



# Analyst Presentation H1 2023

July 2023

# Today's presenters



**Jitse Groen**

Chief Executive Officer

Founded Takeaway.com in 2000



**Jörg Gerbig**

Chief Operating Officer

Founded Lieferando.de in 2009



**Brent Wissink**

Chief Financial Officer

Joined Takeaway.com in 2011



**Andrew Kenny**

Chief Commercial Officer

Joined Just Eat in 2017

# Contents

## 1 Key messages

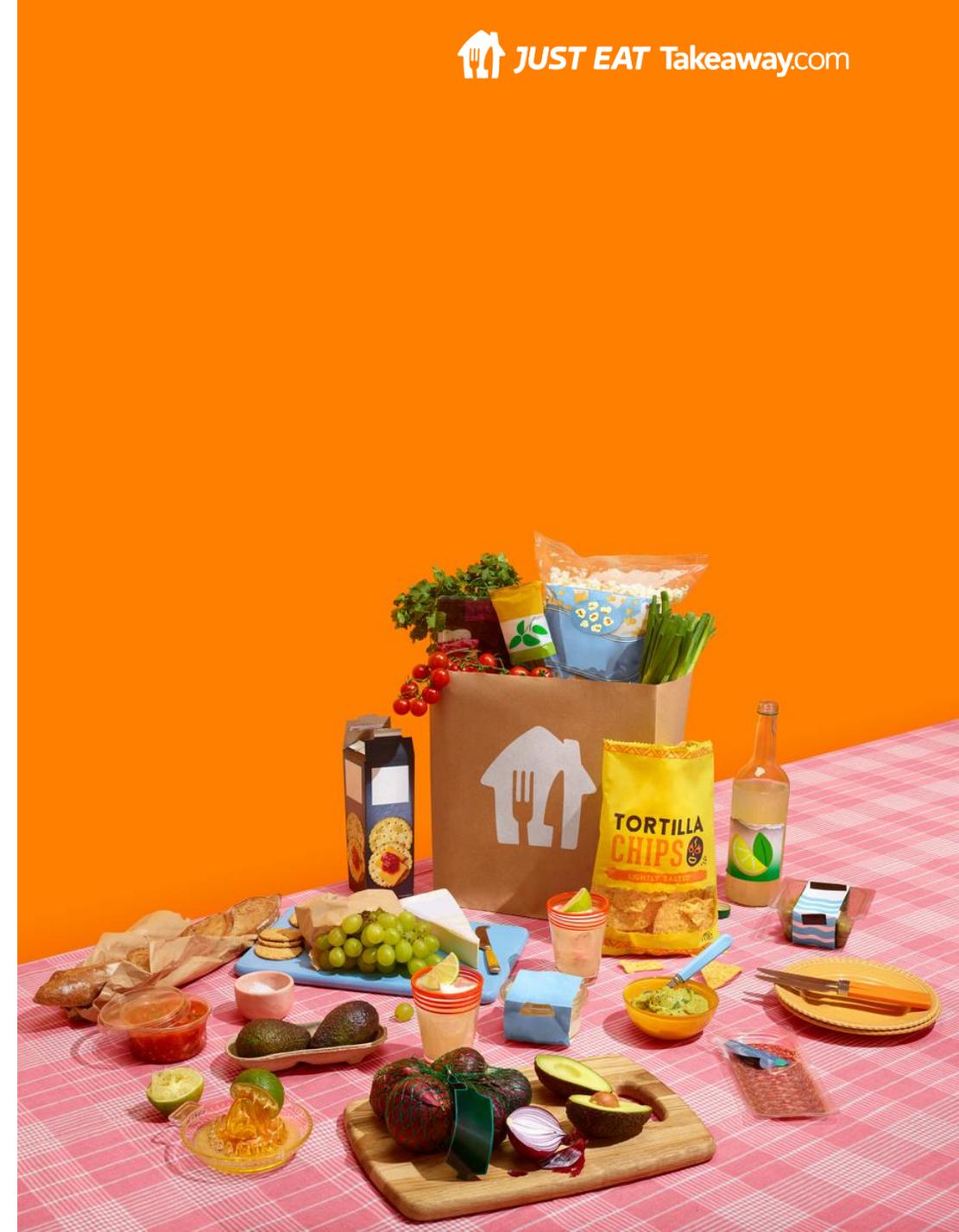
2 CEO update

3 COO & CCO update

4 Group results

5 Segment performance

6 Conclusion



## Key messages

- 1 Northern Europe and UK and Ireland returned to GTV growth in Q2 2023
- 2 Half-year Adjusted EBITDA improved to €143 million
- 3 UK and Ireland on track to reach a similarly high AEBITDA margin as Northern Europe
- 4 We are fast approaching the positive free cash flow target

# Contents

- 1 Key messages
- 2 CEO update**
- 3 COO & CCO update
- 4 Group results
- 5 Segment performance
- 6 Conclusion



## Our objective

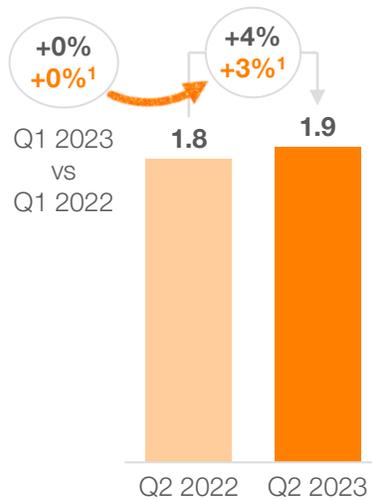
To build and extend large scale and sustainably profitable positions in our markets



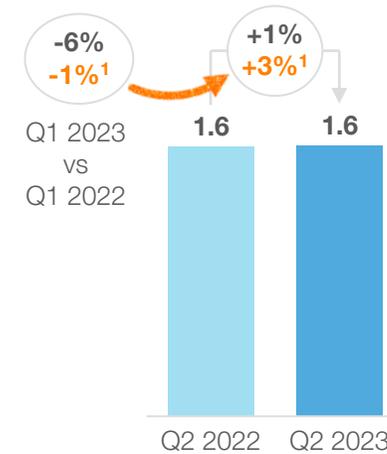
# Northern Europe and UK and Ireland returned to GTV growth in Q2 2023

GTV (€bn)

## Northern Europe



## UK and Ireland



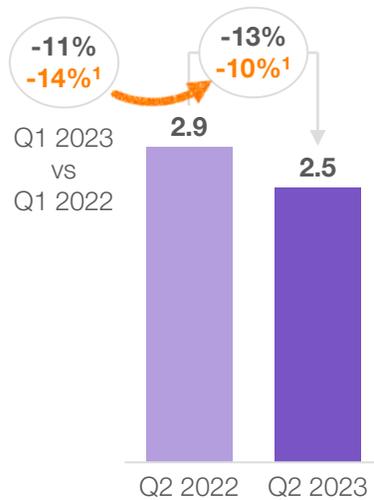
Major markets in Northern Europe such as Germany and the Netherlands saw sequential improvement in year-on-year Order growth; UK and Ireland also grew absolute Orders and GTV sequentially in Q2 2023 compared with Q1 2023

<sup>1</sup> Constant currency growth

# North America and Southern Europe and ANZ are following the same improving trend

GTV (€bn)

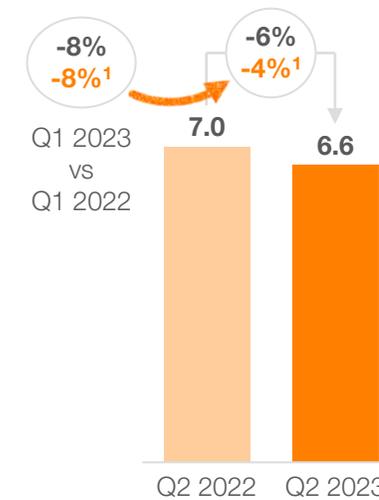
## North America



## Southern Europe and ANZ



## Group

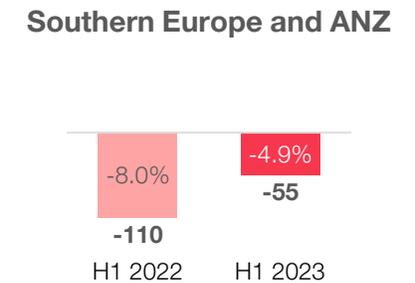
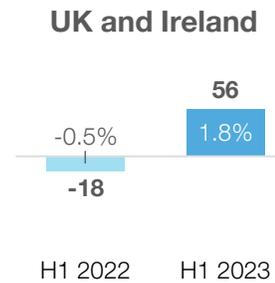
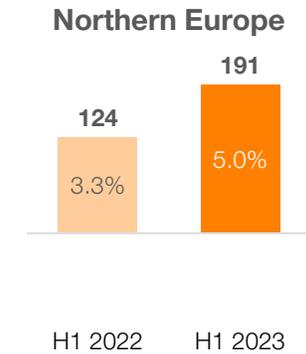
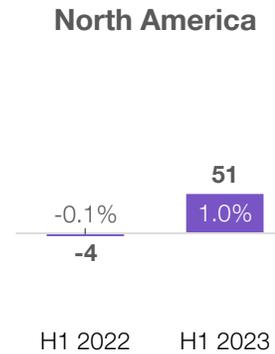
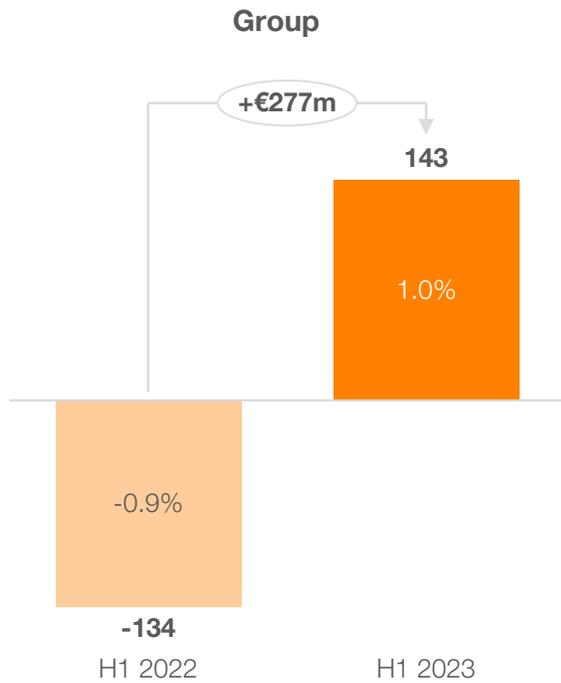


Both segments improved year-on-year GTV growth in Q2 2023 from Q1 2023 when correcting for the significant currency headwind

1. Constant currency growth

# Half-year Adjusted EBITDA improved to €143 million

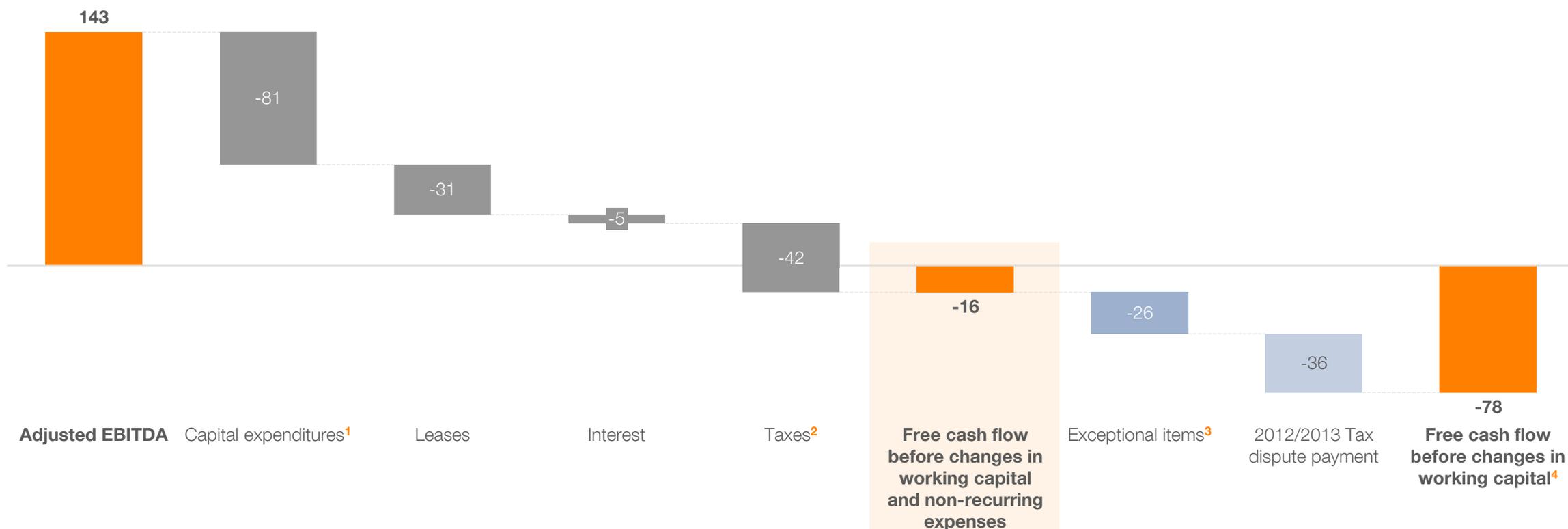
Adjusted EBITDA (€m, % of GTV)



**UK and Ireland on track to reach a similarly high Adjusted EBITDA margin as Northern Europe**

# We are fast approaching the positive free cash flow target

Bridge from Adjusted EBITDA to free cash flow before changes in working capital in H1 2023, Group (€m)



<sup>1</sup> Includes the difference between cash sales commission paid and amortisation of capitalised sales commissions (included in Adjusted EBITDA) during the period, captured in changes in other (non-)current assets in the consolidated statement of cash flows

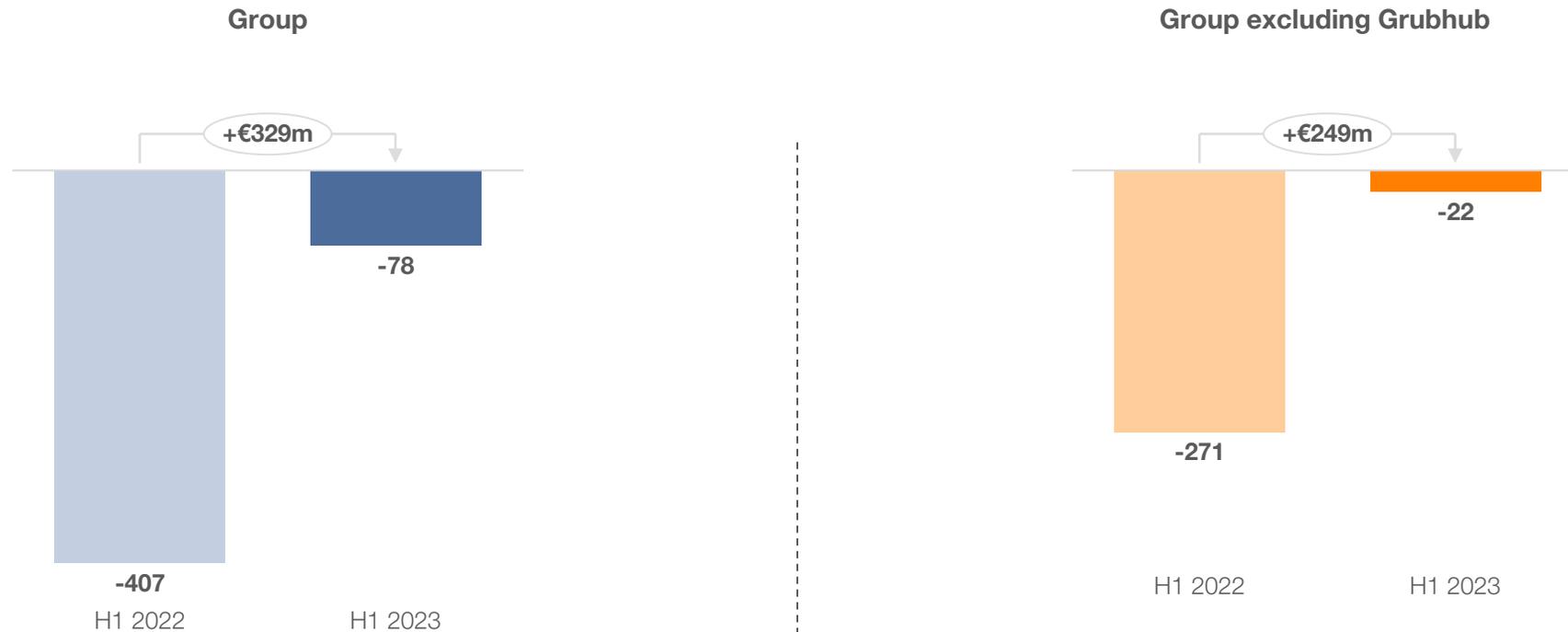
<sup>2</sup> Includes cash taxes paid related to net settlement of share-based payment awards

<sup>3</sup> Comprises the cash component of exceptional items

<sup>4</sup> Changes in working capital mainly relate to cash held for partners which can vary significantly based on the day of the week the accounts close versus the weekly payment cycle; can generally swing ca. +€100m to -€100m from period to period; this has no impact on our operations

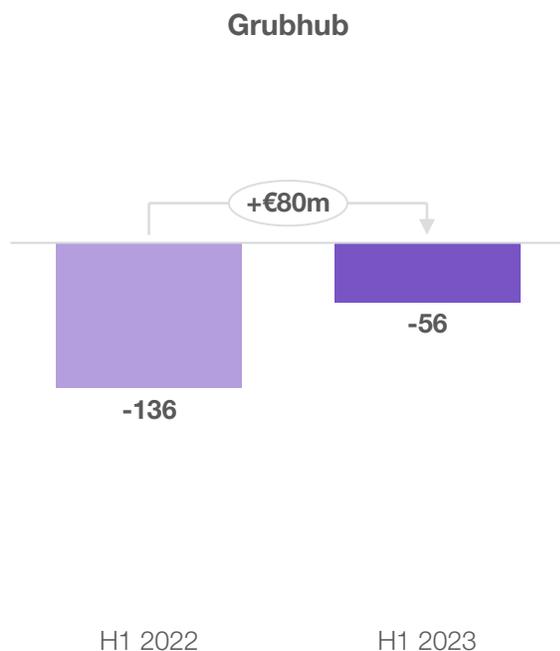
# Significantly improved free cash flow before changes in working capital

Free cash flow before changes in working capital (€m)



# Grubhub is also on a path to cash flow breakeven

Free cash flow before changes in working capital (€m)



In parallel to actively exploring a partial or full sale of Grubhub **we have initiated the following measures:**

We have appointed a **new CEO of Grubhub**



We are realising **\$30 million+ run-rate savings** from 2024 onwards through a restructuring of Grubhub



We have established a **path to cash flow breakeven** at Grubhub, excluding any positive impact of a potential NYC fee cap amendment



# We reiterate our short-term guidance

	Guidance
<b>GTV</b>	GTV growth to be in the range of -4% to +2% year-on-year in 2023 <sup>1</sup>
<b>Adjusted EBITDA</b>	Positive Adjusted EBITDA of approximately €275 million in 2023 <sup>2</sup>
<b>Free cash flow</b>	Free cash flow (before changes in working capital) to turn positive in mid-2024

1. Guidance includes expected FX headwind based on spot rates on 19 April 2023

2. Guidance includes additional investments in food and non-food adjacencies and wage cost inflation, and reflects an uncertain macro-economic environment

## Contents

- 1 Key messages
- 2 CEO update
- 3 COO & CCO update**
- 4 Group results
- 5 Segment performance
- 6 Conclusion



# We are investing in the sustainable growth of our Delivery network, allowing us to serve even more consumers and increase re-order rates

## 1

### Platform consolidation

- **Consolidation of platforms** in the UK
- **Reducing dependency** on third party providers

## 2

### Technology improvements

- Deployment and development of functionality for **single and multi-partner pooling**
- Improved **courier performance** through order flows and algorithm optimisation

## 3

### Expansion

- **Further expanding** our Delivery network in seven key markets
- Expanding will enable us to **serve more consumers**, with a wider choice of partners

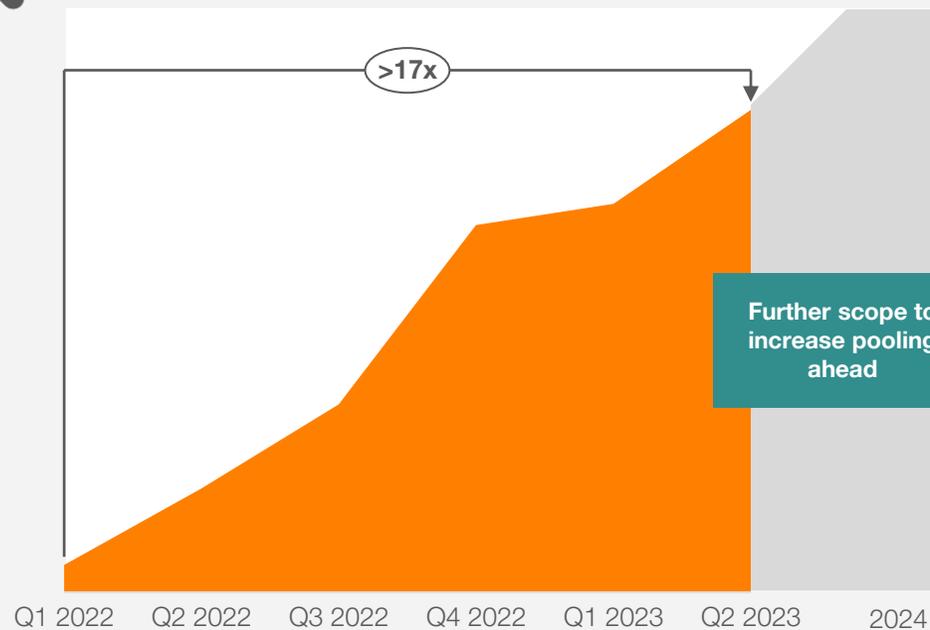
# Revenue and cost drivers contributed to significant profitability improvements and will further drive substantial progress

## Selected key strategic levers

Revenue	<b>Consumer fees:</b> optimisation of total consumer pricing, incl. service and delivery fees
	<b>Gross Transaction Value:</b> advanced upselling and expansion into new verticals
Cost	<b>Network improvements:</b> reduce courier wait time, planning and forecasting
	<b>Efficiency enablement:</b> Increased pooling rates and improved order flow mechanisms



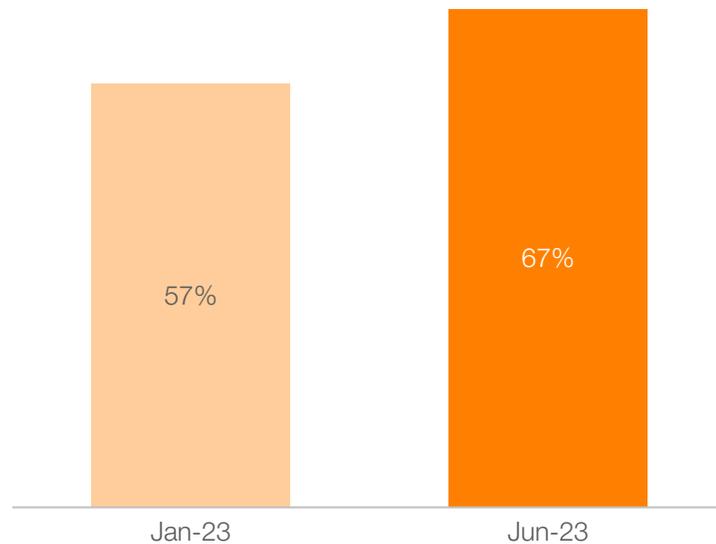
Orders pooled, excluding Grubhub (% of total Delivery Orders)



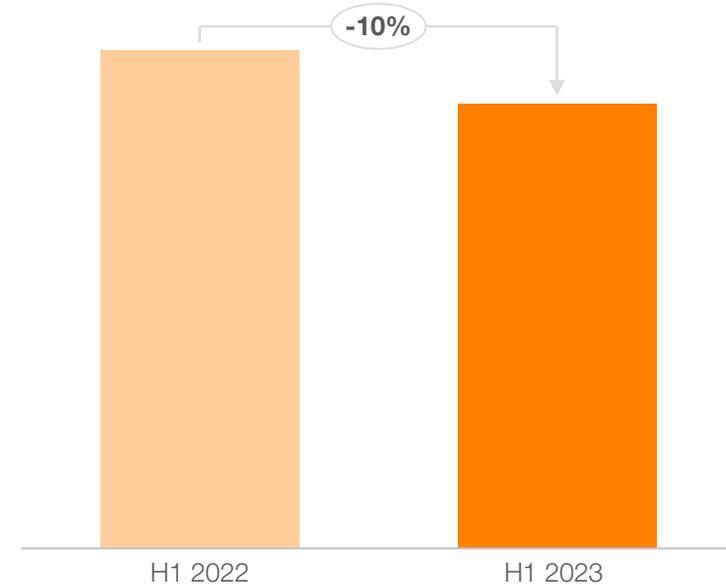
Significant levers remain to further improve unit economics

# Improved Delivery unit economics underpinned by strong and continuing developments in the UK

Delco share of total Delivery Orders, UK (%)

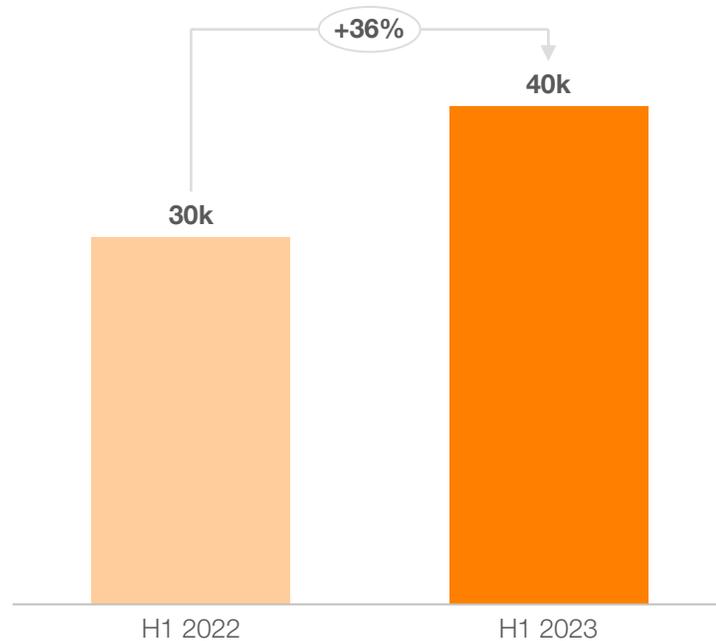


Delivery Fulfilment Cost per Order, UK (£)



# Our global grocery proposition continues to progress well...

Online grocery Partners (#)

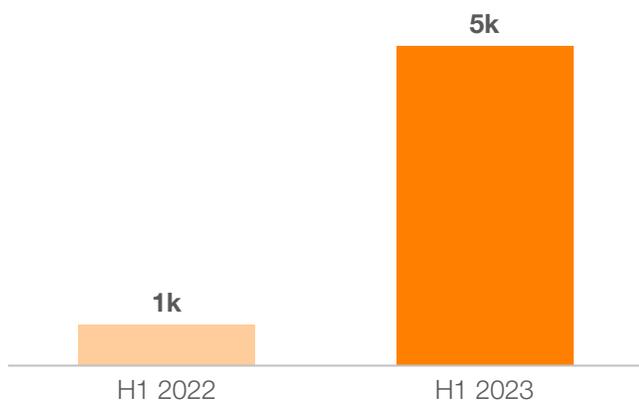


Select new grocery Partners

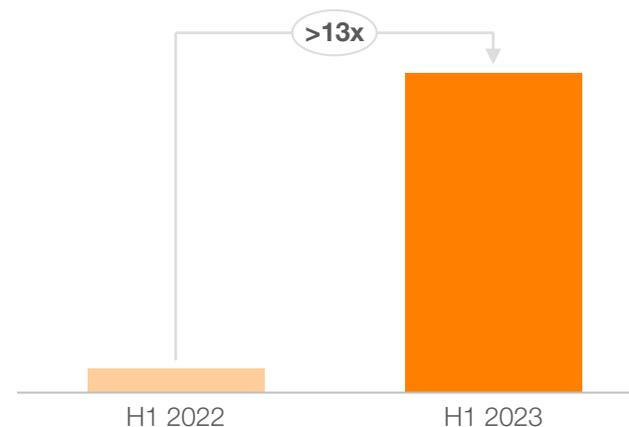


# ...with particularly strong progress in the UK and Ireland

Online grocery Partners, UK and Ireland (#)



Grocery GTV, UK and Ireland (€m)



Select online grocery Partners, UK and Ireland

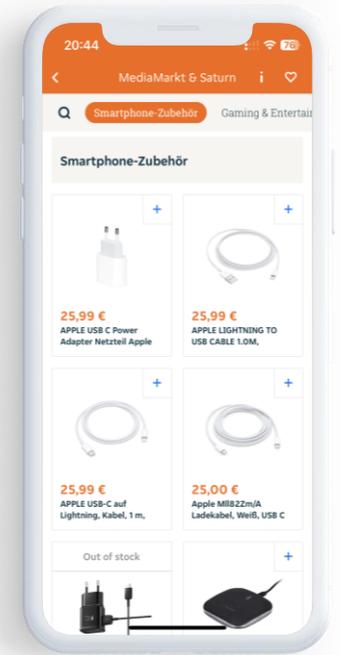
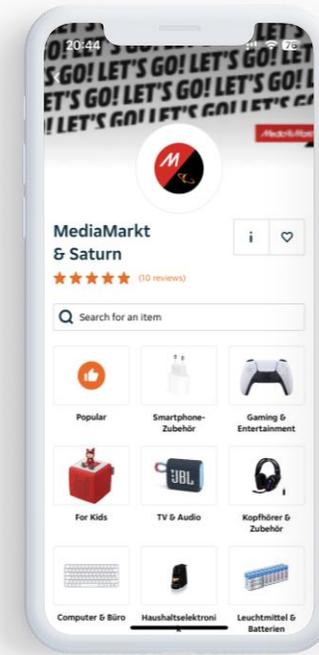
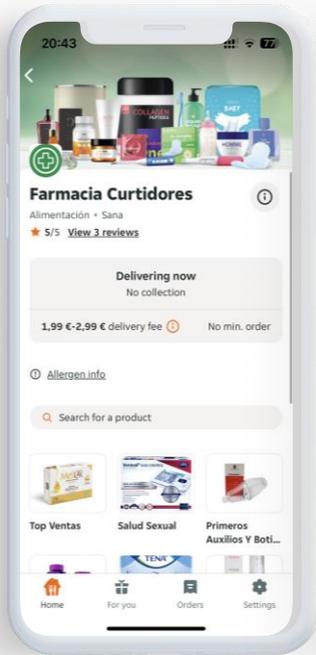


## Notes

- Encouraging uplift in frequency in both new and existing consumers ordering grocery/convenience
- Continuous investment in product advances to support the grocery category leading to faster partner integrations and improved customer order experience
- Grocery Orders improve fleet utilisation through higher order density and smoother distribution through the day

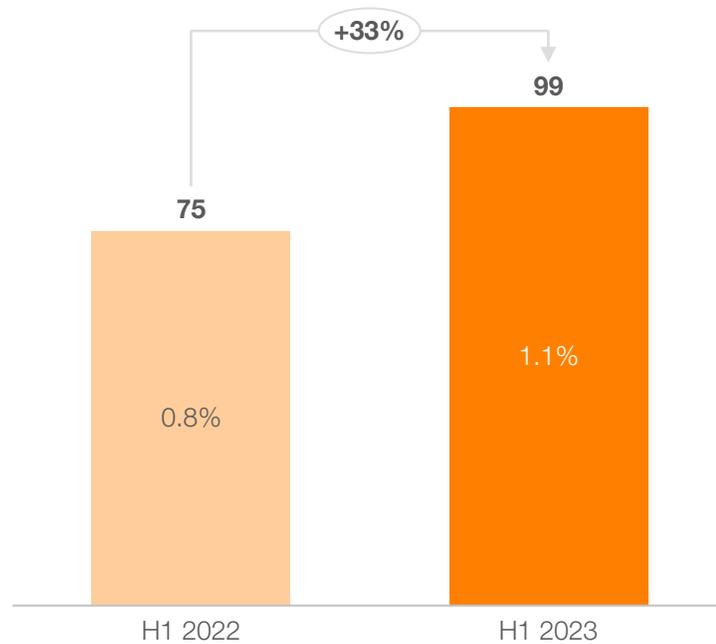
# We are trialing new verticals

Select examples of other verticals on our platform



# Advertising revenue is growing quickly with significant opportunity ahead

Advertising revenue, excluding Grubhub (€m, % of GTV)<sup>1,2</sup>



Example of Promoted Placement

The image shows two parts of the Just Eat app interface. On the left, a promotional banner reads 'BOOST YOUR ORDERS WITH PROMOTED PLACEMENT' and explains that this placement makes a restaurant's menu more visible. On the right, a smartphone screen displays a list of restaurants with 'Promoted' labels. Below the phone, a control panel shows the current weekly budget of £90.00, a remaining budget of £30.00 (marked as 'Low budget'), and a 'Suggested budget' of £130.00. The panel also includes a 'Per week' label and plus/minus buttons to adjust the budget.

1. Grubhub's advertising revenue is excluded, as it is part of a tiered commission structure

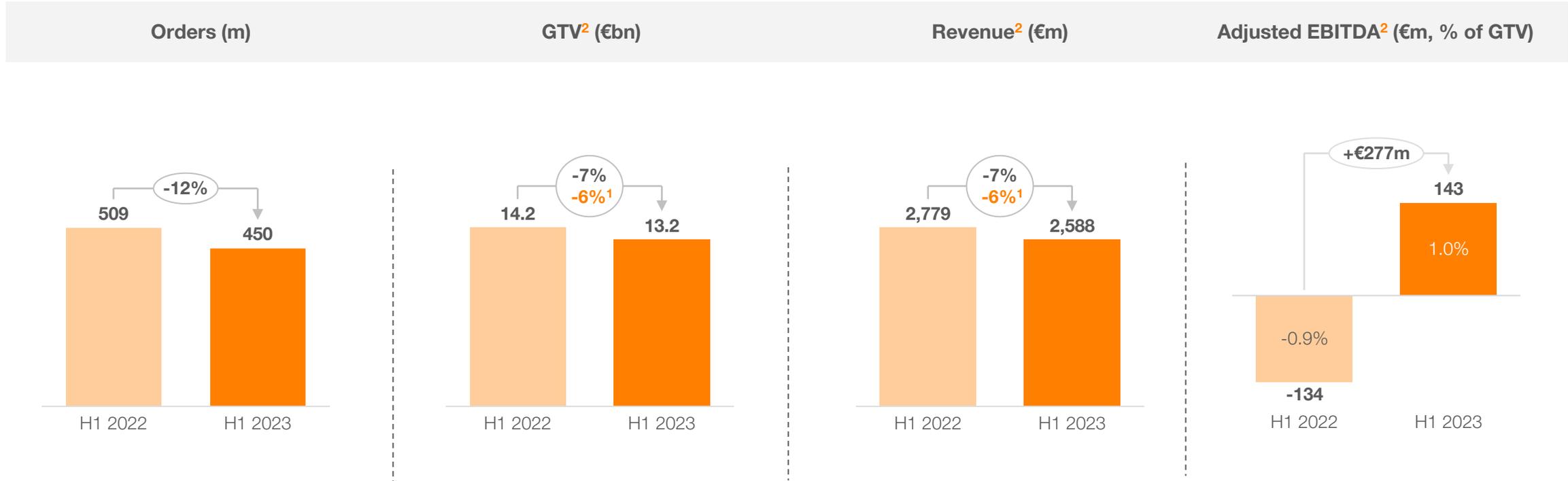
2. Advertising revenue consists of promoted placement revenue which is reported partly in ancillary revenue (revenue from fixed fees) and partly in Order-driven revenue (revenue from per-order fees)

# Contents

- 1 Key messages
- 2 CEO update
- 3 COO & CCO update
- 4 Group results**
- 5 Segment performance
- 6 Conclusion



# Material improvement to Adjusted EBITDA

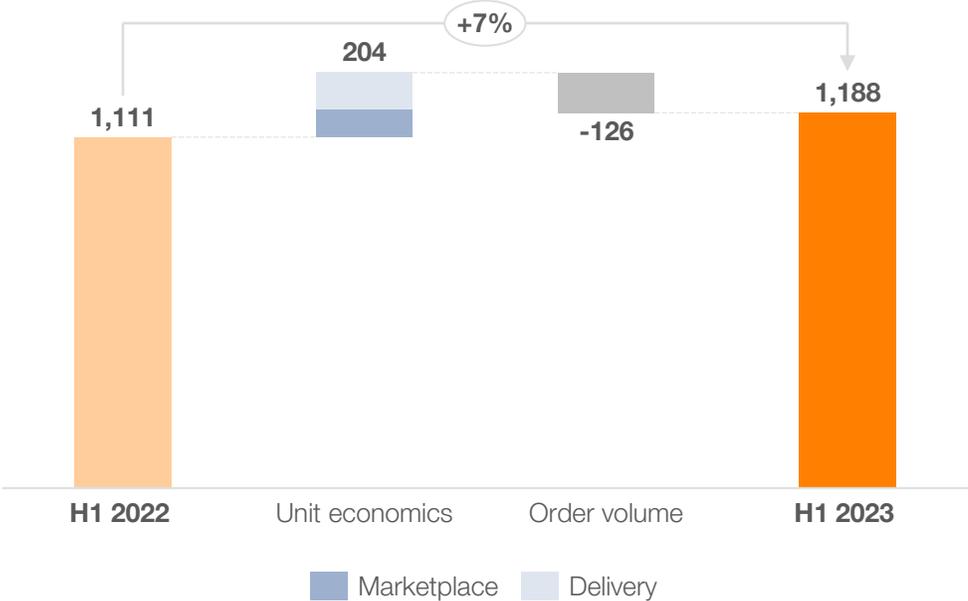
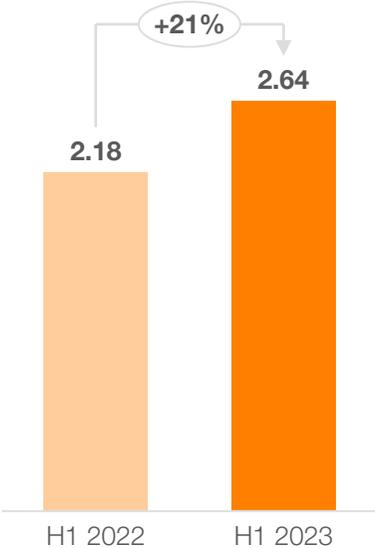


1. Constant currency growth

2. H1 2022 non-combined GTV, revenue, and Adjusted EBITDA were €14.2bn, €2,781m, and -€144m respectively due to inclusion of discontinued operations in Norway, Portugal, and Romania

# Unit economics strengthened across both Delivery and Marketplace

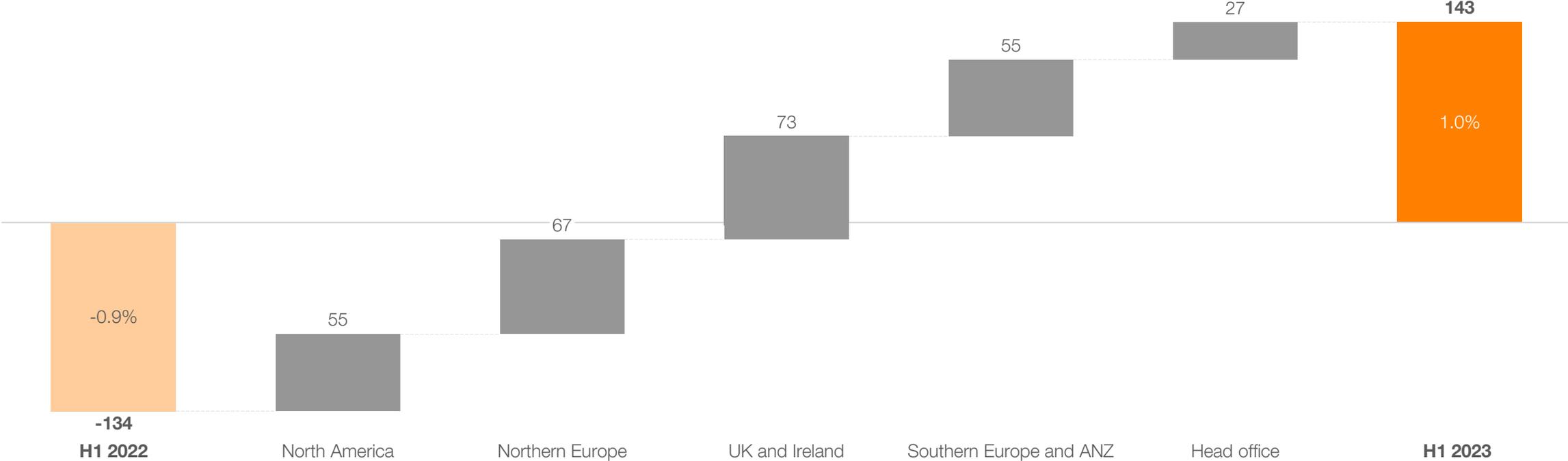
Revenue less Order fulfilment costs<sup>1</sup> per Order (€)      Year-on-year change in revenue less Order fulfilment costs<sup>1</sup> (€m)



<sup>1</sup>. After adjustments

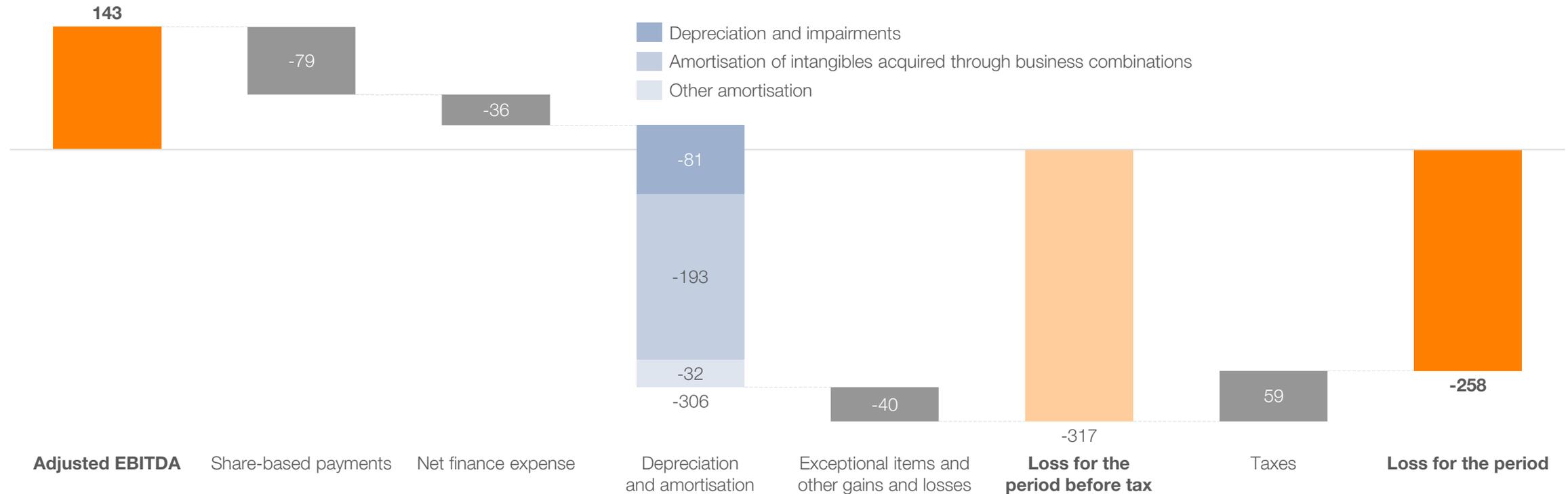
# Adjusted EBITDA improvement driven by material progress in all segments

Year-on-year change in Adjusted EBITDA (€m) per segment and Adjusted EBITDA as a percentage of GTV



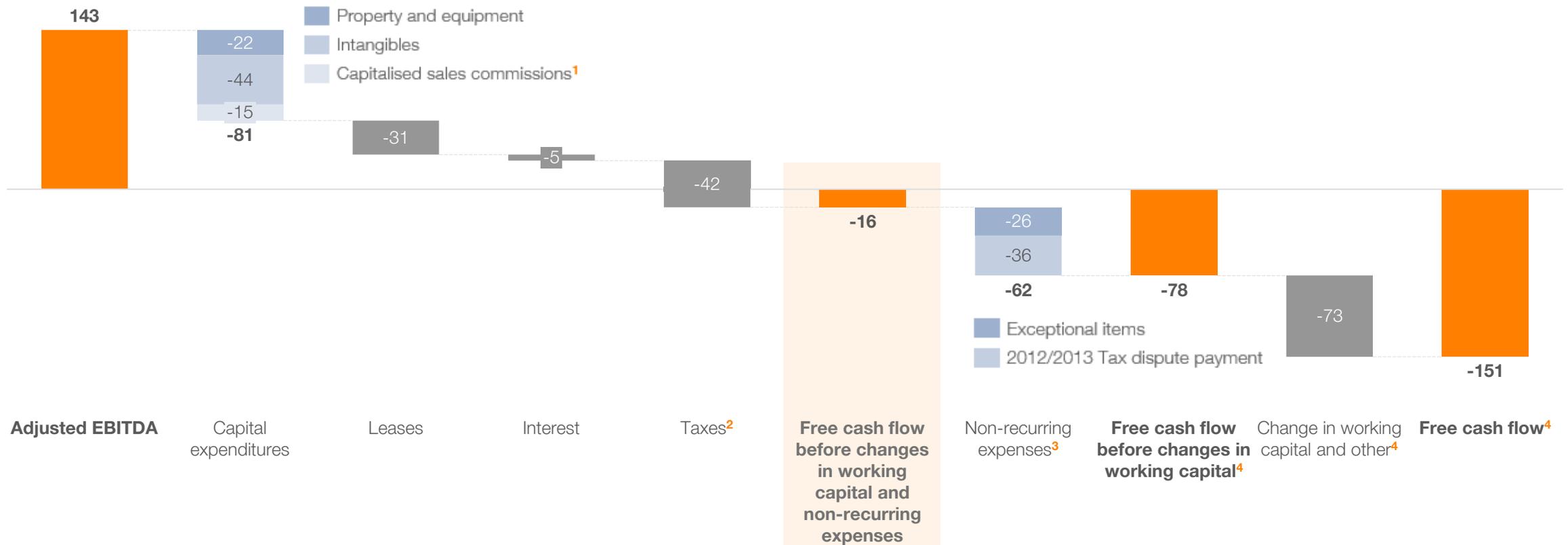
# Loss for the period was mainly driven by non-cash amortisation of acquired intangibles

Adjusted EBITDA to loss for the period (€m)



# Significantly improved free cash flow before changes in working capital

Bridge from Adjusted EBITDA to free cash flow in H1 2023, Group (€m)



1. The difference between cash sales commission paid and amortisation of capitalised sales commissions (included in Adjusted EBITDA) during the period, captured in changes in other (non-)current assets in the consolidated statement of cash flows

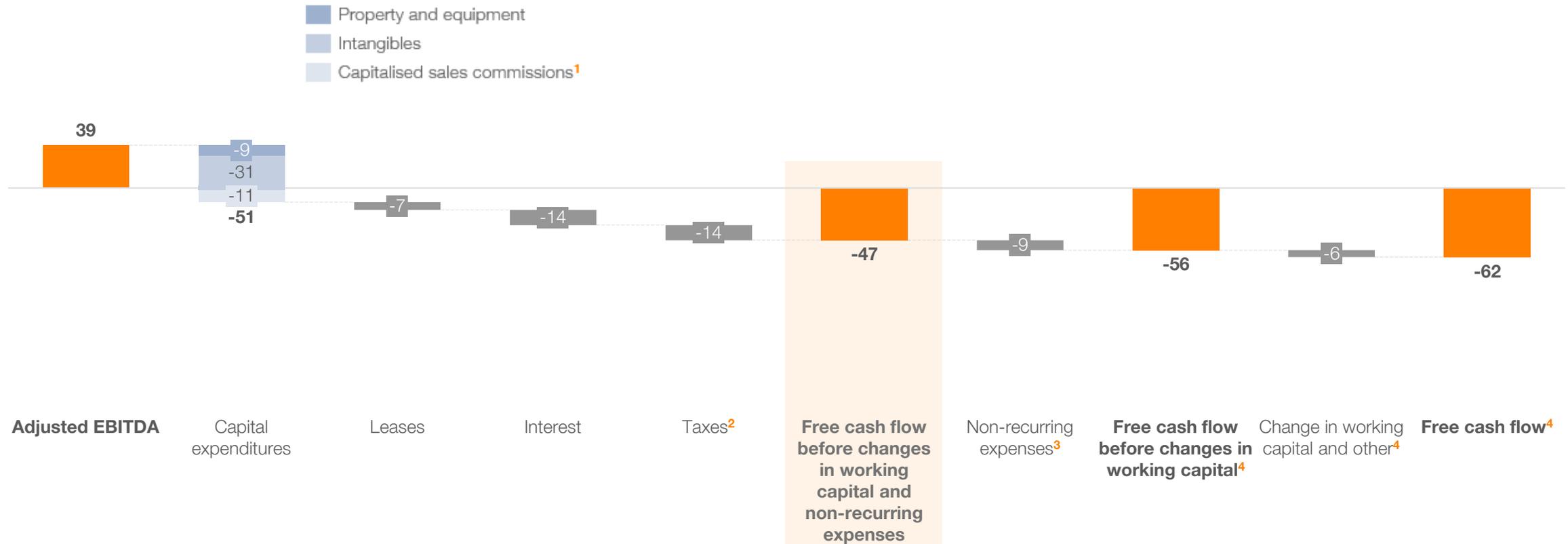
2. Includes cash taxes paid related to net settlement of share-based payment awards, excludes a one-off tax payment of EUR 36 million related to the settlement of a tax dispute

3. Comprises the cash component of exceptional items and a one-off tax payment of EUR 36 million related to the settlement of a tax dispute

4. Changes in working capital mainly relate to cash held for partners which can vary significantly based on the day of the week the accounts close versus the weekly payment cycle; can generally swing ca. +€100m to -€100m from period to period; this has no impact on our operations

# Material improvement in Grubhub cash flow

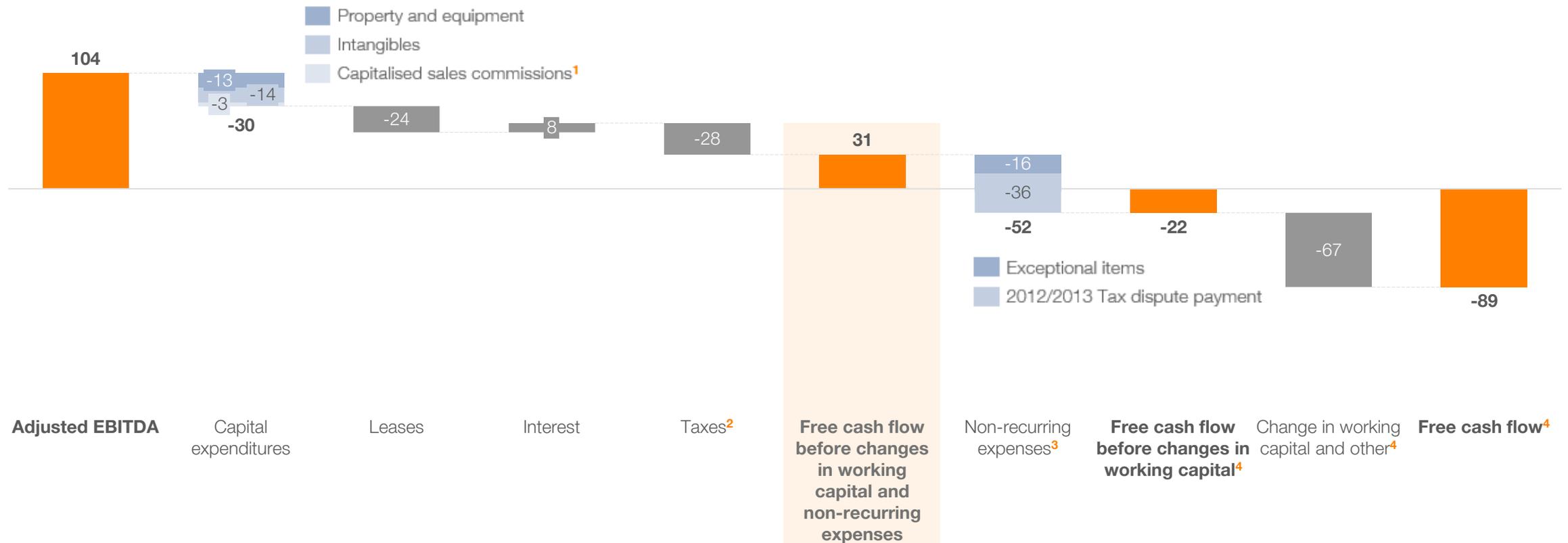
Bridge from Adjusted EBITDA to free cash flow in H1 2023, Grubhub (€m)



1. The difference between cash sales commission paid and amortisation of capitalised sales commissions (included in Adjusted EBITDA) during the period, captured in changes in other (non-)current assets in the consolidated statement of cash flows  
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# Excluding Grubhub, free cash flow before changes in working capital was close to being positive in H1 2023

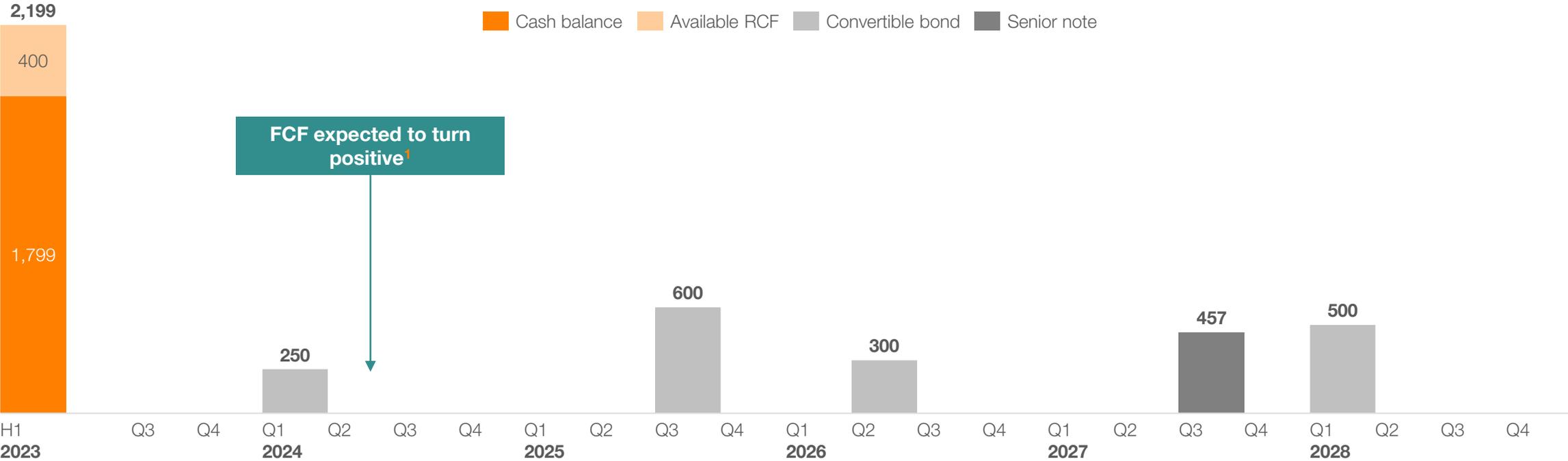
Bridge from Adjusted EBITDA to free cash flow in H1 2023, Group excluding Grubhub (€m)



<sup>1</sup> The difference between cash sales commission paid and amortisation of capitalised sales commissions (included in Adjusted EBITDA) during the period, captured in changes in other (non-)current assets in the consolidated statement of cash flows  
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# We are well capitalised to meet all our future debt obligations

Timeline of maturities of debt and convertible bonds versus available cash and cash equivalents (€m)



1. Free cash flow (before changes in working capital) to turn positive in mid-2024

## We are using our strong liquidity position to buy back shares and have repurchased 2.7% of our issued shares

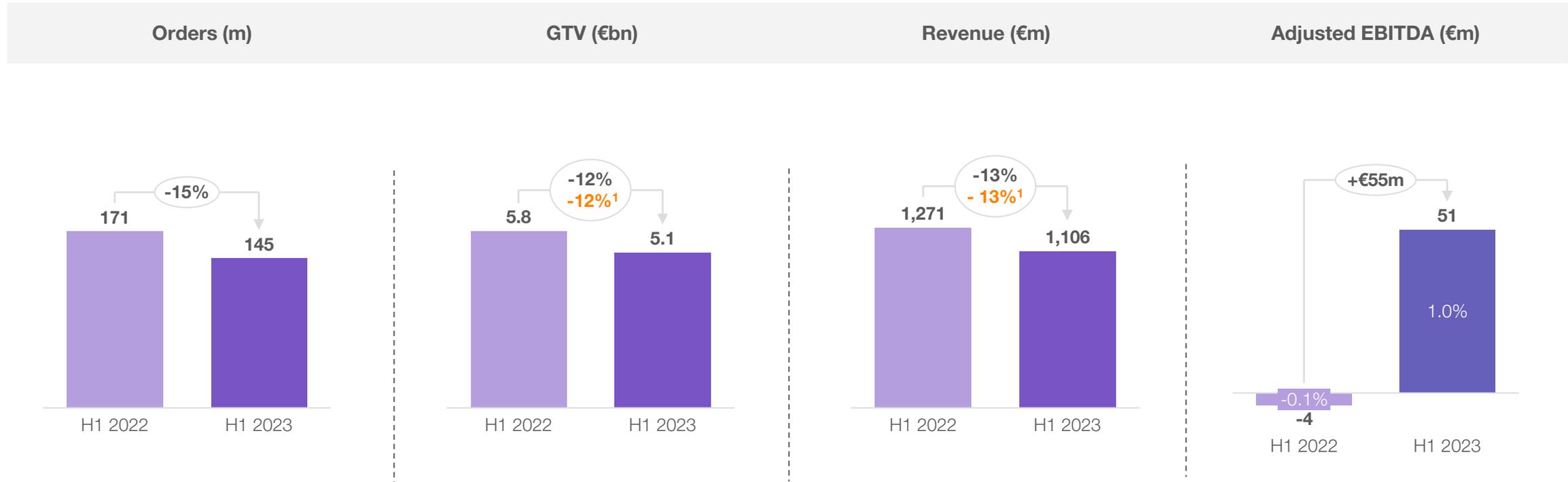
Share buyback programme progress as of 21 July 2023	
Start date	19 April 2023
Maximum end date	29 December 2023
Total amount	€150,000,000
Amount purchased	€85,679,496
Average price	€14.2693
Shares purchased	6,004,473
% of issued shares purchased	2.73%

# Contents

- 1 Key messages
- 2 CEO update
- 3 COO & CCO update
- 4 Group results
- 5 Segment performance**
- 6 Conclusion

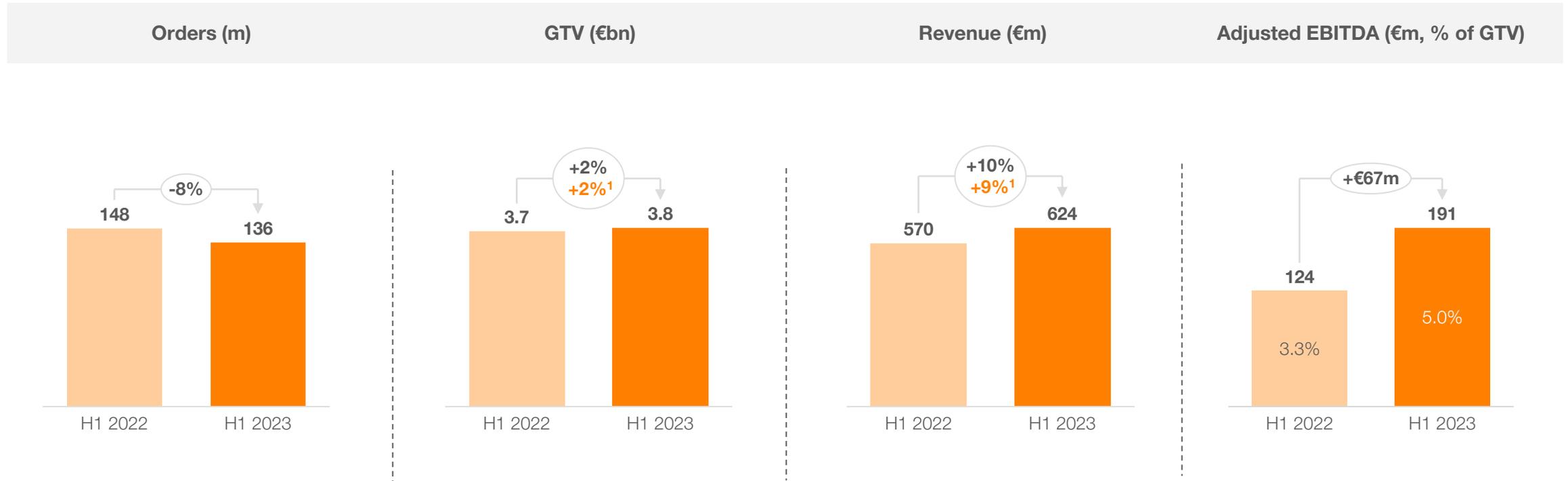


# North America: Return to positive Adjusted EBITDA



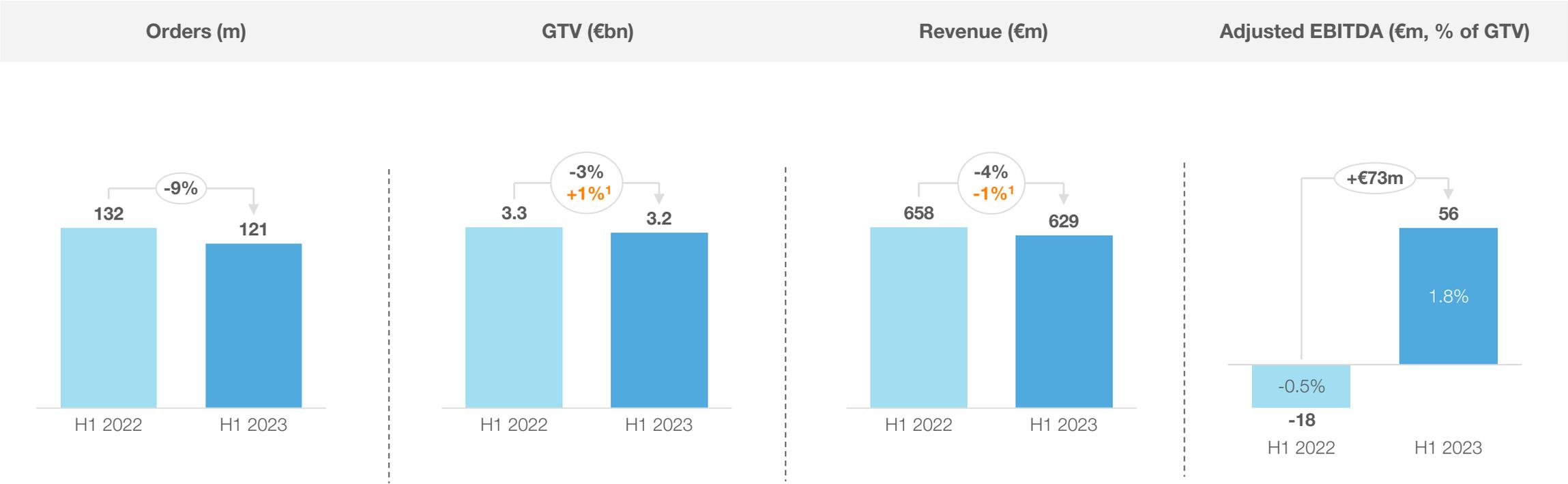
1. Constant currency growth

# Northern Europe: Adjusted EBITDA margin already at 5% long-term target



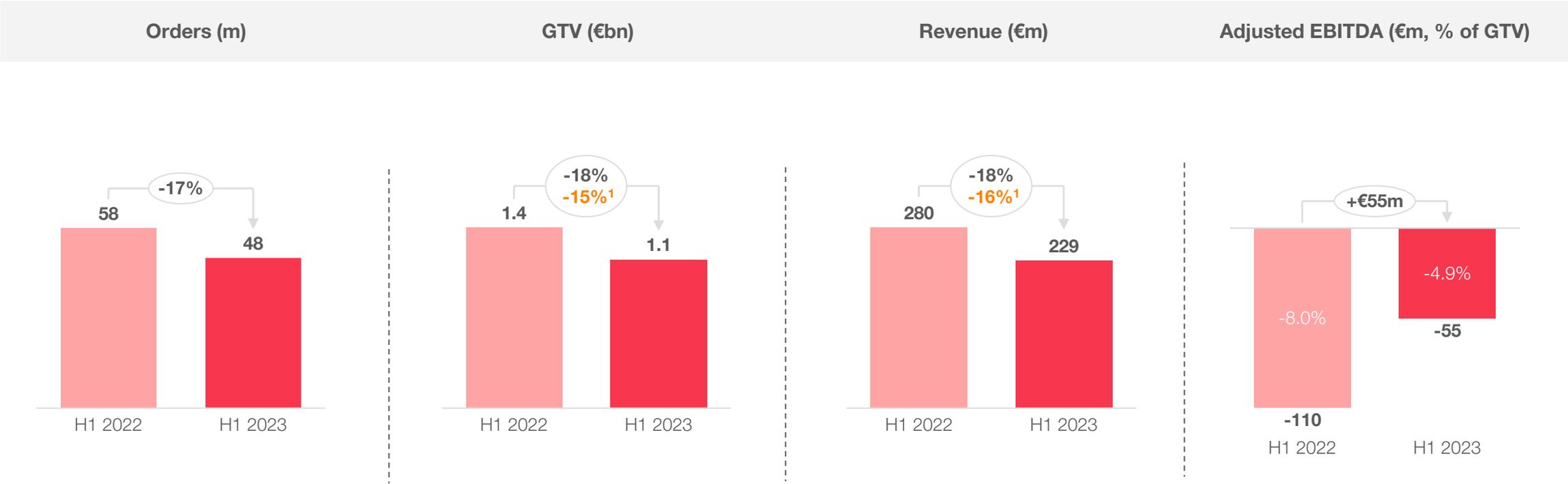
1. Constant currency growth

# UK and Ireland: Strong margin improvement



<sup>1</sup> Constant currency growth

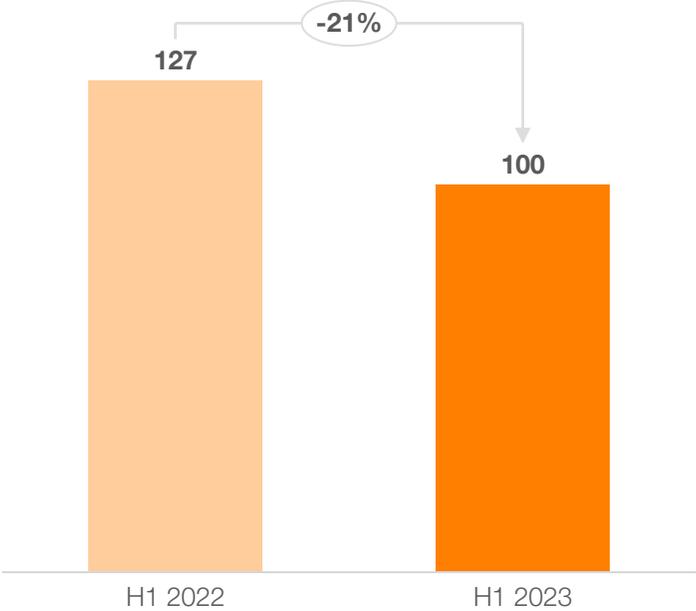
# Southern Europe and ANZ: Improving unit economics



1. Constant currency growth

# Head office: Reduction driven by organisational measures taken in H2 2022

Head office costs<sup>1</sup> (€m)



<sup>1</sup>. After adjustments

# Contents

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- 5 Segment performance
- 6 Conclusion**



## Wrap-up

- 1 Northern Europe and UK and Ireland returned to GTV growth in Q2 2023
- 2 Half-year Adjusted EBITDA improved to €143 million
- 3 UK and Ireland on track to reach a similarly high AEBITDA margin as Northern Europe
- 4 We are fast approaching the positive free cash flow target

# Q&A



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