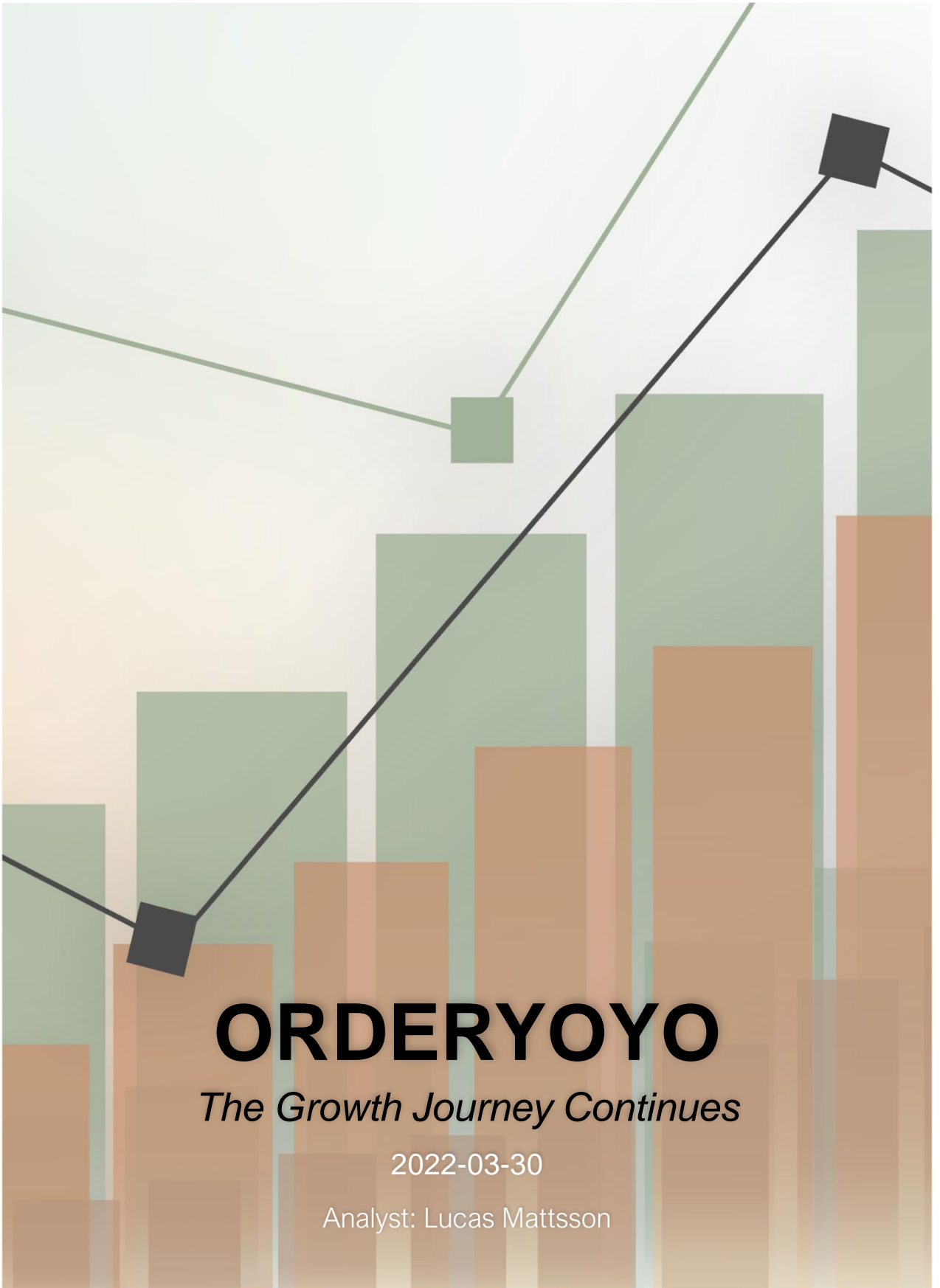


EQUITY RESEARCH REPORT



ORDERYOYO

The Growth Journey Continues

2022-03-30

Analyst: Lucas Mattsson

CONTENT

OrderYOYO A/S (“OrderYOYO” or the “Company”) is a leading European online ordering, payment and marketing software solution provider, that enables independent takeaway restaurants to have a strong online presence that fit into their own brand identity. The Company was founded in 2015 and has experienced strong growth since then. OrderYOYO currently supports +5,000 takeaway restaurants in Denmark, UK, Ireland and Germany, helping them to grow their digital presence. OrderYOYO is listed on First North Copenhagen Stock Exchange since July 2021.

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VALUE DRIVERS

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OrderYOYO has a sticky business model and a low churn rate, along with that, the Company has a low cost of acquiring potential customers, which poses significant opportunities to increase the margins in the future. One of the main value drivers is the growth opportunities that arise through the acquisition of Happz. With more than 24,000 takeaway restaurants, Germany holds the largest potential for OrderYOYO outside the geographies where the Company is already present.

HISTORICAL PROFITABILITY

3 of 10

OrderYOYO has a short history, the Company was founded in 2015 and has been trading on the stock exchange only since July 2021. However, since the start the Company has had a strong focus on growth, which naturally has had a negative effect on the Company's profitability. Therefore, the Company in 2021 showed an EBITDA-margin before other non-recurring costs, of only ~1 %. However, Analyst Group estimates that the profits in 2024 and forward will expand significantly over time as the business matures and spends relatively less on sales and marketing costs. Nevertheless, the grade is based only on the historical profitability.

MANAGEMENT & BOARD

6 of 10

The management and the board are assessed to have the right experience and qualifications in order for the Company to reach its goals. Jesper Johansen, CEO, has been active investor and Chairman of OrderYOYO since 2016. Jesper has a strong track-record as Chairman of OrderYOYO working closely together with the Company's organization in growing OrderYOYO's ARR by ~60x from DKK 2m in mid 2016 to DKK 120m by 2021. In total, management and the board owns approximately 70%¹ of the Company, which presents confidence and incentives to move the Company forward.

RISK PROFILE

3 of 10

OrderYOYO has a relatively low financial risk with cash receivables amounting to approximately DKK 46m, corresponding to 40 % of the balance sheet in total, in 2021. Beyond this, OrderYOYO has decided to strengthen its capital reserve and bring the Company's liquidity position above DKK 100m by issuance of new shares and a long term loan facility. This poses a low risk that the Company will have to raise additional capital to proceed its organic growth strategy. OrderYOYO is however exposed towards fluctuations in currencies such as the GBP. As OrderYOYO goes deeper into the UK market, the risk of losses in the event of exchange rate fluctuations will increase as restaurant partners are invoiced in local currency.

Analyst Group's rating is based on four main parameters, where each main parameter consists of a number of sub-parameters with individual rating, which add up to a weighted final rating for each main parameter.

Value drivers, Historical Profitability and Management & Board ranges from 1 to 10, where 10 is the highest rating

Risk profile ranges from 1 to 10, where 10 is considered the highest risk.

¹ Included Jacob Pedersen (Board Member) Partner at VF Venture, owned by Vækstfonden and Ulla Brockenhuus-Schack (Board Member) Managing Partner at Seed Capital.

During 2021 OrderYOYO has experienced solid growth in ARR from both existing and new Restaurant Partners, simultaneously as the Company has executed on its strategy through increased investments to drive growth forward. Owing to a substantial increase of restaurant partners (RP), a more significant focus on growing existing restaurant partners and the high scalability in the business model, OrderYOYO is estimated to reach a revenue of DKK 167m in 2023. Based on an applied 5.8x EV/S target multiple yields a potential fair value of DKK 17.9 per share in our Base scenario.

Net Sales Above Our Estimates

For the full year 2021, OrderYOYO delivered net sales of DKK 108.5m (76.3), which corresponds to a growth of 42% compared to 2020. Despite less tailwind from Covid lockdowns in 2021, compared to 2020, OrderYOYO showed a growth in number of restaurants partners of 41%, which Analyst Group assumes is one factor of great importance behind the strong growth during the period. Annual Recurring Revenue (ARR), grew from DKK 104m by December 2020 to DKK 120m by December 2021 – equivalent to a growth of 15%.

Developed With Good Cost Consciousness

Regarding the operating expenses, these amounted to approximately DKK -116m (-63) during 2021, corresponding to an increase of 84%. The increase is particularly due to IPO related staff costs including cash settlements of warrants and other non-recurring costs such as severance, which is why we do not make any major changes to our prognosis. The earnings of primary activities before financials, tax and depreciations & amortizations amounted to DKK 0.7m (9.7) in accordance to guidance. Considering that parts of the increase in the total operating costs are of a non-recurring nature, we view positively that OrderYOYO has developed with good cost consciousness.

Acquisitions In the Pipeline

OrderYOYO has decided to strengthen its capital reserve through a private placement and a long term loan facility, which is estimated to bring the liquidity position above DKK 100m. With a strong capital reserve, Analyst Group expects that the Company will make more strategic acquisitions in the future to continue to strengthen its European market leading position and create shareholder value.

We Remain Our Prognosis

Since OrderYOYO has developed in-line with our expectations, we have left our revenue forecast unchanged. As the number of shares has increased in connection with the Company's private placement, the price per share has fallen slightly. However, the market cap, in terms of absolute numbers, remains the same as in the previous analysis.

SHARE PRICE | DKK 10.7

VALUATION RANGE

BEAR
DKK 9.3

BASE
DKK 17.9

BULL
DKK 24.1

ORDERYOYO	
Share Price (2022-03-29) (DKK)	10.7
Number of Shares Outstanding (#)	57,657,217 ²
Market Cap (mDKK)	663.0 ²
Net cash(-)/debt(+) (mDKK)	-64.4 ²
Enterprise Value (mDKK)	598.6 ²
W.52 Price Range (DKK)	n.a
List	First North Copenhagen

SHARE PRICE DEVELOPMENT	
1 Month	+12.0%
3 Months	-12.3%
1 Year	n.a
YTD	-15.1%

OWNERS	
SEED Capital Denmark	24.0%
Vækstfonden	19.0%
Damgaard Company	15.9%
T.Angelo Holding	11.2%
Sofida ApS	10.7%

CEO AND CHAIRMAN	
CEO	Jesper Johansen
Chairman	Preben Damgaard

FINANCIAL CALENDER	
Half Year Report H1-22	2022-08-22

ESTIMATES (BASE), MDKK	2020A	2021A	2022E	2023E	2024E
Net Revenue	76.3	108.5	130.3	166.7	216.0
Gross Profit	64.2	92.5	112.9	147.4	194.8
Gross Margin	84%	85%	87%	88%	90%
Operating Costs	-75.0	-132.1	-121.1	-145.0	-177.1
EBITDA³	1.2	-23.6	9.1	21.7	38.9
EBITDA Margin ³	2%	1%	8%	14%	18%
P/S	8.7	6.1	5.1	4.0	3.1
EV/S	7.8	5.5	4.6	3.6	2.8
EV/EBITDA	479.7	neg.	65.6	27.6	15.4

² Including number of shares and cash after Private Placement.

³ EBITDA before other external and staff costs which excludes non-recurring costs such as IPO related costs.

INVESTMENT THESIS

OrderYOYO's Addressable Market is Valued at DKK +50bn

OrderYOYO operates in the market for online food services and holds a market leading position within the white-label software solution segment in Europe, with presence in Denmark, UK, Ireland and now also in Germany. The technological advancements in restaurant industry and the rising need for restaurant-specific software such as billing and payment processing, marketing optimization, data analytics and menu management are the major factors expected to stimulate the growth of the global restaurant management software market. OrderYOYO's addressable market consists of takeaway restaurants with their own delivery capabilities. In Europe, where OrderYOYO is established, the addressable market corresponds to a GMV of more than DKK 50b. OrderYOYO still has significant potential to continue its growth in Denmark, Ireland and UK. Only 10% of the addressable UK market has been penetrated, whereas the market penetration is 38% for Denmark and 28% for Ireland.

**~10% OF THE
UK MARKET**

The Entry Into the German Market is Estimated to Enhance the Growth In the Number of RPs

OrderYOYO acquired Happz in Germany in August 2021, which further enabled the Company to enter the German market earlier than expected. The German market is the second largest market for OrderYOYO and is valued at DKK 19.3bn with 24,000 addressable takeaway restaurants, which poses substantial growth opportunities. Analyst Group estimates that the Company will initiate the market expansion into Germany even more in 2022 and 2023, which will further drive growth. According to Analyst Group's estimates, the number of RPs is expected to increase to approximately 10,000 corresponding to an annualized compound growth rate (CAGR) of 29% from 2020 to 2024 in a Base scenario. This represents a penetration rate of 17%, given that OrderYOYO's total addressable market consists of roughly 58,000 RPs, excluding Spain and Poland.

**29%
CAGR
IN THE
NUMBER OF
RPS**

Increased Focus on Bringing New RPs From Trial Basis to an Ongoing Partnership

Restaurant Partners with a weekly end-user revenue larger than DKK 1,500 has a ~5% yearly churn, proving that once Restaurant Partners implement and receive orders through the Company's solution, they have a lesser churn, while RPs with weekly end-user revenue lower than DKK 1,500 have a churn rate of approximately 8% per month. Analyst Group estimates that the average churn rate will decrease in the future, as OrderYOYO will focus on securing end-user revenues for level 1 Partners. This positive churn development along with a significant increase in the number of restaurant partners and increased focus on growing existing RPs, is forecasted to lead to an annualized ARR of approximately DKK 295m in 2024.

**ARR OF
DKK 295M
IN 2024E**

Acquisitions Are Expected to Complement the Company's Organic Growth

OrderYOYO has decided to strengthen the Company's capital reserve and bring the liquidity position above DKK 100m. OrderYOYO will thus increase its share capital through a private placement, which is expected to be executed on 31 March 2022, securing DKK 40m and through an additional long term loan facility of DKK 40m. Vækstfonden Damgaard Company (owned by Preben Damgaard, chairman of OrderYOYO), is one of the investors in the private placement and provides the loan facility, which sends an important signal and instills confidence. With a strong capital reserve, Analyst Group expects that the Company will make more strategic acquisitions in the future to continue to strengthen its European market leading position and create shareholder value.

A Motivated Valuation of DKK 17.9 Per Share In a Base Scenario

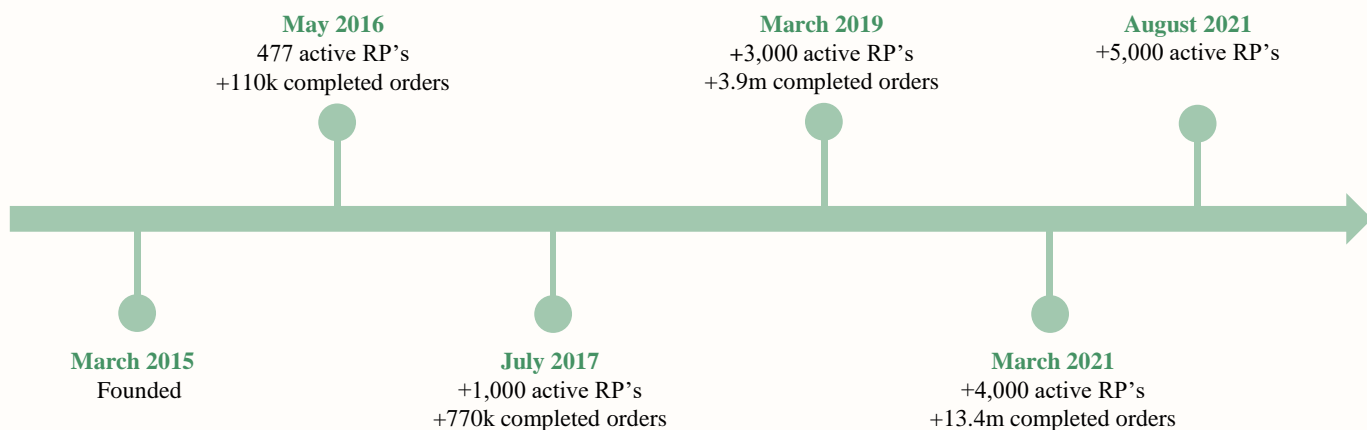
OrderYOYO is valued using a relative methodology where the Company is compared to companies with similar business models and revenue streams. A 5.8x EV/S target multiple is applied to OrderYOYO's expected revenues of DKK 167m in 2023, resulting in a potential fair value of DKK 17.9 per share.

**IMPLIED
VALUATION
OF DKK 17.9**

COMPANY DESCRIPTION

**+5,000
RESTAURANTS**

OrderYOYO is a leading European online ordering, payment and marketing software solution provider. The Company was founded in 2015 and has experienced strong growth since the foundation. OrderYOYO currently supports +5,000 restaurants in Denmark, UK, Ireland and Germany helping them to engage directly with their end-users. The Company enables independent takeaway restaurants to have a strong online presence that fit into their own brand identity. In today’s digital society end-users expect that they are able to order online in an easy and convenient way. However, mostly of the small local takeaway restaurants have scarce resources. Generally, the restaurants do not have the inhouse capabilities to operate an online ordering solution, manage a website, an app and create marketing campaigns. All this is addressed when entering a partnership with OrderYOYO, providing the restaurants with its own online presence and marketing solution.



The Company’s white-label solution is offered as a Software-as-a-Service (SaaS) and enables primarily small and independent takeaway restaurants to grow their digital presence. The platform, called MySuite, offers a palette of software solutions that consists of four modules; *MyOrdering*, *MyBusiness*, *MyGrowth* and *MyCare*.

MyOrdering

MyOrdering handles all end-user orders including payments, while being highly scalable in terms of third-party integrations. Whether the restaurant partners have their own delivery fleet or a third-party delivery provider, the orders are easily connected to the delivery provider.

MyBusiness

MyBusiness enables RPs to manage every digital aspect of their business online, such as opening hours, Google optimization, analytics dashboard, menu items, business goals etc. Furthermore, the solution also provides the possibility of a complete overview of order types, most sold items, and popular delivery locations. With these data insights on end-user behavior, RPs can evaluate marketing strategies and determine how future marketing can be optimized.

MyGrowth

MyGrowth is a full suite of tailored marketing solutions designed to help restaurant partners to grow their end-user reach and increase orders. The online marketing solution include customized Google Ads, local search strategies and campaigns to ensure top ranking on Google. Additionally, OrderYOYO offers a multichannel approach through offline marketing solutions tailored to the takeaway restaurant to provide the end-users with a seamless customer experience.

MyCare




Through the MyCare solution, new restaurant partners are swiftly onboarded, active account management is offered, and RPs receive proactive advice. With MyCare, OrderYOYO provides highly trained restaurant partner care, allowing RPs to focus on their core competencies. The MyCare-team continuously monitors systems, gives restaurant partners proactive follow-ups and accommodates changes to RPs online presence.

COMPANY DESCRIPTION

INCENTIVIZED PRICING MODEL

Revenue Model

OrderYOYO's main revenue stream is based on a usage-based commission structure. The Company handles all payments from the end-users and transfers the last week's payments to the restaurant partner's every Tuesday. Therefore, the RPs receive the total end-user revenue, called Gross Merchandise Value (GMV), minus the commission rate which the restaurant partners pay OrderYOYO. This structure ensures that OrderYOYO always gets paid and does not have any outstanding receivables from the RPs. The Pricing model is based on weekly commission rates, which is divided into five GMV-levels. When restaurant partners increase their end-user revenue, the weekly commission rate decreases – giving the RP's incentive to grow with OrderYOYO.

Commission Rate Paid by Restaurant Partners Per Week, Divided Into Five GMV Levels by Each Market.			
Level 1 (GMV below DKK 1,499)	9%	9%	9%
Level 2 (GMV DKK 1,500 – 4,999)	9%	9%	8%
Level 3 (GMV DKK 5,000 – 9,999)	8%	8%	7%
Level 4 (GMV DKK 10,000 – 19,999)	7%	7%	6%
Level 5 (GMV above DKK 20,000)	6%	6%	5%

OrderYOYO company description, (2021)

In addition to a commission rate, OrderYOYO is charging end-users a handling fee per order of DKK 1.75 in Denmark, 0.40 EUR in Ireland and 0.40 GBP in UK. Lastly, OrderYOYO offers additional marketing activities to restaurant partners when RPs sign up for additional marketing campaigns such as Google AdWords and direct e-mail campaigns, the solution is sold on a subscription basis under the label Growth Fees.

Cost Drivers

OrderYOYO has spent the last six years developing and improving the software to ensure that it can scale and grow to accommodate the expected development in orders in the coming years. Even though the Company is expected to continue to invest in the software, OrderYOYO is estimated to have invested the main part of the investment costs that are attributable to such a development. Henceforward, OrderYOYO's main costs are expected to consist of overhead expenses such as personnel, sales and marketing costs. Furthermore, OrderYOYO intends to continue its strong and deep market penetration in selected markets, which will require significant organizational investments such as country managers, sales and support functions, which is estimated to drive the most part of the expenditures.

Strategic Outlook

OrderYOYO is currently active in Denmark, UK, Ireland and recently Germany. The Company's ambition is to expand the business to other geographical markets such as the Netherlands, Poland and Sweden in the coming years. The business model of the Company is not a "one-fits-all-model", every new geographical market has its own characteristics, therefore, it is important to understand specific market needs, behavioral patterns, use of payment methods, relevant third-party integrations etc. For this reason, OrderYOYO will need to adjust its offer in order to become successful in the new market, for example adjust for payment methods and relevant third-party integrations.

MARKET

Market Share



OrderYOYO's Addressable Market has Increased Significantly in Recent Years

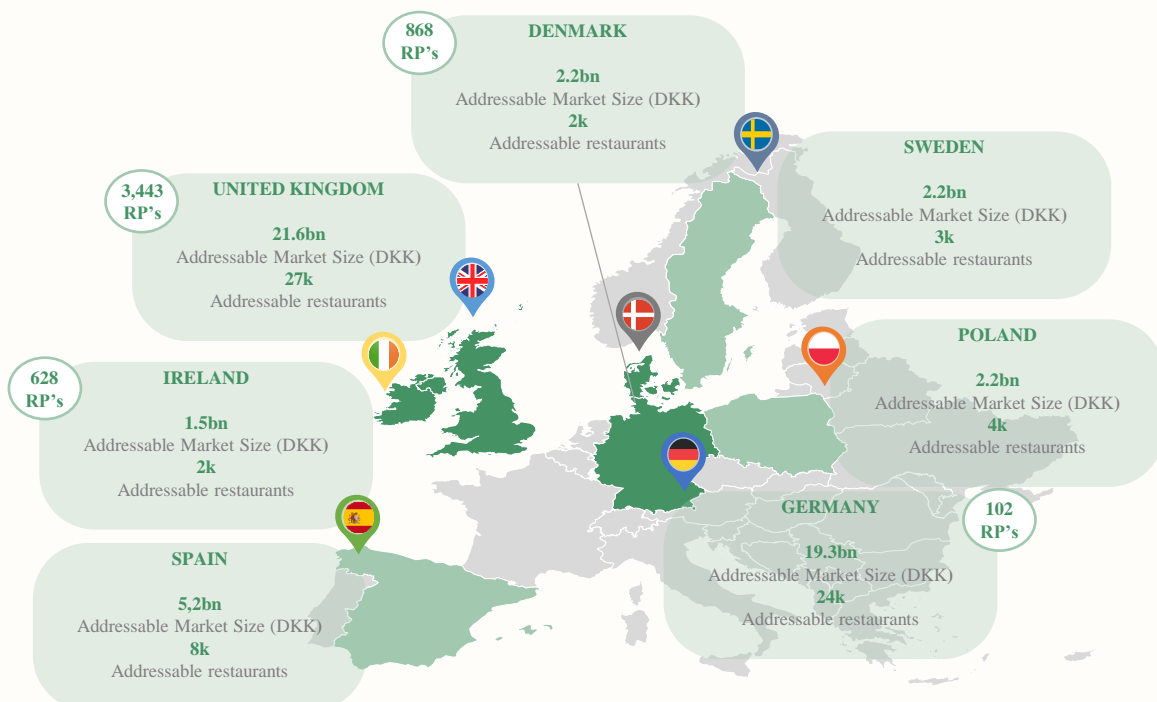
OrderYOYO operates in the market for online food services and holds a market leading position within the white-label software solution segment in Europe, with presence in Denmark, UK, Ireland and recently Germany. The technological advancements in restaurant industry and the rising need for restaurant-specific software such as billing and payment processing, marketing optimization, data analytics and menu management are the major factors expected to further increase the demand, and thus the growth of the global restaurant management software market. Moreover, growing awareness regarding the importance of data analytics solutions in providing valuable insights to improve day to day operations, is one factor that is expected to drive the market growth. The market for online takeaway food has increased significantly in recent years with the Covid-19 pandemic accelerating the growth even further. Historically, the takeaway market has been dominated by direct analog ordering through phone-calls and walk-ins, today, end-users increasingly convert from offline ordering to online ordering. According to NPD Group, only 17% ordered online in 2010, while this number increased to 55% in 2018.

The European Addressable Market is Valued at DKK +50bn

OrderYOYO's addressable market consists of takeaway restaurants with their own delivery capabilities, driving end-user revenue of more than DKK 141bn globally in 2019. In Europe, where OrderYOYO is established, the addressable market corresponds to a GMV of more than DKK 50bn. UK is the largest European market within takeaway restaurants with own delivery capabilities, the market is valued at DKK 21.6bn and consists of approximately 27,000 addressable restaurants. Additionally, OrderYOYO is present in the Danish market which is valued at DKK 2.2bn with 2,000 restaurants and the Irish market which addresses 2,000 restaurants valued at DKK 1.5bn. Lastly, OrderYOYO acquired Happz in Germany in August 2021, which led the Company to enter the German market earlier than expected. The German market is the second largest market for OrderYOYO and is valued at DKK 19.3bn with 24,000 addressable takeaway restaurants, which poses substantial growth opportunities. In addition, OrderYOYO still has significant potential to continue its growth in Denmark, Ireland and UK. Only 10% of the addressable UK market has been penetrated, whereas the market penetration is 38% for Denmark and 28% for Ireland.

OrderYOYO Continues to Grow In Existing Markets, Whilst Targeting New European Markets Adds a Total Value of More Than DKK 50bn.

Addressable Market Size (DKK) Measured by GMV, Addressable Restaurants and Current Number of Restaurant Partners, by Each Region.



OrderYOYO company description, (2021)

MARKET

To provide a perspective on the competitive situation in the market, OrderYOYO's closest competitors are described.

Flipdish



Flipdish is based in Dublin and offers restaurants a white-label platform, enabling them to take online orders from their own websites and set up loyalty programmes for their customers. Flipdish is a global company with 7,000 customers in 25 countries which includes for example Spain, Germany, France, US, Australia, Portugal, Switzerland, Austria and Mexico. The company's core customer is small independent take-away restaurants, but Flipdish is also expanding to sign up larger chains and other hospitality businesses, like hotels and sports stadiums. There are several similarities between Flipdish and OrderYOYO, in terms of business model, product offering, addressable market etc. However, OrderYOYO focusing entirely on independent takeaway restaurants, unlike Flipdish who have a broader segment. This allows OrderYOYO to target sales efforts and tailor the solution specifically to their segment, which is less costly and more accurate. Furthermore, Flipdish is expected to cover approximately 5% of the UK, which can be compared to OrderYOYO which has a market share of ~10% in the UK. Since it is common for customers to adopt solutions suggested and used by similar customers in the same environment, OrderYOYO's large Restaurant Partner base can therefore be used to drive a flywheel effect of sign-ups.

Food Portals



OrderYOYO is not a logistic provider but a software solution provider to local takeaway restaurants with their own delivery capabilities. Food portals such as Just Eat Takeaway, DoorDash and Deliveroo are aggregators of multiple restaurants enabling the end-user to discover and choose between a wide selection of different takeaway restaurants. OrderYOYO and food portals are not directly compared, they are competitors because they compete in the takeaway market, but there are several significant differences in the business model: End-users goes to the food portals app or website, finds the food they want to order and pays via the food portal. The food portal will then charge 14-35 % in commission and transfers the remaining amount to the restaurant. The end-user trades with the food portal and therefore it is the food portal that receives all data and has the entire customer contact afterwards. This leads to several significant complications for the takeaway restaurant. Firstly, the Restaurant Partners pay a high fee of between 14-35% depending on which platform they use, and in addition, the restaurants do not have any direct end-user relationship or data access as the end-user is a customer of the food portal directly. Furthermore, food portals desire to increase their sales, and one way for them to do so is to sell more expensive orders. Hence, food portals can market alternative restaurants when the customer searches for a specific restaurant, which means that the takeaway restaurant loses customers.

FINANCIAL FORECAST

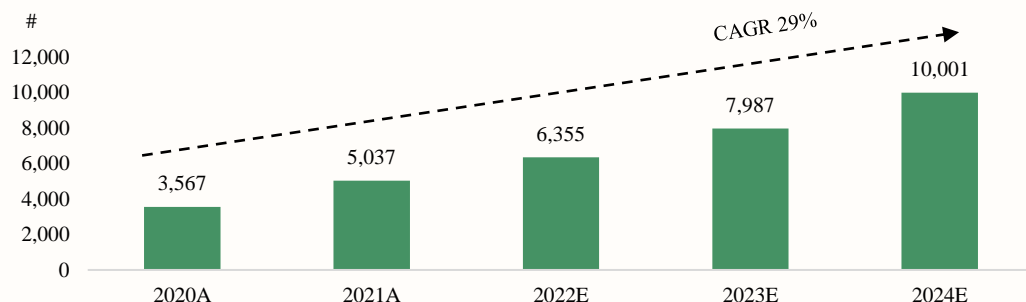
The Number of Restaurant Partners is Expected to Amount to 10,000 in 2024

OrderYOYO's revenues are derived from commissions, handling fees and additional marketing campaigns. The Company's commission rate fluctuates between 5-9 %, depending on the restaurant partner's GMV (Gross Merchandise Level). The GMV is the total value of merchandise sold over a certain period of time, in other words it is based on the value of goods times the number of goods sold. In order to derive the number of goods sold, the number of RPs as well as the number of transactions per restaurant has been estimated. OrderYOYO has increased the number of RPs from 2,900 in 2018 to 5,037 during 2021, with presence in Denmark, UK, Ireland and recently Germany. During 2021, UK was the largest market for OrderYOYO (~3,400) in absolute terms. Worth noticing is that the Company only has a ~10 % market share in UK, which poses significant opportunities to increase its market share and invest even more in acquiring restaurant partners to drive growth. Analyst Group expects OrderYOYO to continue to invest in existing markets (UK, Denmark and Ireland) while the Company can initiate the market expansion into Germany even more through the acquisition of Happz, as well as enter the Swedish market during H1-23. According to Analyst Group's calculations, the number of restaurant partners is expected to increase to approximately 10,000, corresponding to an annualized compound growth rate (CAGR) of 29% from 2020 to 2024 in a Base scenario. This represents a penetration rate of 17%, given that OrderYOYO's total addressable market consists of roughly 58,000 RP's, excluding Spain and Poland which the Company is expected to enter after 2024.

17%
PENETRATION
RATE

OrderYOYO Has Considerable Opportunities to Grow In Both Existing- and New Markets.

Estimated Total Number of Restaurant Partners (RP's).



Source: Analyst Group's estimates

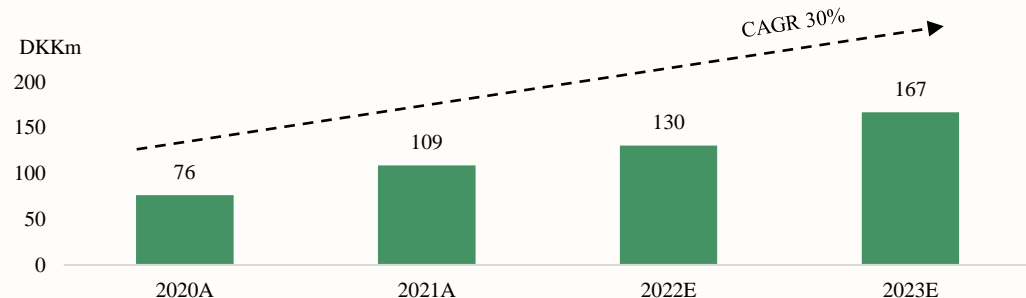
Total Revenue is Estimated to DKK 216m In 2024

OrderYOYO is forecasted to reach an annualized GMV of approximately DKK 2.6bn in 2024, through a substantial increase of Restaurant Partners and a more significant focus on growing existing Restaurant Partners. With an average commission rate of approximately 7% in 2024, along with revenue streams from handling fees and additional marketing activities, Analyst Group expects OrderYOYO to reach a revenue of 216 DKKm in 2024. This development is a result of a strong focus on securing end-user revenues for level 1 restaurant Partners, bringing the restaurant partner from trial basis to an ongoing partnership. This is expected to not only increase the revenue, but also reduce the churn rate.

~ 7%
IN AVERAGE
COMMISSION
RATE

A Substantial Increase of Restaurant Partners Will Drive the Revenue.

Estimated Total Revenue In DKKm.



Source: Analyst Group's estimates

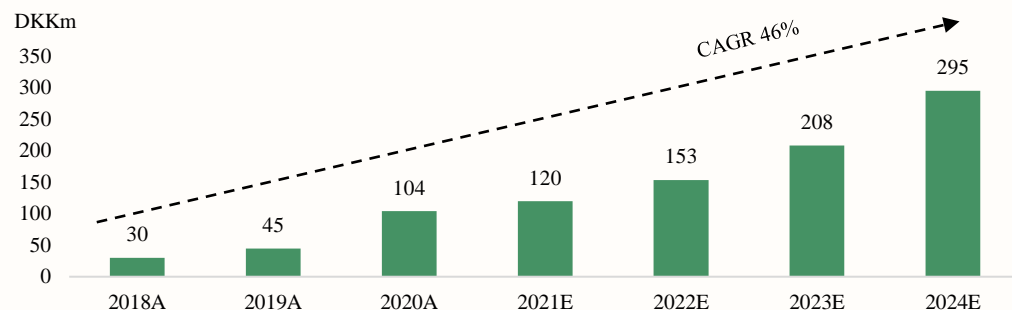
FINANCIAL FORECAST

**5%
CHURN**

For SaaS businesses, like OrderYOYO's, the most accurate metric of future cash flow is Annual Recurring Revenue (ARR), which shows the money that comes in every year for the life of a subscription. In this case, the ARR is the annualized value of Monthly Recurring Revenue (MRR), i.e. MRR in a given month times twelve. MRR is the total monthly value of commissions paid by Restaurant Partners on orders, service fees charged to end consumers on orders and marketing services fees from Restaurant Partners. The development in ARR depends on factors such as expansion revenue from existing RP's, the total amount gained from new RP's and the total amount lost due to cancellations (churn). Restaurant Partners with a weekly end-user revenue larger than DKK 1,500 (level +2) has a ~5% yearly churn, proving that once Restaurant Partners implement and receive orders through the Company's solution, they have a lesser churn, while RPs with weekly end-user revenue lower than DKK 1,500 (level 1) have a churn rate of 8% per month. However, the high churn rate is related to a small part of the Company's total ARR and the RP's that do not move above level 1 are viewed as trials that do not lead to an ongoing partnership. Therefore, it is important that OrderYOYO displays the benefits of the Company's solution, in order to reduce churn rates. Analyst Group estimates that the average churn rate will decrease in the future, as OrderYOYO will focus on securing end-user revenues for level 1 partners. This positive churn development along with a significant increase in the number of restaurant partners, and increased focus on growing existing RP's, is estimated to yield an annualized ARR of approximately DKK 295m in 2024, according to Analyst Group's forecasts.

ARR is Estimated to DKK 295m In 2024.

Estimated Annual Recurring Revenue (ARR).

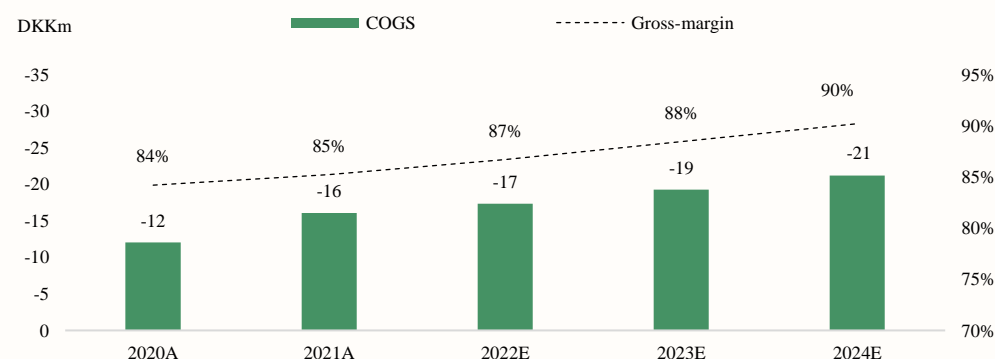


OrderYOYO is Estimated to Show a Strong Gross Margin of 90% In 2024

OrderYOYO has developed its software for a long time and has already extracted the main part of the investment costs that are attributable to such development, hence future sales are expected to show a stronger margin as the larger part of development costs already are taken. The Company has managed to onboard and support +5,000 customers with ~140 full-time employees, which proves that there is a high scalability in the business model. In addition, the Company showed a gross margin of 85% in 2021, which further prove the high scalability. As the customer base matures, supporting each one becomes cheaper, which will reduce the COGS and result in a gross margin of 90% in 2024, according to Analyst Group's calculations.

The Scalable Business Model is Expected to Lead to a Gross Margin of 90% in 2024.

Estimated Cost Of Good Sold (COGS) and Gross margin.



FINANCIAL FORECAST

Significant Organizational Investments Will Be Required

OrderYOYO is expected to continue to execute on its current road map through increased investments mainly in the UK market but also in Denmark and Ireland, simultaneously as the Company scales up its market expansion in Germany. When entering new markets, significant organizational investments will be required as well as understanding specific market needs, behavioral patterns, use of payment methods, relevant third-party integrations etc. Therefore, strong local organizations are essential, including country managers, sales and support functions etc. This focus on growth will inhibit the profitability on an EBITDA level. However, as the business matures and the Company spends relatively less on growth-related cost items, the EBITDA margin will expand. For example, Just Eat Takeaway presented a high EBITDA margin of 24% in Northern Europe in 2021, which is a mature market for the company. On the other hand, the EBITDA-margin in a growth market like UK and Ireland was negative. This is because growing businesses makes significant upfront (and sunk) investments in growth, which are all expensed in current EBITDA. Since OrderYOYO has a low churn rate, the EBITDA margin is expected to expand as the business matures and the customer base increases.

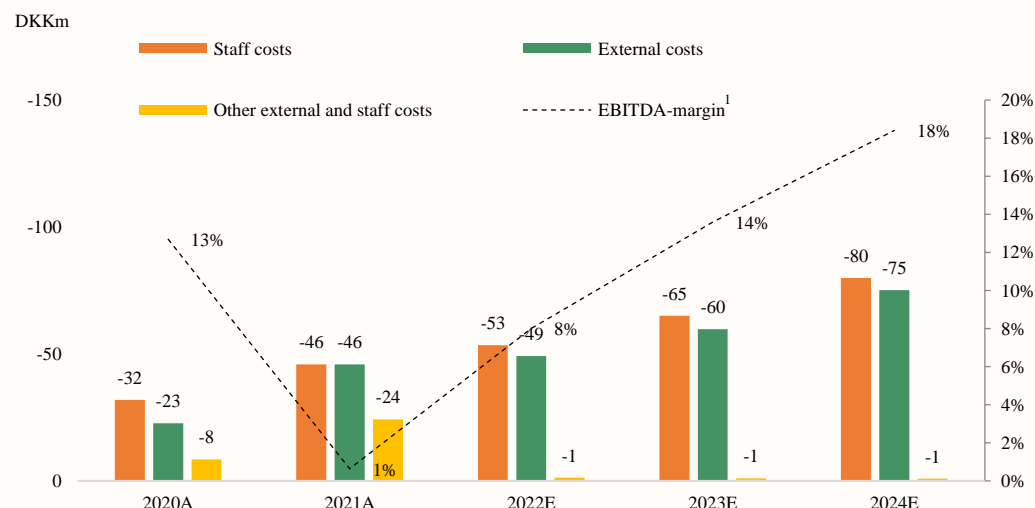
OrderYOYO is Expected to Reach an EBITDA Margin¹ of 18% in 2024

OrderYOYO has a Customer Acquisition Cost (CAC) payback period of 6-9 months, i.e., it takes six to nine months for the Company to earn back their sales and marketing costs for acquiring a customer. The external costs are mainly effected by sales and marketing costs and since the CAC payback period is short, OrderYOYO can invest immediately into acquiring new customers – i.e. grow faster. In addition, it is common for customers to adopt solutions suggested and used by similar customers in the same environment, OrderYOYO’s large restaurant partner base can therefore be used to drive a flywheel effect of sign-ups, which is estimated to reduce the sales and marketing costs. Therefore, the external costs are estimated to decrease in terms of percent as of sales and reach DKK 80m in 2024. Staff costs are expected to grow to DKK 75m in 2024, compared to DKK 46m in 2021, as significant organizational investments will be required when entering new markets, including country managers, sales and support functions. This will contribute to a positive EBITDA margin¹ of 8% in 2022 to amount to 18% by 2024.

**6-9
MONTHS
PAYBACK
PERIOD**

The External Costs Are Estimated to Decrease In Terms of Percentage As of Sales.

Estimated Staff Costs, External Costs, Other External Costs and EBITDA Margin.



Source: Analyst Group’s estimates.

¹ EBITDA before other external and staff costs which excludes non-recurring costs such as IPO related costs.

PEERS

The derived fair value per share is based on a relative methodology where OrderYOYO is compared to a peer group with similar business models and revenue streams. Although the companies differ in size based on market cap and sales, there are still several similarities between the comparison companies and OrderYOYO, in terms of business model, product offering, addressable market etc. Even though OrderYOYO positions itself as an alternative to online fast-food delivery aggregators such as Just Eat, Deliveroo and DoorDash, both OrderYOYO and the food portals addresses takeaway restaurants, they are focused on growth rather than profitability and the revenue streams are based on a usage-based commission structure, which is why Analyst Group assesses the food portals as comparable peers. Since many peers are currently unprofitable, but as the majority are in rapid sales growth phases, the valuation will be derived from the EV/S-multiple.



Olo Inc. is a B2B SaaS company that provides a cloud-based commerce platform for multi-location restaurant brands. Enabling digital ordering and delivery, while enhancing the restaurants direct consumer relationships. Its open SaaS platform includes various core modules: Ordering, Dispatch and Rails. Its Ordering is a fully-integrated, white-label, on-demand commerce solution. Its Dispatch is a fulfillment solution, enabling restaurants to offer, manage and expand direct delivery.

30%
Revenue Growth
2022E-2023E
9%
EBITDA Margin
2023E



Lightspeed Commerce is a point-of-sale and e-commerce software provider based in Montreal, Canada. The Company's platforms offer omni-channel capabilities, point of sale, product and menu management, inventory management, analytics and reporting, multi-location connectivity, loyalty, customer management and financial services. It enables retailers, restaurants and other small and medium-sized enterprises (SMB) to engage with consumers across online, mobile, social and physical channels

81%
Revenue Growth
2022E-2023E
-5%
EBITDA Margin
2023E



Shopify Inc. is a Canada-based provider of Internet infrastructure for commerce, offering tools to start, grow, market, and manage a retail business. The merchants use the Company's software to run their business across all of their sales channels, including Web and mobile storefronts, physical retail locations, social media storefronts, and marketplaces. The Shopify platform provides merchants with a single view of their business and customers across all of their sales channels and enables them to manage products and inventory, process orders and payments, fulfill and ship orders, build customer relationships, source products, leverage analytics and reporting, and access financing, all from one integrated back office

32%
Revenue Growth
2022E-2023E
10%
EBITDA Margin
2023E



Just Eat Takeaway.com is a company based in the Netherlands that operates an online food delivery marketplace. The Company focuses on connecting consumers and restaurants, which allows users to order food from nearby restaurants and have the food delivered to their homes. The Company transmits the order placed by customers and forwards it to restaurants, which prepare and deliver the meal. Just Eat currently operates in: United States, UK, Germany, Canada, The Netherlands, Australia, Austria, Belgium, Bulgaria, Denmark, France, Ireland, Israel, Italy, Luxembourg, New Zealand, Norway, Poland, Portugal, Romania, Slovakia, Spain and Switzerland.

28%
Revenue Growth
2022E-2023E
0%
EBITDA Margin
2023E



Deliveroo plc is a United Kingdom-based online food company that connects local consumers, restaurants and riders to fulfil a purchase. Customers place orders through its app or website, then self-employed couriers transport orders from restaurants to them. Deliveroo operates in nearly 800 locations across 11 markets, including Australia, Belgium, France, Hong Kong, Italy, Ireland, Netherlands, Singapore, United Arab Emirates, Kuwait and the United Kingdom.

24%
Revenue Growth
2022E-2023E
-1%
EBITDA Margin
2023E



DoorDash Inc. is an American company that operates an online food ordering and food delivery platform. The Company's DoorDash platform connects merchants, consumers and Dashers. It offers Pickup that allows consumers to place advance orders, skip lines and pick up their orders. DoorDash for Work provides merchants with group orders and catering orders for businesses and events. Its merchant software portal allows merchants to track business performance on a number of metrics, including how long a Dasher waits for an order, order accuracy, and reports on incremental sales.

22%
Revenue Growth
2022E-2023E
9%
EBITDA Margin
2023E

VALUATION

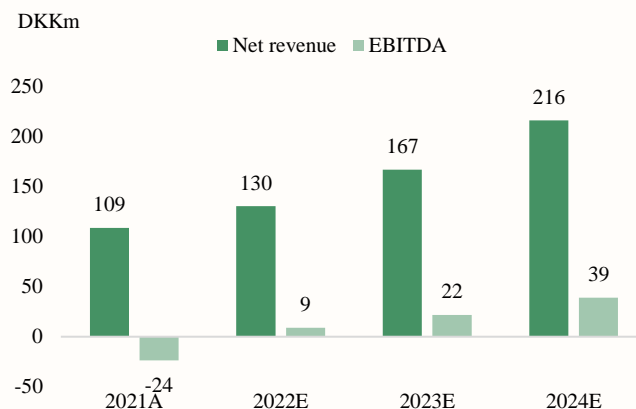
Selected Key Metrics for OrderYOYO and Comparable Companies.

Financial Estimates, Base Scenario

Key metrics	EV/Sales (x)		EV/Gross Profit		Gross Margin	EBITDA Margin	Sales Growth CAGR
	2022E	2023E	2022E	2023E	2023E	2023E	2022E-2023E
Just Eat	1.3	1.1	3.3	2.7	40%	0%	28%
Deliveroo	0.4	0.3	1.4	1.1	28%	-1%	24%
DoorDash	6.1	5.0	10.9	8.8	56%	9%	22%
Olo Inc.	8.1	6.3	10.0	7.8	81%	9%	30%
Lightspeed Inc.	6.5	4.9	13.0	9.9	49%	-5%	81%
Shopify Inc.	13.5	10.2	26.1	19.6	52%	10%	32%
Average	6.0	4.6	10.8	8.3	51%	4%	36%
Average Food Portals	2.6	2.1	5.2	4.2	42%	3%	25%
Average SaaS-companies	9.4	7.1	16.4	12.4	61%	5%	48%
OrderYOYO	4.6	3.6	5.3	4.0	88%	13%	24%

Source: Analyst Group's estimates & Refinitiv Eikon, 2022.

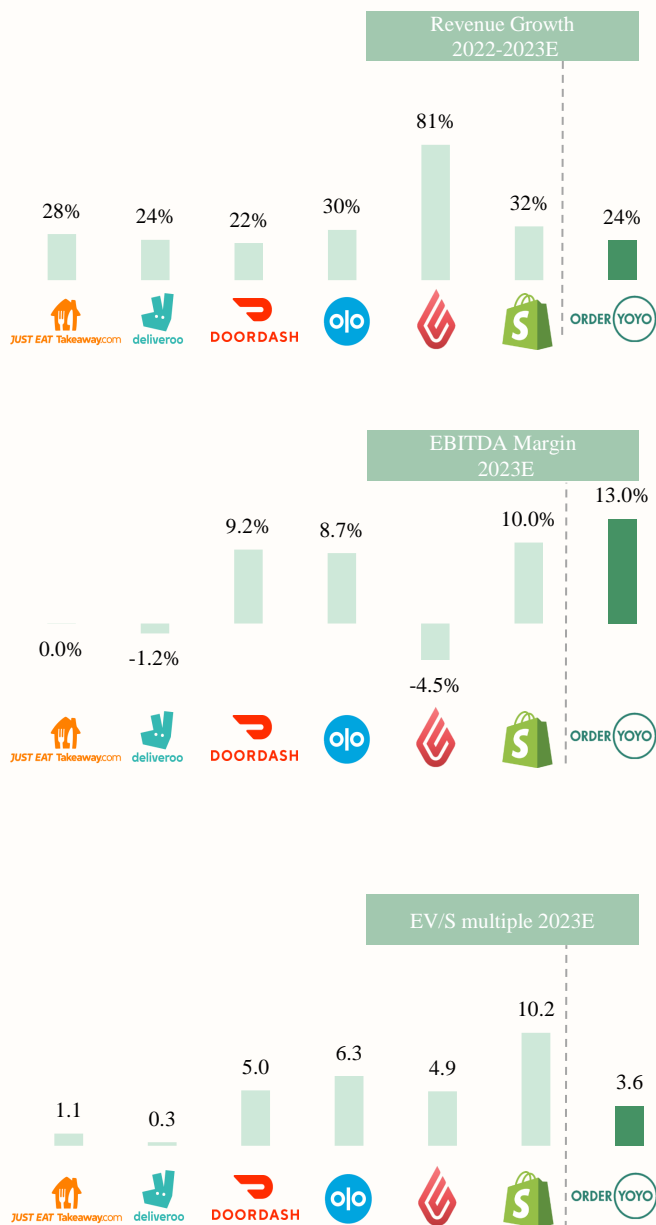
Compilation of Analyst Group's Estimates for OrderYOYO.



Base Scenario

Taking the software providers (Olo, Lightspeed and Shopify) into account, OrderYOYO is expected to reach a lower sales CAGR, while OrderYOYO is a significantly smaller company and more indebted than the peers on an aggregated level, which motivates a valuation discount. However, the Company is estimated to have a higher gross margin and EBITDA margin, which argues that the valuation discount should not be significantly large. OrderYOYO's aggressive growth strategy, along with a strong focus on growing existing Restaurant Partners is expected to result in a sales CAGR of 24% on average during the period 2022-2023E, which is in line with the food portals (JustEat Takeaway.com, Deliveroo and DoorDash). On the other hand, the food portals have costs associated with food delivery, such as vehicles, wages and clothing, which OrderYOYO does not have since the Company do not offer in-house delivery service. As a result, OrderYOYO has a higher gross margin compared to the food portals, which indicates a greater potential profitability level of the business when it reaches a more mature phase. In view of the fact that OrderYOYO is expected to achieve a sales growth that is in line with the food portals, while it requires less direct costs to deliver that growth, the Company's revenue becomes more valuable, accordingly it justifies a higher valuation than the food portals. The higher gross margin should be considered when valuing the Company. Examining the EV/S on the 2023 forecast, OrderYOYO is valued at 3.6x compared to the food portals 2.1x. On the other hand, if we look into the EV/Gross Profit, which assesses the enterprise value generated for every Danish krone of gross profit earned, OrderYOYO (4.0x) is valued below the food portals (4.2x) on the 2023 forecast, which also motivates a valuation premium.

Giving consideration to a valuation premium relative to the food portals, and a valuation discount relative to the software providers, a target multiple of 5.8x EV/S is justified. Applying a target 5.8x EV/S multiple on the expected revenue of DKK 167m in 2023, an enterprise value of DKK 967m is derived. Adjusting for the net cash position, this yields a potential market value of DKK 1,031m, or DKK 17.9 per share in a Base scenario.

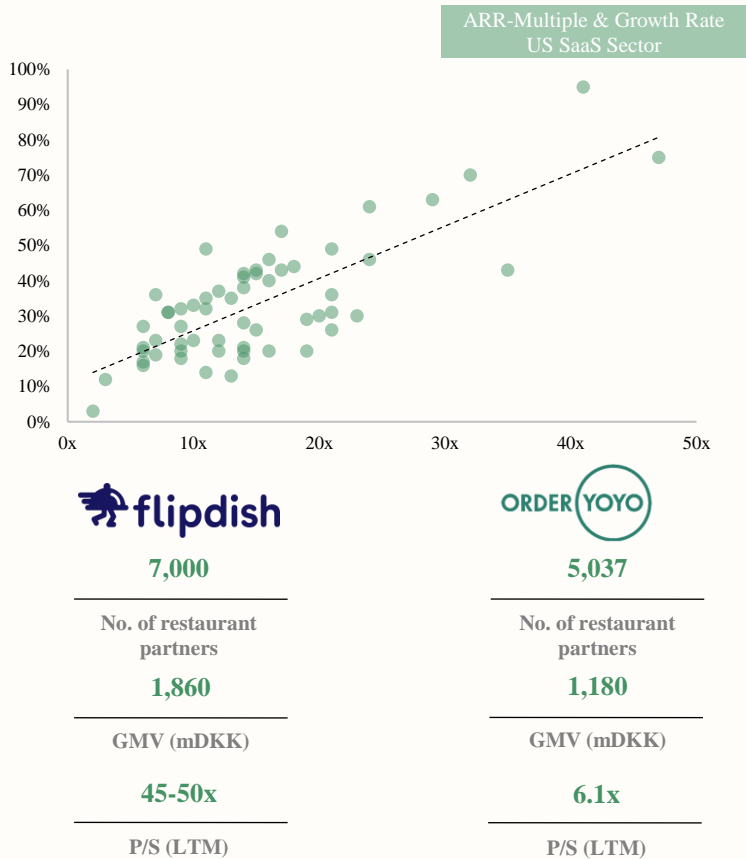


VALUATION

Base Scenario: Continuation

OrderYOYO, like any other company, are worth the present value of their estimated future cash flows, as determined by a willing buyer and willing seller. For SaaS businesses, however, the most accurate metric of future cash flow is Annual Recurring Revenue (ARR), which shows the money that comes in every year for the life of a subscription. Bearing in mind that a market cap (2022-03-29) of DKK 663m is implied with an annualized ARR in December 2021 of DKK 120m, OrderYOYO are valued at 5.5x ARR. According to SaaS Capital Index and Analyst Group's own estimates, the average SaaS company in the US is trading at 15x ARR. In other words, OrderYOYO is valued significantly below the average US SaaS company, due to lower ARR growth YoY for OrderYOYO (15 %) compared to the US SaaS sector (33 %). However, if we investigate the ARR-g-multiple, which also reflects the growth rate in ARR, OrderYOYO will be valued below the US SaaS sector, which also justifies a higher valuation for OrderYOYO.

To give the valuation further perspective, the Company's closest peer Flipdish recently raised USD 96m, valued at approximately USD 1.25bn; more than 10 times what the company was valued in its previous funding round in 2021. This valuation is more than 12 times what OrderYOYO is trading at, even though Flipdish is only ~40 % bigger based on the number of restaurant partners. This also justifies a higher valuation for OrderYOYO, in a Base scenario.



Source: Analyst Group's estimates & Flipdish, 2022.

Bull scenario

The following are potential value drivers in a Bull scenario:

- OrderYOYO continues to execute on its current road map through increased investments in mainly the UK market, simultaneously as the Company scales up its market expansion in Germany. The strategy is expected to result in a growth in Restaurant Partners equivalent to an CAGR of approximately 33% from 2020 to 2024E.
- The significant increase in Restaurant Partners will have a strong positive effect on both GMV and revenue over the forecast period, which results in revenues of DKK 240m in 2024E.
- The Company will focus on securing end-user revenue for level 1 partners, which increases the retention rate. A high retention increases the revenue growth rate, the profitability and it improves the revenue predictability. Therefore, investors will pay a premium for OrderYOYO, since it is predictable that the Company will lose few customers.

Based on a 7.4x EV/S target multiple with estimated sales in 2023 of DKK 179m, a valuation (market cap) of DKK 1,391m or DKK 24.1 per share is implied.

Bear scenario

The following are potential value drivers in a Bear scenario:

- OrderYOYO has grown rapidly over a relatively short period of time with a significant growth of its customer base. In a Bear scenario, the Company can have trouble to onboard and educate employees fast enough to serve the Restaurant Partners with the necessary level of competence.
- The substandard support to the individual restaurant partner results in that several new restaurant partners do not move above level 1 i.e., no ongoing successful partnership. As a consequence, the churn rate increases which is expected to result in approximately 8,500 RPs in 2024, compared to 10,000 in a Base scenario.
- Fewer restaurant partners are expected to lead to a lower GMV, which in turn leads to lower sales. Furthermore, since it is costly to acquire a customer which then does not lead to an ongoing partnership, the EBITDA-margin in 2024 is also expected to be lower (13%) in a Bear scenario, compared to (18%) in a Base scenario.

Based on a 3.4x EV/S target multiple with estimated sales in 2023 of DKK 138m, a valuation (market cap) of DKK 535m or 9.3 per share is implied.

MANAGEMENT & BOARD

Preben Damgaard Nielsen, Chairman



Founder and CEO of Damgaard Data which was acquired by Microsoft in 2002. Additionally, Preben has been a board member in some of the most well-known Danish companies, such as TDC, Rockwool and Bang & Olufsen. Preben has extensive knowledge as board member in stock listed companies and currently sits on the board of listed AO Johansen. Preben acts as a professional business angel and investor. Preben has a B.Sc. in Business Administration and HD Diploma Organization, Informatics & Management from Copenhagen Business School.

Ownership: Preben is the owner of Damgaard Company A/S, that owns 15.9% of OrderYOYO A/S' shares.

Ulla BrockenhuusSchack, Board Member



Ulla is Managing Partner at Seed Capital where she is responsible for the partner team, support staff and five current Seed Capital investments. Ulla has extensive experience within the innovation environment, which includes positions as Board Member in companies such as Active Owners Denmark, Veo Technologies, Vivinio, Tattoodo and many more. Ulla has a MBA in Strategy and Innovation from Columbia Business School.

Ownership: Ulla is Managing Partner at Seed Capital that owns 23.9% of OrderYOYO A/S' shares.

Thisis Regner Riber Søndergaard, Board Member



Thisis is a highly-talented serial entrepreneur. Thisis has co-founded companies such as Vivino, Fusentasterne and BullGuard and currently serves as Chief Product Officer at the world's most popular wine community, Vivino. Thisis has extensive experience from growing IT start-ups having expanded BullGuard from 2 to 100 employees in 7 years. Thisis has an educational background from Danish School of Journalism.

Ownership: Thisis owns 0.2% of OrderYOYO A/S' shares.

Jacob Christian Bratting Pedersen, Board Member



Jacob has several years of experience within the venture capital market, as Partner at Northcap and currently Partner at VF Venture (Vækstfonden). Jacob holds several Board Member seats in SaaS companies currently including eloomi, Monsido, Tame, raffle.ai and Neurons Inc. Jacob has a MSc in Business Administration and Commercial Law at Copenhagen Business School.

Ownership: Jacob is Partner at VF Venture, owned by Vækstfonden, owns 19.0% of OrderYOYO A/S' shares.

MANAGEMENT & BOARD

Jesper Johansen, CEO and Board Member



With a background in Management Consulting, Investment Banking and Private Equity Jesper works as professional investor primarily in technology companies. In the last decade, Jesper has acted as chairman and board member in a large number of highly successful Danish companies including Mofibo, Plenti, Secunia, Libratone, RESON, Edulab and Endomondo amongst others. Jesper has a M.Sc. in Finance from Copenhagen Business School.

Ownership: Jesper is the owner of SOFIDA ApS, that owns 10.7% of OrderYOYO A/S' shares.

Jesper Hyveled, CFO



Jesper joined the company 1 September 2021 as CFO. Jesper brings close to 15 years of global and strategic financial experience across companies and industries. Before joining OrderYOYO Jesper worked as CFO in a digital communication and software-as-a-service. Jesper began his career at PwC working with audit and financial risk & compliance in Copenhagen. In 2014, he moved to Lundbeck to head up the global financial compliance and enterprise risk management across the group. In 2017, he relocated to Mexico and became part of the regional management as Regional Finance Director. Upon returning to Denmark in 2019, Jesper ended his career with Lundbeck and started working as CFO in Copenhagen. Jesper holds a Master of Science in Business Economics and Auditing from Copenhagen Business School.

Ownership: Jesper currently owns no shares in OrderYOYO A/S, but holds effective January 17th 2021 973,767 warrants at a strike price of DKK 13.60.

Kristian Brønshjerg, CCO



With more than 6 years experience as Sales Director for Denmark & Norway at Just Eat and prior commercial leadership roles in FMCG, Kristian is an expert at executing sales and commercial activities in the online foodservice industry. Kristian has an Executive MBA from Copenhagen Business School, Marketing & Marketing Management from Copenhagen Business School, Graduate Diploma in Business Administration.

Ownership: Kristian currently owns 10,417 shares in OrderYOYO A/S, and holds 973,767 warrants – of which 708,194 can be exercised at a strike price of DKK 1.22 and the remaining 265,573 can be exercised at a strike price of DKK 13.60.

Ralf Sohl, CTO



Ralf Sohl joined the Company as CTO the 1 August 2021. Ralf is an experienced technical advisor within product strategies, commercial execution and the underlying technical structures and designs. Ralf brings more than 15 years of hands-on CTO experience and leadership in building teams and digital products. Educational background: Computer Science (AP).

Ownership: Ralf currently owns 10,417 shares in OrderYOYO A/S, and holds January 17th 2021 973,767 warrants at a strike price of DKK 13.60.

APPENDIX

— OrderYOYO — OMX Copen All



Base scenario (DKKm)	2020A	2021A	2022E	2023E	2024E
Net Revenue	76.3	108.5	130.3	166.7	216.0
COGS	-12.0	-16.0	-17.3	-19.3	-21.2
Gross Profit	64.2	92.5	112.9	147.4	194.8
Gross Margin	84%	85%	87%	88%	90%
Staff Costs	-31.8	-45.9	-50.4	-61.7	-75.6
External Costs	-22.7	-45.9	-52.1	-63.1	-79.5
EBITDA Before Other Non-recurring Costs	9.7	0.7	10.4	22.7	39.7
EBITDA Margin Before Other Non-recurring Costs	13%	1%	8%	14%	18%
Other Non-recurring Costs	-8.4	-24.2	-1.3	-1.0	-0.9
EBITDA	1.2	-23.6	9.1	21.7	38.9
EBITDA Margin	2%	-22%	7%	13%	18%
Depreciations & Amortization	-0.8	-4.7	-6.5	-10.0	-13.0
EBIT	0.5	-28.3	2.6	11.7	25.9
EBIT-Margin	1%	-26%	2%	7%	12%
Key Metrics	2020A	2021A	2022E	2023E	2024E
P/S	8.7	6.1	5.1	4.0	3.1
EV/S	7.8	5.5	4.6	3.6	2.8
EV/EBITDA	479.7	neg.	65.6	27.6	15.4
EV/EBIT	1216.7	neg.	229.8	51.3	23.1

APPENDIX

Bull scenario (DKKm)	2020A	2021A	2022E	2023E	2024E
Net Revenue	76.3	108.5	136.5	179.3	239.6
COGS	-12.0	-16.0	-17.0	-17.6	-17.1
Gross Profit	64.2	92.5	119.5	161.7	222.5
Gross Margin	84%	85%	88%	90%	93%
Staff Costs	-31.8	-45.9	-53.2	-66.3	-83.8
External Costs	-22.7	-45.9	-58.7	-71.7	-91.0
EBITDA Before Other Non-recurring Costs	9.7	0.7	7.6	23.6	47.6
EBITDA Margin Before Other Non-recurring Costs	13%	1%	6%	13%	20%
Other Non-recurring Costs	-8.4	-24.2	-2.0	-1.8	-1.4
EBITDA	1.2	-23.6	5.5	21.8	46.2
EBITDA Margin	2%	-22%	4%	12%	19%
Depreciations & Amortization	-0.8	-4.7	-6.8	-10.4	-13.9
EBIT	0.5	-28.3	-1.3	11.4	32.3
EBIT-Margin	1%	-26%	-1%	6%	13%

Key Metrics	2020A	2021A	2022E	2023E	2024E
P/S	8.7	6.1	4.9	3.7	2.8
EV/S	7.8	5.5	4.4	3.3	2.5
EV/EBITDA	479.7	neg.	108.3	27.4	13.0
EV/EBIT	1216.7	neg.	neg.	52.4	18.5

Bear scenario (DKKm)	2020A	2021A	2022E	2023E	2024E
Net Revenue	76.3	108.5	119.6	138.3	161.6
COGS	-12.0	-16.0	-17.9	-19.6	-21.5
Gross Profit	64.2	92.5	101.6	118.7	140.2
Gross Margin	84%	85%	85%	86%	87%
Staff Costs	-31.8	-45.9	-46.6	-52.5	-58.2
External Costs	-22.7	-45.9	-53.8	-59.5	-64.7
EBITDA Before Other Non-recurring Costs	9.7	0.7	1.2	6.7	17.3
EBITDA Margin Before Other Non-recurring Costs	13%	1%	1%	5%	11%
Other Non-recurring Costs	-8.4	-24.2	-1.2	-0.8	-0.6
EBITDA	1.2	-23.6	0.0	5.9	16.7
EBITDA Margin	2%	-22%	0%	4%	10%
Depreciations & Amortization	-0.8	-4.7	-6.3	-9.0	-11.3
EBIT	0.5	-28.3	-6.3	-3.1	5.3
EBIT-Margin	1%	-26%	-5%	-2%	3%

Key Metrics	2020A	2021A	2022E	2023E	2024E
P/S	8.7	6.1	5.5	4.8	4.1
EV/S	7.8	5.5	5.0	4.3	3.7
EV/EBITDA	479.7	neg.	neg.	101.9	35.9
EV/EBIT	1216.7	neg.	neg.	neg.	111.9

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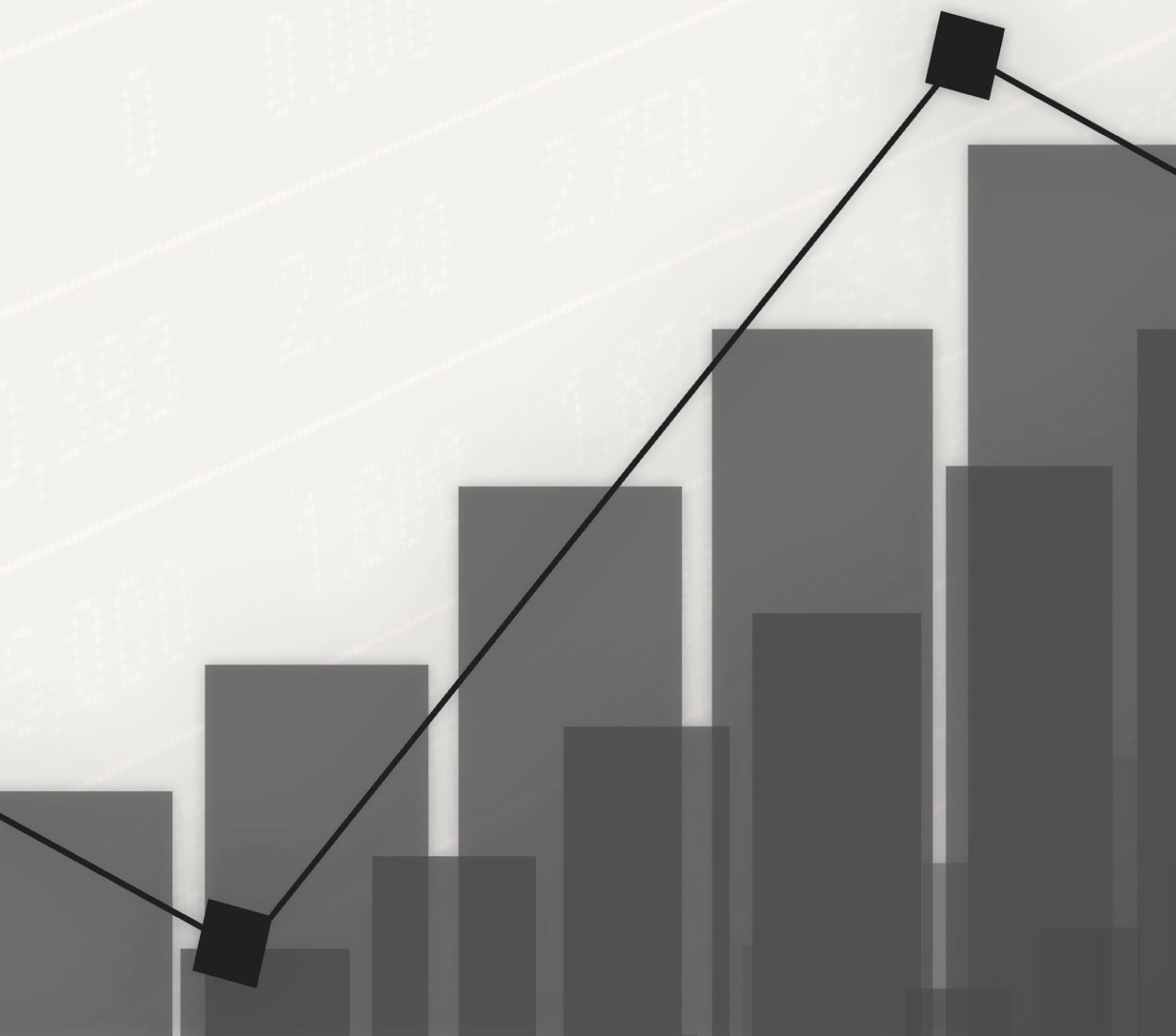
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