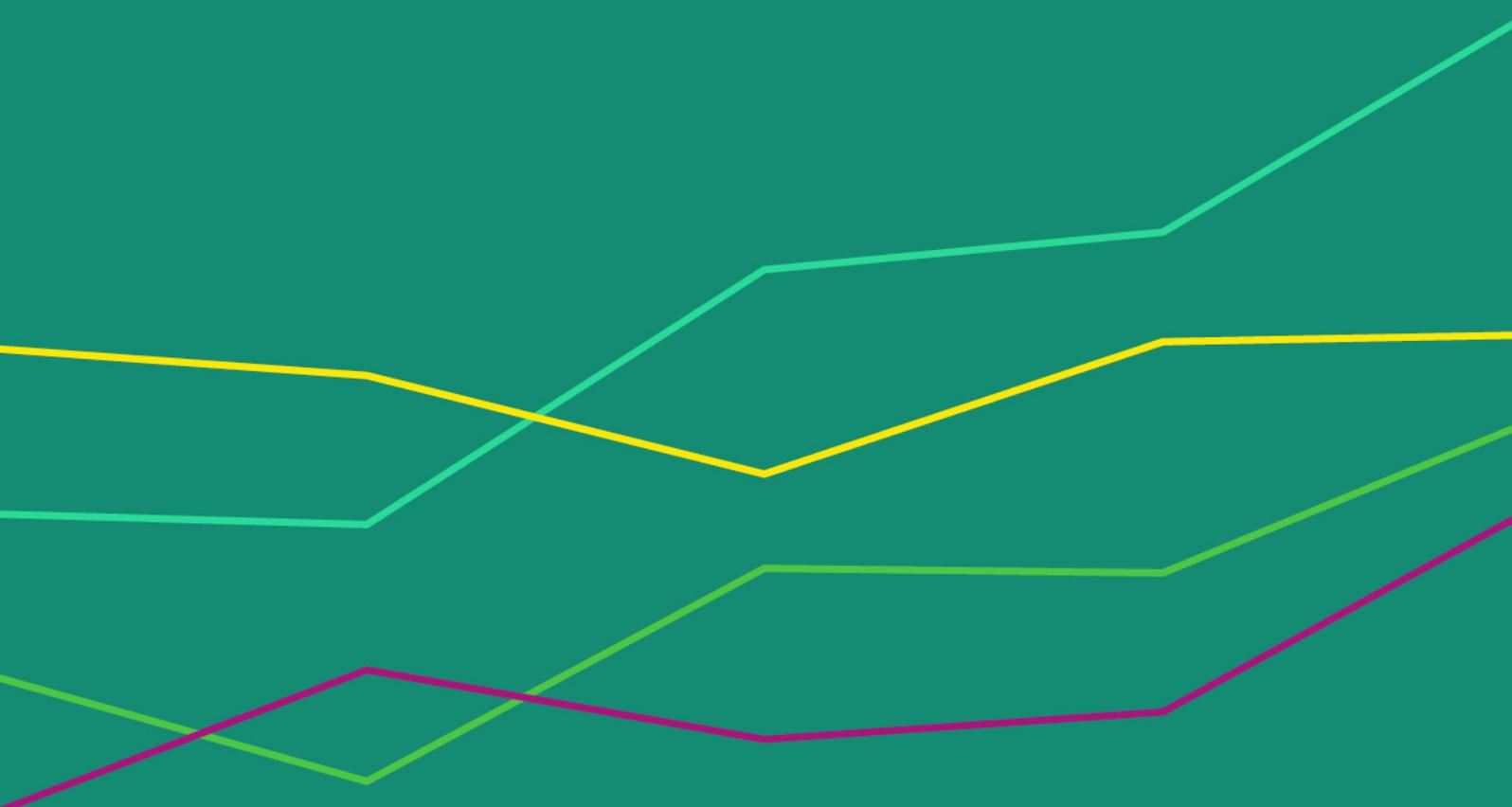


HELLOFRESH
GROUP

Quarterly Statement Q1 2023



HelloFresh at a Glance

Key figures	3 months ended	3 months ended	Change
	31-Mar-23	31-Mar-22	
Key Performance Indicators			
Group			
Active customers (in millions)	8.11	8.52	(4.8 %)
Number of orders (in millions)	32.82	34.57	(5.1 %)
Orders per customer	4.0	4.0	—%
Meals (in millions)	278.5	287.3	(3.1 %)
Average order value (EUR) (excl. retail)	61.2	55.1	11.1%
Average order value constant currency (EUR) (excl. retail)	60.0	55.1	8.9 %
North America *			
Active customers (in millions)	4.63	4.87	(4.9 %)
Number of orders (in millions)	18.92	19.63	(3.6 %)
Orders per customer	4.1	4.0	2.5 %
Meals (in millions)	152.6	153.9	(0.8 %)
Average order value (EUR) (excl. retail)	70.6	62.0	13.9 %
Average order value constant currency (EUR) (excl. retail)	67.9	62.0	9.5 %
International			
Active customers (in millions)	3.48	3.65	(4.7 %)
Number of orders (in millions)	13.90	14.95	(7.0 %)
Orders per customer	4.0	4.1	(2.4 %)
Meals (in millions)	125.9	133.5	(5.7 %)
Average order value (EUR) (excl. retail)	48.4	46.1	5.0 %
Average order value constant currency (EUR) (excl. retail)	49.3	46.1	6.9 %

*The North America segment comprises our businesses in Canada (previously included in the International segment) and the United States of America.

Key figures	3 months ended	3 months ended	Change
	31-Mar-23	31-Mar-22	
Results of operations			
Group			
Revenue (in MEUR)	2,016.1	1,915.4	5.3 %
Revenue constant currency (in MEUR)	1,978.8	1,915.4	3.3 %
Contribution margin (in MEUR)*	530.9	482.7	10.0 %
Contribution margin (in % of revenue)*	26.3%	25.2%	1.1 pp
AEBITDA (in MEUR)	66.1	99.3	(33.4 %)
AEBITDA (in % of revenue)	3.3%	5.2%	(1.9 pp)
North America **			
Revenue (in MEUR)	1,335.4	1,217.6	9.7 %
Revenue constant currency (in MEUR)	1,284.4	1,217.6	5.5 %
Contribution margin (in MEUR)*	385.2	329.7	16.8 %
Contribution margin (in % of revenue)*	28.7%	27.0%	1.7 pp
AEBITDA (in MEUR)	76.0	85.7	(11.3 %)
AEBITDA (in % of revenue)	5.7%	7.0%	(1.3 pp)
International			
Revenue (in MEUR)	680.7	697.7	(2.4%)
Revenue constant currency (in MEUR)	694.4	697.7	(0.5%)
Contribution margin (in MEUR)*	158.8	160.3	(0.9%)
Contribution margin (in % of revenue)*	23.1%	22.9%	0.2 pp
AEBITDA (in MEUR)	28.0	42.8	(34.6 %)
AEBITDA (in % of revenue)	4.1%	6.1%	(2.0 pp)
Group Financial Position			
Net working capital (in MEUR)	(412.2)	(419.9)	
Cash flow from operating activities (in MEUR)	112.1	198.2	
Free cash flow (excl. repayment of lease liabilities) (in MEUR)	17.0	131.2	
Cash and cash equivalents (in MEUR)	467.2	795.7	

*Excluding share-based compensation (SBC) expenses.

**The North America segment comprises our businesses in Canada (previously included in the International segment) and the United States of America.

HelloFresh Q1 2023 highlights:

- All time high quarterly revenue of EUR 2.02bn with a 3.3 % growth on a constant currency basis.
- Continuous increase in AOV to EUR 61.2 (+8.9 % on a constant currency basis).
- Consistently stable average order rate for the Group at 4.0.
- Contribution margin expanded by 1.1 pp to 26.3% owing to further fulfillment efficiencies.
- AEBITDA of MEUR 66.1, with a group margin of 3.3 %.
- On track to deliver full year guidance.

Financial Performance of the Group

Consolidated income statement for the first quarter 2023 ended 31 March

In MEUR	3 months ended		
	31-Mar-23	31-Mar-22 ¹	Change
Revenue	2,016.1	1,915.4	5.3 %
Procurement expenses	(722.8)	(661.3)	9.3 %
% of revenue	(35.9 %)	(34.5 %)	(1.4 pp)
Fulfilment expenses	(770.5)	(777.6)	(0.9 %)
% of revenue	(38.2 %)	(40.6 %)	2.4 pp
Contribution margin	522.8	476.5	9.7 %
% of revenue	25.9 %	24.9 %	1.0 pp
Contribution margin (excl. SBC)	530.9	482.7	10.0 %
% of revenue	26.3 %	25.2 %	1.1 pp
Marketing expenses	(415.4)	(339.1)	22.5 %
% of revenue	(20.6 %)	(17.7 %)	(2.9 pp)
Marketing expenses (excl. SBC)	(412.2)	(336.7)	22.4 %
% of revenue	(20.4 %)	(17.6 %)	(2.8 pp)
General and administrative expenses, other operating income and expenses	(116.4)	(81.7)	42.5 %
% of revenue	(5.8 %)	(4.3 %)	(1.5 pp)
General and administrative expenses, other operating income and expenses (excl. SBC)	(107.7)	(83.9)	28.4 %
% of revenue	(5.3 %)	(4.4 %)	(0.9 pp)
EBIT	(9.0)	55.7	(116.2 %)
% of revenue	(0.4 %)	2.9 %	(3.3 pp)
Depreciation and amortization	50.3	32.1	56.7 %
EBITDA	41.3	87.8	(53.0 %)
% of revenue	2.0 %	4.6 %	(2.6 pp)
Special items	4.8	5.1	(5.9 %)
Share-based compensation expenses	20.0	6.4	212.5 %
AEBITDA	66.1	99.3	(33.4 %)
% of revenue	3.3 %	5.2 %	(1.9 pp)
AEBIT	15.8	67.2	(76.5 %)
% of revenue	0.8 %	3.5 %	(2.7 pp)

¹ Adjusted, refer to Annual Report 2022 [Note 3](#) (Cash-settled share based compensation).

HelloFresh started the first quarter 2023 with relatively moderate growth in revenue, given the comparative period still had some Covid effects and given a currently relatively soft macroeconomic consumer environment. Revenue grew 5.3 % on a euro basis, and 3.3 % on a constant currency basis, compared with the same period 2022. In absolute terms, the Group revenue increased to an all time high of MEUR 2,016.1 in this quarter from MEUR 1,915.4 in Q1 2022. The revenue growth was primarily driven by an increase in the average order value to 61.2 EUR, representing a 8.9% increase on constant currency basis. This was driven by selected price increases, a higher number of meals per order, and a higher take-up of add-ons and surcharge offerings. Particularly the North America segment contributed to the AOV increase.

Contribution margin (excluding share-based compensation expenses) as percentage of revenue increased to 26.3% in the first quarter 2023 compared to 25.2% in the same period 2022. Procurement expenses as percentage of revenue increased for the Group to 35.9% in Q1 2023 compared to 34.5%, due to (i) ongoing year-on-year ingredient price inflation, (ii) a higher share of Ready-to-Eat ("RTE"), which includes meal production costs in procurement expenses and (iii) a higher number of meals per order. Fulfilment expenses as percentage of revenue decreased to 38.2% in the first quarter of 2023 compared to 40.6% in Q1 2022. This decrease is mainly the result of an increase in productivity in production.

Marketing expenses (excluding share-based compensation expenses) as percentage of revenue increased by 2.8pp to 20.4% in this period compared to 17.6% in the first quarter 2022. The year-on-year increase is mainly due to a more normalized spending activity in Q1 2023, as Q1 2022 was still affected by Covid trends. Q1 usually marks the highest relative marketing spend from a seasonal perspective, given the meaningful sequential growth in customers we typically realize in this quarter. In Q1 2023 HelloFresh has increased its customer number by c. 1 million to 8.11m vs. Q4 2022.

General and administrative expenses, other operating income and expenses (including share-based compensation expense) as percentage of revenue increased from 4.3% in Q1 2022 to 5.8% in Q1 2023. In absolute terms, these expenses increased from MEUR 81.7 in the Q1 2022 to MEUR 116.4 in the first quarter 2023. General and administrative expenses, other operating income and expenses (excluding share-based compensation expense) as percentage of revenue increased slightly from 4.4% in Q1 2022 to 5.3% in Q1 2023. Key driver for the increase is further build out of key functions in the course of 2022, especially of our tech and data teams, which is now largely concluded.

The Group reported EBIT of MEUR (9.0) in Q1 2023, compared to MEUR 55.7 in the same period 2022. This is a result of the factors described above.

Share-based compensation expenses amounts to MEUR 20.0 in first quarter of 2023, and increased by MEUR 13.6 compared to the first quarter of 2022.

AEBITDA amounts to MEUR 66.1, a positive margin of 3.3%, compared to MEUR 99.3 in Q1 2022.

AEBIT amounts to MEUR 15.8, a positive margin of 0.8%, compared to MEUR 67.2 in Q1 2022.

Financial Performance of North America Segment¹

In MEUR	3 months ended		
	31-Mar-23	31-Mar-22 ²	Change
Revenue (total)	1,343.9	1,222.3	9.9 %
Revenue (external)	1,335.4	1,217.6	9.7 %
Procurement expenses	(451.6)	(383.6)	17.7 %
% of revenue	(33.6 %)	(31.4 %)	(2.2 pp)
Fulfilment expenses	(513.8)	(514.0)	(0.0 %)
% of revenue	(38.2 %)	(42.0 %)	3.8 pp
Contribution margin	378.5	324.8	16.5 %
% of revenue	28.2 %	26.6 %	1.6 pp
Contribution margin (excl. SBC)	385.2	329.7	16.8 %
% of revenue	28.7 %	27.0 %	1.7 pp
Marketing expenses	(291.7)	(229.0)	27.4 %
% of revenue	(21.7 %)	(18.7 %)	(3.0 pp)
Marketing expenses (excl. SBC)	(289.4)	(227.6)	27.2 %
% of revenue	(21.5 %)	(18.6 %)	(2.9 pp)
General and administrative expenses, other operating income and expenses	(59.9)	(76.9)	(22.1 %)
% of revenue	(4.5 %)	(6.3 %)	1.8 pp
Thereof Holding fee	(12.6)	(39.7)	(68.3 %)
General and administrative expenses, other operating income and expenses (excl. SBC and holding fee)	(43.2)	(36.5)	18.4 %
% of revenue	(3.2 %)	(3.0 %)	(0.2 pp)
EBIT	26.9	18.9	42.3 %
% of revenue	2.0 %	1.5 %	0.5 pp
EBIT (excluding holding fee)	39.6	58.6	(32.4 %)
% of revenue	2.9 %	4.8 %	(1.9 pp)
Depreciation and amortization	22.0	15.8	39.2 %
EBITDA (excluding holding fee)	61.6	74.4	(17.2 %)
% of revenue	4.6 %	6.1 %	(1.5 pp)
Special items	1.5	4.1	(63.4 %)
Share-based compensation expenses	12.9	7.1	81.7 %
AEBITDA	76.0	85.7	(11.3 %)
% of revenue	5.7 %	7.0 %	(1.3 pp)
AEBIT	54.0	69.8	(22.6 %)
% of revenue	4.0 %	5.7 %	(1.7 pp)

¹ The North America segment comprises our businesses in Canada (previously included in our International segment) and the United States of America.

² Adjusted, refer to Annual Report 2022 [Note 3](#) (Cash-settled share based compensation).

External revenue of the North America segment, which as of this quarter includes HelloFresh's Canadian operations (previously included in the International segment; comparative period adjusted accordingly), increased by 9.7 % from MEUR 1,217.6 in the first quarter 2022 to MEUR 1,335.4 in the first quarter 2023. On a constant currency basis, this represents a 5.5 % growth rate, driven by an increase in average order value in constant currency by 9.5% in the first quarter 2023 compared with the first quarter 2022 offset by a decrease in active customers by 4.9% from 4.87m in the first quarter 2022 to 4.63m in the first quarter 2023. Total meals delivered by our North America segment decreased by 0.8 %, from 153.9m in first quarter of 2022 to 152.6m in first quarter of 2023.

The contribution margin (excluding share-based compensation expenses) as a percentage of revenue increased strongly by 1.7 pp to 28.7 % for Q1 2023 compared to 27.0% in the same period 2022. This is driven by the trends described earlier for the Group.

In line with the trend on Group level, marketing expenses in the North America segment (excluding share-based compensation expenses) as a percentage of revenue increased from 18.6 % in first quarter 2022 to 21.5 % in this quarter, resulting in an increase of 2.9 pp.

General and administrative expenses, other operating income and expenses (excluding share-based compensation expenses and holding fee) as percentage of revenue increased by 0.2 pp from 3.0 % in first quarter 2022 to 3.2% in the first quarter 2023.

Reported EBIT (excluding holding fee) decreased to MEUR 39.6 in Q1 2023, a positive margin of 2.9 %, compared to a positive margin of 4.8 % in the first quarter of 2022. This is a result of the factors described above.

AEBITDA amounts to MEUR 76.0, reflecting a positive margin of 5.7 %, compared to MEUR 85.7 in Q1 2022.

AEBIT amounts to MEUR 54.0, reflecting a positive margin of 4.0 %, compared to MEUR 69.8 in Q1 2022.

Financial Performance of International Segment¹

In MEUR	3 months ended		
	31-Mar-23	31-Mar-22 ²	Change
Revenue (total)	686.3	701.0	(2.1 %)
Revenue (external)	680.7	697.7	(2.4 %)
Procurement expenses	(271.1)	(277.7)	(2.4 %)
% of revenue	(39.5 %)	(39.6 %)	0.1 pp
Fulfilment expenses	(257.0)	(263.7)	(2.5 %)
% of revenue	(37.5 %)	(37.6 %)	0.1 pp
Contribution margin	158.1	159.5	(0.9 %)
% of revenue	23.0 %	22.7 %	0.3 pp
Contribution margin (excl. SBC)	158.8	160.3	(0.9 %)
% of revenue	23.1 %	22.9 %	0.2 pp
Marketing expenses	(119.6)	(107.2)	11.6 %
% of revenue	(17.4 %)	(15.4 %)	(2.0 pp)
Marketing expenses (excl. SBC)	(119.2)	(106.8)	11.6 %
% of revenue	(17.4 %)	(15.2 %)	(2.2 pp)
General and administrative expenses, other operating income and expenses	(47.5)	(38.8)	22.4 %
% of revenue	(6.9 %)	(5.5 %)	(1.4 pp)
Thereof Holding fee	(13.7)	(21.8)	(37.2 %)
General and administrative expenses, other operating income and expenses (excl. SBC and holding fee)	(33.7)	(25.2)	33.7 %
% of revenue	(4.9 %)	(3.6 %)	(1.3 pp)
EBIT	(8.8)	13.5	(165.2 %)
% of revenue	(1.3 %)	1.9 %	(3.2 pp)
EBIT (excluding holding fee)	4.9	35.1	(86.0 %)
% of revenue	0.7 %	5.0 %	(4.3 pp)
Depreciation and amortization	19.3	13.4	44.0 %
EBITDA (excluding holding fee)	24.2	48.5	(50.1 %)
% of revenue	3.5 %	6.9 %	(3.4 pp)
Special items	2.6	0.9	188.9 %
Share-based compensation expenses	1.2	(6.8)	(117.6 %)
AEBITDA	28.0	42.8	(34.6 %)
% of revenue	4.1 %	6.1 %	(2.0 pp)
AEBIT	8.7	29.4	(70.4 %)
% of revenue	1.3 %	4.2 %	(2.9 pp)

¹ The International segment excludes Canada, which is now included in the North America segment.

² Adjusted, refer to Annual Report 2022 [Note 3](#) (Cash-settled share based compensation).

For the first quarter 2023, external revenue of the International segment decreased by 2.4 % from MEUR 697.7 to MEUR 680.7, compared with Q1 2022. On a constant currency basis, revenues have remained broadly stable with a slight decrease of 0.5 %. This is due to an increase in the average order value and a corresponding year-on-year decrease of active customers as described above for the Group.

Contribution margin (excluding share-based compensation expenses) of the International segment as percentage of revenue increased by 0.2 pp in the first quarter 2023 to 23.1 %, compared to 22.9 % in Q1 2022. This was primarily driven by the trends described earlier for the Group, and certain geographic mix effects within the segment.

Marketing expenses (excluding share-based compensation expenses) as a percentage of revenue increased from 15.2 % in the first quarter of 2022 to 17.4 % in the Q1 2023, driven by the factors described on Group level.

General and administrative expenses and other operating income and expenses (excluding share-based compensation expenses and holding fee) as a percentage of revenue increased to 4.9 % compared to 3.6 % in the first quarter 2022.

Reported EBIT (excluding holding fee) amounts to MEUR 4.9 in Q1 2023, reflecting a positive margin of 0.7% compared to 5.0 % in Q1 2022. This is a result of the factors described above.

AEBITDA amounts to MEUR 28.0, reflecting a margin of 4.1 %, compared to MEUR 42.8, and a margin of 6.1 % in Q1 2022.

AEBIT amounts to MEUR 8.7, reflecting a positive margin of 1.3 %, compared to MEUR 29.4, and a margin of 4.2 % in Q1 2022.

Share-Based Compensation Expenses

The Group operates equity-settled share-based compensation plans, under which Group companies receive services from directors and employees as consideration for equity instruments of the Company. Additionally, the Group operates cash-settled compensation plans for local senior management of newly launched businesses.

The share-based payment expense for the quarter resulting from the two programs was recorded as follows:

In MEUR	3 months ended	
	31-Mar-23	31-Mar-22 ¹
Equity-settled plans	21.8	17.3
Cash-settled plans	(1.8)	(10.9)
Total	20.0	6.4

¹ Adjusted, refer to Annual Report 2022 [Note 3](#) (Cash-settled share based compensation).

Share-based compensation expenses amounts to MEUR 20.0 in first quarter of 2023, and increased by MEUR 13.6 compared to first quarter of 2022 mainly driven by the positive revaluation impact of cash-settled plans in the comparative period Q1 2022.

A breakdown of the vested and unvested share awards of the equity-settled plan is shown in the table below:

Employee Incentive Plan	Options	RSU	Total
Vested (in mn)	7.9	0.1	8.0
WAEP (in EUR) - vested shares	18.06	—	17.80
Unvested (in mn)	4.1	3.6	7.7
WAEP (in EUR) - unvested shares	34.24	—	18.09
Outstanding (in mn)	11.9	3.7	15.7
WAEP (in EUR)	23.58	—	17.95

EBIT to AEBITDA

In MEUR	3 months ended	3 months ended	Change
	31-Mar-23	31-Mar-22 ¹	
EBIT	(9.0)	55.7	(116.2 %)
Depreciation and amortization	50.3	32.1	
EBITDA	41.3	87.8	(53.0 %)
Special items	4.8	5.1	
Share-based compensation	20.0	6.4	
AEBITDA	66.1	99.3	(33.4 %)
AEBITDA margin	3.3 %	5.2 %	(1.9 pp)
AEBIT	15.8	67.2	(76.5 %)
AEBIT margin	0.8 %	3.5 %	(2.7 pp)

¹ Adjusted, refer to Annual Report 2022 [Note 3](#) (Cash-settled share based compensation).

Cash Flow

In MEUR	3 months ended	3 months ended
	31-Mar-23	31-Mar-22
Cash and cash equivalents at the beginning of the period	504.0	827.1
Net Cash flows from operating activities	112.1	198.2
Net Cash flows used in investing activities	(129.4)	(93.3)
Net Cash flows used in financing activities	(13.8)	(146.6)
Effects of exchange rate changes and other changes on cash and cash equivalents	(5.7)	10.3
Cash and cash equivalents at the end of the period	467.2	795.7

Cash flow from operating activities in the Q1 2023 amounts to MEUR 112.1 as compared to MEUR 198.2 in the first quarter 2022. This is mainly driven by (i) the loss of the period, which amounts to MEUR 25.4 in the first quarter of 2023 as compared to a profit of MEUR 37.9 in the first quarter of 2022, and (ii) higher income taxes paid during the period amounting to MEUR 33.5, compared to MEUR 10.2 for the same period 2022.

Cash flow used in investing activities represents a cash outflow of MEUR 129.4 in the Q1 2023. The outflow was mostly impacted by the last tranche of the earn-out payment for the Factor acquisition (MEUR 34.5) and capital expenditure (purchase of property, plant and equipment, intangible assets and software development). This capital expenditure represents HelloFresh's ongoing investment program in capacity optimization, including the build out of facilities for our ready-to-eat business and automation. This multi-year investment program is expected to have largely progressed by Q3 2023, from which onwards capex is expected to be lower going forward.

The cash outflow used in financing activities of MEUR 13.8 in Q1 2023 is primarily a result of lease payments (in accordance with IFRS 16) amounting to MEUR 18.0 in the first quarter 2023, partially offset by a capital increase of MEUR 4.2.

The Group's free cash flow position is presented below:

In MEUR	3 months ended	3 months ended
	31-Mar-23	31-Mar-22
Cash Flow from operating activities	112.1	198.2
Capital expenditure	(95.1)	(67.0)
Free Cash Flow for the period (excl. repayment of lease liabilities)	17.0	131.2
Repayment of lease liability excluding interest	(18.0)	(10.5)
Free Cash Flow for the period (incl. repayment of lease liabilities)	(1.0)	120.7

HelloFresh maintained a strong cash level of MEUR 467.2. In addition, the Company has a revolving credit facility for MEUR 400.0, of which MEUR 366.6 were not utilized, and available at the end of the Q1 2023.

Outlook

HelloFresh re-iterates the outlook provided in its annual report in early March for the full year 2023: constant currency revenue growth of c. 2% to 10% and AEBITDA between MEUR 460 and MEUR 540. This AEBITDA target is based among other factors on FX rates for relevant currencies prevalent at the time when the outlook was first provided. A strengthening of the EUR would decrease HelloFresh's reported Group AEBITDA and vice versa.

Events after the reporting period

No events of special significance occurred after the end of the reporting period.

Berlin, 27 April 2023

Dominik Richter
Chief Executive Officer

Thomas Griesel
Chief Executive Officer
International

Christian Gärtner
Chief Financial Officer

Edward Boyes
Chief Commercial
Officer

Consolidated Statements Of Financial Position

as of 31 March 2023

In MEUR	As at 31-Mar-23	As at 31-Dec 2022
Assets		
Non-current assets		
Property, plant and equipment	1,182.7	1,165.8
Intangible assets	103.1	100.2
Goodwill	278.5	284.7
Other financial assets	20.4	20.4
Other non-financial assets	0.4	0.4
Deferred income tax assets	58.1	51.5
Total non-current assets	1,643.2	1,623.0
Current assets		
Inventories	249.5	266.7
Trade receivables	17.1	21.0
Other financial assets	9.5	12.3
Other non-financial assets	90.1	108.2
Cash and cash equivalents	467.2	504.0
Total current assets	833.4	912.2
Total assets	2,476.6	2,535.2

Consolidated Statements Of Financial Position (continued)

as of 31 March 2023

In MEUR	As at 31-Mar-23	As at 31-Dec-22
Equity and liabilities		
Equity		
Share capital	172.2	171.9
Treasury shares	(1.3)	(1.3)
Capital reserves	359.9	356.1
Other reserves	160.2	138.4
Retained Earnings	269.1	294.4
Other comprehensive (loss) / income	(5.9)	2.2
Equity attributable to the Company's shareholders	954.2	961.7
Non-controlling interests	(2.4)	(2.1)
Total equity	951.8	959.6
Non-current liabilities		
Other financial liabilities	405.5	416.8
Deferred income tax liabilities	4.0	4.2
Long-term debt	162.2	160.8
Provisions	25.7	23.2
Other non-financial liabilities	—	0.1
Total non-current liabilities	597.4	605.1
Current liabilities		
Trade payables	557.4	557.6
Other financial liabilities	97.3	130.9
Provisions	26.6	30.3
Deferred revenue	133.0	103.2
Income tax liabilities	23.3	49.3
Other non-financial liabilities	89.8	99.2
Total current liabilities	927.4	970.5
Total equity and liabilities	2,476.6	2,535.2

Consolidated Statements of Comprehensive Income for the 3 months ended as of 31 March 2023

In MEUR	3 months ended	
	31-Mar-23	31-Mar-22 ¹
Revenue	2,016.1	1,915.4
Procurement expenses	(722.8)	(661.3)
Fulfilment expenses	(770.5)	(777.6)
Marketing expenses	(415.4)	(339.1)
General and administrative expenses	(102.0)	(72.4)
Other operating income	2.8	3.5
Other operating expenses	(17.2)	(12.8)
Operating profit (loss)	(9.0)	55.7
Interest income	1.8	0.1
Interest expense	(8.9)	(5.2)
Other finance income	1.6	11.9
Other finance expense	(10.9)	(2.3)
Profit (loss) before income tax expense	(25.4)	60.2
Income tax expense	0.0	(22.3)
Profit (loss) for the period	(25.4)	37.9
attributable to:		
Owners of the Company	(25.1)	38.2
Non-controlling interests	(0.3)	(0.3)
Other comprehensive income (loss):		
Items that will be subsequently reclassified to profit or loss when specific conditions are met		
Exchange differences on net investments in foreign operations, net of tax	—	(0.2)
Exchange differences on translation to presentation currency, net of tax	(8.9)	7.6
Fair value remeasurement of financial instruments, net of tax	0.4	—
Other comprehensive income (loss) for the period	(8.5)	7.4
Total comprehensive income (loss) for the period	(33.9)	45.3
Total comprehensive income (loss) attributable to:		
Owners of the Company	(33.6)	46.0
Non-controlling interests	(0.3)	(0.6)
Basic earnings per share (in EUR)	(0.15)	0.22
Diluted earnings per share (in EUR)	(0.15)	0.16

¹ Adjusted, refer to Annual Report 2022 **Note 3** (Cash-settled share based compensation)

Consolidated Statements of Cash Flow for the 3 months ended as of 31 March 2023

In MEUR	3 months ended	
	31-Mar-23	31-Mar-22 ¹
Cash flow from operating activities		
Profit (loss) for the period	(25.4)	37.9
Adjustments for:		
Interest expense	8.9	5.2
Interest income	(1.8)	(0.1)
Other finance income	(1.6)	(11.9)
Other finance expense	10.9	2.3
Income tax	—	22.3
Income tax paid	(33.5)	(10.2)
Depreciation of property, plant and equipment	19.7	13.7
Depreciation of right-of-use assets	21.8	14.0
Amortization of intangible assets	8.8	4.4
Loss on disposal of fixed assets	(1.0)	—
Share-based payment expense	20.0	6.4
Other non-cash transactions	19.2	1.5
Increase / (decrease) in provisions	(0.4)	(1.4)
Changes in working capital related to operating activities		
(Increase) / decrease in trade receivables	3.5	(0.1)
(Increase) / decrease in inventories	12.9	(21.5)
Increase / (decrease) in trade and other payables	7.5	117.1
Increase / (decrease) in deferred revenue	31.8	26.9
Net change in VAT receivables/payables and similar taxes	5.3	0.6
(Increase) / decrease in other financial assets	2.2	2.0
(Increase) / decrease in other non-financial assets	10.8	(2.5)
Increase / (decrease) in other financial liabilities	(1.9)	2.2
Increase / (decrease) in other non-financial liabilities	1.4	(7.5)
Interest received	1.8	0.1
Interest received (IFRS 16)	0.1	0.1
Interest paid	(2.2)	(1.1)
Interest paid (IFRS 16)	(6.7)	(2.2)
Net cash from operating activities	112.1	198.2
Cash flow from investing activities		
Payment of contingent purchase price liability	(34.5)	(24.8)
Purchase of property, plant and equipment	(82.7)	(59.0)
Software development expenditure	(8.9)	(7.4)
Purchase of intangible assets	(3.5)	(0.6)
Lease payments received from finance leases (IFRS 16)	0.3	0.2
Transfer of cash into restricted cash accounts and deposits	(0.2)	(2.2)
Withdrawal of cash from restricted cash accounts and deposits	0.1	0.5
Net cash used in investing activities	(129.4)	(93.3)

¹ Adjusted, refer to Annual Report 2022 [Note 3](#) (Cash-settled share based compensation).

In MEUR	3 months ended	
	31-Mar-23	31-Mar-22
Cash flow from financing activities		
Proceeds from the issuance of share capital	4.2	—
Repurchase of equity instruments due to share-based payments	—	(8.6)
Repurchase of own shares	—	(125.1)
Repurchase of shares in subsidiaries	—	(2.4)
Repayment of principal under IFRS 16	(18.0)	(10.5)
Net cash used in financing activities	(13.8)	(146.6)
Effects of exchange rate changes and other changes on cash and cash equivalents	(5.7)	10.3
Cash and cash equivalents at the beginning of the period	504.0	827.1
Cash and cash equivalents at the end of the period	467.2	795.7

Consolidated Segment Statement

In MEUR	3-months ended 31-March 23					
	North America	Int'l	Total segments	Holding	Conso	Group
Total revenue	1,343.9	686.3	2,030.2	127.8	(141.9)	2,016.1
Internal revenue	8.5	5.6	14.1	127.8	(141.9)	—
External revenue	1,335.4	680.7	2,016.1	—	—	2,016.1
Contribution Margin (excl. SBC)	385.2	158.8	544.0	119.7	(132.8)	530.9
Adjusted EBITDA	76.0	28.0	104.0	(37.7)	(0.2)	66.1
Special items	(1.5)	(2.6)	(4.1)	(0.7)	—	(4.8)
Share-based compensation	(12.9)	(1.2)	(14.1)	(5.9)	—	(20.0)
EBITDA (excl. holding fee)	61.6	24.2	85.8	(44.3)	(0.2)	41.3
Depreciation and amortization	(22.0)	(19.3)	(41.3)	(9.0)	—	(50.3)
EBIT (excl. holding fee)	39.6	4.9	44.5	(53.3)	(0.2)	(9.0)
Holding fee	(12.6)	(13.7)	(26.3)	26.1	0.2	—
EBIT	26.9	(8.8)	18.1	(27.1)	—	(9.0)
Interest income	1.1	0.3	1.4	0.4	—	1.8
Interest expense	(2.9)	(2.7)	(5.6)	(3.3)	—	(8.9)
Other finance income (excl. intercompany dividends)	(0.2)	1.6	1.4	3.2	(3.0)	1.6
Other finance expense	(7.8)	(5.0)	(12.8)	(1.1)	3.0	(10.9)
Profit (loss) before income tax expense	17.1	(14.6)	2.5	(28.0)	—	(25.5)
Income tax expenses	(7.4)	0.1	(7.3)	7.3	—	0.0
Profit (loss) for the period	9.7	(14.5)	(4.8)	(20.7)	—	(25.5)

In MEUR	3-months ended 31-March 22 ¹					
	North America ²	Int'l ²	Total segments	Holding	Conso	Group
Total revenue	1,222.3	701.0	1,923.3	138.3	(146.2)	1,915.4
Internal revenue	4.7	3.3	8.0	138.2	(146.2)	—
External revenue	1,217.6	697.7	1,915.3	0.1	—	1,915.4
Contribution Margin (excl. SBC)	329.7	160.3	490.0	134.2	(141.5)	482.7
Adjusted EBITDA	85.7	42.8	128.4	(29.4)	0.3	99.3
Special items	(4.1)	(0.9)	(5.0)	(0.1)	—	(5.1)
Share-based compensation	(7.1)	6.8	(0.3)	(6.1)	—	(6.4)
EBITDA (excl. holding fee)	74.4	48.5	122.9	(35.4)	0.3	87.8
Depreciation and amortization	(15.8)	(13.4)	(29.2)	(2.9)	—	(32.1)
EBIT (excl. holding fee)	58.6	35.1	93.7	(38.3)	0.3	55.7
Holding fee	(39.7)	(21.8)	(61.5)	61.8	(0.3)	—
EBIT	18.8	13.6	32.4	23.3	—	55.7
Interest income	0.1	0.0	0.1	—	—	0.1
Interest expense	(1.9)	(1.0)	(2.9)	(2.3)	—	(5.2)
Other finance income (excl. intercompany dividends)	4.6	3.5	8.1	5.4	(1.6)	11.9
Other finance expense	(1.3)	(2.1)	(3.4)	(0.5)	1.6	(2.3)
Profit before income tax expenses	20.3	14.0	34.3	25.9	—	60.2
Income tax expenses	(5.8)	(6.1)	(11.9)	(10.4)	—	(22.3)
Profit for the period	14.5	7.9	22.4	15.5	—	37.9

¹ Adjusted, refer to Annual Report 2022 [Note 3](#) (Cash-settled share based compensation)

² The International segment excludes Canada, which is now included in the North America segment.

Earnings per share

The Group reports basic and diluted earnings per share (EPS).

Basic earnings per share is calculated as follows:

	3 months ended 31-Mar-23	3 months ended 31-Mar-22 ¹
Net (loss) income for the period attributable to the shareholders of HelloFresh SE (in MEUR)	(25.1)	38.2
Weighted average number of ordinary shares (in millions)	171.7	172.0
Basic earnings per share (in EUR)	(0.15)	0.22

¹Adjusted, refer to Annual Report 2022 **Note 3** (Cash-settled share based compensation)

The basic earnings per share are determined by dividing the net income for the period attributable to the shareholders of HelloFresh SE by the basic weighted average number of shares.

In Q1 2023 there is no incremental negative impact from dilution, as a result diluted earnings per share is the same as Basic earnings per share.

Glossary

Active Customers

Active customers refer to the number of uniquely identified customers who received at least one box within the preceding three months (including first-timers and trial customers, customers who received a discounted box and customers who ordered during the relevant period but discontinued their orders and registration with us before period end) counted from the end of the relevant period.

Adjusted EBIT

We define adjusted EBIT as EBIT before share-based compensation expense, holding fees, and other non-operating one-time effects („special items”).

Adjusted EBITDA

We define adjusted EBITDA as EBITDA before share-based compensation expenses, holding fees, and other non-operating one-time effects („special items”).

Average Order Value

Average order value is calculated as the total revenue (excluding retail revenue) divided by the number of orders in the corresponding period. order value is calculated as the total revenue divided by the number of orders in the corresponding period.

Constant Currency

Revenue denominated in a currency other than euro for a given month and the corresponding month in the prior year, which is translated into euro by using the average exchange rate for the respective month in the prior year for each period.

Contribution Margin

Contribution Margin is defined as revenue less procurement expenses, and fulfilment costs.

Corporate Responsibility

Corporate Responsibility (CR) is a business approach that takes responsibility for social and environmental impacts resulting of a company activity. The goal is to create long-term value for shareholders, other stakeholders, and communities by embracing the opportunities associated with economic, environmental and social developments.

EBIT

EBIT is short for earnings before interest and taxes.

EBIT Margin

EBIT Margin is EBIT as a percentage of revenue.

EBITDA

EBITDA is short for EBIT before depreciation of property, plant and equipment, and amortization of intangible assets.

EBITDA Margin

EBITDA Margin is EBITDA as a percentage of revenue.

Free Cash Flow

Cash flow from operating activities reduced by net capital expenditure (excluding investments in subsidiaries, time deposits, and restricted cash) and repayment of lease liabilities (IFRS 16) excluding interest).

Holding fees

Holding fees represent a remuneration for high value-adding services performed by the holding, and for using the HelloFresh intellectual property rights.

Net working Capital

We calculate net working capital as the sum of inventories, trade receivables, VAT receivables, and similar taxes, less trade payables, deferred revenue, VAT payables, and similar taxes.

Number of Meals (Meals delivered)

Number of meals is defined as the number of individual serve/portion that have been delivered within the corresponding period.

Orders per Customer (Average order rate)

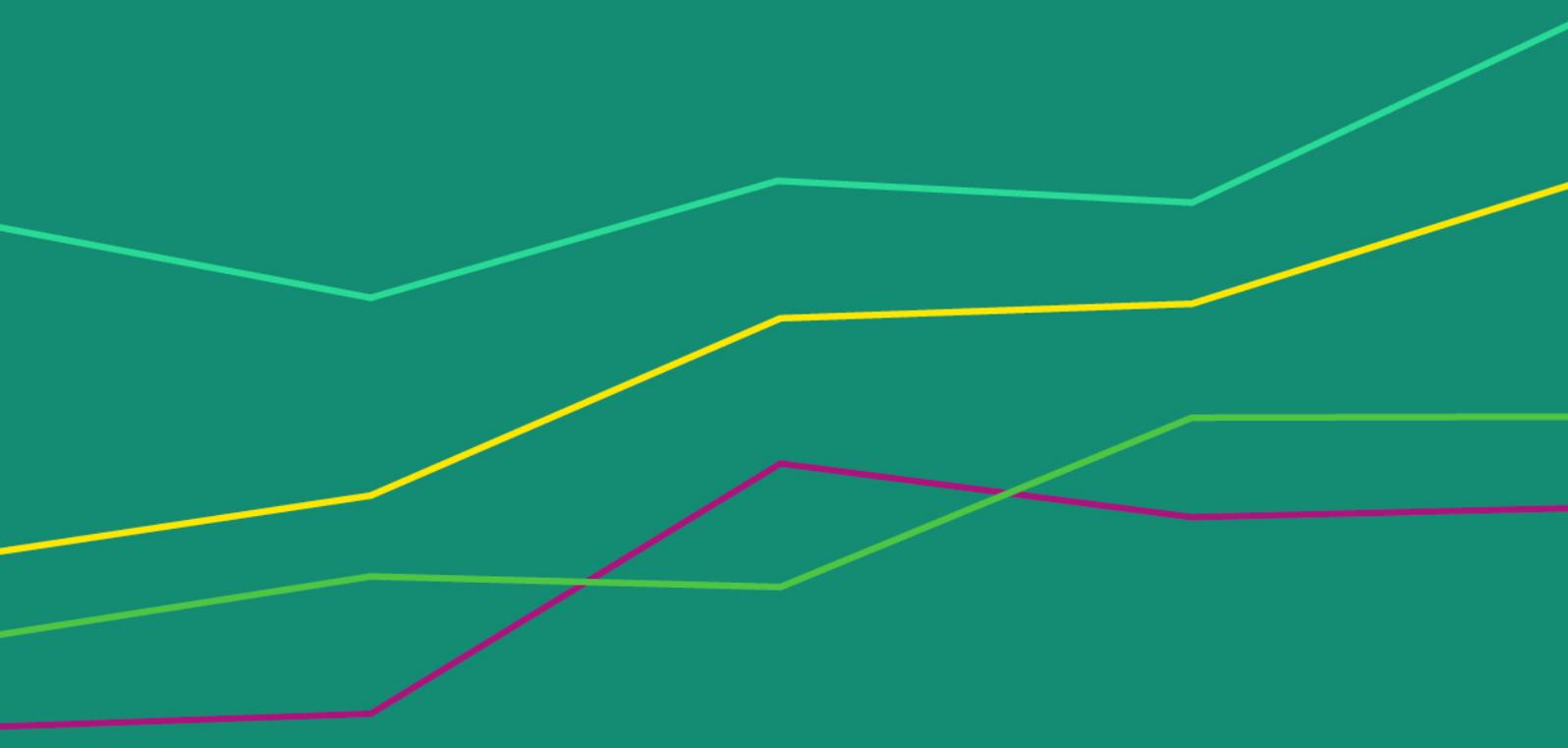
Orders per customer is calculated as the number of orders divided by the active customers in the corresponding period.

Procurement Expenses

Procurement Expenses consist of purchase price paid to suppliers for ingredients, salaries, ingredients procurement, personnel and inbound shipping charges.

Special Items

Special items consist of items of a nonrecurring nature, which include expenses related to legal and other services incurred in connection with M&A-transactions, one-off costs related to reorganizations and restructurings and prior period related effects.



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