



HELLOFRESH SE
Q1 2020 RESULTS
May 5th, 2020



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First quarter 2020 Highlights



Active customers have reached 4.18m in Q1, up from 3m in Q4 (and 2.5m in Q1 2019)



Validating customer trust by delivering 111.3m meals, despite currently challenging operating environment



Very strong revenue growth throughout the whole quarter with extra increase in March driven by the Covid-19 situation

- **Up 64.5% for the quarter on a constant currency basis**



Group AEBITDA of EUR 63.1m

- **AEBITDA margin of 10%+ in each operating segment**



€111.3m Free Cash Flow in Q1 alone

- **Cash on balance sheet of €299.8m at quarter end**



Continued strong trading in Q2-to-date with revenue growth and AEBITDA margins meaningfully above very high Q1 level, FY guidance raised as a result

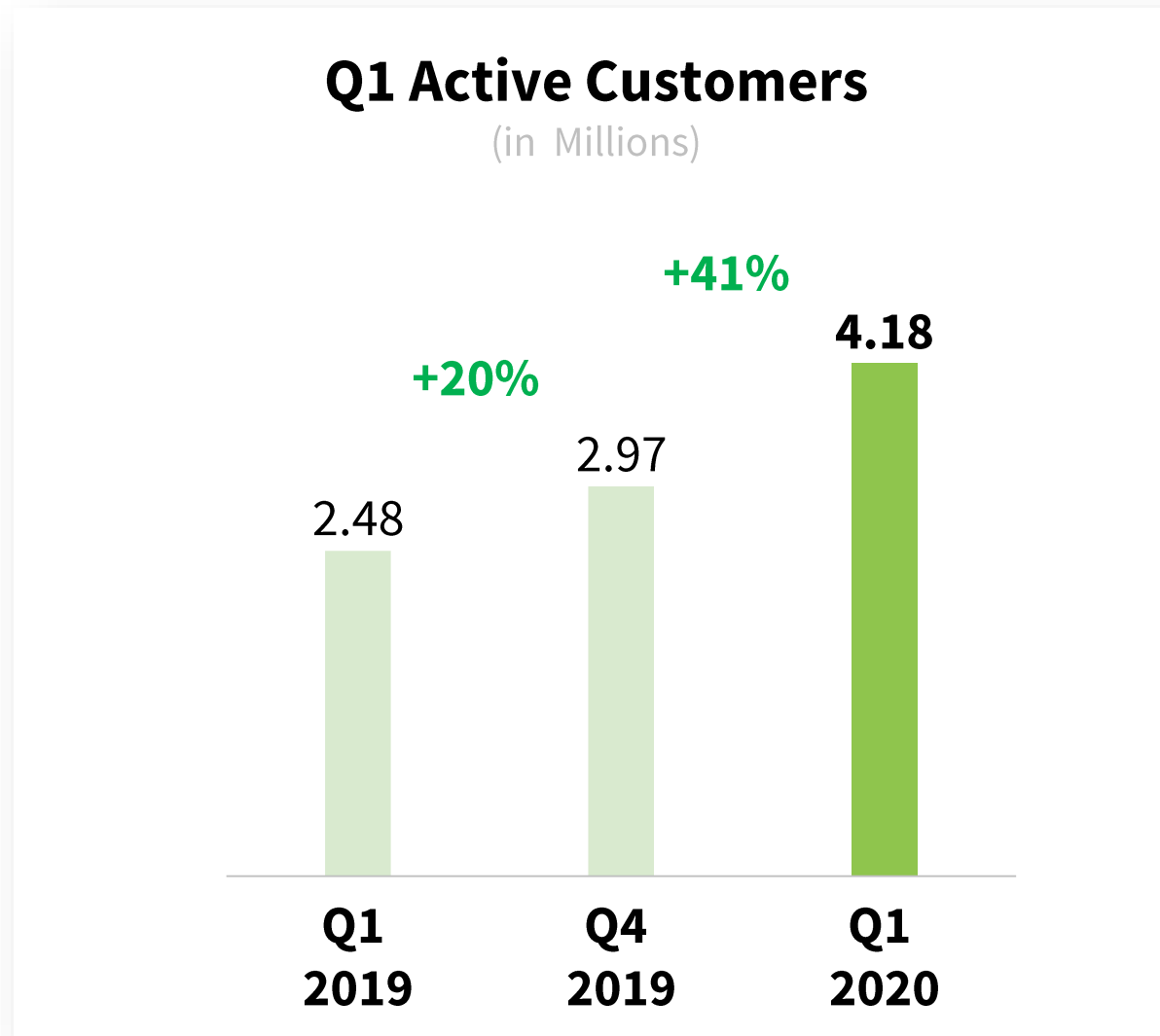


Significant acceleration of Active Customer growth throughout Q1

2019
2020

1m additional active customers within a single quarter

- Strong trend across both segments
- New customer acquisition and reactivations going strongly
- New customer acquisition actively restricted in 2nd half of March as production approaching full capacity



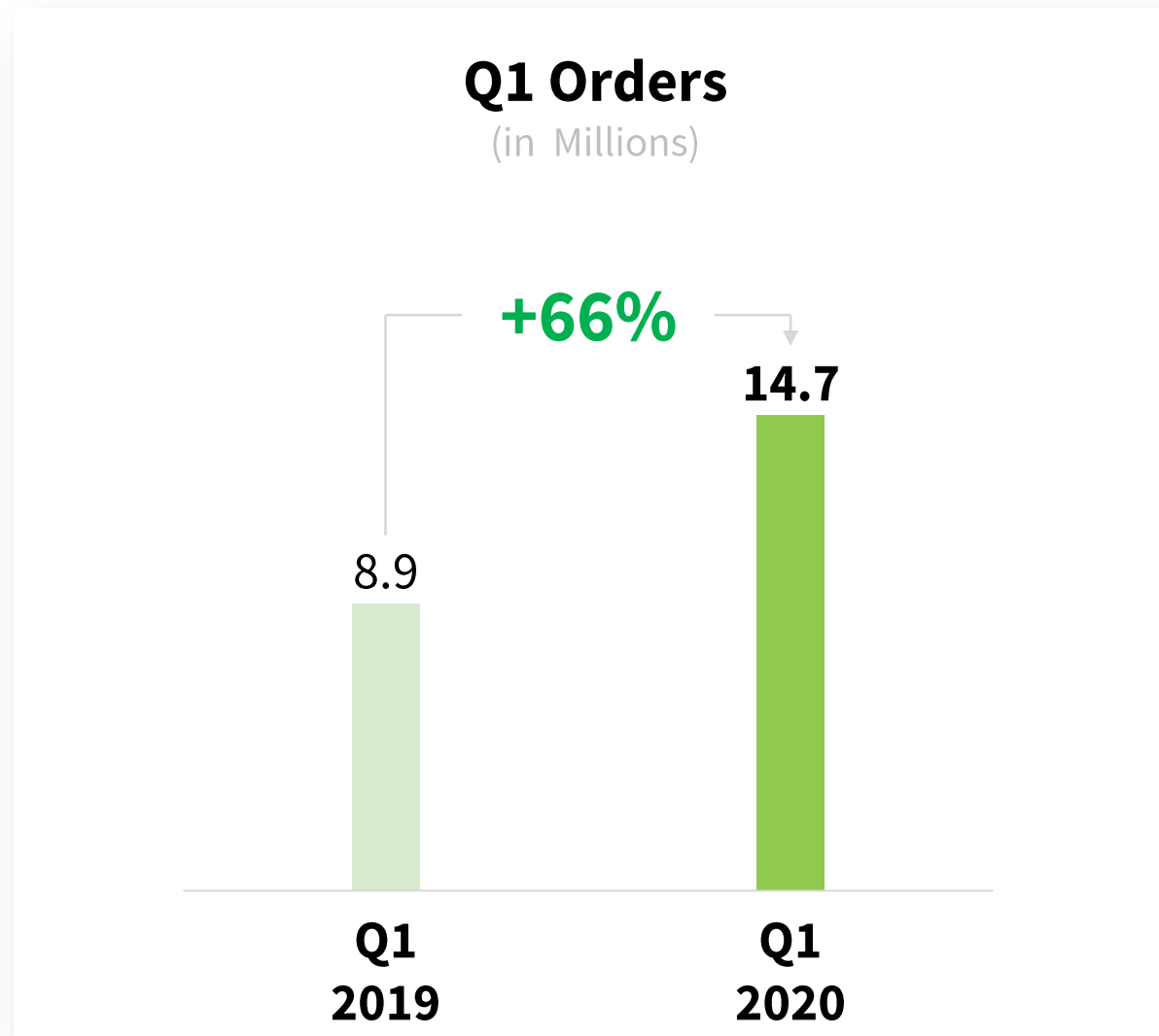


Strong growth in Orders – further acceleration in the second half of March due to the impact of COVID-19 in our core markets

2019
2020

66% growth in Orders, driven by

- Strong growth in active customers
- Increased order rates in the 2nd half of March



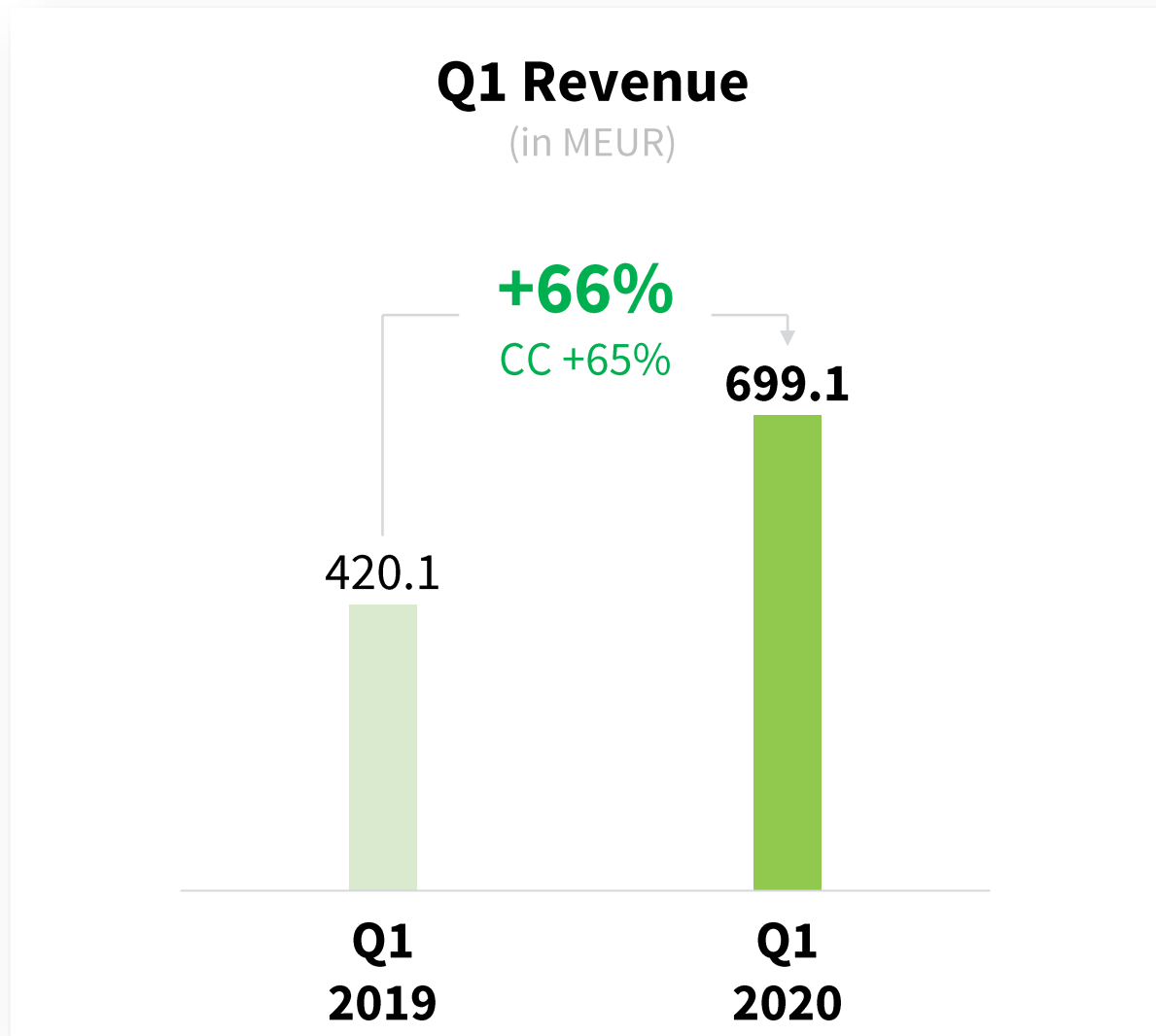


Revenue growth in line with growth in deliveries

2019
2020

Significant step-up in topline growth from an already strong Q4 base line

- Already Jan – Feb growth somewhat above the c. 40% growth in Q4
- Additional special impact from Covid situation in March

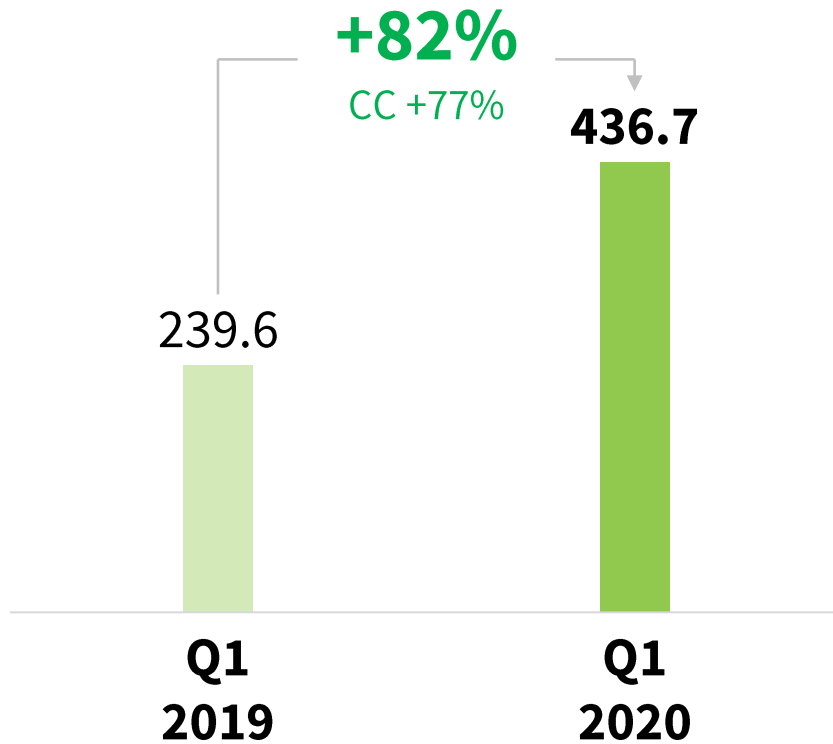




Strong growth across both segments with US even more pronounced

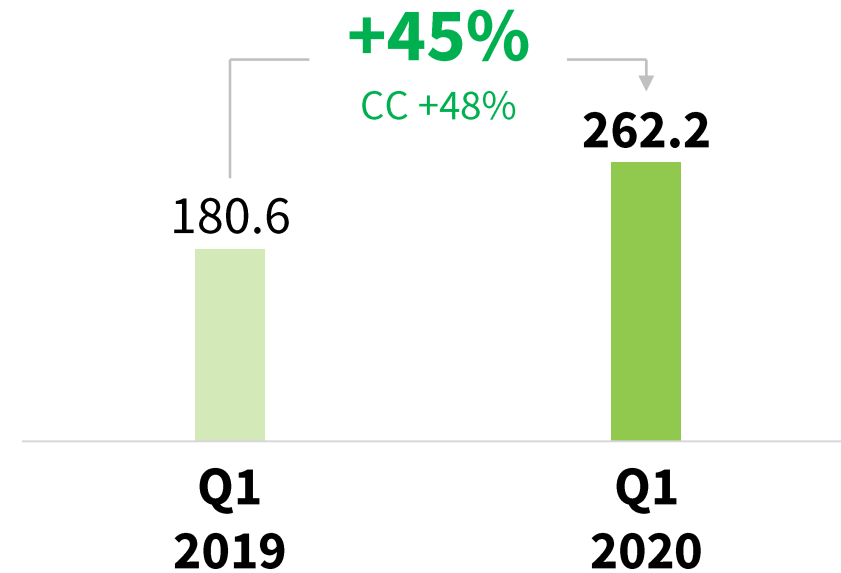
US Revenue

(in MEUR)



International Revenue

(in MEUR)





Contribution margin remained stable in Q1 vs. previous year

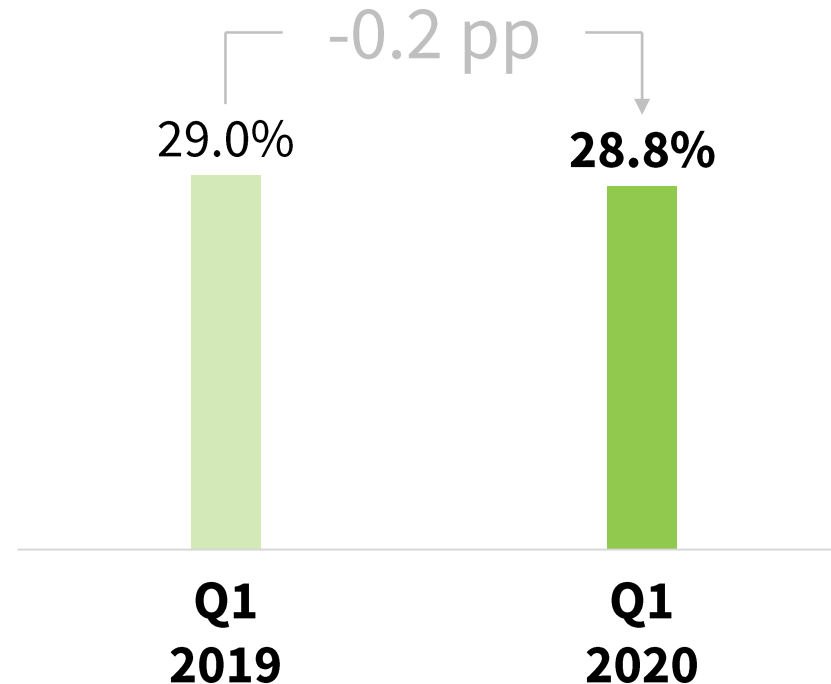
- 2019
- 2020

Contribution margin impacted by a number of offsetting factors:

- Higher impact of price incentives from strong new customer acquisition
- Negative impact on fulfilment cost from of COVID-related extra safety measures
- Further y-o-y procurement efficiencies

Q1 Contribution Margin

(in % of Revenue)





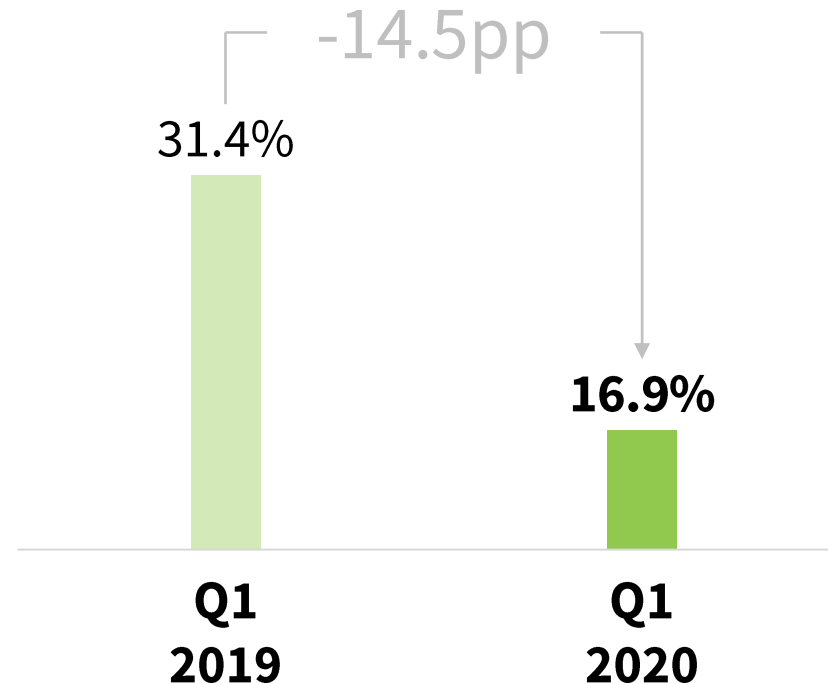
Marketing in % of revenue meaningfully below last year

2019
2020

Continuation of relative reduction in marketing expenses

- Attractive CACs achieved throughout the quarter
- Additional tailwind from Covid situation since 2nd half of March

Q1 Marketing expenses¹ (in % of Revenue)



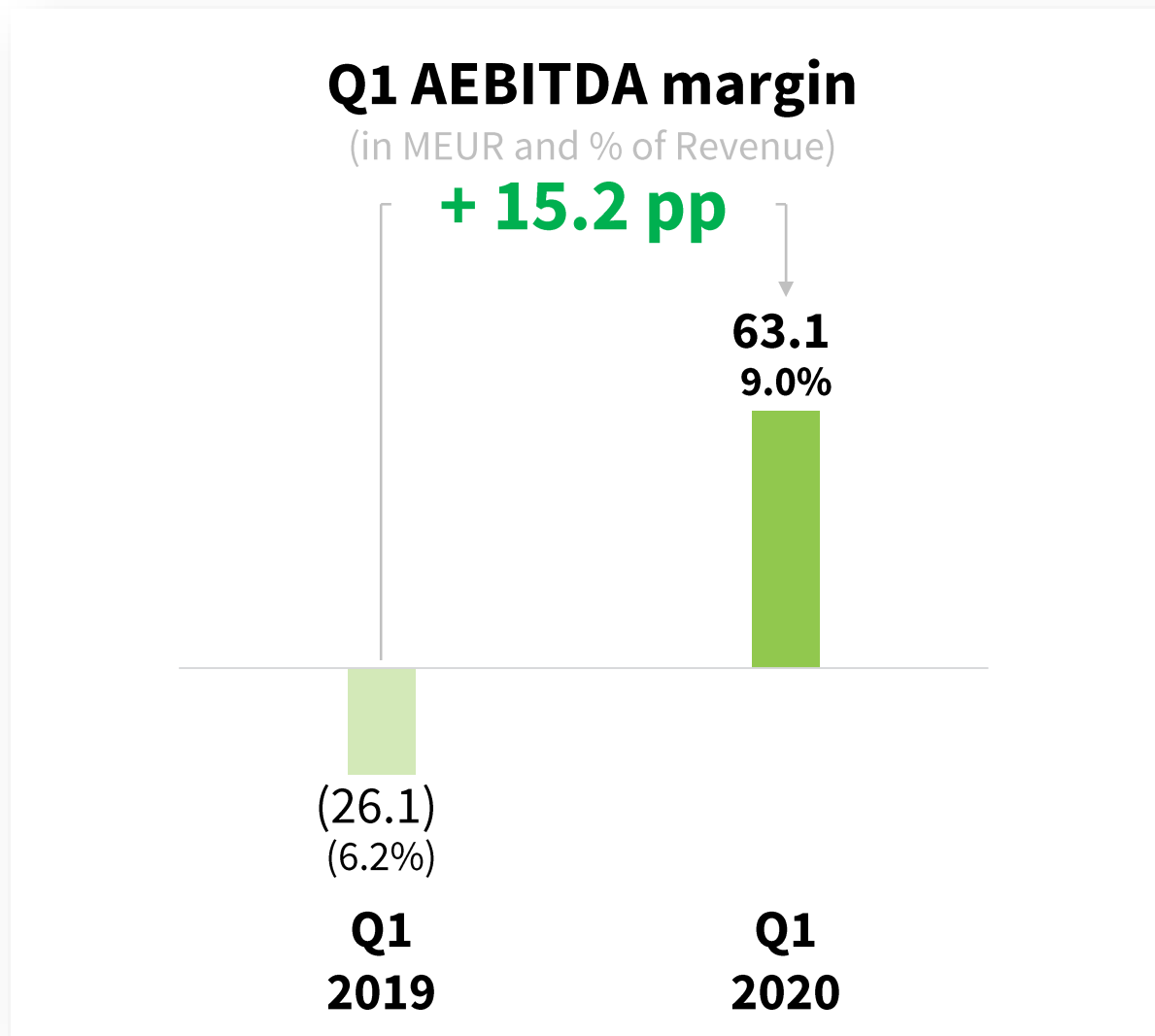


Very strong AEBITDA margin expansion towards midterm target level

2019
2020

€63.1m AEBITDA in a single quarter

- Record margin, despite Q1 typically a seasonally lower margin quarter
- Margin expansion primarily driven by marketing efficiencies
- Additionally special effect of Covid-19 situation in March

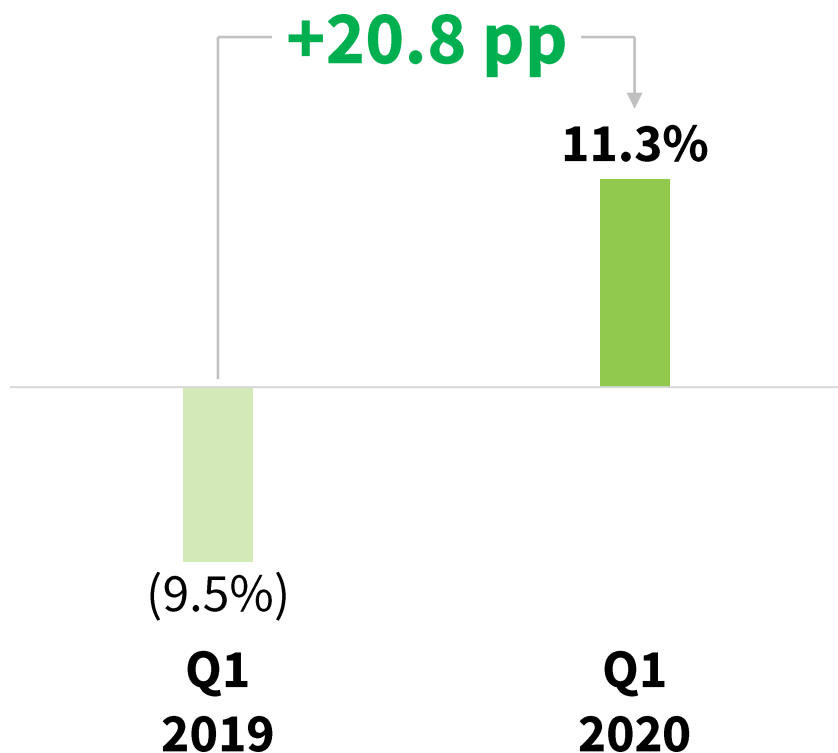




10%+ AEBITDA margin in both operating segments

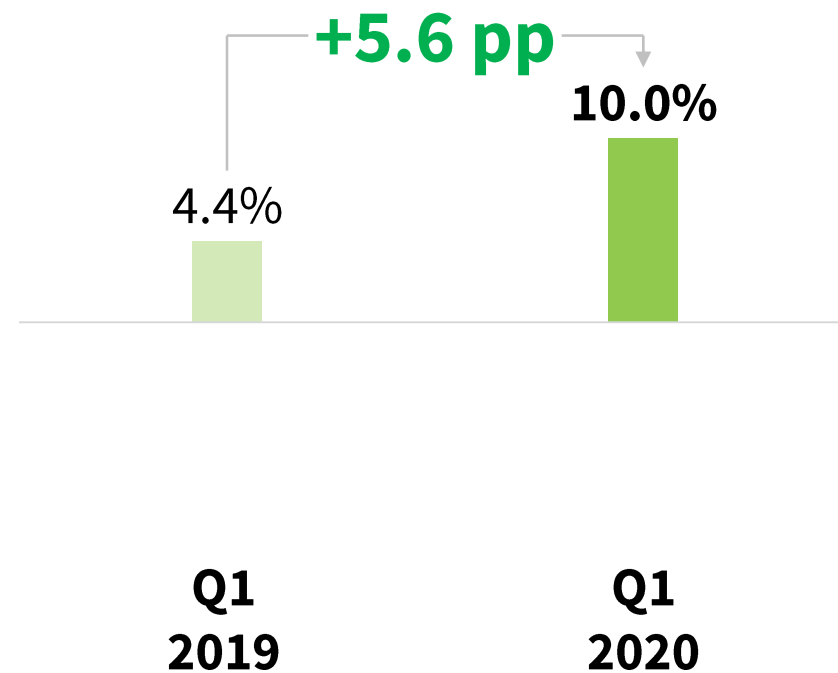
US AEBITDA margin

(in % of Revenue)



International AEBITDA margin

(in % of Revenue)

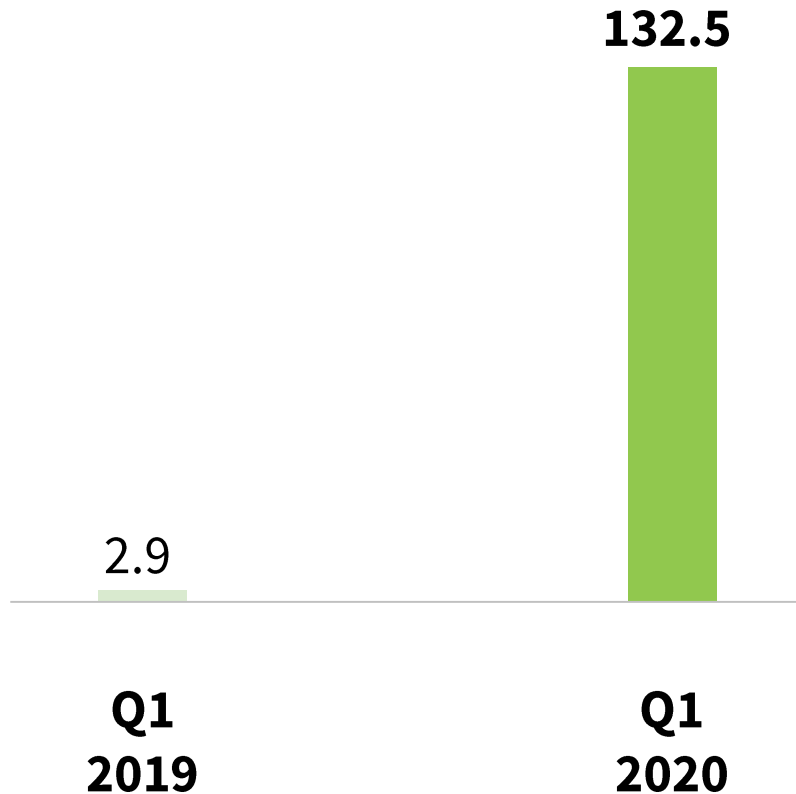




FCF of €111.3m adds to an already strong balance sheet and increases cash position to €299.8m at the end of Q1

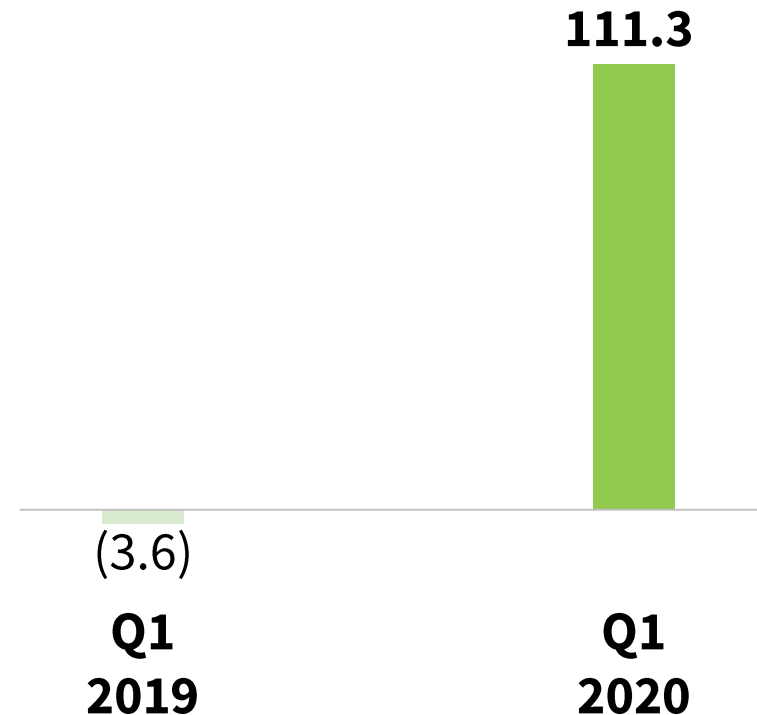
Q1 Operating Cash Flow

(in MEUR)



Q1 FCF¹

(in MEUR)





Updated 2020 outlook

	Guidance (Mar.2020)	Updated Guidance (May.2020)
Const. Currency Rev. growth	22% - 27%	40% - 55%
AEBITDA margin	4.0% - 5.5%	6.0% - 10.0%

Assumptions underlying revised outlook:

- Gradual lifting of lock-down restrictions and normalization of demand patterns during Q2
- HFG coping comparatively well with meaningfully recessionary environment in all major markets
- However, outlook is subject to heightened uncertainty

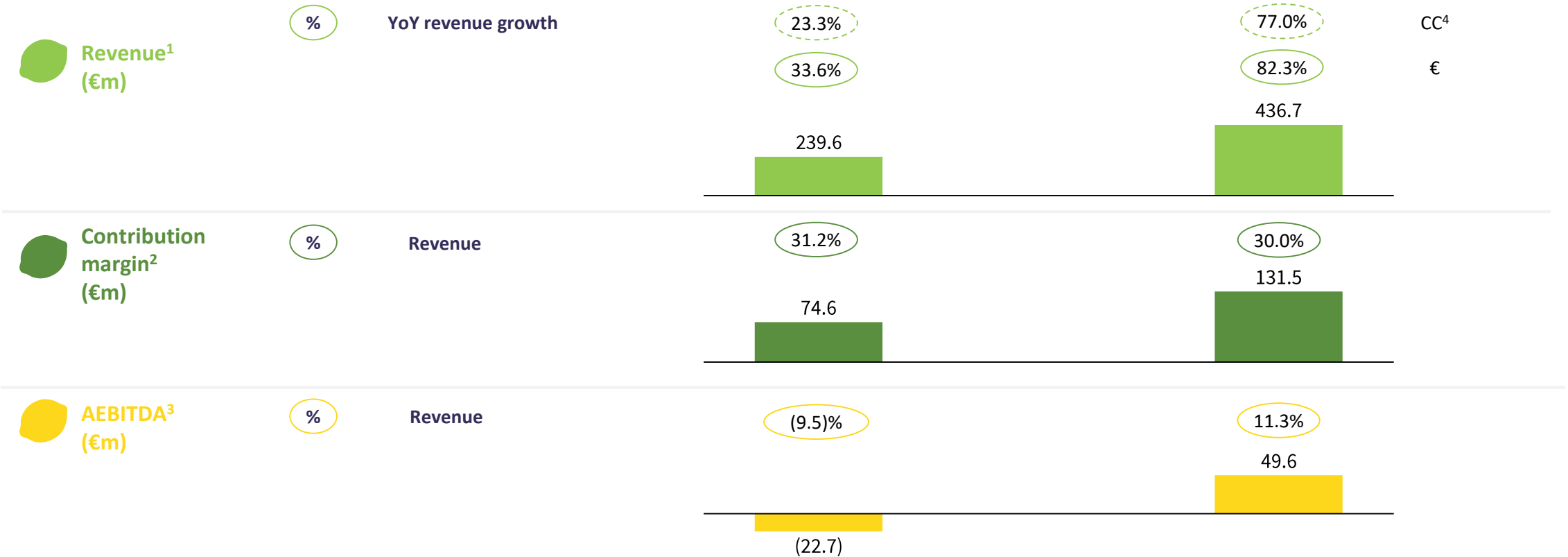


APPENDIX



US: Operational and Financial KPIs

	Q1 19	Q1 20
Active Customers (m)	1.40	2.64
Average Order Rate	3.5	3.4
Average Order Value (€)	48.6	48.7
Average Order Value constant currency (€)	48.6	47.3



1. Revenue post promotional discounts, customer credits, refunds and excluding VAT; YoY stands for year on year and compares the respective quarter with the same quarter of the previous year

2. Contribution margin is defined as revenue less cost of goods sold and fulfilment expenses, excluding share-based compensation expenses

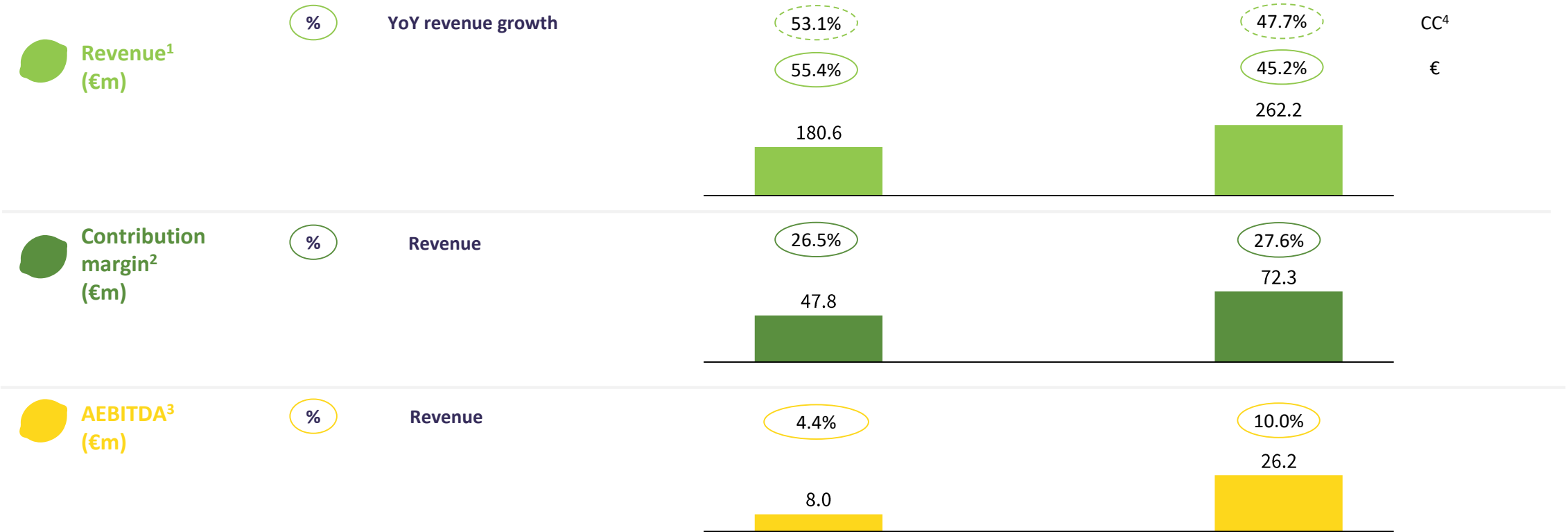
3. AEBITDA is calculated by adjusting EBITDA for special items and share-based compensation expenses; AEBITDA margin is defined as % of revenue

4. Based on constant currency



International: Operational and Financial KPIs

	Q1 19	Q1 20
Active Customers (m)	1.08	1.54
Average Order Rate	3.7	3.8
Average Order Value (€)	45.3	45.3
Average Order Value constant currency (€)	45.3	46.1

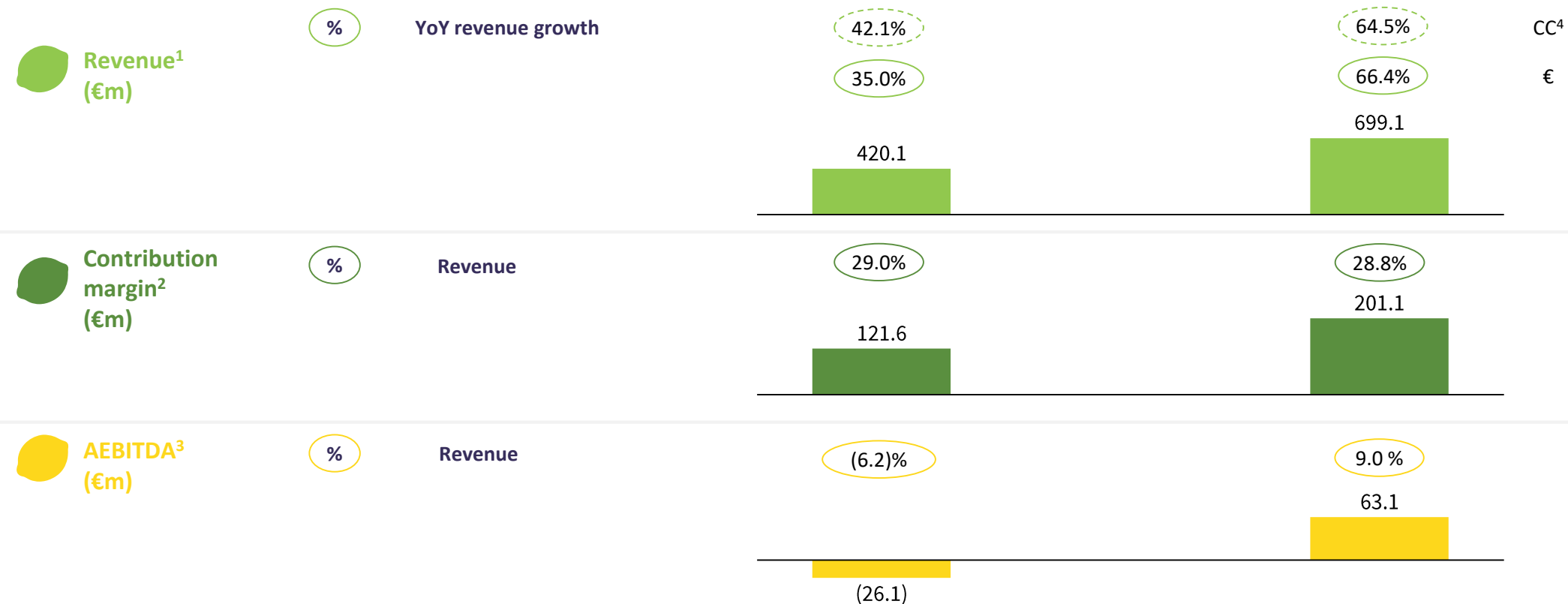


1. Revenue post promotional discounts, customer credits, refunds and excluding VAT; YoY stands for year on year and compares the respective quarter with the same quarter of the previous year
 2. Contribution margin is defined as revenue less cost of goods sold and fulfilment expenses, excluding share-based compensation expenses
 3. AEBITDA is calculated by adjusting EBITDA for special items and share-based compensation expenses; AEBITDA margin is defined as % of revenue
 4. Based on constant currency



Group: Operational and Financial KPIs

	Q1 19	Q1 20
Active Customers (m)	2.48	4.18
Average Order Rate	3.6	3.5
Average Order Value (€)	47.1	47.4
Average Order Value constant currency (€)	47.1	46.8



1. Revenue post promotional discounts, customer credits, refunds and excluding VAT; YoY stands for year on year and compares the respective quarter with the same quarter of the previous year

2. Contribution margin is defined as revenue less cost of goods sold and fulfilment expenses, excluding share-based compensation expenses

3. AEBITDA is calculated by adjusting EBITDA for special items and share-based compensation expenses; AEBITDA margin is defined as % of revenue

4. Based on constant currency



Profit & Loss Statement

	Q1 2019	Q1 2020
Revenue	420.1	699.1
% YoY growth	42.1%	66.4%
Cost of goods sold ¹	(152.1)	(240.6)
Gross profit	268.0	458.9
Margin (% of revenue)	63.8%	65.6%
Fulfilment expenses ¹	(146.8)	(258.4)
Marketing expenses ¹	(132.0)	(118.6)
G&A ¹	(29.6)	(34.9)
Other operating income & expenses	0.1	(2.8)
EBIT	(40.3)	46.6
Margin (% of revenue)	(9.6)%	6.7%
Financial result	(4.5)	(5.1)
EBT	(44.8)	41.5
Income tax (expense) benefit	(1.4)	(1.8)
Net income / (loss)	(46.2)	38.7

EBIT	(40.3)	46.6
D&A	10.0	10.6
EBITDA	(30.3)	57.2
SBC	4.2	5.6
Special Items	-	0.3
AEBITDA ²	(26.1)	63.1
Margin (% of revenue)	(6.2)%	9.0%

1. Including share-based compensation expenses

2. AEBITDA is calculated by adjusting EBITDA for special items and share-based compensation expenses



Balance sheet and cash-flow statements

	FY 2019	Q1 2020
Assets		
Non - current Assets	288.7	285.6
Current Assets*	281.5	404.1
*of which cash	193.6	299.8
Total assets	570.2	689.7
Equity and liabilities		
Equity	245.3	289.1
Non - current liabilities	111.1	108.7
Current liabilities	213.8	291.9
Total equity and liabilities	570.2	689.7

	FY 2019	Q1 2020
Cash flow used in operating activities	42.2	132.5
Cash flow used in investing activities	(29.0)	(19.2)
*of which M&A	-	-
Cash flow from financing activities	(14.8)	(3.7)



Share Count

As of March 31st, 2020

Types of share

Stock exchange

Market Segment

Number of shares issued

Number of shares outstanding

Ordinary shares

Frankfurt Stock Exchange

Regulated Market (Prime Standard)

165,737,182

165,374,019

Employee incentive plan	Options	RSU	Total
Vested (m)	10.9	-	10.9
Unvested (m)	4.9	0.8	5.8
Outstanding (m)	15.8	0.8	16.6
WAEP ¹ (€)	6.4	-	6.1

1. Weighted average exercise price



Financial calendar

Month	Day	Event
May	4	
	5	05.05.2020 Roadshow Frankfurt Bankhaus Lampe (virtual)
	6	07.05.2020 Roadshow Paris BNP Paribas (virtual)
	7	
	8	
May	11	11.05.2020 Roadshow New York Barclays (virtual)
	12	
	13	
	14	14.05.2020 BNP Paribas Delivery Day (virtual)
	15	
May	18	
	19	19.05.2020 Berenberg US Conference 2020, Tarrytown (virtual)
	20	
	21	
	22	
May	25	
	26	
	27	27.05.2020 Cowen Digital Dining: Restaurant & Food Technology Forum (virtual)
	28	
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June	1	
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	4	04.06.2020 dbAccess Berlin Conference
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June	8	
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August	3	
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August	10	
	11	11.08.2020 Publication of Half-Year and Q2 2020 Financial Results
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August	17	
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August	24	
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