Annual Report 2020

Just Eat Takeaway.com

JUST EAT Takeaway.com

01 The Company

03 Financial Statements

02 Governance

04 Other Information

01

The Company

Highlights 2020

Processed **588 million Orders** on a combined basis from **60 million Active Consumers**

Integration on track with Just Eat, implementing a combined operating model and organisational structure

Wide range of measures to support restaurants, couriers, healthcare workers and charitable initiatives

Launched Scoober with **employed couriers** in UK and France

Generated more than **90% of GMV** in markets with **#1 positions**

At a glance 2020

Restaurants
244k

Average Order Value
€22.00

Active Consumers
60m

Gross Merchandise Value
€12.9bn

Orders
588m

Active in
23 countries

Delivery share
26%

"The coronavirus resulted in unprecedented times for our restaurants, consumers as well as for our employees and couriers. We supported our restaurants with various relief measures and launched campaigns to support healthcare workers with free or discounted food across our markets"

– Jitse Groen, CEO

Message from the CEO

Dear reader,

It is safe to say that everybody on this planet will remember the year 2020. As the world shut down to contain Covid-19, Just Eat Takeaway.com became an "essential service" – the only source of income for many of our restaurant partners and a crucial part of our consumers' day-to-day lives. I am proud of the support we have given to restaurant partners and health care workers during the pandemic, and humbled by the continued commitment of our staff and couriers to keep our service running throughout the year.

After the completion of the transaction between Just Eat and Takeaway.com, two great companies, the hard work started on combining the two businesses. We naturally did not anticipate having to complete this integration without physically being able to visit our office locations, and certainly we could not have expected that most of our offices would actually close down completely during the course of the year.

I was however very satisfied to see that even several lockdowns couldn't stop the impressive Just Eat Takeaway.com team, and I can confidently say that we have the best people from both legacy companies in place to build the future of the new business.

We announced the transaction with Grubhub in June, which will allow the company to further strengthen its North American business with excellent positions in the major metropolitan areas of the United States. We are confident that we can contribute to the growth of Grubhub, and that our increased size will offer major advantages for SkipTheDishes in Canada, for instance in our marketing exposure.

Sadly, our first-ever major sponsorship event the UEFA Euro 2020™ football tournament was postponed to 2021. The year, however, was very exciting from a growth perspective, as most of our countries started to grow much faster as people were increasingly bound to their homes. It is almost as if the business has skipped a year in its development.

In the second half year, we drastically increased our investments, predominantly in the legacy Just Eat countries, causing further growth acceleration. We were also able to drive our Delivery business to rival our competitors in countries in which we previously were mostly a marketplace business. This has allowed us to gain market share in most of our countries. The company was able to increase its order growth rate in the last three quarters of 2020, and is expecting further order growth acceleration in 2021. More importantly, we expect to reap the benefits from this investment programme in the years to come, as we exited the year being a far larger business than when the year begun, and I was still leading the more modest Takeaway.com.

All in all, 2020 was another chapter in an already phenomenal story. The company is now one of the largest food delivery platforms on earth, and we intend to run the company keeping our core values at heart: Lead, Deliver, Care. I am fortunate to be able to lead this fantastic company as its CEO and I am eagerly looking forward to 2021.

Jitse Groen
CEO and founder
Just Eat Takeaway.com

Company profile

Just Eat Takeaway.com is a leading global online food delivery company, connecting tens of millions of consumers with their local restaurants, and benefitting from an attractive business model with powerful network effects.

On 31 January 2020, the all-share combination between Just Eat plc and Takeaway.com N.V. became effective and Just Eat Takeaway.com was created.

Who we are

Just Eat Takeaway.com is a leading global online food delivery marketplace, connecting tens of millions of consumers with nearly 250,000 local restaurants through our websites and apps. It was created by the all-share combination of Just Eat plc and Takeaway.com N.V. in 2020 and is one of the world's largest online food delivery companies, with leading positions in attractive markets and a founder-led management team. As per 31 December 2020, Just Eat Takeaway.com operated in 23 markets: the United Kingdom, Germany, Canada, the Netherlands, Australia, Austria, Belgium, Bulgaria, Denmark, France, Ireland, Israel, Italy, Luxembourg, New Zealand, Norway, Poland, Portugal, Romania, Spain, and Switzerland, as well as through partnerships in Colombia and Brazil.

Just Eat Takeaway.com began operating in 2000 in the Netherlands when founder and CEO, Jitse Groen, launched the online food delivery marketplace under the brand www.thuisbezorgd.nl and expanded rapidly both in the Netherlands and internationally, building European and then global scale through a blend of strong organic and acquisitive growth.

Our proposition benefits both restaurants and consumers. We offer consumers the convenience of a large selection of local takeaway restaurants at their fingertips through our websites and apps, with our user-friendly interfaces and multiple payment solutions enabling a food order to be completed in seconds. For restaurants, partnering with us means access to our large pool of Active Consumers, our brand strength and presence, and our logistics capabilities –allowing them to increase their orders and grow their business.

The all-share combination between Just Eat plc and Takeaway.com N.V. became effective as per 31 January 2020, making the Company the ultimate parent company of both the legacy Just Eat and the legacy Takeaway.com businesses. In addition, due to an initial enforcement order by the UK Competition and Markets Authority (CMA) we were prohibited from integrating the businesses until 15 April 2020. Nonetheless, we will refer to Just Eat Takeaway.com throughout this annual report, including for any periods prior to 15 April 2020, which should be read as reference to the legacy Just Eat or the legacy Takeaway.com businesses, respectively. For more information on the transaction between Just Eat and Takeaway.com, please see the section 'Our strategy'.

In 2020, Just Eat Takeaway.com processed over 588 million Orders for our restaurant partners, facilitating €12.9 billion in Gross Merchandise Value (GMV). As of 31 December 2020, Just Eat Takeaway.com had nearly 9,000 full-time equivalent employees (FTE), of which almost 3,000 represent the full-time equivalent employees of our employed couriers.

The shares of Just Eat Takeaway.com are listed and traded on Euronext Amsterdam (AMS: TKWY) and, since 3 February 2020, its CREST depository interests (CDIs) are listed and traded on the London Stock (LSE: JET). Just Eat Takeaway.com is included in the AEX-index on Euronext Amsterdam and included In the FTSE100-index on the London Stock Exchange.

Our business model

Just Eat Takeaway.com's core business model connects consumers with restaurants, enabling the consumer to order and pay for a meal through our websites or apps, which is then delivered to the consumer or collected by them in person (Fig.1). While the majority of participating restaurants deliver the food themselves, we are expanding our own logistics offering, giving restaurants access to new sales opportunities where we use our courier network to deliver their food.

For consumers, our marketplace provides a simple way to order and pay for food, and Just Eat Takeaway.com aims to offer the best user experience by providing a large and varied selection of cuisines, broad restaurant choice, an easy-to-use and engaging product interface, seamless payment processes, and transparent order-tracking features.

For restaurants, Just Eat Takeaway.com offers access to a wider consumer-base and provides publicity at a relatively low cost, allowing partners to broaden their reach beyond local marketing and generate incremental orders. In addition, we provide restaurant delivery services, primarily through our own Delivery solutions but also through selected third parties in some markets.

Our business is primarily a business-to-consumer (B2C) operation, but Just Eat Takeaway.com has also invested in solutions to serve the corporate market, including Takeaway Pay, 10bis and City Pantry. These business-to-business (B2B) services allow corporate customers to offer their employees (partially) subsidised food orders, assigning budgets to employees to order food through the Just Eat Takeaway.com platforms. Our B2B services remove complicated expense processes, with companies receiving one invoice at the end of each month, which they can integrate with HR and accounting systems. In this way, Just Eat Takeaway.com offers an alternative to the company canteen, providing significantly greater choice to employees in an economical way.

We derive our revenue principally from the commissions we charge restaurants based on the Gross Merchandise Value (GMV) of the food ordered through our marketplace and, to a lesser extent, from other services such as online payment services, sales of merchandise and packaging, and promoted placement. In addition, we also derive revenue from delivery fees charged to consumers on orders for which Just Eat Takeaway.com is responsible for the Delivery.

The business model benefits from powerful network effects, reinforcing growth in orders, restaurants and consumers (Fig. 2). As the number of consumers increases, more orders and higher GMV are generated, attracting more restaurants to our marketplace, which further enhances and diversifies the offering and in turn attracts more consumers.
This typically provides a strong tailwind to growth for market leaders.
In addition, network effects drive operating leverage, with revenue growth typically not requiring a linear increase in marketing or overhead costs, thereby leading to improved operating margins in the long run.

Just Eat Takeaway.com connects consumers and restaurants

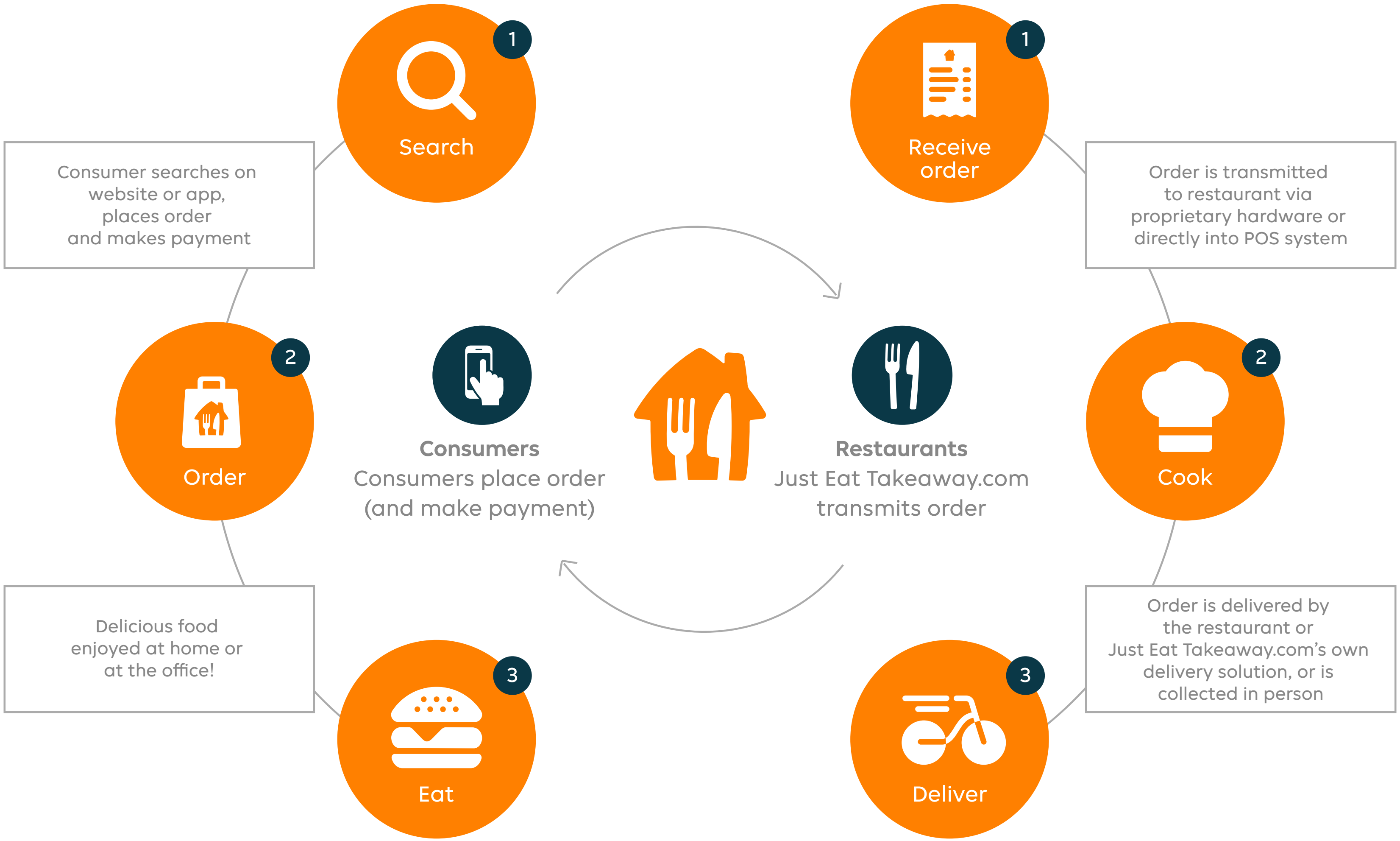
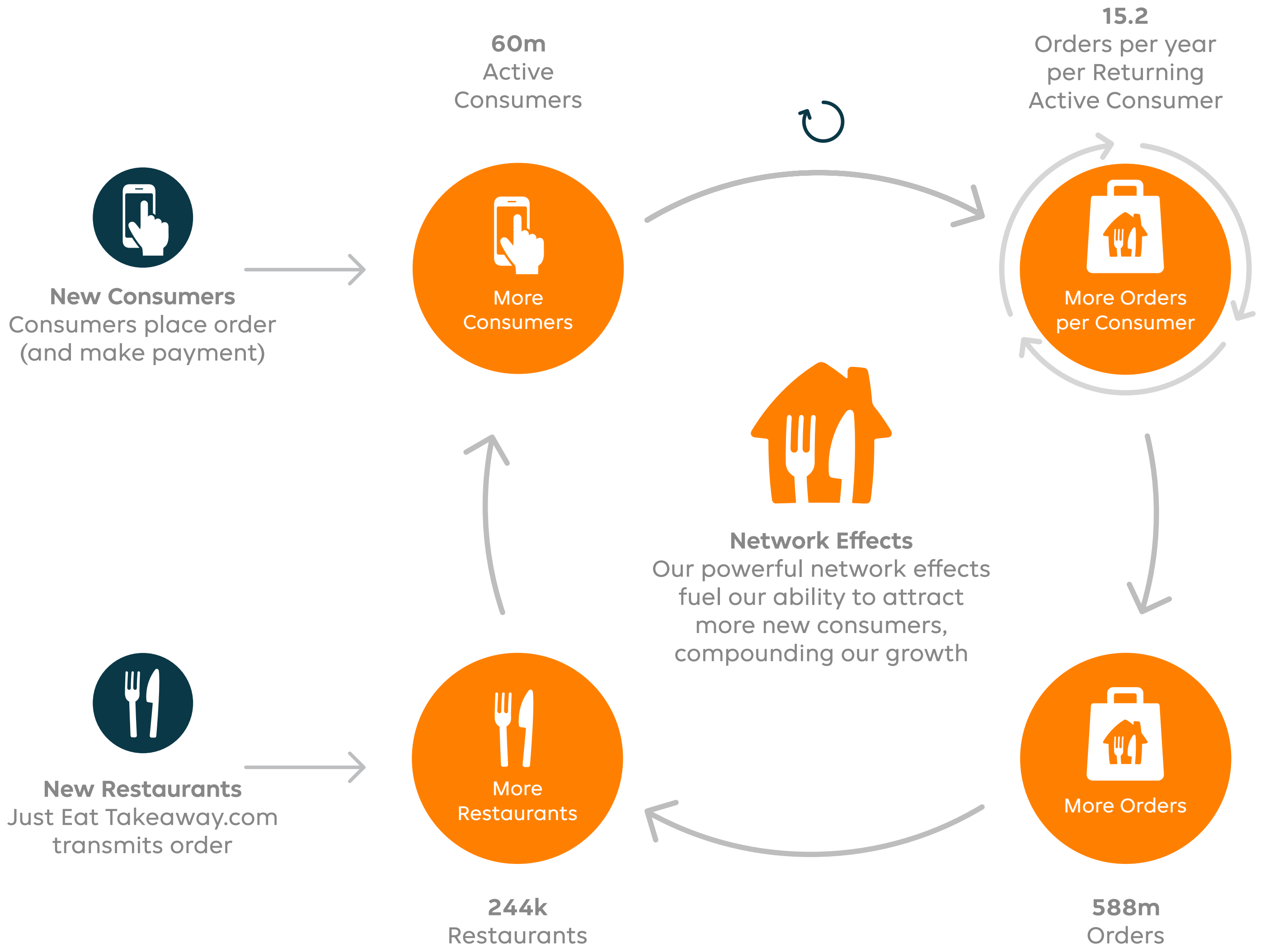


Fig. 1. Just Eat Takeaway.com business model

Just Eat Takeaway.com leverages powerful network effects



Note: Numbers represent FY-2020, presented on the basis of the combined results of Just Eat and Takeaway.com from 1 January 2019

Fig. 2. Network effects of online food delivery marketplace

History

Creation of a leading global online food delivery marketplace with a proven track record of integration and growth

2000
Thuisbezorgd.nl
Jitse Groen launches Thuisbezorgd.nl in The Netherlands

2007
First international expansion with entry into Germany and Belgium

2011
Name change to Takeaway.com

2012
First external investment of €13m from Prime Ventures

2014
Acquisitions of Lieferando.de and Pyszne.pl

2016
IPO at Euronext Amsterdam; first Scoober city launched

2018
Acquisition of 10bis in Israel, reflecting entry into B2B market

2019
Acquisition of Lieferheld, pizza.de and Foodora from Delivery Hero

2001
Just Eat
Launches in Denmark

2006
Just Eat launches in UK and moves HQ

2009
First external investment of £10m from Index Ventures

2014
IPO at London Stock Exchange

2015
Acquisition of Menulog in Australia

2016
Acquisition of SkipTheDishes in Canada

2018
Acquisition of Hungry House in UK

2020
JUST EAT Takeaway.com
All-share combination of Just Eat and Takeaway.com and listing on London Stock Exchange ('JET')

Our Markets

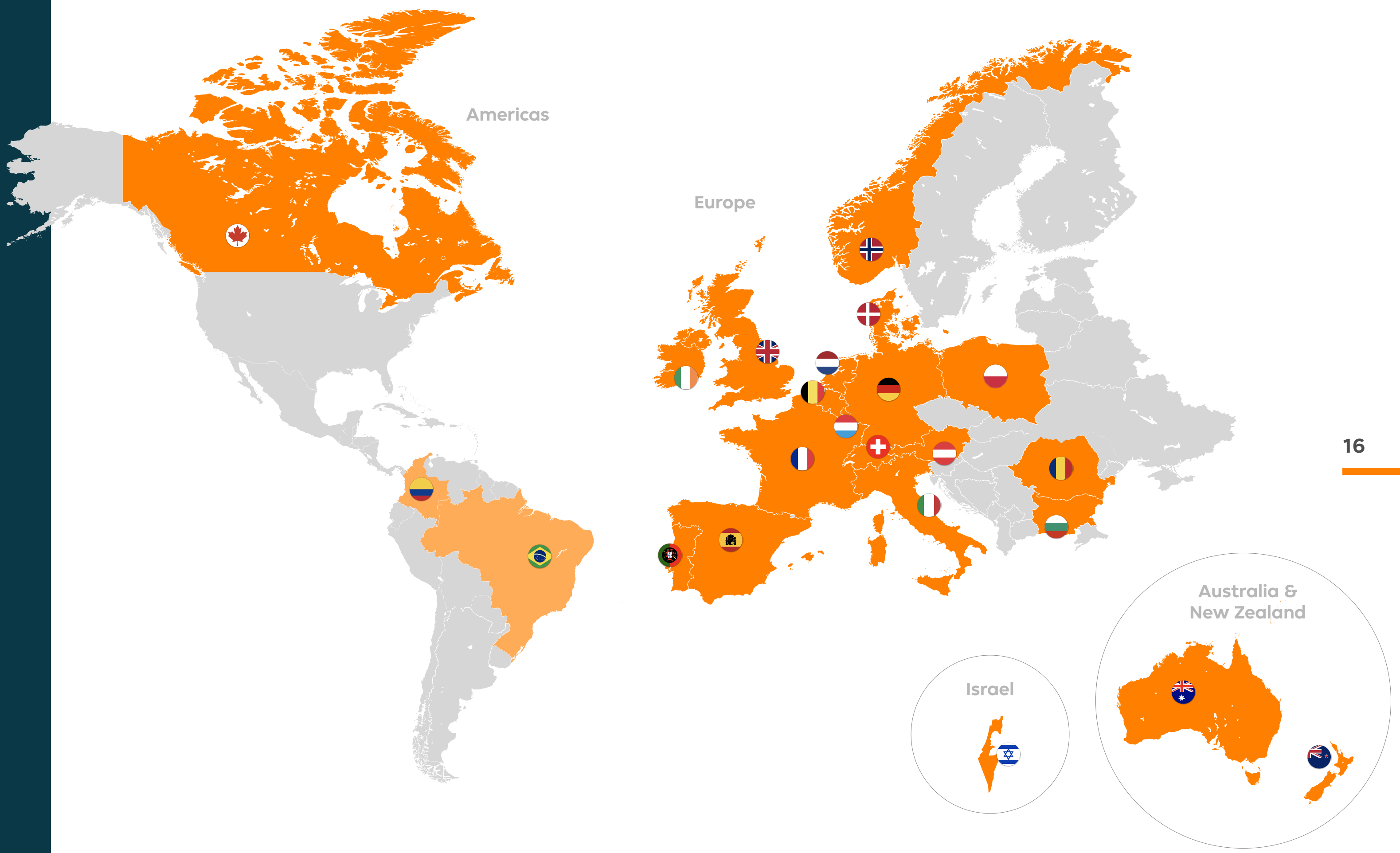
Restaurants[1]
244k

Active Consumers[1]
60m

Countries
23

Addressable population[1,2]
>450m

Penetration[1,3]
13%

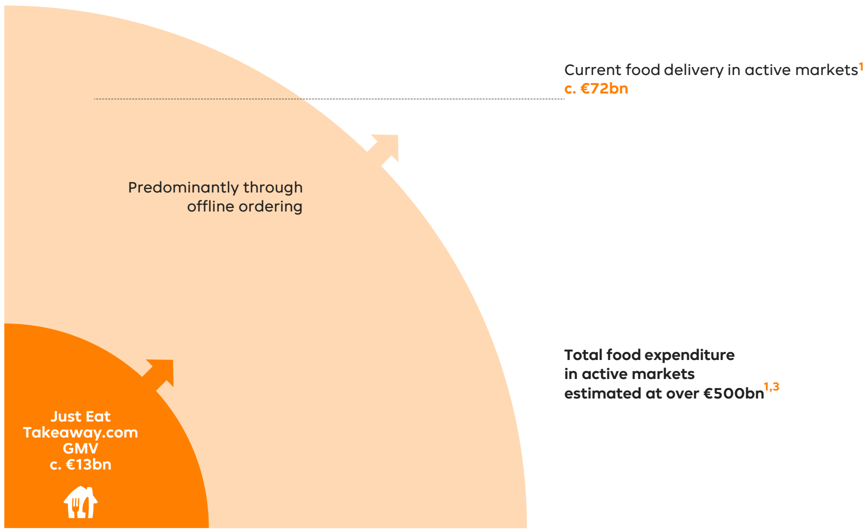


1 Excluding Colombia and Brazil
2 Addressable population aged over 15 years
3 Represents the proportion of total active consumers over the total addressable population

Just Eat Takeaway.com operates in 23 countries across Europe, North America, Australia and Israel as per 31 December 2020. Our markets represent an addressable population of over 450 million people, who spend an estimated €72 billion on food delivery annually (Fig. 3). In the 12 months to 31 December 2020, we served a total of 60 million Active Consumers across our markets, representing an increase of 12 million consumers versus the previous year. Our significant investment in restaurant acquisition and Delivery also enabled us to increase the number of restaurants we partner with to nearly 250,000 by year end, further increasing the diversity of cuisines we offer. More than 90% of our GMV is generated in markets where we are a leading player, including the United Kingdom, Germany, Canada, and the Netherlands.

Total food delivery market segment[1]

Food delivery market[1]

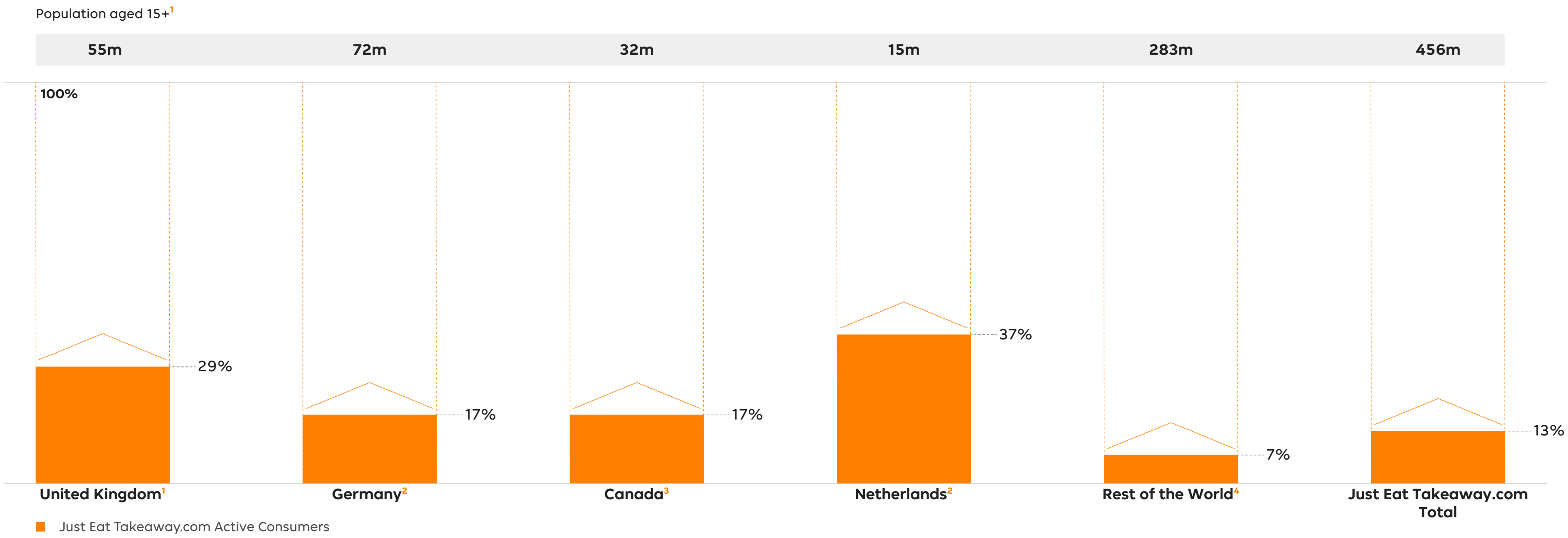


1 Management estimates
2 Just Eat Takeaway.com's other countries have been combined into an "all others" segment which is named "Rest of the World"
3 Based on Euromonitor Consumer Foodservice forecast for 2025

Fig. 3. Our potential market

Despite our well-developed market positions in each of our markets, penetration remains relatively low, implying considerable upside potential (Fig. 4). We believe there is still a significant opportunity from the shift from phone to online ordering, as well as growth in the overall takeaway food market enabled by continued expansion of the addressable restaurant population through delivery services. Just Eat Takeaway.com utilises the Adjusted EBITDA generated in large markets such as the United Kingdom, Germany and the Netherlands, which is reinvested in other markets to drive continued growth.

Significant penetration upside



Source:
1 UK 2018 based population projection data for the year 2021 from Office for National statistics
2 Population projection as on 1 January 2021 for Germany, Netherlands, Belgium, Bulgaria, Denmark, Ireland, Spain, France, Italy, Luxembourg, Austria, Poland, Portugal, Romania, Switzerland and Norway from Eurostat
3 Population projection 2021 for Canada from Statscan
4 Population projection 2021 data for Israel from CBS.gov.il, Australia from Abs.stat and New Zealand from NZ.stat

Fig. 4. Just Eat Takeaway.com penetration

United Kingdom

Restaurants
50k

Active Consumers
16m

Orders
179m

Delivery share
15%

Average Order Value
€22.34

Gross Merchandise Value
€4.0bn

JUST EAT

Our United Kingdom (UK) business was founded in 2006 and (just like Thuisbezorgd.nl in the Netherlands) was a pioneer in scaling online food delivery, securing a large restaurant base and developing a strong brand, which generated significant network effects and resulted in leading levels of addressable population penetration. In 2020, the UK was Just Eat Takeaway.com's largest market by Orders and GMV. Management believes the UK business, despite its strong top-of-mind brand awareness and leading market position, had seen underinvestment in recent years and, in order to strengthen its leading position, we embarked on a significant investment programme during 2020.

We increased our investments in the UK marketing significantly during the year, led by the successful Snoop Dogg campaign, returning the brand Just Eat to the number one share of voice in the online food ordering sector and reinforcing its leading top-of-mind brand awareness. The UK refreshed its branding, adopting the Just Eat Takeaway.com global brand identity online as well as on merchandise, such as clothing for couriers, enhancing the international leveraging of the brand.

Further significant investments were made in Delivery in the UK, with major partnerships with McDonald's and Greggs launched and scaled during the period, ensuring new and existing UK consumers have the broadest choice of loved brands and cuisines. Scoober was launched in London in November 2020, which will improve last-mile brand visibility on the streets and step-change service levels. New international and national chain restaurant partnerships together with an expanded choice of independent delivery restaurants and investments in sustainable price leadership on delivery fees, resulted in the Delivery share of orders reaching 15% for the year, nearly double the previous year's share.

The UK expanded its restaurant salesforce to add wider restaurant choice to its platform, with a particular focus on cities where its restaurant supply is underweight compared to its national lead. Investments in sales and the impact of the pandemic brought a 37% increase in UK restaurants joining the platform, reaching over 50,000 by the end of the year.

The UK investment programme, together with Covid-19 related tailwinds, led to a significant increase in the rate of year-on-year Active Consumer growth, resulting in 16 million Active Consumers by the end of 2020.
The increase in Active Consumers therefore delivered early returns on the investments, with 29% of the addressable UK population using Just Eat in 2020, placing the UK in a strong position for future growth.

Germany

Restaurants
26k

Active Consumers
12m

Orders
112m

Delivery share
7%

Average Order Value
€22.67

Gross Merchandise Value
€2.5bn

Lieferando.de

Our Lieferando.de brand has proven its ability to deliver on the significant potential of the German market. We operate the largest and most recognised online food delivery marketplace in Germany, and our restaurant partners reach over 98% of the population.

In 2020, we continued to demonstrate strong operational leverage driven by our centralised model and single brand strategy, maximising the efficiency of our marketing expenditure, leading to high revenue and Adjusted EBITDA growth.

We continued to expand our delivery service to restaurants which do not have their own delivery fleet. By the end of 2020, Lieferando.de offered delivery services to over 5,000 restaurants in 39 German cities. Through this expansion we were able to offer an even broader range of cuisines and a number of international and national chain restaurants, including Starbucks, Hussel, Block House, Five Guys and Arko.

Our brand recognition is reflected in consumer top-of-mind awareness of 59% - which is a 3 percentage point increase over 2019. Our Active Consumer base in Germany grew to 12 million, a 28% increase on 2019. Yet with an addressable population of approximately 72 million people, significant long-term growth potential remains.

Despite our broad restaurant coverage across Germany, we continue to focus on restaurant acquisition, to ensure that consumers are always satisfied with the available choice when using our platform. In 2020, we were able to achieve net restaurant growth of more than 7,000 restaurants, bringing the total to over 26,000.

Our 12 million Active Consumers spent over €2.5 billion through our platform in 2020, an increase of 75% compared to GMV in 2019.

Canada

Restaurants
38k

Active Consumers
6m

Orders
86m

Delivery share
100%

Average Order Value
€20.37

Gross Merchandise Value
€1.7bn

Our Canadian business, SkipTheDishes, was founded in 2012 and has become the leading online food operator in Canada. Rapidly scaling its highly efficient delivery operations and technology platform, it was one of the first delivery-focused businesses at scale to report Adjusted EBITDA profitability in the sector. Despite its strong brand and leading market position, we embarked on an investment programme to strengthen the Canadian business during 2020.

SkipTheDishes enables almost 38,000 restaurants to offer their food for home delivery to Canadian consumers, which gives them a presence in all urban areas within Canada. The highly efficient and scalable operational model we have developed engages independent contractors as couriers, and has enabled a significant expansion of online food ordering across Canada by broadening restaurant and cuisine choice. During 2020 we further invested in the growth of the Canadian restaurant network, increasing the restaurant offering by 69%, with particular focus on cities such as Montreal, where SkipTheDishes was underweight compared to its national position.

Investment in marketing increased during the year to improve top-of-mind brand awareness, including rebranding to the Just Eat Takeaway.com global identity. SkipTheDishes also launched its Skip Rewards loyalty programme during the year, strengthening the brand proposition with a focus on sustainable value and reward to generate strong consumer cohorts. The business continued its popular advertising campaign featuring the actor Jon Hamm, and in January 2021 strengthened its support of hockey in Canada with a multi-season partnership with the National Hockey League (NHL), becoming the first official food delivery app of the NHL. Skip also partnered locally with six out of seven Canadian NHL teams so hockey fans across Canada can support their home team and local restaurants simultaneously.

The strong brand is evidenced by the order frequency of our Active Consumers. We served 17% of the Addressable Population in 2020, demonstrating the significant room for growth that remains.

Netherlands

Restaurants
12k

Active Consumers
5m

Orders
49m

Delivery share
8%

Average Order Value
€23.54

Gross Merchandise Value
€1.2bn

In 2000, Jitse Groen founded Thuisbezorgd.nl and introduced online food ordering to the Netherlands. Since then, Thuisbezorgd.nl has grown to become one of the most recognised consumer brands in the country.

There are over 12,000 restaurants connected to Thuisbezorgd.nl, enabling Dutch consumers to choose from a large selection of cuisines, regardless of where they live. In addition, we also offer Delivery via our Scoober service in 29 Dutch cities for restaurants which do not offer their own delivery services. With a top-of-mind brand recognition for 69% of the population, Thuisbezorgd.nl is a household name in the Netherlands.

Driven in part by our strong brand, 37% of the Addressable Population ordered at least once via Thuisbezorgd.nl in 2020. The year-on-year order growth remained strong at 30%, driven by an increased number of Active Consumers, over 5 million at year-end, and by Active Consumers ordering more frequently. We are confident that the Dutch online food delivery market will continue to grow, driven by the switch from phone to online ordering, the increasing frequency of food ordering by consumers, and the retention of our Active Consumers.

We continued to invest in our Delivery offering in 2020, allowing us to further broaden the variety of cuisines we offer. In addition, we welcomed several new (inter)national and local chains, including: McDonald's, Taco Bell, Pizzabakkers, La Cubanita and Van der Valk, demonstrating the strength of our brand.

Rest of the World

Restaurants
118k

Active Consumers
21m

Orders
162m

Delivery share
20%

Average Order Value
€21.55

Gross Merchandise Value
€3.5bn

The Rest of the World comprises Australia, Austria, Belgium, Bulgaria, Denmark, France, Ireland, Israel, Italy, Luxembourg, New Zealand, Norway, Poland, Portugal, Romania, Spain and Switzerland. Of these countries Australia is the largest single market. The European markets make up together 72% of the Rest of the World Orders. Just Eat Takeaway.com's Israeli business 10bis is Just Eat Takeaway.com's largest B2B market, with a growing B2C presence.

Australia

Our Australian brand, Menulog, which was founded in 2006, has a long track record in online food ordering. Despite Menulog Group Limited being a leader in the Australian market initially, it lost market share in recent years due to underinvestment in marketing and restaurant supply, particularly in delivery restaurants which are a significant part of the Australian online food delivery market. After establishing a large delivery network, and following increased marketing and sales investment, the turnaround of the Australian business accelerated. In 2020, it was Just Eat Takeaway.com's fastest growing market in terms of order growth. The growth was primarily driven by Delivery Orders as well as the marketplace business returning to growth, having declined in 2019. The restaurant offering increased by 46% to approximately 24,000, driven by an increased focus on sales and new partnerships with important chain restaurants such as McDonald's. The Active Consumer base grew by 48%, driven by significantly increased marketing spend and the global power of Just Eat Takeaway.com's branding efforts, which further strengthened the Menulog brand.

Israel

Founded in 2000, 10bis, which is Just Eat Takeaway.com's brand In Israel, operates the leading online food delivery marketplace in Israel. Its unique technology allows businesses to replace their canteens with not only a delivery service, but also with local restaurants. 10bis serves thousands of corporations, representing hundreds of thousands of employees. While Just Eat Takeaway.com is predominantly a B2C brand, the majority of 10bis Orders are B2B Orders. The B2C offering is underdeveloped in Israel and growing rapidly. Covid-19 materially impacted corporate ordering as offices closed and employees worked from home. However, the overall impact on Israel was mitigated by 10bis's expansion into B2C including Delivery through its Scoober model.

With nearly 8,000 restaurants, 10bis is the best choice for the approximately half a million Active Consumers that order their food online and in-store. The strong growth in Active Consumers of 40% is a result of the Just Eat Takeaway.com strategy to focus more heavily on B2C. Since Israel represents an addressable market of 6.9 million, substantial untapped potential in both the B2B and B2C environments remains.

Other European Markets

The largest European markets in the Rest of the World are Austria, Belgium, Denmark, France, Ireland, Italy, Poland, Spain and Switzerland, and Just Eat Takeaway.com holds leading positions in terms of GMV in each of these markets except for France. Collectively, these markets represent approximately 20% of the total Orders.

All the markets use the Just Eat Takeaway.com global brand identity, which allows them to leverage centrally developed marketing campaigns and international brand awareness. For example, Just Eat Takaway.com will be the official food delivery marketplace provider for the UEFA Euro 2020™ football tournament (delayed to 2021) which will generate high levels of brand visibility, particularly in the 14 competing nations in which Just Eat Takeaway.com operates.

In 2020, the Just Eat and Takeaway.com legacy operations in Switzerland were integrated. The leading Swiss brand Eat.ch was refreshed with the global brand identity and the business migrated to the continental European platform. The Swiss logistics operations use our Scoober model, which enhances last-mile brand visibility and service levels. This led to growth in Active Consumers to 1.1 million, a 43% increase on 2019, and the number of restaurants to over 3,000. Notwithstanding investments in marketing and Scoober city launches, the Swiss market improved profitability mainly driven by high order and AOV growth as well as marketing synergies generated through the merging of our two brands.

During 2020, the French business also migrated to the continental European platform, allowing the markets to benefit from additional features. The Scoober launch in Paris in November 2020 is a key milestone as we seek to improve the brand's positioning and performance.

Our leading positions in Spain and Italy continue to be enhanced. In Italy, despite a significant negative impact from Covid-19 in the first half of 2020, we reached record numbers of consumers and restaurants and crossed the milestone of two million Orders in a month. Our Spanish operations saw similar Covid-19 impacts, with a strong recovery, leading to record Active Consumers and restaurants by the end of the year. Delivery investments in Italy and Spain have been increased and we are working towards fully adopting the Scoober Delivery model. We believe the Scoober employed courier model is the most sustainable, as evidenced by court judgments against the independent contractor model in these countries. Italy and

Spain provide significant opportunities for future growth with Active Consumer penetration levels of 5% and 6%, respectively.

Our long-established and market-leading Irish and Danish businesses continue to expand from a strong base of top-of-mind brands and high levels of existing penetration, 23% and 16% respectively. Ireland expanded its Delivery operations, including launching a McDonald's partnership and reached the milestone of one million Orders in a month.

Our markets in Austria, Belgium and Poland are well placed to deliver on their leading market positions. In Austria we continued to invest in our Lieferando.at brand, maintaining our top-of-mind brand awareness and growing Active Consumers to over 1 million, representing 15% of the addressable population. Belgium achieved strong Active Consumer and restaurant growth, with Scoober serving all major Belgian cities, and achieved one million monthly Orders for the first time. Poland is a high growth market with very strong top-of-mind brand awareness. The Active Consumer base in Poland grew by 26% to over three million in 2020, representing 10% of the addressable population, with significant potential for further growth.

Across Europe we leveraged our strong presence to agree a long-term, multi-brand partnership across 13 countries with AmRest Holdings SE, a leading European multi-brand restaurant operator. It has over 2,300 restaurants under franchise including brands such as KFC, Pizza Hut, Starbucks, and Burger King, as well as proprietary brands like Sushi Shop, La Tagliatella, Bacoa, Blue Frog, and KABB. A first deal of this type, it demonstrates the potential for a centralised approach to restaurant cooperation.

Our Restaurant Partners

We value every partner on our platforms, from best-loved brands to our local heroes, and in 2020 we have worked harder than ever to attract more restaurants to our platforms, and to support them in running their businesses through the Covid-19 pandemic.

Since the start of 2020, we have added more than 70,000 net new restaurants to our platforms, ending the year with over 244,000 restaurants across our markets. That includes an additional approximately 13,000 net new partners in the UK, whilst our Canadian supply base has increased by 69% against the previous year. For many of our new and existing partners, our platforms and delivery services have played a vital role in supporting them through an extremely challenging year, with enforced restrictions on dining-in across the majority of our markets.

We have also supported our restaurant partners through this period by putting in place support packages across many of our markets, including reducing commissions and waiving sign-up fees. We introduced these measures across both the first and second waves of the pandemic, and in total provided more than €59 million worth of support to our restaurant partners and hospitals during the year.

During 2020, we restructured and expanded our sales organisation to accelerate our restaurant acquisition and provide more dedicated account management support to our existing partners, including doubling our UK sales force since the end of 2019. We also launched and rolled out a new restaurant web shop across the majority of our markets, further improving our offering to partners.

We have made significant progress in attracting the most popular branded restaurants to our platforms. We now have partnerships with McDonald's in 16 markets where Just Eat Takeaway.com is active, and we have rolled out to thousands of other leading branded restaurants including KFC, Burger King, Subway, and Greggs.

We are also proud to be partners with tens of thousands of local independent restaurants, who work tirelessly to build their businesses and realise their potential. To celebrate their success, we hosted the Just Eat Takeaway.com Best Restaurant awards 2020, which recognise the best of the best across a wide range of categories in seven different European markets.

“In 2020, the integration of Just Eat and Takeaway.com has been our top priority. We are well on track to unify the operating model as well as IT platforms and successfully rebranded to the same logo to benefit from a single global brand identity”

– Jörg Gerbig, COO


JUST EAT

Report of the Management Board

In 2020, Just Eat Takeaway.com N.V. was created by the all-share combination between Just Eat plc and Takeaway.com N.V. Our strategy is to build sustainable leadership in all our markets.

Our strategy

The Just Eat Takeaway.com vision is to empower every food moment for our restaurant partners and consumers – from the family takeaway on Friday night to the daily morning coffee, and from lunch at your desk to a special occasion at your local Italian.

That means empowering our consumers to get the food they love whenever they want it, by providing the best choice of restaurants and making the end-to-end experience as quick and easy as possible. And it means empowering our restaurants to grow and to thrive, not only by giving them access to a huge pool of consumers through our platforms, but also by supporting them with new tech-enabled tools and services that help them run their business every day.

We are a strong advocate for the power of network effects and believe online food delivery is a “winner takes most” industry, where the most popular brand will continue to generate increasing value for all participants in the network. To harness these network effects, our overall strategic objective is to **build sustainable market leadership** in every country in which we operate.

To achieve this, we focus on three strategic priorities:

- **To be a world-class food ordering and payment solution**
  - Augment our consumer proposition through new product features and payment services;
  - Enhance restaurant value through point-of-sale integration;
  - Grow new and nascent distribution channels such as corporate ordering and collection.
- **To provide the best product, restaurant choice and consumer care**
  - Develop a market-leading product experience and user interface for consumers and restaurants;
  - Build the widest restaurant selection in every city, enabled by the continued rollout of delivery capabilities;
  - Optimise our logistics solutions to enhance consumer experience and drive efficiency;
  - Deliver best-in-class customer care and problem resolution.
- **To be a brand people absolutely love**
  - Build brand love and loyalty through every interaction with our consumers and partners;
  - Drive new consumer acquisition through top-of-mind awareness and performance marketing;
  - Deliver great value for our consumers through price leadership;
  - Take tangible action to support our industry, and minimise our environmental footprint.

We believe these initiatives will not only drive more consumers and orders to our platforms, but will also allow us to take advantage of new and adjacent market opportunities.

The combination of Just Eat and Takeaway.com

Takeaway.com N.V. acquired Just Eat plc in 2020, for a total consideration of €7.4 billion. The all-share combination between Just Eat plc and Takeaway.com N.V. became effective on 31 January 2020 and, with effect from completion, Takeaway.com N.V. was renamed Just Eat Takeaway.com N.V. Subsequently on 15 April 2020, following the lifting of a hold separate order issued by the CMA on 30 January 2020, Just Eat was consolidated into Just Eat Takeaway.com.

Just Eat Takeaway.com has made significant progress with the integration of the Just Eat business. The organisational structure of the integrated group has been established with executive and senior management roles aligned across the whole of Just Eat Takeaway.com, creating a combined head office, and an operating model structure put in place across all markets. To benefit from global brand recognition, all Just Eat brands have adopted the Just Eat Takeaway.com logo and brand identity. The Swiss and French businesses have been successfully migrated to Just Eat Takeaway.com's continental European platform, with other legacy Just Eat continental European markets expected to follow in 2021.

Proposed all-share combination with Grubhub

On 10 June 2020, the Management Board announced that Just Eat Takeaway.com N.V. and Grubhub Inc. (Grubhub) had entered into a definitive agreement whereby Just Eat Takeaway.com N.V. is to acquire 100% of the shares of Grubhub in an all-stock transaction (the Transaction). Under the terms of the Transaction, Grubhub shareholders will be entitled to receive American depositary receipts (ADRs) representing 0.6710 Just Eat Takeaway.com N.V. ordinary shares in exchange for each Grubhub share, representing an implied value of $59.24 for each Grubhub share (based on the undisturbed closing price of Just Eat Takeaway.com N.V. on 5 March 2021 of €74.14 and implying a total equity consideration (on a fully diluted basis) of $5.8 billion. Immediately following completion of the Transaction, Grubhub shareholders are expected to own ADRs representing approximately 30.5% in Just Eat Takeaway.com N.V. (on a fully diluted basis).

On 7 October 2020, the Extraordinary General Meeting (EGM) of Just Eat Takeaway.com N.V. approved the acquisition of Grubhub and the appointment of Matthew Maloney as a member of the Management Board and the appointments of Lloyd Frink and David Fisher as members of the Supervisory Board, effective as of closing.

The Transaction is subject to the approval of Grubhub's shareholders, as well as other customary completion conditions. Subject to satisfaction of the conditions, completion of the Transaction is anticipated to occur in the first half of 2021.

Our product

Our goal at Just Eat Takeaway.com is to create the easiest to use products that add the most value to your life, whether you are a consumer, restaurant, courier, or a customer services agent.

In 2020, we continued to welcome multinational brands to our platforms, creating more value through seamless automation and providing greater insight into performance, leveraging capabilities across Just Eat Takeaway.com such as deploying Flyt Limited's Point of Sale integrations across more markets. For our independent restaurant community, we have been making the products more intuitive and faster, with greater ability to self-serve. As 2020 was a challenging year for the restaurant industry, we have really focused on what we can do to help support restaurants to run their business during this time.

A key focus for us in 2020 was on simplifying our business. For the Product and Technology department this meant consolidating platforms. We were excited to see a single brand roll out across all markets in the summer and, over the course of 2020, we migrated two of our platforms to the Just Eat Takeaway.com continental European platform making future development easier.

In 2020, consumers benefitted from the increased range of restaurants available through Just Eat Takeaway.com, and across many new occasions, such as breakfast and lunch. A key part of ensuring this user experience is not overwhelming is to use personalised recommendations to help consumers browse the most suitable restaurants. As a result of the increased volume, in 2020 we focused on the scalability and reliability of our platforms, enabling us to keep pace with growth.

The shared capabilities we now have across Just Eat Takeaway.com provide the foundation for a very exciting 2021 as we accelerate our roadmap together.

Consumer

Consumer experience

In 2020, we made further improvements to the functional experience for consumers, including introducing a new express checkout, payment methods, new easier capabilities to login with Apple and Google, and general improvements on Food Tracker, such as desktop notifications. Additionally, we further improved the emotional and visual experience with a new restaurant listing for the Just Eat Takeaway.com continental European platform that includes rich photography. To further expand the experience for our users we have introduced digital tipping, a completely new loyalty programme, and a strong partnership for food ordering with Google.

Machine-learning ranking models

In the consumer space, we have improved our machine-learning ranking models to better predict consumer clicks and orders for restaurants and products, and we are using them across the product and marketing space to provide consumers with the best offer. As we continue to broaden the range of occasions we serve, we further curate our offering to individual consumers through our personalisation algorithms, incorporating increasing numbers of variables and the learnings of their preferences.

Consumer journey and marketing

While search display ranking is a very visible machine learning investment, we use machine learning and data science along the entire consumer journey. This begins with marketing, where we use optimisations and models; we learn what to show new consumers to attract them, what to send them to activate them, right down to when to send the information, and what the subject and content of the emails should contain.

Restaurant

Data personalisation and prediction models

We also use data products to improve the experience of restaurant partners. We have combined pricing and personalisation algorithms in our promoted placement product, allowing more restaurants to promote themselves on the platforms, more transparent and controllable charges for doing so and improved consumers' targeting. We have also improved granularity for restaurant-funded promotions, allowing restaurants to choose the times and parameters for investing in marketing. We have also used data science to improve the revenue of all restaurants by investing in prediction models for upsell and cross-sell.

We have made huge improvements to the ease of use of our Live Orders product, making processing orders faster and more accurate whilst providing greater insight into the performance of that restaurant.

Promoted placement and self-servicing tools

Promoted placement allows qualifying restaurants to optimise their listing within our applications, advertising themselves to consumers and helping them to grow their business. During 2020 we worked to align the best promoted placement practices across Just Eat Takeaway.com, forming a centralised organisation structure and expanding our local salesforces. We improved the product to tailor the offering to restaurant needs and give the restaurant more control and optionality over the service, which in turn has improved our own revenue generation.

For Just Eat Takeaway.com it is important to help restaurants further digitise their operations. To make the lives of our restaurants, and our internal operations easier we have added multiple self-servicing services to our restaurant products that enable restaurants to easily adapt to incidents in their operation.

Logistics - couriers

Assignments and drive times

On the delivery side of the marketplace, we continue to optimise both the Scoober and Skip technologies by investing heavily in data science and machine learning. We have shaved significant amounts from our cost per order by improving our assignment algorithm and drive-time estimates. Order growth has been excellent and we have invested in technology to predict if we have the right number of couriers on the road.

Our machine learning-driven routing and dispatch algorithms continue to improve our delivery efficiency in terms of courier metrics and reduced operational support.

Back Office

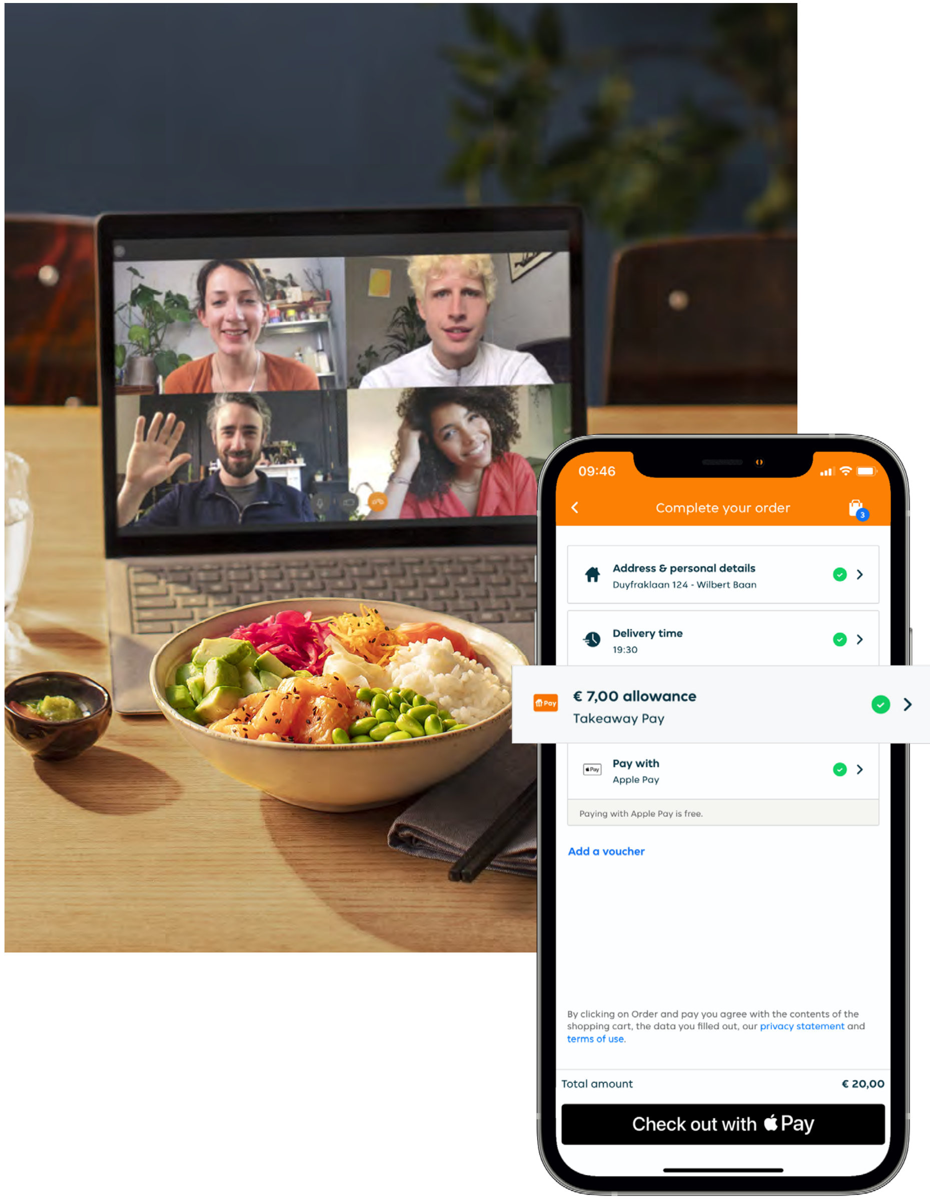
At Just Eat Takeaway.com we need to cope with the fast-moving market and drive operational efficiency to enable rapid scaling. It is key for internal departments such as Customer Service, Sales and Finance to automate processes to make departments more efficient and allow them to increase their impact. Back Office developments are key to the platform migrations, enabling restaurant-facing departments to onboard thousands of new restaurants in only a few weeks. These automations enabled us to migrate countries like Switzerland and France at pace, and will continue to enable us to migrate planned platform changes more efficiently.

A key part of our customer services and sales roadmap is based around automating processes and allowing consumers and restaurants to self-serve queries as much as possible. This has had a huge impact on the consumer experience through fast resolution and reduces the volume of queries coming through to our agents.

Takeaway Pay

In our journey to further digitise food order and payment solutions in and around offices, we launched Takeaway Pay in multiple markets, including Switzerland, France, and Romania. Takeaway Pay is now live in 11 markets, with many to come. To enable more corporates and employees with allowances in these markets, we have further improved the user experience and capabilities to make it easier to onboard and maintain employees. To empower the sales department, the Back Office of Takeaway Pay has been further optimised and automated, resulting in a more effective sales force and faster time to market for corporate clients.

The year 2020 has been unusual for everyone. We enabled initiatives to support the entire restaurant market. From a corporate solutions perspective we also had initiatives to provide support during the crisis. Hospitals were hit hard during the crisis, especially their staff. To provide a helping hand we have given several hospitals free Takeaway Pay allowance to save time on lunch activities while having the opportunity to eat a healthy and substantial meal.



Marketing

Just Eat Takeaway.com runs a single-brand identity in each country in which we operate, as we believe this is the most efficient and effective approach to reach consumers.

Single-brand strategy

In 2020, we successfully delivered a comprehensive review and transformation of all legacy Just Eat-branded assets into our impactful Just Eat Takeaway.com orange world. Our single brand identity and strategy is efficient because we are able to concentrate all our marketing efforts around a single brand with only a limited organisation; and it is effective because we can offer the broadest possible restaurant and cuisine selection to consumers – meaning we can appeal to the entire market, rather than to specific segments. Each local restaurant has its own “brand strength” in the local area, making our offering “hyper-local”, while each restaurant also benefits from the efforts of our entire marketing organisation.

Fig. 5. Just Eat Takeaway.com brands

Connecting people to restaurants

At Just Eat Takeaway.com, we remain focussed on connecting as many people as we can to as many restaurants as possible. Whilst our technology platform is the enabler, marketing is key for making these connections a reality. In 2020, more new consumers used our service than ever before, and our existing consumers ordered more frequently.

We continued to focus on our strategy of scalable marketing to drive growth and accelerate efficiencies. With the integration of Just Eat, we further strengthened our marketing organisation and built a solid foundation for future growth.

Our marketing strategy continues to be built on the following core pillars to offer our consumers the best and easiest way to find and order their food of choice.

The challenges that Covid-19 imposed on consumers' and restaurants' lives challenged us to adapt to changed consumer interest in food delivery and shifts in restaurants' offerings.

Brand preference

Our objective is to be the most preferred and loved food delivery brand, so we track consumer opinion continuously for every market in which we operate. Our key marketing metric, which is linked to long-term brand and commercial health, is top-of-mind awareness (TOMA).

TOMA for the Just Eat Takeaway.com brand improved across the globe in 2020. In our core markets of the UK, Germany, Canada and the Netherlands, our TOMA reached half of all people in these markets for the first time ever.

In 2020, TOMA exceeded 50% of the UK population for the first time, and in Germany exceeded 60% for the first time. In Canada, TOMA exceeded a third of all Canadians in 2020, and in the Netherlands TOMA exceeded two-thirds of the Dutch population for the first time.

We increased our investment in our brand across almost all our markets in 2020. This included the adoption of our single brand identity across all our geographies, enhancing our international brand awareness and synergies. We continued to invest in creative, production and media as we delivered the second iteration of our Did Somebody Say campaign featuring entertainment icon Snoop Dogg, as well as investing in a new creative execution with Jon Hamm (aka Don Draper) and launching a new multi-edit approach with the It's Time creative at the end of 2020. All of which took the form of multi-channel campaigns which helped contribute towards driving significant order growth, increased TOMA and sustained positive consumer sentiment across the year.

Performance marketing, retention and consumer frequency

Just Eat Takeaway.com seeks to improve consumer acquisition through performance marketing (or pay-per-click/pay-per-order), such as search engine marketing, search engine optimisation and app campaigns, which directly generate traffic and orders. We also apply consumer-centric automation and utilise an increasingly app-focused marketing mix to seek to drive more efficient consumer acquisition and brand-building in our markets.

We saw a strong increase in consumer order frequency and decreasing churn rates across markets in 2020, a trend that was already visible in 2019 and has been further amplified by the increase in demand during Covid-19 amongst existing consumers. This effect was most positive amongst our consumer base who were opted-in for marketing contact, driven by retention marketing activities.

The expansion of our data-driven and automated direct consumer engagement enabled traffic and installs from direct channels to nearly double, driving consumer engagement and marketing efficiency. Consumers using our loyalty programme available in certain markets have increased more than three-fold and contributed towards consumer retention. Our Canadian business also launched their Skip Rewards programme during the year, which has seen strong initial engagement.

In performance marketing, with the changing patterns of order demand during Covid-19, we adjusted our search campaigns to optimise search engine advertising to attract consumers with a higher probability of conversion, prioritising the development of sustainable consumer cohorts. At the same time, we ensured continuous visibility for our restaurant partners to provide as many orders as possible to compensate for losses arising from closures during lock-down periods.

Restaurant Partner Marketing

We believe our relationships with our restaurant partners is critical, as the restaurants' success is closely linked to our own. Through our Partner Services, Just Eat Takeaway.com seeks to maximise results for partner restaurants and drive visibility of its own brand. By supporting restaurant owners with relevant and actionable insights and creating brand awareness with innovative campaigns and promotional materials, we aim to develop an ecosystem in which all parties benefit. In order to build stronger relationships with restaurant partners and promote their long-term success, we continue to expand resources provided by our Partner Services, including account management and advisory services to assist restaurant partners maximise their value from the use of our platforms, negotiating pricing for food and non-food merchandise and disposables with trusted third-party suppliers, arranging logistics, and boosting awareness with effective marketing campaigns.

Delivery

We continue to expand our delivery footprint to build an even broader restaurant selection and accelerate order growth through positive network effects.

Delivery complements our marketplace business by fueling the positive impact of network effects and driving continued growth in Active Consumers, Orders and GMV. By providing delivery services to restaurants that do not have their own delivery capabilities, Just Eat Takeaway.com increases the addressable population of restaurants, enabling an even broader selection of cuisines as well as popular branded restaurants such as McDonald's, Burger King, KFC and Starbucks. These additions enhance the ability to acquire new consumers and encourage existing consumers to order more often. Additionally, our branded couriers create a highly visible presence on the streets, further benefitting top-of-mind awareness and new consumer acquisition.

Just Eat Takeaway.com is able to deploy best-in-class delivery capabilities via both employment and independent courier models. The legacy Takeaway.com delivery service model, known as Scoober, consists of directly and indirectly employed couriers who are also provided with branded equipment and e-bikes in most cities. The legacy Just Eat markets currently typically utilise the technology and operational expertise developed by -Just Eat Takeaway.com's Canadian business, SkipTheDishes, which engages independent contractors as couriers. Some markets also still use third-party delivery companies where we have not implemented a proprietary model.

Scoober

Scoober is an employed delivery model. As of 31 December 2020, Scoober was active in over 12 markets across Europe and Israel, directly and indirectly employing more than 20,000 couriers. In the Scoober model, couriers are provided valuable employment benefits in specific markets, such as training, holiday pay and sick leave. They are also equipped with branded merchandise in line with our single global brand identity, which is highly visible on the street.

During 2020, the Scoober model was successfully launched and expanded in parts of the Just Eat legacy markets, such as Switzerland, France and the UK, including in major strategic cities such as London and Paris. We also continued to expand our operations in a number of other European markets, bringing our total number of cities to 139 as of 31 December 2020.

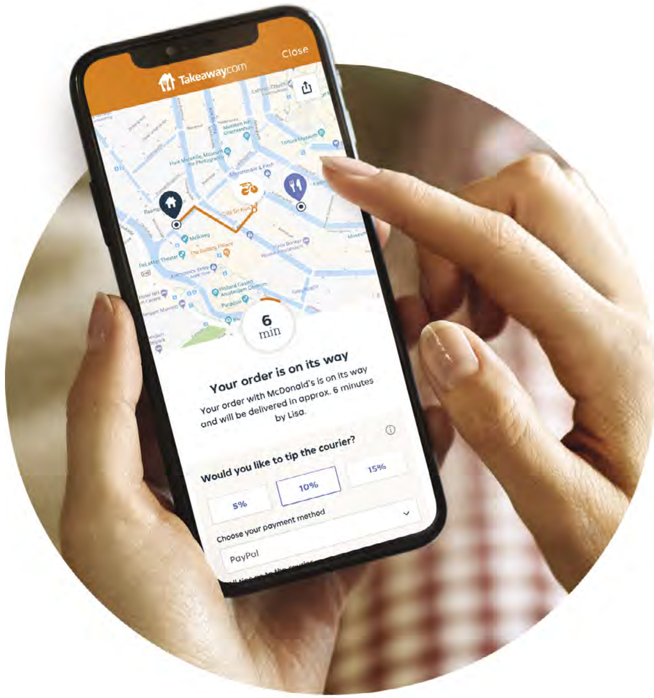
Delco

As at 31 December 2020, we also use SkipTheDishes' independent contractor model, Delco, in the UK, Canada, Australia, Italy and Ireland. As of year-end, we had a total network of more than 157,000 independent couriers across the five countries and over 300 cities in which we operate. This model is easily scalable and highly flexible, as well as provides independent contractors with flexibility over how they want to work.

The Delco operational model developed by SkipTheDishes was one of the first delivery-focused businesses in the sector to break-even in a market and achieved positive Adjusted EBITDA in Canada in both 2020 and 2019.

Third-Party delivery companies

In addition to our own delivery models, we also work with a few strategic partners in some legacy Just Eat markets to support delivery operations. During 2020, we reduced our use of third-party logistics in order to simplify our operating model.



Our people

A new organisation, fit for the future

The combination of Just Eat and Takeaway.com became effective in January 2020. Due to the CMA hold separate order, we could start in April 2020 with the integration of the two businesses, building a new organisation which is fit for the future. We established a new operating model, using pre-defined design principles to ensure that it delivers upon our corporate vision and strategy.

In transitioning to the new operating model, we have taken a layer-by-layer approach. We started by appointing and selecting our newly formed executive committee, ensuring a balanced representation of senior managers from both legacy companies. Subsequently, the members of this team were asked to design the succeeding layers and roles throughout their functions. In each layer we have defined “talent pools”, which consist of individuals from both legacy companies who potentially qualify for roles within a specific layer. Pre-requisites which we applied to ensure such a successful transition are appointing the right talent to the right position, an equal representation of talent from both legacy organisations and a diverse and inclusive workforce. Throughout the integration process, we have been able to leverage our experience of working on a number of previous mergers and acquisitions. We expect to have a fully operational Just Eat Takeaway.com operating model by the first quarter of 2021, so we can continue to build on our success.

We are extremely proud of our people who, during the unprecedented challenges of a pandemic, have shown flexibility and the ability to adapt quickly to make this change happen.

Building a winning culture

A winning culture is essential to develop a motivated and engaged team which is empowered to fuel business growth. Since the start of the integration process, we have been working to establish a Just Eat Takeaway.com culture which supports a clear vision for the future to inspire and unite our people. To underpin our vision, we will be refining a set of core values for the combined organisation which explain who we are, what we stand for and the behaviours we expect to see from our leaders and our people.

Employee engagement

In August 2020, we carried out a global people survey to gauge employees' levels of engagement and motivation, including their views on a range of topics such as health and wellbeing, manager effectiveness, learning and development and the integration process. We received almost 4,000 responses including 5,000 comments from people. The findings revealed that our people are highly engaged and excited about Just Eat Takeaway.com's future.

To maintain this level of engagement, we use a mix of face-to-face events and experiences and online channels, including:

- Our global intranet for corporate staff, 'The Kitchen', is updated daily with the latest news, successes and celebrations from across the world.
- A monthly all-staff meeting which includes updates from the Management Board, and presentations from senior managers and others on key business initiatives, plus a live question and answer session. These "All hands" sessions regularly have over 4,000 views.
- An integration squad of 50 volunteers in the Netherlands and the UK who provide feedback from teams about how we can improve cultural integration and what messages need amplifying across the business.

In addition, the global people survey also highlighted areas of development, and we are using this information to fast-track initiatives, such as building a cohesive learning and development framework, that will help our people feel good about working at Just Eat Takeaway.com.

During the pandemic, we have implemented a number of employee health and wellbeing initiatives to support our teams with remote working. These included an allowance to equip home offices with appropriate equipment, online exercise and meditation classes and free access to mental health services.

Rewarding our people

Key to making our employees feel motivated and engaged is ensuring that we have the right people in the right jobs with the right reward. For that purpose, we have created a new global reward strategy which includes a global job architecture framework and a reward framework with the aim to reward all employees consistently based on their role and responsibilities in their local market. We are committed to retaining our talent and to attracting new employees with attractive and competitive opportunities.

An important element of a fair and consistent reward philosophy is to create sustainable internal equity amongst employees, as well as logical alignment to the external job market. In 2020, we went through a process of documenting a common understanding of all our jobs in the global job architecture which enables us to make fair comparisons across our talent pools. All jobs in the combined organisation are organised and ranked within the global job family framework with consistent job grades, which is supplemented by guidelines on the most common reward elements. The job family framework and reward framework are expected be launched to employees in 2021.

A diverse and inclusive place to work

Diversity of culture and thinking empowers us to create new, innovative products for our consumers and to continue to lead in our markets. We are building a global Diversity & Inclusion (D&I) team which will be responsible for defining a D&I strategy that will strengthen our commitment to building a fairer and more inclusive place to work for all our people.

In the meantime, we have continued initiatives that were already started in either the former Just Eat and Takeaway.com organisations to further embed inclusive practices into multiple aspects of life at Just Eat Takeaway.com, including training for hiring managers and diverse interview panels that aim to reduce bias in our recruitment process. This will ensure that diversity criteria are considered as part of the selection and appointment process during the integration. We are also inviting external speakers into our business to help educate our people in topics relating to D&I.

Developing our talent pool

In a year which has seen record levels of unemployment globally, we are proud to have continued to grow our team. Many of these new jobs are entry-level or early career-level roles.

With the continued growth and expansion of our business, including a huge acceleration of our own logistics operation, Scoober, we faced a significant need to recruit talented individuals in all our markets. The talent acquisition team has adapted quickly to respond to this level of expansion by, for example, introducing new online selection tools that will support our recruitment processes for years to come.

Courier employment

We continue to invest heavily in our Scoober logistics network and expand it internationally. We firmly believe that providing couriers with employment contracts, hourly wages and social security is the right thing to do. It also improves our last-mile visibility and the quality of service we provide to consumers and restaurant partners.

At the end of 2020, Scoober was available in 139 cities across 12 markets. Two key highlights were the launching of the service in London and Paris. We expect to hire more than 50,000 couriers annually on a continuous basis, providing diverse employment opportunities – from flexible and part-time to full-time work.

Diversity of culture empowers us

We expect to hire more than 50,000 couriers annually

Our FTEs

The table below shows the number of employees (FTEs) in 2020, either via acquisitions or through organic growth.

The average FTEs represent the direct employees that are employed by Just Eat Takeaway.com in 2020. For the Just Eat Acquisition, the average FTEs are included as of 15 April 2020.

Independent contractors or couriers hired through third-party delivery companies or agencies are not included.

The geographic and departmental spread of the average number of our employees (FTEs) are as follows:

FTE (average)	2020	2019
Customer Service / Logistics	5,789	2,493
Sales	1,021	314
Marketing	434	202
Product and Technology	1,003	308
Management and Support	708	181
Total	**8,955**	**3,498**

FTE (average)	2020	2019
United Kingdom	445	–
Germany	2,482	1,643
Canada	1,624	–
Netherlands	331	214
Rest of the world	2,591	1,067
Head office	1,482	574
Total	**8,955**	**3,498**

Responsible Business

Our impact on the world and our communities

At Just Eat Takeaway.com, we believe in doing business responsibly and in having a positive impact on our communities and the planet. We know that the environmental and social footprint of our business goes far beyond our own operations and that we have an unparalleled opportunity to influence others across the dynamic and diverse takeaway industry.

Supporting our communities during Covid-19

During 2020, the Covid-19 pandemic tested the resilience of the entire hospitality industry. While online food delivery was largely able to continue providing an essential service, many of our restaurant partners, especially those also reliant on dine-in trade, faced significant challenges.

When the first wave of the pandemic started gathering pace in our markets, we acted quickly to put in place temporary support measures. Since then, we have implemented a range of packages for our partners and communities worth approximately €59 million worldwide.

Restaurant and courier support packages

For our restaurant partners, our assistance included reducing commissions and waiving sign up fees in restaurant agreements to help ensure that takeaway restaurants could continue trading competitively. When the second wave accelerated, we restated our assistance for those restaurants suffering most from the loss of dine-in trade. We also implemented support packages for couriers who needed to take time off sick or to self-isolate.

Supporting those in need

We also helped frontline workers and other groups in need in our communities throughout the year.

Initiatives included:

- €1.6 million committed to provide free meals via Takeaway Pay to hospital workers in Germany, the Netherlands, Belgium, Poland and Austria;
- €50,000 donated to Bergamo Hospital in Italy (the epicentre of the outbreak in Europe);
- Over £470,000 donated to National Health Services (NHS) Charities Together, National Emergencies Trust & Care Workers Charities in the UK, matching the same amount contributed by our restaurant partners via our “SuperHero Sunday” initiative;
- Delivered over 2 million meals to NHS workers in the UK saving them over £3 million through our NHS discount scheme;
- Over £300,000 donated by Just Eat to Comic Relief’s “Big Night In” which raised money for those in need during the first national lockdown;
- £30,000 to The Community Foundation/Comic Relief in Ireland.

Alongside financial support we also offered our time and expertise to organisations supporting those in need:

- Providing the food banks Die Tafel (Germany) and Voedselbank (Netherlands) with over 150,000 paper bags and delivery expertise so that they could deliver food parcels to their clients at home;
- Deploying Scoober couriers to support with deliveries from food banks and restaurants and to provide assistance with grocery shopping and food delivery for the elderly and vulnerable;
- Supporting our UK charity partner FoodCycle to pivot its projects to delivery.

Winter giving campaign

We finished the year with €1.5 million giving campaign in all our markets, contributing the equivalent of €0.50 per order over the weekend before Christmas to a number of different charities* tackling the issues of food poverty, hunger and homelessness.

Building a strategic responsible business framework

During 2020, we have spent some time undertaking a materiality assessment of our business and creating a strategic responsible business and sustainability framework which builds on the existing work done by both legacy businesses. It covers our direct and indirect impacts and highlights key areas of focus, including minimising our environmental footprint, responding to changing customer diets and preferences and building our profile as a responsible employer.

As part of this process, we have established an evidence base for action and set benchmarks against which progress can be measured. We look forward to publishing the new framework in 2021 and updating all our stakeholders on our progress.

* FoodCycle, Social Bite, Die Tafel, Voedselbank, Pajacyk, Caritas, Sant Egidio, Food Banks Canada, Le Secours Populaire, Action Against Hunger, Latet, OzHarvest, Peter McVerry Trust, Comunità Sant'Egidio, Christmas Box

Reducing our carbon footprint

Because our core product is our website and app, our direct carbon footprint is relatively low for a business of our scale. However, we are acutely aware of our wider, indirect impacts – for example emissions created by food production and food delivery – and our responsibility for addressing these. On the legacy Just Eat side of the business we undertook an initial analysis of these indirect emissions earlier in 2020 which showed that the production and delivery of meals sold through the Just Eat platforms results in 1.3 million tonnes of CO_2 emissions per year. We are now undertaking a full assessment for the combined business so that we have a complete Just Eat Takeaway.com view of the issue.

While the carbon footprint work is in progress, we are prioritising a number of carbon reduction workstreams:

Sustainable food delivery

As we expand the rollout of our Scoober service, more couriers will be offered e-bikes or e-scooters to ensure that more deliveries do not mean more emissions in our city centres. To date, we have supplied over 6,000 e-bikes and e-scooters to our couriers and expect to see significant growth in 2021.

We are also supporting our marketplace restaurants as they explore opportunities to deploy more environmentally friendly delivery options. Our partnership with Eskuta in the UK, which offers a discount on the purchase of electric scooters, saw participating restaurant partners save almost £5 million and over 200 tonnes of CO_2 per unit sold in 2020.

Sustainable packaging

Improving the sustainability of the packaging used by our restaurant partners to transport food to consumers' homes is one of the most important ways in which we can minimise the environmental impact of our indirect operations.

The prevalence of plastic packaging in the takeaway sector is significant and we have now stopped the sale of single-use plastic packaging on all our partner webshops globally. In addition, we are working with a number of startups and innovators in this space to identify sustainable packaging solutions which have the potential to be commercially viable and scalable for takeaway restaurants.

- We continued to develop our partnership with sustainable packaging startup Notpla to reduce the impact of single-use plastics in the takeaway sector, successfully completing a government-backed trial of seaweed sauce sachets in the UK in 2019. Since then, we have worked with Notpla to develop a recyclable and home compostable seaweed-lined takeaway container to further minimise the level of plastic usage by restaurants. This is now being trialled by restaurants in the UK and will then be rolled out to other markets.
- We are set to trial a number of packaging re-use schemes in 2021 in the UK and Germany. Where collection and return logistics are becoming established in the retail sector, they present many challenges in the takeaway sector. Our aim is to be at the heart of finding solutions to these challenges and scaling practical approaches to re-use of food delivery packaging.

Supporting changing diets

Healthy cuisines and menu options are one of the fastest-growing categories on our platforms and we are promoting these and making them easier for consumers to find, in line with feedback from consumers and stakeholders. We recognise that responding to changing dietary needs and preferences is not just core to our sustainability strategy but is also a commercial growth driver as more and more people adapt their diets to, for example, reduce their meat intake.

Our Restaurant Partner Services and Sales team play a crucial role here – for example, using registered nutritionists to co-author articles and speak at events for restaurants showing how reformulating popular dishes or offering smaller portions can help them to reach a broader consumer base.

In the UK, we have continued providing pro-bono marketing and sales support to Shift, a charity which uses research and design techniques to create products and services which help address social problems such as obesity. Shift has launched a new concept restaurant in South London (in an area with a high number of traditional takeaway outlets) available exclusively on Just Eat. The restaurant offers affordable, home-style, nutritious meals that can be delivered to the door of busy families on the hunt for convenient food that is also good for them. Just Eat has promoted the venture for free and will provide ongoing marketing and sales support as it develops and hopefully expands, sharing the lessons learned with our wider restaurant estate.

Reducing the environmental impact of our office operations

We continuously strive to encourage environmentally friendly behaviour in our offices. At our Amsterdam and London offices, between 70-80% of all waste is recycled each month and we have introduced recycling of specialist business items and stationery, such as lanyards. We have banned plastic cups and reduced the use of plastic cutlery. In 2021, we will be aiming to switch our offices to green energy and to introduce zero waste to landfill policies.

Code of Conduct

Our responsible business strategy reaches all corners of the business and is therefore also reflected in our Code of Conduct. Our Code of Conduct reflects the human rights that we believe are important to our staff and the way we want to do business. We believe in fair treatment and equal rights for all, regardless of nationality, race, culture, beliefs, gender, age and sexual orientation. We believe in treating each other with care and respect, and do not tolerate intimidation or harassment in any form. We value diversity and do not tolerate discrimination.

Additionally, our Code of Conduct also emphasises our position on bribery and corruption and that, unless gifts or favours to employees are legitimate and contribute to our business (within approved guidelines), all other direct or indirect offers, solicitation or acceptance of payments in order to obtain a commercial advantage are prohibited.

Although we are occasionally confronted with less desirable behaviour, such as fraud, we consider the Code of Conduct to be sufficiently effective. We aim to address such behaviour effectively, appropriately and securely, for instance by ensuring new or revised policies and procedures are put into place to mitigate such occurrences in the future.


JUST EAT
JUST EAT

Our performance in 2020

We achieved a step-change in our scale and performance in 2020, both from the combination with Just Eat during the year and the excellent organic performance of the markets. Due to the relative scale of Just Eat, key performance indicators (KPIs) in this section are presented on the basis of the combined results of Just Eat and Takeaway.com from 1 January 2019 until 15 April 2020, the date that the CMA revoked the initial enforcement order, in order to provide comparable information for the periods under review.

We processed 588 million Orders in 2020, an increase of 175 million, or 42%, compared with 2019. In 2020, we generated €12.9 billion in GMV, which is 51% higher compared with 2019 and Average Order Values increased in all of our segments on a year-on-year basis. Our revenue on a combined basis increased to €2.4 billion in 2020 (on an IFRS basis: €2.0 billion), representing a growth rate of 54% compared to 2019 (on an IFRS basis: 391%), thereby exceeding Order and GMV growth. This higher growth rate was primarily driven by increase in Delivery Orders, which have higher commission rates and may also include a consumer delivery fee, as well as an increase in payment service revenue and growth in restaurant promoted placement revenue.

There are three broad areas on which we have focused our investments to strengthen our network effects (i) expanding our restaurant supply, (ii) investment in our brand, and (iii) investing in our customer experience and value proposition. As a result of business acceleration and investments in our long-term growth strategy, we delivered Adjusted EBITDA on a combined basis of €256 million in 2020 (on an IFRS basis: €191 million) compared with €217 million in 2019 (on an IFRS basis: €12 million). We are pleased to have maintained the strongest Adjusted EBITDA generation levels among other industry players.

Below we explain how the developments in our key performance indicators contributed to our results in 2020.

Performance review

Key performance indicators

Our KPIs, which are used to analyse Just Eat Takeaway.com's business and financial performance and help develop long-term strategic plans, all indicated strong performance during 2020. Our core operational KPIs of: Restaurants, Active Consumers, Orders, Delivery share, Order per Returning Active Consumer, Average Order Value and Gross Merchandise Value are summarised below.

Restaurants

Restaurants are the total number of restaurants listed on Just Eat Takeaway.com's platforms as at a particular date. We believe the total number of restaurants is a useful measure for our stakeholders because growth in the number of restaurants enhances and diversifies the offering to consumers, in turn attracting more consumers, promoting network effects and positively impacting performance. Our management uses the total number of restaurants listed on Just Eat Takeaway.com's platforms to evaluate market position and penetration, and to assess the value proposition to consumers. For that reason, we continuously invest in the acquisition of new restaurants in all our markets. In order to expand the addressable restaurant offering, we provide delivery services to restaurants that do not have their own delivery service, thereby further increasing the offering and cuisine diversity to our consumers. We aim to distinguish ourselves by having the largest possible restaurant offering in each of our markets.

	As at 31 December		
Restaurants (in thousands)	**2020**	**2019**	**% change**
United Kingdom[1]	50	37	37%
Germany	26	19	36%
Canada[1]	38	22	69%
Netherlands	12	9	39%
Rest of the World[1]	118	86	38%
Total	**244**	**173**	**42%**

[1] The Just Eat business was consolidated from 15 April 2020. These figures are presented as if the combination was completed on 1 January 2019 to provide comparable information for the year 2020

In 2020, we accelerated the rate at which we added restaurants, adding more than 70,000 restaurants to our platforms. Our organic restaurant growth was primarily driven by our brand strength and sales efforts, and accelerated by adding international and national chains, with most markets also seeing an increase in interest from restaurants to sign-up to the platform during Covid-19-related restrictions on dining in.

Active Consumers

Active Consumers are unique consumer accounts (identified by an unique email address) from which at least one order has been placed on Just Eat Takeaway.com's platforms in the last 12 months. We believe the Active Consumers metric is a useful measure for our stakeholders because it indicates Just Eat Takeaway.com's market position and level of penetration in a particular market and allows an assessment of the level of engagement with Just Eat Takeaway.com's platforms. Just Eat Takeaway.com's management uses Active Consumers, as a key revenue driver, to evaluate operating performance and as a valuable measure of the size of its engaged base of consumers.

In 2020, we continued to grow our base of Active Consumers in all markets through new consumer acquisition and improved retention of existing consumers. The growth reflected the strength of our local brands in these countries, which is driven by our strong value proposition to consumers, our product, as well as our marketing efforts. Despite the significant growth in our Active Consumer base, our penetration remains low, demonstrating significant market headroom and a great deal of growth potential.

	As at 31 December		
Active Consumers (in millions)	2020	2019	% change
United Kingdom[1]	16	13	20%
Germany	12	10	28%
Canada[1]	6	5	18%
Netherlands	5	4	20%
Rest of the World[1]	21	16	26%
Total	**60**	**48**	**23%**

[1] The Just Eat business was consolidated from 15 April 2020. These figures are presented as if the combination was completed on 1 January 2019 to provide comparable information for the year 2020

Orders per Returning Active Consumer

Orders per Returning Active Consumer is calculated as the number of Orders by a Returning Active Consumer during the period divided by the average number of Returning Active Consumers (where Returning Active Consumers are defined as Active Consumers who have ordered more than once in the preceding 12 months) during the period. We believe the number of Orders per Returning Active Consumer is a useful measure for our stakeholders because growth of such orders reflects continued user activation and engagement and may lead to reduced marketing costs per order. Using this metric, Just Eat Takeaway.com's management can assess consumer retention and engagement, and implement supply- or demand-based initiatives in response.

We added over 9 million Returning Active Consumers across our markets in 2020. The Returning Active Consumers as a percentage of Active Consumers improved by two percentage points to 70% in 2020 from 68% in 2019, reflecting improved loyalty in our consumer base. In addition to these positive developments, the order frequency of this group increased by 2.0 Orders per year per Returning Active Consumer, to 15.2 times in 2020 from 13.2 times in 2019, which created a multiplier effect on our order figures. Although it is difficult to isolate individual factors which varied across markets, some improvement in the 2020 order frequency can be attributed to stay-at-home measures implemented as a result of Covid-19.

	As at 31 December	
Returning Active Consumers	2020	2019
Returning Active Consumers in millions	41.8	32.6
Returning Active Consumers as % of Active Consumers[1]	70%	68%
Order frequency of Returning Active Consumers[2]	15.2	13.2

[1] Orders made by Returning Active Consumers, divided by average number of Returning Active Consumers
[2] Aggregated for acquisitions to reflect the behaviour of the Returning Active Consumers

Orders

This is the number of Orders by consumers that were processed through Just Eat Takeaway.com's websites and mobile applications. We believe the number of Orders is a useful measure for our stakeholders because revenue from commissions, the primary source of revenue for Just Eat Takeaway.com, is generated from Orders. Management uses Orders to assess performance across all segments and periods.

Just Eat Takeaway.com processed 588 million Orders in 2020, representing a 42% increase compared with 2019, driven by the increase in our Active Consumer base, the improved percentage of Returning Active Consumers, and the growing order frequency of Returning Active Consumers.

The number of Orders placed and processed through Just Eat Takeaway.com's platforms has a direct impact on its financial performance. Management believes that the number of Orders which are placed and processed in a particular market is largely driven by network effects and brand awareness and preference among consumers in its markets, as well as a secular trend of food ordering shifting from offline channels to online channels, which is a common feature across all markets. Just Eat Takeaway.com has continued to invest significantly in marketing in the period, which has been designed to enhance brand awareness and preference, so as to establish and maintain its market-leading positions based on Orders in its largest markets and thereby enhance network effects.

Orders (in millions)	2020	2019	% change
United Kingdom[1]	179	133	35%
Germany[2]	112	69	62%
Canada[1]	86	48	78%
Netherlands	49	38	30%
Rest of the World[1]	162	125	29%
Total	**588**	**413**	**42%**

1 The Just Eat business was consolidated from 15 April 2020. These figures are presented as if the combination was completed on 1 January 2019 to provide comparable information for the year 2020
2 Full-year Orders in 2019 when aggregated for the Q1 2019 Orders of acquired brands would be 78 million, resulting in full-year growth of 43%

Delivery share (in %)	2020	2019	% change
United Kingdom[1]	15.2%	7.6%	7.6pp
Germany	6.6%	5.5%	1.1pp
Canada[1]	100.0%	100.0%	-pp
Netherlands	7.7%	5.0%	2.7pp
Rest of the World[1]	19.6%	9.5%	10.1pp
Total	**26.2%**	**18.1%**	**8.1pp**

1 The Just Eat business was consolidated from 15 April 2020. These figures are presented as if the combination was completed on 1 January 2019 to provide comparable information for the year 2020

Average Order Value (AOV)

Average Order Value represents GMV divided by the number of Orders in a particular period. We believe Average Order Value is a useful measure for our stakeholders because it gives insight into structural differences in the cost of food between markets, which impacts revenue from commissions, the primary source of revenue for Just Eat Takeaway.com, as it is based on the GMV sold via Orders.

In all segments, the AOV increased in 2020 compared with 2019 and was primarily driven by the impact of Covid-19 restrictions on consumer behaviour, as more families and households started to use our services, placing larger Orders. There are significant variations in the Average Order Value across our markets and it is largely a function of general economic conditions, such as purchasing power and other country-specific factors which are, for the most part, outside of our control. For example, certain markets in the Rest of the World, such as Poland, have significantly lower Average Order Value when compared with other markets, largely reflecting the lower relative cost of food. Other markets in this segment, such as Switzerland, have a higher Average Order Value, which reflects the higher cost of food in Switzerland generally. Average Order Value is also impacted by translational foreign exchange differences where the local currency is not the euro.

Average Order Value (in €)	2020	2019
United Kingdom[1]	22.34	21.36
Germany	22.67	20.90
Canada[1]	20.37	20.22
Netherlands	23.54	21.42
Rest of the World[1]	21.55	19.82
Total[2]	**22.00**	**20.69**

[1] The Just Eat business was consolidated from 15 April 2020. These figures are presented as if the combination was completed on 1 January 2019 to provide comparable information for the year 2020
[2] Weighted average.

Gross Merchandise Value (GMV)

Gross Merchandise Value consists of the value of merchandise sold via Orders in a particular period on which commission is charged. GMV includes commissionable value and therefore does not include service or delivery fees charged by Just Eat Takeaway.com, nor does it include tips which Just Eat Takeaway.com collects on behalf of couriers. We believe GMV is a useful measure for stakeholders because revenue from commissions, the primary source of revenue for Just Eat Takeaway.com, is based on the GMV of merchandise sold via Orders, and management uses GMV to assess performance, including across segments or periods, while controlling for changes in commission rates.

Total GMV increased by 51% to €12.9 billion in 2020 from €8.6 billion in 2019. The relative growth of our GMV was higher than our order growth rate as a result of a growing share of Delivery Orders as well as the strong impact of Covid-19 restrictions on consumer behaviour, and the related impact on the increase in Average Order Value.

Gross Merchandise Value (€ billions)	2020	2019	% change
United Kingdom[1]	4.0	2.8	41%
Germany	2.5	1.5	75%
Canada[1]	1.7	1.0	79%
Netherlands	1.2	0.8	43%
Rest of the World[1]	3.5	2.5	41%
Total	**12.9**	**8.6**	**51%**

[1] The Just Eat business was consolidated from 15 April 2020. These figures are presented as if the combination was completed on 1 January 2019 to provide comparable information for the year 2020

“We reported three consecutive quarters of order growth acceleration in 2020. To capitalise on this strong momentum from our investment program, we will continue to invest heavily and prioritise market share over Adjusted EBITDA”

– Brent Wissink, CFO

Financial review of 2020

In 2020, we achieved a step change in our scale and performance both from the combination with Just Eat and from the excellent organic performance of the markets. Due to the scale of the acquired Just Eat business, the revenue and Adjusted EBITDA paragraphs of this section are presented on the basis of the combined results of legacy Just Eat and legacy Takeaway.com from 1 January 2019 until the date of combination in order to provide comparable information for the periods under review.
The commentary in the following paragraphs is on the combined figures only, as this most accurately reflects the annual performance. For more information on the transaction between Just Eat and Takeaway.com, please see the section 'The combination of Just Eat and Takeaway.com'.

Revenue - on a Combined basis

Just Eat Takeaway.com generates revenue primarily through the orders placed on its platforms. This revenue is derived principally from commissions charged to restaurants based on a percentage of the GMV of a particular order. It also comes, to a lesser extent, from consumer delivery fees charged for delivery services provided by Just Eat Takeaway.com to restaurants that do not deliver themselves, payment service fees charged for processing online payments and other revenue streams such as restaurant promoted placement, subscription, and merchandise revenue.

In 2020, we generated total revenue of €2.4 billion, a 54% increase from €1.6 billion in 2019. This increase was driven by order growth across all our segments, higher Average Order Values largely as a result of the Covid-19 impact on consumer behaviour, and a higher share of Delivery Orders.
The revenue increase rate exceeded GMV growth of 51%, mainly driven by an increase in Delivery Orders which typically have higher commissions and may also include a consumer delivery fee, as well as an increase in payment service revenue and growth in restaurants' promoted placement revenue.

	Year ended 31 December		
	On a Combined basis[1]		
(€ millions)	2020	2019	% change
United Kingdom	725	509	42%
Germany	374	205	82%
Canada	515	325	59%
Netherlands	174	119	47%
Rest of the World	610	399	53%
Revenue	**2,398**	**1,557**	**54%**

[1] The Just Eat business was consolidated from 15 April 2020. These figures are presented as if the combination was completed on 1 January 2019 to provide comparable information for the year 2020. These combined numbers are unaudited

	Year ended 31 December		
	On an IFRS basis		
(€ millions)	2020	2019	% change
United Kingdom	576	–	–
Germany	374	205	82%
Canada	404	–	–
Netherlands	174	119	47%
Rest of the World	514	92	460%
Revenue	**2,042**	**416**	**391%**

United Kingdom

In the United Kingdom, revenue grew by 42% year-on-year to €725 million in 2020 from €509 million in 2019. The revenue growth rate was higher than both Order and GMV growth rates, aided by the increase in percentage of Delivery Orders to 15% in 2020 from 8% in 2019, with Delivery Orders generating significantly more revenue per order than Marketplace Orders. This was partially offset by €25 million of temporary commission relief provided to restaurants and vouchers to NHS workers.

Germany

In Germany we grew revenue by 82% to €374 million in 2020 from €205 million in 2019. This was driven by strong organic growth and an uplift in Orders, accelerated by the Covid-19 pandemic. The average order value increased, as more families placed orders because of Covid-19 stay-at-home measures, and a declining consumer preference for handling cash increased our percentage of online payments. In February 2020, we introduced a consumer delivery fee for Delivery Orders. With more demand from the restaurant partners our promoted restaurant placement revenue increased on year over year bases driving other revenue growth.

Canada

In Canada, orders grew by 78% and reached 86 million in 2020 compared with 48 million orders in 2019. Consistent with our other markets, higher average order values during coronavirus lockdowns resulted in GMV growth of 79%. Revenue grew by 59%, which was 19 percentage points behind order growth. This was partially caused by €20 million of temporary support initiatives provided to our restaurants during Covid-19.

Netherlands

Revenue grew 47% to €174 million in 2020 from €119 million in 2019. The main drivers of revenue growth were order growth of 30% and GMV growth of 43%. Stay-at-home measures introduced due to Covid-19 led to more orders from larger groups and families, increasing the Average Order Value. The take rate increased due to a higher share of Delivery Orders which generally carry a higher commission. We introduced a consumer delivery fee in February 2020 for Delivery Orders but remain the lowest-cost option for consumers.

Rest of the World

Rest of the World revenue grew 53% to €610 million in 2020 from €399 million in 2019. This growth outpaced the Order and GMV growth rates, due to a mix shift towards Delivery Orders. The share of Delivery Orders increased to 20% in 2020 from 9% in 2019, predominantly driven by significant growth of Delivery Orders in Australia. We also saw a notable shift towards Delivery Orders in Israel, increasing to 11% in 2020 from 2% in 2019. This was partially offset by temporary commission relief of €6 million, which we provided to restaurants across selected markets.

Adjusted EBITDA - on a Combined basis

Adjusted EBITDA consists of Just Eat Takeaway.com's profit or loss for the period without taking into account depreciation and amortisation, share-based payments, finance income and costs, income tax expenses, share of results of associates and joint ventures, other gains and losses and other expenditures arising from acquisitions and integrations.

Adjusted EBITDA increased to €256 million in 2020 from €217 million in 2019, resulting in an Adjusted EBITDA margin of 11% in 2020. Germany, Canada and the Netherlands segments contributed more in 2020 than they did in 2019, which allowed us to invest further into the Rest of the World, which contains our earlier stage markets with potential for significant growth.

	Year ended 31 December		
	On a Combined basis[1]		
(€ millions)	2020	2019	Margin[2]
United Kingdom	216	213	30%
Germany	125	19	33%
Canada	59	24	11%
Netherlands	75	64	43%
Rest of the World	(54)	17	(9%)
Head office	(165)	(120)	7%
Adjusted EBITDA	**256**	**217**	**11%**

1 The Just Eat business was consolidated from 15 April 2020. These figures are presented as if the combination was completed on 1 January 2019 to provide comparable information for the year 2020. These combined numbers are unaudited
2 Percentage of revenue

	Year ended 31 December		
	On an IFRS basis		
(€ millions)	2020	2019	Margin[1]
United Kingdom	143	–	25%
Germany	128	19	34%
Canada	42	–	10%
Netherlands	76	64	44%
Rest of the World	(58)	(25)	(11%)
Head office	(140)	(46)	7%
Adjusted EBITDA	**191**	**12**	**9%**

1 Percentage of revenue

United Kingdom

Adjusted EBITDA was €216 million in 2020 from €213 million in 2019, with the Adjusted EBITDA margin falling to 30% in 2020 from 42% in 2019. The lower Adjusted EBITDA margin reflects our ambition to invest in gaining market share while maintaining price leadership. We achieved this by expanding our Delivery business, increased marketing investment, and sales-team expansion to drive future market share growth.

Germany

Adjusted EBITDA increased significantly to €125 million in 2020 from €19 million in 2019. This reflects a 24 percentage points increase in the Adjusted EBITDA margin. Together with the impressive organic growth of our German business, the significant improvement in Adjusted EBITDA was the result of the reduced marketing spend, which improved to 19% of revenue in 2020 from 38% of revenue in 2019. Other efficiencies came from leveraging staff and other operating expenses as the business matures.

Canada

Adjusted EBITDA increased by 145% to €59 million in 2020 from €24 million in 2019, with the Adjusted EBITDA margin improving to 11% in 2020 from 7% in 2019. The improved margin reflects the strong order growth and the associated network efficiencies of this predominantly Delivery market.

Netherlands

Adjusted EBITDA increased to €75 million in 2020 from €64 million in 2019. Adjusted EBITDA margin reduced by 11 percentage points year-on-year, reflecting the impact of higher share of Delivery orders. In 2020, we doubled our Delivery orders compared with 2019 and expanded our delivery services to an additional 17 Dutch cities.

Rest of the World

The Rest of the World had a negative Adjusted EBITDA of €54 million in 2020, compared with €17 million in 2019. Adjusted EBITDA in Switzerland, Ireland, Belgium, Poland, Bulgaria, Portugal, Romania and Luxembourg improved year-on-year as a result of strong order growth. This was offset by investment into other markets, including investments in expanding Delivery choice and coverage, which led to a higher Delivery share, and significant investment in marketing.

Head office

As from 2020, Head office is no longer allocated to segments and is reported separately. Head office relates to non-allocated expenses and includes all central operating expenses such as staff costs and project expenses for global support teams like legal, finance, business intelligence, human resources, and board. Not included in Head office are costs of global IT and product functions, which are allocated to countries and therefore included in segment Adjusted EBITDA. This change is retrospectively applied to measures like Adjusted EBITDA (margin) and has been restated for the former businesses to show comparable figures.

Head office expenses increased to €165 million in 2020 from €120 million in 2019. This increase is driven mainly by investments we made in expansion of global teams to support growth and drive business efficiencies.

Financial Statements review - on an IFRS basis

The commentary in the following paragraphs is based on the 2020 Consolidated financial statements and 2019 comparative figures included therein.

€ millions	2020	2019
Revenue	2,042	416
Courier costs	(712)	(70)
Order processing costs	(193)	(41)
Staff costs	(464)	(112)
Other operating expenses	(608)	(233)
Depreciation and amortisation	(172)	(38)
Operating loss	**(107)**	**(78)**
Share of results of associates and joint ventures	(16)	–
Finance income	3	0
Finance expense	(29)	(16)
Other gains and losses	2	6
Income tax expense	(4)	(27)
Loss for the period	**(151)**	**(115)**
Other comprehensive (loss) / income for the period	(34)	12
Total comprehensive loss for the period	**(185)**	**(103)**

Revenue

€ millions	2020	2019
Commission revenue	1,654	372
Consumer delivery fees	231	–
Other revenue	157	44
Revenue	**2,042**	**416**

Commission revenue

Commissions are typically a percentage of the GMV per Order and are charged to restaurants on a per-order basis. Just Eat Takeaway.com sets standard commission rates for each of its markets and periodically assesses the commission rates that it charges in each country and determines whether the rate needs to be maintained or updated. Average commission rates are also affected by the growing proportion of Delivery Orders, which generally carry higher commission rates than those delivered by the restaurant. Commission revenue also includes discount vouchers used by consumers and customer care vouchers offered to consumers, which are recognised as a deduction of revenue.

Commission revenue was €1.7 billion in 2020, representing 81% of total revenue and a 344% increase compared with 2019. The increase in commission revenue was mainly driven by the combination with Just Eat. In 2020, we launched a wide range of commission rebate packages to support our restaurants during the Covid-19 pandemic, the total value of which reached €59 million.

Consumer delivery fees

Consumer delivery fees are charged in some markets in connection with Delivery Orders. The delivery fee charged per Delivery Order varies depending on the market and also dynamically within markets based on a variety of operational and strategic drivers.

Consumer delivery fee revenue reached €231 million in 2020, compared with zero in 2019. Delivery fees comprised 11% of total revenue in 2020. The delivery fee revenue increase was mainly driven by the combination with Just Eat, the growth of Delivery Orders as well as the introduction of delivery fees in the Netherlands, Germany, Austria, and Belgium in February 2020.

Other revenue

Just Eat Takeaway.com generates other revenue in the form of online payment service fees, restaurant promoted placements (whereby restaurants are charged a fee in order to appear in a more prominent position in search results on Just Eat Takeaway.com's applications) and sale of merchandise. Payment services revenue is earned from consumers or restaurants that are charged a payment services fee by Just Eat Takeaway.com for processing online payments.

Other revenue grew 257% in 2020, reaching €157 million compared with €44 million in 2019. Strong growth of Other revenue was mainly driven by the combination with Just Eat as well as increased demand for restaurant promoted placements and strong growth in online payment revenue as more consumers adopted online payment methods.

Order fulfilment costs

€ millions	2020	2019
Courier costs	712	70
Order processing costs	193	41
Order fulfilment costs	**905**	**111**

Courier costs and order processing costs together comprise order fulfilment costs. Order fulfilment costs were €905 million in 2020, which was 715% higher than €111 million in 2019. This was driven by the combination with Just Eat, as well as strong order growth driving order processing cost and the increase in courier costs due to the expansion of our Delivery business. Delivery Orders and Delivery share grew in every segment in 2020. Courier costs, which also include all salary and staff expenses of the employed couriers, amounted to €712 million, representing 79% of our order fulfilment costs. Order processing costs increased due to growth in the share of online payments as well as the growth in merchandise sales.

Staff costs

€ millions	2020	2019
Wages and salaries	313	83
Social security charges	43	13
Pension premium contributions	13	2
Share-based payments	23	3
Temporary staff expenses	72	11
Staff costs	**464**	**112**

Staff costs were €464 million in 2020, representing a 314% increase compared with 2019 and was mainly due to the combination with Just Eat as well as the continuing investments in our organisation to execute on our growth strategy. Our staff-related investments were primarily in operational functions with a large increase in our customer service staff to support the strong order growth. Over the course of 2020, our Delivery operations staff increased significantly to support the expansion of our Delivery offering. We also expanded our sales team to accelerate new restaurant acquisitions and expanded our IT and product teams to strengthen our platform capabilities and develop new functionalities. Most of our temporary staff costs relate to customer service and operations. Staff costs do not include costs related to employed couriers which are classified as courier costs within order fulfilment costs. Our staff, excluding couriers, increased to an average of 6,158 FTEs over 2020 from an average of 2,054 FTEs over 2019.

Share-based payments increased to €23 million in 2020 compared with €3 million in 2019, mainly driven by the combination with Just Eat. Share-based payments include the Long-Term Incentive Plan (LTIP) for the Management Board, as well as the various share and share option plans for employees (as defined in Note 6 Share-based payments to the Consolidated financial statements).

Other operating expenses

€ millions	2020	2019
Marketing expenses	369	143
Other operating expenses	239	90
Total other operating expenses	**608**	**233**

Marketing expenses

Marketing expenditure can primarily be distinguished as relating to (i) performance marketing (or pay-per-click/pay-per-order) which directly generates traffic and Orders, such as search engine marketing, app marketing and affiliate marketing (rewarding third parties for referrals to Just Eat Takeaway.com's platforms) and (ii) brand marketing, such as television and online media, and outdoor advertising (billboards).

Marketing expenses increased by 158% to €369 million in 2020 compared with €143 million in 2019, primarily driven by the combination with Just Eat and the significant investment in our brands in the second half of the year, particularly in the legacy Just Eat markets. Marketing reduced as a percentage of revenue to 18% in 2020 from 34% in 2019, demonstrating the scalability of our business.

Marketing investments were significantly reduced from mid-March until May 2020, due to (i) uncertainty about the impact of Covid-19 on our business, and (ii) lower relevance of outdoor advertising. In addition, the UEFA Euro 2020™ football tournament was postponed to 2021, resulting in our sponsorship costs for the tournament being deferred. In the second half of the year, marketing investments significantly increased both in brand and performance marketing. Marketing expenses included the costs associated with aligning our brand across all our markets.

Other operating expenses

Other operating expenses were €239 million in 2020, an increase of 166% compared with the prior year. This increase was mainly driven by the combination with Just Eat and additional costs due to acquisitions and integration-related activities, professional services fees as well as additional recruitment, and other staff-related expenses to support our organisational expansion and the growth of our Delivery business.

Depreciation and amortisation expenses

Depreciation and amortisation expenses were €172 million in 2020, up from €38 million in 2019. This material increase related primarily to the amortisation of intangible assets recognised as part of the Just Eat business combination.

€ millions	2020	2019
Amortisation of Other intangible assets	142	27
Depreciation on Right-of-use asset	20	8
Depreciation on Property and equipment	10	3
Total	**172**	**38**

Share of results of associates and joint ventures

Our share of results of associates and joint ventures in 2020 was a loss of €16 million compared with a zero in 2019. The losses relate to our share of losses in iFood, a Brazilian associate, and our Mexican joint venture. These interests were both acquired as part of the combination with Just Eat. In 2020, we invested €44 million in iFood and €11 million in our Mexican joint venture. Operations of the joint venture in Mexico ceased on 4 December 2020 and as per 31 December 2020, the business has been closed down and no remaining commitments have been made relating to our interest in this joint venture.

Finance income and finance expense

Our finance income was €3 million, and our finance expense increased to €29 million in 2020 from €16 million in 2019, with the biggest variance driven by interest expenses related to the convertible bonds.

Income tax expense

In 2020, the net income tax expense was €4 million, compared with €27 million in 2019. This relates mainly to the taxable results of non-Dutch entities resulting in a current tax expense of €27 million compared with €9 million in 2019. In 2020, the deferred tax benefit was €23 million compared with €18 million of deferred tax expense in 2019, relating to temporary differences from the amortisation of intangible assets, the recognition of losses and an offsetting effect on the use of tax losses against taxable profits in Germany, Poland, United Kingdom and Canada.

Other comprehensive loss for the period

In 2020, the other comprehensive loss for the period was €34 million compared with an income of €12 million in 2019. The other comprehensive loss consists of a fair value gain on investment in equity instruments of €323 million and foreign currency translation loss related to foreign operation of €357 million. The fair value gain on the investment relates to the period between the date that the Just Eat Acquisition was declared wholly unconditional (31 January 2020) and the acquisition ("control") date (15 April 2020).

Loss for the period

As a result of the factors described above, Just Eat Takeaway.com realised a net loss after tax of €151 million in 2020.

Financial position

Statement of financial position

€ millions	As at 31 December 2020	2019
Non-current assets	9,533	1,522
Current assets	293	87
Cash and cash equivalents	529	50
Total assets	**10,355**	**1,659**
Share capital and share premium	8,807	1,327
Legal reserves	421	27
Other reserves	(729)	(221)
Total shareholders' equity attributable to equity holders	**8,499**	**1,133**
Non-controlling interests	5	–
Total equity	**8,504**	**1,133**
Non-current liabilities	1,092	282
Current liabilities	759	244
Total shareholders' equity and liabilities	**10,355**	**1,659**

Non-current assets, mainly consisting of goodwill, other intangible assets and investments in associates and joint ventures were €9.5 billion as at 31 December 2020, up from €1.5 billion as at 31 December 2019. This increase was primarily driven by the combination with Just Eat.

Cash and cash equivalents increased to €529 million as at 31 December 2020, from €50 million as at 31 December 2019. The balance included €40 million restricted cash mainly held by Stichting Derdengelden on behalf of third parties including restaurants, consumers, and certain group entities, €40 million of cash held on bank deposits and €66 million cash held for restaurants.

Shareholders' equity increased to €8.5 billion as at 31 December 2020, from €1.1 billion as at 31 December 2019, mainly driven by the issuance of €7.1 billion in shares in exchange for shares in Just Eat plc and the issuance of €0.4 billion in shares through the accelerated bookbuild offering in April 2020.

The solvency ratio, defined as total equity divided by total assets, was 82% as at 31 December 2020, up from 68% at year-end 2019, driven by the increase of equity.

Non-current liabilities increased to €1.1 billion as at 31 December 2020, from €283 million as at 31 December 2019, driven by the issuance of convertible bonds amounting to €300 million (including option value of €52 million which is allocated to equity) and increased deferred tax liabilities of €607 million arising on the Just Eat combination.

€ millions	2020	2019
Net cash generated by / (used in) operating activities	177	(64)
Net cash generated by / (used in) investing activities	15	(497)
Net cash generated by financing activities	292	520
Net cash and cash equivalents generated / (used)	**484**	**(41)**
Effects of exchange rate changes of cash held in foreign currencies	(5)	1
Net increase / (decrease) in cash and cash equivalents	**479**	**(40)**

Net cash used in operating activities

Net cash used in operating activities amounted to €177 million in 2020 compared with €(64) million in 2019. The increase was mainly driven by the Just Eat combination, business growth and improved operational results throughout the year.

Net cash generated by investing activities

Net cash generated by investing activities was €15 million, an increase of €512 million compared with 31 December 2019. It included cash acquired from the Just Eat Acquisition, funding provided to associates and joint ventures as well as investments in property and other intangibles in 2020.

Net cash generated by financing activities

Net cash generated by financing activities was €292 million, compared with €520 million as per 31 December 2019. The main drivers in 2020 were (i) proceeds from an accelerated book build offering of shares of €400 million, (ii) the issuance of the 2020 convertible bonds of €300 million and (iii) the repayment on the revolving credit facilities of €359 million which consisted of €344 million for Just Eat and €15 million for Takeaway.com.

Management report

The following sections of this annual report form the management report within the meaning of section 2:391 of the Dutch Civil Code:

- Company profile;
- Report of the Management Board;
- Management Board and Supervisory Board composition;
- Report of the Supervisory Board;
- Report of the Remuneration & Nomination Committee;
- Remuneration in 2020;
- Governance and compliance;
- Report of the Audit Committee;
- Risk management.

Outlook

In 2021, we will focus on continuing to invest in building the best offering for our restaurants, consumers and couriers, thereby continuing to fuel the network effects which have driven our success to date. We will prioritise market share over Adjusted EBITDA and expect a further acceleration of our order growth in 2021 compared with 2020. Given the material impact of combining with Grubhub Inc. on our plans for 2021 and the on-going integration between legacy Just Eat and Takeaway.com business, we are not providing an outlook. We are excited about the opportunities that lie ahead of us as an enlarged Group.

In control and responsibility statements

The Management Board is responsible for the preparation of the financial statements in accordance with IFRS and Part 9 of Book 2 of the Dutch Civil Code. The responsibility of the Management Board includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Management Board is also responsible for the preparation of the management report (as included in the annual report), in accordance with Part 9 of Book 2 of the Dutch Civil Code. In the annual report, the Management Board endeavours to present a fair review of the situation of the business at balance sheet date and of the state of affairs in the year under review. Such an overview contains a selection of some of the main developments in the financial year and can never be exhaustive.

The Management Board is responsible for Just Eat Takeaway.com's risk management and internal control systems. The Management Board believes that Just Eat Takeaway.com maintains an adequate and effective system of risk management and internal control that complies with the requirements of the Dutch Corporate Governance Code (DCGC).

The internal control systems of Just Eat Takeaway.com are designed to manage, rather than eliminate, the risk that we fail to achieve our business objectives and can provide reasonable, but not absolute, assurance against financial loss or material misstatements in the financial statements. The Management Board reviews the effectiveness of Just Eat Takeaway.com's systems of internal control relative to strategic, IT, financial, operational and legal and regulatory risks and discusses risk management and internal controls with the Supervisory Board on a periodic basis.

The Management Board is not aware of any critical failings in these systems during the financial year 2020.

Just Eat Takeaway.com embeds risk management in its strategic business planning. A top-down approach is followed in which management identifies the major risks that could affect Just Eat Takeaway.com's business objectives, and assesses the effectiveness of actions, processes and internal controls in place to manage and mitigate these risks. For an overview of our most important business risks, please refer to the section 'Risk Management'. Assurance on the effectiveness of controls is obtained through management reviews and testing of certain aspects of our internal financial control systems by our internal audit function, Risk and Control, Information Security, Compliance functions, and the external auditors, during their annual audit. This, however, does not imply that certainty as to the realisation of our business and financial objectives can be provided, nor can the approach of Just Eat Takeaway.com to control its financial reporting be expected to prevent or detect all misstatements, errors, fraud or violation of law or regulations.

The key controls over financial reporting policies and procedures include controls to ensure that:

- Commitments and expenditures are appropriately authorised by the Management Board;
- Records are maintained which accurately and fairly reflect transactions;
- Any unauthorised acquisition, use or disposal of Just Eat Takeaway.com's assets that could have a material effect on the financial statements is detected on a timely basis;
- Transactions are recorded as required to permit the preparation of financial statements;
- Reporting of the financial statements is done in compliance with IFRS and Part 9 of Book 2 of the Dutch Civil Code.

As demanded by provision 1.4.3 of the DCGC and on the basis of the foregoing and the explanations contained in the section 'Risk Management', the Management Board confirms, to its knowledge, that:

- Just Eat Takeaway.com's financial reporting over 2020 provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems;
- Just Eat Takeaway.com's internal risk management and control systems with regard to financial reporting risks provide a reasonable assurance that Just Eat Takeaway.com's financial reporting over 2020 does not contain any material inaccuracies;
- Based on the current state of affairs, it is justified that the financial reporting over 2020 is prepared on a going concern basis; and
- The report states those material risks and uncertainties that are relevant to the expectation of Just Eat Takeaway.com's continuity for the period of twelve months after the preparation of the report.

With reference to the statement within the meaning of Article 5:25c (2)(c) of the Financial Supervision Act, the Management Board states, to the best of its knowledge, that:

- The financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The management report includes a true and fair review of the situation at the balance sheet date, the course of affairs during the financial year of the Company, and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that the Company faces.

Management Board

Jitse Groen	Brent Wissink	Jörg Gerbig
CEO	CFO	COO

02

Governance

Management Board and Supervisory Board Composition

Management Board

Our strong track-record has been achieved through our highly dedicated, founder-led Management Board with substantial experience and complementary skill sets. Our Management Board has a combined experience of 40 years in the online food delivery industry and consists of the following individuals:

Jitse Groen

Dutch national, 1978, Founder, CEO and Chair of the Management Board since 2011

Jitse studied Business & IT at the University of Twente. He started his career during his studies when he launched a business in web development. In 2000, Jitse founded and launched Just Eat Takeaway.com (at that time named Thuisbezorgd.nl). Jitse is also a member of the advisory board of Suitsupply B.V.

As CEO and Chair of the Management Board, Jitse has responsibility for Corporate Strategy, Business Development, Marketing, Product and Technology.

Brent Wissink

Dutch national, 1967, CFO and member of the Management Board since 2016

Brent joined Just Eat Takeaway.com as COO in 2011. He led the integration of Lieferando.de and Pyszne.pl before becoming CFO of Just Eat Takeaway.com in 2014. Prior to this, he was CFO of a fast-growing technology business (NedStat) and worked in venture capital (ABN AMRO, Mees Pierson). Brent graduated in 1992 from the Erasmus University of Rotterdam in Econometrics. Brent is also a member of the supervisory board of BloomOn International B.V.

As CFO and member of the Management Board, Brent has responsibility for Finance, Business Intelligence, Investor Relations, Mergers & Acquisitions, Risk Management and Control, Human Resources, and Legal Affairs.

Jörg Gerbig

German national, 1981, COO and member of the Management Board since 2016

Jörg founded Lieferando.de in 2009 and has driven its rapid growth since then. He joined Just Eat Takeaway.com following the acquisition of Lieferando.de in 2014, when he became COO. Jörg graduated in 2005 from the European Business School Oestrich-Winkel and has experience in M&A and equity capital markets at UBS Investment Bank in London and New York.

As COO and member of the Management Board, Jörg has responsibility for Delivery, Sales and Customer Services.

Supervisory Board

The Supervisory Board consists of the following Supervisory Directors:

Adriaan Nühn

Dutch national, 1953, Chair of the Supervisory Board since 4 October 2016 and member of the Audit Committee and Remuneration & Nomination Committee

Independent of the Company.

Until 2008, Adriaan acted as CEO of Sara Lee International and Chair of the executive board of Sara Lee/ Douwe Egberts. Prior to that, he was president of Sara Lee's Coffee and Tea Division and Household and Body Division. He held various positions within Sara Lee/Douwe Egberts and, prior to that, within Proctor & Gamble/ Richardson Vicks in Austria, Sweden, South Africa and Belgium.

Adriaan holds an MBA from the University of Puget Sound in Washington, USA. Adriaan is currently Chair of the supervisory board of Wereldhave N.V. (the Netherlands) and Chair of the supervisory board of Hunter Douglas N.V.

Corinne Vigreux

French national, 1964, Vice-Chair of the Supervisory Board since 4 October 2016 and member of the Remuneration & Nomination Committee

Independent of the Company.

Corinne Vigreux is a co-founder and currently chief marketing officer of TomTom, having previously held the roles of chief commercial officer and Head of the Consumer Division. Corinne founded Codam, a not-for-profit coding college, member of the Ecole 42 network. She is Chair of TechLeap, Board Member of the Dutch National Opera & Ballet, and Chair of the philanthropic foundation Sofronie.

Corinne was voted as one of the world's top fifty women in Tech 2018 (Forbes), and was made Chevalier de la Legion d'Honneur in 2012 and Officer in the Royal Order of Oranje-Nassau in 2016.

Ron Teerlink

Dutch national, 1961, member of the Supervisory Board since 4 October 2016 and Chair of the Audit Committee

Independent of the Company.

Until 2013, Ron acted as chief administrative officer and member of the executive committee of the RBS Group. Before this, he was a member of the management board of ABN AMRO and was chief operational officer from 2006 until 2010. Between 1990 and 2006, Ron held various positions within ABN AMRO and its subsidiaries.

Ron was a member of the supervisory board of Equens SE from 2015 until 2016. Ron holds an MSc in economics from the Vrije Universiteit Amsterdam and a banking diploma from NIBE. Ron is currently Chair of the supervisory board of Coöperatieve Rabobank U.A. Ron is Chair of the supervisory board (raad van toezicht) of Stichting Vrije Universiteit Amsterdam.

Gwyn Burr

British national, 1963, member of the Supervisory Board since 31 January 2020, Chair of the Remuneration & Nomination Committee and member of the Audit Committee

Independent of the Company.

Gwyn has been a non-executive director of Sainsbury's bank plc, appointed September 2006. She has also been a non-executive director of Hammerson plc since May 2012, and a senior independent director of Hammerson plc since January 2019.

Gwyn has been a non-executive director of Just Eat plc since March 2014 and a senior independent director since July 2019. She has also been a member of the Metro A.G. supervisory board and nomination committee since December 2014 and a non-executive director of Taylor Wimpey plc, appointed in February 2018. Gwyn holds a BSc (Hons) in Economics and History from the University of Bradford and has completed business programs at both Stanford and Harvard Business School.

Jambu Palaniappan

American national, 1987, member of the Supervisory Board since 31 January 2020

Independent of the Company.

Until 2018, Jambu held several senior roles at Uber and Uber Eats, leading Uber Eats in Europe, the Middle East and Africa, and Uber's ridesharing business in Eastern Europe, Russia, the Middle East and Africa.

Jambu has been a non-executive director of Just Eat Takeaway.com since 24 June 2019. He is also a director of Palaniappan Consulting Limited, appointed in January 2019, and Alltaster Limited, appointed in April 2019. Jambu holds a BA in Public Policy and Economics from Vanderbilt University.

Report of the Supervisory Board

The year 2020 was yet another exciting year for the business. The Company completed the acquisition of Just Eat, becoming Just Eat Takeaway.com N.V. We have welcomed two new members to the Supervisory Board and we are progressing with the Transaction with Grubhub to create one of the world's largest online food delivery companies.

Introduction

The Supervisory Board was pleased to see the positive conclusion of the extensive efforts in 2019 when the combination with Just Eat was declared wholly unconditional on 31 January 2020. Despite the Management Board being ready to commence the integration efforts, those were put on hold until the CMA lifted the hold separate order in April 2020, following which the integration was able to commence in earnest.

The Supervisory Board's attention was then on the possible combination with Grubhub Inc. (the Transaction). The recommendation to shareholders was that we would proceed with the combination and we were pleased to see the significant support from our shareholders in approving the combination. There is still some way to go as we navigate the process and wait to see if Grubhub Inc.'s shareholders also approve the Transaction. The combination would be another significant step for Just Eat Takeaway.com in becoming one of the world's largest online food delivery companies.

Throughout 2020 we also continued to be involved in annually recurring topics, such as the financial statements, evaluation of the Managing Directors, as well as the supervision of the Company's long-term value creation strategy and the associated risks. In view of the proposed Transaction, numerous additional meetings (both in person and by telephone) were convened in addition to the initially scheduled meetings to ensure proper supervision.

Notwithstanding any specific focus we might have during a financial year, we remain responsible for the supervision of management by, and advising of the Management Board in, setting and achieving the Company's strategy, objectives, charters and policies, as well as the supervision of the general course of affairs of the Company and its business.

In performing our duties, we are guided by the interests of the Company and its business enterprise, taking into consideration the interests of stakeholders (which include but are not limited to restaurants, consumers, employees, creditors and shareholders). We also observe relevant corporate social responsibility issues.

During the year, the Company's Articles of association, the Charter of the Management Board and the Charter of the Supervisory Board including the Committee charters were amended.

Composition of the Supervisory Board

The composition of the Supervisory Board during the year, is shown on pages 76 to 78.

On 31 January 2020, Gwyn Burr and Jambu Palaniappan, two former non-executive Just Eat plc directors, joined Adriaan Nühn, Corinne Vigreux and Ron Teerlink as members of the Supervisory Board. They were initially unable to participate in Supervisory Board meetings and discussions during the hold separate period but were freed to contribute when the hold separate order was lifted as per 15 April 2020. All Supervisory Directors were reappointed at the Annual General Meeting on 14 May 2020. Johannes Reck stepped down from the Supervisory Board on 19 February 2020. Adriaan Nühn was Chair of the Supervisory Board throughout 2020.

The composition of the Supervisory Board in 2020 was in line with its profile, as published on the Company's corporate website, in terms of experience, expertise, nationality, and age. Regarding gender diversity, as per 31 December 2020, Just Eat Takeaway.com N.V. had two female Supervisory Directors, equating to two-fifths (i.e., more than one-third) of the entire Supervisory Board.

In the opinion of the Supervisory Board, the independence requirements referred to in best practice provisions 2.1.7 to 2.1.9 inclusive of the Dutch Corporate Governance Code (DCGC) have been fulfilled in 2020 and all members of the Supervisory Board are independent within the meaning of best practice provision 2.1.8 of the DCGC. The independence requirements set out in provisions 10 and 11 of the UKCGC have also been fulfilled in 2020, and all members of the Supervisory Board are independent within the meaning of provisions 10 and 11.

Meetings

Excluding the additional meetings related to the Just Eat Acquisition and the proposed Transaction with Grubhub Inc., the Covid-19 pandemic meant that out of the 15 regular Supervisory Board meetings in 2020 only 2 were face-to-face and the rest were held via video conference.

As shown in the tables below, none of the Supervisory Board members were frequently absent from meetings, and in all meetings there was sufficient presence to constitute a valid quorum. For meetings where a Supervisory Board member was unable to attend, that member would have shared his or her view on the topics to be discussed with the Chair prior to the meeting.

Supervisory Board - regular meetings

	Attendance rate
Adriaan Nühn (Chair)	15 of 15
Corinne Vigreux	14 of 15
Gwyn Burr	9 of 9
Jambu Palaniappan	9 of 9
Ron Teerlink	15 of 15
Johannes Reck	2 of 4

Supervisory Board - additional meetings / transaction related meetings

	Attendance rate
Adriaan Nühn (Chair)	6 of 6
Corinne Vigreux	6 of 6
Gwyn Burr	6 of 6
Jambu Palaniappan	6 of 6
Ron Teerlink	6 of 6
Johannes Reck	n/a

During all meetings, the members of the Management Board were present for a substantial amount of time; the Supervisory Board took time to discuss certain items without the presence of the Management Board during some of its meetings.

When necessary or useful, individual members of the Supervisory Board had contact with their colleagues, the CEO and other members of the Management Board and the company secretary. In these meetings, specific issues as well as the general affairs of the Company and its businesses were discussed. Each of the Chair and vice-Chair of the Supervisory Board attended one of the semi-annual meetings of the Dutch works council.

The agenda for each meeting was prepared in consultation with the Chair of the Supervisory Board, the Management Board and the company secretary, ensuring that during the year, the Supervisory Board was updated on topical issues in its formal meetings.

In most Supervisory Board meetings, the Management Board updated the Supervisory Board on financial aspects of the Company, as well as other topics that could be important from a strategic or risk management perspective, such as the competitive landscape, compliance matters, risks and the integration of the legacy Just Eat businesses. In addition to these matters and further to the specific subjects set out below, presentations were carried out by specific members of Just Eat Takeaway.com's senior management team. The topics of these presentations were human resources and marketing, and, in addition, product and technology, customer services and logistics supported the strategy discussion.

In 2020, the Supervisory Board discussed and approved several items, such as the financial results of the Company and related press releases and disclosures, including the Company's 2019 annual report, the semi-annual report 2020 and quarterly trading updates during 2020. In view of the proposed Transaction, the Supervisory Board reviewed and approved relevant documentation, such as the related offer documents and draft prospectus.

Due to the increased size of the Supervisory Board following the appointment of Gwyn Burr and Jambu Palaniappan after the Just Eat Acquisition, an Audit Committee, a Remuneration Committee and a Nomination Committee were preliminarily established by decision of the Supervisory Board on 7 February 2020. Following the revocation of the initial enforcement order by the UK Competition and Markets Authority, Gwyn Burr and Jambu Palaniappan were no longer prevented from acting.

On 15 May 2020 the Supervisory Board therefore confirmed the Audit Committee and a combined Remuneration & Nomination Committee. Further information about the Audit Committee can be found in the report on page 126 and the Remuneration & Nomination Committee's report is on page 90.

Financial statements and the annual audit

This annual report includes the 2020 financial statements, which are accompanied by an unqualified independent auditor's report by Deloitte (see the independent auditor's report starting on page 253). These financial statements were prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and section 9 of Book 2 of the Dutch Civil Code.

On 11 January 2021, the Audit Committee discussed the management letter with the auditor.

In March 2021, the Supervisory Board discussed the auditor's report with the auditor as well as the draft financial statements. The Supervisory Board discussed, among other topics, the audit approach, key audit matters, communications, timing, audit fees, composition of the audit team, materiality, expertise of the individual audit team members as well as the annual report (including the financial statements) and related documents. Particular attention was paid to key audit matters. The Supervisory Board also discussed the auditor's report, the quality of internal risk management and control systems and had a discussion with the auditor without the Management Board being present.

On 9 March 2021, the Supervisory Board discussed this annual report, including the 2020 financial statements, with the Management Board in the presence of the auditor. The members of the Management Board have issued the statements required under section 5:25c, paragraph 2 sub c of the Financial Supervision Act. All members of the Management Board and the five members of the Supervisory Board signed the financial statements in accordance with section 2:101 paragraph 2 of the Dutch Civil Code. The Supervisory Board is of the opinion that the financial statements meet all requirements for correctness, completeness, and transparency. The Supervisory Board has approved these financial statements.

The Supervisory Board recommends that the Annual General Meeting (AGM), to be held on 12 May 2021, adopts the 2020 financial statements. In addition, the Supervisory Board requests that the AGM grants discharge to the members of the Management Board in office during the 2020 financial year for their management of the Company and its affairs during 2020, and to the members of the Supervisory Board in office for their supervision over said management.

The Supervisory Board concurs with the decision of the Management Board that, due to the negative net result, no proposal will be submitted to pay a dividend for 2020.

Internal audit

The duty of the internal auditor as set out in the internal audit charter is to assess the design, implementation and the operation or effectiveness of the internal risk management and control systems.

The internal auditor regularly reports to the Management Board and the Audit Committee and once a year to the Audit Committee without the Management Board being present. In addition, the internal audit function will be evaluated by the Supervisory Board in the first quarter of 2021.

Finance

The Supervisory Board reviewed and discussed the periodic internal and external (non-) financial reports of Just Eat Takeaway.com including the statements of financial condition, profit or loss and other comprehensive loss, changes in equity and cash flows including monitoring of the development of the key performance indicators.

In the beginning of 2020, the Supervisory Board discussed and approved the internal budget for 2020 and focused on the preparation of the annual report 2019 as well as the supervision of the audit of such report.

In another meeting, the Supervisory Board was updated on Just Eat Takeaway.com's business and ongoing projects and discussed the external auditor's audit plan for 2020 as presented by Deloitte.

In April 2020, the Supervisory Board resolved on a capital increase and a convertible bond placing, the purpose of which was to partially pay down revolving credit facilities used by both Just Eat and Takeaway.com, and for general corporate purposes as well as to provide the Company with financial flexibility to act on strategic opportunities which may arise.

In October 2020, the Supervisory Board considered and approved the accession of the Company and certain subsidiaries to the Just Eat RCF.

In January 2021 the Supervisory Board considered, and in February 2021, approved the Company's successful raise of €1.1 billion through an offering of convertible bonds, the net proceeds of which are intended to be used for general corporate purposes as well as to provide the Company with financial flexibility to act on strategic opportunities which may arise.

In addition, the Supervisory Board discussed and approved the preliminary budget 2021 on a standalone basis for Just Eat Takeaway.com (i.e., not taking into account the Transaction), and discussed the financial outlook, the achievement of financial targets, the use of free cash flow, the outcome of final purchase price allocations, annual impairment tests, and annual and interim financial results with the Management Board.

Risk management and internal control

The Management Board provided updates to the Audit Committee on the implementation of Just Eat Takeaway.com's risk management and internal controls.

The Audit Committee and the Management Board discussed risk management and the general and financial risks of the business in Audit Committee meetings, with the Supervisory Board then updated on the discussions by the Chair of the Audit Committee. The Audit Committee discussed the continuing actions Just Eat Takeaway.com took to further improve the internal risk management and control systems.

With the rapid growth of Just Eat Takeaway.com, together with the preparation needed in order to comply with the Sarbanes Oxley Act should the Transaction reach a successful conclusion, it is of the utmost importance to continue enhancing the existing risk management programme and internal control systems. Just Eat Takeaway.com's enterprise risk management framework is described in the section 'Risk Management'.

Strategy and long-term value creation

One of the subjects that received the Supervisory Board's attention in 2020 was Just Eat Takeaway.com's strategy and long-term vision.

Given the travel restrictions, this year's strategy session was held virtually. Not only did we discuss its overall long-term vision and strategy, but in video meetings senior managers of the Company presented and discussed their department's strategy. In such way we zoomed in on the strategy in respect of Product and Tech, Logistics, Customer Service and Marketing.

Our vision was clearly formulated in the strategy session: to empower every food moment for our restaurant partners and consumers. The overall strategic objective is to build sustainable market leadership in every country in which Just Eat Takeaway.com operates. This requires investing in the brand, not only from a marketing / brand awareness perspective, but also from a product perspective, which needs to be continuously improved.

To ensure long-term profitability, Just Eat Takeaway.com believes it is important to hold a leading position in terms of Orders or restaurants listed on its platforms in its active markets, or to hold a position from which it would be possible to reach the number one position within a reasonable period of time.

The Supervisory Board was closely involved in, and looked critically at, the formulation of Just Eat Takeaway.com's strategy. Both Just Eat Takeaway.com's general long-term strategy and the strategy of particular business units were addressed in its meetings. The Supervisory Board continued to challenge the Management Board on rolling out the Company's strategy.

In addition, the Supervisory Board considered the strategic objectives when reviewing the budget and continued to challenge management in formulating and pursuing its ambitions.

Culture

Culture and governance are important elements for a rapidly growing business such as Just Eat Takeaway.com, in particular the alignment of our strategy, values and culture. Consequently, the Supervisory Board frequently addressed these items in its meetings. Despite the relaunch of the Takeaway.com core values in the first quarter of 2019 and the great deal of work put into defining and embedding these, it was felt that, with the integration of Just Eat, it would be appropriate to review and reset the values of the new, larger business. In line with best practice, at the end of the third quarter and start of the fourth quarter, sessions were run with the workforce to discuss which values they saw as being key to their work. The outcome of those discussions has been discussed by the Supervisory Board in March 2021.

Investor relations

The Investor relations department kept the Supervisory Board well informed about share price developments, analyst research, communications with stakeholders, Euronext Amsterdam and London Stock Exchange developments, and so on. In addition, the Supervisory Board carefully reviewed and approved the press releases regarding the full- and half-year results, quarterly trading updates, the announcements of capital raises or bonds issuances and acquisition announcements.

In January 2021, the Management Board and Supervisory Board announced the intention to delay any decision on the structure of the Company's listing venues. This is pending a review into the optimal listing venues for Just Eat Takeaway.com's long-term future, which is intended to minimise disruption for our shareholders. The Supervisory Board was involved in the approval of this announcement, released on 12 January 2021.

Stakeholder engagement

The Supervisory Board recognises the importance of engagement with the Company's various stakeholders. Through meetings, reports and ongoing support, the Supervisory Board receives guidance and reminders on stakeholder engagement and decision-making. The Supervisory Board monitors the extent of the Management Board's engagement with the Company's stakeholders, with material matters shared with the Supervisory Directors for their views. Further details of the Management Board's engagement can be found in 'Stakeholder engagement' within the section on 'Governance and Compliance' on page 124.

General meetings

During the financial year 2020, three General Meetings were convened; the 2020 AGM was held on 14 May 2020.

In connection with the approval of the Just Eat Acquisition, an additional extraordinary general meeting (EGM) was held on 9 January 2020 and a further EGM was held on 7 October 2020 in connection with the approval of the proposed Transaction with Grubhub Inc. The Supervisory Board was involved in the preparation of each of these meetings.

In preparation of the 2020 AGM, the Supervisory Board evaluated the external auditor and the audit process and adopted the 2020 AGM agenda.

Acquisitions and integration

During the financial year, Just Eat Takeaway.com N.V. closed the transaction with Just Eat and, after the lifting of the hold separate order by the CMA in April 2020, integration of the two businesses commenced. The Supervisory Board was well-informed about the CMA process and, after April 2020, regularly briefed on the integration effort.

In addition, the Management Board and Supervisory Board reached an agreement with the board of Grubhub Inc. in respect of the proposed Transaction. The Supervisory Board closely supervised the process. As a consequence, additional meetings were convened and to the extent deemed necessary by the Supervisory Board, external advisors were invited to the meetings to educate the Supervisory Board members.

Throughout 2020, several meetings were convened and were spent in their entirety discussing and assessing the Combination.

Corporate governance

Just Eat Takeaway.com is subject to corporate governance requirements in the Netherlands and the UK. The Company's corporate governance structure is described in the section 'Governance and Compliance', where we also report on its compliance against, in particular, the DCGC and UKCGC in 2020.

The Supervisory Board was kept well informed about developments with respect to corporate governance during its periodic meetings and informal meetings with the Management Board and the company secretary.

Amendment of remuneration policies

In 2020, the Supervisory Board reviewed the remuneration policy for the Management Board and proposed an amendment to this remuneration policy, which was adopted in the 2020 AGM. The Supervisory Board also prepared the remuneration policy for the Supervisory Board, which was proposed for adoption and adopted in the 2020 AGM. Just Eat Takeaway.com N.V.'s revised remuneration policy for the Management Board as well as the remuneration policy for the Supervisory Board is described in the section 'Remuneration in 2020'.

At the EGM on 9 January 2020, approval was sought, and was subsequently given, for, amongst other things, determination of the remuneration of Gwyn Burr and Jambu Palaniappan, including the base fee and other supplementary fees and expenses. This remuneration applied until the AGM held on 14 May 2020, when the remuneration policy of the Supervisory Board was adopted. Further detail regarding the remuneration of Supervisory Directors can be found in the section 'Remuneration in 2020'.

At the EGM on 7 October 2020, approval was sought for, amongst other things, a supplement to the remuneration policy of the Management Board in respect of Matthew Maloney, CEO of Grubhub Inc. This resolution was rejected at the EGM.

Self-assessment and assessment of the Management Board

Annually, the Supervisory Board assesses its functioning including the functioning of its committees in order to evaluate its performance and identify opportunities for individual and shared growth, along with any specific training or educational needs for each member. This was carried out in December 2020. The Supervisory Board looked at the functioning of the Supervisory Board as a whole, its committees and of the individual Supervisory Board members. Having completed an evaluation form, the feedback was discussed in a Supervisory Board meeting without the presence of the Management Board.

All members had sufficient time available for their duties as Supervisory Directors as evidenced by prompt responses to e-mails, availability for unexpected calls and/or meetings and their well-preparedness for and active participation in meetings. The Supervisory Board has no reason to believe its functioning causes reason for concern.

As a result of the ongoing integration with Just Eat and the proposed acquisition of Grubhub Inc., and with the impact of Covid-19 preventing in-person meetings, the Supervisory Board resolved to undertake a self-assessment of its functioning in 2020. An external board evaluation is expected to take place in 2021.

The assessment of the Management Board and its individual members in respect of the previous year was conducted in a similar way. Following the evaluation, the Chair of the Supervisory Board met with each member of the Management Board individually to provide direct feedback.
This feedback was based on the input received from the members of the Supervisory Board. The conclusions from the self-assessment of the Management Board were also taken into account.

Final remarks

We are grateful for the invaluable contributions of the Management Board, senior management, and all employees of Just Eat Takeaway.com worldwide to expand the Just Eat Takeaway.com brand and organisation.

The Supervisory Board

Adriaan Nühn
Chair

Corinne Vigreux
Vice-Chair

Ron Teerlink

Gwyn Burr

Jambu Palaniappan

Report of the Remuneration & Nomination Committee

In 2020, the Just Eat Takeaway.com remuneration policy for the members of the Management Board was further revised to align the Managing Directors' remuneration with the increased size, scope and complexity of Just Eat Takeaway.com. On 15 May 2020, the Supervisory Board approved the setting up of the Remuneration & Nomination Committee.

Introduction

The Remuneration & Nomination Committee is pleased to present the Remuneration & Nomination Committee's 2020 report and detail its main activities during 2020 and key priorities for 2021.

In 2020 the Supervisory Board installed committees for the first time in anticipation of its expansion to include Jambu Palaniappan and Gwyn Burr. In our report we will refer to the combined Remuneration & Nomination Committee, even though in the period between 7 February 2020 and 15 May 2020 preliminarily two separate committees existed both initially consisting of Adriaan Nühn and Corinne Vigreux. Due to the size of the Supervisory Board, a decision was taken to combine the Remuneration Committee and Nomination Committee, with Gwyn Burr joining the newly formed Remuneration & Nomination Committee in May 2020.

Membership

The Remuneration & Nomination Committee comprises three independent Directors: Adriaan Nühn, Corinne Vigreux and Gwyn Burr as Chair.

Before the hold separate order from the CMA was lifted, the preliminary Remuneration Committee and Nomination Committee, comprised of Adriaan Nühn and Corinne Vigreux. During this phase, Corinne Vigreux acted as the Chair of both committees. Prior to the combination of the two committees and my accession as Chair, the remuneration committee in its previous composition worked on the amendment of the remuneration policy of the Management Board and the remuneration policy of the Supervisory Board.

Role and activities

Since its confirmed installation in May 2020, the Remuneration & Nomination Committee met twice in 2020 and considered the following matters:

- Management Board long-term incentive and short-term incentive awards including performance measures;
- Supervisory Board tenure;
- Evaluation process for the Supervisory Board and Management Board;
- Review of the Remuneration & Nomination Committee Charter.

Prior to May 2020, the Committee met three times to consider and discuss the proposal to revise the remuneration policy for the Management Board and the introduction of the remuneration policy for the Supervisory Board. Two of these meetings were attended by the Committee's external adviser, Korn Ferry, in respect of this matter.

The attendance rate of committee members for these meetings was as follows:

	Attendance rate
Gwyn Burr (Chair)	2 of 2
Adriaan Nühn	5 of 5
Corinne Vigreux	5 of 5

The Remuneration & Nomination Committee not only prepares the decision-making in respect of the remuneration policies and remuneration structure of Managing Directors, but also prepares - inter alia - the Supervisory Board's decision-making regarding the selection criteria and appointment procedures for Managing Directors and Supervisory Directors, the assessment of the size and composition of the Management Board and the Supervisory Board, as well as the performance of individual Managing Directors and Supervisory Directors.

Tenure

The Remuneration & Nomination Committee reviewed the tenure of the Supervisory Directors and determined that no Supervisory Director has tenure beyond that which is set out in the DCGC and the UKCGC and the Remuneration & Nomination Committee concluded that all members of the Remuneration & Nomination Committee are independent.

Remuneration policies

In February and March, the Remuneration & Nomination Committee focused on drafting the revised remuneration policy for the Management Board and drafting the remuneration policy for the Supervisory Board.

When developing the Management Board's remuneration policy, the Remuneration & Nomination Committee was mindful of the external environment in which the Company operates, the requirements of the DCGC, as well as the implementation of the Shareholder Rights Directive II in the Netherlands, considering scenario analyses, internal pay differentials and the (non-)financial performance indicators relevant to the long-term objectives of the Company, hereby focusing on sustainable results and alignment with the Company's strategy. To the extent practicable, the requirements of the UK Corporate Governance Code (UKCGC) were also incorporated.

To the extent applicable, the same policy principles were applied for the Supervisory Board's remuneration policy as for the Management Board's remuneration policy.

The Management Board's remuneration policy is aimed at attracting, motivating and retaining highly qualified Management Board members and rewarding them with a balanced and competitive remuneration package.

The main objective of the Company's Supervisory Board remuneration policy is to attract and retain members of the Supervisory Board, taking into account the nature of the Company's business, the Supervisory Board's activities and the desired expertise, experience and independence of the Supervisory Board members, as set out in the Supervisory Board's profile. This policy aims to reward Supervisory Board members to utilise their expertise and experience to the maximum extent possible, to execute the responsibilities assigned to them.

Long-Term and Short-Term incentives

Pursuant to the Management Board's remuneration policy, the performance indicators for the long- and short-term incentives are set out in further detail in the section 'Remuneration in 2020'.

With support from an external adviser the Remuneration & Nomination Committee considered what performance levels are appropriate for both the long and short-term incentives to ensure that threshold, target and stretch payouts are sufficiently challenging. The Remuneration & Nomination Committee also reviewed the mechanics of the short-term incentives (STI) and the split between cash and shares together with the vesting profile of deferred shares and the length and nature of the holding period.

Advisory vote

In accordance with the Shareholder Directive as implemented in the Netherlands, the remuneration report of the financial year 2019 was put to an advisory vote in the 2020 AGM. We were pleased to see the high level of support we received from investors at our 2020 AGM at 96.9%.

As set out in the report, the remuneration policies were amended by our general meeting in 2020 and the remuneration report in 'Remuneration in 2020' will be put on the agenda for an advisory vote in the 2021 AGM.

Self-assessment

Annually, the Remuneration & Nomination Committee assesses its functioning in order to evaluate its performance and identify opportunities for individual and shared growth, along with any specific training or educational needs for each member. This was carried out in December 2020. The committee looked at the functioning of the Remuneration & Nomination Committee as part of the annual evaluation of the Supervisory Board. Having completed an evaluation form, the feedback was discussed in a Supervisory Board meeting without the presence of the Management Board.

The Remuneration & Nomination Committee

Gwyn Burr	Adriaan Nühn	Corinne Vigreux
Chair	Member	Member

Remuneration in 2020

Introduction

Highlights summary

There was a step-change in Just Eat Takeaway.com's scale and performance in 2020, both from the combination with Just Eat during the year and the excellent organic performance of the markets. Just Eat Takeaway.com processed 588 million Orders in 2020, an increase of 175 million, or 42%, compared with 2019 and generated €12.9 billion in GMV, which is 51% higher compared with 2019 and Average Order Values increased in all segments on a year-on-year basis. Revenue increased to €2.4 billion in 2020, representing a growth rate of 54% compared to 2019, thereby exceeding Order and GMV growth.

As announced in the 2019 annual report, the remuneration policy of the Management Board, which was adopted by the general meeting on 14 May 2019, was amended in 2020. The changes intend to align the remuneration policy with the current size, scope and complexity of Just Eat Takeaway.com following the combination with Just Eat and the implications of being a company incorporated in the Netherlands, having a two-tier board and with a London Stock Exchange listing. In preparing this policy, the Supervisory Board considered the external environment in which the Company operates, the Dutch Corporate Governance Code, the Dutch implementation of the Shareholder Rights Directive II in the Netherlands, as well as the requirements of the UK Corporate Governance Code to the extent practicable. The amendment of the remuneration policy was adopted by the general meeting on 14 May 2020 with a vote of 99.2% cast in favour of the amendment which became effective as per 1 January 2020.

On 31 December 2020, the conditional performance options granted as per 31 December 2017 vested. The Management Board's performance over the period 2018 until 2020 lead to the vesting over this period with a 100% success ratio.

Summary of the 2020 revision of the remuneration policy of the Management Board

The revision of the remuneration policy for the members of the Management Board, effective as per 1 January 2020, kept the design of the remuneration policy as simple and transparent as possible.

The amendments that were implemented in the remuneration policy of the Management Board to reflect the combination of Just Eat and **legacy** Takeaway.com in the remuneration design and to ensure market competitiveness and alignment with the Company's strategy, could be summarised as follows:

- **Update of the local cross-industry reference market;**
- **No changes to the fixed annual base fee;**
- **Introduction of an annual bonus plan as short-term incentive (STI)**, to align with the phase of the Company and market practice:
  - No STI was previously in place, as the composition of the remuneration package was aligned with the phase of the Company. For the same reason, this element is now introduced based on the Just Eat "Annual Bonus Plan" with amended performance measures. The STI pays out in cash and in deferred shares for above target pay-out (total period of vesting and holding equals 5 years where the holding period continues post-employment). The at-target value is 75% of base fee for all Management Board members and 150% of base fee at maximum.
  - The performance measures comprise of a mix of financial measures (75%) and nonfinancial measures (25%), supporting the strategy of the Company:
    (i) Number of new consumers (25%);
    (ii) Number of Active Consumers (25%);
    (iii) Number of orders per consumer (25%); and
    (iv) Certain personal / non-financial measures (25%).
- **Adjustment of the long-term incentive (LTI)**, to align with the phase of the Company and to align with market practice:
  - Awards under the long-term incentive plan (hereafter referred to as "LTIP") were previously granted as conditional performance options with an exercise price. As per 1 January 2020, the long-term incentive awards are granted in form of conditional nil-cost performance options;
  - The measures as applied previously, i.e., revenue growth (weight 37.5%), relative TSR (weight 37.5%) and a strategic target (weight 25%) remain the performance measures for the long-term incentive plan;
  - To measure relative TSR performance and given the London Stock Exchange listing, the FTSE 100 is added to the local cross-industry index (AEX). To include a sector perspective, a more technology weighted index, i.e., the NASDAQ 100 index, is added as well (one third each). Relative TSR will be calculated based on the common currency approach;
  - The minimum vesting will be decreased from 50% to 40% at median performance level and the maximum vesting increased from 150% to 200% of target for upper quartile performance, to align with the Just Eat vesting schedule and to position within the market practice bandwidth;
  - The holding period for shares continues post-employment, going forward.
- **Introduction of shareholding guidelines:** Shareholding guidelines were not previously in place because the levels of ownership of the members of the Management Board were already significantly above market standards for this requirement. These were formally introduced as per 1 January 2020.

In the explanatory notes to the agenda for the AGM in which the proposal to amend the Management Board's remuneration policy was submitted, you will find a full overview of the changes made.

Remuneration packages 2020

Compensation package Management Board

As announced in the remuneration report of our 2019 annual report, a revised remuneration policy for the Management Board was prepared and proposed for adoption at the 2020 AGM. It became effective as per 1 January 2020.

The remuneration policy is aimed at attracting, motivating and retaining highly qualified Management Board members and rewarding them with a balanced and competitive remuneration package. The policy has been developed mindful of the external environment in which the Company operates, the requirements of the Dutch Corporate Governance Code, as well as the implementation of the Shareholder Rights Directive II in the Netherlands, considering scenario analyses, internal pay differentials and the (non-)financial performance indicators relevant to the long-term objectives of the Company, hereby focusing on sustainable results and alignment with the Company's strategy. To the extent practicable, the requirements of the UK Corporate Governance Code are also incorporated. The remuneration policy supports both short- and long-term objectives, whereas the emphasis is on long-term value creation for the Company and its stakeholders. The remuneration policy is felt to be appropriate to support the long-term success of the Company while ensuring that it does not promote inappropriate risk taking. The Supervisory Board proposed to keep the design of the policy as simple and transparent as possible.

Pursuant to the remuneration policy, the remuneration of the Managing Directors consists of the following elements: (i) fixed annual base fee; (ii) benefits; (iii) pension; (iv) STI; (v) LTIP consisting of conditional performance shares; and (vi) shareholding guidelines.

The fixed remuneration (on an annual basis) of the individual Managing Directors, as included in the remuneration policy, is set out in the following table:

€'000	J. Groen CEO	B. Wissink CFO	J. Gerbig COO	2020
Fixed remuneration				
Base fee	475	450	450	1,375
Benefits	31	22	1	54
Pensions allowance	50	50	50	150
Total remuneration	**556**	**522**	**501**	**1,579**

The compensation package for the Management Board during 2020 consisted of the following fixed and variable components, which are discussed in more detail below:

- Fixed annual base fee;
- Benefits;
- STI; and,
- LTIP consisting of conditional performance shares.

Base fee

The base fee of the Managing Directors is a fixed-cash compensation paid monthly. The base fee has not been increased in 2020.

Benefits

The Managing Directors are entitled to customary fringe benefits, such as expense allowances, reimbursement of costs incurred and a company car.

Pension

The Managing Directors received an annual cash allowance to participate in a pension scheme or obtain pension insurance and to obtain insurance for disability to work. The allowance amounts to €50,000 per year per Managing Director. No Managing Director participates in a collective pension scheme.

Short-term incentive (STI)

To motivate Managing Directors and incentivise delivery of performance over a one-year operating cycle, focusing on the short -or medium-term elements of Just Eat Takeaway.com's strategic aims, the remuneration includes variable remuneration in the form of an STI, which will be delivered partly in cash and partly as a deferred award of shares.

Any STI outcome achieved above 75% (at-target) of base fee will be delivered as a deferred award of shares, with the period of deferral being three years with one-third of the amounts deferred vesting and being capable of release at each anniversary of the making of the deferred award. The vested awards will be subject to a further holding period of two years during which time awards may not normally be exercised or released, except to pay tax on vesting, but are no longer contingent on performance conditions nor future engagement.

Performance over each financial year is measured against stretching targets set by the Supervisory Board at the beginning of the year, based on the budget and taking into account the strategy aspirations.

The maximum level of the STI outcome for a Managing Director is 150% of base fee per year.

Long-term incentive plan (LTIP)

To motivate and incentivise delivery of sustained performance over the long-term, and to promote alignment with shareholders' interests, the remuneration includes variable remuneration in the form of an LTIP. Awards under the LTIP may be granted in the form of conditional nil-cost options, awards or forfeitable shares which vest to the extent that performance conditions are satisfied over a period of at least three years.

Under the LTIP rules, vested awards may also be settled in cash (although this will typically be the case only if required to comply with non-Dutch and non-UK legal constraints). Vested awards for Managing Directors will be subject to a further holding period of two years during which time awards may not normally be exercised or released, except to pay tax on vesting, but are no longer contingent on performance conditions nor future engagement.

Performance is measured over a period of three financial years against stretching targets set at the beginning of the performance period. After three years, vesting is determined. The target award level is 100% of base fee for the CEO as well as for other Managing Directors. The number of conditionally granted shares is 100% of base fee divided by the share price average of the five-day period after the annual General Meeting. The formal limit under the LTIP allows vesting of 200% of the target level (excluding any dividend equivalent accruals).

The Supervisory Board, at its sole discretion, will decide if and to what extent grants are made to individual members of the Management Board. Grants shall be determined on the basis of a consistent granting policy and set as a percentage of the base fee of the members of the Management Board.

In order to mitigate dilution, the Company may repurchase shares to cover the awards granted, effectively with the result that no new shares have to be issued when conditional options are exercised or awards vest.

Compensation package Supervisory Board

In the 2020 AGM, a remuneration policy for the Supervisory Board was adopted by 100% of the votes of our shareholders voting in favour of the policy. The initial remuneration of the Supervisory Board was determined by the General Meeting, prior to the completion of the Company's initial public offering, on 3 October 2016. On 9 January 2020, the General Meeting resolved to approve a different remuneration structure in respect of the Supervisory Directors appointed therein. The appointment of Ms Burr and Mr Palaniappan became effective as per 31 January 2020, but as they were prevented from acting, they received remuneration as from 15 April 2020 only. Therefore, the different remuneration applied only between 15 April 2020 until the remuneration policy for the Supervisory Board was adopted at the 2020 AGM. In due observance of the Company's remuneration policy for the Supervisory Board as adopted at the 2020 AGM, the remuneration of the individual Supervisory Directors has been amended and has taken effect as of the date following the 2020 AGM.

The main objective of the Supervisory Board remuneration policy is to attract and retain Supervisory Directors, taking into account the nature of the Company's business, the Supervisory Board's activities and the desired expertise, experience and independence of the Supervisory Directors, as set out in the profile of the Supervisory Board. The remuneration policy for the Supervisory Board aims to reward Supervisory Directors to utilise their expertise and experience to the maximum extent possible, to execute the responsibilities assigned to them including but not limited to the responsibilities imposed by the Dutch Civil Code, the Articles of association and the DCGC and, to the extent practicable, the UKCGC. The fees payable to the Supervisory Directors are determined by the Supervisory Board. The fees payable to the Chair of the Supervisory Board are determined by the Remuneration & Nomination Committee. All fees will be subject to periodic review. Pursuant to the remuneration policy for the Supervisory Board, the remuneration of the Supervisory Directors consists of the following elements: (i) fixed fee and committee fee; (ii) a market supplement and (iii) travel fee. There are no amounts reserved or accrued by the Company to provide pension, benefit, retirement or similar benefits for current Supervisory Directors.

Fixed fee and committee fee

The fixed fee for the Chair of the Supervisory Board has been set at €95,000, for the Vice-Chair of the Supervisory Board at €70,000 and for each other Supervisory Director at €60,000. The committee fee for the Chair of a committee has been set at €15,000 and for other committee members at €7,500.

Market supplement

In order to take into account fee level differences between the UK and the Netherlands, to accommodate onboarding from legacy Just Eat and legacy Takeaway.com within the Company and to reflect the additional complexity and time spent as a result of the context of being a Dutch incorporated company with a two-tier board structure, listed in the Netherlands and the United Kingdom, a market supplement for the Chair of the Supervisory Board has been set at €25,000, for the vice- Chair of the Supervisory Board at €20,000 and for other Supervisory Directors at €15,000.

Travel fee

Supervisory Board members living outside of the Netherlands also receive a travel fee to compensate for the additional time commitment due to travelling (when meetings are held outside their country of residence). The travel fee has been set at €2,000 for continental travel (per meeting) and at €4,000 for intercontinental travel (per meeting).

In addition, actual incurred costs are reimbursed. The remuneration for Supervisory Directors is not dependent on the results of the Company. The Company did not provide any loans, advances, guarantees, shares or options to its Supervisory Directors.

Total remuneration 2020

The total remuneration actually due to the individual Managing Directors, as well as the individual Supervisory Directors for the financial year 2020, is set out below, compared to 2019. With regard to each Managing Director the table provides for the different components of their remuneration, taking into account the increase of the fixed remuneration of the individual Managing Directors upon adoption of the revised remuneration policy in 2019 and a new remuneration policy as per 1 January 2020. For the Supervisory Directors, the table takes the introduction of a remuneration policy for the Supervisory Board, effective as per 15 May 2020, into account. The remuneration of the Management Board and Supervisory Board are recognised in the Consolidated statement of profit or loss and other comprehensive loss during the year.

Name of Director, position	Reporting period	Fixed remuneration: Base fee	Fixed remuneration: Fees	Fixed remuneration: Benefits	Variable remuneration: One-year variable	Variable remuneration: Multi-year variable	Pension allowance	Total remun-eration	Proportion of fixed and variable remuneration
J. Groen – CEO	2020	475	–	31	478	103	50	1,137	49% / 51%
	2019	448	–	31	–	191	50	720	74% / 26%
B. Wissink – CFO	2020	450	–	22	454	97	50	1,073	49% / 51%
	2019	414	–	24	–	176	50	664	73% / 27%
J. Gerbig – COO	2020	450	–	1	454	97	50	1,052	48% / 52%
	2019	404	–	–	–	172	46	622	72% / 28%
A. Nühn – Chair Supervisory Board	2020	99	16	–	–	–	–	115	100% / 0%
	2019	65	–	–	–	–	–	65	100% / 0%
C. Vigreux – Vice-Chair Supervisory Board	2020	75	5	–	–	–	–	80	100% / 0%
	2019	50	–	–	–	–	–	50	100% / 0%
R. Teerlink – Supervisory Board member	2020	66	9	–	–	–	–	75	100% / 0%
	2019	50	–	–	–	–	–	50	100% / 0%
G. Burr – Supervisory Board member	2020	54	14	–	–	–	–	68	100% / 0%
	2019	–	–	–	–	–	–	–	100% / 0%
J. Palaniappan – Supervisory Board member	2020	53	–	–	–	–	–	53	100% / 0%
	2019	–	–	–	–	–	–	–	100% / 0%
J. Reck – Supervisory Board member	2020	7	–	–	–	–	–	7	100% / 0%
	2019	38	–	–	–	–	–	38	100% / 0%

In 2020, €3,3 million was charged to the Company for remuneration of current members of the Management Board, including pension allowance and long-term incentive costs.

No loans, advances or guarantees were granted to the Managing Directors in 2020.

General overview of STI

The remuneration of the Managing Directors consists of a variable remuneration in form of STI, which will be delivered partly in cash and partly as a deferred award of shares in the Company if the STI outcome achieved is above 75% (at target) of the base salary. The STI outcome for the full financial year 2020 is above target.

Target	Relative weight
Number of new consumers to exceed 18,6 million	25%
Number of active consumers to exceed 54,8 million	25%
Number or orders per consumer to exceed 9,0	25%
Certain personal / non-financial measures related to integration of Just Eat and Takeaway.com	25%

Based on the STI outcome for 2020, the Supervisory Board - following the recommendation of the Remuneration & Nomination Committee - has resolved that a cash amount will be awarded to the value of 75% of base fee to each Managing Director. In addition, it was resolved that a deferred award of a number of shares in the value of €338 thousand for J. Groen and €320 thousand for B. Wissink and J. Gerbig, respectively, will be made. The exact number of the deferred awards will be determined based on the five-day average closing price after the AGM 2021, and with the period of deferral being three years with one-third of the amounts deferred vesting and being capable of release at each anniversary of the making of the deferred award. The vested awards will be subject to a further two-year holding period. As per the grant of the deferred awards, no further performance conditions nor future service conditions will apply.

General overview of LTIPs

The remuneration of the Managing Directors consists of a variable remuneration in form of LTIP, which includes the annual grant of conditional performance options. The table below contains information on the number of conditional share options granted to each Managing Director under the LTIP 2018-2020, LTIP 2019-2021 and LTIP 2020-2023. In addition, we provide further information about the applicable performance conditions per LTIP.

The conditional performance options granted as per 31 December 2016 vested on 31 December 2019. As at the date of this report, 4,697 vested options under the plan have been exercised.

	The main conditions of share option plans							Information regarding the reported financial year							
								Opening balance	During the period				Closing balance		
Name of Director, position	Specifications of LTIP	Performance period	Award date	Vesting date	End of holding period	Exercise period	Strike price of the share (€)	Share options awarded at the beginning of the year	Share options awarded	Market value of share options awarded	Share options vested	Market value of share options vested (€)	Share options subject to a performance condition	Share options awarded and unvested	Share options subject to a holding period
J. Groen	2018-2020	2018-2020	31-12-2017	31-12-2020	n.a.	1-1-2021 to 31-12-2027	49.06	12,340	–	–	12,340	1,139,969	–	–	n.a.
CEO	2019-2021	2019-2021	31-12-2018	31-12-2021	n.a.	1-1-2022 to 31-12-2028	54.62	11,655	–	–	–	–	11,655	11,655	n.a.
	2020-2023	2020-2022	21-5-2020	21-5-2023	21-5-2025	22-5-2023 to 22-5-2033	0.00	–	4,917	472,819	–	–	4,917	4,917	–
B. Wissink	2018-2020	2018-2020	31-12-2017	31-12-2020	n.a.	1-1-2021 to 31-12-2027	49.06	10,798	–	–	10,798	997,519	–	–	n.a.
CFO	2019-2021	2019-2021	31-12-2018	31-12-2021	n.a.	1-1-2022 to 31-12-2028	54.62	10,198	–	–	–	–	10,198	10,198	n.a.
	2020-2023	2020-2022	21-5-2020	21-5-2023	21-5-2025	22-5-2023 to 22-5-2033	0.00	–	4,658	447,913	–	–	4,658	4,658	–
J. Gerbig	2018-2020	2018-2020	31-12-2017	31-12-2020	n.a.	1-1-2021 to 31-12-2027	49.06	10,027	–	–	10,027	926,294	–	–	n.a.
COO	2019-2021	2019-2021	31-12-2018	31-12-2021	n.a.	1-1-2022 to 31-12-2028	54.62	9,470	–	–	–	–	9,470	9,470	n.a.
	2020-2023	2020-2022	21-5-2020	21-5-2023	21-5-2025	22-5-2023 to 22-5-2033	0.00	–	4,658	447,913	–	–	4,658	4,658	–

LTIP 2018-2020

The conditional performance options granted as per 31 December 2017 and vested on 31 December 2020, are referred to as the LTIP 2018-2020.

The targets set by the Supervisory Board in respect of the LTIP 2018-2020 were determined based on full-year order and revenue growth.

The targets used for the vesting of the options granted under the LTIP 2018-2020 and their relative weight were as follows:

Targets	Relative weight
Order growth to exceed 25% per annum in the medium-term	20%
> 30% CAGR over 2015 Actual-2018 Estimate	20%
Revenue growth to continue to exceed order growth after 2017	20%
Positive EBITDA margin for both Germany and the Company within 2 to 3 years after the IPO[1]	20%
The Netherlands EBITDA to continue to increase after 2016[2]	20%

[1] The positive EBITDA margin for both Germany and the Company in this context means monthly positive EBITDA margins (whether or not the full year EBITDA margins are positive) as also disclosed in the prospectus dated 19 September 2016 on page 121

[2] Following the higher than expected growth of Scoober, also in the Netherlands, we have amended the medium-term objective for the Netherlands from “Netherlands EBITDA margin to continue to increase” to “Netherlands EBITDA to continue to increase”

Application of the LTIP 2018-2020 as per 31 December 2017 resulted in the granting to the Managing Directors of a total of 33,165 conditional performance options upon the adoption of the Company’s annual accounts 2017. The exercise price of the options, once vested, is €49.06 (the average closing price of the shares at Euronext Amsterdam on the last five trading days of 2017).

The number of conditional performance options granted to each Managing Director for the financial year 2017 are as follows:

	Maximum grant (in euro)	Maximum number of options
J. Groen	75% * € 400,000 = € 300,000	12,340
B. Wissink	75% * € 350,000 = € 262,500	10,798
J. Gerbig	75% * € 325,000 = € 243,750	10,027

These conditional performance options vested at 100% on 31 December 2020 based on the continued employment and the achievement of the targets set by the Supervisory Board. As at the date of this report, no vested options under the LTIP 2018-2020 have been exercised.

LTIP 2019-2021

The conditional performance options granted as per 31 December 2018 and expected to vest on 31 December 2021, are referred to as the LTIP 2019-2021.

The targets set by the Supervisory Board are determined based on full-year order and revenue growth. The conditional performance options will vest if Just Eat Takeaway.com’s business develops in accordance with and in the direction of the medium-term targets as communicated to the stock market.

The targets to be used for the vesting of the conditional performance options to be granted under the LTIP 2019-2021 and their relative weight are as follows:

Targets	Relative weight
Order growth to exceed 25% per annum in the medium-term	20%
> 30% CAGR over 2015 Actual-2018 Estimate	20%
Revenue growth to continue to exceed order growth after 2016	20%
Positive EBITDA margin for both Germany and the Company within 2 to 3 years after the IPO[1]	20%
The Netherlands EBITDA to continue to increase after 2016[2]	20%

[1] The positive EBITDA margin for both Germany and the Company in this context means monthly positive EBITDA margins (whether or not the full year EBITDA margins are positive) as also disclosed in the prospectus on page 121
[2] Following the higher than expected growth of Scoober, also in the Netherlands, we have amended the medium-term objective for the Netherlands from “Netherlands EBITDA margin to continue to increase” to “Netherlands EBITDA to continue to increase”

Application of the LTIP 2019-2021 as per 31 December 2018 resulted in the granting to the Managing Directors of a total of 31,323 conditional performance options. These options were granted upon the adoption of the Company’s annual accounts 2018. The exercise price of the conditional performance options, once vested, is €54.62 (the average closing price of the shares at Euronext Amsterdam on the last five trading days before 31 December 2018).

The maximum number of conditional performance options granted to each Managing Director for the financial year 2018 are as follows:

	Maximum grant (in euro)	Maximum number of options
J. Groen	75% * € 400,000 = € 300,000	11,655
B. Wissink	75% * € 350,000 = € 262,500	10,198
J. Gerbig	75% * € 325,000 = € 243,750	9,470

These conditional performance options will vest three years after the grant date depending on the continued employment and the achievement of the targets set by the Supervisory Board.

LTIP 2020-2022

The grant of conditional performance options referred to as LTIP 2020-2022 in the Annual Report 2019 has not been made due to the adoption of the revised remuneration policy for the Management Board as per the 2020 AGM.

LTIP 2020-2023

Conditional performance awards granted as per 21 May 2020 and expected to vest on 21 May 2023 are referred to as the LTIP 2020-2023.

The targets set by the Supervisory Board are determined based on full-year revenue growth, relative TSR and a strategic target. The awards have been granted in the form of nil-cost conditional performance options, which will vest if Just Eat Takeaway.com’s business develops in accordance with and in the direction of the medium-term targets as determined by the Supervisory Board.

The targets to be used for the vesting of the awards granted under the LTIP 2020-2023 as well as the achieved performance respectively are considered competitively sensitive and will therefore be published in the annual report after the relevant performance period.

Application of the LTIP 2020-2023 as per 21 May 2020 resulted in the granting to the Managing Directors of a total of 14,233 awards. The number of awards is 100% of base fee divided by the share price average of the five-day period after the annual General Meeting.

Minimum vesting is 0% of the target award level and the formal limit under the LTIP 2020-2023 allows vesting of 200% of the target award level, excluding any dividend equivalent accruals.

Clawback

In line with Dutch law and the Code, the variable remuneration of a Managing Director may be reduced or (partly) recovered if certain circumstances apply.

In 2020, no variable remuneration was reclaimed from any Managing Director.

Compensation package's compliance with remuneration policy

The remuneration granted to the individual Managing Directors in 2020 is compliant with the remuneration policy.

In 2020, no deviations from the procedure for the implementation of the remuneration policy for any Managing Director were made and no derogations itself have been applied.

The remuneration granted to the individual Supervisory Directors in 2020 is compliant with the remuneration policy, with the temporary deviation applied to Ms Burr and Mr Palaniappan.

Pay ratios within Just Eat Takeaway.com and annual change

The pay ratio from our CEO relative to the average pay of all employees, employed by Just Eat Takeaway.com, was sixteen to one in 2020 (2019: sixteen to one). This ratio is based upon total staff cost per average FTE in the year. This calculation includes the full total compensation and benefits, such as pension schemes, and share-based payments, payable to the CEO and our employees.

The pay ratio was calculated in due observance of the recommendation of the monitoring committee corporate governance.

Although we expect this ratio to increase over time, driven by the growth of the number of couriers employed, it is important for us to continuously monitor the ratio between the highest and the average paid persons within Just Eat Takeaway.com.

Annual change	2016 vs 2015	2017 vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019
Information regarding the reported financial year					
J. Groen – CEO	n.a.	10%	17%	23%	58%
B. Wissink – CFO	n.a.	4%	17%	28%	62%
J. Gerbig – COO	n.a.	3%	18%	35%	69%
Company performance					
Revenue	n.a.	50%	42%	79%	391%
Adjusted EBITDA	n.a.	(51%)	59%	216%	1,454%
Orders	n.a.	38%	38%	70%	228%
Average remuneration on a full-time equivalent basis of employees					
Employees of Just Eat Takeaway.com	n.a.	3%	(19%)	23%	41%

The table above contains an overview over the past four years only, as the Company was not listed prior to October 2016.

Share ownership

Share ownership members of the Management Board

As at 31 December 2020, the Managing Directors held shares in the Company as set out below.

Numbers of shares held	J. Groen CEO[1]	B. Wissink CFO	J. Gerbig COO[1]
Numbers of shares held as at 31 December 2020	15,318,766	115,581	310,000

1 Shares are hold indirectly through personal holding

Share ownership members of the Supervisory Board

As at 31 December 2020, none of the Supervisory Board members held shares in the Company.

Severance arrangements

Contractual severance arrangements of the Managing Directors provide for compensation for the loss of income resulting from a non-voluntary termination of employment. In that situation, the severance package is equal to the sum of the six-month gross fixed base fee of the respective Managing Director. The contractual severance arrangements are compliant with the Dutch Corporate Governance Code (DCGC).

During 2020, no severance payments were granted to members of the Management Board and the Supervisory Board.

Payments by participating interests

During 2020, no remuneration for members of the Management Board has been made at the account of any participating interest of the Company.

Governance and compliance

General

This section of the management report sets out the governance structure of Just Eat Takeaway.com N.V., a company organised under Dutch law, as embedded in the Company's Articles of association, Charter of the Management Board and Charter of the Supervisory Board, each as per 31 December 2020. In 2020 the Company was the ultimate parent company of Just Eat Takeaway.com. Its shares were listed at Euronext Amsterdam throughout 2020, and the Company's CREST depositary receipts (CDIs) have also been listed on the London Stock Exchange since 3 February 2020. The Company has been a premium listed company since that date.

On 31 January 2020 the Company was renamed Just Eat Takeaway.com N.V and its Articles of association (as described in this chapter) were amended. Information about our current Articles of association, Charter of the Management Board, and Charter of the Supervisory Board can be found on the Company's corporate website.

The Company has a two-tier board structure, consisting of a Management Board and a Supervisory Board, who are collectively responsible for the corporate governance structure of Just Eat Takeaway.com. The Company complied with the applicable principles and best practice provisions of the DCGC in 2020, subject to two deviations and, where practicable, the UKCGC. This is set out in further detail in this section under 'Compliance with the DCGC and UKCGC'. The DCGC is available at www.mccg.nl and the UKCGC is available at www.frc.org.uk/directors/corporate-governance-and-stewardship/uk-corporate-governance-code.

Management Board

Powers, responsibilities and functioning

The Management Board's responsibilities include, among other things, defining and attaining Just Eat Takeaway.com's objectives, determining our strategy and risk management policy and day-to-day management of Just Eat Takeaway.com's operations, subject to the supervision of the Supervisory Board. In performing its duties, the Management Board is guided by the interests of the Company, the wider Just Eat Takeaway.com and the business. The Management Board must establish a position on the relevance of long-term value creation for the Company and its business and take into account relevant stakeholder interests (including our shareholders). The Management Board conducts an annual performance review to identify any specific training or educational needs for each member.

The Management Board shall provide the Supervisory Board in good time with all information necessary for the exercise of the duties of the Supervisory Board. The Management Board is required to inform the Supervisory Board in writing of the main features of the strategic policy, the general and financial risks and the management and control systems of the Company, at least once per year. The Management Board must submit certain important decisions to the Supervisory Board and/or the General Meeting for approval, as described in more detail below.

Composition, appointment and removal

The Articles of association and the Charter of the Management Board provide that the Management Board shall have two or more members and that the Supervisory Board will determine the exact number of Managing Directors. One of the Managing Directors shall be appointed as CEO and one as CFO. The Supervisory Board may grant other titles to other Managing Directors, if appointed.

As at 31 December 2020, the Management Board consisted of three Managing Directors: the CEO, the CFO and the COO.

Managing Directors are appointed by the General Meeting. If a Managing Director is to be appointed, the Supervisory Board will make a binding nomination. The nomination must be included in the notice of the General Meeting at which the appointment will be considered. If no nomination has been made by the Supervisory Board within 60 days after a request by the Management Board, this must be stated in the notice and the Management Board will make a non-binding nomination. If no such nomination has been made by the Management Board, this must also be stated in the notice and the General Meeting may appoint a Managing Director at its discretion.

The General Meeting can vote to disregard the binding nomination of the Supervisory Board, provided that such vote is passed by an absolute majority that represents at least one-third of the issued share capital of the Company. If the General Meeting votes to disregard the binding nomination of the Supervisory Board, a new General Meeting will be convened, and the Supervisory Board will make a new binding nomination. For the avoidance of doubt, a second General Meeting as referred to in section 2:120(3) of the Dutch Civil Code cannot be convened in respect hereof.

The Supervisory Board may propose the suspension or dismissal of a Managing Director to the General Meeting. If this is the case, the resolution is adopted by an absolute majority without a quorum required. In all other cases, the General Meeting may only suspend or dismiss a Managing Director with an absolute majority of the votes cast, representing more than one third (1/3) of the issued share capital.

The Supervisory Board may also at all times suspend (but not dismiss) a Managing Director. A General Meeting must be held within three months after the suspension of a Managing Director has taken effect, during which a resolution must be adopted to either terminate or extend the suspension for a maximum period of another three months, taking into account the majority and quorum requirements described above. The suspended Managing Director must be given the opportunity to account for their actions at that meeting. If no such resolution is adopted, or the General Meeting has not resolved to dismiss the Managing Director, the suspension will cease after the period of suspension has expired.

Term of appointment

Provision 18 of the UKCGC recommends that all directors, including Managing Directors, are subject to annual re-election. This principle has been embraced in the Articles of association, which provide that a Managing Director shall be appointed for a term up to, at the latest, the end of the Annual General Meeting held in the year following the year of appointment. However, the term of appointment of a Managing Director shall not end for as long as such resignation would result in no Managing Director being in office.

All Managing Directors were reappointed at the AGM on 14 May 2020. In line with the UKCGC, the re-election of the Managing Directors will be proposed at the 2021 AGM.

Employment, Service and Severance Agreements

The three Managing Directors each have a service agreement with the Company. The terms and conditions of these service agreements are governed by Dutch law. The contractual severance arrangements of the Managing Directors provide for compensation for the loss of income resulting from a termination of the service agreement at the initiative of the Company. In that situation, the gross severance payment is equal to the sum of the six-month gross fixed base fee of the respective Managing Director.

Meetings and decisions

The Management Board shall meet whenever requested by a Managing Director. Pursuant to the Charter of the Management Board, the Managing Directors shall endeavor to achieve that Management Board resolutions are adopted unanimously as much as possible. Where unanimity cannot be reached and the law, the Articles of association or the Charter of the Management Board do not prescribe a larger majority, resolutions of the Management Board are adopted by a majority vote. In case of a tie in votes, the resolution will be adopted by the Supervisory Board, unless there are more than two Managing Directors entitled to vote, in which case the CEO shall have a casting vote.

Management Board decisions can also be adopted without holding a meeting, provided those resolutions are adopted in writing or in a reproducible manner by electronic means of communication and all Managing Directors entitled to vote have consented to adopting the resolutions outside a meeting.

Resolutions of the Management Board regarding a significant change in the identity or nature of the Company or its business require the approval of the Supervisory Board and shareholders in a General Meeting.

Pursuant to the Articles of association and the Charter of the Management Board, the Management Board shall obtain the approval of the Supervisory Board for a number of resolutions which concern, among others:

- the operational and financial objectives of Just Eat Takeaway.com;
- the strategy designed to achieve those objectives;
- the parameters to be applied in relation to the strategy, for example in respect of the financial ratios;
- the aspects of corporate social responsibility relevant to the activities of Just Eat Takeaway.com;
- the issue or grant of rights to subscribe for and acquisition of shares in the capital of the Company;
- entering into credit facilities and/or loan agreements or obligations of any kind or nature, in each case if the relevant principal amount exceeds €25 million;
- a proposal to amend the Articles of association or the Charter of the Management Board;
- a proposal to dissolve the Company;
- an application for bankruptcy or for suspension of payments;
- the termination of the employment of a substantial number of employees of Just Eat Takeaway.com at the same time or within a short period of time.

Conflict of interest

Managing Directors must report any (potential) conflict of interest to the Chair of the Supervisory Board and the other members of the Management Board immediately. The Supervisory Board shall decide whether a conflict of interest exists.

The Managing Director who has a (potential) conflict of interest shall not participate in discussions and decision-making on a subject or transaction in relation to which he has a conflict of interest with the Company.

When the conflict relates to the CEO, the relevant resolution can be adopted without the CEO's vote. Decisions to enter into transactions in which there are conflicts of interest with one or more Managing Directors require the approval of the Supervisory Board if they are of material significance to the Company or to the relevant Managing Directors.

During 2020, no such conflicts of interest were reported.

Maximum number of supervisory positions of Managing Directors

Restrictions apply to the overall number of supervisory positions that a managing director or supervisory director of "large Dutch companies", as referred to in sections 2:132a and 2:142a of the Dutch Civil Code, may hold.

A person cannot be appointed as a managing or executive director of a "large Dutch company" if he/she already holds a supervisory position at more than two other "large Dutch companies" or if he/she is the Chair of the supervisory board or one-tier board of another "large Dutch company". Also, a person cannot be appointed as a supervisory director or non-executive director of a "large Dutch company" if he/she already holds a supervisory position at five or more other "large Dutch companies", whereby the position of Chair of the supervisory board or one-tier board of another "large Dutch company" is counted twice.

Further, under Principle 15 of the UKCGC, a person's "significant commitments" should be taken into account prior to their appointment as an executive director. The UKCGC recommends that an executive director should take on no more than one non-executive directorship in a FTSE 100 company or other significant appointment without prior approval of the Supervisory Board.

As per 31 December 2020, Just Eat Takeaway.com met the criteria of a large Dutch company and all Managing Directors complied with these rules under the Dutch Civil Code, and with the recommendation under the UKCGC.

Supervisory Board

Powers, responsibilities and functioning

The Supervisory Board supervises the policies created and rolled out by the Management Board and the general affairs of the Company and its business enterprise. In so doing, the Supervisory Board also focuses on the effectiveness of Just Eat Takeaway.com's internal risk management and control systems and the integrity and quality of the financial reporting. The Supervisory Board also provides advice to the Management Board. In performing its duties, the Supervisory Directors are required to be guided by the interests of the Company and its business enterprise, taking into consideration the interests of Just Eat Takeaway.com's stakeholders. The Supervisory Board must also observe the responsible business issues that are relevant to the Company.

Composition, appointment and removal

The Articles of association provide that the Supervisory Board shall consist of at least three Supervisory Directors, with the exact number of Supervisory Directors to be determined by the Supervisory Board. Only natural persons (not legal entities) may be appointed. The General Meeting appoints the Supervisory Directors as follows:

- One Supervisory Director is appointed upon a binding nomination by Gribhold until the date it becomes public information by means of the AFM register that Gribhold holds less than 10% of the Company's issued shares.
- Any other Supervisory Director is appointed upon the binding nomination of the Supervisory Board.

The General Meeting may at all times overrule the binding nomination by an absolute majority of the votes cast, representing more than one third (1/3) of the issued ordinary share capital. Should the General Meeting overrule the binding nomination, a new meeting shall be convened and the party who made the initial binding nomination shall make a new binding nomination. A second general meeting as referred to in section 2:120(3) of the Dutch Civil Code cannot be convened in respect hereof.

The nomination must be included in the notice of the General Meeting at which the appointment will be considered. If a nomination has not been made, this must be stated in the notice of the General Meeting and the General Meeting may appoint a Supervisory Director at its discretion.

In accordance with the DCGC and UKCGC, the Supervisory Board has drawn up a profile for its size and composition, taking into account the nature of Just Eat Takeaway.com's business activities and addressing:

i. the desired expertise and background of the Supervisory Directors;
ii. the desired diverse composition of the Supervisory Board;
iii. the size of the Supervisory Board; and
iv. the independence of the Supervisory Directors.

The profile of the Supervisory Board can be downloaded from the Company's corporate website.

The Supervisory Board may propose to the General Meeting to suspend or dismiss a Supervisory Director. If this is the case, the resolution is adopted by an absolute majority without a quorum required. In all other cases, the General Meeting may only suspend or dismiss a Supervisory Director with an absolute majority of the votes cast, representing more than one third (1/3) of the issued ordinary share capital.

A General Meeting must be held within three months after suspension of a Supervisory Director has taken effect, in which meeting a resolution must be adopted to either terminate or extend the suspension for a maximum period of another two months. The suspended Supervisory Director must be given the opportunity to account for his or her actions at that meeting. If neither such resolution is adopted nor the General Meeting has resolved to dismiss the Supervisory Director, the suspension will cease after the period of suspension has expired.

Term of appointment

Provision 18 of the UKCGC recommends that all directors, including Supervisory Directors, are subject to annual re-election. This principle is reflected in the Articles of association and the Charter of the Supervisory Board, which provide that a Supervisory Director shall be appointed for a term up to, at the latest, the end of the Annual General Meeting held in the year following the year of appointment. However, the term of appointment of a Supervisory Director shall not end for as long as such resignation would result in no Supervisory Directors being in office.

All Supervisory Directors were reappointed at the AGM on 14 May 2020. In line with the UKCGC, the re-election of the Supervisory Directors will be proposed at the 2021 Annual General Meeting.

Employment, Service and Severance Agreements

The relationship between the Company and each of the Supervisory Directors is governed by a letter of appointment, which is governed by Dutch law. These letters do not contain any severance provisions.

Meetings and decisions

The Supervisory Board shall meet at least four times a year and, in addition, whenever one or more Supervisory Directors or Managing Directors request a meeting. Unless the Supervisory Board decides otherwise, members of the Management Board (if any) will attend Supervisory Board meetings, except where meetings concern matters including board evaluations, the profile of the Supervisory Board, and conflicts of interest. Meetings of the Supervisory Board are generally held at Just Eat Takeaway.com's offices, but may also be held elsewhere and, during the year ended 31 December 2020, were at times held remotely to ensure compliance with relevant lockdown rules and to ensure the safety of directors during the Covid-19 pandemic.

According to the Charter of the Supervisory Board, resolutions of the Supervisory Board can only be adopted in a meeting at which at least half of the Supervisory Directors entitled to vote are present or represented. The Supervisory Directors shall endeavor to achieve that resolutions are adopted unanimously as much as possible. Where unanimity cannot be reached and the law, the Articles of association or the Charter of the Supervisory Board do not prescribe a larger majority, resolutions of the Supervisory Board are adopted by a majority vote. In the event of a tie vote, the proposal shall be rejected.

The Supervisory Board may also adopt resolutions outside a meeting with due observance of the Charter of the Supervisory Board.

Conflict of interest

Members of the Supervisory Board (other than the Chair) must report any (potential) conflict of interest to the Chair of the Supervisory Board immediately. If the (potential) conflict of interest involves the Chair of the Supervisory Board, it must be reported to the vice-Chair of the Supervisory Board. The Supervisory Board shall decide whether a conflict of interest exists.

The member of the Supervisory Board who has a (potential) conflict of interest shall not participate in discussions and decision-making on a subject or transaction in relation to which the member has a conflict of interest with the Company. Decisions to enter into transactions under which members of the Supervisory Board have conflicts of interest that are of material significance to the Company and/or to the relevant member(s) of the Supervisory Board, require the approval of the Supervisory Board.

During 2020, no such conflicts of interest were reported.

Maximum number of supervisory positions of Supervisory Directors

Restrictions apply to the overall number of supervisory positions that a supervisory director of "large Dutch companies", as referred to in sections 2:132a and 2:142a of the Dutch Civil Code, may hold.

A person cannot be appointed as a supervisory director of a "large Dutch company" if he/she already holds a supervisory position at more than two other "large Dutch companies" or if he/she is the Chair of the supervisory board or one-tier board of another "large Dutch company". Also, a person cannot be appointed as a supervisory director or non-executive director of a "large Dutch company" if he/she already holds a supervisory position at five or more other “large Dutch companies”, whereby the position of Chair of the supervisory board or one-tier board of another “large Dutch company” is counted twice.

Further, under Principle 15 of the UKCGC, a person’s “significant commitments” should be taken into account prior to their appointment as an executive director. The UKCGC recommends that an executive director should take on no more than one non-executive directorship in a FTSE 100 company or other significant appointment without prior approval of the Supervisory Board.

As per 31 December 2020, Just Eat Takeaway.com met the criteria of a large Dutch company and all Supervisory Directors complied with these rules under the Dutch Civil Code, and with the recommendation under the UKCGC.

Supervisory Board Committees

Following the appointment of Gwyn Burr and Jambu Palaniappan to the Supervisory Board in 2020, the membership of the Supervisory Board increased to five members. Accordingly, the Supervisory Board created and constituted, from among its members, committees. Establishing committees does not diminish the responsibility of the Supervisory Board and the Supervisory Directors for obtaining information and forming an independent opinion. The committees cannot adopt resolutions on behalf of the Supervisory Board. Their meetings are subject to the same requirements as for Supervisory Board meetings and each committee informs the Supervisory Board of its deliberations and findings, and on matters including their duties and composition and items discussed during committee meetings. Additionally, the Audit Committee informs the Supervisory Board of the results of the annual statutory audit.

As per 31 December 2020, the Supervisory Board had two committees in place: an Audit Committee and a combined Remuneration & Nomination Committee. Each committee consists of at least three members, who are appointed by the Supervisory Board. A member of each committee shall be appointed as its Chair, provided they are not the Chair of the Supervisory Board or a former Managing Director.

Audit Committee

The Audit Committee prepares the Supervisory Board’s decision-making regarding the supervision of the integrity and quality of Just Eat Takeaway.com’s financial reporting and the effectiveness of the Company’s internal risk management and control systems. The Audit Committee monitors the Management Board in matters relating to relations with auditors, funding, information technology and cybersecurity, and tax. The Audit Committee’s responsibilities also include oversight of the internal audit function, monitoring the financial reporting process and internal control systems, and determining the selection process for the external auditor.

The UKCGC requires all members of the Audit Committee to be independent, and at least one member of the Audit Committee must have recent and relevant financial experience. The Audit Committee as a whole shall have competence relevant to the sector in which the Company operates.

As per 31 December 2020, the Audit Committee had the following members: Ron Teerlink (Chair), Adriaan Nühn and Gwyn Burr. The membership of the Audit Committee met all recommendations of the UKCGC, except that the Chair of the Supervisory Board is a member of the Audit Committee due to the limited size of the Supervisory Board, and the Supervisory Director’s relevant experience.

With reference to meetings of the Audit Committee, the internal auditor and the external auditor may attend, unless the Audit Committee decides otherwise, and the CEO may attend meetings at the invitation of the Audit Committee.

Remuneration & Nomination Committee

The Remuneration & Nomination Committee prepares the Supervisory Board's decision-making regarding, among others, the remuneration of the Managing Directors selection criteria and appointment procedures for directors, assessment of the composition and performance of the Supervisory Board and Management Board, and drafting the Company's diversity policy for the composition of the Management Board and the Supervisory Board.

As per 31 December 2020, the Remuneration & Nomination Committee had the following members: Gwyn Burr (Chair), Adriaan Nühn and Corinne Vigreux. All members of the Remuneration & Nomination Committee are independent pursuant to provision 2.1.8 of the DCGC and the UKCGC.

Further details on the Audit Committee and Remuneration & Nomination Committee are set out in the committee reports.

Diversity

The Supervisory Board aims for a diverse composition in respect of, and shall therefore strive for a fair balance between, nationality, experience, expertise, education, culture, gender, age and work background of its members.

When nominating a candidate for appointment the qualifications (such as expertise and experience) of the candidate and the specific requirements for the position to be filled shall prevail; nevertheless, the Supervisory Board strives to have at least 30% female and 30% male membership, although such a percentage will also depend on the total number of members within the Supervisory Board.

As at 31 December 2020, the Supervisory Board consisted of five members, three male (60%) and two female (40%). The composition of the Supervisory Board has therefore met its diversity target.

The Supervisory Board pays great value to diversity in the composition of the Management Board. In particular it strives to have members with a background (nationality, work experience, skills or otherwise) that is diverse and relevant for the sector and the principal countries where Just Eat Takeaway.com has a presence. In addition, and although challenging in the Company's business, the Company strives to have a Management Board consisting of at least 30% male and at least 30% female members. Nevertheless, other factors such as age and education should also be taken into account. Similarly, Just Eat Takeaway.com strives for a diverse composition of its senior management. Indeed, following the appointment of our senior managers following the combination with Just Eat, our senior managers reflect the diversity of our people, representing a variety of nationalities and backgrounds.

When nominating a candidate for appointment, the qualifications (such as expertise and experience) of the candidate and the specific requirements for the position to be filled shall prevail.

As at 31 December 2020, the Management Board consists of three members, all male. The Supervisory Board will take the balanced composition requirements into account when nominating and selecting new candidates for the Supervisory Board and the Management Board. However, the Supervisory Board is of the opinion that gender is only one element of diversity, and that experience, background, knowledge, skills and insight are equally important and relevant criteria in selecting new members.

Insider Dealing Policy

The Company has an insider dealing policy, which was applied throughout Just Eat Takeaway.com. Everyone involved with Just Eat Takeaway.com is responsible for keeping inside information confidential. If a person is in possession of inside information, they should not deal in Just Eat Takeaway.com's securities (shares, CDIs, options or convertible bonds).

The Supervisory Board, Management Board and senior executives (not being members of the Supervisory Board or Management Board), who have regular access to inside information relating directly or indirectly to Just Eat Takeaway.com and the power to take managerial decisions affecting the future developments and business prospects of Just Eat Takeaway.com (so-called PDMRs) may not deal in the Company's securities during a closed period, regardless of whether they possess inside information. The closed periods are:

- The periods of two months prior to the publication of Just Eat Takeaway.com's annual financial statements and 30 calendar days prior to the publication of Just Eat Takeaway.com's semi-annual financial statements; and
- The period of approximately three weeks prior to the publication of Just Eat Takeaway.com's interim trading updates.

In addition, a Just Eat Takeaway.com employee and certain third-party consultants may not deal in the Company's securities if they are included on an insider list, unless dispensation has been granted by the compliance officer.

The Management Board established a disclosure committee, which in 2020 consisted of the members of the Management Board, the Investor Relations manager and the company secretary. The disclosure committee's task is to establish and maintain disclosure controls and procedures in respect of inside information.

Corporate Governance Codes

As a company listed on both Euronext Amsterdam and the London Stock Exchange, Just Eat Takeaway.com operates with consideration of both Dutch and UK corporate governance regimes. The Company's compliance with these regimes, as set out in the DCGC and the UKCGC, is covered below.

Compliance with the DCGC and the UKCGC

The Company acknowledges the importance of good governance. The Company agrees with the general approach and is committed to adhering to the best practices of the Dutch Corporate Governance Code as much as possible. The Company fully complies with the DCGC, with the exception of the following provisions:

- Best practice provision 4.3.3 of the DCGC, which relates to the binding nature of a nomination for the appointment or dismissal of Managing Directors and Supervisory Directors, is not complied with. If the General Meeting overrules a binding nomination, the party who made the initial binding nomination can make a new binding nomination for the appointment or dismissal of Managing Directors or Supervisory Directors.
- In 2020, the Company did not comply with best practice provision 4.1.8 of the DCGC in 2020 as not all Managing Directors and Supervisory Directors attended the general meetings at which votes were cast for their nomination. This was generally related to Covid-19 and restrictions by the Dutch government around the time of the relevant general meetings.

The Company furthermore adheres to the principles of the UKCGC, the UK preemption rights principles and the principles of the City Code on Takeovers and Mergers, in each case as far as practicable. The Company believes that it fully complies with all relevant elements of the provisions of the UKCGC. However, the UKCGC assesses corporate governance from the angle of a company incorporated under UK law with a unitary board. Therefore, the Company - being incorporated in the Netherlands and having a dual board structure - may as a matter of Dutch law not literally be able to comply with all elements of the provision of the UKCGC. In observance of these differences in jurisdiction, the Company concluded that its disclosure on the following provisions may not be in line with expectations under the UKCGC:

- Provision 14: We report on the meetings of the Supervisory Board, its committees as well as individual attendance the Supervisory Directors, but not on meetings of the Management Board;
- Provision 23: The work of the Supervisory Board and its committee does not pertain to senior management. As such, the Remuneration & Nomination Committee does also not report on the gender balance in this group of employees; the Management Board's commitment towards a diverse and inclusive workforce in 2020 is set out in 'Our People', including the section 'A new organization, fit for the future';
- Provision 27 and provision 31: While this annual report does not include the term "fair, balanced and understandable" or a "viability statement", the Management Board makes confirmations and statements to a similar effect, but in accordance with provision 1.4.3 of the DCGC and article 5:25c (2)(c) of the Financial Supervision Act in the section 'In control and responsibility statement'. In particular, the confirmation

regarding Just Eat Takeaway.com's continuity with reference to the 'Risk management' chapter show that the Management Board acknowledges that Just Eat Takeaway.com's continuing existence and growth is dependent on the sustainability of its business model, its strategy and resilience to risk. The section 'Strategy and long-term value creation' in the Supervisory Board report explains how the Management Board believes Just Eat Takeaway.com will remain relevant and solvent in the long-term and able to adapt to emerging risks.

The Company has several regulations in place governing the performance of its various corporate bodies. These regulations can be found in the section 'Corporate Governance' of the corporate website.
These regulations concern:

- The Articles of association;
- The Charter of the Management Board;
- The Charter of the Supervisory Board.

The following items also appear on the Company's corporate website:

- The profile of the Supervisory Board;
- The rotation plan for the Supervisory Board members;
- The remuneration policy of the Supervisory Board;
- The remuneration policy of the Management Board;
- The whistleblowers' policy;
- The Code of Conduct;
- The tax approach of Just Eat Takeaway.com;
- The policy regarding bilateral contacts with shareholders;
- The dividend policy.

General Meeting

General Meetings must be held at least once a year and generally take place in Amsterdam. General Meetings are convened by the Management Board or Supervisory Board by convocation placed on the Company's corporate website.

The agenda for the Annual General Meeting will at least include the adoption of the annual report, the discussion of any substantial change in the corporate governance structure of the Company (if any) and, if applicable, the allocation of the result. In addition, the agenda shall include such items as have been included therein by the Management Board, the Supervisory Board or shareholders (with due observance of the law).

In addition to the Annual General Meeting, Extraordinary General Meetings may be held as often as the Management Board or the Supervisory Board deem desirable. In addition, one or more shareholders, who solely or jointly represent at least one-tenth of the issued capital, may request that a General Meeting be convened, the request setting out in detail matters to be considered.

Each shareholder may normally attend the General Meeting, address the General Meeting and exercise voting rights pro rata to his or her shareholding, either in person or by proxy. Shareholders may exercise these rights, if they are the holders of shares on the record date as required by Dutch law, which is currently the 28th day before the day of the General Meeting, and they or their proxy have notified the Company of their intention to attend the General Meeting in writing or by any other electronic means that can be reproduced on paper at the address and by the date specified in the notice of the General Meeting.

Capital structure

As at 31 December 2020, the authorised capital of the Company amounted to €16,000,000 and is divided into four hundred million (400,00,000) shares, each with a nominal value of €0.04 each.

On 31 December 2020, the issued capital amounted to €5,950,352.12 divided into 148,758,803 ordinary shares. All the ordinary shares have equal voting rights (one share, one vote).

Voting rights

Each share confers the right to cast one vote in the General Meeting. Subject to certain exceptions provided by the law or the Articles of association, resolutions of the General Meeting are passed by an absolute majority of votes cast. Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of shares that are held by the Company or any of its subsidiaries. As at 31 December 2020, the Company nor any of its subsidiaries held any own shares.

Restrictions on transfer of shares

As at 31 December 2020, the Company was not aware of the existence of any agreement pursuant to which the transfer of ordinary shares in the share capital of the Company was restricted, with the exception of:

- the voting and support agreement between Grubhub Inc. and Jitse Groen in relation to the proposed Transaction with Grubhub Inc. Under the terms of this agreement, Jitse Groen has agreed to vote or cause to be voted all of his (directly or indirectly held or otherwise beneficially owned) Just Eat Takeaway.com shares in favour of the Combination and any other matter submitted by the Company related to the transactions contemplated as part of the Combination, and against any takeover proposal or related action or agreement. The General Meeting in which the Combination was approved was held on 7 October 2020; and
- the lock-up undertakings to which the Company and its subsidiaries are subject in relation to equity and equity-linked securities, pursuant to the successful placing of €1.1 billion of convertible bonds on 2 February 2021. These undertakings will end 90 days after the date of settlement of the convertible bond issue, this being 9 February 2021, subject to waiver by the various joint global coordinators of the convertible bond issue, except for any issue of shares in the Company as consideration in connection with the Combination and certain customary exceptions.

Share option and share plans

In 2020, the Company maintained seven share and option plans for employees:

- the Takeaway.com Employee Share Option Plan;
- the “rolled over” Just Eat Deferred Share Bonus Plan 2018, Just Eat Sharesave Scheme, Just Eat Ireland Sharesave Scheme and Just Eat International Sharesave Scheme; and
- the newly adopted Just Eat Takeaway.com Performance Share Plan and Just Eat Takeaway.com Restricted Share Plan, respectively (collectively, the “Employee Share Plans”).

Pursuant to the Employee Share Plans and subject to their respective terms and conditions, certain employees of Just Eat Takeaway.com are entitled to receive a number of STAK depository receipts and/or a number of rights to subscribe for STAK depository receipts. Generally, upon vesting of a grant and, where relevant, exercise of options under any of the Employee Share Plans, Just Eat Takeaway.com issues or transfers the relevant number of Just Eat Takeaway.com Shares or Just Eat Takeaway.com CDIs to STAK for the benefit of the relevant participants and STAK, in due observance of its articles of association and in accordance with its terms and conditions of administration, issues one depositary receipt to the relevant eligible participant for each Just Eat Takeaway.com Share issued or Just Eat Takeaway.com Share CDI transferred to it for the benefit of such eligible participant. Based on the STAK's terms and conditions, STAK exercises the voting rights attributable to the Just Eat Takeaway.com Shares and Just Eat Takeaway.com Share CDIs it holds and administers at its own discretion.

Issuance of shares

The General Meeting, or the Management Board subject to approval by the Supervisory Board to the extent so authorised by the General Meeting for a specific period, may resolve to issue shares. The General Meeting is only authorised to resolve to issue shares upon the proposal of the Management Board and subject to the approval of the Supervisory Board. This also applies to the granting of rights to subscribe for shares, such as options, but is not required for an issue of shares pursuant to the exercise of a previously granted right to subscribe for shares. An authorisation as referred to above will be irrevocable unless otherwise stipulated and will each time only be valid for a fixed term of no more than five years and may each time only be renewed for a maximum period of five years.
The Company may not subscribe for its own shares on issue.

On 9 January 2020, the Extraordinary General Meeting approved the delegation to the Management Board of the right to issue shares in the Company and grant rights to acquire shares in the Company in connection with the combination with Just Eat, up to a maximum, in the aggregate, of such number of (rights to acquire) shares as is permissible under the Company's authorised share capital at the time of the issuance or grant. Any such issue or grant is subject to the approval of the Supervisory Board and is valid for a period of 18 months from 9 January 2020, ending on 9 July 2021. This delegation expired following the service of a compulsory acquisition notice by the Company for shares, and the rights to acquire shares as set out in the employee share schemes operated by Just Eat, in March 2020. The notice took effect on 30 July 2020.

On 14 May 2020, the General Meeting resolved to irrevocably authorise the Management Board to, subject to approval by the Supervisory Board, resolve to issue ordinary shares and to grant rights to subscribe for ordinary shares in the capital of the Company. This authorisation of the Management Board with respect to the issue of ordinary shares and / or granting of rights to acquire ordinary shares is limited to : (i) 14,408,958 (rights to acquire) ordinary shares (representing 10%) for general corporate purposes, (ii) 14,408,958 (rights to acquire) ordinary shares (representing 10%) in connection with or on the occasion of mergers, acquisitions and/or strategic alliances and (iii) 7,204,479 (rights to acquire) ordinary shares (representing 5%) in connection with one or more incentive plans for Managing Directors, senior management and/or other employees of the Company, all to be valid for 15 months as of 14 May 2020, ending on 14 August 2021.As this resolution had a significant number (22.2%) of votes cast against it, the Management Board and the Investor relations department engaged with our shareholders ahead of the 2021 AGM. While the authority sought under this resolution was in accordance with the Company's previous practice the Company understood from this engagement, the reasons for the votes against are twofold: many institutional shareholders have specific policies against supporting this type of resolution and other shareholders followed the voting guidelines of leading corporate governance agencies to vote against this resolution.

Subsequently at the EGM held on 7 October 2020, the Extraordinary General Meeting resolved to irrevocably authorise the Management Board to issue up to a maximum, in the aggregate, of 233,297,041 Just Eat Takeaway.com Shares only where those shares are issued in connection with the Transaction with Grubhub Inc., including to satisfy any obligations pursuant to the Transaction in respect of employee stock option plans. This authorisation does not affect the authorisation to issue Just Eat Takeaway.com shares as granted at the Company's annual general meeting of 14 May 2020 and as referred to immediately above. The authority is valid for 18 months as of 7 October 2020, ending on 7 April 2022.

Pre-emptive rights

Upon issue of shares in the capital of the Company or grant of rights to subscribe for shares, each shareholder shall have a pre-emptive right in proportion to the aggregate nominal amount of his or her ordinary shares in the capital of the Company. Shareholders do not have pre-emptive rights in respect of shares issued against contribution in kind, shares issued to the Company's employees or shares issued to persons exercising a previously granted right to subscribe for shares.

Pre-emptive rights may be limited or excluded by a resolution of the General Meeting upon the proposal of the Management Board and subject to the approval of the Supervisory Board. The Management Board, subject to approval by the Supervisory Board, is authorised to resolve on the limitation or exclusion of the pre-emptive right if and to the extent the Management Board has been designated by the General Meeting to do so.
The designation will only be valid for a specific period, in each case not exceeding five years. Unless provided otherwise in the designation, the designation cannot be cancelled. A resolution of the General Meeting to limit or exclude the pre-emptive rights or a resolution to designate the Management Board as described above requires a two-thirds majority of the votes cast if less than half of the issued share capital is represented at a General Meeting.

On 9 January 2020, the Management Board was authorised by the Extraordinary General Meeting to resolve to restrict and/or exclude statutory pre-emptive rights in relation to the issuances of ordinary shares in the capital of the Company or the granting of rights to subscribe for ordinary shares in connection with the combination with Just Eat.
This authorisation is subject to approval by the Supervisory Board and is valid for 18 months as of 9 January 2020, ending on 9 July 2021.
This delegation expired following the service of a compulsory acquisition notice by the Company for shares, and the rights to acquire shares as set out in the employee share schemes operated by Just Eat, in March 2020.
The notice took effect on 30 July 2020.

Pursuant to a resolution of the General Meeting adopted on 14 May 2020, the Management Board has been, subject to the approval of the Supervisory Board, irrevocably authorised by the General Meeting to resolve to restrict and/or exclude statutory pre-emptive rights in relation to the issuances of shares in the capital of the Company or the granting of rights to subscribe for ordinary shares. The aforementioned authorisation of the Management Board is limited to (i) 14,408,958 (rights to acquire) ordinary shares (representing 10%) for general corporate purposes, and (ii) 14,408,958 (rights to acquire) ordinary shares (representing 10%) in connection with or on the occasion of mergers, acquisitions and/or strategic alliances, and is valid for 15 months as of 14 May 2020, ending on 14 August 2021.

The Company notes that this resolution to delegate to the Management Board the right to exclude or limit pre-emptive rights in connection with or on the occasion of mergers, acquisitions and/or strategic alliances was passed, but had a significant number (40.0%) of votes cast against it. The authority sought under this resolution was in accordance with the Company's previous practice. The Management Board and the Investor relations department are in regular engagement with our shareholders and were also engaged with our shareholders ahead of the 2021 AGM. From this engagement, the Company understands the reasons for the votes against are twofold: many institutional shareholders have specific policies against supporting this type of resolution and other shareholders followed the voting guidelines of leading corporate governance agencies to vote against this resolution.

Similarly, the Management Board has been irrevocably authorised by the Extraordinary General Meeting, held on 7 October 2020, to resolve to restrict and/or exclude statutory pre-emptive rights in relation to the issuances of ordinary shares in the capital of the Company or the granting of rights to subscribe for ordinary shares. The aforementioned authorisation of the Management Board is limited to 233,297,041 shares and only relates to shares issued in connection with the Transaction with Grubhub Inc., including to satisfy any obligations pursuant to the Transaction in respect of employee stock option plans. This authorisation does not affect the authorisation to restrict and/or exclude statutory pre-emptive rights as granted at the Company's annual general meeting of 14 May 2020 and as referred to above. The authority is valid for 18 months as of 7 October 2020, ending on 7 April 2022.

Remuneration policies

Amendments to the remuneration policies for the Management Board and Supervisory Board, along with supplements to these remuneration policies in respect of certain Managing Directors or Supervisory Directors, are presented to the General Meeting for approval.

At the EGM on 7 October 2020, approval was sought for, amongst other things, a supplement to the remuneration policy of the Management Board in respect of Matthew Maloney, CEO of Grubhub Inc. This resolution was rejected at the EGM. We note that this resolution was rejected with a significant number (57.6%) of votes cast against it. The proposed remuneration of Matthew Maloney was in line with his current remuneration package at Grubhub Inc. Whilst the rejected proposal was unexpected, the Management Board and the Investor relations department engage regularly with our shareholders. From this engagement, we understand that an important reason for the votes against is the relatively high variable remuneration compared with the current remuneration policy at Just Eat Takeaway.com. In addition, shareholders followed the voting guidelines of leading corporate governance agencies to vote against the resolution.

Acquisition of own shares

The Company may acquire fully paid-up shares in its own share capital at any time for no consideration (om niet) or, subject to Dutch law and its Articles of association if: (i) the distributable part of the shareholders' equity is at least equal to the total purchase price of the repurchased shares; (ii) the aggregate nominal value of the shares that the Company acquires, holds or holds as pledge or that are held by a subsidiary does not exceed 50% of the issued share capital; and (iii) the Management Board has been authorised by the General Meeting to repurchase shares. As part of the authorisation, the General Meeting must specify the number of shares that may be acquired, the manner in which the shares may be acquired and the price range within which the shares may be acquired. No authorisation from the General Meeting is required for the acquisition of fully paid-up shares for the purpose of transferring these shares to the employees of the Company pursuant to any share option plan, provided that such shares are quoted on the official list of any stock exchange.

Pursuant to a resolution by the General Meeting adopted on 14 May 2020, the Management Board, subject to approval by the Supervisory Board, has been authorised to resolve to acquire fully paid-up shares.
Such authorisation of the Management Board is limited to 10% of the issued ordinary shares and is valid for 18 months from 14 May 2020, therefore ending on 14 November 2021.

Shares may be acquired at the stock exchange or otherwise, at a price between the nominal value and the higher of: (i) an amount equal to 5% above the average market value for the Company's shares for the five business days immediately preceding the day on which the share is contracted to be purchased, and (ii) the higher of the price of the last independent trade and the highest current independent purchase bid at the time on the trading venue on which the purchase is carried out.

No voting rights may be exercised in the General Meeting with respect to any share or depositary receipt for such share held by the Company or by a subsidiary, and no payments will be made on shares the Company holds in its own share capital.

The Management Board is authorised to dispose of the Company's own shares held by it.

Amendment of the Articles of association

The General Meeting may resolve to amend the Articles of association upon the proposal of the Management Board which is subject to the approval of the Supervisory Board. A proposal to amend the Articles of association must be included in the agenda for the relevant General Meeting. A copy of the proposal, containing the verbatim text of the proposed amendment, must be lodged with the Company for the inspection of every shareholder until the end of the General Meeting.

External auditor

At the General Meeting held in May 2018, Deloitte was re-appointed as the external auditor of the Company for the financial years 2018 through 2020. The Management Board shall report their dealings with the external auditor to the Supervisory Board on an annual basis. The external auditor may be questioned by the General Meeting in relation to the auditor's opinion on the financial statements. The external auditor shall attend and be entitled to address the General Meeting for this purpose.

Stakeholder engagement

Stakeholder engagement by the Management Board

The experience and knowledge of the Management Board is key to considering the needs and wants of the Company's various stakeholders. Managing Directors interact with our shareholders by way of regular roadshows and conferences, and there are frequent discussions with our major shareholders, supported by the Investor relations department. In 2020, our roadshows and discussions were mainly conducted online. The Company also has in place a policy regarding bilateral contracts with shareholders, as mentioned in the section 'Information for Shareholders' on pages 148 to 153.

Further details on workforce engagement can be found in the section 'Our People' on pages 43 to 46.

Information on our work to support and engage with our communities is set out in the section 'Responsible Business' on pages 47 to 51.

Further information on how we interact with restaurants and consumers can be found in our 'Company profile' on pages 10 to 14 and the section 'Our product' on pages 33 to 36.

Major shareholdings

The Financial Supervision Act and the UK Listing Rules require investors who hold a share interest or voting interest exceeding (or falling below) certain thresholds to (inter alia) notify their interest with the Authority for the Financial Markets (AFM) in the Netherlands and simultaneously with the Financial Conduct Authority (FCA) in the UK.

This information is included in the section 'Information for shareholders'.

Related party transactions

In accordance with provision 2.7.5 of the DCGC and Rule 11.1 of the UK Listing Rules, the Company reports that Just Eat Takeaway.com did not enter into transactions in 2020 with legal or natural persons who hold at least 10% of the shares in the Company.

Corporate Governance Statement

This is a statement concerning corporate governance as referred to in section 2a of the decree on additional requirements for annual reports (Vaststellingsbesluit nadere voorschriften inhoud jaarverslag) effective as of 1 January 2010 (the Decree).

The information required to be included in this Corporate Governance Statement as described in sections 3, 3a and 3b of the Decree is included in this chapter, provided that the main characteristics of Just Eat Takeaway.com's internal risk management measures and control systems relating to its financial reporting process, as required by article 3a sub a of the Decree, are described in the section 'Risk management'.

Report of the Audit Committee

The Just Eat Takeaway.com Audit Committee was initially set up by the Supervisory Board in February 2020. Following the revocation of the initial enforcement order by the UK Competition and Markets Authority, Gwyn Burr was able to take her place in the committee. This is the first report of the Audit Committee.

Introduction

The Audit Committee is pleased to present the Report of the Audit Committee, which provides a summary of the Audit Committee's role and activities during the second half of the 2020 financial year.

We reviewed those areas under our remit with the Management Board and internal and external auditors, as appropriate. Our activities help ensure the interests of shareholders are protected and our financial reporting and internal risk management and control systems are effective and operate with integrity.

Membership

The Audit Committee comprises three independent Directors from the Supervisory Board; Ron Teerlink, Adriaan Nühn and Gwyn Burr. All our members have relevant sector and financial competence to fulfil their roles, as set out in their biographies on pages 76 to 77. Ron Teerlink, the Audit Committee's Chair, has recent and relevant financial experience as recommended by the UKCGC.

Role and activities

The Audit Committee met three times in its current constellation as a committee during the year. Senior representatives of the financial management team attend meetings, as do representatives of the internal auditor function and the external auditor. The committee or one or more of its delegates also meets privately with the external auditor at least once per year. Key matters handled by the Audit Committee include:

- Supervision of the integrity and quality of the Company's financial reporting, in particular the integrity of the process;
- Supervision of the effectiveness of the internal risk management and control systems;
- Monitoring the statutory audit of the Annual Report;
- Monitoring the Management Board with regard to:
  - Relations with, and compliance with recommendations and following up of comments by, the internal and external auditors;
  - The funding of Just Eat Takeaway.com;
  - The application of information and communication technology, including cybersecurity risks;
  - Just Eat Takeaway.com's tax policy.

Financial reporting

Over the course of 2020, we reviewed, prior to publication, the report on the 2020 half-year results, the 2020 Q3 results and the accompanying press releases. These included the consolidation of the legacy Just Eat financial results and an estimate for the remainder of the year taking into account the impact of Covid-19. In a follow-up session to the half-year results, we considered the analysis of these results, presented to us by the Company's management and our external auditor.

In preparation of the annual accounts on 11 January 2021, the Audit Committee discussed the management letter with the auditor.

In March 2021, the Audit Committee discussed the auditor's report with the auditor as well as the draft financial statements. The Audit Committee discussed, among other topics, the audit approach, key audit matters, communications, timing, audit fees, composition of the audit team, materiality, expertise of the individual audit team members as well as the annual report (including the financial statements) and related documents. Particular attention was paid to key audit matters, which related to the referral instructions to Deloitte components and other specialists, the audit approach to revenue testing and segments, impairment testing, taxes testing and IFood testing. The issues were also discussed with the external auditor.

The committee discussed with the external auditor as to how management's judgement and assertions were challenged and how professional skepticisms was demonstrated during their audit of these areas; this included where relevant challenging the analysis performed by the external auditor. The committee is satisfied that there are relevant accounting policies in place in relation to significant issues and management have correctly applied these policies.

In addition to the matters noted above, our external auditor, as required by auditing standards, also consider the risk of management override of controls. Nothing has come to either our attention or their attention to suggest any material misstatement related to suspected or actual fraud relating to management override of controls.

The Audit Committee also discussed the auditor's report, the quality of internal risk management and control systems and had a discussion with the auditor without the Management Board being present.

On 8 March 2021, the Audit Committee reviewed and discussed this annual report, including the 2020 financial statements, with the CFO in the presence of the auditor.

Non-audit services

In December 2020, the Supervisory Board approved a policy which governs the provision of audit, audit-related assurance and non-audit services provided by the external auditor. In summary, audit services may be performed by the external auditor, subject to pre-approval by the Audit Committee on the basis of the annual audit services engagement agreed with the external auditor. All audit-related services up to €100,000 may be approved by the Audit Committee Chair and CFO together, and any non-audit services, or audit-related services in excess of €100,000 shall require specific pre-approval by the Audit Committee. The Audit Committee confirms that the external auditor does not provide any services which are prohibited by the FRC Ethical Standard.

Risk management and control

Our work in 2020 also included oversight of Just Eat Takeaway.com's various internal risk management and control systems. To facilitate this, during the year we reviewed the 2020 audit plan with the external auditor, considered updates from management regarding risk and internal audit, received and reviewed regular reports from the external auditor, the CFO and the Director of Internal Audit and Risk, and conducted a review of the Company's internal audit charter.

Integration

One of the key focuses of the Audit Committee in 2020 was the integration with the Just Eat business, particularly risk management and control considerations and resources. We receive updates on the proposed combination with Grubhub and discuss the potential needs of the business from a regulatory compliance perspective, for example Sarbanes-Oxley compliance.

Significant issues

Prior to each meeting of the Audit Committee at which it is to be considered, the Management Board produce a paper providing details of any significant accounting, tax, compliance and legal matters. We also invite members of the Management Board to attend these meetings where further guidance is required. Critical accounting judgements in applying Just Eat Takeaway.com's accounting policies and key sources of estimation uncertainty are included within Note 2 to the financial statements. The risks we consider to be significant for the 2020 Annual Report are disclosed below in the 'Risk management' section.

Internal audit function

The Audit Committee reviewed internal audit's plan for the year and agreed its resource requirements. It reviewed multiple summary reports and management's response thereto together with the completion status of agreed actions.

External auditor

Deloitte has been the Company's auditor since 2014 and the General Meeting re-appointed Deloitte as the Company's external auditor at the General Meeting held in May 2018.

On the recommendation of the Audit Committee, the Supervisory Board is expected to propose the reappointment of Deloitte at the AGM in May 2021. Under current Dutch legislation, the Company must change its external auditor before the 2024 financial year ends. At present, we are satisfied with the quality of our audit and, subject to the evaluation of the 2020 audit process, have no plans to retender the external auditor appointment earlier.

The Company is a FTSE 100 company and as such for the first time this year required to comply with The Statutory Audit Services for Large Companies Market Investigation (Mandatory use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014. So far, no tender for the audit of the Annual Report has been performed and no such tender will be held in 2021. The Audit Committee currently considers a competitive tender process in 2024 to be in the best interests of the Company.

Self-assessment

Annually, the Audit Committee assesses its functioning in order to evaluate its performance and identify opportunities for individual and shared growth, along with any specific training or educational needs for each member. This was carried out in December 2020. The committee looked at the functioning of the Audit Committee as part of the annual evaluation of the Supervisory Board. Having completed an evaluation form, the feedback was discussed in a Supervisory Board meeting without the presence of the Management Board.

The Audit Committee

Ron Teerlink	Adriaan Nühn	Gwyn Burr
Chair	Member	Member

Risk management

In 2020, the approach to risk management of legacy Just Eat and legacy Takeaway.com was fully aligned. We committed time and resources to conduct several risk assessments across Just Eat Takeaway.com using the aligned risk management methodology to confirm (levels of) risks and risk appetite levels.

Introduction

The Company is an entrepreneurial company by nature, having achieved great success over 20 years through conscious and balanced risk-taking. Its success is, in part, based on our centralised operational approach which is also reflected in our risk management activities.

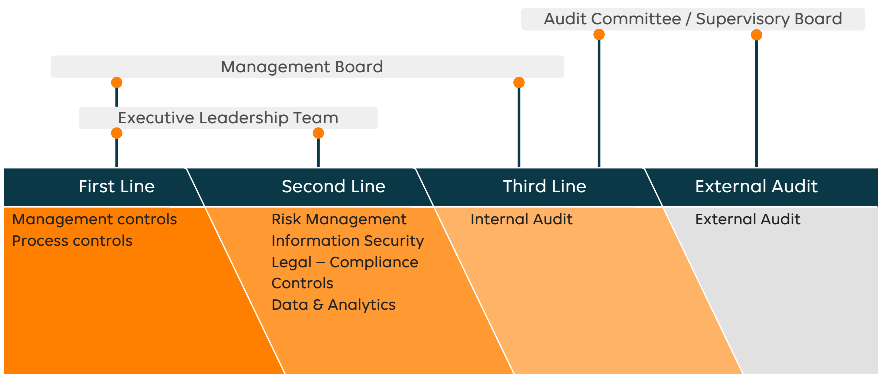
We take a structured approach to enterprise risk management (ERM) which starts with the Management Board and is applied thereafter throughout Just Eat Takeaway.com. The practical ERM programme is built upon the updated ERM policy as approved by the Management Board and Supervisory Board in the second half of 2020. The practical implications of the ERM policy are outlined in a detailed risk management methodology. This methodology provides for various risk assessments to be conducted across the Company on an annual basis with the Risk and Control teams presenting on the development of principal and other risks and the effectiveness of mitigating actions and controls to (members of) the Management Board.

During 2020, the Company invested further in its risk management capability, by clearly defining our integrated second- and third-line functions: Group Risk, Control, and Internal Audit. Upskilling those functions, to operate independently as teams, that contribute to an aligned growth agenda. Each team is onboarding experienced resources, with the aim of further maturing the Company's ERM and control programs. The Risk and Control teams grew from 4 FTEs as of 31 December 2019 to 12 FTEs as of 31 December 2020 with at least 4 additional FTEs set to reinforce the teams in 2021.

Risk and control awareness meetings were conducted throughout the year to influence culture, behaviour, and motivation of employees. In addition, identified risks were discussed with the Management Board and/or senior management when and where required, and updates to risks, actions, and controls were carried out.

Risk and Control

The Company has dedicated Risk and Control teams overseeing the ERM programme of the Company in a second line of defense capacity.
They support the Management Board and senior management by bringing expertise, process excellence, and management monitoring alongside the first line of defense (owners of specific risks, mitigating actions and controls) to help ensure that risks, actions, and controls are effectively managed within the risk appetite levels as expressed by the Management Board.



The Risk and Control teams are separate from the first line of defense but are still under the control and direction of the Management Board. The Risk and Control teams are also fully aligned with the Information Security team (also a second line of defense function), both from a technical perspective and risk, control, and compliance perspectives. The Risk, Control and Information Security teams are bound by individual charters.

Controls and ISAE 3402 reports

In 2020, Takeaway.com Group B.V., embarked on its mission to obtain an unqualified assurance report (Type 2 - Operating Effectiveness) in relation to the ISAE 3402[1] Report. This report provides a description of the legacy Takeaway.com online payment processing systems in the European Union (mainly Order-to-Cash and IT processes), the risks involved in these processes, and the suitability of the design and operating effectiveness of selected controls addressing these risks. This report covers key controls in place within Takeaway.com Group B.V. for the benefit of restaurants and our regulated subsidiary Takeaway.com Payments.

Several other business processes (i.e., record-to-report, purchase-to-pay, acquire-to-retire, data-to-insight, hire-to-retire, GDPR related controls, and entity-level controls) have also been assessed internally by our second lines of defense (i.e., Risk and Control, Information security, compliance functions of Takeaway.com Payments and the Company) and/or have been audited by our third line of defense (Internal Audit). The Information Security function has also assessed our current IT risk and control mitigation environments of the legacy Takeaway.com platform and related

[1] ISAE 3402 is an international assurance standard for allowing public accountants to issue a report for user organisations and their auditors on the controls at a service organisation (in this case Takeaway.com Group B.V.) that are likely to impact or be a part of the user organisation's system of internal control over financial reporting.

applications against the Good Practice Information Security 2019/2020 as issued by the Dutch Central Bank. This Good Practice, in our view, also covers ISO 27001[1] requirements, the leading international standard for an information security management system.

ERM approach

A summary of our ERM approach and key elements within it (based on the ISO 31000 ERM model) is outlined below.

Strategic objectives

We manage our business based on operating segments (markets). Each segment within it demonstrates different competitive intensity, market maturity and potential. We pursue a significant growth strategy as a path to long-term value creation, which requires us to invest heavily in the markets in which we operate. Apart from competition, we are influenced by other internal and external factors such as, but not limited to, IT (security) developments, consumer preferences, brand and reputation, social change, people, and laws and regulations. We consider all these factors, and our internal strengths and weaknesses, when developing our strategic objectives. These strategic objectives form the basis of our risk management programme.

Risk identification

The risk identification phase is to identify risks which could endanger the achievement of our strategic objectives including those related to our regulated subsidiary Takeaway.com Payments. Risks are identified using 1) external sources, 2) internal (risk) documents, and 3) risk workshops/interviews with the Management Board, senior management and other stakeholders within the Company. On a continuous basis, emerging and identified new risks which may threaten the achievement of our strategic objectives are assessed for impact and likelihood. In addition to the principal risks of the Company, we also identify and assess risks for various other purposes, such as significant projects, platform migrations, regulatory requirements, fraud discovery, specific countries, and IT landscapes.

[1] ISO 27001 is a widely known international standard on how to manage information security

To facilitate the risk identification phase, we use five broad risk categories to classify risks. These categories are not mutually exclusive, as any service or product may expose the Company to multiple risks. In addition, risks may also be interdependent in which an increase in one category of risk may cause an increase in others. It is the responsibility of the Management Board to be aware of this interdependence and assess the effect in a consistent and inclusive manner. The five categories are as follows:

CATEGORY	EXPLANATION
Strategic	Risks arising from the fundamental decisions that the Management Board takes concerning the Company's objectives. Essentially, strategic risks are the risks of failing to achieve strategic objectives.
Information Technology	Risks arising from all aspects of the IT environments across the organisation, be it in-house or outsourced environments.
Legal and regulatory	Risks arising from legal and regulatory requirements. This category covers aspects such as GDPR, AML/CFT, guidelines issued by the European Banking authority, regulatory good practices, contractual agreements, and oversight by authorities for the financial markets in which the Company operates.
Financial	Financial risks can arise from four broad categories as follows: 1. Market risk - Is about what happens when there is a substantial change in the particular marketplace in which our Company operates including foreign exchange exposures; 2. Credit risk - Is about lines of credit to corporate customers and restaurants; 3. Liquidity risk - Is about how easily the Company can convert assets into cash if it needs funds; 4. Financial reporting risk - Is about what happens when the Company files financial reports with regulators or makes financial reports public with incorrect information due to error or fraud.
Operational	Risks arising from inadequate or failed internal processes, people and systems, irrespective whether this was triggered internally or by external factors.

Risk assessment

Once risks have been identified through risk assessments, workshops, and risk interviews, the next steps we undertake are to assess the 1) likelihood of occurrence (chance that the risk will materialise), and 2) (financial or non-financial) impact when the risk materialises. As part of this, we identify and assess actions proposed, ongoing or finalised to address identified risks insofar as the net risk level deviates from the desired risk appetite level. Where risks are directly linked to controls, we assess the design and operating effectiveness of controls related to these risks, either performed in-house or independently by third parties.

Actions to address deviations from the desired risk appetite are covered in risk playbooks and from time to time discussed with the risk owners. In case a risk is mitigated by controls, various risk and control matrices are in place so as to allow the linkage of risks to controls. These controls are covered in one of the following matrices:

PROCESS	COVERING
Purchase-to-Pay	Internal and external requisition processes
Record-to-Report	Accounting, financial control, financial planning and analysis, reporting and treasury
Order-to-Cash	Sales, order management, restaurant invoicing and payout processes
Hire-to-Retire	Recruitment, Human Resources, and payroll processes
Data-to-Insights	Transforming data (numbers and text) to insights (knowledge gained through analysing data)
Acquire-to-Retire	Asset purchase and disposal, depreciation and amortisation
Information technology	Customer facing, and internal IT processes, be in platform related or applications in processes
Tax	Adherence to various tax laws & regulations
GDPR	Adherence to the general data protection regulation
Entity-level controls	Processes related to the control environment, risk assessment, control activities, information and communication, and monitoring activities

Risk evaluation

For our senior management to manage their respective parts of the Company's operations, it is important to provide them with sufficient guidance on the levels of risk that the Management Board considers legitimate to take (risk appetite). The Management Board has defined risk appetite as follows: "the amount and type of risk that the Management Board is willing to accept in pursuit of its business objectives".

The risk appetite guidance has been outlined in a number of specific risk appetite statements, spread over the five broad risk categories, and related assessment factors. At the organisational level, risk appetite is more complicated to be defined but at the level of a specific risk we have defined acceptable exposures in terms of both the impact if a risk occurs, and the frequency of that impact. It is against this that net (residual) risks are compared to decide whether or not further action is required. What is acceptable may be affected by the value of assets lost or wasted in the event of an adverse impact; stakeholder perception of such an impact; the cost of implementing actions to further manage the risk; the likelihood of the risk occurring; and the balance of potential benefit to be gained.
Our risk appetite levels are:

APPETITE	EXPLANATION
Averse	Avoidance of risk and uncertainty is a key objective of the Company
Minimal	Preference for ultra-safe options that are low risk and only have a potential for limited reward
Cautious	Preference for safe options that have a low degree of risk and may only have limited potential for reward
Open	Willing to consider all potential options and choose the one most likely to result in successful delivery, while also providing an acceptable level of reward and value for money
Hungry	Eager to be innovative and to choose options offering potentially higher business rewards, despite greater inherent risk

Gaps between the current net (residual) risk levels and the risk appetite levels expressed by the Management Board are addressed by four possible responses: Accept, Mitigate, Transfer or Avoid. The response depends on the expressed risk appetite level vis-à-vis the net risk level. Our risk management activities are primarily focused on those risks we decide / need to mitigate. Through this process, the key risks are prioritised according to our risk appetite and we highlight the risks requiring the most attention by the Management Board.

Risk monitoring

Selected actions and controls were tested by the first, second, and/or third lines of defense during 2020. Attention has been given to observed weaknesses, identified instances of misconduct and irregularities, lessons learned and findings from the internal audit function and the external auditor. Where necessary, improvements have been or are in the process of being made to internal risk management and control systems.

Takeaway.com Group B.V. also engaged Deloitte Risk Advisory to report on the description of the online payment processing system of legacy Takeaway.com for processing transactions on behalf of restaurants, and to report on the design and operating effectiveness related to the control objectives stated in the description. The description in the ISAE 3402 report reflects the period of 1 May 2020 to 31 December 2020 and relates solely to online payments executed by consumers in the European Union insofar as related restaurants have successfully complied with the onboarding procedures (e.g., AML/CFT procedures). Testing by Deloitte Risk Advisory was conducted in accordance with the International Standard on Assurance Engagements 3402 "Assurance Report on Controls at a Service Organisation", issued by the International Auditing and Assurance Standards Board. Restaurants can request a copy of this report to ascertain themselves that relevant controls at the Takeaway.com Group B.V. level operated effectively for their financial reporting purposes. The report covers mostly controls in the order-to-cash, record-to-report, and IT processes, and applies to the following:

TYPE	DOMAINS
Business controls	• Restaurant account management, • Order placement and transmittal, • Payment processing by external payment service providers, • Invoicing, • Transaction monitoring, • Restaurant payout, • Refunds.
General IT controls	• Access to programs and data, • Programme changes, • Computer operations, • Third-party management.

Migrating the restaurants on the legacy Just Eat platforms to the legacy Takeaway.com platform, in combination with the completion of the required onboarding procedures under ‘Restaurant account management’ automatically enhances controls for these countries given the centralised control nature of the legacy Takeaway.com organisation, and the continued certification process of these controls.

Improvements to the risk management system

In 2020, a number of improvements were made to our ERM system:

- Aligned the risk management activities of Just Eat and Takeaway.com,
- Updated our ERM policy, Risk management methodology, and Risk and Control charter as a result of the integration,
- Invested significantly in resources in the Risk and Control and Information Security teams,
- Performed various risk assessments within the Company including IT, platform migrations, and projects,
- Updated the principal risk and global fraud risk registers of the Company.

Risks and uncertainties with a significant impact on Just Eat Takeaway.com

In preparation of the US listing, the Risk and Control function has embarked on the Sarbanes-Oxley ("SOx") Section 404 implementation programme. As a result, Just Eat Takeaway.com has identified various control weaknesses in the design and operating effectiveness with respect to the Internal Control—Integrated Framework (2013 Framework) issued by the COSO, particularly regarding the documentation required to evidence the existence and effectiveness of these entity-level controls as well as business controls in various processes and general IT controls covering platforms and process-related applications.

As a result, identified control weaknesses are in the process of being remediated through detailed gap remediation programs with the assistance of an external advisor. Significant progress has been made in upgrading the risk and control systems and the Chief Financial Officer and the Management Board have been involved throughout the remediation process. Failing to properly address the implications of Section 404 may have a significant impact on the Company in the future. Just Eat Takeaway.com is not currently required to comply with the rules of the SEC implementing SOx 404, and therefore is not required to make a formal assessment of the effectiveness of its internal control over financial reporting for that purpose.

Non-exhaustive list of principal risks

Based on the process described, we have identified twelve principal risks. Below we have described the development of these risks over 2020 and the mitigating actions we have taken. Of the legacy principal risks in Takeaway.com and Just Eat, the combined Company have added three new risks. A summary of those changes is provided below:

Acquisitions

This is a new entrant into our principal risk register and recognises the recent developments in our business, with the combination of Takeaway.com and Just Eat, and the potential acquisition of Grubhub on the horizon. This new risk speaks to the challenge of balancing our growth agenda and leveraging positive synergy effects that you would expect to achieve from any merger and acquisition. Transactions of this size come with complexities for any business and therefore management of it is a key priority for our success.

Delivery economics

Logistics is a key instrument in driving our growth agenda and continuing to meet consumer and restaurant needs, in all the markets we are active in. This reality represents a significant investment to our business and is essential to our long-term viability and profitability. Management of this risk is a key priority for our success.

Global strategic projects

There are a number of global strategic initiatives (e.g., logistics, customer services, facilities) representing significant investments to our business and considered essential to our long-term viability and profitability. Management of these projects are key priorities for our success. These projects cover many functions within the Company which have to work in an efficient and effective manner while also continuing the business-as-usual activities.

Risk at a glance

RISK AREA	RISK	RISK DESCREPTION	RISK APPETITE
Strategic	Innovation	Our creativity and / or pace may be lacking, in the way that we transform our service, relative to competition / market demands. Also, platform migrations and too many / changing priorities may prevent us from truly innovating our product.	
	Competition	Competitive forces may prevent us from achieving our goals, leading to declining revenues or margins.	
	Brand & reputation	Failure to maintain our reputation and top-of-mind brand awareness in each market.	
	Acquisitions	We have grown significantly through acquisitions. We may fail to conduct adequate due diligence or fail to achieve the expected synergy effects.	
	Global strategic projects	Given the growth of the Company, significant investments occur in programmes for expanding choice and consumer / restaurant satisfaction and other strategic objectives. There is a risk that the outcomes do not meet their intended objectives.	
Information Technology	Technology reliability and availability	The reliability and / or availability of our platforms and wider technology supplier ecosystem may be compromised, including the inability to (timely) recover from such disruptions.	
Legal and regulatory	Social change, legislation and regulation	Non-compliance resulting in litigation or negative public relations, and effects on margins due to restrictive (or changing) laws and regulations. Risk events are: • Gig economy • Food legislation / tax (HFSS) • Payment Service Directive 2 (Directive 2015/2366/EU on payment services) regulations • New taxes	
	Data security & privacy	Sensitive commercial & privacy data may be used and / or retained without authorisation / against the law, or is stolen.	
Financial	Financial reporting	Being a multi-exchange listed company raises the risk of not being able to meet additional regulatory requirements. In addition, material errors in our financial reports (including disclosures), intentional or not, may not be discovered (on time), either at group or subsidiary level.	
Operational	People	Critical skills shortage, no market-leading workforce to deliver on our strategy, lack of succession planning, and inability to foster a diverse and inclusive culture.	
	Operational complexity of hybrid model (Marketplace and Delivery)	Expansion and/or change to our Delivery logistics represents a significant cost investment by Just Eat Takeaway.com and there is a risk to long-term business margins and profitability expectations. It has a significant upside potential but we may fail on the opportunities presented.	
	Integration & transformation	Combining of technologies, processes, information, people and/or departments raises the risk of inadequate integration or transformation. This could relate to e.g. inadequate enterprise governance and operational design, and insufficient ownership and managing change.	

STRATEGIC

Innovation

Our creativity and / or pace may be lacking, in the way that we transform our service, relative to competition / market demands. Also, platform migrations and too many / changing priorities may prevent us from truly innovating our product.

Main actions and controls

- Investing in innovative Product teams and strong focus by MB on innovative solutions and offerings,
- Maintaining organisational agility, state-of-the-art technology, and superb processes to enable swift response to new market developments,
- Investing in new B2B opportunities,
- Investing In logistical solutions,
- Clear market leader in most markets we are active in, thus creating high barrier for competition,
- Platform migrations will ultimately lead to more developers having adequate time for innovative features.

Potential impact

Disruptive innovation or lacking creativity or innovation pace could affect our ability to retain consumers which can lead to a material adverse impact on our business, results of operations, financial condition and prospects.

Trend compared to 2019:

STRATEGIC

Competition

Competitive forces may prevent us from achieving our goals, leading to declining revenues or margins.

Main actions and controls

- Continue expanding our #1 position in each Leading Market through investments in our brands and our service, through strategic partner growth, and ongoing business intelligence / advanced analytics,
- Continued focus on portfolio management and potential mergers and acquisitions,
- Top-of-mind brand awareness,
- Regular working capital assessments and looking into opportunities to constantly improve our cash position to meet or exceed the cash resources of our competitors.

Potential impact

We view market leadership as key to long-term success in our industry. We also believe that sustainable profitability is more achievable from a position of clear market leadership so to increasingly be able to benefit from network effects. Failure to achieve clear market leadership could lead to a loss of, or failure to increase, market share or otherwise materially adversely affect our business, results of operations, financial condition and prospects.

Trend compared to 2019:

STRATEGIC

Brand & reputation

Failure to maintain our reputation and top-of-mind brand awareness in each market.

Main actions and controls

- High top-of-mind brand awareness is critical to market leadership which in turn drives long-term profitability and sustainability of our operations. As such, improving our top-of-mind brand awareness in each market by continuing our significant marketing efforts is key to our success,
- Press coverage in relation to our business is constantly monitored and, where appropriate, media response actions are swiftly taken.

Potential impact

Failure to improve or maintain our top-of-mind brand awareness could result in a material adverse impact on our results of operations, and financial condition.

Failure to maintain brand appeal is a potential business threat and negative publicity could have a material adverse effect on our reputation and the reputation of our brands, and that may adversely affect our results of operations, and financial condition.

Trend compared to 2019:

Severity of risk, considering mitigation actions, is lower

No change to severity of risk

Severity of risk, considering mitigating actions, is higher

STRATEGIC

Acquisitions

We have grown significantly through acquisitions. We may fail to conduct adequate due diligence or fail to achieve the expected synergy effects.

Main actions and controls

- Proven Legal, Data & Analytics, FP&A and Corporate Development experts as well as reputable 3rd party experts in place,
- Ongoing monitoring of KPIs by MB on synergy effects, opportunities, and alignment activities.

Potential impact

Failing to conduct a proper due diligence or failing to achieve synergy effects could lead to a material adverse impact on our results of operations, financial condition, and prospects.

Trend compared to 2019:

STRATEGIC

Global strategic projects

Given the growth of the Company, significant investments occur in programmes for expanding choice and consumer / restaurant satisfaction and other strategic objectives. There is a risk that the outcomes do not meet their intended objectives.

Main actions and controls

- Clarity on our strategy and business case actions, ensuring that we take actions with credible benefits,
- Significant strategic focus MB and oversight SB,
- We execute controls within programme management, hiring experienced delivery teams, and monitoring progress.

Potential impact

Failing to properly execute on global strategic projects could lead to a material adverse impact on our results of operations, financial condition, and prospects.

Trend compared to 2019:

INFORMATION TECHNOLOGY

Technology reliability and availability

The reliability and / or availability of our platforms and wider technology supplier ecosystem may be compromised, including the inability to (timely) recover from such disruptions.

Main actions and controls

- Continuous investments in our IT (security) environments, both in human resources, and software solutions,
- Annual, independent testing of selected IT application and general IT controls for operating effectiveness to reduce the risk of IT-related failures,
- Strong 24/7 monitoring tools to measure reliability and availability of the IT infrastructures and processes across the organisation,
- Scenario-based testing of maturity of business continuity measures,
- Monitoring by Information Security (e.g. vulnerability assessments, bug bounty programs, threat assessments).

Potential impact

Any sustained failure of our IT systems would have a significant adverse impact on our reputation, our business, our results of operations, financial condition, and prospects.

Trend compared to 2019:

Severity of risk, considering mitigation actions, is lower

No change to severity of risk

Severity of risk, considering mitigating actions, is higher

LEGAL AND REGULATORY

Social change, legislation and regulation

Non-compliance resulting in litigation or negative public relations, and effects on margins due to restrictive (or changing) laws and regulations. Risk events are:

- **Gig economy**
- **Food legislation / tax (HFSS)**
- **Payment Service Directive 2 (Directive 2015/2366/EU on payment services) regulations**
- **New taxes**

Main actions and controls

- Ensuring staff stays aware of regulatory requirements through ongoing training and presentations,
- Takeaway.com Payments has sufficient policies and procedures in place to comply with the Payment Services Directive 2 (Directive 2015/2366/EU on payment services) related rules and regulations,
- Second-line and third-line functions monitor emerging, new and evolving risks,
- Engaging external specialists to assist in adherence to laws and regulations,
- Establishing project teams to address significant legislative changes,
- Taking proactive 'gig economy' measures.

Potential impact

Non-compliance could lead to fines, reputational damage, regulatory intervention, revocation of the license of Takeaway.com Payments, all could cause a material adverse impact on our reputation, business, results of operations, financial condition, and prospects.

Trend compared to 2019:

LEGAL AND REGULATORY

Data security & privacy

Sensitive commercial & privacy data may be used and / or retained without authorisation/against the law, or is stolen.

Main actions and controls

- Periodic reassessment of privacy related risks and control,
- Growing second line teams and systems to address risks,
- Recurring Information Security awareness trainings,
- Privacy council in place to address privacy-related concerns, controls, events, etc.,
- Information Security addressing privacy data risks and following up on security threats.

Potential impact

Non-compliance could lead to regulatory fines up to 4% of the consolidated revenues causing a material adverse impact on our reputation, business, results of operations, financial condition, and prospects.

The leakage of sensitive commercial data could lead to a material adverse impact on our results of operations, financial condition, and prospects.

Trend compared to 2019:

FINANCIAL

Financial reporting

Being a multi-exchange listed company raises the risk of not being able to meet additional regulatory requirements. In addition, material errors in our financial reports (including disclosures), intentional or not, may not be discovered (on time), either at group or subsidiary level.

Main actions and controls

- Various monitoring layers to review (non-)financial reports are in place,
- ISAE 3402 effectiveness testing performed on selected controls in the order-to-cash and general IT processes (Including those related to revenue recognition),
- Adding more seniority / resources to the Finance teams,
- Central accountability for SOx 404 agreed and project management established,
- Senior management (and external auditors) review material balances, complex judgements and financial controls giving ongoing improvement input to the Finance teams.

Potential impact

Unintentional misstatements or manipulation could adversely affect our relationships with various stakeholders and therefore materially adversely impact our reputation, business, results of operations, financial condition, and prospects.

Trend compared to 2019:

Severity of risk, considering mitigation actions, is lower

No change to severity of risk

Severity of risk, considering mitigating actions, is higher

OPERATIONAL

People

Critical skills shortage, no market-leading workforce to deliver on our strategy, lack of succession planning, and inability to foster a diverse and inclusive culture.

Main actions and controls

- HR talent programme being implemented,
- Employee voice – We listen to our employees, and regularly measure their engagement to ensure we have a clear employee value proposition that motivates and retains talent,
- Competitive benefit plans in place to align employee and shareholder incentives.
- Regular assessments of attrition across the organisation and adapting to new trends.

Potential impact

The loss of their services would result in a loss of knowledge and experience which could adversely affect our ability to effectively determine and execute our strategic objectives.

Trend compared to 2019: lower

OPERATIONAL

Operational complexity of hybrid model (Marketplace and Delivery)

Expansion and / or change to our Delivery logistics represents a significant cost investment by Just Eat Takeaway.com and there is a risk to long-term business margins and profitability expectations. It has a significant upside potential but we may fail on the opportunities presented.

Main actions and controls

- Constant focus of MB and senior management on success of the delivery model,
- Constantly considering improvements in unit economics and assessing network effects.

Potential impact

Failing to achieve longer-term business margins could lead to a material adverse impact on our results of operations, financial condition, and prospects.

Trend compared to 2019: higher

OPERATIONAL

Integration & transformation

Combining of technologies, processes, information, people and / or departments raises the risk of inadequate integration or transformation. This could relate to e.g. inadequate enterprise governance and operational design, and insufficient ownership and managing change.

Main actions and controls

- Established an Integration management office to assist with integrations and transformations,
- We have extensive experience with integration programs,
- Proven internal and external resources,
- Assurance on integration programme by Internal Audit,
- Ongoing monitoring of KPIs.

Potential impact

Integration and transformation may prove to be more costly than anticipated, may lead to failure to discover material liabilities for which Takeaway.com may be responsible, and / or we may not be able to retain acquired key staff members, restaurants, and consumers.

Trend compared to 2019: higher

Severity of risk, considering mitigation actions, is lower
No change to severity of risk
Severity of risk, considering mitigating actions, is higher

Monitoring and reporting

For all key risks, one Managing Director, supported by dedicated senior management of the Company, is made responsible for the successful completion of any required mitigating actions and/or controls and periodically reports on progress to the (member of the) Management Board.

The risk and control matrices are a core part of our financial control process and most items are covered as part of ongoing operations or as part of the monthly close processes. Each control owner is responsible for the operating effectiveness of the assigned controls. Senior management and other personnel discuss (indirectly or directly) controls with one Managing Director on a periodic basis (e.g., weekly or monthly). These meetings, other discussions, and relevant supporting evidence serve partially as substantiation for our in-control statement. The design and operating effectiveness of selected controls is periodically assessed by our second lines of defense (e.g., Information Security, Risk and Control, Data & Analytics, Compliance) as well as the third line of defense (Internal Audit).

We also updated our previous fraud risk assessment in the second half of 2020. The Company's stance with regard to integrity is clearly outlined in its Code of Conduct. Any incidents of fraud and theft within the Company will be promptly investigated, reported and, where appropriate, lead to disciplinary actions (from warnings to immediate terminations). The global fraud risk assessment is carried out annually. In addition, we carry out in-depth investigations of (possible) fraud cases, which may lead to an intermediate update of the fraud risk assessment.

Our strong data & analytics capability not only provides insight into our operational drivers, it also acts as a powerful monitoring tool that enables us to quickly detect unusual trends / transactions and follow up on these if necessary.

Finally, the Internal Audit function reports at least on a quarterly basis to the Management Board and Supervisory Board on the outcome of its activities.

Compliance on Privacy

In 2020, we started with the integration of the privacy structure of Just Eat and Takeaway.com, to further enhance our data protection processes by combining the best of both worlds.

Introduction

Just Eat Takeaway.com takes the privacy and data protection of all data subjects of whom it processes data very seriously. Just Eat and Takeaway.com had their own privacy models that differed in some respects, such as who the controller of the data was (central approach versus local approach) and whether there was an internal or external Data Protection Officer (DPO). As part of the combination of Just Eat and Takeaway.com, we have started with the integration of their privacy structures to form a new combined privacy structure that fits the business model and ensures compliance with applicable data protection and privacy regulations. The set-up of this new privacy structure will continue through 2021. In 2020 Just Eat Takeaway.com enhanced the compliance on privacy by improving awareness by strengthening the Privacy Ambassador Network, automation of Data Subject Requests, improving cookie statements and updating the data retention policies. The privacy compliance of Just Eat Takeaway.com is overseen by an installed cross functional Privacy Council and supported by the DPO Office.

Risk & Control

We have improved awareness of the operations and other departments on information security and data protection and privacy requirements by strengthening the Privacy Ambassador Network. The Privacy Ambassadors and Champions assist the DPO Office in collecting information on data processing and, in case they take place, security breaches, to ensure the DPO Office can complete the relevant assessments. To further cement the knowledge level of the Privacy Ambassador Network in 2020, we started working together with an external party to set up a tailormade training programme, which will be further improved in 2021.

The controls included in the Privacy Control Framework have been enhanced based on the input provided by the Internal Audit Function in 2020, and due to the use of a Privacy Portal to manage the record of processing activities. The DPO Office performed a self-assessment in 2020 and the findings of this self-assessment will result in further enhancements through 2021.

Similarly, the Data Protection Champions appointed as part of the legacy Just Eat data protection compliance programme started a training programme in 2020, delivered by legacy Just Eat's external data protection officer. The external DPO has also overseen the ongoing development of the legacy Just Eat record of processing activities.

Transparency

It is important to Just Eat Takeaway.com that its data subjects have the opportunity to see how we deal with their personal data, so that one can make an informed decision. Therefore, we have updated our Privacy Statements and the various possibilities to consent on our websites. As part of the transition to a new privacy structure and the further integration of Just Eat and Takeaway.com in 2021, the Privacy Statements will be updated again.

Processes

We believe that automation is proven to be key in reliability and scalability of the internal data protection processes. Therefore, we have taken further steps on the automation of data subject requests. The introduction of a Privacy Portal where operations and other departments together with the Privacy Ambassador Network, are able to include information on the data processing activities and in case needed perform a Data Privacy Impact Assessment has improved the manageability of the records of processing activities. Further steps to improve this process will be taken in 2021.

Objectives

In 2021, Just Eat Takeaway.com will focus on further enhancing its privacy practices, improving awareness of the importance of data and privacy compliance and work to a new privacy structure.

Information for shareholders

The Company aims to maintain and further strengthen a strong reputation of a transparent, proactive and approachable company.

Investor relations policy

We are committed to complying with applicable rules and regulations on fair disclosure to shareholders. The Company has a detailed communication programme in place to maintain proper communications with investors, shareholders and analysts. Communication events are available on the section 'Investors' and are posted on the Company's corporate website: https://www.justeattakeaway.com at the same time as they are made available to analysts and investors.

Bilateral meetings with (potential) shareholders will not be held during a period from the first day of a quarter until the day of the announcement of the results over the preceding quarter. These periods generally cover a period of approximately ten weeks immediately prior to the first publication of the annual results of the Company, a period of approximately six weeks immediately prior to the first publication of the Company's semi-annual results and a period of approximately two weeks immediately prior to the first publication of the Company's quarterly trading updates, if applicable. During these periods the Company will also refrain from making presentations at financial conferences, to retail investor audiences or one-on-one meetings with shareholders. Exceptions may apply, for example if communication relates to factual clarifications of previously disclosed information.

The Company does not assess, comment upon, or correct, other than factually, any analyst report or valuation prior to publication. The Company is committed to helping investors and analysts become better acquainted with Just Eat Takeaway.com and its management, as well as to maintaining a long-term relationship of trust with the investment community at large.

The policy regarding bilateral contacts with shareholders provides the principles upon which Investor Relations engages with shareholders and other market participants to provide this information.

The Company has published its policy regarding bilateral contacts with shareholders on:
https://www.justeattakeaway.com/governance/corporate-governance

Dividend policy

The Company intends to retain any future distributable profits to expand the growth and development of Just Eat Takeaway.com's business and, therefore, does not anticipate paying any dividends to shareholders in the foreseeable future.

Indices

The shares of Just Eat Takeaway.com are listed and traded on Euronext Amsterdam (AMS: TKWY) and, since 3 February 2020, its CREST CDIs are listed and traded on the London Stock (LSE: JET). Just Eat Takeaway.com is included in the AEX-index on Euronext Amsterdam and included In the FTSE100-index on the London Stock Exchange.

When Just Eat and Takeaway.com announced their intention to combine their businesses in 2019, the Company made intention statements including a statement that Just Eat Takeaway.com intended to apply for the delisting of its shares from Euronext Amsterdam, such delisting to become effective as soon as possible under applicable Dutch law and the rules, regulations and announcements of Euronext Amsterdam.

In light of the enlarged and more globalised investor base that Just Eat Takeaway.com will have following completion of the Grubhub acquisition, and in the interests of both Just Eat Takeaway.com and its shareholders, Just Eat Takeaway.com intends to take a period of time in which to determine the optimal listing venues for its long-term future. As part of this assessment, Just Eat Takeaway.com will consider, amongst other things, liquidity and trading volumes across the listings it will have in Amsterdam, London and New York. It will take time to find a natural home following a material acquisition such as Grubhub.

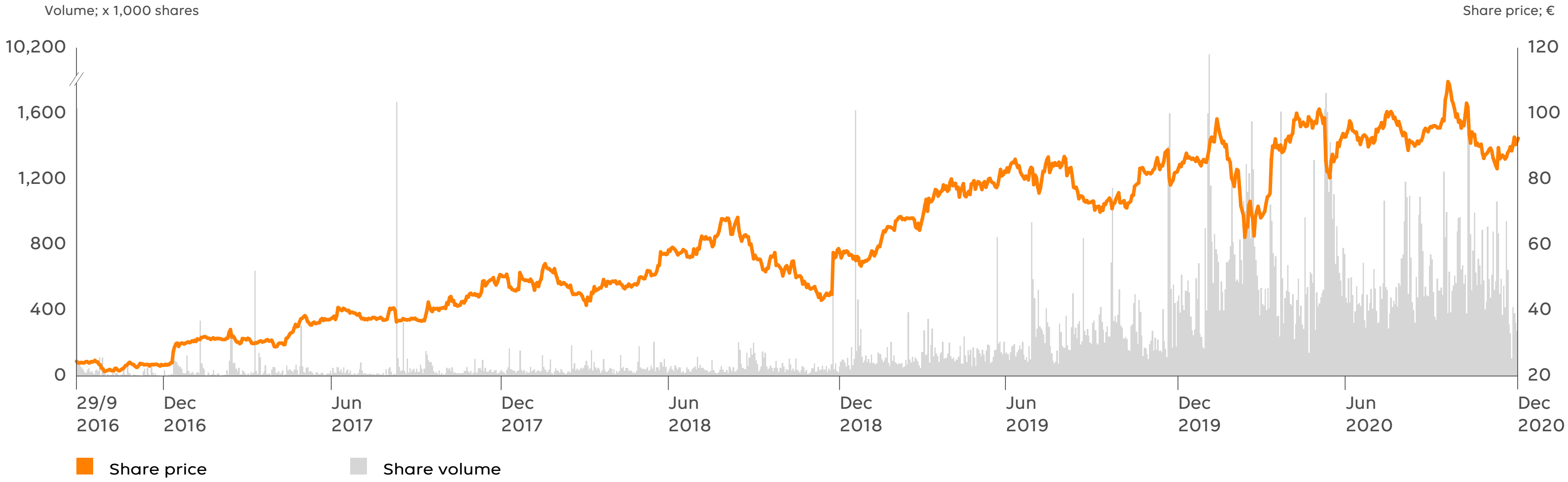
As a result, Just Eat Takeaway.com intends to delay any decision on the structure of its listing venues whilst it completes its review. This is in order to minimise disruption for its shareholders. It therefore no longer intends to delist its shares from Euronext Amsterdam as soon as possible and it will remain listed on both the London Stock Exchange and Euronext Amsterdam until otherwise decided.

Just Eat Takeaway.com N.V. share price performance

Since its listing in September 2016, the development of the share price of the Company on Euronext Amsterdam is as follows:

On the basis of the total number of 148,758,803 issued ordinary shares, the market capitalisation as at 31 December 2020 was €13.8 billion.

Data per share



Shareholders with 3% or more interest

According to the Financial Supervision Act, investors are required to notify the Dutch Authority for the Financial Markets (AFM) if their shareholding or voting rights reach, exceed or fall below certain thresholds. Such disclosures can be found at www.afm.nl.

In addition, since 1 January 2021, shareholders are required to notify Just Eat Takeaway.com in accordance with the UK Disclosure and Transparency Rules (DTR) when their voting rights reach, exceed or fall below certain thresholds. More information can be found on www.fca.org.uk.

According to the AFM register as at 9 March 2021, shareholders who have disclosed holdings exceeding the 3% threshold are as follows:

Major shareholders

Name	Date	Capital Interest %	Voting Interest %
Morgan Stanley	12 February 2020	18.06	18.06
Gribhold B.V. (founder)	31 January 2020	11.13	11.13
Delivery Hero SE	9 September 2020	10.68	10.68
BlackRock, Inc.	3 February 2021	4.83	5.56
Capital Research and Management Company	2 February 2021	0.00	5.20
Cat Rock Capital Management LP	30 December 2020	5.00	5.00
Baillie Gifford & Co	27 October 2020	0.00	4.75
Tiger Global Management LLC	15 January 2021	4.40	4.40
FIL Limited	9 March 2021	3.39	3.24
UBS Group AG	5 February 2021	3.11	3.11
EuroPacific Growth Fund	2 February 2021	3.02	0.00

It is possible that the stated interests differ from the current interests of the relevant shareholder.

Shareholders with 10% or more interest

One of the Company's indirect subsidiaries, Takeaway.com Payments, is supervised by the Dutch Central Bank (DNB) as a licensed payment institution and is required to comply with rules applicable to payment institutions. Pursuant to one of these rules, Takeaway.com Payments must as soon as possible notify DNB if a shareholder's qualifying holding interest in Takeaway.com Payments exceeds 20%, 30% or 50%, or falls below 10%, 20%, 30% or 50%. In addition, each person is required to obtain a declaration of no objection from DNB before it can hold, acquire or increase a qualifying holding in a payment institution, or exercise any voting power in connection with such holding. A direct or indirect participation in a payment institution is a qualifying holding when it represents 10% or more of the shares and/or voting rights in the payment institution. This means that acquiring a holding of 10% or more of the shares and/or voting rights in Just Eat Takeaway.com requires a declaration of no objection from the DNB and that certain changes to such an interest (as described above) also require such a regulatory approval. In addition, obtaining rights to appoint the majority of the managing board or other means of providing significant influence over the management of the payment institution also falls within the scope of a "qualifying holding".

Capital events 2020

Accelerated bookbuild offering

On 22 April 2020, the Company placed 4.6 million new shares at an issue price of €87.00 (7,620 pence), representing approximately 3.2% of the Company's outstanding share capital, raising approximately €400 million through an accelerated bookbuild offering. The accelerated bookbuild offering was completed on 27 April 2020.

Convertible bond offering

On 22 April 2020, concurrent with the accelerated bookbuild offering, convertible bonds have been offered at 100% of their nominal value, with an interest rate of 1.25% payable semi-annually in arrears in equal instalments on 30 April and 30 October, commencing on 30 October 2020, and have a maturity of six years and a denomination of €100,000 each. The initial conversion price of the convertible bonds has been set at €121.80, representing a conversion premium of 40% above the issue price of €87.00 per share. Completion of the convertible bonds offering occurred on 30 April 2020.

The gross proceeds raised from the accelerated bookbuild and the convertible bond issuance were used to partially pay down revolving credit facilities that were utilised by both Just Eat and Takeaway.com, as well as to provide the Company with financial flexibility to act on strategic opportunities which may arise.

Capital events 2021

On 2 February 2021, the Company successfully placed €1.1 billion of convertible bonds, consisting of two tranches with an aggregate principal amount of €600 million due August 2025 (Tranche A) and with an aggregate principal amount of €500 million due February 2028 (Tranche B), convertible into ordinary shares of the Company. The convertible bonds have been issued at 101.5% (Tranche A) and at 100% (Tranche B) of their nominal value and redeemed at 100% of their nominal value. The Tranche A convertible bonds do not bear interest and the Tranche B convertible bonds have been issued with an interest rate of 0.625% per annum, payable semi-annually in arrear in equal instalments on 9 February and 9 August of each year, commencing on 9 August 2021, corresponding to an annual gross yield-to-maturity of (0.331)% (Tranche A) and 0.625% (Tranche B). Completion of the convertible bonds offering occurred on 9 February 2021.

The Company intends to use the net proceeds from the issue of the convertible bonds for general corporate purposes as well as to provide the Company with financial flexibility to act on strategic opportunities which may arise.

Financial calendar 2021

Our financial calendar can be viewed on:
https://www.justeattakeaway.com/investors/financial-calendar

Contact

Shareholders, investors and analysts are invited to contact Investor Relations with any information requests they have:

Joris Wilton
ir@justeattakeaway.com

03

Financial statements

Consolidated statement of profit or loss and other comprehensive loss

for the year ended 31 December

€ millions	Note	2020	2019
Revenue	3	2,042	416
Courier costs	4	(712)	(70)
Order processing costs	4	(193)	(41)
Staff costs	5	(464)	(112)
Other operating expenses	7	(608)	(233)
Depreciation and amortisation	13, 14, 26	(172)	(38)
Operating loss		**(107)**	**(78)**
Share of results of associates and joint ventures	15	(16)	–
Finance income	8	3	0
Finance expense	8	(29)	(16)
Other gains and losses		2	6
Loss before income tax		**(147)**	**(88)**
Income tax expense	9	(4)	(27)
Loss for the period		**(151)**	**(115)**
Other comprehensive (loss) / income			
Items that will not be reclassified subsequently to profit or loss:			
Fair value gain / (loss) on investments in equity instruments through OCI	11	323	–
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation (loss) / gain related to foreign operations, net		(357)	12
Other comprehensive (loss) / income for the period		**(34)**	**12**
Total comprehensive loss for the period		**(185)**	**(103)**
Loss attributable to:			
Owners of the Company		**(151)**	**(115)**
Non-controlling interests		**0**	**–**
Total comprehensive loss attributable to:			
Owners of the Company		**(185)**	**(103)**
Non-controlling interests		**0**	**–**
Loss per share (expressed in €per share)			
Basic loss per share	21	(1.07)	(1.99)
Diluted loss per share	21	(1.07)	(1.99)

The accompanying Notes are an integral part of these Consolidated financial statements. Amounts may not add up due to rounding.

Consolidated statement of financial position

as at 31 December

€ millions	Note	2020	2019
Assets			
Goodwill	12	4,616	1,097
Other intangible assets	13	3,206	376
Property and equipment	14	47	12
Right-of-use assets	26	77	24
Investments in associates and joint ventures	15	1,575	–
Deferred tax assets	9	–	2
Other non-current assets		12	11
Total non-current assets		**9,533**	**1,522**
Trade and other receivables	16	162	44
Other current assets	17	100	32
Current tax assets	9	17	7
Inventories	18	14	4
Cash and cash equivalents	19	529	50
Total current assets		**822**	**137**
Total assets		**10,355**	**1,659**

The accompanying Notes are an integral part of these Consolidated financial statements. Amounts may not add up due to rounding.

Consolidated statement of financial position (continued)

as at 31 December

€ millions	Note	2020	2019
Equity and liabilities			
Total shareholders' equity	20	8,499	1,133
Non-controlling interests		5	–
Total equity		**8,504**	**1,133**
Borrowings	22	474	222
Deferred tax liabilities	9	550	43
Lease liability	26	66	17
Other non-current liabilities		2	–
Total non-current liabilities		**1,092**	**282**
Borrowings	22	9	21
Lease liability	26	21	10
Provisions	23	7	–
Trade and other liabilities	24	685	171
Current tax liabilities	9	37	42
Total current liabilities		**759**	**244**
Total liabilities		**1,851**	**526**
Total equity and liabilities		**10,355**	**1,659**

The accompanying Notes are an integral part of these Consolidated financial statements. Amounts may not add up due to rounding.

Consolidated statement of changes in equity

€ millions	Note	Share capital	Share premium	Equity-settled employee benefits reserve	Option premium on convertible bonds	Fair value through OCI[1] reserves	Foreign currency translation and other	Accumulated deficits	Total share-holders' equity	Non-controlling interest	Total equity
				Legal reserves				Other reserves			
Balance as at 31 December 2018		**2**	**250**	**5**	**–**	**–**	**(1)**	**(117)**	**139**	**–**	**139**
Initial application of IFRS 16		–	–	–	–	–	–	(1)	(1)	–	(1)
Balance as at 1 January 2019		**2**	**250**	**5**	**–**	**–**	**(1)**	**(118)**	**138**	**–**	**138**
Total comprehensive (loss) / income		–	–	–	–	–	12	(115)	(103)	–	(103)
Issuance of shares		0	430	–	–	–	–	–	430	–	430
Issuance of shares related to business combination		1	652	–	–	–	–	–	653	–	653
Transaction costs		–	(12)	–	–	–	–	–	(12)	–	(12)
Issuance of convertible bonds		–	–	–	23	–	–	–	23	–	23
Share-based payments[2]		0	4	(1)	–	–	–	–	3	–	3
Other		–	–	–	–	–	1	–	1	–	1
Balance as at 31 December 2019		**3**	**1,324**	**4**	**23**	**–**	**12**	**(233)**	**1,133**	**–**	**1,133**

[1] Fair value gain on our investment in Just Eat prior to obtaining control, refer to Note 11 Business combinations
[2] In 2020, Just Eat Takeaway.com changed its accounting policy to present share options exercised as part of share premium instead of accumulated deficits

The accompanying Notes are an integral part of these Consolidated financial statements. Amounts may not add up due to rounding.

Consolidated statement of changes in equity (continued)

€ millions	Note	Share capital	Share premium	Equity-settled employee benefits reserve	Option premium on convertible bonds	Fair value through OCI[1] reserves	Foreign currency translation and other	Accumulated deficits	Total share-holders' equity	Non-controlling interest	Total equity
				Legal reserves				Other reserves			
Total comprehensive (loss) / income		–	–	–	–	323	(357)	(151)	(185)	0	(185)
Issuance of shares	20	0	400	–	–	–	–	–	400	–	400
Issuance of shares related to business combination	11	3	7,104	–	–	–	–	–	7,107	5	7,112
Transaction costs	11	–	(31)	–	–	–	–	–	(31)	–	(31)
Issuance of convertible bonds	22	–	–	–	51	–	–	–	51	–	51
Share-based payments[2]	6	0	4	20	–	–	–	–	24	–	24
Balance as at 31 December 2020		**6**	**8,801**	**24**	**74**	**323**	**(345)**	**(384)**	**8,499**	**5**	**8,504**

[1] Fair value gain on our investment in Just Eat prior to obtaining control, refer to Note 11 Business combinations
[2] In 2020, Just Eat Takeaway.com changed its accounting policy to present share options exercised as part of share premium instead of accumulated deficits

The accompanying Notes are an integral part of these Consolidated financial statements. Amounts may not add up due to rounding.

Consolidated statement of cash flows

for the year ended 31 December

€ millions	Note	2020	2019
Loss for the period		(151)	(115)
Adjustments:			
Depreciation and amortisation	13, 14, 26	172	38
Gain on joint venture disposal		–	(6)
Share of results of associates and joint ventures	15	16	–
Expense related to share-based payments	6	23	3
Finance income and expense recognised in profit or loss	8	26	16
Other non-cash adjustments		–	1
Income tax expense recognised in profit or loss	9	4	27
		90	**(36)**
Movement in working capital			
(Increase) in inventories	11, 18	(6)	–
(Increase) in trade and other receivables	11, 16	(38)	(5)
(Increase) in other current assets	11, 17	(68)	(32)
Increase in trade and other liabilities	11, 24	246	19
Net cash generated by / (used in) operations		**224**	**(54)**
Interest paid	8	(14)	(7)
Income taxes paid	9	(33)	(3)
Net cash generated by / (used in) operating activities		**177**	**(64)**

The accompanying Notes are an integral part of these Consolidated financial statements. Amounts may not add up due to rounding.

Consolidated statement of cash flows (continued)

for the year ended 31 December

€ millions	Note	2020	2019
Cash flows from investing activities			
Investment in other intangible assets	13	(16)	(1)
Investment in property and equipment	14	(27)	(8)
Repayments of loans carried at amortised cost		–	2
Acquisition of subsidiaries, net of cash acquired	11	113	(489)
Investment in equity instruments		–	(7)
Proceeds from sale of investment in joint venture		–	6
Funding provided to associates and joint ventures	15	(55)	–
Net cash generated by / (used in) investing activities		**15**	**(497)**
Cash flows from financing activities			
Proceeds from issue of ordinary shares	20	400	431
Transaction costs related to issue of ordinary shares	11	(31)	(12)
Principal elements of lease payments	27	(12)	(8)
Proceeds from borrowings	22, 27	434	265
Transaction costs related to the borrowings	22, 27	(6)	(6)
Repayments of borrowings	22, 27	(493)	(150)
Net cash generated by financing activities		**292**	**520**
Net increase / (decrease) in cash and cash equivalents		484	(41)
Cash and cash equivalents at beginning of year	19	50	90
Effects of exchange rate changes of cash held in foreign currencies		(5)	1
Cash and cash equivalents at end of year		**529**	**50**

The accompanying Notes are an integral part of these Consolidated financial statements. Amounts may not add up due to rounding.

Notes to the Consolidated financial statements

1 General

Just Eat Takeaway.com is a leading online food delivery marketplace focused on connecting consumers and restaurants through its platforms.

Just Eat Takeaway.com N.V., formerly known as Takeaway.com N.V. and renamed as per 31 January 2020 (the "Company"), is a public limited liability company incorporated under the laws of the Netherlands and domiciled in Amsterdam, the Netherlands. The Company and the entities controlled by the Company (its subsidiaries) are referred to herein as "Just Eat Takeaway.com", with the Company being the ultimate parent. The Company's shares are quoted on Euronext Amsterdam (ticker symbol: TKWY) and since 3 February 2020 its CDIs are listed on the London Stock Exchange (ticker symbol: JET). The Company is registered at the Commercial Register of the Chamber of Commerce in Amsterdam, the Netherlands under number 08142836.

Amounts in these Notes to the Consolidated financial statements (the "Notes") are in € millions unless related to number and/or nominal value of shares, number and/or fair value elements of share options, or stated otherwise. Due to rounding, amounts in the tables may not add up precisely to the totals provided. Percentages used are based on unrounded figures.

Just Eat Acquisition

On 31 January 2020, the all-share combination between Just Eat Limited, formerly Just Eat plc (together with its subsidiaries "Just Eat") and Just Eat Takeaway.com N.V., formerly Takeaway.com N.V., the "Just Eat Acquisition", was declared wholly unconditional. On 15 April 2020, following the lifting of a hold separate order issued by the CMA on 30 January 2020, Just Eat was consolidated into Just Eat Takeaway.com.

The primary reasons for the Just Eat Acquisition were to create one of the largest food delivery companies in the world, with scale, strategic vision and industry-leading capabilities; to acquire leading positions in attractive markets and a diversified geographic presence; to expand the product offering; and to create significant value through economies of scale.

Refer also to Note 11 Business combinations.

2 Basis of preparation

Statement of compliance

The Consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

All standards and interpretations issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee effective 2020 have been endorsed by the EU, consequently, the Consolidated financial statements also comply with IFRS as issued by the IASB.

The Consolidated financial statements were authorised for issue by the Management Board of the Company (the "Management Board", and members of the Management Board, "Managing Directors") and the Supervisory Board of the Company (the "Supervisory Board", and members of the Supervisory Board, "Supervisory Directors") on 10 March 2021. The adoption of these Consolidated financial statements is reserved for the shareholders in the Annual General Meeting ("AGM") scheduled for 12 May 2021.

Amendments to 2019 presentation

The Company has elected to change the presentation of expenses in its Consolidated statement of profit or loss and other comprehensive loss to be by nature rather than by function to provide a more relevant presentation of its expenses. Accordingly, cost of sales has been disaggregated into "Courier costs" and "Order processing costs" and the related subtotal "Gross profit" has been removed from the Consolidated statement of profit or loss and other comprehensive loss.

Several other changes are included to further improve presentation of the financial statements: in the Consolidated statement of profit or loss and other comprehensive loss, "Finance expenses" has been disaggregated into "Finance income" and "Finance expense". In the Consolidated statement of financial position, "Property and equipment" has been disaggregated into "Property and equipment" and "Right-of-use assets"; "Other non-current assets" and "Loans carried at amortised cost" have been aggregated into "Other non-current assets"; three separate "Trade receivables" line items and "Other receivables" have been aggregated into "Trade and other receivables"; and "Trade payables", "Amounts due to restaurants" and "Other liabilities" have been aggregated into "Trade and other liabilities" and total Shareholders' equity is presented as one line item.

Basis of measurement

The Consolidated financial statements have been prepared on the historical cost basis unless stated otherwise. Income and expenses are accounted for on an accrual basis.

Reference is made to the significant accounting policies as included in the relevant Notes to the Consolidated financial statements and Company financial statements for more detailed information on the measurement basis. These policies have consistently been applied by Just Eat Takeaway.com.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, Just Eat Takeaway.com considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Going concern

The Management Board has assessed the going concern assumptions of Just Eat Takeaway.com during the preparation of the Consolidated financial statements. This assessment includes considerations of the impact of Covid-19, which did not have a negative effect on Just Eat Takeaway.com's operations or Just Eat Takeaway.com's ability to meet any of its current obligations. There are no events or conditions that give rise to doubt the ability of Just Eat Takeaway.com to continue as a going concern for a period of twelve months after the preparation of the Consolidated financial statements. The assessment includes knowledge of Just Eat Takeaway.com, the estimated economic outlook and identified risks and uncertainties in relation thereto. Furthermore, the review of our strategic plan and budget, including expected developments in liquidity, debt and capital were considered. Consequently, it has been concluded that it is reasonable to apply the going concern concept as the underlying assumption for the Consolidated financial statements.

Covid-19

The onset of the Covid-19 pandemic during the first quarter of 2020 and the ensuing lockdown introduced by governments across our markets has had an impact on our business. The online food delivery sector remained resilient relative to other sectors. After some initial disruption, overall business performance recovered strongly during 2020. The overall impact of Covid-19 on Just Eat Takeaway.com's financial condition and results of operations has been positive as order growth rates have accelerated with more consumers joining the platforms and ordering online. The economic uncertainty caused by the Covid-19 pandemic and the extent to which the Covid-19 pandemic will continue to impact Just Eat Takeaway.com's businesses, operations and financial results, including the duration and magnitude of such effects, will depend on numerous unpredictable factors.

The Management Board will continue to monitor these factors and the impact thereof on its business and results of operations.

During this period of disruption and uncertainty, Just Eat Takeaway.com has committed to support its restaurants, couriers and people as the spread of the virus continues to impact communities across the world.

Basis of consolidation

The Consolidated financial statements include the accounts of the Company and the entities controlled by the Company (its subsidiaries).

Control

The Company controls an entity when it has power over the entity, is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. All relevant facts and circumstances are considered in assessing whether or not the Company's voting and share rights in an investee are sufficient to give it power.

Non-controlling interest

Non-controlling interests in subsidiaries are identified separately from Just Eat Takeaway.com N.V.'s equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Consolidation process

Consolidation of a subsidiary begins when control over the subsidiary is obtained and ceases when control over the subsidiary is lost. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss and other comprehensive income or loss ("OCI") from the date the Company gains control until the date when the Company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Just Eat Takeaway.com accounting policies. All intra-group assets and liabilities, equity, income and expenses, including any unrealised income and expenses, relating to transactions between members of Just Eat Takeaway.com are eliminated in full upon consolidation.

Profit or loss and each component of OCI are attributed to the shareholders of Just Eat Takeaway.com and to the non-controlling interests. Total comprehensive income or loss of the subsidiaries is attributed to the owners of Just Eat Takeaway.com and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Foreign currencies

Functional and presentation currency

These Consolidated financial statements are presented in euros, which is the Company's functional currency and the presentation currency for the Consolidated financial statements.

Foreign currency transactions

In preparing the financial statements of each individual Just Eat Takeaway.com entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in OCI and reclassified from equity to profit or loss on repayment of the monetary items.

Foreign operations

The assets and liabilities of Just Eat Takeaway.com's foreign operations, including goodwill and fair value adjustments arising on acquisitions, are translated into euros using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in OCI and accumulated in a foreign currency translation reserve as part of shareholders' equity.

Impairment of non-financial assets

At each reporting date, the carrying amounts of non-financial assets of Just Eat Takeaway.com are reviewed to determine whether there is any indication that those assets may be impaired. If any indication of impairment exists, the recoverable amount of the asset is estimated in order to determine if there is any impairment loss. Goodwill is tested annually for impairment and whenever an impairment trigger is identified.

Where the asset does not generate cash flows that are independent from other assets, they are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating unit ("CGU"). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the business combination.

The recoverable amount is the greater of the fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present values using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised whenever the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised with regard to CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGUs and then to reduce the carrying amount of the other assets in the CGU on a pro-rata basis. An impairment loss can be reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss of goodwill is not subsequently reversed.

Receivables are assessed for impairment using the "expected credit loss" model, refer to Note 16 for further details.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and reported as a net amount in the Consolidated statement of financial position when there is a legally enforceable right to offset the amounts recognised and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Just Eat Takeaway.com entity or the counterparty.

Consolidated statement of cash flows

The Consolidated statement of cash flows has been prepared using the indirect method. The indirect method implies that the consolidated result for the year is adjusted for items and expenses that are not cash flows and for autonomous movements in operating working capital (excluding impact from business acquisitions). Cash payments to employees and suppliers are recognised as cash flows from operating activities. Cash flows from operating activities also include costs of business acquisition and divestment-related costs, spending on provisions, and income taxes paid on operating activities.

Cash flows from investing activities are those arising from capital expenditure and disposal, additions and disposals of loans carried at amortised cost, additions and disposals of joint ventures and equity investments, and from the acquisition of business combinations. Cash and cash equivalents available at the time of acquisition or sale are deducted from the related payments or proceeds.

Cash flows from financing activities comprise the cash receipts of the exercise of share options, and payments for issued shares, debt instruments, and short-term financing.

New and amended standards

In the current period, Just Eat Takeaway.com has mandatorily adopted a number of amendments to IFRS issued by the IASB that are effective for the current accounting period.

The following amendments to standards were applied for the first time in 2020, resulting in consequential changes to the accounting policies and other Note disclosures, where applicable:

- Amendments to References to Conceptual Framework in IFRS Standards
- Amendments to IFRS 3 Definition of a Business
- Amendments to IAS 1 and IAS 8 Definition of Material
- Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform

The abovementioned amendments do not have a significant impact on the disclosures or on the amounts reported in these Consolidated financial statements.

New and amended standards and interpretations not yet effective

Certain new accounting standards and interpretations have been issued but are not yet effective for the year ended 31 December 2020 and have not been early adopted:

- Adoption of IFRS 17 Insurance contracts
- Amendments to IAS 37 Onerous Contracts – Cost of fulfilling a contract
- Amendments to IAS 16 Proceeds before Intended Use
- Amendments to IFRS 3 Reference to the Conceptual Framework
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current
- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Annual Improvements to IFRS Standards 2018-2020 Cycle: Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture
- Amendments to IFRS 4 Insurance contracts - deferral of IFRS 9
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest rate benchmark reform - phase 2

None of the accounting standards issued but not yet effective are expected to have a significant impact on these Consolidated financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In applying Just Eat Takeaway.com's accounting policies, the Management Board is required to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying Just Eat Takeaway.com's accounting policies

The following are the critical accounting judgements that have the most significant effect on the amounts recognised in financial statements:

Principal versus agent revenue recognition

Judgement is required in evaluating whether we are the principal or an agent in transactions with our customers. The evaluation is based on whether Just Eat Takeaway.com controls the goods or services provided to the customer and therefore is the principal in the transaction and presents revenue on a gross basis, or arranges for other parties to provide the service to the customer and therefore is an agent in the transaction and presents revenue on a net basis.

The Management Board has determined that, for marketplace services, Just Eat Takeaway.com is an agent as consumers use the Just Eat Takeaway.com platform to choose a restaurant's distinct offerings and place an order for them, with fulfilment of the food order always remaining the responsibility and within the control of the restaurant. Just Eat

Takeaway.com does not pre-purchase or otherwise obtain control of the restaurant's goods or services prior to their transfer to the consumer.

In addition to marketplace services, Just Eat Takeaway.com includes the option of delivery services in contracting with restaurants. If Just Eat Takeaway.com contracts with a restaurant for Just Eat Takeaway.com to provide delivery services, the Management Board has determined that the delivery service is controlled by Just Eat Takeaway.com because (i) Just Eat Takeaway.com has the responsibility for performing the delivery service, including but not limited to, identifying and directing the couriers to perform the delivery services, thereby controlling the service before it is transferred to the consumer; (ii) Just Eat Takeaway.com remains at all times primarily responsible to its customers for delivering the food to the consumer; and (iii) Just Eat Takeaway.com has sole discretion in setting the transaction price for the delivery services (as well as the other key terms) and the sole ability to decline services for delivery.

The majority of Just Eat Takeaway.com's revenue is recognised when the transaction is completed, i.e. when the order is delivered to the consumer and it is probable that Just Eat Takeaway.com will collect the related consideration, that being on delivery of food to a consumer. Just Eat Takeaway.com typically receives the fees within a short period of time following completion of the transaction. Commission revenue is recorded on a net basis as Just Eat Takeaway.com has concluded that it is acting as an agent. Fees for delivery services charged to the consumer are recognised in revenue, with the cost incurred in providing the delivery services and processing transactions included in order fulfilment costs, as Just Eat Takeaway.com has concluded that it is acting as the principal where Just Eat Takeaway.com controls the delivery service.

Taxation

As a result of the geographical spread of our operations and the varied, increasingly complex nature of local and global tax law, there are some transactions for which the ultimate tax determination is uncertain during the ordinary course of business. Resolving tax issues can take several years and is not always within our control.

For each Just Eat Takeaway.com entity, the current income tax expense is calculated and (material) differences between the accounting and tax base are determined, resulting in deferred tax assets or liabilities. These calculations may deviate from the final tax assessments, which will be received in future periods.

In determining the amount of current and deferred tax, the impact of uncertain tax positions and whether additional taxes and interest may be due are taken into account. Just Eat Takeaway.com believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that the relevant tax authority will not accept the tax treatment under tax law.
The provisions are measured at the best estimate of the amount expected to become payable. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognised in the period in which the change occurs. This requires the application of judgement as to the ultimate outcome, which can change over time depending on facts and circumstances. Judgements mainly relate to transfer pricing, including inter-company financing, expenditure deductible for tax purposes and restructuring of the assets in order to align the tax and legal structure with the business model of Just Eat Takeaway.com.

A deferred tax asset is recognised to the extent that it is probable that sufficient and suitable future taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised. Relevant tax law is considered to determine the availability of the losses to offset against the taxable profits in the future. Recognition of deferred tax assets therefore involves judgement regarding the future financial performance of the entities for which the deferred tax asset has been recognised and is therefore inherently uncertain. See Note 9 for details of the tax losses recognised.

Liabilities in respect of uncertain tax positions, if these would occur, are measured based on interpretation of country-specific tax law and assigning probabilities to the possible likely outcomes and range of taxes payable in order to ascertain a weighted average probable liability. In-house tax experts, external tax experts and previous experience are used to help assess the tax risks when determining and recognising such liabilities.

Capitalised development costs

The continual enhancement of the Just Eat Takeaway.com platforms is a key strategy to achieve Just Eat Takeaway.com's goals, as Just Eat Takeaway.com operates in a competitive environment, with well-funded and innovative competitors. Failure to maintain the pace of change and technology development would lead to a reduction in economic returns. We continue to invest in the functionality of our product and to improve the experience for all our users and there is judgement in how to account for this subsequent expenditure on our existing intangible assets.

Judgement is required in evaluating whether subsequent development expenditure is to be capitalised as an internally generated intangible asset or expensed as incurred. The key elements of judgement are whether the development project will generate incremental probable future economic benefit and which projects result in substantial improvements that increase the functionality of the asset. Economic benefit is determined as either an increase in revenues or reduction in costs. Only those projects that are a substantial improvement and that result in direct and incremental economic benefit will be capitalised.

Some development expenditure is required to maintain the excellence of our marketplace and ensure our consumers continue to have a positive experience, however in the Management Board's judgement these projects do not directly result in incremental economic benefit and therefore have been expensed. Expenditures that result in a new or substantially improved product and directly result in additional probable future economic benefit for Just Eat Takeaway.com are capitalised and amortised on a straight-line basis over the estimated useful life.

Refer to Note 13 for more information on the amount capitalised in 2020.

Key sources of estimation uncertainty

The following are the key sources of estimation uncertainty that have the most significant effect on the amounts recognised in financial statements:

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated. The value in use calculation requires the Management Board to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

The key sources of estimation uncertainty in the assessment of goodwill impairment are the assumptions around order growth rates, the weighted average cost of capital ('WACC') and the reduction in courier costs per order (the primary direct cost per order). Should the actual performance be worse than assumptions made relating to order growth and cost reductions, or if future outlook changes over time, there is a significant risk of a material adjustment to goodwill within the next 12 months. Changes in the competitive or regulatory environment or changes in technology could result in significant changes to order growth and costs per order. For example, a new competitor may enter a market, or labour regulations may change. Such risks are actively monitored and factored into future cash flow estimates when known or anticipated.

Refer to Note 12 for more information on the carrying amounts and impairment analyses performed.

Impairment of intangible assets other than goodwill

Intangible assets other than goodwill are impaired if the carrying value exceeds the recoverable amount (i.e. the higher of fair value less costs of disposal and value in use). An impairment test is carried out on the intangible asset or CGU where there is an indication of impairment during the year. In such cases, the Management Board determines the value in use by estimating the future cash flows expected to arise from the asset or CGU and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

Changes in the competitive or regulatory environment or changes in technology could result in significant changes to future cash flows expected to arise from the asset or CGU and the suitable discount rate. For example, a new competitor may enter a market, or labour regulations may change. Such risks are actively monitored and factored into future cash flow estimates when known or anticipated.

Refer to Note 13 for more information on the carrying amounts and impairment analyses performed.

Useful lives of other intangible assets

The useful lives of intangible assets other than goodwill are determined based on best practice within Just Eat Takeaway.com and are in line with common market practice. Just Eat Takeaway.com reviews the remaining useful lives of its other intangible assets annually.

The uncertainty included in this estimate is that the useful lives are estimated longer than the actual useful lives of the intangible assets, which could possibly result in accelerated amortisation in future years and/or impairments at the end of the actual useful lives of the related intangible assets.

Provisions and contingencies

In determining the likelihood and timing of potential cash out flows, Just Eat Takeaway.com needs to make estimates. For claims and litigation, the assessment is based on internal and external legal assistance and established precedents. For contingencies, Just Eat Takeaway.com is required to exercise significant judgement to determine whether the risk of loss is possible but not probable. Contingencies involve inherent uncertainties including, but not limited to, court rulings and negotiations between affected parties.

3 Revenue

Revenue is measured based on the consideration to which Just Eat Takeaway.com expects to be entitled from contracts with customers and excludes amounts collected on behalf of third parties. Just Eat Takeaway.com recognises revenue when it transfers control of a product or service to a customer.

A performance obligation is the unit of account for revenue recognition. At contract inception, Just Eat Takeaway.com identifies the performance obligations within the contract. To determine whether a promised service (or bundle of services) is distinct, Just Eat Takeaway.com applies judgment using two criteria:

- Capable of being distinct: the customer can benefit from the good or service on its own or together with other readily available resources. If Just Eat Takeaway.com regularly sells the good or service separately, then this is an indicator for the good or service's capability of being distinct.
- Distinct within the context of the contract: Just Eat Takeaway.com considers a promise distinct within the context of the contract when the promised transfer of the good or service is separately identifiable from other promises in the contract.

Revenue is derived principally from commission fees paid by restaurants for use of Just Eat Takeaway.com's platforms in connecting restaurants to consumers. Revenue is measured net of discounts, VAT and other sales-related taxes. There are no significant financing components in the contracts.

Revenue, disaggregated based on the source of cash flow (restaurant or consumer) and type of fee, is as follows:

€ millions	2020	2019
Commission revenue	1,654	372
Consumer delivery fees	231	–
Other revenue	157	44
Revenue	**2,042**	**416**

For all revenue streams of Just Eat Takeaway.com, no obligation for returns or other forms of warranty are applicable, other than the vouchers issued as described below.

Due to Just Eat Takeaway.com's highly fragmented participating restaurant base, no single restaurant contributed 10% or more to Just Eat Takeaway.com's revenue in 2020 (2019: none).

Commission revenue

Commission revenue is earned through the contracts with restaurants and through arrangements entered into with consumers via Just Eat Takeaway.com's ordering platforms. Commission revenue primarily arises from commission fees charged for order facilitation services, including those commissions from restaurants where Just Eat Takeaway.com also provides the delivery services.

The primary performance obligation in the contracts with the restaurants is to connect restaurants with consumers to facilitate the ordering between the restaurant and the consumer. For restaurants that do not deliver themselves, there is an additional performance obligation to provide delivery services.

Commission revenue is primarily earned from restaurants on a per order basis as a percentage of the Gross Merchandise Value ("GMV"). The commission charged covers both the order facilitation service performance obligation and, where the restaurant has opted for delivery services, commission for that delivery service performance obligation. Revenue is recognised when the order is delivered, being the point at which no transactional obligations remain. Just Eat Takeaway.com typically receives the fees within a short period of time following completion of the transaction. For the order facilitation service, Just Eat Takeaway.com acts as an agent and recognises revenue on a net basis. For the delivery service, Just Eat Takeaway.com acts as a principal and recognises revenue on a gross basis, with the cost of delivery recorded in Order fulfilment costs.

Vouchers

Discount vouchers are offered to a limited number of consumers to acquire, re-engage, or generally increase consumers' use of Just Eat Takeaway.com's platforms. Discount vouchers are recognised as a reduction to revenue when the voucher is redeemed by the consumer. As the discount does not establish a contract with the consumer and is in respect of future orders, no liability is recorded at the point when the discount vouchers are issued. Discount vouchers have an expiry date.

Customer care vouchers are given where there is an unsatisfactory consumer experience. Customer care vouchers are recognised as a reduction to revenue when the voucher is awarded as they relate to past orders and therefore a liability is recognised upon issuance of the voucher. The liability recognised at the end of each reporting year reflects amounts for customer care vouchers not yet redeemed or credited to a consumer's account, excluding any which have expired.

Discount vouchers used by consumers and customer care vouchers offered to consumers in 2020 amounted to €61 million (2019: €11 million), which is recognised as a deduction of revenue.

Consumer delivery fees

Consumer delivery fee revenue is earned when Just Eat Takeaway.com is responsible for providing the delivery services for orders from restaurants that do not deliver themselves.

Delivery fees are charged to consumers on a per order basis. Revenue is recognised when the order is delivered, being the point at which no transactional obligations remain. This is irrespective of whether the individual making the delivery is an employed courier, independent contractor or a courier hired through a third-party delivery company or agency, as Just Eat Takeaway.com maintains primary responsibility for delivery under all of these arrangements. Just Eat Takeaway.com typically receives the fees within a short period of time following completion of the transaction. For the delivery service, Just Eat Takeaway.com acts as a principal and recognises revenue on a gross basis, with the cost of delivery recorded in Order fulfilment costs.

There was no delivery fee revenue in 2019 because delivery fees charged to consumers were first introduced in 2020.

Other revenue

Other revenue primarily includes fees relating to online payment services, promoted placement fees and sale of merchandise.

Online payment service fees are charged to restaurants or consumers on a per order basis. Revenue is recognised when the transaction is completed, being the point at which no transactional obligations remain.

Promoted placement fees are charged to restaurants for promotional placement of restaurants on Just Eat Takeaway.com's platforms for selected locations for a specific duration as agreed upon in the contract. Promoted placement fees are charged to restaurants using a cost per order model, cost per click model or a fixed-fee model depending on the market.

Under the cost per order and the cost per click models, Just Eat Takeaway.com's performance obligation is to place the restaurant in a promoted position appearing more prominently in the search results and to generate orders or clicks, respectively, from consumers for that restaurant from such placement. Revenue is recognised when the order is delivered or when the clicks have been generated, respectively.

Under the fixed fee model, Just Eat Takeaway.com's performance obligation is to place the restaurant in a promoted position appearing more prominently in the search results on the platform for selected locations for a specific duration as specified in the contract. Just Eat Takeaway.com has determined that its performance obligation is a stand-ready obligation.

Revenue for the sale of merchandise is recognised at the point the goods are delivered and control has transferred to the restaurants.

4 Order fulfilment cost

Order fulfilment costs consist of courier costs and order processing costs.

Courier costs relate to wages and salaries, social security charges and pension premium contributions for couriers with whom Just Eat Takeaway.com has an employment agreement. In addition, courier costs include the cost of engaging couriers through agencies, as independent contractors or through third-party delivery companies as contracted by Just Eat Takeaway.com.

The order processing costs contain fees charged by external online payment service providers to process online payments for consumers on behalf of the restaurant; order management costs for transmitting orders from consumers to restaurants (such as the costs of the infrastructure, SMS costs and the cost of GPRS printers); and other costs, including the cost of merchandise sold.

€ millions	2020	2019
Courier costs	712	70
Order processing costs	193	41
Order fulfilment costs	**905**	**111**

Courier costs contain wages and salaries of €72 million (2019: €37 million) and social security charges and pension premiums of €15 million (2019: €8 million) related to couriers with whom Just Eat Takeaway.com has an employment agreement.

Order processing costs mainly contain online payment services costs of €93 million (2019: €21 million) and order management costs of €51 million (2019: €13 million).

The average number of courier FTEs per reporting segment is included below. The other countries have been combined into an “all others” segment which is named ‘Rest of the World’, refer to Note 10 Operating segments.

Courier FTEs (average)	2020	2019
Germany	1,642	975
Rest of the world	1,155	469
Total	**2,797**	1,444

The average number of courier FTEs was 2,797 (2019: 1,444), of which 100% worked outside the Netherlands (2019: 100%).

5 Staff costs

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if Just Eat Takeaway.com has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Staff costs comprise directly attributable costs of staff and Managing Directors and Supervisory Directors, social security charges, pension premium contributions, share-based payments and temporary staff expenses. Staff costs exclude costs related to employed or indirectly employed couriers, which are included in courier costs.

Pension premium payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered services entitling them to the contributions. Pension premiums are paid for by Just Eat Takeaway.com.

€ millions	2020	2019
Wages and salaries	313	83
Social security charges	43	13
Pension premium contributions	13	2
Share-based payments	23	3
Temporary staff expenses	72	11
Staff costs	**464**	**112**

The pension costs of Just Eat Takeaway.com are wholly related to defined contribution retirement benefit plans for all qualifying employees of Just Eat Takeaway.com, limiting Just Eat Takeaway.com's legal obligation to the amount it agrees to contribute during the period of employment. The assets of the plans are held separately from those of Just Eat Takeaway.com in funds under the control of pension insurance companies and pension funds. The defined contribution retirement benefit plans held by the foreign subsidiaries are similar to those held in the Netherlands.

The pension premium contribution payable to the pension provider is recorded as an expense. The capital available for the purchase of a pension equals the investment value as at pension date, which has not been guaranteed by Just Eat Takeaway.com. Based on the administrative regulations, Just Eat Takeaway.com has no other obligations than the annual pension premium payments.

Share-based payment charges in scope of IFRS 2 are recognised in Staff costs, refer to Note 6 Share-based payments.

The temporary staff expenses relate to costs of engaging staff without an employment contract through Just Eat Takeaway.com such as contractors.

The average number of FTEs per department and per reporting segment is included below. The other countries have been combined into an "all others" segment which is named 'Rest of the World', refer to Note 10 Operating segments.

FTE (average)	2020	2019
Customer Service / Logistics	2,992	1,049
Sales	1,021	314
Marketing	434	202
Product and Technology	1,003	308
Management and Support	708	181
Total	**6,158**	**2,054**

FTE (average)	2020	2019
United Kingdom	445	–
Germany	840	668
Canada	1,624	–
Netherlands	331	214
Rest of the world	1,436	598
Head office	1,482	574
Total	**6,158**	**2,054**

The average number of FTEs was 6,158 (2019: 2,054), of which 82% worked outside the Netherlands (2019: 60%).

6 Share-based payments

Equity-settled share-based payments to employees and Managing Directors are measured at the fair value of the equity instruments at the grant date (also referred to as the “measurement date”). The fair value excludes the effect of non-market-based vesting conditions.

The fair value determined at the measurement date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company’s estimate of the number of shares and options that will eventually vest, with a corresponding increase in shareholders’ equity. At the end of each reporting period, the Company revises its estimate of the number of shares and options expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share-based payments reserve.

Share-based payment transaction in a business combination

When the share-based payment awards held by the employees of an acquiree (acquiree awards) are replaced by the Company’s share-based payment awards (replacement awards), both the acquiree awards and the replacement awards are measured in accordance with IFRS 2 (“market-based measure”) at the acquisition date. The portion of the replacement awards that is included in measuring the consideration transferred in a business combination equals the market-based measure of the acquiree awards multiplied by the ratio of the portion of the vesting period completed to the greater of the total vesting period or the original vesting period of the acquiree award. The excess of the market-based measure of the replacement awards over the market-based measure of the acquiree awards included in measuring the consideration transferred is recognised as remuneration cost for post-combination service.

However, when the acquiree awards expire as a consequence of a business combination and the Company replaces those awards when it does not have an obligation to do so, the replacement awards are measured at their market-based measure in accordance with IFRS 2. All of the market-based measure of the replacement awards is recognised as remuneration cost for post-combination service.

At the acquisition date, when the outstanding equity-settled share-based payment awards held by the employees of an acquiree are not exchanged by the Company for its share-based payment awards, the acquiree share-based payment transactions are measured at their market-based measure at the acquisition date. If the share-based payment transactions have vested at the acquisition date, they are included as part of the non-controlling interest in the acquiree. However, if the share-based payment transactions have not vested at the acquisition date, the market-based measure of the unvested share-based payment transactions is allocated to the non-controlling interest in the acquiree based on the ratio of the portion of the vesting period completed to the greater of the total vesting period or the original vesting period of the share-based payment transaction. The balance is recognised as remuneration cost for post-combination service.

Historically, a number of share-based compensation plans were in place at Just Eat. Following the change in control of Just Eat in 2020 as described in Note 11 Business combinations, several schemes ended and several schemes were rolled-over into new Company schemes with eligible employees joining the schemes and any unvested options transferring to or being replaced by the new schemes in full.

The following share-based payment schemes existed during the period:

- Long-Term Incentive Plans ("LTIPs") for the Management Board;
- Short-Term Incentive plan ("STI") for the Management Board;
- The Employee Share Options Plan ("ESOP");
- The newly adopted Performance Share Plan ("PSP");
- The newly adopted Restricted Share Plan ("RSP");
- The rolled-over Just Eat UK Sharesave Scheme, Just Eat Ireland Sharesave Scheme and Just Eat International Sharesave Scheme;
- The rolled-over Just Eat Deferred Share Bonus Plan 2018 ("DBSP").

LTIPs

The Company has equity-settled performance-based LTIPs in place for the Management Board to strengthen the alignment with shareholders' interests. There have been four grants under the LTIPs:

- LTIP 2017-2019 granted as at 31 December 2016 (vested as per 31 December 2019);
- LTIP 2018-2020 granted as at 31 December 2017 (vested as per 31 December 2020);
- LTIP 2019-2021 granted as at 31 December 2018;
- LTIP 2020-2023 granted as at 21 May 2020 (legal grant date).

Under these LTIPs, conditional performance options were granted to each Managing Director. These options shall vest three years after the relevant grant date, subject to service conditions, non-market and market performance conditions to be assessed over a three-year period.

The target award level is 100% of base fee for each Managing Director for the LTIP 2020-2023, and 75% of base fee for the LTIPs granted before 2020. The number of conditionally granted share options is 100% of base fee (75% for the LTIPs granted before 2020) divided by the share price average of the five-day period after the annual general meeting.

The measurement date is the date at which the Company and the Managing Directors agree to the LTIP, and requires that the Supervisory Board and all Managing Directors have a shared understanding of the terms and conditions of the LTIP. Under the remuneration policy there is an annual grant to each Managing Director with a three-year vesting period for each grant.

The vesting period is the period during which all of the specified vesting conditions are to be satisfied in order for the Managing Directors to be entitled unconditionally to the options granted. The vesting conditions for the LTIP 2020-2023 are:

1. One service condition (being continued employment for a period of three years from the grant date);
2. Two non-market performance conditions (being revenue growth and a strategic target, with relative weights of 37.5% and 25% respectively);
3. One market performance condition (being relative Total Shareholder Return (TSR) against the AEX, FTSE 100, and NASDAQ 100 index with a relatively weight of 37.5%).

As per 31 December 2020, the strategic target for the awards granted under the LTIP 2020-2023 is still to be defined. Just Eat Takeaway.com has therefore estimated the fair value of the equity instruments at the end of the reporting period for the purposes of recognising the services received during the period between service commencement date, being 21 May 2020, and period end. Once the performance targets have been established, the estimate will be revised so that the amounts recognised for services received in respect of the grant are ultimately based on the measurement date fair value of the equity instruments.

For the different LTIPs granted before 2020, a service condition is in place as well as the following non-market performance conditions:

Targets	Relative weight
Order growth to exceed 25% per annum in the medium-term	20%
> 30% CAGR over 2015 Actual-2018 Estimate	20%
Revenue growth to continue to exceed order growth after 2016	20%
Positive Adjusted EBITDA margin[1] for both Germany and the Company within 2 to 3 years after the IPO[2]	20%
Adjusted EBITDA for the Netherlands to continue to increase after 2016[3]	20%

1 Non IFRS financial measure

2 The positive adjusted EBITDA margin for both Germany and the Company in this context means monthly positive adjusted EBITDA margins (whether or not the full year adjusted EBITDA margins are positive)

3 Following the higher than expected growth of Scoober, also in the Netherlands, we amended the medium-term objective for the Netherlands from “adjusted EBITDA margin for the Netherlands to continue to increase” (LTIP 2017-2019) to “adjusted EBITDA for the Netherlands to continue to increase” (LTIP 2018-2020 and LTIP 2019-2021)

There are no market conditions related to the LTIPs granted before 2020.

Since a variable number of conditional performance options to the value of a fixed amount (either 100% or 75% of the base fee of each Managing Director) is awarded, commonly known as share options “to the value of”, Just Eat Takeaway.com has assessed the impact of the service condition and performance conditions on the long-term incentive costs for the LTIPs. These conditions have no impact on the measurement date fair value of the conditional performance options themselves but only affect the total estimated long-term incentive costs in each year as the maximum expense is adjusted to reflect estimates of forfeitures of conditional performance options due to, for example, failing to achieve one or more of the non-market performance conditions. Changes in estimates in the achievement of these conditional performance conditions are adjusted in the current year by means of a cumulative catch-up. Only at the end of each LTIP, the final result of the performance conditions will decide the ultimate number of conditional performance options that vest for each of the Managing Directors.

The details of conditional performance share options granted under the LTIP for Managing Directors as at 31 December 2020 are as follows:

	31 December 2020		31 December 2019	
	Number of share options	Weighted-average exercise price (in €)	Number of share options	Weighted-average exercise price (in €)
Outstanding as at the beginning of the period	**80,023**	**46.25**	**83,905**	**47.38**
Granted during the period	14,233	–	–	–
Forfeited during the period	–	–	(3,882)	23.37
Exercised during the period	(4,697)	23.37	–	–
Expired during the period	–	–	–	–
Outstanding as at the end of the period	**89,559**	**40.10**	**80,023**	**46.25**
Exercisable as at the end of the period	44,003		15,535	

The weighted average fair value for share options granted during the period was €101.96 (2019: €0).

The conditional performance options were priced using Monte Carlo simulation. The inputs to the model for the share options were as follows:

	LTIP 2020-2023
Exercise price	nil
Expected volatility	38.81%
Expected dividend yield	0.00%
Risk-free rate	(0.72%)
Vesting period	3 years
Share price at valuation date	€ 92.40
Average share price prior to performance period	€ 77.84

The assumptions made in the pricing model for the LTIP are based upon publicly available market data and internal information and are as follows:

- The maximum number of shares and options to be granted to the LTIP Participants is directly linked to the fixed salary of each employee at grant date.
- The expected volatilities of the share prices of the Company and the constituents of the three indices (AEX, FTSE 100, NASDAQ 100) are based on the historical volatility on a daily basis, over a period of 3 years, prior to the valuation date.
- The correlation coefficients are based on the logarithm of the daily share price return over a 3-year period, prior to the valuation date.
- No dividends are expected to be declared during the vesting period.
- The risk-free rate is based on zero-coupon government bond yields based on the applicable currencies with a yield to maturity of 3 years.
- The constituents of the three indices (AEX, FTSE 100, NASDAQ 100) are determined at the start of the performance period (as of 1 January 2020).

The LTIP 2018-2020 vested as per 31 December 2020. Based on the relative weight of the targets under the performance conditions, 100% of the granted share options vested.

Share options exercised under the LTIP during the period

4,697 of the share options granted under the LTIP 2017-2019 were exercised during 2020 (2019: 0). The weighted-average share price at the date of exercise amounted to €97.30 (2019: €0).

Weighted average remaining assumed life outstanding share options

The share options outstanding as at 31 December 2020 had a weighted average remaining assumed life of 8 years (31 December 2019: 8 years). The exercise prices are between €0 and €54.62.

STI

The remuneration of the Managing Directors consists of variable remuneration in form of STI, which will be delivered partly in cash and partly as a deferred award of shares in the Company. Any STI outcome achieved above 75% (at-target) of base fee will be delivered as a deferred award of Company shares, with the period of deferral being three years with one-third of the amounts deferred vesting and being capable of release at each anniversary of the making of the deferred award. The vested awards will be subject to a further holding period of two years.

Performance over each financial year is measured against stretching targets set by the Supervisory Board at the beginning of the year, based on the budget and taking into account the strategy aspirations. The maximum level of the STI outcome for a Managing Director is 150% of base fee per year.

The measurement date is the date at which the Company and the Managing Directors agree to the STI, and requires that the Supervisory Board and all Managing Directors have a shared understanding of the terms and conditions of the STI. The vesting period is the period during which all of the specified vesting conditions are to be satisfied in order for the Managing Directors to be entitled to the shares granted. The vesting conditions include several non-market performance conditions.

The performance measures comprise of a mix of financial measures (75%) and non-financial measures (25%), supporting the strategy of Just Eat Takeaway.com:

- Number of new consumers (25%);
- Number of active consumers (25%);
- Number of orders per consumer (25%);
- Certain personal / non-financial measures (25%).

STI outcomes are calculated following the determination of achievement against performance measures and targets measured over 12 months, from 1 January 2020 until 31 December 2020. Based on the STI outcome for 2020, 10,689[1] deferred shares are expected to be awarded to the Managing Directors with a weighted average fair value of €91.48. The fair value of these shares for the purpose of recognising the services received during the period was determined based on the market price of the Company's shares on 31 December 2020.

[1] The number of deferred shares awarded is estimated based on the five-day average share price prior 31 December 2020

ESOP for employees

The Company has an equity-settled ESOP for senior management and certain other employees (“ESOP Participants”). Under the ESOP, depositary receipts on shares and share options are awarded to ESOP Participants on an annual basis. The vesting of these shares and share options is solely subject to a service condition being continued employment of 3 years. The contractual life of the share options is 10 years from the grant date.

The details of shares and share options granted under the ESOP for ESOP Participants as at 31 December 2020 are as follows:

	31 December 2020				31 December 2019			
	Number of share options	Weighted-average exercise price (in €)	Number of shares	Weighted-average grant-date fair value (in €)	Number of share options	Weighted-average exercise price (in €)	Number of shares	Weighted-average grant-date fair value (in €)
Outstanding at the beginning of the period	**118,434**	**34.46**	**102,956**	**44.20**	**126,102**	**25.46**	**153,897**	**25.71**
Granted during the year	5,691	25.37	80,572	80.79	30,084	60.96	54,481	60.09
Forfeited during the year	(2,438)	63.23	(4,318)	62.00	(836)	54.62	(1,576)	54.62
Exercised during the year	(34,502)	25.37	(48,979)	26.36	(36,916)	24.85	(103,846)	24.98
Expired during the period	–	–	–	–		–		–
Outstanding at the end of the period	**87,185**	**39.14**	**130,231**	**72.96**	**118,434**	**34.46**	**102,956**	**44.20**
Exercisable at the end of the period	55,580				50,758			

The vesting of the shares and share options under the ESOP is 0% in the first year after the grant date, 67% in the second year after the grant date, and 33% in the third year after the grant date. For the shares granted under the ESOP in 2020, vesting is generally in three equal parts over the three-year vesting period. However, given that the ESOP Participant must remain in service, the long-term incentive costs are spread equally over the service period.

The share options granted during the year were priced using the Black-Scholes-Merton option pricing model. The inputs to the model for the share options were as follows:

	Grant 1 Jan 2020
Grant date share price	€ 82.20
Exercise price	€ 80.17
Expected volatility	31.55%
Expected dividend yield	0.00%
Risk-free rate	(0.06%)
Vesting period	3 years
Assumed life of share options	8 years

The assumptions made in the pricing model for the ESOP are based upon publicly available market data and internal information and are as follows:

- The maximum number of shares and options to be granted to the ESOP Participants is directly linked to the fixed salary of each employee at grant date;
- The exercise price is based on the average of the closing prices of the Company's shares in the five trading days preceding the grant date;
- Expected volatility is based on the share price development of a peer group of companies on a ten-year basis;
- No dividends are expected to be declared during the vesting period;
- The risk-free rate is based on bonds of the Dutch government;
- No early vesting of the shares and options is expected.

Share options exercised during the period

34,502 of the share options granted prior to 2020 were exercised during 2020 (2019: 36,916). The weighted-average share price at the date of exercise amounted to €81.78 (2019: €72.63).

Weighted average remaining assumed life outstanding share options

The share options outstanding as at 31 December 2020 had a weighted average remaining assumed life of 7 years (31 December 2019: 8 years). The exercise prices are between €23.37 and €84.44.

Employee share option plans of Just Eat Limited acquired in the current year

Several share-based payment plans were in place at Just Eat prior to the business combination. Some of the shares issued in the business combination relate to employee share options under these former Just Eat share-based payment plans, for which Just Eat shares were issued and immediately converted to shares in the Company.

Under the legacy Just Eat Company Share Option Plan ("CSOP"), the share options that already vested before or at acquisition date had an exercise period that lasted until 30 July 2020. The options that were already exercised before or at acquisition date were included in the calculation of the consideration transferred to obtain control, refer to Note 11 Business combinations.

The unreplaced options that were vested but unexercised at the date of acquisition formed part of the non-controlling interest in Just Eat. They were measured at their market-based measure at the date of acquisition, based on the number of shares that were expected to be issued in the period after the acquisition date and the share price of the Company at acquisition date. A total of €2 million was recognised as non-controlling interest at acquisition date with a corresponding increase in goodwill. The non-controlling interest was fully reversed as per 30 July 2020 when all unexercised options lapsed.

Following the business combination, several schemes were rolled-over or eligible employees were transitioned to newly adopted schemes.
The following share-based payment arrangements are in place as per 31 December 2020. All of these arrangements qualify as equity-settled share-based payment plans.

Performance Share Plan (“PSP”) and Restricted Share Plan (“RSP”)

The PSP and the RSP were equity-settled share-based payments plans that were transitioned into new schemes following the business combination. PSP and RSP awards were granted to eligible employees to help incentivise sustained performance over the long term and to promote alignment with the shareholders’ interests.
Awards under the PSP and RSP were granted as nil-cost options that vested to the extent performance conditions were satisfied, predominantly over a timespan of three years. Following the business combination, a new transition scheme was offered, whereby the number of nil-cost options granted equal the number of unvested options lapsed under the old scheme. The vesting profile mirrored the legacy scheme and is subject to performance conditions. RSP awards granted are not subject to any performance conditions, the only vesting condition applicable is a three-year service condition. Participants employed at the grant date were automatically enrolled into the relevant new scheme. In addition, a grant under the PSP was made to legacy Just Eat employees in following the combination in a manner consistent with past practice.

As per 31 December 2020, the performance conditions for the awards granted under the PSP are still to be defined. Just Eat Takeaway.com has therefore estimated the fair value of the equity instruments at the end of the reporting period for the purposes of recognising the services received during the period between service commencement date and the measurement date. Once the performance targets have been established, the estimate will be revised so that the amounts recognised for services received in respect of the grant are ultimately based on the measurement date fair value of the equity instruments.

The details of the share options granted under the PSP and RSP as at 31 December 2020 are as follows:

	PSP		RSP	
	Number of share options	Weighted-average exercise price (in €)	Number of share options	Weighted-average exercise price (in €)
Outstanding as at the beginning of the period[1]	**468,226**	**–**	**15,868**	**–**
Granted during the period	–	–	–	–
Forfeited during the period	(87,929)	–	(278)	–
Exercised during the period	(109)	–	(6,346)	–
Expired during the period	–	–	–	–
Outstanding as at the end of the period	**380,188**	**–**	**9,244**	**–**
Exercisable as at the end of the period	13		–	

[1] The beginning of the period is 15 April 2020, the date at which Just Eat Takeaway.com N.V. obtained control of Just Eat. Refer to Note 11 Business combinations for more details

Share options exercised during the period

6,455 of the share options granted prior to 2020 were exercised during 2020. The weighted-average share price at the date of exercise amounted to €98.82.

Weighted average remaining assumed life outstanding share options

The share options outstanding as at 31 December 2020 had a weighted average remaining assumed life of 8 years. Under the PSP and the RSP options were granted at nil cost.

Sharesave Plans and Deferred Share Bonus Plan (“DSBP”)

The Sharesave Plans were equity-settled share-based payment plans that were rolled over and continued under substantially the same terms as the original schemes following the business combination. Eligible employees were offered the option to buy shares in Just Eat after a timespan of three years, based on a discounted share price set at grant date. Employees taking part in the scheme contribute to a savings pool from their salaries on a monthly basis, the full amount of which is repaid if the options lapse. Due to the roll-over, the scheme now refers to the Company and not Just Eat. The only vesting condition applicable to the Sharesave options is a three-year service condition.

The Just Eat Deferred Share Bonus Plan was an equity-settled share-based payment plan that was rolled over and continued substantially under the same terms as the original scheme following the business combination, with the exception that the awards now relate to the Company and not Just Eat. DSBP awards were granted to eligible participants based on a portion of the annual bonus for the preceding financial year. The award under this scheme vest in equal tranches over a three-year period.

The details of the share options granted under the Sharesave plans and the DSBP as at 31 December 2020 are as follows:

	Sharesave Plans		DSBP	
	Number of share options	Weighted-average exercise price (in €)	Number of share options	Weighted-average exercise price (in €)
Outstanding as at the beginning of the period[1]	**29,942**	**54.79**	**8,168**	**–**
Granted during the period	–	–	–	–
Forfeited during the period	(989)	54.33	–	–
Exercised during the period	(10,045)	47.80	(3,434)	–
Expired during the period	–	–	–	–
Outstanding as at the end of the period	**18,908**	**55.74**	**4,734**	**–**
Exercisable as at the end of the period	2,471		1,578	

[1] The beginning of the period is 15 April 2020, the date at which Just Eat Takeaway.com N.V. obtained control of Just Eat. Refer to Note 11 Business combinations for more details

Share options exercised during the period

10,045 of the Sharesave options and 3,434 of the DBSP options were exercised during 2020. The weighted-average share price at the date of exercise amounted to €94.45.

Weighted average remaining assumed life outstanding share options

The share options outstanding as at 31 December 2020 had a weighted average remaining assumed life of 3 years. The exercise prices are between €47.55 and €56.97 for the Sharesave schemes. Under the DSBP options were granted at nil cost.

Total expense recognised for the period

Just Eat Takeaway.com recognised total expenses of €23 million related to equity-settled share-based payment transactions in 2020 (2019: €3 million).

Cash flow for the period

The cash flows related to the share options are included in the proceeds from issue of ordinary shares for the amount of €1 million (2019: €1 million).

Equity movements for the period

The movements in the equity-settled share-based payments reserve, share capital and share premium relate to the share-based payment expense for the period as well shares and share options exercised during the period.

€ millions	Equity-settled share-based payments reserve	Share capital	Share premium
Balance as at 1 January 2019	**5**	**–**	**–**
Share-based payment expense	3	–	–
Shares issued and share options exercised	(4)	0	4
Balance as at 31 December 2019	**4**	**0**	**4**
Balance as at 1 January 2020	**4**	**0**	**4**
Share-based payment expense	23	–	–
Shares issued and share options exercised	(3)	0	4
Balance as at 31 December 2020	**24**	**0**	**8**

7 Other operating expenses

Other operating expenses include expenses that are neither directly attributable to order fulfilment costs nor staff costs, nor the financing of Just Eat Takeaway.com.

€ millions	2020	2019
Marketing expenses	369	143
Housing expenses	10	4
Professional fees	78	54
Other staff related costs	36	17
IT related expenses	33	5
Other operating expenses	82	10
Total other operating expenses	**608**	**233**

Housing expenses in 2020 and 2019 only include non-lease ("service") components.

Other operating expenses mainly relate to stamp duties of €35 million (2019: €0 million) following the Just Eat Acquisition for the transfer of shares and accompanying tax and digital service tax of €15 million (2019: €0 million).

8 Finance income and expense

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. Finance expenses are accounted for on an accrual basis.

€ millions	2020	2019
Other finance income	3	–
Finance income	**3**	**–**
Interest on convertible bond	(19)	(11)
Interest on lease liabilities	(2)	(1)
Other interest expense	(4)	(1)
Other finance expense	(4)	(3)
Finance expense	**(29)**	**(16)**

Finance expense mainly consist of interest related to the 2020 convertible bonds and 2019 convertible bonds of €19 million (2019: €11 million).

The weighted average rate on funds borrowed in 2020 is 4.8% per annum (2019: 5.2%). Just Eat Takeaway.com did not capitalise borrowing costs in 2020 (2019: nil).

The amounts paid in 2020 are related to interest on convertible bonds of €8 million (2019: €3 million), other interest expenses of €4 million (2019: €0 million) and other finance expense of €2 million (2019: €4 million).

9 Income taxes

Income tax expense represents the sum of current and deferred tax expenses.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “loss before tax” as reported in the Consolidated statement of profit or loss and OCI because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Just Eat Takeaway.com’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax is recognised in profit or loss, except when it relates to a business combination or for items directly recognised in equity or OCI.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that the relevant tax authority will not accept the tax treatment under tax law. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Interest and penalties related to income taxes, including uncertain tax treatments which do not meet definition of income taxes, are accounted for under IAS 37 ‘Provisions, Contingent Liabilities and Contingent Assets.’

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, and interests in joint ventures, except where Just Eat Takeaway.com is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in profit or loss, except when it relates to a business combination or for items directly recognised in equity or OCI.

Just Eat Takeaway.com offsets deferred tax assets and deferred tax liabilities if Just Eat Takeaway.com has a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity; or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Income tax recognised directly in profit or loss

€ millions	2020	2019
Current tax expenses	(27)	(9)
Deferred tax benefits / (expenses)	23	(18)
Total tax recognised directly in profit or loss	**(4)**	**(27)**

Just Eat Takeaway.com's transfer pricing policy is aligned with Just Eat Takeaway.com's management and operating model. As a result, the Dutch entities reported a loss on a consolidated level and the non-Dutch entities reported a taxable profit overall. The taxable profit has been partly offset with the tax losses carried forward in those non-Dutch countries.

The current tax expense of €27 million (2019: €9 million) relates mainly to the taxable result of the non-Dutch entities. The deferred tax benefit of €23 million (2019: €18 million deferred tax expense) relate to temporary differences in amortisation of intangible assets, the recognition of losses and an offsetting effect on the use of tax losses against taxable profits in Germany, Poland, United Kingdom and Canada.

Reconciliation of the effective income tax rate

The activities of Just Eat Takeaway.com are subject to corporate income tax in all countries it is active in, depending on presence and activity.
The applicable statutory tax rates of the tax jurisdictions in which Just Eat Takeaway.com operates vary between 10% and 32%, which may cause the effective tax rate ("ETR") to deviate from the Dutch corporate tax rate.
The following table presents a reconciliation between the tax charge on the basis of the Dutch tax rate and the ETR.

The income tax expense / benefit for the year reconciled to the accounting loss is as follows:

€ millions	2020	%	2019	%
Loss before income tax	(147)		(88)	
Income tax benefit calculated at 25% Dutch income tax rate	37	25.0%	22	25.0%
Change of unrecognised deferred tax assets	(13)	(8.9%)	(46)	(52.8%)
Adjustments for tax of prior periods	2	1.6%	5	5.9%
Effect of non-deductible expenses	(28)	(19.1%)	(2)	(2.1%)
Effect of different tax rates of foreign subsidiaries	1	0.5%	(7)	(7.6%)
Effect of share in results of associates and joint ventures	(4)	(2.6%)	–	0.0%
Other	1	0.8%	1	0.5%
Income tax expense recognised in profit or loss	**(4)**	**(2.8%)**	**(27)**	**(31.1%)**

The income tax expense of €4 million in 2020 (2019: €27 million) represents an ETR of (2.8)% (2019: (31.1)%). This ETR is primarily impacted by the effect of unrecognised deferred tax assets for tax losses and acquisition costs.

Current tax assets

€ millions	2020	2019
Opening balance	7	1
Reclassifications	2	–
Current tax movement through equity	1	
Additions from business combinations	16	–
Income tax (refunded) or paid	2	2
Income tax (expense) / benefit	(10)	4
Foreign exchange movements	(1)	–
Balance as at the end of the reporting period	**17**	**7**

Current tax liabilities

€ millions	2020	2019
Opening balance	42	7
Reclassifications	2	–
Additions from business combinations	6	22
Movement through goodwill	1	–
Income tax (paid)	(31)	(1)
Current tax expenses	17	13
Balance as at the end of the reporting period	**37**	**42**

The total current tax expense of €27 million (2019: €9 million) relates mainly to the taxable result of the non-Dutch entities and represents the tax charges on profits for the current year. For the disclosure on the additions from business combinations, reference is made to Note 11.

Net deferred tax position

€ millions	2020	2019
Deferred tax assets - gross	94	28
Offsetting	(94)	(25)
Deferred tax assets - net	**–**	**2**
Deferred tax liabilities - gross	(644)	(68)
Offsetting	94	25
Deferred tax liabilities - net	**(550)**	**(43)**
Net deferred tax asset / (liability)	**(550)**	**(41)**

The deferred tax assets mainly relate to the recognition of the unused tax losses for €52 million as well as temporary differences related to intangible assets from acquisitions and other fixed assets. Other consists mainly of other tangibles for €6 million and accruals and provisions for €6 million. The movement during the period mainly relates to the utilisation of the tax losses and the recognition of losses through equity in relation to the 2020 convertible bonds.

An amount of €21 million (2019: €9 million) relating to deductible temporary differences without expiration date has not been recognised.

Deferred tax assets

€ millions	Intangibles	Tax losses and credits	Leases	Other	Total
Opening balance as at 1 January 2019	**–**	**27**	**–**	**0**	**27**
Additions from business combinations	10	–	–	–	10
Movement through Consolidated statement of profit or loss	–	(20)	–	–	(20)
Other movements	(2)	0	7	1	6
Other movements through equity	–	5	–	–	5
Balance as at 31 December 2019	**8**	**12**	**7**	**1**	**28**
Additions from business combinations	–	34	11	11	56
Movement through Consolidated statement of profit or loss	–	(7)	0	2	(5)
Movement through goodwill	2	–	–	–	2
Other movements through equity	–	13	–	0	13
Balance as at 31 December 2020	**10**	**52**	**18**	**14**	**94**

Deferred tax liabilities

€ millions	Intangibles	Leases	Convertible bonds	Other	Total
Opening balance as at 1 January 2019	**28**	**–**	**–**	**–**	**28**
Additions from business combinations	29	–	–	–	29
Other movements	(2)	7	(1)	–	4
Other movements through equity	–	–	5	–	5
Foreign exchange movements through OCI	2	–	–	–	2
Balance as at 31 December 2019	**57**	**7**	**4**	**–**	**68**
Additions from business combinations	591	11	–	5	607
Movement through Consolidated statement of profit or loss	(24)	(2)	(3)	1	(28)
Movement through goodwill	(1)	–	–	–	(1)
Other movements through equity	–	–	13	–	13
Foreign exchange movements through OCI	(15)	(0)	–	–	(15)
Balance as at 31 December 2020	**608**	**16**	**14**	**6**	**644**

The deferred tax liability additions are recognised in relation to the other intangible assets from the acquisition closed during the year, accruals and provisions, and in relation to the 2020 convertible bonds and the 2019 convertible bonds (as defined in Note 22). The convertible bonds were classified as 'other' in the 2019 Consolidated financial statement.
The release during the period is mainly related to amortisation of intangible assets.

No deferred tax liability has been recognised in respect of undistributed earnings of subsidiaries, joint ventures and associates. This is because Just Eat Takeaway is able to control the timing of the reversal of the temporary differences, and it is probable that such differences will not reverse in the foreseeable future.

Expiry period of unrecognised tax losses

€ millions	2020	2019
Within 1 year	–	–
In the next 2 to 10 years	180	177
Over 10 years	–	–
Unlimited	32	–
Total	**212**	**177**

Following the further integration of Just Eat Takeaway.com's operations in 2020, the non-Dutch entities and branches reported a profit overall, which has been partly offset with losses carried forward. The unrecognised losses for the Dutch entities originated before 2019, for the amount of €75 million, may be carried forward for nine consecutive years, and the unused tax losses arising after 2019, amounting to €104 million may be carried forward for six consecutive years.

The other unused tax losses with an expiry period in the next 2 to 10 years relate to the unused tax losses in Romania and Switzerland for the amount of €1 million. In these countries unused tax losses can be carried forward for 7 consecutive years. For Romania, the losses mainly originate from 2017.

€32 million of unused tax losses of Just Eat Takeaway.com (for which no deferred tax asset has been recognised) have no statutory expiration.

EU State Aid

As a result of the Just Eat Acquisition, Just Eat Takeaway.com assumed a contingent liability of €3 million related to EU State Aid, see further disclosure in Note 30 Contingent liabilities.

Danish Tax Authority Dispute

In 2012, the Just Eat transfer pricing arrangements were updated, in line with the OECD Transfer Pricing Guidelines, to reflect the commercial and economic reality of its headquarters being established in the UK, whereas previously Just Eat was headquartered in Denmark. An Advanced Pricing Agreement ("APA") was submitted to the Danish and UK competent authorities to obtain certainty over the position taken. Subsequently, the Danish Tax Authority opened a local transfer pricing audit into the periods covered by the APA and in January 2018 issued a formal notice of assessment from their findings, making a claim that the taxable income for fiscal year 2013 should be increased in relation to intellectual property income, equalling an additional tax payment of £126 million, including penalties and interest (which have continued to accrue since then).

Just Eat Takeaway.com strongly disagrees with the claim made by the Danish Tax Authority and has appealed the assessment through the Mutual Agreement Procedure (the "MAP") process between the HMRC and the Danish Tax Authority. During the MAP, the two tax authorities enter into discussions with the intention of resolving the transfer pricing dispute. Just Eat's case was formally accepted into the MAP in April 2018. Under the MAP, the tax authorities have two years to reach a resolution. As a resolution has not been reached, Just Eat Takeaway.com is able to refer the case to an independent arbitration panel which will consider the facts and reach its own conclusion. As the tax authorities appear to be making progress regarding Just Eat's case, Just Eat Takeaway.com has not yet requested that the matter be referred to arbitration but reserves the right to do so should the tax authorities not make progress with the matter within a reasonable timeframe. Just Eat Takeaway.com expects the outcome to be a full elimination of the potential double taxation.

Such an outcome may result in a reallocation of income between the UK and Denmark with different tax rates applying over a different period, with net interest charges.

Just Eat Takeaway.com has made significant payments on account to the Danish Tax Authority, which in no way reflects Just Eat Takeaway.com's position or the expected outcome, but as a means of mitigating against interest charges applied on the final agreed tax payment. As at 31 December 2020, the balance sheet includes both an asset and a liability in respect of this uncertain tax position, representing Just Eat Takeaway.com's best estimate of the expected outcome of the MAP between HMRC and the Danish Tax Authority.

10 Operating segments

An operating segment is a component of Just Eat Takeaway.com that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by Just Eat Takeaway.com's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

An operating segment is separately reportable if it meets any of the quantitative thresholds or if management believes that separately disclosing information about the segment would be useful.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Just Eat Takeaway.com is organised on a country level for the purpose of conducting its activities. All Just Eat Takeaway.com entities perform the same business activities – online food delivery – under a single brand strategy. Revenues are principally derived from commission fees paid by the restaurants for use of the marketplace in connecting the restaurants to consumers. Information reported to the CODM for the purposes of resource allocation and assessment of segment performance is on a country level.

The CODM is the Management Board at Just Eat Takeaway.com. The Management Board is jointly responsible for making strategic and operating decisions concerning Just Eat Takeaway.com's business activities. Each country is identified as an operating segment.

Following the combination of Just Eat and Takeaway.com on 15 April 2020, the operating segments that are individually reportable have been reassessed compared to prior year. Just Eat Takeaway.com has four reportable segments that meet the quantitative thresholds, being the United Kingdom, Germany, Canada and the Netherlands. The total external revenue reported by these operating segments constitutes 75% of Just Eat Takeaway.com's total external revenue. The other countries have been combined into an "all others" segment which is named 'Rest of the World'.

The Management Board assesses the performance of operating segments based on revenues, marketing expenses, and Adjusted EBITDA. Adjusted EBITDA is Just Eat Takeaway.com 's segment measure of profit or loss to assess segment performance and allocate resources. Adjusted EBITDA reflects an allocation of expenses from supporting functions within Just Eat Takeaway.com per segment. Such allocations have been determined based on relevant measures that reflect the level of benefits of these functions to each of the operating segments.

Adjusted EBITDA enables the Management Board to assess the underlying operational performance per segment within Just Eat Takeaway.com and conclude on the effectiveness of the strategy applied, without taking into account depreciation, amortisation, finance income and expenses, share-based payments, share of result of associates and joint ventures, acquisition and integration related expenses, income tax expense and other gains and losses.

As the operating segments serve only external consumers, there is no revenue from transactions with other operating segments. Finance income and expenses and income tax are not allocated to the segments. There is no measure of segment assets and liabilities provided to the Management Board, as the majority of fixed assets and working capital of Just Eat Takeaway.com are managed on a centralised basis, nor any information on depreciation and amortisation.

Since the first half of 2020, head office is no longer allocated to segments and is reported separately, resulting in a change in the way management previously measured Adjusted EBITDA for the segment. Head office relates to non-allocated expenses and includes all central operating expenses such as staff costs and project expenses for global support teams like legal, finance, business intelligence, human resources and board.
Not included in head office are costs of global IT and product functions, which are allocated to countries and therefore included in Adjusted EBITDA. This change was applied retrospectively to Adjusted EBITDA in 2019.

The following is an analysis of Just Eat Takeaway.com's revenue and results by reportable segment and country of domicile, including the other countries that have been combined into an “all others” segment which is named ‘Rest of the World’ and the non-allocated expenses included in Head office.

€ millions	United Kingdom	Germany	Canada	Netherlands	Rest of the World	Head office	Consolidated 2020
Revenue	**576**	**374**	**404**	**174**	**514**	**–**	**2,042**
Adjusted EBITDA	**143**	**128**	**42**	**76**	**(58)**	**(140)**	**191**
Share-based payments							(23)
Finance income							3
Finance expense							(29)
Share of result associates and joint ventures							(16)
Other gains and losses							2
Depreciation and amortisation							(172)
Acquisition related costs							(67)
Integration related costs							(35)
Loss before income tax							**(146)**
Other segment information							
Marketing expenses	(82)	(71)	(34)	(21)	(153)	(8)	(369)

€ millions	United Kingdom	Germany	Canada	Netherlands	Rest of the World	Head office	Consolidated 2019
Revenue	**–**	**205**	**–**	**119**	**92**	**–**	**416**
Adjusted EBITDA	**–**	**19**	**–**	**64**	**(25)**	**(46)**	**12**
Share-based payments							(3)
Finance income							0
Finance expense							(16)
Share of result associates and joint ventures							–
Other gains and losses							6
Depreciation and amortisation							(38)
Acquisition related costs							(40)
Integration related costs							(9)
Loss before income tax							**(88)**
Other segment information							
Marketing expenses	–	(79)	–	(14)	(50)	(0)	(143)

Acquisition-related costs and integration-related costs mainly relate to expenditures for external professionals on acquisitions (such as consultants, legal advisors, bankers etc.) and integration of the acquired business and employees. Acquisition-related costs and integration-related costs for 2020 are related to the acquisitions of Just Eat plc in the United Kingdom and the proposed merger with Grubhub Inc. in the United States.

The following is an analysis of Just Eat Takeaway.com's non-current assets by the Company's country of domicile, the Netherlands, and other main countries:

€ millions	2020	2019
United Kingdom	4,174	–
Germany	1,260	1,283
Canada	1,070	–
Netherlands	18	26
Brazil (associate)	1,575	–
Rest of the World	1,428	204
Total non-current assets[1]	**9,525**	**1,513**

[1] Comprises non-current assets excluding financial instruments and deferred tax assets

11 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

When the consideration transferred by the Company in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as shareholders' equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within shareholders' equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, Just Eat Takeaway.com reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Business combinations 2020

On 31 January 2020, the Just Eat Acquisition was declared wholly unconditional. As of such date, a hold separate order imposed by the United Kingdom's Competition and Markets Authority (CMA) came into effect, requiring that the businesses continued to be run independently until the CMA's investigation had been concluded.

On 15 April 2020, the CMA revoked the hold separate order, and as of such date the Company obtained control of Just Eat (the 'control date'). The primary reasons for the Just Eat Acquisition were to create one of the largest food delivery companies in the world, with scale, strategic vision and industry-leading capabilities, to acquire leading positions in attractive markets and a diversified geographic presence, to expand the product offering, and to create significant value through economies of scale.

Between the date that the Just Eat Acquisition was declared wholly unconditional and the acquisition ("control") date, Just Eat Takeaway.com elected to irrevocably account for its investment in Just Eat as an equity investment at fair value through OCI as the Company could not exercise control or significant influence consequent to the CMA imposing the hold separate order. The total investment for 100% of the shares of Just Eat amounted to €7.1 billion and consisted of 82.8 million ordinary shares that were issued on various dates between 3 February 2020 and 10 August 2020. As per the control date, 15 April 2020, the Company determined the fair value of the consideration transferred based on the share price at that date and recognised a fair value gain of €323 million that was accounted for through OCI. The fair value of the consideration transferred as at the control date amounted to €7.4 billion which was used to recognise and measure goodwill.

The following table provides the provisional information for the Just Eat Acquisition on the control date fair value of each major class of assets acquired and liabilities assumed, including measurement period adjustments processed in 2020. At 15 April 2020, the fair value of the consideration transferred was based on the share price of €89.68 per share. The acquisition did not result in any contingent consideration.

The purchase price adjustments recognised in 2020 resulted in an increase in goodwill of €4 million, a decrease in other intangible assets of €22 million, an increase in investments in associates of €7 million, an increase in other non-current assets of €14 million, an increase in current assets of €2 million, an increase in current liabilities of €8 million, a decrease in non-current liabilities of €8 million and an increase in non-controlling interests of €5 million.

€ millions	Total 2020
Ordinary share issued (82.8 million)	7,430
Total consideration	**7,430**
Other intangible assets	3,040
Property and equipment	18
Investments in associates and joint ventures	1,730
Right-of-use assets	64
Deferred tax assets	56
Other non-current assets	1
Trade and other receivables	80
Current tax asset	16
Inventories	4
Cash and cash equivalents	113
Borrowings	(348)
Deferred tax liability	(607)
Other non-current liabilities	(3)
Lease liability	(64)
Provisions (current)	(7)
Trade and other liabilities	(268)
Current tax liability	(6)
Total fair value of net identifiable assets and liabilities	**3,819**
Non-controlling interests	(5)
Goodwill recognised	**3,616**

The trade receivables comprise gross contractual amounts due of €80 million, of which none were expected to be uncollectable at the date of acquisition.

The initial accounting for the Just Eat Acquisition has only been provisionally determined as at the end of the reporting period. The provisional purchase price allocation is based on an estimation of the identifiable assets acquired and liabilities assumed. This estimation requires the Management Board to estimate the future cash flows expected to arise from the assets and a suitable discount rate in order to calculate present value. The main reason for being provisional is related to the resolution of the (contingent) liabilities such as the gig economy matters and uncertain tax positions. Just Eat Takeaway.com will continue to review this matter during the measurement period. If new information is obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition, then the accounting for the acquisition will be revised.

The Management Board believes that the assumptions used in the provisional purchase price allocation are appropriate as at 31 December 2020. The measurement period will end no later than 15 April 2021, and no subsequent adjustments have been made to the amounts provisionally recorded as at the date these financial statements were authorised for issue.

Goodwill recorded in connection with the Just Eat Acquisition represents future economic benefits specific to Just Eat Takeaway.com arising from assets that do not qualify for separate recognition as intangible assets. The goodwill is not deductible for tax purposes. Non-controlling interest is related to the 20% interest in FBA Invest SaS ("FBAI"). This non-controlling interest is not considered significant to Just Eat Takeaway.com.

From the date control was obtained, the revenues of Just Eat amounted to €1,371 million and the net income of Just Eat amounted to €66 million. The combined revenue and loss for the period of Just Eat Takeaway.com and the acquired businesses would have amounted to €2,401 million and €(282) million, respectively, if control had been obtained on 1 January 2020. Such unaudited pro forma figures are not intended to represent or be indicative of Just Eat Takeaway.com's results of operations or financial condition that would have been reported had the Just Eat Acquisition been completed as of 1 January 2020 and should not be taken as indicative of Just Eat Takeaway.com's future results of operations or financial condition.

Just Eat Takeaway.com has changed its approach to the determination of the unaudited pro forma combined information disclosed above by including adjustments for depreciation and amortisation that would have been charged assuming the fair value adjustments had applied from the beginning of the reporting period together with other directly attributable and factually supportable adjustments relating to the transaction which do not relate to future events and decisions, where applicable, in order to provide more representative information about the effects of a business combination transaction.

Total acquisition costs for completed and announced acquisitions amounted to €67 million for the period ended 31 December 2020 (period ended 31 December 2019: €40 million). The transaction costs accounted for through equity amount to €24 million in 2020 for the share issuance related to the Just Eat Acquisition (2019: €12 million) as well as €7 million for the accelerated bookbuild, refer to Note 20 Equity for more information.

Cash flows on acquisitions

The cash flows, net of cash acquired in the business combinations, on acquisitions were related to the cash acquired amounting to €113 million in relation to the Just Eat Acquisition in 2020 (2019: €490 million consideration paid in relation to the Acquired German Businesses net of cash acquired). No consideration was paid in cash in relation to the Just Eat Acquisition.

Contingent consideration

Acquisitions completed in 2020 did not result in any contingent consideration (2019: nil).

Business combinations 2019

On 1 April 2019, the Just Eat Takeaway.com Group acquired 100% of the Acquired German Businesses, and this acquisition is allocated to CGU Germany. Both entities operated portals for the online ordering of takeaway meals and beverages with restaurants in Germany. The total consideration amounts to €1,204 million and consists of a cash payment and an issuance of 9.5 million ordinary shares in the Company. In 2019, the total consideration was transferred.

The fair values of the identifiable assets and liabilities as at acquisition date for the acquisitions were based on the outcome of the provisional purchase price allocation. Therefore, the fair value of the identifiable assets and liabilities was determined provisionally and was subject to change. The purchase price allocations were finalised within 12 months from the acquisition date.

€ millions	Total 2019
Consideration paid in cash	552
Ordinary shares issued (9.5 million)	652
Total consideration	**1,204**
Other intangible assets	266
Non-current assets	2
Trade and other receivables	7
Trade and other liabilities	(55)
Current tax liability	(22)
Deferred tax liability	(20)
Cash and cash equivalents	62
Total fair value of net identifiable assets and liabilities	**240**
Goodwill recognised	**964**

Just Eat Takeaway.com determined the purchase price allocation for this business combination to be goodwill of €964 million, other intangible assets of €266 million, non-current assets of €2 million, deferred tax liability of €20 million, current tax liabilities of €22 million and net working capital of €14 million. The nominal value of the acquired trade and other receivables at acquisition date amounts to €7 million.

Goodwill recorded in connection with the acquisition represents future economic benefits of anticipated synergies, future market developments and knowhow specific to Just Eat Takeaway.com arising from assets that do not qualify for separate recognition as intangible assets. The goodwill arising on these acquisitions is not tax deductible.

The primary reason for the significant business combination is to further strengthen Just Eat Takeaway.com's market share and enhance proposition for both consumers and (partner) restaurants in Germany.

Shortly after the acquisition of the Acquired German Businesses, the websites of the German businesses acquired (for example lieferheld.de, pizza.de and foodora.de) were migrated to lieferando.de, from which time it was no longer possible to separate the revenues and results of these websites. The (unaudited pro forma) combined revenue and loss of the period of Just Eat Takeaway.com and the Acquired German Businesses would have amounted to €445 million and €135 million respectively, if the acquisition date had been 1 January 2019.

Provisional fair value accounting

The fair value of the identifiable assets and liabilities will be revised if new information is obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date, identified adjustments to the above amounts, or for any additional provisions that existed at the acquisition date.

In 2019 a subsequent change in purchase price accounting after the acquisition date was recorded, resulting in a €6 million increase of goodwill and trade and other liabilities in relation with the acquisition of the Acquired German Businesses. This relates to the classification of a liability as an external liability instead of an intercompany liability. The cashflow movement is part of the movement in working capital.

Just Eat Takeaway.com has not recorded any measurement period adjustment in 2020 for the Acquired German Businesses.

Contingent considerations

Acquisitions completed in 2019 did not result in any contingent consideration.

Announced acquisition: proposed all-share combination with Grubhub

On 10 June 2020, the Management Board announced that Just Eat Takeaway.com N.V. and Grubhub Inc. (Grubhub) had entered into a definitive agreement whereby the Company is to acquire 100% of the shares of Grubhub in an all-share transaction. Under the terms of the Transaction, Grubhub shareholders will be entitled to receive American depositary receipts (ADRs) representing 0.6710 Just Eat Takeaway.com N.V. ordinary shares in exchange for each Grubhub share, representing an implied value of $59.24 for each Grubhub share (based on the undisturbed closing price of Just Eat Takeaway.com N.V. on 5 March 2021 of €74.14 and implying a total equity consideration (on a fully diluted basis) of $5.8 billion. Immediately following completion of the Transaction, Grubhub shareholders are expected to own ADRs representing approximately 30.5% of the combined group (on a fully diluted basis).

On 7 October 2020 the Extraordinary General Meeting (EGM) of Just Eat Takeaway.com N.V. approved the acquisition of Grubhub and the appointment of Matthew Maloney as a member of the Management Board and the appointments of Lloyd Frink and David Fisher as members of the Supervisory Board, effective as of closing.

The Transaction is subject to the approval of Grubhub's shareholders, as well as other customary completion conditions. Subject to satisfaction of the conditions, completion of the Transaction is anticipated to occur in the first half of 2021.

12 Goodwill

Goodwill arises from business combinations and is initially measured as set out above. Goodwill is subsequently measured at cost less accumulated impairment losses.

On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over Just Eat Takeaway.com's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

Goodwill is not amortised but is reviewed for impairment at least annually, or more frequently when there is an indication that goodwill may be impaired. For the purpose of impairment testing, goodwill is allocated to each of the Just Eat Takeaway.com CGUs expected to benefit from the synergies of the combination. If the recoverable amount of the CGU is less than the carrying amount of the CGU, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that CGU and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in that CGU. An impairment loss recognised for goodwill is not reversed in a subsequent period.

€ millions	2020	2019
Opening balance	1,097	128
Additions from business combinations	3,616	964
Foreign exchange and other movements	(97)	5
Balance as at the end of the period	**4,616**	**1,097**

The carrying amount of goodwill as at 31 December 2020 amounted to €4,616 million (31 December 2019: €1,097 million). No impairment loss was recognised during 2020 (2019: nil). The exit of the United Kingdom from the European Union is not expected to have any impact on the carrying value of goodwill.

Allocation of goodwill to CGUs

For impairment testing purposes, goodwill has been allocated to CGUs as follows:

€ millions	2020 31 December	2019 31 December
CGU United Kingdom	2,141	–
CGU Germany	999	1,009
CGU Canada	821	–
Other (units carrying a non-significant goodwill balance)	655	88
Balance as at the end of the period	**4,616**	**1,097**

Goodwill allocated to CGUs United Kingdom, Germany and Canada is considered to be significant in comparison with Just Eat Takeaway.com's total carrying amount of goodwill. The recoverable amount of these CGUs is determined based on a value in use calculation, which uses cash flow projections based on financial budgets and estimates approved by the Management Board, or fair value less cost of sale. Projections were extrapolated with stable or declining growth rates.

Key assumptions - general

Forecast period

A forecast period of five years is used for the value in use calculation. An extended forecast period of seven or ten years is used if the CGUs operate in underpenetrated and competitive markets with observable growth rates, significantly exceeding perpetual growth rates, and significant investments. For CGUs that operate in underpenetrated and competitive markets, reaching stable Adjusted EBITDA margins is expected to take seven to ten years. A stable state of business is measured via penetration in a market and competitive position, which is reflected in the financial metric Adjusted EBITDA margin.

The Management Board has assessed the reasonableness of the assumptions on which its current cash flow projections are based, including the causes of differences between past cash flow projections and actual cash flows. It therefore considers cash flow projections over a period longer than five years to be reliable and a more accurate reflection of the maturity of the market.

Average revenue growth

Revenue growth is determined based on detailed planning on consumer cohort level, consistent with past experience (first three years) and management estimates based on market size, external market and industry growth assumptions and competitive position within the market (fourth year and beyond).

Long-run Adjusted EBITDA margin

The long-run Adjusted EBITDA margin is based on past performance and management's experience with the level of investment required to reach a stable state of business.

Perpetual growth rate

The cash flows beyond the forecast period have been extrapolated using a perpetual growth rate. These growth rates do not exceed the long-term average growth rate for each country in which the entity operates, or for the market in which the asset is used.

WACC

The weighted average cost of capital ("WACC") is determined based on target capital structure of 97.5% equity (2019: 96.1%), where costs of equity are determined by capital asset pricing model ("CAPM"). The WACC is based on post-tax cost of equity and cost of debt using CGU-specific inputs for the risk-free interest rate, the beta factor, country and market risk premium.

Key assumptions and sensitivity analysis relating to CGUs to which a significant amount of goodwill is allocated

The key assumptions used by the Management Board relating to CGUs to which a significant amount of goodwill is allocated are as follows:

	United Kingdom	Germany	Canada
Forecast period	7 years	5 years	7 years
Average revenue growth per annum in the first five years of planning period (CAGR)	16.3%	20.3%	17.6%
Average revenue growth per annum in the years subsequent to the first five years of planning period (CAGR)	3.5%	0.0%	3.8%
Long-run Adjusted EBITDA margin	33.6%	33.9%	14.3%
Perpetual growth rate (%)	0.8%	0.0%	1.4%
Pre-tax WACC (%)	9.8%	10.3%	10.8%

The Management Board believes that the impairment analyses and assumptions used are appropriate in determining that the goodwill is not impaired as at 31 December 2020 and 31 December 2019, respectively.

Sensitivity analysis

Just Eat Takeaway.com has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which a significant amount of goodwill is allocated. Decrease in demand can lead to a decline in order growth rates and Adjusted EBITDA margin. Changes in the WACC and perpetual growth rates can lead to lower recoverable amounts.

Based on the sensitivity analyses performed, it has been concluded that a reasonably possible change in the key assumptions as described above would not cause the carrying amounts of CGU Germany and CGU Canada to exceed their recoverable amounts.

CGU United Kingdom

The estimated recoverable amount exceeded its carrying amount by €1,187 million. An increase of 1.95% in the WACC would result in the value of the estimated recoverable amount to fall to the level of the carrying amount.

Other CGUs carrying a non-significant goodwill balance

For the other CGUs to which a non-significant amount of goodwill compared to the total carrying amount of goodwill is allocated, any reasonable change in the key assumptions would not cause the carrying amounts of these CGUs to exceed their recoverable amounts.

13 Other intangible assets

Other intangible assets includes assets acquired in a business combination, internally generated assets and assets acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair values at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the assets' estimated useful lives.

Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and Just Eat Takeaway.com intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation starts when the intangible asset is available for use and is recognised on a straight-line basis over the assets' estimated useful lives.

Intangible assets acquired separately

Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the assets' estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any change in estimates being accounted for on a prospective basis.

Useful lives

We have the following classes of intangible assets with accompanying finite useful lives:

- Brands names: 3-20 years
- Consumer lists: 6-33 years
- Restaurant databases: 5-20 years
- Technology platforms: 5-20 years
- Development costs: 3-5 years
- Other: 3-10 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Any resulting gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss when the asset is derecognised.

€ millions	Brand names	Consumer lists	Restaurant databases	Technology platforms	Development costs	Other	Total
Cost							
Balance as at 1 January 2019	**45**	**82**	**4**	**9**	**–**	**7**	**147**
Additions	–	–	–	–	–	1	1
Additions from business combinations	18	216	28	–	–	4	266
Foreign exchange and other movements	3	5	–	1	–	0	9
Balance as at 31 December 2019	**66**	**303**	**32**	**10**	**–**	**12**	**423**
Additions	–	–	–	–	13	3	16
Additions from business combinations	499	2,242	101	189	(0)	9	3,040
Foreign exchange and other movements	(52)	(24)	(1)	(4)	0	(4)	(85)
Balance as at 31 December 2020	**513**	**2,521**	**132**	**195**	**13**	**20**	**3,394**
Accumulated amortisation							
Balance as at 1 January 2019	**(2)**	**(13)**	**(2)**	**–**	**–**	**(3)**	**(20)**
Amortisation expense	(3)	(16)	(3)	–	–	(5)	(27)
Balance as at 31 December 2019	**(5)**	**(29)**	**(5)**	**–**	**–**	**(8)**	**(47)**
Amortisation expense	(19)	(75)	(13)	(30)	(1)	(4)	(142)
Foreign exchange and other movements	0	0	0	(0)	0	1	1
Balance as at 31 December 2020	**(24)**	**(104)**	**(18)**	**(30)**	**(1)**	**(11)**	**(188)**
Balance at at 31 December 2019	**61**	**274**	**27**	**10**	**–**	**4**	**376**
Balance as at 31 December 2020	**489**	**2,417**	**114**	**165**	**12**	**9**	**3,206**

Brand names, consumer lists, restaurant databases and the technology platforms relate primarily to the acquired intangible assets of Just Eat, Yourdelivery (including the Acquired German Businesses) and 10bis.

Intangible assets other than goodwill are reviewed at each reporting period to determine whether there is any indication that the asset may be impaired. If an impairment indicator is identified, an impairment test is carried out in line with the general impairment testing policy for non-financial assets. In 2020, no impairment losses were recognised (2019: nil).

14 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Depreciation is recognised to write off the cost of an item of property and equipment, less any residual value, over its estimated useful life using a straight-line depreciation method. It is calculated as a fixed percentage of cost and is recognised from the date an asset is available for use.

The following useful lives are used in the calculation of depreciation:

- Leasehold improvements: over the lease term
- Other equipment: 3-5 years

The economic useful lives of the leasehold improvements have been aligned with the lease period agreed with the landlords. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any resulting gain or loss is measured as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss when the asset is derecognised.

€ millions	Leasehold improvements	Other equipment	Total
Cost			
Balance as at 1 January 2019	**5**	**7**	**12**
Additions	3	5	8
Disposals	–	(1)	(1)
Balance as at 31 December 2019	**8**	**11**	**19**
Additions	11	16	27
Additions from business combinations	6	12	18
Balance as at 31 December 2020	**25**	**39**	**64**
Accumulated depreciation			
Balance as at 1 January 2019	**(2)**	**(3)**	**(5)**
Reversal of accumulated depreciation on disposals	–	1	1
Depreciation expense	(1)	(2)	(3)
Balance as at 31 December 2019	**(3)**	**(4)**	**(7)**
Depreciation expense	(4)	(6)	(10)
Balance as at 31 December 2020	**(7)**	**(10)**	**(17)**
Balance as at 31 December 2019	**5**	**7**	**12**
Balance as at 31 December 2020	**18**	**29**	**47**

As at 31 December 2020, the contractual commitments entered into by Just Eat Takeaway.com on leasehold improvements amount to €3 million in 2020 (2019: €1 million).

During 2020, no impairment losses on items of property and equipment were recognised (2019: nil).

As at 31 December 2020, no assets were pledged as security for borrowings of Just Eat Takeaway.com.

15 Investments in associates and joint ventures

An associate is an entity over which Just Eat Takeaway.com has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is where Just Eat Takeaway.com has the power to participate in the financial and operating policy decisions of the investee, but does not control or have joint control over those decisions.

The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting from the date on which the investee becomes an associate.
The investment in an associate is initially recognised at cost in the Consolidated statement of financial position. At the acquisition date, any excess of the cost of acquisition over Just Eat Takeaway.com's share of the net fair value of the identifiable assets and liabilities of the associate is recognised as goodwill. Goodwill is included within the carrying amount of the investment.

Under the equity method, the carrying amount of the investment is adjusted to recognise Just Eat Takeaway.com's share of the profit or loss and OCI of the associate. When Just Eat Takeaway.com's share of losses of an associate exceeds Just Eat Takeaway.com's interest in that associate, Just Eat Takeaway.com discontinues recognising its share of further losses. Additional losses are recognised only to the extent that Just Eat Takeaway.com has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

In addition, when there has been a change recognised directly in the equity of the associate, Just Eat Takeaway.com's share of any changes is recognised, when applicable, in the Consolidated statement of changes in equity. Profits and losses resulting from transactions between Just Eat Takeaway.com and its associates are eliminated to the extent of the interest in the associate.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Accounting for joint ventures is consistent with that of associates as set out above.

Just Eat Takeaway.com discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. The difference between the carrying amount of the associate or a joint venture at the date the equity method was discontinued, and the fair value of any proceeds from disposing of the interest in the associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture.

The general impairment testing requirements for non-financial assets are applied to determine whether it is necessary to recognise any impairment loss with respect to Just Eat Takeaway.com's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

As at 31 December 2020, Just Eat Takeaway.com had investments in two associates, iFood Holdings B.V. (“iFood”) and IF-JE Holdings B.V. (“IF-NL”) (2019: none). Both associates are 33% owned, with the remaining 67% owned by Movile Internet Movel S.A. (“Movile”), or parties connected to Movile. Both entities are accounted for using the equity method in these financial statements as significant influence through representation on the entities’ board of directors is being considered and through the voting rights given by share ownership. Only iFood is considered to be material.

	2020
Balance as at 31 December 2019	**–**
Additions from business combinations	1,730
Capital contributions	55
Share of results of associates and joint ventures	(16)
Foreign exchange movements	(194)
Balance as at 31 December 2020	**1,575**

iFood operates a marketplace for online food delivery. iFood is incorporated in the Netherlands and has its principal place of business in Brazil, an area of significant growth potential. The summarised financial information for iFood is as follows:

€ millions	2020
Current assets	232
Non-current assets	49
Current liabilities	(148)
Non-current liabilities	(7)
Net assets of associate	**126**
Just Eat Takeaway.com’s share of net assets	42
Goodwill	1,533
Carrying amount of Just Eat Takeaway.com’s interest in the associate	**1,575**
Revenue for the period	433
Total result and comprehensive loss for the period	(16)
Just Eat Takeaway.com’s share of results and total comprehensive loss for the period	**(5)**
Dividends received by Just Eat Takeaway.com	**–**

Funding payments were made to iFood of €44 million following the Just Eat Acquisition.

IF-NL is a holding company with its principal place of residence in the Netherlands. The value of IF-NL was €0 million as per 31 December 2020. The primary investment of IF-NL is El Cocinero a Cuerda SL (“ECAC”), a Mexican online food marketplace business. IF-NL owns 49% of ECAC and the remaining 51% is owned directly by Just Eat Spain S.L. and, as such, Just Eat Takeaway.com owns 67% of ECAC in total. As both shareholders have joint decision-making rights, joint control of ECAC is held by Just Eat Spain S.L. and Movile and ECAC is accounted for as a joint venture using the equity method.

Just Eat Takeaway.com 's share of profit or loss and OCI of the non-material associate IF-JE and the joint venture ECAC is €0 million and €11 million, respectively, for 2020. Funding payments of €11 million were made to the joint venture following the Just Eat Acquisition.

Operations of the joint venture ceased on 4 December 2020 and as per 31 December 2020, the business has been closed down and no remaining commitments have been made relating to our interest in this joint venture. No contingent liabilities are incurred relating to Just Eat Takeaway.com's interests in the joint venture as per 31 December 2020.

16 Trade and other receivables

Trade receivables and other receivables are initially recognised at fair value, which is generally equal to the transaction price, and subsequently measured at amortised cost using the effective interest method (if the effect of the time value of money is material), less a loss allowance. The loss allowance for trade receivables is equal to lifetime expected credit losses ("ECL").

The ECL on trade receivables are estimated using a provision matrix by reference to historical credit loss experience based on Just Eat Takeaway.com's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

The carrying amount of trade receivables is reduced through the use of a loss allowance account and the amount of the loss is recognised within other operating expenses. When a trade receivable becomes uncollectible, it is written off against the allowance account for doubtful debts. Subsequent recoveries of amounts previously written off are credited against other operating expenses.

Trade receivables from online payment service providers relate to online payments of orders by consumers settled through externally contracted online payment service providers. Trade receivables from corporate accounts relate to monthly invoicing of corporate businesses whose employees use Just Eat Takeaway.com's marketplace. Trade receivables of Just Eat Takeaway.com do not have a significant financing component.

€ millions	2020	2019
Trade receivables online payment service providers	115	14
Trade receivables corporate accounts	31	24
Trade receivables restaurants	5	2
Other trade receivables	2	–
Other receivables	9	4
Closing balance	**162**	**44**

The closing balance of the trade receivables is as follows:

€ millions	Online payment service providers	Corporate accounts	Restaurants	Other trade receivables
Trade receivables	14	25	3	–
Loss allowance trade receivables	–	(1)	(1)	–
Balance as at 31 December 2019	**14**	**24**	**2**	**–**
Trade receivables	115	32	10	2
Loss allowance trade receivables	–	(1)	(5)	–
Balance as at 31 December 2020	**115**	**31**	**5**	**2**

No loss allowance for trade receivables from online payment service providers and other trade receivables was deemed necessary as at 31 December 2020 (31 December 2019: nil).

The average credit period on sales of services is 30 days (2019: 30 days). No interest is charged on receivables. Just Eat Takeaway.com has recognised a loss allowance of 100% against all receivables over 365 days past due because historical experience has shown that these receivables are generally not recoverable. None of the trade receivables that have been written off are subject to enforcement activities (2019: none). There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

For the trade receivables outstanding past due for more than 90 days but less than 365 days we concluded that these are still recoverable, as there is no history of impairment for this age category.

There were no individually impaired receivables in 2020 which have been placed under liquidation (2019: nil).

The following table details the risk profile of trade receivables based on Just Eat Takeaway.com's provision matrix. As Just Eat Takeaway.com's historical credit loss experience does not show significantly different loss patterns for different segments, the provision for loss allowance based on past due status is not further distinguished between segments.

Category	ECL rate
Not overdue	5%
31-60 days	5%
61-90 days	15%
91-180 days	30%
181-365 days	70%
over 365 days	100%

17 Other current assets

Other current assets are initially recognised at fair value, which is generally equal to the transaction price.

€ millions	2020	2019
Prepaid expenses	64	12
Deposits	7	0
Other	29	20
Closing balance	**100**	**32**

Prepaid expenses include €18 million related to sponsorship agreements, €25 million prepaid marketing and technology expenses and €10 million prepaid merchandise and printers.

Other current assets include €22 million listing-related costs to be accounted for through equity upon completion of the Grubhub acquisition (2019: €20 million related to the Just Eat Acquisition).

18 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Inventories are valued on a first-in-first-out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

€ millions	2020	2019
Terminals	5	0
Merchandise	9	4
Closing balance	**14**	**4**

The cost of inventories recognised as an expense during the year amount to €49 million (2019: €12 million).

The inventories are written down for an amount of €2 million (2019: €0 million), the write-off of inventories is recognised in Other operating expenses.

19 Cash and cash equivalents

Cash and cash equivalents are stated at face value and comprise cash balances, deposits held on call with banks, and other short-term highly liquid investments (maturity less than 3 months from acquisition date) that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. Just Eat Takeaway.com considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

€ millions	2020	2019
Cash and cash equivalents	488	32
Restricted cash	41	18
Closing balance	**529**	**50**

As at 31 December 2020, Just Eat Takeaway.com had issued bank guarantees amounting to €2 million (31 December 2019: €1 million), and had issued letters of credit amounting to €7 million (31 December 2019: nil). Cash and cash equivalents are not restricted in relation to cross-border cash movements or repatriation due to tax complications. The amount of impairment allowance as at 31 December 2020 is nil (2019: nil).

Stichting Derdengelden Takeaway.com acts as trustee in several of the legacy Takeaway countries. Stichting Derdengelden Takeaway.com collects the entire value of the order paid by the consumer through third-party payment service providers and remits the proceeds collected to the restaurants after deducting commissions, delivery and administration fees. Just Eat Takeaway.com controls Stichting Derdengelden Takeaway.com and as a consequence the foundation is consolidated. No equity interest is held in the foundation. The value of the orders to be remitted to the restaurant and held by Stichting Derdengelden Takeaway.com amounts to €40 million as at 31 December 2020 and is presented as restricted cash (31 December 2019: €18 million).

20 Equity

Share capital

Ordinary share capital is classified as share capital. Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option and any dividends are discretionary.

Share premium

Share premium is the excess of the amount received by the Company over and above the nominal value of its shares issued. Incremental costs directly attributable to the issue of new shares are shown in shareholders' equity as a deduction, net of tax, from the proceeds and are presented in share premium.

Authorised share capital

The authorised share capital is the maximum capital that the Company can issue under the terms of the Company's articles of association.

As per 31 January 2020, the Company's articles of association were amended. The amendments included the increase of the authorised share capital as well as abolition of preference shares. Accordingly, the Company's authorised share capital as at 31 December 2020 amounted to €16 million, divided into 400,000,000 shares with a nominal value of €0.04 each.

Share capital

The Company had issued 148,758,803 shares at nominal value €0.04 each, amounting to an issued share capital of €5,950,352 as at 31 December 2020 (31 December 2019: 61,206,450 ordinary shares at nominal value €0.04 each, amounting to an issued share capital of €2,448,258). All shares have been issued and paid-in.

	2020	2019
Opening balance	**61,206,450**	**43,218,234**
Issued during the year:		
• Issuances in connection with acquisitions	82,845,346	9,500,000
• Capital raise in form of accelerated bookbuilding	4,600,000	8,350,000
• Issuances upon vesting or exercise under share (option) plans	107,007	138,216
Closing balance	**148,758,803**	**61,206,450**

The 87.55 million ordinary shares issued during the period mainly relate to the issuance of 4.60 million shares in an accelerated bookbuild in April 2020 as well as issuance of a total of 82.85 million ordinary shares in relation to the Just Eat Acquisition. The total issuance costs for the accelerated bookbuild offering amounted to €400 million. In addition, in 2020 ordinary shares were issued due to the vesting of shares and the exercise of share options under the equity-settled share-based payment plans (refer to Note 6 for more details on each of these plans).

Preference share capital

The Company had no outstanding preference shares as at 31 December 2020 and 31 December 2019.

Termination of call option cumulative preference shares

As at 31 December 2019, the Company had granted a call option to purchase cumulative preference shares to Stichting Continuiteit Takeaway.com for an indefinite period. In 2020, the Company has terminated its defensive foundation structure through Stichting Continuiteit Takeaway.com. The termination took place as per 3 February 2020, the date on which the Company's issued share capital was admitted to the premium segment of the UK Official List and to trading on the London Stock Exchange. We expect that Stichting Continuiteit Takeaway.com will be liquidated in 2021.

Share premium

The share premium reserve amounted to €8,801 million as at 31 December 2020 (31 December 2019: €1,324 million). The movement is due to the issuance of new shares following the accelerated bookbuild offering to mainly pay down revolving credit facilities and the payment of an exercise price above the nominal value of the shares upon exercise of share options, when applicable.

Option premium on convertible bonds

The option premium reserve amounted to €74 million as at 31 December 2020 (31 December 2019: €23 million) and relates to the conversion option, net of tax, included in the 2020 convertible bonds and 2019 convertible bonds. Reference is made to Note 22 for the disclosure on the convertible bonds.

Equity-settled share-based payments reserve

The equity-settled share-based payments reserve relates to share options granted by the Company to each of the Managing Directors under the LTIPs as well as the share-based payment plans in place for employees (refer to

Note 6 for more details on each of these plans). Each share option can be converted into one share of the Company upon exercise. No amounts are paid or payable to the Company by the participants for the vesting of shares. Upon exercise of vested share options, the exercise price related to the share options must be paid by the participant. The share options, vested or unvested, carry neither rights to dividends nor voting rights. Share options may be exercised at any time from the dates of vesting to the dates of their expiry, subject to the Company's insider dealing rules.

The cash flows related to the share options are included in the proceeds from issue of ordinary shares for the amount of €1 million.

Fair value through OCI reserve

The fair value through OCI reserve amounted to €323 million as at 31 December 2020 (31 December 2019: nil) and relates to the fair value gain recognised for Just Eat Takeaway.com's investment in Just Eat prior to obtaining control. Between the date that the Just Eat Acquisition was declared wholly unconditional and the acquisition ("control") date, Just Eat Takeaway.com elected to irrevocably account for its investment in Just Eat as an equity investment at fair value through OCI. Refer to Note 11 Business combinations.

Foreign currency translation reserve

The foreign currency translation reserve comprises foreign currency translation differences arising from the translation of assets and liabilities of foreign operations and from translation of goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of foreign operation. When a foreign operation is sold, exchange differences recorded in shareholders' equity prior to the sale are reclassified from shareholders' equity to profit or loss as part of the gain or loss on divestment. This reserve is not available for distribution and is classified as a legal reserve under Dutch law.

Accumulated deficits

Accumulated deficits are related to past net losses allocated to shareholders' equity. According to article 10.1 of the Company's articles of association, the Company's result is freely at the disposal of the shareholders, provided that total shareholders' equity exceeds the called-up and paid-up capital of the Company, increased by legal and statutory reserves. In accordance with article 10.1.8 of the Company's articles of association, the Management Board is authorised to determine the allocation of a deficit to be included in the financial statements. Our articles of association can be found on our corporate website.

The Management Board has determined that the net loss of 2020 amounting to €151 million (31 December 2019: €115 million) has been accounted for in accumulated deficits.

21 Basic and diluted loss per share

Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potential dilutive ordinary shares arising from share options and other equity-settled share-based plans. The effect of anti-dilutive potential ordinary shares is ignored in calculating diluted earnings per share.

For the share options, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares), based on the monetary value of the subscription rights attached to outstanding share options.

Numbers of ordinary shares

Numbers of weighted-average shares used in the calculation of basic and diluted loss per share are as follows:

	2020	2019
For the purpose of basic loss per share	140,419,945	58,008,856
For the purpose of diluted loss per share	140,419,945	58,008,856

The number of potential dilutive weighted-average shares not taken in consideration above, due to their anti-dilutive effect, amount to 5,868,723 ordinary shares (2019: 3,684,359 ordinary shares), mainly related to the 2020 convertible bonds, the 2019 convertible bonds and share-based payment plans.

Basic and diluted loss per share

The loss used in the calculation of basic and diluted loss per share are as follows:

€ millions	2020	2019
Loss used in the calculation	(151)	(115)

As at 31 December 2020, only one consolidated subsidiary FBA Invest SaS ("FBAI") is not wholly owned by Just Eat Takeaway.com. The non-controlling interest portion in FBAI amounts to 20%. This NCI is not considered significant to Just Eat Takeaway.com.

22 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Subsequently, amounts are stated at amortised cost with the difference being recognised in the statement of profit or loss over the term of the borrowings using the effective interest rate method.

€ millions	2020	2019
2019 convertible bonds (2,500 notes at €100,000 par value)	229	222
2020 convertible bonds (3,000 notes at €100,000 par value)	245	–
Borrowings - non-current	**474**	**222**
2019 convertible bonds	6	6
2020 convertible bonds	3	–
Revolving credit facility	–	15
Borrowings - current	**9**	**21**
Borrowings - total	**483**	**243**

The current borrowings as at 31 December 2020 relate to the interest payable within 12 months regarding the 2020 convertible bonds and 2019 convertible bonds. The weighted average effective interest rate on borrowings in 2020 was 4.8% (2019: 5.2%).

Revolving credit facility (the Just Eat RCF)

As at 31 December 2019, Just Eat had access to a committed £350 million RCF, expiring in November 2023. However, on 9 March 2020, the RCF was amended and extended. The facility level was increased and denominated in two tranches, £268 million and €308 million, and the term extended to 9 March 2025. The RCF also includes an option to increase the facility by a further £200 million (subject to bank credit committee approval) and an option to extend the facility by two further years (subject to bank credit committee approval). The RCF is unsecured and contains common financial covenants (related to leverage and interest cover). The financial covenants are tested on 30 June and 31 December each year and to date have been complied with at all measurement points.

Following the business combination, the RCF has been amended to include Takeaway.com Group B.V. as an additional borrower and companies in the wider Just Eat Takeaway.com group as additional guarantors. The RCF is undrawn at year end.

Revolving credit facility (the Takeaway.com RCF)

On 26 October 2019, Just Eat Takeaway.com entered into a loan agreement for a €60 million RCF (the “Takeaway.com RCF”), which was subsequently amended in January 2020 to increase the amount that could be borrowed to up to €120 million. The Takeaway.com RCF was terminated in April 2020.

2020 convertible bonds

On 30 April 2020, the Company issued convertible bonds due April 2026 (“the 2020 convertible bonds”) at 100% of their nominal value in an aggregate principal amount of €300 million. The 2020 convertible bonds have an interest rate of 1.25% payable semi-annually in arrears in equal instalments on 30 April and 30 October each year, commencing on 30 October 2020. The 2020 convertible bonds have a maturity of six years and a denomination of €100,000 each. The bonds are convertible into ordinary shares of the Company at the option of the bondholders during the conversion period ending on the earlier of 7 business days prior to the redemption date following the issue of a Physical Settlement Notice or 7 business days prior to the maturity date. The initial conversion price was set at €121.80, (40% premium over the reference share price) and will be subject to adjustment in certain circumstances in line with market practice.

The Company will have the option to redeem all, but not some, of the 2020 convertible bonds at their principal amount plus any accrued but unpaid interest from 15 May 2023 until 14 May 2024 if the calculated parity value (as described in the Terms and Conditions) on at least 20 trading days out of 30 consecutive trading days equals or exceeds 150% of the principal amount or from 15 May 2024, if the calculated parity value on at least 20 trading days out of 30 consecutive trading days equals or exceeds 130% of the principal amount. Any outstanding bonds are also redeemable at any time after settlement date if at least 85% of the issued bonds have been converted, settled or redeemed.

2019 convertible bonds

On 18 January 2019, the Company issued the 2019 convertible bonds ("the 2019 convertible bonds") at 100% of their nominal value. The 2019 convertible bonds carry an interest rate of 2.25% payable semi-annually in arrears in equal instalments on 25 January and 25 July each year, commencing on 25 July 2019, and have a denomination of €100,000 each. The 2019 convertible bonds are convertible into ordinary shares of the Company at the option of the bondholders during the conversion period ending on the earlier of 7 business days prior to the redemption date following the issue of a Physical Settlement Notice or 7 business days prior to the maturity date. The initial conversion price of the 2019 convertible bonds was set at €69.525, (35% premium over the reference share price) and will be subject to adjustment in certain circumstances in line with market practice.

The Company will have the option to redeem all, but not some, of the 2020 convertible bonds at their principal amount plus any accrued but unpaid interest, from 9 February 2022 if the calculated parity value (as described in the Terms and Conditions) on at least 20 trading days out of 30 consecutive trading days equals or exceeds 130% of the principal amount. Any outstanding bonds are also redeemable at any time after settlement date if at least 85% of the issued bonds have been converted, settled or redeemed.

€ millions	2020	2019
Opening balance	229	–
Proceeds from issue of 2019 convertible bond	–	250
Proceeds from issue of 2020 convertible bond	300	–
Transaction costs	(6)	(6)
Net proceeds	**294**	**244**
Amount classified as equity (net of transaction costs)	(51)	(23)
Accrued interest	19	11
Interest paid	(8)	(3)
Carrying amount of liability as at 31 December	**483**	**229**

23 Provisions

Provisions are recognised when Just Eat Takeaway.com has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the obligation, the carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Current provisions

€ millions	Provisions
Balance as at 1 January 2019	**–**
Balance as at 31 December 2019	**–**
Additions from business combinations	7
Balance as at 31 December 2020	**7**

Dispute related to buy-out commitment

In December 2011, Just Eat Holding Limited acquired 50% of the share capital of FBA Invest SaS (‘‘FBA’’), which owns 100% of the share capital of Eat On Line SA, which now trades as “Just Eat” in France. At the time of acquiring the shareholding, Just Eat entered into a joint venture agreement with the other shareholders, which contained two call options.

In June 2014, Just Eat exercised their call option and acquired an additional 30% of the shares in FBA, taking its total shareholding to 80%.

In June 2017, Just Eat was due to acquire the remaining 20% of the shares in FBA in accordance with the provisions of the joint venture agreement, with the purchase price for the additional shares to be calculated in accordance with a pre-determined range of prices set out therein.

However, in October 2016, Sébastien Forest, the minority shareholder of FBA, filed a claim in France petitioning for the undertaking to sell the balance of the shares to be declared null and void, on the grounds that the transfer price could not be determined.

Several initial hearings have been held since October 2016. The pleadings hearing originally scheduled for the first quarter of 2020 was postponed and is due to take place in March 2021.

As a result of the Just Eat Acquisition, current provisions include €6 million in respect of Just Eat Takeaway.com’s commitment to buy out the minority shareholder of FBA Invest SaS. As the requirement to pay the obligation has passed, the amount is treated as current. The timing of when the matter will be settled is uncertain and the final liability is dependent on the outcome of the legal claim.

The remaining provisions included within other provisions are insignificant in size and nature.

24 Trade and other liabilities

Trade and other liabilities are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

€ millions	2020	2019
Trade payables	**286**	**61**
Trade payables	47	7
Amounts due to restaurants	239	54
Other liabilities	**399**	**110**
Accrued Staff Expenses	81	6
VAT, wage tax, social security charges and pension premiums	77	15
Other liabilities	241	89
Closing balance	**685**	**171**

Just Eat Takeaway.com has a policy in place to ensure that all liabilities are paid within the pre-agreed credit terms.

In 2020, other liabilities mainly represent accrued marketing expenses of €49 million (2019: €15 million), accrued professional fees and legal expenses, mainly related to the Grubhub acquisition, of €43 million (2019: €46 million related to the Just Eat Acquisition), accrued courier-related expenses of €42 million, deferred revenue of €23 million and digital service tax payable of €13 million.

25 Financial instruments

Financial assets and financial liabilities are recognised in Just Eat Takeaway.com's statement of financial position when Just Eat Takeaway.com becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which are measured at their transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The classification of financial asset is based on the business model in which the asset is held and the contractual terms of the financial asset that give rise to cashflows.

Financial assets are classified into one of three measurement categories:

- Amortised cost;
- Fair value through the statement of other comprehensive income (FVOCI); or
- Fair value through profit or loss (FVTPL).

Just Eat Takeaway.com recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Financial liabilities are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. The convertible bonds have two components, one that creates a financial liability (the obligation to make scheduled payments of interest and principal) for Just Eat Takeaway.com and one that grants an option to the holder of the instrument to convert it into an equity instrument of the entity. These components are recognised separately as debt and equity respectively.

Financial liabilities are subsequently measured at amortised cost using the effective-interest method, with interest expense recognised in the profit or loss.

Derivative financial instruments are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless Just Eat Takeaway.com has both a legally enforceable right and intention to offset.

Capital management

Just Eat Takeaway.com manages its capital to ensure that entities in Just Eat Takeaway.com will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. Just Eat Takeaway.com's overall strategy remains unchanged from 2019.

The capital structure of the Company consists of net debt (borrowings as disclosed in Note 22 after deducting available cash and cash equivalents as disclosed in Note 19) and shareholders' equity (comprising issued ordinary share capital, share premium, reserves and accumulated deficits as disclosed in Note 20).

The Management Board reviews the capital structure of the Company on a quarterly basis. As part of this review, the Management Board considers the cost of capital and the risks associated with each class of capital.

Just Eat Takeaway.com is subject to financial covenants under the Just Eat RCF. Reference is made to Note 22 Borrowings.

€ millions	2020	2019
Short-term borrowings	9	21
Long-term borrowings	474	222
Lease liabilities	87	27
Cash and cash equivalents	(529)	(50)
excl. restricted cash	41	18
Net debt	**82**	**238**
Equity	8,499	1,133

Net debt is defined as borrowings, including lease liabilities, net of available cash and cash equivalents. Equity includes all capital and reserves that are managed as capital.

Financial risk management objectives

Just Eat Takeaway.com's activities are exposed to a number of financial risks. Just Eat Takeaway.com seeks to minimise the effects of market risk, credit risk and liquidity risk based on charters and policies. US dollar exposure arises on the forecast payment of invoices to US dollar-denominated suppliers. As Just Eat Takeaway.com does not currently have US dollar revenues, forward foreign exchange contracts with maturities up to one year are used to manage these exposures. Just Eat Takeaway.com does not enter into derivative financial instruments for speculative purposes.

Just Eat Takeaway.com entered into forward contracts totaling USD 30 million and GBP 29 million, to hedge highly probable forecasted US dollar-denominated operating costs and the cash flows of an intercompany loan denominated in Canadian dollars, respectively. The forward contracts have maturity dates ranging between 4 January 2021 and 1 September 2021. The forward contracts are valued based on level 1 inputs according to the fair value hierarchy and the mark-to-market value at 31 December 2020 is a liability of €2 million. The derivative assets and liabilities meet the offsetting criteria in IAS 32. Consequently, the gross derivative liability is set off against the gross derivative asset, resulting in the presentation of a net derivative liability in the statement of financial position. This amount is included within Other liabilities. Just Eat Takeaway.com Group does not apply hedge accounting.

Market risk

Just Eat Takeaway.com's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rates. There has been no change to Just Eat Takeaway.com's exposure to market risk or the manner in which these risks are managed and measured.

Foreign currency risk

Foreign exchange risk is the risk to earnings or capital arising from movement of foreign exchange rates. Just Eat Takeaway.com undertakes transactions denominated in foreign currencies and therefore currency fluctuations may impact Just Eat Takeaway.com's financial results.

The carrying amounts of Just Eat Takeaway.com's foreign currency assets and liabilities at the reporting date are as follows:

€ millions	31 December 2020 Assets	31 December 2020 Liabilities
EUR	52	56
CAD	36	15
GBP	26	44
USD	13	6
DKK	1	26

Just Eat Takeaway.com is mainly exposed to changes in foreign currency fluctuations of the euro, British pound, Canadian dollar and Danish krone.

A sensitivity analysis was performed to determine the impact on Just Eat Takeaway.com's loss and equity of a 5% change in the relevant foreign currency exchange rates, with all other variables held constant. The analysis included only outstanding foreign currency denominated monetary assets and liabilities (i.e. those monetary assets and liabilities denominated in a currency that differs from the Just Eat Takeaway.com entities' functional currencies). The euro relates to exposure to the exchange rate fluctuations of the euro within subsidiaries which have other functional currencies. The percentage used (5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. It was concluded that a reasonably possible change in the relevant foreign currency exchange rates would have a small impact on Just Eat Takeaway.com's loss.

Interest rate risk

Just Eat Takeaway.com is exposed to interest rate risk due to existing borrowings at both fixed and floating interest rates. The risk is managed by the Management Board by maintaining an acceptable mix between fixed and floating rate borrowings. For the periods under review, Just Eat Takeaway.com obtained only one debt instrument with floating rate of interest, the Takeaway.com RCF, which was terminated in April 2020. As a result of the Just Eat Acquisition, certain subsidiaries of Just Eat Takeaway.com are borrowers under one debt instrument with a floating rate of interest, the Just Eat RCF. Reference is made to Note 22.

As of 31 December 2020, Just Eat Takeaway.com had no outstanding drawings subject to a floating interest rate pursuant to the Just Eat RCF. Just Eat Takeaway.com is exposed to interest rate risk on variable-rate debt drawn under the Just Eat RCF as a result of which fluctuations in interest rates will impact Just Eat Takeaway.com 's Consolidated financial statements and a rising interest rate environment will increase the amount of interest paid on debt drawn under the Just Eat RCF.

The exposure to interest rate risks on financial assets and financial liabilities are detailed in the liquidity risk management section of this Note.

The sensitivity analysis has been determined based on the exposure to interest rate for non-derivative instruments at the reporting date.
For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year.

A hypothetical 100 basis point increase in interest rates would have resulted in an insignificant increase In Just Eat Takeaway.com 's interest expense for the year ended 31 December 2020.

Credit risk

Credit risk refers to the risk that a customer or other counterparty will default on its contractual obligations resulting in financial loss to Just Eat Takeaway.com. In the event Just Eat Takeaway.com decides to assume more credit risk through asset concentrations or adoption of new credit standards in conjunction with untested business lines, it will properly evaluate the impact this action will have on its liquidity.

Just Eat Takeaway.com structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers and industry segments. Such risks are monitored on a revolving basis and are subject to frequent review. The Management Board periodically discusses the level of credit exposure from restaurants and corporate accounts at its meetings. Just Eat Takeaway.com usually collects trade receivables within seven days.

Note 16 details Just Eat Takeaway.com's exposure to credit risk and the measurement bases used to determine expected credit losses for trade receivables.

Just Eat Takeaway.com has two sublease contracts of office facilities in Germany with payments in advance. These contracts were added as part of the business combination of the Acquired German Businesses. Since recognition the credit risk of net investment in the lease have not changed as all lease payments were received in a timely manner.

Trade receivables consist of a large number of unrelated restaurants in various geographical areas. Just Eat Takeaway.com's credit risk is reduced by its business model which allows it to offset payables to restaurants against receivables. Just Eat Takeaway.com does not have significant credit risk exposure to any single counterparty. Concentration of credit risk to any counterparty did not exceed 5% of gross monetary assets at any time during 2020 (2019: did not exceed 5%).

The credit risk on liquid funds is limited because the counterparties are financial institutions with strong credit-ratings assigned by international credit-rating agencies.

Liquidity risk

This is the risk to earnings or capital arising from a possible scenario that Just Eat Takeaway.com might not be able to meet its obligations when they come due, without incurring unacceptable losses. Liquidity risk includes the inability to manage unplanned decreases or changes in funding sources. Liquidity risk also arises from a failure to recognise or address changes in the market conditions that affect the ability to liquidate assets quickly and with minimal loss in value.

Ultimate responsibility for liquidity risk management rests with the Management Board, which has established an appropriate liquidity risk approach for the management of Just Eat Takeaway.com's short-, medium- and long-term funding and liquidity management requirements. Just Eat Takeaway.com manages liquidity risk by maintaining adequate reserves, by continuously monitoring cash flows, and by matching the maturity profiles of financial assets and liabilities.

Just Eat Takeaway.com has an RCF denominated in two tranches of £268 million and €308 million. No drawings were outstanding under this facility at year end. Reference is made to Note 22 for further information on Borrowings.

The table below summarises the maturity profile of Just Eat Takeaway.com's financial liabilities and net investment in the lease with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows based on the earliest date on which Just Eat Takeaway.com can be required to pay. The tables include both interest and principal cash flows:

€ millions	Less than one year	Between one and five years	More than five years
31 December 2020			
Lease liability	22	49	21
Convertible bond	9	581	–
Revolving credit facility	–	–	–
Net investment in the lease asset	0	1	–
Trade and other liabilities	685	–	–
Total monetary assets and liabilities	**716**	**631**	**21**
31 December 2019			
Lease liability	11	14	4
Convertible bond	6	270	–
Revolving credit facility	15	–	–
Net investment in the lease asset	0	1	0
Trade and other liabilities	171	–	–
Total monetary assets and liabilities	**203**	**285**	**4**

The nominal amount of the 2020 convertible bonds may be converted into shares of the Company. For leases, reference is made to Note 26.

Fair value measurements

The Managing Directors consider that the carrying amounts of financial assets and financial liabilities, other than the convertible bonds, recognised in the Consolidated financial statements 2020 approximate their fair values.

The fair value of the convertible bonds is estimated to be €538 million in 2020 (2019: €250 million). The fair value deviates from the principal amount, due to changes in market interest rates and credit spreads since the date of issue of the convertible bonds, which carry a fixed coupon interest rate.

At year-end, Just Eat Takeaway.com's 0.24% equity investment in Woowa Brothers Corp. is measured at FVTPL with a value of €8 million as at 31 December 2020, which is included in Non-current assets. The fair value of the investment was determined with reference to a market offer for the majority shareholding in Woowa Brothers Corp and is therefore categorised as level 2 as at 31 December 2020 (2019: level 2).

26 Leases

As a lessee

A right-of-use asset and a lease liability are recognised at the lease commencement date.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received, and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. The useful life for right-of-use assets is equal to the corresponding lease term. If there is evidence that the remaining useful life of underlying assets is lower than the lease term, then useful life is used.

Whenever an obligation is incurred for costs to restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects the expectation to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. Just Eat Takeaway.com applies the general impairment of non-financial assets requirements to determine whether a right-of-use asset is impaired.

Just Eat Takeaway.com applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Just Eat Takeaway.com applies the lease of low-value assets recognition exemption to leases of bikes and office equipment that are considered to be low value (i.e., below €5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Just Eat Takeaway.com applies a single discount rate to a portfolio of leases with reasonably similar characteristics. Many leases contain extension and termination options which are included in the lease terms if Just Eat Takeaway.com is reasonably certain that they will be exercised.

As a lessor

Leases for which Just Eat Takeaway.com is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When Just Eat Takeaway.com is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

€ millions	Right-of-use asset		
	Real estate	Vehicles	Total
Cost			
Balance as at 1 January 2019	**14**	**1**	**15**
Additions	8	1	9
Additions from business combinations	7	0	7
Foreign exchange and other movements	1	–	1
As at 31 December 2019	**30**	**2**	**32**
Additions	12	2	14
Additions from business combinations	62	2	64
Disposals	(1)	(0)	(1)
Foreign exchange and other movements	(4)	(0)	(4)
As at 31 December 2020	**99**	**6**	**105**
Accumulated depreciation			
Balance at 1 January 2019	**–**	**–**	**–**
Depreciation	(7)	(1)	(8)
As at 31 December 2019	**(7)**	**(1)**	**(8)**
Depreciation	(18)	(2)	(20)
As at 31 December 2020	**(25)**	**(3)**	**(28)**
Balance as at 31 December 2019	**23**	**1**	**24**
Balance as at 31 December 2020	**74**	**3**	**77**

Lease liability

€ millions	2020	2019
As at 1 January	**27**	**15**
Additions	12	9
Additions from business combinations	64	9
Disposals	(4)	(0)
Interest expense	2	1
Lease payments	(12)	(8)
Foreign exchange and other movements	(2)	1
As at 31 December	**87**	**27**

As at 31 December 2020, the short-term portion of the lease liabilities amounted to €21 million (2019: €10 million).

Just Eat Takeaway.com has two sub-lease contracts in relation to office facilities in which it acts as lessor. These contracts are classified as finance leases under IFRS 16. Net investment in the leases are part of other non-current assets and finance income as disclosed in Note 8 and Note 25.

Income and expenses

€ millions	2020	2019
Depreciation expense on RoU assets	(20)	(8)
Interest expense on lease liabilities	(2)	(1)
Expense relating to short-term leases	(0)	(0)
Expense relating to low value leases	(6)	(3)
Total	**(28)**	**(12)**

As at 31 December 2020, the Company was committed to €0 million for short-term leases (2019: €0 million). As at 31 December 2020, the Company was committed to €16 million for low-value assets leases (2019: €3 million).

Cash outflow for leases

The total cash outflow for leases amounted to €12 million (2019: €8 million).

The Company's liquidity risk is set out in Note 25 with regards to its lease liabilities.

27 Cash flow statement supplementary information

€ millions	1 January 2020	Financing cash flows			Non-cash movements					Operating cash flows	31 December 2020
		Proceeds	Transaction costs	Repayments	Equity component of convertible bond	Additions of leases	Arising on acquisitions	Interest expense	Other changes	Interest repayment	
Convertible bond	229	300	(6)	–	(51)	–	–	19	–	(8)	483
Lease liability	27	–	–	(12)	–	12	64	2	(6)	–	87
Revolving credit facility	15	134	–	(493)	–	–	344	–	–	–	–
Total	**271**										**570**

€ millions	1 January 2019	Financing cash flows			Non-cash movements					Operating cash flows	31 December 2019
		Proceeds	Transaction costs	Repayments	Equity component of convertible bond	Additions of leases	Arising on acquisitions	Interest expense	Other changes	Interest repayment	
Convertible bond	–	250	(6)	–	(23)	–	–	11	–	(3)	229
Lease liability	15	–	–	(8)	–	9	9	1	1	–	27
Revolving credit facility	–	15	–	–	–	–	–	–	–	–	15
Bridge facility	150	–	–	(150)	–	–	–	–	–	–	–
Total	**165**										**271**

The cash flows from convertible bonds, revolving credit facilities and bridge facility make up the net amount of proceeds from borrowings and repayments of borrowings in the cash flow statement.

Other changes of lease liabilities include lease disposals, lease modifications and foreign exchange movements.

28 Related party transactions

A related party is a person or entity that is related to Just Eat Takeaway.com. These include both people and entities that have, or are subject to, the influence or control of Just Eat Takeaway.com (for example key management personnel). Transactions with related parties are accounted for in accordance with the requirements of relevant IFRS standards and take into account the substance as well as the legal form. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated.

Balances and transactions within Just Eat Takeaway.com, which are related parties of Just Eat Takeaway.com, have been eliminated on consolidation and are not disclosed in this Note. Details of transactions between Just Eat Takeaway.com and other related parties are disclosed below.

Trading transactions

During 2020, Just Eat Takeaway.com did not enter into material transactions with related parties that are not members of Just Eat Takeaway.com (2019: none). No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

Loans to related parties

Just Eat Takeaway.com did not enter into new loans with related parties that are not Just Eat Takeaway.com entities (2019: none).

Other transaction with related parties

Funding payments of €55 million were made as at 31 December 2020, compared with nil as at 31 December 2019. Payments of €44 million were made to iFood and €11 million to our joint venture in Mexico. Other than these, there were no significant related party transactions.

Loans from related parties

There are no loans from related parties as at 31 December 2020 (31 December 2019: none).

Transactions with key management personnel of the Company

The members of the Management Board and the Supervisory Board are considered key management personnel as defined in IAS 24.

The remuneration policy for members of the Management Board was developed by the Supervisory Board, approved, adopted and amended by the General Meeting. On 15 May 2020, the day after the General Meeting 2020, the current remuneration policy entered into force.

The total remuneration of the Management Board and Supervisory Board in 2020 is disclosed in Note 40 of the Company financial statements.

No loans, advances or guarantees were granted to members of the Management Board and Supervisory Board in 2020 (2019: none).

29 Off-balance sheet commitments

Lease arrangements

Just Eat Takeaway.com applies the short-term lease recognition exemption to its short-term leases (i.e. <1 year). It also applies the lease of low-value assets recognition exemption to leases of bikes that are considered of low value (i.e. below €5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Low value and short-term leases (including delivery bikes) can be specified as follows:

€ millions	2020	2019
Not later than one year	2	3
Between one and five years	14	4
More than five years	–	–
Closing balance	**16**	**7**

Commitments for expenditure

Just Eat Takeaway.com has commitments for expenditure as at 31 December 2020 for an amount of €20 million (31 December 2019: €33 million) mainly related to marketing and sponsoring contracts, IT contracts and excluding leasehold improvements, reference is made to Note 13.

As at 31 December 2020, Just Eat Takeaway.com had a lease contract for a new Berlin office that has not commenced yet. The property is currently under construction and is expected to be available in July/August 2021. The lease payments amount to €8 million annually, with a duration of 10 years.

30 Contingent liabilities

Group guarantees

The Company has issued declarations of joint and several liabilities for Takeaway.com Group B.V., Takeaway.com Central Core B.V., Takeaway.com European Operations B.V., Takeaway.com Payments B.V. and Takeaway.com Express Netherlands B.V., in accordance with Section 403 of Part 9 of Book 2 of the Dutch Civil Code.

Takeaway.com Group B.V. has declared to be liable vis-à-vis Yourdelivery and Takeaway Express GmbH only in the subsequent fiscal year for any obligations entered into by Yourdelivery and Takeaway Express GmbH until 31 December 2020. Based on section 264 paragraph 3 of the German Commercial Code, Yourdelivery and Takeaway Express GmbH are exempt from certain requirements of the German Commercial Code.

Takeaway.com Payments B.V. has agreed that in case Stichting Derdengelden Takeaway.com has insufficient funds, Takeaway.com Payments B.V. will immediately pay this deficit.

Legal proceedings

Subject to the matters disclosed below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Just Eat Takeaway.com is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on Just Eat Takeaway.com's financial position or results.

Gig Economy Matters

From time to time, the Company is involved in various other legal proceedings arising from the normal course of business activities, including labour and employment claims, some of which relate to the alleged misclassification of independent contractors.

In July 2018, a courier on the SkipTheDishes network filed a putative class action claim in Manitoba alleging that all couriers providing services on the Skip network in Canada are employees and not independent contractors. The relevant court has not yet determined if the claim will be accepted as a class action and, if so, which couriers would be included in any such class.

An arbitration clause exists within the Skip courier agreement which, if enforceable, could exclude the majority of the class in favour of arbitration, thereby significantly reducing the size of any class action and the related risks. While it is difficult to assess the merits or potential quantum with certainty, the current assessment is that a successful claim against Just Eat Takeaway.com is not probable. No provision has currently been recorded. Given the uncertain nature of the relevant events and liabilities, it is not practicable to provide information on the estimate of the financial effect, if any, or timing.

In Italy, Just Eat Italy S.R.L. has received orders from the public prosecutor and labour, social security and public insurance inspectors that state that couriers engaged by Just Eat Italy should be considered 'workers', in Italy called co.co.co., instead of independent contractors. On 24 February 2021, Just Eat Italy has been ordered to pay salaries and apply working conditions in line with applicable laws and regulations for co.co.co. in the logistic sector. Just Eat Takeaway.com is determining its approach towards and considering objecting against the orders. The strategy of Just Eat Takeaway.com in Italy remains to discontinue the delivery with independent contractors and roll out a delivery model with employed couriers. Given the uncertain nature of the relevant events and liabilities, it is not practicable to provide information on the estimate of the financial effect, if any, or timing.

EU State Aid

In October 2017, the European Commission (the "EC") announced it was conducting a state aid investigation into the Group Financing Exemption contained within the UK's Controlled Foreign Company ("CFC") legislation. The Group Financing Exemption (contained within Chapter 9 of Part 9A of the Taxation (International and Other Provisions) Act 2010) was introduced in 2013 when the UK CFC rules were revised.

The effect of the UK CFC rules is broadly to levy a UK tax charge on certain types of profit generated by low-taxed non-UK subsidiaries of UK companies. In order to address issues which arise as a result of the fungibility of money within a multinational group—in particular, the need to trace the exact source or history of a group's finance arrangements and the extent to which they are borne by the UK—the Group Financing Exemption partially (75%) or fully exempted from the UK CFC charge financing income (for example interest payments received from loans) received by a non-UK subsidiary from another non-UK group company, even if such income was derived from 'UK activities'. The EC's investigation considered whether the application of the Group Financing Exemption in circumstances where income was derived from UK activities was justified and, if not, whether it constituted state aid under EU rules.

On 20 August 2019, the EC published its final decision in the Official Journal following the conclusion of its investigation. The EC found that the exercise required to assess to what extent financing income of a company derives from UK activities is not particularly burdensome or complex. On that basis, the EC held that the Group Financing Exemption granted a selective advantage to certain multinational companies. The EC concluded that the Group Financing Exemption was an aid scheme and amounted to illegal state aid under Article 107 of the Treaty on the Functioning of the European Union, to the extent that it exempted financing income derived from UK activities.

Conversely, the EC observed that the Group Financing Exemption was justified when the loans granted by the CFC entity were financed with 'UK-connected capital' and there were no UK activities involved in generating non-trading finance profits. This is because the Group Financing Exemption was necessary to avoid a complex and disproportionately burdensome intra-group tracing exercise to assess the exact percentage of profits funded with UK-connected capital.

Following the decision, the EC ordered the UK to recover in full the CFC charge that would have applied if no claim under the Group Financing Exemption had been made, to the extent the profits were attributable to those qualifying loan relationships which involved UK activities.

Just Eat Takeaway.com believes the EC came to the wrong conclusion following its investigation and has applied to the General Court of the European Union (the "GCEU") to annul the decision. The UK government, along with a number of other affected companies, has submitted similar annulment applications.

Similar to other UK-based international companies, Just Eat may be impacted by the final outcome of this investigation, potentially with previously-exempt finance flows becoming subject to the UK's CFC legislation and therefore UK tax, in addition to its relevant affiliates being subject to applicable tax legislation in their own tax jurisdictions. Just Eat Takeaway.com is continuing to work with its advisers to assess the EC's decision on its position as guidance is released from Her Majesty's Revenue and Customs ("HMRC") and other sources. While there is considerable uncertainty with regard to both the annulment process and any corresponding liability assessed by HMRC, the maximum potential cash exposure has been calculated to be £17 million including interest (€19 million including interest), should the EC's decision be upheld. Just Eat Takeaway.com has appealed the decision on a number of grounds and continues to engage with HMRC on the matter.

We believe the European Commission's decision to be without merit, however in line with IFRS 3, Just Eat Takeaway.com assumed a contingent liability of €3 million, in our opening balance sheet for this matter. The UK Government is required to commence collection proceedings and a new law has been substantively enacted as of 31 December 2020 to empower HMRC to do this. However, the new law is a charging mechanism only and not an arbitration on the merits of the on-going litigation. If the state aid decision is annulled, then any amounts paid will be returned to Just Eat Takeaway.com following this final determination.

Due to the newly enacted legislation, HMRC issued a charging notice for €14 million on 1st February 2021 and this was paid on 26 February 2021. This is a collection mechanism only and does not alter the ongoing merits of the case which is subject to on-going litigation.

Civil Litigation

Just Eat Takeaway.com is, from time to time, involved in various other legal proceedings arising from normal course of business activities, including claims from restaurants. Generally, Just Eat Takeaway.com does not believe any of such claims will have significant effects on Just Eat Takeaway.com's consolidated financial position or results. In Canada and Israel, some restaurants have challenged applicable commission rates. Just Eat Takeaway.com disclaims liability and is defending these claims.

Legal advice indicates that the possibility exists that a liability with a material effect on the statement of financial position, for an amount of EUR 17 million, could arise as a consequence of the case in Israel. Just Eat Takeaway.com is not expecting an exposure on these legal proceedings, considering related reimbursements to be received from third parties.

With regards to the Canadian claim, given the early stage of the litigation and the uncertain nature of the relevant events and liabilities, it is not practicable to provide information on the estimate of the financial effect, if any, or timing.

31 List of subsidiaries, joint ventures and associates

A list of the Company's subsidiaries, associates and joint ventures as per 31 December 2020, including the name, nature of business, proportion of voting rights held and country of incorporation, is set out below.

Company name	Country of incorporation	Nature of business	% holding
Subsidiary undertakings			
Takeaway.com Group B.V.	The Netherlands	Holding	100
• Takeaway.com Central Core B.V.	The Netherlands	Operating	100
• Hello Hungry EAD	Bulgaria	Holding	100
• HH Delivery BG EOOD	Bulgaria	Operating	100
• BG Menu EOOD	Bulgaria	Operating	100
• HelloHungry Delivery S.R.L.	Romania	Operating	100
• Hello Hungry S.A.	Romania	Operating	100
• Takeaway.com European Operations B.V.	The Netherlands	Operating	100
• Takeaway.com European Operations B.V. Belgium branch	Belgium	Operating	Branch
• Takeaway.com European Operations Austria branch	Austria	Operating	Branch
• Takeaway.com European Operations Portugal branch	Portugal	Operating	Branch
• Takeaway.com European Operations Switzerland branch	Switzerland	Operating	Branch
• Foodarena AG in liquidation	Switzerland	In liquidation	100
• sto2 sp. z.o.o.	Poland	Operating	100
• Takeaway.com Belgium Bvba	Belgium	Dormant	100
• eat.ch GmbH	Switzerland	Operating	100
• Takeaway.com Express Netherlands B.V.	The Netherlands	Operating	100
• Takeaway.com Express Italy S.r.l.	Italy	Operating	100
• Takeaway.com Express France SAS	France	Operating	100
• Takeaway.com Express Denmark ApS	Denmark	Operating	100
• Takeaway.com Express UK Limited	United Kingdom	Operating	100
• Takeaway Express Spain S.L.	Spain	Operating	100

Company name	Country of incorporation	Nature of business	% holding
• Takeaway.com Express Poland Sp. z.o.o.	Poland	Operating	100
• Biscuit Holdings Israel Ltd	Israel	Holding	100
• 10bis.co.il Ltd	Israel	Operating	100
• Scoober Tel Aviv Ltd	Israel	Operating	100
• Online Ordering Ltd	Israel	Dormant	100
• yd.yourdelivery GmbH	Germany	Operating	100
• Takeaway Express GmbH	Germany	Operating	100
• Takeaway.com Payments B.V.	The Netherlands	Operating	100
• Checkers Merger Sub I, Inc	USA	Operating	100
• Checkers Merger Sub II, Inc	USA	Operating	100
• Just Eat Limited	United Kingdom	Holding	100
• Just Eat Holding Limited	United Kingdom	Operating	100
• Just Eat Northern Holdings Limited	United Kingdom	Holding	100
• Just Eat Denmark Holding ApS	Denmark	Holding	100
• Just Eat.dk ApS	Denmark	Operating	100
• Just Eat Host A/S	Denmark	Holding	100
• Just Eat.co.uk Limited	United Kingdom	Operating	100
• Hungryhouse Holdings Limited	United Kingdom	Dormant	100
• hungryhouse GmbH	Germany	In liquidation	100
• Flyt Limited	United Kingdom	Operating	100
• Flyt USA Inc	USA	Operating	100
• Simbambili Ltd	Israel	Operating	100
• Practi Technologies Ltd	United Kingdom	Operating	100
• Just Eat.no AS	Norway	Operating	100
• City Pantry Ltd	United Kingdom	Operating	100
• FBA Invest SAS	France	Holding	80
• Eat On Line SA	France	Operating	80

Company name	Country of incorporation	Nature of business	% holding
• Just-Eat Italy S.r.l.	Italy	Operating	100
• Just-Eat.lu SarL	Luxembourg	Dormant	100
• Just-Eat Spain S.L.	Spain	Operating	100
• Canary Delivery Company S.L.	Spain	Dormant	100
• Skipthedishes Restaurant Services Inc.	Canada	Operating	100
• Just-Eat Ireland Limited	Ireland	Operating	100
• Just Eat Central Holdings Limited	United Kingdom	Holding	100
• Eatcity Limited	Ireland	Holding	100
• Just Eat (Acquisitions) Holding Limited	United Kingdom	Holding	100
• Just Eat (Acquisitions) Pty Limited	Australia	Holding	100
• Menulog Group Limited	Australia	Operating	100
• Eat Now Services Pty Limited	Australia	Dormant	100
• Menulog Pty Limited	Australia	Operating	100
• Menulog Limited	New Zealand	Operating	100
Joint ventures			
El Cocinero a Cuerda S.L.	Spain	In liquidation	67
Associates			
iFood Holdings B.V.	The Netherlands	Holding	33
IF-JE Holdings B.V.	The Netherlands	Holding	33

All subsidiaries have a similar period-end reporting date.

32 Events after the reporting period

A subsequent event is a favourable or unfavourable event, that occurs between the reporting date and the date that the Consolidated financial statements are authorised for issue. Events after the reporting date that provide evidence of conditions that existed at the reporting date are adjusted within the Consolidated financial statements. Events that are indicative of a condition that arose after the reporting date of a material size or nature are disclosed below.

Issue of convertible bonds

On 2 February 2021 the Company announced the successful placement of €1.1 billion of convertible bonds, consisting of two tranches with aggregate principal amounts of €600 million due August 2025 (Tranche A), and €500 million due February 2028 (Tranche B), convertible into ordinary shares of the Company. The Company intends to use the net proceeds from the issue of the convertible bonds for general corporate purposes as well as to provide the Company with financial flexibility to act on strategic opportunities which may arise.

The convertible bonds will be issued at 101.5% (Tranche A) and at 100% (Tranche B) of their nominal value and redeemed at 100% of their nominal value. The Tranche A convertible bonds will not bear interest and the Tranche B convertible bonds will be issued with an interest rate of 0.625% per annum, payable semi-annually in arrear in equal instalments on 9 February and 9 August of each year, commencing on 9 August 2021, corresponding to an annual gross yield-to-maturity of (0.331)% (Tranche A) and 0.625% (Tranche B). The convertible bonds will have a term of four and a half years (Tranche A) and seven years (Tranche B) and a denomination of €100,000 each. The initial conversion price of the convertible bonds will be set at €135.58 (Tranche A) and €144.93 (Tranche B), representing a conversion premium of 45% (Tranche A) and 55% (Tranche B) above the clearing price of an ordinary share. The convertible bonds may be converted into ordinary shares in accordance with the terms and conditions of the convertible bonds.

New office lease agreements

In January 2021 Just Eat Takeaway.com entered into a new lease agreement for new office space in Amsterdam, with a commencement date of 1 July 2021. The lease term is for an initial period of 5 years with extension options available. Leasehold improvements will be made prior to moving into the building, some of which will be reimbursed by the landlord under the 'fit-out contribution' clause. The lease agreement is expected to result in the recognition of a material lease liability and right-of-use asset in the third quarter of 2021.

In addition to the new office in Amsterdam, in January and February 2021 Just Eat Takeaway.com entered into new lease agreements for office space in Sydney and Madrid, with expected commencement dates of 1 April 2021 and 1 July 2021 respectively. The lease terms are for initial periods of 5 years and 10 years respectively. These lease agreements are expected to result in the recognition of material lease liabilities and right-of-use assets in the second and third quarter of 2021.

UK tax rate change

On 3 March 2021, the new tax policy measures were announced at the Budget in the UK, which is a statement made to the House of Commons by the Chancellor of the Exchequer on the nation's finances and the UK Government's proposals for changes to taxation. These new tax policy measures are part of the Finance Bill 2021 that is expected to be published on 15 March 2021 and include the proposed legislation to increase the corporate tax rate to 25% for the financial year beginning 1 April 2023.

The increase in corporate tax rate will significantly impact the valuation of Just Eat Takeaway.com's deferred tax positions in the UK, mainly the deferred tax liabilities recognised as part of the Just Eat Acquisition. The estimated increase in the deferred tax liabilities amounts to €110 million based on the 31 December 2020 positions. Just Eat Takeaway.com will continue to monitor the tax legislation approval process, the enactment of the tax rate change and the subsequent increase in the deferred tax liabilities.

Amsterdam, 10 March 2021

The Management Board

Jitse Groen
CEO

Brent Wissink
CFO

Jörg Gerbig
COO

The Supervisory Board

Adriaan Nühn
Chair

Corinne Vigreux
Vice-Chair

Ron Teerlink

Gwyn Burr

Jambu Palaniappan

Company statement of profit or loss

for the year ended 31 December

€ millions	Note	2020	2019
Staff costs	40	(4)	(2)
Other operating expenses	34	(70)	(39)
Operating loss		**(74)**	**(41)**
Finance expense	36	(22)	(12)
Share of result in participating interests, net of tax	35	(55)	(66)
Loss before income tax		**(151)**	**(119)**
Income tax (expense) / benefit		(0)	4
Loss for the period		**(151)**	**(115)**

The accompanying Notes are an integral part of these Company financial statements. Amounts may not add up due to rounding.

Company statement of financial position

after proposed allocation of net loss for the year as at 31 December

€ millions	Note	2020	2019
Assets			
Participating interests	35	8,825	1,386
Total non-current assets		**8,825**	**1,386**
Receivables on group companies		44	–
Other current assets		24	20
Current tax asset		–	4
Cash and cash equivalents		134	0
Total current assets		**202**	**24**
Total assets		**9,027**	**1,410**
Shareholders' equity			
Total shareholders' equity	20	**8,499**	**1,133**
Liabilities			
Borrowings	36	474	222
Total non-current liabilities		**474**	**222**
Borrowings	36	9	6
Payables on group companies		–	2
Trade and other liabilities	37	45	47
Total current liabilities		**54**	**55**
Total shareholders' equity and liabilities		**9,027**	**1,410**

The accompanying Notes are an integral part of these Company financial statements. Amounts may not add up due to rounding.

Notes to the Company financial statements

33 Summary of significant accounting policies

Just Eat Takeaway.com N.V., formerly known as Takeaway.com N.V. and renamed as per 31 January 2020 (the “Company” or “we”), is a public limited liability company incorporated and domiciled in Amsterdam, the Netherlands.

Basis of preparation

The financial statements of the Company are prepared in accordance with the provisions of Part 9, Book 2 of the Dutch Civil Code. The Company uses the option of article 2:362 (8) of Part 9, Book 2 of the Dutch Civil Code. This article allows companies to use the same accounting principles in their Company financial statements as those applied for the Consolidated financial statements, being IFRS as adopted by the EU, unless disclosed otherwise.

Amounts in the Notes are in €millions unless related to number and/or nominal value of shares, number and fair value elements of share options, or stated otherwise.

34 Other operating expenses

€ millions	2020	2019
Professional fees	32	38
Other operating expenses	38	1
Total other operating expenses	**70**	**39**

Other operating expenses mainly relates to stamp duties of €35 million (2019: €0 million) following the Just Eat Acquisition for the transfer of shares and accompanying tax.

35 Participating interests

Investments in participating interests are measured at net asset value ('equity method'). Net asset value is based on the measurement of assets (including goodwill), provisions and liabilities and the determination of profit based on the principles applied in the Consolidated financial statements.

The movement in participating interests is as follows:

€ millions	2020	2019
Opening balance	1,386	234
Additions	7,430	–
Capital contributions	421	1,206
Share of loss for the year	(55)	(66)
Foreign exchange and other movements	(357)	12
Closing balance	**8,825**	**1,386**

For details regarding our investments in participating interests, reference is made to Note 31 of the Consolidated financial statements.

36 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Subsequently, amounts are stated at amortised cost with the difference being recognised in the income statement over the term of the borrowings using the effective interest rate method.

€ millions	2020	2019
2019 convertible bonds (2,500 notes at €100,000 par value)	229	222
2020 convertible bonds (3,000 notes at €100,000 par value)	245	–
Borrowings - non-current	**474**	**222**
2019 convertible bonds	6	6
2020 convertible bonds	3	–
Borrowings - current	**9**	**6**
Borrowings - total	**483**	**228**

The borrowings of the Company relate to the convertible bonds, reference is made to Note 22 of the Consolidated financial statements for further details.

€ millions	2020	2019
Interest on convertible bond	(19)	(11)
Other interest expense	(1)	3
Other finance expense	(2)	(4)
Finance expense	**(22)**	**(12)**

The finance expenses of the Company mainly relate to the interest expenses on the convertible bonds, reference is made to Note 8 of the Consolidated financial statements for further details.

37 Trade and other liabilities

Trade and other liabilities of €45 million (2019: €47 million) mainly relate to professional fees and legal expenses related to the proposed Transaction with Grubhub for €39 million (2019: €46 million related to the Just Eat Acquisition), accrued remuneration of the members of the Management Board and the Supervisory Board for €1 million (2019: €0 million) and wage tax and social securities related to share-based payments for €2 million.

38 Employees

The Company had no employees in 2020 (2019: none). The Managing Directors as per 31 December 2020 were: Jitse Groen (CEO), Brent Wissink (CFO) and Jörg Gerbig (COO). No changes occurred in Managing Directors during 2020.

39 Fees and services by the external auditor

In accordance with article 2:382a of the Dutch Civil Code, the following table details the aggregate fees by our external auditor, Deloitte, including the foreign offices of Deloitte, to the Company:

€ millions	2020	2019
Audit services	4	1
Other assurance services	7	4
Total	**11**	**5**

Fees for audit services include the audit of the financial statements of the Company and its subsidiaries. Fees for other assurance services include audit of financial statements for the prospectus and other assurance services. No non-assurance services have been provided.

Fees for audit services are included in the other operating expenses as disclosed in the Consolidated Financial Statements in Note 7.

40 Remuneration Management Board

The remuneration policy for members of the Management Board was proposed by the Supervisory Board and approved, adopted and amended, effective as per 15 May 2020, by the General Meeting. In accordance with the Dutch Corporate Governance Code, the remuneration of the Supervisory Directors does not depend on the results of the Company.

The total remuneration of the Management Board is as follows:

€'000	J. Groen (CEO)	B. Wissink (CFO)	J. Gerbig (COO)	2020
Short-term benefits	984	926	905	2,815
Post-employment benefits	50	50	50	150
Share-based payments	103	97	97	297
Total	**1,137**	**1,073**	**1,052**	**3,262**

€'000	J. Groen (CEO)	B. Wissink (CFO)	J. Gerbig (COO)	2019
Short-term benefits	479	438	404	1,321
Post-employment benefits	50	50	46	146
Share-based payments	191	176	172	539
Total	**720**	**664**	**622**	**2,006**

The total remuneration of the Supervisory Board is as follows:

€'000	2020	2019
Adriaan Nühn (Chair)	115	65
Corinne Vigreux	80	50
Ron Teerlink	75	50
Gwyn Burr	68	–
Jambu Palaniappan	53	–
Johannes Reck	7	38
Total	**398**	**203**

No loans, advances or guarantees were granted to members of the Management and Supervisory Board in 2020 (2019: none).

Reference is made to the remuneration report for more details.

41 Loans, prepayments and guarantees by participating interests

As at 31 December 2020, there were no loans, prepayments or guarantees provided by participating interests (31 December 2019: none).

42 Off-balance sheet commitments

The Company forms a fiscal unity for purposes of Dutch tax law (corporate income tax and value added tax) and is, as such, jointly and severally liable for the tax debts of the fiscal unity. The fiscal unity consists of the Company and the following (indirect) subsidiaries:

- Takeaway.com Group B.V.
- Takeaway.com Central Core B.V.
- Takeaway.com European Operations B.V.
- Takeaway.com Payments B.V.
- Takeaway.com Express Netherlands B.V.

The Company has issued declarations of joint and several liabilities for Takeaway.com Group B.V., Takeaway.com Central Core B.V., Takeaway.com European Operations B.V., Takeaway.com Express Netherlands B.V. and Takeaway.com Payments, in accordance with Section 403 of Part 9 of Book 2 of the Dutch Civil Code.

Takeaway.com Group B.V. has declared to be liable vis-à-vis Yourdelivery and Takeaway Express GmbH only in the subsequent fiscal year for any obligations entered into by Yourdelivery and Takeaway Express GmbH until 31 December 2020. Based on section 264 paragraph 3 of the German Commercial Code, Yourdelivery and Takeaway Express GmbH are exempt from certain requirements of the German Commercial Code.

43 Loss allocation

The Management Board determined to allocate the net loss 2020 of €151 million to accumulated deficits (2019: €115 million), which has been reflected in the financial statements. Refer to Note 20 Capital and reserves in the Consolidated financial statements for more information on the statutory provisions concerning the appropriation of the loss.

Amsterdam, 10 March 2021

The Management Board

Jitse Groen	Brent Wissink	Jörg Gerbig
CEO	CFO	COO

The Supervisory Board

Adriaan Nühn	Corinne Vigreux	Ron Teerlink
Chair	Vice-Chair	
Gwyn Burr	Jambu Palaniappan	

04

Other information

04 Other information

Independent auditor's report

To the Shareholders and the Supervisory Board of Just Eat Takeaway.com N.V.

Report on the audit of the financial statements 2020 included in the annual report

Our opinion

We have audited the accompanying financial statements 2020 of Just Eat Takeaway.com N.V., (hereafter the 'Company' or the 'Group') based in Amsterdam. The financial statements include the consolidated financial statements and the Company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Just Eat Takeaway.com N.V. as at 31 December 2020, and of its result and its cash flows for 2020 in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and with Part 9 of Book 2 of the Dutch Civil Code.
- The accompanying Company financial statements give a true and fair view of the financial position of Just Eat Takeaway.com N.V. as at 31 December 2020, and of its result for 2020 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. The consolidated statement of financial position as at 31 December 2020.
2. The following statements for 2020: the consolidated statement of profit or loss and other comprehensive loss, the consolidated statement of changes in equity and the consolidated statement of cash flows.
3. The notes comprising a summary of the significant accounting policies and other explanatory information.

The Company financial statements comprise:

1. The Company statement of financial position as at 31 December 2020.
2. The Company statement of profit or loss for 2020.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Just Eat Takeaway.com N.V. in accordance with the EU Regulation on specific requirements regarding statutory audits of public-interest entities, the “Wet toezicht Accountantsorganisaties” (Wta, Audit firms supervision act), the “Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten” (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in The Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

Based on our professional judgement, we determined the materiality for the financial statements as a whole at EUR 16 million (2019: EUR 6 million). Consistent with 2019, revenue is used as a benchmark to calculate the materiality. The materiality of 2020 is based on 0.8% of revenues (2019: 0.8% of revenues).

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

Audits of group entities (components) were performed using materiality levels determined by the judgement of the group audit team, taking into account the materiality of the financial statements as a whole and the reporting structure within the group.

We agreed with the Supervisory Board that misstatements in excess of EUR 0.8 million (2019: EUR 0.3 million), that are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the Group audit

Just Eat Takeaway.com N.V. is at the head of a Group of entities. Just Eat Takeaway.com N.V. applies a dual organizational structure combining a central administered organization for the Takeaway businesses, operating on one IT system in The Netherlands. The Just Eat acquired businesses operate in a decentralized organizational structure and IT environment. Where opportune, the Company is migrating the Just Eat businesses to the Takeaway IT platform and centralized structure. During the financial year, Just Eat Takeaway.com N.V. operated in 23 countries. Primary business locations being Australia, Brazil (minority interest), Canada, Germany, The Netherlands, and the United Kingdom. The financial information of these businesses is included in the consolidated financial statements of Just Eat Takeaway.com N.V.

In establishing the overall Group audit strategy and plan, we determined the type of work that needed to be performed at the components by the Group engagement team and by the auditors of components. We directed and supervised the work of component auditors as part of the Group audit.

Our group audit mainly focused on the significant entities within the Group. Our assessment of entities that are significant to the Group included the impact of the acquisition of Just Eat and related impact to the organizational structure and IT environment. Our assessment was performed as part of our audit planning and was aimed to obtain sufficient coverage of the risks of a material misstatement for the significant account balances, classes of transactions and disclosures that we have identified. In addition, we considered qualitative factors as part of our assessment. In establishing the overall group audit strategy and plan, we determined the type of work that needed to be performed at the components by the group audit team and by the component auditors.

Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence was obtained as a basis for our opinion on the Group financial statements as a whole, also considering COVID-19 related travel restrictions. For each component we determined whether we required an audit of their complete financial information or whether other procedures would be sufficient. In most cases, the components with an audit scope are components that are financially significant to the Group's revenue, EBITDA or assets. Due to travel restrictions, all oversight procedures have been performed remotely whereby we varied the nature, timing and extent of these procedures based on both quantitative and qualitative considerations. The Group engagement team held online sessions with local management and auditors of several key locations. In addition, we performed review procedures or specified audit procedures at other components.

The Group consolidation, financial statements disclosures, and certain centrally coordinated topics were audited by the Group engagement team. These include among others: impairment testing on goodwill, corporate income tax, acquisitions (including purchase price accounting) and divestments, share-based payments and claims and litigations. Specialists were involved in the areas covering fraud & forensic, tax accounting, information technology, data analytics, and valuation.

By performing the procedures mentioned above by the component auditors, together with additional procedures at Group level, we have been able to obtain sufficient and appropriate audit evidence about the Group's financial information to provide an opinion on the financial statements.

Scope of fraud and non-compliance with laws and regulations within our audit

In accordance with the Dutch Standards on Auditing, we are responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatements, whether due to fraud or error. Non-compliance with laws and regulation may result in fines, litigation or other consequences for the Company that may have a material effect on the financial statements.

Consideration of fraud

In identifying potential risks of material misstatement due to fraud, we obtained an understanding of Just Eat Takeaway.com N.V. and its environment, including the Company's internal controls. We evaluated the Company's fraud risk assessment and made inquiries with Group management, those charged with governance and others within the Company, including but not limited to, Legal, Internal Audit and Group Control. We evaluated several fraud risk factors to consider whether those factors indicated a risk of material misstatement due to fraud. We involved our forensic specialists in our assessment of fraud risks and related audit procedures, particularly in evaluating the fraud risk assessment of Just Eat Takeaway.com N.V.

Following these procedures, and the presumed risks under the prevailing auditing standards, we considered the fraud risks in relation to management override of controls, including evaluating whether there was evidence of bias by the Management Board, which may represent a risk of material misstatement due to fraud.

As part of our audit procedures to respond to these fraud risks, we evaluated the design and implementation of the internal controls relevant to mitigate these risks. We performed substantive audit procedures, including the detailed testing of journal entries using data analytics tooling, evaluating the accounting estimates for bias (including retrospective reviews of prior year's estimates), the supporting documentation in relation to post-closing adjustments. We also incorporated elements of unpredictability in our audit. The procedures described are in line with the applicable auditing standards and are not primarily designed to detect fraud. Our procedures to address fraud risks did not result in a key audit matter.

Consideration of compliance with laws and regulations

We evaluated the laws and regulations relevant to Just Eat Takeaway.com N.V. through discussion with Legal, Internal Audit and Management Board, reading minutes, and Internal Audit reports on the whistleblower notifications. We involved our forensic specialists in this evaluation.

As a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered adherence to (corporate) tax law and financial reporting regulations, the requirements under the International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the related financial statements. We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements.

Furthermore, the Group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance through imposing fines or litigation. In addition, we considered major laws and regulations applicable to listed companies.

Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to the Group's ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses and permits or compliance with environmental regulations) and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Our procedures are limited to (i) inquiry of management, the Supervisory Board, the Management Board and others within the Group as to whether the Group is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

Because of the characteristics of fraud, particularly when it involves sophisticated and carefully organized schemes to conceal it, such as forgery, intentional omissions, misrepresentation and collusion, an unavoidable risk remains that we may not detect all fraud during our audit.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter – Valuation of Intangible Assets from the acquisition of Just Eat Plc.

During 2020, the Company acquired 100% of the shares of Just Eat Plc. for EUR 7.4 billion. The acquisition was accounted for using the acquisition method and was measured at fair value. The Company provisionally measured the acquired identifiable assets and liabilities at fair value, based on the estimated future cash flows expected and applying a discount rate in order to calculate present value.

We identified the purchase price allocation, being the provisional measurement of the acquired identifiable assets and liabilities of Just Eat Plc. at fair value as a key audit matter, because of the significant level of management judgement used to calculate the discount rate and the royalty rate included in the fair value of brands, including use of valuation models and reliable source documentation. This required a high degree of auditor judgment in developing our audit procedures and the assessment of the purchase price allocation, including the need to involve valuation specialists when performing these audit procedures to evaluate the reasonableness of management's estimates used in the provisional purchase price allocation.

How the key audit matter was addressed in the audit

Our audit procedures primarily focused in this respect on the valuation of the intangible assets acquired following the Just Eat Plc. acquisition and included, amongst others, the following:

- We obtained an understanding of management's controls over acquisition accounting.
- We obtained contractual information, business plans and forecasts to evaluate management's analysis in relation to forecasted growth and compared assumptions used in projections to historical data, external market reports, and the Company's announcements to the market.
- With the assistance of our valuation specialists, we evaluated the valuation model used and the key assumptions applied. We evaluated the reasonableness of management's methodology, developed an independent range of estimates to test the discount rate and, evaluated current market data to evaluate the royalty rate.

- We evaluated the reasonableness of changes made to the updated provisional purchase price allocation, in comparison to the initial provisional purchase price allocation, by validating inputs with historical data and external sources and, evaluating key business assumptions.

Observation

Based on our procedures performed and our assessment of the disclosures made, we have not identified any reportable matters. Our audit procedures are deemed appropriate and sufficient to address the risks of material misstatements.

Key audit matter – Revenue

The Company's revenue of EUR 2.0 billion is derived primarily from commission fees paid by restaurants for use of the Group's platforms in connecting restaurants to consumers. Commission revenue is primarily earned from restaurants on a per order basis as a percentage of the Gross Merchandise Value and consists of a high volume of transactions.

As of 31 December 2020, the Company identified material weaknesses in its internal controls. These material weaknesses included ineffective general information technology controls (GITCs) that are significant to the revenue process. Automated and manual business process controls that are dependent on these ineffective GITCs were also determined to be ineffective.

We identified revenue as a key audit matter because of the material weaknesses related to the Company's systems to process and record revenue and we were not able to rely on the operating effectiveness of such controls in this highly automated environment for our audit of revenue. The inability to rely on controls required the performance of significant incremental audit procedures over revenue, including the need to involve our IT specialists and professionals with expertise in data analytics, especially as it relates to the nature and extent of these incremental procedures to validate the accuracy and completeness of revenue.

How the key audit matter was addressed in the audit

Our audit procedures for revenue as a result of the material weaknesses in GITCs included, but were not limited to, the following:

- Our IT specialists performed additional audit procedures related to privileged access rights to IT applications, in response to the GITC deficiencies.
- We selected a sample of transactions and compared the amounts recorded to underlying supporting documentation including contracts with restaurants, cash disbursements received and, invoices to evaluate the accuracy of order data in the system.
- Our IT specialists audited management's database reconciliation of a reciprocal independent order population with the order registration IT system to evaluate the completeness of order data in the system.
- We involved data analytics specialists to assist us in performing statistical substantive analytical procedures on revenue and evaluating the results.

Observation

Based on our procedures performed and our assessment of the disclosures made, we have not identified any reportable matters. Our audit procedures are deemed appropriate and sufficient to address the risks of material misstatements.

Key audit matter – International group structure and the coordination of the group audit

Following the Just Eat acquisition in April 2020, Just Eat Takeaway.com N.V. is operating in 23 countries. Subsequent to the acquisition, we are more dependent on the work performed by component auditors in order to be able to conclude on the audit of the consolidated statements. Therefore, we deem obtaining a first year understanding of the Just Eat operations, the involved component auditors and the increased importance of these component auditors to be a significant part of our audit. As such, we have consequently identified this as a key audit matter.

This key audit matter is related to obtaining sufficient understanding of the components during our planning activities in order for us to be able to determine the audit scoping, risk classification and, other audit attention areas for us to establish an appropriate audit strategy and audit plan. It includes obtaining an initial understanding of the group structure, its business, including its control environment and information systems to perform the audit risk assessment, develop the audit strategy and, the audit plan.

This in combination with our ability as group auditors to obtain reasonable assurance that the consolidated financial statements as a whole are free from material misstatement, whether caused by fraud, non- compliance or error.

How the key audit matter was addressed in the audit

After the acquisition in April 2020, we developed a comprehensive audit plan tailored to the newly established group to understand the connection between the Company's strategy, the related business risks and the way this impacts the Company's financial reporting and internal controls framework.

This audit plan included amongst others:

- Close interactions with the component auditors involved in prior years as well as including multiple file reviews and planning meetings.
- Active knowledge sharing with Local Management, the Management Board, Group Finance and Internal Audit to understand their perspectives on the business, identified risks and key findings from their work.
- Discussion of our audit plan with the Company's Audit Committee in May 2020 and periodic updates on status, progress, and key findings from our audit process.
- Evaluation of key accounting positions and audit matters from prior years for the components.
- Evaluation of Just Eat Takeaway's control documentation to assist in obtaining an understanding of the Company's financial reporting and business processes.

Observation

Based on our procedures performed and our assessment of the disclosures made, we have not identified any reportable matters. Our audit procedures are deemed appropriate and sufficient to address the risks of material misstatements.

Key audit matter - Revenue Accounting – Principal versus Agent revenue recognition

Just Eat Takeaway.com N.V. recognizes revenue when it transfers control of a product or service to a customer. The Company's revenue of EUR 2.0 billion is derived primarily from commission fees paid by restaurants and consumer delivery fees.

Commission revenue is primarily earned from restaurants on a per order basis as a percentage of the Gross Merchandise Value. The commission fee charged covers both the order facilitation service performance obligation, as well as the delivery services performance obligation, if applicable.

The Management Board has concluded that the Company:

- Acts as an agent for order facilitation service revenue, as the Company arranges for the restaurants to provide their service to the consumer. Fulfilment of the food order always remains the responsibility and control of the restaurant, as the Company does not pre-purchase or otherwise obtain control of the restaurant's goods or services prior to the transfer to the consumer. Order facilitation service revenue is recorded on a net basis.
- Acts as a principal for delivery services revenue charged to the restaurant and consumer, as the Company controls the delivery services prior to their transfer to the customer. The Company is responsible for identifying and directing the drivers to perform the delivery services and has control over and discretion in establishing the delivery price. Delivery services revenue is recorded on a gross basis.

Critical management judgement is required in evaluating the revenue recognition methodology for determining whether the Company controls the service or not.

We identified the evaluation of revenue recognition as a key audit matter because the audit effort to evaluate the Group's revenue recognition judgment was extensive.

How the Key Audit Matter Was Addressed in the Audit

Our audit procedures in evaluating the revenue recognition for delivery revenue included, but were not limited to, the following:

- We evaluated management's internal controls around the presentation of revenue.
- We obtained and evaluated terms and conditions and contracts with customers, restaurants and drivers.
- We evaluated the presentation of delivery revenue as gross by comparing the attributes of the underlying contracts with customers, restaurants and drivers to the Company's accounting policy and the requirements of IFRS 15.
- We challenged the position paper prepared by the Company, with assistance of IFRS 15 specialists.

Observation

Based on our procedures performed and our assessment of the disclosures made, we have not identified any reportable matters. Our audit procedures are deemed appropriate and sufficient to address the risks of material misstatements.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contain other information that consists of:

- Report of the Management Board.
- Other information included in the annual report.
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the report of the Management Board in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged by the Supervisory Board as auditor of Just Eat Takeaway.com N.V. for the year 2014 and have functioned as the Company's statutory auditor since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of Management and the Supervisory Board of for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS-EU and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the Group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect, we also submit an additional report to the Audit Committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 10 March 2021

Deloitte Accountants B.V.
Signed on the original: A. Sandler

Three-year key figures

These figures are derived from the annual report of the related years.

€ millions unless stated otherwise		On a Combined basis[1]	
	2020	2019	2018
Key Performance Indicators			
Restaurants	244	173	138
Active Consumers ('000s)	60	48	40
Orders ('000s)	588	413	310
• United Kingdom	179	133	123
• Germany	112	69	33
• Canada	86	48	31
• Netherlands	49	38	33
• Rest of the World	162	125	90
Returning Active Consumers as % of Active Consumers	70%	68%	65%
Orders per Returning Active Consumer	15.2	13.2	8.5
Average Order Value (€)	22.00	20.69	20.72
GMV (in billions €)	12.9	8.6	6.4
• United Kingdom	4.0	2.8	2.5
• Germany	2.5	1.5	0.7
• Canada	1.7	1.0	0.6
• Netherlands	1.2	0.8	0.7
• Rest of the World	3.5	2.5	1.9

1 The Just Eat business was consolidated from 15 April 2020. These figures are presented as if the combination was completed on 1 January 2018 to provide comparable information for the year 2020. These combined numbers are unaudited

Three-year key figures (continued)

€ millions unless stated otherwise		On a Combined basis[1]	
	2020	2019	2018
Key Financial Indicators			
Revenue	2,398	1,557	1,115
• United Kingdom	725	509	436
• Germany	374	205	83
• Canada	515	325	201
• Netherlands	174	119	96
• Rest of the World	610	399	299
Adjusted EBITDA	256	217	188
• United Kingdom	216	213	230
• Germany	125	19	(24)
• Canada	59	24	(10)
• Netherlands	75	64	59
• Rest of the World	(54)	17	16
• Head office	(165)	(120)	(83)

[1] The Just Eat business was consolidated from 15 April 2020. These figures are presented as if the combination was completed on 1 January 2018 to provide comparable information for the year 2020. These combined numbers are unaudited

Three-year key figures (continued)

€ millions unless stated otherwise	On an IFRS basis 2020	2019	2018
Key Financial Indicators			
Revenue	2,042	416	232
• United Kingdom	576	–	–
• Germany	374	205	83
• Canada	404	–	–
• Netherlands	174	119	96
• Rest of the World	514	92	53
Adjusted EBITDA	191	12	(11)
• United Kingdom	143	–	–
• Germany	128	19	(24)
• Canada	76	64	59
• Netherlands	42	–	–
• Rest of the World	(58)	(25)	(12)
• Head office	(140)	(46)	(34)
Loss for the period	191	12	(11)

Three-year key figures (continued)

€ millions unless stated otherwise	2020	2019	2018
			On an IFRS basis
Capital employed			
Total assets	10,355	1,659	417
Total equity	8,499	1,133	139
Cash flows			
Net cash used in operating activities	177	(64)	(3)
Net cash used in investing activities	15	(497)	(130)
Net cash generated by financing activities	292	520	133
Net decrease in cash and cash equivalents	484	(41)	(0)
Data per share			
Weighted average shares outstanding as at 31 December	148,758,803	61,206,450	43,218,234
Personnel			
FTE (average)	8,955	3,498	1,630

Just Eat Takeaway.com address

Head office

Just Eat Takeaway.com N.V.
Oosterdoksstraat 80
1011 DK Amsterdam, the Netherlands
E-mail: press@justeattakeaway.com
Internet: www.justeattakeaway.com
Twitter: @justeattakeaway

Chamber of Commerce Amsterdam,
the Netherlands
Trade registry no. 08142836
VAT no NL815697661B01

Glossary

10bis 10 bis.co.il Ltd, one of Just Eat Takeaway.com's subsidiaries in Israel

ACM The Netherlands Authority for Consumers and Markets (De Autoriteit Consument & Markt)

Active Consumers Unique consumer accounts (identified by a unique email address) from which at least one order has been placed on Just Eat Takeaway.com's platforms in the preceding 12 months

Active Markets The United Kingdom, Germany, Canada, the Netherlands, Australia, Austria, Belgium, Bulgaria, Denmark, France, Ireland, Israel, Italy, Luxembourg, New Zealand, Norway, Poland, Portugal, Romania, Spain and Switzerland

Acquired German Businesses The German businesses of Delivery Hero, consisting of Delivery Hero Germany GmbH and Foodora GmbH, which operated the Lieferheld, Pizza.de and Foodora brands in Germany

Adjusted EBITDA Just Eat Takeaway.com's profit or loss for the period before depreciation, amortisation, finance income and expenses, long-term employee incentive costs, share of result of associates and joint ventures, acquisition and integration related expenses, income tax expense and other gains and losses

Adjusted EBITDA margin EBITDA as a percentage of revenue for the relevant period

Addressable Population Population in a country aged 16 years and older

AFM The Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten)

AFM register Register as referred to in section 1:107 FMSA kept by AFM, which is accessible through its website

AGM Annual General Meeting

AML/CFT Anti-Money Laundering/Combating the Financing of Terrorism

Annual report Report consisting of the Message from the CEO, management report, within the meaning of section 2:391 of the Dutch Civil Code, Governance & Compliance, Risk Management, Consolidated financial statements, Company financial statements, and Other information

Articles of association Articles of association of the Company as effective from time to time

ATO Australian Tax Office

Average order value (AOV) The GMV divided by the number of orders in a particular period

B2B Business to Business

B2C Business to (Active) Consumer

£ Pound (GBP, Great Britain Pound)

CDI A CREST depositary interest issued by CREST Depository whereby CREST Depository will hold overseas securities on bare trust for the CREST member to whom it has issued a depositary interest

CEO Chief Executive Officer of the Company

CFO Chief Financial Officer of the Company

CGU Cash-generating unit

Chair Chairperson of the Management or Supervisory Board or chairperson of a Committee of the Supervisory Board

Charter of the Management Board The rules of the Management Board governing its internal proceedings, providing for the division of its duties among the Managing Directors and setting out the adoption of resolutions

Charter of the Supervisory Board The rules of the Supervisory Board governing its internal proceedings

City Code The UK City Code on Takeovers and Mergers

City Pantry City Pantry Ltd, one of Just Eat Takeaway.com's subsidiaries in the UK

CMA The UK Competition and Markets Authority

Combined Adjusted EBITDA Adjusted EBITDA of the legacy Just Eat and the legacy Takeaway businesses as if the business combination was effective as of 1 January 2019, whereby accounting policies of Just Eat Takeaway.com have been applied. The purchase price allocation was recorded in 2020 and not applied retrospectively. These combined numbers are unaudited

Combined revenue Revenue of the legacy Just Eat and the legacy Takeaway businesses as if the business combination was effective as of 1 January 2019, whereby accounting policies of Just Eat Takeaway.com have been applied. These combined numbers are unaudited

Combination The all-share combination between Just Eat plc and Takeaway.com N.V. effected by means of a public offer

Committee A committee of the Supervisory Board as established from time to time

Company Takeaway.com N.V., as per 31 January 2020 renamed into Just Eat Takeaway.com N.V.

Company financial statements Financial statements of Just Eat Takeaway.com N.V. for the year ended 31 December 2020

Consolidated financial statements Consolidated financial statements of Just Eat Takeaway.com N.V. and its subsidiaries for the year ended 31 December 2020

Continental Europe Mainland Europe

COO Chief Operating Officer of the Company

CPO Marketing cost per order

CRM Customer relationship management

CREST The system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK in accordance with the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended from time to time

D&I Diversity & inclusion

DCGC Dutch Corporate Governance Code

Decree (Vaststellingsbesluit nadere voorschriften inhoud jaarverslag) effective as of 1 January 2010

Delivery Delivery services provided by Just Eat Takeaway.com to restaurants that do not provide delivery themselves; using employed couriers, independent contractors or couriers hired through third-party delivery companies or agencies

Delivery share Share of delivery orders divided by Orders

Deloitte Deloitte Accountants B.V.

DNB Dutch Central Bank (De Nederlandsche Bank N.V.)

DPO Data Protection Officer

DTR UK Disclosure and Transparency Rules

EC The European Commission

EGM The Company's extraordinary general meeting, as convened from time to time

ERM Enterprise Risk Management

ESOP Participant Senior management and designated employees

ETR Effective Tax Rate

EU The European Union

EURIBOR Euro Interbank Offered Rate

€ Euro

Euronext Amsterdam Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V.

FCA The Financial Conduct Authority of the United Kingdom

Financial statements The Consolidated financial statements of Just Eat Takeaway.com and the Company financial statements

Food Tracker® Realtime estimation of arrival of food delivery

FTE Full-time equivalent employee with whom Just Eat Takeaway.com has an employment agreement

FVTOCI Fair value through other comprehensive income

GDPR The European general data protection regulation /Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data

General Meeting The general meeting of Just Eat Takeaway.com (the corporate body) or the meeting in which shareholders and all other persons entitled to attend general meetings of Just Eat Takeaway.com assemble, as the context requires

GMV The Group's gross merchandise value which is the total value of merchandise (food) sold as a result of orders in a particular period on which commission is charged

Gribhold Gribhold B.V., the personal holding company of the Company's CEO

Hello Hungry Hello Hungry AD, one of Just Eat Takeaway.com's subsidiaries in Romania

IAS International Accounting Standards as issued by the IASB

IASB International Accounting Standards Board

IFRS International Financial Reporting Standards as issued by the IASB / as adopted by the EU

IPO Initial public offering

JET Trading symbol under which the Company's CDIs trade on the London Stock Exchange

Just Eat Just Eat Limited (formerly Just Eat plc), a limited company incorporated in England and Wales

Just Eat Acquisition The all-share combination between Just Eat and the Company, which was declared wholly unconditional on 31 January 2020.

Just Eat Takeaway.com The Company together with its direct and indirect subsidiaries as per 31 December 2020

KPIs Key performance indicators

LIBOR London Interbank Offered Rate

London Stock Exchange London Stock Exchange plc or any recognised investment exchange for the purposes of the FMSA that may take over the functions of the London Stock Exchange plc

LTI(P) Long-Term Incentive (Plan) for the Management Board of the Company

Management Board The management board of the Company

Managing Director A member of the Management Board

Net working capital Net working capital excluding restaurant-related items: receivables from payment service providers, restaurant payables and restaurant receivables

OCI Other comprehensive income or loss

Online payments Online payment by means of debit or credit card or other forms of cashless payment

Orders Orders by consumers processed through Just Eat Takeaway.com 's websites and mobile applications, i.e. excluding orders processed through third-party websites

Orders per Returning Active Consumer Calculated as the number of orders per returning Active Consumer during the period divided by the average number of returning Active Consumers during the period

Promoted Placement Promoted placement fees are charged to restaurants for promotional placement of restaurants on the Just Eat Takeaway.com platforms for selected locations for a specific duration as agreed upon in the contract

RCF Revolving credit facility

Remuneration & Nomination Committee The combined Remuneration and Nomination Committee of the Supervisory Board

Rest of the World Just Eat Takeaway.com businesses in Australia, Austria, Belgium, Bulgaria, Denmark, France, Ireland, Israel, Italy, Luxembourg, New Zealand, Norway, Poland, Portugal, Romania, Spain, and Switzerland

Restaurants The total number of restaurants listed on the Just Eat Takeaway.com platforms as at a particular date

Returning Active Consumers Active Consumers who have ordered more than once in the preceding 12 months

Scoober Delivery services provided by Just Eat Takeaway.com to restaurants that do not provide delivery themselves using employed couriers or couriers hired through agencies

Shareholder Rights Directive II Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement

Skip SkipTheDishes

SkipTheDishes SkipTheDishes Restaurant Inc, Just Eat Takeaway.com's subsidiary in Canada operating under the brand SkipTheDishes

STAK Stichting Administratiekantoor Takeaway.com

Supervisory Board The supervisory board of the Company

Supervisory Director A member of the Supervisory Board

Takeaway Pay Corporate services provided under the Takeaway.com brand

TKWY Trading symbol under which the Company's shares trade on Euronext Amsterdam

TOMA Top-of-mind awareness

Transaction The proposed all-share combination of the Company with Grubhub Inc. in accordance with the Merger Agreement

TSR Total Shareholder Return

WACC Weighted Average Cost of Capital

Yourdelivery yd.yourdelivery GmbH, one of Just Eat Takeaway.com's subsidiaries in Germany

Colophon

Just Eat Takeaway.com N.V.
Oosterdoksstraat 80
1011 DK Amsterdam
The Netherlands

Realisation:
Just Eat Takeaway.com N.V.
Domani B.V., The Hague, the Netherlands
Sturnis 365 S.r.l., Milan, Italy

About this report
This annual report is available as a PDF, on our website www.justeattakeaway.com and as a limited print version.

Forward-looking statements
This annual report may contain forward-looking statements. These statements are only predictions and are not guarantees. Actual events or the results of our operations could differ materially from those expressed or implied in the forward-looking statements. Forward looking statements are typically identified by the use of terms such as “may”, “will”, “should”, “expect”, “could”, “intend”, “plan”, “anticipate”, “estimate”, “believe”, “continue”, “predict”, “potential” or the negative of such terms and other comparable terminology.

The forward-looking statements contained herein speak only as of the date they are made. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Actual results may differ materially from those expressed in these forward-looking statements, and you should not place undue reliance on them. For a discussion of factors that could cause future results to differ from such forward-looking statements, see also the section ‘Risk Management’ of this annual report.

You will be solely responsible for your own assessment of the market and the market position of Just Eat Takeaway.com and you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of Just Eat Takeaway.com’s business. This document does not constitute or form part of, and should not be constructed as, an offer or invitation to subscribe for or purchase any Just Eat Takeaway.com securities.

Third-party market data
Statements regarding market share, including the group’s competitive position, contained in this annual report are based on outside sources such as specialised research institutes, industry and dealer panels in combination with management estimates.

Just Eat Takeaway.com N.V.
Oosterdoksstraat 80
1011 DK Amsterdam
The Netherlands