



# HELLOFRESH

## GROUP

**Q1 2024 Results**  
*April 25th, 2024*



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## Q1 2024 Highlights

Continued Group AOV expansion by 6.5% on a cc basis, driven by higher AOV in both geographical segments

Group orders down yoy by (2.6%), in line with the trend experienced the previous quarter

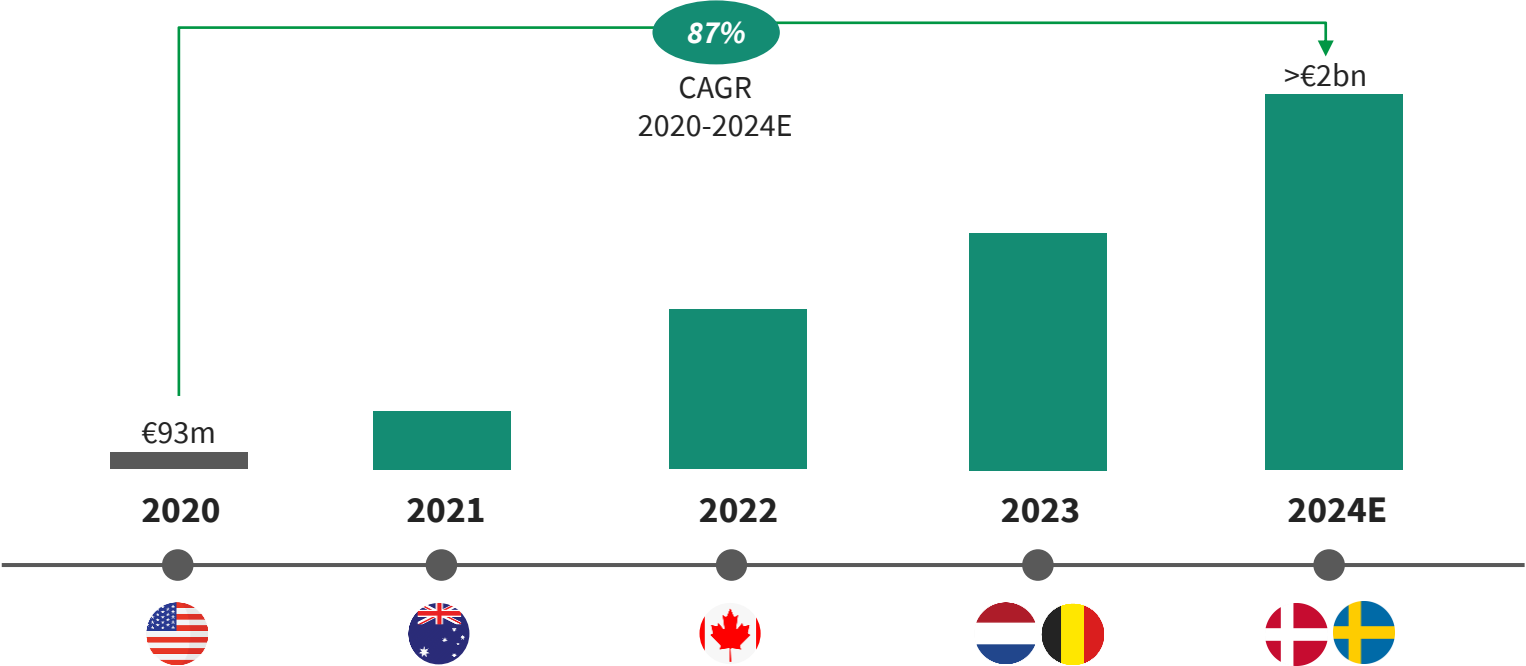
Group revenue of €2.1b, representing highest ever quarterly revenue and a 3.8% cc growth rate

Continued high RTE revenue growth of 56% on a cc basis. Meal kits yoy negative cc revenue growth of 7%

Contribution margin of 25.2% compared to 26.3% in Q1 2023, influenced by initial ramp-up costs of selected new fulfilment centers and the rapid ramp-up of US RTE

Positive AEBITDA of €17m, a margin of 0.8%

# Our RTE scale up is on track and progressing well



Continued TAM Expansion

Intl RTE in ramp-up mode and investment phase

Strong early consumer demand in recently launched geos

### Notable Callouts

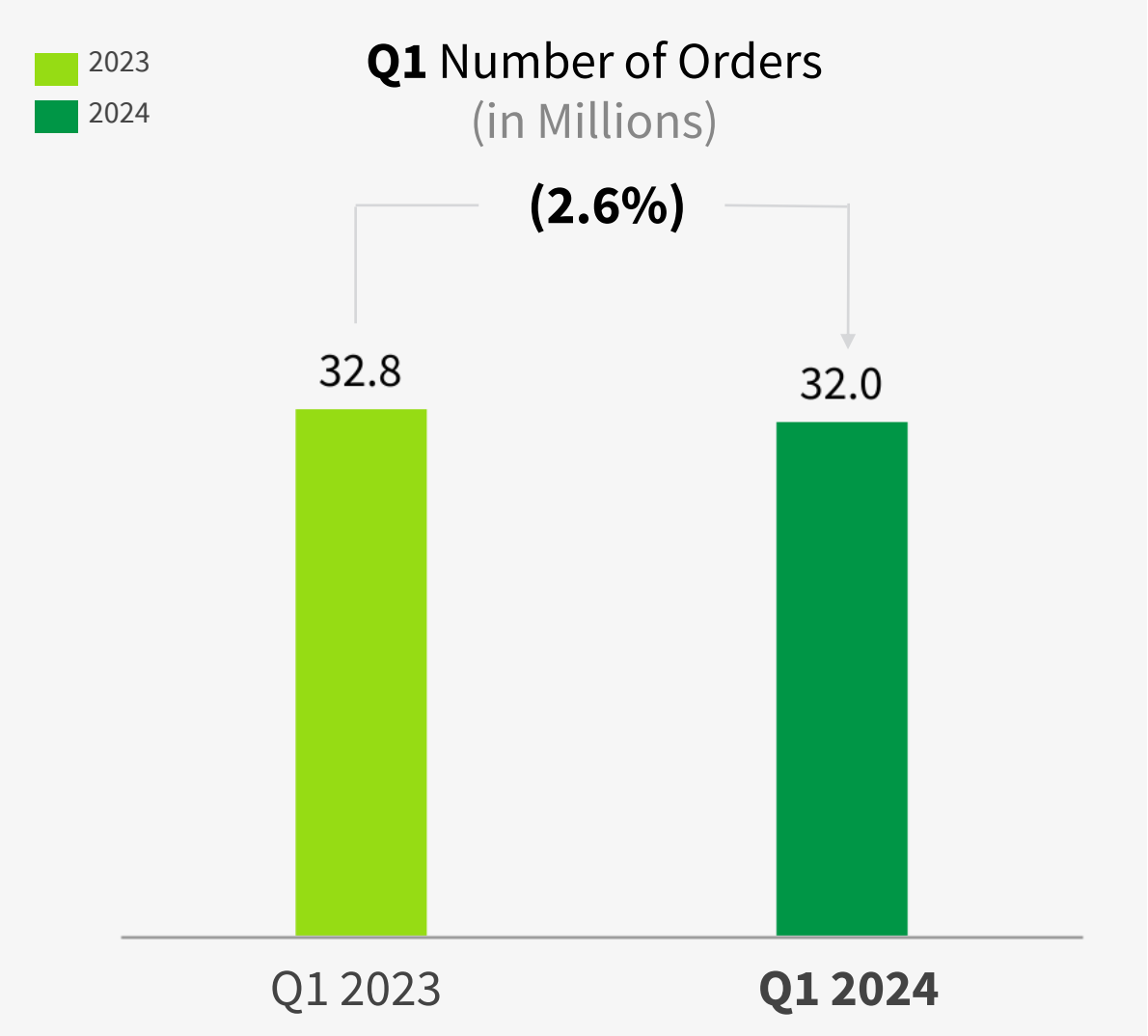
#### FACTOR \_



- Arizona facility accounting for increased share of fulfilled volume in Q1
- Delivery day expansion from 1 to 3 days/week
- Menu expansion: now offering 35 weekly rotating meals (+10 yoy)
- Factor Marketplace: launched high value private label products: inc. smoothies, protein powder, snacks and juices

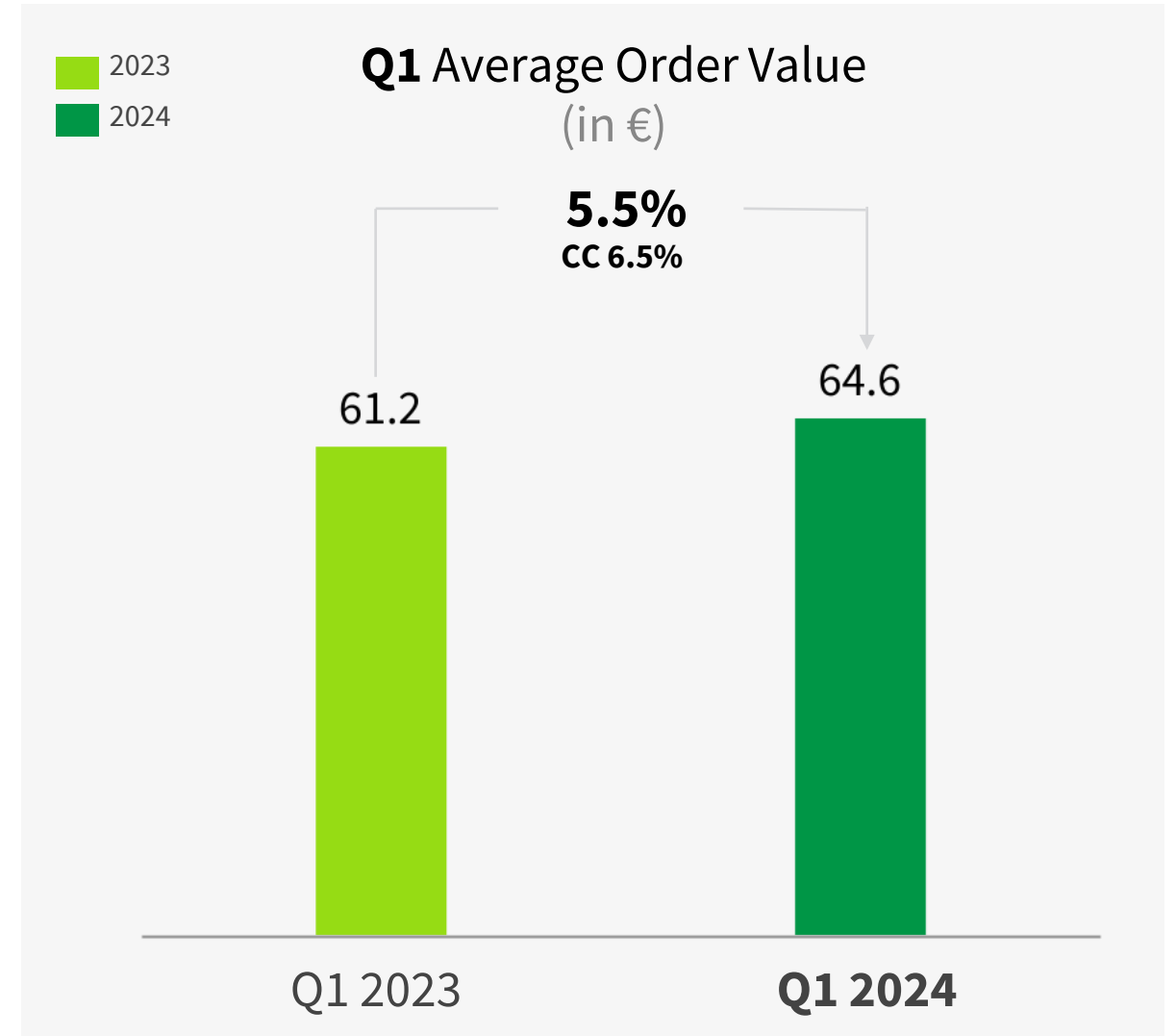
# 32m orders delivered in Q1 2024

- Mild yoy decrease in overall order volume for the Group and both geographic segments
- Strong ramp-up of RTE, while new customer demand for meal kits continues to be temporarily softer
- Healthy order rates of existing customers



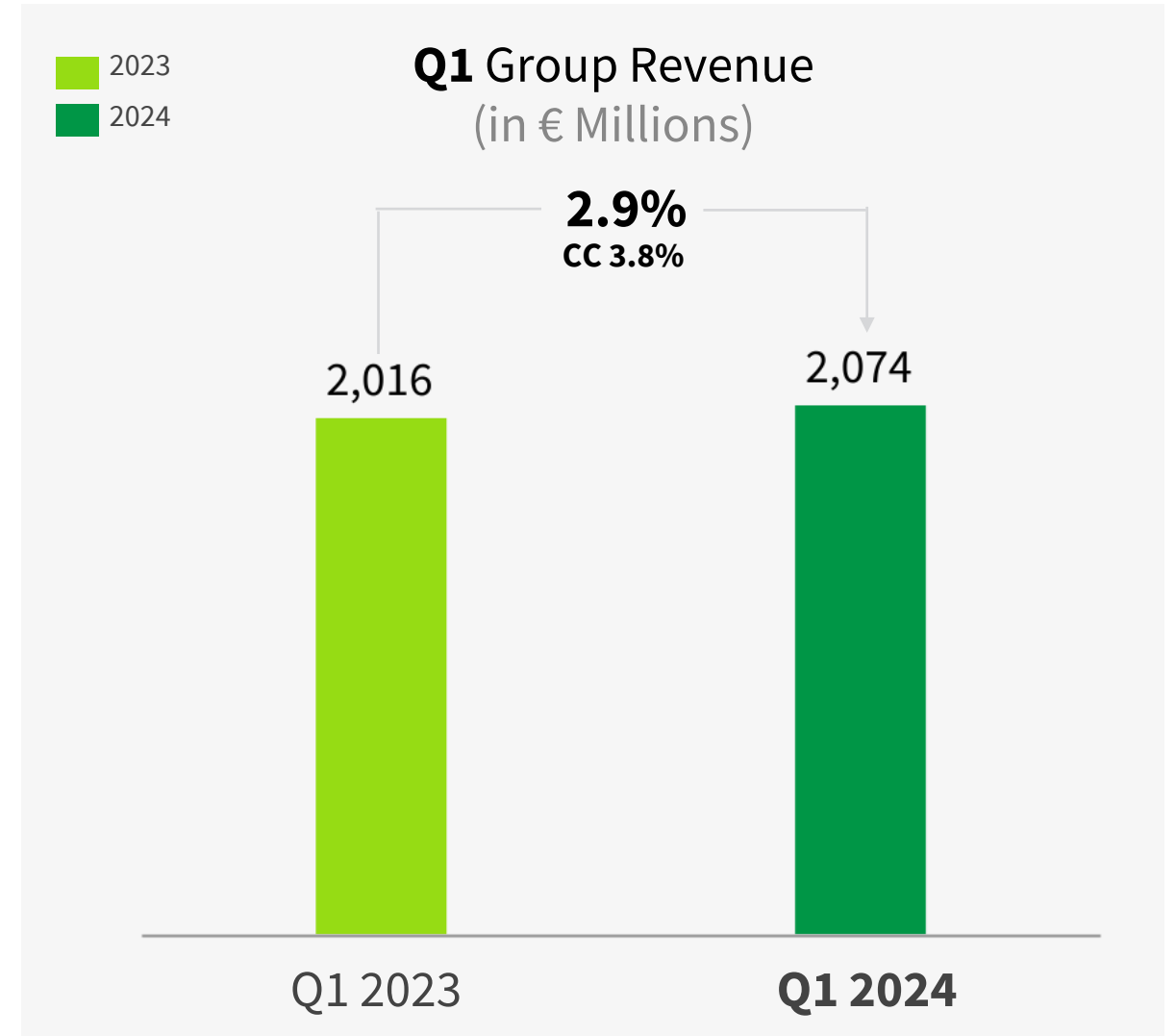
# Continued AOV expansion yoy

- Group AOV increase of 6.5 % in constant currency
- Both segments showed meaningful increase in AOV:
  - NA: 7.1 % (CC)
  - Intl: 5.1 % (CC)
- AOV increase primarily driven by:
  - NA: rapid expansion of RTE
  - Intl: combination of higher premium meals and HF Market take-up, and run-rate effect of selected price increases
  - In addition, both segments benefited from more modest price incentives per order and a higher share of existing full-price customers



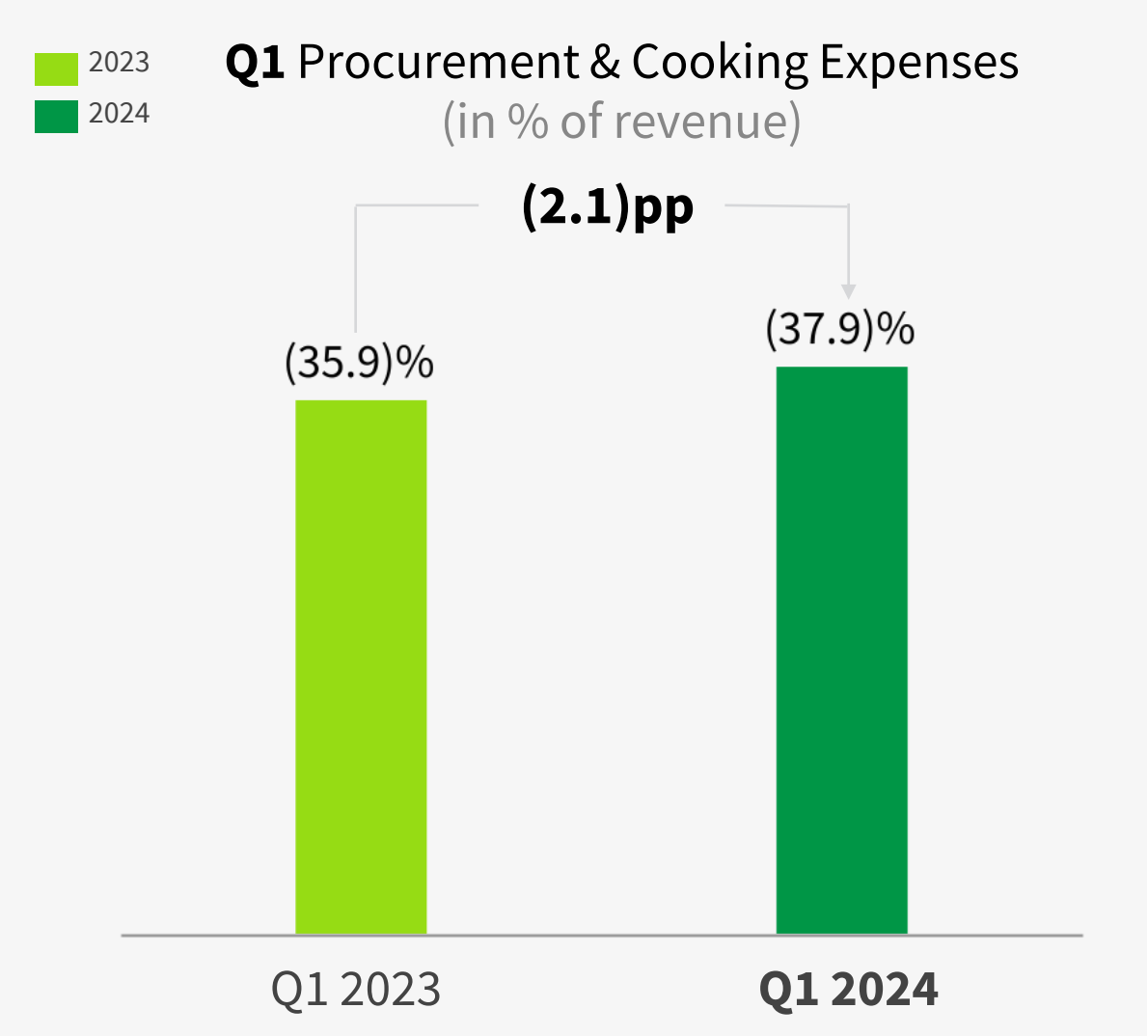
# Highest revenue quarter to date with €2.1b, representing a 4% growth rate

- Constant currency revenue growth of 3.8% for the Group
- Positive CC revenue growth across both segments
  - NA +4.6%
  - Intl +2.3%
- Strong RTE ramp-up translating into 56% constant currency revenue growth
  - Unlocking of production capacity proceeding according to plan
- Mealkits yoy cc revenue growth of (7%)
  - As expected, softer yoy new customer acquisition activity in more mature markets, solid ordering and retention pattern of existing customers



# Procurement and cooking expenses higher due to an increased RTE contribution to the mix and the ramp up of RTE facilities

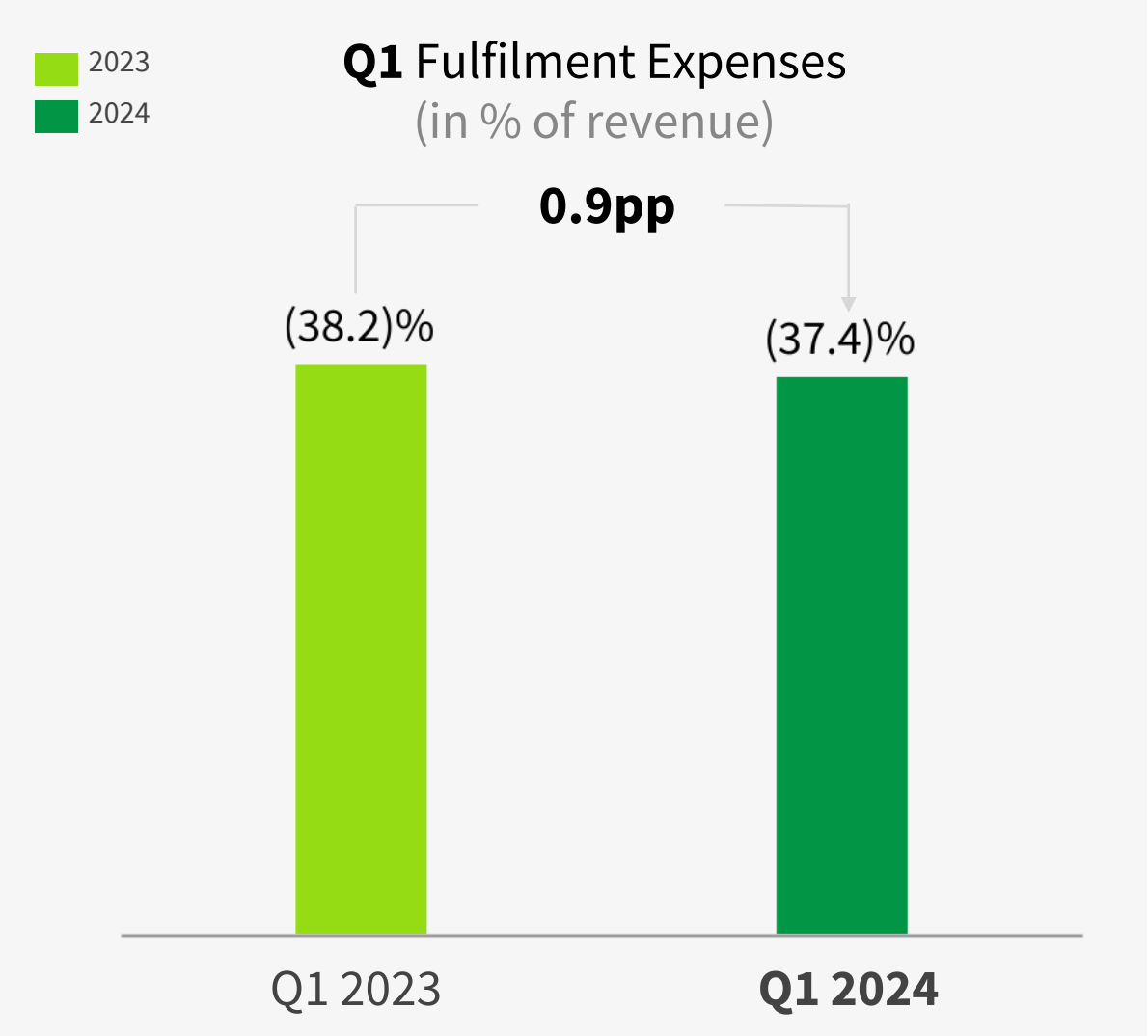
- Procurement and cooking expenses increased by 2.1pp yoy
- NA segment driving the relative increase due to:
  - Growing contribution of RTE to the mix
  - In addition, ramp up of the Goodyear (Arizona) facility
- Intl procurement and cooking expenses down 1.5pp yoy as ingredient inflation slows and procurement efficiencies are realized





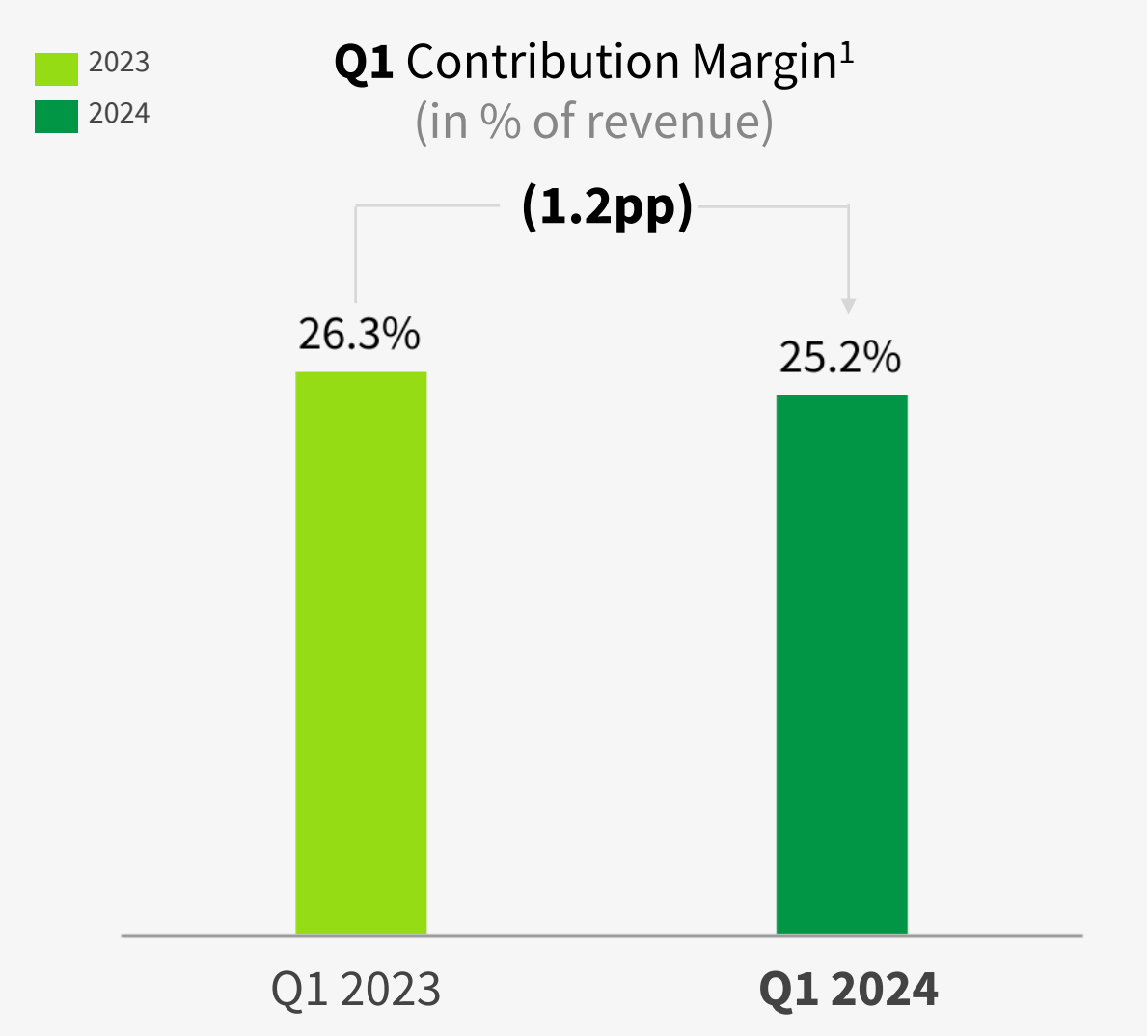
# Fulfilment expenses as % of net revenue continued to decrease for the Group

- Group fulfilment expenses improved by 1pp to 37.4%, continuing on past trends
- In NA, 1.7pp improvement in relative fulfilment expenses to (36.6)%, as it benefits from a growing contribution of RTE to the mix, somewhat offset by RTE production ramp-up costs
- In Intl, initial ramp-up costs of new DCs negatively impact fulfilment margin, as previously anticipated



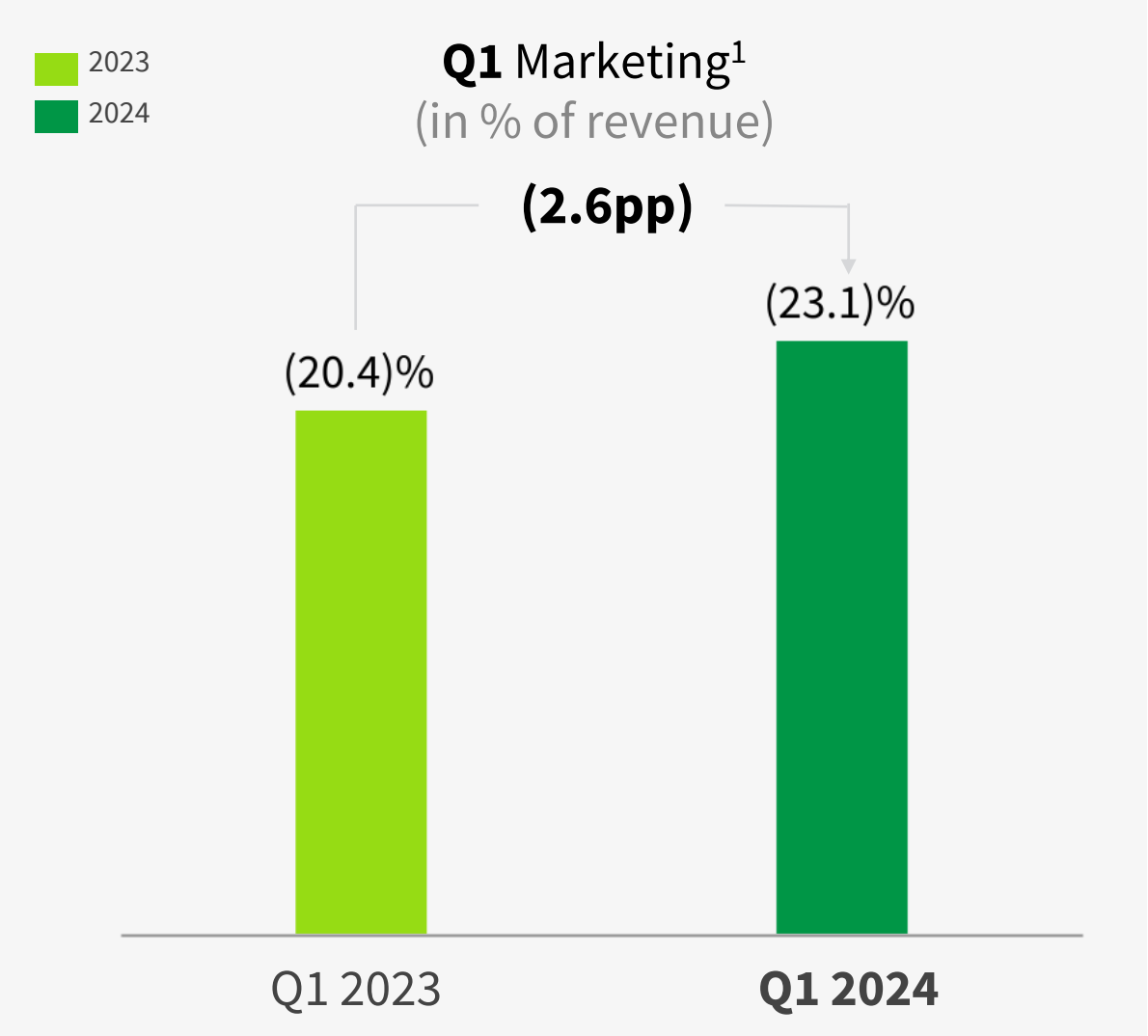
# Trend in procurement and fulfilment expenses results in a contribution margin of 25.2%

- NA contribution margin of 26.5%, a 2.1pp reduction yoy, driven primarily by the temporarily higher RTE production costs during the rapid ramp-up phase
- Intl contribution margin of 24.1%, a 1.0pp expansion yoy, despite temporary ramp-up costs of our new DCs in Germany and the UK



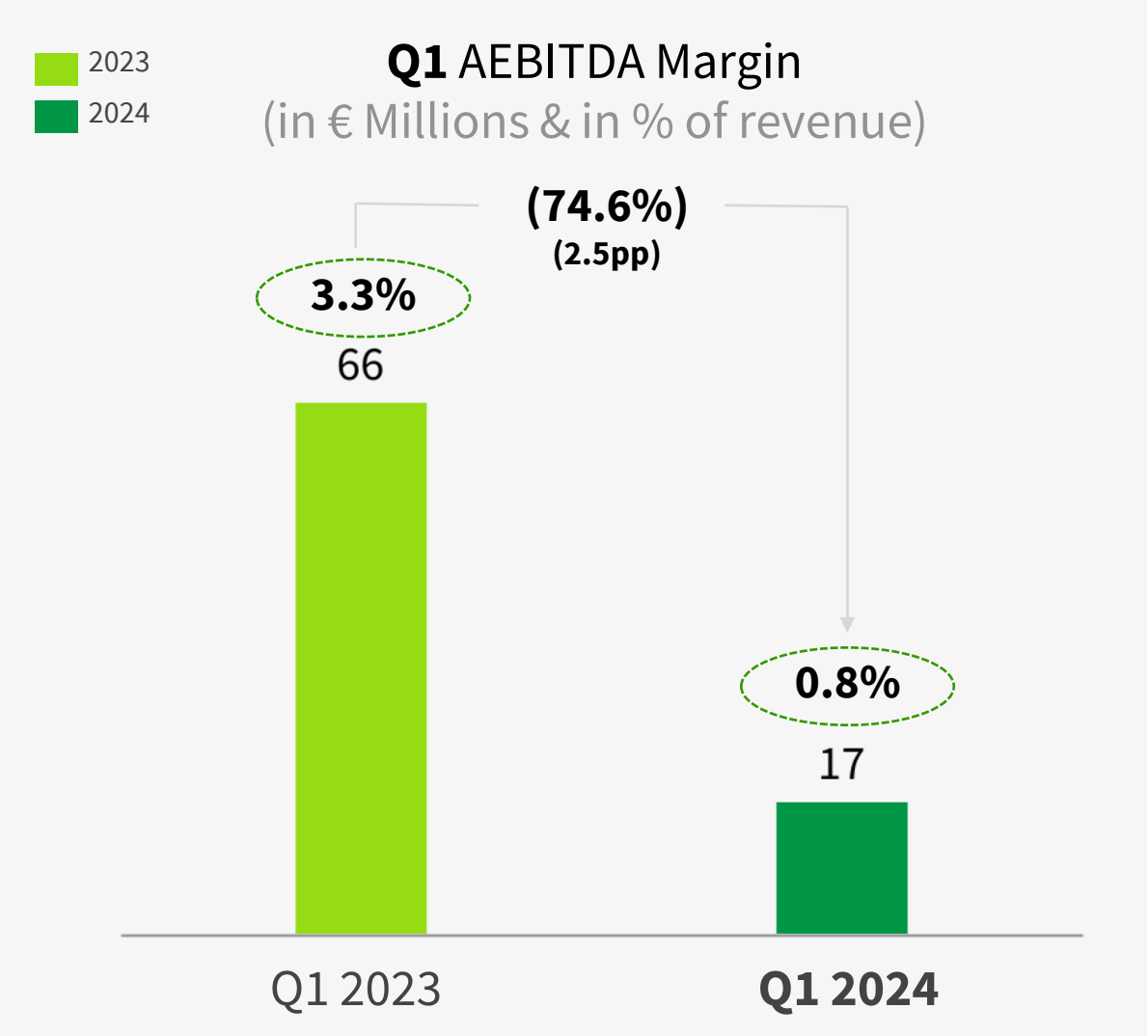
# Marketing activity at a seasonal high in Q1

- Relative marketing expenses in Q1 mark seasonal peak (as usual)
- Absolute level influenced by successful rapid expansion of RTE customer base, which absorbed substantially all yoy marketing spend increase
- In addition, some intended shift of marketing budget from previously price incentives to now product and paid marketing



# Mildly positive AEBITDA of €17m in Q1 2024

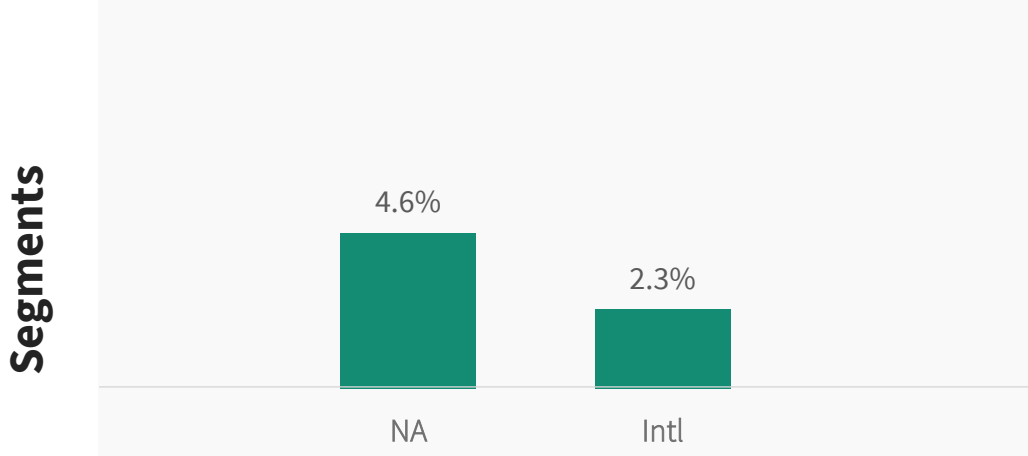
- Both operating segments generating positive AEBITDA:
  - NA: €26.4m, a margin of 1.9% vs 5.7% in Q1 2023
  - Intl: €28.9m, a margin of 4.1%, stable to last year
  - Holding AEBITDA of negative €(38.5)m, stable to last year



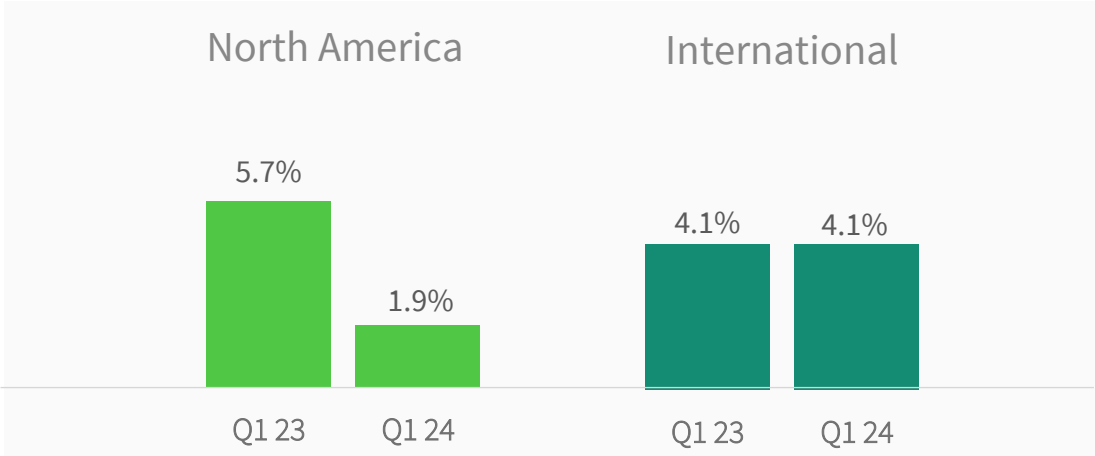


# 2024 Q1 performance was primarily driven by (i) a rapidly growing RTE product group and associated temporarily increased costs and (ii) normal Q1 seasonality

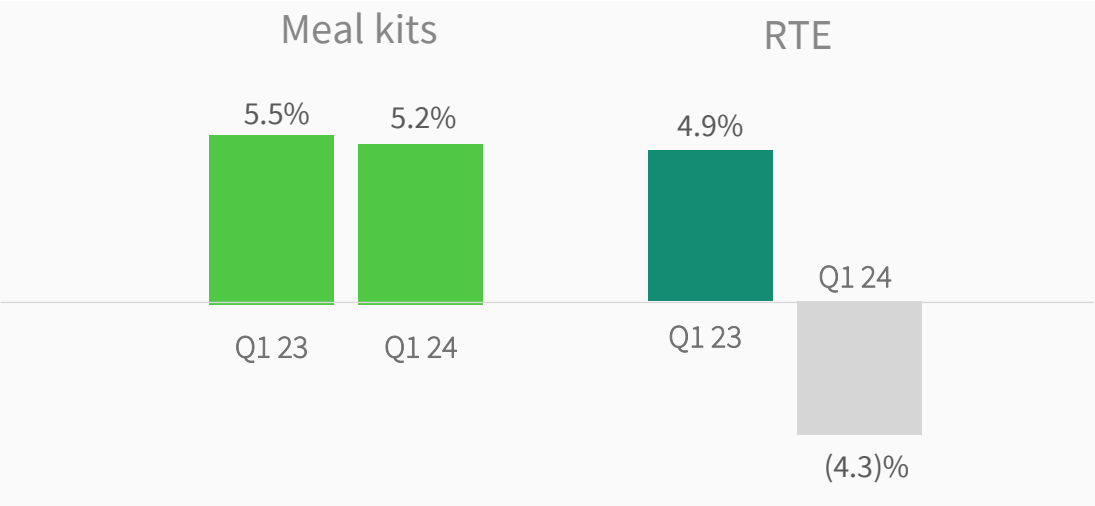
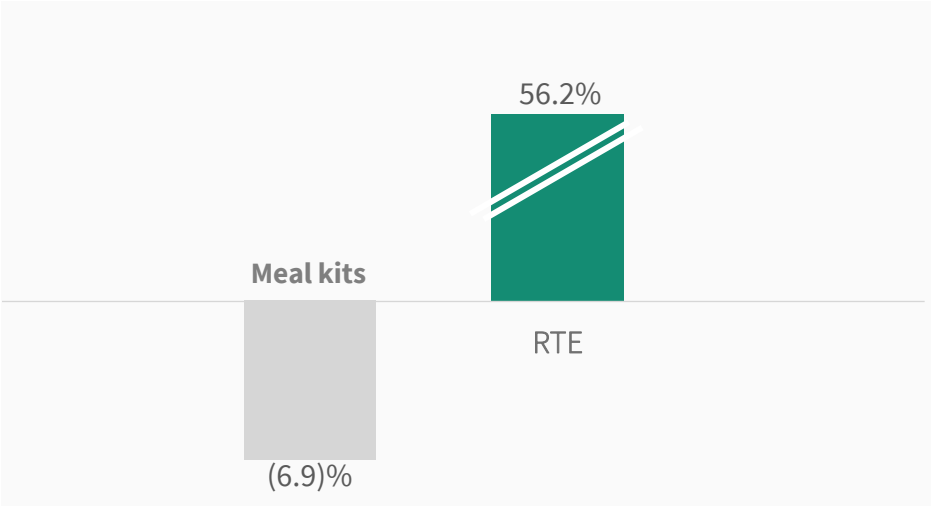
2024 Q1 CC revenue growth



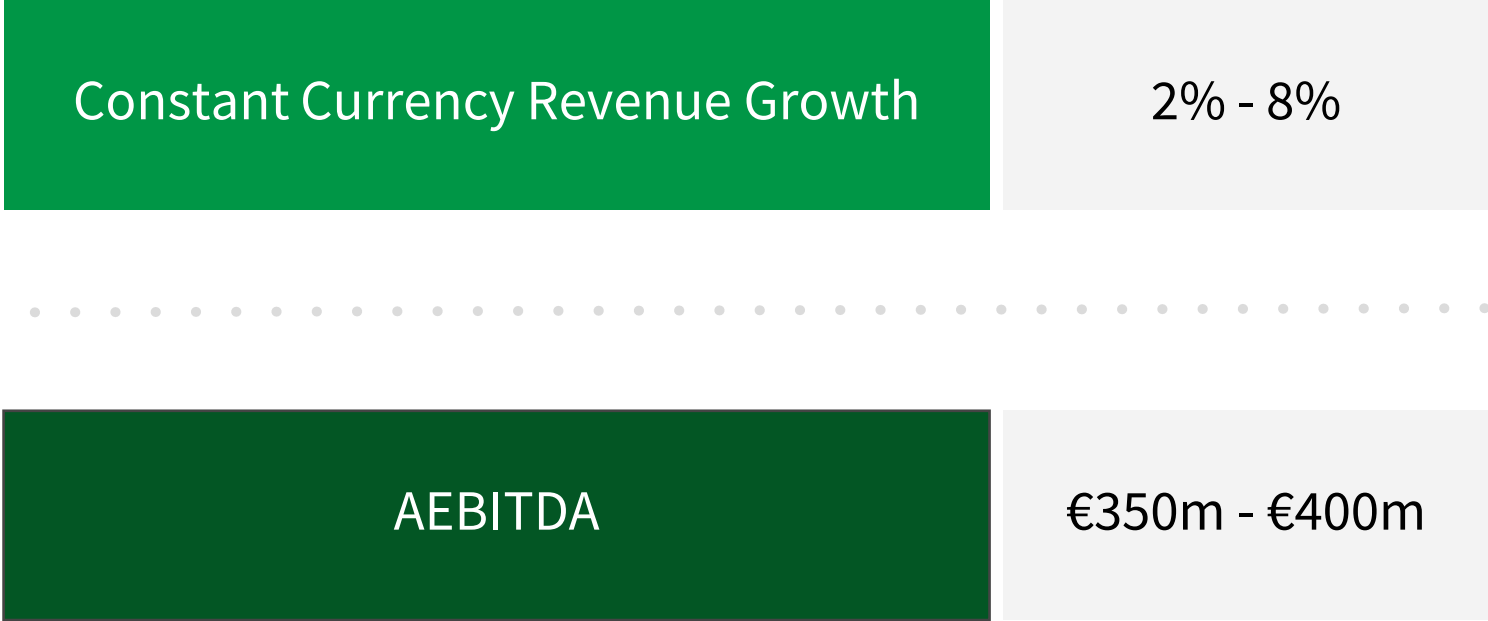
AEBITDA margin



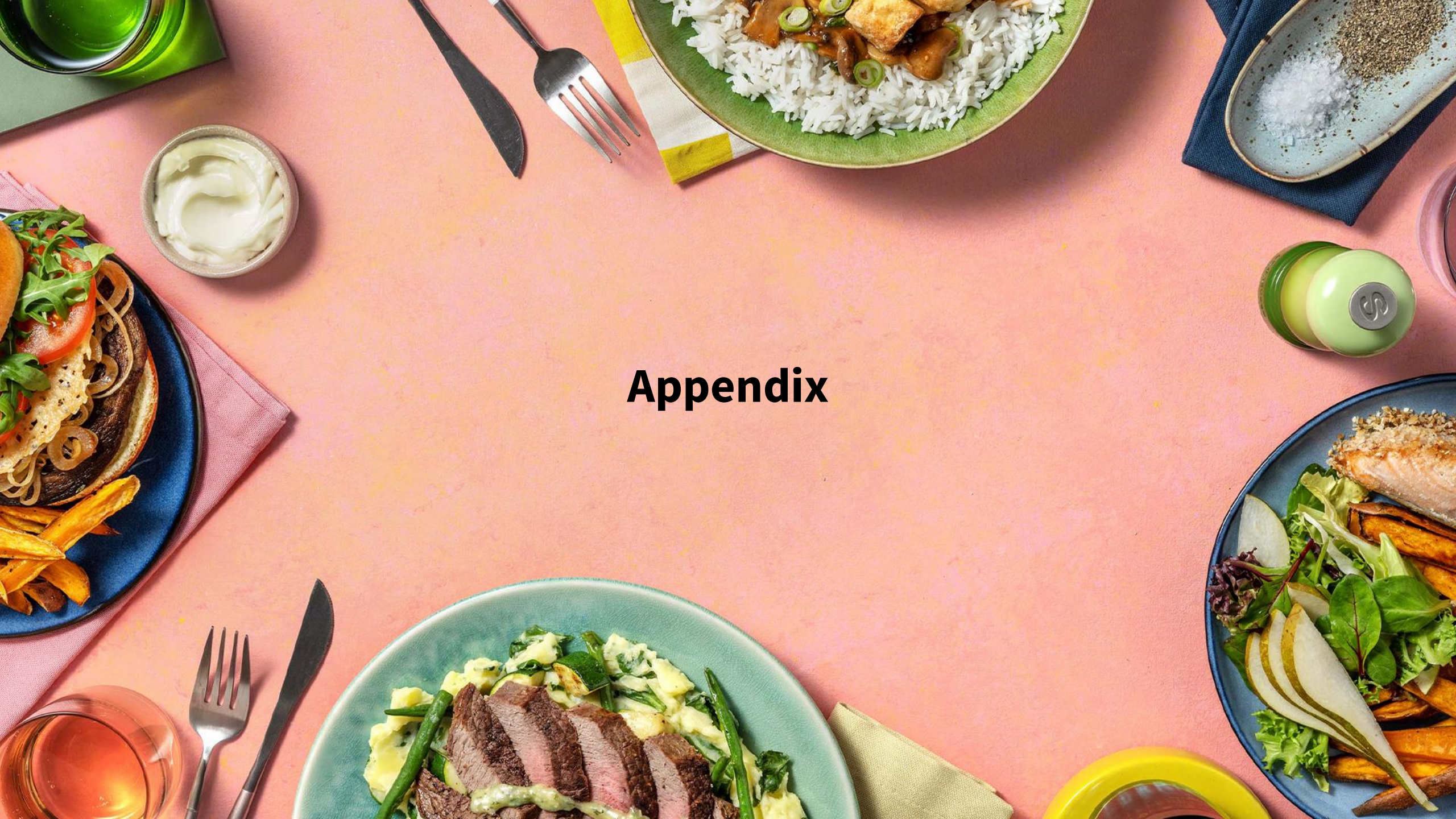
Product category



# We reconfirm our full year 2024 outlook of 2% – 8% CC revenue growth and €350m - €400m AEBITDA





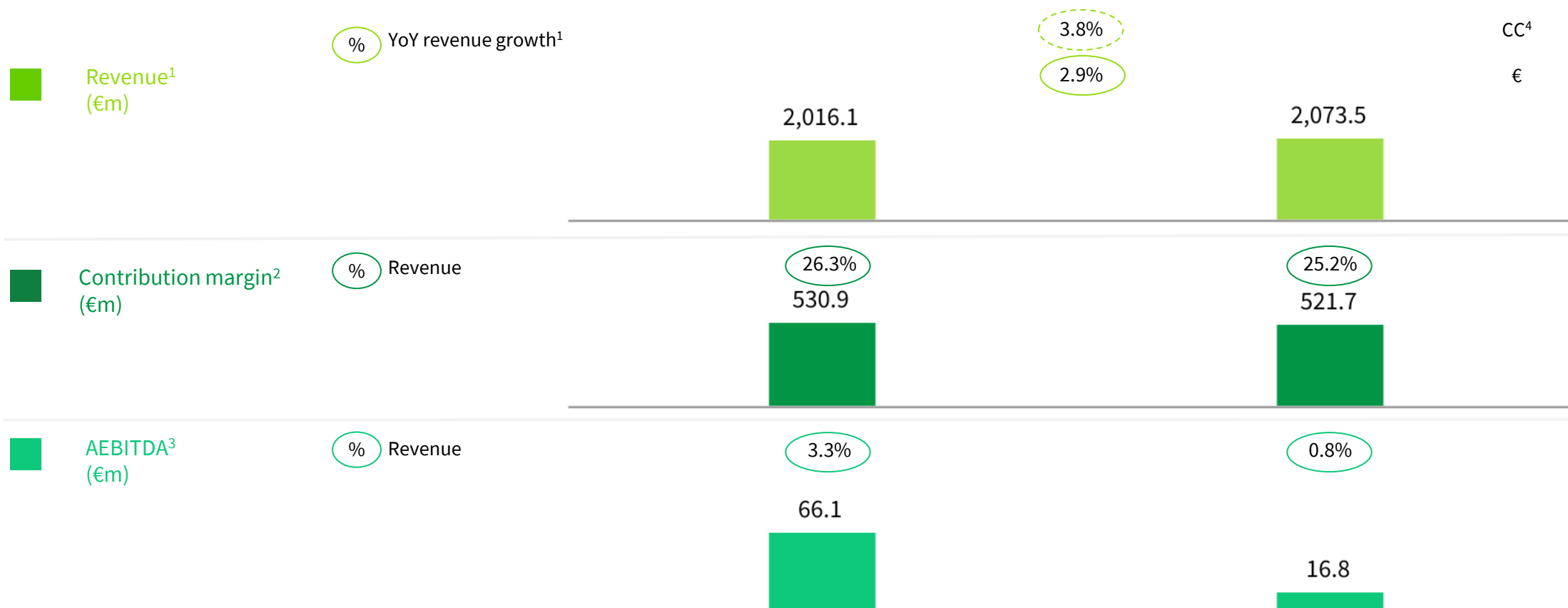


**Appendix**



# Group: Operational and Financial KPIs

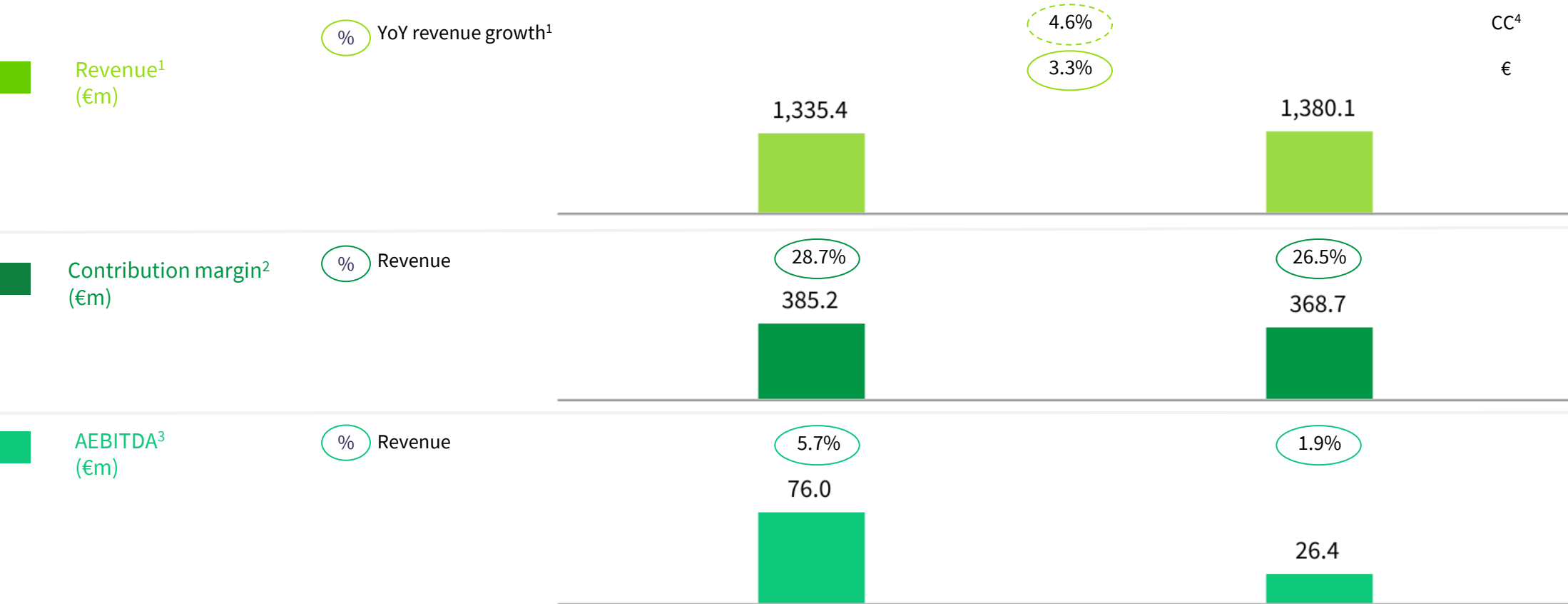
	Q1 23	Q1 24
Average Order Value (€)	61.2	64.6
Average Order Value constant currency (€)	61.2	65.2





# North America: Operational and Financial KPIs

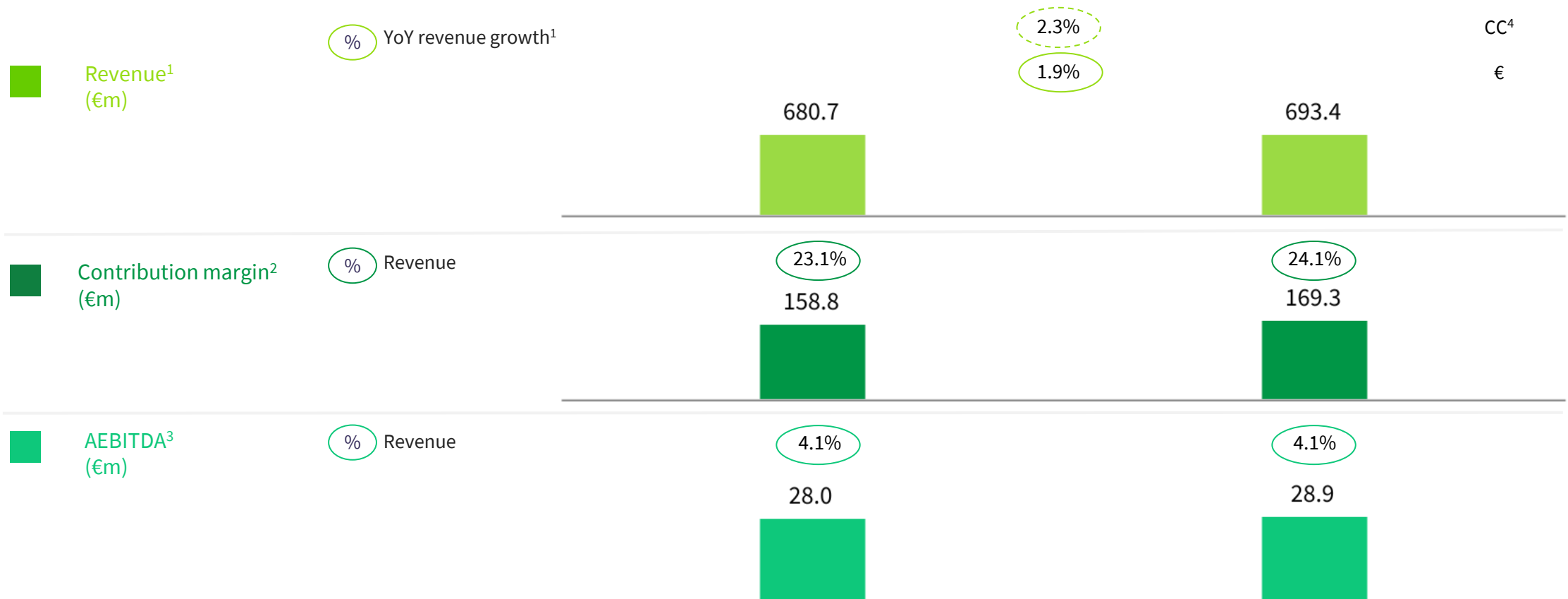
	Q1 23	Q1 24
Average Order Value (€)	70.6	74.8
Average Order Value constant currency (€)	70.6	75.6



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 procurement and cooking expenses, 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 23	Q1 24
Average Order Value (€)	48.4	50.6
Average Order Value constant currency (€)	48.4	50.9



# Additional information by product category

In MEUR	3-months ended		
	31-March 24	31-March 23	YoY Change
Revenue			
Meal kits	1,559.4	1,687.2	(7.6 %)
RTE	495.6	321.7	54.1 %
Others	18.6	7.2	158.6 %
Group	2,073.5	2,016.1	2.9 %
Revenue constant currency			
Meal kits	1,571.3	1,687.2	(6.9 %)
RTE	502.6	321.7	56.2 %
Others	18.8	7.2	161.6 %
Group	2,092.7	2,016.1	3.8 %
AEBITDA			
Meal kits	80.7	92.1	(12.4 %)
RTE	(21.3)	15.6	(236.5 %)
Others	(4.0)	(3.7)	7.9 %
Holding	(38.5)	(37.9)	1.6 %
Group	16.8	66.1	(74.6 %)

In MEUR	2023				Total
	Q1	Q2	Q3	Q4	
Revenue					
Meal kits	1,687.2	1,553.3	1,413.9	1,458.2	6,112.6
RTE	321.7	353.8	378.2	384.7	1,438.4
Others	7.2	10.4	11.9	16.1	45.6
Group	2,016.1	1,917.5	1,804.0	1,859.0	7,596.6
Revenue in Constant Currency					
Meal kits	1,687.2	1,553.3	1,413.9	1,458.2	6,112.6
RTE	321.7	353.8	378.2	384.7	1,438.4
Others	7.2	10.4	11.9	16.1	45.6
Group	2,016.1	1,917.5	1,804.0	1,859.0	7,596.6
AEBITDA					
Meal kits	92.1	199.9	81.7	173.9	547.6
RTE	15.6	30.0	30.1	(15.6)	60.1
Others	(3.7)	(3.1)	(4.8)	(3.4)	(15.1)
Holding	(37.9)	(34.9)	(37.8)	(34.5)	(145.1)
Group	66.1	191.9	69.2	120.4 <sup>1</sup>	447.7

<sup>1</sup> As of Q4 2023 impairment expenses are not included in EBITDA. The adjustment of MEUR 6.7 for preceding quarters 2023 was done in Q4.

# Profit and Loss Statement

	3 months ended		Change %
	31-Mar-24	31-Mar-23	YoY
<b>Revenue</b>	2,073.5	2,016.1	2.9%
Procurement Expense	(786.6)	(722.8)	8.8%
Fulfilment Expense	(774.5)	(770.5)	0.5%
<b>Contribution Margin</b>	<b>512.4</b>	<b>522.8</b>	(2.0)%
<i>% of Revenue</i>	25.2%	26.3%	(1.1)pp
Marketing Expense	(482.1)	(415.4)	16.1%
G&A, other income and expenses	(123.0)	(116.4)	5.7%
<b>EBIT</b>	<b>(92.7)</b>	<b>(9.0)</b>	933.7%
<i>% of Revenue</i>	(4.5)%	(0.4)%	(4.0)pp
Financial Result	6.2	(16.4)	137.8%
<b>EBT</b>	<b>(86.5)</b>	<b>(25.4)</b>	240.6%
Income Tax (Expense) / Benefit	2.7	—	0.0%
<b>Net Income / (Loss)</b>	<b>(83.8)</b>	<b>(25.4)</b>	229.9%
<hr/>			
<b>Reconciliation starting at EBIT</b>			
<b>EBIT</b>	<b>(92.7)</b>	<b>(9.0)</b>	933.7%
D&A	79.1	50.3	57.1%
<b>EBITDA</b>	<b>(13.6)</b>	<b>41.3</b>	(132.9)%
<i>% of Revenue</i>	(0.7)%	2.0%	(2.7)pp
Special Items	3.7	4.8	(21.7)%
SBC	26.6	20.0	33.1%
<b>AEBITDA</b>	<b>16.8</b>	<b>66.1</b>	(74.6)%
<i>% of Revenue</i>	0.8%	3.3%	(2.5)pp



# Balance Sheet & Cash Flow Statement

In MEUR	As at 31-Mar-24	As at 31-Dec-23
<b>Assets</b>		
Non-current assets	1,773.7	1,756.4
Cash and cash equivalents	371.7	433.1
Other current assets	409.4	391.8
<b>Total assets</b>	<b>2,554.8</b>	<b>2,581.3</b>
<b>Equity and liabilities</b>		
Equity	929.8	1,019.0
Non-current liabilities	663.9	649.3
Current liabilities	961.1	913.0
<b>Total equity and liabilities</b>	<b>2,554.8</b>	<b>2,581.3</b>

In MEUR	Q1 2024	Q1 2023
<b>Cash and cash equivalents at the beginning of the period</b>	<b>433.1</b>	<b>504.0</b>
Net Cash flows from operating activities	34.7	112.1
Net Cash flows from investing activities	(40.6)	(129.4)
Net Cash flows from financing activities	(55.8)	(13.8)
Effects of exchange rate changes and other changes on cash and cash equivalents	0.2	(5.7)
<b>Cash and cash equivalents at the end of the period</b>	<b>371.7</b>	<b>467.2</b>

# Share Count

As of March 31, 2024

<b>Number of shares issued</b>	173,190,562
<b>Number of shares outstanding</b>	168,347,931
<b>Number of treasury shares</b>	4,842,631

<b>Employee incentive plan</b>	<b>Options</b>	<b>RSU</b>	<b>Total</b>
Vested (in mn)	9.5	0.8	10.3
Unvested (in mn)	6.9	9.1	16.0
<b>Outstanding (in mn)</b>	16.4	9.9	26.3
WAEP <sup>1</sup> (in EUR) Vested	23.42	—	21.54
WAEP <sup>1</sup> (in EUR) Unvested	19.32	—	8.33
<b>WAEP<sup>1</sup> (in EUR)</b>	21.69	—	13.51





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