



HELLOFRESH

GROUP

Q3 2023 Results
October 26th, 2023

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Our Mission

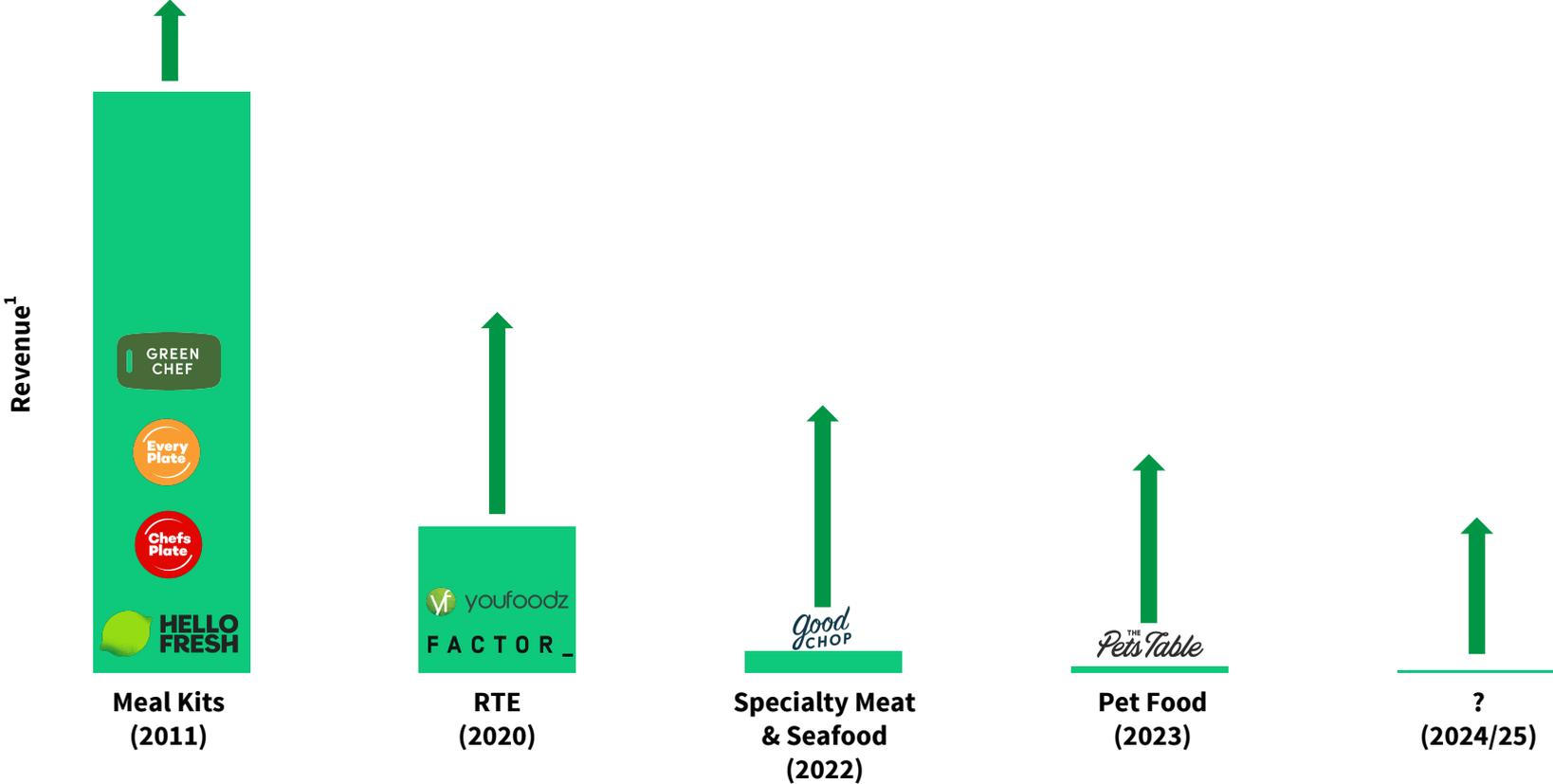
We change the way
people eat forever

Our Vision

The world's leading,
fully integrated foods
solution group



Set up for long term sustainable growth: we operate two \$1bn++ business lines today and built the infrastructure for more



¹ Indicative figures for 2023. Graph not at scale

Q3 2023 Highlights

Revenue of €1.8bn, a constant currency growth of 3.5%, implying a sequential re-acceleration for the Group and for each segment

Exit rates trended positively in September, both in orders and revenue growth, across segments

Further increase in average order value to €64.2 (+7.5 % yoy on CC), the highest level ever

€69.2m AEBITDA, a margin of 3.8%

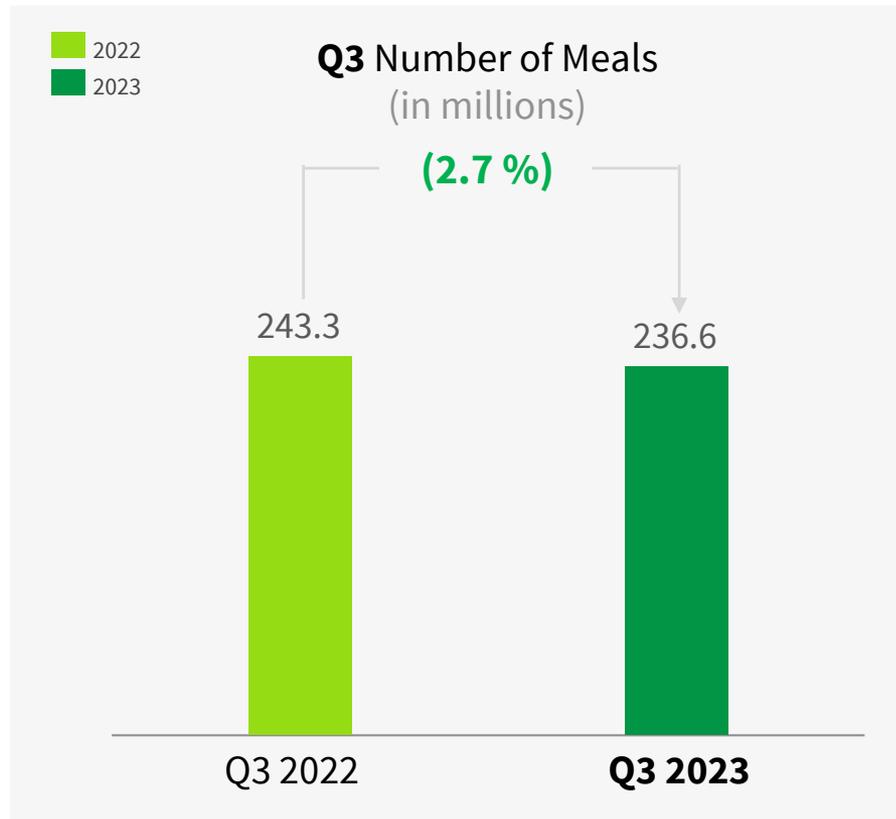
Goodyear (AZ) Factor site successfully launched in September, ramp-up started according to plan

Positive FCF in Q3 and for the nine months to September

€150m earmarked for share buyback and opportunistic market purchases of convertible bond, running to December 2024

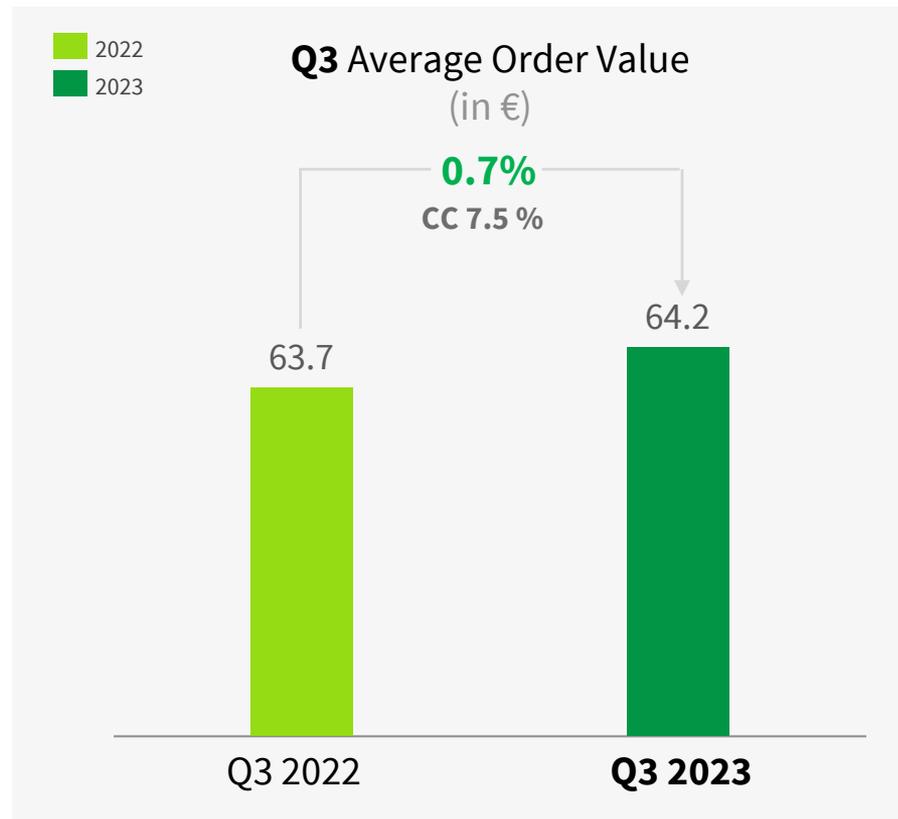
We delivered 237m meals in Q3 2023

- In Q3, sequential improvement in yoy trends for meals and active customers
 - Q2'23 number of meals (6.0%) yoy
- Number of meals driven by:
 - customers ordering more meals per box, as recipe choices increase
 - strong engagement and retention of existing customers



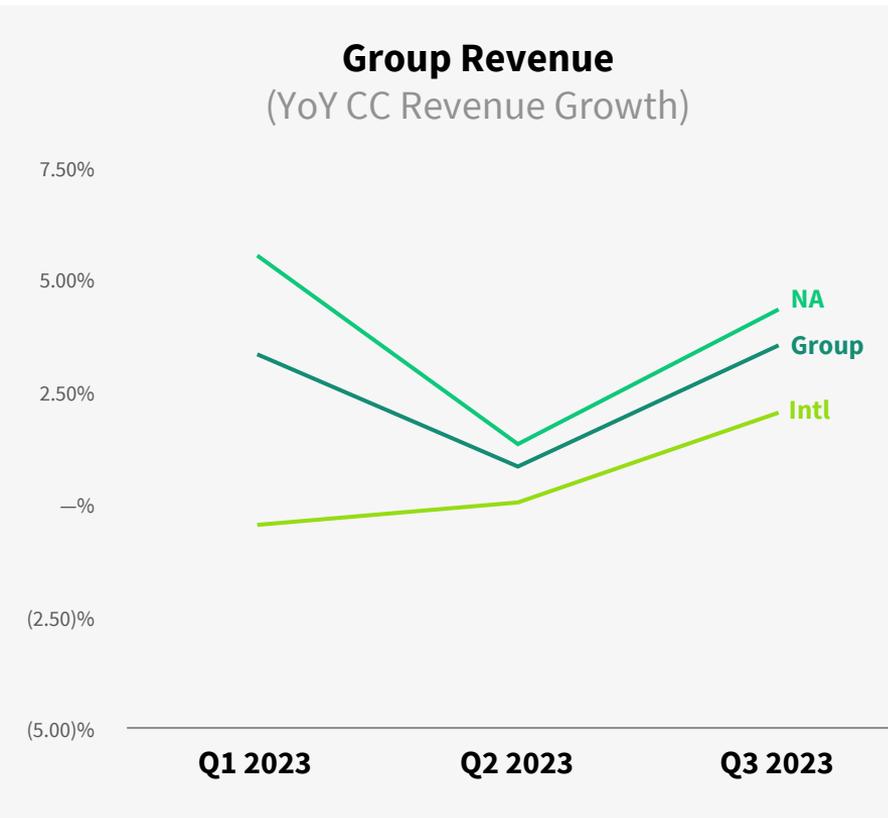
Average order value up by 7.5 % on a constant currency basis

- AOV growth continued in Q3, increasing 7.5 % yoy on a constant currency basis
- Both segments showed meaningful increase in AOV
 - NA: 8.2 % (CC)
 - Intl: 5.9 % (CC)
- YoY AOV increase driven by:
 - Price increases
 - More meals per box
 - Increased take-up of HelloFresh Market and surcharge offerings
 - Increased RTE contribution

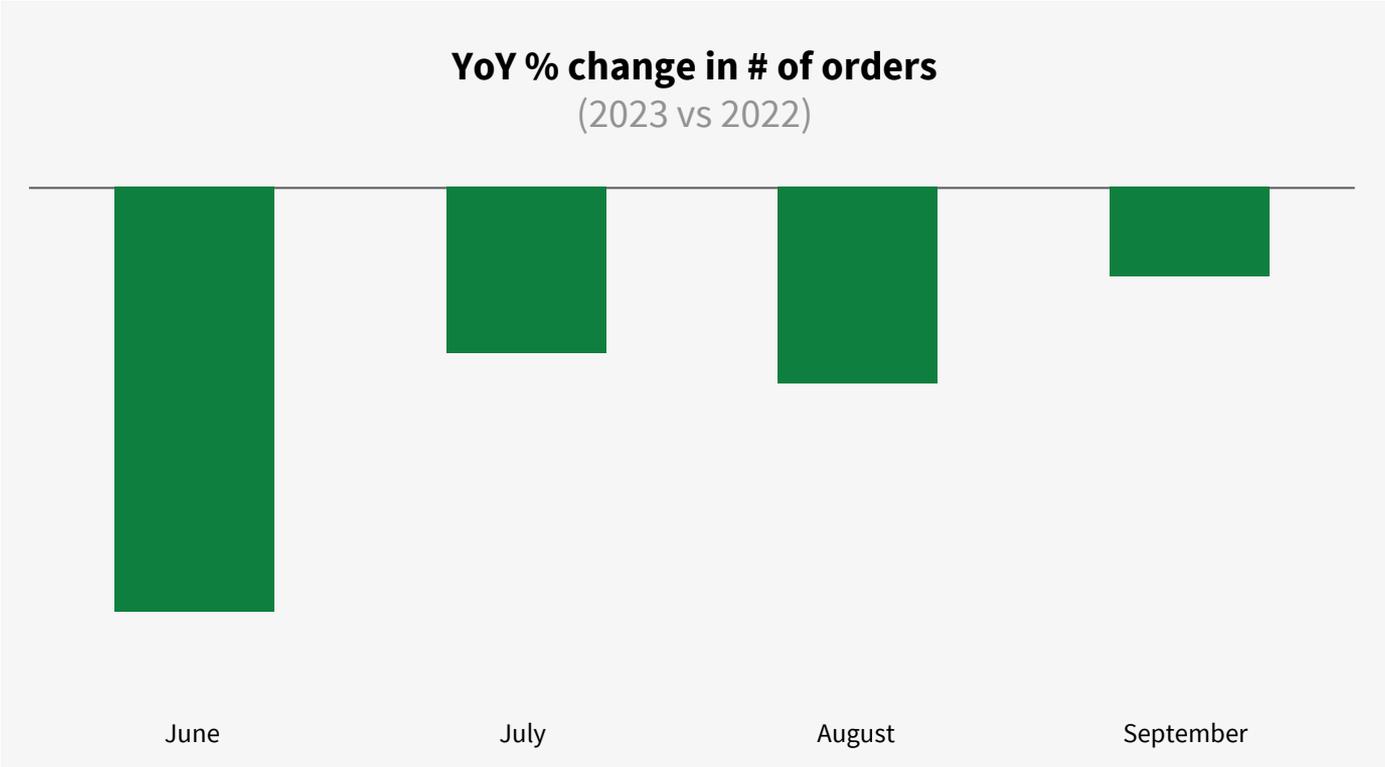


Constant currency revenue growth has started to re-accelerate to 3.5% for the Group and is on track to further acceleration in Q4

- Positive revenue growth across both segments
 - NA CC growth of +4.3%
 - Intl with a CC growth of +2.0%
- Revenue growth had troughed in Q2 and is now re-accelerating
 - Removal of production capacity constraint in RTE with the opening of new US site
 - Normalization of comparative period
- C. 6p.p. revenue difference between constant currency and €-reported, given yoy strengthening of EUR against our other trading currencies

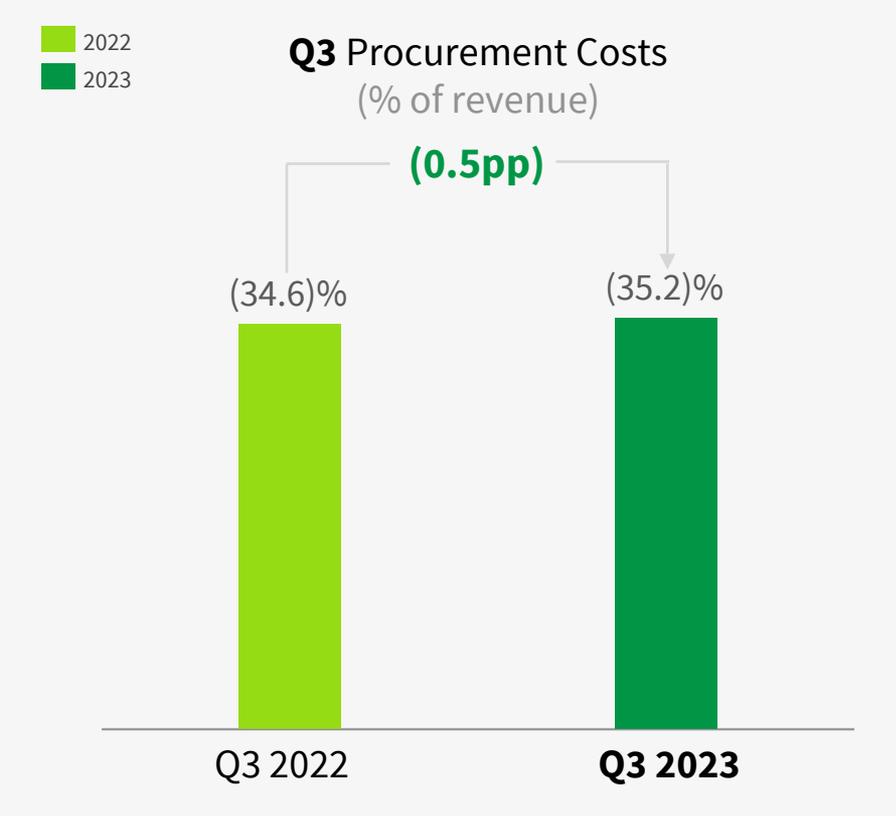


Q3 exit rate based on # orders supports topline re-acceleration into Q4



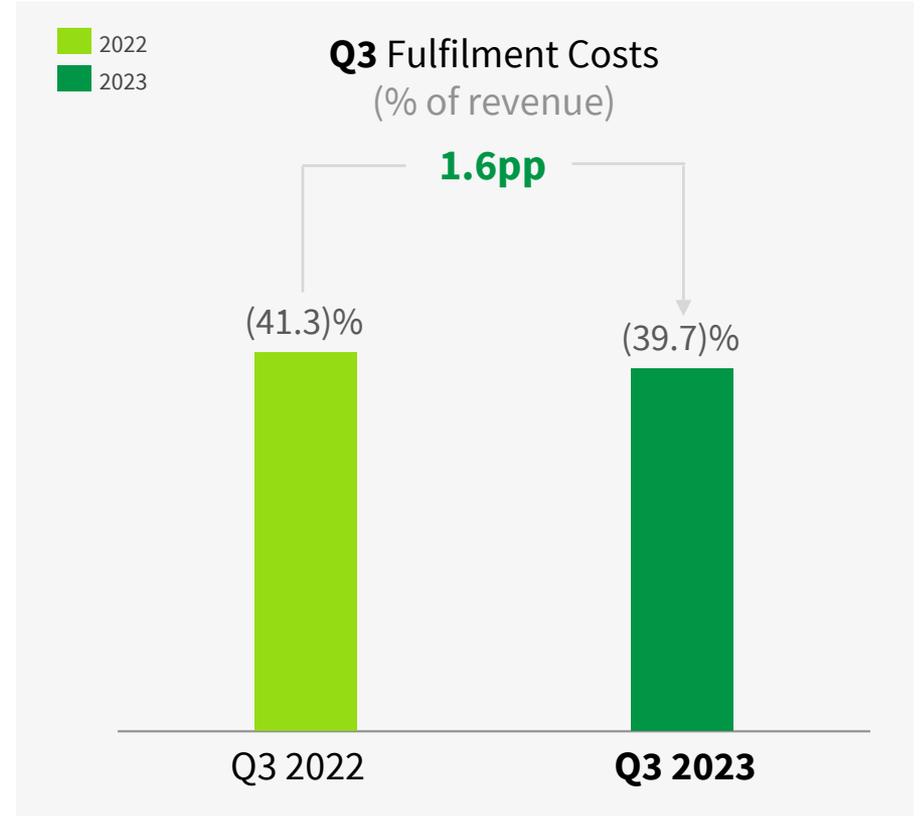
Slight increase in relative procurement expenses, primarily due to higher RTE contribution in NA

- By segment:
 - 0.6pp reduction in Intl procurement expenses
 - Offset by 0.9pp increase in NA
- As Factor continues to ramp-up, expect some further yoy expansion in procurement expenses in Q4



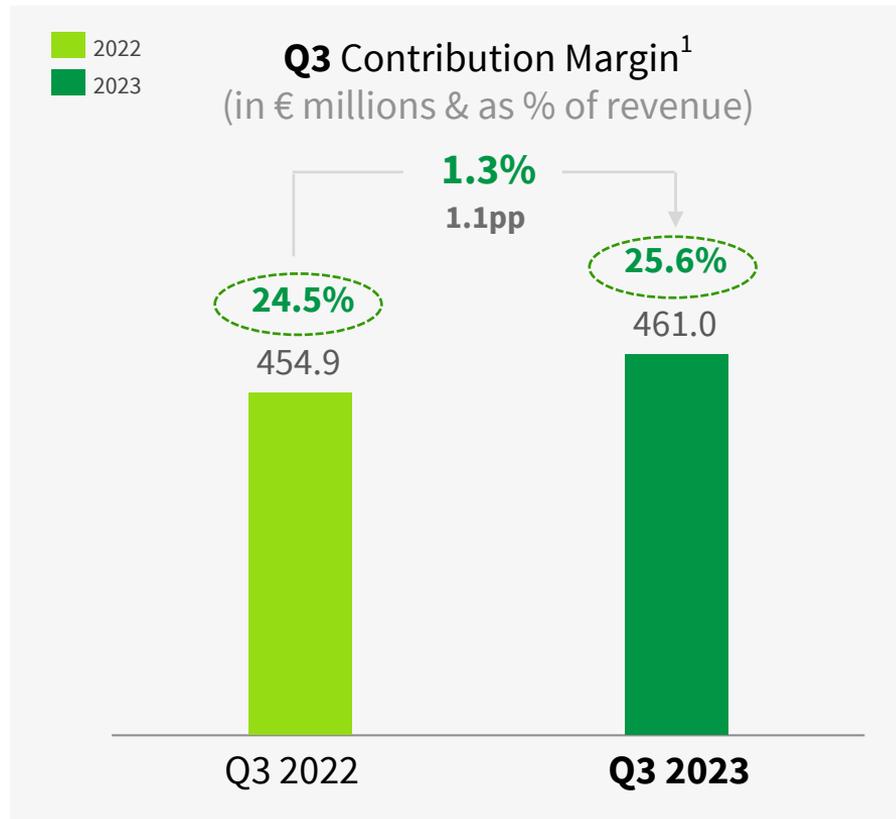
Continued delivery of fulfilment efficiencies, reducing relative expenses by 1.6pp yoy in Q3

- Significant improvement in fulfilment expenses for the 5th straight quarter
- Key drivers of savings:
 - relative reduction in pick-and-pack expenses, driven by overall higher yoy productivity and a higher share of RTE
 - efficiencies in other areas, such as shipping



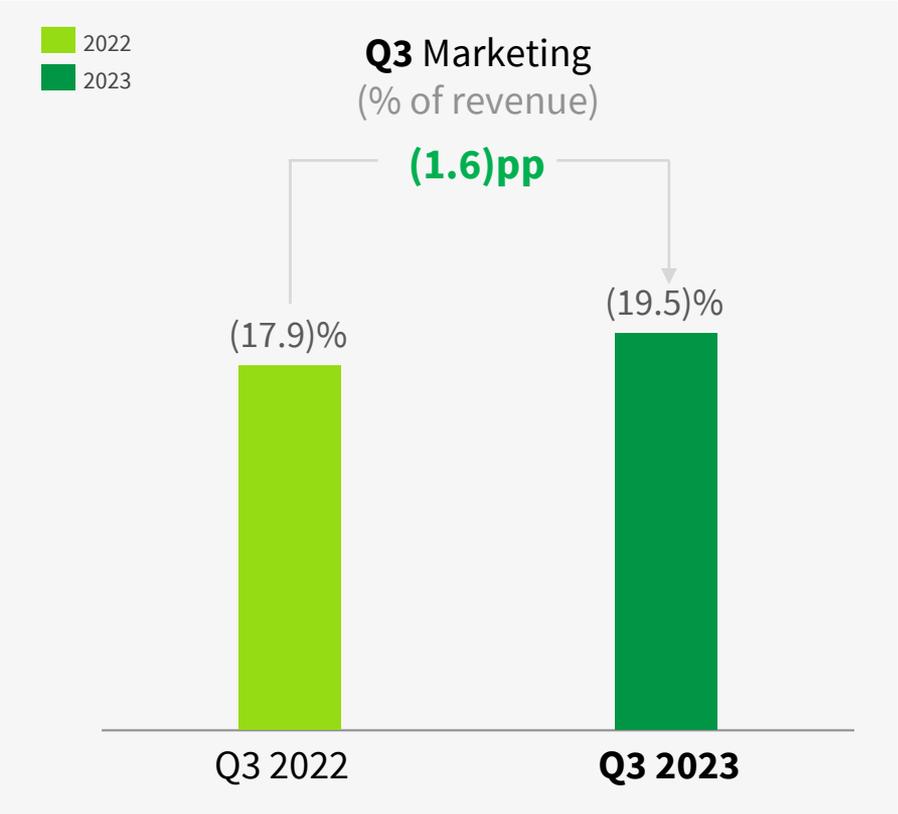
Q3 contribution margin expanded yoy to 25.6%, mainly driven by fulfilment efficiencies

- Meaningful improvement in both margin and absolute terms
 - NA: +1.8pp
 - Intl: +0.3pp
- Well on track to exceed contribution margin expansion targets communicated at the beginning of the year



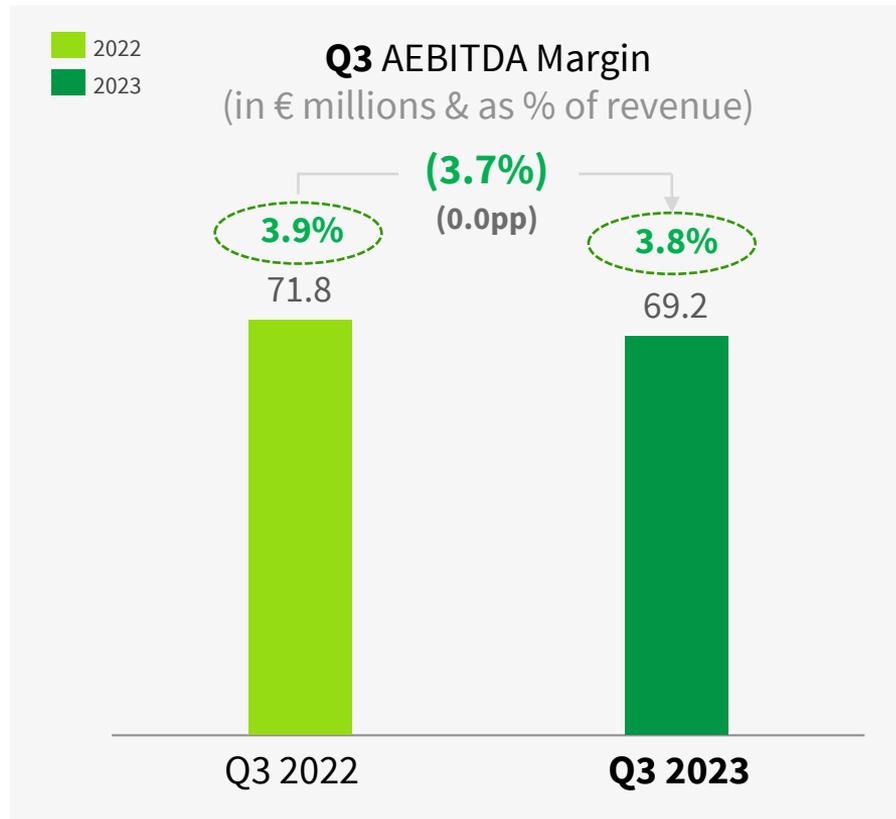
Marketing spend of 19.5% as back to school season is supportive of growth marketing investments

- Q3 marketing expenses reflect normal seasonality, with September marking the start of the 'back-to-school' period
- Continued attractive ROI on marketing spend, supported by AOV growth and margin expansion



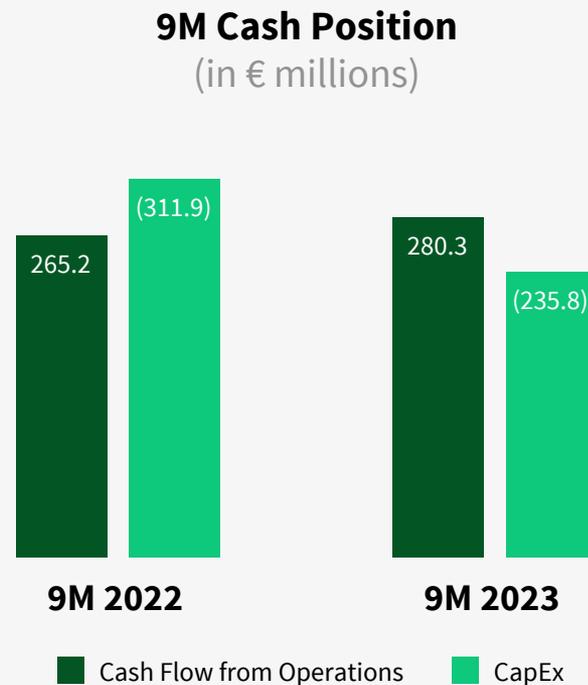
We delivered a Q3 AEBITDA of €69.2m, broadly in line with last year's level

- YoY AEBITDA development driven by:
 - Softer EUR-FX rates
 - Continued contribution margin expansion
 - Somewhat higher relative marketing expenses



We have further expanded year-to-date free cash flow to €44.5m and launched an additional share buyback

- 9M Cash Flow from Operations increased to €280.3m, while reducing 9M capex to €235.8m
- FCF per diluted share of €0.25 vs. €(0.26) in the comparative period
- Our positive FCF and strong balance sheet provides us with the flexibility to buy back stock at attractive prices
 - Up to €150 million earmarked for share buyback and opportunistic market purchases of smaller clips of our extant convertible bond
 - Program intended to run until end 2024



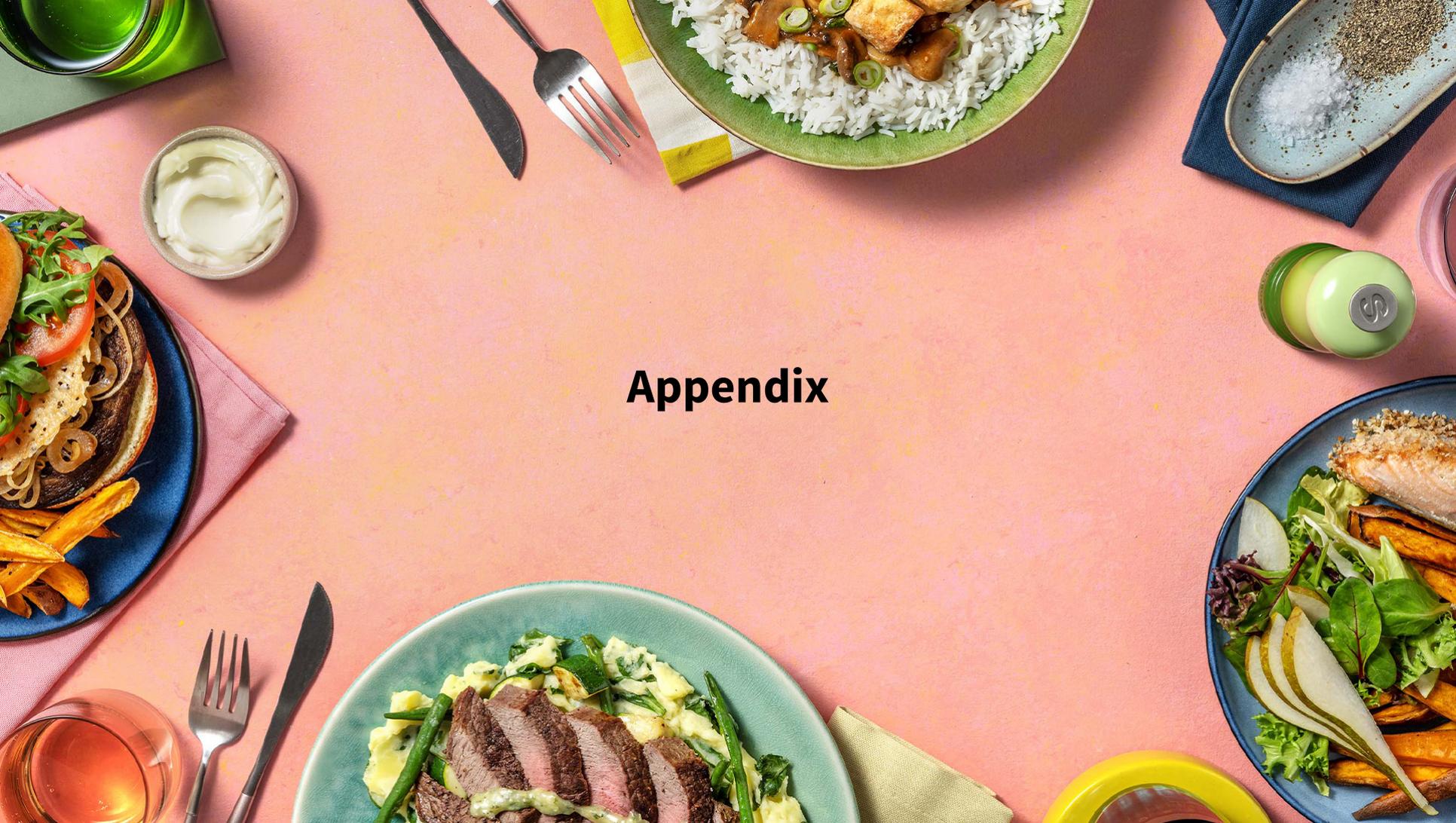
We reiterate our FY 2023 outlook of 2% – 8% CC revenue growth and €470m - €540m AEBITDA

Constant Currency Revenue Growth

2% - 8%

AEBITDA

€470m - €540m



Appendix

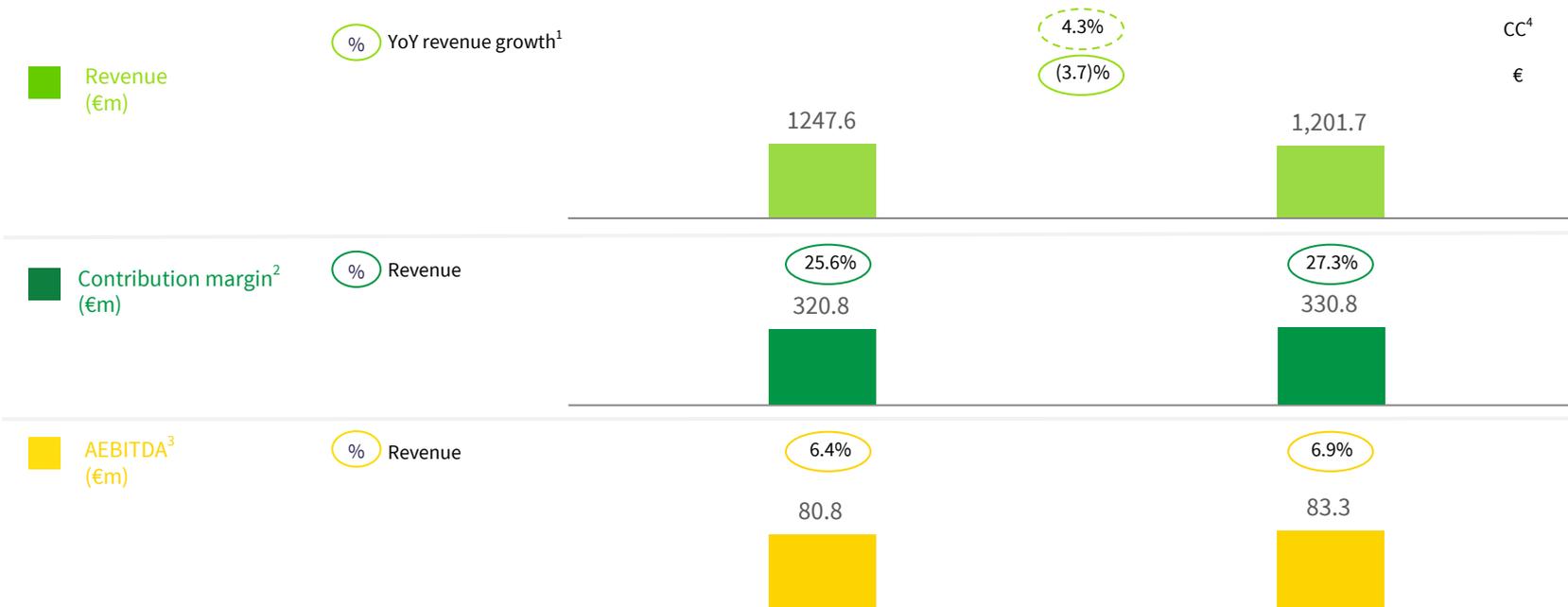
Group: Operational and Financial KPIs

	Q3 22	Q3 23
Active Customers (m)	7.51	7.07
Average Order Rate	3.87	3.96
Average Order Value (€)	63.7	64.2
Average Order Value constant currency (€)	63.7	68.5



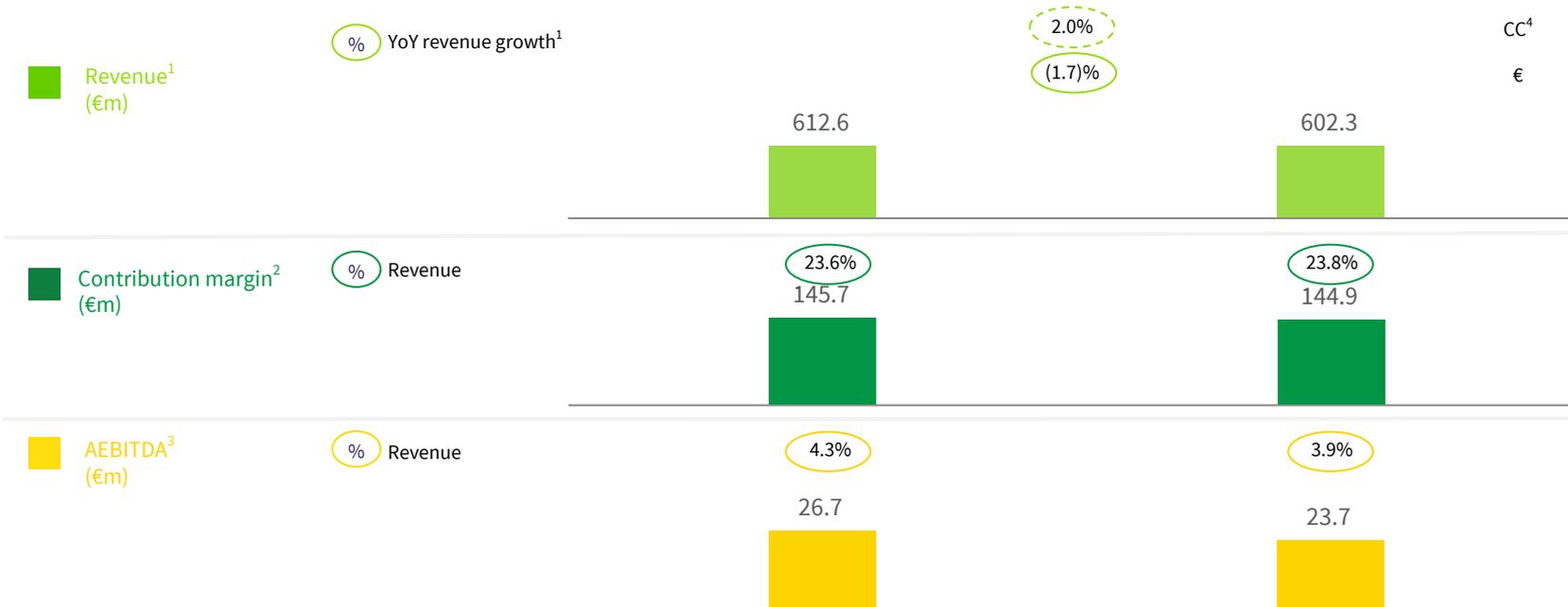
North America: Operational and Financial KPIs

	Q3 22	Q3 23
Active Customers (m)	4.15	3.95
Average Order Rate	4.01	4.06
Average Order Value (€)	75.0	74.9
Average Order Value constant currency (€)	75.0	81.1



International: Operational and Financial KPIs

	Q3 22	Q3 23
Active Customers (m)	3.36	3.12
Average Order Rate	3.68	3.83
Average Order Value (€)	48.6	49.7
Average Order Value constant currency (€)	48.6	51.5



Profit and Loss Statement

	3 months ended		Change %	9 months ended		Change %
	30-Sep 23	30-Sep 22	YoY	30-Sep 23	30-Sep 22	YoY
Revenue	1,804.0	1,860.2	(3.0)%	5,737.6	5,732.7	0.1%
Procurement Expense	(634.4)	(644.5)	(1.6)%	(2,005.5)	(1,978.1)	1.4%
Fulfilment Expense	(715.6)	(768.0)	(6.8)%	(2,218.7)	(2,337.5)	(5.1)%
Contribution Margin	454.1	447.6	1.4%	1,513.4	1,417.0	6.8%
<i>% of Revenue</i>	25.2%	24.1%	1.1pp	26.4%	24.7%	1.7pp
Marketing Expense	(352.4)	(333.8)	5.6%	(1,083.8)	(980.7)	10.5%
G&A, other income and expenses	(114.5)	(110.0)	4.1%	(350.8)	(288.6)	21.6%
EBIT	(12.9)	3.8	(442.6)%	78.8	147.7	(46.7)%
<i>% of Revenue</i>	(0.7)%	0.2%	(0.9)pp	1.4%	2.6%	(1.2)pp
Financial Result	0.7	13.8	94.9%	(19.1)	29.9	163.9%
EBT	(12.2)	17.6	(169.3)%	59.7	177.6	(66.4)%
Income Tax (Expense) / Benefit	0.7	(12.9)	105.4%	(30.2)	(69.9)	56.8%
Net Income / (Loss)	(11.5)	4.7	(344.7)%	29.5	107.7	(72.6)%
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Reconciliation starting at EBIT						
EBIT	(12.9)	3.8	(442.6)%	78.8	147.7	(46.7)%
D&A	55.1	44.6	23.6%	156.9	113.1	38.7%
EBITDA	42.2	48.4	(12.9)%	235.6	260.9	(9.7)%
<i>% of Revenue</i>	2.3%	2.6%	(0.3)pp	4.1%	4.6%	(0.4)pp
Special Items	3.2	6.4	(51.1)%	22.8	15.7	45.5%
SBC	23.8	17.0	39.9%	68.8	40.5	69.7%
AEBITDA	69.2	71.8	(3.7)%	327.2	317.1	3.2%
<i>% of Revenue</i>	3.8%	3.9%	0.0pp	5.7%	5.5%	0.2pp

Balance Sheet & Cash Flow Statement

In MEUR	As at 30-Sep 23	As at 31-Dec 2022
Assets		
Non-current assets	1,800.3	1,623.0
Cash and cash equivalents	466.6	504.0
Other current assets	390.7	408.2
Total assets	2,657.6	2,535.2
Equity and liabilities		
Equity	1,056.4	959.6
Non-current liabilities	656.7	605.1
Current liabilities	944.5	970.5
Total equity and liabilities	2,657.6	2,535.2

In MEUR	As at 30-Sep 23	As at 30-Sep 22
Cash and cash equivalents at the beginning of the period	464.5	642.2
Net Cash flows from operating activities	73.0	88.1
Net Cash flows from investing activities	(66.1)	(122.8)
Net Cash flows from financing activities	(9.2)	(15.3)
Effects of exchange rate changes and other changes on cash and cash equivalents	4.4	11.5
Cash and cash equivalents at the end of the period	466.6	603.7

Share Count

As of September 30, 2023

Types of share

Ordinary shares

Stock exchange

Frankfurt Stock Exchange

Market Segment

Regulated Market (Prime Standard)

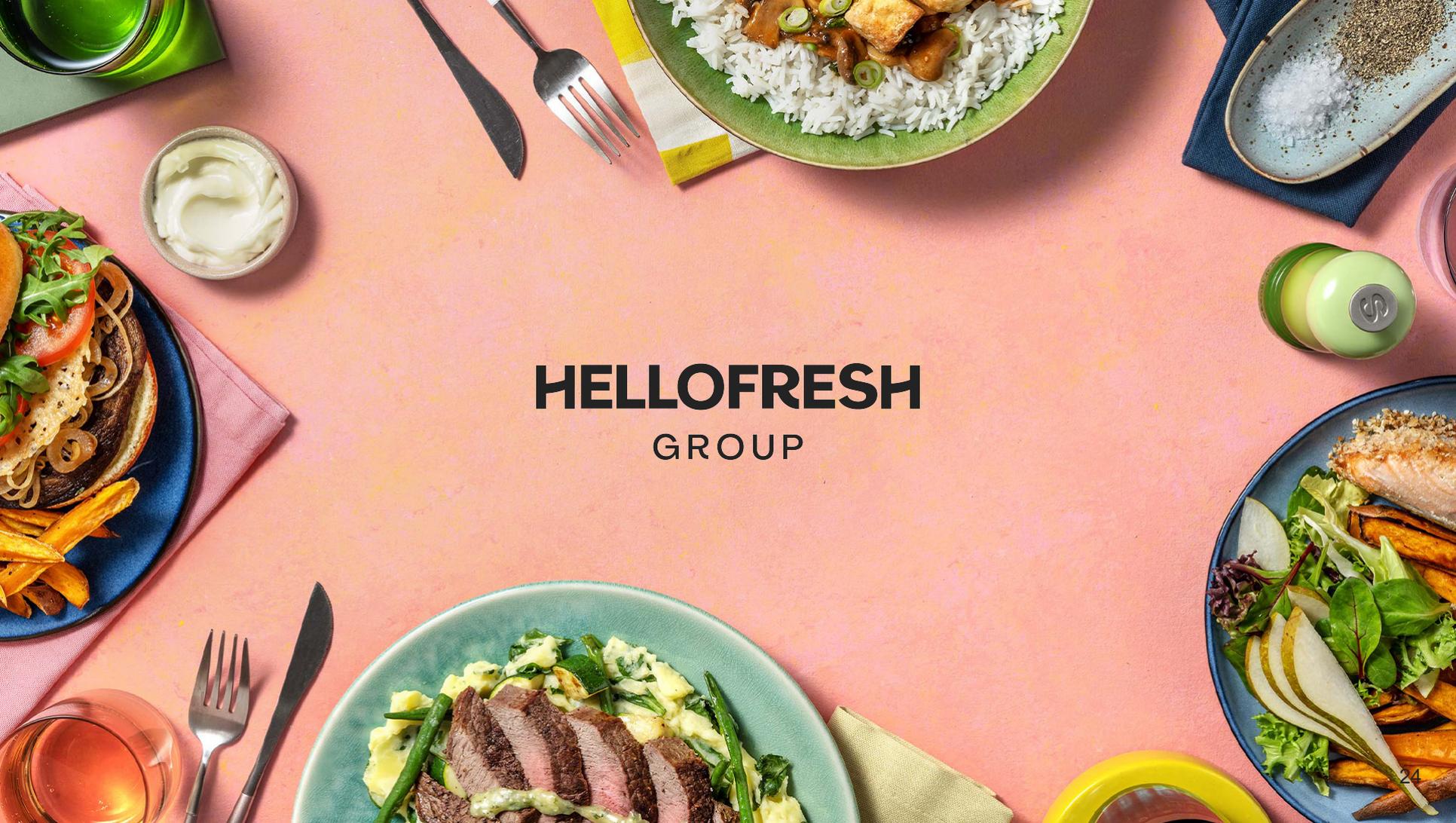
Number of shares issued

172,734,665

Number of shares outstanding

172,494,911

Employee Incentive Plan	Options	RSU	Total
Vested (in mn)	8.5	0.3	8.8
WAEP (in EUR) - vested shares	19.57	—	18.81
Unvested (in mn)	4.0	3.3	7.3
WAEP (in EUR) - unvested shares	30.26	—	16.67
Total outstanding (in mn)	12.5	3.6	16.1
WAEP (in EUR)	23.03	—	17.84



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