5% in constant currency compared to 1% in H2 2023 and (7)% in H1 2023, with the acceleration driven by growth in France and continued strength in UAE and Italy. Having been a drag on growth in the last 18 months, France returned to growth in GTV and orders in Q2, supported by our execution on the CVP and improved consumer confidence. Hong Kong was a laggard amongst our major markets, with a more difficult market and competitive environment.

For the Group, encouragingly average order frequency (AOF) is moving in the right direction, improving to 3.5x in Q2 from 3.4x over the last six quarters. Retention is also now less of a headwind to growth, with consumer churn continuing to improve, in line with our expectations. We still have further opportunity to rebuild to the frequency increases and retention levels that we saw pre-pandemic, but are pleased to have seen positive inflections in most of our markets. We will continue to make investments into our CVP, underpinning our ability to drive continued profitable growth, particularly while the consumer spending environment remains uncertain in many of our markets.

Consumer value proposition

The on-demand delivery industry is still early in its maturity and there remains ample room for growth. We firmly believe that the biggest factor to unlock future growth for Deliveroo and our merchants is building consumer trust and loyalty, through a combination of price integrity and a flawless delivery experience - in turn driving frequency and retention on the platform. We believe there is a long way to go until the industry gets to an outstanding consumer value proposition, and the accumulation of marginal gains can have just as much impact as unlocking new verticals.

Loyalty

In line with our ambition to be a Plus-first business by 2026, we have enhanced our loyalty proposition significantly. These are the biggest developments for Plus since we launched in 2017. We started in the UKI with a major update of our pre-existing two tiers. We relaunched our Gold tier in May with improved benefits such as 10% credit back on eligible orders, and an on-time guarantee giving customers a credit if the order is over 15 minutes late. We improved the attractiveness of our Silver tier with a lower minimum order value, while also adjusting the service fee. At the end of the half, we also relaunched Gold and Silver tiers in France, and intend to extend these enhancements to some of our other markets in H2 and beyond.

We were also excited to launch a brand new tier in the UK called Plus Diamond, with the aim of driving even greater retention and frequency among some of our highest value customers. Diamond is an exclusive, invitation-only tier offering members a premium experience including priority delivery on every order, 10% credit back on eligible orders, an on-time guarantee with credit back for the full order value for orders more than 10 minutes late, a dedicated customer care team, and exclusive access to certain merchants and events.

While it is still early to fully understand the impact of these launches, we are encouraged by what we see so far. Plus members already spend three times more than 'pay-as-you-go' customers, are twice as likely to try a restaurant that is new to the platform, are around twice as likely to order grocery or retail products, and their retention is stronger, so we expect the enhanced programme to play an important role in driving growth for Deliveroo.

³ In this section, all growth rates are year-on-year and in reported currency unless otherwise stated. The following commentary includes discussion of statutory measures such as revenue and operating loss, as well as alternative performance measures ('APMs') such as gross transaction value ('GTV'), gross profit margin (as % of GTV) and adjusted EBITDA, as the business also uses these metrics to monitor and assess performance. A full list of APMs and their definitions can be found on page 42. More detailed discussion of statutory results is contained in the Financial Review beginning on page 9.

Consumer experience

We aim to deliver a seamless consumer delivery experience on each occasion. Working with restaurants, grocers and riders, we continue to reduce poor service outcomes such as order inaccuracies, rejections and cancellations. We have reduced instances of grocery order inaccuracy through technology improvements and the further roll-out of our picking app. We have also further reduced rejections to an all-time low, and developed a new feature enabling merchants to ask consumers to select a substitute for unavailable items. We made improvements in customer care to ensure better customer outcomes, particularly for our top customers. We also continued to reduce the instances of 'orders marked delivered, not received' (OMDNR) which are now at an all-time low. As such, we continued to improve our customer NPS, with June 2024 reaching the highest level since July 2021.

Price/value

Price integrity is critical to building consumer trust, particularly when cost of living pressures have impacted the spending power of consumers after two years of high food price inflation. To build price integrity, we need to ensure first that consumers are actually getting more value and second that they perceive that they are. We continue to promote value in the Deliveroo app, for example by highlighting where restaurants and grocers are matching prices to their dine-in or in-store prices, as well as using targeted promotions to reinforce value perception, for example our '£7 off 7' orders promotion. In H1, we made progress on building the foundations for more efficient marketing as we progress towards our long-term profitability target, including improving the targeting and personalisation of our promotions.

While prices are set by our merchant partners, we use indirect tools to incentivise our merchants to provide fair prices in combination with great service. We do this through two programmes: our commercial architecture and our value programme. Having launched the value programme in the UK in H2 2023, we extended this to France in H1 2024 and we continue to be encouraged by how partners are embracing this approach. We incentivise partners to improve and maintain strong value scores by driving more volume to our best value partners, and we are encouraged to see that the proportion of GTV coming from those partner sites at the end of H1 was around double compared to before the launch of our value programme. Overall, we remain confident that this trust-building approach is the right one for consumers, riders, merchants and Deliveroo over the long term.

Grocery

Grocery grew strongly in H1 and reached 14% of Group GTV. Progress was supported by improved consumer experience, increased selection and greater awareness of our offering. We made further improvements to our picking app, leading to a higher likelihood of a suitable substitution and improved efficiency of the picking process. Growth of mid-sized baskets (£30-£60) continued to outpace smaller baskets. A key enabler of this growth is the larger SKU ranges held by our partners, and we more than doubled the number of partners that have listed up to 10,000 SKUs. We also improved selection by significantly increasing our coverage of Morrisons Daily and Co-op sites in the UK, and adding specialist grocers internationally.

We continued to acquire new-to-category users by targeting our restaurant users who have never placed a grocery order. We offer consumers the opportunity to 'top up' their restaurant order with the addition of a grocery order through the order tracking page, and this has now been extended to all of our markets. This feature has been one of our most effective drivers of category adoption, and the number of new-to-grocery consumers using it in H1 2024 almost doubled compared to FY2023. Recognising the role that loyalty schemes play in the grocery market, we now have the ability to integrate into partners' loyalty programmes and have begun to launch this feature with certain partners including ParknShop and Watsons in Hong Kong.

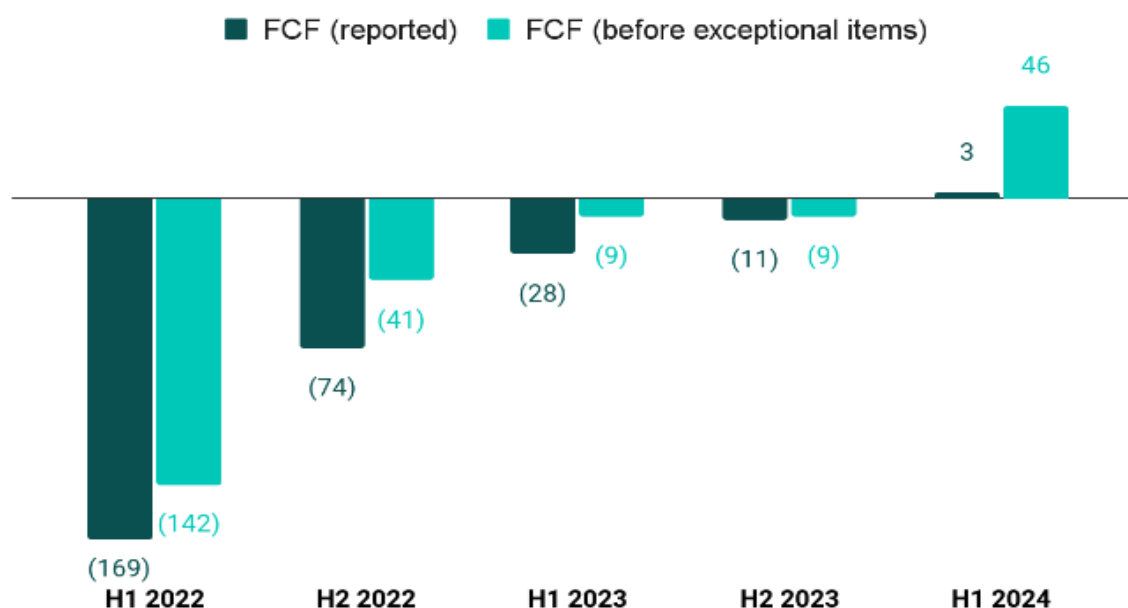
Retail

Having launched our retail proposition in November 2023, we are still early in our journey, but are pleased by the progress with merchants and the response from consumers in H1. We continued to drive awareness across key target categories, including by leveraging seasonal moments such as Valentine's Day and Mother's Day. We have also seen good engagement through the use of targeted communications to consumers who browsed or searched a particular category, for example pet food, by sending them pet-related options accordingly. We enhanced our selection by adding brands such as Ann Summers, The Perfume Shop and B&Q in the UK, Holland & Barrett and Toys R Us in UAE, as well as a number of local independent stores. We continued to evolve our in-app shopping experience and following encouraging early signs in UAE and the UK, we launched retail in Kuwait in May and Hong Kong in June. This is a longer term initiative for us, which we believe will yield benefits in years to come.

Profit and cash flow

In H1 2024 we achieved two important financial milestones, delivering positive profit for the period and positive free cash flow. Profit for the period (from continuing and discontinued operations) was £1.3 million, compared to a loss of £(82.9) million in H1 2023. We generated £3.2 million of free cash flow in H1 2024, or £46.1 million of free cash flow before exceptional items* (primarily cash outflow for regulatory settlements); this compares to outflows in H1 2023 of £27.7 million and £9.2 million, respectively.

Free cash flow progression since H1 2022:



The improvement in profit for the period and free cash flow was primarily driven by growth in adjusted EBITDA, which increased 57% to £61.7 million (H1 2023: £39.4 million). We continued to make progress towards reaching our target of a 4%+ adjusted EBITDA margin (as % of GTV) by 2026, with adjusted EBITDA margin (as % of GTV) improving 60 bps year-on-year to 1.7% (H1 2023: 1.1%). With gross profit margin (as a % of GTV)* flat year-on-year, the improvement was driven by a 60 bps reduction in marketing and overheads (as % of GTV)* as we drove operating leverage from marketing and overhead efficiencies.

Our focus on improving efficiencies in the delivery network mitigated the impact of inflation on cost of sales per order. We further reduced the amount of time riders spend waiting at restaurants for an order to be ready, and continued our focus on seamless and accurate handovers to the consumer. We further developed multi pick-up stacking, where a rider can pick up orders from multiple merchants and deliver them to multiple consumers, and rolled this out across a higher proportion of orders. These actions drove efficiencies in the delivery network, enabling us to make continued CVP investments while maintaining a stable gross profit margin year-on-year.

Our advertising business is an important driver of profitability, and it reached an annualised revenue run-rate in Q2 2024 of £90 million (Q4 2023: £77 million) or 1.2% of GTV (Q4 2023: 1.0% of GTV). The majority of this revenue currently comes from our sponsored positioning and search results products for restaurants and grocers, which drive strong return on advertising spend ('ROAS') for partners. We continue to take a consumer-first approach, to strike the right balance between helping merchants drive incremental demand while always prioritising the consumer experience.

Marketing and overheads* decreased by 2% to £320.8 million in H1 2024 (H1 2023: £325.7 million) despite the 5% increase in GTV and investment to support the launch of retail. As a result, marketing and overheads as a percentage of GTV decreased by 60 bps year-on-year. This operating leverage reflects the impact of cost control measures within the business, with workstreams in progress to improve both marketing and headcount efficiency. We have further to go on our efficiency journey, but progress so far is encouraging.

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

Capital position and shareholder returns

Following a review last year of the Group's capital structure, growth opportunities and required cash balances, £250 million was returned to shareholders through a tender offer in October 2023. This was in addition to a £50 million on-market share purchase programme announced in March 2023. In total, 237.0 million shares were repurchased and subsequently cancelled. We committed to regularly review our capital position as we make further progress on profitability and cash generation and as the competitive, consumer and regulatory backdrop becomes clearer.

Reflecting the financial progress made over the last year and our confidence in the outlook, we are today announcing the return of an additional £150 million of structurally surplus capital. This will be executed through an on-market share buyback programme, with repurchased shares being subsequently cancelled.

We also announced in March 2024 that we intend to satisfy the exercise of all employee share-based compensation awards using shares held currently or purchased in the future by Deliveroo's Employee Benefit Trust ('the EBT'), thereby offsetting any potential dilution to shareholders from the exercise of these awards. During H1 2024, the EBT purchased a further 22.6 million shares to be used to satisfy employee share-based compensation awards, for a total consideration of £30 million. This brings the total amount of EBT share purchases since 2022 to £105 million. At the end of H1 2024, the EBT held 62.5 million shares (H1 2023: 72.5 million).

2. The three sides of the marketplace

Since 2013, we have pioneered on-demand food delivery via a hyperlocal three-sided online marketplace, connecting local consumers, riders and merchants. In H1 2024, we made further progress in developing all three sides of the marketplace.

Consumers

Deliveroo's monthly active consumers ('MACs') averaged 7.1 million across H1 2024, in line with H2 and H1 2023. Over the last year, MACs have remained broadly stable, as we have taken action to offset the impacts of inflationary pressures on consumers and continued to improve our CVP. The year-on-year decline has stabilised, with H1 2023 MACs down 5%, H2 2023 MACs down 2%, and H1 2024 MACs flat, reflecting early signs of stabilisation in consumer behaviour. Average order frequency (AOF) improved in Q2 to 3.5 times per month.

MACs and AOF	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
UK & Ireland (m)	4.0	4.0	3.9	4.0	3.9	3.9
International (m)	3.1	3.1	3.0	3.3	3.3	3.2
Group average MACs (m)	7.1	7.1	6.9	7.3	7.2	7.1
<i>Year-on-year growth in MACs</i>	<i>(7)%</i>	<i>(4)%</i>	<i>(2)%</i>	<i>(2)%</i>	<i>0%</i>	<i>0%</i>
Average order frequency (monthly)	3.4	3.4	3.4	3.4	3.4	3.5

Monthly active consumers ('MACs') is the number of individual consumer accounts that have placed an order on our platform in a given month; average MACs for a quarter is the average of MACs for the three months of that quarter.

Average order frequency (monthly) is the average number of orders placed by active consumers in a month; AOF for a quarter is the average of AOF for the three months of that quarter.

Merchants

Merchant selection is an important part of our consumer value proposition. Growth in the number of merchants increases availability and choice to consumers on a neighbourhood-by-neighbourhood basis. At the same time, we are focused on partner quality, ensuring good service and value for money on our platform - a focus that is reinforced by our value programme. At the end of H1 2024, the number of global partner restaurant sites reduced slightly to approximately 162,000 (FY 2023: 163,000) as additions were more than offset by offboarded restaurants as we focus on partner quality. Our global partner grocery sites was approximately 19,000 at the end of H1 2024, unchanged from the end of 2023⁴. In November 2023, we announced our expansion into retail through the launch of our 'shopping' proposition in the UK and UAE. In H1 2024 we began scaling this business, by adding merchant selection and launching the offering in Kuwait and Hong Kong.

Riders

Riders are a vital part of Deliveroo's three-sided marketplace and we work with around 140,000 riders globally. Riders value the flexible work we offer, enabling them to set their own work patterns, to select which orders to accept or reject and to work with multiple companies simultaneously. This is reflected in high satisfaction ratings, with 81% of riders globally saying they are satisfied or very satisfied working with Deliveroo in Q2 2024 (Q2 2023: 82%). We continue to see strong rider application pipelines and rider retention rates. We continuously monitor our rider fleet size to reflect the impact of macroeconomic conditions on order volumes and maintain an efficient rider network.

In April 2024, the European Parliament approved the Platform Work Directive. We expect the final version of the Directive to be formally adopted by the European Council this autumn, after which there is a transposition timetable of up to two years for Member States. The agreed text provides welcome clarity that tests to trigger the presumption of employment will be set at Member State level and that, in the event that classification is challenged, national employment law will continue to determine final employment status decisions.

At a market level, there are no material updates in the UK or France following the Supreme Court decision in the UK upholding our rider model as self-employment, and authorities in France last year confirming the same regarding our current rider model. With regard to Italy and Belgium, there have been no material updates from those provided in the 2023 preliminary results.

At any given time, Deliveroo will be involved in regulatory investigations, audits, claims, court cases and appeals, as well as individual and collective legal claims in any market. We recognise provisions or contingent liabilities for such proceedings as appropriate. These represent management's best estimate of potential economic outflows based on the status of proceedings at the time of approval of the financial statements, and are based on current and/or anticipated claims, even where the amounts claimed are disputed.

⁴ The number of grocery sites (as at the end of 2023) of 'approximately 19,000' has been restated from 'around 20,000' as previously disclosed, as this previously included retail sites, which are no longer included in the grocery sites metric.

Financial review⁵

To supplement performance assessment, Deliveroo uses alternative performance measures ('APMs'), which are not defined under IFRS. The Board reviews gross transaction value ('GTV') and adjusted EBITDA, as well as other APMs shown below, alongside IFRS measures.

£ million unless stated	H1 2024	H1 2023	YoY change (reported)	YoY change (constant)
Orders	147.4	145.2	2%	2%
GTV per order (£)*	25.0	24.2	4%	5%
GTV*	3,689.7	3,506.8	5%	6%
Revenue	1,028.2	1,020.3	1%	2%
Revenue take rate (as % of GTV)*	27.9%	29.1%	(120) bps	-
Gross profit	382.5	365.1	5%	-
Gross profit margin (as % of GTV)*	10.4%	10.4%	0 bps	-
Marketing and overheads*	(320.8)	(325.7)	(2)%	-
Marketing and overheads as % of GTV*	(8.7)%	(9.3)%	60 bps	-
Adjusted EBITDA*	61.7	39.4	57%	-
Adjusted EBITDA margin (as % of GTV)*	1.7%	1.1%	60 bps	-
Profit/(loss) for the period^	1.3	(82.9)	n/a	-
Free cash flow*^	3.2	(27.7)	n/a	-
Net cash*^	662.1	947.8	(30)%	-

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

^ Continuing and discontinued operations

1. Group operating performance and income statement (see page 19)

Gross transaction value

GTV grew 5% year-on-year (6% in constant currency) to £3,689.7 million, with growth in GTV per order* alongside a return to order growth. GTV per order grew 4% (5% in constant currency), primarily due to item-level price inflation. Orders were up 2% to 147.4 million, reflecting encouraging early signs of stabilisation in consumer behaviour as well as our CVP improvements. We saw a positive inflection in most of our markets, with frequency returning to growth and retention improving. This was underpinned by further enhancements of our CVP, such as ongoing progress on service and price/value, and improved experience and awareness in grocery.

Revenue

Revenue grew 1% year-on-year (2% in constant currency) to £1,028.2 million. Revenue take rate (i.e. revenue as a % of GTV) decreased by 120 bps year-on-year to 27.9%. We have made CVP investments to reinforce price perception, such as our '£7 off 7' campaigns, in order to capitalise on signs of stabilisation in consumer behaviour across our markets. Revenue take rate was also impacted by a greater proportion of grocery orders within the mix, which generate a lower take rate, offset by a growing contribution from advertising revenue.

Gross profit

Gross profit increased 5% to £382.5 million. Gross profit margin (as % of GTV) was 10.4% in H1 2024, flat compared to H1 2023 despite the decrease in revenue take rate. This reflects further efficiencies in our delivery network that more than offset any inflationary impact, driving an improvement in cost of sales per order to £4.38 in H1 2024 (H1 2023: £4.51). Our improvements to the delivery network have enabled our investments into the CVP in H1.

⁵ All growth rates are year-on-year and in reported currency unless otherwise stated. The year-on-year changes in tables within this report are based on unrounded figures.

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

Administrative expenses

£ million	H1 2024	H1 2023	Change
Sales and marketing costs	94.4	93.5	1%
Staff costs	153.8	158.5	(3)%
Capitalised development costs	(20.8)	(20.0)	4%
Other expenses	92.0	94.2	(2)%
Depreciation, amortisation and impairments	36.7	40.0	(8)%
Share-based payments charge and national insurance on share options	27.0	45.5	(41)%
Exceptional items*	7.0	27.0	(74)%
Total administrative expenses	390.1	438.8	(11)%

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

Administrative expenses decreased 11% to £390.1 million in H1 2024. Sales and marketing costs increased by 1% driven by investment into our retail vertical, offset by improvements to our targeting and marketing optimisation. Staff costs decreased 3% year-on-year, reflecting lower average headcount partially offset by wage inflation. Other expenses decreased 2% year-on-year, primarily driven by a reduction in IT expenses. Depreciation, amortisation and impairments decreased by 8%, largely reflecting impairments in the comparative period. Exceptional items* in the half were for settlements and professional fees in relation to legal and regulatory investigations.

The table below sets out the share-based payments charge and national insurance ('NI') on share options. The significantly lower share-based payment charge year on year was principally driven by the lower number of options outstanding.

Share-based payments charge and national insurance ('NI') on share options

£ million	H1 2024	H1 2023	Change
Share-based payments charge	24.0	39.5	(39)%
National insurance on share options	3.0	6.0	(50)%
Total share-based payments charge and NI on share options	27.0	45.5	(41)%

Other operating income and other operating expenses

Other operating income was £2.1 million in H1 2024 (H1 2023: £2.9 million), with the year-on-year decrease principally due to gains on the disposal of assets in the comparative period. Other operating expenses were £3.5 million in H1 2024 (H1 2023: £2.3 million), increasing primarily due to higher rider kit costs as we invested into brand visibility.

Adjusted EBITDA

	H1 2024	H1 2023	
Reconciliation to financial statements	£m	£m	Change
Operating loss	(9.0)	(73.1)	(88)%
Depreciation, amortisation and impairments	36.7	40.0	(8)%
EBITDA	27.7	(33.1)	n/a
Share-based payments charge and national insurance on share options	27.0	45.5	(41)%
Exceptional items*	7.0	27.0	(74)%
Adjusted EBITDA*	61.7	39.4	57%
Marketing and overheads*	320.8	325.7	(2)%
Gross profit	382.5	365.1	5%

Figures for continuing operations

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

Adjusted EBITDA increased to £61.7 million, compared to £39.4 million in H1 2023. Adjusted EBITDA margin (as a % of GTV) increased 60 bps to 1.7% in H1 2024, driven by operating leverage as gross profit margin (as a % of GTV) was flat year-on-year.

Finance income and finance costs

Finance income decreased to £15.0 million, comprising £15.0 million of interest income (H1 2023: £16.8 million, comprising £15.4 million interest income and £1.4 million foreign exchange gains). The decrease in interest income reflects the reduced cash balance in H1 2024 following the return of capital to shareholders in H2 2023 and the EBT share purchase in H1 2024, principally offset by more efficient cash management. Finance costs were broadly stable at £1.7 million (H1 2023: £1.3 million) including £0.6 million foreign exchange losses.

Income tax charge

The income tax charge decreased to £4.1 million (H1 2023: £10.6 million), due to a reduction of taxable profits in certain overseas territories in connection with the tax treatment of exceptional items.

Discontinued operations

In H1 2024, the profit for the period from discontinued operations was £1.1 million (H1 2023: a loss of £(14.7) million). The profit for the period arises from the return of funds following completion of the liquidation process in one market and the release of residual provisions as we wind up in another market. The charge in the prior year was driven by the recognition of new provisions in relation to country exits.

Profit for the period

Profit for the period (continuing and discontinued operations) was £1.3 million in H1 2024 (H1 2023: loss of £(82.9) million) as a result of the movements described above.

2. Segmental operating performance

Deliveroo reviews operating performance in two geographical segments: the UK and Ireland ('UKI') and International, which comprises eight markets across Europe, the Middle East and Asia. In H1 2024, UKI represented 60% of total GTV (H1 2023: 59%), while International represented 40% (H1 2023: 41%).

UK and Ireland

£ million unless stated	H1 2024	H1 2023	YoY change (reported)	YoY change (constant)
Orders (m)	80.2	79.6	1%	1%
GTV per order* (£)	27.4	25.8	6%	6%
Gross transaction value*	2,196.2	2,057.6	7%	7%
Revenue	614.0	601.9	2%	2%
<i>Revenue take rate (as % of GTV)*</i>	<i>28.0%</i>	<i>29.3%</i>	<i>(130) bps</i>	-
Gross profit	240.6	229.3	5%	-
<i>Gross profit margin (as % of GTV)*</i>	<i>11.0%</i>	<i>11.1%</i>	<i>(20) bps</i>	-
Marketing and overheads*	(110.0)	(105.7)	4%	-
<i>Marketing and overheads (as % of GTV)*</i>	<i>(5.0)%</i>	<i>(5.1)%</i>	<i>10 bps</i>	-
Segment adjusted EBITDA*	130.6	123.6	6%	-
<i>Segment adjusted EBITDA margin (as % of GTV)*</i>	<i>5.9%</i>	<i>6.0%</i>	<i>(10) bps</i>	-

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

In UKI, GTV grew 7% to £2,196.2 million. This represents continued good momentum in UKI, with stronger growth in Q2 compared to Q1. Orders returned to growth in Q2 driving a 1% increase in the first half, with a marginal decrease in monthly active consumers offset by an increase in average order frequency. GTV per order increased 6% to £27.4, reflecting the moderating but continued impact of food price inflation. Revenue grew 2% to £614.0 million, due to the increase in GTV and advertising revenue, offset by investments in our CVP. Revenue take rate decreased by 130 bps to 28.0% due to an increase in targeted promotions to provide value and some mix effect from growth in grocery orders, partially offset by the higher contribution from advertising revenue. Adjusted EBITDA increased by 6% to £130.6 million, with the uplift in gross profit partially offset by modest increases in marketing and in overheads.

UKI performance was underpinned by further enhancements to our CVP. We made further progress on the consumer experience by reducing poor outcomes such as order inaccuracy, rejections and cancellations. On price/value, we were encouraged to see that by the end of H1 2024, the proportion of UKI GTV coming from our best value partners was around double compared to before the launch of our value programme. We also made significant progress on loyalty towards the end of the half, through enhancements to our existing Plus Gold and Silver tiers, as well as the launch of Plus Diamond in order to drive even greater retention and frequency among some of our highest value customers.

We continued to improve the selection available to consumers with further expansion of our delivery radii, new and exclusive deals with several restaurants, and renewals of exclusive partnerships with popular names such as Pizza Pilgrims and Wingstop. We also significantly increased coverage of Morrisons Daily and Co-op sites in the UK, and signed a number of specialist grocers to further enhance selection. We continued to see strong growth in grocery driven by expansion of the range of products available, increased awareness supported by our top-up order functionality and improvements to value and service. In retail, we have continued to build selection by adding brands such as Ann Summers, The Perfume Shop and B&Q, alongside a number of independent merchants, and we have expanded the number of sites with existing partners.

International

£ million unless stated	H1 2024	H1 2023	YoY change (reported)	YoY change (constant)
Orders (m)	67.2	65.6	3%	3%
GTV per order* (£)	22.2	22.1	1%	3%
Gross transaction value*	1,493.5	1,449.1	3%	5%
Revenue	414.2	418.4	(1)%	1%
<i>Revenue take rate (as % of GTV)*</i>	<i>27.7%</i>	<i>28.9%</i>	<i>(110) bps</i>	-
Gross profit	141.9	135.8	4%	-
<i>Gross profit margin (as % of GTV)*</i>	<i>9.5%</i>	<i>9.4%</i>	<i>10 bps</i>	-
Marketing and overheads*	(89.7)	(94.0)	(5)%	-
<i>Marketing and overheads (as % of GTV)*</i>	<i>(6.0)%</i>	<i>(6.5)%</i>	<i>50 bps</i>	-
Segment adjusted EBITDA*	52.2	41.8	25%	-
<i>Segment adjusted EBITDA margin (as % of GTV)*</i>	<i>3.5%</i>	<i>2.9%</i>	<i>60 bps</i>	-

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

International GTV was £1,493.5 million, an increase of 5% in constant currency. Orders grew 3% to 67.2 million, with monthly active consumers up 2% and encouraging frequency trends in most markets. GTV per order of £22.2 was up 3% in constant currency, reflecting the moderating but continued impact of food price inflation in certain markets. Revenue was up 1% in constant currency (down 1% in reported currency) to £414.2 million, with a 110 bps decline in revenue take rate driven primarily by an increase in targeted promotions to provide value. This was partly offset by a higher contribution from advertising revenue. Despite the reduction in revenue take rate, gross profit margin increased to 9.5%, primarily due to delivery network efficiencies. Adjusted EBITDA grew 25% to £52.2 million driven by an increase in gross profit and by overhead efficiencies.

This represents a pleasing performance supported by encouraging trends in the majority of markets, with strong GTV growth continuing in Italy and UAE in H1. France improved notably year-on-year, returning to growth in GTV and orders in Q2, supported by a recovery in consumer confidence as food price inflation continued to moderate. Despite an improvement in Q1, Hong Kong was a laggard amongst our major markets in H1 given a more difficult market and competitive environment.

Progress across the International segment was supported by the continued development of our CVP. We enhanced the selection available to consumers in France with the expansion of our delivery radii in key zones. On price/value, we extended our value programme to France towards the end of the half. On loyalty, we relaunched Plus Gold in France at the end of the period, with roll-outs to come in other markets during H2. Within retail we saw strong growth in UAE, particularly within categories such as flowers and pharmacy, and we signed new partners such as Holland & Barrett and Toys R Us.

Quarterly performance

					YoY change (reported)		YoY change (constant)	
	Q1 2023	Q2 2023	Q1 2024	Q2 2024	Q1	Q2	Q1	Q2
Group								
GTV* (£m)	1,746	1,761	1,830	1,859	5%	6%	6%	6%
Orders (m)	72.1	73.1	73.5	74.0	2%	1%	2%	1%
GTV per order* (£)	24.2	24.1	24.9	25.1	3%	4%	4%	5%
Revenue (£m)	512	508	514	514	0%	1%	2%	2%
UK and Ireland								
GTV* (£m)	1,017	1,040	1,079	1,117	6%	7%	6%	7%
Orders (m)	39.6	40.0	39.7	40.5	0%	1%	0%	1%
GTV per order* (£)	25.7	26.0	27.2	27.6	6%	6%	6%	6%
Revenue (£m)	299	303	306	308	2%	2%	2%	2%
International								
GTV* (£m)	729	721	751	742	3%	3%	6%	5%
Orders (m)	32.5	33.1	33.7	33.5	4%	1%	4%	1%
GTV per order* (£)	22.4	21.8	22.3	22.2	(1)%	2%	2%	3%
Revenue (£m)	213	205	208	206	(2)%	0%	1%	2%

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

3. Cash flow statement (see page 25)

All discussion of cash flows are for continuing and discontinued operations, unless otherwise stated.

Free cash flow

Net cash generated from operating activities increased to £34.4 million in H1 2024 from £6.4 million in the prior year, despite a significant increase in cash exceptional outflows. The improvement was primarily driven by the increase in adjusted EBITDA, supported by a working capital inflow reflecting stronger order levels at the end of H1 2024.

Purchases of property, plant and equipment (also referred to as 'capital expenditure') decreased to £1.4 million (H1 2023: £5.0 million), due to the further reduced roll-out of Editions and HOP sites and spend related to office premises in the comparative period. Acquisition of intangible assets (also referred to as 'capitalised development costs') was £20.8 million in H1 2024, broadly in line with the comparative period. Development activity in the period included work to support the launch and scaling of our retail proposition, the development of our value programme and the relaunch of our Plus loyalty programme.

Free cash flow in H1 2024 was £3.2 million (H1 2023: £(27.7) million). This included exceptional items amounting to an outflow of £(42.9) million (H1 2023: £18.5 million) mainly related to the payment of amounts previously disclosed within provisions. Free cash flow before cash exceptionals was £46.1 million (H1 2023: £(9.2) million outflow) and reached £59.0 million when also including interest income.

	H1 2024 £m	H1 2023 £m
Free cash flow		
Adjusted EBITDA*	61.7	39.4
Change in net working capital	17.6	(6.7)
Cash exceptionals*	(42.9)	(18.5)
Cash tax and other	(2.0)	(7.8)
Net cash generated from operating activities	34.4	6.4
Purchase of property, plant and equipment	(1.4)	(5.0)
Acquisition of intangible assets	(20.8)	(20.0)
Payments of lease liabilities	(7.9)	(7.8)
Interest on lease liabilities	(1.1)	(1.3)
Free cash flow*	3.2	(27.7)
Add back: cash exceptionals*	42.9	18.5
Free cash flow before exceptionals*	46.1	(9.2)

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

	H1 2024 £m	H1 2023 £m
Free cash flow before exceptionals, including interest income		
Free cash flow* (reported)	3.2	(27.7)
Exceptional items*	(42.9)	(18.5)
Free cash flow before exceptionals*	46.1	(9.2)
<i>Interest income (not included above)</i>	12.9	13.3
Free cash flow before exceptionals*, including interest income	59.0	4.1

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

Other cash flow items

Total interest received, which is not included in our definition of free cash flow, was £12.9 million in H1 2024 (H1 2023: £13.3 million), reflecting the reduced cash balance following our return of capital to shareholders in H2 2023 and the EBT share purchase in H1 2024, principally offset by a higher average interest rate in H1 2024 and more efficient cash management. Purchases of own shares amounted to £30.0 million in H1 2024 (H1 2023: £37.6 million), reflecting the EBT share purchase programme we announced in March 2024, which completed during the period.

4. Balance sheet (see page 21)

Deliveroo continues to benefit from a strong financial position. Net cash was £662.1 million at 30 June 2024 (£678.8 million at 31 December 2023), comprising cash and cash equivalents of £356.7 million and other treasury deposits of £305.4 million (£603.1 million and £75.7 million, respectively at 31 December 2023). As at 30 June 2024, Deliveroo had no debt outstanding (31 December 2023: nil).

	H1 2024 £m	H1 2023 £m	FY 2023 £m
Net cash*			
Cash and cash equivalents	356.7	896.0	603.1
Other treasury deposits	305.4	51.8	75.7
Less: debt	-	-	-
Net cash	662.1	947.8	678.8

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

Provisions at 30 June 2024 were £86.3 million, a decrease of £40.9 million compared to £127.2 million at 31 December 2023. This decrease is primarily due to the payment of amounts relating to legal and regulatory proceedings. At the period end, the portion of provisions classified as current liabilities was £62.9 million (31 December 2023: £58.1 million).

5. Dividend and dividend policy

No dividend has been declared or paid in the current or comparative periods. Given the early stage of maturity of the online food and retail category, Deliveroo remains focused on investing to drive growth, believing that this is the best way to drive long-term shareholder value. The Company does not expect to declare or pay any dividends for the foreseeable future.

Events after the reporting period

Deliveroo is today announcing a share purchase programme of up to £150 million to acquire ordinary shares for subsequent cancellation. The programme is expected to commence shortly and to be completed within 12 months.

Principal risks and uncertainties

The Group faces a number of risks and uncertainties that may have an adverse impact on the Group's operations and performance. The Directors regularly assess the risks and uncertainties that the Group faces. Our principal risks are those which could have the most significant impact on the achievement of our strategic objectives, our financial performance and our long-term sustainability.

When preparing the half year financial information, the Directors reviewed and reassessed the principal risks and uncertainties as reported in the Annual Report for the year ended 31 December 2023 (pages 58 to 66) and considered that the disclosures remained appropriate and adequate. These risks are expected to apply for the remaining half of the financial year and are summarised as follows:

- **Service availability** - We depend on our network infrastructure, software, content delivery processes, and associated key third-party services and software to operate our platform and to receive, process and fulfil orders. Any significant disruption in service, including from a distributed denial of service attack, could materially impact our operations, reputation and financial performance.

- **Cyber security** - Effective cyber security underpins the confidentiality, integrity and availability of our systems, platform and data. We could be subject to a range of cyber threats including denial of service, ransomware, phishing and data exfiltration. These could lead to service unavailability, data breaches or other loss or disruption.
- **Data management** - Data is foundational to the success of our business and ability to make high quality choices and deliver value for the different sides of our marketplace. We could face significant operational disruption and reputational and legal consequences, as well as financial loss if we fail to manage data appropriately.
- **Rider model and rider status** - Our business would be adversely affected if our rider model or approach to rider status and our operating practices were successfully challenged or if changes in law required us to reclassify our riders as employees including with retrospective effect.
- **Key commercial relationships** - We rely on partnerships with various national and global brands in each of the markets in which we operate, sometimes on an exclusive basis. The loss of such relationships or the inability to enter into new relationships (on commercially attractive terms or at all) could adversely affect our business.
- **Reputation and brand** - Our reputation, brand and ability to build and retain trust with new and existing stakeholders (including shareholders) may be adversely affected, including by unfavourable or inaccurate publicity or events beyond our control (including misconduct by our employees, riders, or merchants). This could negatively impact our future performance and prospects.
- **Attracting and retaining key personnel** - We rely on the skills and experience of our key personnel, and our business may be adversely affected if we cannot attract and retain the talent required to solve the complex problems presented by our three-sided marketplace.
- **Competition and innovation** - We operate in a highly competitive industry and must compete effectively to succeed. We may not be able to achieve or maintain a position in each of our markets that is sufficient to support the business sustainably for the long term. Our competitors may develop new innovations that make our products and services uncompetitive. Our operational performance may not be as good as our competitors, leading to customer churn.
- **Financial condition and growth** - We have ambitious plans for our business. Our strategic planning and budgeting process may not consider all relevant material factors or risks in developing our plans, and we may fail to execute against these or identify risks to delivery on a timely basis. We may be unable to grow profitability in the business to meet our financial targets.
- **Compliance with other laws and regulations** - We are subject to the laws and regulations of numerous national and local authorities. Changes to, or uncertainty regarding, the applicable laws, regulations or regulatory environment may adversely affect our business.
- **External environment and events** - Our business could be affected by the actions of governments, political events or instability, or changes in public policy in the countries in which we operate. Adverse economic conditions could impact consumers' discretionary spending and in turn our growth and profitability.

Directors' Responsibilities Statement

We confirm that to the best of our knowledge:

- (a) the condensed set of financial statements have been prepared in accordance with UK-adopted IAS 34 'Interim Financial Reporting';
- (b) the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events and their impact during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- (c) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

By the order of the Board of Directors,

Scilla Grimble
Chief Financial Officer
7 August 2024

Condensed Consolidated Statement of Profit or Loss

Six months ended 30 June 2024

		6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
	Note	£m (unaudited)	£m (unaudited)	£m (audited)
Revenue	4	1,028.2	1,020.3	2,030.0
Cost of sales		(645.7)	(655.2)	(1,303.6)
Gross profit		382.5	365.1	726.4
Administrative expenses		(390.1)	(438.8)	(770.0)
Other operating income		2.1	2.9	5.9
Other operating expenses		(3.5)	(2.3)	(6.0)
Operating loss		(9.0)	(73.1)	(43.7)
Finance income		15.0	16.8	35.3
Finance costs		(1.7)	(1.3)	(2.5)
Profit/(loss) before income tax		4.3	(57.6)	(10.9)
Income tax charge	5	(4.1)	(10.6)	(7.6)
Profit/(loss) for the period from continuing operations		0.2	(68.2)	(18.5)
Discontinued operations				
Profit/(loss) for the period from discontinued operations	6	1.1	(14.7)	(13.3)
Profit/(loss) for the period attributable to the owners of the Company		1.3	(82.9)	(31.8)

		6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
	Note	£ (unaudited)	£ (unaudited)	£ (audited)
Earnings/(loss) per share				
From continuing operations				
- Basic	8	0.00	(0.04)	(0.01)
- Diluted	8	0.00	(0.04)	(0.01)
From continuing and discontinued operations				
- Basic	8	0.00	(0.05)	(0.02)
- Diluted	8	0.00	(0.05)	(0.02)

Condensed Consolidated Statement of Comprehensive Income

Six months ended 30 June 2024

	6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
Other comprehensive income/(expense)	£m (unaudited)	£m (unaudited)	£m (audited)
Profit/(loss) for the period	1.3	(82.9)	(31.8)
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Currency translation	0.3	(6.1)	(6.8)
Total comprehensive income/(expense) for the period attributable to the owners of the Company	1.6	(89.0)	(38.6)

This statement should be read in conjunction with the notes to the condensed consolidated financial statements on pages 26 to 41.

Condensed Consolidated Statement of Financial Position

Six months ended 30 June 2024

		30 June 2024	30 June 2023	31 December 2023
	Note	£m (unaudited)	£m (unaudited)	£m (audited)
Non-current assets				
Property, plant and equipment	9	33.2	42.7	39.0
Right-of-use assets	10	49.9	66.2	55.2
Intangible assets	11	68.0	71.1	67.8
Deferred tax asset	5	3.0	2.2	1.8
Investments in financial assets		2.9	2.9	2.9
Trade and other receivables	12	10.3	15.7	14.1
Total non-current assets		167.3	200.8	180.8
Current assets				
Inventory		14.8	17.8	14.8
Trade and other receivables	12	157.6	115.6	147.6
Other treasury deposits		305.4	51.8	75.7
Cash and cash equivalents		356.7	896.0	603.1
Total current assets		834.5	1,081.2	841.2
Total assets		1,001.8	1,282.0	1,022.0
Non-current liabilities				
Lease liabilities		(38.7)	(48.9)	(43.6)
Provisions	14	(23.4)	(170.2)	(69.1)
Total non-current liabilities		(62.1)	(219.1)	(112.7)
Current liabilities				
Trade and other payables	13	(355.8)	(329.9)	(326.4)
Lease liabilities		(16.6)	(16.1)	(16.0)
Provisions	14	(62.9)	-	(58.1)
Total current liabilities		(435.3)	(346.0)	(400.5)
Total liabilities		(497.4)	(565.1)	(513.2)
Net assets		504.4	716.9	508.8

Equity				
Share capital	15	8.1	9.3	8.1
Own shares	16	(66.2)	(93.5)	(51.5)
Other reserves		1.2	-	1.2
Merger reserve		1,288.5	1,288.5	1,288.5
Share option reserve		183.2	183.2	183.2
Accumulated losses		(897.5)	(658.1)	(907.5)
Foreign currency translation reserve		(12.9)	(12.5)	(13.2)
Total equity attributable to owners of the Company		504.4	716.9	508.8

This statement should be read in conjunction with the notes to the condensed consolidated financial statements on pages 26 to 41.

Condensed Consolidated Statement of Changes in Equity

Six months ended 30 June 2024 (unaudited)

	Equity attributable to equity holders of the parent							Total
	Share capital (note 15)	Own shares (note 16)	Other reserves	Merger reserve	Share option reserve	Accumulated losses	Foreign currency translation reserve	
	£m	£m	£m	£m	£m	£m	£m	
At 31 December 2023	8.1	(51.5)	1.2	1,288.5	183.2	(907.5)	(13.2)	508.8
Profit for the period	-	-	-	-	-	1.3	-	1.3
Other comprehensive income for the period	-	-	-	-	-	-	0.3	0.3
Total comprehensive income for the period	-	-	-	-	-	1.3	0.3	1.6
Own shares acquired during the period	-	(30.0)	-	-	-	-	-	(30.0)
Own shares utilised for share schemes	-	15.3	-	-	-	(15.3)	-	-
Share-based payment awards	-	-	-	-	-	24.0	-	24.0
At 30 June 2024	8.1	(66.2)	1.2	1,288.5	183.2	(897.5)	(12.9)	504.4

This statement should be read in conjunction with the notes to the condensed consolidated financial statements on pages 26 to 41.

Condensed Consolidated Statement of Changes in Equity

Six months ended 30 June 2023 (unaudited)

	Equity attributable to equity holders of the parent							Total
	Share capital (note 15)	Own shares (note 16)	Other reserves	Merger reserve	Share option reserve	Accumulated losses	Foreign currency translation reserve	
	£m	£m	£m	£m	£m	£m	£m	
At 31 December 2022	9.3	(66.0)	-	1,288.5	183.2	(604.5)	(6.4)	804.1
Loss for the period	-	-	-	-	-	(82.9)	-	(82.9)
Other comprehensive expense for the period	-	-	-	-	-	-	(6.1)	(6.1)
Total comprehensive expense for the period	-	-	-	-	-	(82.9)	(6.1)	(89.0)
Own shares acquired during the period	-	(37.6)	-	-	-	-	-	(37.6)
Own shares utilised for share schemes	-	10.1	-	-	-	(10.1)	-	-
Share-based payment awards	-	-	-	-	-	39.4	-	39.4
At 30 June 2023	9.3	(93.5)	-	1,288.5	183.2	(658.1)	(12.5)	716.9

This statement should be read in conjunction with the notes to the condensed consolidated financial statements on pages 26 to 41.

Condensed Consolidated Statement of Cash Flows

Six months ended 30 June 2024

	Note	6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
		£m (unaudited)	£m (unaudited)	£m (audited)
Cash flows from operating activities				
Net cash from operating activities	18	34.4	6.4	23.2
Cash flows from investing activities				
Purchase of property, plant and equipment	9	(1.4)	(5.0)	(7.6)
Acquisition of intangible assets	11	(20.8)	(20.0)	(36.1)
Purchase of other treasury deposits		(305.4)	(1.3)	(75.7)
Proceeds from disposal of other treasury deposits		75.7	-	50.5
Interest received		12.9	13.3	31.7
Net cash used in investing activities		(239.0)	(13.0)	(37.2)
Cash flows from financing activities				
Payments of lease liabilities		(7.9)	(7.8)	(15.4)
Interest on lease liabilities		(1.1)	(1.3)	(2.5)
Purchase of own shares	16	(30.0)	(37.6)	(59.8)
Purchase of shares through tender offer		-	-	(253.0)
Refinancing costs		(1.0)	-	-
Net cash used in financing activities		(40.0)	(46.7)	(330.7)
Net decrease in cash and cash equivalents		(244.6)	(53.3)	(344.7)
Cash and cash equivalents at the beginning of the period		603.1	949.1	949.1
Effect of foreign exchange rate changes		(1.8)	0.2	(1.3)
Cash and cash equivalents at the end of the period		356.7	896.0	603.1

This statement should be read in conjunction with the notes to the condensed consolidated financial statements on pages 26 to 41.

Notes to the Condensed Consolidated set of Financial Statements

Six months ended 30 June 2024 (unaudited)

1. General information

Deliveroo plc ('the Company') (together with its subsidiaries, 'the Group') is a public limited company incorporated and domiciled in the United Kingdom under the Companies Act 2006 (Registration number 13227665).

This report for the six months ended 30 June 2024 is the half-yearly financial report presented by the Group. This half-yearly financial report presents results for the Group for the period from 1 January 2024 to 30 June 2024.

The information for the year-ended 31 December 2023 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The address of its registered office is:

The River Building
Level 1 Cannon Bridge House
1 Cousin Lane
London
EC4R 3TE
United Kingdom

2. Accounting policies

Basis of preparation

The annual financial statements of Deliveroo plc will be prepared in accordance with United Kingdom adopted International Accounting Standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34 'Interim Financial Reporting'.

Discontinued operations

A discontinued operation is a component of the Group for which operations and cash flows can be clearly separated from the rest of the Group and which represents a major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the income statement. Comparatives are re-presented accordingly.

Going concern

The interim financial statements have been prepared on a going concern basis. In adopting the going concern basis, the Directors have considered the business activities as set out on pages 4 to 16 and the principal risks and uncertainties as set out on page 16.

The Group continues to maintain a robust financial position and at 30 June 2024 had net cash of £662.1 million (30 June 2023: £947.8 million), alongside £140.0 million (30 June 2023: £75.0 million and €87.5 million) of available loan finance in the form of a revolving credit facility ('RCF'). The RCF remains undrawn at the date of this report and has an initial maturity of March 2027, with options to extend the agreement with the consent of the relevant parties.

The forecast cash flows for the period ended 31 December 2026 used to support the going concern assessment incorporate assumptions in respect of order growth and profitability, based on the estimated economic outlook over the forecast period. Sensitivities have been applied in order to stress test the model, focusing in particular on the risk of a more challenging trading environment and the impact of increased consumer headwinds, in particular

considering situations in which future trading is weaker than forecasted. Management has also considered available undrawn cash facilities, which are not included in our forecasts as we do not currently anticipate needing to draw on these over the forecast period. We have been in compliance with all associated covenants throughout the period, and do not anticipate any breaches over the forecast period.

Based on the forecast cash flows and associated sensitivities, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities and obligations as they fall due over the forecast period, and accordingly are satisfied that the adoption of the going concern basis of preparation is appropriate for the interim financial statements.

Accounting policies

The accounting policies, significant accounting judgements and estimates that have been used in the preparation of these condensed financial statements have been noted in the basis of preparation note, or are the same as those applied in the Deliveroo plc Annual Report and Financial Statements for the year-ended 31 December 2023.

New standards effective on or after 1 January 2024 have been reviewed and do not have a material effect on the Group's financial statements.

3. Segment information

Information reported to the Chief Operating Decision Maker ('CODM') for the purposes of resource allocation and assessment of segment performance focuses on a geographical split of the Group between 'UK and Ireland' and 'International' (being overseas jurisdictions other than UK and Ireland). 'UK and Ireland' and 'International' are reportable segments with the 'International' segment comprising eight operating segments (France, Italy, Belgium, Hong Kong, Singapore, UAE, Kuwait and Qatar).

All operating segments primarily generate revenue through the operation of an on-demand food platform and have similar economic characteristics. As such, it is appropriate to aggregate all 'International' operating segments as one reportable segment under IFRS 8 paragraph 22.

The CODM primarily uses a measure of adjusted earnings before interest, tax, depreciation and amortisation (adjusted EBITDA, see below) to assess the performance of the operating segments.

In the presentation of segment information, the heading 'Other', which is not a reportable operating segment, is included to facilitate the reconciliation of segmental revenue and adjusted EBITDA with the Group's revenue and adjusted EBITDA. 'Other' primarily represents head office and Group services.

Finance income and costs are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

The Netherlands and Australia operations were discontinued during 2022 (and Spain in 2021). The segment information reported on the next pages does not include any amounts for these discontinued operations, which are described in more detail in note 6.

The following is an analysis of the Group's revenue and results by reportable segment:

		UK and Ireland	International	Segments total	Other	Total
6 months ended 30 June 2024 (unaudited)	Note	£m	£m	£m	£m	£m
Total revenue	4	614.0	414.2	1,028.2	-	1,028.2
Cost of sales		(373.4)	(272.3)	(645.7)	-	(645.7)
Other operating income		1.7	0.4	2.1	-	2.1
Administrative expenses		(109.9)	(88.4)	(198.3)	(121.1)	(319.4)
Other operating expenses		(1.8)	(1.7)	(3.5)	-	(3.5)
Adjusted EBITDA*		130.6	52.2	182.8	(121.1)	61.7
Share-based payments charge and national insurance on share options		-	-	-	(27.0)	(27.0)
Exceptional items*	7	-	-	-	(7.0)	(7.0)
Depreciation and amortisation						(36.7)
Finance income						15.0
Finance costs						(1.7)
Profit before income tax						4.3
Income tax charge						(4.1)
Profit for the period from discontinued operations						1.1
Profit after tax and discontinued operations						1.3

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

6 months ended 30 June 2023 (unaudited)	Note	UK and Ireland £m	International £m	Segments total £m	Other £m	Total £m
Total revenue	4	601.9	418.4	1,020.3	-	1,020.3
Cost of sales		(372.6)	(282.6)	(655.2)	-	(655.2)
Other operating income		2.6	0.3	2.9	-	2.9
Administrative expenses		(107.6)	(92.7)	(200.3)	(126.0)	(326.3)
Other operating expenses		(0.7)	(1.6)	(2.3)	-	(2.3)
Adjusted EBITDA*		123.6	41.8	165.4	(126.0)	39.4
Share-based payments charge and national insurance on share options		-	-	-	(45.5)	(45.5)
Exceptional items*	7	-	-	-	(27.0)	(27.0)
Impairments		(1.3)	(2.5)	(3.8)	-	(3.8)
Depreciation and amortisation						(36.2)
Finance income						16.8
Finance costs						(1.3)
Loss before income tax						(57.6)
Income tax charge						(10.6)
Loss for the period from discontinued operations						(14.7)
Loss after tax and discontinued operations						(82.9)

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

Year-ended 31 December 2023 (audited)	Note	UK and Ireland £m	International £m	Segments total £m	Other £m	Total £m
Total revenue	4	1,209.0	821.0	2,030.0	-	2,030.0
Cost of sales		(751.5)	(552.1)	(1,303.6)	-	(1,303.6)
Other operating income		5.1	0.8	5.9	-	5.9
Administrative expenses		(208.1)	(185.7)	(393.8)	(247.1)	(640.9)
Other operating expenses		(1.9)	(4.1)	(6.0)	-	(6.0)
Adjusted EBITDA*		252.6	79.9	332.5	(247.1)	85.4
Share-based payments charge and national insurance on share options		-	-	-	(64.3)	(64.3)
Exceptional items*	7	-	-	-	14.1	14.1
Impairments		(2.4)	(2.6)	(5.0)	-	(5.0)
Depreciation and amortisation						(73.9)
Finance income						35.3
Finance costs						(2.5)
Loss before income tax						(10.9)
Income tax charge						(7.6)
Loss for the period from discontinued operations						(13.3)
Loss after tax and discontinued operations						(31.8)

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

No single customer contributed 10% or more to the Group's revenue in the 6 months ended 30 June 2024, the 6 months ended 30 June 2023, or the year-ended 31 December 2023.

Revenues presented by the reporting segment are in respect of transactions with external customers only.

The measurement of current assets and liabilities by reportable segment is not included in this note disclosure as this information is not regularly reviewed by the CODM for decision-making purposes.

Geographical information

The Group's non-current assets, excluding trade and other receivables, financial instruments, deferred tax assets and other financial assets, split by geographical location are detailed below:

	30 June 2024	30 June 2023	31 December 2023
	£m (unaudited)	£m (unaudited)	£m (audited)
Non-current assets			
UK and Ireland	122.0	139.7	128.1
Rest of the World	29.1	40.3	33.9
Total non-current assets	151.1	180.0	162.0

4. Revenue

	6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
	£m (unaudited)	£m (unaudited)	£m (audited)
UK and Ireland	614.0	601.9	1,209.0
Rest of the World	414.2	418.4	821.0
Total revenue	1,028.2	1,020.3	2,030.0

	6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
	£m (unaudited)	£m (unaudited)	£m (audited)
Point in time	998.0	988.8	1,967.6
Over time	30.2	31.5	62.4
Total revenue	1,028.2	1,020.3	2,030.0

Contract balances are immaterial to the Group and therefore no disclosure is provided. There have been no significant changes to the contract balances in the current period.

5. Taxation

Tax for the six month period is calculated at 95.4% (six months ended 30 June 2023: (18.4)%), representing the best estimate of the annual effective tax rate expected for the full year by geographical unit applied to the pre-tax income of the six month period, which is then adjusted for tax on exceptional items.

A current year deferred tax charge of £0.4 million was recognised in the six months ended 30 June 2024 (H1 2023: £1.9 million) which predominantly relates to fixed asset differences in overseas markets. Although profit-making for the six month period, the Group has unrecognised tax losses in the UK of £1,407.3 million (H1 2023: £1,655.6 million; year-ended 31 December 2023: £1,555.5 million) available for offset against future taxable profits. There are also unrecognised temporary differences of £67.8 million relating to share-based payments and other temporary differences (H1 2023: £62.0 million; year-ended 31 December 2023: £82.9 million). The significant portion of the unrecognised temporary differences arise in the UK where there is no expiry date for utilisation.

UAE

At the end of 2022 the UAE officially introduced a corporate tax that has become effective for businesses from the beginning of their first financial year that starts on or after 1 June 2023. A standard rate of 9% applies to taxable income exceeding a threshold of AED 375,000, and a rate of 0% applies to taxable income not exceeding that threshold. As a result, the Group has recorded tax on profits in the UAE at 9% for financial year 2024 in its current tax charge.

Pillar 2

In December 2021, the Organisation for Economic Co-operation and Development ('OECD') released a draft legislative framework for the minimum global tax scheme under the Pillar Two workstream, that is expected to be used by individual jurisdictions that signed the agreement to amend their local tax laws. As at 30 June 2024, the majority of the jurisdictions in which the Group operates have announced a commitment to, enacted or substantively enacted, legislation implementing the top-up tax.

The Group is considered within the scope of the Pillar Two tax regime, meeting the relevant thresholds for inclusion, and has performed an assessment of the Group's potential exposure to Pillar Two taxes. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where transitional safe harbour reliefs do not apply and the Pillar Two effective tax rate is close to, or below, the 15% minimum tax rate. The Group has recorded the anticipated impact of the Pillar 2 top-up tax for the year in its current tax expense, although this is not considered material.

The Group has applied the temporary exemption, introduced in May 2023, from the accounting requirements for deferred taxes in IAS 12, so that the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

6. Discontinued operations

During 2022, the Group ended operations in the Netherlands and Australia (and Spain in 2021). None of the income within discontinued operations for the 6 months ended 30 June 2024 was trading income.

The results of the discontinued operations, which have been included in the consolidated statement of profit or loss, were as follows:

	6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
	£m (unaudited)	£m (unaudited)	£m (audited)
Revenue	-	-	-
Other income/(expenses)	2.0	(14.7)	(13.3)
Profit/(loss) before tax	2.0	(14.7)	(13.3)
Attributable tax expense	(0.9)	-	-
Net profit/(loss) attributable to discontinued operations (attributable to owners of the Company)	1.1	(14.7)	(13.3)

7. Exceptional items

The following have been recognised as exceptional items where there is separately identifiable income and expenditure arising from activities or events outside the normal course of business. These are qualitatively or quantitatively material in the period and are deemed material to the understanding of the accounts. Exceptional items for the current and prior periods include settlements and professional fees in relation to legal and regulatory investigations and restructuring costs.

	6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
	£m (unaudited)	£m (unaudited)	£m (audited)
Legal and regulatory costs	7.0	21.1	(20.0)
Restructuring costs	-	5.9	5.9
Total exceptional items* from continuing operations	7.0	27.0	(14.1)
From discontinued operations	(2.0)	14.7	13.3
Total exceptional items*	5.0	41.7	(0.8)

* Alternative performance measure ('APM'), refer to glossary on page 42 for further details.

8. Earnings/(loss) per share

The calculation of the basic and diluted earnings/(loss) per share is based on the following data:

	6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
Profit/(loss)	£m (unaudited)	£m (unaudited)	£m (audited)
Profit/(loss) for the period from continuing operations	0.2	(68.2)	(18.5)
Profit/(loss) for the period attributable to the owners of the Company	1.3	(82.9)	(31.8)

	6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
Number of shares	No. (unaudited)	No. (unaudited)	No. (audited)
Weighted average number of ordinary shares outstanding	1,638,697,623	1,770,981,024	1,731,467,458

	6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
Earnings/(loss) per share	£ (unaudited)	£ (unaudited)	£ (audited)
From continuing operations			
- Basic	0.00	(0.04)	(0.01)
- Diluted	0.00	(0.04)	(0.01)
From continuing and discontinued operations			
- Basic	0.00	(0.05)	(0.02)
- Diluted	0.00	(0.05)	(0.02)

There was no material difference between basic and diluted earnings per share for the 6 months ended 30 June 2024 as the result for the period was close to break-even. There is no difference between basic and diluted loss per share for the 6 months ended 30 June 2023 and the year-ended 31 December 2023, since the effect of all potentially dilutive shares outstanding was anti-dilutive as the Group was loss making.

Total outstanding share awards for the 6 months ended 30 June 2024, 6 months ended 30 June 2023 and at the year-ended 31 December 2023 are set out in note 17 Share-based payments.

9. Property, plant and equipment

During the six months to 30 June 2024, the Group incurred £1.4 million (H1 2023: £5.0 million) of expenditure on fixed asset additions. There were no material disposals for either period.

10. Leases

During the six months to 30 June 2024, the Group entered into a number of leases and capitalised £4.8 million of lease additions (H1 2023: £3.1 million). There were no material disposals for either period.

11. Intangible assets

During the six months to 30 June 2024, the Group has capitalised development expenditure of £20.8 million (H1 2023: £20.0 million). There were no material disposals for either period.

12. Trade and other receivables

	Current			Non-current		
	30 June 2024	30 June 2023	31 December 2023	30 June 2024	30 June 2023	31 December 2023
	£m (unaudited)	£m (unaudited)	£m (audited)	£m (unaudited)	£m (unaudited)	£m (audited)
Total receivables	110.0	67.3	99.4	-	-	-
Lifetime expected credit loss	(4.1)	(4.4)	(4.1)	-	-	-
Net trade receivables	105.9	62.9	95.3	-	-	-
Prepayments	29.9	28.9	27.3	-	-	-
Other receivables	19.2	20.2	19.3	10.3	15.7	14.1
Corporation tax receivable	2.6	3.6	5.7	-	-	-
Total trade and other receivables	157.6	115.6	147.6	10.3	15.7	14.1

The net carrying value of receivables is considered to be a reasonable approximation of fair value.

13. Trade and other payables

	30 June 2024	30 June 2023	31 December 2023
	£m (unaudited)	£m (unaudited)	£m (audited)
Trade payables	21.0	21.5	16.0
Accruals and deferred income	136.7	131.8	137.1
Other tax and social security payables	68.5	72.7	61.6
Other payables	27.9	21.5	26.1
Amounts due to restaurants	98.3	71.1	82.8
Corporation tax payable	3.4	11.3	2.8
Total trade and other payables	355.8	329.9	326.4

The carrying value of trade and other payables is considered to be a reasonable approximation of fair value.

14. Provisions

	Current			Non-current		
	30 June 2024	30 June 2023	31 December 2023	30 June 2024	30 June 2023	31 December 2023
	£m (unaudited)	£m (unaudited)	£m (audited)	£m (unaudited)	£m (unaudited)	£m (audited)
Legal provision	62.9	-	58.1	10.4	156.2	55.8
Dilapidations	-	-	-	13.0	14.0	13.3
Total provisions	62.9	-	58.1	23.4	170.2	69.1

The movement in the provisions during the period is reconciled below:

	Legal provisions £m	Dilapidations £m
At 31 December 2023 (audited)	113.9	13.3
Foreign currency translation	(2.6)	-
Additional amounts provided for	5.0	-
Amounts utilised	(41.2)	(0.3)
Amounts released	(1.8)	-
At 30 June 2024 (unaudited)	73.3	13.0

The Group remains involved in a number of ongoing legal and regulatory proceedings with third parties. The amounts provided in the legal provision represent our best estimate of associated economic outflows based on the status of proceedings at the time of approval of these financial statements, and are based on current claims from regulators, even where we dispute the amounts claimed.

During the period, we settled some of our longer-standing matters, and accordingly we have utilised certain associated provisions, partially offset by the recognition of additional amounts for other existing matters elsewhere.

Provisions remain for certain ongoing regulatory challenges, including in markets that we have exited and we continue to participate in ongoing discussions with relevant authorities as part of official processes. While it is difficult at this time to quantify the probable economic outflow in the event of an adverse outcome, the provision represents our best estimate of the most likely outcome, based on the information available to us at this time and taking into account the range of potential outcomes currently apparent. We will continue to refine our assessment as further information is available.

Further to the amounts provided above, the challenges of the new on-demand economy mean that, like other companies in this industry, some subsidiary companies may be subject to further inspections or litigation of the same nature in the future. The Directors would assess any such future challenges on a case-by-case basis. We continue to defend ourselves robustly against challenges of this nature, but we recognise that there are jurisdictions that may seek to regulate the on-demand economy and as a result the risk may be heightened. The Directors are confident in the operating model and practices, and will take all reasonable steps to defend our position if so challenged. The Group is engaged with relevant stakeholders to seek to bring greater certainty and flexibility for individuals who work within the on-demand economy.

In addition to proceedings where management has assessed there to be a probable economic outflow and for which a corresponding provision has been made, there are also certain in-country proceedings where management has assessed that an economic outflow is possible but not probable at this time. These are disclosed as contingent liabilities and are discussed in note 19.

The Group is required to perform dilapidation repairs to restore properties to agreed specifications prior to the properties being vacated at the end of their lease term. These amounts are based on estimates of repair and restoration costs at a future date and therefore a degree of uncertainty exists over the future outflows, given that these are subject to repair and restoration cost price fluctuations and the extent of repairs to be completed.

15. Share capital

Shares issued, allotted and fully paid:	30 June 2024	30 June 2023	31 December 2023	30 June 2024	30 June 2023	31 December 2023
	Shares (unaudited)	Shares (unaudited)	Shares (audited)	£ (unaudited)	£ (unaudited)	£ (audited)
Ordinary	1,626,660,019	-	-	8,133,300	-	-
Ordinary A	-	1,758,813,297	1,521,831,251	-	8,794,066	7,609,156
Ordinary B	-	102,508,168	102,508,168	-	512,541	512,541
Total shares issued	1,626,660,019	1,861,321,465	1,624,339,419	8,133,300	9,306,607	8,121,697

On 5 April 2024, the Company announced that pursuant to Article 60 of the Company's Articles of Association, all of the 102,508,168 issued and outstanding B Ordinary Shares automatically converted into A Ordinary Shares on 7 April 2024 ('the B Share Conversion'). Following the B Share Conversion, the Company redesignated its issued and outstanding A Ordinary Shares to one class of shares, known as Ordinary Shares. Each Ordinary Share has the same rights and are subject to the same restrictions as those which were attached to each A Ordinary Share. The Company's resulting issued share capital following the conversion and redesignation was 1,626,660,019 Ordinary Shares.

16. Own shares

The own shares reserve represents the cost of shares in Deliveroo plc issued or purchased in the market. Shares are either held in treasury or by the Roofoods Ltd Employee Benefit Trust ('EBT') to satisfy options under the Group's share options plans. The number of Ordinary Shares held in treasury at 30 June 2024 was nil (H1 2023: 27,206,854 and 31 December 2023: nil) and held by the EBT at 30 June 2024 was 62,464,305 (H1 2023: 72,490,039 and 31 December 2023: 56,869,699).

17. Share-based payments

The Company operates share schemes for qualifying employees of the Group. The following table sets out the movement in share awards during the period:

	Employee share options	Employee share options (France and US)	Performance Share Plans	Total	Weighted average exercise price (£)
Outstanding at 31 December 2023	86,132,214	46,405,430	27,013,575	159,551,219	0.01
Granted	10,814,926	3,668,272	10,226,917	24,710,115	0.01
Forfeited/cancelled/lapsed	(6,213,982)	(12,753,624)	(4,535,467)	(23,503,073)	0.00
Exercised	(8,331,127)	(8,704,786)	-	(17,035,913)	0.01
Outstanding at 30 June 2024	82,402,031	28,615,292	32,705,025	143,722,348	0.02
Exercisable at 30 June 2024	40,766,821	550	-	40,767,371	0.04

	Employee share options	Employee share options (France and US)	Performance Share Plans	Total	Weighted average exercise price (£)
Outstanding at 31 December 2022	114,754,960	62,588,184	16,724,678	194,067,822	0.02
Granted	4,268,423	2,853,799	16,520,993	23,643,215	0.01
Forfeited/cancelled/lapsed	(9,820,269)	(3,011,454)	(6,232,096)	(19,063,819)	0.01
Exercised	(8,135,088)	(10,413,510)	-	(18,548,598)	0.02
Outstanding at 30 June 2023	101,068,026	52,017,019	27,013,575	180,098,620	0.02
Exercisable at 30 June 2023	38,528,124	-	-	38,528,124	0.05

	Employee share options	Employee share options (France and US)	Performance Share Plans	Total	Weighted average exercise price (£)
Outstanding at 31 December 2022	114,754,960	62,588,184	16,724,678	194,067,822	0.02
Granted	5,910,792	4,022,324	16,520,993	26,454,109	0.01
Forfeited/cancelled/lapsed	(15,312,719)	(5,256,959)	(6,232,096)	(26,801,774)	0.01
Exercised	(19,220,819)	(14,948,119)	-	(34,168,938)	0.02
Outstanding at 31 December 2023	86,132,214	46,405,430	27,013,575	159,551,219	0.01
Exercisable at 31 December 2023	39,692,123	756	-	39,692,879	0.04

In addition to the totals above, there are 618,800 non-employee share options outstanding at 30 June 2024 (H1 2023 and 31 December 2023: 2,939,400).

18. Notes to the statement of cash flows

	6 months ended 30 June 2024	6 months ended 30 June 2023	Year-ended 31 December 2023
	£m (unaudited)	£m (unaudited)	£m (audited)
Cash flows from operating activities			
Operating loss	(7.0)	(87.8)	(56.7)
Depreciation and amortisation	36.7	36.2	73.9
(Gain)/loss on disposal of property, plant and equipment	(0.1)	3.3	4.0
Decrease in dilapidation provision	(0.3)	-	(0.8)
Impairment of right-of-use asset	-	0.5	1.7
Gain on disposal of lease liability and right-of-use asset	(0.2)	(0.7)	(1.5)
Share-based payments charge	24.0	39.4	56.1
Net foreign exchange differences	1.7	(4.4)	(3.9)
Decrease in inventories	0	1.6	4.6
(Increase)/decrease in trade and other receivables	(3.1)	0.4	(29.6)
Increase/(decrease) in trade and other payables	24.3	(10.0)	(6.2)
(Decrease)/increase in legal provisions	(40.6)	26.9	(14.1)
Corporation tax (paid)/refund	(1.0)	1.0	(4.3)
Cash from operations	34.4	6.4	23.2

19. Contingent liabilities

The on-demand economy remains relatively new and is therefore subject to scrutiny and operators across markets may at times be subject to regulatory inspections and investigations that could result in economic outflow. Certain companies in the Group are currently subject to such investigations regarding elements of our operating model. While we defend ourselves robustly in such cases, we recognise the inherent uncertainty connected to regulatory inspections and investigations. Should we be unsuccessful in defending our model, the total economic outflow in relation to the quantifiable contingent liabilities is estimated to be £6.2 million. This includes potential outflows arising from ongoing proceedings in a number of markets, including those that we have exited. As at 31 December 2023, the quantifiable contingent liabilities were estimated to be £9.3 million, following the conclusion of a long standing legal matter.

In addition to this, the Company may be subject to potential future investigations and it is difficult at this time to quantify the likely potential economic outflow that could arise. We are engaging with relevant authorities and will continue to review the assumptions driving the likely outcome. At the time of signing of the financial statements, we have assessed a range of economic outflows representing our best estimate in the event of a potential adverse outcome, which could range from £125 million to £160 million, unchanged from the end of 2023.

The Directors will review the amounts of such contingent liabilities as necessary throughout the duration of all relevant proceedings and revise amounts accordingly as and when new information is available.

20. Related party transactions

The Group's related party transactions are with key management personnel and other related parties as disclosed in Deliveroo plc's Annual Report and Financial Statements for the year-ended 31 December 2023.

There have been no other material changes to the arrangements between the Group and key management personnel in the period.

21. Events after the reporting period

Deliveroo is today announcing a share purchase programme of up to £150 million to acquire ordinary shares for subsequent cancellation. The programme is expected to commence shortly and to be completed within 12 months.

Alternative Performance Measures and Glossary

The Group assesses performance using alternative performance measures ('APMs') which are not defined under IFRS. Definitions of measures and reconciliations to amounts presented in the financial statements are set out below.

Metric	Definition and purpose	Reconciliation to GAAP measure
Financial measures		
Adjusted EBITDA	Adjusted EBITDA represents profit / (loss) for the year before income tax charge/credit, finance costs, finance income, depreciation and amortisation, impairments, exceptional items and provisions, and share-based payments charge and national insurance on share options. Adjusted EBITDA is considered to be a measure of the underlying trading performance of the Group and is used, among other measures, to evaluate operations from a profitability perspective, to develop budgets and to measure performance against those budgets. EBITDA less capital expenditure and capitalised development costs is used as a further measure of underlying operating profitability of the business. Australia, the Netherlands and Spain discontinued operations are excluded from adjusted EBITDA.	See below for reconciliation
Adjusted EBITDA margin (as % of GTV)	Adjusted EBITDA margin is defined as adjusted EBITDA divided by GTV (see later for definition). It is used, among other metrics, as a measure of operating profitability. Australia, the Netherlands and Spain discontinued operations are excluded from adjusted EBITDA (as % of GTV).	See definition for calculation method
Cash exceptionals	Cash exceptionals relate to cash paid relating to separately identifiable income or expenditure typically arising from activities or events outside the normal course of business, which are qualitatively or quantitatively material in the period.	See definition for calculation method
Constant currency	Constant currency adjusts for period-to-period local currency fluctuations, applying current period weighted average foreign exchange rates to the prior period. The Group uses constant currency information because the Directors believe it allows the Group to assess consumer behaviour on a like-for-like basis to better understand the underlying trends in the business.	See definition for calculation method
Exceptional items (income/ costs)	Exceptional income and exceptional costs are items where there is separately identifiable income and expenditure arising from activities or events outside the normal course of business and are deemed material to the understanding of the Group's accounts.	See note 7 for further information
Free cash flow	Free cash flow is defined as net cash used in operating activities less: purchase of property, plant and equipment; acquisition of intangible assets; payment of lease liabilities; and interest on lease liabilities. It is used, among other metrics, as a measure of cash inflow or outflow from the Group's operating and investing activities.	See below for reconciliation
Free cash flow before cash exceptionals	Free cash flow before cash exceptionals is defined as free cash flow with cash exceptionals added back. It is used, among other metrics, as a measure of cash inflow or outflow from the Group's operating and investing activities.	See below for reconciliation

Gross profit margin (as % of GTV)	Gross profit margin (as % of GTV) is defined as gross profit divided by GTV. It is considered a good measure of profitability at a transactional level. Australia, the Netherlands and Spain discontinued operations are excluded from gross profit margin (as % of GTV).	See definition for calculation method
Gross transaction value ('GTV')	GTV comprises the total value of food baskets (net of any discounts) and consumer fees, excluding those from our white label Signature offering, and is represented including VAT and other sales-related taxes but excluding any discretionary tips. As such, GTV represents the total value paid by consumers, excluding any discretionary tips. It is a widely used measure for understanding the total value spent by consumers on our marketplace. Australia, the Netherlands and Spain discontinued operations are excluded from GTV.	See definition for calculation method
Gross transaction value ('GTV') per order	Gross transaction value per order (or GTV per order) is defined as the total gross transaction value divided by the total number of orders. GTV per order is used as a measure for understanding the total value spent by consumers on our marketplace on a unit basis. Australia and the Netherlands discontinued operations are excluded from GTV per order in 2021-24 but included for 2018-20. Spain discontinued operations are excluded from GTV per order in 2020-24 but included for 2018-19.	See definition for calculation method
Marketing and overheads	Marketing and overheads represent the difference between gross profit and adjusted EBITDA. For the purposes of assessing and managing performance, Deliveroo's fixed cost base has been split into two major categories: marketing and overheads. Marketing costs are a combination of both brand-building activities and activities focused on in-period acquisition. Overheads consist of staff costs, the non-capitalised portion of costs relating to information technology and other administrative expenses. Australia and the Netherlands discontinued operations are excluded from marketing and overheads in 2021-24 but included for 2018-20. Spain discontinued operations are excluded from marketing and overheads in 2020-24 but included for 2018-19.	See below for reconciliation
Marketing and overheads as % of GTV	Marketing and overheads as % of GTV is defined as marketing and overheads divided by GTV. It is considered a good measure of the Group's operating efficiency. Australia and the Netherlands discontinued operations are excluded from marketing and overheads as % of GTV in 2021-24 but included for 2018-20. Spain discontinued operations are excluded from marketing and overheads as % of GTV in 2020-24 but included for 2018-19.	See definition for calculation method
Net cash/ net debt	Net cash/net debt is used to total the Group's cash, cash equivalents and treasury deposits less debt (excluding leases). Treasury deposits are not available within three months from acquisition date, and therefore not considered 'cash and cash equivalents' but comprise funds on deposit for a longer period.	See below for reconciliation
Revenue take rate (as % of GTV)	Revenue take rate is revenue divided by GTV. It is a widely used measure for understanding the proportion of total value spent by consumers on our marketplace that is captured by Deliveroo. Australia and the Netherlands discontinued operations are excluded from revenue take rate in 2021-24 but included for 2018-20. Spain discontinued operations are excluded from revenue take rate in 2020-24 but included for 2018-19.	See definition for calculation method

Segment adjusted EBITDA	Information reported to the Chief Operating Decision Maker ('CODM') for the purposes of resource allocation and assessment of segment performance focuses on a geographical split of the Group between 'UK and Ireland' and 'International' (being overseas jurisdictions other than UK and Ireland). The CODM primarily uses segment adjusted EBITDA to assess the performance of the operating segments.	See note 3 for further information
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Segment adjusted EBITDA margin (as % of GTV)	Segment adjusted EBITDA margin is defined as segment adjusted EBITDA divided by segment GTV. It is used, among other metrics, as a measure of a reportable segment's operating profitability. Australia and the Netherlands discontinued operations are excluded from adjusted EBITDA (as % of GTV) in 2021–23 but included for 2018–20. Spain discontinued operations are excluded from adjusted EBITDA (as % of GTV) in 2020–23 but included for 2018–19.	See definition for calculation method
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Metric Definition

Non-financial measure

Orders	The total number of orders delivered from our platform, including from our Marketplace and Signature offering, over the period of measurement.
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	H1 2024	H1 2023	FY 2023
	£m	£m	£m
Reconciliation to financial statements			
Operating loss	(9.0)	(73.1)	(43.7)
Depreciation, amortisation and impairments	36.7	40.0	78.9
EBITDA	27.7	(33.1)	35.2
Share-based payments charge and national insurance on share options	27.0	45.5	64.3
Exceptional items	7.0	27.0	(14.1)
Adjusted EBITDA	61.7	39.4	85.4
Marketing and overheads	320.8	325.7	641.0
Gross profit	382.5	365.1	726.4

	H1 2024	H1 2023	FY 2023
Free cash flow	£m	£m	£m
Net cash generated from operating activities	34.4	6.4	23.2
Purchase of property, plant and equipment	(1.4)	(5.0)	(7.6)
Acquisition of intangible assets	(20.8)	(20.0)	(36.1)
Payments of lease liabilities	(7.9)	(7.8)	(15.4)
Interest on lease liabilities	(1.1)	(1.3)	(2.5)
Free cash flow	3.2	(27.7)	(38.4)

	H1 2024	H1 2023	FY 2023
Net cash/net debt	£m	£m	£m
Cash and cash equivalents	356.7	896.0	603.1
Other treasury deposits	305.4	51.8	75.7
Less: debt	-	-	-
Net cash	662.1	947.8	678.8

Independent Review Report to Deliveroo plc

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30th June 2024, which comprises the Condensed Consolidated Statement of Profit or Loss, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows and related notes 1 to 21.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30th June 2024 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the Directors have inappropriately adopted the going concern basis of accounting or that the Directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the Directors

The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the Directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.



Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
Reading, United Kingdom
7 August 2024