

## Significant progress on profitability and solid GTV growth

### Performance Highlights<sup>1,2</sup>

- **H2 2022 adjusted EBITDA approximately breakeven** for all operations (including Australia and the Netherlands); this represents a significant improvement in adjusted EBITDA margin (as % of GTV) from (3.2)% in H2 2021 to (1.9)% in H1 2022 to ~0% in H2 2022.
- **Full year profitability ahead of previous guidance**, driven by gross profit margin expansion and cost control. FY 2022 adjusted EBITDA margin (as a % of GTV) is now expected to be approximately (1.0)% for all operations (including Australia and the Netherlands), better than previous guidance of (1.2)-(1.5)%.
- **Solid year of growth in 2022**, with gross transaction value (GTV) up 7% for continuing operations (excluding Australia and the Netherlands) and 5% for all operations (both in constant currency) – within the guidance range of 4-8% growth (in constant currency). In 2022, market share increased in key markets such as the UK, France and Italy through relentless focus on the hyperlocal consumer value proposition
- **Q4 2022 GTV grew by 6% year-on-year** for continuing operations. GTV per order was up 8% driven by item level price inflation and consumer fee optimisation; orders were down (2)%, reflecting the continuing difficult consumer environment. In Q4 2022, GTV increased by 10% sequentially (vs seasonally weaker Q3).
- **Adjusted EBITDA is expected to continue to improve in 2023**; management will provide 2023 guidance at FY 2022 results on 16 March 2023.

Will Shu, Founder and CEO of Deliveroo, said: *“I am proud of the team delivering significant improvements in profitability whilst also still delivering growth in a difficult macroeconomic environment. I am particularly pleased that we have done so while improving our consumer value proposition, meaningfully increasing the selection of restaurants and grocers available on the platform. As always, we continue to be focused on strengthening our offer for each side of our marketplace through a hyperlocal lens. Amidst an uncertain outlook for 2023, we remain confident in our ability to adapt financially and to make continued progress on our path to profitability.”*

### GTV and Orders for continuing operations

Continuing operations (excluding Australia and the Netherlands)	Q4 2022	Q4 2021	% Change		FY 2022	FY 2021	% Change	
			Reported	Constant currency			Reported	Constant currency
<b>Group</b>								
GTV (£m)	1,795	1,650	9%	6%	6,848	6,305	9%	7%
Orders (m)	75.1	76.8	(2)%	-	299.2	284.1	5%	-
GTV per order (£)	23.9	21.5	11%	8%	22.9	22.2	3%	2%
<b>UKI</b>								
GTV (£m)	1,030	945	9%	9%	3,888	3,570	9%	9%
Orders (m)	40.6	40.4	0%	-	158.4	147.7	7%	-
GTV per order (£)	25.4	23.4	9%	8%	24.5	24.2	1%	2%
<b>International</b>								
GTV (£m)	765	705	9%	2%	2,960	2,735	8%	5%
Orders (m)	34.5	36.4	(5)%	-	140.8	136.4	3%	-
GTV per order (£)	22.2	19.4	14%	7%	21.0	20.0	5%	1%

<sup>1</sup> Deliveroo ended operations in Australia and the Netherlands on 16 November 2022 and 30 November 2022, respectively. To provide a better understanding of performance for the ongoing operations, analysis of the Company's results in this announcement is on a 'continuing operations' basis, which excludes results from Australia and Netherlands for the current period and comparative periods, unless otherwise stated; references to 'all operations' include activities in Australia and the Netherlands in the current period and comparative periods, but exclude discontinued operations in Spain (where operations ended on 29 November 2021) from comparative periods.

<sup>2</sup> In this section, all growth rates for GTV and GTV per order are in constant currency unless otherwise stated.

## Year-on-year GTV growth

% change*	Continuing operations (excluding Australia and the Netherlands)					All operations (including Australia and the Netherlands)				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
<b>Group</b>	<b>12%</b>	<b>3%</b>	<b>8%</b>	<b>6%</b>	<b>7%</b>	<b>12%</b>	<b>2%</b>	<b>5%</b>	<b>2%</b>	<b>5%</b>
UK & Ireland	12%	4%	11%	9%	9%	12%	4%	11%	9%	9%
International	11%	2%	4%	2%	5%	11%	1%	(2)%	(6)%	1%

\* % change shown in constant currency

## Performance Review

### 1. Overview

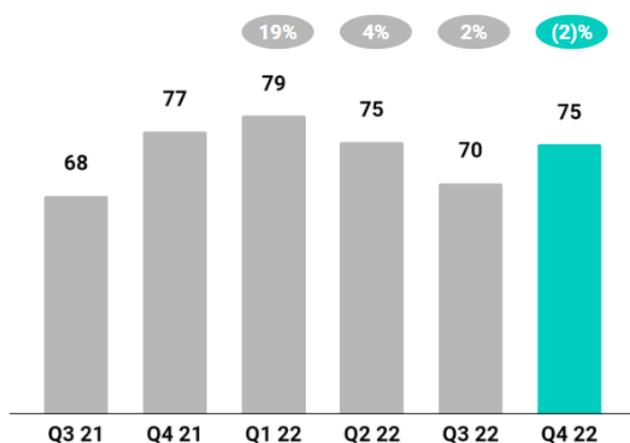
Deliveroo produced a solid operating performance in 2022, despite the difficult consumer environment. For the full year, gross transaction value (GTV) increased to £7,082 million for all operations (see Appendix 1), including results from Australia and the Netherlands until operations ended in November 2022. This represents year-on-year growth of 7% in reported currency and 5% in constant currency. For continuing operations (excluding Australia and the Netherlands), full year GTV was £6,848 million, an increase of 9% in reported currency and 7% in constant currency. On either basis, this falls within the 4-8% constant currency growth guidance range provided in October 2022.

In Q4 2022, GTV for continuing operations was £1,795 million, up 9% (6% in constant currency) year-on-year. Orders declined (2)% year-on-year, but this was more than offset by year-on-year growth in GTV per order of 11% (8% in constant currency), driven by item level price inflation and optimisation of consumer fees during 2022. Sequentially (vs Q3 2022), Q4 2022 GTV increased by 10% in constant currency and orders were up 7%, as Q4 rebounded from the seasonally weaker Q3. GTV per order has increased quarter-by-quarter since Q3 2021 to reach £23.9 in Q4 2022, primarily driven by item price inflation.

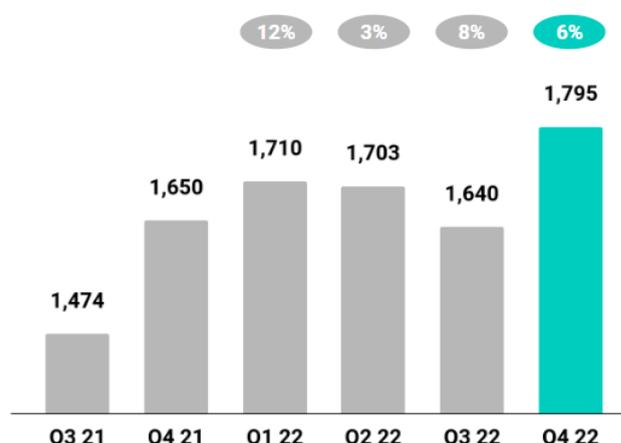
FY 2022 results will be announced on 16 March 2023. Management expects to report FY 2022 adjusted EBITDA margin (as a % of GTV) of approximately (1.0)% for all operations (including Australia and the Netherlands), better than previous guidance of (1.2)-(1.5)%, driven by gross profit margin expansion and cost control. In H2 2022, adjusted EBITDA was approximately breakeven for all operations; this represents a significant improvement in adjusted EBITDA margin (as % of GTV) from (3.2%) in H2 2021 to (1.9%) in H1 2022 to ~0% in H2 2022.

Adjusted EBITDA is expected to continue to improve in 2023, and management will provide 2023 guidance at FY 2022 results on 16 March 2023.

### Orders m, global



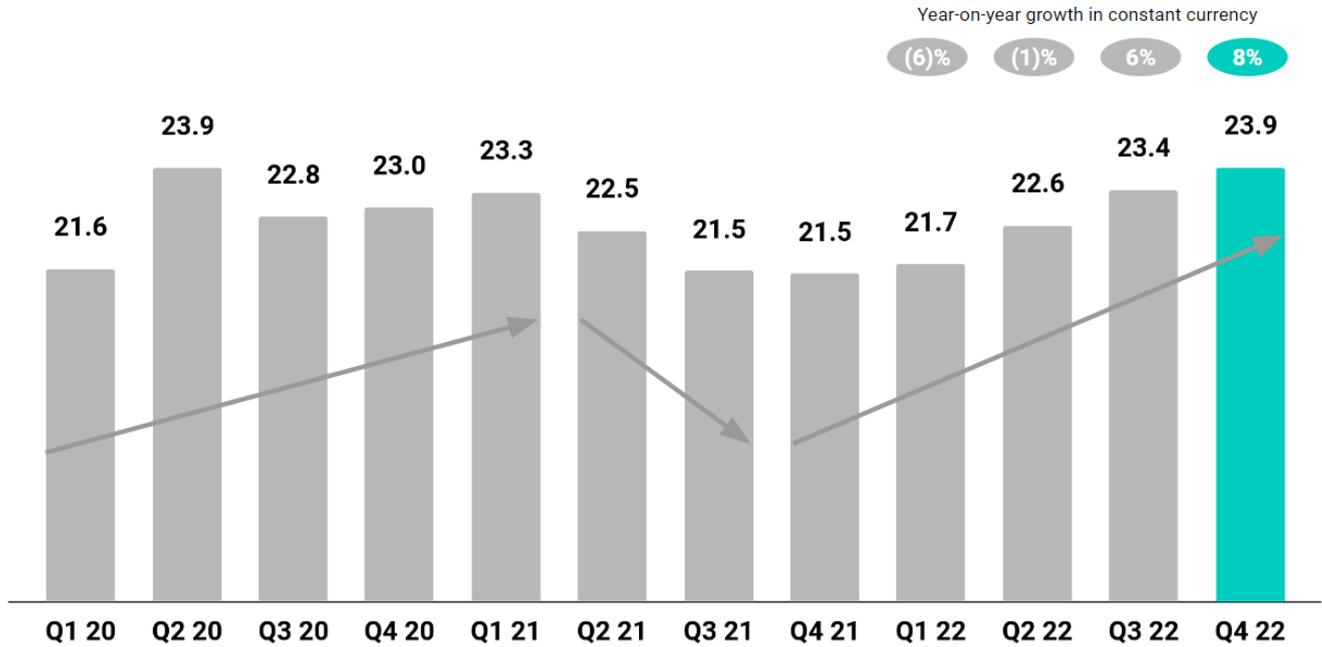
### GTV\* £m, global



x% Year-on-year growth

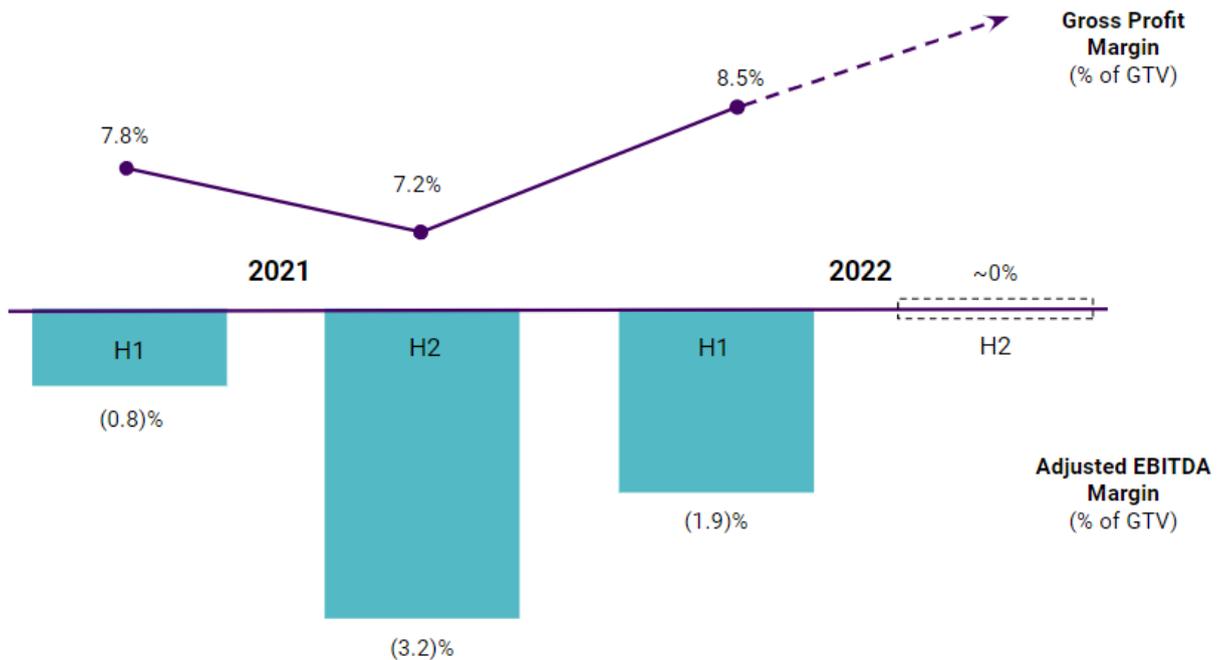
\* GTV growth rates shown in constant currency.

**GTV per order\***  
£, global



\* Only 2021 and 2022 GTV per order numbers have been restated to exclude Australia and the Netherlands.

**Profitability\*, H1 2021 to H2 2022**



\* For all operations

## 2. 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 UKI, GTV was £1,030 million and orders were 40.6 million in Q4 2022. Year-on-year, GTV growth was 9% in constant currency, ahead of order growth, which was broadly flat, due to an increase in GTV per order vs Q4 2021 driven by item level price inflation and optimisation of consumer fees during 2022. Sequentially and in constant currency, GTV and orders were up 9% and 8%, respectively, after the seasonally weaker Q3, whilst GTV per order was up 1%. For FY 2022, GTV growth was 9% in constant currency, with order growth of 7% and GTV per order growth of 2%.

UK and Ireland	Q4 2022	% Change*		FY 2022	% Change*
		vs Q4 2021	vs Q3 2022		vs FY 2021
GTV (£m)	1,030	9%	9%	3,888	9%
Orders (m)	40.6	0%	8%	158.4	7%
GTV per order (£)	25.4	8%	1%	24.5	2%

\* % change shown in constant currency

### International

In International, GTV was £765 million and orders were 34.5 million in Q4 2022. Year-on-year, GTV grew by 2% in constant currency, as orders declined by (5)% offset by GTV per order increasing by 7% in constant currency driven by item level price inflation and optimisation of consumer fees during 2022. Sequentially and in constant currency, GTV and orders were up 10% and 6%, respectively, after the seasonally weaker Q3, whilst GTV per order was up 4%. For FY 2022, GTV growth was 5% in constant currency, with order growth of 3% and GTV per order growth of 1%.

International (excluding Australia and the Netherlands)	Q4 2022	% Change*		FY 2022	% Change*
		vs Q4 2021	vs Q3 2022		vs FY 2021
GTV (£m)	765	2%	10%	2,960	5%
Orders (m)	34.5	(5)%	6%	140.8	3%
GTV per order (£)	22.2	7%	4%	21.0	1%

\* % change shown in constant currency

As announced in November, during Q4 2022 Deliveroo decided to end its operations in Australia, which in H1 2022 had represented approximately 3% of Deliveroo's total Gross Transaction Value (GTV) and had negatively impacted the Company's adjusted EBITDA margin (as % of GTV) by approximately 30 basis points. The decision to end operations in Australia was driven by the Company's disciplined approach to capital allocation. Working with the local Australian leadership, the Company determined that it could not reach a sustainable and profitable scale in Australia without considerable financial investment, and the expected return on such investment was not commensurate with Deliveroo's risk/reward thresholds.

### 3. The three sides of the marketplace

#### Consumers

Deliveroo's consumer base was broadly stable year-on-year, with an average of 7.4 million monthly active consumers (MACs) in Q4 2022, down 1% compared to Q4 2021 due to the challenging macroeconomic environment, which has seen weaker acquisition of new consumers and retention of existing consumers. Sequentially, total MACs in Q4 2022 increased by 6% compared to Q3 2022, which was impacted by summer seasonality in European markets. Average monthly order frequency of 3.4x in Q4 2022 was broadly stable both sequentially and year-on-year.

Continuing operations (excluding Australia and the Netherlands)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
UK & Ireland	3.6	3.9	3.8	4.1	4.1	4.0	3.9	4.1
International	3.0	3.2	3.0	3.4	3.5	3.4	3.1	3.3
Average monthly active consumers (m)	6.6	7.1	6.8	7.5	7.6	7.4	7.0	7.4
<i>Year-on-year growth in MACs</i>	-	-	-	-	15%	5%	4%	(1)%
Average monthly order frequency	3.4	3.4	3.4	3.4	3.4	3.4	3.3	3.4

#### Restaurants and on-demand grocery partners

Restaurant selection is an important part of Deliveroo's consumer value proposition. The choice and availability to consumers – on a neighbourhood-by-neighbourhood basis – continues to increase. At the end of the period, Deliveroo worked with approximately 158,000 restaurant partner sites globally, compared to around 150,000 (excluding Australia and the Netherlands) at the end of Q3 2022. At the end of 2022, Deliveroo had approximately 18,000 grocery sites live globally, compared to over 16,000 (excluding Australia and the Netherlands) at the end of Q3 2022.

#### Riders

Riders are a vital part of Deliveroo's three-sided marketplace. Deliveroo works with around 150,000 riders globally and continuously works to balance rider supply and demand. In Q4 2022, rider application pipelines and retention rates remained robust, and global rider satisfaction was 83%.

### 4. Share purchase programme

As previously announced, in H2 2022 Deliveroo commenced a share purchase programme of up to £75 million to acquire Class A Ordinary Shares for the purpose of mitigating dilution from share-based compensation plans. Shares have been purchased by Deliveroo's Employee Benefit Trust (EBT) and repurchased shares will be held by the EBT and used to satisfy employee share-based compensation awards. From launch of the share purchase programme on 1 September 2022 until 31 December 2022, the EBT had purchased a total of 73.8 million shares for a total gross purchase consideration of £66.0 million. Since the year end, the EBT has completed the share purchase programme. From launch of the share purchase programme on 1 September 2022 until completion on 17 January 2023, the EBT purchased a total of 83.3 million shares for a total gross purchase consideration of £75.0 million.

*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.*

## Contact information

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### Analyst and investor call

A conference call and webcast with Q&A for analysts and investors will be held today at 09:00 GMT / 10:00 CET. Registration details as follows:

Conference call: [https://secure.emincote.com/client/deliveroo/q4-2022/vip\\_connect](https://secure.emincote.com/client/deliveroo/q4-2022/vip_connect)

Webcast: <https://secure.emincote.com/client/deliveroo/q4-2022>

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

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

Deliveroo is an award-winning delivery service founded in 2013 by William Shu and Greg Orlowski. Deliveroo works with approximately 176,000 best-loved restaurants and grocery partners, as well as around 150,000 riders to provide the best food 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, Qatar, Singapore, United Arab Emirates, Kuwait and the United Kingdom.

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 three-month period ended 31 December 2021 unless otherwise stated.
3. References to "Q4" are to the three-month period ended 31 December 2022 and to "Q3" are to the three-month period ended 30 September 2022, unless otherwise stated. References to the "year", "financial year" or "2022 financial year" are to the financial year ending 31 December 2022 and references to the "last year", "last financial year" or "2021 financial year" are to the financial year ended 31 December 2021 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.

## Appendix 1: GTV and Orders including Australia and the Netherlands

All operations* (including Australia and the Netherlands)	Q4 2022	Q4 2021	% Change		FY 2022	FY 2021	% Change	
			Reported	Constant currency			Reported	Constant currency
<b>Group</b>								
GTV (£m)	1,823	1,733	5%	2%	7,082	6,631	7%	5%
Orders (m)	76.3	80.8	(6)%	-	309.9	300.6	3%	-
GTV per order (£)	23.9	21.4	12%	8%	22.9	22.1	4%	2%
<b>UKI</b>								
GTV (£m)	1,030	945	9%	9%	3,888	3,570	9%	9%
Orders (m)	40.6	40.4	0%	-	158.4	147.7	7%	-
GTV per order (£)	25.4	23.4	9%	8%	24.5	24.2	1%	2%
<b>International</b>								
GTV (£m)	792	788	1%	(6)%	3,194	3,061	4%	1%
Orders (m)	35.6	40.4	(12)%	-	151.5	152.9	(1)%	-
GTV per order (£)	22.2	19.5	14%	7%	21.1	20.0	6%	2%

\* All operations include activities in Australia and the Netherlands in the current period and comparative periods, but exclude discontinued operations in Spain (where operations ended on 29 November 2021) from comparative periods.