

Just Eat Holding Limited

**Annual report and financial statements
for the year ended 31 December 2021**

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Just Eat Holding Limited

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Just Eat Holding Limited

Company information

Directors	A Kenny S Oddens K Marshall
Registered number	05438939
Registered office	Fleet Place House 2 Fleet Place London United Kingdom EC4M 7RF
Independent auditor	Deloitte LLP 2 New Street Square London United Kingdom EC4A 3BZ

Just Eat Holding Limited

Strategic report for the year ended 31 December 2021

The Directors present their strategic report for the year ended 31 December 2021.

Business model

Just Eat Holding Limited (the "Company", "we", "our") operates as an intermediate holding company providing management services for Just Eat Takeaway.com N.V. (the "Group"), a leading global marketplace for online food delivery.

Business review

Our key performance indicators during the year were as follows:

		2021	2020	Change%
Revenue	£m	43.4	104.0	(58.3)%
Loss after tax	£m	(295.8)	(109.3)	(170.6)%
Net assets	£m	782.9	579.1	35.2%

Revenue decreased by 58.3% from £104 million in 2020 to £43.4 million in 2021. Revenue in 2021 predominantly represents intragroup restaurant device sales and licence fee income from subsidiary undertakings. The revenue decrease is predominantly due to the lower profits generated by those subsidiaries who pay licence fees, this resulted in licence fee income decreasing to £12 million in 2021 from £81.4 million in 2020.

During the year, income from investments decreased from £20.4 million to £15.3 million and the impairment charge was £97.7 million (2020: £4.0 million). The impairment charge relates to £78.5 million in the investment in Just Eat (Acquisitions) Holding Limited (Australia and New Zealand business), £18.4 million in the investment in Alloreto (French business) and the remaining £0.8 million in the investment in Just Eat Norway (Norwegian business). Other administrative expenses increased by £14.7 million. This along with the revenue decrease described above has resulted in an overall increase in operating loss by £177.8 million to £258 million (2020: £80.2 million).

Taxation remained at £nil in 2021 (2020: £nil). Finance costs increased by £9.3 million resulting in a loss after tax of £295.8 million, a decrease of £186.5 million from the prior period.

Net assets increased by £203.8 million primarily due to £491.2 million of capital contribution by the parent company offset by the loss during the year.

Future developments

It is anticipated that the majority of our subsidiaries will continue to grow and return back to profitability in 2022 as we are continuing to grow our active customer base and restaurant offering through key service improvements, including the continuing roll-out of delivery in multiple cities around the UK, expanding our convenience grocery offering and the onboarding of large multinational chains and our significant investments in marketing during the year, which will allow them to increase their overall customer base. Overall this would result in increased dividends receivable in the future, which would assist the company to cover its costs effectively.

Principal risks and uncertainties

Principal risks and uncertainties are discussed in detail in the Annual Report of Just Eat Takeaway.com N.V., the ultimate parent of the Company as at 31 December 2021, which is available on <https://www.justeatakeaway.com/investors/results-and-reports/>. The principal risks and uncertainties that apply to the UK operations are: Competition; Innovation; Brand & reputation; People; Technology, Reliability and availability; Social change, Legislation & regulation; Data security & privacy; Operational complexity of hybrid model; Acquisitions; Financial reporting; Integration & transformation and Global strategic projects.

Just Eat Holding Limited

Strategic report (continued) for the year ended 31 December 2021

Significant economic/political events

Economic and political factors have the potential to represent both risk and opportunities. For example, easing of lockdown has a potential for adverse implications on orders as more people return to the office, impacting the Company and Restaurant Partners. When events such events occur, we conduct analysis to understand possible impacts and to mobilise action plans as necessary. We conduct rigorous financial planning to manage and monitor cost versus revenue performance.

Section 172 Statement

Promoting the success of the Company

The duty under Section 172 of the Companies Act 2006 is owed by the directors to the Company. In the context of a group of companies, being the group of companies owned by Just Eat Takeaway N.V., the Company's directors owe their primary duty to the company and not the parent company, although the parent company is considered as part of stakeholder engagement. The board recognises that the overall framework which Section 172 promotes is to drive the long-term success and sustainability of the Company for the benefit of its sole shareholder and other key stakeholders.

The management board of Just Eat Takeaway.com N.V. sets the priorities for the group and is responsible for the controls and decision-making framework under which the whole group operates. A number of overall strategic decisions are reserved to the Just Eat Takeaway.com management board with others devolved to the board and/or senior management of the company. The board and the company strive to create value for the company's sole shareholder in the medium and long-term and to take into account the interests of the company's wider stakeholder base and the impact of their decisions on these stakeholders and their interests. In order to achieve this objective, the company implements and makes decisions which are aligned with the strategy, purpose and values of the Just Eat Takeaway.com N.V. group.

Throughout the reporting year the Company has made a number of strategic decisions as part of implementation of its business strategy. The principal strategic decisions made by the board included:

- Investment in supply expansion and roll-out of Delivery, including price leadership
- Investment in brand awareness and share of voice
- Expand into groceries offering
- Introduction of stamp card programs
- Migration from an outsourced to an in-house customer service model
- Introduction of account management services to all restaurant partners

Further details of these decisions are set out in the sections below.

The board of directors of the Company consider short, medium and long-term consequences of their decisions during their decision-making process. Detailed financial information and risks are all considered through informal discussions with various internal departments and with stakeholders, enabling the board and senior management to make informed decisions.

Just Eat Holding Limited

Strategic report (continued) for the year ended 31 December 2021

Section 172 Statement (continued)

People

As we entered the second year of the pandemic, we know it is our responsibility as a company to take a proactive approach to our working set-up and environment. While governmental health advice and measures changed day-to-day, we focused on developing an impactful, long-term strategy for the future of work at the Company. We understand that good communication is crucial to inform, engage, inspire and take our people's view into account during decision making. This is why we aspire to ensure employees are engaged and informed about issues that are relevant to them. We do this through a variety of channels and a broad combination of online and face-to-face conversations. Talking to our people and conducting regular surveys helped confirm that we are still as effective as before the pandemic, but that remote working can take a toll on each of us differently. The Company considers face-to-face interaction and collaboration across our teams an important part of building a strong organisation. And we acknowledge the value of providing flexibility in choosing where to work. This is why we have continued to invest in creating the right work environment and providing the suitable technology.

Since the start of the integration between the Company and Takeaway.com organisations in 2020, we have been working to establish one culture which supports a clear vision for the future. This vision is designed to inspire and unite our people, while fuelling business growth.

In 2021 we took this a step further by making our vision integral to every step of our employees' journey at the company. To underpin our culture, we have redefined a set of core values: Lead, Deliver, Care.

These values have been rolled out across the Company through a companywide awareness program and via our global onboarding platform. One of the most successful ways we established our core values was by making them a key element of our new performance management approach. We recognise the impact leaders have on building our culture, therefore we have designed a set of leadership competencies specifically for employees in management positions. These competencies stem from our vision and values. They lay out the kind of behaviour and attitude we expect from leaders within the Company. And they provide a practical, measurable way for our leaders to help drive and develop our culture within their teams.

A main focus in 2021 has been building a foundation to support our Inclusivity, Diversity & Belonging (IDB) commitment. We are delighted to have formed an IDB team in 2021, focusing on defining a strategy that supports realising our commitment to foster inclusion and diversity. We are aiming to add diversity ambitions and targets in 2022 to diversify our talent pipelines and foster talent growth across job levels, also adding cultural diversity as a metric.

In 2021 the Company held a people survey. The findings revealed a further increase in engagement of an already highly engaged workforce and gave us valuable insights in where we can further improve the employee experience and our company culture in 2022.

This year brought the creation of a career framework that provides our people with the tools they need to shape their career paths. The Company career framework is made up of guidelines for jobs, pay and competencies. It helps employees understand their role, the reward framework they fit into and what is expected from them. It also lays out opportunities for personal growth and development. This supports our people and contributes to the Company's growth.

2021 was also the year when we introduced a new Speak-Up Policy. This policy encourages everyone in the Company to speak-up when they think someone has violated the Code of Conduct. We are committed to operating with integrity and fairness, with respect for the law and our values.

Just Eat Holding Limited

Strategic report (continued) for the year ended 31 December 2021

Section 172 Statement (continued)

Suppliers

The directors have oversight of significant business cases and spend on key supplier relationships, which are managed through updates and senior management meetings. The Group Procurement function sets the purchasing policy and governs supplier selection and sourcing strategies, to ensure an appropriate mix of commercials, innovation reliability and risk. They and senior management in the Company monitor the key relationships, from the negotiation stage, onboarding and throughout the course of the relationship to ensure the right skills and fit with the Company's values and culture. Suppliers are encouraged to consider social and ethical compliance and ethical business conduct in both their dealings with the Company and within their own business and supply chain. The company provides simple communication channels and a commercial owner is assigned to each supplier relationship across the business to surface potential issues or simply to provide feedback.

Shareholders

The Company has a single shareholder, Just Eat Limited, and both of our Directors are also members of the Just Eat Limited board of directors. We are therefore fully integrated and engaged with our shareholder.

Communities and environment

We continue in our aspiration to be a driving force for change within the takeaway sector. 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 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. We are committed to reducing the carbon footprint of our direct operations, as well as collaborating to reduce emissions, single-use packaging and waste across our broader marketplace.

At Just Eat we are aware of the importance of our people and the impact we have both on them and on society in a broader sense. We strive to make our contribution and have a positive impact on various employee and social-related issues.

In the UK the Just Eat Christmas Meal Appeal, raised enough funds to provide at least 330,000 meals to feed the most vulnerable. The campaign encouraged customers, employees, partners and delivery couriers to either donate, volunteer, or deliver free meals and Christmas essentials to those in need. Just Eat also matched donations up to the sum of £200,000 and we joined forces with Coca-Cola, who donated 20p for every Coca-Cola drink sold by an independent partner on Just Eat, up to a maximum of £150,000. All funds raised were donated to charities Social Bite – a movement to end homelessness – and FoodCycle who support low-income families, the homeless and those experiencing loneliness by providing community meals, made from food that would have otherwise gone to waste.

Political stakeholders

We engage regularly with Members of Parliament and their advisers on topics of relevance to our operations.

Regulatory authorities

The company has a positive relationship with the Food Standards Agency in the UK and contributes to the decision making process as food industry regulation evolves.

Just Eat Holding Limited

Strategic report (continued) for the year ended 31 December 2021

Business groups

The company is a member of the Confederation of British Industry (CBI) and a number of other industry bodies such as ISBA and the Advertising Association.

By order of the Board of Directors,

Andrew Kenny

**A Kenny
Director**

Date: 26 September 2022

Just Eat Holding Limited

Directors' report for the year ended 31 December 2021

The Directors present their annual report and the financial statements for the year ended 31 December 2021.

Directors of the Company

The names of the persons who were Directors during the year are set out below. Except where indicated, they served as Directors for the entire year:

A Kenny
S Oddens (appointed 1 March 2021)
K Marshall (appointed 30 June 2022)
T Pereira (resigned 30 June 2022)
J Sporle (resigned 28 February 2021)

Qualifying third-party indemnity provisions have been made for the benefit of Directors in relation to certain losses and liabilities that they may incur in the course of acting as Directors of the Company, or subsidiaries, which remain in force at the date of this report. No Director had a material interest in any contract of significance with the Company or any subsidiary at any time during the year. Interests were held in shares and in share awards of Just Eat Takeaway.com N.V..

Dividends

No dividends were paid during the year ended 31 December 2021 (2020: £nil).

Going concern

The Directors have a reasonable expectation that the Company will be able to operate within the level of available facilities and cash for the foreseeable future and accordingly believe that it is appropriate to prepare the financial statements on a going concern basis. The Company is in a net current liability position as at 31 December 2021 and as such the Directors have obtained a letter of support from Just Eat Limited, which states that it will provide such financial support to the Company as required to meet its liabilities as they fall due. The Directors have also considered that a letter of support has been provided by Just Eat Takeaway.com N.V., the ultimate parent company, to Just Eat Limited to enable it to provide the required financial support to the Company, if required. The Directors have made appropriate enquiries and considered the business plans which provide financial projections for the foreseeable future. For the purposes of this review, the period considered is to 31 December 2022. The Directors have also reviewed the principal risks referenced in the strategic report set out on the previous pages. Based on the Group's forecasts and the ability of Just Eat Limited to provide the necessary support, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on the going concern basis.

Sustainability

Our approach to sustainability and social responsibility is driven by the recognition of, and the obligations that come with, the important role we play in the vibrant takeaway sector. This includes the business livelihood of our subsidiaries' neighbourhood restaurant partners, their customers' food choices and our people's working lives. We are committed to ensuring Just Eat has a positive impact on these stakeholders, the communities in which we operate and the societal issues which affect our sector and the wider world. At all times we aim to do "the right thing".

Our involvement in social matters is discussed in detail in the Annual report of Just Eat Takeaway.com N.V. in the Strategic report.

Just Eat Holding Limited

Directors' report (continued) for the year ended 31 December 2021

Research and development

We continue to dedicate resources to improve the customer experience and enhance our offering to restaurant partners on our platform. We do not perform basic research. Development costs incurred are capitalised when it is probable that future economic benefits will be attributable to the asset and that these costs can be measured reliably.

Financial risk management policies and objectives

Cash flow risk

Our activities expose us primarily to the financial risks of changes in foreign currency exchange rates. To try and manage the exposure to the exchange rate risk, our policy is to hedge against exchange rate exposure in order to achieve certainty in advance of significant foreign currency purchases (for example, acquisitions of overseas operations).

Credit risk

Our principal financial assets are bank balances and receivables. The majority of receivables are due from subsidiary undertakings. The exposure to credit risk is minimal as the amounts are not due from any investments that management considers to be impaired. The credit risk on bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Directors, who have established an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity management requirements. We manage liquidity risk by maintaining adequate cash reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Employees

Our employment policies are designed to ensure that we are able to attract the highest calibre of employees from all sectors of the communities in which we operate. This helps ensure that we compete at the highest level with comparable companies. We value diversity in the workplace and are committed to providing equality of opportunity to all employees and potential employees. We actively encourage continuous training and skill development in all departments.

Our personnel practices ensure that every employee, wherever they work, whatever their role, are treated equally, fairly and respectfully at all times. Adherence to health and safety standards ensures that our people are properly protected and cared for, wherever they operate. We maintain consistent and transparent diversity policies. We firmly believe that career opportunity, recognition and reward should be determined by a person's capabilities and achievement, not their age, sex, race, religion or nationality.

Our policy for the employment of disabled persons is to provide equal opportunities with other employees to train for and attain any position, having regard to the maintenance of a safe working environment and the constraints of their disabilities. We also provide continued employment and training of employees who become disabled while in the company's employment.

To support our commitment to open communication with employees, discussions are held with employees, through briefings and an internal portal, matters likely to affect employees' interests. Information on matters of concern to employees is given through notices, meetings and reports, including information to help employees achieve a common awareness of the factors affecting our performance.

Just Eat Holding Limited

Directors' report (continued) for the year ended 31 December 2021

Covid-19

The onset of the Covid-19 pandemic during 2020 and the ensuing measures introduced by governments over the course of 2020 and 2021 across our markets has had an impact on our business. The overall impact of Covid-19 on Just Eat Takeaway.com group's financial condition and results of operations has been accelerated order growth rates 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.

Further consideration on the Covid-19 pandemic is discussed in detail in the Annual Report of Just Eat Takeaway.com N.V. in the strategic report.

Climate change

The Management Board plays a central role in governing the Company's approach to climate-related issues. The Management Board guides and prioritises risks and opportunities, including those related to climate change. Furthermore, the Management Board has the responsibility to review and approve climate related targets and initiatives including measuring our carbon footprint and setting emission reduction targets, and reviews progress on plans on a regular basis.

Further consideration and the Just Eat Takeaway.com group's involvement in climate change is discussed in detail in the Annual Report of Just Eat Takeaway.com N.V. in the Strategic Report.

Streamlined energy and carbon reporting statement ("SECR")

The below statement contains Just Eat Holding Limited annual energy consumption, associated relevant, greenhouse gas emissions, and additional related information, as required under the Companies (Director's Report) Regulations 2018. This statement summarises the energy use and emissions required to report under this legislation.

Methodology

The methodology applied to the calculation of Greenhouse Gas emissions is the GHG Protocol Corporate Accounting and Reporting Standard. An 'operational control' boundary has been applied. Carbon conversion factors have been taken from the UK Government GHG Conversion factors for Company Reporting 2021.

The scope of reporting includes energy use associated with activities undertaken by entities directly owned by Just Eat Holding Limited which include offices in Fleet Place House and Broad Quay House Offices.

Emissions are reported as CO₂e. Electricity emissions have been reported as both market and location based. 85% of the electricity procured in 2021 was from renewable resources.

External assurance statement

We have received an independent external assurance statement from SGS United Kingdom Ltd for our 2021 global footprint, which includes all UK entities.

Just Eat Holding Limited

Directors' report (continued) for the year ended 31 December 2021

Streamlined energy and carbon reporting statement ("SECR") (continued)

Energy Use and Greenhouse Gas emissions Summary

Energy Consumption	2021	2020
Onsite combustion (MWh)	120	172
Electricity (MWh)	603	309
Transport (MWh)	0	0
Total Energy (MWh)	722	481

Location Based Emissions	2021	2020
Scope 1 Emissions (tCO ₂ e)	24	35
Scope 2 Emissions (tCO ₂ e)	114	59
Total Emissions (tCO₂e)	139	94
Emissions Intensity (kgCO ₂ e/sqft)	2.29	1.55
Emissions Intensity (tCO ₂ e/£m)	4.47	0.9

Market Based Emissions	2021	2020
Scope 1 Emissions (tCO ₂ e)	24	35
Scope 2 Emissions (tCO ₂ e)	29	97
Total Emissions (tCO₂e)	53	132
Emissions Intensity (kgCO ₂ e/sqft)	0.87	2.18
Emissions Intensity (tCO ₂ e/£m)	1.71	1.27

Emissions Intensity

For the purposes of baselining and ongoing comparison, it is required to express the emissions using a carbon intensity metric. The comparison intensity metrics used are revenue tCO₂e/£m and floor area kgCO₂/sqft. We have chosen to report against two metrics to reflect the changing nature of the business and to allow comparison with others.

Energy Efficiency Action

We have undertaken a number of activities to reduce our energy consumption for the properties leased by Just Eat Holding Limited. 90% of the lights in our Bristol office are LED. In our Fleet Place House office we have areas with LED lighting, and will continue to upgrade to LED as we refurbish. Additionally, our Fleet Place House office doesn't use natural gas and is on a 100% renewable contract. In both facilities we have motion detector sensors to ensure lights turn off during non occupancy. Furthermore, the properties are double glazed to maximize insulation and have a Building Management System to ensure energy use during non occupancy is minimised.

Just Eat Holding Limited

Directors' report (continued) for the year ended 31 December 2021

Overseas branches

There are no branches outside the UK.

Political donations

No political donations were made during the year ended 31 December 2021 (2020: £nil).

Events after the balance sheet date

The invasion of Ukraine by Russia on 24 February 2022 has led to significant sanctions against Russia. The Company has no ongoing exposures to, or investments in, Russian-related interests, and the conflict is not expected to have any impact on the Company at this time.

During July 2022, the operations at the indirectly owned investment Practi Technologies Limited ceased. The Company estimates the financial impact of this decision to be an impairment charge of £32.1 million.

In August 2022, the Company announced that it has agreed to sell its 33% stake in iFood Holdings B.V.. The financial impact of this sale cannot be reliably estimated at the date of this report.

Directors' responsibilities statement

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Just Eat Holding Limited

Directors' report (continued) for the year ended 31 December 2021

Directors' statement as to disclosure of information to auditors

Each of the Directors of the Company at the time when this report was approved confirm that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP, the Company's auditor has indicated its willingness to continue in office and, in accordance with Section 489 of the Companies Act 2006, a resolution to reappoint the auditor will be put to the 2021 Annual General Meeting.

By order of the Board,

Andrew Kenny

**A Kenny
Director**

Date: 26 September 2022

Independent auditors' report to the members of Just Eat Holding Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Just Eat Holding Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 29.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the members of Just Eat Holding Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditors' report to the members of Just Eat Holding Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006 and International Financial Reporting Standards; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included employment taxes and GDPR/Data Protection Act 2018.

We discussed among the audit engagement team including relevant internal specialists such as tax, fraud, IT and analytics specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, and reviewing internal audit reports.

Independent auditors' report to the members of Just Eat Holding Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Dean Cook MA FCA (Senior statutory auditor)
For on behalf of Deloitte LLP

Statutory Auditor
London, United Kingdom

Date: 26 September 2022

Just Eat Holding Limited

Profit and loss account for the year ended 31 December 2021

	Note	2021 £m	2020 £m
Revenue	5	43.4	104.0
Cost of sales		(22.5)	(18.8)
Gross profit		20.9	85.2
Income from investments	8	15.3	20.4
Impairment of investments	17	(97.7)	(4.0)
Other administrative expenses		(196.5)	(181.8)
Operating loss	6	(258.0)	(80.2)
Other gains	9	2.1	1.1
Finance income	12	0.6	1.0
Finance costs	13	(40.5)	(31.2)
Loss before taxation		(295.8)	(109.3)
Taxation	14	-	-
Loss for the financial year		(295.8)	(109.3)

All operations are classed as continuing.

The accompanying notes are an integral part of these financial statements.

There are no items of other comprehensive income for the year. Accordingly, no separate statement of comprehensive income is presented for the current and prior year.

The notes on pages 21 to 46 form part of these financial statements.

**Balance sheet
as at 31 December 2021**

	Note	2021 £m	2021 £m	2020 £m	2020 £m
Non-current assets					
Intangible fixed assets	15		43.6		49.7
Property, plant and equipment	16		13.2		16.4
Investments	17		944.7		809.5
Trade and other receivables: amounts due after more than one year	18		9.3		37.9
			<u>1,010.8</u>		<u>913.5</u>
Current assets					
Inventories	19	7.8		8.4	
Derivative financial instruments	24	0.5		-	
Trade and other receivables: amounts falling due within one year	18	443.4		262.9	
Current tax asset		24.6		12.9	
Cash and cash equivalents		62.2		27.7	
		<u>538.5</u>		<u>311.9</u>	
Current liabilities					
Trade and other payables: amounts falling due within one year	20	(183.3)		(56.5)	
		<u></u>		<u></u>	
Net current assets			355.2		255.4
Total assets less current liabilities			<u>1,366.0</u>		<u>1,168.9</u>
Non-current liabilities					
Trade and other payables: amounts falling due after more than one year	22		(583.1)		(588.3)
Derivative financial instruments	24		-		(1.5)
			<u></u>		<u></u>
Net assets			<u>782.9</u>		<u>579.1</u>
Equity					
Share capital	25		35.6		35.6
Share premium account			281.0		281.0
Capital contribution reserve			892.3		392.7
Accumulated losses			(426.0)		(130.2)
			<u></u>		<u></u>
Total equity			<u>782.9</u>		<u>579.1</u>

**Balance sheet (continued)
as at 31 December 2021**

The accompanying notes are an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 26 September 2022.

They were signed on its behalf by:

Andrew Kenny

**A Kenny
Director**

The notes on pages 21 to 46 form part of these financial statements.

Just Eat Holding Limited

Statement of changes in equity for the year ended 31 December 2021

	Share capital £m	Share premium account £m	Hedging reserve £m	Capital contribution £m	Accumulated losses £m	Total equity £m
At 1 January 2020	35.6	281.0	(0.1)	28.3	(20.9)	323.9
Loss for the financial year	-	-	-	-	(109.3)	(109.3)
Capital contribution	-	-	0.1	354.7	-	354.8
Share-based payment charge	-	-	-	9.7	-	9.7
At 1 January 2021	35.6	281.0	-	392.7	(130.2)	579.1
Loss for the financial year	-	-	-	-	(295.8)	(295.8)
Capital contribution	-	-	-	491.2	-	491.2
Share-based payment charge	-	-	-	8.4	-	8.4
At 31 December 2021	35.6	281.0	-	892.3	(426.0)	782.9

The share-based incentive charge for the schemes settled in the equity of the parent company or the ultimate parent company was not recharged to the Company; therefore, it is treated as capital contributions from them.

The accompanying notes are an integral part of these financial statements.

The notes on pages 21 to 46 form part of these financial statements.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

1. General information

The Company act as an intermediary holding company in the Just Eat Takeaway.com N.V. Group and provides management services to other group companies. This is a private limited company incorporated and domiciled in the United Kingdom, with a registered address at Fleet Place House, 2 Fleet Place, London, United Kingdom, EC4M 7RF. The Company is limited by shares and the Company registration number is 05438939.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and in accordance with applicable accounting standards.

These financial statements have been prepared on the historical cost basis, as modified by financial instruments recognised at fair value and are presented in Pounds Sterling. The financial statements are also prepared on a going concern basis, further detail of which is provided in the Directors' report on page 7.

We have taken advantage of the exemption under s401 of the Companies Act 2006 not to prepare consolidated accounts. The Company is a wholly owned subsidiary of Just Eat Takeaway.com N.V. and the results of the Company are included in the consolidated financial statements of Just Eat Takeaway.com N.V., which are publicly available from Companies House, United Kingdom and via the Just Eat Takeaway.com corporate website <https://www.justeattakeaway.com/investors/results-and-reports/>.

The accounting policies which follow set out those policies which have been applied in preparing the financial statements for the year ended 31 December 2021.

The policies have been consistently applied to all years presented.

We have taken advantage of the following disclosure exemptions under FRS 101:

- a) the requirements of paragraphs 45(b) and 46-52 of IFRS 2: "Share-based Payment", because the share-based payment arrangement concerns the instruments of another group entity;
- b) the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- c) the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total;
- d) the requirements of paragraph B66 of IFRS 3 "Business Combinations";
- e) the requirements of IFRS 7: "Financial Instruments: Disclosures";
- f) the requirements of paragraphs 91-99 of IFRS 13: "Fair value measurements";
- g) the requirement in paragraph 38 of IAS 1: "Presentation of Financial Statements" to present comparative information in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1: "Presentation of Financial Statements";
 - (ii) paragraph 118(e) of IAS 38 "Intangible Assets"; and
 - (iii) paragraph 73(e) of IAS 16: "Property, Plant and Equipment".
- h) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1: "Presentation of Financial Statements";
- i) the requirements of IAS 7: "Statement of Cash Flows";
- j) the requirements of paragraphs 30 and 31 of IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors";
- k) the requirements of paragraph 17 and 18A of IAS 24: "Related Party Disclosures"; and

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

2. Accounting policies (continued)

2.1 Basis of preparation of financial statements (continued)

- l) the requirements in IAS 24: "Related Party Disclosures" to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

2.2 Going concern basis

The Directors have a reasonable expectation that the Company will be able to operate within the level of available facilities and cash for the foreseeable future and accordingly believe that it is appropriate to prepare the financial statements on a going concern basis. The Company is in a net current liability position as at 31 December 2021 and as such the Directors have obtained a letter of support from Just Eat Limited, which states that it will provide such financial support to the Company as required to meet its liabilities as they fall due. The Directors have also considered that a letter of support has been provided by Just Eat Takeaway.com N.V., the ultimate parent company, to Just Eat Limited to enable it to provide the required financial support to the Company, if required. The Directors have made appropriate enquiries and considered the business plans which provide financial projections for the foreseeable future. For the purposes of this review, the period considered is to 31 December 2022. The Directors have also reviewed the principal risks referenced in the strategic report set out on the previous pages. Based on the Group's forecasts and the ability of Just Eat Limited to provide the necessary support, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on the going concern basis.

2.3 New and amended standards adopted

No new standards, amendments or interpretations to standards effective for the first time for the financial year beginning on 1 January 2021 have had a material impact on our financial position or performance, nor the disclosures in these consolidated financial statements.

2.4 New and amended standards not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the year ended 31 December 2021 and have not been early adopted.

None of the accounting standards issued but not yet effective are expected to have a significant impact on our annual financial statements.

2.5 Foreign currency translation

Our financial statements are presented in Pounds Sterling, which is also our functional currency. Assets and liabilities in foreign currencies are translated using the rate of exchange prevailing at the balance sheet date. Gains or losses on translation are included in the profit and loss account.

2.6 Revenue recognition

Management services

Revenue is predominantly derived from the provision of management services which fall within our ordinary activities. Revenue is recognised at the point the service is provided, and is represented by invoiced sales excluding VAT.

Orderpad sales

Revenue on the sale of Orderpads is recognised when the goods are delivered.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

2. Accounting policies (continued)

2.6 Revenue recognition (continued)

Franchise fee

A franchise fee is in place across the Group for the provision of services by one group company to another and is recognised in the period those services are provided. Where the franchise fee is an income, the amounts are recognised as revenue; and where the franchise fee is an expense the amounts are recognised within administrative expenses.

2.7 Operating profit or loss

Operating profit or loss is profit for the year before other gains and losses, finance income, finance costs and income taxes.

2.8 Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market based vesting conditions. All share-based payments relate to shares in the parent company, Just Eat Limited and the ultimate parent company, Just Eat Takeaway.com N.V. and the cost of these shares is not recharged to the Company, and therefore, is treated as capital contributions from them.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on our estimate of equity instruments that will eventually vest.

At each balance sheet date, we revise our estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. 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 share-based payment reserve.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

2. Accounting policies (continued)

2.10 Leasing

An arrangement is accounted for as a lease where a contract gives the right to control an asset for longer than 12 months, in exchange for consideration, where substantially all of the economic benefits are obtained from the asset.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted at the incremental borrowing rate. For all of the lease arrangements entered into, it was impracticable to calculate the interest rate implicit in the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or restore the underlying asset, less any lease incentives received.

The weighted average incremental borrowing rate applied to lease liabilities recognised on implementation was 5.4%.

2.11 Other gains and losses

Other gains and losses are comprised of profits or losses arising on the disposal of investments, gains and losses on financial assets classified as fair value through profit or loss, gains and losses on derivative financial instruments, and movements on provisions for forward contracts to acquire minority interests. They have been disclosed separately in order to improve a reader's understanding of the financial statements and are not disclosed within operating profit as they are non-trading in nature.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

2. Accounting policies (continued)

2.12 Taxation

The income tax expense comprises both current and deferred tax. Income tax is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in other comprehensive income, in which case the income tax is recognised in other comprehensive income.

Current tax

Current tax is the expected tax payable on the taxable profit for the year, using tax rates prevailing and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities, using tax rates that are expected to apply when the temporary differences reverse, based on rates enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and interests in joint ventures, except where the Company 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 liabilities are generally recognised for all temporary differences. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related deferred tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Tax deductions on the exercise of share options

Under IAS 12 "Income Taxes", to the extent that the tax deduction available on the exercise of share options is equal to, or is less than, the cumulative share-based payment charge calculated under IFRS 2 "Share-based payment", current and deferred tax is recognised through the income statement. However, when the tax deduction is greater than the cumulative expense, the incremental current tax deduction and deferred tax recognition are recognised in equity.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

2. Accounting policies (continued)

2.13 Financial instruments

Financial assets and financial liabilities are recognised in our balance sheet when we become a party to the contractual provisions of the instrument.

We derecognise a financial asset or liability only when the contractual right that gives rise to it is settled, sold, cancelled or expires.

The carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate to their fair values.

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.14 Asset impairment

The carrying amounts of tangible and intangible assets (including investments) are reviewed for each reporting year, together with any other assets under the scope of IAS36 Impairment of Assets ("IAS36"), in order to assess whether there is any indication that those assets have suffered an impairment loss.

If any indication of impairment exists, the recoverable amount of the asset is estimated in order to determine if there is any impairment loss. Investments are assessed for impairment annually in December, irrespective of whether there are any indicators of impairment. Where an asset does not generate cash flows that are independent from other assets, the asset is assigned to a cash generating unit ("CGU").

Recoverable amount is defined as the higher of fair value less costs of disposal ("FVLCD") and value in use ("VIU"). Estimated future cash flows are discounted to their present value. Our calculation of discount rates is based on a risk-free rate of interest appropriate to the geographic location of the cash flows related to the asset being tested, which is subsequently adjusted to factor in local market risks and risks specific to us and the asset itself, unless those risks have already been factored into the expected future cash flows. Discount rates used for internal purposes are post-tax rates, however for the purpose of impairment testing in accordance with IAS36 a pre-tax rate is calculated based on post-tax analysis.

If the recoverable amount is estimated to be less than the carrying amount of the asset, the carrying amount is impaired to its recoverable amount. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any investments allocated to the CGU and then to reduce the carrying amount of the other assets in the CGU on a pro-rata basis.

Impairment losses recognised in prior years are assessed at each reporting date for indications that the loss has decreased or no longer exists. Where an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised in prior years.

Impairment losses and reversals are recognised immediately in the profit and loss account within operating costs.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

2. Accounting policies (continued)

2.15 Investments

Investments in subsidiaries, associates and joint ventures are held at historical cost less any applicable provision for impairment.

2.16 Intangible assets

Patents, licences and intellectual property (IP)

Patents, licences and IP are included at cost and amortised in equal annual instalments over their useful economic life, which is typically three to five years depending on the period over which benefits are expected to be realised from the asset.

Development costs

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.

2.17 Property, plant and equipment

Property, plant and equipment are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Fixtures and fittings	33% per annum
Leasehold improvements	20% per annum or period of the lease if shorter
Other equipment	33% per annum

2.18 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials. Cost is calculated using the first-in first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.19 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

2. Accounting policies (continued)

2.20 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, for which it is probable that an outflow of economic benefit will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate or the consideration required to settle the present obligation at the balance sheet 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, its carrying amount is the present value of those cash flows. The unwinding of any discount is recognised in the income statement within finance expense.

2.21 Dividends

Dividends are recognised on the Company's Ordinary shares when they have been appropriately authorised.

3. Critical judgements in the application of accounting policies

The following are the critical accounting judgements that have the most significant effect on the amounts recognised in financial statements:

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.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

4. Other sources of estimation uncertainty

At the balance sheet date, assumptions regarding the future and other sources of estimation uncertainty may be made. A significant risk may exist where changes to these assumptions causes a material adjustment to the carrying value of assets and liabilities within the next financial year. The potential impairment of our investment balances is the only key sources of estimation uncertainty which could realise this risk.

Investment impairment

The balance sheet includes significant carrying values of investments and determining whether these investments are impaired requires an estimation of the recoverable amount of the asset. Calculating the recoverable amount requires an estimate of the future cash flows expected to arise from the CGU. Due to the potential for investments to be impaired, the assessment of investment impairment is considered to be a key source of estimation uncertainty.

The key sources of estimation uncertainty in the impairment assessment of investments are the assumptions around order growth rates and the reduction in driver costs per order (the primary direct cost per order) in the relevant subsidiary businesses. 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 investments within the next twelve 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.

Total investments as at 31 December 2021 were £944.7 million (2020: £809.5 million). During the year, an impairment charge of £97.7 million was recognised (2020: £4.0 million).

Refer to note 17 for more detail on the impairment charge for the 2021 period end.

5. Revenue

The Company is an intermediate holding company, earning franchise fees and Orderpad revenue which are payable by certain of the Company's subsidiaries.

	2021 £m	2020 £m
Franchise fees	12.0	81.4
Orderpad sales	31.4	22.6
Total revenue	43.4	104.0

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

6. Operating loss

Operating loss is stated after charging/(crediting):

	2021 £m	2020 £m
Depreciation of property, plant & equipment and right-of-use assets	4.8	4.8
Amortisation of intangible assets	19.2	24.7
Impairment of investments (note 17)	97.7	4.0
Loss on disposal of intangible assets	0.3	15.1
Net foreign currency exchange losses	2.6	2.8
Research and development	33.6	41.1
	<u> </u>	<u> </u>

7. Auditors' remuneration

The Company paid the following amounts to its auditor in respect of the audit of the financial statements and for other services provided to the Company.

	2021 £m	2020 £m
Audit of the financial statements	0.2	0.2
	<u> </u>	<u> </u>

In accordance with regulation 6 (2) of the Companies (Disclosure of Auditor Remuneration and Liability Limitations Agreements) Regulations 2008 (Statutory Instrument 2008/489) as amended, the Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the Group accounts of its ultimate parent, Just Eat Takeaway.com as at 31 December 2021.

8. Income from investments

The following dividend distributions were received from companies 100% owned by the Company:

	2021 £m	2020 £m
Dividends received from:		
Eat.ch GmbH	-	7.0
Just-Eat Ireland Limited	8.6	8.9
Just-Eat Italy S.r.l	-	3.6
Just Eat.no. AS	-	0.9
Just Eat Northern Holdings Limited	6.7	-
	<u> </u>	<u> </u>
Total income from investments	15.3	20.4
	<u> </u>	<u> </u>

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

9. Other gains and losses

	2021 £m	2020 £m
Cost relating to the merger with Takeaway.com	(0.9)	-
Gain on the sale of restaurant devices	0.3	-
Gain on disposal of investment	0.6	1.7
Gain/(loss) on foreign exchange derivatives	2.1	(0.6)
Total other gains and losses	2.1	1.1

10. Staff costs

(a) Staff costs were as follows:

	2021 £m	2020 £m
Wages and salaries	70.4	69.0
Social security costs	7.2	9.1
Pensions	5.5	4.6
Long term employee incentive costs	8.8	11.1
Total staff costs	91.9	93.8

The average monthly number of employees during the year (including Directors) was made up as follows:

	2021 No.	2020 No.
Technology and product	607	528
Management and administration	282	201
	889	729

(b) Share-based payments

Certain employees of the Company participated in a number of Just Eat Group and Just Eat Takeaway share option schemes. Options are forfeited if the employee leaves the Group before the options vest.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

11. Directors' remuneration

	2021 £m	2020 £m
Directors' remuneration	0.9	2.1
Amounts receivable under long term incentives plans	-	0.1
	<u>0.9</u>	<u>2.2</u>

	2021	2020
Number of directors accruing benefits in defined contribution schemes	3.0	3.0
	<u>3.0</u>	<u>3.0</u>

	2021 £m	2020 £m
In respect of the highest paid directors		
Aggregate remuneration	0.9	0.9
	<u>0.9</u>	<u>0.9</u>

During the year, one director was remunerated by Just Eat Holdings and the remainder were remunerated by a fellow group company.

No compensation was paid to the resigning director for loss of office. The number of Directors who exercised share options during the year was three (2020: three).

12. Finance income

	2021 £m	2020 £m
Interest received from group undertakings	0.6	1.0
	<u>0.6</u>	<u>1.0</u>

13. Finance costs

	2021 £m	2020 £m
Bank interest and facility fees	-	0.8
Unwind of deferred consideration	-	0.2
Interest paid to group undertakings	39.8	29.4
Lease interest (note 23)	0.7	0.8
Total finance costs	<u>40.5</u>	<u>31.2</u>

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

14. Taxation

The tax credit for the year was £nil (2020: £nil). There was no tax expense in relation to other comprehensive income (2020: £nil). The tax credit comprises:

	2021 £m	2020 £m
Current tax		
UK corporation tax	-	(0.6)
Prior year adjustments	-	0.6
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	0.6
Adjustments in respect of prior years	-	(0.6)
Total deferred tax	-	-
Total tax on loss on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £m	2020 £m
Loss before taxation	(295.8)	(109.3)
Tax calculated at UK standard corporation tax rate of 19% (2020: 19%)	(56.2)	(20.8)
Effects of:		
Income not taxable	(2.3)	-
Movement in deferred tax not recognised	35.3	2.5
Expenses not deductible for tax purposes	18.7	(1.6)
Share-based payments	1.0	-
Group relief surrendered for nil consideration	3.4	19.9
Prior year adjustment	0.1	-
Total tax charge for the year	-	-

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

14. Taxation (continued)

Factors that may affect future tax charges

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

There are no deferred tax assets recognised at 31 December 2021 (2020: £nil). A deferred tax asset has not been recognised in respect of timing differences relating to tax losses and short-term timing differences as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £61.6 million (2020: £8.2 million). The asset would be recovered if sufficient suitable taxable profits are made in the future.

	2021 £m	2020 £m
Deferred tax assets not recognised:		
Accelerated capital allowances	1.0	0.9
Unrelieved trading losses	58.0	5.8
Shared-based payments	2.6	1.5
	<u>61.6</u>	<u>8.2</u>

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

15. Intangible fixed assets

	Patents, Licences and IP £m	Development costs £m	Total £m
Cost			
At 1 January 2021	33.1	80.8	113.9
Additions	-	13.1	13.1
At 31 December 2021	33.1	93.9	127.0
Amortisation			
At 1 January 2021	25.0	39.2	64.2
Charge for the year	3.6	15.6	19.2
At 31 December 2021	28.6	54.8	83.4
Net book value			
At 31 December 2021	4.5	39.1	43.6
At 31 December 2020	8.1	41.6	49.7

At 31 December 2021, the Company had not entered into any significant contractual commitments for the acquisition of Intangible assets (2020: £nil).

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

16. Property, plant and equipment

	Fixtures and fittings £m	Leasehold improvements £m	Right of use assets £m	Other equipment £m	Total £m
Cost					
At 1 January 2021	2.0	8.2	18.3	3.0	31.5
Additions	-	-	-	1.7	1.7
Disposals	-	-	-	(0.1)	(0.1)
At 31 December 2021	2.0	8.2	18.3	4.6	33.1
Depreciation					
At 1 January 2021	1.9	6.3	5.1	1.8	15.1
Charge for the year	0.1	1.2	2.6	0.9	4.8
At 31 December 2021	2.0	7.5	7.7	2.7	19.9
Net book value					
At 31 December 2021	-	0.7	10.6	1.9	13.2
At 31 December 2020	0.1	1.9	13.2	1.2	16.4

At 31 December 2021, the Company had not entered into any significant contractual commitments for the acquisition of Property, plant and equipment (2020: £nil).

All right-of-use assets are in relation to properties.

The net book value of owned and leased assets included as "Tangible fixed assets" in the Balance sheet is as follows:

	2021 £m	2020 £m
Tangible fixed assets owned	2.6	3.2
Right-of-use tangible fixed assets	10.6	13.2
	13.2	16.4

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

16. Property, plant and equipment (continued)

Information about right-of-use assets is summarised below:

	2021 £m	2020 £m
Net book value		
Property	10.6	13.2
Depreciation charge for the year ended		
Property	2.6	2.6
Additions to right-of-use assets		
Additions to right-of-use assets	-	-

17. Investments

	Investments in subsidiaries £m	Other £m	Total £m
Cost			
At 1 January 2021	615.7	193.8	809.5
Additions	162.4	70.5	232.9
At 31 December 2021	778.1	264.3	1,042.4
Impairment			
Charge for the period	97.7	-	97.7
At 31 December 2021	97.7	-	97.7
Net book value			
At 31 December 2021	680.4	264.3	944.7
At 31 December 2020	615.7	193.8	809.5

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

17. Investments (continued)

At the end of the current and prior year, the Company held no investments in listed companies.

Subsidiary additions

During the year ended 31 December 2021, the Company increased its investment across several of its wholly-owned subsidiaries by a total of £162.4 million (2020: £60.9 million), relating primarily to Just Eat (Acquisitions) Holdings, Practi, Flyt, City Pantry and Just Eat Italy.

Subsidiary impairment

During the year ended 31 December 2021, an impairment charge of £78.5 million was recorded in respect of our investment in the Australia & New Zealand ("ANZ") businesses. The amount of the impairment was the difference between the asset's carrying amount and the recoverable amount. The carrying amount of the investment in Just Eat (Acquisitions) Holding Limited was £147.5 million. The recoverable amount was £69 million. This resulted in an impairment charge of £78.5 million. The recoverable amount was determined using a value in use calculation, based on a discounted cash flow model of the ANZ cash generating unit.

During the year ended 31 December 2021, an impairment charge of £18.4 million was recorded in respect of our investment in the French business. The carrying amount of the Alloreto investment, our investment in the French businesses in Just Eat Holding Limited was £18.4 million. The fair value of the CGU was determined to be £nil. This resulted in an impairment charge of £18.4 million.

During the year ended 31 December 2021, an impairment charge of £0.8 million was recorded to write down the investment in Just Eat Norway to £nil, considering its underlying business in Norway ceased operations in 2021.

Subsidiary disposal

There were no disposals of investment in subsidiaries recorded during the year (2020: £12.7 million).

Other disposal

In the 2021 period the entity received proceeds of £0.6m for the sale of an investment in Walkin. The investment had a £nil carrying value at the date of the receipt of proceeds.

Other additions

In 2021 we contributed cash totalling £70.5 million (2020: £42.3 million) to facilitate the operations of iFood Holdings B.V..

Refer to note 29 for an event after the balance sheet date for the investment in iFood Holdings B.V..

Other impairment

There were no other impairments of investments recorded during the year (2020: £4 million).

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

17. Investments (continued)

Name of the undertaking	Registered office	Nature of Business	2021
Directly held subsidiary undertakings			
Just Eat (Acquisitions) Holding Limited	(a)	Holding company	16%
Just Eat.co.uk Limited	(a)	Online takeaway portal	100%
Just Eat Denmark Holding ApS	(e)	Holding company	100%
FBA Invest SaS ¹	(f)	Holding company	80%
Just-Eat Ireland Limited	(g)	Online takeaway portal	100%
Just-Eat Italy S.r.l	(h)	Online takeaway portal	100%
Digital Services Lli (GP) S.a.r.l.	(i)	Dissolved	100%
Food Delivery Holding 31 S.a.r.l.	(j)	Dissolved	100%
Just-Eat.Lu S.a.r.l.	(k)	Financing company	100%
Just Eat.no AS.	(m)	Online takeaway portal	100%
Just-Eat Spain SL	(o)	Online takeaway portal	100%
Flyt Limited	(x)	Point of Sale business	100%
Just Eat Northern Holdings Limited	(a)	Holding company	100%
Everyday Ventures Limited	(a)	Online takeaway portal	100%
City Pantry Limited	(a)	Online takeaway portal	100%
Simbambili Ltd	(aa)	Point of Sale business	100%
Indirectly held subsidiary undertakings			
Orogo Limited	(a)	Online takeaway portal	100%
Just Eat (Acquisitions) Pty Limited	(b)	Holding company	16%
Menulog Group Limited	(b)	Holding company	16%
Menulog Pty Ltd	(b)	Online takeaway portal	16%
Eat Now Services Pty Ltd	(b)	Online takeaway portal	16%
SkipTheDishes Restaurant Services Inc.	(c)	Online takeaway portal	100%
Skipthedishes, Corp.	(d)	Online takeaway portal	100%
Just Eat.dk ApS	(e)	Online takeaway portal	100%
Just Eat Host A/S	(e)	Host servers	100%
Eat On Line SA	(f)	Online takeaway portal	80%
SinDelantal Mexico SA de CV	(k)	Online takeaway portal	67%
Inversiones Hellofood S. de R.L. de C.V.	(k)	Non-trading	67%
Menulog Limited	(l)	Online takeaway portal	16%
El Cocinero A Cuerda SL	(n)	Holding company	67%
Canary Flash S.L.	(aa)	Online takeaway portal	100%
Hungryhouse Holdings Limited	(a)	Holding Company	100%
Hungryhouse.com Ltd	(a)	Non-trading	100%
hungryhouse GmbH	(y)	Holding Company	100%
Flyt USA Inc.	(p)	Online takeaway portal	100%
Practi Technologies Ltd	(a)	Point of Sale business	100%

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

17. Investments (continued)

Name of the undertaking	Registered office	Nature of Business	2021
Associated undertakings			
IF-JE Participacoes S.A. ("IF-JE")	(q)	Holding company	33%
IF-JE Holdings B.V. ("IF-JE NL")	(r)	Holding company	33%
Subsidiaries of IF-JE			
M.I. Payments B.V.	(r)	Holding company	2%
JustEat Holding Participacoes Ltda.	(s)	Holding company	33%
Movile Servicos em Tecnologia Ltda.	(q)	Holding company	33%
WH Food Participacoes Ltda	(s)	Holding company	33%
iFood.com Agenda de Restaurantes Online S.A.	(s)	Online takeaway portal	33%
Just Eat Brasil Servicos Online e Comercio 'Ltda.	(s)	Online takeaway portal	33%
Central do Delivery Ltda.	(s)	Dormant	33%
iCall Servicos de Atendimento Ltda.	(s)	Dormant	33%
Just Eat Intermediat;ao de Neg6cios Ltda.	(t)	Dormant	33%
Come Ya S.A.s	(u)	Online takeaway portal	33%
C&G Inversiones S.A.s	(v)	Dormant	33%
Delivery Santa Fe S.r.l	(w)	Online takeaway portal	33%

Address key

- a. Fleet Place House, 2 Fleet Place London EC4M 7RF.
- b. L23, 227 Elizabeth Street, Sydney, NSW 2000.
- c. 136 Market Avenue, Winnipeg, Manitoba R3B 0P4.
- d. The Corporation Trust Company, Corporation Trust Centre, 1209 Orange Street, Wilmington, DE 19801 USA.
- e. Lyngbyvej 20, 2100 K0benhavn 0.
- f. 2 ter rue Louis Armand, 75015, Paris.
- g. Suite 1, 1st Floor Nutley Building, Merrion Road, Dublin 4.
- h. Via Tiziano n.32, Milano.
- i. Via Giuseppe Meralli 80, 00197 Roma.
- j. 9, Allee Scheffer, L-2520 Luxembourg.
- k. Rio Lerma 4-6th Roar, Cuauhtemoc, 06500 Mexico City.
- l. PwC, Level 8, 188 Quay Street, Auckland 1010.
- m. Sandakerveien 116, 0484 Oslo.
- n. Calle Condesa de Venadito, n°I Planta 2, 28027 Madrid.
- o. Calle Condesa de Venadito, n°I Planta 2, 28027 Madrid.
- p. The Corporation Trust Company, Corporation Trust Centre, 1209 Orange Street Wilmington, DE 19801.
- q. Avenida Coronel Silva Teles, N. 977- sandar, Edificio Dahruj Tower, Cambui, Campinas, Sao Paulo 13024-001.
- r. Gustav Mahlerplein 5 Symphony Off, 1082 MS; Amsterdam, Netherlands.
- s. Rua Coronel Boaventura Mendes Pereira, N. 293 - Mezanino B, Centro, Jundiai, Sao Paulo 13201-801.
- t. Avenida Queiroz, N. 1700, sala 710, Vila Leopoldina, Sao Paulo 05319-000.
- u. Calle 77a, N. 57-103, Edificio Green Tower, Oficina 806, Barranquilla.
- v. Calle 5S, N. 28-31, apto 1303, Conjunto Residential Opus, Bucaramanga.
- w. San Martin S36- Planta Baja - Buenos Aires.
- x. Elm Yard, 13-16 Elm Street, London, England, WC1X 0BJ.
- y. c/o Leopoldstrasse Business Centre GmbH.. Konrad-Zuse-Platz 8, 81829 Munich
- z. 14 HaMelacha St, Netanya, Israel
- aa. Calle Angel Guerra, 18- BJ las Palmas de gran Canaria

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

17. Investments (continued)

1. Share capital consists of 99.6% ordinary shares and 0.4% shares with no rights (voting or dividends). All entities are incorporated and have the same year end reporting date, with the exception of IF-JE Participacoes Ltda, IF-JE NL, IF-JE's subsidiaries, which have a 31 March year end. For all entities, the proportion of voting rights held equated to the proportion of ownership interests held. With the exception of FBA Invest SaS, the class of shares for all subsidiaries and associated undertakings of the Company are ordinary shares.

18. Trade and other receivables

	2021 £m	2020 £m
Amounts falling due after more than one year		
Amounts owed by group undertakings	9.3	37.9
	2021	2020
	£m	£m
Amounts falling due within one year		
Trade receivables	1.2	0.3
Prepayments and contract assets	25.5	21.6
Amounts owed by group undertakings	403.9	130.8
Amounts owed by parent company	-	102.7
Other debtors	1.2	-
VAT receivable	11.6	7.5
	443.4	262.9

Amounts owed by group undertakings falling due within one year are interest free and repayable on demand. Amounts owed by group undertakings falling due after more than one year are interest bearing at 7% (2020: 7%) and are not repayable for the foreseeable future.

19. Inventories

	2021 £m	2020 £m
Finished goods	7.8	8.4

Inventories comprise of orderpads held in the United Kingdom prior to their sale to other group companies.

There is no material difference between the balance sheet value of inventories and its replacement cost.

The cost of inventories recognised as an expense in the income statement during the year was £28.8 million (2020: £20.9 million).

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

20. Trade and other payables: Amounts falling due within one year

	2021 £m	2020 £m
Trade payables	1.3	5.1
Accruals and contract liabilities	21.6	32.1
Amounts owed to parent company	150.1	13.0
Corporation tax	2.9	-
Other taxation and social security	3.8	2.5
Other payables	1.1	1.5
Lease liability (current) (note 23)	2.5	2.3
	183.3	56.5

Amounts owed to group undertakings falling due within one year are interest free and repayable on demand.

21. Provisions

	2021 £m	2020 £m
As at 1 January	-	28.5
Additional provision during year	-	0.9
Release of provision	-	(9.9)
Utilised during year	-	(20.0)
Transferred to trade and other payables	-	(0.3)
Interest expense	-	0.2
Foreign exchange	-	0.6
As at 31 December	-	-
Analysed as:	-	-
Current	-	-
Non-current	-	-
	-	-

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

21. Provisions (continued)

At 1 January 2020, current provisions included £9.2 million in respect of our commitment to buy out the minority shareholder of FBA Invest Sa and associated legal costs. The amount payable was dependent on the results of the French businesses for 2016 and 2017.

In October 2016, Sébastien Forest, the minority shareholder of FBAI, filed a claim in France petitioning for the undertaking to sell the balance of the shares to be declared null and void.

In the current year, the commercial court in France ruled in April 2021 that the undertaking to sell the balance of the shares is null and void, leaving Mr. Forest as a minority shareholder of FBAI. As the matter stands, Just Eat is under no obligation to purchase the remaining shares for any amount or at all, and Mr. Forest is under no obligation to sell them. Therefore in the prior period, the Company reversed the provision in full.

At 1 January 2020, current provisions included £14.4 million in respect of contingent consideration arising on acquisitions of Flyt in 2018, Practi and City Pantry in the current year, with £4.5 million under non-current provisions which was expected to be utilised in 2021-22. As a result of the change in control of the Group, these amounts were settled in 2020.

No further provisions were recognised during the 2021 period.

22. Trade and other payables: Amounts falling due after more than one year

	2021 £m	2020 £m
Amounts owed to group undertakings	574.3	577.0
Lease liability (non current) (note 23)	8.8	11.3
	<u>583.1</u>	<u>588.3</u>

Amounts owed to parent and group undertakings are interest bearing at 7% (2020: 7%) and are not repayable within the next 12 months.

23. Lease liability

	2021 £m	2020 £m
Current (note 20)	2.5	2.3
Non-current (note 22)	8.8	11.3
	<u>11.3</u>	<u>13.6</u>

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

23. Lease liability (continued)

The profit and loss account shows the following amounts relating to lease:

	2021 £m	2020 £m
Depreciation charge	2.6	2.6
Interest expense (note 13)	0.7	0.8
Expenses relating to short term and low value leases	-	3.0
	<u>3.3</u>	<u>6.4</u>

Future minimum undiscounted finance lease payments are as follows:

	2021 £m	2020 £m
Not later than 1 year	3.0	3.0
Later than 1 year not later than 5 year	9.5	11.9
Later than 5 year	-	0.7
	<u>12.5</u>	<u>15.6</u>

The total cash outflow for leases was £3m (2020: £3m)

24. Derivative financial instruments

	2021 £m	2020 £m
Financial liabilities carried at fair value through profit or loss		
Forward foreign exchange contracts	<u>0.5</u>	<u>(1.5)</u>

These represent foreign exchange forward contracts which are measured using quoted forward exchange rates that match the maturity of the contracts. No hedge accounting has been applied in the current year.

During the year, we entered into forward contracts totalling US\$77 million and £29 million, (2020: US\$68.7 million and £28.7 million) to hedge highly probable forecasted US dollar-denominated operating costs and the cash flows of an intercompany loan denominated in Canadian dollars, respectively.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

25. Share capital

	2021 £m	2020 £m
Allotted, called up and fully paid		
35,625,905 (2020: 35,625,905) Ordinary shares of £1 each	35.6	35.6

The Company does not have a limit on the number of ordinary shares that it may issue.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

26. Contingent liabilities

In October 2017, the European Commission announced that it will be 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 TIOPA 2010) was introduced in 2013 when the UK CFC rules were revised.

Similar to other UK based international companies, we may be impacted by the final outcome of this investigation. Whilst there is considerable uncertainty with regards to both the final outcome of the investigation and any corresponding liability, the maximum potential liability, along with the interest, has been calculated to be £12.6 million, should the European Commission conclude the Group Financing Exemption is in contravention of the State Aid provisions. At this stage, due to uncertainty over the technical position, no provision has been recorded.

Due to the newly enacted legislation, HMRC issued a charging notice for £11.7 million on 1 February 2021 and an interest charging notice of £0.9m on 23 April 2021. These amounts were paid on 26 February 2021 and 20 May 2021 respectively. This is a collection mechanism only and does not alter the ongoing merits of the case which is subject to on-going litigation.

27. Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with its wholly owned subsidiaries and parent undertakings. The Company has not provided or benefited from any guarantees for any related party receivables or payables. During the year ended 31 December 2021, the Company had not made any provision for doubtful debts relating to amounts owed by related parties.

IF-JE

During the year ended 31 December 2021, the Company provided its associate, IF-JE Participacoes S.A. ("IF-JE") and IF-JE Holdings B.V. ("IF-JE NL") with working capital funding of £70.5 million (2020: £39.4) and £nil (2020: £2.9 million) respectively. The majority shareholder, Movel Internet Movel S.A., also participated in the funding.

Just Eat Holding Limited

Notes to the financial statements for the year ended 31 December 2021

28. Ultimate controlling party

Just Eat Takeaway.com N.V. is the largest and smallest group of which the Company is a member and for which group accounts are compiled. Copies of the financial statements for Just Eat Takeaway.com N.V. are publicly available from Companies House, United Kingdom and via the Just Eat Takeaway.com corporate website <https://www.iusteattakeaway.com/investors/results-andreports/>. Just Eat Takeaway.com N.V. does not have a majority shareholder.

The ultimate parent company is Just Eat Takeaway.com N.V. ("JET N.V."), a company incorporated in the Netherlands. The registered address of Just Eat Takeaway.com N.V. is Oosterdoksstraat 80, 1011 DK Amsterdam, the Netherlands. Just Eat Takeaway.com N.V. does not have a majority shareholder.

29. Events after the balance sheet date

The invasion of Ukraine by Russia on 24 February 2022 has led to significant sanctions against Russia. The Company has no ongoing exposures to, or investments in, Russian-related interests, and the conflict is not expected to have any impact on the Company at this time.

During July 2022, the operations at the indirectly owned investment Practi Technologies Limited ceased. The Company estimates the financial impact of this decision to be an impairment charge of £32.1 million.

In August 2022, the Company announced that it has agreed to sell its 33% stake in iFood Holdings B.V.. The financial impact of this sale cannot be reliably estimated at the date of this report.