Company registration No. 09578919

JUST EAT Central Holdings Ltd

Report and Financial Statements

31 December 2016

Contents

Corporate information

Directors
Paul Harrison (appointed 10th April 2017)
James Sporle
Francis McGlade (resigned 9th May 2017)

Secretary
T.Hunter (appointed 10th April 2017)

Registered Office
Masters House
107 Hammersmith Road
London
W14 0QH

Strategic report

The Directors present their strategic report for the year ended 31 December 2016.

Business model

The Company provides financing and hedging of foreign currency exposure for the JUST EAT plc Group which operates a digital market place for takeaway food.

Business review

The profit for the year, after taxation, is £46.7m (2015: £2.8m loss). This was predominantly due to foreign exchange gains on the Redeemable preference shares held in Australian Dollars as explained in Note 6 to the financial statements. The Directors do not recommend a final dividend.

Just Eat Central Holdings Ltd ("The Company") was incorporated on 7 May 2015. The accounting standards applied are FRS 101 *Reduced Disclosure Framework*. The Company's parent undertaking, JUST EAT plc, was notified of and did not object to the use of the EU-adopted IFRS disclosure exemptions.

The Company is a holding company, with no turnover or administrative expenses, and as such the directors do not measure key financial and other performance indicators as they are not deemed appropriate.

Principal risks and uncertainties

The Company's activities expose it to the cash flow risks of foreign exchange rate fluctuation. The Company's credit risk is attributable to its related party redeemable preference shares.

Principal risk management objectives and policies

The Company monitors risks on a case by case basis to ensure effective action is taken to mitigate risk where necessary. The principal risks and uncertainties facing the Company are broadly grouped as foreign exchange risk and liquidity risk.

Foreign exchange risks

The company holds redeemable preference shares in a currency other than its functional currency, and as such is exposed to fluctuations in currency prices. The Company's significant exposure is to movements in the value of the Australian Dollar against Pounds Sterling.

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. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows of the related party in which it holds redeemable preference shares, and by matching the maturity profiles of financial assets and liabilities.

Paul Harrison
Director
22 September 2017

Directors' report

Registered No. 09578919

The Directors present their Annual Report and the Financial Statements for the year ended 31 December 2016. The accounting standards applied are FRS 101 *Reduced Disclosure Framework*.

Going concern

At the date of signing, the Directors are not aware of any circumstances that could lead to the Company being unable to pay commitments as they fall due during the twelve months from date of signing.

As at 31 December 2016, the Company had net current assets of £0.7m. In addition, it had net assets of £300.4m. The Directors have a reasonable expectation, that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Future developments

There are no likely future developments in the business of the Company, other than continuing to hold its redeemable preference shares.

Employees

The Company did not have any employees during 2016 (2015: nil).

Directors

The names of the Directors, who served during the year and up to date of signing are given on page 2.

By order of the Board,

Paul Harrison
22 September 2017

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic report, Directors' report and 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 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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 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.

JUST EAT Central Holdings Ltd
Profit and loss account
For the year ended 31 December 2016

	Notes	Year ended 31 December 2016 £m	Period ended 31 December 2015 £m
Exceptional items	3	-	(0.8)
Foreign exchange gains/(losses)		46.7	(2.0)
Operating profit/(loss) on ordinary activities before tax		46.7	(2.8)
Tax on loss on ordinary activities	5	-	-
Profit/(loss) for the financial period		46.7	(2.8)

All operations are classed as continuing.

There are no items of other comprehensive income other than the profit/(loss) for the year. Accordingly no separate statement of comprehensive income is presented for the period.

JUST EAT Central Holdings Ltd
Balance sheet
As at 31 December 2016

	Notes	2016 £m	2015 £m
Non-current assets			
Redeemable preference shares	6	299.7	253.0
		299.7	253.0
Current assets			
Intercompany debtors		0.7	1.4
		0.7	1.4
Total assets		300.4	254.4
Current liabilities			
Intercompany payables		-	(0.7)
Net current assets		0.7	0.7
Net assets		300.4	253.7
Equity			
Share capital	7	256.5	256.5
Retained earnings		43.9	(2.8)
Total equity		300.4	253.7

For the period ended 31 December 2016 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

The financial statements were approved by the Board of Directors and authorised for issue on 22 September 2017. They were signed on its behalf by:

Paul Harrison
Director

JUST EAT Central Holdings Ltd
Statement of changes in equity

	Share capital £m	Retained earnings £m	Total £m
Balance at 7 May 2015	-	-	-
Loss for the period	-	(2.8)	(2.8)
Issue of share capital	256.5	-	256.5
Balance at 31 December 2015	256.5	(2.8)	253.7
Profit for the period	-	46.7	46.7
Balance at 31 December 2016	256.5	43.9	300.4

Retained earnings represents accumulated profit and losses.

JUST EAT Central Holdings Ltd

Notes to the financial statements
Year ended 31 December 2016

1. *Authorisation of financial statements and statement of compliance with FRS 101*

The financial statements of JUST EAT Central Holdings Ltd (the "Company") for the period ended 31 December 2016 were authorised for issue by the Board of Directors on September 2017 and the balance sheet was signed on the board's behalf by Paul Harrison. JUST EAT Central Holdings Ltd is incorporated and domiciled in England and Wales. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The Company's financial statements are presented in Pounds Sterling and all values are rounded to the nearest million pounds except where otherwise indicated. The results of the Company are included in the consolidated financial statements of JUST EAT plc which are available from Masters House, 107 Hammersmith Road, London W14 0QH. The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation

The accounting policies which follow set out those policies which were applied in preparing the financial statements for the year ended 31 December 2016.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

(a) the requirements of IFRS 7: *"Financial Instruments: Disclosures*";

(b) the requirements of paragraphs 10(d), 10(f), and 134-136 of IAS 1: *Presentation of Financial Statements*";

(c) the requirements of IAS 7: *"Statement of Cash Flows*";

(d) the requirements of paragraph 17 of IAS 24: *"Related Party Disclosures*"; and

(e) 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 Significant accunting policies

a) Foreign currency translation

The Company's financial statements are presented in Pounds Sterling, which is also the Company's 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.

b) Investments

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

c) Financial Instruments

i) Financial assets

All financial assets are recognised and de-recognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' ("FVTPL"), 'held-to-maturity' investments, 'available-for-sale' ("AFS") financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those held at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. Evidence of impairment may include indications that a receivable or a group of receivables is experiencing significant financial difficulty, default or delinquency in payment, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

ii) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'. The Company currently does not hold any financial liabilities 'at FVTPL'.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expire.

iii) Offsetting of financial instruments

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.

d) Exceptional items

Exceptional items are costs or credits that, by virtue of their nature and incidence, have been disclosed separately in order to improve a reader's understanding of the financial statements.

e) 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.

3. Exceptional items

	2016 £m	2015 £m
Gain on conversion of foreign currency redeemable preference shares to share capital	-	3.6
Loss on option to acquire AUD from GBP	-	(4.4)
	-	(0.8)

In 2015, Exceptional costs related to losses on an option to receive Australian Dollars paid for in GBP (£4.4m). A £3.6m gain was recognised on the conversion of AUD 513m redeemable preferences shares into 256,525,652 ordinary shares in the Company at £1 per share.

4. Directors' remuneration

The Directors did not receive remuneration from the Company for services provided in the year (2015: nil).

5. Taxation

The tax charge for the year was nil (2015: nil). There was no tax expense in relation to other comprehensive income.

The tax charge for the year was lower than the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%). The differences are reconciled below:

	2016 £m	2015 £m
Accounting profit/(loss) before income tax	46.7	(2.8)
Tax calculated at UK standard rate of corporation tax of 20.25%	(9.3)	0.6
Effects of:		
Expense not deductible for tax purposes	9.3	(0.4)
Group relief	-	(0.2)
Total tax charge for the period	-	-

UK corporation tax was calculated at 20.00% of the taxable profit for the year. As announced in the March 2014 Budget, the standard rate of corporation tax in the UK changed from 21% to 20% with effect from 1 April 2015. Accordingly, the UK applicable rate for the year ended 31 December 2016 was 20.00%.

6. Redeemable preference shares

The 513,000 redeemable preference shares ("RPS") were issued on 12th June 2015 at a nominal value of AUD 1,000 each. Each RPS has the right, from time to time, to be distributed a fixed cumulative preferential dividend at an interest rate equal to LIBOR plus 0.5% per annum. No such preferential dividends have been recognised in respect of the financial period of the Company ending 31 December 2016 (2015: nil). The RPS do not confer a further right to participate in the profits of the related entity.

Notes to the financial statements
Year ended 31 December 2016

7. Share capital

	Number	£m
Ordinary shares of £0.01 each	1	0.0
Ordinary shares of £1 each	256,525,652	256.5
Ordinary shares of £0.565 each	1	0.0
At 31 December 2015 and 31 Decmber 2016		256.5

On incorporation, 1 ordinary share was authorised, allotted, issued and fully paid in cash equal to the nominal value of £0.01.

On 20 May 2015, 513,000 ordinary shares of AUD 1,000 nominal value were authorised.

On 12 June 2015 the 513,000 authorised ordinary shares were issued, allotted and fully paid up. They were redenominated to a nominal value of £500.05, and then consolidated to 2 shares with a nominal value of £128,262,826.26 each. The 2 shares were then restructured into 256,525,652 ordinary shares of £1.00 each.

Ordinary shares are non-redeemable and carry one vote and the right to dividends and capital distributions.

8. 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. No other transactions were entered into with other related parties. The Company has not provided or benefited from any guarantees for any related party receivables or payables. During the year ended 31 December 2016, the Company had not made any provision for doubtful debts relating to amounts owed by related parties.

9. Ultimate Group undertaking

The Company's immediate and ultimate parent undertaking is JUST EAT plc. The Company is included within these Group accounts which are publicly available.