



**HELLOFRESH**  
GROUP

**Capital Markets Day 2021**

*Berlin, 08.12.2021*

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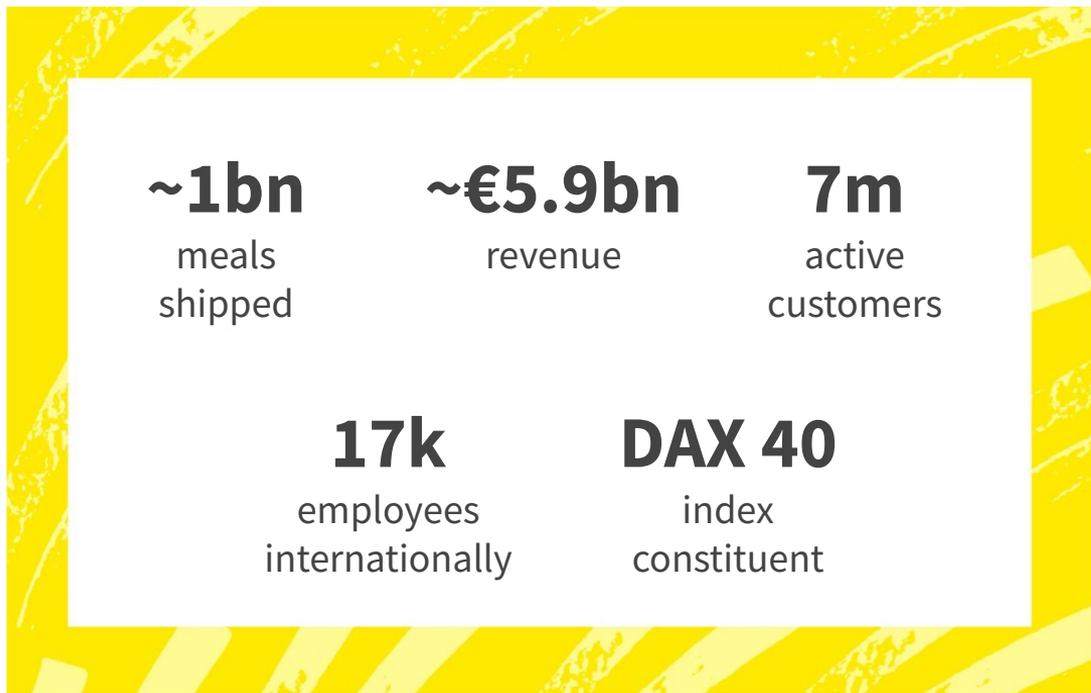
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# Celebrating our 10 year anniversary, we have had a record year in multiple respects



# Valeri Liborski is joining HelloFresh Group as Chief Technology Officer



**Valeri Liborski**  
*Chief Technology Officer*

**25 years of experience in  
technology leadership roles  
at Amazon (Consumer),  
AWS & Microsoft**



- 1. Our Addressable Market**
- 2. Progress on Mid-Term Objectives**
- 3. Scaling our Capabilities & Infrastructure**
- 4. Sustainability Update**
- 5. Financials and Indicative Outlook**
- 6. Q&A**

## OUR MISSION

WE CHANGE THE WAY  
PEOPLE EAT FOREVER

## OUR VISION

THE WORLD'S LEADING,  
FULLY INTEGRATED FOOD  
SOLUTIONS GROUP





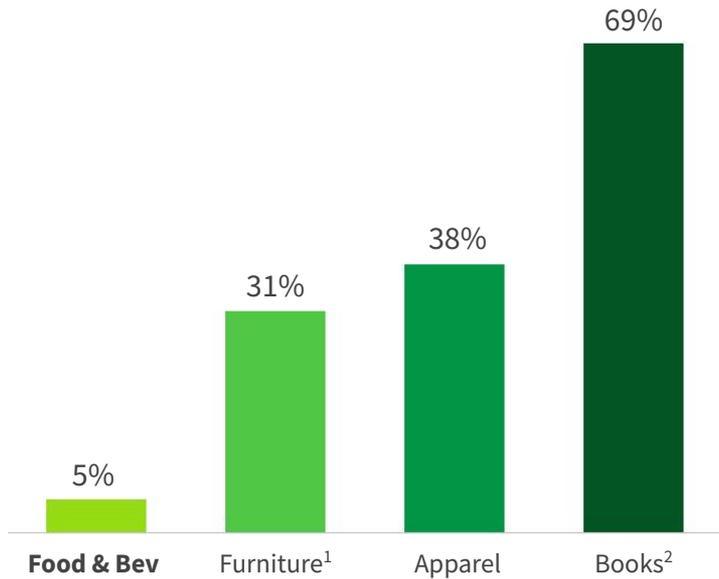
1. **Our Addressable Market**
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# The food market is on the cusp of massive digital disruption

While groceries have the lowest e-commerce penetration ...

## E-Commerce Adoption/ Penetration Rates

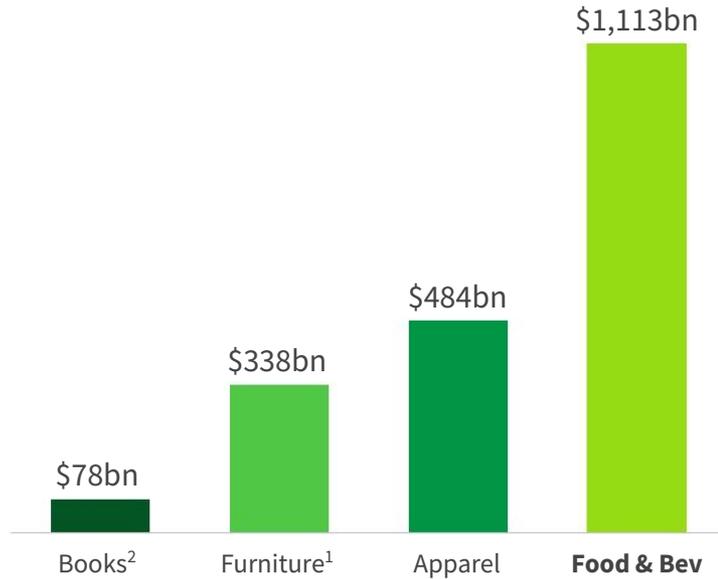
[selected categories, US only; in percent]



... it is by far one of the largest consumer markets

## Market Size

[selected categories, US only, in USD bn of sales]



# As the market moves online, consumers will no longer make choices based on proximity, but on product fit and personalization



Average Catchment  
of a US Grocery Store

**16** square miles  
**30k** consumers



#1 consumer decision criteria:  
**PROXIMITY**



Catchment of a US  
Online Distribution Centre

**3m** square miles  
**330m** consumers



#1 consumer decision criteria:  
**PRODUCT FIT**

# While we have shown strong topline momentum, we're only touching a small portion of meals consumed at home

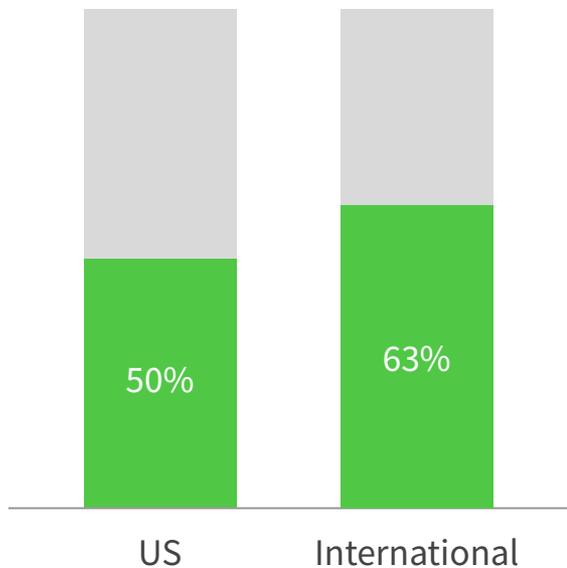


Illustrative - 1: Assumes 2.5 heads per household with 10 weekly meals from home over 52 weeks;  
2: Delivering 1bn meals annually

# For the past 10 years we have focused on the dinner at home opportunity

## Food-at-Home Spend

[in % of total food spend]



## For our core mealkit model, the pandemic has triggered some fundamental changes to previous behaviours

**A**

**Higher work-from-home prevalence**

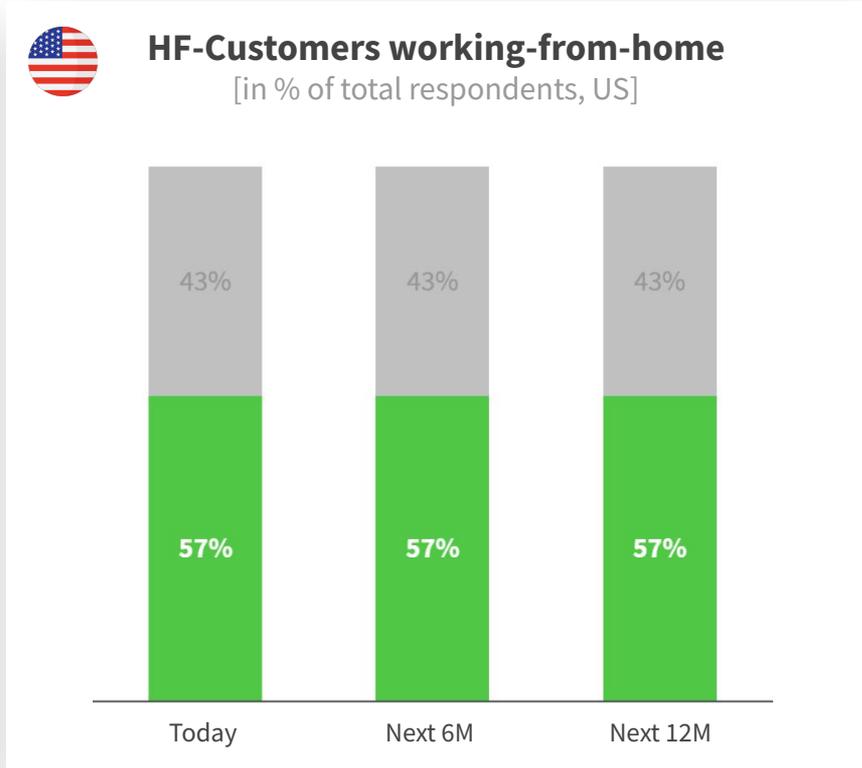
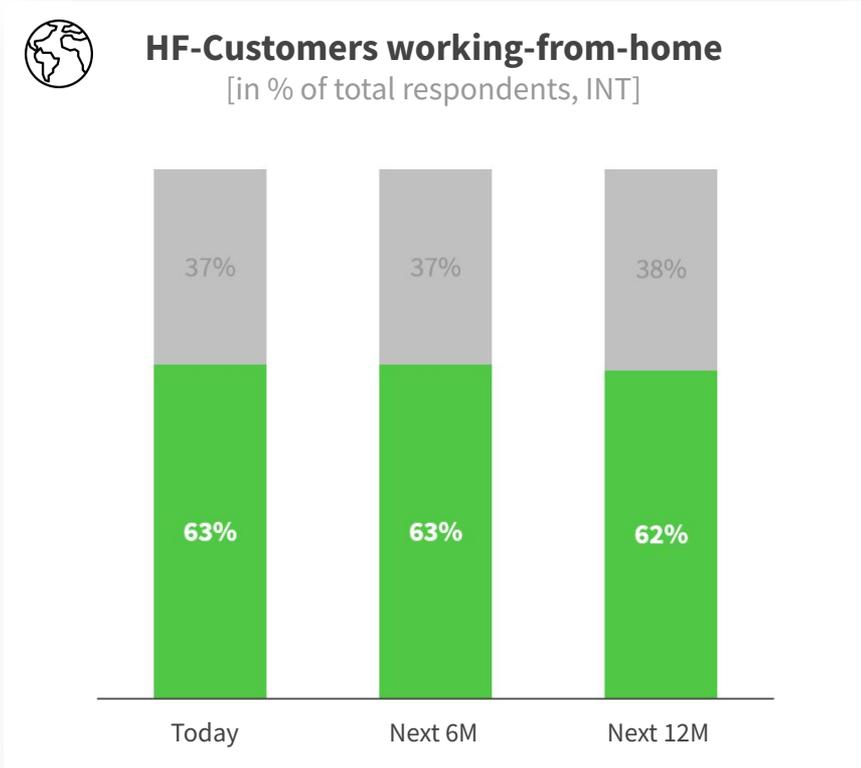
**B**

**Improved price competitiveness**

**C**

**Increased sustainability focus**

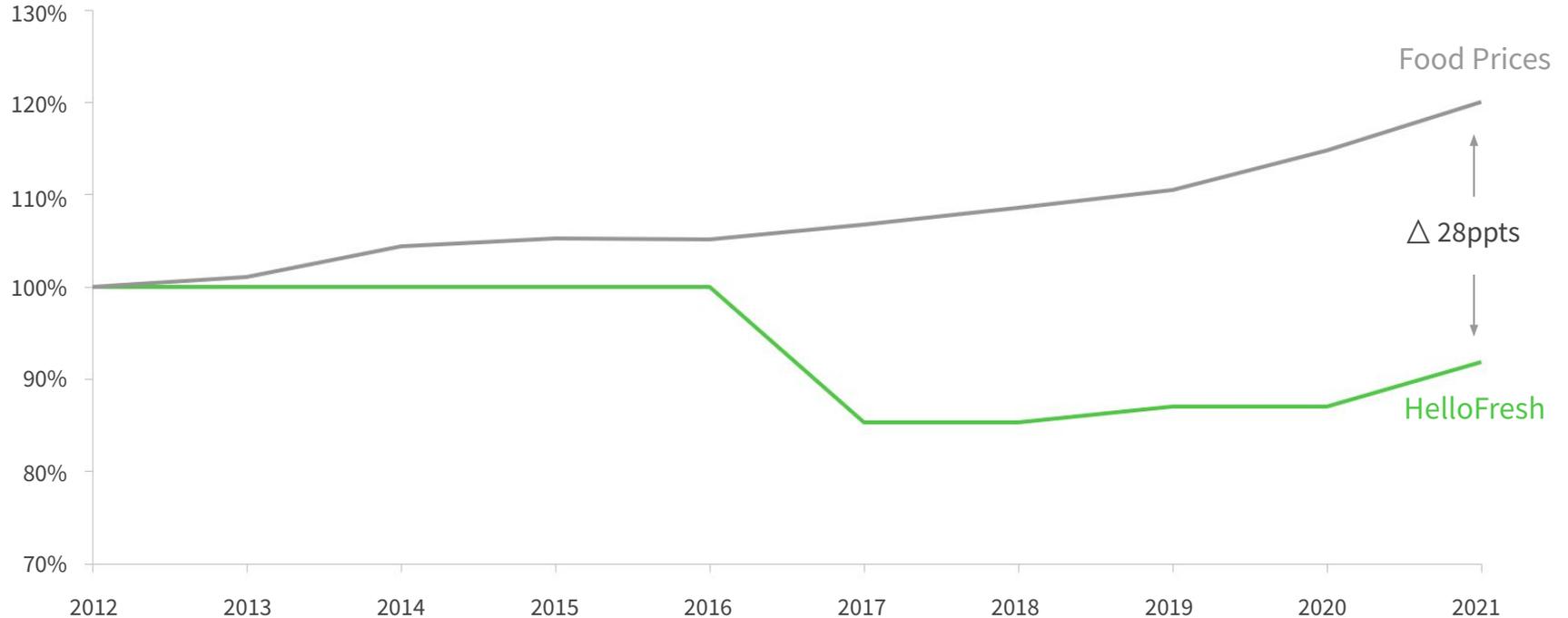
# A more pronounced work-from-home regime has expanded the market for meals consumed at home, increasing meal kit relevance



# Our value proposition versus the market has improved consistently in real terms

## Relative Price Comparison

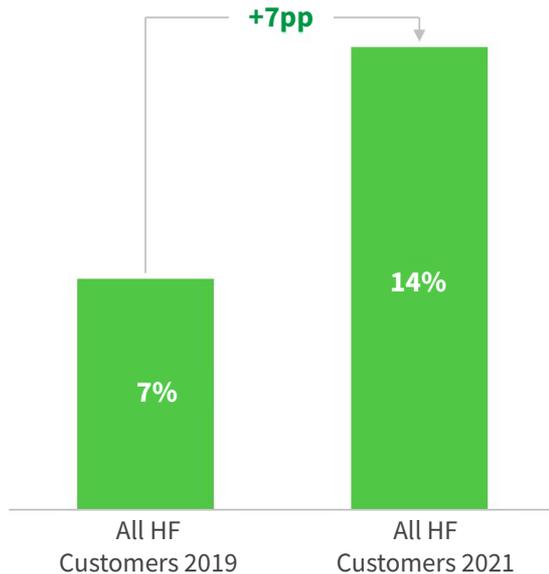
[2012 indexed at 100%, US]



# While dinner at home captures the largest part of a consumer's at-home food budget, there is tremendous opportunity to expand our relevance to other meal occasions

## Mealkit Share of HF Customer Spend

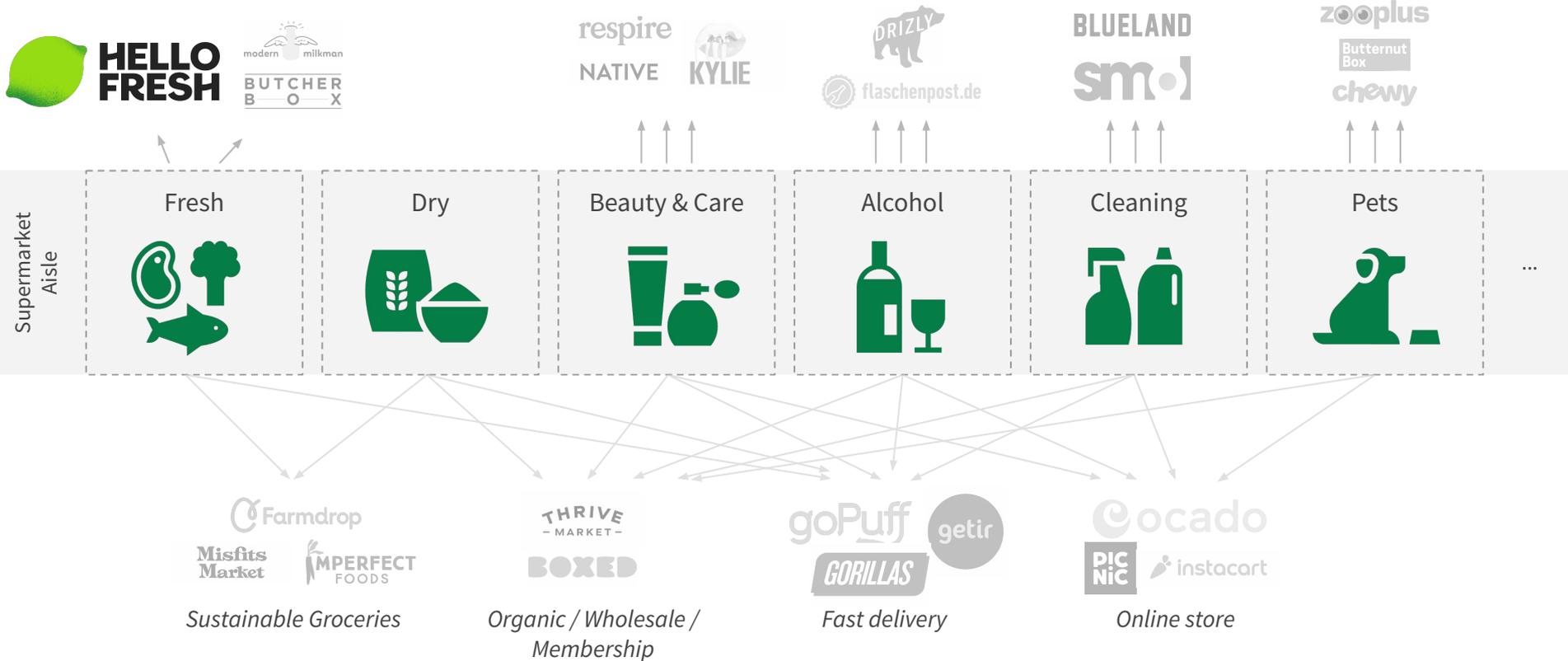
[in % of total spend]



Increased food spend towards lunch, breakfast, and in-between (snacks)

Increased share of customers' food budget spent with HelloFresh

# We are observing a fundamental unbundling of the traditional “one-stop-shop” supermarket model ...



# Consumers' at-home food budgets are increasingly allocated based on 'product fit' and not 'proximity' (to a supermarket)

Meal kits



RTE meals



Sustainable Groceries



Meal replacement



Ethically sourced meat



Weight loss meals



10 minute Grocery



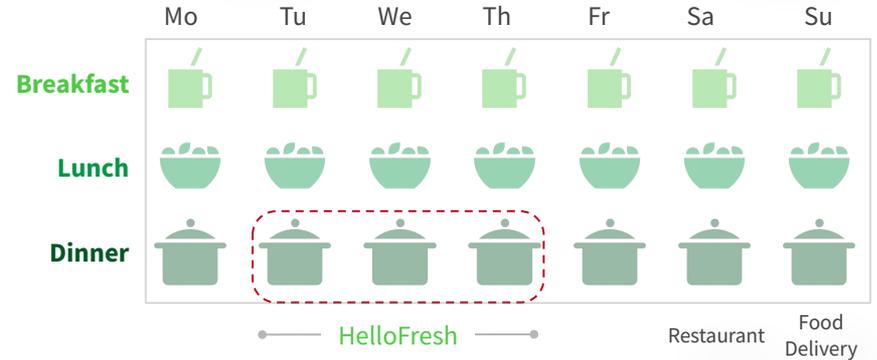
... and many more!

# Consumer behaviour is shifting from weekly grocery runs to individual meal occasions

From weekly grocery runs....



... to individual meal occasions



# By moving towards a Food Solutions Group, we aim to play a pivotal role in that new world...

... we target a larger share of meals



**HF Customer**



**Meal Kits**



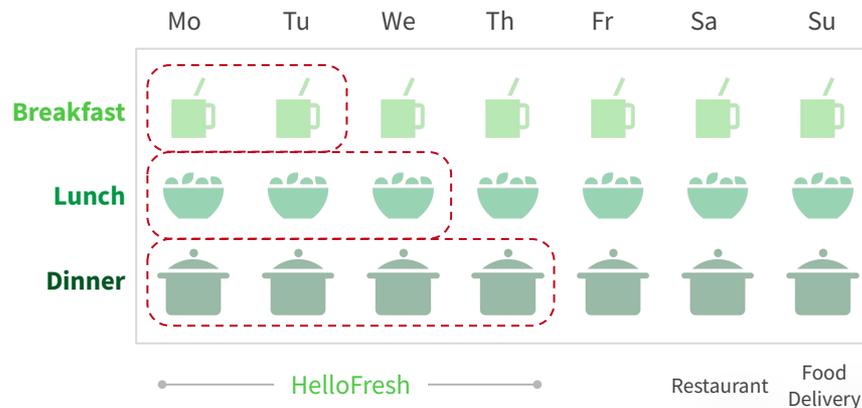
**Ready Meals**



**HelloFresh Market**



**Additional Categories**



## Executing against this vision will have a beneficial impact on both attracting new customers and better servicing existing customers



- ✓ Attract entirely new customer segments
- ✓ More mass market appeal
- ✓ Lower CACs
- ✓ Higher order rate
- ✓ Higher AOV (as more relevant meals and offerings available)
- ✓ Additional margin capture

# We have seen some of these trends play out in the past, as we improved the customer value proposition over time

## Net Revenue Retention by Cohort

(US only)



Lines represent unweighted average revenue retention for Q4-->Q3 cohorts, X Quarters after initial acquisition. Where cohort data is unavailable for the latter 3 quarters plotted, the average is taken only from the realised quarters. Example: For the Q4 2019 line, the Q5 point is the average of the four cohorts from Q42019 to Q3 2020, the Q7 data point is the average of the realised performance of 2 cohorts being Q4 2019 and Q1 2020; Source: TXN Data; US Only



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# We are on track to meet our midterm growth ambitions

**REVENUE**

**€10 BN**

**AEBITDA MARGIN**

**10-15%**

**FCF Conversion**

**Best-in-class**

# With the current product portfolio and price point we target c.176m households globally

## US

## International

## Assumptions

TAM\*

77m

99m

- Top 60% with value brand, top 40% all other\*\*
- +1m Norway, +11m Italy, +21m Japan

Active Customers

3.5m

3.5m

- Households who placed at least one order in the last quarter (Q3 '21)

Current Penetration

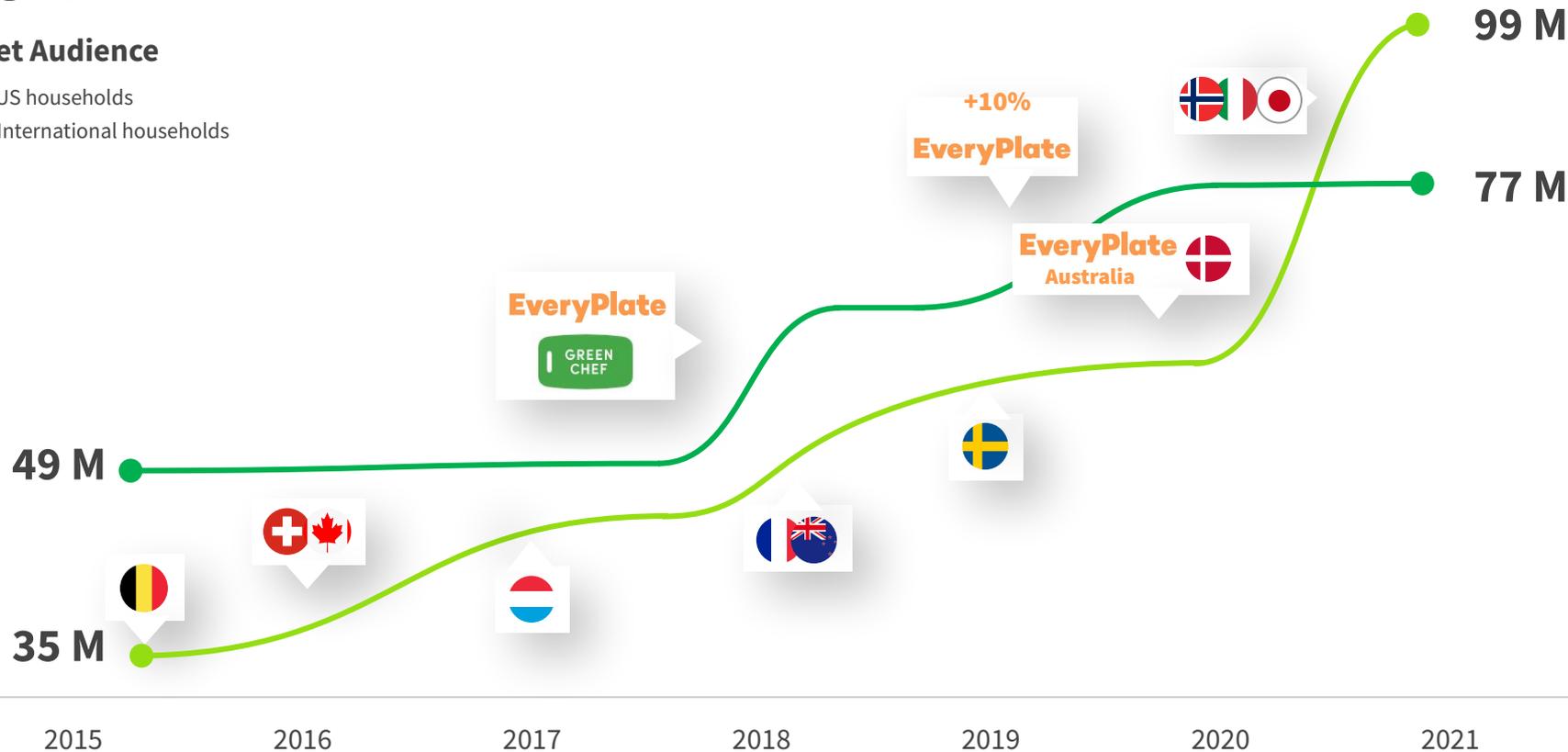
4.5 %

3.5 %

# Over time our target audience has increased quite dramatically as we added new geographies and new brands

## Target Audience

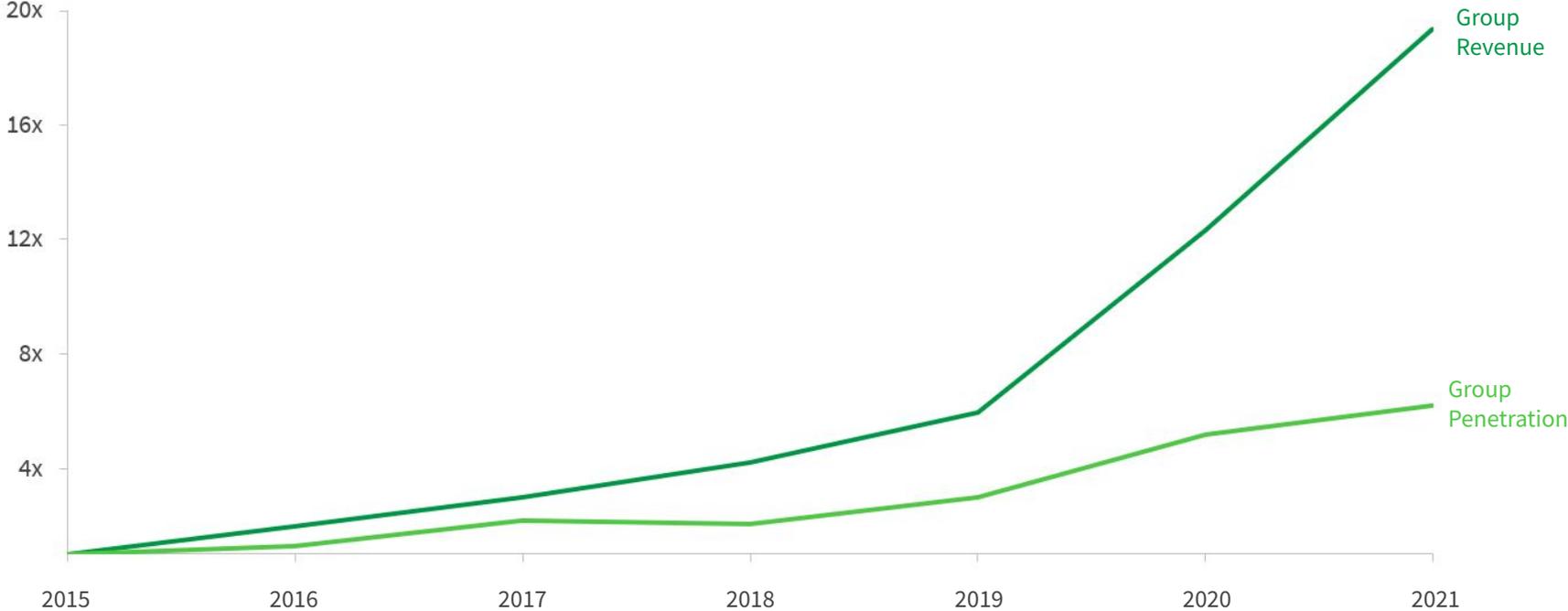
- US households
- International households



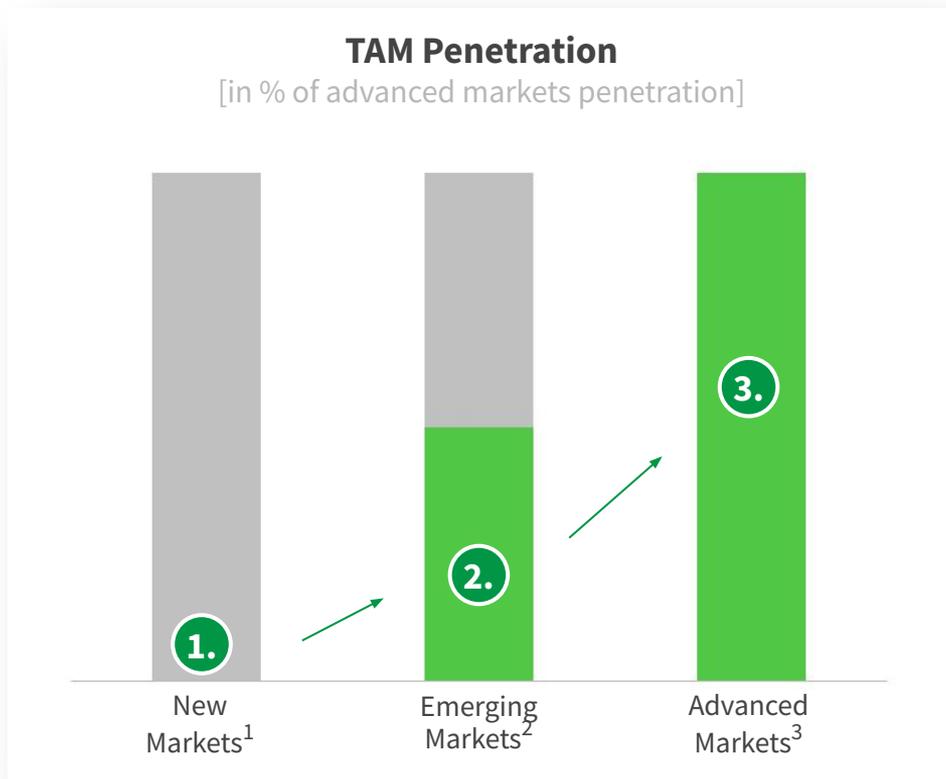
# Due to continued TAM expansion, our revenue has grown much faster than our penetration levels

## Revenue Growth vs. TAM Penetration Growth

[index to 2015 baseline]



# Just by catching up to the most penetrated markets, we have significant upside



## +6.7m

### Addl. Customer Opportunity

(just by growing penetration in new and emerging markets to that of our advanced markets)

# Our growth in meal kit penetration is driven by continued improvements in convenience, selection and value



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THE WORLD'S LEADING,  
FULLY INTEGRATED  
FOOD SOLUTIONS GROUP

2016

2021

Mid Term

**CONVENIENCE**

[DELIVERY TIME]

>5 days

4 days

2-3 days

# Our growth in meal kit penetration is driven by continued improvements in convenience, selection and value



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**CONVENIENCE**  
[DELIVERY TIME]

>5 days

4 days

2-3 days

**SELECTION**  
[RECIPES; PLANS]

6 recipes | 2 plans  
| **Single brand**

35 recipes | 4-6 plans  
| **Multi-brand**

50-100 recipes  
| **Full market rollout**

\* Real terms price improvement vs. 2016

# Our growth in meal kit penetration is driven by continued improvements in convenience, selection and value



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2016

2021

Mid Term

## CONVENIENCE

[DELIVERY TIME]

>5 days

4 days

2-3 days

## SELECTION

[RECIPES; PLANS]

6 recipes | 2 plans  
| Single brand

35 recipes | 4-6 plans  
| Multi-brand

50-100 recipes  
| Full market rollout

## VALUE

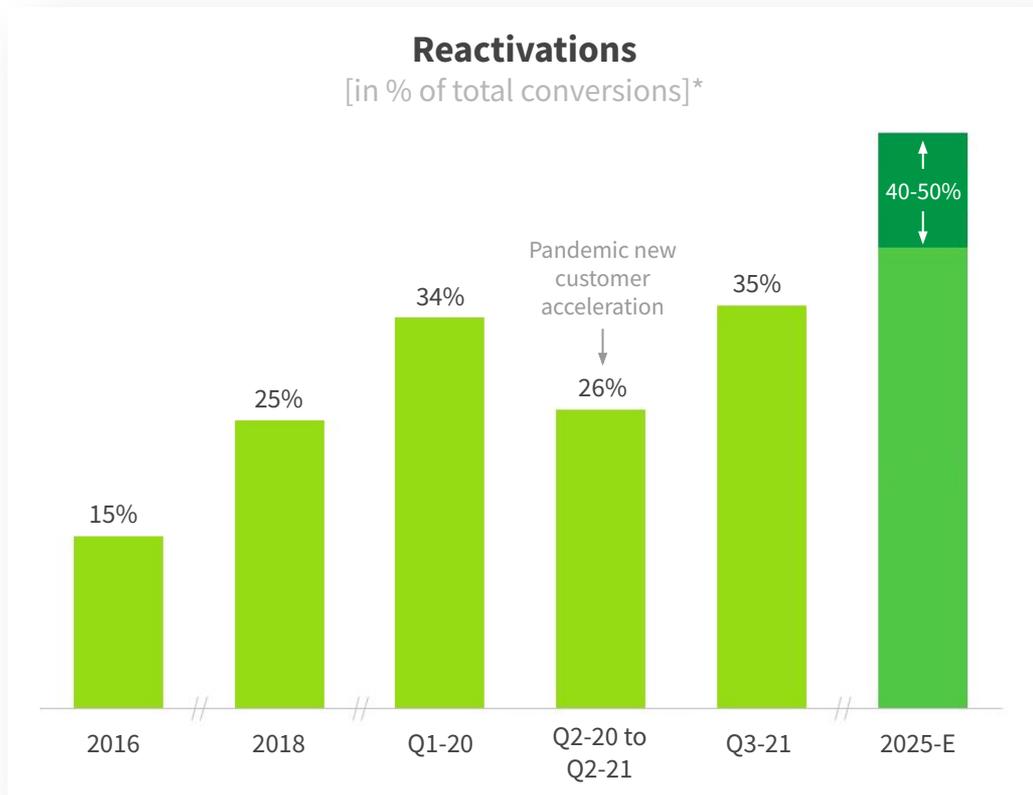
[PRICE VS MARKET]\*

Baseline

-20% to -30%

-25% to -40%

# In more established markets, reactivations will play an increasing role in driving higher penetration levels



## Reactivations already reached ~ 1/3 of conversions in mature geos

Share of reactivations will continue to grow, driven by:

- Higher base of former customers
- Increase in market maturity
- Increased CRM sophistication
- Product and service improvements

Our TAM expansion strategy focuses on entering adjacent customer, product, or geographic segments where we can apply our strong capabilities

## New Geos

[since 2018]



## New Brands



chefs plate

EveryPlate

## New Verticals

FACTOR\_

youfoodz

25% of Group Revenue as  
of Q3 2021

# We will continue our pace of geographic expansion with 2-3 additional geographies in 2022



+2




+1



+1

We recently added two large new geographies: still early stage but with huge potential

## HelloFresh Italy



**Total addressable households:  
+10.5m**

**Currently served region:  
78% coverage**



## HelloFresh Japan



**Total addressable households:  
+21.2m**

**Currently served region:  
86% coverage**

# Beyond meal kits, we are unlocking an entirely new customer segment by entering the RTE space

## The acquisition of Factor and YouFoodz ...



... unlocks more male customers, single households and convenience seekers

# The RTE market opportunity is significant, and we will continue the rollout of the format with an organic international launch in 2022

## RTE Opportunity

1

Huge TAM: \$162bn globally\*

2

Online share is still small

3

D2C products superior for health and convenience

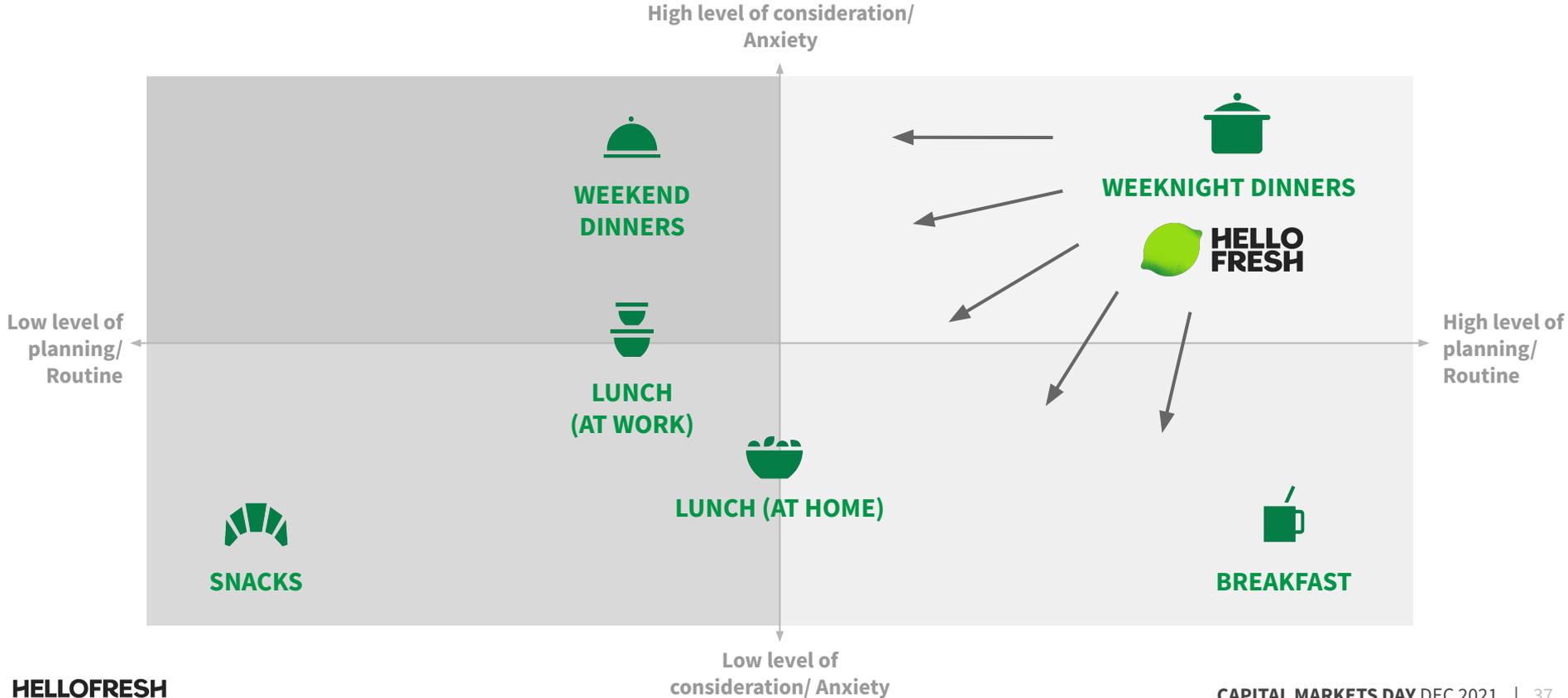


## Organic RTE International Launch

The HelloFresh Group RTE network



# We have mastered “weeknight dinners” - the ideal entry point to a more comprehensive relationship with consumers

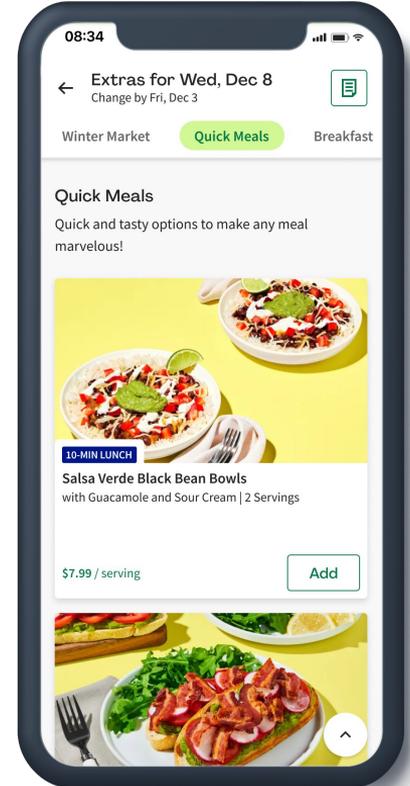
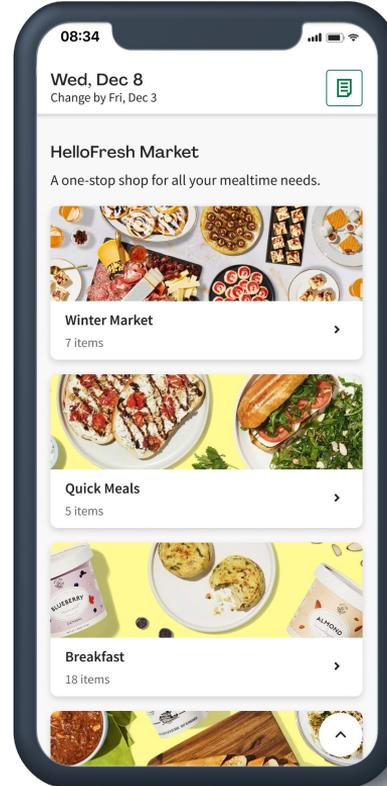


# HelloFresh Market offers our customers a more comprehensive portfolio of food solutions

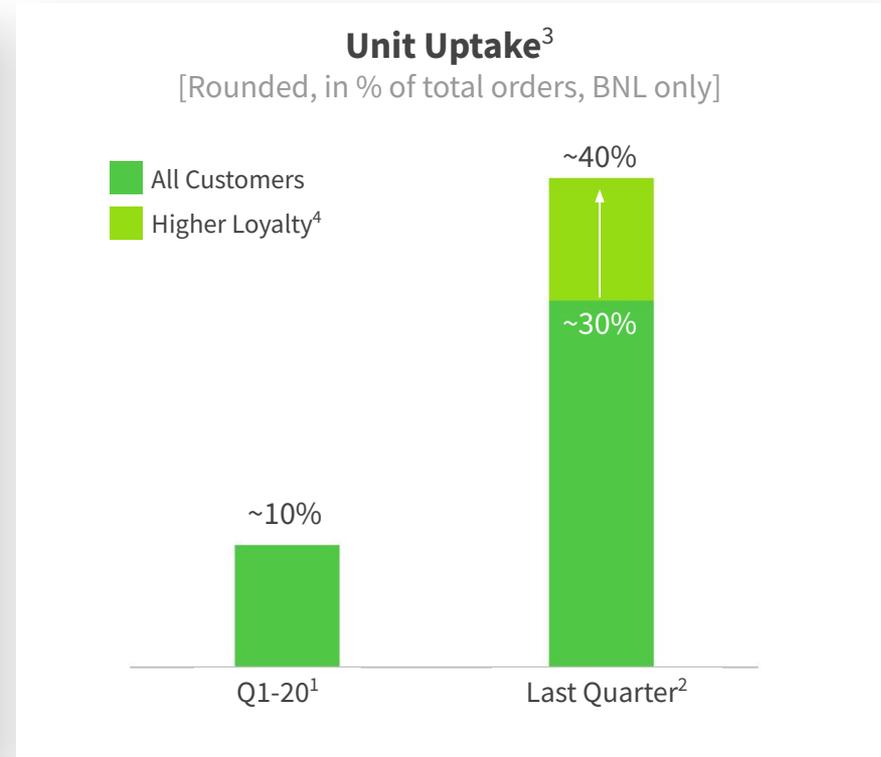
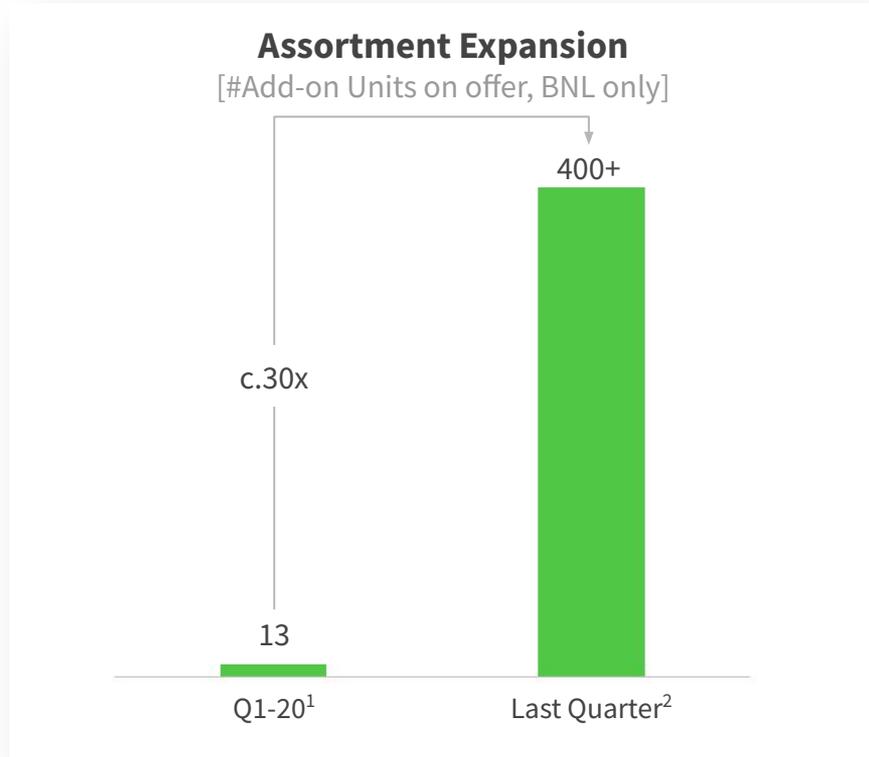
**Solution-oriented**

**High value add**

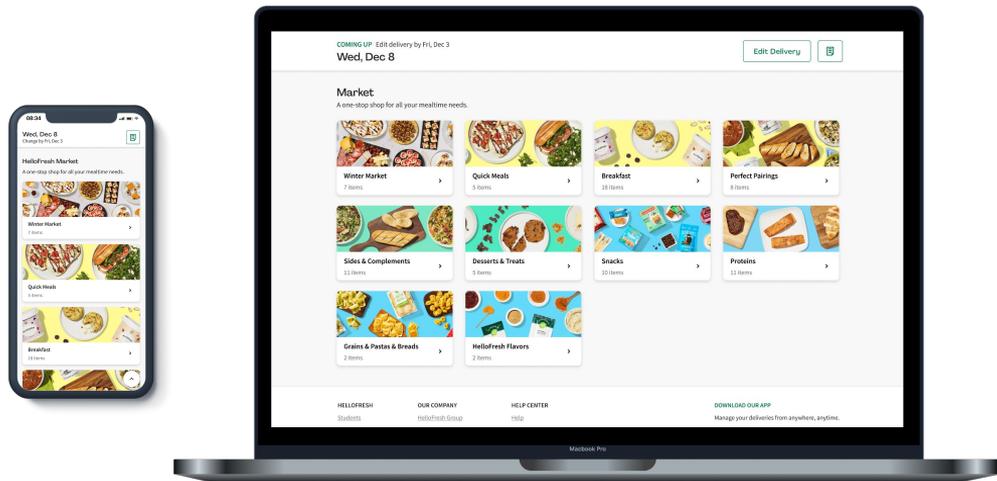
**Fresh, consumed this week**



# In our test markets, HelloFresh Market has continued to develop well, already trebling sales of add-ons since launch



# In 2022, we'll expand HelloFresh Market to more regions, whilst continuing to build the underlying proposition



1.

4 new markets

2.

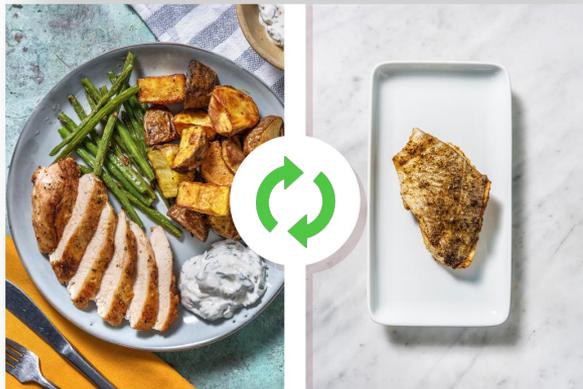
Further assortment  
expansion, and private label  
buildout

3.

Optimize discoverability,  
pricing and personalization

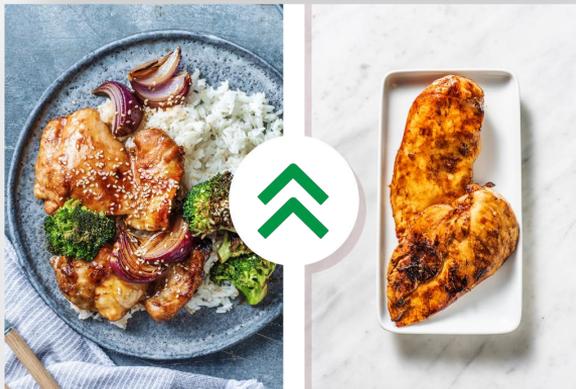
# In addition to HelloFresh Market, we are deepening our role in weeknight dinners by expanding our “modular recipe” feature

 SWAP



Increase order rate

 UPGRADE



Increase AOV

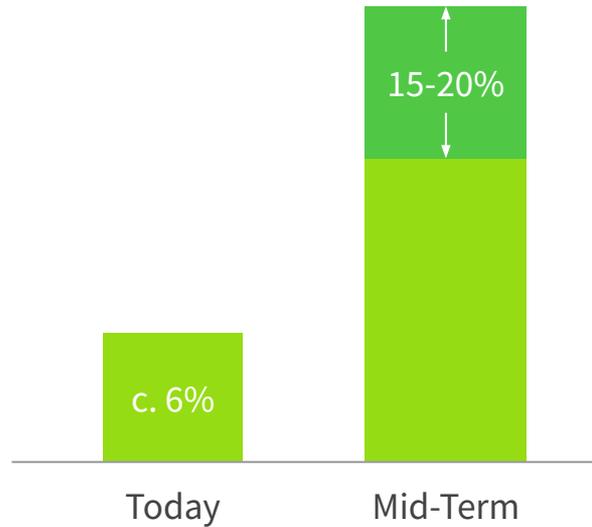
 ADD



Increase AOV

# Our portfolio of additional products are expected to drive 15-20% of Group revenue in the mid-term, from c.6% today

**Revenue Evolution - Up & Cross-Sell Products**  
[in % of total revenue]



## Main Drivers

▶ HelloFresh Market

▶ Modular recipes

▶ Recipe upgrades

▶ Extra meals

# We are firmly on track to meet the midterm growth ambitions laid out in our 2020 Capital Markets Day



**HELLO FRESH** CAPITAL MARKETS DAY DEC 2020



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**We are investing heavily into our internal capabilities to increase our competitive moat and to create the platform for long term growth**

**Capacity Expansion**

**Technology**

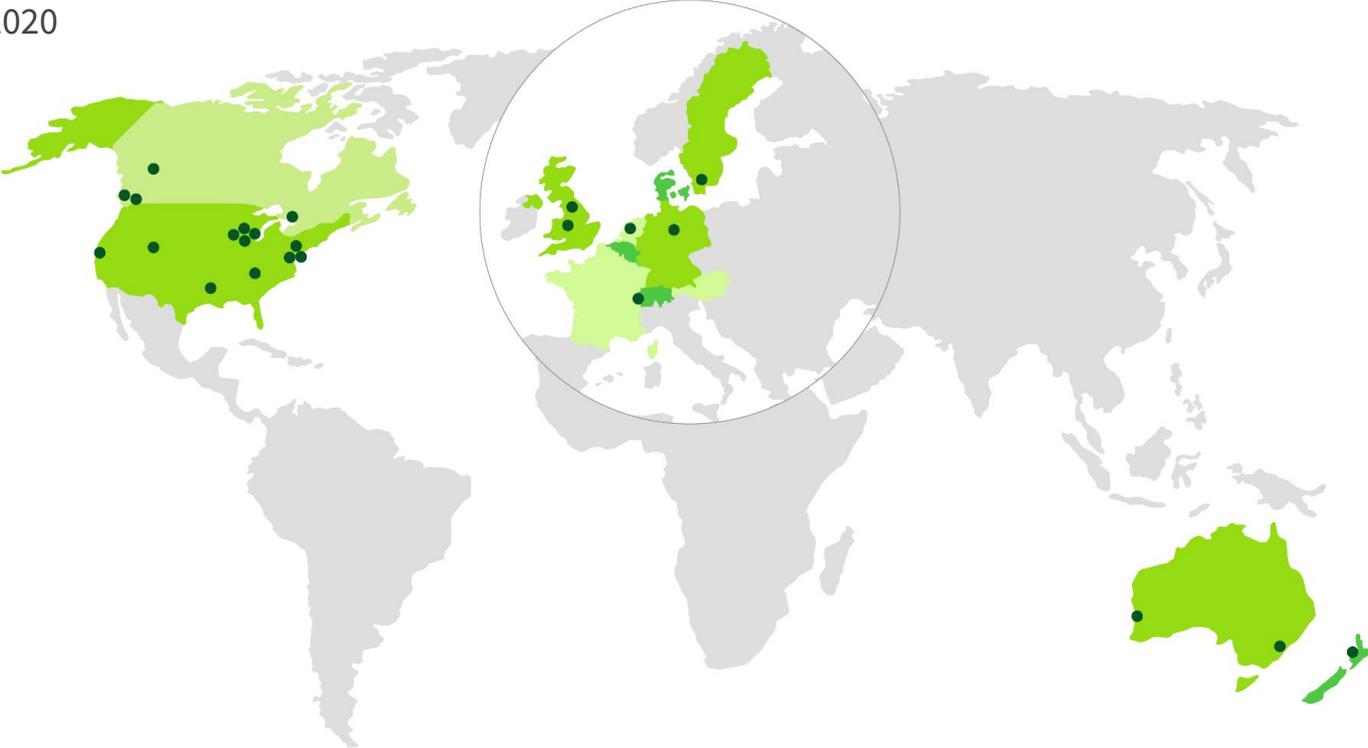
**Last Mile**

**New Verticals**

**M&A**

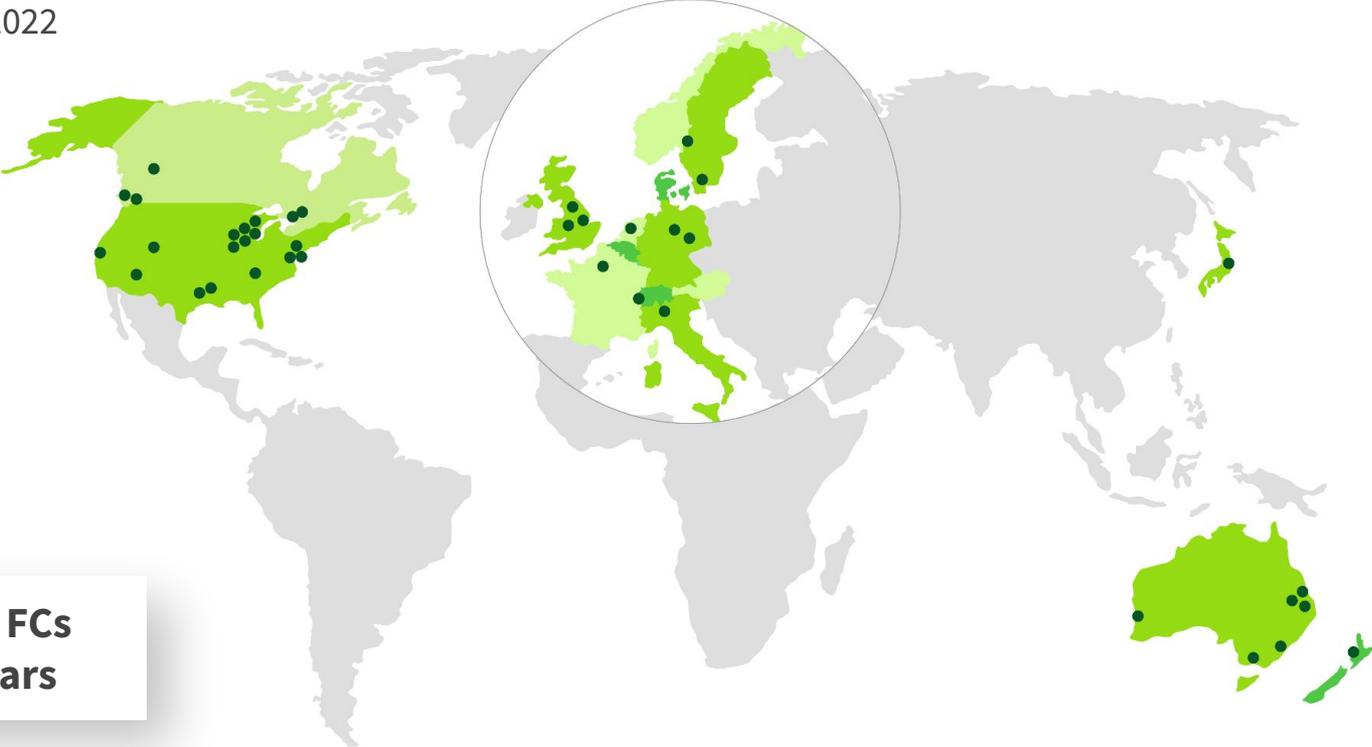
# At the close of 2020 our fulfilment network gave us an unrivalled geographic reach

Status 2020



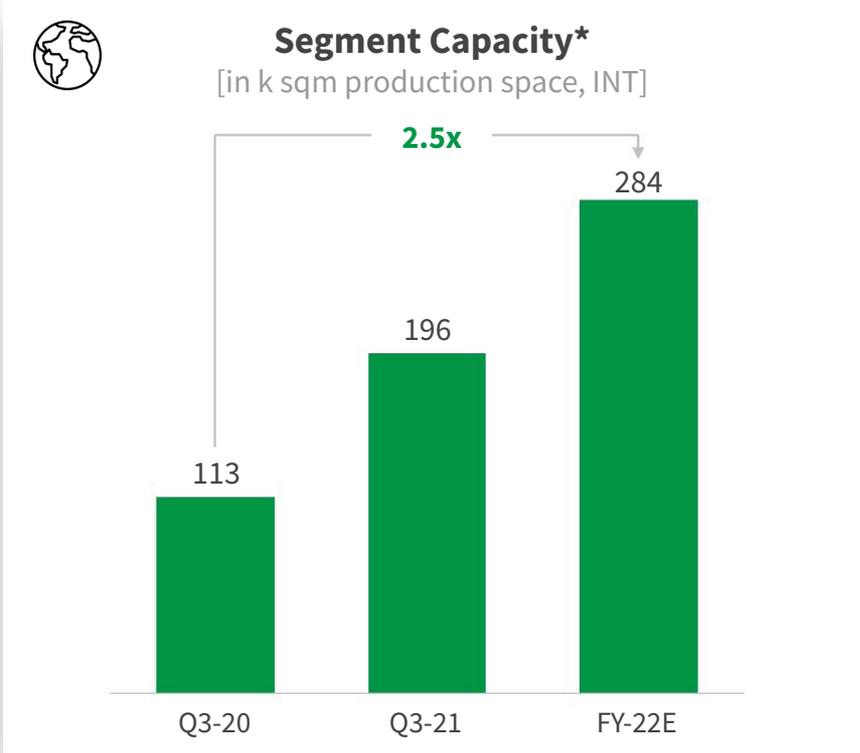
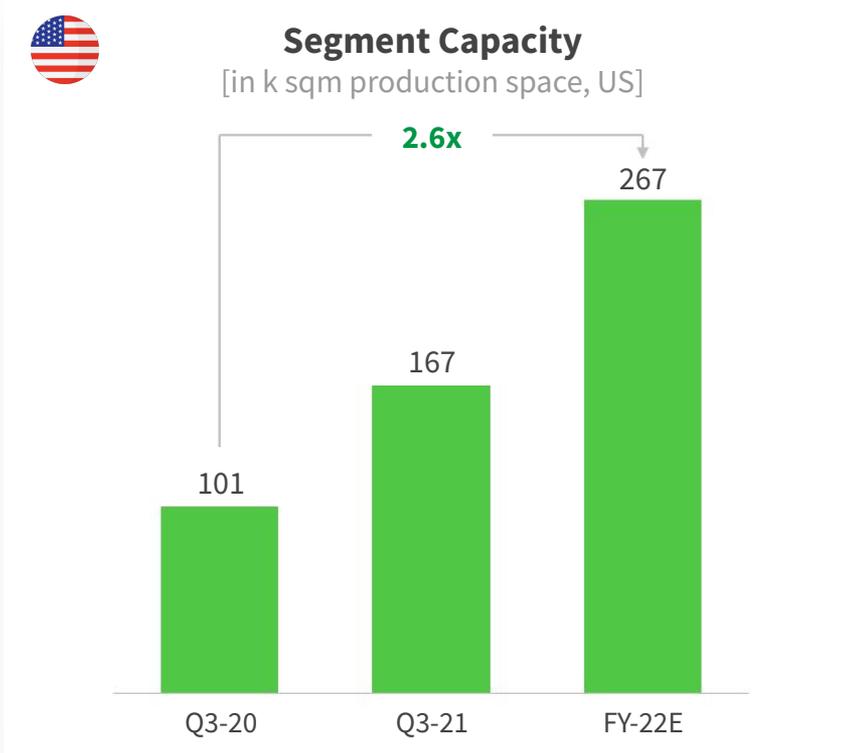
# Since then, our production facility playbook has allowed us to expand capacity at unprecedented speed

Status 2022



**15 new FCs  
in 2 years**

# Our fulfilment footprint is set to increase 2.5x over a 2 year period, giving us theoretical capacity for €10bn revenue by end of 2022



\*Figures do not include acquired Youfoodz production facilities

# Additional capacity delivers growth, productivity, and allows for new product development



Reclaim capacity lead on revenue growth



2x automation concept launches in 2022



Improved operational flexibility



Higher velocity of product innovation



Less reliance on higher cost, distressed fulfilment options

# Our global blueprint allows us to launch efficient logistics solutions wherever it makes sense to do so by taking a total cost of ownership approach



Capability in 5 major geographies



Existing in-house technology solutions



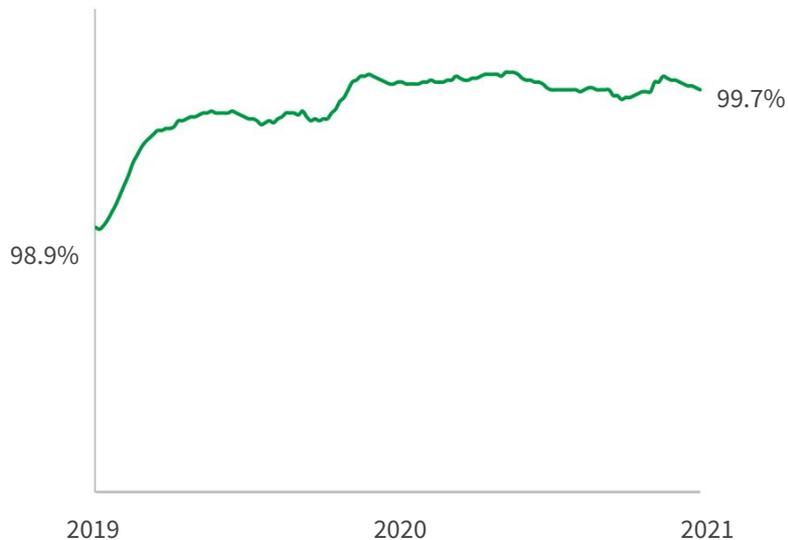
Operations playbook from Benelux and Australian markets



Build out of sortation and service hubs

# Operating our own fleet extends our control of the customer experience, with greater scope for efficiency and margin opportunities

**Logistics Success Rate Australia**  
(post Be Cool acquisition)



**1**

**Service level ownership**

**2**

**Cost and revenue opportunity**

**3**

**Speed and ease of innovation**

# HelloFresh is a tech company: Our bespoke solutions make every function at HelloFresh perform better

## Core Platform Elements



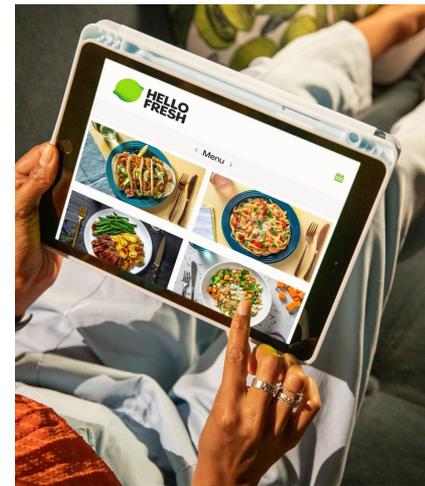
Physical Product



Supply Chain



Marketing



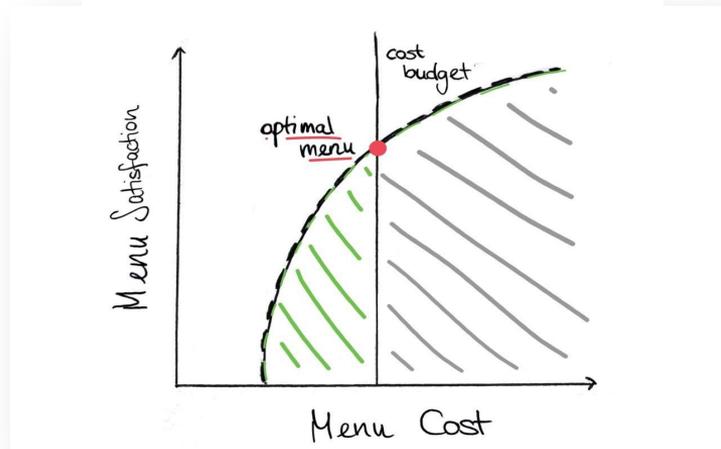
Digital Product

# Example - Physical Product: Our menu-planning algorithms power the weekly optimisation of recipe design and menu variety for a given margin target

From a highly manual process...



... to algorithmic optimization



**Outcomes: Improved customer satisfaction | Better order rate | Lower menu cost**

# Example - Supply Chain: Our dynamic packaging configurator allows us to optimize packaging and thereby reduce our environmental footprint and save costs

## Data Inputs

Procurement data  
Production data  
Logistics data

i.e. geometric shape &  
max. internal volume data  
on 21,000 ingredient SKU;  
temperature,  
distance,  
...

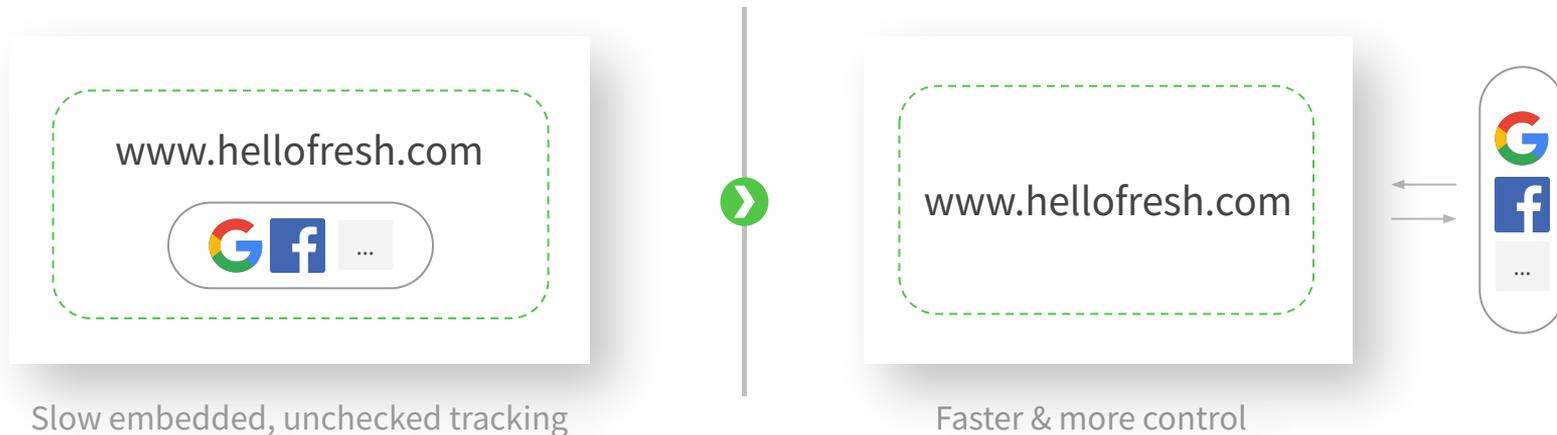


## Output



**Outcome: Reduced environmental footprint | Cost savings**

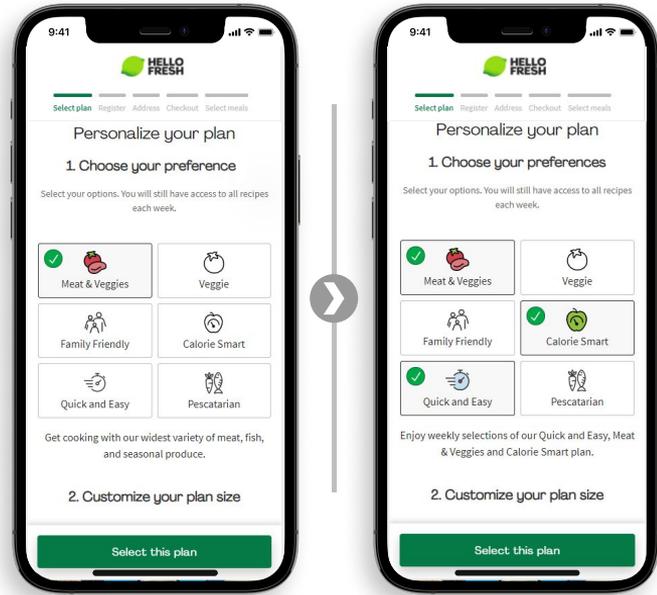
## Example - Marketing: Sophisticated server to server tracking allows HFG to lower CACs and mitigate against device tracking (IDFA) changes



**Outcomes: Cheaper CAC | Much better data control**

# Example - Digital Product: Rapid digital experimentation allows us to build a stronger ecosystem, learning across a diverse portfolio of geographies and brands

- 1** 200+ experiments per month<sup>1</sup>
- 2** ~ 54,000 participants per experiment<sup>1</sup>
- 3** Success rate outperforms benchmark



Graphic: Menu multi-preference funnel test

# Example: Constant experimentation delivers incremental gains that compound over time

## Recipe Sorting

[top recommendations based on (dietary) preferences]



Sweet & Smoky Pork Tenderloin  
with Chili Roasted Carrots and Potatoes & Cherry Sa...

VS.



HALL OF FAME  
BBQ Pineapple Flatbreads  
with Caramelized & Pickled Onions

## Price Testing Framework

[inc/ excl. shipping fee]

€6.67/ serving  
&  
Free Shipping

VS.

€5.80/ serving  
&  
€5.00 Shipping

## Fraud Management

[credit scoring model]

Credit scoring model  
recommends which  
customers to service

VS.

X



# We see so much opportunity and are investing heavily. We're planning to double our technology workforce across 6 global tech hubs



Berlin



New York



Toronto



Chicago



Sydney



Boulder

**+1000**  
new tech roles

# Factor is a strong case study on the application of HFG's capabilities to new adjacent markets

## FACTOR\_



Steak with Roasted Sweet Potatoes



Mustard Salmon



Brisket Ropa Vieja



Spicy Turkey Poblano



Grassfed Burger with Tomato Bacon Chutney



Stuffed Pork Tenderloin

# By pairing Factor's manufacturing and product development expertise with HelloFresh's world class D2C capabilities, post M&A synergies are significant

## HELLOFRESH GROUP

## F A C T O R \_

1

Adopt HelloFresh marketing acquisition capabilities

**54% CAC reduction<sup>1</sup>**

2

Leverage economies of scale for common operating areas

**16% savings<sup>2</sup>**

3

Migrate to HelloFresh technology infrastructure

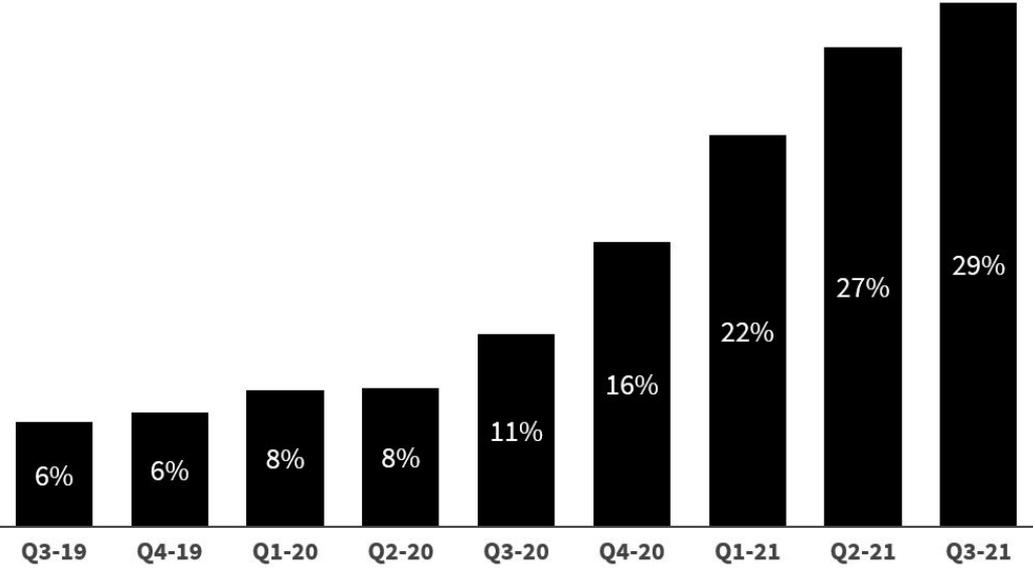
**37% conversion uplift<sup>3</sup>**



# The results provide clear evidence that the capabilities established while building leadership of the meal-kit space are transferable

### Factor Market Share Development

(in % of revenue share)



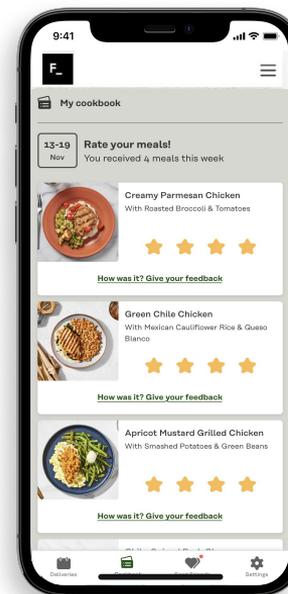
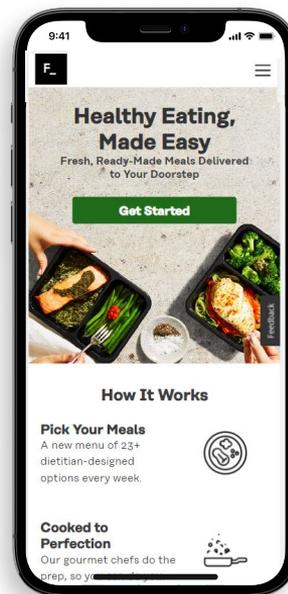
### Current Position

- 1 #1 RTE player
- 2 3.5x revenue growth\*
- 3 Expanded product offer

# We're excited to support future growth of the RTE category globally

## Our Roadmap

- Continue to scale our operations and ease current capacity constraints
- Continue to leverage HelloFresh technical capabilities to improve customer digital experience
- Excited to support potential organic launches in other HF territories
- Confident that Factor will deliver on the mid-term group margin targets



**We are investing heavily into our internal capabilities to increase our competitive moat and to create the platform for long term growth**

**Capacity Expansion**

**Technology**

**Last Mile**

**New Verticals**

**M&A**



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# HELLOFRESH GROUP

## Our Ambition

To provide the most sustainable food solution at scale to our customers across all of the markets we are operating in.





**Progress  
against our  
2020  
Commitments**

1

**Achieve ISO-50001 certification**

→ Certification for energy efficiency management



2

**Materiality Assessment**

→ Improve compliance with sustainability reporting



3

**Life Cycle Assessment (LCA)**

→ Identify areas of improvement or risk in the life-cycle



4

**Supply Chain Risk Mitigation**

→ Run extensive assessment of HF supply chain

*Ongoing*

5

**Plastic Bank**

→ 3-years investment to launch 3 recycling sites



6

**Energy Strategy**

→ Strong focus on solar panel installation & green energy



# We have set ambitious public targets to achieve our goal of providing the most sustainable food solution at scale to our customers across all markets

## Our Commitment

### Target 1

Reduce carbon emissions per euro revenue in our facilities by at least 60% by 2022 (2019 baseline)

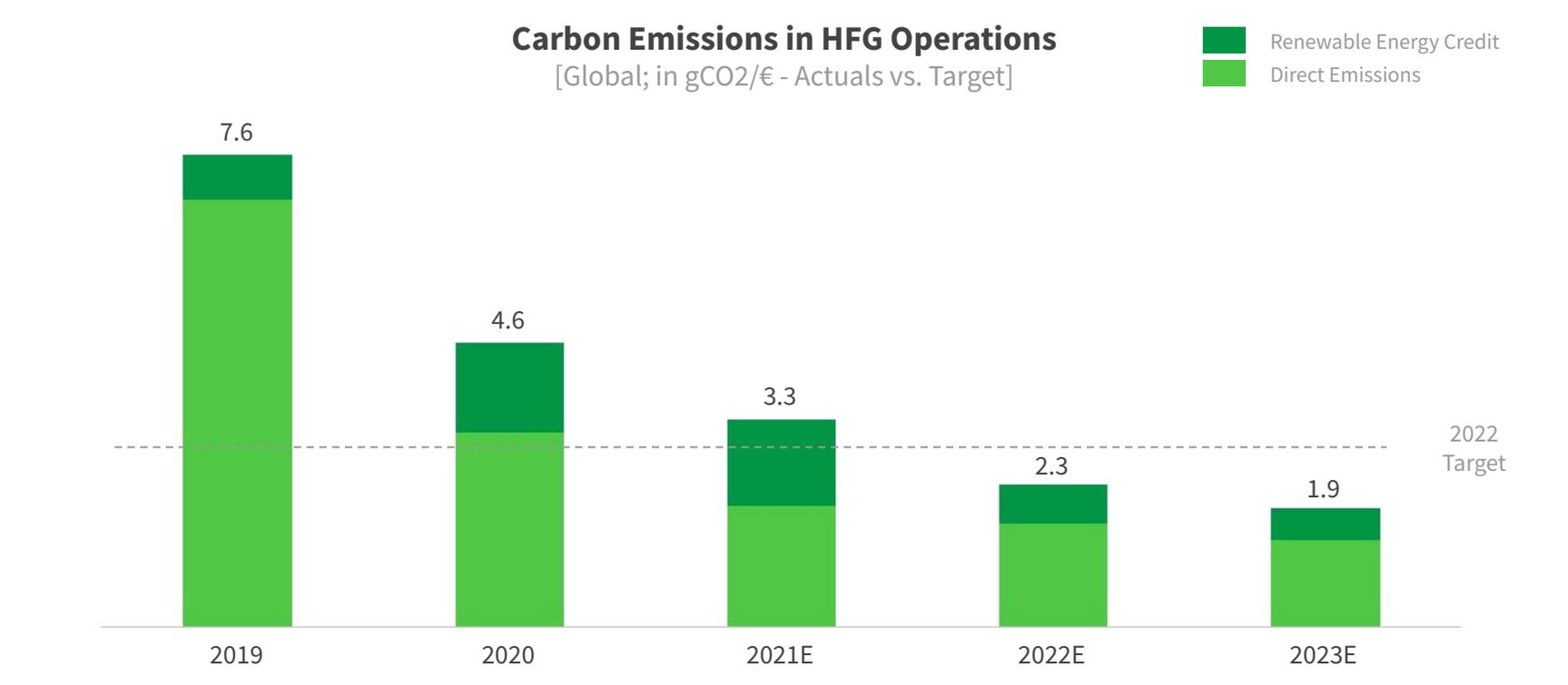
### Target 2

Reduce food waste to landfill per euro revenue by at least 50% by 2022 (2019 baseline)

### Carbon Neutrality

In 2020, HelloFresh became the first global carbon-neutral meal kit company committing to offset all the direct carbon emissions

# We are well on track to meet our target to reduce carbon emissions per euro revenue - a significant achievement for HFG!

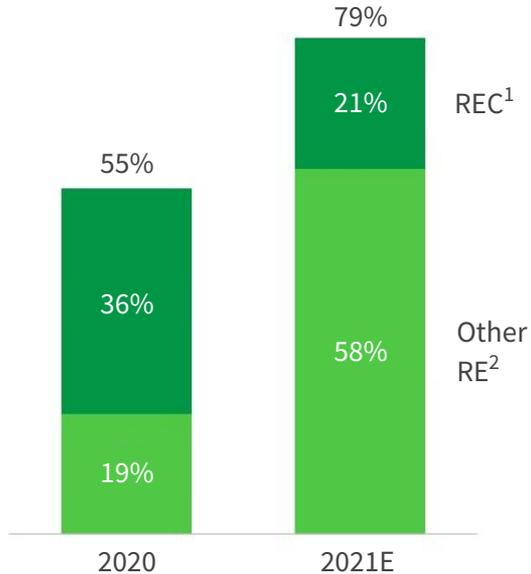


\*From 2021, Renewable Energy Credits (RECs) will account as reduction to our footprint in line with recommended best practices in carbon accounting

# This journey is underpinned by the roll out of a number of ambitious environmental initiatives

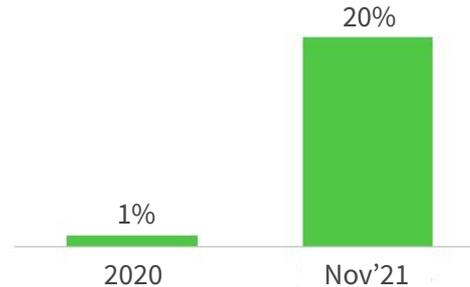
## Renewable Energy

[HF Operations;  
Consumption by energy type]



## Electrification of Delivery fleet

[% of routes done emission-free<sup>3</sup>]

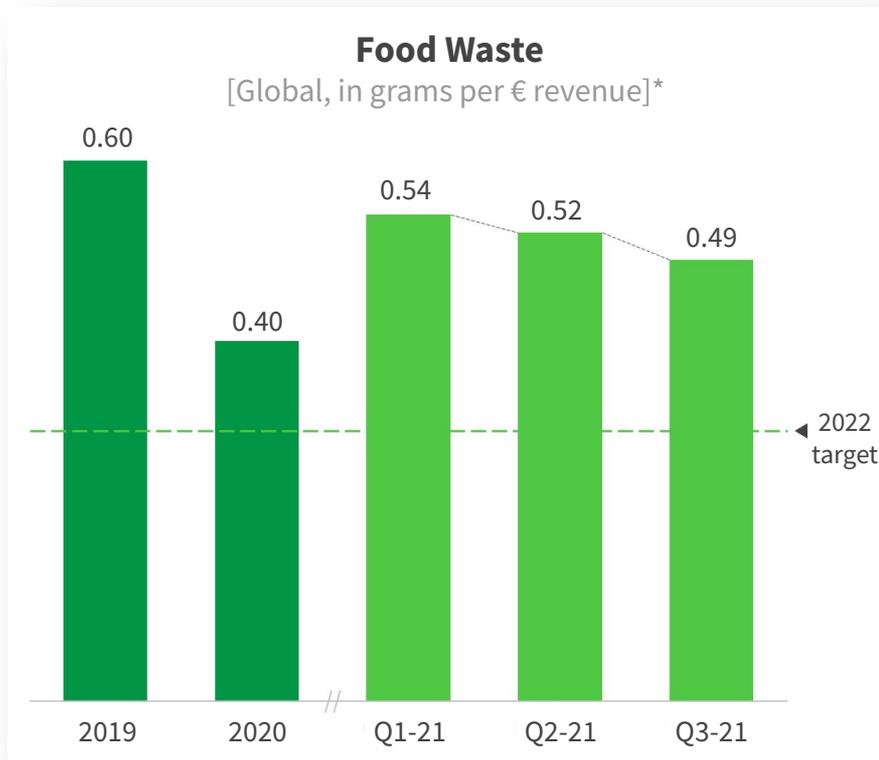


## Energy Policy

[Preliminary roll-out of energy management policies]

- 1 Energy as a selection criteria for equipment & suppliers<sup>4</sup>
- 2 Sustainability guidelines for the design of new production sites
- 3 Energy training for staff
- 4 Best practices sharing across markets

# Extrinsic and intrinsic circumstances have slowed down our food waste to landfill reduction progress at the beginning of the year



## Key Challenges

Managing additional complexity in the global supply chain

Accelerated capacity ramp-up

Introduction of HelloFresh Market and add-ons

Ambitious 2022 benchmark

# In spite of operational challenges, we remain committed to designing food waste out of our value chain

## Avoid/ Reduce

- Tech solution: Digital meal-kitting platform
- Outcome: c. 4pp reduction in over-production<sup>1</sup>

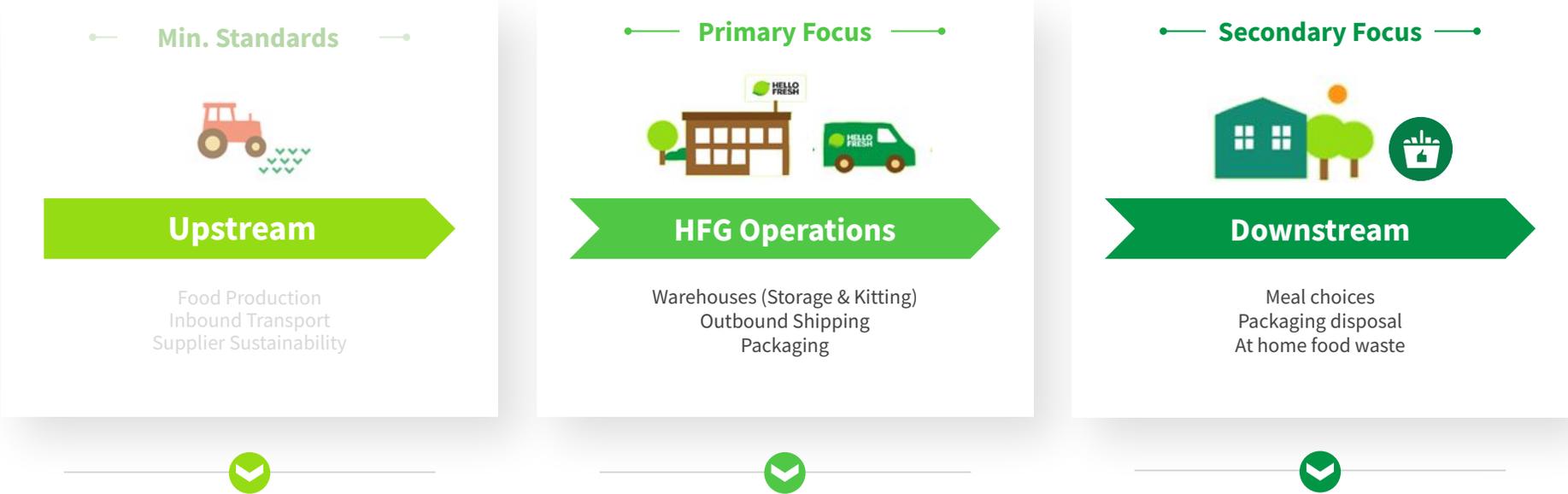
## Donate

- Donate high-quality, over-produced meals to local community
- Outcome: +6k tons of food donations globally

## Divert

- Set up fulfillment center to have “0% food waste to landfill” from day 1
- Partner with local farms or biogas producers from day 1 (e.g. HF-Italy)

# The primary focus to date has been on running more sustainable operations, while growing the business exponentially



**At HelloFresh, we are ready for the next step in our sustainability journey**

# How are we thinking about sustainability going forward?

0

We conduct dynamic materiality assessments to uncover risks, opportunities and impacts

1

Strive for operational excellence on direct environmental topics

2

Invest in initiatives across the whole value chain (beyond operations)

3

Further institutionalize social aspects, through transparency and reporting

★

Working towards achieving best in class ESG governance & reporting standards

# We continue to broaden our initiatives to reduce packaging waste

## 1 Reduce Overall Packaging



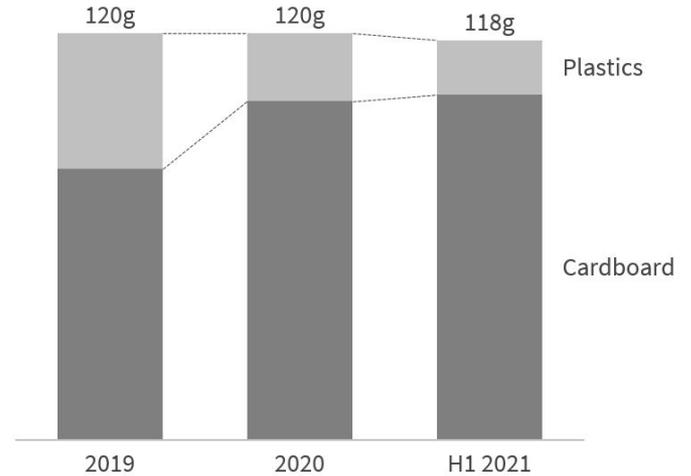
### Dynamic Packaging Configurator

Award winning in-house developed digital tool

Bundles data points from production, procurement and logistics

Optimizes optimal packaging size using ingredients volumes

## 2 Replace plastic packaging with paper



Packing per meal, in grams, DACH only

Switch of rice & grains packaging to paper in April saved c. 16 tonnes of plastic packaging to date

# Examples include:



## Linerless Boxes



Removing the insulation from the box where the temperature profile in the shipping lane is adequate



## Ice Reduction



Data tool to improve on the "worst-case" allocation logic for reducing the amount of ice per box



## Reusable containers



Policy in place to move all strategic suppliers to deliver produce in reusable containers

# On sustainable sourcing, we are pushing global minimum standards and selected initiatives at the local level

## Key Challenges

 Different regulatory frameworks and standards across markets

 Partly different consumer priorities and expectations across different markets

 Large field with a multitude of very different themes



## Mitigation

### Global minimum standards

- Ethical trading policy
- Global certification for product and producers
- Animal welfare standards
- Traceability

### Regional initiatives

- Regional sourcing
- Alignment with market / customer expectations

### Mid term roadmap

- Further increase produce and producers standards
- Supplier audit

# We facilitate healthier and more sustainable choices through availability of recipes and data empowerment

1

## Increase vegan / vegetarian availability

### Initiatives

Min. 5 'veggie' slots per week  
Onboarding vegan / meat substitute SKUs  
Modularity introduction

- 9% Vegetarian customers
- 27% Vegetarian recipes sold
- 15.4% Vegetarian meal choice<sup>1</sup>
- 2M+ Vegan meals shipped

2

## Enable informed "Climate Hero Recipe" choices

### Pilot Project Germany

Climate-labelling initiative to help customers better understand the carbon impact of their choices<sup>2</sup>



# We are further institutionalizing the social initiatives we already have in place

## COMMUNITY ENGAGEMENT

Volunteering and donation opportunities



## HUMAN CAPITAL MANAGEMENT

DE&I, Development,  
Health & Safety



## DATA PRIVACY & SECURITY

Data management,  
governance and consumer  
rights



## PRODUCT SAFETY & QUALITY

Ethical trading policy and  
supplier engagement



## We strive to achieve best in class ESG Governance

Board oversight

**Established a dedicated ESG Board Subcommittee**

Management accountability

**Sustainability targets included in management's remuneration**

Risk management

**Integrating 'inside out' and 'outside in' ESG risks into our ERM system**

Increased investor engagement

**ESG and Governance-focused roadshows planned**



**Our  
sustainability  
goals for the  
future**

**1**

**Food Waste**

- Add anaerobic digestion or composting options to all DCs
- Launch all new markets/DCs with waste minimization and landfill diversion options in place

**2**

**Emission Targets**

- Commit in 2022 to setting science-based targets

**3**

**Energy Strategy**

- Build 3MW solar plant in new DACH distribution centre site
- Roll out of electric fleet to other geographies

**4**

**Food Procurement**

- Track recipe-level GHG footprint

**5**

**Diversity, Equity & Inclusion**

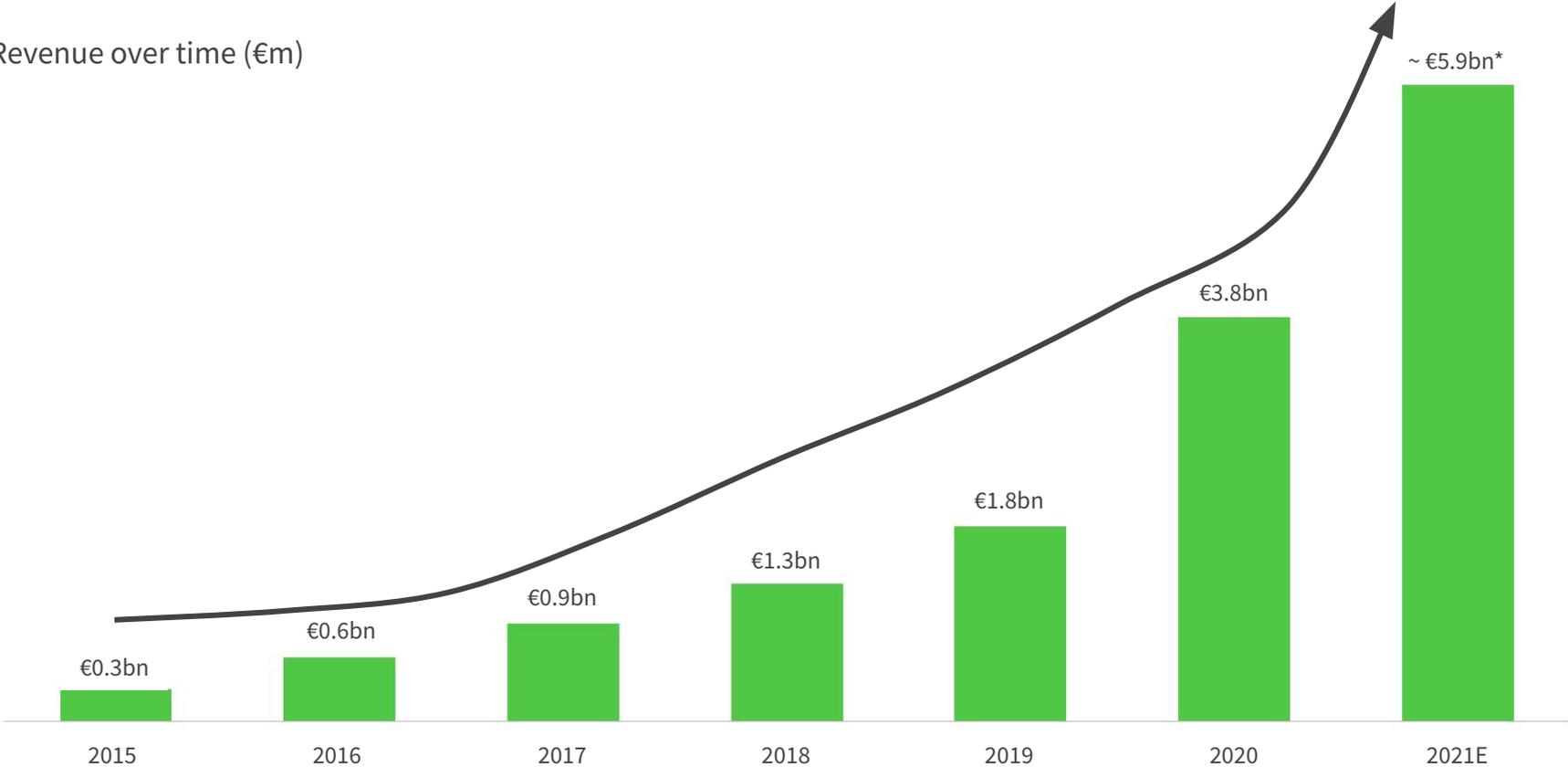
- Create end-to-end transparency and quantifiable analytics frameworks
- Embedding DE&I into our L&D strategy for all employees



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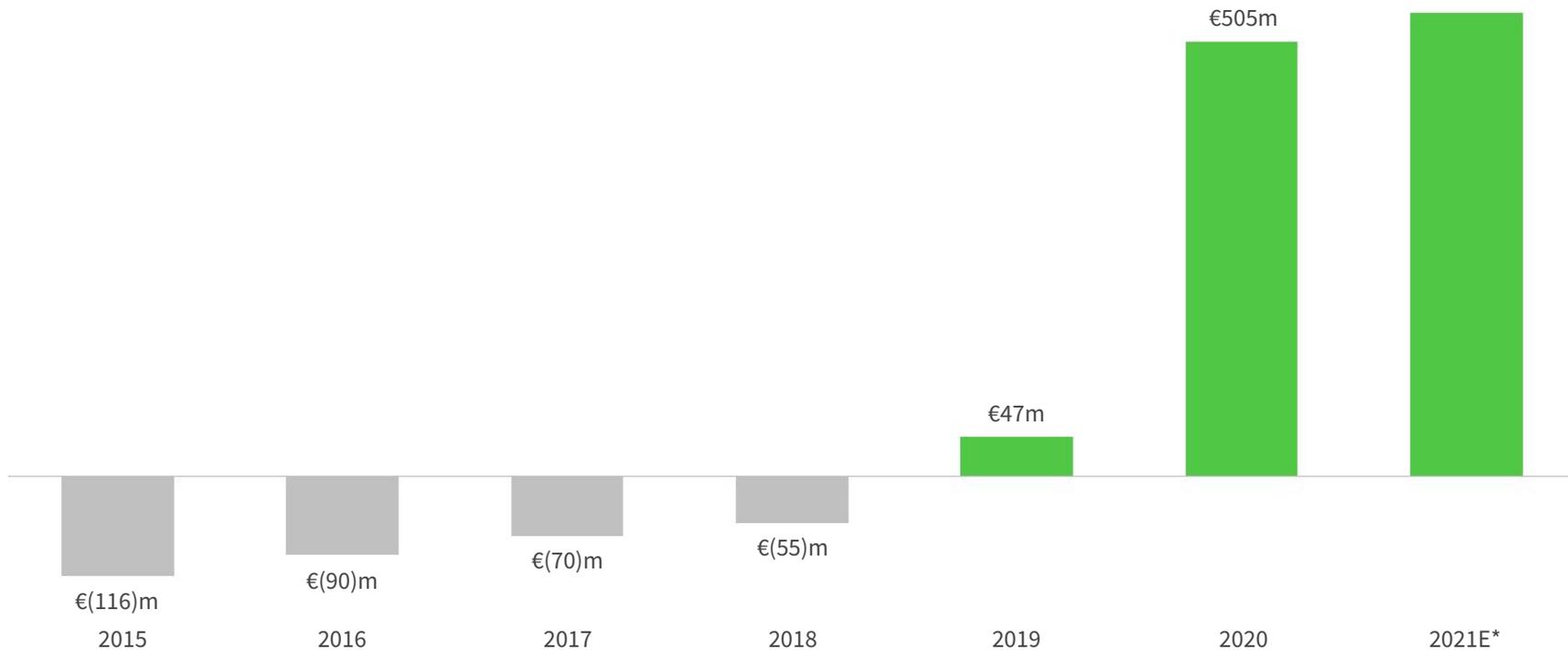
# We have delivered 10 years of consistently strong revenue growth...

Revenue over time (€m)



## ...while building one of the most profitable E-Commerce businesses

AEBITDA over time (€m)



# We remain firmly on track to achieve our midterm goals by 2025

**REVENUE**

**€10 BN**

**AEBITDA MARGIN**

**10-15%**

**FCF Conversion**

**Best-in-class**

# Today, we will deep dive on three topics

**1**

**Unit Economics**

**2**

**2022 Indicative Outlook**

**3**

**Mid-term Progression**

**Our unit economics represent the cumulative contribution profit we realise on average per customer**

## Unit economics

$$\sum_{i=1}^n$$

$$\text{AOV}_i \times \text{Variable Contribution Margin}_i \times \text{Order Rate}_i \times \text{Retention}_i$$

Customer Profitability =

CAC

**Cum. profit over time**

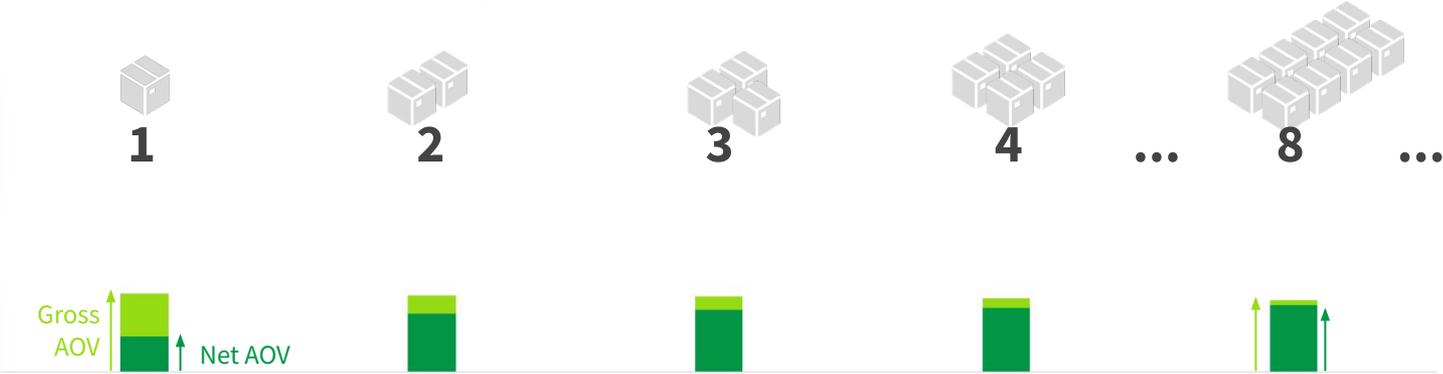
**Upfront investment**

# We realise a positive contribution profit from the 2nd order onwards, increasing strongly as the customer rolls off initial price incentives

Delivery  
(# boxes)

=

AOV  
in €



# We realise a positive contribution profit from the 2nd order onwards, increasing strongly as the customer rolls off initial price incentives

Delivery  
(# boxes)

=

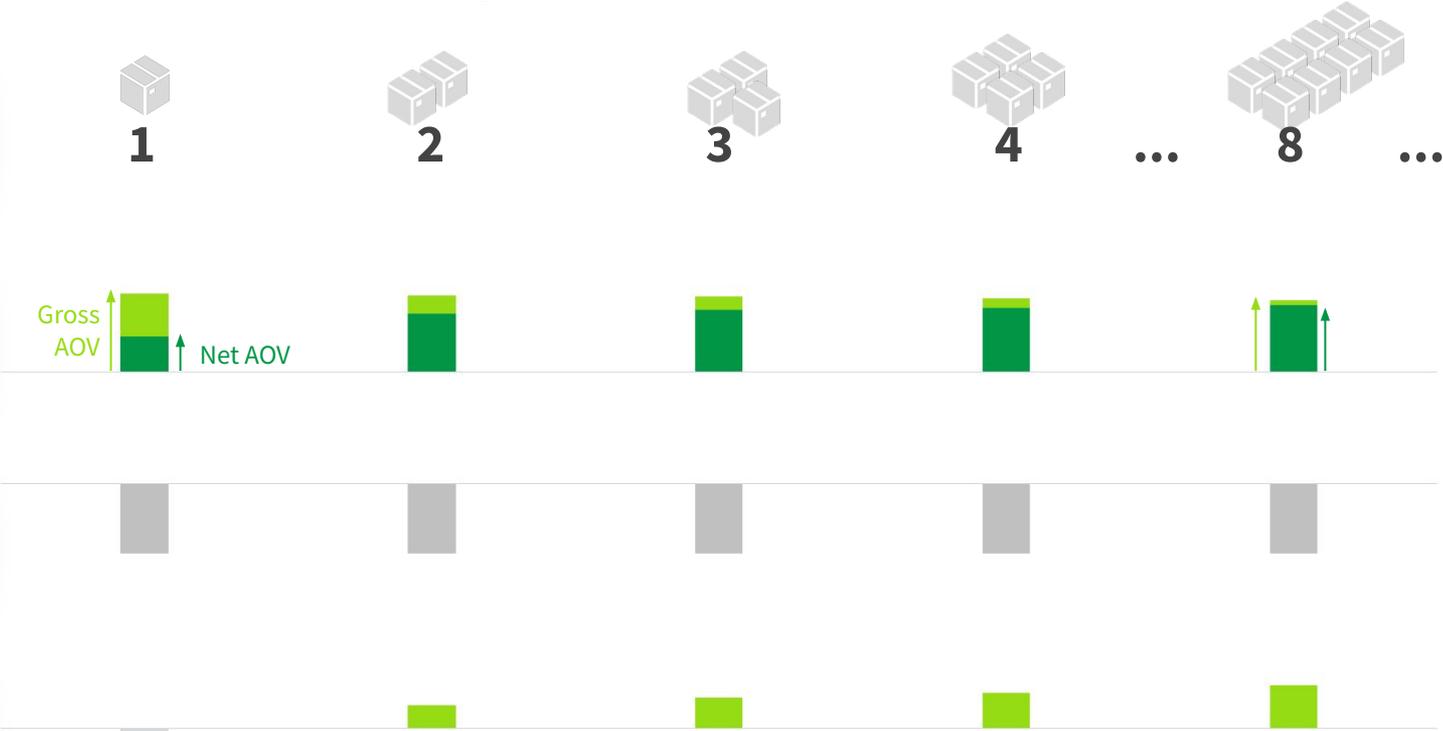
AOV in €

-

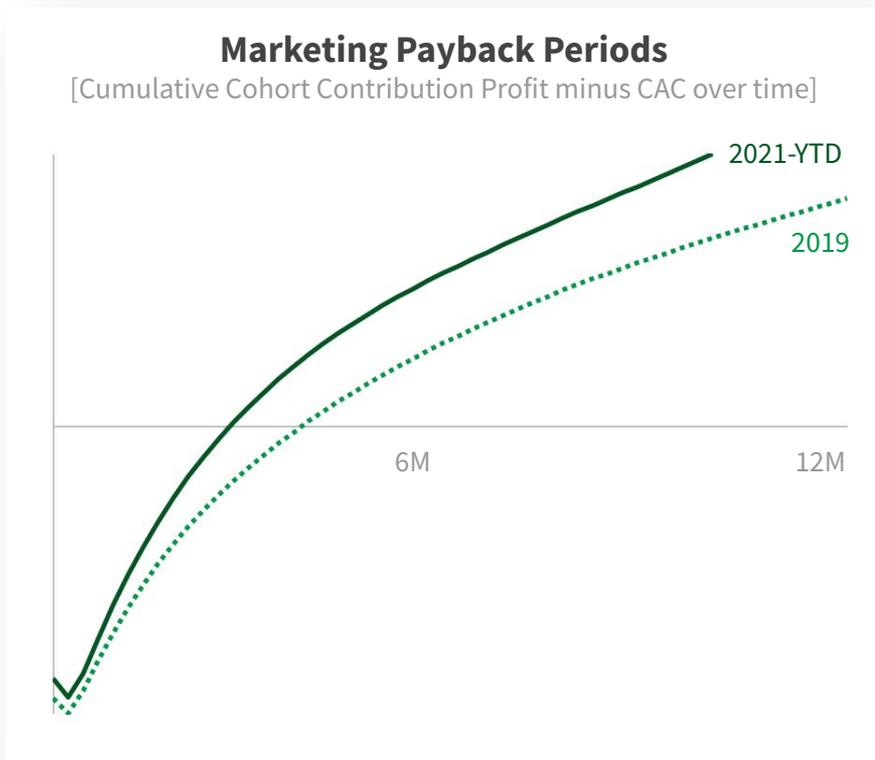
(Marginal) COGS + FF

=

Marginal Contribution Profit



# Our time to breakeven and ROI of our growth marketing expenditure has further improved vs. an already strong pre-pandemic benchmark



▶ Break-even periods meaningfully below 6 months  
- Of which reactivations quasi immediately break-even

▶ Increase in ROI from already healthy 2019 levels driven by  
- Increase in AOV  
- Increase in retention  
- Increase in order rates

▶ This more than offsets a temporary compression in contribution margin

# 2022 indicative outlook: We are targeting 20-26% (Constant Currency) revenue growth in 2022

	9M 2021	2022 E	
<b>Active Customers</b>	7.3M*		Continued robust growth, with an assumed normal seasonality
<b>AOV</b>	EUR 50.2*	+c. 4 - 7%	Primarily driven by expansion of HF Market, recipe upgrades, modular recipes, more meals
<b>AOR</b>	4.0*		Expected to broadly stabilize at historically high level
<b>Indicative revenue target</b>		<b>20-26% CC Revenue Growth</b>	

\*weighted average of quarterly data over Q1-Q3 2021

# Our 2022 contribution margin will be impacted by continued capacity ramp-up and is subject to near-term cost inflation and volatility

	9M 2021	2022 E	Comments
<b>Procurement Expenses</b>	(34.2)%*	→	Ingredient price inflation in H1 2022; development thereafter more uncertain
<b>Fulfilment Expenses</b>	(40.6)%*	→	<ul style="list-style-type: none"><li>- Ongoing ramp-up of capacity &amp; new markets</li><li>- Wage increases</li><li>- Largely offset by production efficiencies in H2</li></ul>
<b>Contribution Margin</b>	25.6%*	→	Down vs. 9-month 2021

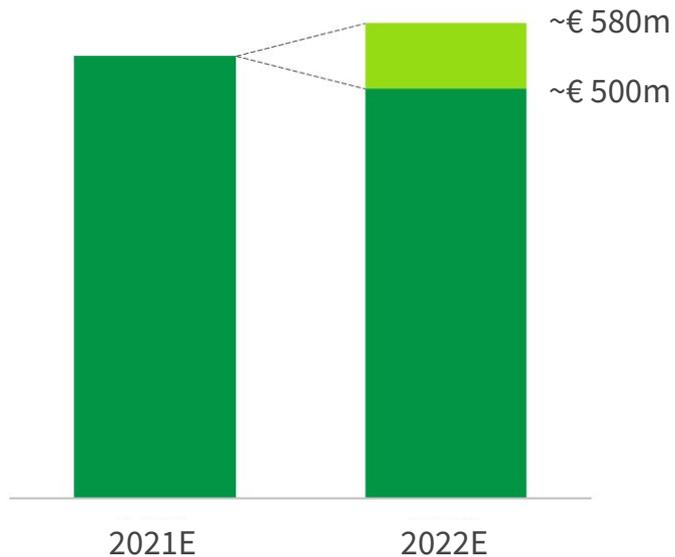
# 2022 Relative marketing spend broadly in line with 2021 ytd; G&A primarily driven by growth investments in tech teams and infrastructure

	9M 2021	2022 E	Comments
Marketing	(14.5%)*	→	Continued high ROI HFG benefits from broad channel mix, adtech sophistication and increasing share of reactivations
G&A	(3.7%)*	→	Significant further ramp-up of tech and data teams

## Despite continued growth spend and transitory cost headwinds, we are targeting an absolute 2022 AEBITDA broadly in line with 2021E

### Indicative AEBITDA Outlook

[in €m]

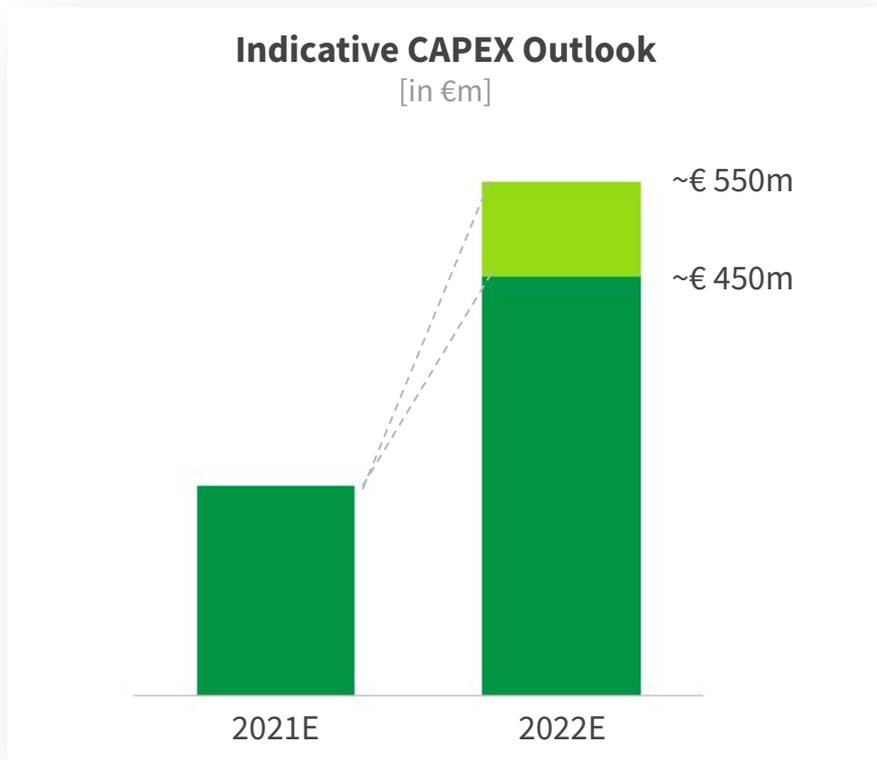


Consistent growth spend and near term cost headwinds implies 2022E AEBITDA is expected to be broadly in line with 2021E

Includes >€(140)m negative AEBITDA contribution for ramp-up of new/ non-HF brands, new markets and growth of global tech teams

AEBITDA margin of developed businesses in each segment (combined markets > 3 years after launch in Intl and HF brand in US) expected to remain above 10% in 2022

# To capitalize on our long-term growth opportunity, we plan to c. double investment in 2022



Continued capacity build-out in the US

- At least 2 additional HF brand fulfilment centers
- Additional capacity for EveryPlate and GreenChef
- Further meaningful capacity addition for Factor

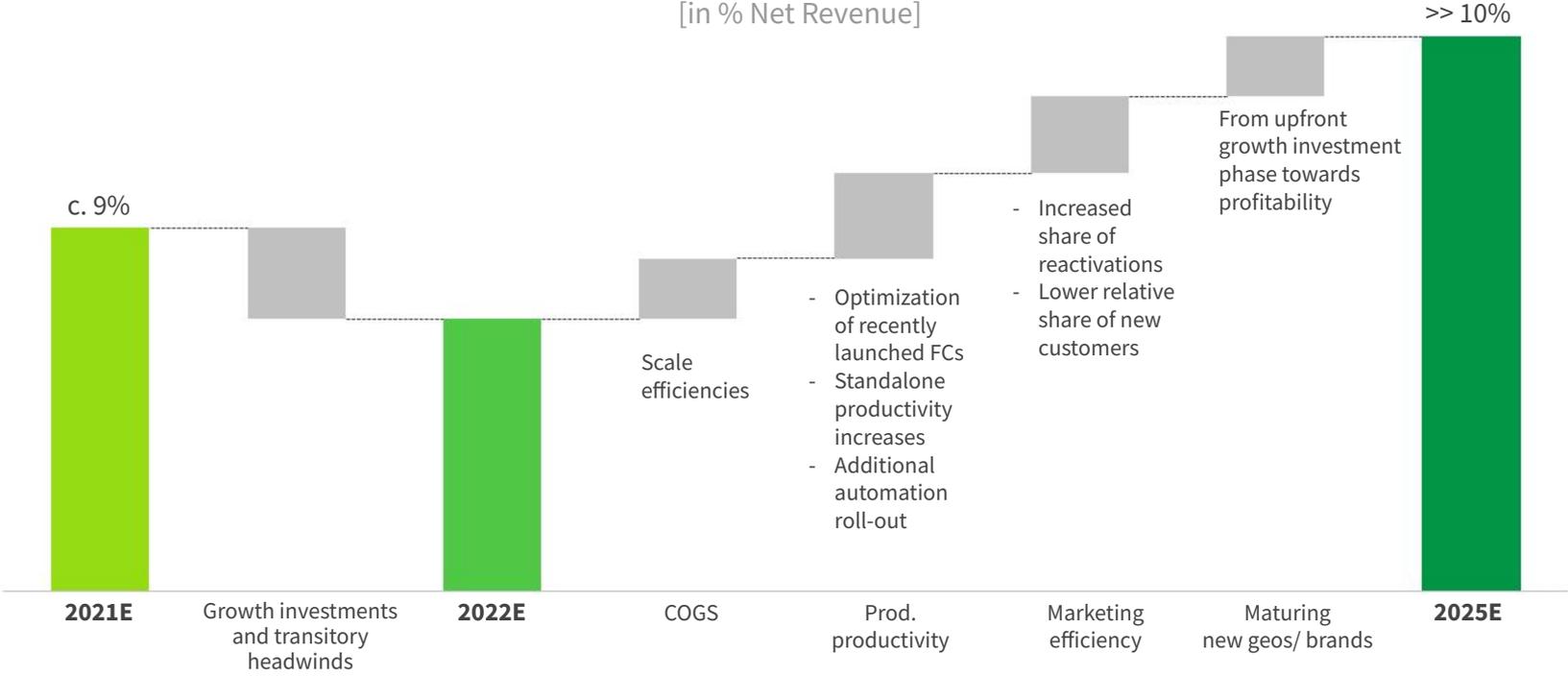
INTL production expansion in

- Germany, UK, France, Australia, Nordics, Canada
- Organic launch of ready-to-eat in the first INTL market

Capex plan includes > €200m earmarked for further automation roll out

# Our mid-term margin outlook remains unchanged as we have plenty of levers to structurally expand profitability

**AEBITDA Development**  
[in % Net Revenue]





For any enquiries please contact the HelloFresh IR team at:

[ir@hellofresh.com](mailto:ir@hellofresh.com)