



HELLOFRESH

GROUP

Q1 2022 Results

April 28th, 2022

Disclaimer

This document has been prepared by HelloFresh SE (the “Company“ and, together with its subsidiaries, the “Group”). All material contained in this document and information presented is for information purposes only and must not be relied upon for any purpose, and does not purport to be a full or complete description of the Company or the Group. This document does not, and is not intended to, constitute or form part of, and should not be construed as, an offer to sell, or a solicitation of an offer to purchase, subscribe for or otherwise acquire, any securities of the Company, nor shall it or any part of it form the basis of or be relied upon in connection with or act as any inducement or recommendation to enter into any contract or commitment or investment decision or other transaction whatsoever. This document is not directed at, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction. Persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

No representation, warranty or undertaking, express or implied, is made by the Company or any other Group company as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein, for any purpose whatsoever. No responsibility, obligation or liability is or will be accepted by the Company, any other Group company or any of their officers, directors, employees, affiliates, agents or advisers in relation to any written or oral information provided in this document or in connection with the document. All information in this document is subject to verification, correction, completion, updating and change without notice. Neither the Company, nor any other Group company undertake any obligation to provide the recipient with access to any additional information or to update this document or any information or to correct any inaccuracies in any such information.

A significant portion of the information contained in this document, including market data and trend information, is based on estimates or expectations of the Company, and there can be no assurance that these estimates or expectations are or will prove to be accurate. Where any information and statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed by the Company or any other person as being accurate. All statements in this document attributable to third party industry experts represent the Company's interpretation of data, research opinion or viewpoints published by such industry experts, and have not been reviewed by them. Each publication of such industry experts speaks as of its original publication date and not as of the date of this document.

This document contains forward-looking statements relating to the business, financial performance and results of the Company, the Group or the industry in which the Group operates. These statements may be identified by words such as "expectation", "belief", "estimate", "plan", "target" or "forecast" and similar expressions, or by their context. Forward-looking statements include statements regarding: strategies, outlook and growth prospects; future plans and potential for future growth; growth for products and services in new markets; industry trends; and the impact of regulatory initiatives. These statements are made on the basis of current knowledge and assumptions and involve risks and uncertainties. Various factors could cause actual future results, performance or events to differ materially from those described in these statements, and neither the Company nor any other person accepts any responsibility for the accuracy of the opinions expressed in this document or the underlying assumptions. No obligation is assumed to update any forward-looking statements.

This document includes certain financial measures not presented in accordance with IFRS, including, but not limited to, AEBITDA. These financial measures are not measures of financial performance in accordance with IFRS and may exclude items that are significant in understanding and assessing the Company's financial results. Therefore, these measures should not be considered in isolation or as an alternative to result for the period or other measures of profitability, liquidity or performance under IFRS. You should be aware that the Company's presentation of these measures may not be comparable to similarly titled measures used by other companies, which may be defined and calculated differently. See the appendix for a reconciliation of certain of these non-IFRS measures to the most directly comparable IFRS measure.

Our Mission

We change the way
people eat forever

Our Vision

The world's leading,
fully integrated foods
solution group



Q1 2022 Highlights

Group Revenue significantly increases to €1,915m, with a CC growth of +26.4%

Strong performance of underlying revenue KPIs: active customers +1.24m; stable high level order rate; and AOV +6.5% at constant currency

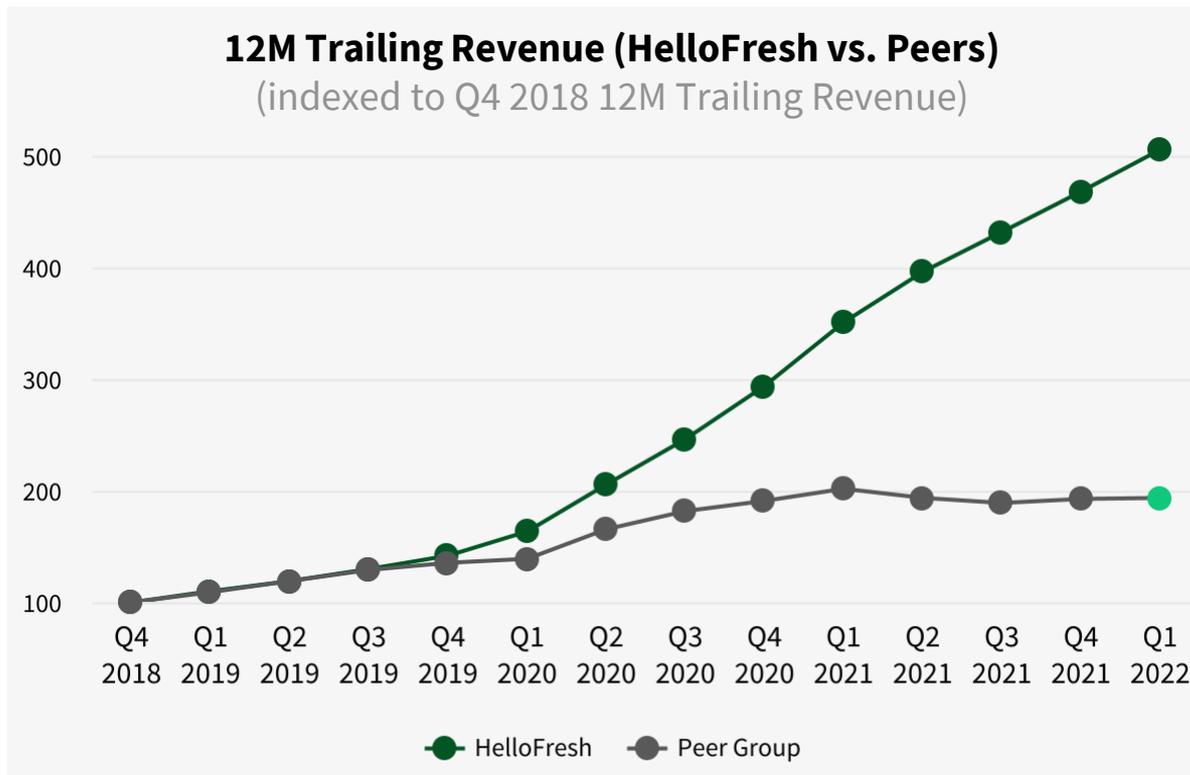
Landmark quarter as we break through the €1bn revenue threshold in the US segment

Solid AEBITDA of €99.3m, with a group margin of 5.2%

Strong closing cash position of €795.7m, despite €125.1m share buy back and €24.8m first tranche of Factor earn-out payment during the quarter

Combined Sustainability and non-financial report published, confirming structural benefits

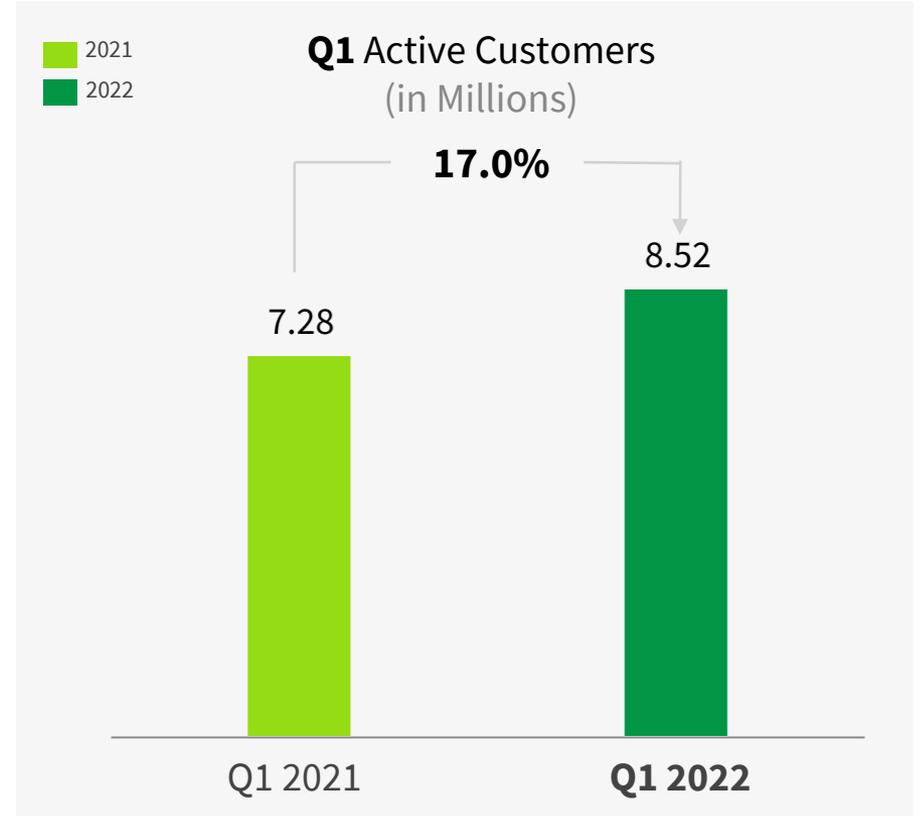
Our revenue growth consistently outperforms 'COVID winners', whilst we maintain leading e-commerce AEBITDA margins



*Aggregated Peer Group (Revenue Weighted) revenue consists of Delivery Hero, Ocado, Logitech, Shopify, GoodFood, Marley Spoon, Wayfair, Peloton and JustEat Takeaway. Q1 2022 estimate based on published results, company guidance or analyst estimates

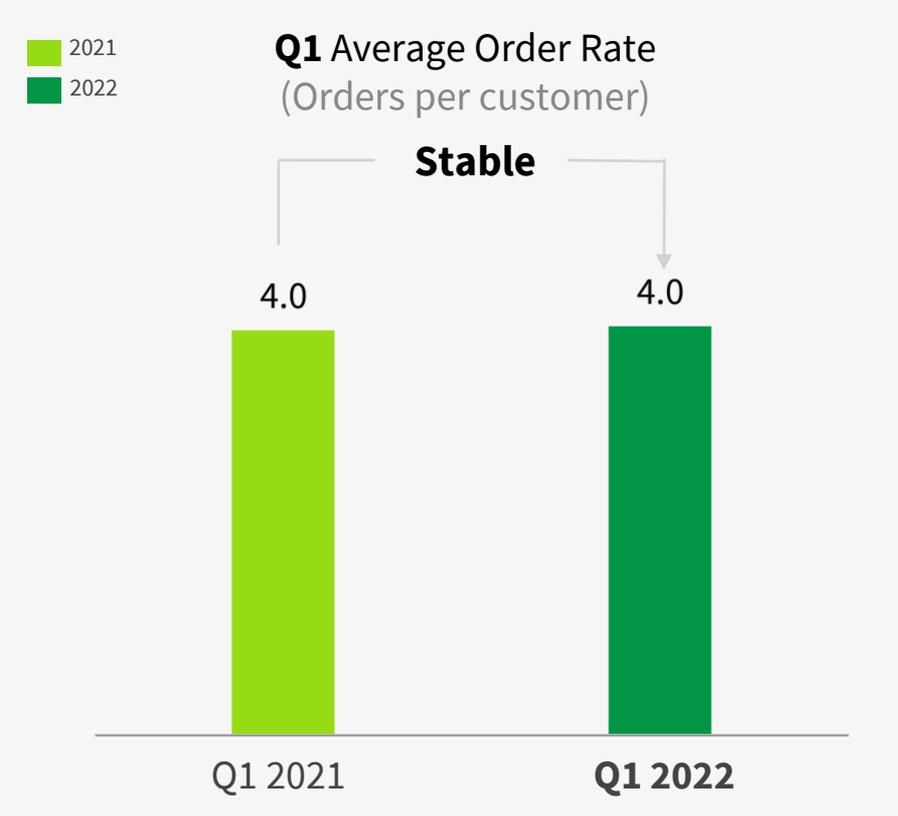
Q1 active customers increased by 17.0% year-on-year to 8.52m in our seasonally strongest quarter

- Similarly strong YoY growth across both segments
 - Intl +18.9%
 - US +15.2%
- **Q1 2020: 4.18m [Y-o-2Y +103.8%]**



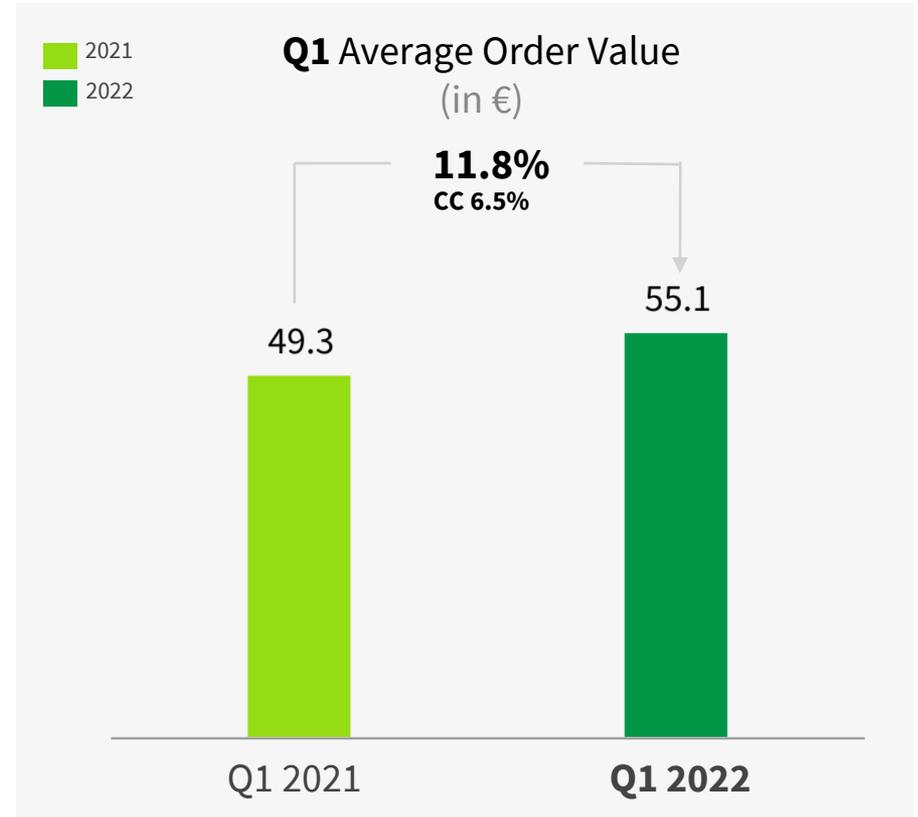
Order rates in Q1 remained strong, substantially ahead of pre-pandemic levels

- Average order rate per customer broadly stable YoY against strong Covid comparison
- Equally strong performance across both segments
- **Q1 2020: 3.5 [Y-o-2Y +14.3%]**

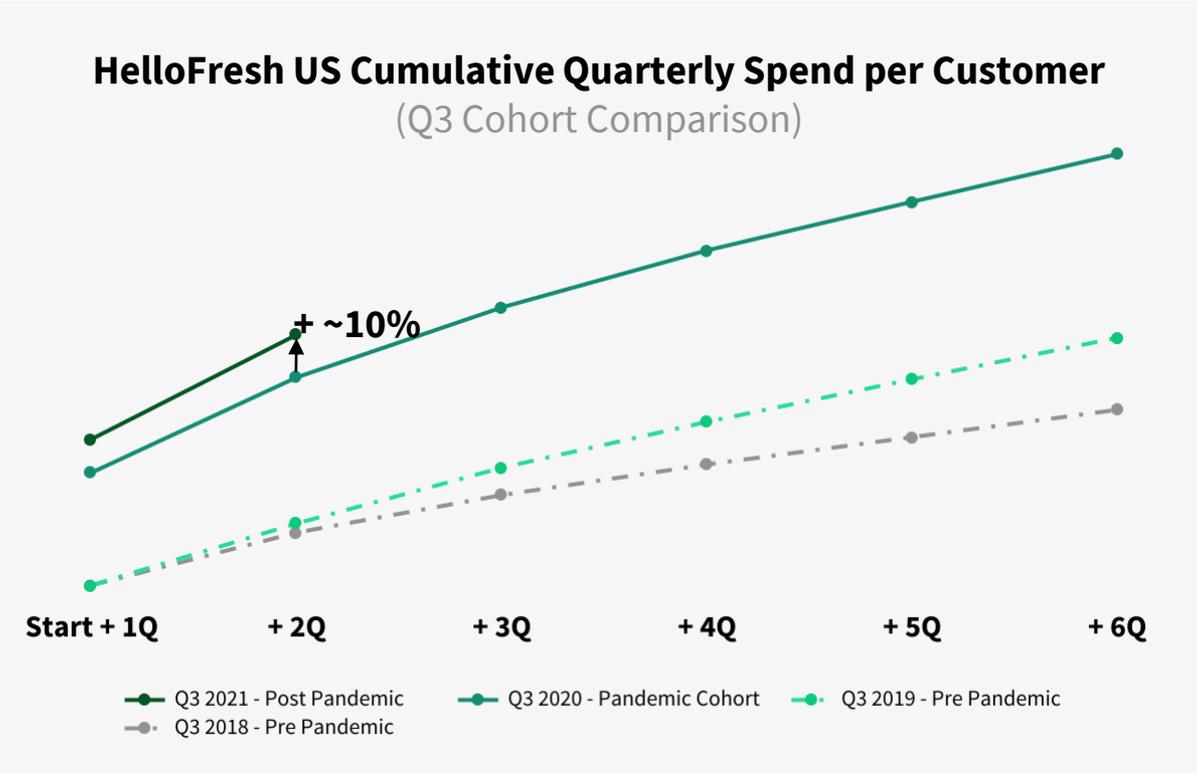


Q1 Average Order Value meaningfully increased year on year

- Group AOV increase of 6.5% at constant currency
 - Continuation of strong trend achieved over last 2 years
 - US key contributor to increase
- Key drivers:
 - Expansion of order sizes
 - Expansion of surcharge and HF Market take-up
 - Successful implementation of selected price increases
- **Q1 2020: €47.4 [Y-o-2Y +16.3%]**



Despite emerging from the pandemic, we continue to increase customer value through improved monetization and product innovation



The depth of opportunity in our data optimized product roadmap gives us further confidence in the outlook for customer value growth in 2022

Menu Size Expansion

- >100 recipe slots to be added across the Group
- 20-25% increase in menu size YoY

HelloFresh Market

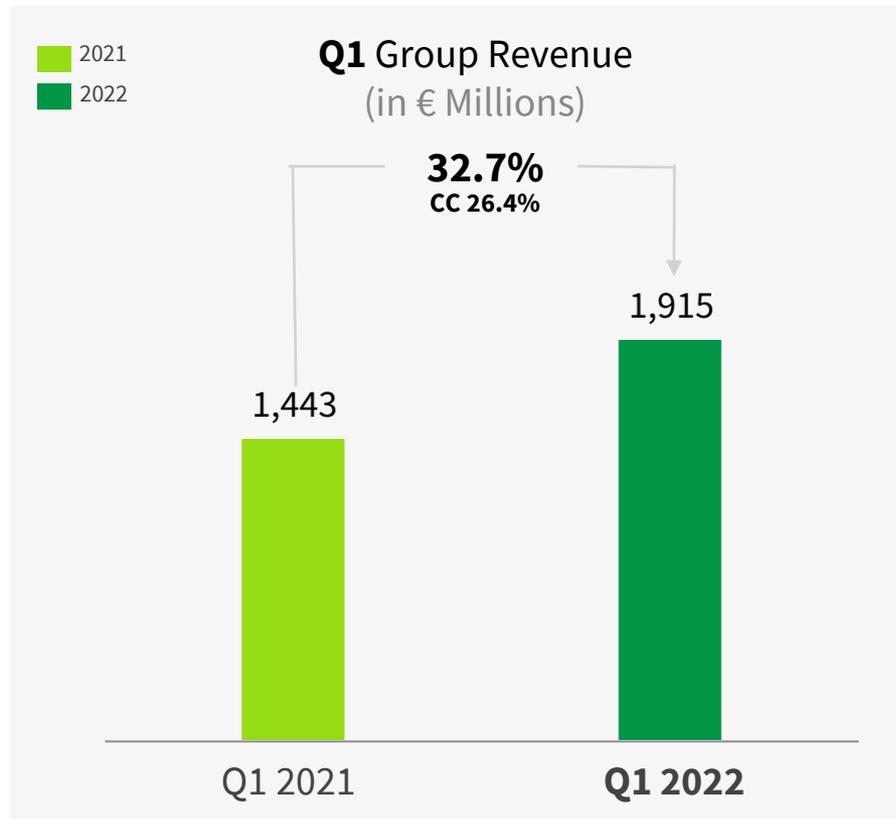
- Expansion to 100% of US customers
- Launching in 3 new INTL markets, in addition to Benelux

Recipe Personalization

- Meaningful increase in recipes that can be customized
 - >50% of all recipes customizable in H2

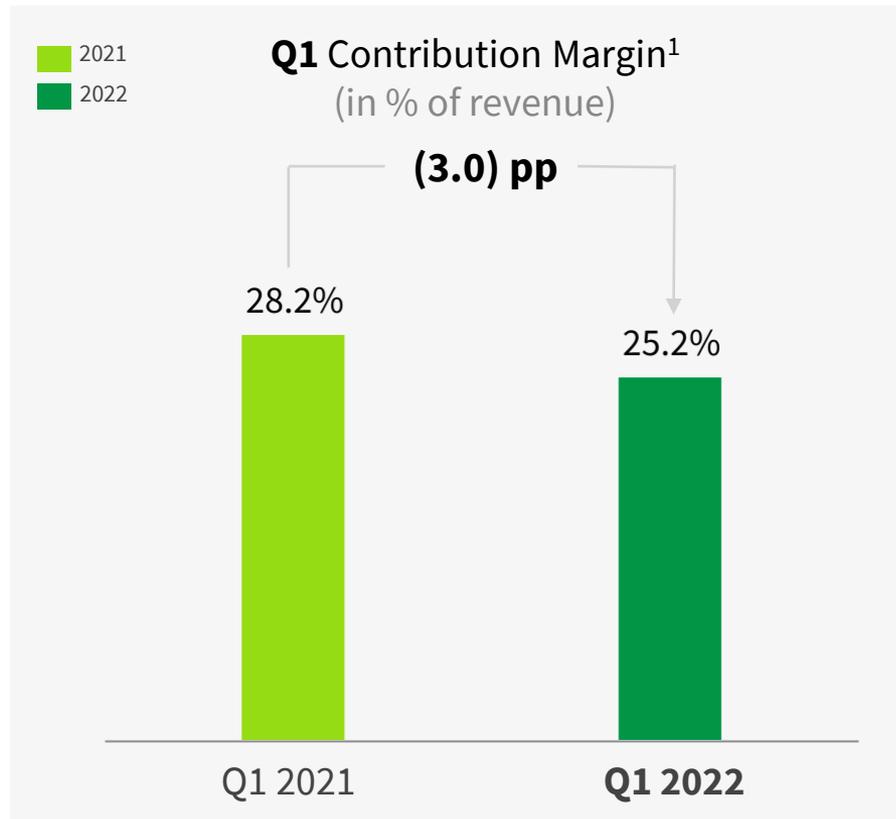
The consistently positive trend in all three topline drivers resulted in revenue growth of 26.4%¹

- Strong revenue growth across both segments, despite tough prior year benchmark
- Q1 US CC growth of +27.6%, delivered >€1bn of revenue in a single quarter
- Q1 Intl CC growth of +25.0%
- **Q1 2020: €699.1m [Y-o-2Y +173.9%]**



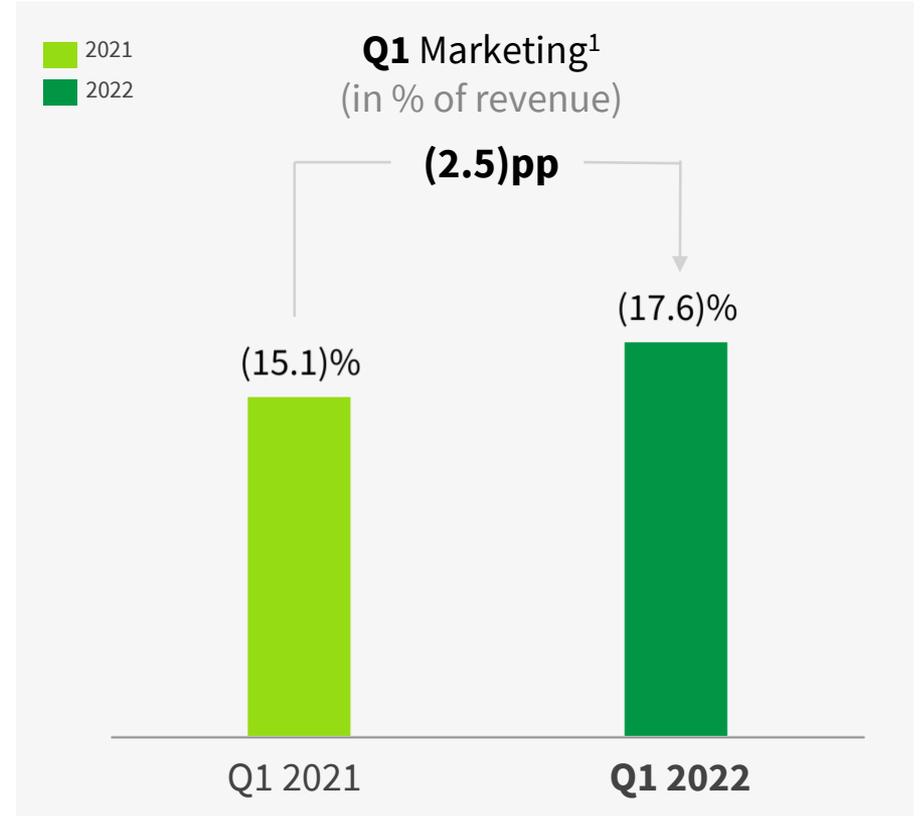
Q1 Contribution margin of 25.2% delivered, despite previously communicated macro headwinds and ramp-up expenses

- Procurement cost (0.7) pps¹ YoY driven by ingredient price inflation
- Fulfilment costs (2.2) pps¹ YoY reflected:
 - Ongoing ramp-up of capacity, new markets and brands
 - YoY wage increases implemented in H2 2021 and rising fuel costs
 - Market mix effects
- **Q1 2020: 28.8% [Y-o-2Y (3.6)pp]**

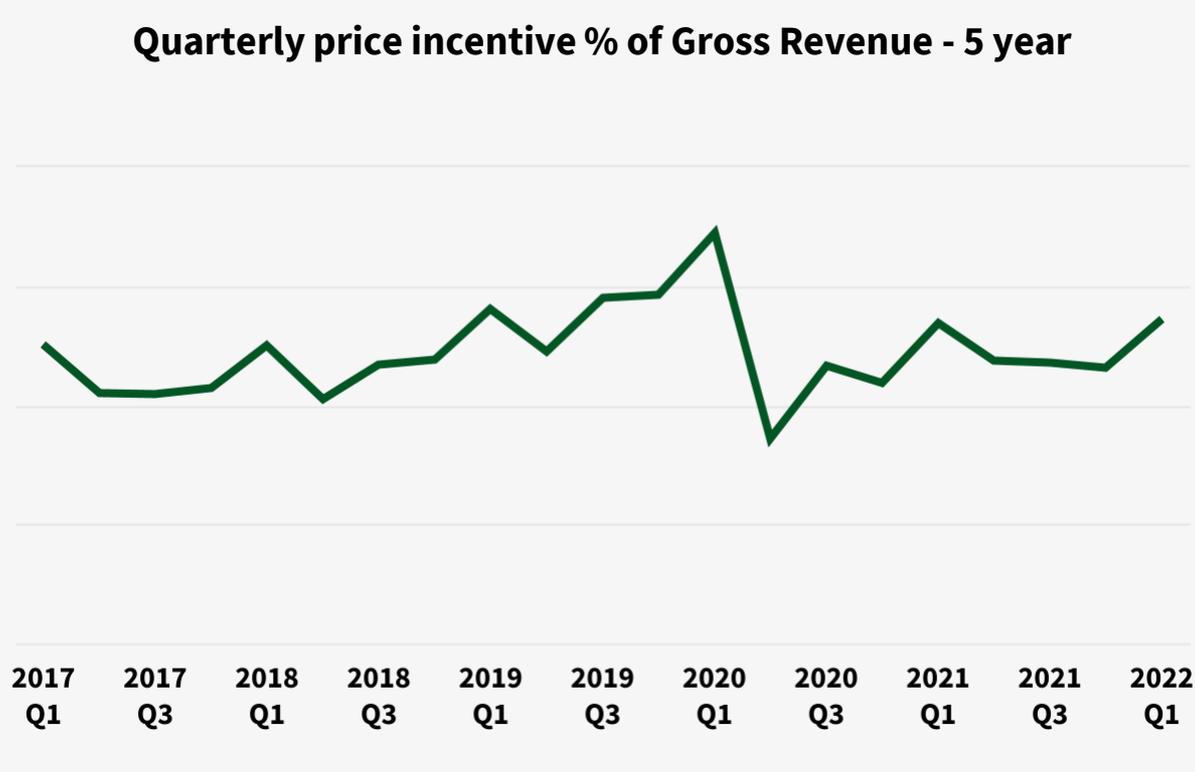


Marketing activity back to normal seasonal high in Q1, which amounted to (17.6)% of revenue

- Q1 2021 comparative period impacted by Covid restrictions and capacity limitations in certain markets
- Seasonal allocation of marketing budget back to normal, with Q1 representing most important customer acquisition quarter
- CACs broadly in line with backend of 2021, but up vs. Covid-impacted Q1 2021
- **Q1 2020: (17.0)% [Y-o-2Y (0.6)pp]**

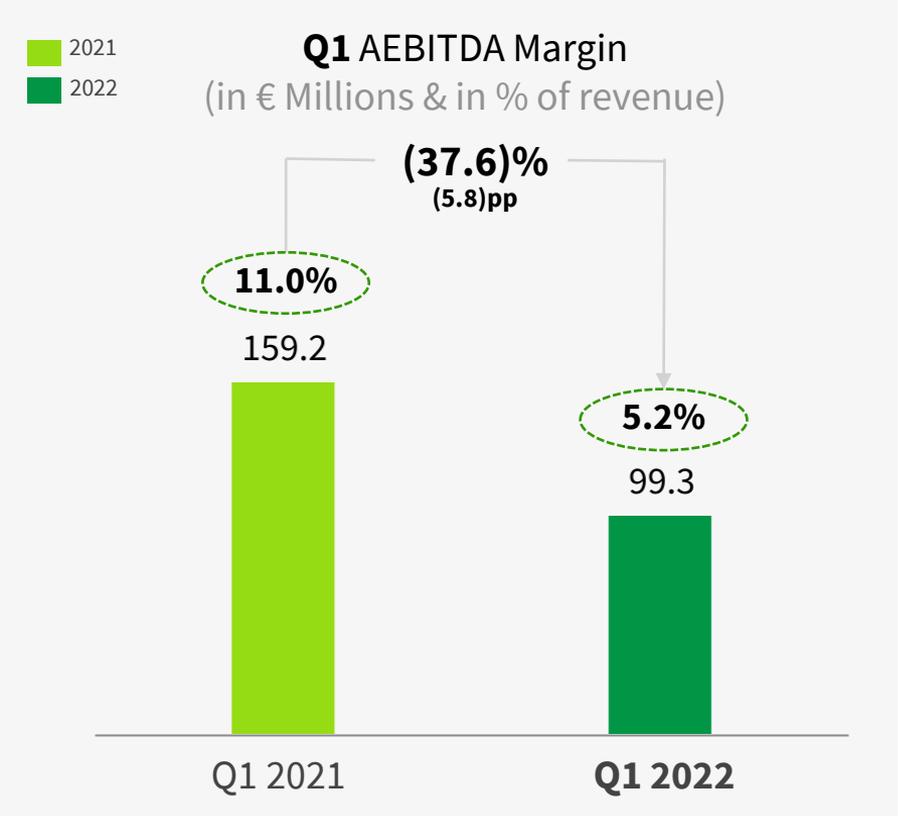


Our price incentives % of gross revenue is stable, with normal Q1 seasonality observed in the current year



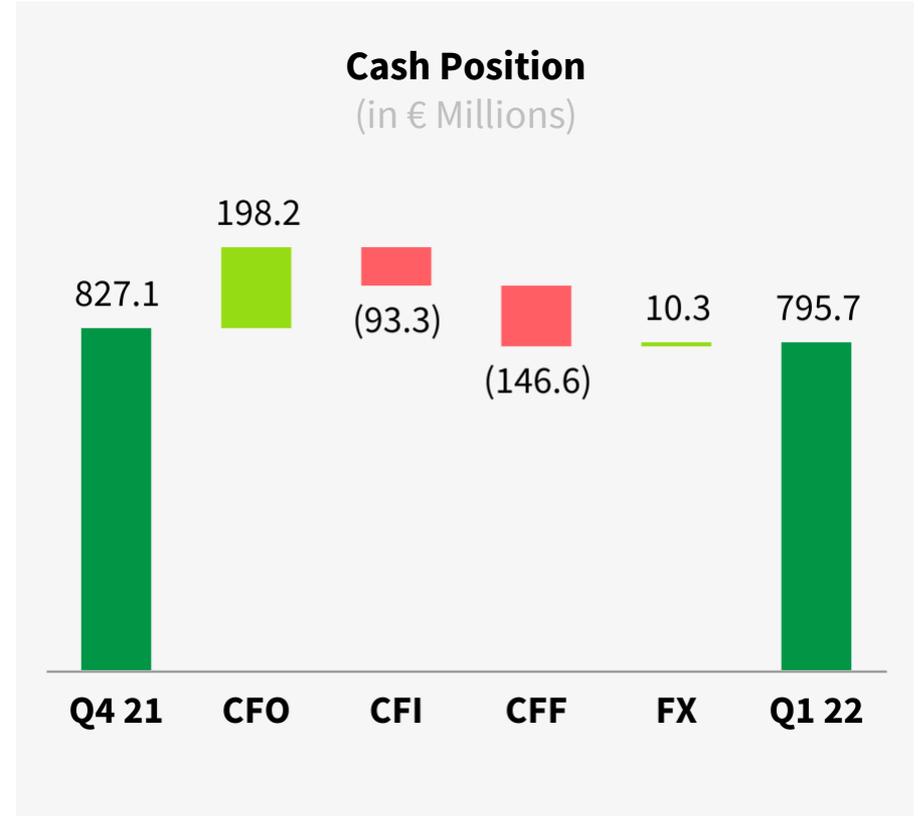
Despite ongoing growth investments, macro-headwinds and seasonally high marketing spending, we delivered Q1 AEBITDA of €99.3m

- Solid start of the year, considering overall environment
- Creates certain flexibility for selected additional growth investments and buffer to absorb potential further ingredient price inflation in rest of the year
- **Q1 2020: €63.1m, 9.0%**
[Y-o-2Y 57.4%, (3.8)pp]



We maintained a strong cash position of €795.7m and expanded our (largely unutilized) credit facility to €400m

- €198.2m cash flow from operations, driven by positive EBITDA and cash inflow from working capital
- Continued investment for long term value creation:
 - Capex of €66.4m into PPE and software
 - €125.1m share buy back
 - €24.8m payment for 1st tranche of Factor purchase price earn-out
- In addition, we further strengthened back-up liquidity, by increasing (largely unutilized) revolving credit facility to €400m and extending term to 2027



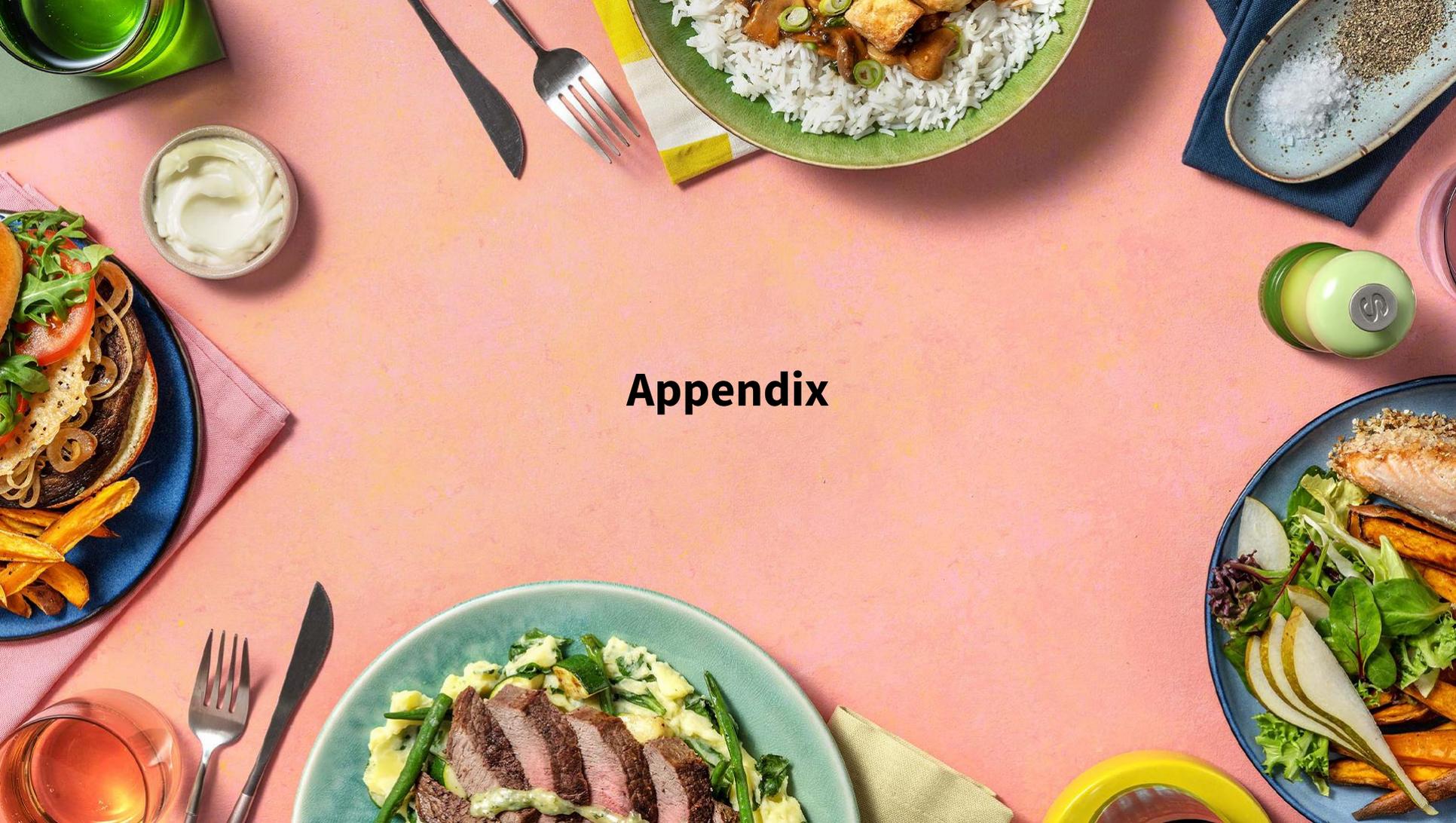
We reiterate our Full Year 2022 Outlook of 20% – 26% CC revenue growth and €500m - €580m AEBITDA

Constant Currency Revenue Growth

20% - 26%

AEBITDA

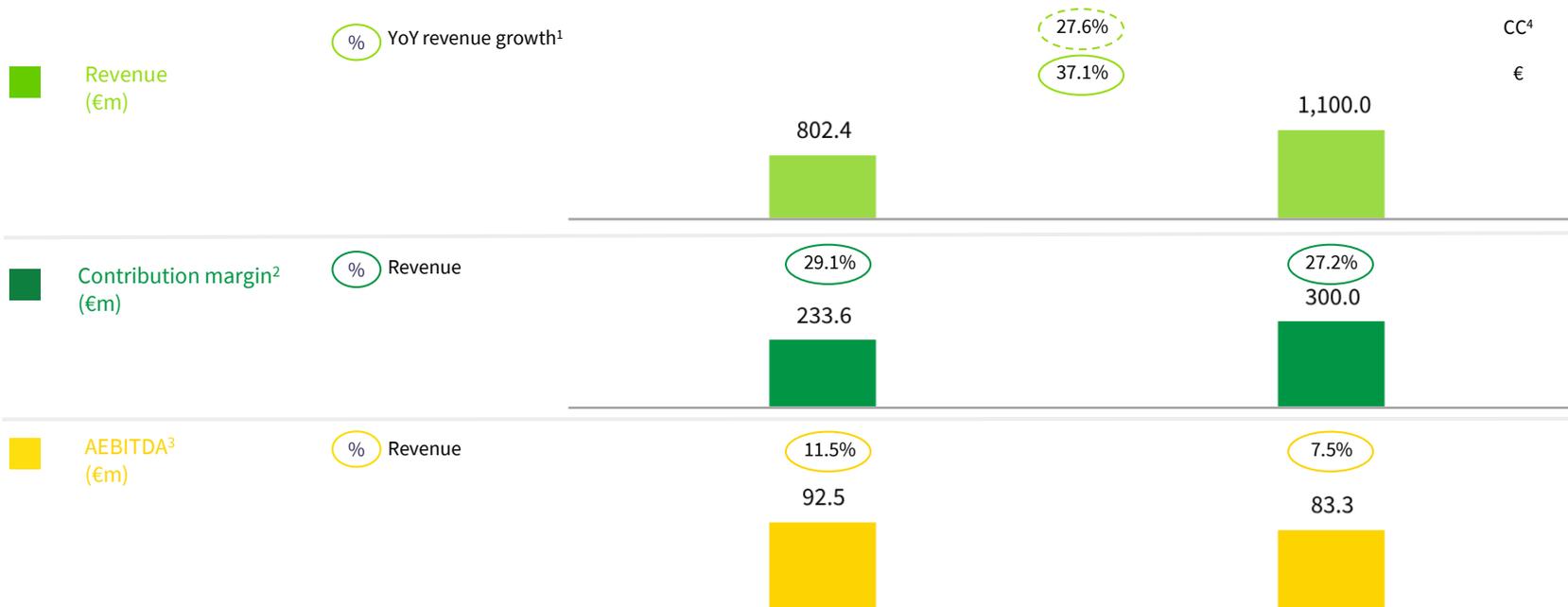
€500m - €580m



Appendix

USA: Operational and Financial KPIs

	Q1 21	Q1 22
Active Customers (m)	3.69	4.25
Average Order Rate	4.1	4.1
Average Order Value (€)	53.1	63.1
Average Order Value constant currency (€)	53.1	58.7



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

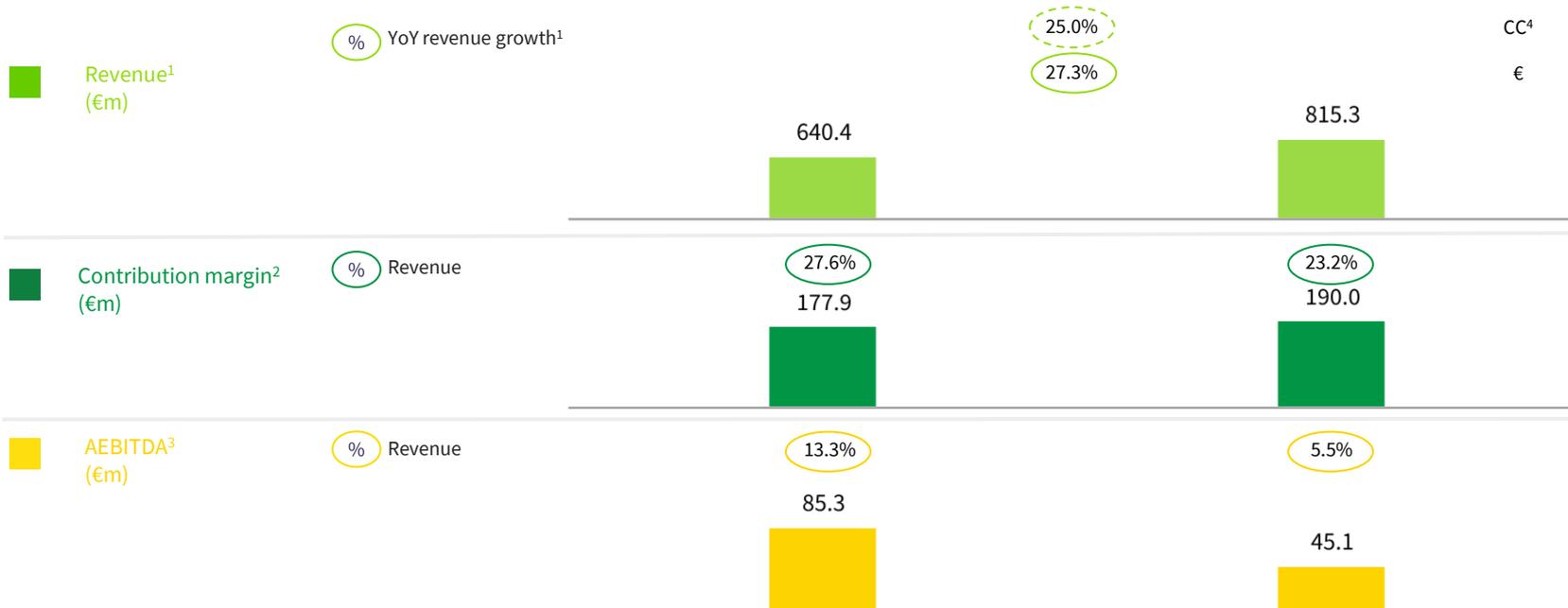
2. Contribution margin is defined as revenue less cost of goods sold and fulfilment expenses, excluding share-based compensation expenses

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 21	Q1 22
Active Customers (m)	3.59	4.27
Average Order Rate	4.0	4.0
Average Order Value (€)	45.2	47.0
Average Order Value constant currency (€)	45.2	46.2



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

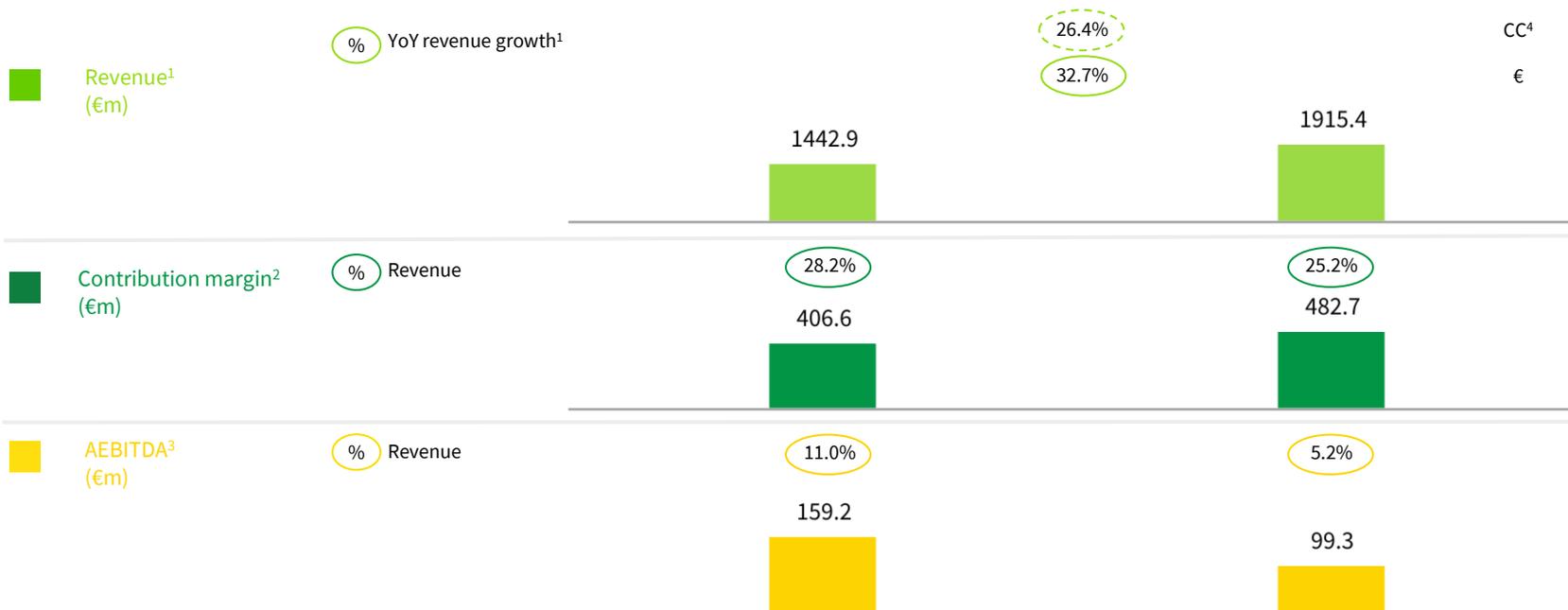
2. Contribution margin is defined as revenue less cost of goods sold and fulfilment expenses, excluding share-based compensation expenses

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 21	Q1 22
Active Customers (m)	7.28	8.52
Average Order Rate	4.0	4.0
Average Order Value (€)	49.3	55.1
Average Order Value constant currency (€)	49.3	52.5



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 and Loss Statement

	3 months ended		Change %
	31-Mar-22	31-Mar-21	YoY
Revenue	1,915.4	1,442.9	32.7%
Procurement Expense	(661.3)	(487.3)	(35.7)%
Fulfilment Expense	(777.6)	(553.1)	(40.6)%
Contribution Margin	476.5	402.6	18.4%
<i>% of Revenue</i>	25.2%	28.2%	(3.0)pp
Marketing Expense	(339.1)	(218.0)	(55.6)%
G&A, other income and expenses	(92.6)	(50.7)	(82.6)%
EBIT	44.8	133.9	(66.5)%
<i>% of Revenue</i>	2.3%	9.3%	(7.0)pp
Financial Result	4.5	4.8	6.3%
EBT	49.3	138.7	(64.5)%
Income Tax (Expense) / Benefit	(22.3)	(37.1)	39.9%
Net Income / (Loss)	27.0	101.6	(73.4)%
<hr style="border-top: 1px dashed #000;"/>			
Reconciliation starting at EBIT			
EBIT	44.8	133.9	(66.5)%
D&A	32.1	15.6	(105.8)%
EBITDA	76.9	149.5	(48.6)%
<i>% of Revenue</i>	4.0%	10.4%	(6.4)pp
Special Items	5.1	2.5	(104.0)%
SBC	17.3	7.1	(143.7)%
AEBITDA	99.3	159.2	(37.6)%
<i>% of Revenue</i>	5.2%	11.0%	(5.8)pp

Balance Sheet & Cash Flow Statement

In MEUR	As at 31-Mar-22	As at 31-Dec-21
Assets		
Non-current assets	1,155.0	1,055.5
Cash and cash equivalents	795.7	827.1
Other current assets	364.8	326.0
Total assets	2,315.5	2,208.6
Equity and liabilities		
Equity	828.7	896.6
Non-current liabilities	465.5	486.7
Current liabilities	1,021.3	825.3
Total equity and liabilities	2,315.5	2,208.6
In MEUR	Q1 2022	Q1 2021
Cash and cash equivalents at the beginning of the period	827.1	729.0
Net Cash flows from operating activities	198.2	208.7
Net Cash flows from investing activities	(93.3)	(26.8)
of which M&A	(24.8)	—
Net Cash flows from financing activities	(146.6)	(48.1)
Effects of exchange rate changes and other changes on cash and cash equivalents	10.3	13.5
Cash and cash equivalents at the end of the period	795.7	876.3

Share Count

As of March 31, 2022

Types of share

Stock exchange

Market Segment

Number of shares issued

Number of shares outstanding

Ordinary shares

Frankfurt Stock Exchange

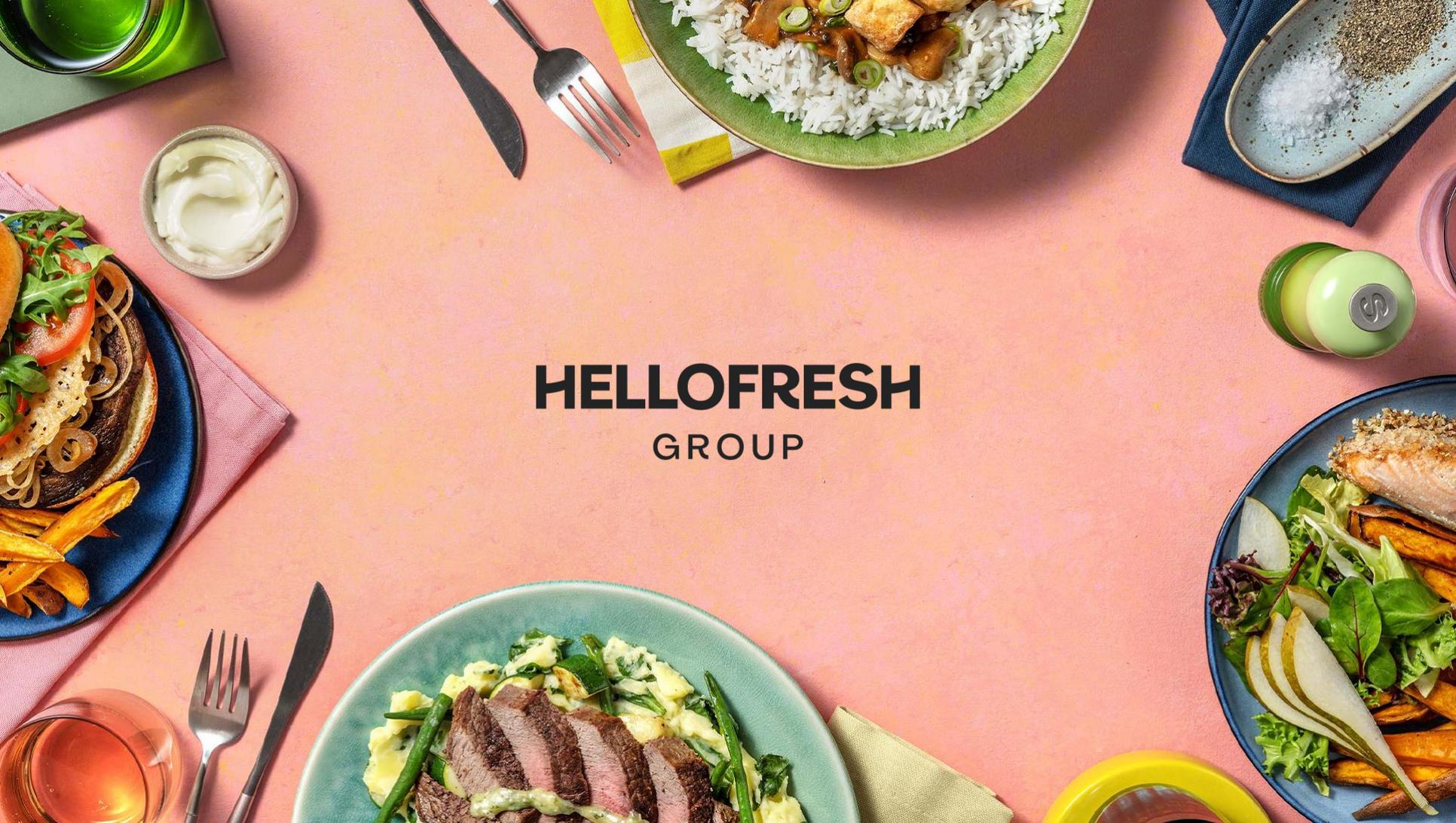
Regulated Market (Prime Standard)

173,934,478

171,488,297

Employee incentive plan	Options	RSU	Total
Vested (in mn)	6.5	0.2	6.7
Unvested (in mn)	3.2	0.9	4.1
Outstanding (in mn)	9.8	1.0	10.8
WAEP ¹ (in EUR) Vested	12.87	—	12.58
WAEP ¹ (in EUR) Unvested	44.02	—	34.56
WAEP¹ (in EUR)	23.15	—	20.94

1. Weighted average exercise price



HELLOFRESH
GROUP