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Recommendation **BUY**

Ticker	TKWY.AS
Stock Exchange	AEX
Headquarter	Amsterdam
Sector	Information Technologies
Current Price	€12.29
Target Price	€18.90
Date	10-01-12
Upside Potential	53.87%
52-Week High	€16.77
52-Week Low	€10.01
Market Value	2.58B
Shares Outstanding	203.82M

Investor Summary

Based on our research, we issue a **BUY** recommendation for Just Eat Takeaway. This research consists of intrinsic and relative valuation, which resulted in a one-year target price of € 18.90, representing a 53.87% upside from the close price of €12.29 on 10-01-2025. This recommendation is based on the key investment drivers: (1) trading at a discount compared to competitors, (2) a shift towards profitable markets and (3) grocery and retail.

Investment Drivers

Trading at a Discount: One of the primary investment drivers for JET is the substantial discount evident in its relative valuation, as outlined in Appendix 10. Key valuation multiples, including Price-to-Sales (P/S), Price-to-Earnings (P/E), and Enterprise Value-to-EBITDA (EV/EBITDA), underscore this significant undervaluation. For instance, the company's TTM P/S multiple is 0.50x, notably below the peer group average of 3.15x. Similarly, its 2026 forward P/E multiple of 15.64x is well beneath the average of 32.09x, and its 2026 forward EV/EBITDA multiple of 5.18x is considerably lower than the peer group mean of 11.79x. This valuation gap can largely be attributed to the lingering negative sentiment surrounding JET's historical challenges with Grubhub. However, with the sale of Grubhub officially finalized in January 2025, we expect that JET will refocus on its core markets and unlock shareholder value, making its current valuation levels compelling.

Re-shifting Focus on Profitability: JET has proven to be a market leader in Northern Europe, its core market. As the online food delivery market matures, the industry shifts focus from growth to profitability. JET has exited unprofitable markets across the continents, like Australia and North America, under investment pressure. The company is now prioritizing the European markets, where it benefits most from scale and competitive advantages. As mentioned during the Company Day, management has adopted a more cautious approach to M&A, while selectively investing in opportunities in European markets such as Italy and Spain. Over the long term, we expect improved margins because of scale (mainly marketing and overhead), network density and pricing power. Furthermore, the company's €150 million share buyback initiative underscores its priority of returning shareholder value as part of its new profitability strategy.

JET's Expansion into the Grocery and Retail Market: The grocery sector offers a significant growth opportunity, with consumer demand for convenience and rapid delivery steadily rising. This diversification reduces reliance on the meal delivery segment, enhancing revenue stability and broadening the customer base. Additionally, leveraging its current logistics and technology infrastructure allows JET to achieve operational synergies, optimizing costs while entering new markets. Moreover, the grocery and retail space align with global trends toward online shopping, providing JET with a competitive edge as it captures a share of this growing market.

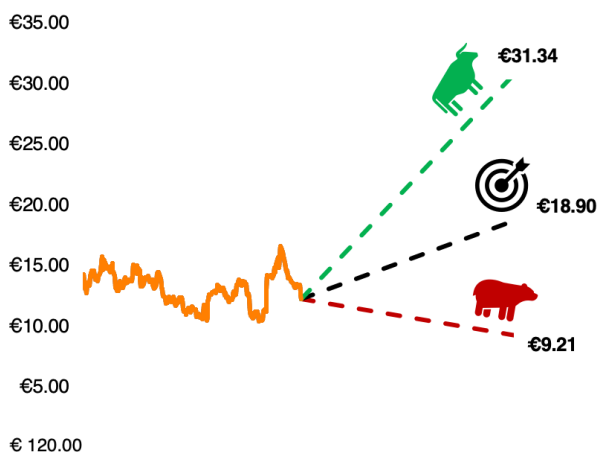
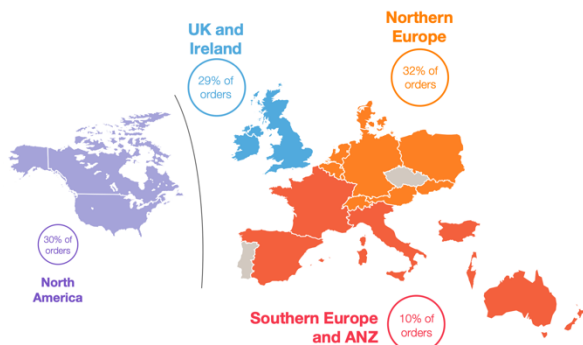
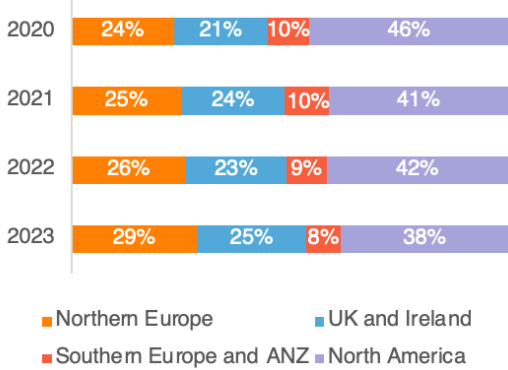


Figure 1 - Geographical Revenue Breakdown



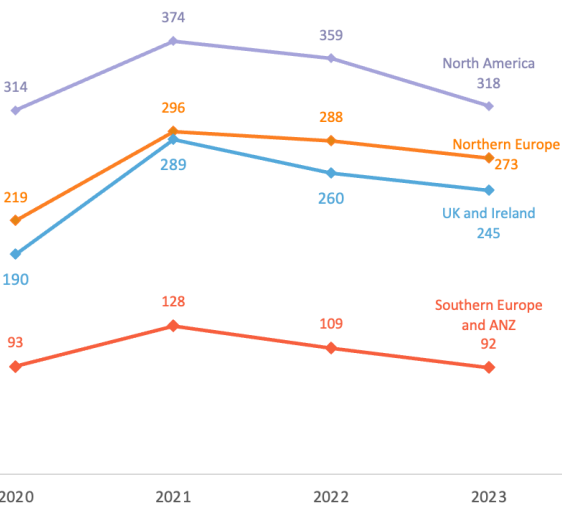
Source - JET Analyst Report 2023

Figure 2 - JET Revenue Proportions by Region



Source - JET Financial Reports

Figure 3 - JET GTV by Region



Source - JET Financial Reports

Figure 4 - JET Business Model



Source - JET Website

Business Description

JET connects consumers with over 699,000 restaurant partners, offering a wide range of cuisines and delivery options. Beyond food delivery, JET is rapidly expanding into retail and grocery delivery, partnering with retailers like Carrefour, Sainsbury's, and Flink, while also introducing non-food offerings such as flowers, electronics, and healthcare products. The company operates across Northern Europe, United Kingdom, Ireland, Australia, Southern Europe, and Northern America with Canada being its sole presence in North America following the sale of Grubhub (Figure 1).

The early 2000s was marked by the rise of technology, smartphones and social media. During these years, online food delivery made its debut, and a plethora of platforms took this chance to launch their platform. Two of the earliest online food ordering platforms were Takeaway.com and Just Eat, launching in 1999 and 2001 respectively. The Dutch and Danish companies would later merge in 2020 to create one of the leading global online food delivery marketplaces now known as Just Eat Takeaway.com or JET in short. With its core Northern European and UK/Ireland markets being profitable (Figure 2 & 3), JET is focusing on scaling its grocery delivery. Additionally, the company has divested from countries such as Portugal, France, New Zealand, and the US (Grubhub) to reallocate resources toward higher-value regions.

JET operates with two distinct models to balance regional demands and efficiency: the Marketplace Model and the Logistics Model.

Marketplace Model: In this model, JET acts as a platform connecting consumers with restaurants, facilitating online orders while restaurants handle the delivery. JET provides the technology, customer interface, and payment processing, earning a commission of 13–14% per order. This model is primarily applied in Northern Europe and parts of the U.K., offering lower operational complexity and higher profit margins (Figure 4).

Logistics Model (Scoober): In this model, JET manages the entire delivery process through its proprietary service, Scoober. This includes dispatching couriers, handling logistics, and leveraging technology to optimize delivery operations. While this model allows JET to earn higher commissions of up to 30%, it requires significant investment in infrastructure, couriers, and technology. Scoober is prevalent in markets like the U.K., Canada, and Australia, where demand for full-service delivery is higher.

Since delivery models depend on laws and regulations, JET also implements different courier models per region. The two models utilized are: Independent Contractors and the Employed Model.

Employed Model: Within Europe, JET mostly applies the employed model especially in countries, where stricter labour rules are applied. Although this model is costlier, it does provide for more control over couriers allowing JET to ensure consistency in branding and quality.

Independent Contractor Model: Outside of Europe, JET hires independent contractors. This model is often used in markets that are less regulated such as Australia. This model lowers costs as JET is not obligated to pay employee benefits; however, the trade-off is less control over the couriers.

Company Strategy and Actions

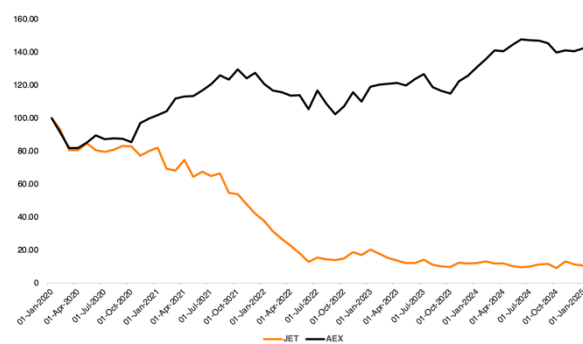
JET's strategy revolves around strengthening its market leadership, expanding service offerings, and driving long-term profitability. The company's actions are centred around the following key areas:

(1) Focus on Core Business and Shift to Profitability: JET is prioritizing its core markets and transitioning from a growth-driven strategy to one centered on sustained profitability. The company is strengthening its position in mature, high-performing regions such as Northern Europe and the U.K./Ireland, which are major contributors to its revenue and EBITDA. In Northern Europe, JET is expanding delivery zones, entering new cities, and extending operating hours, enabling a 5% GTV growth in the first half of 2024. Similarly, in the U.K., JET is optimizing logistics by transitioning to a single delivery model, reducing costs, and enhancing efficiency. To further boost profitability in its core markets, the company is optimizing wages, logistics, and overall cost management. According to JET's half year 2024 report, free cash flow is being strategically reinvested into initiatives like share buybacks, including the launch of a €150 million program and the cancellation of 5% of its total issued shares (10,998,303 ordinary shares), which reduces outstanding shares and enhances shareholder value. Strategic divestments, such as exiting markets like New Zealand, demonstrate the company's commitment to allocating resources toward regions with clearer paths to profitability.

(2) Retail and Grocery Expansion: JET is scaling grocery partnerships with Morrisons and Sainsbury's, while increasing its grocery penetration in the U.K. As of now, grocery sales account for 6% of their GTV. Furthermore, the company is expanding its non-food delivery offerings, such as electronics and consumer healthcare, to diversify revenue streams and tap into the, according to Statista, expected 12.64% CAGR (2024-2029) of the retail delivery market. While the 6% GTV contribution from grocery is a promising start, achieving higher penetration could be challenging due to the high competition from established grocery chains and online marketplaces may limit growth potential

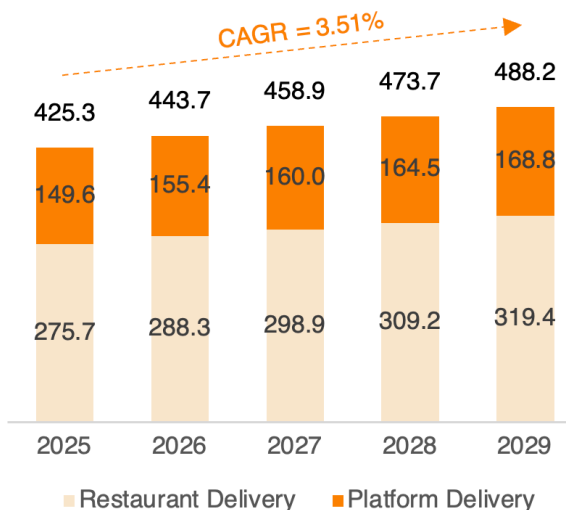
(3) Technology and Platform Strategy: JET is aiming to enhance its platform by launching a new,

Figure 5 - JET and AEX Returns



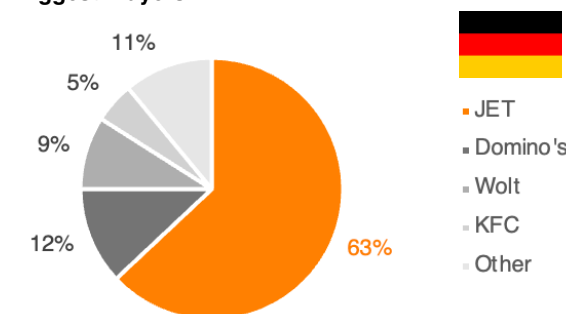
Source - LSEG Database

Figure 6 - Meal Delivery Revenue Forecast in billion euros



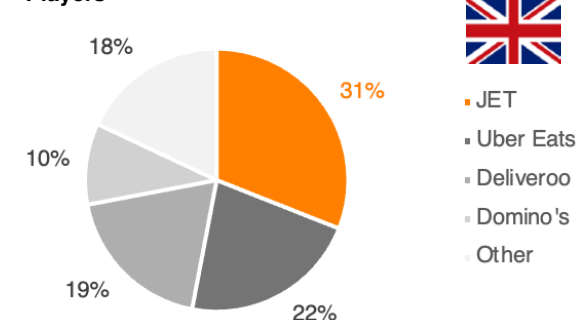
Source - Statista

Figure 7 - Germany Landscape: Market Share of Biggest Players



Source - Statista

Figure 8 - UK Landscape: Market Share of Biggest Players



Source - Statista

more unified app across Europe to improve scalability and reduce operational costs. Moreover, they are aiming to improve customer service experiences by investing in AI to for instance be able to predict delivery times, optimizing the overall customer experience. Furthermore, by employing a dual model (Marketplace and Logistics), JET adapts to regional demands, focusing on the marketplace model for higher margins in Northern Europe, while using the logistics model to drive expansion in growth markets like Canada and Australia. Additionally, JET's employed courier model ensures compliance with labour laws and regulations such as the EU platform directive across Europe, providing a competitive edge over gig model-based peers and positioning the company to navigate evolving regulations, particularly in the U.K.. This approach minimizes legal risks and supports operational stability. Jitse Groen, the CEO of JET, mentioned in their half year 2024 report that due to the significant technological advancements as well as their increased delivery coverage, the company was able to achieve GTV growth.

Share Price History

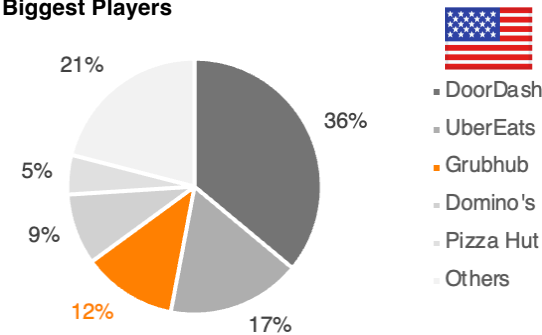
During the COVID-19 pandemic, JET's share price grew moderately, reaching a peak of €128.49 in October 2020. This growth was driven by the strong demand for food delivery services during the pandemic as well as market optimism around its expansion. Moreover, JET performed aggressive market penetration strategies and key acquisitions during this period. However, from early 2021 onwards, JET's share price has dropped significantly due to challenges such as increased competition and the underperformance of its Grubhub acquisition. The acquisition was impacted by integration challenges, the pandemic, and regulatory changes like fee caps on delivery charges, all of which diminished the acquisition's profitability. After the sale of Grubhub was announced, JET's share price spiked with 19%. Although the initial market reaction was positive, the initial spike reversed after a few months. This reversal could be attributed to the underlying concerns of profitability as well as price concerns as Grubhub was planned to be sold for only a fraction of the acquisition price. JET's management specifically has faced criticism regarding the Grubhub acquisition and sale. As of January 10th, 2025, the company's share price is €12.29, close to its lowest level of €10.01 since 2020 (Figure 5). Compared to the AEX index, JET has shown significant underperformance, raising questions regarding its long-term value. The decline can be attributed to several factors such as changes in consumer behaviour after the pandemic, rising inflation, and higher interest rates, making the food delivery industry more challenging to operate in.

Industry Overview

Food delivery market: The online food delivery industry has experienced significant growth in recent years. The revenue in the online food delivery market is forecasted to reach €1,290 billion in 2025 and €1,740 billion in 2029, with an expected CAGR of 7.77% (2025-2029). For meal delivery only, the market size is estimated at €425.3 billion in 2025 and is expected to reach €488.2 billion by 2029, reflecting a CAGR of 3.51% over the forecast period (Figure 6).





European market: Revenue in the European online food delivery market is estimated to reach €150.20 billion in 2025, with €50.73 billion (34%) attributed to meal delivery and €99.47 billion (66%) to grocery delivery. The industry is projected to grow at a CAGR of 7.23%. The user penetration in the meal delivery segment is forecasted to reach 30.8% by 2025, with the number of users in the meal delivery market expected to reach 286.7 million by 2029. In 2023, Northern Europe markets together made up 31% of JET's total orders and 29% of the total GTV. JET's user penetration rate in Northern Europe is 20% in 2023. Northern Europe remains the segment with the strongest adjusted EBITDA margin of 4.8% of GTV in 2023, driven by optimised pricing, higher demand for JET's advertising offering, and targeted operating expenses optimisation programmes. JET has strong leadership positions in Germany (Figure 7), with JET's Lieferando.de dominating 63% of the German market share and gaining the consumer top-of-mind awareness well over 60%. The U.K. and Ireland segment, operating under Just Eat brand, makes up 28% of JET's total orders and 25% of the total GTV in 2023. JET's user penetration rate in this market is 30%. The adjusted EBITDA margin continued to improve through JET's enhanced efficiency, increasing to 2.0% in 2023 from 0.4% in 2022. There was a strong momentum in the U.K. and Ireland, with adjusted EBITDA margin rapidly approaching similarly high levels in Northern Europe. In the U.K., JET dominates the market with 31% market share (Figure 8), followed by Uber Eats and Deliveroo. JET's top-of-mind awareness was boosted by significant investments in marketing and partnerships, with Just Eat being the preferred brand in both the U.K. and Ireland. The Southern Europe and ANZ segment made up 10% of JET's total orders and 8% of the total GTV in 2023, with Australia being the largest market in this segment and JET's Australian brand, Menulog having a long track record in online food ordering. Driven by the continued focus on improving unit economics, Southern Europe and ANZ improved its adjusted EBITDA by 66% to minus €97 million in 2023 from minus €161 million in 2022. As a result, the adjusted EBITDA margin improved to minus 4.5% in 2023 from minus 6.2% in 2022. JET discontinued its operations in Norway, Portugal, and Romania in 2022, New Zealand and France in 2024, reflecting the business's commitment to drive efficiencies and focus on building strong and sustainably profitable positions.

Figure 9 - American Landscape: Market Share of Biggest Players



Source - Statista

Figure 10 - On-Demand Grocery Projected

	Projected user penetration rate (by 2029)	Expected annual growth rate (CAGR 2024-2029)
 UK	15.7%	8.6%
 NL	19.5%	8.8%
 DE	6.0%	9.6%
 ES	16.0%	8.1%

Source - Statista

shopping scene (Figure 10). In Canada, JET's SkipTheDishes has also extended its Delivery service into rapid grocery delivery through their Skip Express Lane fulfilment centres. In the UK and Ireland, JET successfully doubled its grocery consumer penetration in H1 2024 compared with H1 2023, through adding large chains such as Morrisons and doubling the Sainsbury's estate. Considerable headroom remains for continued expansion in JET's grocery and retail business, offering significant opportunities to grow its future revenues and further optimise its delivery network.

Key Value Drivers

Busy lifestyles and time constraints: With busy lifestyles and a desire for instant gratification, particularly among millennials and Generation Z, consumers are turning to online platforms to order their meals instead of cooking at home or dining out. JET is continually evolving its technology to help people discover and try new food and more generally, help them find what they want more quickly, enhancing the experience for both consumers and partners through personalized recommendations.

Grocery and convenience: Customers have a growing demand for convenience, from groceries to health and pharmacy products, electronics, etc. JET caters to this trend by launching its grocery offer on the platform. JET has made significant progress in building and growing our grocery and convenience offering from its European partnership with Getir, Dia in Spain, 7-Eleven in Canada, Spar in the Netherlands, Sainsbury's Asda in the U.K., Skip Lane Express in Canada, and Lieferando Express in Berlin. Altogether, JET now supports more than 30,000 grocery and convenience stores on the platform across the world. JET's overall consumer penetration of 12% is still relatively low, so there is continued opportunity in the expansion of JET's partner supply base through adding new verticals.

Cost reduction: JET has streamlined its operations, and reduced complexity for its consumers and partners. Thanks to the operational improvement in logistics and more efficient customer services, the adjusted EBITDA of JET has improved significantly, especially in the U.K. and Ireland as well as Southern Europe segments. Specifically, in 2023, the adjusted EBITDA of the U.K. and Ireland segment and the Southern Europe segment grew 487% and 66% respectively.

Technology and innovation: AI and data analytics have improved user experience, enabling personalized recommendations, dynamic pricing, and efficient delivery routes. JET is well-positioned to benefit from its strong data-driven culture which helps them to optimize operations. To further improve its local operation, JET created a custom-built interactive country and city performance dashboard: JET 360, which brings together relevant business insights across 4 metrics: sales, demand, logistics, and trade for each city JET operates. As a result, JET is able to monitor its operations in 20 countries together, for quicker decision-making processes.

Industry Headwinds

Regulatory Environment: Increasing scrutiny over worker rights and taxation policies in the gig economy can lead to higher courier costs, reducing profit margins. For example, in August 2021, Spain introduced the "Rider Law" (Ley Rider) to regulate working conditions of riders and drivers employed by delivery platforms. By early January 2024, Glovo has paid over 205 million euros in penalties for non-compliance with this law. Additionally, a few months after the law's implementation, British company Deliveroo announced plans to exit Spain, citing the significant investment required to comply with the new regulations. Additionally, inconsistencies in how EU platform Work Directives is applied across countries poses further challenges for JET. In France, where the legislation failed to pass, JET faced a competitive disadvantage due to its strategy of employing its own couriers rather than relying on gig workers like Uber and Deliveroo. As a result, JET struggled to compete and ultimately abandoned its in-house delivery operations in France. In July 2024, due to the challenging market dynamics, JET proposed plans to shut down all operations in France.

North American market: The online food delivery market is expected to experience significant growth. The revenue is projected to reach €416.9 billion in 2025, with €103.6 billion (25%) attributed to meal delivery and €313.3 billion (75%) to grocery delivery. By 2029, the North American market is expected to exceed €551.6 billion, with a CAGR of 7.25% (2025-2029). The number of users in the meal delivery market is projected to reach 303.2 million by 2029, with the user penetration of 54.8% by 2025. The United States accounts for the largest share with an estimated 89.67% of the North American online food delivery market by 2029. North America represented 32% of the total JET orders and 38% of the total GTV in 2023. In North American market, JET struggled to compete against established players such as DoorDash and Uber Eats, which collectively control 53% of the US market (Figure 9). Moreover, the fee caps imposed in both the US and Canada also pose a challenge to JET. JET experienced an impact amounting to approximately €83 million in fee caps in 2023, compared with more than €130 million in 2022. The North American segment showed an increase in adjusted EBITDA as a percentage of GTV to 1.3% in 2023 from 0.6% in 2022, largely attributed to efficient spending with lower marketing costs, and continued optimisation in overhead.

Overall, the European market is more consolidated, with JET's dominant positions in Germany (63% market share via Lieferando) and the U.K. (31% market share), while the North America market is more fragmented, with DoorDash (36%) and Uber Eats (17%). The European market also appears more mature, evidenced by JET's user penetration rate, 30% in the U.K. and Ireland and 20% in Northern Europe compared to only 8% in North America. However, North American online food delivery is more attractive in terms of revenue potential, projected to reach €416.9 billion in 2025, far exceeding Europe's €150.2 billion. Outside Europe, JET's brand recognition is weaker compared to local and global competitors. For example, DoorDash and Uber Eats dominate the US market with significant market share and robust delivery infrastructure. Similarly, in Australia, Uber Eats has a dominant presence, leaving JET's Menulog to fight for a smaller market share. Moreover, JET also faced challenges related to different regulatory environments such as the fee cap in North America. Therefore, JET has shifted its focus back to strengthening its leading positions in Europe, where it has strong brand presence and operational advantages in markets like Germany, the U.K., and the Netherlands.

Grocery and retail market: Although JET has just entered the grocery delivery market, which accounts for only 6% of JET's GTV, the on-demand grocery on the JET platform shows large potential with 152% increase in GTV in 2023 vs 2022. The on-demand delivery has surged onto the European grocery

Competitive Pressure: The industry’s low barriers to entry have led to intense competition. This intense competition can lead to reduced profit margins and challenges in customer acquisition and retention. JET faces rivalry from global giants like Uber Eats, DoorDash and local players with niche focuses.

Bolt-on Acquisitions

In June 2021, JET acquired Grubhub for €6.6 billion, aiming to expand its presence in the U.S market. However, facing intense competition from DoorDash and Uber Eats, JET struggled to achieve profitability with Grubhub. In November 2024, JET announced the sale of Grubhub to Wonder Group for \$589 million, comprising €136 million in cash and €453 million in senior notes, making a significant loss from the original purchase price. The transaction, completed in January 2025, allows JET to focus on its core European markets. Another acquisition occurred in October 2021 when JET completed the acquisition of Bistro.sk, Slovakia’s leading online food delivery platform, for approximately €50 million. Bistro.sk operates a nationwide market platform, enhanced with delivery services in key cities, partnering with around 2,000 restaurants and serving over 400,000 active customers. This strategic acquisition expanded JET’s operation in Central and Eastern Europe, adding a profitable and complementary platform to its portfolio. Following the acquisition, Bistro.sk was integrated into JET’s European IT platform and adopted its global brand identity. The recent JET’s acquisition and divestment activities reflect the company’s “profitability focus” strategy, divesting some of the unprofitable businesses to maintain their unique position in the main markets in Europe. The firm also stated that it may not make any more acquisitions in the near future, shifting from expansion and mainly focusing on profitable markets.

Critical Success Factors

Harness the power of network effects: JET overall strategic objective is to build and extend large-scale and sustainably profitable positions in every market in which it operates. JET continues to enhance choice for its customers from meals to groceries, flowers, or electronic gadgets, fuelling the positive impact of network effects of its platforms and enhancing the ability to acquire new consumers and encouraging existing consumers to order more frequently. It increased the number of partners to 699 thousand by the end of 2023.

Improve organisational efficiency and reduce overheads: JET continues to substantially improve its logistics efficiency and reduce costs per delivery through increased order pooling. In the UK, it restructured delivery operations and reduced delivery costs by the closure of JET’s employed courier delivery solution.

Focus resources towards highest potential markets: JET continued its disciplined portfolio management approach where it continually assesses market positions, exiting the non-profitable markets (Norway, Romania, France, Portugal, New Zealand), and focusing resources towards highest potential markets.

Improve global brand awareness: Well-known food delivery aggregators can build category stickiness, to ensure customers come back again and again. JET’s brand awareness levels of 88% across Europe. High levels of brand familiarity can build order volume, while also creating a halo effect for its partners. JET launched a new creative campaign featuring celebrities (Katy Perry, Christina Aguilera, Latto, etc), and continued its successful partnership with UEFA, driving increased global awareness.

Environmental, Social and Governance

ESG is gaining importance for investors, especially for those operating in Europe. Starting from 2025, large corporations like JET will be required to report under the Corporate Sustainability Reporting Directive (CSRD). The CSRD, linked with the EU Taxonomy and TCFD, requires stricter reporting on environmental and societal effects, including a double materiality assessment, clear targets, and embedded sustainability knowledge within the firms. According to Sustainalytics, the top material ESG issues for JET, are: Human Capital, Data Privacy & Security, and Business Ethics. The table below shows JET’s ESG performance as rated by external rating agencies and our own assessment. Figure 11 and Figure 12 show that, compared to the benchmark, JET has a similar ESG risk score, but a lower LSEG ESG rating.

Source	Environment	Social	Governance	Overall
LSEG	27 (C-)	49 (C+)	63 (B)	51
Sustainalytics	3.8	13.0	5.8	22.7 (Medium) • Industry: 57th percentile • Sub-industry: 42nd percentile
Team Rating	Average	Average	Above Average	Average

Sustainability Framework: In 2021, JET introduced their Responsible Business and Sustainability Framework in (Appendix 14), where they identify 11 UN Sustainable Development Goals as directly relevant to their objectives as a responsible business: Zero Hunger (2), Good Health and Well-being (3), Quality Education (4), Gender Equality (5), Affordable and Clean Energy (7) and Decent Work and Economic Goals (17). The framework organizes the impact of these SDGs into three key pillars: Planet, Food, and People & Society. These pillars encompass operations that JET manages directly as well as those they influence indirectly through their operations.

Environmental

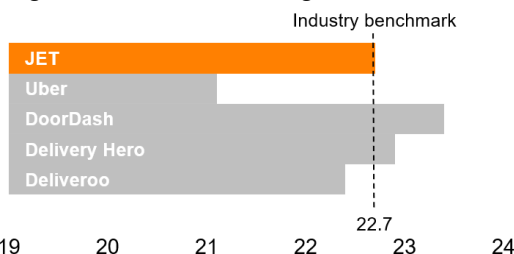
Reducing Direct Carbon Footprint: JET has a strong management in terms of direct carbon exposure. In 2021, as part of their global strategy, JET committed to reaching net-zero emissions for its direct operations by 2030. This pledge specifically targets Scope 1 and Scope 2 emissions (Our Net Zero Pledge, n.d.). It includes switching the corporate fleet to 100% electric by 2030, improving energy efficiency of office buildings and switching all offices to green energy tariffs. JET aims to reduce CO2-emissions by innovative order pooling and giving drivers access to (e-)bikes and e-scooters through its own delivery network, Scoober. Figure 13 and Figure 14 show that Scope 1 and 2 emissions are indeed limited compared to Scope 3 emissions. The Scope 1 emissions drastically decrease in 2023, due to a reduction in average gas consumption for heating at facilities, a reduction in refrigerant use and reduction in emissions from combustion engine vehicles.

Carbon Footprint in Value Chain: The core of JET’s business, delivery, generates significant Scope 3 emissions throughout its value chain (indirect emissions). One way that JET is tackling this is by selling competitively priced e-bikes to restaurant partners since 2017 in several markets. JET is also identifying opportunities to reduce these emissions within their logistics network. However, it has not yet set specific reduction targets, citing the complexity of addressing partner activities within the value chain.

Other Environmental Factors: According to Sustainalytics and LSEG, JET has negligible exposure to resource use of water. On the other hand, LSEG considers it to have no environmental innovation.

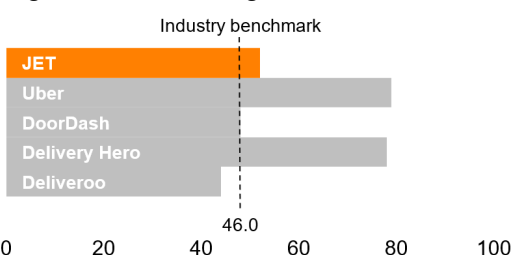
Turnaround, Reporting and Transparency: In 2021, JET was added to the S&P Europe 350 ESG Index (Responsible Business, n.d.) but was removed the following year. The company began voluntarily disclosing environmental impact under the Carbon Disclosure Project, achieving an initial score of C, reflecting awareness-level engagement. However, JET failed to submit the report in 2023, resulting in the lowest CDP score. JET set its net zero target in 2021 and has reported on its Scope 1 and 2 emissions in its 2022 and 2023 Annual Reports.

Figure 11 - ESG Risk Rating Peers



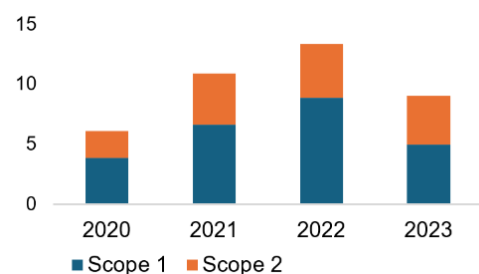
Note: A lower ESG-score is preferred
Source - Sustainalytics

Figure 12 - ESG Rating Peers



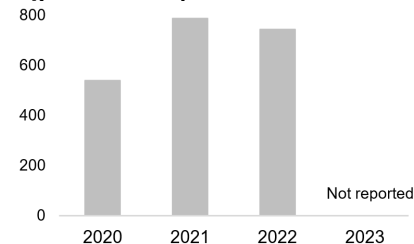
Source - LSEG

Figure 13 - Scope 1 and 2 CO2 Emissions in kilotonnes



Source - JET Annual Reports 2021-2023

Figure 14 - Scope 3 CO2 Emissions in kilotonnes



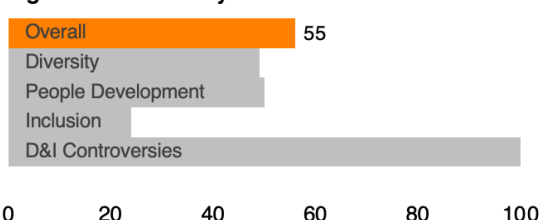
Note: Scope 3 emissions for 2023 were not reported
Source - JET Annual Reports 2021-2023

Figure 15 - Gender Ambitions (in Female %)

Levels	Gender Diversity as of 1 Jan 2023	Gender Diversity as of 31 Dec 2023	Ambitions by end of 2025
ExCo & MB	23%	27%	31%
SLC	31%	33%	34%
Managers	34%	35%	40%
Professionals	40%	40%	50%
Support	51%	50%	50%

Source - JET Annual Report 2023

Figure 16 - Diversity Score



Source - LSEG

Social

Employees: According to Sustainalytics, JET has a strong human capital development program, highlighted by its Early Careers Program. This fast-track development accelerator employs a skill-based approach to talent development. In its 2023 Annual Report, JET highlights a shift towards a performance-oriented culture, emphasizing internal growth opportunities for employees. Key initiatives are its Speak Up Policy, which encourages employees to report misconduct, and the Wellbeing Hub, launched in 2022. The Wellbeing Hub is an online behaviour change platform, aimed at improving individual health and wellbeing. Additionally, JET supports hybrid working arrangements where feasible. As JET does not publish employee turnover or satisfaction rates, the success of these initiatives is difficult to measure.

Inclusion, Diversity & Belonging: JET has achieved a moderate LSEG diversity score of 55. The firm established a dedicated global Inclusion, Diversity and Belonging (I, D&B) team, which launched its global I, D&B strategy in 2021 (Just Eat Takeaway.com & Groen, 2021). Within Talent Acquisition, an I, D&B committee is focused on fostering an inclusive hiring process that supports candidates from diverse backgrounds, including those with disabilities. At the applicant stage, JET actively tracks gender diversity and has set gender representation goals, as illustrated in Figure 15. In 2023, 43.4% of promotions were awarded to females, and 0.6% to non-binary individuals. Among people-managers, 37.9% are female and 0.1% non-binary. At the senior leadership level, women hold 32.6% of positions. JET acknowledges that diversity extends beyond gender, and provides room for internal advocacy groups, such as *Women in Tech*, *Neurodiversity Community* and *JET in Color Community* (Inclusion, Diversity & Belonging, 2024). Despite these efforts, Sustainalytics has identified the current diversity program as weak, highlighting room for improvement for JET's approach to fostering inclusion and belonging.

Controversies: JET has been involved in two controversies; one employee incident and one customer incident. It therefore received a highest controversy level of 2 (moderate) from Sustainalytics. The employee incident refers to a formal complaint in 2022 that was issued against COO Jörg Gerbig, of personal misconduct at a company event. In line with the Speak Up Policy, external investigation concluded that he could continue his position as COO, in which he is currently still active.

Governance

JET has a strong management and negligible risk regarding corporate governance (Sustainalytics). It received an ISS Corporate Governance QualityScore of 1, indicating low risk (Audit: 5, Board: 1, Shareholder Rights: 4, Compensation: 4). However, it lags behind competitors in its CSR strategy, which has not been verified by external parties. Furthermore, it has not signed the UN Global Compact.

Company Structure: Following the 2020 merger, JET adopted a two-tier board structure consisting of a Management Board and Supervisory Board that operate independently. The Management Board consist of 4 members, with 25% female representation, while the Supervisory Board consists of eight members, 37.5% of whom are female. The current CEO, Jitse Groen, co-founded Takeaway.com and brings nearly 25 years of industry experience. Additionally, JET has established an Audit Committee and a Remuneration and Nominating Committee, both of which operate without any controlling shareholders.

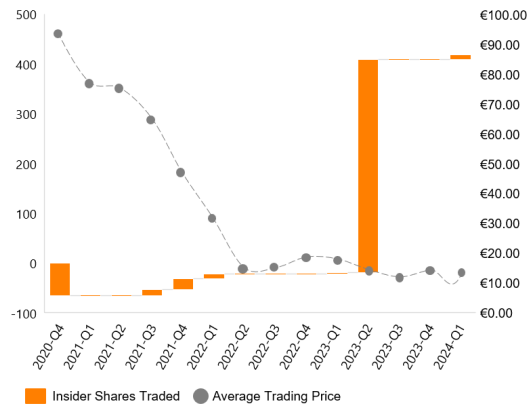
Remuneration: CEO pay aligns with industry benchmarks. In 2023, Groen's total compensation was €1.6 million, comprising a base salary of 41%, supplemented with a short-term incentive-plan (STIP) of 31%, a long-term incentive plan (LTIP) of 22%, and pension and other benefits of 6%. The compensation of the other Supervisory Board members is also tied to performance targets under the STIP and LTIP, which now prioritizes profitability overgrowth. 12.5% of the LTIP is linked to reaching its ESG target as described in its Net Zero Pledge. Figure 17 shows that a significant number of shares was traded in Q2 2023, which were exercised by Groen. However, no major recent large transactions have been recorded.

Shareholders Distribution and Sentiment: JET strongly adheres to the proportionality of voting power and the 'one share, one vote' principle. As illustrated in Figure 18, the total shareholder distribution is highly diverse. Figure 19 shows the distribution of shares amongst the top 10 shareholders, showing a diverse group of institutional investors and the absence of a majority shareholder. Groen, the CEO, currently holds ~7.3% of all shares. Following the unsuccessful Grubhub acquisition, criticism targeted Groen's leadership style and JET's M&A strategy. In 2022, Cat Rock Capital, the activist investor, called for leadership changes, including CFO Brent Wissink's removal. While Wissink remains, the Supervisory Board Chairman stepped down, and Cat Rock Capital has since reduced its stake in JET.

An Average ESG Player

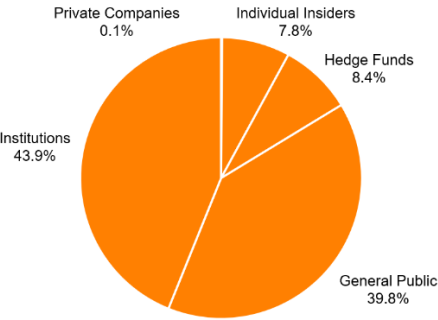
In conclusion, JET has average ESG performance in comparison to its peers. While it is making active contributions to lower its scope 1 and 2 CO2 emissions, emission targets for its whole supply chain remains ambiguous. For its social performance, it is strong in human capital development and is making active efforts to improve gender diversity with clear targets. However, the target and strategy regarding inclusion on other levels, is not specified. In terms of governance, the company operates through a two-tier board system with experienced board members, though having made some strategic mistakes in the past. Overall, JET currently has a decent ESG performance,

Figure 17 - Insider Shares Traded in thousands



Source - LSEG

Figure 18 - Shareholder Distribution



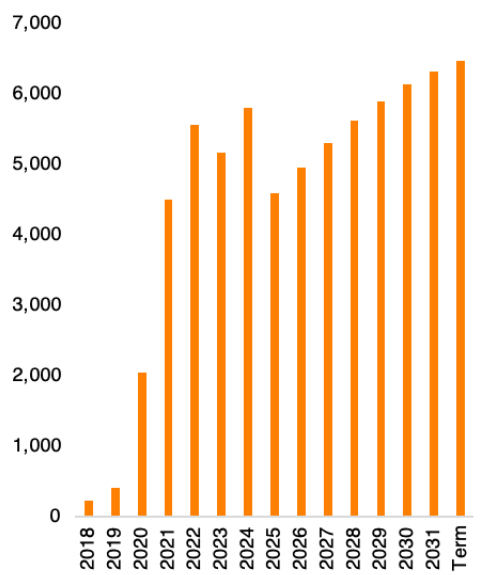
Source - SimplyWallStreet

Figure 19 - Top 10 Shareholders

Name	Ownership
The Baupost Group LLC	8.09%
Jitse Groen	7.33%
Caledonia (Private) Investments Pty Ltd.	6.58%
JPMorgan Asset Management (UK) Ltd.	4.67%
Cat Rock Capital Management LP	4.66%
Eminence Capital LP	3.35%
Just Eat Takeaway.com NV	3.06%
Templeton Global Advisors Ltd.	2.85%
Norges Bank Investment Management	2.68%
UBS Asset Management (UK) Ltd.	2.35%

Source - LSEG

Figure 20 - Historical Revenue and Team Revenue Forecast in €million



Source - JET Financial Statements and Team Analysis

and mostly provides updates regarding this through its annual reports. There is room to extend its ESG-aligned focus points and provide more regular updates towards its shareholders.

Financial Analysis

Revenue and Growth

Our analysis of JET's revenue trajectory highlights its progression along the S-curve of growth, transitioning from a phase of rapid expansion to a more stabilized and mature market dynamic. The variations in revenue growth over 2018-2023 emphasize the challenges of navigating market maturity in a competitive and evolving industry. Between 2018 and 2020, we observed remarkable revenue growth, peaking at 391% in 2020. This exceptional growth was driven by aggressive market penetration strategies, key acquisitions, and the increasing popularity of food delivery services. However, following this period of rapid expansion, revenue growth decelerated, declining to 120% in 2021 and 24% in 2022, before contracting by -7% in 2023. This marks a critical turning point as the company transitions into a more mature growth phase. Looking forward, we forecast both industry stabilization and the impact of key strategic decisions. As shown in Figure 20, the expected revenue decline in 2025 is attributable to the sale of Grubhub. This divestiture, aimed at refocusing on core markets and enhancing operational efficiencies, will have a one-off negative impact on revenue. However, post-2025, we expect steady single-digit revenue growth rates, ranging from 3% to 8%, between 2026 and 2031. By 2031, revenue is forecasted to reach approximately €6.26 billion, reflecting consistent growth in a mature market environment. In the DCF valuation, we valued JET separately from Grubhub, adding back the proceeds from the sale (Appendix 11). Furthermore, the revenue CAGR for the 2024-2031 period is projected to be 5.98% in the base case scenario.

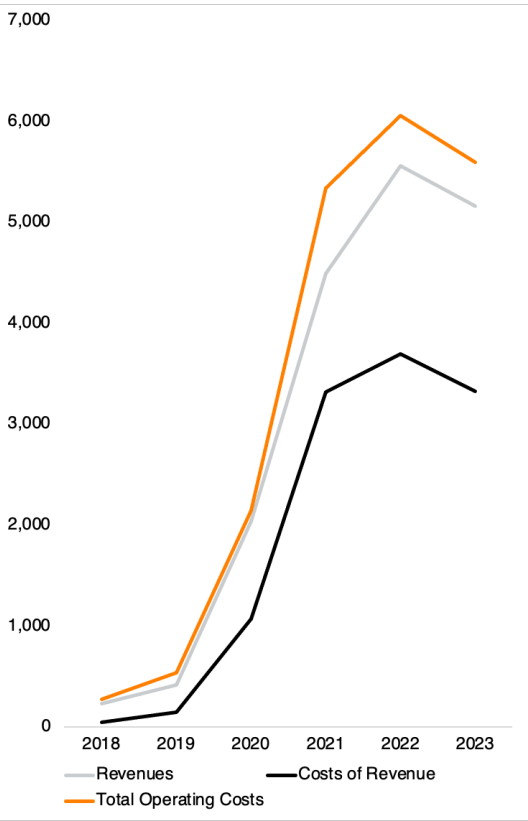
Profitability

Profitability and Return Ratios: JET's profitability and return ratios reveal persistent challenges in financial performance, underscoring the need for strategic improvement. The company has consistently reported negative return on equity, averaging -23% over the period, with a sharp decline to -55% in 2022 before recovering slightly to -30% in 2023. This highlights ongoing struggles to generate shareholder value, driven by losses and inefficiencies during its growth phase. Gross margins, which started at 78% in 2018, fell sharply to 26% in 2021, reflecting rising costs tied to expansion and competitive pressures. A modest recovery to 36% in 2023 suggests stabilization efforts are underway, though sustained improvements are needed to regain profitability. EBITDA margins have been volatile, averaging -7%, with brief positive periods in 2020 and 2023, indicating a struggle to maintain consistent operating profitability amid fluctuating costs. The EBIT margin has remained negative throughout, averaging -15%, with a similar pattern of slight recovery in recent years. Meanwhile, the net earnings margin has been the most concerning, averaging -34% across the period and reaching a low of -102% in 2022, likely due to significant one-off impacts like the Grubhub sale. Despite slight improvements in 2023, these persistent losses reflect the need for cost rationalization and a sharper focus on profitable growth. As JET transitions into a mature phase of the industry, improving operational efficiency and margin performance will be critical. Early signs of stabilization in gross margins and EBITDA provide a foundation for the company to refocus on sustainable profitability, ensuring long-term value creation for its shareholders.

Income statement items: JET's income statement and chart highlight the company's growth trajectory and challenges in achieving economies of scale as it transitions along the S-curve of industry growth. While revenues grew significantly from €232 million in 2018 to €2,042 million in 2020, this expansion was accompanied by a sharp rise in costs. Costs of revenues rose disproportionately, peaking at 74% of revenue in 2021 and remaining high at 64% in 2023, indicating limited operational efficiency gains. SG&A expenses, though reduced from 78% of revenue in 2018 to 39% in 2023, remain substantial and suggest inefficiencies in scaling administrative and overhead costs. Similarly, total operating costs have consistently outpaced revenues, with the operating cost-to-revenue ratio at 108% in 2023, reflecting ongoing struggles to contain variable costs such as delivery expenses. EBIT margins, as shown in Figure 23, have stayed negative, improving slightly to -5% in 2020 before falling again to -8% in 2023. This persistent lack of profitability, despite revenue growth, reinforces the conclusion that economies of scale remain limited. The chart in Figure 21 visually illustrates this, with the narrow gap between the revenue and total operating cost lines showing that costs are scaling almost in tandem with revenues. However, the team expects profitability to improve as JET exits markets where they are operating at losses, allowing the company to focus on core markets where margins are stronger, and operational efficiencies can be maximized. This strategic pivot should enable JET to improve long-term profitability as the business matures.

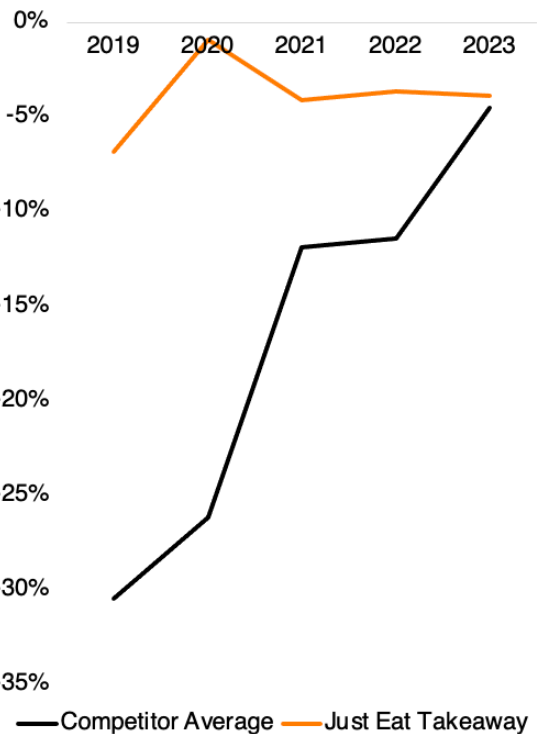
ROIC Analysis: The Return on Invested Capital (ROIC) for JET reveals a consistently negative but stable trend, outperforming the competitor average over the analysed period. From 2018 to 2023, JET's ROIC improved slightly, moving from -12% to -4%. While this reflects

Figure 21 - JET Revenue, Cost of Revenue and Operating Costs 2018-2023 in €million



Source - JET Financial Statements

Figure 22 - JET and Competitor Historical ROIC 2018-2023



Source - JET Financial and Competitor Financial Statements

efforts to reduce inefficiencies and stabilize operations, the company has not seen significant growth, with ROIC stagnating at -4% since 2021. This indicates it is still not generating sufficient returns to cover its cost of capital. In contrast, the competitor average has shown a more dramatic recovery, improving from -802% in 2018 (largely due to Uber's extreme losses) to -5% in 2023. However, the competitors' ROIC remains volatile, whereas JET's stability highlights better cost control and operational focus. The chart in Figure 22 shows JET consistently outperforming the competitor average, but its lack of upward trajectory suggests that meaningful returns on invested capital remain elusive.

Leverage and Liquidity Ratios

Leverage Ratios: For leverage ratios, we look at debt-to-equity and debt-to-EBITDA as key indicators of JET's financial structure and its ability to manage its debt burden. The debt-to-equity ratio in 2023 is 39%, representing a moderate level of leverage. This ratio reflects a balance between debt and equity, indicating that the company is not excessively reliant on debt to finance its operations. Compared to 2018's 108%, 2023 shows improved control over leverage. However, the gradual rise from the low of 7% in 2020 suggests an increasing reliance on debt in recent years. The debt to EBITDA ratio in 2023 is 1,422%, an exceptionally high figure that signals significant leverage relative to operational earnings. This ratio far exceeds industry norms, showing that the company's debt is disproportionately high compared to its EBITDA. Such a high ratio reflects the challenges associated with managing debt when profitability is low, as seen in JET's volatile EBITDA performance. The 2023 figure highlights the substantial pressure on the company to manage its debt obligations effectively (Appendix 12).

Liquidity Ratios: For liquidity ratios, we look at the current ratio and the quick ratio as measures of JET's ability to meet its short-term obligations. The current ratio in 2023 is 1.50, indicating that the company has 1.50 times the current assets needed to cover its current liabilities. This level is healthy and suggests that the company has sufficient liquidity to manage short-term obligations. The 2023 ratio is consistent with the prior two years, showing stability since 2021. Compared to earlier years, such as 2018 at 0.50, the 2023 ratio reflects a significant improvement in liquidity. The quick ratio in 2023 is 1.49, which is nearly identical to the current ratio, showing that the company's liquid assets (excluding inventory) are also sufficient to meet current liabilities. This figure is consistent with recent years and represents an improvement from 2018's 0.48. The similarity between the quick and current ratios suggests that inventory is not a significant component of current assets, which is typical for a service-based company like JET (Appendix 12).

Asset Utilization

Asset Utilization Ratios: For asset utilization, we evaluate asset turnover, A/R days, inventory days, A/P days, and the cash conversion cycle (CCC) to assess efficiency in operations. The asset turnover ratio in 2023 is 0.46, slightly above the historical average of 0.44 and showing improvement from 0.32 in 2021. This indicates modest efficiency in generating revenue from assets, though it remains well below the 2018 peak of 0.76. A/R days in 2023 are 32.16, above the historical average of 23.59, indicating slower collection of receivables compared to prior years. This trend reflects potential inefficiencies in customer payment collections. Inventory days in 2023 are 3.08, close to the recent trend and well below 2018's 20.46, demonstrating efficient inventory management consistent with a service-based business model. A/P days in 2023 are 53.83, significantly lower than 2018's 296.66, but consistent with the recent trend. This indicates quicker payment to suppliers compared to earlier years, suggesting improved supplier relationships or better cash flow management. The CCC in 2023 is -18.59 days, in line with the negative historical average of -76.91. The negative CCC shows that the company collects payments faster than it pays suppliers, maintaining a cash-efficient operating model (Appendix 12).

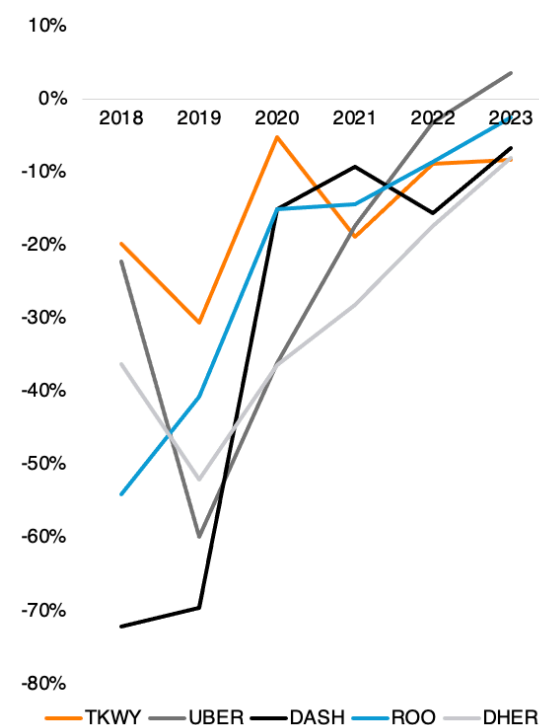
Valuation

The valuation section combines both relative and intrinsic approaches to determine the company's fair value (Figure 25). The team conducted a relative valuation by comparing key multiples of trading competitors and an intrinsic valuation using a three-stage DCF model with the perpetuity growth method.

Weighted Average Cost of Capital (WACC)

To discount FCFF in the DCF analysis, the Weighted Average Cost of Capital (WACC) was calculated. Figure 24 shows the details behind the final WACC. The team applied the Hamada formula to analyse asset betas for JET and four additional competitors. By averaging the asset betas, a value of 0.82 was obtained and used in the Capital Asset Pricing Model (CAPM) alongside a 5.5% market risk premium (MRP) to derive the equity risk premium, which came to 8.31%. For the cost of equity, the German 10-year bond yield of 2.57% was selected as the risk-free rate. This resulted in a final cost of equity of 10.88%. The cost of debt was determined using the interest expense method based on data from the 2023 income statement and balance sheet, leading to an after-tax cost of debt of 2.54%. The capital structure weights were derived from industry debt-to-value (D/V) ratios, resulting in an equity weight of 81% and a debt weight of 19%. The final WACC was calculated at 9.26%.

Figure 23 - JET and Competitor Historical EBIT margin 2018-2023



Source - JET Financial and Competitor Financial Statements

Figure 24 - WACC Computation

Equity Risk premium	
Market Risk Premium	5.50%
Average Asset Beta	0.82
Just Eat Takeaway Equity Beta	1.51
Equity Risk Premium	8.31%
Cost of Equity	
Risk-free Rate Germany 10yr	2.57%
Equity Risk Premium	8.31%
Cost of Equity	10.88%
Cost of Debt	
Pre-tax Cost of Debt	3.39%
Tax rate	25.00%
After tax Cost of Debt	2.54%
Target Capital Structure & WACC	
Debt	19.41%
Equity	80.59%
Cost of Debt	2.54%
Cost of Equity	10.88%
WACC	9.26%

Source - Team Analysis

Terminal Growth Rate

The team used Germany's 10-year risk-free rate of 2.57% as the terminal growth rate, reflecting sustainable long-term growth. Sensitivity analysis in [Appendix 7](#) shows implications for the valuation of JET, with terminal growth rates ranging from 1.57% to 3.57%.

Comparable Company Analysis

In addition to the DCF, the team conducted a trading comparable company analysis using three key valuation multiples: the LTM Price-to-Sales (P/S) multiple, the 2026 Forward Price-to-Earnings (2026E P/E) multiple, and the 2026 Forward Enterprise Value-to-EBITDA (2026E EV/EBITDA) multiple. Forward multiples were selected to include more comparable companies, which improved the relevancy. We used consensus analyst estimates from LSEG for the forward multiples, while market capitalization and net debt figures from the Q2 2024 balance sheet were used to determine enterprise value. For the LTM P/S multiple, we calculated an average of 3.2x and a median of 2.3x, resulting in share price estimates of €79.71 and €56.91, respectively. The forward P/E multiple showed an average of 32.09x and a median of 33.54x, leading to share price estimates of €25.98 and €27.15. Similarly, the forward EV/EBITDA multiple had an average of 11.8x and a median of 10.7x. After adjusting for JET's Q2 2024 net debt, this resulted in share price estimates of €33.55 and €30.07. We assigned weights to each multiple based on its reliability. Multiples contributed 20% to the final price target. The LTM P/S multiple was assigned a lower weight of 5% due to the influence of outliers, while the forward P/E and forward EV/EBITDA multiples were each weighted at 7.5%.

DCF Valuation

The team conducted a DCF valuation using the perpetuity growth method using a forecast period of eight years (2024 to 2031). The eight-year forecast period is selected based on our revenue growth outlook. In the base case scenario, the model provided a fair value estimate of €13.06 per share. The key drivers of the model were the revenue growth rate assumptions during this period as well as the GTV EBITDA margin. The base case revenue growth forecast reflected the industry's transition from high growth to maturity, consistent with the industry S-curve identified in the financial analysis. For EBITDA, the team used management's guidance of a long-term GTV EBITDA margin of 5%, reaching this target in the terminal year to represent slower but more profitable growth. D&A were estimated as a percentage of revenue based on historical values. To calculate FCFF, the team used the relationship between NOPAT, revenue growth, invested capital, and reinvestment. The terminal value assumed a 2.57% growth rate in GTV, a 5% GTV EBITDA margin, a 25% EBITDA Revenue margin, and a 17% EBIT Revenue margin. The ROIC in the terminal year was estimated at 10.15%, slightly above the WACC, consistent with the absence of a significant sustainable competitive advantage. The FCFF values were calculated by subtracting reinvestments from NOPAT and then discounted to present value using the WACC of 9.26%.

The DCF model contributed 80% to the final price target, reflecting its strength in capturing JET's firm-specific outlook, including its emphasis on profitability and long-term cash flow generation. Comparatively, peers such as Uber, DoorDash, Deliveroo, and Delivery Hero trade at significantly higher multiples, driven by their larger scale, stronger market sentiment, and more aggressive growth strategies. However, JET's smaller scale, diminished investor confidence, and measured growth outlook make applying these elevated peer multiples neither fair nor reasonable. While the inclusion of four peers provides broader context, it introduces challenges due to variations in geography, regulatory environments, and company size, which can reduce reliability. By limiting the contribution of multiples to 20%, the valuation remains firmly anchored in JET's fundamentals and avoids inflating the price target beyond realistic expectations. [Appendix 11](#) provides more detail on the DCF.

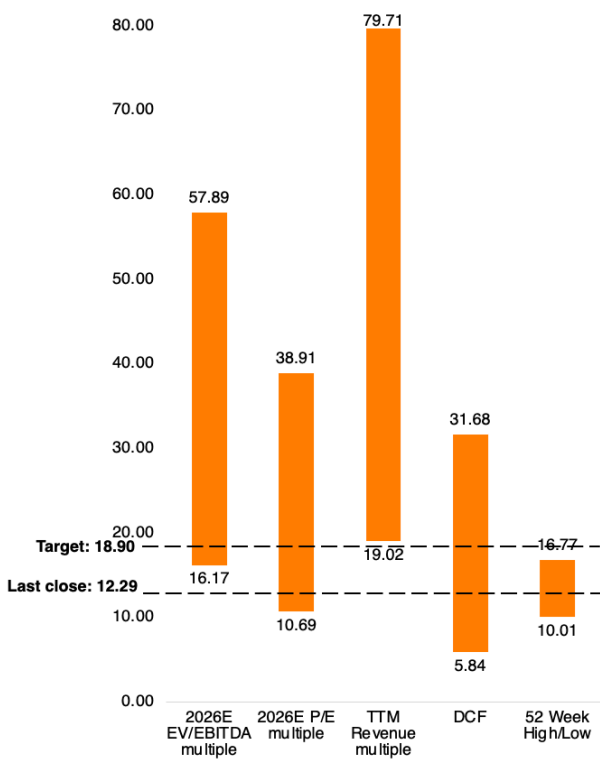
Sensitivity Analysis

The team performed a sensitivity analysis on key DCF outputs, including equity value, equity value per share (or share price), and the potential upside or downside compared to the suggested share price and current levels. This analysis examined how variations in assumptions impacted the results by testing a range of WACCs from 7.26% to 11.26% and terminal growth rates from 1.39% to 3.39%. Detailed results are displayed in [Appendix 7](#).

Scenario Analysis

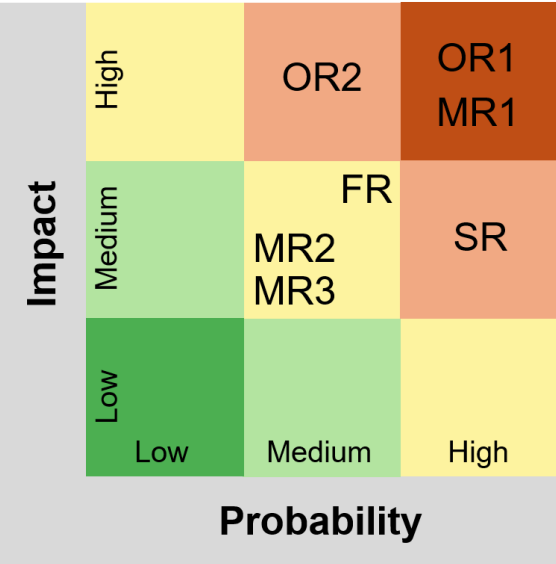
We conducted a scenario analysis in [Appendix 9](#) to evaluate the potential outcomes under different market conditions. In the base case, favourable macroeconomic conditions, rapid market growth, and efficiency improvements drive a revenue CAGR of 5.98% with GTV EBITDA margins of 5-6% in the terminal value year, resulting in a price target of €13.06 and an upside of +6.28%. The bull case assumes steady growth aligned with industry averages and management guidance, reflecting a 7.98% revenue CAGR and a 5% GTV EBITDA margin, leading to a price target of €28.61 and a +132.81% upside. In the bear case, adverse conditions and operational challenges result in a 3.98% revenue CAGR and GTV EBITDA margins of 3%-4%, with a price target of €1.00 and a downside of -97.27%.

Figure 25 - Valuation Football Field Chart



Source - Team Analysis

Figure 26 - Investor Risk Probabilities and Impact



Source - Team Analysis

Investment Risk

Strategic Risk

SR I Post Grubhub Investor Sentiment: The Grubhub acquisition and subsequent sale have raised concerns about JET's management and strategic judgment, leaving some investors sceptical about future acquisition activities. However, during the company day, JET emphasized the lessons learned from this acquisition and openly acknowledged past mistakes. Their 2024 divestment from New Zealand demonstrates a more disciplined approach, showcasing their ability to identify and exit unprofitable markets.

Financial Risk

FR I Profitability and Upcoming Liabilities Maturities: The company is currently in a non-profitable state, with profitability expected by 2026. As of 31 December 2023, its long-term liabilities, maturing between 2025 and 2028 (Appendix 13), totalled 1,772 million EUR, while the company's cash balance stood at 1,724 million EUR. Due to the sale of Grubhub, the outstanding debt decreases by 468 million EUR (to a total value of 1,256 million EUR). However, the cash balance has also decreased to a value of 1,347 million EUR by 30 June 2024, mostly due to repaying outstanding debt. In theory, the cash balance would thus be sufficient to repay the remaining outstanding debt, but, due to the non-profitable state of the company, it's likely that they will have to use some of their cash reserves to maintain operations. This means that, if profitability fails to improve substantially in the coming years, the company could face challenges in meeting its debt obligations. This could potentially force a refinancing of the debt at high interest rates (relative to existing debt), which would further strain profitability, or, in the worst case, result in potential default.

Market Risk

MR1 I Market Competition: Online food delivery is heavily impacted by the economic situation. During economic downturns in 2022, consumer spending declined, leading to reduced order volume (JET revenue decreased dramatically from 120% in 2021 to 24% in 2022). Besides, the company is exposed to the prices of food as the increases in food prices directly affect restaurants, which may pass on costs to consumers. Consumers in the food market are highly price sensitive. Increases in service charges can deter consumers, leading to reduced volume, especially in competitive markets with numerous alternatives. Demand for online food services can be volatile, influenced by seasonal trends and changing preferences.

MR2 I Cyclical Market and Macroeconomic Risks: Online food delivery is heavily impacted by the economic situation. During economic downturns in 2022, consumer spending declined, leading to reduced order volume (JET revenue decreased dramatically from 120% in 2021 to 24% in 2022). Besides, the company is exposed to the prices of food as the increases in food prices directly affect restaurants, which may pass on costs to consumers. Consumers in the food market are highly price sensitive. Increases in service charges can deter consumers, leading to reduced volume, especially in competitive markets with numerous alternatives. Demand for online food services can be volatile, influenced by seasonal trends and changing preferences.

MR3 I Operational Risks: Wage increases for gig workers or taxation on digital services can erode margins of the company, especially in countries where regulations over worker rights and taxation policies are tightened. Besides, maintaining technology, logistics infrastructure, and marketing expenses are significant cost drivers that can compress margins.

Possible mitigation: The company has increased its investment in technology to optimize delivery routes and customer service aids to reduce operational costs, assure on-time delivery, and improve customer satisfaction. Besides, the firm also continues to diversify revenue streams, including grocery delivery, subscription models, and partnerships to expand the customer base as well as enhance customer retention rate. JET also proactively manages regulatory compliance and adapts to policy changes.

Operational Risk

OR1 I Regulatory Challenges: Labor laws, especially those regarding drivers, are a continuing debate within the food-delivery industry and gig workers economy. The EU Platform Workers Directive adds expenses to the regulatory compliance, though JET mentioned it will not significantly affect their operations. Furthermore, regulations like the fee caps, could negatively impact the company as with the Grubhub situation in New York.

OR2 I Data, Technology and Platform Risk: JET relies heavily on efficient operations of its technology platforms, making it susceptible to cybersecurity threats that could result in system downtime or data breaches (see ESG risks). Despite JET's strong data privacy and security policies (Sustainalytics), such incidents could disrupt operations and compromise consumer trust. One way that JET tries to combat it, is their 'Bug Bounty Program', which rewards external professionals that report security vulnerabilities.

APPENDIX MAP

- | | | |
|--------------------------|--------------------------------------|---|
| 1. SWOT Analysis | 6. Geographical Revenue Segmentation | 11. Discounted Cash Flow |
| 2. Porter's 5 Forces | 7. Sensitivity Analysis | 12. Ratios |
| 3. Value Chain | 8. Recent Transactions | 13. Liabilities Maturities |
| 4. Competitive Advantage | 9. Scenario Analysis | 14. Responsible Business and Sustainability Framework |
| 5. Peer Group | 10. Relative Valuation | 15. Bibliography |

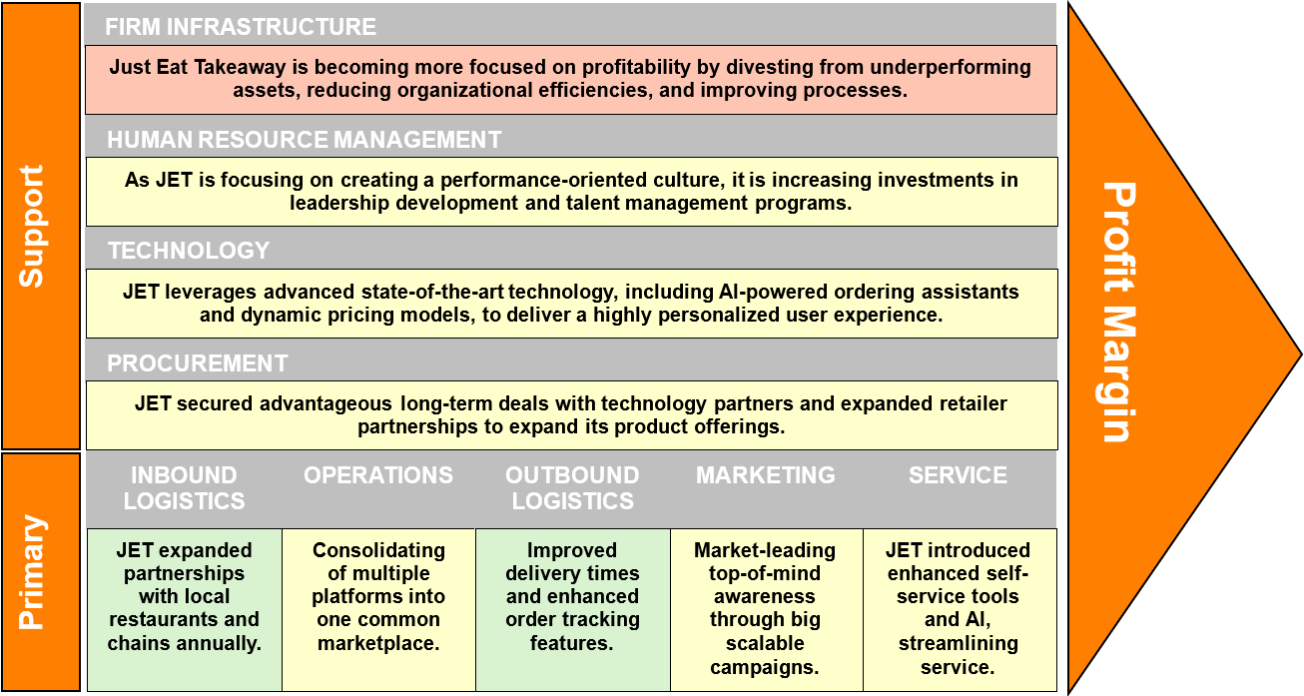
1. SWOT Analysis



2. Porter's 5 Forces

- Threat of New Entrants: Low.** New entrants face high barriers to entry due to established brands like JET benefiting from strong network effects, brand recognition, and customer loyalty, making it difficult for newcomers to compete.
- Threat of Substitutes: High.** Alternatives such as dining out, home cooking, and ready-made meals, present significant competition for food delivery services. Especially during times of economic downturns when consumers seek out cheaper options.
- Industry Rivalry: High.** Competitors such as Uber Eats and Deliveroo aggressively fight for market share through price wars and heavy marketing. With low switching costs for customers, there is constant pressure for restaurant partnerships, exclusive deals, and service or technological advancements.
- Bargaining Power of Suppliers: Low to moderate.** Independent restaurants rely heavily on platforms like JET. However, large chains such as McDonald's and grocery retailers have more leverage to negotiate better terms. In JET's case, for example, they are pressured to include McDonald's as a partner, despite it resulting in losses, because the partnership helps attract consumers to the platform.
- Bargaining Power of Buyers: High.** Low switching costs and a wide range of alternatives make customer retention critical. This emphasizes the importance of user experience and loyalty programs.

3. Value Chain



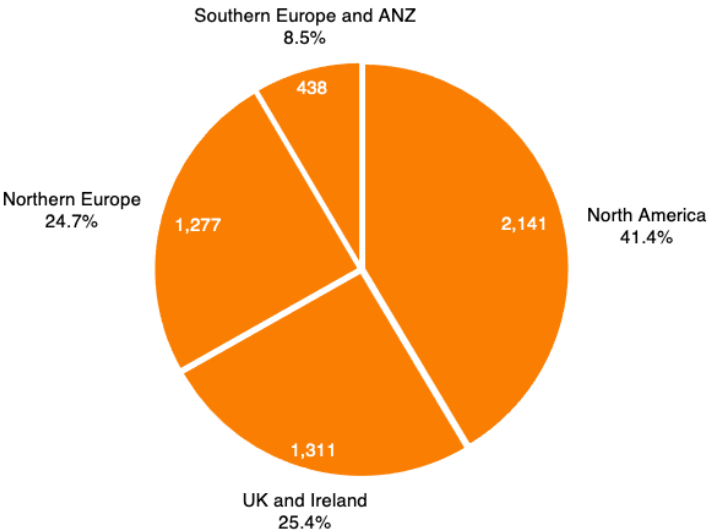
4. Competitive Advantage

JET's extensive network, which includes over 699,000 partner restaurants, offers a vast selection of cuisines and choices across markets. This variety attracts customers seeking convenience, contributing to network effects where more partners attract more customers, and vice versa. JET also invests in technology to enhance the customer experience, with features such as real-time delivery tracking, easy payment options, and customer reviews. These innovations improve user experience and help build customer loyalty.

5. Peer Group

Company Name	Ticker	Location	Market Cap (in €Bln)	2023 Revenue (in €Bln)	Employees
 JUST EAT Takeaway.com	TKWY	Netherlands	3.03	5.16	20,000
 Uber	UBER	U.S.	114.01	11.05	30,400
 Delivery Hero	DSHE	Germany	6.77	9.94	19,832
 DOORDASH	DASH	U.S.	35.68	7.83	19,300
 deliveroo	ROO.L	U.K.	2.62	2.34	3,630

6. Geographical Revenue Segmentation in € millions



7. Sensitivity Analysis

Equity Value (values in €Mln)

		Terminal Growth Rate				
		1.57%	2.07%	2.57%	3.07%	3.57%
WACC	7.26%	4999	5258	5573	5962	6457
	8.26%	3570	3696	3843	4020	4233
	9.26%	2543	2599	2662	2736	2823
	10.26%	1777	1794	1813	1835	1860
	11.26%	1190	1186	1180	1175	1168

Equity Value Per Share / Share Price

		Terminal Growth Rate				
		1.57%	2.07%	2.57%	3.07%	3.57%
WACC	7.26%	24.53	25.80	27.34	29.25	31.68
	8.26%	17.52	18.13	18.86	19.72	20.77
	9.26%	12.48	12.75	13.06	13.42	13.85
	10.26%	8.72	8.80	8.90	9.00	9.13
	11.26%	5.84	5.82	5.79	5.76	5.73




Upside (Downside) to Stock Price

		Terminal Growth Rate				
		1.57%	2.07%	2.57%	3.07%	3.57%
WACC	7.26%	100%	110%	122%	138%	158%
	8.26%	43%	48%	53%	60%	69%
	9.26%	2%	4%	6%	9%	13%
	10.26%	-29%	-28%	-28%	-27%	-26%
	11.26%	-52%	-53%	-53%	-53%	-53%

8. Recent Transactions

Announced / Completed Date	Target	Acquiror	Deal Value (in \$Mln)	Description
Nov-24 / Jan-25	Grubhub Inc.	Wonder Group Inc.	650	Divestment
Aug-22 / -	El Cocinero a Cuerda SA	Just Eat Takeaway.com NV	-	Minority stake (part of MIH Movile and iFood deal)
Aug-22 / Nov-22	IF-JE Holdings BV	MIH Movile Holdings BV	745,41	Divestment
Aug-22 / Nov-22	iFood Holdings BV	MIH Movile Holdings BV	1.815,84	Divestment
Jul-22 / Jul-22	Grubhub Inc	Amazon.com Inc	-	Option for convertible warrants
Jul-21 / Jul-21	Bistro.sk AS	Just Eat Takeaway.com NV	59,06	Acquisition (geographic expansion to Slovakia)
Feb-21 / Feb-21	iFood.com Agencia de Restaurantes Online SA	-	-	Seeking buyer
Jan-21 / Jan-21	Just Eat Takeaway.com NV	Tiger Global Management LLC	745,41	Minority stake
Jun-20 / Jun-20	Grubhub Inc	Just Eat Takeaway.com NV	7.326,15	Acquisition (geographic expansion to USA)
Feb-20 / Feb-20	Just Eat Takeaway.com NV	Delivery Hero SE	-	Minority stake
Jul-19 / Jul-19	Just Eat PLC	Takeaway.com NV	8.157,34	Merger (geographic expansion)

9. Scenario Analysis

Case	Main Assumptions	Revenue growth	Terminal EBITDA margin	Fair value
<div>Bull Case</div> 	Favorable macroeconomic conditions, rapid growth in target markets, efficiency improvements through tech.	CAGR: 7.98% (2024-2031) - Driven by strong market expansion and strategic investments.	5%-6% - Supported by efficiency gains and cost optimizations.	DCF Fair value: €28.61 Upside (Downside): +132.81%
<div>Base Case</div> 	Steady growth aligned with industry averages and management guidance, moderate efficiency improvements. Return to profitable markets with focus on stable, high-margin revenue streams.	CAGR: 5.98% (2024-2031) - Reflecting slower but more profitable growth.	5% - Based on management guidance with balanced operational efficiency.	DCF Fair value: €13.06 Upside (Downside): +6.28%
<div>Bear Case</div> 	Adverse market conditions, operational challenges, competitive pressures.	CAGR: 3.98% (2024-2031) - Slow growth due to headwinds and declining demand.	3%-4% - Limited cost control and reduced economies of scale.	DCF Fair value: €1.00 Upside (Downside): -92.27%

10. Relative Valuation

Company	2024 Enterprise Value (€Min)	TTM Revenue (€Min)	2026E EBITDA (€Min)	2026E Net Income (€Min)	TTM P/S	2026E EV/EBITDA	2026E P/E
Just Eat Takeaway	3,338.00	5,150.00	644.00	165.00		0.50	5.18
Uber	140,112.00	38,689.00	10,590.46	7,056.75		3.50	13.23
Doordash	65,813.00	9,361.00	3,375.60	1,433.66		7.36	19.50
Deliveroo	2,025.00	2,373.00	321.86	180.29		1.00	6.29
Delivery hero	12,026.00	10,875.00	1,475.00	171.00		0.75	8.15
Mean						3.15	11.79
Median						2.25	10.69

Implied Share Price	TTM P/S	2026E EV/EBITDA	2026E P/E
Mean		79.71	33.55
Median		56.91	30.07

11. Discounted Cash Flow

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Terminal
GTV	21,400	28,200	28,200	26,400	20,328	22,158	23,930	25,605	27,142	28,499	29,639	30,528	31,312
Growth (%)		32%	0%	-6%	10%	9%	8%	7%	6%	5%	4%	3%	3%
Commission Rate (%)	10%	16%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Revenue	2,042	4,495	5,561	5,167	4,066	4,432	4,786	5,121	5,428	5,700	5,928	6,106	6,262
Growth (%)	391%	120%	24%	-7%	12%	9%	8%	7%	6%	5%	4%	3%	3%
EBITDA	65	(460)	69	166	220	348	493	653	825	1,006	1,191	1,377	1,566
EBITDA GTV Margin (%)	0%	-2%	0%	1%	1%	2%	2%	3%	3%	4%	4%	5%	5%
D&A	172	389	566	598	316	344	371	397	421	442	460	474	486
As % of Revenue	8%	9%	10%	12%	8%	8%	8%	8%	8%	8%	8%	8%	8%
EBIT	(107)	(849)	(497)	(432)	(96)	4	122	256	404	564	731	903	1,080
EBIT Margin (%)	-5%	-19%	-9%	-8%	-2%	0%	3%	5%	7%	10%	12%	15%	17%
Tax Rate (%)	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
NOPAT	(80)	(637)	(373)	(324)	(72)	3	91	192	303	423	549	677	810
ROIC (%)	-6%	-7%	-3%	-4%	-2%	0%	2%	3%	5%	6%	7%	9%	10%
Reinvestment	7,187	6,060	(6,186)	(1,665)	586	478	463	438	401	355	298	232	205
Reinvestment Rate (%)					-814%	16100%	508%	228%	133%	84%	54%	34%	25%
FCFF (NOPAT - Reinvestment)					(658)	(425)	(372)	(246)	(98)	68	251	445	605

Note: All numbers in €mIn. The DCF analysis separates the values for Just Eat Takeaway and Grubhub by approximating Grubhub's share of total GTV at 30%. This share of GTV is also applied to the invested capital to calculate a fair ROIC for Just Eat Takeaway without Grubhub. Grubhub's sale proceeds are added back to FCFF in 2025. For the standalone analysis, 70% of GTV and invested capital from 2023 values are used as the starting point for Just Eat Takeaway. Historical values reflect the performance of Just Eat Takeaway in its entirety, including Grubhub.

12. Ratio's (source: LSEG)

Profitability and Return Ratios

	2018	2019	2020	2021	2022	2023	Average
Return on Equity	-25%	-14%	-3%	-10%	-55%	-30%	-23%
Gross margin	78%	64%	47%	26%	34%	36%	47%
EBITDA margin	-16%	-22%	3%	-10%	1%	3%	-7%
EBIT margin	-20%	-31%	-5%	-19%	-9%	-8%	-15%
Net earnings margin	-6%	-28%	-7%	-23%	-102%	-36%	-34%

Asset Utilization Ratios

	2018	2019	2020	2021	2022	2023	Average
Asset Turnover	0.76	0.40	0.34	0.32	0.37	0.46	0.44
A/R Days	14.26	26.47	20.59	21.58	26.46	32.16	23.59
Inventory Days	20.46	9.99	3.06	2.59	3.47	3.08	7.11
A/P Days	296.66	146.01	58.94	42.47	47.69	53.83	107.60
CCC	-261.94	-109.55	-35.29	-18.30	-17.76	-18.59	-76.91

Leverage Ratios

	2018	2019	2020	2021	2022	2023	Average
Debt-to-Equity	108%	24%	7%	20%	30%	39%	38%
Debt-to-EBITDA	-394%	-300%	877%	-569%	3449%	1422%	747%

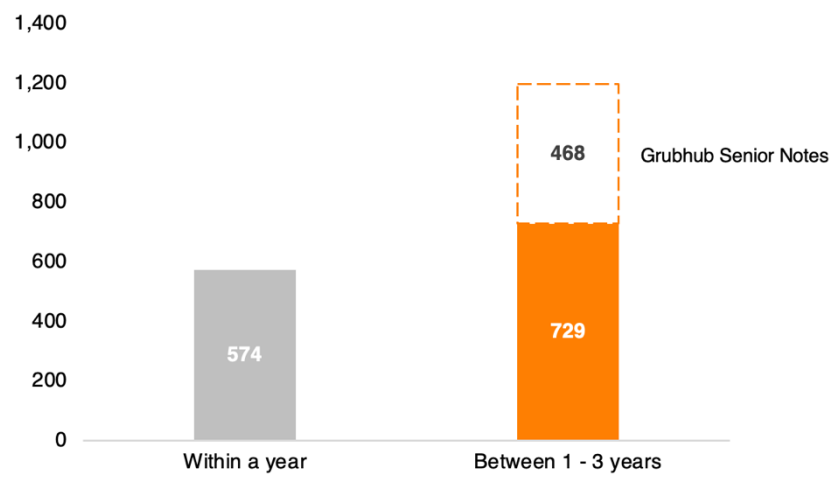
Liquidity Ratios

	2018	2019	2020	2021	2022	2023	Average
Current	0.50	0.56	1.08	1.50	1.88	1.50	1.17
Quick	0.48	0.55	1.06	1.47	1.85	1.49	1.15

Growth Trends

	2018	2019	2020	2021	2022	2023	Average
Revenue growth		79%	391%	120%	24%	-7%	121%
EBITDA growth		-137%	172%	-808%	115%	141%	-103%
Net earnings growth		-724%	-31%	-583%	-450%	67%	-344%
Total Asset growth		362%	608%	167%	55%	63%	251%

13. Liabilities Maturities



Note: All numbers in €mln.

14. Responsible Business and Sustainability Framework (source: *Business Responsibility Update 2021*)

	Planet	Food	People & Society
Our control	<ul style="list-style-type: none">• Reducing our carbon footprint• Reducing impact of operational waste & travel	<ul style="list-style-type: none">• Responding to changing diets• Enabling choice & transparency	<ul style="list-style-type: none">• Empowering our people• Employment and working conditions• Inclusion, diversity and belonging• Employee engagement & wellness
Our influence	<ul style="list-style-type: none">• Packaging• Marketplace delivery	<ul style="list-style-type: none">• Food waste• Food poverty	<ul style="list-style-type: none">• Supporting local communities
Relevant SDGs	7, 12, 13	2, 3, 12, 13, 9, 17	2, 4, 5, 8, 10

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