LESSON 012 THE FULL BREAKDOWN

THE DASH DEAL

DoorDash buying Instacart in five numbers, from the merger agreement, and what to watch next.



ASSETWISP
SMART MONEY, SIMPLIFIED!

THE MAP

The deal in five numbers

DoorDash (Nasdaq: DASH) signed a deal to buy Instacart (Maplebear, Nasdaq: CART) at the end of October. Every figure here is from the companies' SEC filings unless noted.



NUMBER 1

The price

NUMBER 2

The loan

NUMBER 3

The breakup fee

NUMBER 4

The share

NUMBER 5

The blank

NUMBER 1

The price



$65

a share, about $17B in equity value

$125

a share in Instacart's 2021 round, reported at a $39B valuation (Bloomberg)

That is a 26% premium to Instacart's close of $51.68, the last day before the leaks.

The 2021 investors get about 52% of what they paid back. Buyers at the 2023 IPO paid $30.

Holders can pick cash, DoorDash stock, or a mix. At least 75% of the total is cash.

NUMBER 2

The loan



$13B

bridge loan committed by JPMorgan

$6.79B

of cash and investments DoorDash had at the end of September

The cash part of the price is at least about $12.75B, so DoorDash borrows the difference.

It already has $2.75B of convertible notes outstanding, and says it aims to keep investment-grade ratings.

NUMBER 3

The breakup fee



$1.25B

what DoorDash pays Instacart if antitrust blocks the deal or runs out the clock

$650M

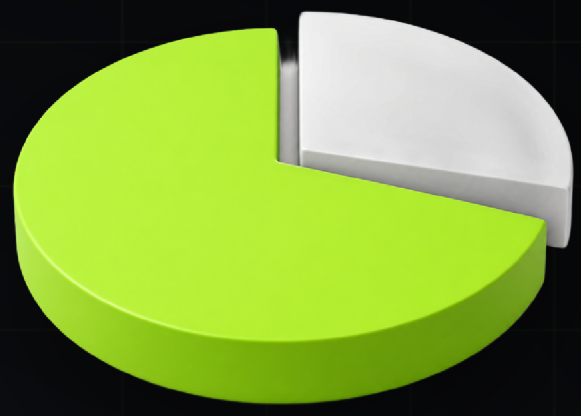
what Instacart pays DoorDash if it walks for a better offer

CART closed at $57.11 the day the deal was announced, under the $65 offer (market data; check today's price).

That gap is the market's doubt that the deal closes. A signed deal is not a done deal.

NUMBER 4

The share



77%

of US delivery-app spending between the two (Consumer Edge, via AP)

20%

Uber Eats is just under this

DoorDash 59%, Instacart 18%. Other data firms measure it differently.

The same week the deal was signed, the FTC sent both companies orders on personalized pricing (press reports).

This is the one I'd watch.

NUMBER 5

The blank



2028

DoorDash expects to close at the end of 2027 or in the first half of 2028

The deadline can stretch to October 2028 if antitrust is the only thing left.

First step: the antitrust (HSR) filing, due by late November 2026.

Watch for an FTC request for more information (a "second request"), the registration statement with the background of the deal, the date of Instacart's vote, and the reviews in Canada and Israel. Holders with about 19% of the vote have already agreed to vote yes.

RISK

The honest part

Two things the headlines skip:

Savings target

$500M

OR MORE A YEAR, BUT ALL OF IT REINVESTED IN YEAR ONE. THE CFO EXPECTS THE PAYOFF IN YEAR THREE

One membership

$100M

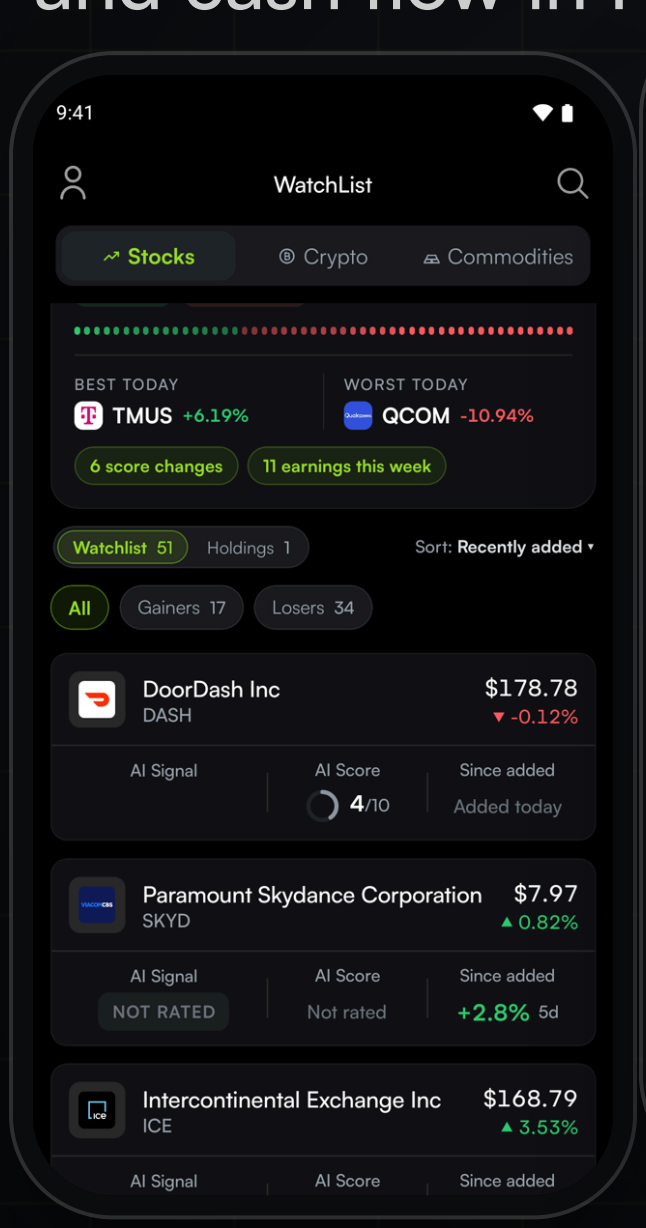
A YEAR: WHAT DOORDASH SAYS MEMBERS SAVE PAYING FOR ONE MEMBERSHIP INSTEAD OF TWO

Critics say fewer apps means higher fees later (AP). Instacart has pulled its guidance while the deal is pending.

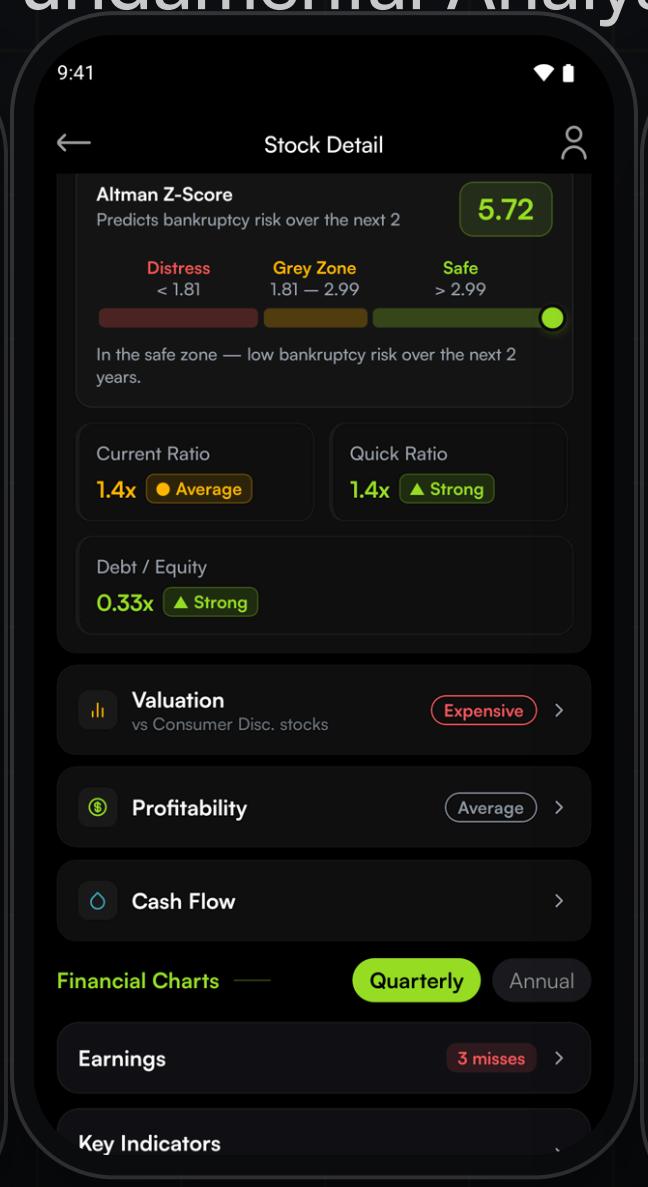
ASSETWISP

How I check

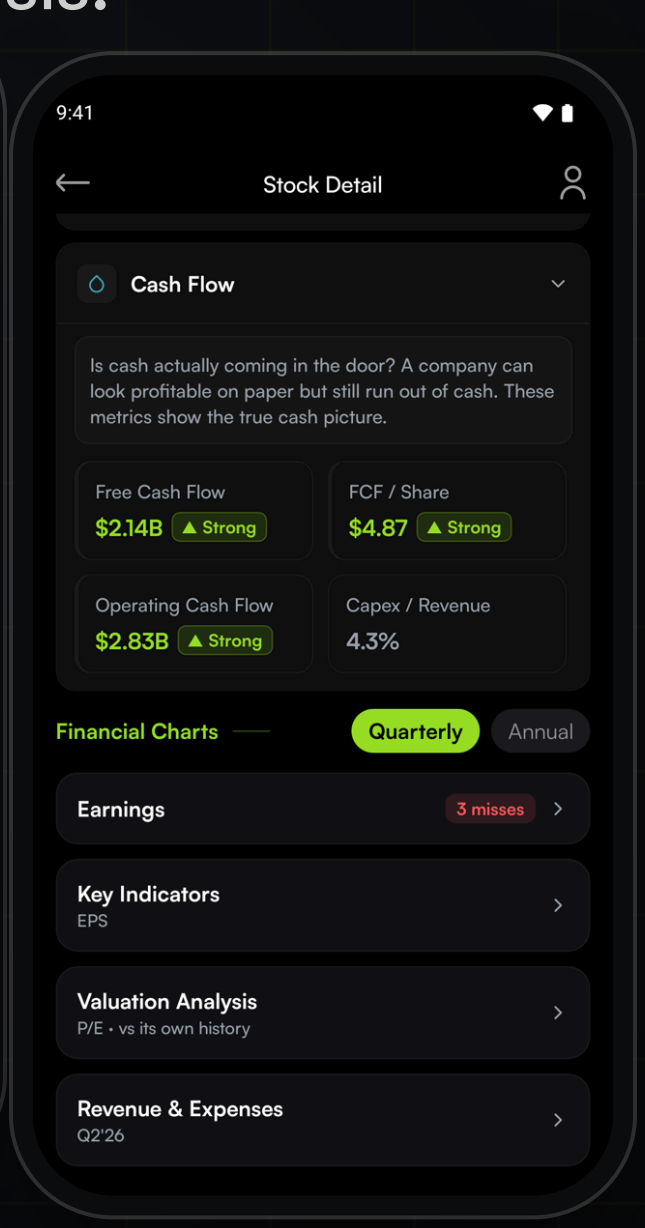
Before the FTC weighs in, I'll check DoorDash's debt and cash flow in Fundamental Analysis.



Watchlist



Financial Health



Cash Flow

App Store

Google Play

assetwisp.com

SOURCES

Where the numbers come from

1. Joint press release 2026-10-29 (PRIMARY): '$65.00 for each Instacart share'
2. Joint press release 2026-10-29, Ex 99.1 to the DoorDash 8-K, https://www.sec.gov/Archives/edgar/data/1792789/000114036126041111/ef20084547_ex99-1.htm (PRIMARY): 'DoorDash will acquire Instacart for a total value of $65.00 for each Instacart share, or an equity value of approximately $17 billion.'
3. Instacart 424B4 (PRIMARY): 'In February 2021, we sold an aggregate of 2,120,000 shares of our Series I redeemable convertible preferred stock at a purchase price of $125.00 per share, for an aggregate purchase price of $265 million.' (Bloomberg dates the announcement 2 Mar 2021)
4. Same as hook.valuation_2021; Instacart 424B4 2023-09-20, https://www.sec.gov/Archives/edgar/data/1579091/000119312523237900/d553488d424b4.htm (PRIMARY): 'In February 2021, we sold an aggregate of 2,120,000 shares of our Series I ... at a purchase price of $125.00 per share'

SOURCES

Sources, continued

5. Instacart's 2 Mar 2021 announcement as reported by Bloomberg, https://www.bloomberg.com/news/articles/2021-03-02/instacart-valuation-doubles-to-reach-39-billion-with-new-funding and TechCrunch, https://techcrunch.com/2021/03/02/instacart-raises-265m-at-a-39b-valuation/ (SECONDARY; the original company post is offline). Primary support: the IPO prospectus gives the round's $125.00 share price (see n1.round_2021_price).
6. Joint press release 2026-10-29 (PRIMARY): 'a 26% premium to Instacart's closing price on October 22, 2026, the last trading day before media reports about a possible transaction'
7. stockanalysis.com CART history, Yahoo Finance matches, retrieved 2026-10-30 (DATA, SECONDARY)
8. Calculation from n1.deal_price and n1.round_2021_price
9. Instacart 424B4 dated 2023-09-20, https://www.sec.gov/Archives/edgar/data/1579091/000119312523237900/d553488d424b4.htm (PRIMARY)
10. Instacart 424B4 (PRIMARY): 'The initial public offering price for our common stock is $30.00 per share.'
11. Joint press release 2026-10-29 (PRIMARY): 'The aggregate transaction consideration will be at least 75% cash ... subject to proration so that DoorDash stock does not exceed 25% of the aggregate consideration.'
12. DoorDash 8-K 2026-10-29, Item 8.01 (PRIMARY): 'JPMorgan committed to provide a 364-day senior unsecured bridge term loan facility ... in an aggregate principal amount of up to $13.0 billion'

SOURCES

Sources, continued

13. DoorDash Q3 2026 release, balance sheet, https://www.sec.gov/Archives/edgar/data/1792789/000179278926000062/proddashex991-pressrelease.htm (PRIMARY)
14. Calculation from n2.cash_floor_pct and hook.equity_value
15. DoorDash 10-Q Q2 2026, https://www.sec.gov/Archives/edgar/data/1792789/000179278926000050/dash-20260630.htm (PRIMARY): '$ 2.75 billion aggregate principal amount of 0 % Convertible Senior Notes due 2030'
16. DoorDash 8-K 2026-10-29, Item 1.01 (PRIMARY): 'DoorDash will be required to pay Instacart a termination fee of $1,250,000,000 in cash if the Merger Agreement is terminated (i) because the Merger has not been consummated by the Outside Date at a time when the antitrust related conditions have not been satisfied ... or (ii) due to a final, non-appealable legal restraint relating to antitrust laws.'
17. DoorDash 8-K 2026-10-29, Item 1.01 (PRIMARY): 'Instacart will be required to pay DoorDash a termination fee of $650,000,000 in cash'
18. stockanalysis.com CART history, retrieved 2026-10-30 (DATA, SECONDARY)
19. AP 2026-10-29 citing Consumer Edge, https://www.pbs.org/newshour/economy/doordash-offers-17-billion-for-instacart-in-what-would-be-big-grocery-delivery-consolidation (SECONDARY; other firms measure differently: YipitData orders 65.1% + 9.1%)
20. AP 2026-10-29 citing Consumer Edge (SECONDARY)

SOURCES

Sources, continued

21. Joint press release 2026-10-29 (PRIMARY); DoorDash 8-K Item 1.01 (PRIMARY): Outside Date 'the date that is 12 months after the date of the Merger Agreement ..., subject to up to four automatic extensions of three months each if ... the antitrust related conditions have not been satisfied' (28 Oct 2027 + 12 months = 28 Oct 2028, DERIVED)
22. Joint press release 2026-10-29 (PRIMARY): 'The transaction is expected to close in the end of 2027 or the first half of 2028'
23. Merger agreement s.5.03(d), Ex 2.1, https://www.sec.gov/Archives/edgar/data/1792789/000114036126041111/ef20084547_ex2-1.htm (PRIMARY): 'within twenty (20) business days after the date of this Agreement'
24. DoorDash 8-K Item 1.01 and Instacart 8-K, https://www.sec.gov/Archives/edgar/data/1579091/000119312526437075/d171568d8k.htm (PRIMARY)
25. DoorDash Q3 2026 release (PRIMARY): 'We expect to invest more than 100% of total synergies in the first year after close, followed by positive net synergies in year two and beyond.' CFO on the call (Form 425, https://www.sec.gov/Archives/edgar/data/1792789/000114036126041195/ef20084600_425.htm): 'in year three, my expectation is we'll drive $500 million of incremental synergies to the bottom line.'
26. Joint press release 2026-10-29 (PRIMARY): 'DashPass and Instacart+ members would pay one membership fee instead of two, which would save them an estimated $100 million per year on membership fees alone.'

SOURCES

Sources, continued

Follow for the next lesson so you don't miss it.

For educational purposes only. Not a recommendation to buy or sell any security. Figures are the latest reported at the time of writing; check them before acting on anything.