



HELLOFRESH

GROUP

Q3 2022 Results
October 27th, 2022

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Our Mission

We change the way
people eat forever

Our Vision

The world's leading,
fully integrated foods
solution group



Q3 2022 Highlights

Continued strong revenue growth of 18% (on a constant currency basis) to €1.86bn

Sequential re-acceleration of active customer growth of 8% YoY to 7.5m

Further increase in average order value to €63.7 (+12% YoY on a constant currency basis)

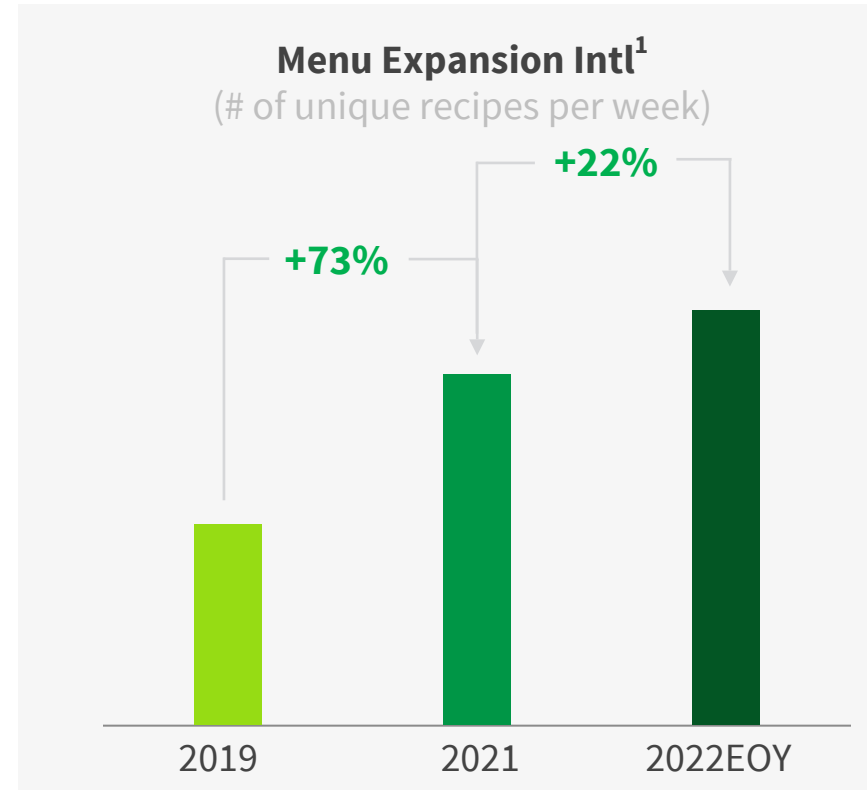
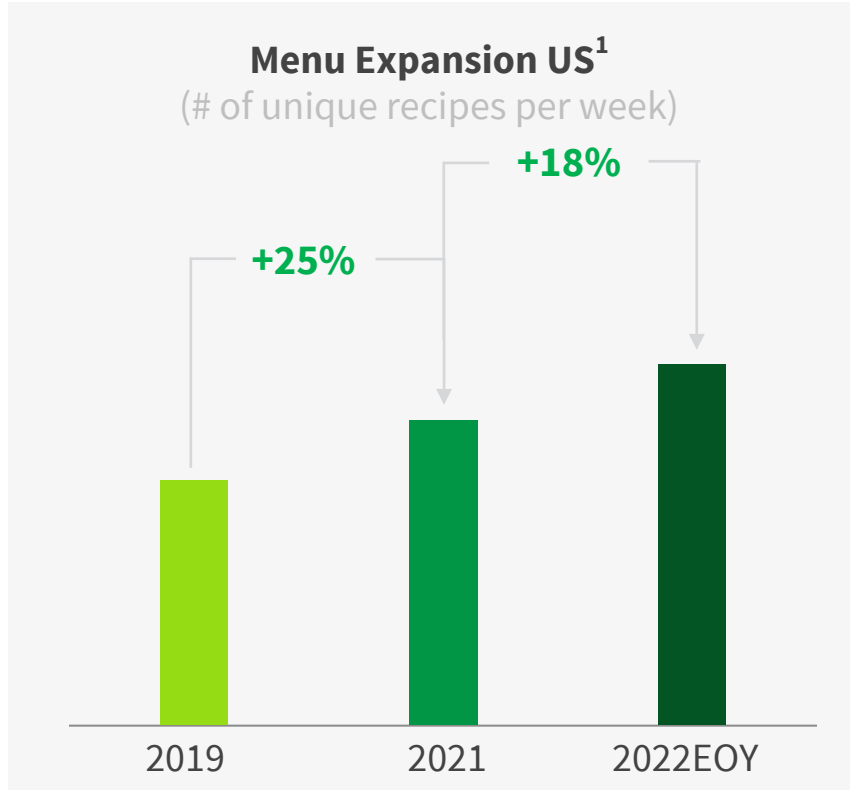
Solid contribution margin of 24.5%, up 2.0 pp YoY, despite inflationary headwinds

€71.8m AEBITDA, a margin of 3.9%. Marketing (as % of revenue) of 17.9%, driven by seasonality and somewhat higher US CACs

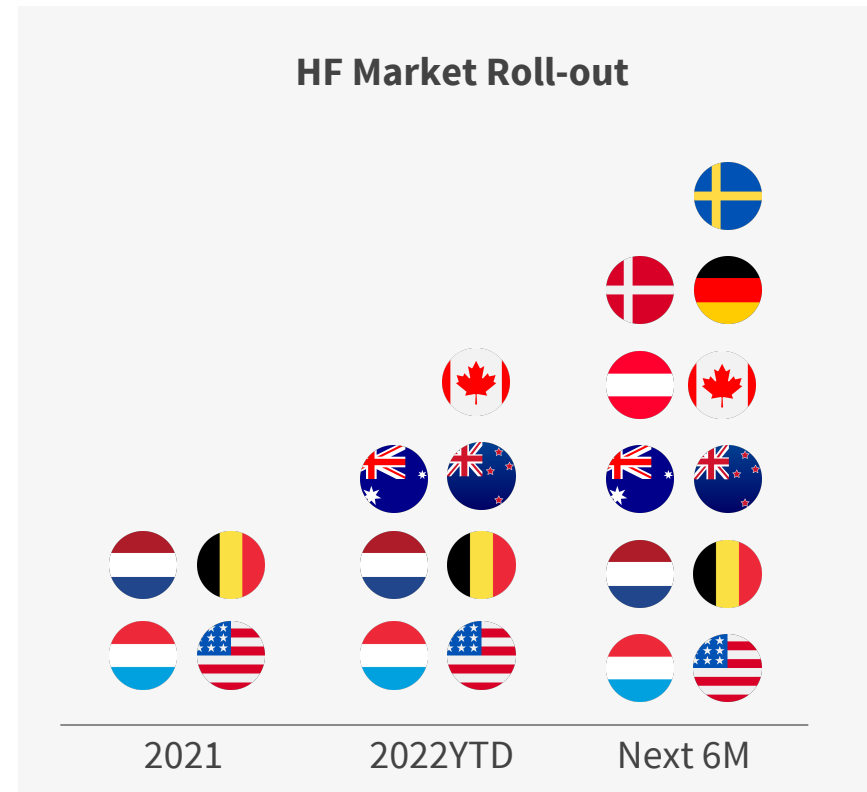
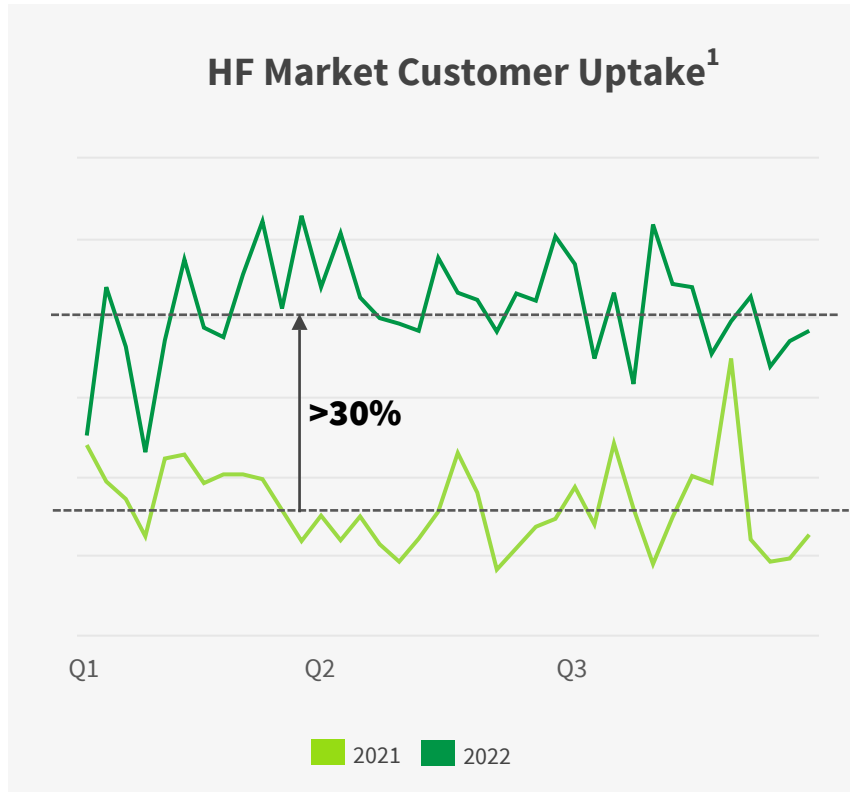
Strong balance sheet maintained, with €604m of cash

Ongoing improvements to customer proposition (menu expansion, relative affordability)

Investments in the customer proposition include continuous menu and choice expansion in both segments

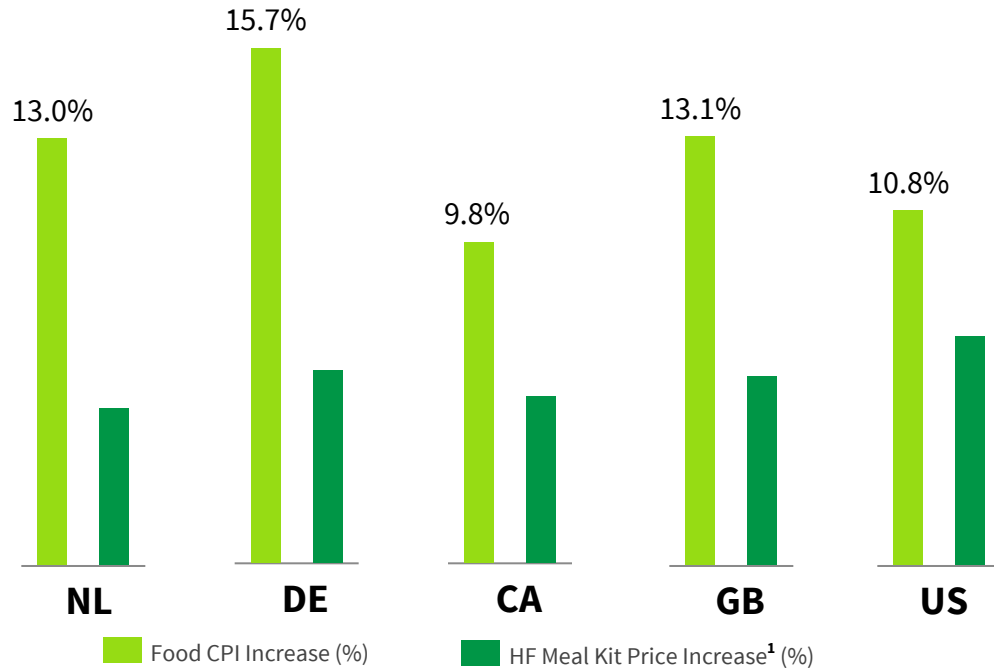


A larger and better optimized assortment helps drive customer uptake consistently for HelloFresh Market



¹ Defined as HF customers who have ordered an add-on from HF Market as a % of total meal boxes in that week. Data for ANZ, BNL, US and Canada (week 2 onwards)

We deliberately increased pricing less than overall food price inflation, markedly improving HelloFresh's relative affordability vs. all other food alternatives



HF Value for Money Perception (YoY Change)

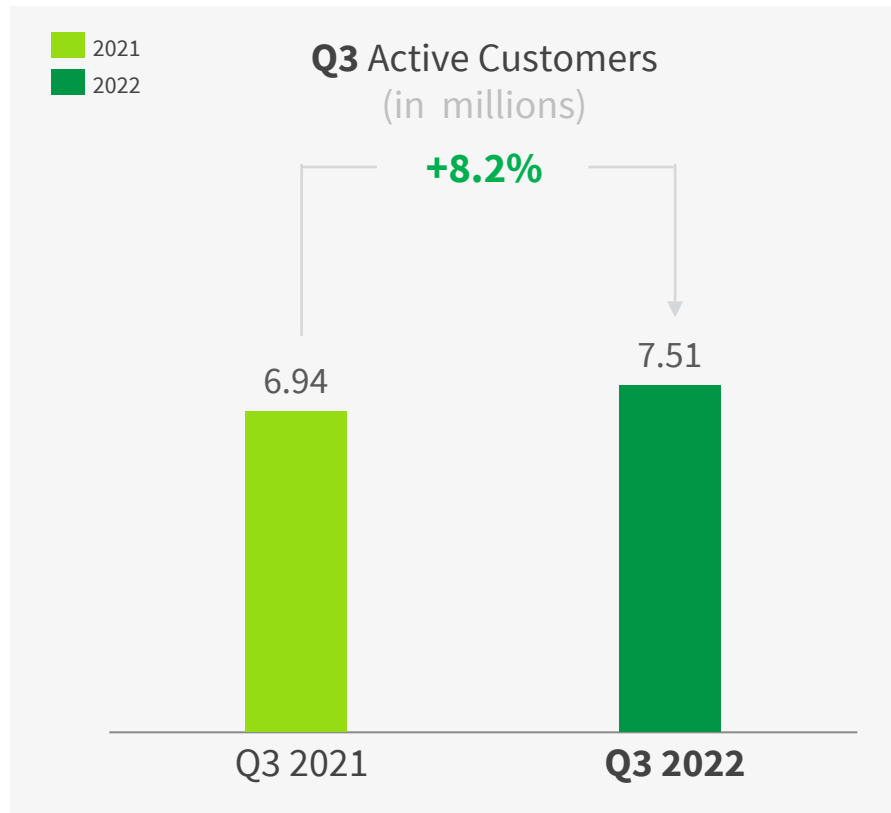


- Internal survey. Increase in share of customers that *agree or strongly agree* that 'HelloFresh is good value for money'

¹HF price development calculated as weighted average price increase (new and existing customers). CPI Food Inflation from OECD sources (% change calculated YoY on August 2022)

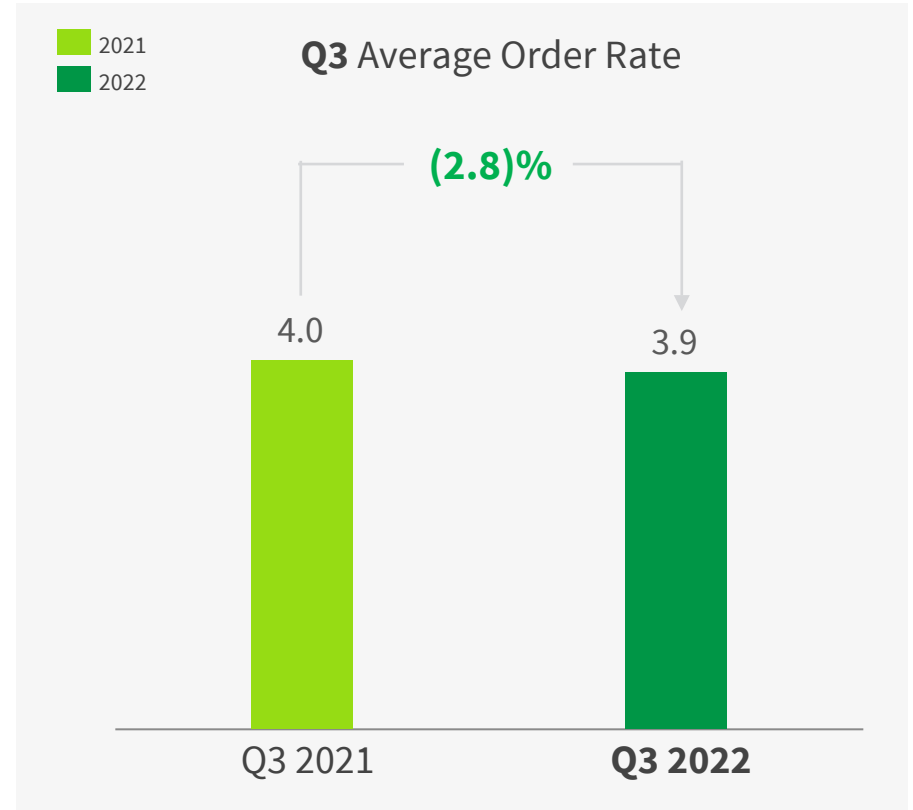
Q3 Customers increased by 8.2% year-on-year to 7.51m

- Sequential re-acceleration of customer growth
 - Intl +11.0 %
 - US +5.5 %
- Intl. with meaningful sequential acceleration, despite challenging macro
- US HF brand more modest 'back-to-school' season than originally planned



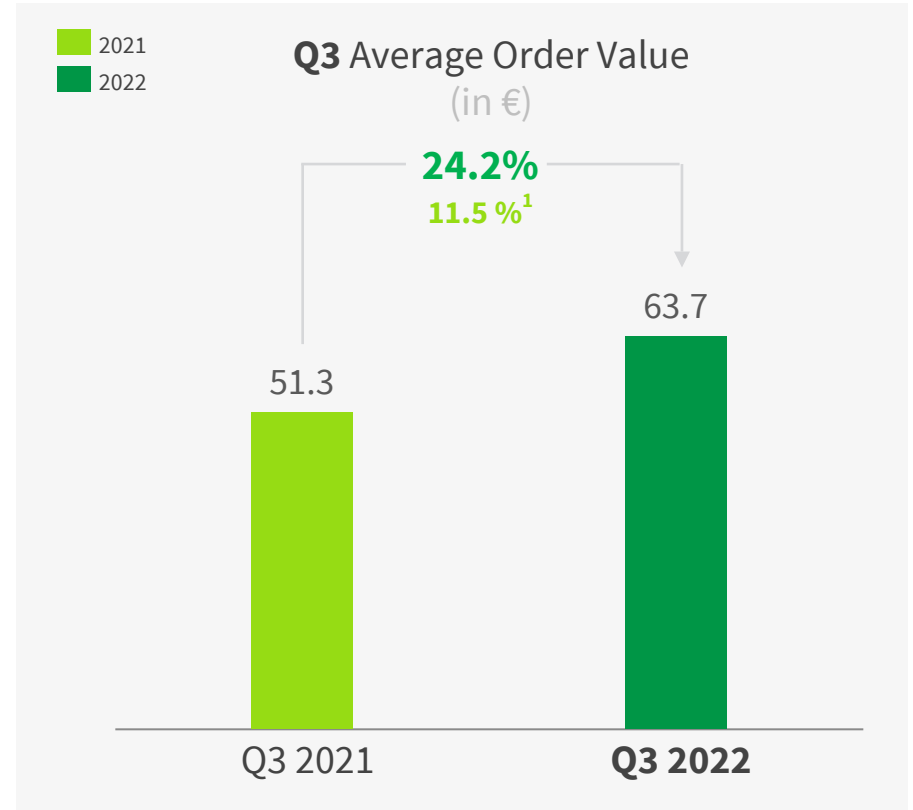
Order rates remained high and well ahead of pre-pandemic levels

- Average order rate remains strong in spite of usual Q3 seasonality
 - US - 4.10
 - INT- 3.64
- Strong ordering pattern from existing US customers during the summer



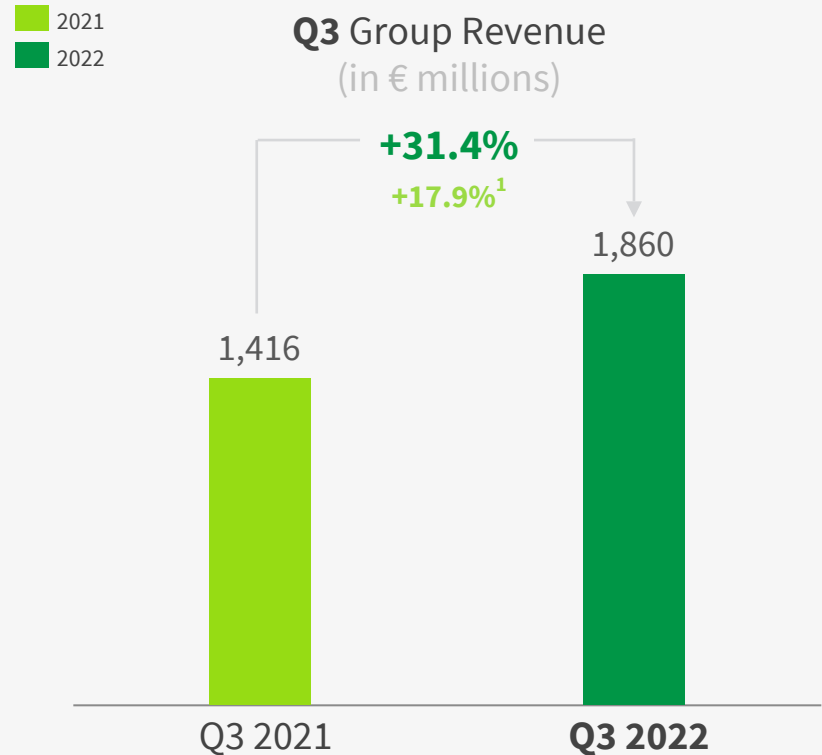
Average order value continued to rise, with Q3 posting highest AOV ever

- AOV growth continued to accelerate in Q3, increasing 12 % YoY on a constant currency basis
- YoY drivers of AOV increase continued to be:
 - Selected price increases
 - Increased order sizes
 - Increased take-up of HelloFresh Market and surcharge offerings
 - Increased popularity of RTE offering



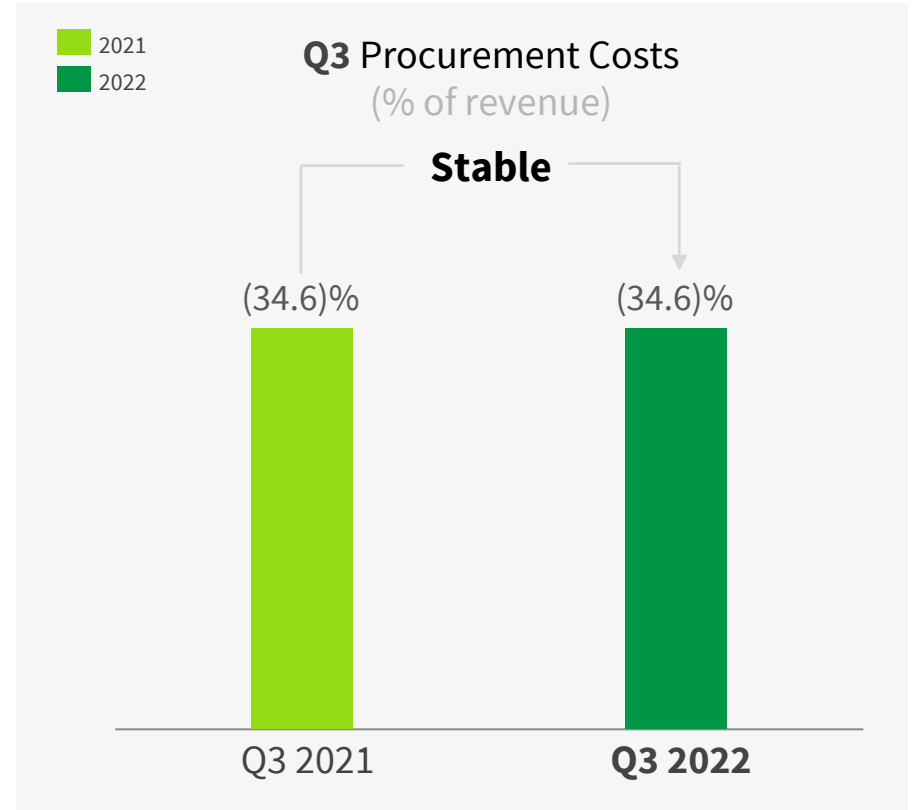
Sequential re-acceleration of constant currency revenue growth to 17.9% demonstrates resilience of the business

- Strong top-line growth across both segments
 - US CC growth of +24.1%
 - Intl with a CC growth of +10.2%



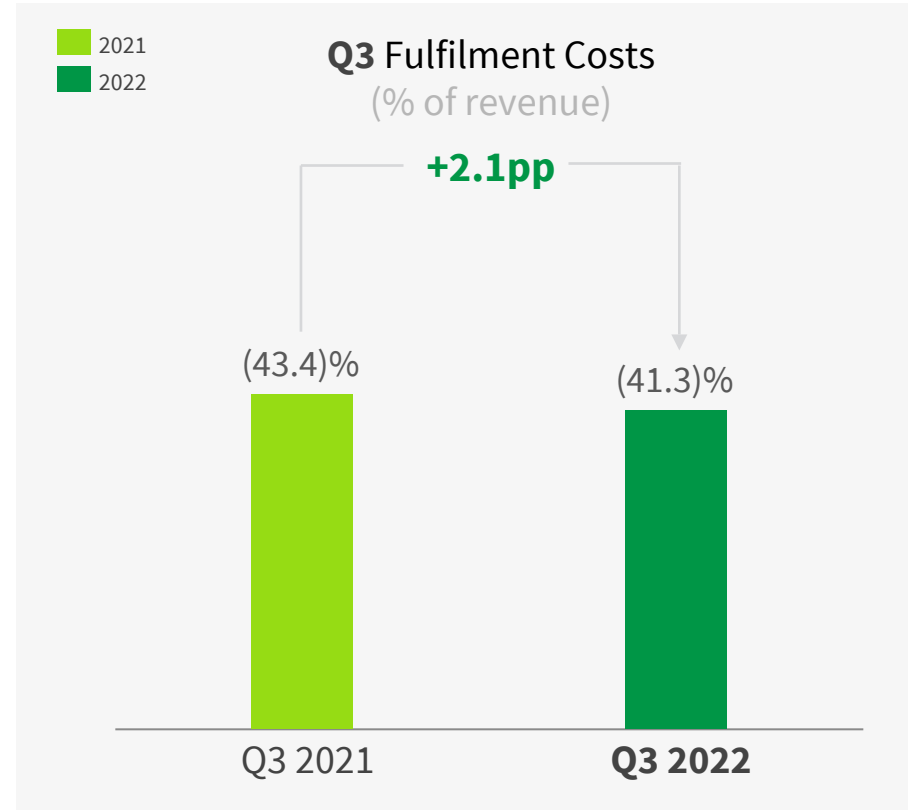
We continued to successfully mitigate very meaningful food price inflation through a number of measures

- Beneficial impact of price increases
- Leveraging strength of a well diversified procurement network
- Leveraging data advantages by factoring different degrees of inflation into menu decisions



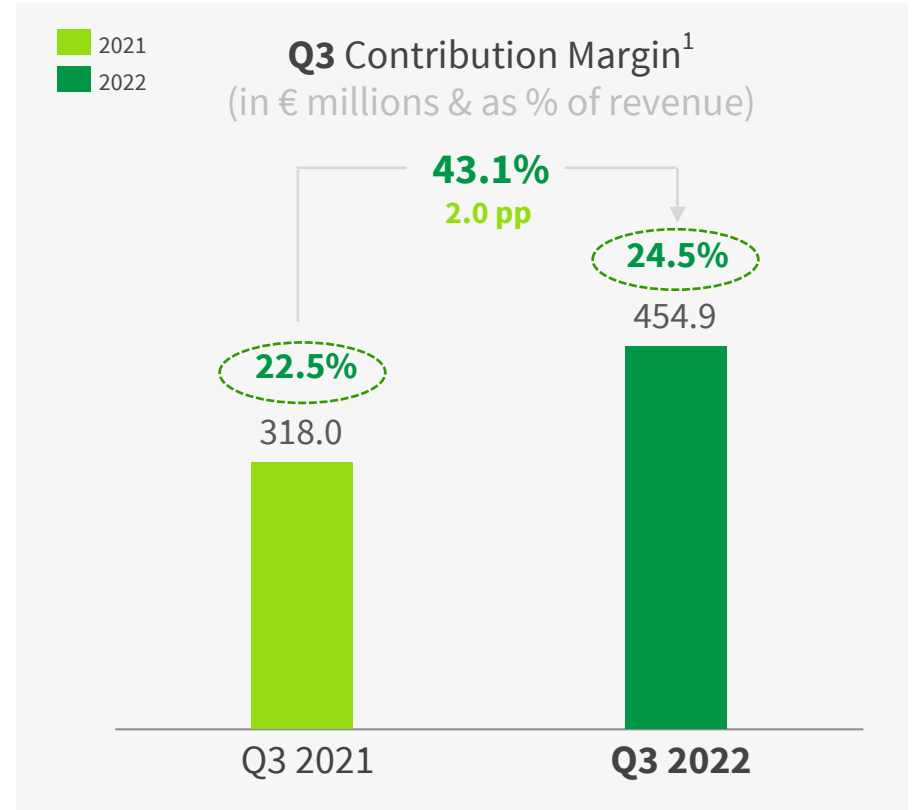
YoY improvement in fulfilment expenses, primarily driven by better production efficiencies

- Improvement in production expenses through increased productivity, across both segments
- Movement in other fulfilment expenses largely offsetting each other



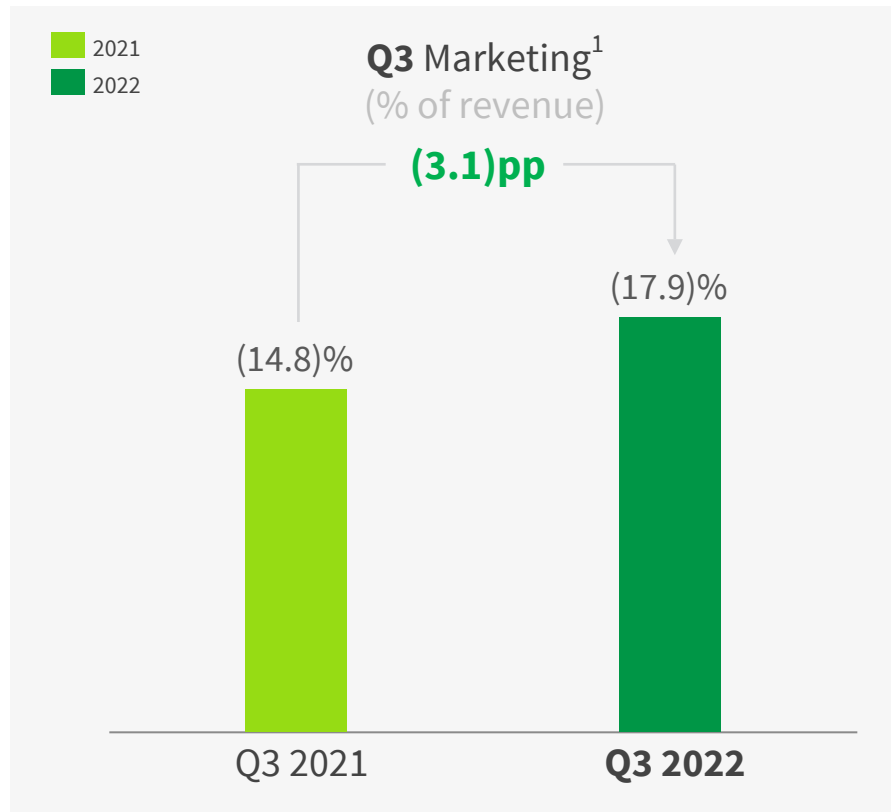
Q3 contribution margin expanded YoY to 24.5%, despite inflationary headwinds

- Meaningful improvement YoY in both margin and absolute terms
- Q3 typically seasonally lowest contribution margin quarter



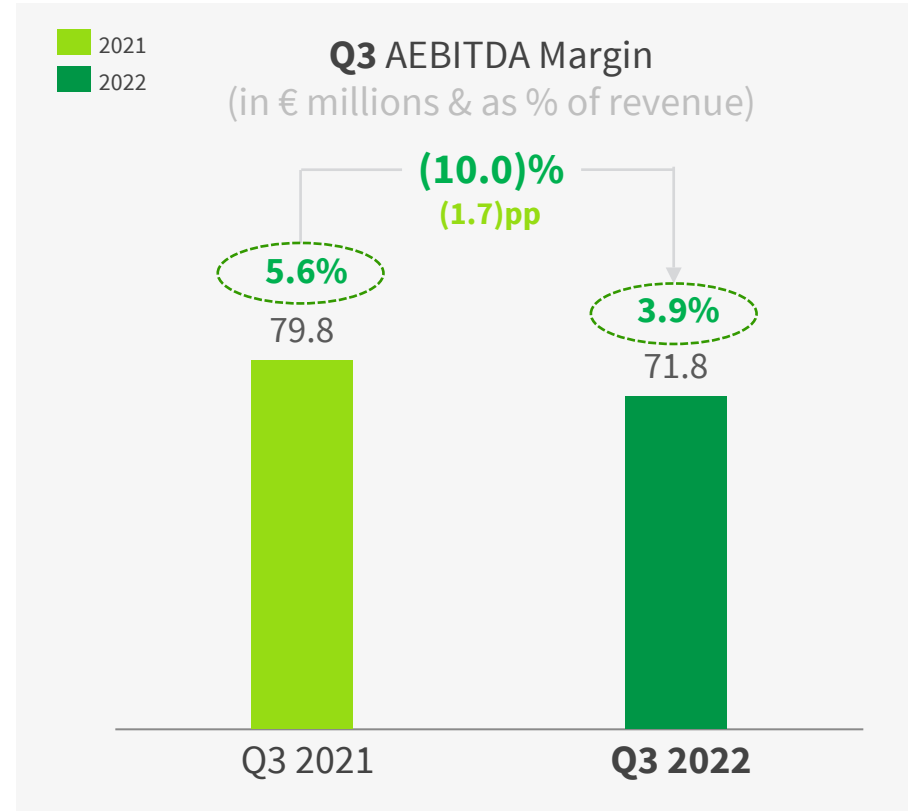
Elevated marketing spend partly driven by seasonality, partly by higher CACs

- Q3 marketing expenses reflect seasonal investments in September into 'back-to-school' campaigns
- Comparative period still impacted by Covid tailwind
- Intl marketing expenses in addition influenced by ramp-up of new markets/brands and US by Factor ramp-up
- Sequential increase in US CACs, partly driven by higher share of new customer acquisitions at Factor

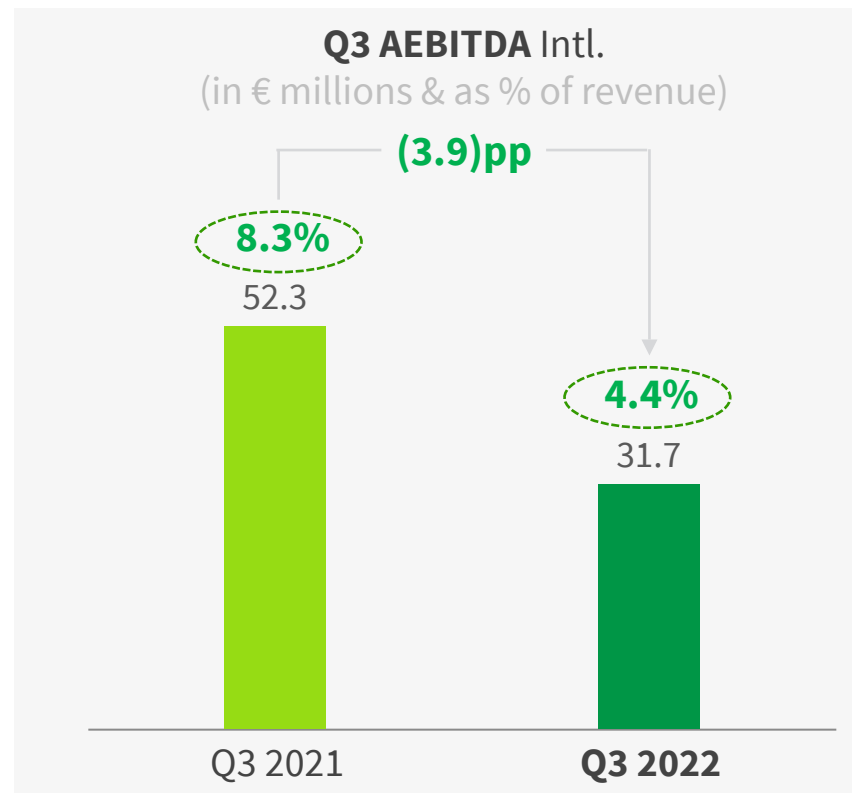
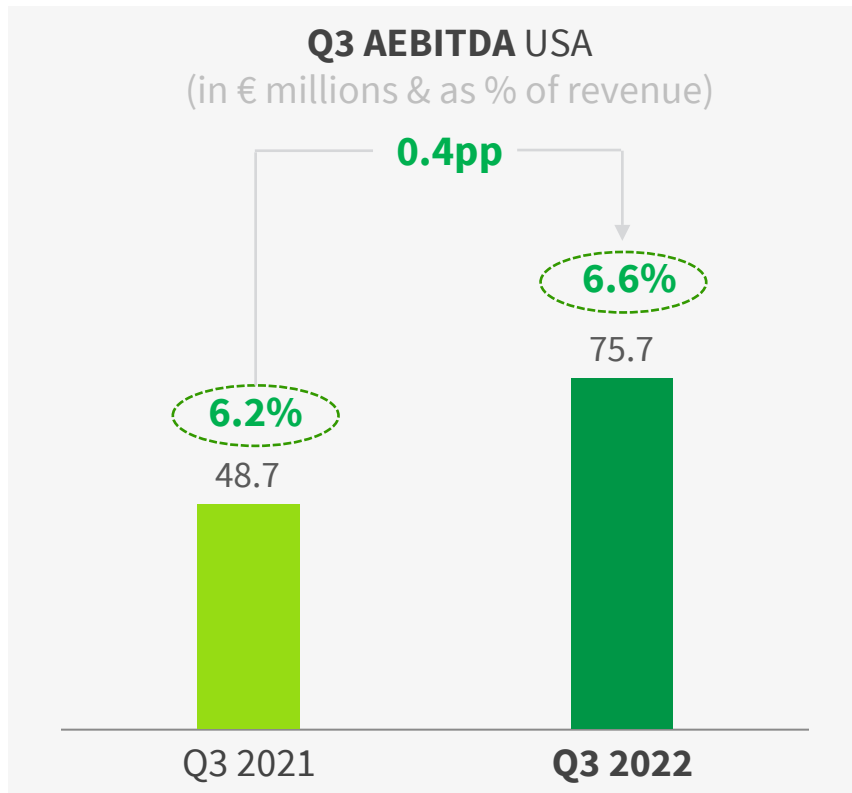


We delivered an AEBITDA of €71.8m in seasonally low-margin Q3

- YoY AEBITDA development driven by:
 - Robust top-line growth
 - Expansion of contribution margin
 - Offset by higher marketing expenses

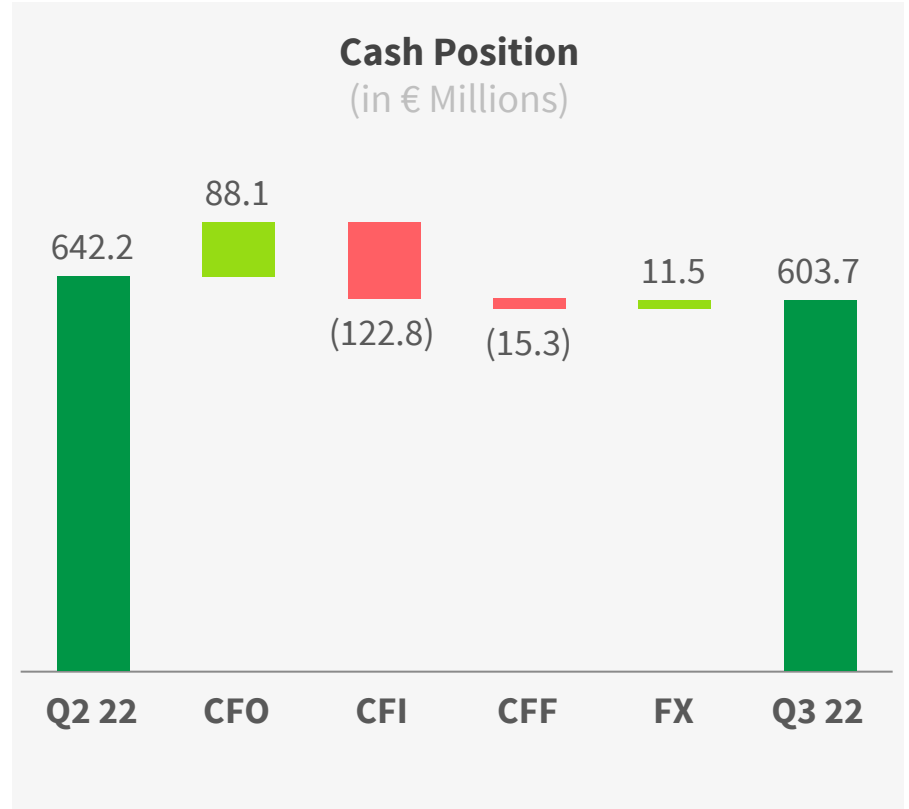


Despite higher marketing expenses, US AEBITDA up YoY. Intl. impacted by new market launches/ramp-ups



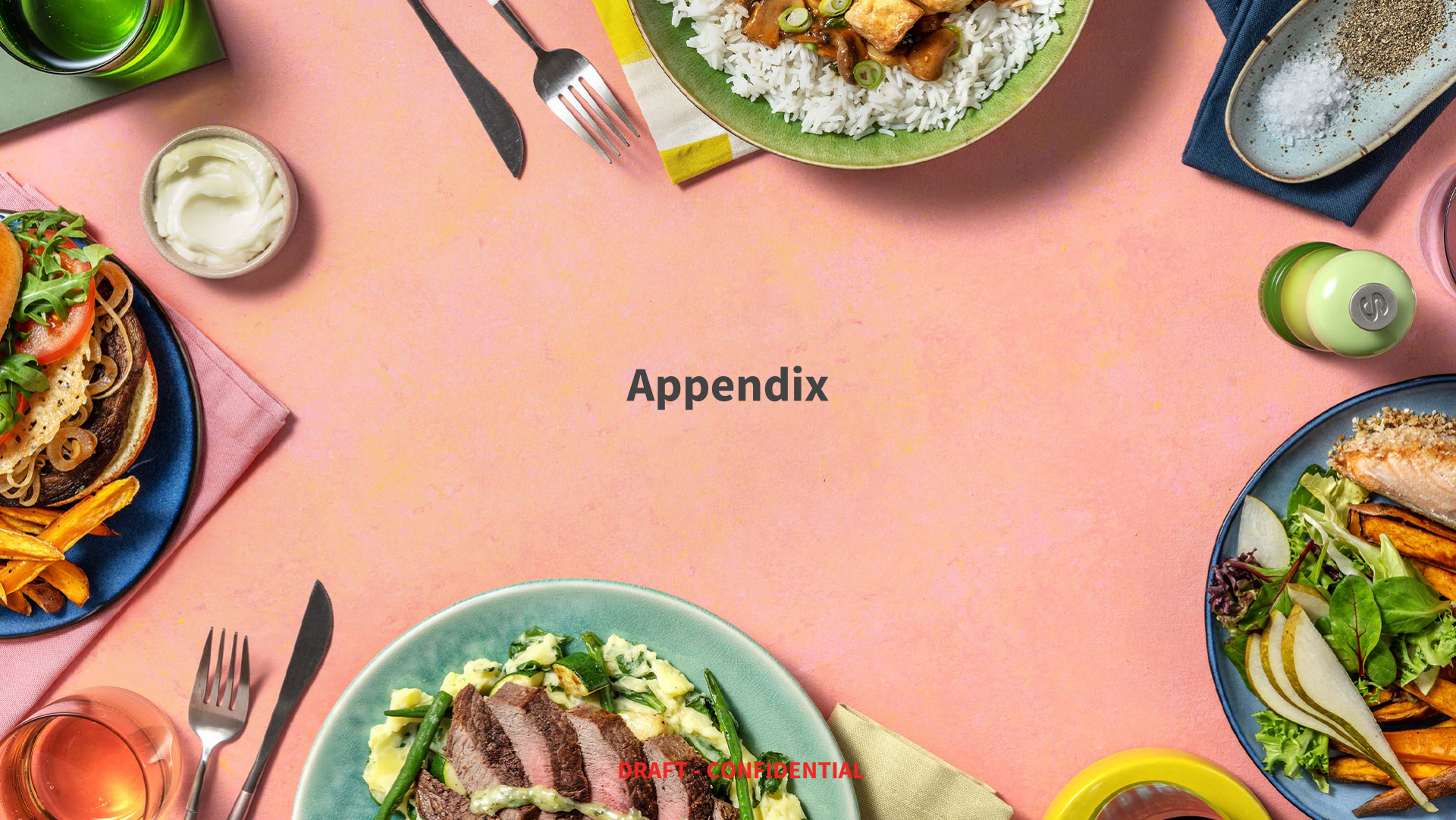
We maintained our strong balance sheet while continuing to drive meaningful investments into the business

- Cash flow from operations supported by seasonal working capital inflow in September
- Continued progress on capacity optimization projects driving €(123)m cash flow from investments
 - Key items include further build out of several facilities in the US (incl. for Factor) and in Intl.



We reiterate our FY 2022 outlook of 18% – 23% CC revenue growth and €460m - €530m AEBITDA

	Current
Constant Currency Revenue Growth	18% - 23%
AEBITDA	€460m - €530m

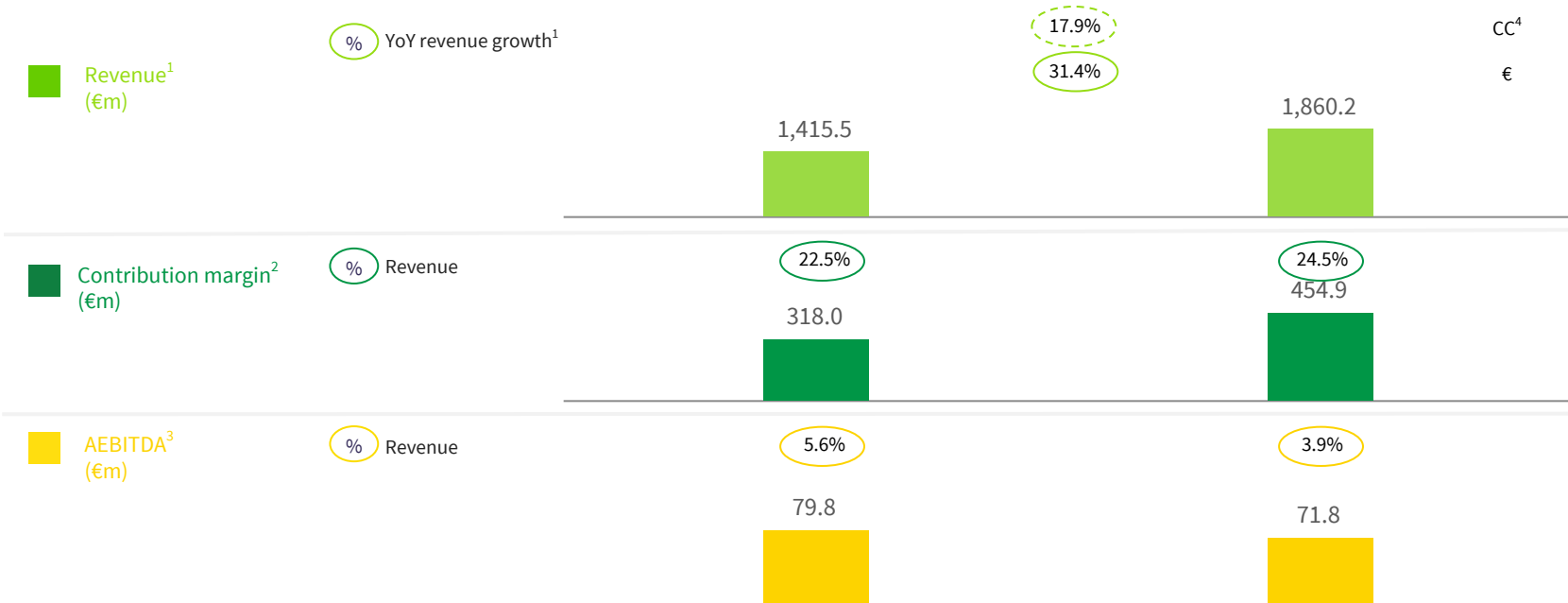


Appendix

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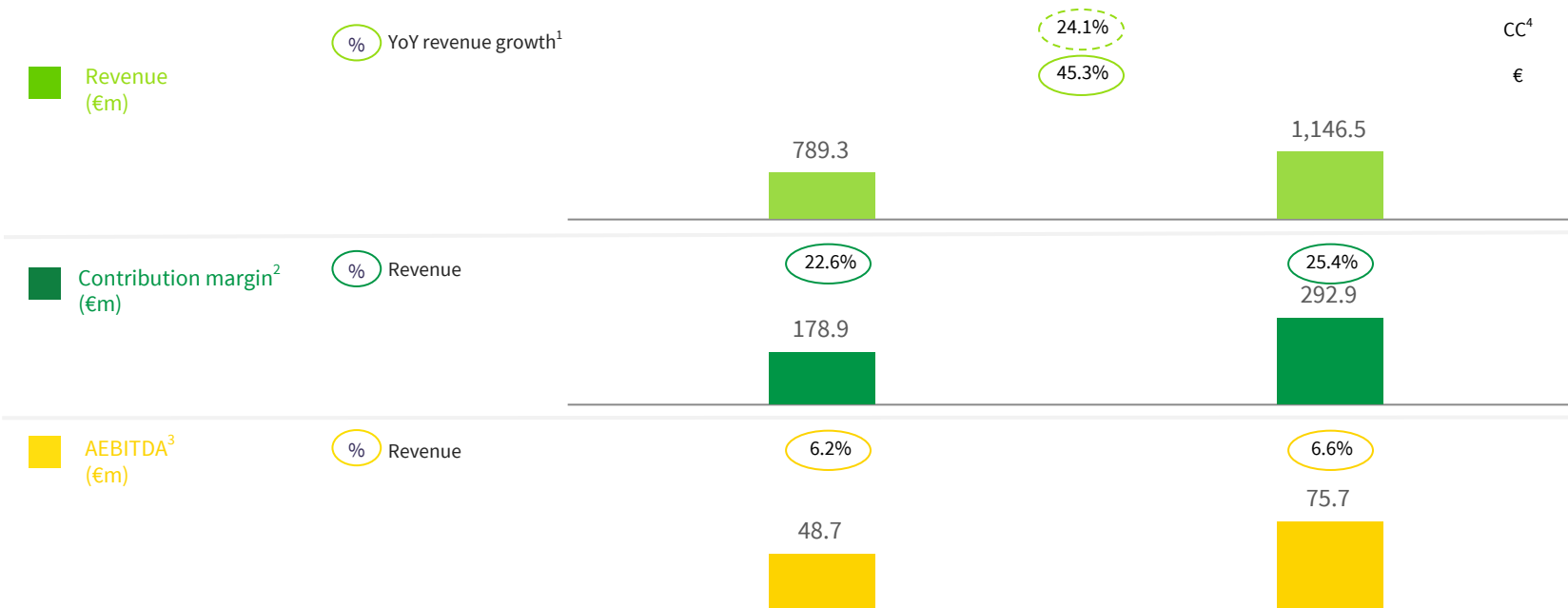
Group: Operational and Financial KPIs

	Q3 21	Q3 22
Active Customers (m)	6.94	7.51
Average Order Rate	4.0	3.9
Average Order Value (€)	51.3	63.7
Average Order Value constant currency (€)	51.3	57.2



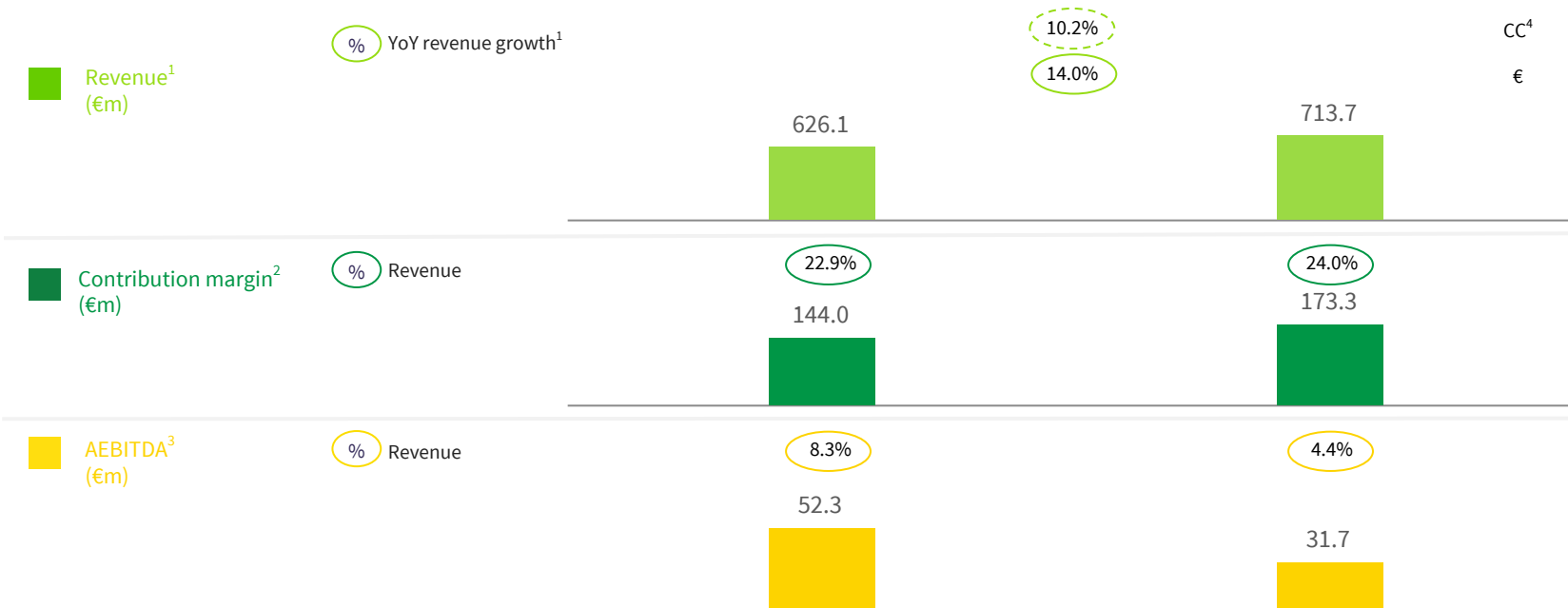
USA: Operational and Financial KPIs

	Q3 21	Q3 22
Active Customers (m)	3.48	3.67
Average Order Rate	4.1	4.1
Average Order Value (€)	55.9	76.1
Average Order Value constant currency (€)	55.9	65.0



International: Operational and Financial KPIs

	Q3 21	Q3 22
Active Customers (m)	3.46	3.84
Average Order Rate	3.9	3.6
Average Order Value (€)	46.5	50.4
Average Order Value constant currency (€)	46.5	48.7



Profit and Loss Statement

	3 months ended		Change %	9 months ended		Change %
	30-Sep 22	30-Sep 21	YoY	30-Sep 22	30-Sep 21	YoY
Revenue	1,860.2	1,415.5	31.4%	5,732.7	4,413.4	29.9%
Procurement Expense	(644.5)	(489.8)	31.6%	(1,978.1)	(1,509.8)	31.0%
Fulfilment Expense	(768.0)	(613.8)	25.1%	(2,337.5)	(1,790.4)	30.6%
Contribution Margin	447.6	311.9	43.5%	1,417.0	1,113.3	27.3%
<i>% of Revenue</i>	24.5%	22.5%	2.0pp	25.1%	25.6%	(0.5)pp
Marketing Expense	(333.8)	(209.5)	59.3%	(980.7)	(640.9)	53.0%
G&A, other income and expenses	(112.6)	(61.0)	(84.6)%	(304.6)	(166.1)	(83.4)%
EBIT	1.2	41.4	(97.0)%	131.7	306.4	(57.0)%
<i>% of Revenue</i>	0.1%	2.9%	(2.9)pp	2.3%	6.9%	(4.6)pp
Financial Result	13.8	(5.4)	355.6%	29.8	(8.6)	446.5%
EBT	15.0	36.0	(58.3)%	161.5	297.8	(45.8)%
Income Tax (Expense) / Benefit	(12.9)	(12.9)	0.0%	(69.9)	(89.2)	21.6%
Net Income / (Loss)	2.1	23.1	(90.9)%	91.6	208.6	(56.1)%

Reconciliation starting at EBIT

EBIT	1.2	41.4	(97.0)%	131.7	306.4	(57.0)%
D&A	44.6	25.5	74.6%	113.1	65.9	71.7%
EBITDA	45.8	67.0	(31.6)%	244.8	372.3	(34.2)%
<i>% of Revenue</i>	2.5%	4.7%	(2.3)pp	4.3%	8.4%	(4.2)pp
Special Items	6.4	4.0	62.5%	15.7	7.8	101.0%
SBC	19.6	8.9	121.4%	56.6	16.6	240.4%
AEBITDA	71.8	79.8	(10.0)%	317.1	396.8	(20.1)%
<i>% of Revenue</i>	3.9%	5.6%	(1.8)pp	5.5%	9.0%	(3.5)pp

Balance Sheet & Cash Flow Statement

In MEUR	As at 30-Sep 22	As at 31-Dec 2021
Assets		
Non-current assets	1,593.0	1,055.5
Cash and cash equivalents	603.7	827.1
Other current assets	407.6	326.0
Total assets	2,604.3	2,208.6
Equity and liabilities		
Equity	957.0	896.6
Non-current liabilities	631.8	486.7
Current liabilities	1,015.5	825.3
Total equity and liabilities	2,604.3	2,208.6

In MEUR	As at 30-Sep 22	As at 30-Sep 21
Cash and cash equivalents at the beginning of the period	642.2	933.4
Net Cash flows from operating activities	88.1	85.2
Net Cash flows from investing activities	(122.8)	(57.5)
Net Cash flows from financing activities	(15.3)	(8.5)
Effects of exchange rate changes and other changes on cash and cash equivalents	11.5	2.5
Cash and cash equivalents at the end of the period	603.7	955.1

Share Count

As of September 30, 2022

Types of share

Ordinary shares

Stock exchange

Frankfurt Stock Exchange

Market Segment

Regulated Market (Prime Standard)

Number of shares issued

171,799,994

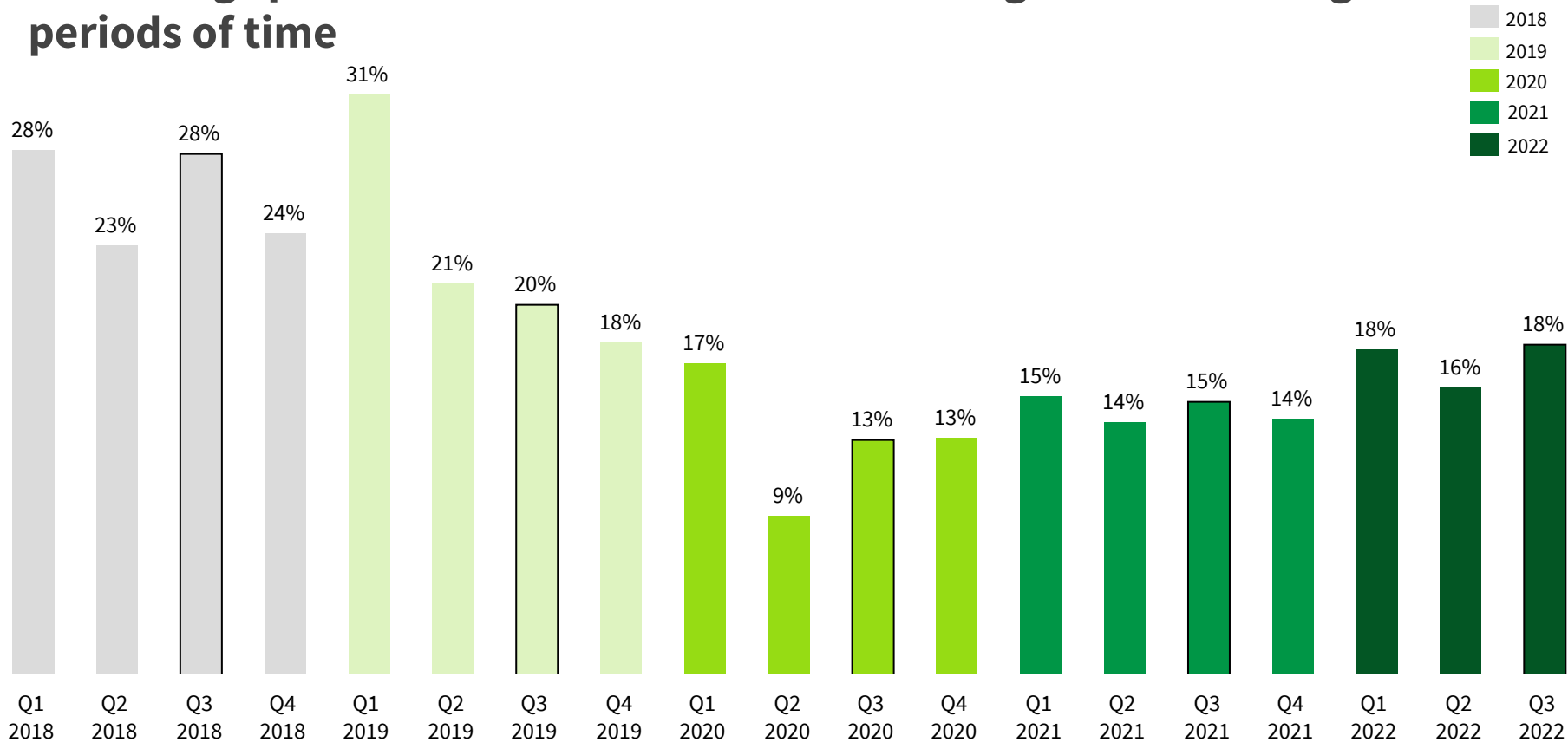
Number of shares outstanding

171,560,240

Employee Incentive Plan	Options	RSU	Total
Vested (in mn)	7.5	0.1	7.6
WAEP (in EUR) - vested shares	15.22	—	14.95
Unvested (in mn)	3.1	1.3	4.4
WAEP (in EUR) - unvested shares	44.78	—	31.39
Outstanding (in mn)	10.6	1.5	12.1
WAEP (in EUR)	23.83	—	20.96

1. Weighted average exercise price

Marketing spend as % of net revenue still coming down over longer periods of time





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