Strong growth and continued strategic progress in H1 2021

Operational and Strategic Highlights

- **Growth materially ahead of expectations in H1 2021**; consumer engagement post-reopening has been encouraging, with orders and average order value* (AOV) proving resilient despite restrictions easing
- **Deliveroo now has the most food merchants** in the UK of all delivery platforms after adding further selection; UK expansion is ahead of plan with 72% population coverage at end-June vs initial target of 67% by year-end
- **Further traction in on-demand grocery** (ODG) supported by roll-out of offering with leading partners; ODG has attractive standalone unit economics and significant synergies with restaurants business
- **Strong rider satisfaction** with 85% of riders globally saying they are satisfied or very satisfied working with Deliveroo; rider attraction and retention rates remain high despite rising job vacancies across economies
- **Continued investment in long-term differentiation** of the consumer value proposition and in growing the monthly active consumer base, given clear evidence of a positive structural shift in consumer behaviour, and strong capital position following the IPO in March 2021
- **Proposal to end operations in Spain** announced on 30 July 2021, as achieving a top-tier market position would require a disproportionate level of investment with highly uncertain long-term potential returns
- **Launch of 'Full Life' campaign**, which builds on Deliveroo's support for the NHS with a new commitment to work with restaurant and grocery partners to deliver one million meals to communities in need by early next year

Financial Overview[1]

- **Gross Transaction Value (GTV)*** up 102% to £3,385.8 million; GTV* growth was 131% in Q1 and 81% in Q2 2021, showing continued strength despite reopening effects and an increasingly tough comparison base
- **UK & Ireland GTV*** up 110% in H1 2021, with broad-based geographic momentum and no material impact from UK reopening milestones during Q2 2021
- **International GTV*** up 95% in H1 2021, reflecting differing patterns of reopening in H1 2021 and varying impact of lockdown restrictions in the comparison base
- **Revenues** up 82% to £922.5 million, primarily due to increase in GTV*, driven by an increase in monthly active consumers compared to H1 2020
- **Gross Profit** up 75% to £263.9 million; gross profit margin (as % of GTV)* of 7.8%, down from 8.8% in H1 2020 due to accelerated investments to support future growth, including consumer acquisition and retention, and differentiated restaurant and grocery selection
- **Adjusted EBITDA*** was a loss of £(27.0) million compared to £(30.3) million in H1 2020, as higher gross profit was largely offset by increased investments to support future growth
- **Statutory loss before tax** improved to £(104.8) million in H1 2021 compared to £(128.4) million in H1 2020
- **Cash and cash equivalents** of £1,626.7 million at 30 June 2021 included £1,012.9 million net proceeds (after costs) from the IPO in March 2021

Outlook & Full Year Guidance

- **Deliveroo reiterates upgraded full year guidance** provided in the Q2 2021 trading update on 8 July 2021:
  - **Full year GTV* growth** of 50-60% (this was increased on 8 July 2021 from prior guidance of 30-40%)
  - **Full year gross profit margin** (as % of GTV)* in the lower half of the range of 7.5-8.0%, reflecting accelerated growth investments and the continued expectation that AOV* reverts towards pre-pandemic levels in H2 2021.

[1] In this section, GTV growth is year-on-year and in constant currency; all other growth rates are year-on-year and in reported currency

* To supplement performance assessment, Deliveroo uses Alternative Performance Measures ('APMs'), which are not defined under IFRS. APMs are indicated in this document with an asterisk (*); definitions and further details are provided on page 37

Will Shu, Founder and CEO of Deliveroo, said:

“We have reported strong performance in the first half of the year and continued to make good progress in executing our strategy. As a result, I believe that we are well positioned to take advantage of the huge opportunity ahead.

“We are seeing strong growth and engagement across our marketplace as lockdowns continue to ease. Demand has been high amongst consumers. We have widened our consumer base, seen people continuing to order frequently and we now work with more food merchants than any other platform in the UK. At the same time, more riders are choosing to continue to work with the company because they value the work we offer.

“As reflected in our guidance, whilst we expect that consumer behaviour may moderate later in the year, we remain excited about the opportunity ahead and our ability to capitalise on it.”

Summary Financial Information

£ million unless stated	**H1 2021**	**H1 2020**	**Change** reported
Orders (m)	148.8	74.5	*100%*
UK & Ireland*	1,773.3	844.3	*110%*
International*	1,612.5	859.7	*88%*
Gross Transaction Value*	3,385.8	1,704.0	*99%*
Revenue	922.5	507.4	*82%*
Gross Profit	263.9	150.6	*75%*
Gross Profit Margin (as % of GTV)*	7.8%	8.8%	*(100) bps*
Marketing and Overheads*	(290.9)	(180.9)	*61%*
Adjusted EBITDA*	(27.0)	(30.3)	*(11)%*
Statutory loss before tax	(104.8)	(128.4)	*(18)%*
Cash and cash equivalents	1,626.7	215.6	*654%*

* Alternative Performance Measure (APM), refer to glossary on page 37 for further details
GTV change in constant currency was 102% for Group, 110% for UK & Ireland, and 95% for International

Analyst and investor call

A conference call and webcast with Q&A for analysts and investors will be held at 09:30 BST / 10:30 CEST. Participants can register for the conference call at https://secure.emincote.com/client/deliveroo/hy-2021/vip_connect and the webcast link is https://secure.emincote.com/client/deliveroo/hy-2021. The webcast will also be available to view at https://corporate.deliveroo.co.uk/. A replay will be made available later.

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About Deliveroo plc (‘Deliveroo’ or ‘the Company’)

Deliveroo is on a mission to build the definitive online food company. We want to be the platform that people turn to whenever they think about food. Further information regarding Deliveroo is available on the Company's website at https://corporate.deliveroo.co.uk/.

Additional Notes

1. All figures in this trading update are unaudited

2. All growth rates reflect a comparison to the six-month period ended 30 June 2020 unless otherwise stated

3. References to “Q1” are to the three-month period ended 31 March 2021, unless otherwise stated. References to “Q2” are to the three-month period ended 30 June 2021, unless otherwise stated. References to the “year”, “financial year” or “2021 financial year” are to the financial year ending 31 December 2021 and references to the “last year”, “last financial year” or “2020 financial year” are to the financial year ended 31 December 2020 unless otherwise stated

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 Review[2]

1. Overview

Deliveroo's mission is to be the definitive online food company - providing consumers with access to the food they love for each of the 21 weekly meal occasions. The Company aims to achieve this by a relentless focus on offering the best value proposition to all three sides of the marketplace: consumers, restaurant and grocery partners, and riders. Deliveroo has a broad geographic footprint, but evaluates its value proposition through a hyperlocal lens on a neighbourhood-by-neighbourhood basis. The Company has a strong culture of innovation, and the business is underpinned by pioneering logistics technology. In recent years, Deliveroo has launched and begun to scale several category-defining initiatives: Plus (a subscription programme that unlocks unlimited free delivery), Editions (delivery-only kitchens), Signature (a full stack white label solution for restaurant partners), and on-demand grocery. Deliveroo's strategy aims to balance ambitious growth objectives with a focus on being the most efficient logistics operator with best-in-class unit economics over the long term.

The online food industry is still at an early stage of maturity. Deliveroo is laying the foundations now to drive long-term value for its stakeholders. The Company invests in durable, long-term differentiation viewed through the lens of a hyperlocal consumer value proposition - the five pillars of availability, selection, experience, value and brand. Examples of investments include: increased selection to create differentiated content for consumers; expansion into new geographic areas; brand-building to drive up awareness of the category and of Deliveroo's offering; and new consumers that will significantly increase their engagement over a succession of future periods. These investments are made with a view to driving sustainable long-term value, and the primary impact of many of the investments will be in future quarters and years, rather than in-period.

During most of 2020, the Company took a very conservative approach to deploying capital, given capital constraints as a result of the CMA antitrust investigation, and the fact that long-term consumer behaviour was uncertain during the initial lockdowns in early 2020. Starting in Q4 2020, Deliveroo has been much better positioned to increase investment, with a strong capital position following the conclusion of the CMA investigation in Q3 2020, the Series H fundraising round in January 2021 and the IPO at the end of March 2021. Deliveroo also now has strong conviction that the pandemic has accelerated the secular shift in consumer behaviour, moving demand in food online.

[2] In this section, all growth rates are year-on-year and in reported currency unless otherwise stated

2. Group Performance Highlights

Overall, the Company delivered a strong operating performance in H1 2021. Growth in both monthly active consumers and orders continued to be healthy, up 88% and 100%, respectively. As a result, gross transaction value (GTV)* increased to £3,385.8 million, up 99% (102% in constant currency). Revenue was £922.5 million, and gross profit was £263.9 million. The gross profit margin (as % of GTV)* was 7.8% in H1 2021 compared to 8.8% in H1 2020, with the year-on-year movement primarily attributable to investments to support future growth. These include investments to drive consumer acquisition (such as the New User Experience programme) and retention (via the Plus subscription offering), and to create differentiated content for consumers through Deliveroo's restaurant and grocery selection. Adjusted EBITDA* was £(27.0) million, broadly flat compared to H1 2020, as increased gross profit was largely offset by increased investments to support future growth. These investments include marketing spend to drive consumer brand awareness, and adding technology talent to further develop the Deliveroo platform.

The following commentary primarily focuses on alternative performance measures such gross transaction value (GTV)*, gross profit margin (as % of GTV)* and adjusted EBITDA as these are the principal metrics the business uses to monitor and assess performance.

£ million unless stated	**H1 2021**	**H1 2020**	**Change** reported
Orders (m)	148.8	74.5	*100%*
GTV*	3,385.8	1,704.0	*99%*
Revenue	922.5	507.4	*82%*
Gross Profit	263.9	150.6	*75%*
Gross Profit Margin (as % of GTV)*	7.8%	8.8%	*(100) bps*
Marketing and Overheads*	(290.9)	(180.9)	*61%*
Adjusted EBITDA*	(27.0)	(30.3)	*(11)%*

* Alternative Performance Measure (APM), refer to glossary on page 37 for further details
Group GTV change in constant currency was 102% in H1 2021

3. Segment Performance

Deliveroo manages its business on a geographic basis, rather than on a product or market segmentation basis. The company operates in two segments: the UK and Ireland (UKI) segment and the International segment, comprising the remainder of the company's markets.

UK and Ireland

In H1 2021, the UKI segment represented 52% of total GTV*. Deliveroo operates in over 200 towns and cities across the UK & Ireland.

£ million unless stated	**H1 2021**	**H1 2020**	**Change** reported
Orders (m)	71.4	34.7	*106%*
GTV*	1,773.3	844.3	*110%*
Revenue	480.6	246.1	*95%*
Gross Profit	166.1	93.7	*77%*
Gross Profit Margin (as % of GTV)*	9.4%	11.1%	*(170) bps*
Marketing and Overheads*	(110.7)	(59.2)	*87%*
Adjusted EBITDA*	55.4	34.5	*61%*

* Alternative Performance Measure (APM), refer to glossary on page 37 for further details
UK & Ireland GTV change in constant currency was 110% in H1 2021

In UKI, GTV* grew to £1,773.3 million in H1 2021, an increase of 110%. GTV* growth was 142% in Q1 2021 and 87% in Q2 2021, both in constant currency. This lower growth rate in Q2 2021 reflects a much tougher comparison base in the second quarter; taking a 2-year view, GTV* was up 208% in Q1 2021 and 212% in Q2 2021, compared to the respective quarters in 2019. In H1 2021, orders and average order value* (AOV) performed ahead of expectations, as engagement remained high despite the progressive easing of restrictions in the UK.

During the period, Deliveroo continued to add differentiated content for consumers. UKI restaurant selection was further expanded, and in Q2 2021 alone the Company added c.10,000 new sites, increasing the base of restaurants by almost 30%. This means that Deliveroo now has the largest number of active food merchants in the UK of all food delivery platforms. The Company also continued to roll out its grocery offering: at the end of the period, Deliveroo had c.1,800 grocery sites live with major partners in the UK (up from c.1,200 at the end of 2020), and more than 4,600 grocery sites in total when also including smaller independent partners.

Alongside achieving strong growth in H1 2021, Deliveroo made excellent progress in delivering its geographic expansion plan - planting the seeds for future growth. At the beginning of 2021, the Company set out a goal to expand consumer population coverage to two thirds of the UK population by year-end 2021, up from 53% at year-end 2020. As a result of strong operational execution, the UK expansion is well ahead of the original target, with 72% coverage of the UK population achieved at the end of June.

UKI revenue grew 95% to £480.6 million in H1 2021, primarily due to the increase in GTV*. Gross profit was £166.1 million in H1 2021 compared to £93.7 million in H1 2020, an increase of 77%. Gross profit margin (as % of GTV)* was 9.4% compared to 11.1% in H1 2020. This decrease was primarily driven by accelerated investments to support future growth, through consumer acquisition and retention and through increased restaurant and grocery selection. Adjusted EBITDA* was £55 million in H1 2021, compared to £34.5 million in H1 2020, as increased gross profit was partially offset by continued investments in growth, including brand-building marketing and headcount additions.

International

In H1 2021, the International segment represented 48% of total GTV*. Deliveroo's international segment comprises 10 markets across Europe, the Middle East and Asia Pacific.

£ million unless stated	H1 2021	H1 2020	Change reported
Orders (m)	77.5	39.9	*94%*
GTV*	1,612.5	859.6	*88%*
Revenue	441.9	261.3	*69%*
Gross Profit	97.8	56.9	*72%*
Gross Profit Margin (as % of GTV)*	6.1%	6.6%	*(50) bps*
Marketing and Overheads*	(108.3)	(65.0)	*67%*
Adjusted EBITDA*	(10.5)	(8.1)	*30%*

* Alternative Performance Measure (APM), refer to glossary on page 37 for further details
International GTV change in constant currency was 95% in H1 2021

In International, GTV* grew to £1,612.5 million in H1 2021, an increase of 95% in constant currency. GTV* growth was 121% in Q1 2021 and 75% in Q2 2021, both in constant currency. This lower growth rate in Q2 2021 partly reflects a tougher comparison base in the second quarter; taking a 2-year view, GTV* was up 183% in Q1 2021 and 166% in Q2 2021, compared to the respective quarters in 2019, both in constant currency.

In H1 2021, growth rates within the International segment's constituent markets reflected differing patterns of reopening, along with the varying impact of lockdown restrictions in the comparison base. Deliveroo's markets in Asia were first to experience national lockdowns and the first to reopen following the lifting of restrictions. In parts of the Middle East, restrictions were also lifted relatively early. In these markets, consumer engagement and acquisition continues to be strong despite lockdown restrictions easing. In Deliveroo's markets in Europe, the lifting of restrictions has been fairly recent. In parts of Europe, there has been some evidence of a small-to-moderate impact on consumer engagement from reopening, although the moderation in sequential growth is difficult to separate from the historical seasonal patterns - restriction easings in Europe have come at the same time as the beginning of the summer period.

Across the International segment, growth in H1 2021 was supported by strengthened relationships with restaurant partners, especially in France, Hong Kong and UAE. During the period, the Company also continued to roll out its grocery offering: at the end of the period, Deliveroo had c.900 grocery sites live with major partners across International markets (up from c.400 at the end of 2020), and more than 4,400 sites in total when also including smaller independent grocery partners.

Revenue for International grew 69% to £441.9 million in H1 2021, primarily due to the increase in GTV. Gross profit was £97.8 million in H1 2021 compared to £56.9 million in H1 2020, an increase of 72%. Gross profit margin (as % of GTV)* was 6.1% compared to 6.6% in H1 2020. This decrease was primarily driven by accelerated investments to support future growth, through consumer acquisition and retention and through increased restaurant and grocery selection. Adjusted EBITDA* was £(10.5) million in H1 2021, compared to £(8.1) million in H1 2020, as increased gross profit was offset by continued investments in growth.

After the end of the period under review, Deliveroo announced on 30 July 2021 that it proposes to consult on ending its operations in Spain. Spain represented less than 2% of the Company's total GTV in H1 2021. Deliveroo has determined that achieving and sustaining a top-tier market position in Spain would require a disproportionate level of investment with highly uncertain long-term potential returns, which could impact the economic viability of the market for the Company. As such, the proposal to end operations in Spain reflects the intention to focus investment and resources on the Company's other markets. Deliveroo's proposal regarding its operations in Spain remains subject to full consultation with impacted employees and riders.

4. The Three Sides of the Marketplace

Since 2013, Deliveroo has pioneered on-demand food delivery via a hyperlocal three-sided online marketplace, connecting local consumers, restaurants and grocers, and riders. For consumers, Deliveroo has unlocked broad choice and fast delivery times, working with restaurants and grocers who overwhelmingly have never offered an online presence and on-demand deliveries before. For restaurants and grocers, Deliveroo not only provides logistics, but, more importantly, an incremental demand generation channel, including access to millions of new consumers alongside online tools to grow their business effectively. For riders, Deliveroo offers highly flexible work which they can rely on for attractive earnings and security. In H1 2021, Deliveroo made further progress in developing all three sides of the marketplace.

Consumers

Deliveroo's consumer base has consistently increased, reaching an average of 7.8 million monthly active consumers in Q2 2021. This is a more than two-fold increase from the 3.7 million monthly active consumers in Q1 2020.

Monthly Active Consumers (m)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
UK & Ireland	1.8	2.1	2.5	3.0	3.6	3.9
International	1.9	2.2	2.3	3.0	3.6	3.9
Total	**3.7**	**4.3**	**4.8**	**6.0**	**7.2**	**7.8**

Deliveroo tracks consumers on the basis of historical cohorts, with each cohort representing consumers who placed their first order on the platform in a given period (for example, the 'January 2018 cohort' represents consumers who placed their first order in January 2018). Historically, consumer cohorts have consistently increased their average order frequency over time. Encouragingly, this pattern has continued in H1 2021, despite lockdown restrictions easing. For example, consumers in the UK January 2018 cohort had a monthly average order frequency of 3.1x in June 2019, 3.5x in June 2020 and 3.9x in June 2021.

	Monthly Average Order Frequency (of MACs, in UK)		
Consumer acquisition cohort	**In June 2019**	**In June 2020**	**In June 2021**
January 2016 cohort	3.7	4.5	4.8
January 2018 cohort	3.1	3.5	3.9
January 2020 cohort	n/a	3.5	3.6

The strong growth in monthly active consumers and the increased order frequency reflects the continued strengthening of the consumer value proposition. An important part of this is Deliveroo Plus, the subscription programme that unlocks unlimited free delivery to consumers for a fixed monthly fee. Plus removes delivery fees as a barrier to ordering, increasing order frequency and improving retention. From December 2020 to June 2021, Plus penetration increased further as the paying subscriber base grew by 33%, in part driven by a new more affordable Plus Lite offering.

Restaurants and On-demand Grocery

Deliveroo works with c.137,000 restaurant partner sites as of the end of H1 2021. Growth in restaurant selection increases availability and choice to consumers on a neighbourhood by neighbourhood basis, and in the UK Deliveroo now has more active food merchants than any other food delivery platform. As well as bringing partners' existing restaurant sites onto the platform, Deliveroo has continued to develop Editions: delivery-only kitchens that offer restaurant partners an opportunity to bring their brands to new locations. During H1 2021, Deliveroo has further developed the Editions concept and continued to build a pipeline of sites to bring the best, exclusive restaurant content to a wider range of consumers.

Deliveroo also continues to rapidly develop its on-demand grocery offering. In H1 2021, on-demand grocery represented 7% of total GTV*, with growth driven by the expansion of key partnerships. In the UK, Deliveroo now has c.1,800 grocery sites live with major partners, and more than 9,000 sites in total when also including smaller independent partners. Coverage has reached 70% of the UK population with major grocery partners, including Waitrose, Co-op, Morrisons, Sainsbury's and Aldi, up from 36% at the end of Q1 2020. In International, Deliveroo now has c.900 sites live with major brands, compared to c.400 at the end of 2020. This has been driven by continued rollout with key grocery partners, such as Carrefour in France, Italy, Belgium, Casino in France, and Park N Shop in Hong Kong.

The on-demand grocery offering provides powerful synergies to the core platform, representing almost 100% incremental demand to the restaurant channel and providing an effective customer acquisition channel. Unit economics for grocery are already attractive, with potential for further improvements. For example, in the UK & Ireland gross profit per order for grocery stands at approximately £2.10 (compared to £2.40 for restaurants), with scope to increase further by driving higher basket sizes, improving selection and inventory management, and by adding non-commission revenue from FMCG or CPG companies as advertising spend in the category moves online.

Riders

Riders value the flexible work Deliveroo offers. This enables riders to set their own work patterns without having to plan ahead, select which orders to complete or reject, and to work with multiple companies simultaneously. This is reflected in high satisfaction ratings, with 85% of riders globally saying they are satisfied or very satisfied working with Deliveroo. Continued strong rider application pipelines and rider retention rates as lockdowns have eased are further evidence of riders valuing self-employed work. In the UK, 90% of riders working in May or June were still working with the company in July, even as employment vacancies increased in the wider economy, in particular in retail and hospitality.

As previously mentioned in the IPO prospectus, the independent contractor status of riders, which applies in most of the jurisdictions in which Deliveroo operates, has been and continues to be the subject of challenge in certain markets. At any given time, Deliveroo will be involved in regulatory investigations, audits and/or claims as well as individual and collective legal claims in any market. In H1 2021, there were the following material developments in respect of rider status matters:

- In the UK, the Court of Appeal confirmed in June by unanimous decision that riders are self-employed, the fourth such judgement in the UK courts;
- In France, the Paris Court of Appeal also confirmed in April that Deliveroo offers self-employed work;
- In Spain, legislation to classify platform workers in the delivery sector as employees was passed and will come into effect on 12 August 2021. As noted above, the Company has already proposed to end its operations in Spain;
- In Italy, following the industry-wide reclassification issued in February 2021, the investigation into certain of Deliveroo's historical models by Italian labour, social security, national insurance and health and safety authorities is still ongoing.

Deliveroo will continue to disclose any developments in relation to rider matters that management considers to be material in the context of both the relevant country and the business as a whole.

5. Other Strategic Developments

Investing in Technology

Deliveroo's business is underpinned by logistics technology that ensures all three sides of the marketplace interact seamlessly together. The Company leverages machine learning models and algorithms to deliver high-quality user experiences and operational efficiencies. Consistent improvements in technology reinforce the Deliveroo flywheel, driving incremental gains in efficiency and quality of service as the business grows.

Operating an on-demand, three-sided marketplace presents challenges that can attract leading product and engineering talent. On 10 August 2021, Deliveroo appointed Devesh Mishra as Chief Product and Technology Officer. Devesh joins from Amazon, where he has held a number of senior roles over the past 16 years. Most recently, he has been Vice President, Global Supply Chain at Amazon, managing a multi-billion dollar inventory and overseeing a supply chain spanning 185 markets. Devesh led a team of several thousand engineers, data scientists and product managers that built and operated the world's most technologically advanced supply chain, using data analytics, predictive technology and machine learning to scale Amazon's retail and marketplace business.

At Deliveroo, Devesh will be responsible for the growing technology organisation, including engineering, data science, design and product development. In July 2021, Deliveroo announced that it is creating 400 high-skilled tech jobs across a range of skill sets including software engineers, designers, and data scientists. These new colleagues will work to ensure that Deliveroo provides each side of the marketplace with unique, personalised experiences, to help restaurants and grocers to grow, riders to pursue the flexible work they want, and consumers to enjoy the best user experience possible.

'Full Life' Campaign

As a hyper-local business, Deliveroo aims to use its unique network of consumers, restaurants and grocers, and riders to play a positive role in supporting the communities in which it operates. Building on the company's support for the NHS, Deliveroo is now working with partners with an ambition to deliver one million meals to communities in need. Across all markets Deliveroo is working with charities and other groups to help vulnerable groups access food as the Full Life campaign is rolled out internationally.

6. Outlook and Full Year Guidance

Post-pandemic performance

Overall, growth in H1 2021 was materially ahead of expectations. Consumer engagement has been encouraging despite restrictions easing, which demonstrates a continuation of the change in consumer habits that has been accelerated during the pandemic. In recent months, Deliveroo has not seen a material impact on orders and average order value in UK & Ireland despite restaurants reopening. In International, consumer engagement trends have also proved mostly resilient. In parts of Europe, there has been some evidence of a small to moderate impact from reopening, although the moderation in sequential growth is difficult to separate from the seasonal patterns at the beginning of the summer period.

Management's outlook for the remainder of the year continues to be optimistic but prudent, combining confidence in continued year-on-year growth in orders with an expectation that average order values revert towards pre-pandemic levels.

Full Year Guidance

- **Deliveroo reiterates upgraded full year guidance** provided in the Q2 2021 trading update on 8 July 2021:
    - **Full year GTV* growth** of 50-60% (this was increased on 8 July 2021 from prior guidance of 30-40%)
    - **Full year gross profit margin** (as % of GTV)* in the lower half of the range of 7.5-8.0%, reflecting accelerated growth investments and the continued expectation that AOV* reverts towards pre-pandemic levels in H2 2021.

Financial Review[3]

Profit and Loss

Revenue

Revenue was £922.5 million in H1 2021 compared to £507.4 million in H1 2020, an increase of 82% or £415.1 million. This increase was primarily the result of increased orders, driven by growth in monthly active consumers.

Cost of Sales

Cost of sales increased to £658.6 million in H1 2021 from £356.8 million in H1 2020, an increase of 85% or £301.8 million. This increase was driven by higher aggregate rider costs as a result of increased orders, and reflects a year-on-year decline in the rider cost per order as operational efficiency continued to improve.

Other operating income

Other operating income was £1.2 million in H1 2021 compared to £2.7 million in H1 2020, a decrease of 56% or £1.5 million. The decrease was primarily due to a reduction in relief grants introduced in 2020 as a consequence of the impact of COVID-19 on the food industry.

Administrative expenses

Administrative expenses were £364.2 million in H1 2021 compared to £275.6 million in H1 2020, an increase of 32% or £88.6 million. This increase was primarily due to higher sales and marketing costs.

Other operating expenses

Other operating expenses were £8.1 million in H1 2021 compared to £4.8 million in H1 2020, an increase of 69% or £3.3 million. This was due to increased spend on rider kit during the period as overall delivery volume increased; this was not offset by income from the sale of rider kit, since the Company absorbs the majority of the cost of riders' equipment and clothing.

Finance income

Finance income was £3.0 million in H1 2021 compared to £0.8 million in H1 2020, an increase of 275% or £2.2 million. This increase was primarily due to an increase in interest received from bank deposits following the successful completion of the IPO in March 2021.

Finance costs

Finance costs were £0.6 million in H1 2021 compared to £2.1 million in H1 2020, a decrease of 71% or £1.5 million. This decrease was primarily due to a decrease in unrealised foreign exchange losses, along with a decrease in interest expense on other short term finance.

Income tax

Income tax expense was £3.9 million in H1 2021 compared to a credit of £2.2 million in H1 2020. This movement was primarily due to an increase in overseas taxable profits.

Loss for the period

Loss for the period was £108.7 million in H1 2021 compared to £126.2 million, as a result of the movements described above.

[3] In this section, all growth rates are year-on-year and in reported currency unless otherwise stated

Alternative Performance Measures*

Gross transaction value*

Gross transaction value* (GTV)* is a widely used measure for understanding the total value spent by consumers on the marketplace. GTV* was £3,385.8 million in H1 2021 compared to £1,704.0 in H1 2020, an increase of 99% (102% in constant currency). This increase was primarily the result of increased orders, driven by growth in monthly active consumers.

Gross profit margin (as % of GTV)*

Gross profit margin (as % of GTV)* is considered a good measure of profitability at a transactional level. The gross profit margin (as % of GTV)* was 7.8% in H1 2021 compared to 8.8% in H1 2020, with the year-on-year movement primarily attributable to investments to support future growth. These include investments to drive consumer acquisition (such as the New User Experience programme) and retention (via the Plus subscription offering), and to create differentiated content for consumers through Deliveroo's restaurant and grocery selection.

Marketing and overheads*

Management believes that Deliveroo's business model has a high degree of operating leverage on its fixed cost base. For the purposes of assessing and managing performance, the 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. Marketing and overheads were £290.9 million in H1 2021, compared to £180.9 million in H1 2020, an increase of £110.0 million or 61%. This movement was driven in part by an increase in marketing spend to drive consumer brand awareness, and the addition of technology talent to further develop the Deliveroo platform.

Adjusted EBITDA*

Adjusted EBITDA* is considered to reflect the underlying trading performance of the business and is used, amongst other measures, to evaluate operations from a profitability perspective. Adjusted EBITDA* was £(27.0) million in H1 2021 compared to £(30.3) million in H1 2020. The movement of £3.3 million was the result of increased gross profit being largely offset by investments in marketing and overheads to support future growth.

	Reconciliation to financial statements	
	H1 2021	H1 2020
	£m	£m
Operating loss	(107.2)	(127.1)
Depreciation	9.7	9.2
Amortisation	9.4	7.7
EBITDA	**(88.1)**	**(110.2)**
Share based payments charge and accrued national insurance on share options	26.9	18.2
Legal provisions and other settlements	9.5	58.4
Exceptional items*	24.7	3.3
Adjusted EBITDA*	**(27.0)**	**(30.3)**
Marketing and overheads*	290.0	180.9
Gross Profit	**263.9**	**150.6**

* Alternative Performance Measure (APM), refer to glossary on page 37 for further details

Cash Flow

Cash flows from operating activities

Net cash inflow from operating activities was £134.0 million in H1 2021 compared to a net cash outflow of £4.5 million in H1 2020. In H1 2021, cash flows from operating activities included an increase in payables of £132.1 million related to the timing of employee tax and social security payments on share options exercised on IPO, which unwinds in H2 2021. Excluding this increase in payables, the year-on-year improvement in net cash flows from operating activities was primarily driven by the £19.9 million decrease in operating loss in the period.

Cash flows used in investing activities

Net cash flows used in investing activities were £24.6 million in H1 2021 compared to £15.0 million in H1 2020, an increase of £9.6 million. This was primarily due to increased investment in capitalised development costs in connection with the growth of the technology team, and an increase in purchases of property, plant and equipment mainly related to the rollout of Editions delivery-only kitchens.

Cash flows from financing activities

Net cash inflow from financing activities was £1,143.4 million in H1 2021 compared to a net cash outflow of £5.7 million in H1 2020. The strong cash inflow was primarily due to £1,012.9 million net proceeds (after costs) from the IPO in March 2021, as well as £135.3 million net proceeds (after costs) from the Series H fundraising round in January 2021.

Financial Position

Following the successful completion of fundraising activities in H1 2021, Deliveroo had a strong financial position at the end of H1 2021. Cash and cash equivalents were £1,626.7 million at 30 June 2021 compared to £215.6 million at 30 June 2020.

Dividend and Dividend Policy

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

Events After the Reporting Period

Deliveroo announced on 30 July 2021 that it proposes to consult on ending its operations in Spain. Deliveroo has determined that achieving and sustaining a top-tier market position in Spain would require a disproportionate level of investment with highly uncertain long-term potential returns, which could impact the economic viability of the market for the Company. Deliveroo's proposal to consult on the ending of its operations in Spain remains subject to full consultation with impacted employees and riders. Deliveroo anticipates that the collective consultation process will commence in early-September and the Company will work with all relevant stakeholders and prepare all required documentation accordingly. Should the Company decide to end operations after the conclusion of the consultation process, which will take around a month, the Company will make sure that appropriate compensation and goodwill packages, compliant with all local regulations and laws, will be available for riders and employees.

Going concern

The Group's loss for the period amounted to £108.7 million (6 months ended 30 June 2020: £126.2 million). The Group had net assets of £1,232.9 million as at 30 June 2021 (30 June 2020: net liabilities of £140.4 million), including cash and cash equivalents of £1,626.7 million at 30 June 2021 compared to £215.6 million at 30 June 2020. As at 30 June 2021, the Group also had £75 million and €85 million of available loan finance in the form of a Revolving Credit Facility ("RCF") which has not been drawn down. No associated covenants have been breached, nor are there any forecasted breaches.

In order to assess the going concern basis of preparation, management has prepared a forecast which covers a period in excess of 12 months from the date of signing the interim statement, to 31 December 2022. In preparing these forecasts, management has given due consideration to the impacts of COVID on the business, in respect of order growth and profitability, in case such circumstances should reoccur. Management does not consider that there are any reasonably possible scenarios which would cause the business to have insufficient cash to be considered a going concern at any point during the forecast period, and in assessing this, has calculated the monthly average cash outflow that would result in a negative cash position at the end of the forecast period. The resulting cash outflow would be far in excess of any month forecasted, or incurred historically, and management is satisfied that it is wholly unlikely. Further, there are no current investment plans that would change this view.

With the widespread adoption of COVID vaccines, we consider it unlikely that there will be wholescale country lockdowns, however the business has demonstrated that it is able to adapt to a remote model and management is confident that the business would revert to the successful operating model that has been in effect during periods of lockdown.

As stated in note 2 to the condensed financial statements, the Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed financial statements.

Principal risks and uncertainties

The Group faces a number of risks and uncertainties that may have an adverse impact on the Group's operation and performance. The Directors regularly assess the risks and uncertainties that the Group faces. The Directors do not consider that the principal risks and uncertainties as set out in the Prospectus have changed materially since it was published on 22 March 2021. The principal risks can be found in the Prospectus on pages 8 to 31. These risks are expected to apply for the remaining half of the financial year and are summarised as follows:

- **Three-Sided Marketplace** - Our business model relies on a three-sided marketplace and we must continue to acquire and retain consumers, restaurant and grocery partners, and riders to develop our business and achieve profitability
- **Rider Supply and Demand -** To provide a high-quality service to our consumers, we require effective operations to maintain a balance between supply and demand for riders in any given area, which we may not always be able to maintain.
- **Platform Integrity** - We depend on our network infrastructure, software, and content delivery processes to operate our platform. Any significant disruption in service in our platform could prevent us from operating effectively and affect our operations and reputation
- **Rider Model** - 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
- **Key Commercial Relationships** - We rely on various national and global brands in each of the markets in which we operate, sometimes on an exclusive basis. The loss of such relationships could adversely affect our business
- **Reputation and Brand** - Our reputation, brand and ability to build and retain trust with existing and new participants in our three-sided marketplace may be adversely affected, including by any events beyond our control
- **Reliance on Key Personnel** - We rely on our senior management team, and our business may be adversely affected if we cannot retain and motivate key employees
- **Competition** - We operate in a highly competitive industry and must compete effectively to succeed, including attracting technology talent to scale our engineering, data science, analyst, and product teams
- **Managing Growth** - We are a rapidly growing company and if we do not manage our growth and evolution successfully, or we fail to execute on our strategy, our business will suffer
- **Financial Condition** - We have in past periods incurred, and may in future periods incur, net losses, which could affect our ability to access additional capital to grow our business
- **Data Security** - We are responsible for all personal data we receive from consumers, partners and riders, and for the confidential information we hold and process, and could face significant reputational and legal consequences as well as financial loss if we fail to protect this information from security risks.
- **Compliance with Laws and Regulations** - We are subject to the laws and regulations of numerous national and local authorities and 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.

To the members of Deliveroo plc

This Interim Management Report (IMR) has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The IMR should not be relied on by any other party or for any other purpose.

The IMR contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report but such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

This interim management report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Deliveroo plc and its subsidiary undertakings when viewed as a whole.

Responsibility statement

We confirm that to the best of our knowledge:

(a) the condensed set of financial statements has 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,

Adam Miller
Chief Financial Officer
10 August 2021

Condensed consolidated Statement of Profit or Loss

Six months ended 30 June 2021 (unaudited)

	Note	6 months ended 30 June 2021 £m (unaudited)	6 months ended 30 June 2020 £m (unaudited)	Year-ended 31 December 2020 £m (audited)
Revenue	4	922.5	507.4	1,190.8
Cost of sales		(658.6)	(356.8)	(834.5)
Gross profit		**263.9**	**150.6**	**356.3**
Other operating income		1.2	2.7	4.0
Administrative expenses		(364.2)	(275.6)	(568.9)
Other operating expenses		(8.1)	(4.8)	(12.5)
Operating loss		**(107.2)**	**(127.1)**	**(221.1)**
Finance income		3.0	0.8	0.9
Finance costs		(0.6)	(2.1)	(5.3)
Loss before income tax		**(104.8)**	**(128.4)**	**(225.5)**
Income tax (charge)/credit	5	(3.9)	2.2	(0.9)
Loss for the period attributable to owners of the Company		**(108.7)**	**(126.2)**	**(226.4)**

Loss per share	Note	6 months ended 30 June 2021 £ (unaudited)	6 months ended 30 June 2020 (Restated) £ (unaudited)	Year-ended 31 December 2020 (Restated) £ (audited)
- Basic	7	(0.07)	(0.10)	(0.17)
- Diluted	7	(0.07)	(0.10)	(0.17)

All activities derive from continuing operations. This statement should be read in conjunction with the notes to the consolidated financial statements on pages 24 to 36.

Condensed consolidated Statement of Comprehensive Income

Six months ended 30 June 2021 (unaudited)

Other comprehensive loss	Note	6 months ended 30 June 2021 £m (unaudited)	6 months ended 30 June 2020 £m (unaudited)	Year-ended 31 December 2020 £m (audited)
Loss for the period		**(108.7)**	**(126.2)**	**(226.4)**
Items that may be reclassified subsequently to the statement of comprehensive income:				
Currency translation		(6.3)	(5.2)	3.3
Other comprehensive (loss)/income for the period		**(6.3)**	**(5.2)**	**3.3**
Total comprehensive loss for the period		**(115.0)**	**(131.4)**	**(223.1)**

All activities derive from continuing operations. This statement should be read in conjunction with the notes to the consolidated financial statements on pages 24 to 36.

Condensed consolidated Statement of Financial Position

Six months ended 30 June 2021 (unaudited)

	Note	6 months ended 30 June 2021 £m (unaudited)	6 months ended 30 June 2020 £m (unaudited)	Year-ended 31 December 2020 £m (audited)
Non-current assets				
Property, plant and equipment		26.8	25.0	22.9
Intangible assets	8	48.4	42.1	41.9
Right-of-use assets		33.9	33.7	30.2
Trade and other receivables		16.6	13.8	14.4
Deferred tax asset	5	10.1	13.8	19.5
Total non-current assets		**135.8**	**128.4**	**128.9**
Current assets				
Trade and other receivables		103.6	72.8	92.5
Cash and cash equivalents		1,626.7	215.6	379.1
Inventory		14.5	7.7	8.2
Total current assets		**1,744.8**	**296.1**	**479.8**
Total assets		**1,880.6**	**424.5**	**608.7**
Current liabilities				
Trade and other payables	9	(489.0)	(222.5)	(285.3)
Other liabilities		(9.1)	(220.0)	(7.3)
Total current liabilities		**(498.1)**	**(442.5)**	**(292.6)**
Non-current liabilities				
Provisions	10	(118.5)	(92.0)	(112.3)
Lease liabilities		(31.1)	(30.4)	(28.7)
Total non-current liabilities		**(149.6)**	**(122.4)**	**(141.0)**
Total liabilities		**(647.7)**	**(564.9)**	**(433.6)**
Net assets/(liabilities)		**1,232.9**	**(140.4)**	**175.1**
Equity				
Share capital	11	9.0	5.9	7.1
Share premium		1,012.0	-	-
Merger reserve		1,288.3	778.6	1,153.5
Share option reserve		161.2	122.2	153.3
Accumulated losses		(1,228.2)	(1,035.5)	(1,135.7)
Foreign currency translation reserve		(9.4)	(11.6)	(3.1)
Total equity/(deficit)		**1,232.9**	**(140.4)**	**175.1**

This statement should be read in conjunction with the notes to the consolidated financial statements on pages 24 to 36.

Condensed consolidated Statement of Changes in Equity

Six months ended 30 June 2021 (unaudited)

	Note	Share capital	Share premium	Merger reserve	Share option reserve	Accumulated losses	Foreign currency translation reserve	Total
		£m	£m	£m	£m	£m	£m	£m
At 31 December 2020		**7.1**	**-**	**1,153.5**	**153.3**	**(1,135.7)**	**(3.1)**	**175.1**
Loss for the period		-	-	-	-	(108.7)	-	(108.7)
Other comprehensive loss for the period		-	-	-	-	-	(6.3)	(6.3)
Total comprehensive loss for the period		**-**	**-**	**-**	**-**	**(108.7)**	**(6.3)**	**(115.0)**
Employee share-based payment awards		-	-	-	13.6	16.2	-	29.8
Deferred tax	5	-	-	-	(5.7)	-	-	(5.7)
Issue of share capital	11	1.9	1,012.0	134.8	-	-	-	1,148.7
At 30 June 2021		**9.0**	**1,012.0**	**1,288.3**	**161.2**	**(1,228.2)**	**(9.4)**	**1,232.9**

This statement should be read in conjunction with the notes to the consolidated financial statements on pages 24 to 36.

Condensed consolidated Statement of Changes in Equity

Six months ended 30 June 2020 (unaudited)

	Note	Share capital	Share premium	Merger reserve	Share option reserve	Accumulated losses	Foreign currency translation reserve	Total
		£m	£m	£m	£m	£m	£m	£m
At 31 December 2019		**5.9**	**-**	**778.6**	**100.8**	**(909.3)**	**(6.4)**	**(30.4)**
Loss for the period		-	-	-	-	(126.2)	-	(126.2)
Other comprehensive loss for the period		-	-	-	-	-	(5.2)	(5.2)
Total comprehensive loss for the period		**-**	**-**	**-**	**-**	**(126.2)**	**(5.2)**	**(131.4)**
Employee share-based payment awards		-	-	-	21.2	-	-	21.2
Deferred tax	5	-	-	-	0.2	-	-	0.2
Issue of share capital	11	-	-	-	-	-	-	-
At 30 June 2020		**5.9**	**-**	**778.6**	**122.2**	**(1,035.5)**	**(11.6)**	**(140.4)**

This statement should be read in conjunction with the notes to the consolidated financial statements on pages 24 to 36.

Condensed consolidated Statement of Cash Flows

Six months ended 30 June 2021 (unaudited)

	Note	6 months ended 30 June 2021 £m (unaudited)	6 months ended 30 June 2020 £m (unaudited)	Year-ended 31 December 2020 £m (audited)
Cash flows from operating activities				
Net cash generated from operating activities	**12**	**134.0**	**(4.5)**	**7.4**
Cash flows from investing activities				
Purchase of property, plant and equipment		(8.2)	(4.6)	(5.8)
Acquisition of intangible assets	8	(16.5)	(11.2)	(20.5)
Interest received		0.1	0.8	0.9
Net cash used in investing activities		**(24.6)**	**(15.0)**	**(25.4)**
Cash flows from financing activities				
Net proceeds from issue of share capital	11	1,148.7	-	178.0
Payments of lease liabilities		(4.7)	(5.1)	(9.7)
Interest on lease liabilities		(0.6)	(0.6)	(1.2)
Net cash from financing activities		**1,143.4**	**(5.7)**	**167.1**
Net increase/(decrease) in cash and cash equivalents		**1,252.8**	**(25.2)**	**149.1**
Cash and cash equivalents at the beginning of the period		379.1	229.8	229.8
Effect of foreign exchange rate changes		(5.2)	11.0	0.2
Cash and cash equivalents at the end of the period		**1,626.7**	**215.6**	**379.1**

This statement should be read in conjunction with the notes to the consolidated financial statements on pages 24 to 36.

Notes to the condensed set of financial statements

Six months ended 30 June 2021 (unaudited)

1. General information

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

The Company was incorporated on 25 February 2021 and replaced Roofoods Ltd as the ultimate parent company of The Deliveroo Group as part of the restructuring that accompanied the Initial Public Offering ("IPO"). This report for the six months ended 30 June 2021 is the first half-yearly financial report presented by the Group. This half-yearly financial report presents results for the Deliveroo Group of companies for the period from 1 January 2021 to 30 June 2021 as if Deliveroo plc had been the ultimate parent company for the entire period and all comparative periods. The Company listed on the London Stock Exchange on 31 March 2021.

The address of the registered office is The River Building, Level 1 Cannon Bridge House, 1 Cousin Lane, London, EC4R 3TE.

Full year comparatives

The information for the year ended 31 December 2020 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.

2. Basis of preparation

The annual financial statements of Deliveroo plc are prepared in accordance with International Financial Reporting Standards ("IFRS") and the International Financial Reporting Standards Interpretations Committee ("IFRS IC"), and with those parts of the Companies Act 2006 applicable to companies reporting under UK-adopted IFRS. The condensed set of financial statements included in this half yearly financial report has been prepared in accordance with UK-adopted International Accounting Standard 34 'Interim Financial Reporting'.

On 6 April 2021, in connection with the pre-IPO reorganisation, the Roofoods Ltd shareholders entered into a Share-for-Share Exchange Agreement with the shareholders of Deliveroo plc. As a result, Deliveroo plc became the ultimate parent company of the Group, with a 100% investment in Roofoods Ltd.

The restructure does not constitute a business combination under IFRS 3 "Business Combinations". The condensed set of financial statements included in this half yearly financial report have been prepared as a continuation of the consolidated financial statements of Roofoods Ltd. As such, the comparative and current period reserves of the Group are adjusted to reflect the statutory share capital, share premium and merger reserves of Deliveroo plc as if it had always existed.

Going concern

The Group's loss for the period amounted to £108.7 million (6 months ended 30 June 2020: £126.2 million). The Group had net assets of £1,232.9 million as at 30 June 2021 (30 June 2020: net liabilities of £140.4 million), including cash and cash equivalents of £1,626.7 million at 30 June 2021 compared to £215.6 million at 30 June 2020. As at 30 June 2021, the Group also had £75 million and €85 million of available loan finance in the form of a Revolving Credit Facility ("RCF") which has not been drawn down. No associated covenants have been breached, nor are there any forecasted breaches.

2. Basis of preparation (continued)

In order to assess the going concern basis of preparation, management has prepared a forecast which covers a period in excess of 12 months from the date of signing the interim statement, to 31 December 2022. In preparing these forecasts, management has given due consideration to the impacts of COVID on the business, in respect of order growth and profitability, in case such circumstances should reoccur. Management does not consider that there are any reasonably possible scenarios which would cause the business to have insufficient cash to be considered a going concern at any point during the forecast period, and in assessing this, has calculated the monthly average cash burn that would result in a negative cash position at the end of the forecast period. The resulting cash burn would be far in excess of any month forecasted, or incurred historically, and management is satisfied that it is wholly unlikely. Further, there are no current investment plans that would change this view.

With the widespread adoption of COVID vaccines, we consider it unlikely that there will be wholescale country lockdowns, however the business has demonstrated that it is able to adapt to a remote model and management is confident that the business would revert to the successful operating model that has been in effect during periods of lockdown.

As stated in note 2 to the condensed financial statements, the Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed financial statements.

Accounting policies

The accounting policies and 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 above, or are the same as those applied in Roofoods Ltd Annual Report and Financial Statements for the year ended 31 December 2020 (see pages 26 to 42). New standards effective on or after 1 January 2021 have been reviewed and do not have a material effect on the Company’s financial statements.

3. Segment information

Information reported to the Group's Chief Executive Officer (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). These geographical segments comprise both the operating and reportable segments under IFRS 8.

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.

The segments primarily generate revenue through the operation of an on-demand food delivery platform.

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

6 months ended 30 June 2021 (unaudited)	Note	UK and Ireland	International	Segments total	Other	Total
		£m	£m	£m	£m	£m
Revenue	4	480.6	441.9	922.5	-	922.5
Total Revenue		**480.6**	**441.9**	**922.5**	**-**	**922.5**
Cost of sales		(314.5)	(344.1)	(658.6)	-	(658.6)
Other operating income		0.1	0.5	0.6	-	0.6
Administrative expenses[4]		(107.6)	(103.9)	(211.5)	(71.9)	(283.4)
Other operating expenses		(3.2)	(4.9)	(8.1)	-	(8.1)
Segment Adjusted EBITDA*		**55.4**	**(10.5)**	**44.9**	**(71.9)**	**(27.0)**
Share based payments charge and accrued national insurance on share options		(26.5)	(0.2)	(26.7)	(0.2)	(26.9)
Market support fee		(53.8)	53.3	(0.5)	0.5	-
Legal and regulatory settlements and provisions	10	-	-	-	(9.5)	(9.5)
Exceptional income*	6	-	0.6	0.6	-	0.6
Exceptional costs*	6	(11.4)	(7.6)	(19.0)	(6.3)	(25.3)
Depreciation and Amortisation						(19.1)
Finance income						3.0
Finance costs						(0.6)
Loss before income tax						**(104.8)**

[4] Administrative expenses excludes reconciling items below

3. Segment information (continued)

6 months ended 30 June 2020 (unaudited)	Note	UK and Ireland	International	Segments total	Other	Total
		£m	£m	£m	£m	£m
Revenue	4	246.1	261.3	507.4	-	507.4
Total Revenue		**246.1**	**261.3**	**507.4**	**-**	**507.4**
Cost of sales		(152.4)	(204.4)	(356.8)	-	(356.8)
Other operating income		-	0.4	0.4	-	0.4
Administrative expenses[4]		(57.3)	(62.5)	(119.8)	(56.7)	(176.5)
Other operating expenses		(1.9)	(2.9)	(4.8)	-	(4.8)
Segment Adjusted EBITDA*		**34.5**	**(8.1)**	**26.4**	**(56.7)**	**(30.3)**
Share based payments charge and accrued national insurance on share options		(12.4)	(5.3)	(17.7)	(0.5)	(18.2)
Market support fee		(20.2)	19.7	(0.5)	0.5	-
Legal and regulatory settlements and provisions	10	-	-	-	(58.4)	(58.4)
Exceptional income*	6	-	2.3	2.3	-	2.3
Exceptional costs*	6	(1.2)	(0.4)	(1.6)	(4.0)	(5.6)
Depreciation and Amortisation						(16.9)
Finance income						0.8
Finance costs						(2.1)
Loss before income tax						**(128.4)**

[4] Administrative expenses excludes reconciling items below

3. Segment information (continued)

Year-ended 31 December 2020 (audited)	Note	UK and Ireland	International	Segments total	Other	Total
		£m	£m	£m	£m	£m
Revenue	4	599.0	591.8	1,190.8	-	1,190.8
Total Revenue		**599.0**	**591.8**	**1,190.8**	**-**	**1,190.8**
Cost of sales		(381.8)	(452.7)	(834.5)	-	(834.5)
Other operating income		0.4	0.6	1.0	-	1.0
Administrative expenses[4]		(131.0)	(125.0)	(256.0)	(100.6)	(356.6)
Other operating expenses		(6.1)	(6.4)	(12.5)	-	(12.5)
Segment Adjusted EBITDA*		**80.5**	**8.3**	**88.8**	**(100.6)**	**(11.8)**
Share based payments charge and accrued national insurance on share options		(63.7)	(10.0)	(73.7)	(1.0)	(74.7)
Market support fee		(45.9)	44.6	(1.3)	1.3	-
Legal and regulatory settlements and provisions	10	-	-	-	(79.9)	(79.9)
Exceptional income*	6	-	3.0	3.0	-	3.0
Exceptional costs*	6	(3.1)	(1.0)	(4.1)	(18.5)	(22.6)
Depreciation and Amortisation						(35.1)
Finance income						0.9
Finance costs						(5.3)
Loss before income tax						**(225.5)**

No single customer contributed 10 per cent or more to the Group's revenue in the 6 months ended 30 June 2021 and 30 June 2020.

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

The measurement of 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 financial instruments, deferred tax assets and other financial assets, split by geographical location are detailed below:

	6 months ended 30 June 2021	6 months ended 30 June 2020	Year-ended 31 December 2020
	Non-current assets		
	£m (unaudited)	£m (unaudited)	£m (audited)
UK and Ireland	86.4	83.2	79.9
Rest of the World	22.7	17.6	15.1
	109.1	**100.8**	**95.0**

[4] Administrative expenses excludes reconciling items below

4. Revenue

	6 months ended 30 June 2021 £m (unaudited)	6 months ended 30 June 2020 £m (unaudited)	Year-ended 31 December 2020 £m (audited)
UK & Ireland	480.6	246.1	599.0
Rest of the World	441.9	261.3	591.8
Total revenue	**922.5**	**507.4**	**1,190.8**

	6 months ended 30 June 2021 £m (unaudited)	6 months ended 30 June 2020 £m (unaudited)	Year-ended 31 December 2020 £m (audited)
Point in time	893.8	489.8	1,152.9
Over time	28.7	17.6	37.9
Total revenue	**922.5**	**507.4**	**1,190.8**

Contract balances are immaterial to the Group and therefore no disclosure is provided.

5. Taxation

Tax for the six month period is calculated at -6.1% (six months ended 30 June 2020: 1.0%), 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 £2.0 million was recognised in the six months ended 30 June 2021 (30 June 2020: a deferred tax credit of £0.4 million) which predominantly relates to the utilisation (30 June 2020: recognition) of the unutilised carried forward losses in overseas markets. The Group has unrecognised tax losses of £980.2 million (six months ended 30 June 2020: £792.5 million; Year ended 31 December 2020: £884.7 million) available for offset against future taxable profits. There are also unrecognised temporary differences of £68.7 million relating to share based payments (six months ended 30 June 2020: £145.4 million; Year ended 31 December 2020: £312.6 million). The significant portion of the unrecognised temporary differences arise in the UK where there is no expiry for utilisation.

6. 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 and are deemed material to the understanding of the accounts. Exceptional items include redundancy costs, Coronavirus relief grants (which relate to government grants received as a consequence of the impact of COVID-19 on the food industry), and COVID-19 related costs (primarily relating to the purchase of personal protective equipment for riders). Proposed M&A and other project costs, and legal and professional fees in relation to a regulatory investigation and preparation for an Initial Public Offering, have also been deemed exceptional and are split out below.

	6 months ended 30 June 2021 £m (unaudited)	6 months ended 30 June 2020 £m (unaudited)	Year-ended 31 December 2020 £m (audited)
Coronavirus relief grants	(0.6)	(2.3)	(3.0)
Coronavirus related costs	-	1.6	4.0
Redundancy costs	-	1.4	6.6
Legal and Regulatory fees	-	2.6	3.0
Proposed M&A and other project costs	(1.1)	-	3.2
Initial public offering related costs	26.4	-	5.8
Total exceptional items	**24.7**	**3.3**	**19.6**

7. Loss per share

The calculation of the basic and diluted loss per share is based on the following data. All losses are from continuing operations.

Loss	6 months ended 30 June 2021 £m (unaudited)	6 months ended 30 June 2020 £m (unaudited)	Year-ended 31 December 2020 £m (audited)
Loss for the period ended	(108.7)	(126.2)	(226.4)

Number of shares	6 months ended 30 June 2021 No. (unaudited)	6 months ended 30 June 2020 (Restated) No. (unaudited)	Year-ended 31 December 2020 (Restated) No. (audited)
Weighted average number of ordinary shares outstanding	1,526,798,382	1,301,233,113	1,348,387,488

Loss per share	6 months ended 30 June 2021 £ (unaudited)	6 months ended 30 June 2020 (Restated) £ (unaudited)	Year-ended 31 December 2020 (Restated) £ (audited)
- Basic	(0.07)	(0.10)	(0.17)
- Diluted	(0.07)	(0.10)	(0.17)

The weighted average number of shares has been restated in comparative periods to take into account the share split that took place during the current period.

There was no difference between basic earnings per share and diluted earnings per share, since the effect of all potentially dilutive shares outstanding was anti-dilutive.

8. Intangible assets

During the six months to 30 June 2021, the group has capitalised development expenditure of £16.5 million. There were no material disposals in the period.

During the six months to 30 June 2020, the group has capitalised development expenditure of £11.2 million. There were no material disposals in the period.

9. Trade and other payables

	6 months ended 30 June 2021 £m (unaudited)	6 months ended 30 June 2020 £m (unaudited)	Year-ended 31 December 2020 £m (audited)
Trade payables	12.5	23.0	22.9
Amounts due to restaurants	104.4	25.0	51.4
Accruals and deferred income	164.8	103.2	136.1
Corporation tax payable	3.9	-	2.2
Other tax and social security payables	163.7	62.5	61.4
Other payables	39.7	8.8	11.3
Total payables	**489.0**	**222.5**	**285.3**

The trade and other payables are considered to be short-term, non interest-bearing and have no security attached. The carrying value of trade and other payables is considered to be a reasonable approximation of fair value.

10. Provisions

	6 months ended 30 June 2021 £m (unaudited)	6 months ended 30 June 2020 £m (unaudited)	Year-ended 31 December 2020 £m (audited)
Legal provision	118.4	91.6	112.2
Earn-out provision	0.1	0.4	0.1
Total provisions	**118.5**	**92.0**	**112.3**

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

	Legal provisions £m	Earn-out provision £m
At 31 December 2020	112.2	0.1
Foreign exchange revaluation	(2.0)	-
Additional amounts provided for	8.4	-
Amounts utilised	-	-
Amounts released	(0.2)	-
At 30 June 2021	**118.4**	**0.1**

	Legal provisions £m	Earn-out provision £m
At 31 December 2019	32.0	0.4
Foreign exchange revaluation	2.3	-
Additional amounts provided for	57.3	-
At 30 June 2020	**91.6**	**0.4**

	Legal provisions £m	Earn-out provision £m
At 31 December 2019	32.0	0.4
Foreign exchange revaluation	1.8	-
Additional amounts provided for	78.5	-
Amounts utilised	(0.1)	(0.1)
Amounts released		(0.2)
At 31 December 2020	**112.2**	**0.1**

10. Provisions (continued)

The Group is involved in a number of ongoing legal and arbitration proceedings with third parties, primarily across its European territories. Material developments in the first half of 2021 have been set out in the “Riders” section of the “Operating and Strategic Review” on page 9. The amounts provided in the legal provision represent our best estimate of associated economic outflows based on the status of proceedings as at the balance sheet date, and are based on current claims from regulators, even where we dispute the amounts claimed. In some instances, court proceedings and investigations are expected to extend over several years, and as such, depending on the outcomes, the total economic outflow could be different to that currently provided. The Directors will review and revise the amounts of such provisions as necessary as and when new information becomes available. See note 13 for contingent liabilities for similar inspections types in other jurisdictions and differing stages.

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

The Earn-out provision relates to the earn-out arrangement arising on the acquisition of Cultivate Software Ltd. This is payable in two tranches a year, and two years post acquisition.

11. Share capital

Shares issued and fully paid:	6 months ended 30 June 2021	6 months ended 30 June 2020	Year-ended 31 December 2020	6 months ended 30 June 2021	6 months ended 30 June 2020	Year-ended 31 December 2020
	Shares (unaudited)	Shares (unaudited)	Shares (audited)	£ (unaudited)	£ (unaudited)	£ (audited)
Ordinary	-	1,284,971	1,336,755	-	1,284,971	1,336,755
Ordinary A	1,716,048,895	-	-	8,580,244	-	-
Ordinary B	93,420,841	-	-	467,104	-	-
Series A Preferred	-	328,947	328,947	-	328,947	328,947
Series B Preferred	-	440,579	440,579	-	440,579	440,579
Series C Preferred	-	491,566	491,566	-	491,566	491,566
Series D Preferred	-	469,150	469,150	-	469,150	469,150
Series E Preferred	-	1,243,722	1,243,722	-	1,243,722	1,243,722
Series F Preferred	-	1,395,544	1,395,544	-	1,395,544	1,395,544
Series G Preferred	-	239,289	1,435,742	-	239,289	1,435,742
Total shares issued	**1,809,469,736**	**5,893,768**	**7,142,005**	**9,047,348**	**5,893,768**	**7,142,005**

On 6 April 2021, in connection with the pre-IPO reorganisation, the Roofoods Ltd shareholders entered into a Share-for-Share Exchange Agreement with the shareholders of Deliveroo plc. As a result, Deliveroo plc became the ultimate parent company of the Group, with a 100% investment in Roofoods Ltd. Prior to Admission, all shares, including those issued as part of the Series H fundraising round in January 2021, were converted to Ordinary A and Ordinary B shares and sub-divided into 200 resulting in a nominal value per share of £0.005.

The share capital presented reflects the share capital structure of Deliveroo plc as if it had been the parent of the Group during the current period and all comparative periods.

12. Reconciliation of cash used in operations

	6 months ended 30 June 2021	6 months ended 30 June 2020	Year-ended 31 December 2020
	£m (unaudited)	£m (unaudited)	£m (audited)
Cash flows from operating activities			
Operating loss	(107.2)	(127.1)	(221.1)
Depreciation and amortisation	19.1	16.9	35.1
Loss on disposal of fixed assets	-	-	0.5
Loss on disposal of right-of-use asset	0.1	-	-
Share-based payments charge	29.8	21.2	48.3
Decrease/(increase) in inventories	(6.3)	1.9	1.4
Increase in trade and other receivables	(13.3)	(8.6)	(28.9)
Increase in trade and other payables	203.6	33.9	94.0
Increase in provisions	8.2	57.3	78.1
Cash generated from operations	**134.0**	**(4.5)**	**7.4**

13. Contingent liabilities

As regulators consider the new on-demand economy, from time-to-time companies operating in the gig economy will be subject to regulatory inspections and investigations. Certain companies in the Group are currently subject to such investigations about elements of our operating model. Whilst we defend ourselves robustly in such cases, we recognise the inherent uncertainty connected to regulatory inspections and investigations. Due to the stage of completion of such discussions, it is not possible to predict, with any reasonable certainty, the likely outcome. However, whilst we consider that the chance of economic outflow is not probable at this stage, it is possible that economic outflow could be needed to settle all or some of these claims at the eventual conclusion of such matters.

Depending on the outcomes, the total economic outflow in relation to the quantifiable contingent liabilities is estimated to be £12.6 million (year ended 31 December 2020: £10.3 million). There are further potentially material contingent liabilities which are not, at this time, quantifiable, due to the lack of available information to enable such estimation. The Directors will review the amounts of such contingent liabilities as necessary throughout the duration of the relevant proceedings and revise amounts accordingly as and when new information is available.

14. Related party transactions

The group’s related party transactions are with key management personnel and other related parties as disclosed in Roofoods Ltd Annual Report and Financial Statements for the year ended 31 December 2020.

15. Events after the reporting period

Deliveroo announced on 30 July 2021 that it proposes to consult on ending its operations in Spain. Deliveroo has determined that achieving and sustaining a top-tier market position in Spain would require a disproportionate level of investment with highly uncertain long-term potential returns, which could impact the economic viability of the market for the Company. Deliveroo's proposal to consult on the ending of its operations in Spain remains subject to full consultation with impacted employees and riders. Deliveroo anticipates that the collective consultation process will commence in early-September and the Company will work with all relevant stakeholders and prepare all required documentation accordingly. Should the Company decide to end operations after the conclusion of the consultation process, which will take around a month, the Company will make sure that appropriate compensation and goodwill packages, compliant with all local regulations and laws, will be available for riders and employees.

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 loss for the year before income tax charge/credit, finance costs, finance income, depreciation and amortisation, exceptional costs, exceptional income, legal and regulatory settlements and provisions, and share-based payments charge and accrued national insurance on share options. Adjusted EBITDA is considered to reflect the underlying trading performance of the Group and is used, amongst 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.	See interim management report page 12 for reconciliation
Gross transaction value	Gross transaction value (GTV) is defined as the total value paid by consumers, excluding any discretionary tips. GTV comprises the total food basket, net of any discounts, and consumer fees, and is represented including VAT and other sales-related taxes. It is a widely used measure for understanding the total value spent by consumers on our marketplace. GTV excludes Germany and Taiwan discontinued operations for the comparative period.	See definition for calculation method
Gross merchandise value (GMV)	Gross merchandise value (GMV) is the total value of food baskets, net of any discounts, and is represented excluding any consumer fees tips, VAT, or other sales related taxes. It is a widely used measure for understanding the value of goods traded on our marketplace.GMV excludes Germany and Taiwan discontinued operations for the comparative period.	See definition for calculation method
Gross profit margin (as % of GTV)	Gross profit margin as a percentage of GTV is defined as gross profit divided by GTV, excluding other revenue, provisions, chargebacks, and other cost of sales. It is considered a good measure of profitability at a transactional level.	See definition for calculation method
Average order value (AOV)	Average order value (AOV) is defined as the total gross meal value divided by the total number of orders. AOV is considered a key driver of the Group's GTV. AOV excludes Germany and Taiwan discontinued operations for the comparative period.	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 6 for further information
Segmental adjusted EBITDA	Information reported to the Group's Chief Executive (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 adjusted EBITDA to assess the performance of the operating segments.	See note 3 for further information
Marketing and overheads	Marketing and overheads are calculated as 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.	See interim management report page 12 for reconciliation

Alternative Performance Measures and Glossary (continued)

Metric	Definition and purpose	Reconciliation to GAAP measure
Non-financial measures		
Orders	The total number of orders delivered from our platform, including from our Marketplace and Signature offering, over the period of measurement. Orders exclude Germany and Taiwan discontinued operations for the comparative period. Order volume is considered a key driver of the Group's GTV and also gives a measure of growth in the Group's operations.	Not applicable
Monthly active consumers	The number of individual consumer accounts that have placed an order on our platform in a given month. Orders exclude Germany and Taiwan discontinued operations for the comparative period. The Group's level of monthly active consumers is considered a key driver of GTV.	Not applicable
Constant currency basis	Constant currency adjusts for period-to-period local currency fluctuations. 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.	Not applicable

Independent review report to Deliveroo plc

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 30 June 2021 which comprises the profit and loss account, the balance sheet, the statement of changes in equity, the cash flow statement and related notes 1 to 14. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, 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.

As disclosed in note 2, the annual financial statements of the group will be prepared in accordance with United Kingdom adopted International Financial Reporting 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".

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 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. 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.

Conclusion

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 30 June 2021 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.

Use of our report

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. 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
London
10 August 2021