



HELLOFRESH SE
2019 RESULTS
March 3rd, 2020



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.

AT  **HelloFRESH**
WE CHANGE THE
WAY PEOPLE
EAT
FOREVER





Our mission goes far beyond the financials



> 280m TIMES

impacting society in a positive way

1

BUDGET: Helping consumers save money with every meal

2

HEALTH: Democratizing access to high-quality food

3

TASTE: Allowing everyone to eat a varied diet

4

SUSTAINABILITY: Reducing consumer's environmental footprint



2019 Highlights



Celebrating 1ST full-year of group wide AEBITDA profitability



37% revenue growth in constant currency at significant scale



Delivered >280m meals to nearly 3m active customers



Significant product improvements + choice expansion establishing meal kits as mass market product



Gaining market share across both our segments & becoming synonymous for the category



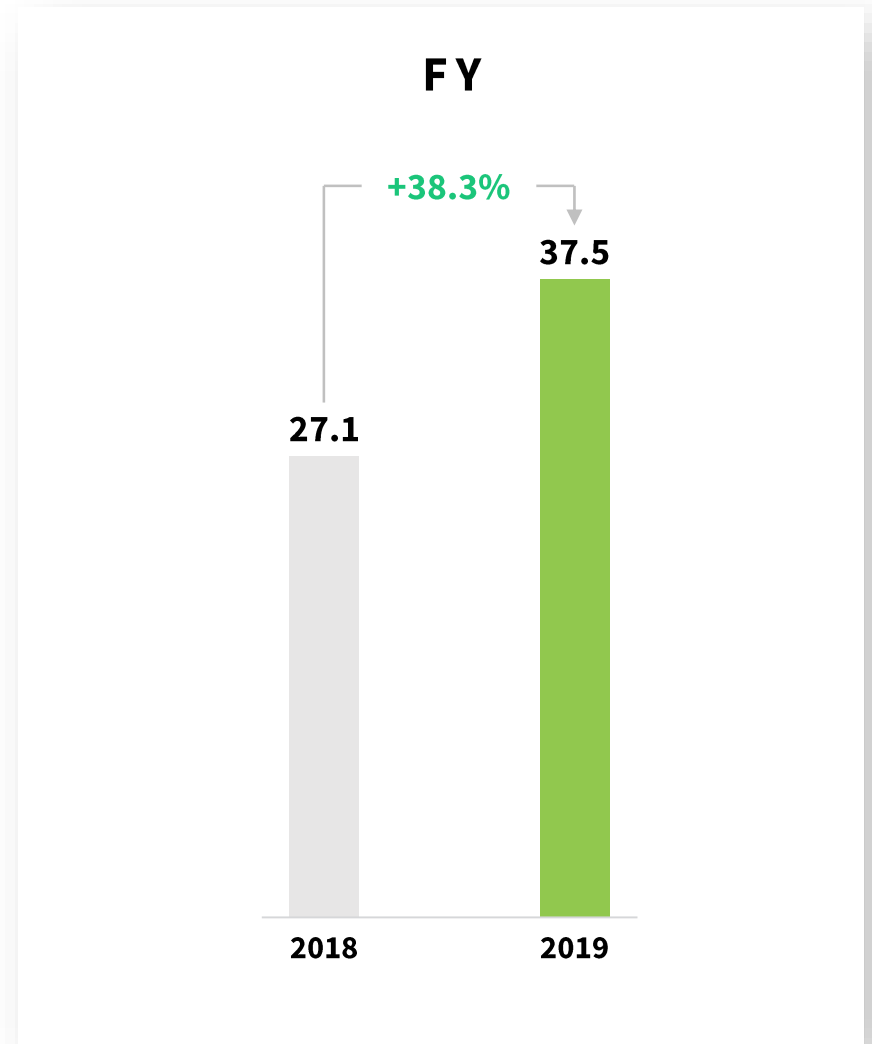
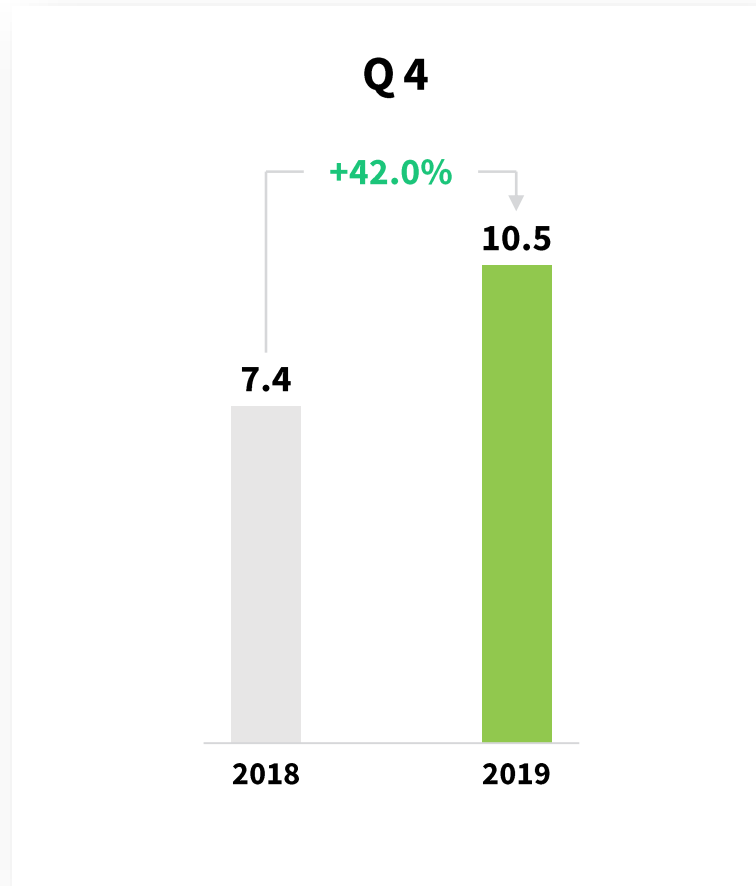
Continued efforts in reducing food waste & carbon emissions



Excellent order growth continued throughout Q4

2019 Orders

In m

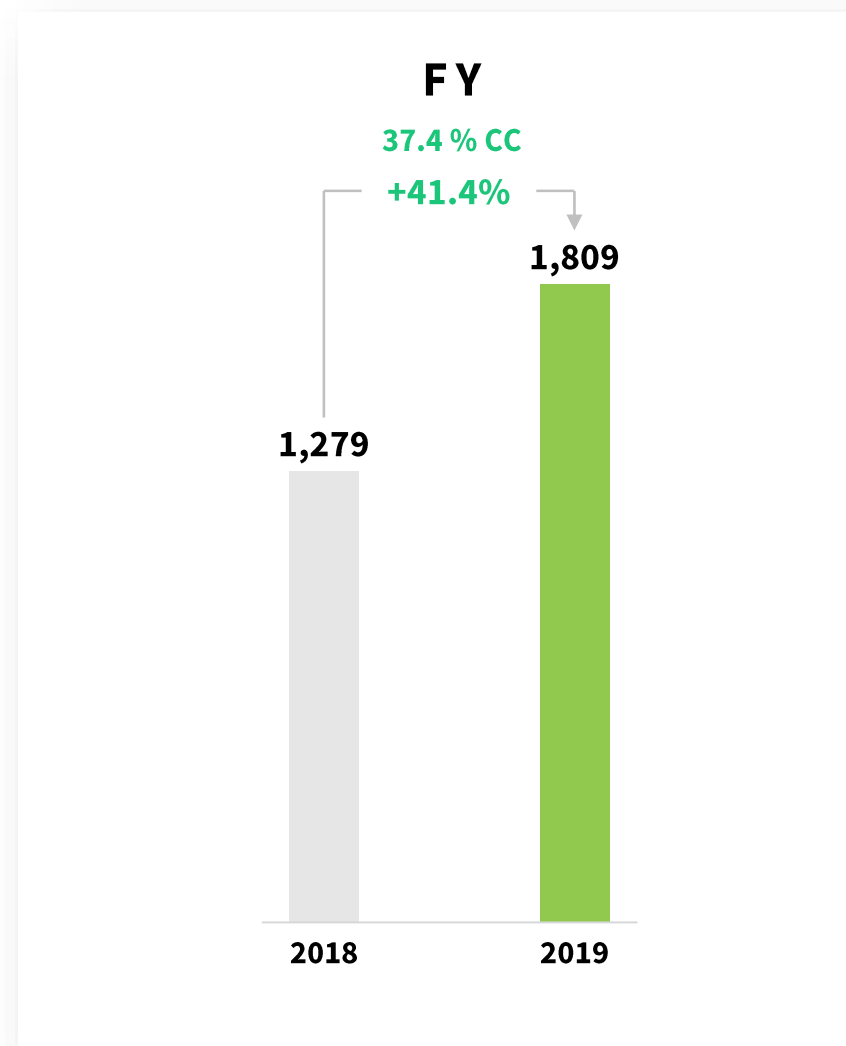
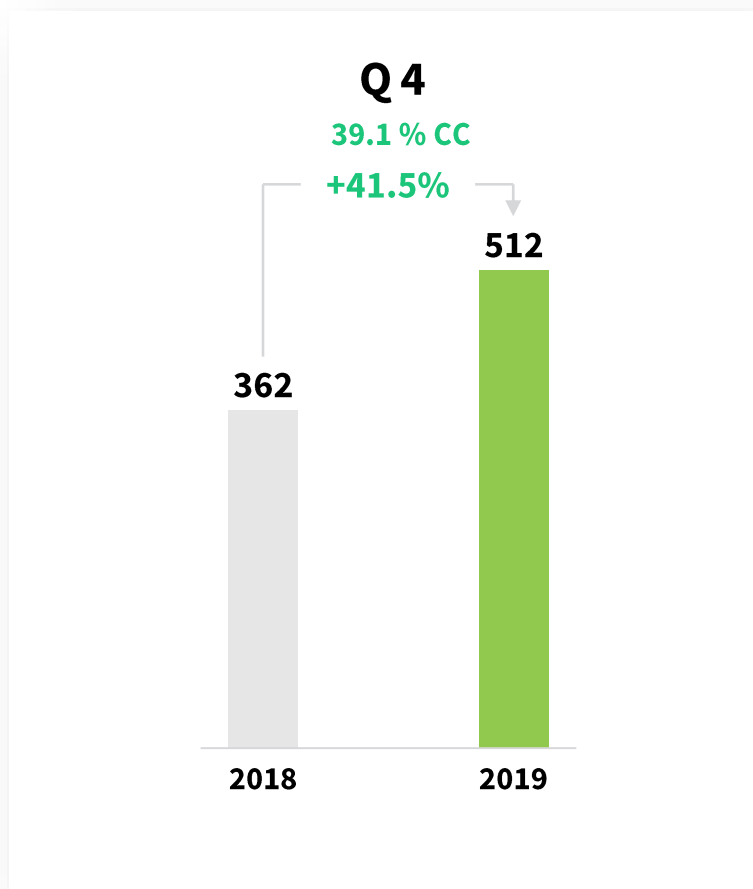




Q4 Revenue growth accelerated to 39% on a constant currency basis

2019 Revenue

in €m





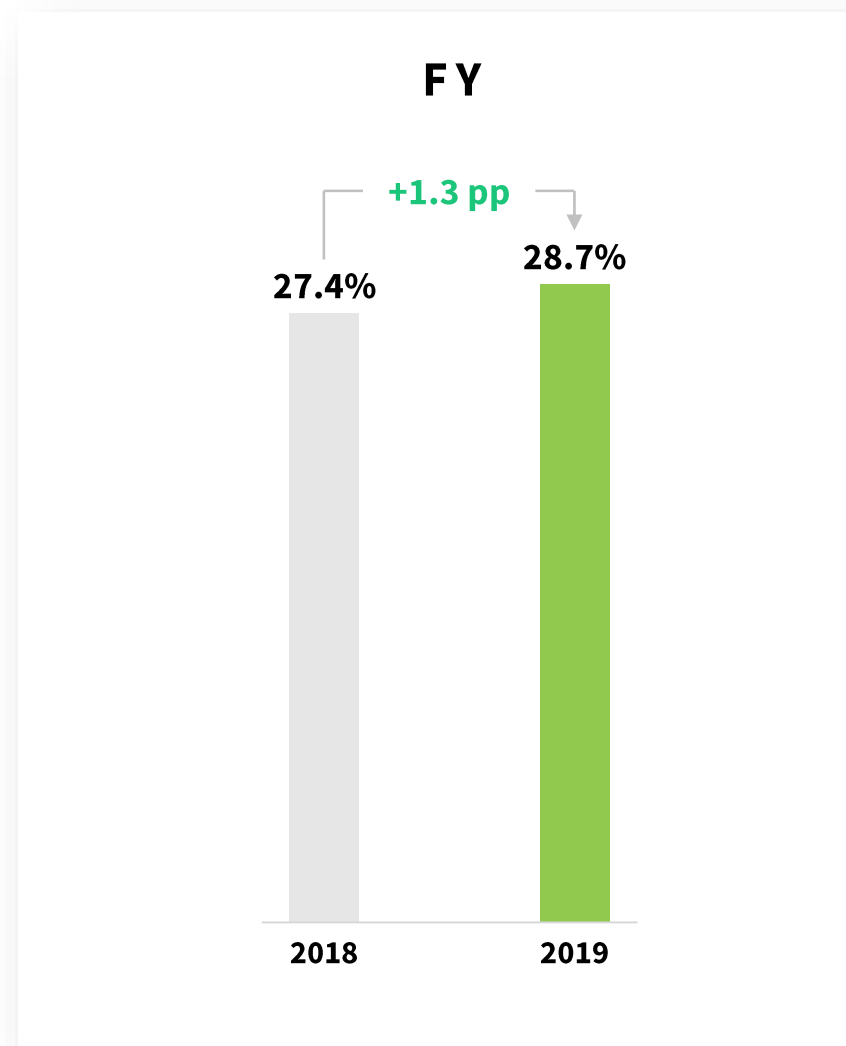
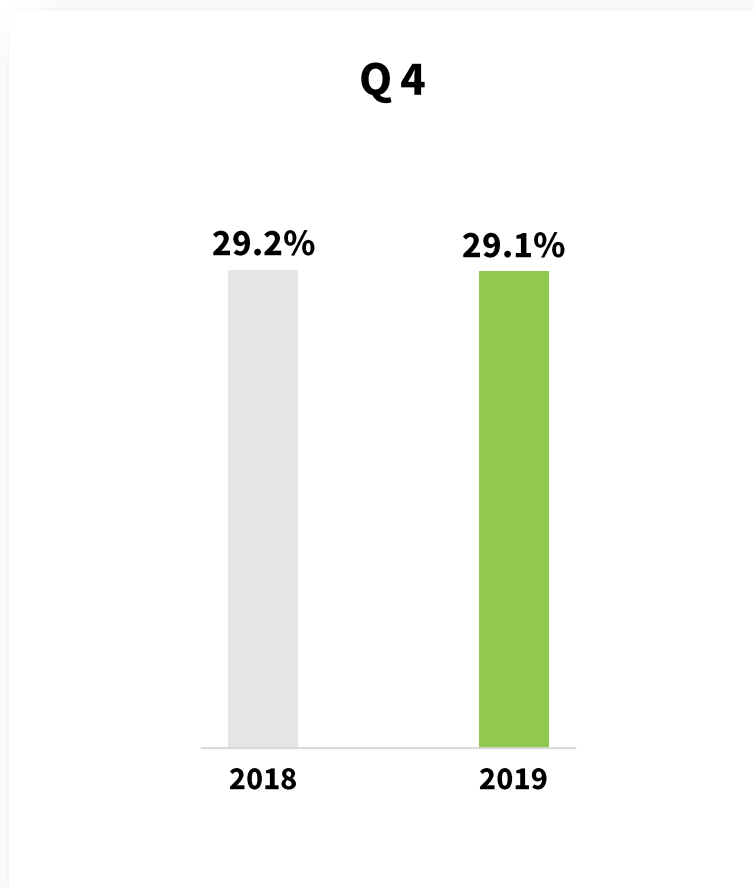
Contribution margin remained stable in Q4, resulting in a FY margin expansion of +1.3 pp for 2019

2019 Contribution Margin

in % of revenue

YoY Contribution Margin expansion by 1.3 pp

Driven primarily by optimization in procurement & fixed costs utilization





Strong YoY customer growth at attractive customer acquisition costs allowed us to gain significant marketing leverage in Q4

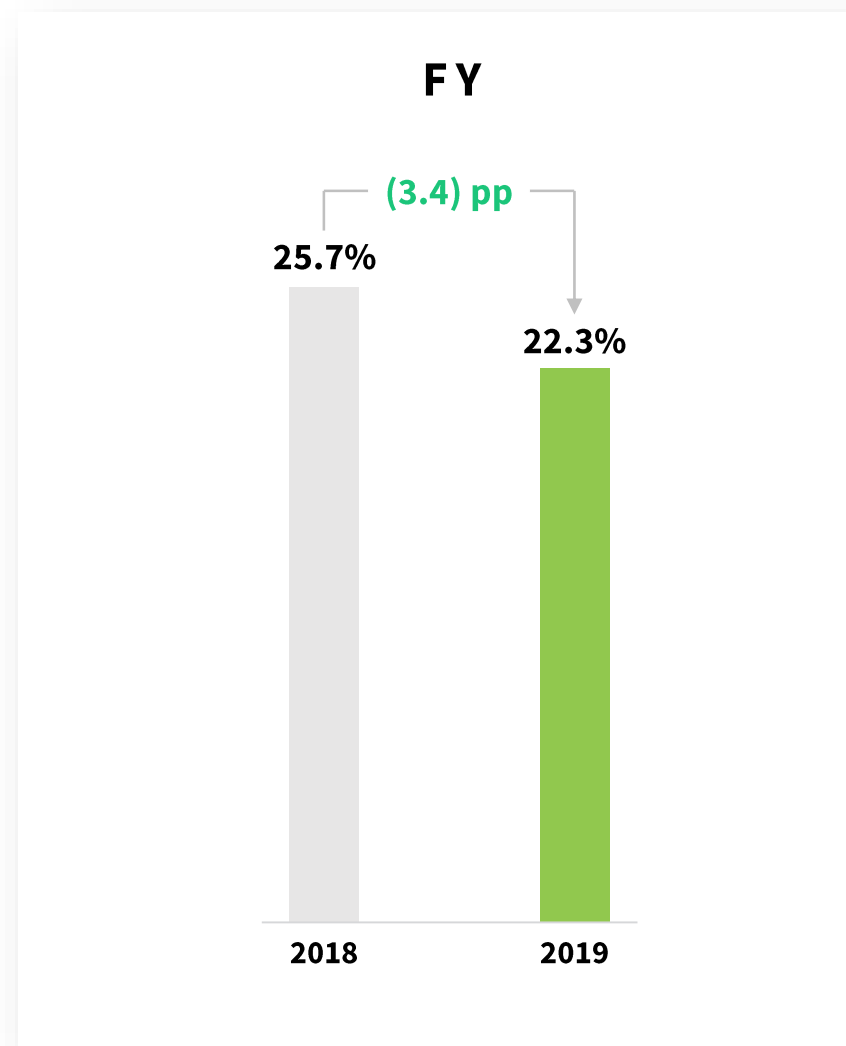
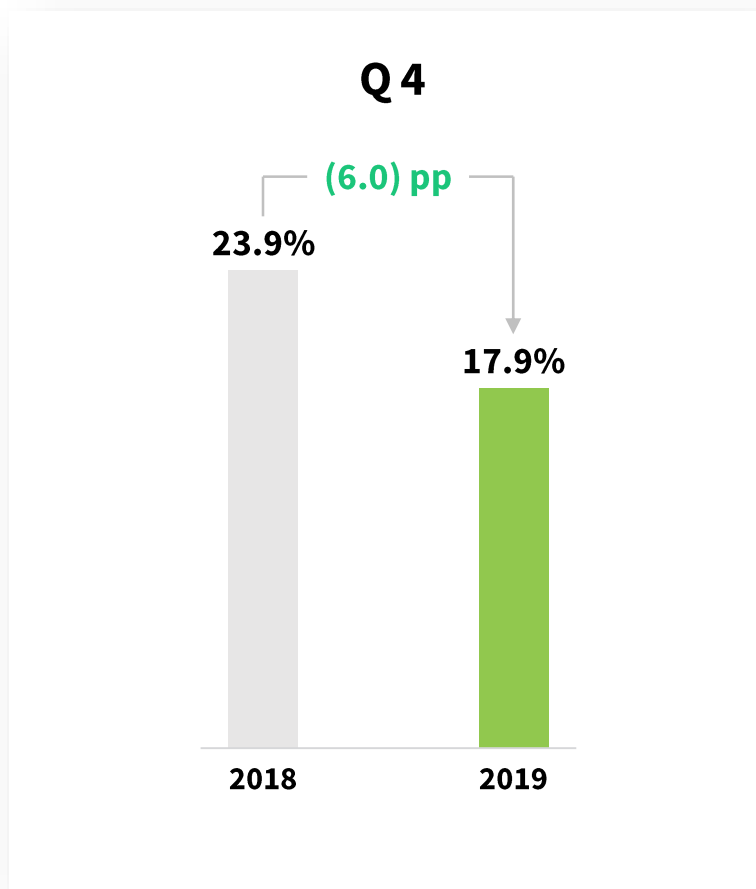
2019 Marketing Spend

in % of revenue

Growing loyal existing customer base

Increased brand recognition

Optimized marketing channel mix and pricing structure





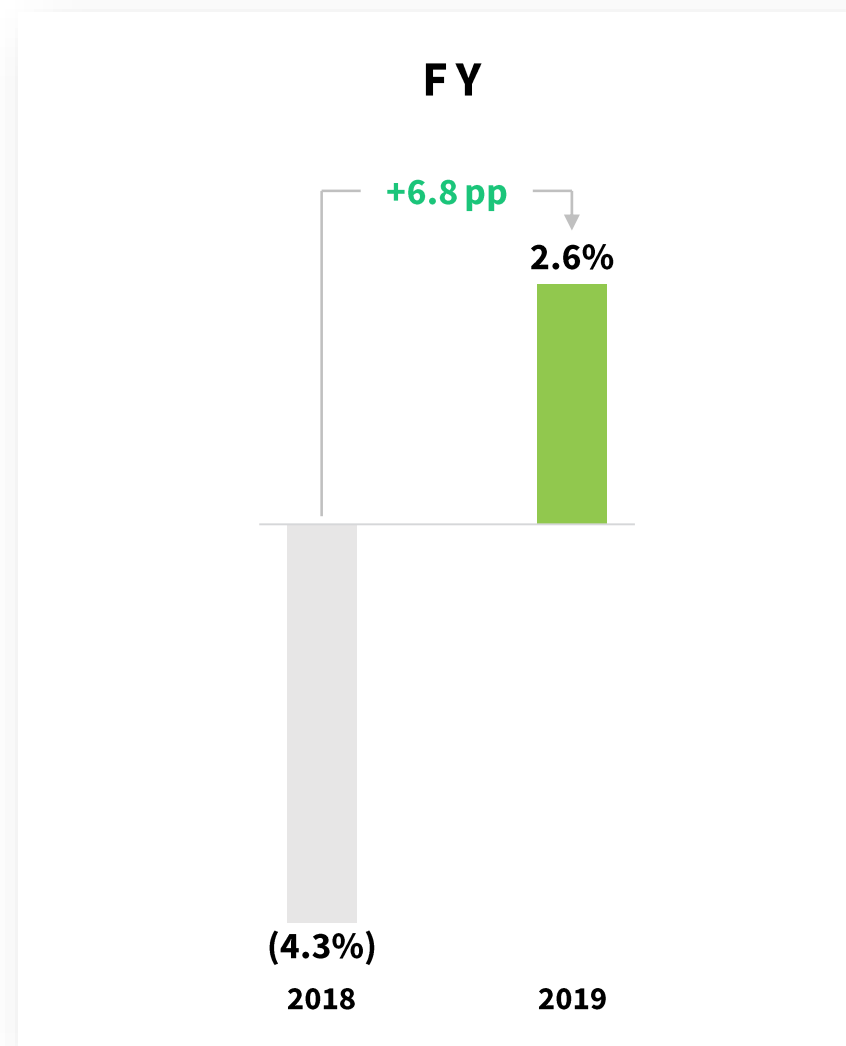
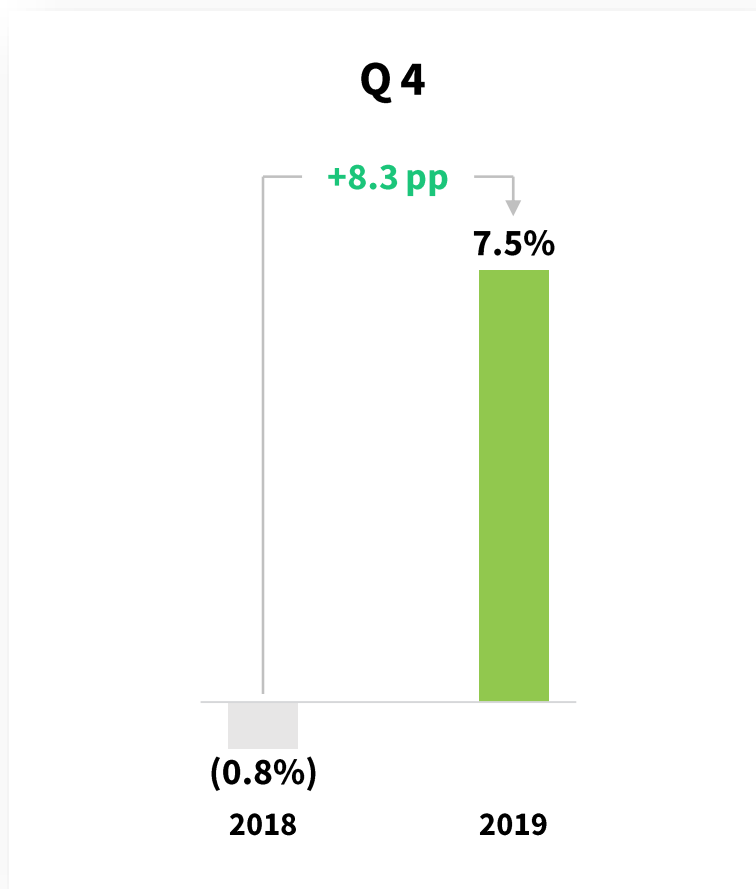
AEBITDA outperformance in both Q4 and FY 2019 driven primarily by strong topline growth and marketing leverage

2019 AEBITDA

in % of revenue

Q4: From (2.9) m€ in 2018 to 38.6 m€ in 2019

FY: From (54.5) m€ in 2018 to 46.5 m€ in 2019

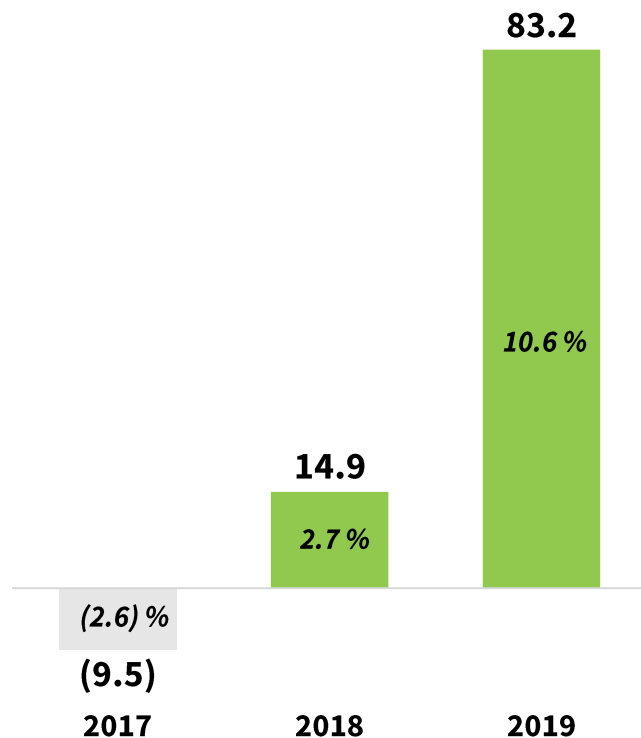




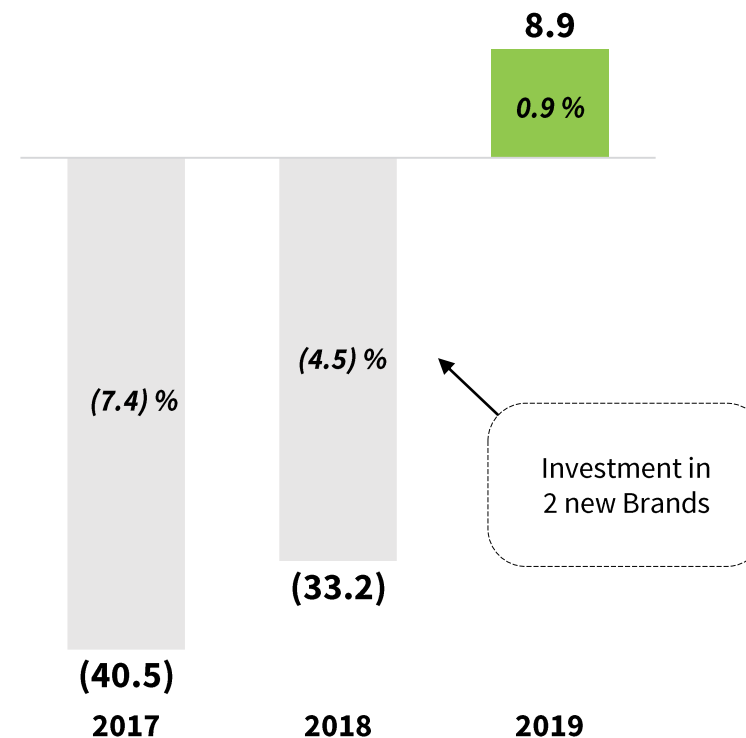
Both segments AEBITDA positive in 2019

in €m
in %
of Rev.

International FY AEBITDA



US FY AEBITDA





What has driven our margin expansion in 2019?

In % of revenue

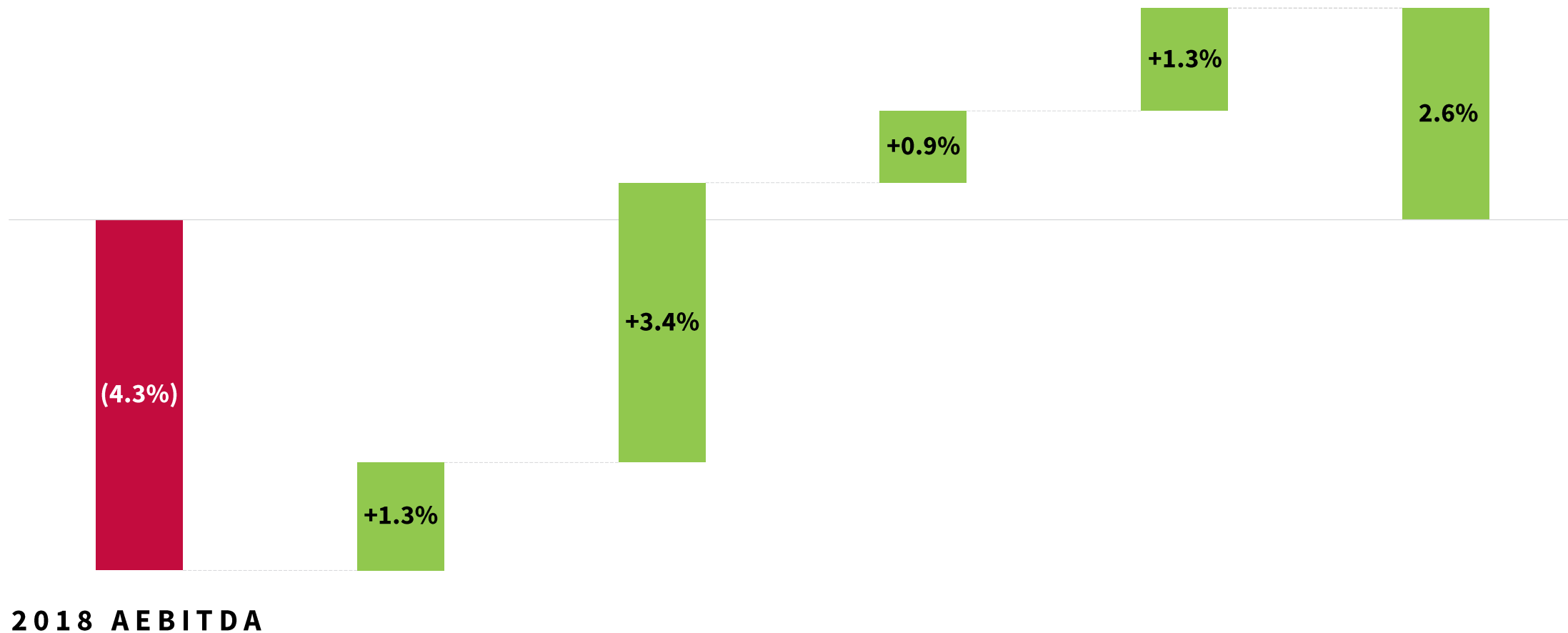
Contribution Margin¹
expansion

Marketing¹
as % of Rev.

G&A²
as % of Rev.

D&A
as % of Rev.

2019 AEBITDA



1. Excluding SBC
 2. Excluding SBC & Special Items

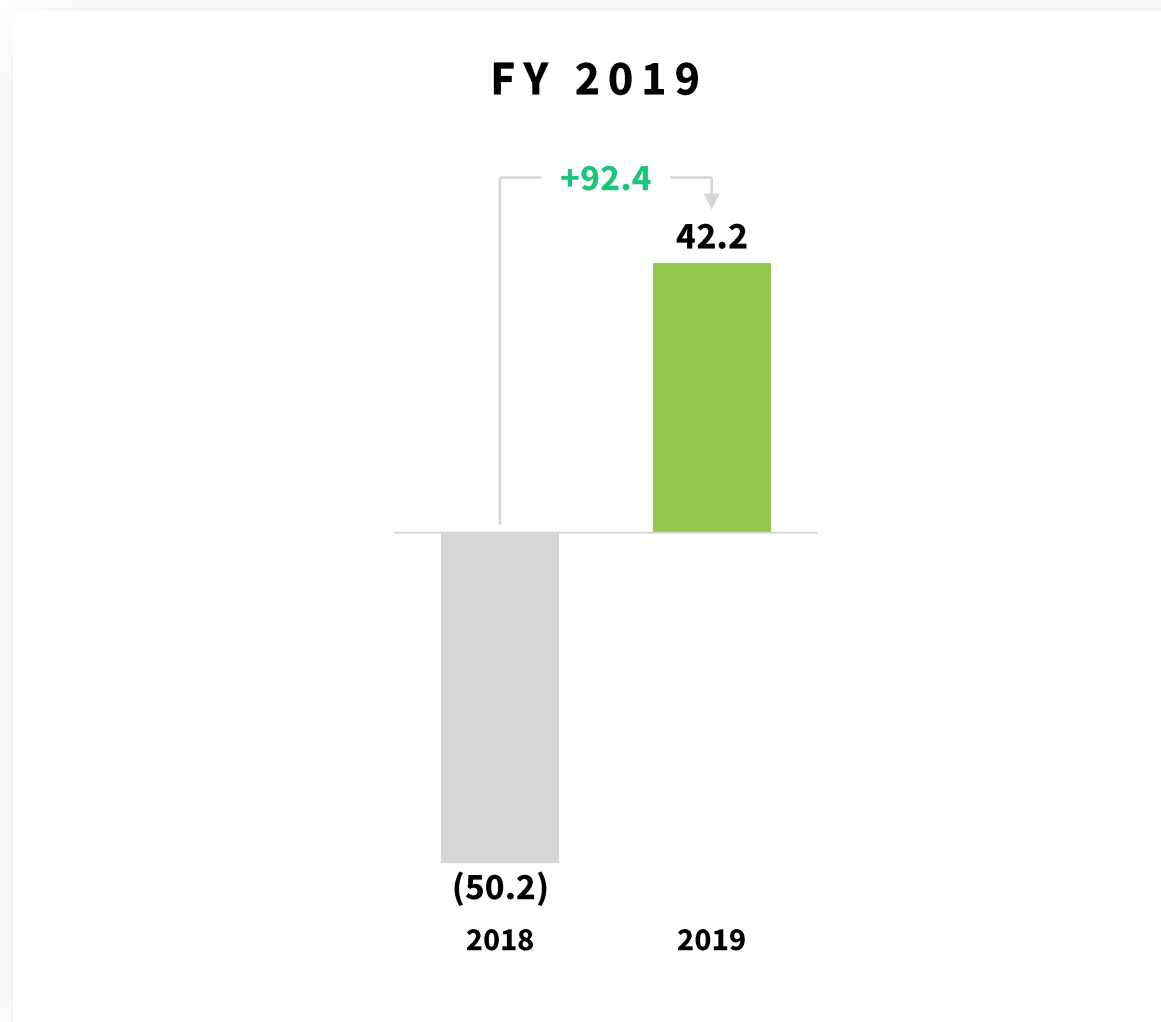


1st year of significant positive cash flow from operating activities

2019 Operating Cash Flow

in €m

42m € of positive OCF for FY 2019, due to strong AEBITDA result and beneficial NWC dynamics

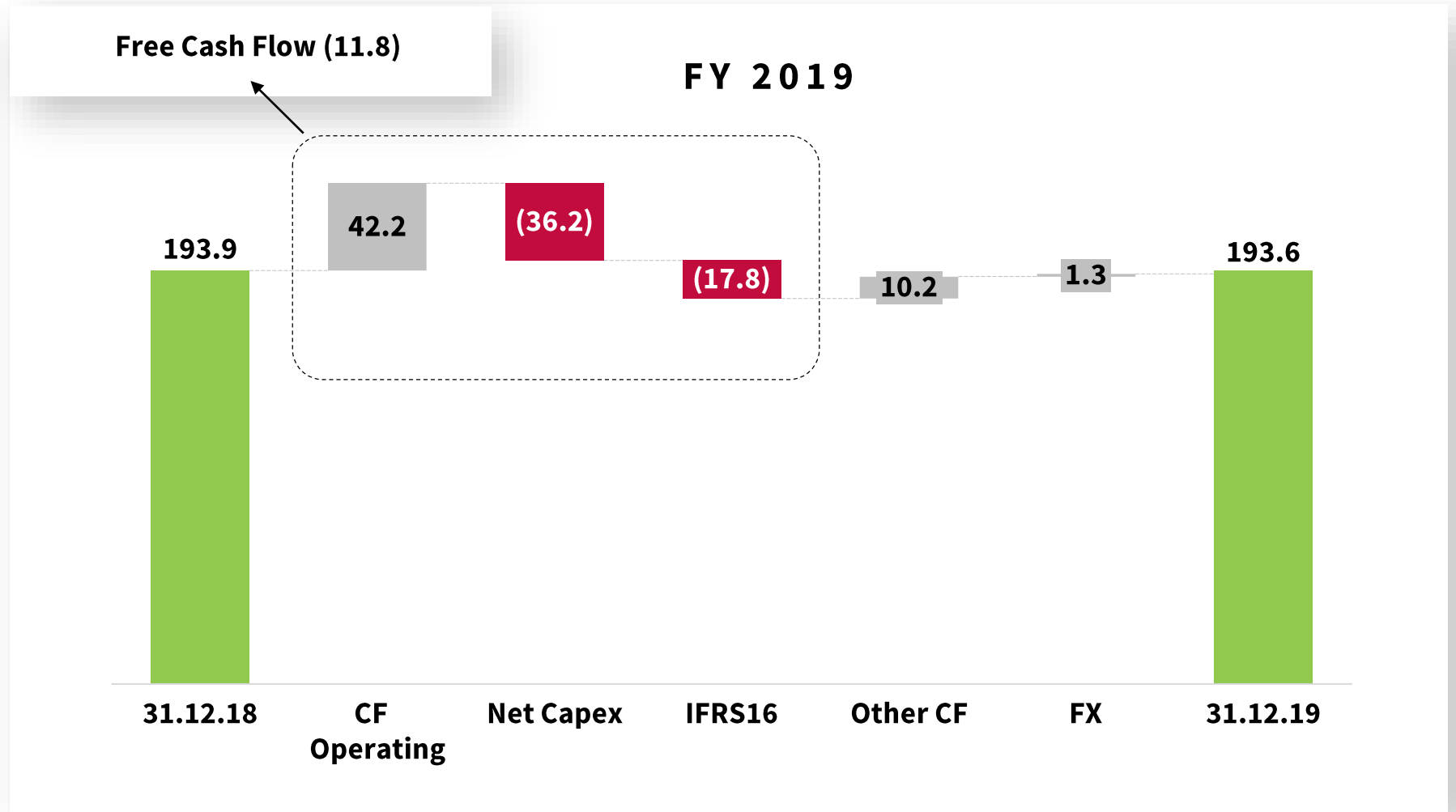




Strong growth largely self-financed: Quasi-stable net cash position

2019 Cash Position

in €m





2020 full year guidance

Guidance (Mar.2020)

Const. Currency
Rev. growth

22% - 27%

AEBITDA
margin

4.0% - 5.5%



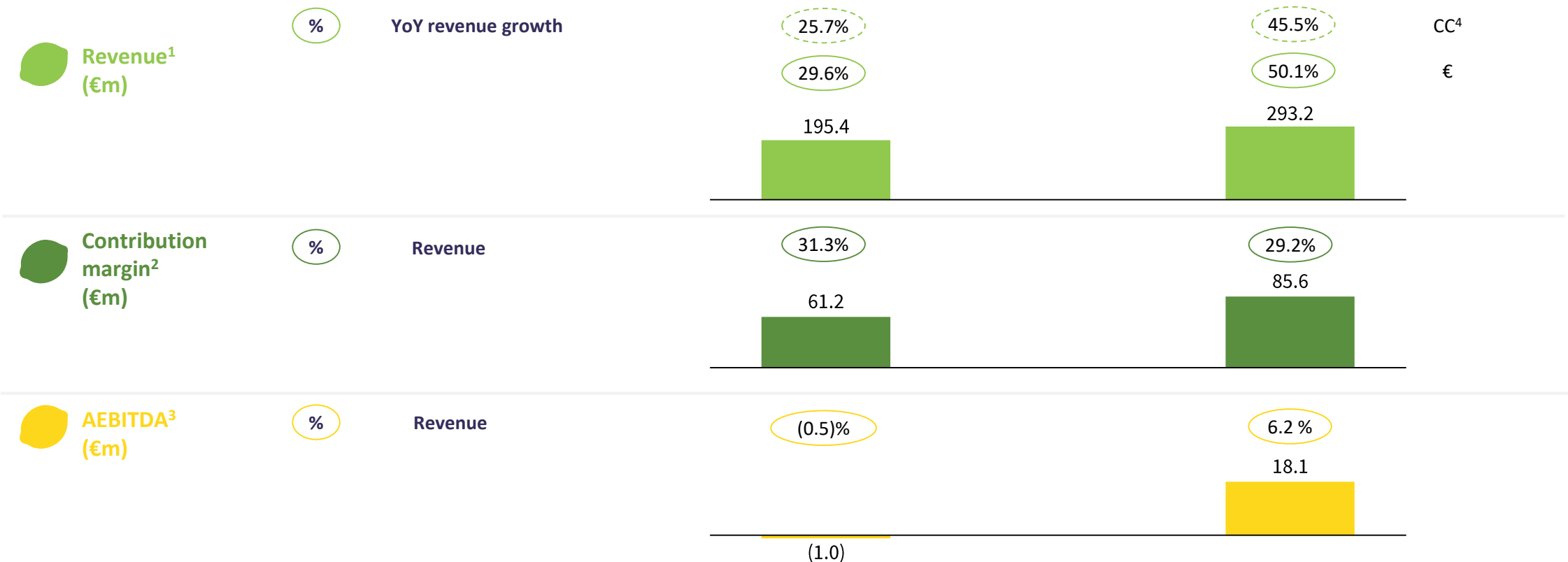


APPENDIX



US: Operational and Financial KPIs

	Q4 18	Q4 19
Active Customers (m)	1.09	1.78
Average Order Rate	3.5	3.4
Average Order Value (€)	50.6	49.1
Average Order Value constant currency (€)	50.6	47.6



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

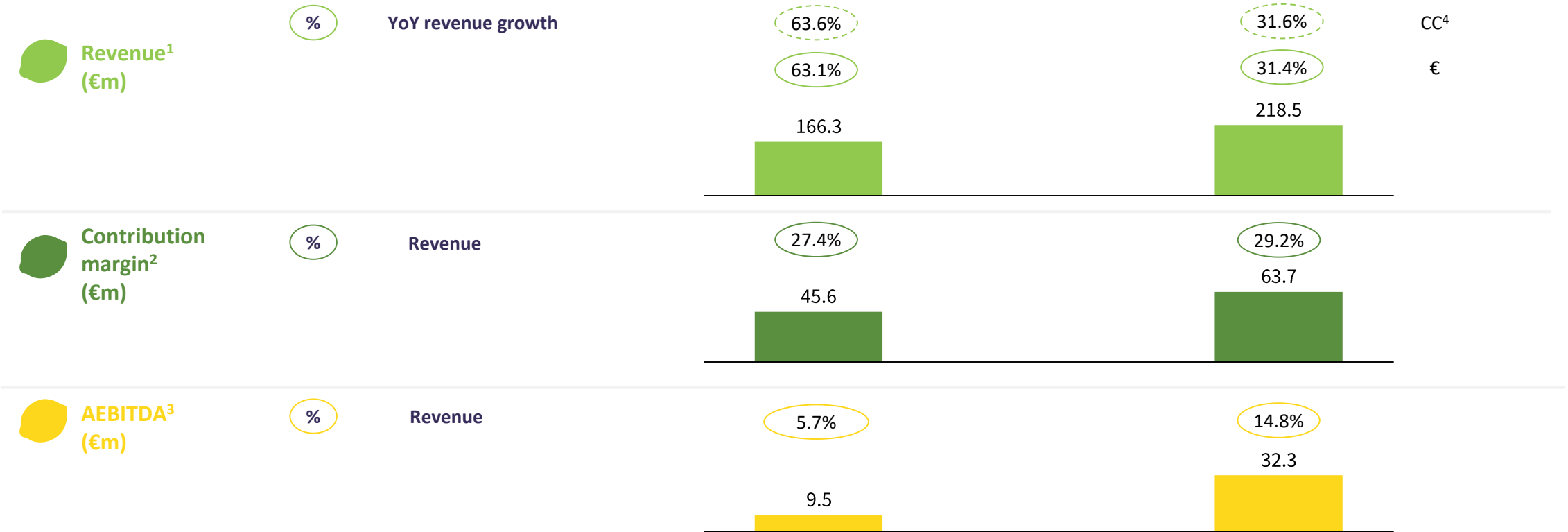
3. AEBITDA is calculated by adjusting EBITDA for special items and share-based compensation expenses; AEBITDA margin is defined as % of revenue

4. Based on constant currency



International: Operational and Financial KPIs

	Q4 18	Q4 19
Active Customers (m)	0.95	1.18
Average Order Rate	3.8	3.9
Average Order Value (€)	46.4	48.0
Average Order Value constant currency (€)	46.4	48.0

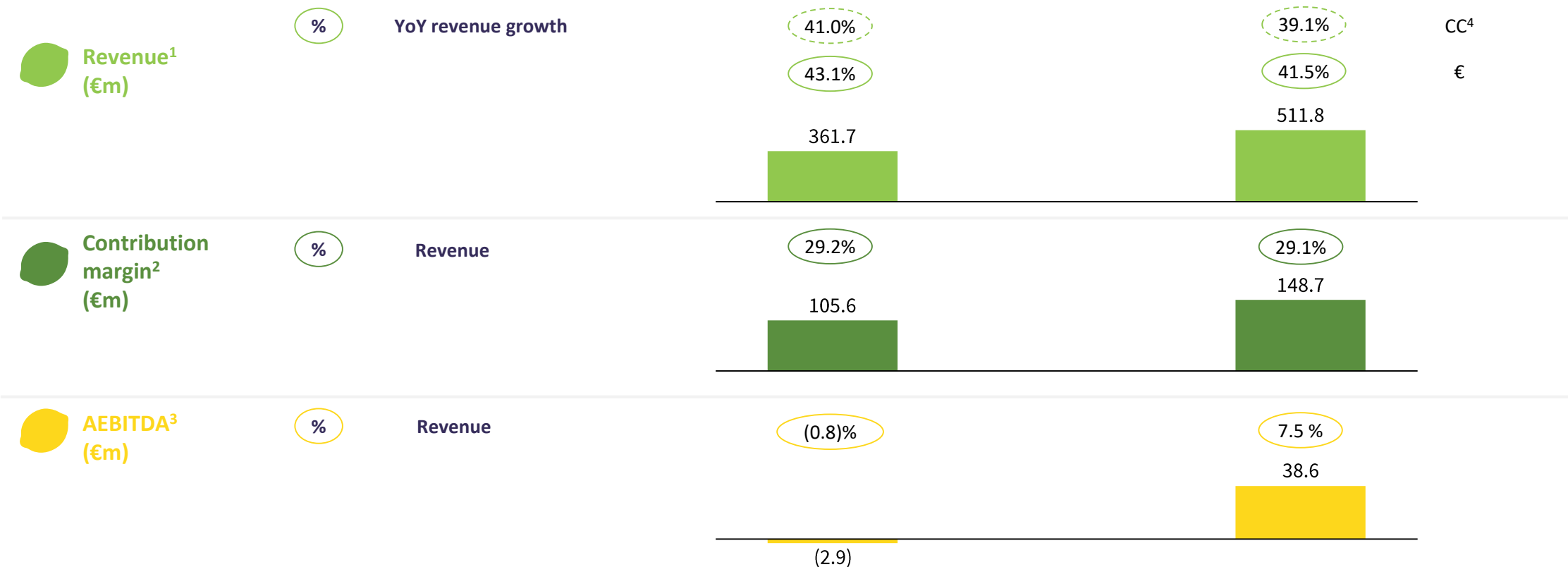


1. Revenue post promotional discounts, customer credits, refunds and excluding VAT; YoY stands for year on year and compares the respective quarter with the same quarter of the previous year
 2. Contribution margin is defined as revenue less cost of goods sold and fulfilment expenses, excluding share-based 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

	Q4 18	Q4 19
Active Customers (m)	2.04	2.97
Average Order Rate	3.6	3.6
Average Order Value (€)	48.6	48.6
Average Order Value constant currency (€)	48.6	47.8



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

	Q4 2018	Q4 2019	FY 2018	FY 2019
Revenue	361.7	511.8	1,279.2	1,809.0
% YoY growth	59%	41.5%	43.1%	41.4%
Cost of goods sold ¹	(130.2)	(178.3)	(475.6)	(640.5)
Gross profit	231.5	333.5	803.6	1168.5
Margin (% of revenue)	64%	65%	63%	65%
Fulfilment expenses ¹	(125.8)	(185.4)	(454.3)	(652.0)
Marketing expenses ¹	(86.6)	(92.0)	(329.2)	(405.2)
G&A ¹	(29.4)	(43.8)	(96.9)	(137.1)
Other operating income & expenses	0.1	(2.2)	(5.1)	(4.3)
EBIT	(10.2)	12.3	(82.8)	(25.8)
Margin (% of revenue)	(2.8)%	2.4%	(6.5)%	(1.4)%
Financial result	5.1	4.2	4.2	20.5
EBT	(5.1)	16.5	(78.6)	(5.3)
Income tax (expense) benefit	0.9	0.7	(4.2)	(4.8)
Net income / (loss)	(4.2)	17.2	(82.8)	(10.1)

EBIT	(10.2)	12.3	(82.8)	(25.8)
D&A	3.8	11.6	13.3	41.5
EBITDA	(6.4)	24.0	(69.5)	15.7
SBC	3.3	4.6	13.4	18.8
Special Items	0.1	10.1	1.6	12.0
AEBITDA ²	(2.9)	38.6	(54.5)	46.5
Margin (% of revenue)	(0.8)%	7.5%	(4.3)%	2.6%

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 2018	FY 2019
Assets		
Non - current Assets	143.7	288.7
Current Assets*	252.4	281.5
*of which cash	193.9	193.6
Total assets	396.1	570.2
Equity and liabilities		
Equity	237.2	246.1
Non - current liabilities	14.5	111.1
Current liabilities	144.9	213.8
Total equity and liabilities	396.1	570.2
<hr/>		
		FY 2019
Cash flow used in operating activities	(50.2)	(42.2)
Cash flow used in investing activities	(66.9)	(29.0)
*of which M&A	(39.9)	-
Cash flow from financing activities	(29.1)	(14.8)



Share Count

As of December 31st, 2019

Types of share

Stock exchange

Market Segment

Number of shares issued

Number of shares outstanding

Ordinary shares

Frankfurt Stock Exchange

Regulated Market (Prime Standard)

164,621,699

164,312,648

Employee incentive plan	Options	RSU	Total
Vested ¹ (m)	10.6	0.2	10.8
Unvested (m)	4.4	0.7	5.1
Outstanding (m)	15.0	0.8	15.8
WAEP ² (€)	5.1		

1. Thereof exercisable 8.7M options
 2. Weighted average exercise price



Financial calendar

Month	Day	Event			
March	3	3.3.2020	<ul style="list-style-type: none"> Publication of Annual Report 2019 and Earnings Call Roadshow Frankfurt 	24.3.2020	<ul style="list-style-type: none"> Conference BHL, Baden Baden
	10				
	17	4.3-5.3.2020	<ul style="list-style-type: none"> Roadshow London 		
	24	10.3-11.3.2020	<ul style="list-style-type: none"> Roadshow New York 		
25					
April	28	28.04.2020	<ul style="list-style-type: none"> General Shareholders Meeting 		
	5	05.05.2020	<ul style="list-style-type: none"> Publication of Q1 2020 Financial Results 		
	19	19.05.2020	<ul style="list-style-type: none"> Berenberg US Conference 2020 (Tarrytown) 		
	27	27.05.2020	<ul style="list-style-type: none"> Cowen's 48th Annual Technology, Media & Telecom Conference (New York) 		
	3	03.06.2020	<ul style="list-style-type: none"> DB Access Conference in Berlin 		
June	15	15.06.2020	<ul style="list-style-type: none"> Barclays EU Internet Day 		

