CFA Institute Research Challenge

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Team HEC Liège - ULiège

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Highlights

We issue a SELL recommendation on Just Eat Takeaway.com's (JET or TKWY) stock.

One-year target: €10.05, downside: 18.36%, Current price: €12.31

Our €10.05 price target is determined from a weighted average, combining our DCF valuation at €10.01 (80%) and our multiples analysis at €10.21 (20%).
Our conclusion is primarily driven by the inefficiency of the solutions proposed by the company to address the persistent strategic impasse, which has caused JET to lose ground against its competitors and which has severely undermined its growth prospects. Despite the market having already heavily penalized the stock with a significant devaluation over five years, we anticipate a continuation of the negative momentum as we remain unconvinced by the shift towards profitability, even if the market hopes for a stabilization of the decline.

JET: an unconvincing shift in trajectory to limit altitude loss. JET recently faced crushing defeats and declines across multiple markets outside its Northern European and UK strongholds. A failure in the U.S., inevitable exits in France and other regions, a loss of momentum in Canada, and stagnation in Southern Europe reveal a company struggling to stay afloat beyond its home turf. While JET frames this retreat as a shift towards profitability, it seems more like a forced move, a retreat the company is constrained to make rather than a true strategic shift. This approach is unlikely to succeed due to its high-cost structure, particularly the heavy burden of courier expenses in Europe, where strict regulatory frameworks and rising labor costs further hinder the company's ability to achieve sustainable profitability.

JET: a cancelled flight towards innovation. JET's growth prospects in the grocery delivery market are hindered by its delayed entry. JET's direct rivals, including supermarkets and other delivery companies, have been quicker to act and adapt. This tendency to move reactively, is further reflected in the company's limited innovation in its business model. Unlike competitors who have embraced advancements such as dark kitchens, subscription models, or even a pivot toward Q-Commerce, JET has struggled to renew its approach and keep pace with industry structural changes.

JET: stuck in a financial black hole, neither Growth nor Value stock. We strongly question JET's ability to establish itself as a true value or quality stock. In addition to the challenges posed by structural barriers and high courier costs, the company is now almost entirely reliant on the North European and UK & Ireland markets (Figure 1), where it faces strong competitors that have been quicker to adapt and evolve their business models, both in the meal and the grocery delivery markets. JET transitioned from being a visionary company in meal delivery in the early 2000s to a follower acting reactively, like in grocery delivery, despite operating in an environment where the first-mover advantage is crucial. A quantitative analysis (see investment summary) reveals that JET does not fit into either the "Growth" or "Value" stock category neither as quality stock. While its Book-to-Market ratio of 2.20 suggests it could be a value stock, our quantitative analysis does not confirm this classification, leaving the stock in a financial void, unable to position itself as an attractive investment. This reinforces our thesis to assign it a firm "sell" recommendation.

JET's Metrics as of the 10th of January 2025

5-year cumulative return	-85.78%
1-year cumulative return	-11.63%
6-month cumulative return	7.10%
1-month cumulative return	-23.88%
BTM	2.20
P/E	-7.42
β	1.007
Number of shares outstanding	208,967,956
Free float	84%

Source: Team analysis, press releases, Refinitiv

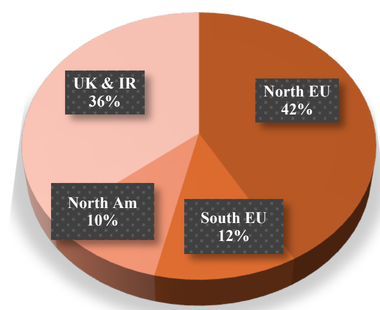
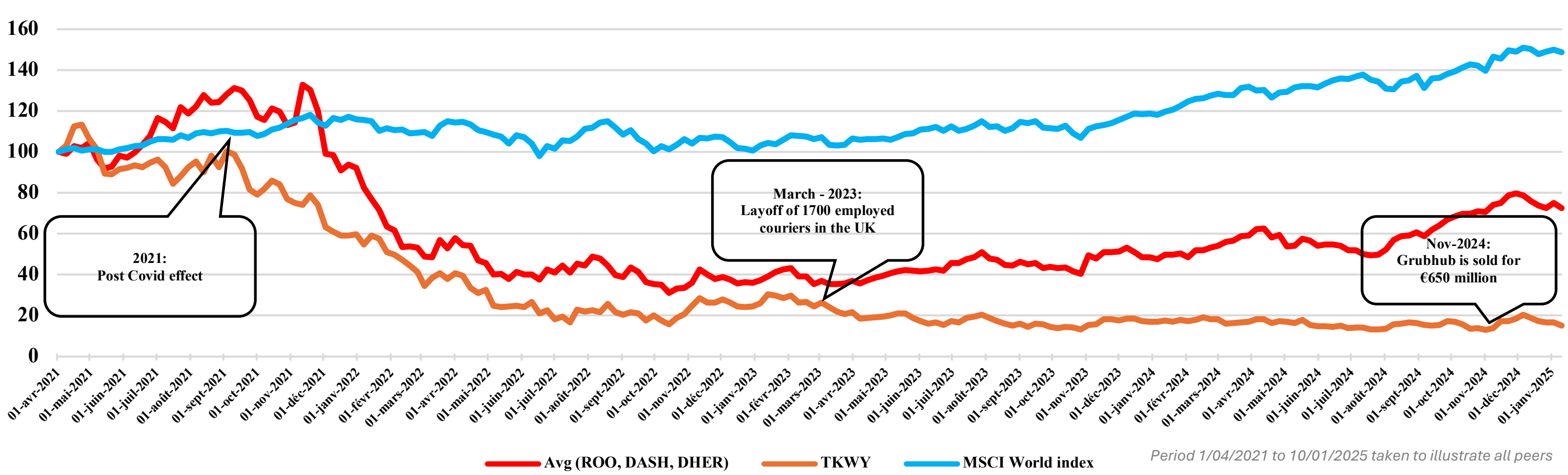


Figure 1: Gross Transaction Value (GTV) split percentage for JET across the regions it is operating in for FY2023 excluding the U.S.
Source: Annual report

JET consistently underperforms compared to its peers and the MSCI Worldindex, highlighting ongoing challenges.



Source: Refinitiv

Investment summary

Our target price of €10.05 is determined by a weighted average of a DCF valuation (80%) and a multiples analysis (20%). By weighting the DCF more heavily, we want to emphasize JET's inability to grow in the evolving online grocery/retail delivery market, the fact that the company does not showcase any differentiating factors compared to peers, and its weakening position in the Canadian market. This represents a 18.36% downside compared to the closing price of €12.31 on January 17th.

The **DCF valuation** of JET incorporates three market share scenarios across key regions. The **base case (68%)**, where JET grows at a slower pace than peers, with stagnant or slightly declining market shares. We expect **weak revenue growth** for JET, CAGR of 3.5%, adjusted for divestitures. This outlook stems from our view that **JET is likely to fail in its primary growth avenue, grocery delivery, due to its late market entry compared to competitors**. JET's management also announced a target adjusted EBITDA/GTV growth of 5%. Based on our forecast, this objective is not realistic, and we estimate a LT adjusted EBITDA/GTV of about 1.4%. Furthermore, its stable positioning in meal delivery, which is entering a maturity phase, offers very limited growth potential. **JET's asset turnover** stood at 0.51 in 2023, significantly lower than competitors, who range between 0.80 and 1.99. Although some improvements have been made, no major future gains in asset utilization are expected due to ongoing efficiency challenges. Moreover, our forecast shows that the return on capital employed (return on equity) is lower than the WACC (cost of equity), indicating value destruction for the company (shareholders) (Appendix 5.4). A structurally lower take rate and declining active consumers in key markets further limit its competitiveness. Additionally, JET's capital-intensive infrastructure and underutilized assets constrain revenue growth and margin expansion prospects in the near term. Regarding the other scenarios, the **bear case (16%)** sees JET losing significant market share due to a failed transition into online grocery/retail delivery. In the **bull case (16%),** JET succeeds in this segment and gains market shares across markets.

A **relative valuation** using 2026 forward EBITDA, Sales, and EBIT multiples resulted in a €11.76 share price, implying a -6.12% downside, aligning with a skeptical industry outlook and doubts about JET's grocery/retail expansion. To reinforce this view, a sensitivity analysis and a Monte Carlo simulation were conducted. The latter indicated 72.3% of outcomes below JET's January 17th closing price, highlighting high downside risk.

To further understand the nature of the stock, we ran **a 5-factor Fama-French linear regression model** using Developed Market data from the Kenneth R. French library (Appendix 6.1). The exposure to HML is only marginally significant (at the 10% level), which supports the point that while the ratio suggests a value orientation, **the regression indicates a slight growth tendency**. The coefficient on RMW is not significant and economically close to zero which **indicates that the firm does not exhibit characteristics of high-quality firms** (profitable and resilient). The strong and significant negative coefficient on CMA indicates that the firm has pursued an aggressive investment policy, with **an expected negative return** associated with this factor. Finally, the **alpha is effectively zero**, which suggests that the model captures most of the firm's performance through systematic factors, leaving no significant abnormal performance.

Table 1: Valuation methods, relative weights, and downside potential compared to target price as of the 17th of January 2025

Scenario	Weight	Price
DCF	80%	10.01€
Relative multiple	20%	10.21€
Target Price		**10.05€**
Downside Potential		18.36%

Source: Team analysis, Capital IQ ©

Table 2: Price estimate per scenario and contribution to DCF share price

Scenario	Estimated share price	Likelihood	Contribution to share price
Bear case	1.24€	16%	€0.20
Base case	9.14€	68%	€6.21
Bull case	22.48€	16%	€3.60
Source: Team analysis			**€10.01**

Fama – French five factor's linear model metrics

Alpha (α)	-0.0013
R_{Mkt-Rf}	1.09***
SMB	0.90***
HML	-0.37*
RMW	-0.05
CMA	-1.22***
Adj. R^2	0.2
Number of observations	1241
F-stat	63.06
Time interval	5 years (daily)

Source: Team analysis, Kenneth R. French Library

** stands for significant at 10% level, ** at 5% and *** at 1% level*

General business description

JET is active in the online food delivery market and in the grocery/retail delivery market, two subsets of online food delivery. The company was born from the merger in 2020 of Just Eat and Takeaway.com (Appendix 1.1) Based in Amsterdam, JET operates in 17 countries located in 4 regions: Northern America (North Am, North American), UK & Ireland (UK & IR), Southern Europe and ANZ (South EU, South European), Northern Europe (North EU, North European) (Appendix1.2). JET operates under two main business models: the "marketplace" model and the "logistics" model (Appendix 1.3). In the marketplace model, JET connects 59 million active consumers to 366,000 partners in 2025, losing 22 million consumers and 365,000 partners after its U.S. exit on the 7th of January 2025[1]. It acts solely as an intermediary between the customer

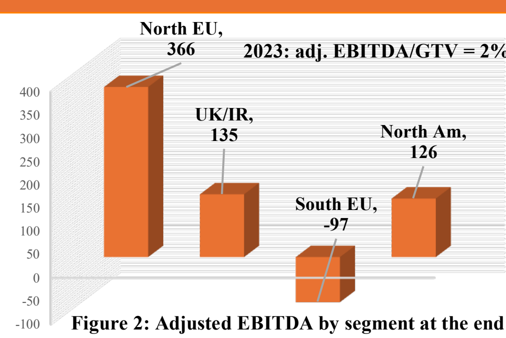


Figure 2: Adjusted EBITDA by segment at the end of 2023, U.S. included (€million)

Source: Annual report

[1] On January 7th, 2025, JET sold GrubHub for $650 million, exiting the U.S. market and leaving behind 358,000 partners, 22 million customers, and €8.06 billion in GTV. Struggling with growth and profitability in a competitive US market, the sale of GrubHub illustrates JET's focus on efficiency, profitability, and positive cash flow. Resources are now directed to core European markets, targeting 2% to 6% GTV growth in 2024 with a broader product offering. In line with the intention to focus on its core valuable markets, JET recently also exited the French and New Zealand market.

and the restaurant, with the restaurant handling delivery. The company's income is primarily derived from the commission it charges to partners based on the value of the goods ordered or from other services (payment services, advertising, data analytics, sales of sustainable packaging).
In the logistics model, JET not only facilitates the connection between the customer and the restaurant but also manages the delivery process with 6,937 FTE employed couriers in continental Europe to comply with the EU platform workers directive, and independently contracted couriers in their other operating regions (legal person or third-party provided couriers) (Appendix 1.3). The take rate charged by JET is approximately 10% under the marketplace model, whereas it rises to about 30% under the logistics model.
JET highlights two strategic priorities to achieve its long-term objectives without specifying a timeline for their realization. First, JET aims to achieve economies of scale by attracting more restaurants, which expands the variety of options available to customers, and by increasing the number of customers, which boosts order volumes for restaurants. This mutually reinforcing dynamic reduces marginal costs and facilitates the acquisition of new partners and new customers (network effect). JET's ultimate objective is to switch from a growth to a profitability strategy by re-focusing on its key markets. The process of strengthening its presence in these regions is at varying stages: some areas are still in the planning phase, while others are already undergoing operational optimizations, increased brand visibility, and increased partnerships with local partners. JET's long-term objective is to reach an adj. EBITDA/GTV over 5% (Figure 2). Secondly, JET aims to tap into new revenue streams and broaden its customer base (Appendix 1.4). For that, JET expands its value proposition to grocery, retail, pharmacy, and wellness products.
JET's authorized capital as of December 31st, 2023, amounted to €16 million and is divided into 400,000,000 shares. JET's issued capital amounted to €2,572 million divided into 208,967,956 ordinary shares, of which 252,357 shares were held by Stichting Administratiekantoor Takeaway.com (STAK) to fulfill potential future obligations under various share-based payment plans. As of October 8th, 2024, the Company held 5,777,615 own shares in treasury, none of which have voting rights. The shares, with a free float of about 84%, are tradeable on Euronext Amsterdam (TKWY). They are mainly owned by institutional investors without a majority shareholder (Table 3). However, some institutional investors seem to hold a certain level of influence. In 2022, Cat Rock suggested selling Grubhub and focusing on European markets, later reducing its stake from 6.5% to 4.4%, reflecting dissatisfaction with JET's strategy in North America.

Table 3 : Shareholders with more than 3%

Shareholder with 3% or more interest	Capital interest	Voting interest
J. Groen	7%	7%
Goldman	7%	7%
Caledonia Investments	6%	6%
S.A. Klarman	5%	5%
JP Morgan Chase & Co	5%	5%
Cat Rock Capital	4%	3%
Société Générale	4%	4%
Norges Bank	3%	3%
Eminence Capital	3%	3%
FIL Limited	3%	3%
UBS Group AG	3%	3%
JET	3%	0%
STAK	0%	
Others	33%	

Source: Jet shareholder information page

Industry overview and positioning

Industry Trends & Competitiveness

Appendix 2.1 provides a detailed Porter 5 Forces analysis (Figure 3). While both meal delivery and grocery delivery operate within platform-based logistics, they are experiencing distinct dynamics. On the one hand, the meal delivery is entering a mature phase, characterized by evident consolidation and limited growth. On the other hand, the grocery delivery market is experiencing its growth phase, with higher growth expectations, even though our conclusions remain conservative. Meal delivery has high barriers to entry due to the need for a robust network of restaurant partners, incumbents' network effects, and first-mover advantages. While a large competitor from another platform-based industry (i.e.: Amazon) could still enter if it leverages an existing customer base, it remains an unlikely scenario. By contrast, grocery delivery has lower barriers, with easier partner network formation and no dominant player, which allows more competition and accessibility for new entrants such as supermarket chains establishing their own services and third-party delivery operators expanding into groceries. Moreover, in meal delivery, platforms hold significant power due to the abundance of small restaurants heavily reliant on them for visibility. However, larger restaurant chains have moderate leverage through strong brands awareness, yet they also depend on platforms for reach. Conversely, in grocery delivery, major supermarket chains dominate with consolidated market presence and strong bargaining power, since platforms compete to secure partnerships with these key players. Meal delivery is less substitutable in scenarios prioritizing convenience and immediacy, such as after work or during leisure. Alternatives like cooking or dining out meet similar needs but lack the same ease (Figure 7). Grocery delivery, on the other hand, is more easily substituted due to lower urgency, with options like in-store shopping, curbside pickup, and slower delivery models offering cost savings and flexibility. Finally, both markets share high price sensitivity and low switching costs, enabling multi-homing and weakening

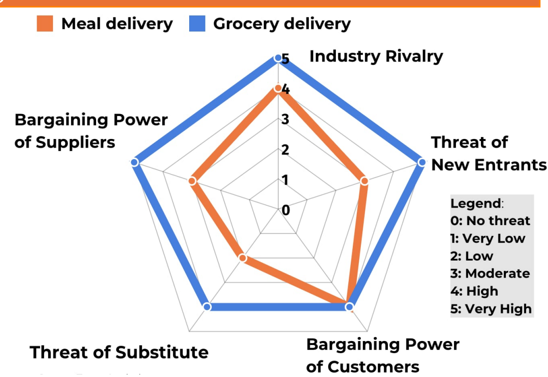


Figure 3: Porter's 5 Forces Analysis
Source : Team analysis

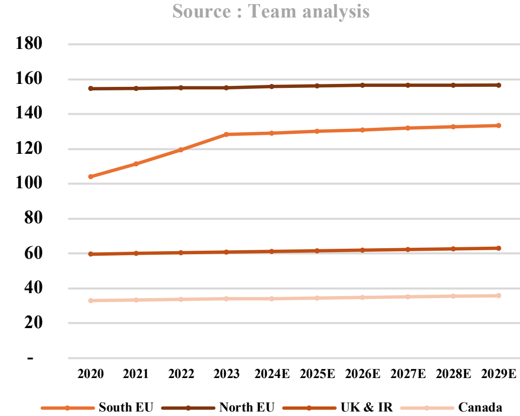


Figure 4: Online Food Delivery Users by market (in million)
Source: Team analysis

loyalty. Consumers influence pricing, acceptable delivery fees, and service quality benchmarks, which platforms must meet to remain competitive.

Meal Delivery

Market Consolidation, a Winner-Takes-All Market. Born at the dawn of the 2000s, the meal delivery market experienced a growth phase closely tied to the increasing use of the internet and smartphones for online shopping, with a notable rebound during the COVID period (Figure 5). A natural post-COVID downturn has since been observed, but volumes remain above pre-pandemic levels, and the market continues to exhibit slower growth as it enters its maturity phase (Figure 6). Historically driven by growth through mergers and acquisitions with a focus on geographical expansion (Appendix 1.1), major players are now divesting and exiting regions where they are losing the battle to concentrate on streamlining operations in areas where they hold leadership positions.

Business Model Innovation, a way to stand-out. To survive the upcoming shakeout phase, growth strategies have focused on strategic pivots towards core value creation. Owning dark kitchens (delivery-focused facilities that operate without a physical dine-in space) allows companies to bypass restaurant margins. Furthermore, offering premium subscription services help retain consumers and generate stable revenue streams. Moreover, artificial intelligence enables the prediction of delivery wait times for specific restaurants and orders, allowing operations to be streamlined (e.g., facilitating efficient order pooling). Another business model innovation is the integration of B2B partnerships to offer meal vouchers directly through the application for employees. Beyond business model innovations, demand for online delivery services is driven by accessibility, app usability, value propositions (affordability, quality, and social appeal), situational incentives like discounts, and user trust and convenience. These factors collectively ensure the success of delivery platforms. All platforms are aligned with these key demand drivers making diversification and innovation essential to stand out in the market.

Service Range Development, increase the pie. In response to the sector's slowing growth, online food delivery marketplaces are willing to fulfill a broader role across a diversified range of products, particularly in grocery delivery, which spans from supermarkets to pharmacies, including florists and other goods (Appendix 1.4)

Grocery/Retail Delivery

Race against time, everyone wants a piece of the pie. With the sector's rapid development, the market is flooded with new entrants, from food delivery players to grocery stores launching their delivery services (Appendix 2.1 for a detailed Porter's 5 forces analysis). Competition is intensifying, and smaller players are already starting to exit. The market stems from a model imported from the U.S., where the first grocery delivery apps were launched in the early 2010s. The sector is now well-established across the Atlantic and has been gradually expanding into Europe over the past few years (Figure 6). The market in Europe is now at a turning point, and players must continue to persuade increasingly busy Europeans to entrust them with their daily grocery needs, opting for delivery to their homes or workplaces.

Aligning with sub-sectors' standards, the key shift. Whether it is established players accustomed to delivering other products, new entrants lured by potential profits, or grocery stores managing their own deliveries, all must work tirelessly to ensure flawless customer service. Highly specific sub-sectors, such as pharmacies, require delivery protocols with zero margin for error. To become a global player in the industry, a company must be able of handling all types of product delivery.

Competitive positioning

JET's current competitive positioning is better explained by the following elements (Table 5). In 2023, JET reported revenues of €5,167 million, representing a take rate of 19.5% on its total GTV. This take rate lags behind key competitors, as Deliveroo and Delivery Hero achieve higher take rates of 28.5% and 22%, respectively. A breakdown of GTV drivers average transaction value (ATV) and the number of active consumers reveals concerning trends for JET. Both JET and Deliveroo have experienced a decline in total orders over recent years, whereas DoorDash has exhibited robust growth, with orders increasing by 24% from 2022 to 2023. Furthermore, JET's active consumer base has shrunk significantly in critical regions, including Southern Europe, the UK & Ireland, and Northern Europe, contributing to an 8% year-over-year decline in active consumers from 2022 to 2023.

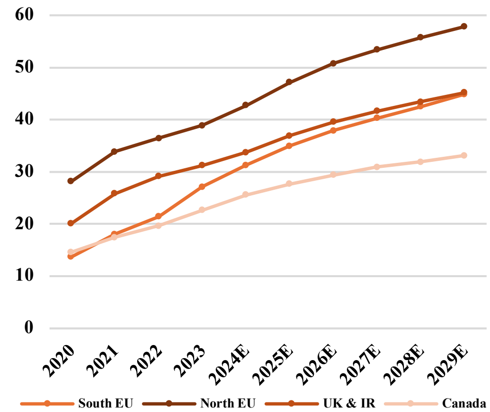


Figure 5: Historical and Expected GTV for the different markets (Meal and Delivery/retail delivery) JET is operating in from 2020 to 2029E (in €billion)
Source: Team analysis

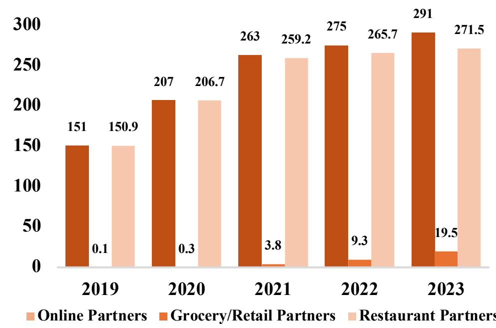


Figure 6: JET's total online partners and partner split (Meal and Grocery/Retail) evolution from 2019 to 2023 (in thousands)
Source: Team analysis

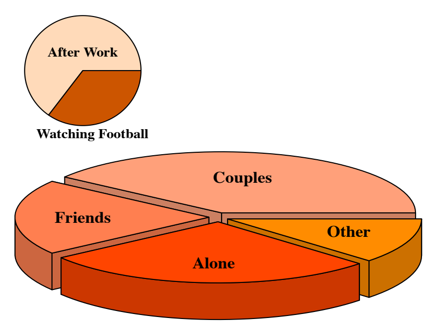


Figure 7: Order habits of people for Meal delivery in the North EU, South EU, and UK & IR markets
Source: Jet annual report

Table 4: Forecasted growth for the Meal and Grocery/Retail delivery per region between 2024 and 2029

Regions	CAGR
Northern EU	6.84%
Southern EU	8.77%
UK & IR	6.34%
Canada	6.55%

Source: Team analysis

In contrast, DoorDash has demonstrated remarkable expansion, with a 48% increase in order volume between 2021 and 2023, driven by substantial growth in its active consumer base. On a positive note, JET's ATV of €30 per basket is comparable to DoorDash, although Deliveroo trails with a lower ATV of €24. This indicates JET maintains competitive transaction sizes despite challenges in other performance metrics. JET's operating expenses per order, estimated at €3.10 per order, highlight areas for improvement, especially when compared to DoorDash, which operates more efficiently with an estimated €2.10 per order. This disparity underscores the need for cost optimization in delivery operations and order fulfillment to enhance profitability and better align with competitors. In terms of technology and platform usage, JET's daily active users (DAU) average 1.2 million globally, representing about 8% of its monthly active user base of 15 million. By comparison, DoorDash achieves a DAU/MAU ratio of 12%, demonstrating stronger user engagement and retention. Additionally, JET's app retention rate of 35% at 30 days trails DoorDash's 45%, indicating an opportunity for improvement in customer loyalty and repeat orders through platform enhancements.

Subscription model. JET lags its competitors in terms of business model innovation: Deliveroo, Delivery Hero, and DoorDash have successfully implemented subscription models for their whole markets, providing customers with benefits such as free deliveries and exclusive discounts. JET has implemented subscription models in joint partnerships with Amazon in the U.S., and more recently in Germany and Austria, but still needs to prove efficacy. Subscription models have become a standard strategy for increasing customer engagement and fostering loyalty, with the aim of generating consistent revenue streams. They encourage repeated usage by offering tangible benefits and creating a sense of exclusivity and value for subscribers. Without an efficient and globally implemented subscription model, JET may struggle to attract and retain customers who prioritize the convenience and added value these services provide.

Table 5: Industry KPI's comparison for the year 2023

2023	JET	Deliveroo	Doordash	Delivery Hero
GTV (in €million)	26,500	7,063	66,671	45,275
Revenue (in €million)	5,167	2,030	8,635	9,942
Take rate (revenue/GTV)	19%	29%	13%	22%
Delivery cost per order (in € unit)	3.1	4.5	2.1	N.A.
Orders (in million)	891	290	2,161	N.A.
Partners (in thousands)	699	183	550	N.A.
Avg. transaction value (in € per basket)	30	24	31	N.A.
Active consumers (in million)	84	7	444	N.A.
Avg order frequency (per year)	10.6	41	58	N.A.

Source: Annual reports

Operational differentiation. Deliveroo has developed dark kitchens for its restaurant delivery services. Likewise, Delivery Hero decided to change its core business model by developing DMarts for its grocery/retail proposition by bringing quick commerce (QCommerce) to its highest potential. These models allow the players to increase the take rate as can be seen on figure X. JET clearly lacks behind and loses the chance to increase its take rate as a percentage of total GTV by having no clear aspect of differentiation.

The EU Platform Workers Directive represents a significant change across continental Europe. In 2023, JET demonstrated progress by employing 6937 couriers, representing 35% of its total workforce. This trend is expected to continue and grow in the coming years. JET is well-positioned to replicate, scale up, or scale down its model as needed. In contrast, Uber Eats and Deliveroo still face regulatory challenges regarding classification of couriers, with some of their practices in certain markets bordering on illegality. Uber Eats and Deliveroo are likely to encounter significant difficulties as regulations tighten. They may face fines and legal disputes, highlighting the advantages of JET's proactive approach to compliance.

Table 6: Leading position and differentiation factor in terms of market shares and brand awareness by regions

Leading actors	JET	Deliveroo	Doordash	Delivery Hero
Northern Europe	1st	3rd	2nd	Absent
Southern Europe & ANZ	2nd	Small Player	3rd	1st
Canada	3rd	Absent	2nd	Absent
Uk & Ireland	1st	2nd	Absent	Absent
Differentiation factor	First mover	Dark Kitchens	Rural Area	DMarts

Source: Team analysis

First mover advantage, a way to beat the market. Early platforms often become household names, building strong brand recognition that makes them the go-to choice for many customers.

Regional insights

Canada's food delivery market is expanding due to urbanization and customer convenience requirements but is highly competitive, likely leading to consolidation. Growth is supported by advanced technology, diverse restaurant partnerships, and a focus on local customer needs, such as competitive delivery fees and online grocery services. Southern Europe's growth is driven by urban demand and convenience, but the market remains fragmented due to diverse consumer preferences and high competition. Northern Europe features a highly competitive and developed market, fueled by urbanization and a tech-savvy population. Consumers prioritize fast and reliable services, while sustainability is becoming a key factor for some customer segments. Companies in this region benefit from extensive market coverage and strong brand recognition. However, urban-focused operations can limit their reach outside of towns. UK and Ireland markets are mature but constrained by rising operational costs and shifting consumer expectations post-pandemic.

Financial analysis

Market shares are computed based on the Gross Transaction Value (GTV). JET's strongest performance in 2023 is observed in Northern Europe (19.80%) and the UK & Ireland (21.13%). Their position in Canada (8.56%) and Southern Europe (8.11%) is much weaker. All regions except Northern Europe have experienced notable declines between 2020 and 2023. The UK & Ireland's market share dropped from 24.62% in 2020 to 21.13% in 2023. Southern Europe & ANZ saw a decrease from 15.98% to 8.11% over the same period, while Canada's share declined from 14.31% to 8.56%.

Revenues showed consistent growth until 2022 but experienced a decline in 2023, primarily driven by a significant underperformance in North America, where GTV dropped by 13.79%. The growth outlook appears challenging, with Northern Europe standing out as the only region which reported GTV growth, limited to 4.05%. Across all regions, the number of orders is decreasing. Deliveroo is also affected, recording a

3.01% decline in orders, while DoorDash bucks the trend, posting a robust 24.48% increase. With a successful refocus on their core regions, JET might be able to capture a slow growth in their revenue.

The cost of sales has decreased significantly, from 65.34% of revenue in 2021 to 54.11% in 2023. Courier expenses accounted for 44.3% of cost in 2023. This reduction is largely attributed to a shift in the delivery model in the UK, where the company adopted an independent courier-only approach. Following its exit from the US market, we anticipate an increase in the cost of sales (in % of sales). This is because the US market typically exhibits lower labor costs compared to other regions. This phenomenon is observable in the case of DoorDash, where the acquisition of Wolt, an European company, led to a notable increase in their cost of sales percentage from 47.4% to 53.1%. However, this relative increase is expected to be a one-time adjustment. Notably, JET adheres to a compliant model, setting it apart from its peers who will need to adapt to the EU Platform Work Directive, resulting in their comparatively higher costs.

Table 7: Historical adjusted EBITDA margin

Adj. EBITDA Margin	2020	2021	2022	2023
JET	4.31%	-9.23%	-1.42%	4.88%
DoorDash	6.55%	5.91%	5.48%	10.31%
Delivery Hero	3.95%	0.69%	2.81%	3.85%

Source: Team analysis

SG&A. Costs have steadily declined across the industry for the past four years. DoorDash experienced the most significant reduction, dropping from 52.43% of revenue in 2020 to 36.05% in 2023. JET's SG&A costs also decreased from 52.52% in 2020 to 43.86% in 2023. JET's SG&A remains higher than its competitors, primarily because of its elevated staff costs, driven by a higher employee-to-revenue ratio compared to competitors, which account for 23.05% of revenue, compared to DoorDash at 14.30% and Deliveroo at 18.24%. This downward trend in SG&A costs is expected to continue, although at a slower pace, as JET and others enhance operational efficiency while managing growth.

Table 8: Historical asset turnover for JET and its peers

Asset Turnover	2020	2021	2022	2023
JET	0.19	0.25	0.43	0.49
DoorDash	0.45	0.72	0.67	0.80
Delivery Hero	0.43	0.46	0.67	0.95

Source: Team analysis

The adjusted EBITDA. Across the industry, key financial ratios such as ROE, ROA, and ROCE are negative. This trend reflects the industry's emphasis on generating cash flows rather than prioritizing profitability metrics. To assess efficiency and margins, the adjusted EBITDA is a more appropriate metric, as these companies typically do not pay income taxes (Appendix 3.1).

Adjusted EBITDA margin (Table 7). JET's efficiency significantly declined following the acquisition of Grubhub. Since 2021, the Adjusted EBITDA margin improved from -9.23% in 2021 to 4.88% in 2023, reflecting gradual progress but trailing its competitors. For instance, DoorDash increased its margin from 6.55% in 2020 to an impressive 10.31% in 2023, securing the position of having the best margins in the sector.

Asset turnover. In 2020, the asset turnover ratio for the company was 0.19, reflecting a relatively low efficiency in utilizing its assets to generate revenue. Since then, there has been a notable improvement, with the asset turnover increasing to 0.49 by 2023. However, this improvement is largely mechanical, driven by substantial impairments that reduced the company's goodwill and, consequently, its total asset base, rather than reflecting operational enhancements. Despite this mechanical improvement, JET continues to be under its competitors in this key metric, highlighting the need for further optimization in asset utilization.

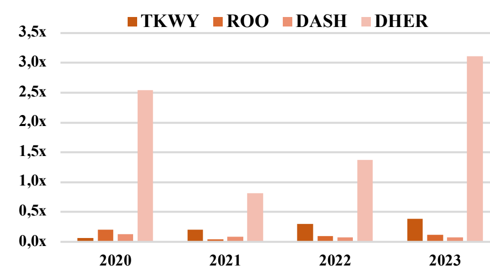


Figure 8: D/E ratio of JET and its peers
Source: Team analysis

CAPEX decreases in 2023 for major players in the food delivery after two years of increase. JET went from 2.11% of revenue in 2020 to 3.61% in 2022 before dropping to 2.94% in 2024. JET's CAPEX is expected to continue to decline slowly, with a major drop due to its new app launch (70.39% of total CAPEX). However, property and equipment investments will grow modestly due to JET's attempt to support its shift toward grocery/retail delivery.

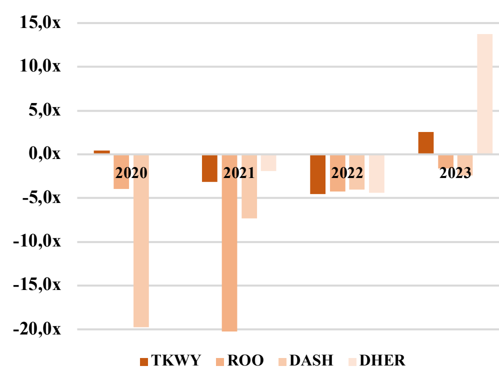


Figure 9: Evolution net debt/ EBITDA of JET and its peers
Source : Team analysis

Net working capital. NWC in the industry is generally negative, reflecting the business model's reliance on fast cash collection and extended supplier payment terms. JET's NWC is consistent with industry norms, representing -11.34% of its revenue in 2023. However, DoorDash stands out as an outlier with a significantly lower NWC of -32.53%, indicating a more aggressive approach to managing working capital. **Change in WC** aligns with industry standards and has demonstrated improvement, decreasing from 1.78% of revenue in 2021 to -0.64% in 2023. **The days of sales outstanding (DSO)** for JET remained relatively stable from 2020 to 2023, increasing by only 4.65%, reaching 30.3 days in 2023. This figure is slightly higher than the industry average of 25.06 days in 2023: JET is less advanced in implementing a subscription-based model, which typically facilitates faster payment collection, and uses a 3rd party provider to collect the cash. **Days of inventory on hand (DIH)** for JET have consistently remained high but have decreased over time, reflecting an industry-wide trend. This metric has decreased from 5.6 days in 2020 to 3.7 days in 2023. The bulk of JET's inventory consists of clothing, which is typically ordered in large quantities. As a result, the time required to sell through this inventory tends to be longer. **Days of payables outstanding (DPO)** saw a significant decline, from 276.3 days in 2020 to 153.1 days in 2023. Despite this reduction, their DPO is still far better than the industry average of 66 days, highlighting JET's strong position in managing supplier relationships.

The capital structure. Within the industry, most players predominantly rely on equity as their primary source of funding. Indeed, in 2023, JET's capital consists of 59.3% equity. However, from 2020 to 2023, the industry has seen a general increase in debt levels, with the notable exception of Deliveroo. Regarding **D/E ratio** (financial debt to equity) (Figure 8), JET's leverage increased from 0.1x in 2020 to 0.4x in 2023, driven by a significant rise in financial debt coupled with a slight decrease in equity. In comparison, Deliveroo and DoorDash maintained lower and more stable debt ratios during this period, ranging between 0.1x and 0.2x. Delivery Hero, however, stands out with a substantially higher D/E ratio of 3.1x in 2023, highlighting its heavy reliance on debt to fuel growth. As JET's bonds mature in 2025, 2026, 2027, and 2028 (rated BB), the financial debt is expected to decrease progressively with repayments, leading to a reduction in its D/E ratio. **Net debt to EBITDA** (Figure 9) increased from 0.5x to 2.5x between 2020 and 2023, including periods with negative values. Although it increased, this indicates that JET can comfortably repay its financial debt using EBITDA, even while maintaining net cash positions. Similarly, other industry players demonstrate significant debt repayment capacity, supported by substantial net cash positions. However, an exception is Delivery Hero in 2023, which experienced a sharp rise in debt, resulting in a Net Debt/EBITDA ratio of 13.7x.

Dividend policy. JET has never paid dividends, focusing instead on reinvesting earnings for growth. To return value to shareholders, it has implemented share buyback programs. A €150 million buyback launched in October 2023 repurchased 10,942,866 shares (4.97% of issued shares) at an average price of €13.71, concluding in May 2024. Building on this, another €150 million buyback began in July 2024, targeting up to 10% of outstanding shares and set to conclude by March 2025. The repurchased shares are canceled or used for employee compensation, enhancing earnings per share. This underscores JET's strategy of utilizing surplus cash as leverage for shareholder returns.

Environmental, Social, and Governance

We followed a twofold approach to ESG analysis. First, we conducted our own in-depth ESG analysis (details are provided in the appendix 4.1), focusing on a set of material criteria relevant to the company and industry. Second, we considered market consensus on ESG performance by leveraging insights from external providers.

Team Analysis. For assessing the E and S performance, we adopt a relative approach by positioning JET with regard to its peers. Governance is assessed on an absolute basis as this is a prerequisite to any investment. Our ESG analysis proceeds in different steps. First, we identify the ESG criteria considered as material for the online food delivery based on various sources (SASB, rating agencies, company websites). Key priorities for the marketplace and logistics model include ensuring data privacy and security, reducing carbon emissions, and improving working conditions is critical to mitigate strike and reputational risks. Second, we infer the weights to be assigned to each criterion based on an average of the weights retrieved from the main ESG rating agencies (MSCI, S&P, Sustainalytics, Moody's). Based on a weighted average of those criteria, we assign a score of 7.73/10 to JET which is above its peers (Figure 10). Below, we discuss JET's initiatives across the three ESG pillars.

E – JET demonstrates a relevant and achievable plan, with the only limitation being the lack of assessment of the potential impacts of its expansion into the grocery sector. JET has focused on reducing Scope 1 and 2 GHG emissions by decreasing natural gas use, electrifying 35% of its corporate and sales vehicle fleet, and switching 60% of its operational floor area to renewable energy contracts. Its employed courier model allows for greater control over emissions, though Deliveroo and Delivery Hero benefit from owning dark kitchens and DMarts, avoiding landlord negotiations. JET also promotes renewable packaging across 15 markets through partnerships like 'Notpla' supplying 630,000 seaweed-coated containers in 2023 (up 12% from 2022). It contributed to a 32.4% reduction in Scope 1 and 2 last year. JET targets net zero emissions by 2030 (Table 10) with its ESG strategy reviewed annually by an ESG Steering Committee under the European CSRD framework. To ensure transparency, JET hired an independent contractor for its carbon assessment. However, its ESG-linked incentives have been flagged as insufficient by ESG rating agencies, as only 12.5% of its 2023 STIP is ESG-related, compared to Deliveroo's 25% with clearer objectives. Like its peers, JET struggles to control Scope 3 emissions, which stem from suppliers, third-party providers and independent couriers.

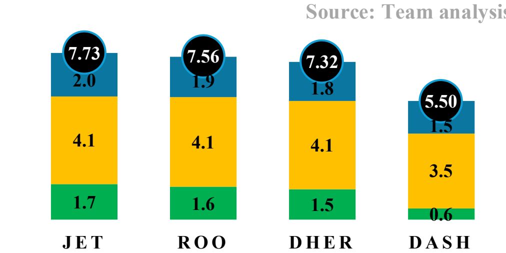
S - Data privacy and security remain critical challenges JET has strong preventive measures but lacks clear protocols for incident response. Its use on third-party data increases risks, and the lack of a clear data deletion timeline is problematic. While JET performs relatively well compared to peers, Delivery Hero sets a higher standard by avoiding third-party data and adopting ISO 27000 standard after a €5 million fine in 2022.

JET's workforce management is a major strength with its early adoption of employee status for couriers aligning with European regulations. This proactive approach has limited incidents to four minor cases since 2021, including two UK strikes that also affected

Table 9: ESG score and ranking according to rating agencies

	MSCI (2024)	MOODY'S (2022)	S&P (2024)	Sustainalytics (2024)
TKWY	Leader	Limited	Weak	Medium risk
ROO	Leader	NA	Very Weak	Medium risk
DHER	Average	Limited	Weak	Medium risk
DASH	Average	Weak	Very Weak	Medium risk

Source: Team analysis



Environmental Pillar	**25.0%**
Carbon emission (Scope 1 and 2 emissions)	10.0%
Net zero Commitment	7.5%
Climate-Related Management Incentives	7.5%
Social Pillar	**55.0%**
Labor Practices	10.0%
Human Rights	15.0%
Stakeholder Engagement	10.0%
Privacy Protection	20.0%
Governance Pillar	**20.0%**
Corporate Governance	8.0%
Board Gender Diversity	6.0%
Board Effectiveness	6.0%

Figure 10: ESG scores for JET and peers and ESG breakdown for factors and weights

Source: Team Analysis

Table 10: Assessment of Net Zero commitment based on actual disclosed information and Net Zero commitment feasibility

Assessment	JET	ROO	DHER	DASH
2023 Scope 1 and 2 emissions	9056T of CO_2e	11,317T of CO_2e	98,137T of CO_2e	N.A.
2022 - 2023 Reduction (%)	-32%	-2.60%	-20%	N.A.
NET Zero commitment timeframe	2030	2035	NA	N.A.
NET Zero commitment feasibility	High feasibility	Medium feasibility	Low feasibility	N.A.

Source:Annual report

competitors. Deliveroo faced 15 incidents (6 strikes), while Delivery Hero had 13, including a major incident linked to a €400 million fine risk in Spain.

JET shows strong inclusion efforts through leadership training, a "Talent Marketplace" for 650 employees (more to come), and the Early Talent Program, achieving 50% gender diversity in hiring. Guided by an experienced Inclusion & Diversity Director, JET aims for 50% female representation in key roles by 2025, with a gender pay gap under 2%, highlighting its dedication to equality.

Table 11: Cost of equity penalty - Academic research

Paper	Cost of equity ESG penalty	Variable influencing the penalty
Bui et al. (2019)	0.4% to 1.1%	Country, industry, firm-specific factors
Dhaliwal et al. (2011)	0.5% to 1.0%	NA
Yu et al. (2020)	0.8% to 1.5%	Industry where ESG factors are increasingly scrutinized

Source: Team research

G – JET's governance is recognized for its "one share, one vote" principle and dual board structure, with an independent supervisory board ensuring minority stakeholder representation. Despite being founded by its actual CEO, Jitse Groen, JET has no majority shareholder. Managing Directors at JET are appointed by absolute majority under Dutch law for renewable 4-year terms, following the Dutch Corporate Governance Code (DCGC). Key management decisions require Supervisory Board approval, ensuring alignment with strategic objectives, while an annual independent evaluation assesses the Supervisory Board's performance. The remuneration committee oversees policies for the management board, benchmarking against the AEX market and employing an external advisor for supervisory board evaluations. The 2023 remuneration policy aims to attract and retain qualified leaders and adheres to the DCGC, Shareholder Rights Directive II, and UK Corporate Governance Code, reflecting JET's commitment to strict governance and shareholder consensus. In 2023, the Audit Committee oversaw JET's Enterprise Risk Management and control systems, reviewing the audit plan with the external auditor, receiving updates from management, and conducting a review of the internal audit charter, highlighting JET's commitment to stakeholder safety.

Market Consensus. MSCI positions JET as an ESG leader while other agencies (Moody's, S&P and Sustainalytics) are more critical (Table 9). Among the sources of disagreement, JET's environmental performance and its overall risk position are the most debated. Meanwhile, ESG ratings (Table 9) highlight agreement on its strong governance but reveal transparency issues and limited data disclosure (although better than the sector). This transparency issue could contribute to an increased perception of risk for investors (Table 11) and increase JET's cost of equity. Another factor increasing JET's cost of equity is the disagreement around ESG ratings as shown in academic research (Avramov et al., 2022). Although JET demonstrates awareness of ESG issues in its communications, its lack of transparency and limited availability of KPIs weaken its credibility and harm its reputation.

Financial Forecast

We conducted a DCF analysis considering three potential scenarios. Under our base case scenario, the estimated valuation results in a share price of €9.14. This valuation is based on the following key assumptions.

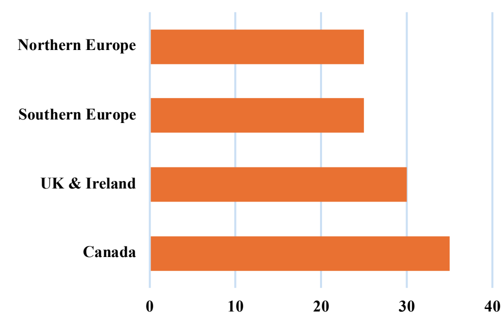


Figure 11: Order frequency in the meal and grocery/retail delivery industry in 2023
Source: Team analysis

Market share. We estimate the total GTV for the online meal and grocery/retail delivery market for all regions where JET operates to be €240 billion in 2023. We follow a bottom-up approach based on the addressable population data from the World Bank and online food penetration rates (provided by Statista). Additionally, we incorporated region-specific assumptions about order frequency, drawing insights from a competitive analysis of JET's key rivals, such as DoorDash and Deliveroo, who have shown advancements in grocery and retail delivery. We also considered trends from pure grocery delivery companies, which generally demonstrate lower order frequencies (Figure 11). A 1% increase has been added to the order frequency over the period to represent the evolving grocery/retail delivery market and the stagnating meal delivery market. For the average transaction value, we observed that the industry operates consistently at around €30 per basket. Nevertheless, the company's declining market share, highlighted in the financial analysis, is mainly attributed to intense regional competition and the rapid growth of the grocery delivery sector, where JET has faced difficulties keeping up. As a result, we anticipate JET will gradually lose market share in Northern Europe, the UK and Ireland, and Southern Europe, given its limited presence and lack of significant growth prospects in the grocery delivery market. Additionally, we expect JET to exit the Canadian market due to declining market share and heightened competition. Nonetheless, despite these setbacks, JET's GTV is expected to continue slowly growing, bolstered by its strong foothold in online meal delivery and its dominant position in Northern Europe and the UK & Ireland (Figures 12, 13, 14).

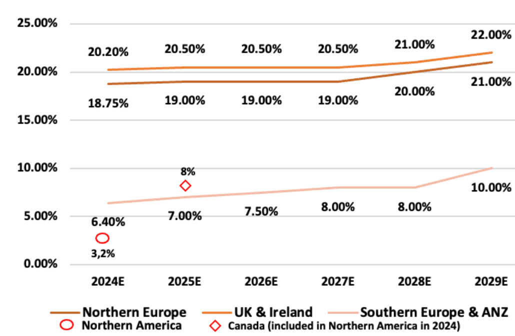


Figure 12: Forecasted Market share – Bull Case
Source: Team analysis

Take rate. Given JET's leading position in the online food delivery market in Northern Europe and the UK & Ireland, we expect JET's take rate to reach 18% and 21%, respectively, by 2029. Our assumptions are based on several key factors. We anticipate that all markets where JET operates will experience consolidation, which will drive an increase in the take rate. This effect will be particularly pronounced in regions where JET holds a dominant market position, such as Northern Europe. We anticipate slower growth in the UK and Ireland due to intense competition, as well as in Southern Europe, where both strong competition and limited innovation hinder significant improvements in the take rate. Furthermore, our forecasts take a conservative stance on growth in this metric, considering JET's expansion into the grocery and retail delivery market, which is marked by higher supplier bargaining power. (Appendix 7).

OPEX. Operating expenses decreased from 52.52% in 2020 to 43.86% in 2023 due to workforce reductions, market exits, and a focus on core markets, improving operational efficiency. These efforts have reduced the overall workforce from 13,507 in 2023 to an expected 11,246 by 2025. A decline is likely to happen in 2026, as we expect the company to exit Canada and further concentrate on its core regions. At the same time, the company has reduced other operating expenses by focusing on markets where it holds substantial market share. This strategy will significantly decrease the need for aggressive marketing expenditures, which constitute 54.70% of other operating costs. Having already maximized the efficiency of its marketing investments the company has limited scope for further significant spending in this area. A consistent decline in marketing costs over recent years and the expectation of continued operational efficiency. After exiting the US market, JET's courier cost (as a percentage of revenue) is expected to rise, as the US typically benefits from lower labor costs. A similar trend was observed with DoorDash, when acquiring Wolt, an European company.

Changes in NWC. The 'Change in NWC' shifts from negative values historically (2022 to 2024) to positive figures during the forecasted period of 2025–2026. This transition is driven by the decrease in payables. After 2026, the 'Change in NWC' reverts to negative, freeing up liquidity and improving the FCFF.

CAPEX. We expect JET's intangible investments to return to 2020 levels, while property and equipment investments are projected to remain consistent with the company's historical trends. Consequently, we forecast CAPEX to average 1.78% of revenue for the period 2024 to 2029.

WACC, the weighted average cost of capital of 7.35% (Table 12) reflects JET's average capital structure between the current D/E ratio and what the company is aiming for in the future through our analysis: 0.1x. We use the yield on a 20-year German bond as a risk-free rate. For the cost of debt, we compute the weighted average of the current yield-to-maturity between the last two (BB rated) bonds issued. Given that most major shareholders are international institutional investors, we use the MSCI World index as their reference market portfolio and estimate a beta of 1.007 using regression analysis. The equity risk premium of 4.7% was derived using the Gordon-Shapiro formula (Figure 15), based on the current Price/Earnings ratio of 24.25 for the MSCI World index and the previously mentioned risk-free rate. An ESG penalty of 1% has been added to JET's cost of equity due to its partial lack of CSR disclosure, which brings uncertainties regarding potential fines or legal disputes (Yu et al. (2020), Bui et al. (2019), Dhaliwal et al. (2011). Disagreements on JET's ESG rating and increased scrutiny in the industry highlight the need for more transparent disclosure to address investor concerns and information asymmetries.

FCFF. Our free cash flow projections cover a five-year forecast period, primarily driven by growth in the online grocery and retail delivery sectors (Appendix 5.5). While we anticipate a decline in the company's market share, overall GTV is expected to grow in line with the broader market expansion. For income tax expenses, we applied a tax rate of 25.8%. To calculate the terminal value of the discounted cash flows, we used a growth rate of 2.0%, reflecting our expectation that the market will mature by 2029 and align with inflation rates in the respective markets.

Scenario analysis. In our scenario analysis, the **bull case** assumes that the company's focus on grocery and retail strategies succeeds, leading to increased market share in online food delivery. Under this favorable scenario, the target price is **€20.32**, (upside of **65.34%**). In contrast, the **bear case** assumes the company's transition to grocery retail online delivery fails, resulting in a loss of market share. At the same time, its core regions are adversely affected by intensified competition, driving the target price down to **€0.52**. (downside of 95.77%). Across all scenarios, costs remain a consistent percentage of revenue because they are variable tied directly to the number of orders rather than fixed.

2026 Forward multiple analysis (Appendix 5.6). We conducted a relative valuation based on forward 2026 EV multiples as this corresponds the time horizon for the market to achieve positive EBITDA. Our adjusted EBITDA does not account for US and Canada operations. Therefore, we adjust the EV with the discounted value of the sale of assets due to divestiture in

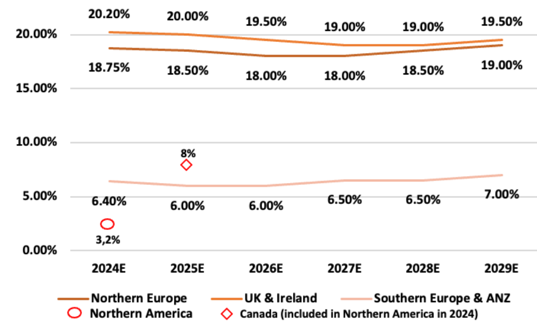


Figure 13: Forecasted Market share – Base Case
Source: Team analysis

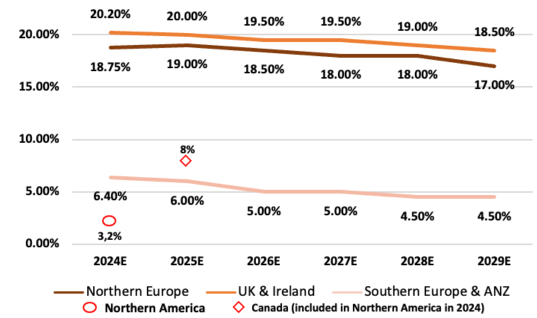


Figure 14: Forecasted Market share – Bear Case
Source: Team analysis

Table 12: WACC details

WACC = 7.35%		
Cost of Equity		**8.38%**
80%	Risk-free rate	2.65%
	Beta	1.007
	ERP Forward	4.69%
	ESG Premium	1%
After-tax Cost of debt		**3.23%**
20%	Average weighted cost of debt	4.35%
	Tax rate	25.80%

Source: Team analysis

ERP	
Current MSCI index P/E ratio	24.25
Earnings yield	4.12%
	=1/24.25
Growth as g	3%
**Forecasted Revenue CAGR from 2025 to 2029*	
Adjusted earnings yield	7.12%
	=4.12%+3%
ERP	**4.7%**
	=7.12%-Rf

Figure 15: Details about the ERP calculation
Source: Team analysis

WACC \ PGR	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%
7.55%	8.33 €	8.47 €	8.61 €	8.76 €	8.92 €	9.08 €	9.24 €
7.45%	8.50 €	8.64 €	8.79 €	8.95 €	9.11 €	9.28 €	9.45 €
7.35%	8.67 €	8.82 €	8.98 €	$\boxed{9.14 €}$	9.31 €	9.48 €	9.66 €
7.25%	8.85 €	9.01 €	9.17 €	9.34 €	9.51 €	9.70 €	9.88 €
7.15%	9.04 €	9.20 €	9.37 €	9.55 €	9.73 €	9.92 €	10.12 €

Figure 16: Sensitivity table analysis
Source: Team analysis

the U.S. and Canada accounted for in our valuation in 2025 and 2026. Based on this approach, the analysis resulted in a share price of €11.76, reflecting a downside of -4.68%, consistent with our initial hypothesis.

Sensitivity analysis. JET’s stock price sensitivity to estimates of long-term growth rates and WACC are displayed in Figure 16. Even in the best case (dark green), we end up 17.79% below the Jan 17th price.

Monte Carlo (Figure 17). In our analysis, we assumed JET’s market shares follow a normal distribution centered around each market’s average. We also allowed the take rate and courier costs, both critical drivers of JET’s projected value, to vary around their respective averages with a standard deviation. Under these assumptions, the team conducted 400,000 simulation iterations, which indicated a 72.3% likelihood that JET’s share price would fall below its current level.

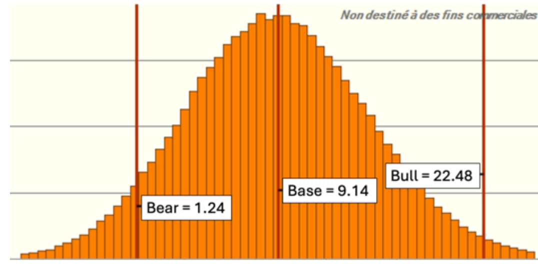


Figure 17: Monte Carlo simulation
Source: Team analysis

Investment Risks

Market risk 1 (MR1). Sensitivity to consumer spending amid inflation: JET’s demand is highly sensitive to consumer spending behavior. Rising food and delivery costs, driven by inflation, may reduce customers' propensity to order meals online, particularly in price-sensitive markets. Consumers are likely to prioritize essential spending, shifting away from discretionary services like food delivery, especially if price increases are passed on to them. Our valuation incorporates inflation forecasts from the European Central Bank and the Bank of Canada, assuming a target rate of approximately 2%. However, there is a significant risk that these targets may not be achieved, leading to prolonged inflationary pressures and further impacting consumer spending behavior. To give a sense of scale, exceeding the target by 1% annually — 3% inflation instead of 2% — would reduce revenue by 2.38% in 2025, gradually increasing to -6.87% by 2029. We estimated the demand elasticity for meal delivery at 3, whereas the USDA and some studies report a demand elasticity of 2.3 for physical restaurants.

Market risk 2 (MR2). Dependance on European markets: JET relies heavily on European markets, making it vulnerable to region-specific economic or regulatory disruptions. Shifts in consumer spending within Europe could significantly reduce order volumes and revenue growth. Different labor regulations and taxes across European countries add operational complexities that increase costs. Limited geographic diversification heightens the impact of any adverse events within its core markets.

JET's Risk Matrix		Severity		
		Low	Moderate	High
Likelihood	Likely	FR1		SR2
	Moderate		MR1 LRR1	SR1
	Rare			MR2

Figure 18: JET’s Risk Matrix
Source: Team analysis

Financial risk 1 (FR1). Dilution risk from share-based payment plans: The continuation of share-based payment plans poses a dilution risk for shareholders, as it increases the total number of shares outstanding. In 2023, 4,891,165 shares were issued, representing 2.34% of the 208,967,956 total shares, with an additional 4,000,000 shares reserved for future obligations. This practice could dilute shareholder value over time if maintained at a similar pace.

Strategic risk 1 (SR1). JET & Grocery: JET is heavily reliant on its ability to succeed in grocery delivery as part of its strategy for revenue diversification. The company faces challenges in catching up competitors who have already entered this future red ocean. JET's late entry into the grocery delivery market raises concerns that it may struggle to achieve the level of growth it hopes for. As a result, the risk of failure to fully capitalize on this promising market is significant, potentially undermining the company’s broader strategic objectives. In our valuation, we adopt a conservative approach by factoring in the challenges of JET’s entry into the grocery delivery segment. However, we assume that this strategic move will still enable the company to maintain its market share in the broader food delivery sector. A complete failure in grocery delivery would represent a significant risk, impacting JET’s ability to compete effectively and diversify its revenue streams.

Strategic risk 2 (SR2). Threat of new entrants: The food delivery market is at risk from new entrants, including platforms in adjacent industries that could mobilize their existing user bases (e.g., Amazon or large grocery platforms). With low switching costs for consumers and restaurants, a well-established competitor could steadily capture market share through aggressive pricing or integration with other services, putting sustained pressure on JET’s growth and margins.

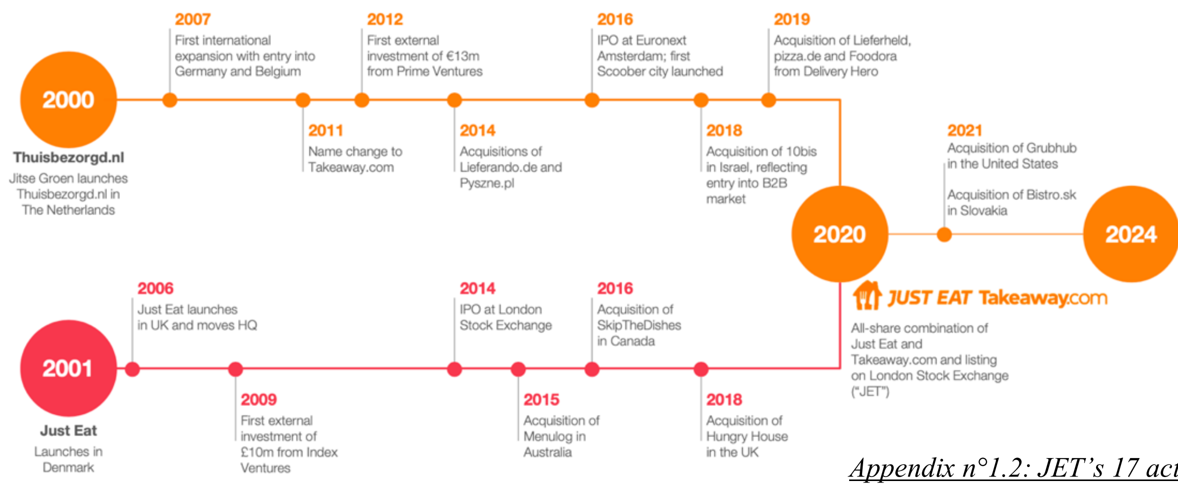
Legal and regulatory risk 1 (LRR1) – Data protection & security: Data privacy and security are critical challenges for JET. Non-compliance with regulations can lead to substantial fines and reputational harm. While JET has robust preventive measures in place, it lacks clear incident response protocols, exposing the company to further risks. Additionally, JET’s reliance on third-party data heightens vulnerability, and the absence of a defined data deletion timeline remains problematic.

Appendix

Appendix n°1: General Business Description

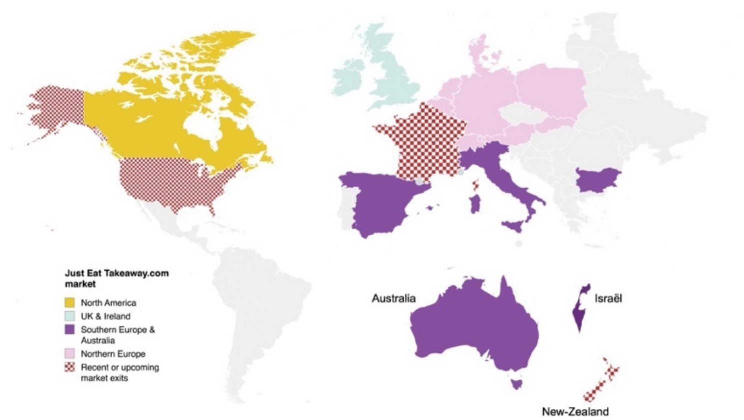
Appendix n°1.1: History

Source: JET investors relation team presentation during the company day.



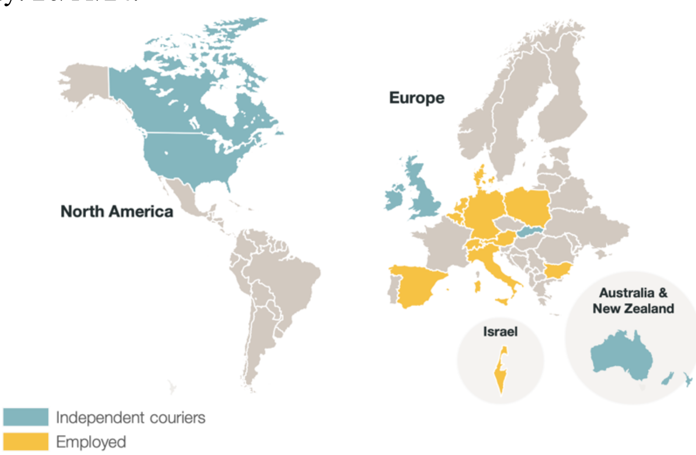
Appendix n°1.2: JET's 17 active markets

Source: JET investors relation team presentation during the company day.



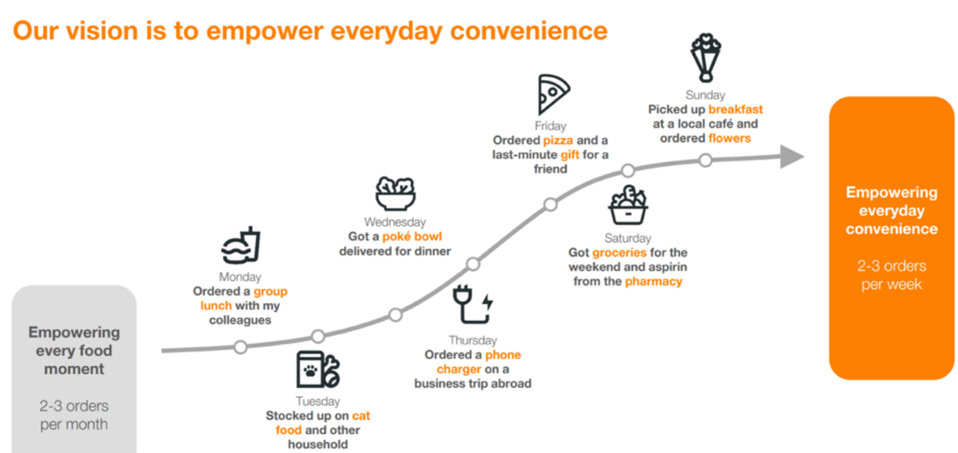
Appendix n°1.3: JET's delivery models

Source: JET investors relation team presentation during the company day: 26/11/24.



Appendix n°1.4: Diversification strategy

Source: JET investors relation team presentation during the company day



Appendix 2: Industry overview and competitive positioning

Appendix n°2.1: Five Forces Porter's Analysis

Force	Meal Delivery	Grocery Delivery
Threat of New Entrants	High barriers to entry exist in this market due to several factors: the need to establish a robust network of restaurant partners, entrenched consumer habits and preferences for existing platforms, and the challenge of implementing a more aggressive pricing strategy than current players. Moreover, incumbents benefit from the network effect and enjoy a significant first-mover advantage. However, the entry of a big competitor, coming from another platform-based industry, with an already established consumer base cannot be ruled out. If the client base is substantial, it could be easier for such a competitor to attract restaurant partners. This new entrant, if capable of effectively matching restaurants with consumers, might capitalize on a relatively standardized service that does not require specialized expertise, supported by readily accessible delivery labor.	The market, being in a phase of rapid growth, presents relatively low barriers to entry. While it remains necessary to establish a robust network of partners, the expansion of the market creates favorable conditions for new partnerships. Users have not yet developed strong preferences for a single dominant player capable of managing the entire market, leaving room for competition. Players from various sectors have the capacity to enter this market. Grocery stores, for example, could develop their own delivery capabilities to meet demand, while delivery operators from other sectors could adapt their existing infrastructure to include grocery delivery services. This dynamic makes the market accessible to a diverse range of entrants with varying strategic advantages.
Bargaining Power of Suppliers	In the meal delivery industry, the bargaining power of restaurants is moderate and varies depending on factors such as size, brand strength, and dependency on platforms. Larger chains and popular restaurants hold significant influence due to their ability to drive customer traffic and negotiate favorable terms, such as reduced commission rates. Their importance to platforms allows them to establish mutually beneficial relationships, often reinforced by exclusive partnerships. On the other hand, smaller and independent restaurants face limited bargaining power. These establishments heavily rely on delivery platforms for visibility and customer access, often accepting high commission fees that erode their margins. While multi-homing—partnering with multiple platforms—provides some flexibility, it does not fully offset their dependency on platforms, especially in markets dominated by one or two key players. Market saturation can moderately enhance restaurant leverage, as platforms compete to attract high-value restaurants, but this is less effective in regions with limited platform competition. Additionally, while some restaurants, particularly larger chains, are investing in their own delivery infrastructure to bypass platforms, this remains an option for only a small minority. Overall, the platforms retain the upper hand in negotiations, particularly with smaller players, due to their role as gatekeepers to a large consumer base. To increase their bargaining power, restaurants must build strong brands, consider exclusive arrangements, or explore alternative delivery methods, though these options are not equally accessible to all players in the industry.	In the grocery delivery industry, the bargaining power of grocery stores is extremely high, reflecting their central role in the ecosystem. Platforms rely on grocery retailers to provide the product inventory that drives customer demand. Unlike in meal delivery, where platforms can diversify their supplier base with a wide array of restaurants, the grocery segment often involves partnerships with fewer, highly consolidated and influential players, such as major grocery chains. These chains are often market leaders with strong brand recognition and a loyal customer base, further amplifying their leverage. Grocery stores can dictate terms such as commission rates, data-sharing agreements, and marketing contributions, particularly as platforms compete to secure partnerships with key players. Grocery retailers are also increasingly developing their own delivery capabilities, such as in-house apps or logistics networks, which makes them less reliant on third-party platforms. This strengthens their bargaining position further, as platforms risk losing access to critical inventory if partnerships are terminated. While platforms do hold some leverage through customer data and delivery infrastructure, their dependence on securing relationships with leading grocery chains to maintain relevance in the market ensures that the bargaining power of grocery stores remains very high, while smaller players struggle to exert influence.

<table>
<tr>
<td>Bargaining Power of Buyers</td>
<td colspan="2">The two market segments share similar characteristics, particularly regarding consumer price sensitivity and switching behavior. If delivery fees are perceived as too high, consumers are likely to opt out of delivery services entirely. The low switching costs and ease of multi-homing—using multiple platforms interchangeably—further weaken customer loyalty and increase buyers' leverage over platforms.

While individual customers wield limited power, their collective behavior significantly impacts the industry. Consumers' expectations for competitive pricing, maximum acceptable delivery fees, and minimum service quality standards set the benchmarks for platforms to remain attractive. Platforms must prioritize meeting these standards to maintain customer satisfaction and avoid losing market share to competitors.</td>
</tr>
<tr>
<td>Threat of Substitutes</td>
<td>Substitutes for meal delivery include cooking at home, dining out at restaurants, or using services like HelloFresh that deliver ingredients and recipes for consumers to prepare meals themselves. These alternatives provide viable options that can fulfill similar needs. If consumers perceive delivery services as too expensive or less convenient, they may opt for these substitutes.

Cooking at home offers significant cost advantages and flexibility.
Dining out provides a more social or experiential benefit, appealing to consumers seeking variety.
Meal kits offer a balance between convenience and control, allowing consumers to save time while still engaging in meal preparation.

However, meal delivery services have a unique advantage tied to the atmosphere of consumption. Delivery becomes particularly valuable when consumers prioritize convenience and relaxation, making it a less substitutable option in certain scenarios:

After a long workday, when the consumer lacks the time or energy to cook.
When spending time with friends, delivery enables them to fully enjoy the evening without the hassle of cooking.
During leisure activities, such as watching a football match, delivery provides the convenience of enjoying a meal without interrupting the experience.

These contextual factors make meal delivery a difficult-to-replace option in situations where time, effort, and relaxation are prioritized over cost or preparation. While substitutes remain a threat, especially in price-sensitive segments, the unique value proposition of delivery in these moments helps solidify its place in consumer habits.</td>
<td>Substitutes for grocery delivery primarily revolve around alternative methods of obtaining groceries. These include:

• Traditional grocery shopping in-store, where customers can handpick their products and avoid delivery fees.
• Curbside pickup, where the store prepares the groceries for the customer to collect at their convenience.
• Slower delivery models, such as next-day or multi-day delivery options offered by platforms like Amazon, which often provide lower costs and competitive pricing for non-perishable items.

Grocery delivery is inherently more easily substitutable than meal delivery because the urgency of obtaining groceries is generally lower. Unlike meal delivery, which addresses an immediate need to eat when time or energy to cook is lacking, grocery shopping is typically a planned activity, with consumers often dedicating time to stock up once a week or purchasing non-urgent items in bulk.

For products like pantry staples, toiletries, or household supplies, consumers are more willing to trade speed for cost savings. Slower delivery models, like those offered by Amazon, present a significant threat as they cater to these planned purchases with lower prices and broader selection. Additionally, the act of grocery shopping is often seen as manageable, particularly for those who prefer the control and savings associated with in-store visits or curbside pickups.

The threat of substitutes in grocery delivery is particularly high for items where immediacy is not critical. Companies must emphasize the unique value proposition of rapid delivery for urgent or forgotten items and target convenience-driven consumers, while exploring ways to remain competitive on price and service for planned, less time-sensitive purchases.</td>
</tr>
</table>

Competitive Rivalry	Competition remains intense within the meal delivery segment, but it has diminished somewhat as weaker competitors exit specific geographic markets. Typically, only **two to three key players** remain in each market, leaving little room for a reversal of roles among incumbents. Instead, the focus has shifted to incremental battles for **marginal increases in market share**. In this consolidated environment, rivalry persists as companies compete on service quality, pricing strategies, and brand loyalty. However, the dominance of a few players creates a more stable competitive landscape, with success largely dependent on refining operations and maintaining customer satisfaction.	The market's promising growth potential has already attracted a wide range of players. Platforms with existing delivery capabilities, such as Amazon and JET, as well as supermarket chains that have developed their own delivery fleets, have entered space. Furthermore, the market includes specialized companies that have built their core business around grocery delivery, intensifying competition. Given the low barriers to entry and the rapid influx of diverse players, the market will become increasingly crowded. This dynamic suggests that while the growth phase is still ongoing, the inevitable shakeout phase could hit particularly hard, forcing weaker players to exit as competition intensifies and service differentiation remains limited.

Source: Team analysis

Appendix 3: Financial Analysis

Appendix n°3.1: Adjusted EBITDA computation methods for JET and peers

(in currency reported)	JET	Doordash	Deliveroo	Delivery Hero
	Operating income/loss	Net loss including redeemable non-controlling interests	Gross profit	Earnings before income taxes
	+ D&A and impairments	+ Certain legal, tax settlements, reserves and expenses	- Marketing & overhead expenses	+ Financial result
	+ Share-based payments	+ Transaction-related costs	+ D&A	+ D&A
	+ Acquisition & integration related costs	+ Restructuring charges	+ Exceptional costs,	+ Other reconcial items
		+ Impairment expenses	-Exceptional income	+ Expenses for share-based compensation
		+ Provision for income taxes	+ Share-based payments	+ Management adjustments*
		+ Interest income, net		+ Consolidation adjustments*
		+ Other expense, net		
		+ Stock-based compensation and payroll expense		
		+ D&A expense		
	Adj. EBITDA	**Adj. EBITDA**	**Adj. EBITDA**	**Adj. EBITDA**

Source: Annual report

**Management adjustments: expenses for services related to corporate finance & transactions, expenses for reorganization measures*

Source: Annual reports

Appendix 4: Environmental, Social, and Governance

Appendix n°4.1: ESG relative analysis – Team Analysis

First, we identify the issues (or criteria) considered as material for the online food delivery based on various sources (SASB, rating agencies). Second, we infer the weights to be assigned to each criterion based on an average of the weights retrieved from the main ESG rating agencies (MSCI, S&P, Sustainalytics, Moody's). The criteria and their weights are justified below:

Environmental Pillar: 25% (Relative valuation)

- ***Carbon Emissions (Scope 1 and 2):*** Although the Scope 1 and 2 emissions represent, on average for the different players, 30% of total GHG emissions, those are the emission the companies have direct control on. **10%**
- ***Net Zero Commitment:*** It encompasses the efforts put, the time frame, and the feasibility of the companies' Net Zero Commitment. **7.5%**
- ***Climate-Related Management Incentives:*** To align the E objectives with management efforts, companies are encouraged to link Climate-Related Results with pays. Here the goal is to determine whether companies implement, are transparent, and get results from Management Climate-Related Incentives. **7.5%**

Social Pillar: 55% (Relative valuation)

- ***Labor Practices:*** What does the company do to install a pleasant working atmosphere and to comply with good business conducts. **10%**

- ***Human Rights:*** This is related to the respect that the company puts with regards to Human Rights. We try to understand whether the companies acknowledge, put effort, and are transparent in Human Rights related matter. **15%**
- ***Stakeholder Engagement****:* In a platform business, the Network Effect is vital. One way to feed the Network effect comes with Stakeholder Engagement. How do companies engage with people and businesses. **10%**
- ***Privacy Protection:*** Huge amounts of sensitive data are stored within the platforms of these companies. It is important to assess how they treat and safeguard these data. We are trying to check whether practices, policies, or checks are in place to ensure data privacy for customers. **20%**

Governance Pillar: 20% (Absolute valuation)

- ***Corporate Governance:*** Protection of minority shareholders and compliance with CG standards and law. **8%**
- ***Board Gender Diversity:*** Based on percentages. **6%**
- ***Board Effectiveness:*** Based on board composition. **6%**

	JET	ROO	DHER	DASH
E Pillar				
Carbon emissions (Scope 1 and 2)	- Clear reduction (-32% from 2022 to 2023) and processes to attain reduction goals - EU CSRD	- Small reduction (-3% from 2022 to 2023) and processes to attain reduction goals - EU CSRD	- Clear reduction (-20% from 2022 to 2023) and processes to attain reduction goals - EU CSRD	- Last available information in 2022, where the company argues to be Net Zero. But no data on exact numbers in published reports
Net Zero Commitment	- Net Zero by 2030 in Scope 1 and 2 emissions - Clearly defined goals and processes put in place Strategy - Seems plausible	- Net Zero by 2035 in Scope 1 and 2 emissions - Clearly defined goals and processes put in place - Dark Kitchens are big energy consumers, the objective may seem difficult to attain	- Objectives for 2032 is to reduce Scope 1 and 2 emissions by 50.4% from base year 2022 - Clear objectives to reach desired target - No clear Net Zero objectives	- No commitment in recent reports
Climate-Related incentives	LT Incentive Plans and ST Incentive plan with ESG related factors in acceptable percentages of total package (25%)	LT Incentive Plans and ST Incentive plan with ESG related factors in low or not disclosed percentages	LT Incentive Plans and ST Incentive plan with ESG related factors in low or not disclosed percentages	NA
S Pillar				
Labor practices	- Pay-for-performance scheme - Hybrid working approach - Detailed Code of Conduct - Safety training for riders - Equal pay gap is less than 2%	- Pay-for-performance scheme - Detailed Code of Conduct - Safety training for riders - Mean gender pay gap 13.9%, Median gender pay gap 21.2%, Mean bonus gap 29.6%, Median bonus gap 20.7%	- Pay-for-performance scheme - Detailed Code of Conduct - Safety training for riders	- Hybrid working approach - Detailed Code of Conduct - Safety training for riders
Human right	- Engaged in the elaboration of the Platform Workers Directive - Bias Mitigation	- Engaged in the elaboration of the Platform Workers Directive - Detailed statement about Human Rights Policies - Bias Mitigation	- Engaged in the elaboration of the Platform Workers Directive - Detailed statement about Human Rights Policies - Bias Mitigation	- Bias Mitigation
Stakeholder engagement	- Engages through surveys and other means to customers, employees, independent and 3rd party provider, and partners	- Engages through surveys and other means to customers, employees, independent and 3rd party provider, and partners - Created onboarding process for new partners on the platform - Help engage partners on the platform by organizing events	- Engages through surveys and other means to customers, employees, independent and 3rd party provider, and partners	- Engages through surveys and other means to customers, employees, independent and 3rd party provider, and partners - Supporting local entrepreneurs
Privacy & Data Protection	- Privacy Control Framework - Risk assessment on Privacy & Data Management - Informed consent in-app - Strong preventive measure but lack of reactive capabilities - Use of 3rd party data	- Compliance with GDPR - Risk assessment on Privacy & Data Management - Informed consent in-app - Strong preventive measure but lack of reactive capabilities	- Privacy Control Framework - Risk assessment on Privacy & Data Management - Informed consent in-app - Avoid 3rd party data and avoid ISO-27000	- Cybersecurity frameworks - Compliance with GDPR - Informed consent in-app - General Privacy Policy and Dasher Privacy Policy
G Pillar				
CG	- Efficient CG, "one share - one vote" principle, no controversies	- Efficient CG, "one share - one vote" principle, no controversies	- Efficient CG, "one share - one vote" principle, no controversies	- Presence of majority shareholders - Dual class share structure
Board gender diversity	- Supervisory board: 50%-50% - Management board: 100% men - Overall: 75% men, 25% women	- Board Gender Diversity: 44% men and 56% women	- Supervisory board: 66% men and 34% women - Management board: 80% men and 20% women - Overall: 77% men, 23% women	- Leadership team: 56% men - 44% women or non-binary
Board effectiveness	- Supervisory board: 100% independent with industry experts and financial experts	- Independent (including chair) 67% - Non-independent 33%	- Independent board with employee representative, industry experts, and financial experts	- Supervisory board: 100% independent with industry experts and financial experts

Source: Team analysis

Appendix n°5: Financial Forecast

Appendix n°5.1: balance sheet

Structured Balance Sheet										
(in EUR)	Historical results				Forecasted period					
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026	31/12/2027	31/12/2028	31/12/2029
(amounts in millions unless stated otherwise)	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E
#year	*-4*	*-3*	*-2*	*-1*	*0*	*1*	*2*	*3*	*4*	*5*
Assets										
Goodwill	4,616	8,283	3,926	2,812	2812	2812	2598	2598	2598	2598
PPE and Intangible assets	3,253	5,716	5,417	4,641	4,050	3,521	3,065	2,679	2,354	2,082
Intangible assets	*3,206*	*5,531*	*5,217*	*4,489*	*3,875*	*3,341*	*2,882*	*2,492*	*2,161*	*1,881*
Property and Equipment	*47*	*185*	*200*	*152*	*175*	*181*	*183*	*187*	*193*	*201*
Other non-current assets	1,664	1,923	399	387	387	387	387	387	387	387
Total non current assets	9,533	15,922	9,742	7,840	7,249	6,720	6,050	5,664	5,339	5,067
Inventories	14	33	37	19	27	22	21	23	25	26
Trade and other receivables and other current assets	279	501	589	588	549	413	383	409	441	475
Cash and cash equivalents	529	1,320	2,020	1,724	1,949	1,479	1,615	1,400	1,225	1,410
Total current assets	822	1,854	2,646	2,331	2,525	1,914	2,019	1,832	1,691	1,911
Total assets	**10,355**	**17,776**	**12,388**	**10,172**	**9,774**	**8,634**	**8,069**	**7,496**	**7,030**	**6,979**
Liabilities and Equity										
Total shareholders' equity	8,499	13,050	7,903	6,044	5,655	5,637	5,187	4,818	4,583	4,458
Non-controlling interests	5	-8	-8	-7	-7	-7	-7	-7	-7	-7
Total equity	8,504	13,042	7,895	6,037	5,648	5,630	5,180	4,811	4,576	4,451
Financial debt	570	2,616	2,380	2,359	2,432	1,551	1,501	1,239	939	939
Deferred tax liabilities	550	910	750	522	522	522	522	522	522	522
Provisions	2	27	24	27	27	27	27	27	27	27
Trade payables and other current liabilities	729	1,181	1,340	1,227	1144	905	840	896	967	1041
Total liabilities	1,851	4,734	4,494	4,135	4125	3004	2889	2684	2454	2528
Total Liabilities and Equity	**10,355**	**17,776**	**12,389**	**10,172**	**9,774**	**8,634**	**8,069**	**7,495**	**7,031**	**6,979**

Source: Team analysis

Appendix n°5.2: income statement

Income Statement										
(in EUR)	Historical results				Forecasted period					
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	31/12/20	31/12/21	31//12/2022	30/12/23	31/12/24	31/12/25	31/12/26	31/12/27	31/12/28	31/12/29
(amounts in millions euros unless stated otherwise)	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E
#year	*-4*	*-3*	*-2*	*-1*	*0*	*1*	*2*	*3*	*4*	*5*
Revenue	**2 042**	**4 495**	**5 561**	**5 167**	**5 136**	**3 862**	**3 584**	**3 826**	**4 128**	**4 442**
Order fulfilment cost	905	2 937	3 170	2 796	2 730	2 158	2 003	2 138	2 307	2 482
Courier costs	*712*	*2 531*	*2 599*	*2 289*	*2 274*	*1 815*	*1 685*	*1 798*	*1 940*	*2 088*
Order processing costs	*193*	*406*	*571*	*507*	*456*	*343*	*318*	*340*	*367*	*394*
Gross profit	1 137	1 558	2 391	2 371	2 406	1 704	1 581	1 688	1 821	1 960
Gross margin	*56%*	*35%*	*43%*	*46%*	*47%*	*44%*	*44%*	*44%*	*44%*	*44%*
Staff costs	417	890	1 259	1 191	1 160	1 012	892	910	928	946
Share base payments	*23*	*81*	*166*	*147*	*139*	*121*	*107*	*109*	*111*	*114*
Other remuneration	*394*	*809*	*1 094*	*1 044*	*1 021*	*890*	*785*	*801*	*817*	*833*
Other Operating expenses	655	1 164	1 377	1 075	990	732	645	725	782	842
EBITDA	**65**	**(496)**	**(245)**	**105**	**256**	**(39)**	**44**	**53**	**111**	**172**
EBITDA margin as % of Revenue	*3%*	*-11%*	*-4%*	*2%*	*5%*	*-1%*	*1%*	*1%*	*3%*	*4%*
Depreciation, Amortization and Impairment	172	443	5 168	2 138	682	597	521	454	398	351
EBIT	(107)	(939)	(5 413)	(2 033)	(427)	(637)	(476)	(401)	(287)	(179)
EBIT margin as % of Revenue	*-5%*	*-21%*	*-97%*	*-39%*	*-8%*	*-16%*	*-13%*	*-10%*	*-7%*	*-4%*
Shares of results of associates	16	62	35	0	0	0	0	0	0	0
Other gains and losses	2	2	(273)	10	0	0	0	0	0	0
Finance income	3	23	38	50	0	0	0	0	0	0
Finance expenses	29	76	85	98	86	88	81	77	61	59
Interest expense as % of Revenue	*1%*	*2%*	*2%*	*2%*	*2%*	*2%*	*2%*	*2%*	*1%*	*1%*
EBT	(147)	(1 052)	(5 768)	(2 071)	(341)	(549)	(395)	(324)	(226)	(120)
Exceptionnal revenue						585	214			
Taxes	(4)	8	101	225	0	0	0	0	0	0
Net income	**(151)**	**(1 044)**	**(5 667)**	**(1 846)**	**(341)**	**36**	**(181)**	**(324)**	**(226)**	**(120)**
Net income as % of Revenue	*-7%*	*-23%*	*-102%*	*-36%*	*-7%*	*1%*	*-5%*	*-8%*	*-5%*	*-3%*

Source: Team analysis

Appendix n°5.3: cash-flow statement

Structured Cash-Flow Statement										
(in EUR)	Historical results				Forecasted period					
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026	31/12/2027	31/12/2028	31/12/2029
(amounts in millions unless stated otherwise)	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E
#year	*-4*	*-3*	*-2*	*-1*	*0*	*1*	*2*	*3*	*4*	*5*
EBIT	-151	-1,044	-5,667	-1,846	-427	-637	-476	-401	-287	-179
D&A and Impairements	172	443	5168	2138	682	597	521	454	398	351
Share-based payments	23	76	166	145	139	121	107	109	111	114
Changes in NWC:	-134	-97	-35	-33	-81	98	35	-29	-37	-38
WC	-292	-389	-421	-487	-568	-470	-435	-465	-501	-539
Change in account receivable		281	65	-4	-172	-136	-30	26	32	34
Accounts receivables	379	660	725	721	549	413	383	409	441	475
Receivables turnover	*8*	*10*	*10*	*9*	*9*	*9*	*9*	*9*	*9*	*9*
DSO	*47*	*37*	*37*	*39*	*39*	*39*	*39*	*39*	*39*	*39*
Change in inventory		*19*	*4*	*-18*	*8*	*-6*	*0*	*1*	*2*	*2*
Inventories	14	33	37	19	27	22	21	23	25	26
Inventories turnover	*65*	*125*	*91*	*100*	*100*	*100*	*94*	*94*	*94*	*94*
DIH	*6*	*3*	*4*	*3.7*	*3.7*	*3.7*	*3.7*	*3.7*	*3.7*	*3.7*
Change in trade payables		*397*	*101*	*44*	*-83*	*-240*	*-65*	*57*	*71*	*74*
Trade payables	685	1082	1183	1227	1144	905	840	896	967	1041
Payables turnover	*1*	*3*	*3*	*2.4*	*2.4*	*2*	*2*	*2*	*2*	*2*
DPO	*276*	*110*	*130*	*153*	*153*	*153*	*153*	*153*	*153*	*153*
Tax expenses	-33	-53	-5	-93	0	0	0	0	0	0
Other adjustments	32	75	207	-187	0	0	0	0	0	0
Net cash generated by / (used in) operating activities	**177**	**-423**	**-166**	**124**	**476**	**-16**	**116**	**192**	**259**	**323**
CAPEX	-43	-151	-201	-152	-91	-69	-64	-68	-73	-79
CAPEX in PPE	-27	-98	-108	-45	-51	-39	-36	-38	-41	-44
CAPEX in intangible assets	-16	-53	-93	-107	-40	-30	-28	-30	-32	-35
Sale of assets					0	585	214	0	0	0
Other CF from investing activities	58	45	1,415	16	0	0	0	0	0	0
Net cash generated by / (used in) investing activities	**15**	**-106**	**1,214**	**-136**	**-91**	**516**	**150**	**-68**	**-73**	**-79**
Capital increase	369	-29	5	0	0	0	0	0	0	0
Treasury shares	0	-16	-15	-213	-148	0	0	0	0	0
Increase in financial debt	416	1,357	-54	-65	323	250	250	225	200	0
Interest expenses	0	0	0	0	-86	-88	-81	-77	-61	-59
Repayment of financial debt	-493	0	-300	0	-250	-1,131	-300	-487	-500	0
Dividends paid to shareholders	0	0	0	0	0	0	0	0	0	0
Net cash generated by / (used in) financing activities	**292**	**1,312**	**-364**	**-278**	**-161**	**-969**	**-131**	**-339**	**-361**	**-59**
Net (decrease) / increase in cash and cash equivalents	484	783	684	-290	224	-469	136	-215	-175	185
Beginning cash	**50**	**529**	**1320**	**2021**	**1725**	**1949**	**1479**	**1615**	**1400**	**1225**
Changes in cash										
Adjustment (forex)	*-5*	*8*	*17*	*-6*	*0*	*0*	*0*	*0*	*0*	*0*
End-of-period cash	**529**	**1,320**	**2,021**	**1,725**	**1,949**	**1,479**	**1,615**	**1,400**	**1,225**	**1,410**

Source: Team analysis

Appendix n°5.4: JET's ratios

Financial ratios										
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	**Year ended December 31th**									
	Historical results				Forecasted period					
	2020	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E
#year	*-4*	*-3*	*-2*	*-1*	*0*	*1*	*2*	*3*	*4*	*5*
Solvency										
Net debt to Equity	0.1	0.2	0.3	0.4	0.1	0.0	0.0	0.0	-0.1	-0.1
Debt to capital	17.9%	26.6%	36.3%	40.7%	42.2%	34.8%	35.8%	35.8%	34.9%	36.2%
Financial leverage	1.2	1.3	1.4	1.6	1.7	1.6	1.5	1.6	1.5	1.6
Interest coverage	2.2	-6.5	-2.9	1.1	3.0	-0.4	0.5	0.7	1.8	2.9
Net debt to EBITDA	0.5	-3.1	-4.6	2.5	1.9	-1.8	-2.6	-3.0	-2.6	-2.7
Liquidity										
Current ratio	1.1	1.5	1.9	1.5	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Quick ratio	0.9	1.3	1.7	1.4	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Cash ratio	0.7	1.0	1.4	1.1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
CCC	-224	-70	-89	-110	-110	-110	-110	-110	-110	-110
Profitability										
ROA	0.8%	-2.3%	-0.6%	2.5%	2.6%	-0.4%	0.5%	0.7%	1.5%	2.5%
ROE	2.1%	-3.9%	-0.8%	3.6%	4.4%	-0.7%	0.8%	1.1%	2.4%	3.8%
ROCE	21.9%	-37.4%	-2.2%	8.6%	4.2%	-0.7%	0.9%	1.1%	2.6%	4.3%
Gross margin	56%	35%	43%	46%	47%	44%	44%	44%	44%	44%
EBITDA margin	3%	-11%	-4%	2%	5%	-1%	1%	1%	3%	4%
EBIT margin	-5%	-21%	-97%	-39%	-8%	-16%	-13%	-10%	-7%	-4%
Net income margin	-7%	-23%	-102%	-36%	-7%	1%	-5%	-8%	-5%	-3%
Activity										
DSO	47	37	37	39	39	39	39	39	39	39
DIH	6	3	4	4	4	4	4	4	4	4
DPO	276	110	130	153	153	153	153	153	153	153
Asset turnover	0.2	0.3	0.4	0.5	0.5	0.4	0.4	0.5	0.6	0.6

➔ Profitability ratios have been computed based on Adj. EBITDA, meaning they are not representative for analysis with respect to WACC and cost of equity. However, taking the EBITDA draws the same conclusions (ROCE < WACC)

Source: Team analysis

Appendix n°5.5: FCFF of the 3 scenarios

Free Cash Flow - FCFF						
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	Year ended December 31th					
	Forecasting period					
(amounts in M €. except #diluted shares)	2024E	2025E	2026E	2027E	2028E	2029E
#year	*0*	*1*	*2*	*3*	*4*	*5*
Base case						
Revenue	**5.136**	**3.862**	**3.584**	**3.826**	**4.128**	**4.442**
YoY Revenue growth		*-24,8%*	*-7,2%*	*6,8%*	*7,9%*	*7,6%*
Cost of Sales	2.730	2.158	2.003	2.138	2.307	2.482
Cost of Sales as % of Revenue	*53,2%*	*55,9%*	*55,9%*	*55,9%*	*55,9%*	*55,9%*
Gross profit	**2.406**	**1.704**	**1.581**	**1.688**	**1.821**	**1.960**
Gross margin	*46,8%*	*44,1%*	*44,1%*	*44,1%*	*44,1%*	*44,1%*
Staff costs	1.160	1.012	892	910	928	946
As % of Revenue	*22,6%*	*26,2%*	*24,9%*	*23,8%*	*22,5%*	*21,3%*
Other Operating expenses	990	732	645	725	782	842
As % of Revenue	*19,3%*	*19,0%*	*18,0%*	*19,0%*	*19,0%*	*19,0%*
EBITDA	**256**	**-39**	**44**	**53**	**111**	**172**
EBITDA as % of Revenue	*5,0%*	*-1,0%*	*1,2%*	*1,4%*	*2,7%*	*3,9%*
Depreciation, Amortisation and Impairment	682	597	521	454	398	351
As % of Revenue	*13,3%*	*15,5%*	*14,5%*	*11,9%*	*9,6%*	*7,9%*
EBIT	**-427**	**-637**	**-476**	**-401**	**-287**	**-179**
EBIT as % of Revenue	*-8,3%*	*-16,5%*	*-13,3%*	*-10,5%*	*-6,9%*	*-4,0%*
NOPAT	-427	-637	-476	-401	-287	-179
NOPAT as % of Revenue	*-8,3%*	*-16,5%*	*-13,3%*	*-10,5%*	*-6,9%*	*-4,0%*
(+) D&A	682	597	521	454	398	351
(-) CAPEX	91	-516	-150	68	73	79
(-) Change in WC	-81	98	35	-29	-37	-38
FCFF		**379**	**159**	**15**	**74**	**131**
TV						2.494
DCF		**353**	**138**	**12**	**56**	**1.841**

Entreprise value	**2400**	**Number of shares**	**208,97**
(-) Debt	**2.432**	**Price per share**	**9,14**
(+) Cash	**1.949**		
(-) Minority interest	**7**		
Market value	**1.910**		

Source: Team analysis

Free Cash Flow - FCFF						
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	Year ended December 31th					
	Forecasting period					
(amounts in M €. except #diluted shares)	2024E	2025E	2026E	2027E	2028E	2029E
#year	*0*	*1*	*2*	*3*	*4*	*5*
Bear case						
Revenue	**5.136**	**3.825**	**3.555**	**3.748**	**3.906**	**3.913**
YoY Revenue growth		*-24,8%*	*-7,2%*	*6,8%*	*7,9%*	*7,6%*
Cost of Sales	2.730	2.138	1.986	2.094	2.163	2.166
Cost of Sales as % of Revenue	*53,2%*	*55,9%*	*55,9%*	*55,9%*	*55,4%*	*55,4%*
Gross profit	**2.406**	**1.688**	**1.568**	**1.654**	**1.743**	**1.747**
Gross margin	*46,8%*	*44,1%*	*44,1%*	*44,1%*	*44,6%*	*44,6%*
Staff costs	1.160	1.012	892	910	928	946
As % of Revenue	*22,6%*	*26,4%*	*25,1%*	*24,3%*	*23,8%*	*24,2%*
Other Operating expenses	990	725	640	710	740	742
As % of Revenue	*19,3%*	*19,0%*	*18,0%*	*19,0%*	*19,0%*	*19,0%*
EBITDA	**256**	**-49**	**37**	**34**	**75**	**59**
EBITDA as % of Revenue	*5,0%*	*-1,3%*	*1,0%*	*0,9%*	*1,9%*	*1,5%*
Depreciation, Amortisation and Impairment	682	597	521	454	398	351
As % of Revenue	*13,3%*	*15,6%*	*14,6%*	*12,1%*	*10,2%*	*9,0%*
EBIT	**-427**	**-646**	**-484**	**-420**	**-323**	**-292**
EBIT as % of Revenue	*-8,3%*	*-16,9%*	*-13,6%*	*-11,2%*	*-8,3%*	*-7,5%*
NOPAT	-427	-646	-484	-420	-323	-292
NOPAT as % of Revenue	*-8,3%*	*-16,9%*	*-13,6%*	*-11,2%*	*-8,3%*	*-7,5%*
(+) D&A	682	597	521	454	398	351
(-) CAPEX	91	-516	-150	68	73	79
(-) Change in WC	-81	98	35	-29	-37	-38
FCFF		**369**	**152**	**-5**	**38**	**18**
TV						338
DCF		**344**	**132**	**-4**	**29**	**250**

Entreprise value	**750**	**Number of shares**	**208,97**
(-) Debt	**2.432**	**Price per share**	**1,24**
(+) Cash	**1.949**		
(-) Minority interest	**7**		
Market value	**260**		

Source: Team analysis

Free Cash Flow - FCFF						
Just Eat Takeaway.com N.V. (ENXTAM:TKWY)	Year ended December 31th					
	Forecasting period					
(amounts in M €. except #diluted shares)	2024E	2025E	2026E	2027E	2028E	2029E
#year	*0*	*1*	*2*	*3*	*4*	*5*
Bull case						
Revenue	**5.136**	**4.007**	**3.863**	**4.169**	**4.588**	**5.158**
YoY Revenue growth		*-24,8%*	*-7,2%*	*6,8%*	*7,9%*	*7,6%*
Cost of Sales	2.730	2.239	2.158	2.329	2.564	2.882
Cost of Sales as % of Revenue	*53,2%*	*55,9%*	*55,9%*	*55,9%*	*55,9%*	*55,9%*
Gross profit	**2.406**	**1.768**	**1.704**	**1.839**	**2.024**	**2.276**
Gross margin	*46,8%*	*44,1%*	*44,1%*	*44,1%*	*44,1%*	*44,1%*
Staff costs	1.160	1.012	892	910	928	946
As % of Revenue	*22,6%*	*25,2%*	*23,1%*	*21,8%*	*20,2%*	*18,4%*
Other Operating expenses	990	759	695	790	869	977
As % of Revenue	*19,3%*	*19,0%*	*18,0%*	*19,0%*	*19,0%*	*19,0%*
EBITDA	**256**	**-3**	**117**	**140**	**227**	**352**
EBITDA as % of Revenue	*5,0%*	*-0,1%*	*3,0%*	*3,3%*	*4,9%*	*6,8%*
Depreciation, Amortisation and Impairment	682	597	521	454	398	351
As % of Revenue	*13,3%*	*14,9%*	*13,5%*	*10,9%*	*8,7%*	*6,8%*
EBIT	**-427**	**-600**	**-403**	**-315**	**-171**	**1**
EBIT as % of Revenue	*-8,3%*	*-15,0%*	*-10,4%*	*-7,5%*	*-3,7%*	*0,0%*
NOPAT	-427	-600	-403	-315	-171	1
NOPAT as % of Revenue	*-8,3%*	*-15,0%*	*-10,4%*	*-7,5%*	*-3,7%*	*0,0%*
(+) D&A	682	597	521	454	398	351
(-) CAPEX	91	-516	-150	68	73	79
(-) Change in WC	-81	98	35	-29	-37	-38
FCFF		**415**	**232**	**101**	**190**	**311**
TV						5.926
DCF		**387**	**202**	**82**	**143**	**4.375**

Entreprise value	**5188**
(-) Debt	**2.432**
(+) Cash	**1.949**
(-) Minority interest	**7**
Market value	**4.698**

Number of shares	**208,97**
Price per share	**22,48**

Source: Team analysis

Appendix n°5.6: Relative Valuation

Forward multiple 2026

Company Name	EV/SALES	EV/EBITDA	EV/EBIT
Deliveroo	0,56	5,24	10,94
Delivery Hero	0,81	7,96	13,56
HelloFresh	0,31	4,19	15,38
Average	0,56	5,80	13,29
JET 2026 financials (excluding U.S. & Canada)	3584,08	186,23	108,74
EV	2007,08	1079,51	1445,52
Debt position end 2024	2104,00	2104,00	2104,00
Cash position end 2024	1949,00	1949,00	1949,00
Discounted value of cash, accounting for future divestitures (U.S. & Canada)	777,45	777,45	777,45
Equity	2629,54	1701,96	2067,97
Share price	12,58	8,14	9,90
Average Share Price	**10,21**		

Source: Team analysis

**Cash 2024 incl. US and Canada sales*

Appendix n°6 : additional resources

Appendix n°6.1: five-factor Fama-French regression

Regression Statistics	
Multiple R	0.450977618
R Square	0.203380812
Adjusted R Squ	**0.200155633**
Standard Error	0.030844454
Observations	1241

ANOVA					
	df	*SS*	*MS*	***F***	*Significance F*
Regression	5	0.299971734	0.059994347	**63.0603195**	1.12867E-58
Residual	1235	1.174954692	0.00095138		
Total	1240	1.474926426			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	-0.001285046	0.000877745	-1.464030019	0.143440227	-0.003007083	0.000436991	-0.003007083	0.000436991
Return Market	1.088426875	0.093071106	11.69457338	**4.87598E-30**	0.90583191	1.27102184	0.90583191	1.27102184
SMB	0.895704324	0.214854883	4.168880467	**3.2745E-05**	0.474183386	1.317225261	0.474183386	1.317225261
HML	-0.366992537	0.221858277	-1.654175546	**0.098345963**	-0.802253341	0.068268267	-0.802253341	0.068268267
RMW	-0.047274018	0.30960996	-0.152688944	0.878668522	-0.654693682	0.560145647	-0.654693682	0.560145647
CMA	-1.219886325	0.351498448	-3.470531185	**0.000537346**	-1.909486456	-0.530286193	-1.909486456	-0.530286193