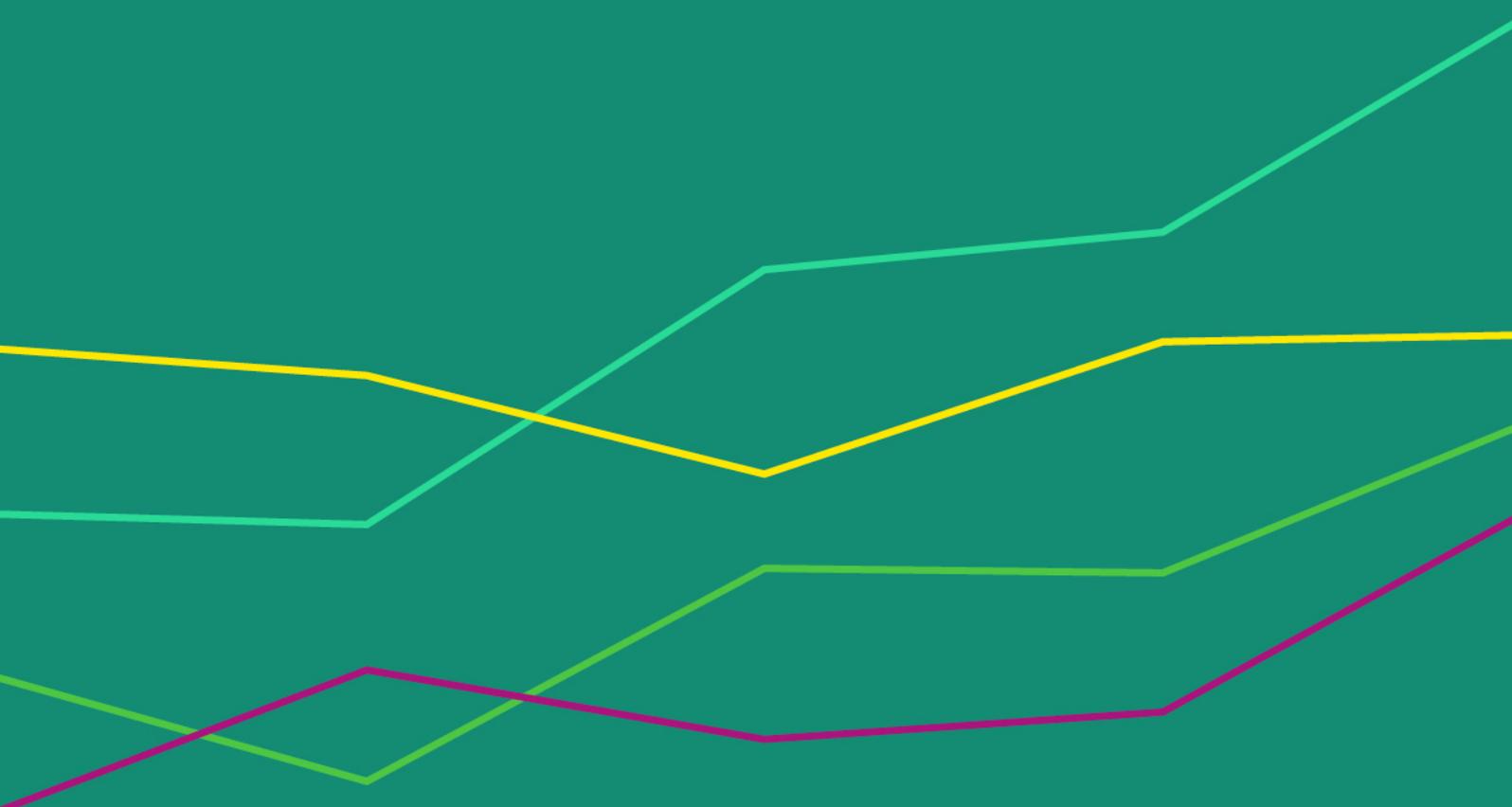


HELLOFRESH
GROUP

Annual Report 2024



HelloFresh at a Glance

Key figures	3 months ended 31-Dec-24	3 months ended 31-Dec-23	YoY change	12 months ended 31-Dec-24	12 months ended 31-Dec-23	YoY change
Group						
Number of orders (in millions)	26.29	28.47	(7.7 %)	114.63	119.27	(3.9 %)
Meals ¹ (in millions)	220.7	240.0	(8.0 %)	965.5	1,008.7	(4.3 %)
Average order value (EUR) (excl. retail)	68.4	65.0	5.2 %	66.5	63.4	4.9 %
Average order value constant currency (EUR) (excl. retail)	68.0	65.0	4.6 %	66.5	63.4	4.9 %
North America						
Number of orders (in millions)	14.17	15.74	(10.0 %)	64.67	67.78	(4.6 %)
Meals ¹ (in millions)	110.2	125.0	(11.8 %)	511.1	542.5	(5.8 %)
Average order value (EUR) (excl. retail)	81.5	76.3	6.8 %	77.9	73.8	5.5 %
Average order value constant currency (EUR) (excl. retail)	81.2	76.3	6.4 %	78.1	73.8	5.7 %
International						
Number of orders (in millions)	12.11	12.72	(4.8 %)	49.96	51.49	(3.0 %)
Meals (in millions)	110.5	115.0	(4.0 %)	454.4	466.2	(2.5 %)
Average order value (EUR) (excl. retail)	53.1	51.0	4.0 %	51.8	49.7	4.1 %
Average order value constant currency (EUR) (excl. retail)	52.6	51.0	3.1 %	51.6	49.7	3.8 %

¹ Excluding The Pets Table and the supplements distributions line from Factor US.

Key figures	3 months ended 31-Dec-24	3 months ended 31-Dec-23	YoY change	12 months ended 31-Dec-24	12 months ended 31-Dec-23	YoY change
Results of operations						
Group						
Revenue (in MEUR)	1,808.5	1,859.0	(2.7 %)	7,661.3	7,596.6	0.9 %
Revenue constant currency (in MEUR)	1,798.5	1,859.0	(3.3 %)	7,664.8	7,596.6	0.9 %
Contribution margin ¹ (in MEUR)	357.2	503.2	(29.0 %)	1,793.4	2,040.6	(12.1 %)
Contribution margin ¹ (in % of revenue)	19.8 %	27.1 %	(7.3 pp)	23.4 %	26.9 %	(3.5 pp)
Contribution margin ¹ (excl. impairment) (in MEUR)	490.2	505.2	(3.0 %)	1,974.9	2,050.3	(3.7 %)
Contribution margin ¹ (excl. impairment) (in % of revenue)	27.1 %	27.2 %	(0.1 pp)	25.8 %	27.0 %	(1.2 pp)
AEBITDA (in MEUR)	164.3	113.6	44.6 %	399.4	447.6	(10.8 %)
AEBITDA (in % of revenue)	9.1 %	6.1 %	3.0 pp	5.2 %	5.9 %	(0.7 pp)
AEBIT (excl. impairment) (in MEUR)	95.2	49.7	91.7 %	135.9	226.7	(40.1 %)
AEBIT (excl. impairment) (in % of revenue)	5.3 %	2.7 %	2.6 pp	1.8 %	3.0 %	(1.2 pp)
North America						
Revenue ² (in MEUR)	1,154.7	1,201.0	(3.9 %)	5,035.8	5,002.8	0.7 %
Revenue ² constant currency (in MEUR)	1,150.8	1,201.0	(4.2 %)	5,048.6	5,002.8	0.9 %
Contribution margin ¹ (in MEUR)	228.8	344.8	(33.6 %)	1,245.7	1,460.2	(14.7 %)
Contribution margin ¹ (in % of revenue)	19.6 %	28.5 %	(8.8 pp)	24.5 %	29.0 %	(4.4 pp)
Contribution margin ¹ (excl. impairment) (in MEUR)	352.8	346.4	1.8 %	1,415.0	1,464.7	(3.4 %)
Contribution margin ¹ (excl. impairment) (in % of revenue)	30.3 %	28.6 %	1.7 pp	27.9 %	29.1 %	(1.2 pp)
AEBITDA (in MEUR)	136.3	87.9	55.1 %	368.8	417.4	(11.7 %)
AEBITDA (in % of revenue)	11.7 %	7.3 %	4.4 pp	7.3 %	8.3 %	(1.0 pp)
AEBIT (excl. impairment) (in MEUR)	106.2	58.4	81.8 %	248.7	317.2	(21.6 %)
AEBIT (excl. impairment) (in % of revenue)	9.2 %	4.9 %	4.3 pp	4.9 %	6.3 %	(1.4 pp)
International						
Revenue ² (in MEUR)	653.8	658.0	(0.6 %)	2,625.5	2,593.8	1.2 %
Revenue ² constant currency (in MEUR)	647.7	658.0	(1.6 %)	2,616.3	2,593.8	0.9 %
Contribution margin ¹ (in MEUR)	145.3	173.4	(16.2 %)	613.7	638.0	(3.8 %)
Contribution margin ¹ (in % of revenue)	21.9 %	26.0 %	(4.1 pp)	23.0 %	24.3 %	(1.3 pp)
Contribution margin ¹ (excl. impairment) (in MEUR)	154.2	173.7	(11.3 %)	625.9	643.2	(2.7 %)
Contribution margin ¹ (excl. impairment) (in % of revenue)	23.2 %	26.1 %	(2.8 pp)	23.5 %	24.5 %	(1.0 pp)
AEBITDA (in MEUR)	68.7	59.2	16.1 %	186.8	175.3	6.5 %
AEBITDA (in % of revenue)	10.4 %	8.9 %	1.5 pp	7.0 %	6.7 %	0.3 pp
AEBIT (excl. impairment) (in MEUR)	44.6	38.0	17.2 %	95.5	95.9	(0.5 %)
AEBIT (excl. impairment) (in % of revenue)	6.7 %	5.7 %	1.0 pp	3.6 %	3.7 %	(0.1 pp)

¹ Excluding share-based compensation (SBC) expenses.

² External revenue from contracts with customers.

Key figures	3 months ended 31-Dec-24	3 months ended 31-Dec-23	YoY change	12 months ended 31-Dec-24	12 months ended 31-Dec-23	YoY change
Product category						
Group						
Revenue ¹ (in MEUR)						
Meal kits	1,284.7	1,458.1	(11.9 %)	5,529.2	6,111.2	(9.5 %)
RTE ²	491.8	384.6	27.9 %	2,031.7	1,439.2	41.2 %
Others ³	32.0	16.3	96.9 %	100.4	46.1	117.7 %
Revenue ¹ constant currency (in MEUR)						
Meal kits	1,277.2	1,458.1	(12.4 %)	5,528.6	6,111.2	(9.5 %)
RTE ²	489.5	384.6	27.3 %	2,035.8	1,439.2	41.5 %
Others ³	31.8	16.3	95.2 %	100.4	46.1	117.9 %
AEBITDA (in MEUR)						
Meal kits	181.3	166.6	8.8 %	542.3	550.6	(1.5 %)
RTE ²	26.0	(16.3)	n.a.	31.6	57.0	(44.6 %)
Others ³	(3.1)	(3.4)	(8.4 %)	(19.4)	(15.1)	28.5 %
Holding	(39.8)	(33.2)	20.1 %	(155.0)	(145.0)	7.0 %
AEBITDA (in % of revenue)						
Meal kits	14.1 %	11.4 %	2.7 pp	9.8 %	9.0 %	0.8 pp
RTE ²	5.3 %	(4.2 %)	9.5 pp	1.6 %	4.0 %	(2.4 pp)
Others ³	(9.8 %)	(21.0 %)	11.2 pp	(19.3 %)	(32.7 %)	13.4 pp
AEBIT (excl. impairment) (in MEUR)						
Meal kits	136.3	123.7	10.2 %	365.3	393.7	(7.2 %)
RTE ²	16.8	(24.1)	n.a.	(2.8)	34.4	(108.1 %)
Others ³	(3.1)	(3.4)	(8.4 %)	(19.4)	(15.1)	28.5 %
Holding	(54.8)	(46.5)	17.7 %	(207.2)	(186.3)	11.2 %
AEBIT (excl. impairment) (in % of revenue)						
Meal kits	10.6 %	8.5 %	2.1 pp	6.6 %	6.4 %	0.2 pp
RTE ²	3.4 %	(6.3 %)	9.7 pp	(0.1 %)	2.4 %	(2.5 pp)
Others ³	(9.8 %)	(21.0 %)	11.2 pp	(19.3 %)	(32.7 %)	13.4 pp
Group Financial Position						
Operating working capital (in MEUR)	(326.5)	(401.6)		(326.5)	(401.6)	
Cash flow from operating activities (in MEUR)	63.6	92.1		239.3	383.8	
Free cash flow (excl. repayment of lease liabilities) (in MEUR)	42.7	33.0		73.2	78.0	
Free cash flow per diluted share (in EUR)	0.25	0.19		0.42	0.44	
Cash and cash equivalents (in MEUR)	486.7	433.1		486.7	433.1	

¹ External revenue from contracts with customers.

² Ready-to-eat.

³ Relates to our brands Good Chop and The Pets Table.

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A. To Our Shareholders



Thomas Griesel

Edward Boyes

Dominik Richter

Christian Gaertner

Letter by the Management Board

Dear shareholders,

Our mission is (and always has been) to “change the way people eat, forever”. We reference our mission often, both internally and externally, to look beyond quarterly earnings and short-term metrics and to remind ourselves both of our reason to exist and the vast ambitions we continue to have.

For the first eight years we pursued our mission exclusively through our activities in pioneering, scaling and winning in the large market for home cooking, with our to-date still largest and most profitable business line, meal kits. But food consumption comes in many different shapes and forms, among them many that do not rely on home cooking. And so over the last 4 years we also successfully established a strong position in the ready-to-eat meals product group, scaling our brands by c. 20x over this time period, while achieving EBITDA profitability and massively improving our underlying unit economics.

In addition, we have also made great progress in further diversifying our TAM and revenues with our still early-stage forays into pet food, premium butchery services and most recently into health supplements. While these are still comparably small, we are excited about these markets and the growth opportunities they offer to develop HelloFresh into a diversified, digital-native FMCG company over the next decade.

We believe it is helpful to pause for a second and put our 2024 results in perspective over a 5-year trajectory. To builders like us, a five year period is a conundrum: it feels very short in following our long-term mission but incredibly long in many other aspects:

- Revenue has grown from €1.8bn to €7.7bn, a ~34% CAGR;
- AEBITDA has grown almost nine-fold from €47m to €399m;
- Revenue per Customer increased by ~80%;
- Annual FCF has expanded from negative in 2019 to positive €73.3m; and

- Our diluted share count (taking into account all potentially dilutive equity instruments, including vested equity-based compensation) has decreased from 173m in 2019 to c.171m shares.

Over that time period we have also profoundly changed our Value Chain across all domains and developed best in class capabilities that will help all current and future brands under the Group's umbrella to succeed. For example, we have insourced almost all of our Fulfilment Operations, scaled our Last Mile Logistics to a meaningful percentage of all worldwide deliveries and roughly quadrupled the number of meals offered to consumers per week.

However, we also had our fair share of missteps, developed a lot of scar tissue and learned some profound lessons that will guide our investments and resource allocation going forward. Even though the development over that period was anything but linear, we have always stayed true to our overarching philosophy and to our core operating principles, most notably along four main pillars:

- A laser focus on leading input metrics, that fundamentally drive customer success and long term value creation;
- A deeply rooted Experimentation Culture that guides long-term decisions, even if it slows down short-term wins sometimes;
- Thoughtful development of our organizational design and its people; and
- High standards for any incremental projects, with clear stage gates before committing additional resources.

Remaining true to these principles is not always easy but will allow for making sustainable improvements that collectively change the trajectory of the businesses we are in. They have helped us to transform in 5 years from a company with one product line (meal kits) in ten geographies to the globally active, multi-category company with deep moats that we are today.

We've discussed in recent quarters that improving our unit economics and right-sizing our costs are our biggest priorities for now. They are equally critical to improve financial performance in the short-term and to provide the right foundation for long-term success. In 2024 specifically, we have started to turn the corner and taken out costs across several major categories, never forgetting the operating principles that brought us here. Those categories include in particular:

- Marketing: We transitioned our marketing strategy to focus on maximizing mid-term absolute profits, resulting in considerably smaller but, we expect, ultimately more profitable and healthier customer cohorts in the long term;
- Direct Cost: We saw strong productivity improvements in 2024, a 11 % increase as measured by the leading input metric of 'labor minutes per box';
- G&A: We started to realize headcount efficiencies by combining teams and simplified our leadership levels, resulting in better operating leverage and faster decision-making; and
- Fulfilment Network: We have meaningfully scaled back our capital investments in 2024 and started to remove existing excess capacity from our network. This will lead to lower indirect costs, in turn improving future contribution margins.

For 2025, aligning our cost structure to the current size of the business will remain our biggest priority. Improved unit economics and lower fixed costs will contribute to much better cash flow generation, even if this comes at somewhat lower volumes. That is why we have decided to expand and extend our efficiency program until 2026. At the same time, it is very clear to us that we need to make strategic investments on new products and meal moments that will lead to higher customer satisfaction. We are convinced that we will collectively come out of this period as a much stronger company on the other side, with better unit economics, profitability and a much improved customer offering.

Returning to growth eventually begins with a new focus on and execution against our purpose – helping millions of customers around the world to make better food choices, empowering them to master their busy schedules while not compromising on health, taste, deliciousness or convenience. This is true for all the verticals we operate in.

As a digital-native food business we can only win in the long-term if we are positioned to 'wow' our customers week in, week out. Breaking through today's trade-offs between cost, quality, deliciousness, health, and convenience will lead to dramatic shifts in consumer spending and we will allow us to be a net beneficiary in that exciting future.

The TAM a business operates in is always determined by the product you sell (in our case: meals, affordability, service levels). If we want to grow beyond our current TAM we need to change "our product" materially and find ways to meet customer expectations beyond our current core product, both to reach new customers and retain a much higher share of customers for longer. While price and service quality play a big role in overall customer satisfaction, the biggest

contributor to customer experience and the largest driver of long-term retention is the size and deliciousness of our menus.

With an increasing share of revenue from loyal, tenured customers who are generally more quality-sensitive (and less price-sensitive) than a typical trialist, we will seek to invest into the value we give in each plate of food. Over the last 3 years, we increased our prices more slowly than overall food prices, and fought hard to maintain quality and gross margins with relatively lower prices for the customer. In the next phase, we will put a greater emphasis on noticeably levelling up quality and deliciousness. The combination of more high value ingredients, recipes, and meal types available to our customers will create an even bigger ‘wow factor’ for our customers than it does today.

After spending the last two years scaling our fulfillment and cooking operations, - and more recently the rightsizing of the network (work in progress) and strong productivity gains -, we will turn our focus increasingly towards offering much broader menu choice, both in meal kits and ready-to-eat. Right now we do a good job of solving for convenience, catering to mass market taste, and helping consumers with ease of preparation and peace of mind. However, each customer is individual in their needs, time investment, taste, budget, and nutritional goals. Hence, it is our core belief that scaling the number of meal options available to our customers every week will help us to better cater to diverse needs and provide a clear path to increase the size of the TAM we operate in.

Both selection and quality improvements will satisfy a much larger percentage of our potential customer base, allowing us to retain them for longer and monetize them better, ultimately reinvigorating growth for the Group.

All of our current business lines have massive potential to grow into much larger businesses than they are today, yet all of them are incredibly hard to execute against, with each of them coming with its own set of challenges and opportunities. It will take operational excellence and attention to the details to succeed. We genuinely like hard businesses and this has helped us to succeed against hundreds of competitors, small and large, since our start 14 years ago. It is our core belief that if you do well in such business lines, the moats offered by their complexities and intricacies will lead to high defensibility and outsized profit pool capture. It will be hard work, but we are excited about the journey ahead and continuing to follow our mission “to change the way people eat, forever”.

Thank you for your continued support and confidence.

Berlin, 12 March 2025

Dominik Richter
Chief Executive Officer

Thomas Griesel
Chief Executive Officer
International

Christian Gaertner
Chief Financial Officer

Edward Boyes
Chief Commercial Officer

Report of the Supervisory Board

Dear Shareholders,
Ladies and Gentlemen,

The fiscal year 2024 presented both challenges and achievements for the HelloFresh Group. Despite a complex macroeconomic environment marked by stagnation in several key markets and shifts in consumer purchasing behavior, the Company demonstrated resilience and adaptability. External factors, including geopolitical conflicts, added further complexity to the operating landscape. Nevertheless, HelloFresh remained steadfast in its strategic direction, focusing on efficiency, financial stability, and customer-centric innovation.

In 2024, we worked closely with the Company, which entailed among other matters: (i) optimizing the Company's operational efficiency, (ii) further investing into the customer experience, (iii) ensuring that the Company's prime financial strength was maintained at all times, (iv) supporting the Company in the evaluation and prioritization of additional strategic initiatives, (v) supporting the Company in evaluating a balanced compensation system, and (vi) supporting the Company in further developing the ESG strategy including the diversity targets of the Company.

Management oversight and other key Supervisory Board activities

The Supervisory Board duly performed its duties in accordance with the statutory requirements, the Articles of Association of HelloFresh SE, the rules of procedure of the Supervisory Board dated 5 December 2022 (the "Supervisory Board Rules of Procedure") and the German Corporate Governance Code. We engaged in regular, detailed discussions with the Management Board, receiving both written and oral updates on business policy, investment strategies, financial planning, and operational developments. A core aspect of our role was to provide guidance on strategic direction, ensuring alignment with long-term growth objectives and near term optimization. We were directly involved in fundamental decisions, including those requiring our formal approval.

Before adopting a resolution, any transactions which, according to the Articles of Association and/or the Management Board Rules of Procedure, require Supervisory Board approval, were explained by the Management Board and discussed by the Supervisory Board and the Management Board. Discussions took place in meetings of the entire Supervisory Board or its committees or in informal communications with the Management Board outside the Supervisory Board meetings. The Chairwoman of the Audit Committee discussed audit-related topics with the auditor outside the meetings and without the involvement of the Management Board. The Chairwoman of the Audit Committee was in regular interaction with the CFO and the senior financial team on key financial matters. The Chairman of the Supervisory Board was also in regular contact with the Management Board outside the Supervisory Board meetings.

Special focus areas for the Supervisory Board in the fiscal year 2024 included in particular:

- Review of Financial Statements: We meticulously examined the separate and consolidated financial statements for the fiscal year 2023 and the results for the first half of 2024;
- Business Performance Assessment: Continuous monitoring of business performance, including revenue trends, profitability metrics, liquidity position, market position and business strategy;
- Oversight of Investments: Scrutinized material investments, particularly in fulfillment center expansions/contractions and the introduction of Ready-to-Eat offerings;
- Efficiency Measures: Worked closely with the Management Board on optimizing operational efficiency;
- Audit Committee Report: On the Company's key controls, processes and information security environment;
- Audit and Compliance: Collaborated with internal and external auditors; audit planning and quarterly reports of the internal audit department, with strategic considerations on positioning and presence in our existing and new markets;
- Budgetary Oversight: Reviewed and approved the preliminary budget of HelloFresh Group for 2025, including revenue and margin plans for each segment and Capex plans per geography;
- Strategic Initiatives: Deliberated on strategic positioning, corporate structure optimization of the Group and the corporate organization, including succession planning and diversity targets;
- Annual General Meeting: The invitation to and agenda for the ordinary Annual General Meeting for 2024 with proposed resolutions;
- Committees: Reorganization of the composition of the Supervisory Board committees;

- Corporate Actions: Monitored (i) the ongoing buy-back of Company shares and issued convertible bonds (issued in May 2020), (ii) the potential implementation of a new program to buy-back Company shares, and (iii) the arrangement of a MEUR 190 term loan, which will be primarily used to refinance existing debt;
- Governance Enhancements: Revised the Management Board Rules of Procedure;
- Auditor: Finalized the re-tendering of the audit of the annual and half-year financial statements, the compensation report and the non-financial report; and
- German Corporate Governance Code: Declaration of compliance with the German Corporate Governance Code.

The Supervisory Board also remained committed to continuous learning and professional development. For general and specific further development, the members of the Supervisory Board took part in internal and external meetings and trainings on new legal developments in the new German Corporate Governance Code. Insofar as the members of the Supervisory Board attended events on their own responsibility, the Company provided them with support. Lastly, members of the Supervisory Board maintained close interactions with members of the Management Board and senior managers with special responsibilities to exchange views on fundamental issues, and gain an overview of specific Company topics.

Cooperation between Supervisory Board and Management Board

The Management Board and Supervisory Board once again cooperated closely for the benefit of the Company in fiscal year 2024. The Collaboration was characterized by transparency, constructive dialogue, and a shared commitment to the Company's success. In an ongoing, intensive dialog between the boards, the Supervisory Board discussed strategy, planning, business development and risk management issues with the Management Board.

The cooperation entails that the Chairman of the Supervisory Board is immediately notified of important events that the Supervisory Board is required to approve: certain transactions of fundamental importance or materiality; transactions by members of the Management Board and (other) related persons with the Company; and the acceptance of sideline work outside the entity.

Beyond formal meetings, Supervisory Board members actively contributed through:

- Informal Consultations: Engaged in regular discussions with and provided advice to the Management Board and senior leadership;
- Investor Engagement: Participated in investor outreach initiatives and consultations on Company matters;
- Site Visits: Conducted visits to fulfillment centers and operational facilities;
- Audit Support: Supported internal audit and compliance activities;
- Collaboration: Collaborated with external auditors and regulatory advisors; additional 3rd party outreach as necessary; and
- Continuous Education: Pursued ongoing education on regulatory requirements and governance and industry standards.

The members of the Supervisory Board have frequent bilateral communication between themselves, and meet privately for the discussion of certain matters and sub-committee meetings. For all plenary meetings of the Supervisory Board in fiscal year 2024, members of the Management Board were in attendance. Subsequent to plenary meetings of the Supervisory Board, the Supervisory Board also met regularly without the participation of any member of the Management Board.

Changes in the Supervisory Board

On 2 May 2024, Michael Roth was elected by the Annual General Meeting of the Company as the fifth member of the Supervisory Board. Following his appointment, we adjusted the composition of our committees during the reporting year accordingly. Other than this, there were no personnel changes in the composition of the Supervisory Board in fiscal year 2024.

Composition and expertise of the Supervisory Board and committees

The Supervisory Board currently consists of five members, all elected by the Annual General Meeting as shareholder representatives. The Supervisory Board is not subject to employee co-determination. The Board is structured to provide a broad range of competencies, ensuring effective oversight of the Management Board's work. The Chairman and the Supervisory Board members have determined that these competencies align with the risk and success factors relevant to the Company's business. As of now, the competencies are broken down among the individual members in the following matrix:

	Functional Experience							Sector Exp.			Diversity						Term	
	Accounting	Controlling/Risk Management	ESG	Capital Markets/Investor Relations	Corporate Governance/Compliance	Managing public companies	US and International Markets	FMCG	Digital and Internet	Food	Age	Gender	Nationality	Work Stage	Independence	Other Mandates	Initial Election	End of Term
John H. Rittenhouse (Chairman)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	68	M	US	exec	Y	2	2015	2025
Ursula Radeke-Pietsch (Deputy Chairwoman)	Y	Y	Y	Y	Y	Y	Y	Y			66	F	DE	exec	Y	2	2015	2025
Derek Zissman	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	80	M	GB	post	Y	1	2015	2025
Michael Roth¹	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	57	M	DE US	exec	Y	4	2024	2025
Susanne Schröter-Crossan	Y	Y	Y	Y	Y	Y	Y	Y			45	F	DE	exec	Y	2	2021	2025

The other board mandates and significant activities of the Supervisory Board members are as follows:

- John H. Rittenhouse (Chairman): CEO, Cavallino Capital, LLC; Board Member, Flaviar Inc.;
- Ursula Radeke-Pietsch: Global Head of Strategic Projects, Siemens AG; Supervisory Board Member, momox SE; Investment Advisory Board Member, Sophora Unternehmerkapital GmbH;
- Derek Zissman: Director, Crossroads Partners Ltd.;
- Michael Roth¹: Non-Executive Director of the companies (i) Impost S.A., Warsaw, Poland, (ii) Fleetpride, Dallas, Texas, USA, (iii) Rent the Runway, New York, New York, USA, and (iv) OnTrac, Vienna, Virginia, USA; Independent consultant; and
- Susanne Schröter-Crossan: CFO, sennder Technologies GmbH; Supervisory Board Member, Zalando SE.

Changes in the Management Board

There was no personnel or structural change in the Management Board in the reporting year.

Corporate governance disclosures

Both the Supervisory Board and Management Board are committed to upholding principles of good corporate governance and transparency. In addition to this report, the Group has published, or will publish supplementary information on its website (www.hellofreshgroup.com), in the Governance sub-section of the Investor Relations part of its website (ir.hellofreshgroup.com) and in the Standards sub-section of the ESG part of its website (www.hellofreshgroup.com/en/esg) that includes:

- A declaration by the Supervisory Board and Management Board of conformity for HelloFresh SE in accordance with Sec. 161 German Stock Corporation Act ("AktG") as part of its reporting on fiscal year 2024, whereby exceptions from the German Corporate Governance Code are explained;
- The Corporate Governance Report 2024, which details:
 - the working methods and accountabilities of the Management Board, the Supervisory Board and its Committees;

¹ Michael Roth was elected as a member of the Supervisory Board on 2 May 2024 by the Annual General Meeting of the Company.

- the composition profile of the Management Board and Supervisory Board;
- an outline of the self-assessment process adopted by the Supervisory Board;
- The Compensation Report; and
- The Group Code of Ethics.

Meetings of the Supervisory Board and its committees

In the fiscal year 2024, the Supervisory Board met five (5) times and had four sub-committees which met as set forth below. In addition to the formal meetings mentioned below, there were also other informal meetings of the Supervisory Board and its Committees.

	Supervisory Board	Committees				Attendance %
		Audit	Remuneration	Executive and Nomination	ESG	
John H. Rittenhouse	5 of 5	4 of 4	9 of 9	2 of 2	4 of 4	100%
Ursula Radeke-Pietsch	5 of 5	4 of 4	9 of 9	1 of 1*	2 of 2**	100%
Derek Zissman	5 of 5	4 of 4	n/a	2 of 2	4 of 4	100%
Michael Roth***	4 of 4	n/a	5 of 5**	1 of 1**	2 of 2**	100%
Susanne Schröter-Crossan	5 of 5	4 of 4	4 of 4*	n/a	2 of 2*	100%

* Not any longer member of the Supervisory Board sub-committee since 10 May 2024.

** Member of the Supervisory Board sub-committee since 10 May 2024.

*** Member of the Supervisory Board since 2 May 2024.

The Supervisory Board and its committees conducted its business through in person meetings as well as video and conference calls. Two of the Supervisory Board meetings and one Audit committee meeting were conducted in person. The other meetings were conducted through video and conference calls. Furthermore, the Supervisory Board, the Executive and Nomination Committee and the Remuneration Committee adopted several resolutions by circulation and by e-mail voting.

Audit of the standalone and consolidated financial statements

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Berlin (PwC) was elected as auditor for fiscal year 2024 by the Annual General Meeting, and proposed by the Supervisory Board. The Supervisory Board confirmed the terms, audit focus areas and engagement, all of which were negotiated by the Audit Committee. This was the first appointment of PwC as auditor, and the auditor primarily responsible for the performance of the engagement is Susanne Riedel. Additionally, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Berlin was also appointed to audit the compensation report and the non-financial report for fiscal year 2024.

The Supervisory Board has engaged PwC to audit the standalone and consolidated financial statements for the year ended 31 December 2024, together with the accounting records, the management report, as well as the risk monitoring system. The auditor issued an unqualified audit opinion on both the financial statements and the management report.

The Audit Committee satisfied itself with the auditor's independence and obtained a written declaration in this respect. The financial statements and the auditor's long-form reports were sent to the members of the Audit Committee and the Supervisory Board, who reviewed the standalone and consolidated financial statements and the combined management report of HelloFresh SE. The results of the review by the Audit Committee and the results of its own review are fully consistent with the results of the auditor's audit. Having completed its review, the Audit Committee and the Supervisory Board have no reason to raise any objections to the audit of the financial statements. The Supervisory Board has therefore approved the standalone and consolidated financial statements of HelloFresh SE for fiscal year 2024.

Acknowledgments

The Supervisory Board would like to take the opportunity and thank the Management Board and all employees of HelloFresh for their excellent work and their high level of commitment in fiscal year 2024.

Berlin, 12 March 2025

On behalf of the Supervisory Board

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1. Fundamentals of the Group

1.1. Business Model

Since its foundation as a meal kit provider in 2011, HelloFresh has maintained its position as a leading innovator in the home cooking space. Over the past decade, the Group has built a trusted and globally recognized brand, offering personalized, home-delivered meal solutions across a wide range of geographies.

The strong success in meal kits has been a result of building a valuable and distinctive set of capabilities in the D2C (Direct-to-consumer) food space, starting with the HelloFresh brand. The company scale—both in terms of geography and customer base—provides a competitive edge, enabling the development of a rich database of consumer preferences, including taste profiles. This data-driven approach, which informs the product strategy, combined with a strong brand presence, powers HelloFresh’s D2C acquisition platform, and strengthens the existing customer base.

HelloFresh has the ambition to evolve into a leading digital-first fast-moving consumer goods (FMCG) company, leveraging its expertise to expand into new product categories, including in D2C ready-to-eat (‘RTE’) and pet food. In addition to its HelloFresh brand, the Group owns a diverse portfolio, including Factor, EveryPlate, Green Chef, Chefs Plate, YouFoodz, Good Chop, and The Pets Table, further strengthening its market position and ability to serve a wide range of consumer needs.

1.1.1 General Information

Founded in Berlin in 2011, HelloFresh was one of the first companies to offer meal-kit solutions as they are known today. The company operates in 18 countries across three continents, making it the global leader in the meal-kit market in terms of both geographic reach and revenue. HelloFresh manages its meal kit business through various brands such as HelloFresh, Green Chef, EveryPlate, and Chefs Plate.

In addition to meal-kits, HelloFresh entered the D2C RTE through the Factor brand in the US in 2020 and has quickly grown to become the largest player in this market. In 2021, the company expanded into Australia through the acquisition of Youfoodz. By 2023, Factor was introduced in Canada, the Netherlands, and Belgium. Additionally, in 2023, HelloFresh launched a premium online butcher service under the Good Chop brand in the US and ventured into pet food with the introduction of The Pets Table brand. In 2024, HelloFresh further expanded Factor’s reach by launching the brand in Sweden, Denmark, and Germany, bringing its innovative ready-to-eat solutions to new European markets.

The company continues to structure its operations into two primary geographical regions, which also serve as its reporting segments: “International” and “North America” (“NA”). The North America segment comprises the United States of America (“USA” or “US”) and Canada. The International segment includes HelloFresh’s operations in Australia, Austria, Belgium, Denmark, Germany, Ireland, Italy, Luxembourg, France, the Netherlands, New Zealand, Norway, Spain, Sweden, Switzerland, and the UK.

1.1.2 Business Activities

HelloFresh is focused on building the leading digital-first FMCG company globally. HelloFresh has already developed two profitable multi-billion product categories, meal-kits and D2C RTE, achieving a market leading position in meal kits across markets, and in D2C RTE in North America.

Meal-kits is the original, largest, and most profitable product category. With an expected decline in revenue, compared to previous years, the focus for this product category is to target faster expansion of earnings than top-line growth in the years to come. This will be achieved by rightsizing the current fixed production infrastructure and future CapEx plans, by bringing the newest fulfilment centers to target productivity levels and by reviewing and reducing the overall cost base, amongst a number of levers.

At the same time, a strict focus on earnings will allow HelloFresh to continue to innovate around the physical product and service levels for their customers, through expanded meal choices, personalization, superior customization, product quality, and convenience, with a focus on families and their specific needs.

The RTE product category, is displaying double digit growth underpinned by consumer demand and continued TAM expansion and penetration, as more meal choices and preferences are added to the menu - for example, a set of new meals catered for those undergoing GLP-1 weight loss treatment. We are expanding the Factor brand into other nutrition categories as well. As a first step, the recently launched Factor Form brand offers greens powder, protein powder and hydration products for on-the-go nutrition support.

North America remains the biggest growth and profit contributor in the midterm for RTE, complemented by an expanding international business.

In addition, we have successfully launched the online butcher Good Chop and the primarily D2C pet food brand The Pets Table, both in the US.

All these product categories are founded on the distinct set of capabilities described above, which together make up our competitive moats:

Leading D2C Acquisition Platform

By primarily focusing on serving customers directly, we capture a large part of the value chain and achieve superior unit economics: while economic sales and marketing expenses for traditional FMCG companies comprise both its own marketing expenses and the retail margin it concedes to supermarkets, we only incur our own marketing expenses. In addition, we can leverage our technology tools, and proprietary data to target relevant customers efficiently across a number of diversified channels. We have built substantial capabilities to run tests at a high velocity, for example to test acquisition models with the goal of optimizing customer acquisition costs across marketing channels, which ensures a desired deployment of our marketing spend and constant optimization of our digital product functionalities, such as our HelloFresh app.

Flexible Plan Management

We are not a purely transactional model, where a new customer trades one-off with us. Instead, we operate on a flexible ordering model: i.e. our customers sign up to a plan, which they can customize on a weekly basis for parameters such as household size, number of meals, delivery window, and taste preference/diet. Our customers can pause or cancel at any time, and are only required to pay for the deliveries they actually receive. Many customers who cancel at a certain point in time reactivate later again to the service.

As such, our model provides the best of both worlds: a high degree of flexibility for our customers, combined with a strong plannability and repeat business for us.

Customer base strength and brand

We operate in 18 e-commerce markets that are most relevant to our business model globally. Within those, the food category typically represents one of the largest single spend category. While meal-kits and direct-to-consumer RTE so far only make up a small part of the overall food category, we see an opportunity to further expand its size. Already today, we have a large base of existing and lapsed customers that represent a unique source of opportunities for HelloFresh.

By interacting through multiple touchpoints with our customer base, we have built a large private data set of food preferences in the markets that we operate in. This unlocks significant synergy potential, for example by cross marketing or cross selling our products, and allows us to scale our businesses better than our stand-alone competitors.

Product Development

The quality of our meals and product offering is the result of a structured and data-driven product development approach. Our algorithm-based menu planning ensures that we put a comprehensive menu in front of our customers across our 18 markets. In addition to our core recipe choice, we have rolled-out across major geographies a portfolio of upcharge offerings, such as premium meals, protein swaps, double-portions and extra-recipes. We also offer an increasing selection of add-ons, such as soups, snacks, fruit boxes, desserts, breakfast and ready-to-eat meals and seasonal boxes (i.e. for Christmas).

New initiatives are evaluated through a rigorous test and learn philosophy that leverages data to optimize for product range and presentation.

Sourcing Network

We possess a large D2C food supply chain globally, a factor that contributes to our goal of delivering fresh, high quality ingredients while benefiting from scale.

We deploy data-driven optimization approaches in our procurement operations that help us navigate volatile food markets. We do so in all steps of our menu development and sourcing process from designing and choosing seasonal recipes, to testing the attractiveness of different menus ahead of time.

For our suppliers, also by leveraging data and predictive models, we are able to approximate estimated demand weeks in advance. This prediction accuracy allows us to harmonize buying volumes with reduced inventory levels, procurement costs and waste. From the supplier side, it enables reliable production plans therefore reducing the risk of overproduction.

Custom-built Fulfilment and Last Mile Infrastructure at scale

Since our inception, we have invested meaningfully more than EUR one billion into our physical custom-built production infrastructure, with focus on high velocity, efficiency and consistency.

Our meal-kit fulfilment centers comprise tailored fulfilment operations and technology solutions, enabling streamlined picking of ingredients into meal-kits and assembling those into boxes, despite tens of thousands of different customers order types being produced in a fulfilment center in a single week. On the ready-to-eat side, we are mostly operating complex industrial sized kitchens, where our process knowledge and technology allows us to achieve consistency in the quality of our meals. In certain geographies that are early on in the RTE journey, or to help us navigate certain peak demand periods, we work with 3PL partners that adhere to the HelloFresh standards of quality.

The food boxes are then either handed to our logistics partners for delivery or, in the case of the Benelux, Australia, and certain catchment areas in other markets, including the US, Germany, the United Kingdom and Canada, delivered through our own logistics operation. We use advanced algorithms to optimize carrier allocation for lowest cost and highest quality.

1.2 Research and Development

HelloFresh does not have a traditional research and development department; however, we constantly strive to optimize our existing processes and pursue development projects which will create future economic benefits. For example, our product strategy and operations team is responsible for expanding the relevance of our menu by increasing the assortment choice of recipes and ingredients, and for accelerating the introduction of physical product innovations that excite our customers. Given that most steps across our value chain rely on our technology competencies, our tech team represents one of the largest expense items in our central holding expenses. In 2024 we spent MEUR 179.5 (2023: MEUR 155.1) on technology, including salaries for our several hundred developers and data engineers.

Of our technology expenditure, HelloFresh capitalized MEUR 47.7 (or 22.2% of total technology expenditure) for internally developed software in the year ended 31 December 2024 (2023: MEUR 42.8, or 27.6%). The increase in capitalised technology expenditure in 2024 as compared to 2023 is a result of an intensified development into the use of Global Artificial Intelligence, Improvements of supply chain and delivery satisfaction, as well as investments into our customer loyalty journey. Amortization totaled MEUR 33.1 in 2024 (2023: MEUR 20.6).

2. Performance Measurement System

We have designed our internal performance management system, and defined appropriate performance indicators. Detailed weekly and monthly reports are an important element of our internal management and control system. The financial performance measures we use are oriented toward our investors' interests and expectations. We use both financial and non-financial performance indicators to measure the success in implementing our strategy.

2.1 Financial Performance Indicators

HelloFresh Group steers its operations with revenue in constant currency (key terms are explained also in the [Glossary](#)) and AEBITDA as leading key financial performance indicators. We have also decided to add AEBIT (excl. impairment) as a leading key financial performance indicator. Given AEBIT (excl. impairment) reflects the capital intensity of our business, we find it to be an important metric to judge the underlying profitability of the business.

Revenue in constant currency	Revenue is primarily generated from the sale of meal kits, containing recipes and the corresponding ingredients, add-ons, and ready-to-eat meals as well as shipping fee. Revenue is recognized when the goods have been delivered to the customer. Revenue represents amounts receivable for goods supplied, stated net of promotional discounts, customer credits, refunds, and VAT. Revenue in constant currency is an indicator of the demand for our products, and an important factor for the long-term increase in corporate value.
AEBITDA	Adjusted Earnings before Interest, Taxes, Depreciation of property, plant and equipment, Amortization of intangible assets and Impairment of non-current non-financial assets (property, plant and equipment, intangible assets, right-of-use assets and goodwill), "AEBITDA", is calculated by adjusting EBITDA for share-based compensation expenses, special items, and on segment level, holding fees. Special items consist of income and expenses that HelloFresh does not consider to be of a regularly recurring nature. These include but are not limited to items such as expenses in connection with M&A-transactions, costs related to reorganizations and restructurings, certain legal costs and prior period related effects. Holding fees represent a remuneration for high value-adding services performed by HelloFresh SE (the holding), and for using the HelloFresh intellectual property rights. AEBITDA is an indicator for evaluating underlying operating profitability as it does exclude items that we believe are not reflective of the underlying business performance.
AEBIT (excl. impairment)	Adjusted Earnings before Interest and Taxes (excluding impairment), represents EBIT excluding impairment of non-current non-financial assets, before share-based compensation expenses, holding fees, and special items. AEBIT is an indicator for evaluating operating profitability

In addition to the above-stated key financial performance indicators, the following auxiliary financial performance indicators are relevant to an evaluation of our performance and the cash flows generated by our business, although they are not employed as the basis for managing the Group as a whole.

Contribution margin	Revenue less procurement expenses and fulfilment expenses. Contribution margin is an indicator for evaluating our operating performance, and margin development before marketing and G&A.
EBITDA	Earnings before Interest, Taxes, Depreciation of Property, Plant and Equipment, Amortization of Intangible Assets, and Impairment of Property, plant and equipment and Intangible assets. "EBITDA" is operating profit (EBIT) before Depreciation, Amortization and Impairment. EBITDA is an indicator for evaluating operating profitability.
Operating working capital	We calculate operating working capital as the sum of inventories, trade receivables, VAT receivables and similar taxes, less trade payables (excluding Capex payables and Capex accruals), deferred revenue, VAT payables and similar taxes, and prepaid expenses and payroll liabilities.
Capital expenditure	Cash used for purchase of Property, Plant, and Equipment (excluding lease assets recognized under IFRS 16), capitalized expenditures for software development, and purchase of software licenses. Capital expenditure is an indicator for the cash used in the operations for investment purposes.
Cash flow in operating activities	Operating cash flow reflects the cash generated from group's core business activities. It indicates the company's ability to generate cash from its regular operations.
Free cash flow	Cash flow in operating activities (including net cash flows for interest and taxes) reduced by net capital expenditure (excluding investments in subsidiaries, time deposits, and restricted cash), and before repayment of lease liabilities (IFRS 16).
Average order value	Total revenue (excluding retail revenue) divided by the number of orders in the corresponding period.

Some of the indicators described above are, or can be, so-called non-GAAP financial measures. Other companies, that use financial measures with a similar designation, may define them differently.

2.2 Non-Financial Performance Indicators

HelloFresh's results of operation, and financial condition are subject to a range of influences that in turn depend on several factors. In addition to the above-stated financial performance indicators, the Group uses a range of non-financial performance indicators in order to measure the economic success of business activities.

We use number of orders as our most important non-financial performance indicator. This performance indicator is meaningful as number of orders is the metric to capture quarterly developments in the business, as it is agnostic as to how an order, and therefore the revenue it produces, is generated.

Number of orders	Number of orders represent the number of orders shipped to customers in a given period. An order typically consists of several meals, and can also contain additional add-on products.
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In addition, the following auxiliary non-financial performance indicators are relevant for evaluation of our performance with respect to customers, the market, our offerings and our environmental impact but are not employed as the basis for managing the Group as a whole:

Meals delivered	Meals delivered or Number of meals is defined as the number of individual serve/portion that have been delivered within the corresponding period, excluding pet meals.
Orders per customer	The number of orders in a given quarter divided by the number of active customers in the same period.
Food waste	Food waste produced by the Group's own fulfilment centers that is disposed of in landfills or by incineration, per Euro of sales (food waste per Euro of revenue).
Carbon emissions	CO2 emissions produced by the Group's own fulfilment centers per Euro of revenue (CO2 emissions per Euro of revenue).

We believe that organic growth will continue to be a key driver of our future growth. We currently intend to increase the penetration in our markets by enlarging our customer base across our brands, particularly in our RTE product category, which we are also expanding into other geographies, and in our other product verticals such as pet food. In addition, we are targeting to continue increasing our average order value in our existing markets, by innovating on new products and meal moments that can lead to higher satisfaction and usage for our customers.

With regards to the environmental KPIs, food waste and carbon emissions, we refer to our Non Financial Report, which is published separately (see also [Section 9](#)).

3. Economic Position

3.1 General Economic Conditions

According to the January 2025 World Economic Outlook issued by the International Monetary Found (“IMF”) 2024 global economic growth remains subdued as central banks balance inflation control with the need to sustain demand. The IMF projects modest GDP expansion across major economies of 3.2%, with the US showing resilience, while Europe and parts of Asia-Pacific face slower recoveries amid lingering energy price volatility and weak industrial output. The Euro area continued to struggle, particularly Germany, where weak manufacturing and exports weighed on growth. In contrast, the US economy remained strong, growing at 2.7 %, driven by robust consumer spending.¹

The overall global inflation trend shows mixed results. While inflationary pressures have eased in some areas compared to 2023, yet core inflation remains above target in many developed economies, driven by sticky services sector inflation and wage growth, especially in major economies like the United States and the euro area.¹

Throughout 2024, central banks, including the Federal Reserve and European Central Bank, have signaled a cautious approach to monetary easing, keeping interest rates elevated for longer than initially expected. This prolonged tight financial environment has led to higher borrowing costs for businesses and consumers, tempering discretionary spending and investment. Advanced economies have seen stock market gains driven by pro-business expectations in the US, while emerging markets face tighter conditions due to a stronger US dollar and higher interest rates.¹

In 2024, consumer sentiment has been mixed, with confidence improving in some markets as inflation cools but remaining fragile due to persistent cost-of-living concerns. While real wages have started to recover, household spending patterns continue to shift, favoring value-driven products and solutions over discretionary purchases. Moreover, ongoing geopolitical tensions and global trade disputes continue to pose economic risks.¹

3.1.1 International Markets

The 2024 economic growth in the euro area remained weak. This was largely due to a slowdown in manufacturing, declining goods exports, and persistent geopolitical uncertainties, and with Germany, the region’s largest economy, underperforming compared to other eurozone countries. Consumer spending showed some improvement, supported by rising real incomes, however it was not sufficient to offset broader weaknesses in industrial activity and trade, resulting in lower-than-expected growth momentum. Inflation trends have not aligned with the projections, primarily driven by higher energy prices. Political instability and uncertainty surrounding economic policies created additional challenges, weakening investor confidence and contributing to an increasingly fragile economic environment.¹

According to the European Central Bank (“ECB”), the economy in the Euro area expanded by 0.4 % in the 3Q 2024, mostly due to higher consumer spending. However, data for the 4Q 2024 suggests that the economic momentum is weakening. Surveys suggest that the manufacturing sector continues to shrink, while the services sector is experiencing slower growth. Business investment remains weak due to subdued demand and an increasingly uncertain economic outlook. Additionally, several European industries were facing difficulties in maintaining competitiveness and export levels.² In comparison to the broader Eurozone, Denmark’s economy outperformed in 2024, while Sweden faced certain economic contraction and Norway maintained steady, albeit modest, growth.

The January 2025 report of the UK Parliament indicates that the UK's GDP for the 3Q 2024 was 2.9 % above its pre-pandemic level in comparison with 4Q 2019. Meanwhile, the Eurozone's GDP was 4.6 % higher, while Germany saw only a 0.1 % increase.³

For Australia, the Bureau of Statistics research indicates an economy grew by 0.8 % for the 3Q 2024 year-on-year, the lowest rate since the COVID-19 affected in 4Q 2020. Government spending and public capital investment were the main drivers for this change.⁴

HelloFresh operates in the largest European markets as well as in the Australian market, and as such the performance for each market can largely be driven by nuances in market conditions for said country, as well as by commercial, operational or maturity differences across regions. In general, inflation and higher interest rates have resulted in a more cautious environment for consumer spending, which has had a varying impact on HelloFresh’s ability to acquire new customers profitably at similar levels as previously done. A reverse on those trends should prove on balance positive for the consumer, and therefore HelloFresh, unless they are driven by a significant deterioration in economic conditions.

¹ <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

² <https://www.ecb.europa.eu/press/economic-bulletin/html/eb202408.en.html>

³ <https://commonslibrary.parliament.uk/research-briefings/sn02784/>

⁴ <https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-national-income-expenditure-and-product/sep-2024>

Additionally, HelloFresh has the advantage of operating, for most of its brands, in an average-and-above bracket of consumer affluence, which can sometimes mitigate the impact of worsening economic conditions.

3.1.2 North America Markets

For the United States, the January 2025 WEO of the IMF states that economic momentum remained strong, with a year-over-year growth of 2.7 % in the 3Q 2024. This growth was primarily driven by resilient consumer spending, strong domestic demand, wealth effects, and relatively accommodative financial conditions. Labor markets remained resilient, and investment showed signs of acceleration, contributing to a stronger-than-expected economic performance.¹

In reference to Canada, the economy grew by 1.3 % in 2024 according to the IMF.¹ The 2024 Fall Economic Statement issued by the Government of Canada states that the country achieved a soft landing in 2024, keeping inflation within the Bank of Canada's target range and maintaining economic stability. Careful financial management allowed the central bank to adjust its policy rate to more balanced levels, enabling the government to invest in strategies that boost productivity.

HelloFresh derives a significant part of its revenue from North America, and in particular the United States. The region follows a similar dynamic to the one previously outlined, i.e. high inflation and higher interest rates have resulted in a more cautious environment for consumer spending. In addition and as outlined above, the United States enjoys favorable labor market conditions which can result in persistent labor inflation across certain industries, including for manual laborers like the ones employed in HelloFresh's distribution centers and cooking facilities.

3.2 Food Market Condition

According to Euromonitor, the equivalent of €660 billion was spent by US households in food at home in 2024, representing 47% of total food consumption budget. This includes fresh food, cooking ingredients and meals, dairy products and alternatives, staple foods and snacks. For Western Europe, the figure was €969 billion as the consumer spends 66% of their budget in at home food. More specifically, as of 2024, the global meal-kit solutions market is valued at approximately USD 22.8 billion based on Global Market Insights² company and the global RTE food market at approximately USD 404.78 billion based on Fortune Business Insights company³. The RTE figure includes all prepared food and meals that can be eaten as is or after minimal preparation, meals do not require cooking and are typically consumed after heating. Consumer preferences are shifting towards healthier, protein-rich, and minimally processed foods, influencing product offerings across the industry. There is also an increasing demand for convenience and personalization in food choices.

There are several direct and indirect competitors for meal-kit solutions in most of the individual markets in which we operate. Among the direct competitors of size are companies such as Home Chef in the USA, Gousto in the UK, Marley Spoon in Australia and the US, Cheffelo in the Nordics region, and Good Food in Canada. Some of our competitors, including Marley Spoon in the US, or Blue Apron, have transitioned to an asset light model by selling their operational and supply chain infrastructure to third party companies. Our ready-to-eat offer in the US directly competes with a number of small scale players such as Tovala, CookUnity and Daily Harvest, and in Australia it competes directly with several other players.

In addition, we also indirectly compete with online and/or offline grocery stores and grocery delivery platforms, supermarket chains as well as with restaurants and takeout platforms.

¹ <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

² <https://www.gminsights.com/industry-analysis/meal-kit-delivery-services-market>

³ <https://www.fortunebusinessinsights.com/ready-to-eat-foods-market-110704>

3.3 Course of business

Against various uncertainties in the macroeconomic environment, HelloFresh has experienced a soft year-on-year growth in 2024. On a constant currency basis, the revenue increased by 0.9% compared to 2023. Differences between Euro-reported revenue growth and the growth on a constant currency basis was 0.05 %, and it was due to foreign exchange rate fluctuations during the year, for the North America segment the USD and CAD vs. the EUR, for the International segment primarily the GBP, AUD, SEK and DKK vs. the EUR. This growth rate in constant currency is the result of: (i) a meaningful increase in average order value of 4.9 % on a constant currency basis and (ii) a 3.9 % decrease in the total number of orders, slightly below the forecasted stable trend. Growth in average order value was driven by the take-up of more meals per order, add-ons, increased take-up of surcharge products per order, year-on-year price increases in several markets and increased popularity of our US ready-to-eat brand Factor, which has an order value on average higher than our meal-kit product category. The decrease in the total number of orders is primarily driven by a focus acquiring on average more profitable customers and lower demand for our mealkits.

In October 2024, as a consequence of maintaining its strong focus on disciplined marketing investments and therefore targeting to acquire fewer, but on average more profitable customers, HelloFresh reduced its revenue growth outlook for the fiscal year 2024 for the HelloFresh Group on a constant currency basis from previously between 2 % and 8 % to between 1.0 % and 1.7 %. HelloFresh's 2024 revenue growth of 0.9% in constant currency narrowly missed the revised guidance, as a result of not spending against seasonally weaker trends in the 2nd half of Q4. With the resulting reduction in marketing spend, the AEBITDA outlook for the HelloFresh Group for the fiscal year 2024 therefore changed from previously between EUR 350 million and EUR 400 million to between EUR 360 million and EUR 400 million. The AEBITDA for the fiscal year of 2024 came in at the top end of the revised range, as a result of the marketing dynamics explained above.

HelloFresh is influenced by certain macroeconomic trends, such as inflation for ingredients, fuel and labor costs, which impact its contribution margin. In addition, the company's contribution margin is impacted by the rapid scaling of its RTE production sites in North America and the ramp-up of two mealkit production sites in the International segment, which have parts of the production process supported by automation technology. As a result, the Group's AEBITDA has decreased to MEUR 399.4 in 2024 (2023: MEUR 447.6).

For the North America segment, HelloFresh reported a full year revenue growth rate of 0.9 % on a constant currency basis, delivering an AEBITDA of MEUR 368.8 in 2024 (2023: MEUR 417.4). For the International segment, HelloFresh also reported a growth rate of 0.9 % in 2024 on a constant currency basis. Our International segment achieved an AEBITDA of MEUR 186.8 in 2024 (2023: MEUR 175.3). AEBITDA for North America segment decreased in 2024 compared to 2023, primarily due to higher share of ready to eat meals in North America segment which has higher procurement and cooking expenses as compared to meal-kits in International segment.

From a product group perspective, the company saw a decrease in its constant currency meal-kit revenue by 9.5 % and decrease of its AEBITDA from MEUR 550.6 in 2023 to MEUR 542.3 in 2024. Its RTE product group grew constant currency revenue by 41.5 % in 2024, but saw a decrease in AEBITDA from MEUR 57.0 in 2023 to MEUR 31.6 in 2024, primarily driven to the rapid scaling of the business. AEBITDA in Q4 2024 was already meaningfully at MEUR 26.0 ahead of the same period last year.

Please refer to **NOTE 5** of the consolidated financial statements for the full information on performance of the operating segments.

3.4 HelloFresh Share and Share Capital Structure

The HelloFresh shares are listed on the Frankfurt Stock Exchange (Prime Standard). The stock is currently included in the MDAX Index. Additionally, the HelloFresh shares are also member of a number of indices in the MSCI family including MSCI Europe IMI and MSCI Europe ESG Leaders.

HelloFresh's share price closed 18 % lower throughout 2024.

The HelloFresh Share

Type of shares	Ordinary bearer shares with no par value
Share Capital	EUR 173,190,562
Number of shares issued	173,190,562
Total number of shares outstanding at 31 Dec 24 (net of Treasury shares)	162,396,418
ISIN	DE000A161408
WKN	A16140
Share Performance 2024	
High 2024 (2 January 2024)	EUR 13.85
Low 2024 (27 June 2024)	EUR 4.49
Closing Price (31 December 2024)	EUR 11.76
Trading Liquidity 2024	
Average daily trading volume (shares)*	2,010,001
Average daily trading volume 2024 (EURm)*	15.9

*Based on trading on XETRA

For further details in respect to share capital structure refer to the [NOTE 17](#) to the Consolidated Financial statements.

3.5 Overall Statement of the Management Board on the Course of Business and Economic Environment

The 2024 reporting period illustrates the current transition phase of the company. We are currently facing softer near-term demand for our mealkit product, while rapidly building our RTE product and expanding into adjacent verticals such as vitamins, minerals and supplements. This resulted in a constant currency revenue growth in 2024 of 0.9 % year on year, and AEBITDA of MEUR 399.4.

During this transition phase, we are primarily focused on providing excellent customer value and on enhancing our AEBIT (excl. impairment) and Free Cash Flow ('FCF') potential. We have therefore started to initiate decisive steps increasing our efficiency from H2 2024 onwards. For example, we have increased our marketing return thresholds in order to target less, but more profitable, customers globally. We have also taken the first steps to rightsize our meal kit production capacity in line with the current environment, by announcing the discontinuation of certain fulfilment centers in geographies where the demand could be absorbed by other existing production facilities.

In line with our efficiency drive, we have streamlined our investment program to MEUR 166.1 in 2024 vs. MEUR 305.8 in last year.

At the same time, we have continued to innovate on behalf of our customers. The focus continues to be on the physical product and the customers even more, providing a larger share of uniquely, customizable and convenient meals for everyone with a strong focus on families and their specific needs.

Even though the AEBITDA achieved in 2024 is at the upper end of the outlook initially provided for 2024, we consider the current level of profitability and cash flow as disappointing. We are therefore very focused to further step-up in 2025 our efficiency drive and investments into customer satisfaction. We are confident that this can lead to a structurally higher level of profitability and cash flow and allow us to target higher Group growth in the midterm again.

4. Position of the Group

The consolidated financial statements of HelloFresh were prepared in accordance with IFRS, as adopted by the European Union.

4.1 Earnings Position of the Group

In 2024 HelloFresh recorded revenue of MEUR 7,661.3, an increase of 0.9 % compared to prior year 2023 (MEUR 7,596.6). On a constant currency basis, this represents also an increase by 0.9 %. This increase in revenue was the result of: (i) a meaningful increase in average order value of 4.9 % on a constant currency basis, resulting from higher share of RTE which has higher average order value compared to meal kits, and (ii) partially offset by a 3.9 % decrease in the total number of orders.

Contribution margin (excl. SBC and impairments) as a percentage of revenue in 2024 decreased to 25.8 % compared to 27.0 % in the prior year. While Procurement and cooking expenses (excl. SBC and impairments) as a percentage of revenue increased from 35.2 % in 2023 to 37.4 % in 2024 mostly due to higher share of ready-to-eat, which includes meal production costs, fulfilment expenses (excl. SBC and impairments) as a percentage of revenue improved y-o-y from 37.9 % in 2023 to 36.8 % in 2024. This was driven by (i) a higher share of ready to eat meals, which have comparatively lower fulfilment expenses, (ii) improved efficiencies in logistics and packaging operations and in our North America meal kit production, (iii) slightly offset by ramp-up costs for new fulfilment centers in Germany and the UK.

During 2024, HelloFresh recognized a non-cash impairment of MEUR 181.5 (2023: MEUR 9.7), following a reduction in production capacity due to strategic cost saving initiatives and lower-than-expected near-term volume development, mainly in the North American meal kit business. These impairments are predominantly recognized in fulfilment expenses (2024: MEUR 172.1, 2023: MEUR 9.7). Including these impairment expenses contribution margin (excl. SBC) decreased from 26.9 % in 2023 to 23.4 % in 2024.

Marketing expenses (excl. SBC) as a percentage of revenue remained stable at 18.8 % in 2024 compared to 2023, due to lower marketing spending for meal-kits in 2024 compared to 2023, which is offset by the continued ramp-up of our RTE new customer acquisition. Starting in H2 2024, the company has implemented a strategy to increase its marketing ROI by being more selective in its marketing activities. This has led to a reduction in absolute and relative marketing spend in H2, but also to a corresponding slow-down in revenue growth.

General and administrative (“G&A”) expenses, other operating income and expenses, and loss allowance on trade receivables as a percentage of revenue remained relatively stable at 6.3 % in 2024, compared to 6.0 % in 2023. In absolute terms, it represents an increase from MEUR 457.3 in 2023 to MEUR 482.7 in 2024, which is mainly driven by an increase in share-based compensation. General and administrative expenses, other operating income and expenses, and loss allowance on trade receivables (excl. SBC) as a percentage of revenue remain broadly flat at 5.5 % in 2023, compared to 5.7 % in 2024.

The Group reported EBIT of MEUR (177.1) in 2024, a margin of (2.3 %) compared to a margin of 1.5 % in 2023. This is a result of the factors described above.

During 2024 special items amounted to MEUR 37.5 (2023: MEUR 21.7). The special items in 2024 primarily relates to reorganization initiatives amounting to MEUR 9.5, for rationalization of certain old and interim fulfilment centers, mainly in the US, amounting to MEUR 14.9 and for one off expected legal settlements amounting to MEUR 9.9.

Share-based compensation (“SBC” expenses for the year 2024 amounted to MEUR 94.4 (2023: MEUR 82.0). The increase is mainly caused by an increased number of participants in the program.

AEBITDA amounts to MEUR 399.4, a positive margin of 5.2 % for the year 2024, compared to MEUR 447.6 and a margin of 5.9 % in 2023 driven mainly by higher procurement and cooking expenses as explained above.

AEBIT (excl. impairments) amounts to MEUR 135.9, a margin of 1.8 % for the year 2024, compared to MEUR 226.7, and a margin of 3.0 % in 2023.

Net loss amounted to MEUR 137.1 for the year 2024 compared to net profit of MEUR 18.1 for the year 2023. This was driven by the developments described above and by changes in income tax and finance income and expenses. Increase in other finance income by MEUR 21.8 was mainly due to foreign exchange gains (against foreign exchange losses in 2023).

In MEUR	2024	2023	YoY
Revenue	7,661.3	7,596.6	0.9 %
Revenue constant currency	7,664.8	7,596.6	0.9 %
Procurement and cooking expenses	(2,883.1)	(2,675.6)	7.8 %
% of revenue	(37.6 %)	(35.2 %)	(2.4 pp)
Fulfilment expenses	(3,017.6)	(2,910.7)	3.7 %
% of revenue	(39.4 %)	(38.3 %)	(1.1 pp)
Contribution margin	1,760.5	2,010.3	(12.4 %)
% of revenue	23.0 %	26.5 %	(3.5 pp)
Contribution margin (excl. SBC)	1,793.4	2,040.6	(12.1 %)
% of revenue	23.4 %	26.9 %	(3.5 pp)
Contribution margin (excl. SBC and impairment)	1,974.9	2,050.3	(3.7 %)
% of revenue	25.8 %	27.0 %	(1.2 pp)
Marketing expenses	(1,455.0)	(1,440.5)	1.0 %
% of revenue	(19.0 %)	(19.0 %)	0.0 pp
Marketing expenses (excl. SBC)	(1,441.4)	(1,429.2)	0.9 %
% of revenue	(18.8 %)	(18.8 %)	0.0 pp
G&A expenses, other operating income and expenses, and loss allowance on trade receivables	(482.7)	(457.3)	5.5 %
% of revenue	(6.3 %)	(6.0 %)	(0.3 pp)
G&A expenses, other operating income and expenses, and loss allowance on trade receivables (excl. SBC)	(434.8)	(416.8)	4.3 %
% of revenue	(5.7 %)	(5.5 %)	(0.2 pp)
EBIT	(177.1)	112.5	(257.4 %)
% of revenue	(2.3 %)	1.5 %	(3.8 pp)
Depreciation, amortization and impairment	444.7	231.3	92.2 %
EBITDA	267.5	343.8	(22.2 %)
% of revenue	3.5 %	4.5 %	(1.0 pp)
Special items	37.5	21.7	72.8 %
Share-based compensation expenses	94.4	82.0	15.0%
AEBITDA	399.4	447.6	(10.8 %)
% of revenue	5.2 %	5.9 %	(0.7 pp)
AEBIT	(45.2)	216.3	(120.9 %)
% of revenue	(0.6 %)	2.8 %	(3.4 pp)
AEBIT (excl. impairment)	135.9	226.7	(40.1 %)
% of revenue	1.8 %	3.0 %	(1.2 pp)

4.2 Financial Position of the Group

The cash flow from operating activities in 2024 amounted to MEUR 239.3 compared to MEUR 383.8 in 2023 mainly affected by temporarily higher production costs within the ready-to-eat product category during the current ramp-up phase as well as the temporary effect of the ramp-up of new meal kits fulfilment centers in Germany and in the UK. This decrease was mainly driven by: (i) net loss for the year amounting to MEUR 137.1, compared to net profit of MEUR 18.1 in 2023, (ii) net outflow from changes in operating working capital amounting to MEUR (117.1) in 2024 vs. inflow of MEUR 90.1 in 2023. This working capital outflow in 2024 was primarily caused by timing of trade payables due at the end of the year and a reduction in contract liabilities. This is partially offset by lower income tax paid during the current period amounting to MEUR 30.2 compared to income taxes paid of MEUR 106.7 in 2023.

The cash outflow from investing activities amounted to MEUR 162.6 in 2024 (2023: MEUR 339.6). This outflow primarily reflects capital expenditures of MEUR 166.1 (prior year: MEUR 305.8) with the largest projects focused on expanding our US RTE production capacity. Additional investments were made in meal-kit fulfilment centers in the UK and Australia, as well as in the development of proprietary software. The reduction in capital expenditures during this period is attributed to the completion of several major investment programs over the last 24 months. In financial year 2023, the final tranche of the earn-out payment for the Factor acquisition (MEUR 34.5) was paid, whereas no such payment took place in 2024.

The cash flow used in financing activities amounted to MEUR 26.9 in 2024 (2023: MEUR 110.8). This primarily consists of lease principal repayments (in accordance with IFRS 16) amounting to MEUR 96.8 (2023: MEUR 75.6), share buy back of MEUR 83.1 (2023: MEUR 30.2), purchase of outstanding HelloFresh convertible bonds amounting to MEUR 34.0 (2023: 2.8), and proceeds from term loan amounting to MEUR 188.2.

In MEUR	2024	2023
Cash and cash equivalents at the beginning of the year	433.1	504.0
Net Cash flows from operating activities	239.3	383.8
Net Cash flows used in investing activities	(162.6)	(339.6)
Thereof related to acquisition of companies	—	(34.5)
Net Cash flows used in financing activities	(26.9)	(110.8)
Effects of exchange rate changes and other changes on cash and cash equivalents	3.7	(4.2)
Cash and cash equivalents at the end of the year	486.7	433.1

The Group's free cash flow is as below:

In MEUR	2024	2023
Cash Flow from operating activities	239.3	383.8
Capital expenditure	(166.1)	(305.8)
Free Cash Flow for the year (excl. repayment of lease liabilities)	73.2	78.0
Repayment of lease liabilities (excl. interest)	(96.8)	(75.6)
Free Cash Flow for the year (incl. repayment of lease liabilities)	(23.6)	2.4
Free Cash Flow (excl. repayment of lease liabilities and after adjusting dilution effects)	72.3	78.0
Weighted average number of diluted shares (for free cash flow per diluted shares)	171.3	176.1
Free Cash Flow per diluted share (in EUR)	0.42	0.44

For the year 2024 there was an decrease in the free cash flows due lower cash flows from operating activities, somewhat offset by lower capital expenditures. Free Cash Flow/ diluted share stayed broadly stable at EUR 0.42 per diluted share in 2024 vs. EUR 0.44 per diluted share in 2023. The diluted number of shares for the calculation of FCF per share differs from the diluted number of shares for EPS purposes: as free cash flow is positive, dilutive effect for the calculation of free cash flow per diluted share stems from equity settled share-based compensation plans and outstanding RSUs for the Management Board. All other share-based compensation plans and the convertible bond have an antidilutive effect and are therefore not considered in the calculation of free cash flow per diluted share. Weighted average number of diluted shares used for the calculation of free cash flow per diluted share were 171.3 million as of 31st December 2024.

HelloFresh maintained a strong level of cash and cash equivalent at MEUR 486.7. In addition, the Company has a revolving credit facility of MEUR 400.0, of which MEUR 362.9 were not utilized, and were available at the end of 2024 to be drawn in cash or used for other non-balance sheet commitments, like guarantees, letters of credit and other. The drawn amounts is for off-balance sheet purposes, such as guarantees. Also in 2024, the Group has drawn on a new MEUR 190.0 term loan financing of up to five years maturity with a syndicate of banks and intends to use the majority of proceeds to refinance the extant amount of convertible bonds that mature in May 2025.

The Group has further implemented cash pooling arrangements for most of the entities within both the North America and International segments, which pools its excess liquidity at the parent level, HelloFresh SE.

The risk management function within the Group is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits and ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures in order to minimize operational and legal risks. Risk management is carried out by a central finance and legal department under the control of management. Full financial risk management policies are disclosed in [NOTE14](#) to the consolidated financial statements.

4.3 Asset Position of the Group

As of 31 December 2024 net book value of property, plant and equipment amounted to MEUR 1,201.3 (31 December 2023: MEUR 1,298.9). This includes, net of depreciation: (i) right-of-use assets related to IFRS16 for MEUR 505.3 (31 December 2023: MEUR 504.8), which primarily comprises our fulfilment centers across our markets, and (ii) other tangible fixed assets for MEUR 696.0 of (31 December 2023: MEUR 794.1), primarily comprising equipment and machinery used in our fulfilment centers to produce our meal boxes and RTE boxes, and refrigeration equipment.

As of 31 December 2024 intangible assets amounted to MEUR 125.8 (31 December 2023: MEUR 114.5), this increase is mainly driven by further capitalization of internally developed software (see [Section 1.2](#) Research and Development) and the amortization for the year. Goodwill remained broadly stable at MEUR 285.4 (31 December 2023: MEUR 276.0) and its fluctuation is related to changes in foreign currency rates. Deferred tax assets increased to MEUR 114.3 (31 December 2023: MEUR 44.3) due to unused tax loss carry forwards and temporary differences.

In MEUR	As at 31-Dec-24	As at 31-Dec-23
Assets		
Non-current assets	1,745.3	1,756.4
Cash and cash equivalents	486.7	433.1
Other current assets	400.7	391.7
Total assets	2,632.7	2,581.3
Equity and liabilities		
Equity	888.4	1,019.0
Non-current liabilities	768.2	649.3
Current liabilities	976.1	913.0
Total equity and liabilities	2,632.7	2,581.3

As of 31 December 2024, the Group's current assets and liabilities mainly consist of (i) cash and cash equivalents of MEUR 486.7 (31 December 2023: MEUR 433.1), year on year increase driven partially by cash inflow from the new term loan, and (ii) working capital, which consists of trade receivables of MEUR 20.7 (31 December 2023: MEUR 17.8), inventories of ingredients, packaging material, WIP and finished goods of MEUR 237.2 (31 December 2023: MEUR 222.4), trade payables (excluding Capex payables) of MEUR 517.7 (31 December 2023: MEUR 543.7), contract liabilities of MEUR 64.4 (31 December 2023: MEUR 93.6) change from prior year is primarily driven by the year end reporting day, which affects deferred revenue based on the timing of deliveries and payments, and other components of operating working capital of MEUR (2.4) (31 December 2023: MEUR (4.4)).

In addition, current liabilities as at 31 December 2024 included the debt component of the convertible bond of MEUR 135.2 due to its maturity in May 2025 (31 December 2023: MEUR 163.7 presented within non-current liabilities) and current lease liabilities of MEUR 106.3 (31 December 2023: MEUR 109.6).

Non-current liabilities primarily comprise of lease liabilities under IFRS 16 for MEUR 484.6 (2023: MEUR 440.8), which increased mainly due to the addition of leases for RTE expansion.

During 2024, the Group continued the bond buyback program initiated in October 2023, and repurchased convertible bonds with a nominal amount of MEUR 35.0 (31 December 2023: MEUR 3.0) at a weighted average transaction price of 97.02 %. The company also bought back MEUR 83.1 (31 December 2023: MEUR 30.2) of shares over the same period of time. As of 31 December 2024 the outstanding convertible bonds maturing in 2025 included within financial liabilities amount to MEUR 135.2 (31 December 2023: MEUR 163.7) and the equity component amounts to MEUR 25.9 (31 December 2023: MEUR 26.0).

For the year ended 31 December 2024 the Group incurred capital expenditures in amount of MEUR 104.0, out of which MEUR 58.8 relate to the North America segment, and MEUR 104.0 relate to the International segment.

The capital commitments of the Group are disclosed in [NOTE 27](#). These are planned to be financed out of positive operating cash flows.

During 2024, the equity decreased from MEUR 1,019.0 as of 31 December 2023 to MEUR 888.4 as of 31 December 2024, driven by the loss for the period. This was primarily driven by non-cash asset impairments of MEUR 181.5. The equity ratio changed to 33.7 %, compared to 39.5 % in 2023. The Group's equity to capital employed ratio was to 69.1 % in 2024 (2023: 79.1 %) (see [NOTE 25](#)).

4.4 Financial Performance of the Reportable Segments

HelloFresh's business is managed based on two major geographical regions: the North America ("NA") and International ("International" or "Int'l"). The North America segment comprises the United States of America and Canada. On the other hand, the International segment consists of our operations in Australia, Austria, Belgium, Denmark, France, Germany, Ireland, Italy, Japan (until June 2023), Luxembourg, the Netherlands, New Zealand, Norway, Philippines (Customer Care Service Center), Spain, Sweden, Switzerland and the United Kingdom ("UK"). Each reportable operating segment represents a strategic business unit, which is managed separately. The segment structure reflects the geographical significance of the areas to the Group.

As the Group operates in locations with local currency other than the reporting currency (EUR), the Group financial performance is affected by the fluctuation of foreign exchange rates. Nonetheless, since goods and services to a large extent are procured in the same geographical area to where the corresponding revenue is generated, the effect of foreign exchange rate fluctuations on our profit margins is partly mitigated.

4.4.1 Financial Performance of North America Segment

External revenue of the North America segment increased on a Euro-reported basis by 0.7 % from MEUR 5,002.8 in 2023 to MEUR 5,035.8 in 2024. On a constant currency basis, this represents a 0.9 % growth rate, driven mainly by: (i) a strong increase in average order value of 5.7 % on constant currency, and (ii) partially offset by a 4.6 % decrease in the total number of orders. Within the North America segment, the RTE product group continued to show meaningful year-on-year growth.

Contribution margin (excl. SBC and impairments) as a percentage of revenue in 2024 decreased to 27.9 % compared to 29.1 % in the prior year. While procurement and cooking expenses (excl. SBC and impairments) as a percentage of revenue increased from 33.0 % in 2023 to 36.6 % in 2024, mostly due to higher share of ready-to-eat, which includes meal production costs, fulfilment expenses (excl. SBC and impairments) as a percentage of revenue improved from 37.9 % in 2023 to 35.5 % in 2024. This was mainly driven by a higher share of ready to eat meals, which have comparatively lower fulfilment expenses and higher productivity in the production of meal kits.

During 2024 a non-cash impairment of MEUR 169.3 (2023: MEUR 4.5) was recognized, following a reduction in production capacity due to strategic cost saving initiatives and lower-than-expected near-term volume development in the meal kit product group. These impairments are predominantly recognized in the fulfilment expenses (2024: MEUR 159.9, 2023: MEUR 4.5). Including these impairment expenses contribution margin (excl. SBC) decreased from 29.0 % in 2023 to 24.5 % in 2024.

Marketing expenses (excl. SBC) as a percentage of revenue remained relatively stable at 19.9 % in 2024, compared to 19.6 % in 2023. We reduced absolute and relative marketing spend for our meal kits product category, while increasing marketing spend for the ramp-up of our RTE product category.

General and administrative ("G&A") expenses, other operating income and expenses, and loss allowance on trade receivables (excl. SBC and holding fee) as percentage of revenue remained broadly stable at 3.7 % in 2024 as compared to 3.4 % in 2023. As a result of the combined Mutual Agreement Procedure (MAP) and Advanced Pricing Agreement (APA), a transfer pricing adjustment for prior years was recorded in 2024, reducing Holding fees for the North America segment, with corresponding adjustments at the HelloFresh SE level.

Special items amounted to MEUR 29.0 in 2024, compared to MEUR 16.0 in 2023. In 2024 special items for the North America segment primarily relate to reorganization initiatives amounting to MEUR 3.2, the rationalization of certain obsolete fulfilment centers amounting to MEUR 13.6 and for potential legal settlements amounting to MEUR 9.9.

Reported EBIT (excl. holding fee) decreased to MEUR (1.0) in 2024, a margin of 0.0 %, compared to MEUR 249.6, a positive margin of 5.0 % in 2023. This is a result of the factors described above.

AEBITDA decreased to MEUR 368.8, a positive margin of 7.3 %, compared to MEUR 417.4, and a margin of 8.3 % in 2023 driven mainly by higher procurement and cooking expenses as explained above.

AEBIT (excl. impairment) decreased to MEUR 248.7 a positive margin of 4.9 %, compared to MEUR 317.2, and a margin of 6.3 % in 2023.

In MEUR	2024	2023	YoY
Revenue (total)	5,077.1	5,039.4	0.7 %
Revenue (external)	5,035.8	5,002.8	0.7 %
Procurement and cooking expenses	(1,873.1)	(1,668.6)	12.3 %
% of revenue	(36.9 %)	(33.1 %)	(3.8 pp)
Fulfilment expenses	(1,983.0)	(1,934.8)	2.5 %
% of revenue	(39.1 %)	(38.4 %)	(0.7 pp)
Contribution margin	1,221.0	1,435.9	(15.0 %)
% of revenue	24.0 %	28.5 %	(4.5 pp)
Contribution margin (excl. SBC)	1,245.7	1,460.2	(14.7 %)
% of revenue	24.5 %	29.0 %	(4.5 pp)
Contribution margin (excl. SBC and impairment)	1,415.0	1,464.7	(3.4 %)
% of revenue	27.9 %	29.1 %	(1.2 pp)
Marketing expenses	(1,017.9)	(997.4)	2.1 %
% of revenue	(20.0 %)	(19.8 %)	(0.2 pp)
Marketing expenses (excl. SBC)	(1,009.2)	(990.1)	1.9 %
% of revenue	(19.9 %)	(19.6 %)	(0.3 pp)
G&A expenses, other operating income and expenses, and loss allowance on trade receivables	(195.7)	(338.8)	(42.2 %)
% of revenue	(3.9 %)	(6.7 %)	2.8 pp
Thereof Holding fee	8.3	(149.9)	n.a.
G&A expenses, other operating income and expenses, and loss allowance on trade receivables (excl. SBC and holding fee)	(186.2)	(173.4)	7.4 %
% of revenue	(3.7 %)	(3.4 %)	(0.3 pp)
EBIT	7.4	99.6	(92.6 %)
% of revenue	0.1 %	2.0 %	(1.9 pp)
EBIT (excl. holding fee)	(1.0)	249.6	(100.4 %)
% of revenue	0.0 %	5.0 %	(5.0 pp)
Depreciation, amortization and impairment	289.4	104.6	176.7 %
EBITDA (excl. holding fee)	288.4	354.2	(18.6 %)
% of revenue	5.7 %	7.0 %	(1.3 pp)
Special items	29.0	16.0	81.3 %
Share-based compensation expenses	51.3	47.2	8.7 %
AEBITDA	368.8	417.4	(11.6 %)
% of revenue	7.3 %	8.3 %	(1.0 pp)
AEBIT	79.4	312.7	(74.6 %)
% of revenue	1.6 %	6.2 %	(4.6 pp)
AEBIT (excl. impairment)	248.7	317.2	(21.6 %)
% of revenue	4.9 %	6.3 %	(1.4 pp)

4.4.2 Financial Performance of International Segment

In 2024 external Euro-reported revenue of the International segment increased by 1.2 % from MEUR 2,593.8 in 2023 to MEUR 2,625.5. On a constant currency basis, this represents a positive 0.9 % growth rate. In line with the trends described on Group level, this increase is due to: (i) an increase in the average order value of 3.8 % on constant currency, and (ii) partially offset by a 3.0 % decrease in the total number of orders.

Contribution margin (excl. SBC and impairments) as a percentage of revenue in 2024 decreased to 23.5 % compared to 24.5 % in the prior year. Procurement and cooking expenses (excl. SBC and impairments) as a percentage of revenue remained more or less stable (38.4 % in 2023 to 38.1 % in 2024). Fulfilment expenses (excl. SBC and impairments) as a percentage of revenue increased from 37.1 % in 2023 to 38.4 % in 2024. This was driven by ramp-up costs for new fulfillment centers in Germany and the UK, partially offset by improved efficiencies in logistics and packaging operation in some countries.

During 2024, HelloFresh recognized a non-cash impairment of MEUR 12.1 (2023: MEUR 5.2), following a reduction in production capacity due to strategic cost saving initiatives and lower-than-expected near-term volume development. These impairments are recognized in the fulfilment expenses for the UK and Australia. Including these impairment expenses contribution margin (excl. SBC) decreased from 24.3 % in 2023 to 23.0 % in 2024.

Marketing expenses (excl. SBC) as a percentage of revenue decreased from 16.3 % in 2023 to 15.6 % in 2024, which was mainly driven by lower marketing spending for the meal-kits product group in 2024, while marketing spend for RTE increased for the ramp-up of that product category, as described on group level.

General and administrative (“G&A”) expenses, other operating income and expenses and loss allowance on trade receivables (excl. SBC and holding fee) as a percentage of revenue remained stable compared to 4.7 % in 2023 to 4.4 % in 2024.

Reported EBIT (excl. holding fee) decreased to MEUR 65.5 in 2024, a margin of 2.5 %, compared to MEUR 77.8, and a margin of 3.0 % in 2023. This is a result of the factors described above.

AEBITDA increased to MEUR 186.8, reflecting a margin of 7.0 %, compared to MEUR 175.3, and a margin of 6.7 % in 2023. This is driven by mainly by lower Marketing expenses which is partially offset by higher Fulfilment expenses as explained above.

AEBIT (excl. impairment) was broadly stable at MEUR 95.5, reflecting a positive margin of 3.6 %, compared to MEUR 95.9 , and a margin of 3.7 % in 2023.

In MEUR	2024	2023	YoY
Revenue (total)	2,663.2	2,621.9	1.6 %
Revenue (external)	2,625.5	2,593.8	1.2 %
Procurement and cooking expenses	(1,014.4)	(1,007.0)	0.7 %
% of revenue	(38.1 %)	(38.4 %)	0.3 pp
Fulfilment expenses	(1,040.3)	(980.1)	6.1 %
% of revenue	(39.1 %)	(37.4 %)	(1.7 pp)
Contribution margin	608.5	634.9	(4.2 %)
% of revenue	22.8 %	24.2 %	(1.4 pp)
Contribution margin (excl. SBC)	613.7	638.0	(3.8 %)
% of revenue	23.0 %	24.3 %	(1.3 pp)
Contribution margin (excl. SBC and impairment)	625.9	643.2	(2.7 %)
% of revenue	23.5 %	24.5 %	(1.0 pp)
Marketing expenses	(417.5)	(428.2)	(2.5 %)
% of revenue	(15.7 %)	(16.3 %)	0.6 pp
Marketing expenses (excl. SBC)	(415.2)	(426.5)	(2.6 %)
% of revenue	(15.6 %)	(16.3 %)	0.7 pp
G&A expenses, other operating income and expenses, and loss allowance on trade receivables	(177.2)	(185.3)	(4.4 %)
% of revenue	(6.7 %)	(7.1 %)	0.4 pp
Thereof Holding fee	(51.7)	(56.4)	(8.3 %)
G&A expenses, other operating income and expenses, and loss allowance on trade receivables (excl. SBC and holding fee)	(118.2)	(124.2)	(4.8 %)
% of revenue	(4.4 %)	(4.7 %)	0.3 pp
EBIT	13.9	21.4	(35.0 %)
% of revenue	0.5 %	0.8 %	(0.3 pp)
EBIT (excl. holding fee)	65.5	77.8	(15.8 %)
% of revenue	2.5 %	3.0 %	(0.5 pp)
Depreciation, amortization and impairment	103.5	84.6	22.3 %
EBITDA (excl. holding fee)	169.0	162.3	4.1 %
% of revenue	6.3 %	6.2 %	0.1 pp
Special items	3.0	3.4	(11.8 %)
Share-based compensation expenses	14.8	9.6	54.2 %
AEBITDA	186.8	175.3	6.6 %
% of revenue	7.0 %	6.7 %	0.3 pp
AEBIT	83.3	90.8	(8.3 %)
% of revenue	3.1 %	3.5 %	(0.4 pp)
AEBIT (excl. impairment)	95.5	95.9	(0.4 %)
% of revenue	3.6 %	3.7 %	(0.1 pp)

5. Risk and Opportunity Report

We define risks as the possibility of negative deviations of actual business performance from planned targets or objectives, while opportunities represent potential positive deviations from expected business performance. The Management Board of HelloFresh SE bears overall responsibility for establishing and operating an effective risk management system. This is achieved by assigning identification, assessment, response, and monitoring process of key risks and opportunities to risk managers, with support from the Risk Management function.

We do not seek to avoid risks at all costs, but rather to carefully weigh the opportunities and risks associated with our decisions and our business activities from a well-informed perspective. Accordingly, opportunities should be exploited to generate income or increase the company value, and risks should be managed within the company's defined risk appetite through appropriate mitigation measures, risk transfers, or avoidance where necessary. Employees are required to act in the company's interest and manage risks appropriately within their respective areas of responsibility.

Whilst overall responsibility for risk management lies with the Management Board, the Risk Management function coordinates related activities, aggregates exposures at the Group level, oversees reporting, and ensures completeness in required assessments. Operational risk management primarily falls within the responsibility of functional departments and country organizations. This includes timely detection, identification, assessment, response, monitoring, documentation, and reporting of risks. Responsibility for managing opportunities is taken by the operational departments, country organizations, and their respective management.

In accordance with sections 315b and 315c in conjunction with 289c to 289e of the German Commercial Code (Handelsgesetzbuch - "HGB"), HelloFresh SE is required to issue a Group non-financial report. This report requires the disclosure of any material non-financial risks, defined as risks where HelloFresh's business model may impact on non-financial aspects such as the environment and the communities in which we operate.

A risk assessment conducted at the end of 2024 did not identify any material non-financial risks that are highly likely to have an adverse impact on the company's business model, business relations, products, or services.

While these regulations specifically apply to non-financial risks, the best practices in corporate governance and risk management encourage a more comprehensive Enterprise Risk Management (ERM) approach. This ensures that all significant risks—financial, strategic, operational, and compliance-related—are systematically assessed, managed, and, where relevant, disclosed to stakeholders and auditors.

5.1 Risk Report

The risk management function is responsible for identifying the key risks and analyzing, managing, monitoring and mitigating these through appropriate risk response measures. This process is carried out via a risk management system (RMS) that supports business operations, ensures consistency in risk management, and enables compliance with regulatory requirements. The structures and processes of the RMS at HelloFresh are based on the internationally recognized COSO framework, facilitating integration between risk management and the internal control system.

A comprehensive risk assessment is conducted annually and documented in the risk report. This report outlines key business risks affecting HelloFresh and the measures in place to mitigate them. It provides the Management Board and the Audit Committee of the Supervisory Board with relevant insights into HelloFresh's risk exposure and mitigation strategies, enabling informed decision-making. Should critical risks arise that significantly impact business continuity, strategy, or regulatory compliance, ad-hoc reporting supplements the regular reporting process.

The Audit Committee of the Supervisory Board, supported by the Internal Audit function and external auditors, monitors the effectiveness of the accounting-related internal control system and overall risk management framework.

Additionally, the Internal Audit function performs regular reviews of internal control systems at both local and functional levels. It documents key control issues, evaluates their design and effectiveness, and provides recommendations to enhance their robustness and alignment with best practices. These findings are circulated to relevant stakeholders within HelloFresh to ensure compliance with key control requirements and facilitate necessary corrective actions. The findings are also presented to the Audit Committee to support their assessment of the internal control environment.

5.1.1 Countermeasures and Internal Control System

HelloFresh reviews all identified risks and opportunities annually to ensure that the identified risks and opportunities remain relevant, comprehensive, and accurately assessed. Any updates, including new risks or changes in risk assessments, are documented in the comprehensive risk catalog, which is structured as a risk and control matrix (“RCM”). For each identified risk, a corresponding countermeasure is assigned by the designated local or functional risk owner and reviewed by the Internal Audit and Risk department.

System of Internal Financial Reporting Controls

Internal controls over financial reporting

As part of the internal control system, HelloFresh has implemented internal controls over financial reporting (ICFR), aligned with internationally recognized frameworks to identify, evaluate, and mitigate risks that could impact the accuracy and reliability of the individual and consolidated financial statements.

The system of internal financial reporting controls consists of preventive, detective, monitoring and corrective control measures across accounting, controlling and operational functions, ensuring a structured and consistent approach to financial statements preparation. The control system is integrated into key business processes that significantly impact financial reporting, ensuring compliance and reliability.

Financial reporting control processes, associated risks, and control evaluations are systematically analyzed to ensure transparency and compliance. Control mechanisms include guidelines and definitions, layered approval structure, segregation of duties, and the application of best practices. The control mechanisms implemented affect multiple processes and thus frequently overlap. These mechanisms involve defining principles, procedures and controls (e.g., month-end closing checklists, variance analysis, elimination of intra-group transactions, reconciliation of intercompany balances, validation of adjustments), and establishing approval workflows and guidelines. The Internal Audit function is increasingly reviewing the effectiveness of internal controls.

Internal Control and Risk Management System Beyond Financial Reporting

HelloFresh has internal control mechanisms that extend beyond financial reporting, ensuring comprehensive risk management, regulatory compliance, and operational oversight across all business areas.

The risk management framework covers both financial and non-financial risks, including operational risks, cybersecurity, data protection, regulatory compliance, and sustainability risks. It is designed to identify, assess, and mitigate risks that could impact the company’s performance, reputation, and long-term resilience. The risk assessment process ensures systematic risk identification and response, with internal controls being regularly self-assessed and reviewed by Internal Audit for design and effectiveness as part of the yearly audit plan

To enhance operational integrity and compliance, HelloFresh has cross-functional internal controls, such as IT security policies, supplier audits, food safety compliance programs, and regulatory risk monitoring. The Management Board regularly evaluates risks and controls, ensuring continuous alignment with corporate governance best practices.

The company is committed to continuously improving its internal controls through ongoing reviews, audits and enhancements to meet evolving regulatory requirements and business needs. As part of the Declaration of Compliance, HelloFresh confirms its adherence to DCGK A.5, emphasizing the importance of the entire internal control system.¹

¹ The statement regarding compliance with German Corporate Governance Code (DCGK) A.5 has not been subject to audit as part of the audit of this Group Management Report.

5.1.2 Risk Reporting and Methodology

All identified risks are quantified based on their likelihood of occurrence and potential impact and entered into the risk catalog (Risk and Control matrix). Probability assessments are based on one-year forward-looking time horizons from the reporting date. To assess the effectiveness of mitigation measures, all risks are evaluated on a gross risk basis (before mitigation) and a net risk basis (after considering existing mitigation measures).

The likelihood of occurrence represents the estimated probability of a risk materializing within the defined time horizon. Likelihood is categorized within predefined probability ranges, as outlined in the following table:

Likelihood	Assessment
Probable	(75 % – 100 %)
Likely	(50 % – 74.9 %)
Possible	(25 % – 49.9 %)
Unlikely	(5 % – 24.9 %)
Rare	(0 % – 4.9 %)

The impact of a risk is assessed in terms of its deviation from HelloFresh’s objectives. The preferred method of evaluation is a quantitative scale; however when risks cannot be quantified or qualitative factors dominate (e.g., compliance risks), a qualitative scale is applied instead.

Quantitative risk classes are based on their projected impact on AEBIT, with periodic adjustments reflecting HelloFresh’s growth and evolving risk appetite. Risks related to interest, taxes, and impairment within EBIT are assessed based on their impact on net profit. Qualitative risk classes consider factors such as reputational damage or legal implications with a particular focus on compliance-related risks.

Effect	Quantitative Assessment (preferred method)	
	Financial Impact	
5	> MEUR 265	Severe negative effect on business operations and profitability
4	MEUR 140 - 265	Major negative effect on business operations and profitability
3	MEUR 60 - 140	Medium negative effect on business operations and profitability
2	MEUR 20 - 60	Low negative effect on business operations and profitability
1	< MEUR 20	Insignificant negative effect on business operations and profitability

Based on the assessment of the likelihood of occurrence and the impact, all identified risks are classified and visualized in the following risk matrix:

Likelihood / Impact	Rare (0 % – 4.9 %)	Unlikely (5 % – 24.9 %)	Possible (25 % – 49.9 %)	Likely (50 % – 74.9 %)	Probable (75 % – 100 %)
5	MODERATE	HIGH	HIGH	VERY HIGH	VERY HIGH
4	LOW	MODERATE	HIGH	HIGH	VERY HIGH
3	LOW	MODERATE	MODERATE	HIGH	HIGH
2	VERY LOW	LOW	MODERATE	MODERATE	HIGH
1	VERY LOW	VERY LOW	LOW	LOW	MODERATE

The risk matrix enables risk comparison and enhances transparency regarding HelloFresh’s overall risk exposure. Risks are categorized from “very low” to “very high” to determine the level of detail required for reporting to the Management Board and Supervisory Board. Risks that could affect the Company’s ability to continue as a going concern are reported immediately upon identification to the CFO and the Management Board. Depending on the severity, such risks may also be escalated to the Audit Committee for further review and oversight.

5.1.3 Risk Areas

The following table presents HelloFresh's material risks, as identified in accordance with our risk assessment methodology. Material risks are defined as those classified as “high” or “very high” in the most recent risk assessment. No risks were classified as “very high” in 2023 or 2024 risk assessments.

Overview of material risks:

Material net risks	2024			2023		
	Assessment	Likelihood	Impact	Assessment	Likelihood	Impact
Strategic / Market Dynamics						
Reliance on new customer acquisitions for growth	High	Likely	Medium	High	Possible	Major
Competitive pressures reducing market share	Moderate	Unlikely	Major	High	Possible	Major
Public relations crisis	Moderate	Possible	Medium	High	Possible	Major
Operational						
Food Safety Incident/Crisis	High	Unlikely	Severe	High	Possible	Major
Technology and Engineering / Cybersecurity and Access Control						
Vulnerability in CRM software	High	Possible	Severe	Moderate	Unlikely	Medium

Some risks have been renamed to better reflect their current scope and impact:

- Competitive pressures reducing market share (previously Increasing direct or indirect competition from online or offline food companies).
- Public relations crisis (previously Improper / too slow reaction to crisis incidents / social media criticism).
- Food Safety Incident/Crisis (previously Increased operational food safety risk due to expanding in complexity (repack, defrosting and RTE meals)).
- Vulnerability in CRM software (previously Risks resulting from unauthorized access to our business secrets, confidential financial information, our customer data or our IT infrastructure).

Segment-specific risk disclosures:

Reliance on new customer acquisitions for growth (Company-Wide)

- The risk applies across North America and International segments, as HelloFresh faces growing competition from traditional grocery retailers, meal kit providers, and Ready-to-Eat (RTE) competitors
- However, customer acquisition costs (CAC) and competitive intensity vary by region, with North America experiencing higher saturation than some international markets

Food Safety Incident/Crisis (Company-Wide, but regional regulatory implications differ)

- North America: Higher risk exposure due to strict FDA/USDA regulations and litigation risks related to food safety incidents, RTE operations face greater scrutiny due to the nature of the product, and risk of costly recalls and lawsuits in case of contamination or undeclared allergens
- International: Operating under EU General Food Law (EFSA), UK FSA, and FSANZ regulations. With stringent compliance, stronger supplier quality controls in markets are resulting in a reduced likelihood of food safety incidents

Vulnerability in CRM Software (Company-Wide, but regional regulatory implications differ)

- Vulnerabilities expose the company to phishing, credential stuffing, ransomware attacks, and unauthorized data access, requiring enhanced encryption, access controls, and real-time monitoring across all regions
- Europe: Subject to GDPR (General Data Protection Regulation), making any data breach a high regulatory, financial risk, and reputational risk. Additionally, the NIS2 Directive increases cybersecurity compliance requirements for critical service providers
- North America: Governed by CCPA (California Consumer Privacy Act) and other state-level privacy laws, with rising litigation risks. Cybersecurity frameworks such as NIST and CISA guidelines also influence compliance requirements

Public Relations Crisis (Company-Wide, with Regional Sensitivities)

- North America: Higher exposure due to larger customer base and therefore impact on revenues. Other risks include strong media and social media influence.
- International: Different geographies each have their own media and regulatory landscape, cultural background as well as separate teams, preventing a unified approach. Greater scrutiny from consumer protection bodies and stricter advertising regulations (e.g., environmental or sustainability claims). Higher likelihood for risks manifesting but in general lower impact. Potential for reputational spillover from global (especially English speaking) markets

Compared to the Risk and Opportunity Report in 2023, the following changes can be noted:

- HelloFresh's 2024 risk assessment identifies three major risks with the highest overall scores: Reliance on new customer acquisitions for growth, Food Safety Incident/Crisis, and Vulnerability in CRM Software. These risks pose significant challenges to business stability, operational efficiency, and brand trust, requiring strategic mitigation measures.
- Compared to 2023, the reliance on new customer acquisition remains a persistent high-risk factor, but it has decreased as HelloFresh shifts its marketing strategy to prioritize high-value customers over customer volume. The focus has moved towards product incentives to drive customer usage and tenure, rather than relying solely on conversions, reflecting a more sustainable and retention-driven approach. Stronger customer loyalty, improved engagement strategies, and more efficient, targeted acquisition efforts have made new customer inflow more stable and predictable, lowering the probability that a slowdown in acquisition would significantly impact overall growth. However, in the RTE, acquisition remains crucial to build market share and brand recognition in a competitive landscape. While acquisition efforts in RTE are increasing, this does not negate the overall risk reduction - acquisition is now more targeted and category-specific, rather than a broad company-wide dependency. This dual strategy balances retention in mature segments with growth in emerging categories.
- The risk of competitive pressures reducing market share has decreased in 2024 due to HelloFresh's strengthened market position and strategic initiatives. Holding 50% of the global meal kit market and 74% in the U.S., the company has solidified its dominance. A shift towards customer retention over acquisition has improved loyalty and reduced churn, while product diversification, particularly the expansion into RTE meals (41.5% YoY revenue growth on a constant currency basis), has broadened customer appeal. Additionally, operational efficiencies, including automation, fulfillment optimization, and strategic capacity management, have enhanced cost control and service reliability. These factors have made HelloFresh more resilient against competition, reducing the likelihood of market share loss in 2024 compared to 2023.
- In 2024, HelloFresh has reduced the risk of public relations crises through clearer communication, stronger crisis response, and proactive reputation management. External Communication Guidelines ensure consistent messaging, while a Crisis Alert System and Global Media Sentiment Tracker enable swift, coordinated responses. Recurring crisis workshops improve preparedness across local markets. Additionally, enhanced data protection, sustainability efforts, and improved labor conditions have further minimized reputational risks.
- Food safety risks have been downgraded following stricter supplier controls, enhanced quality assurance protocols, and improved crisis response mechanisms. Investments in compliance and auditing procedures have strengthened food safety oversight across multiple markets.
- Meanwhile, cybersecurity vulnerabilities in CRM software have emerged as a new high-risk area in 2024, whereas 2023 was more focused on general data protection and compliance risks. The increased reliance on third-party software and cloud storage has heightened the risk of security breaches, fraud, and system failures, making IT infrastructure resilience a priority.
- Looking ahead, future threats include greater regulatory scrutiny on customer data protection, AI-driven fraud, and stricter compliance requirements for food safety. The growing complexity of digital marketing regulations may further challenge customer acquisition strategies, while economic uncertainty could pressure consumer spending on meal kits and our other product categories as well, namely RTE. By enhancing cybersecurity defenses, strengthening supply chain risk management, and shifting towards a more sustainable customer lifecycle approach, HelloFresh can transform these risks into strategic opportunities for 2024 and beyond.

The overall risk situation is assessed based on the following consolidated risk clusters:

- ESG Risks
- Financial Risks
- Human Resources and Talent Management
- Operational Risks
- Regulatory and Compliance
- Strategic and Market Dynamics Risks
- Technology and Engineering

These clusters collectively define HelloFresh's risk environment. However, certain clusters require further elaboration due to their strategic significance. Below, we provide additional details on key risk areas, including competitive market dynamics, regulatory compliance, and financial resilience.

Strategic and Market Dynamics risks

HelloFresh operates in a highly competitive market where consumers have diverse meal solution choices, including direct meal-kit competitors, traditional grocery retailers (both online and offline), restaurant dining, pre-prepared meals, and food delivery services. These alternatives provide customers with varied options for meal planning and preparation, influencing market dynamics and competitive positioning. Companies across these segments represent both direct or indirect competition to HelloFresh.

HelloFresh faces direct competition from competitors operating in the meal-kit and ready-to-eat meal sectors. Competitors may also merge, form strategic partnerships, or be acquired by larger food corporations, potentially impacting our market position. In addition to direct competitors, we face competition from traditional grocers (e.g. Tesco, Target, Rewe, Ahold, and Walmart) that have expanded their online presence. The rise of exclusively online grocers and rapid grocery delivery services further intensifies competition. The risk of competitive pressures reducing market share is assessed as major in impact and unlikely in likelihood, while reliance on new customer acquisitions for growth is rated as medium in impact and likely in likelihood.

We also indirectly compete with prepared food delivery services such as Just Eat, Takeaway, Deliveroo, DoorDash, Uber Eats, Glovo which provide consumers with convenient alternatives to home-cooked meals potentially affecting customer acquisition and retention. Macroeconomic factors, including inflationary pressures and shifts in consumer spending habits, may impact on HelloFresh's ability to retain price-sensitive customers who opt for lower-cost alternatives.

Additionally, as an e-commerce-driven business, HelloFresh is highly dependent on digital platforms for customer acquisition and engagement. Increased digital platform costs, changes to platforms' algorithms and business tools, regulatory restrictions, or shifts in consumer behavior could impact our ability to scale effectively. The risk of a public relations crisis, which could arise from social media criticism or crisis mismanagement, is rated as medium in impact and possible in likelihood.

To address these risks, HelloFresh focuses on differentiation and market positioning by leveraging its brand presence, operational scale, and data-driven approach. The company operates in multiple markets, serving a large customer base, which provides insights into consumer preferences and enables product innovation. HelloFresh continuously expands meal choices, enhances personalization, and optimizes convenience to strengthen customer engagement. Additionally, its digital capabilities and workforce expertise support ongoing improvements in marketing, logistics, and user experience, contributing to its ability to compete effectively in a dynamic food solutions market.

Regulatory and Compliance

As the core of our product offering involves the direct-to-consumer sale of fresh food online, HelloFresh is subject to a broad range of regulatory requirements, including food safety, allergen labeling, data protection, and evolving consumer protection laws. With increasing regulatory scrutiny, compliance with ESG standards is critical, particularly in avoiding risks related to greenwashing and sustainability claims.

HelloFresh must comply with evolving data protection regulations, including the General Data Protection Regulation (GDPR), the Network and Information Security Directive (NIS2), and the California Consumer Privacy Act (CCPA). These laws impose strict obligations on how we handle and protect customer data. Additionally, regulatory oversight extends beyond food safety to include advertising transparency, consumer rights, refund policies, and marketing claims, particularly in the context of sustainability and health-related messaging.

As our operations grow in complexity, the risks associated with food safety, allergen management (e.g., gluten-free preferences), and temperature-sensitive products (e.g., protein defrosting/tempering) increase. The risk of a food safety incident or crisis is assessed as severe in impact and unlikely in likelihood. HelloFresh has implemented stringent food safety protocols, including operational standards for repacking and allergen control, defined risk mitigation policies covering building and fabrication requirements, hygiene, environmental monitoring and control, process control, shelf-life tracking and storage guidelines of finished product, and customer cooking instructions/storage requirements.

Financial risks

HelloFresh has implemented a system of internal controls over financial reporting to manage and mitigate finance and reporting risks. For further details, refer to [Section 5.1.1](#), System of Internal Financial Reporting Controls.

Financial risk at HelloFresh consists of market risk, liquidity risk, foreign currency risk, interest rate risk, credit risk, capital allocation risk, and covenant breach risk. HelloFresh's credit risk is minimal as the company does not engage in credit sales, with the majority of revenue generated through prepayment by customers. HelloFresh places cash with investment-grade-rated international banks and actively monitors the creditworthiness of its payment system providers and financial counterparties to minimize potential financial exposure.

At the balance sheet date, HelloFresh maintains a strong cash position, ensuring sufficient liquidity for investment activities and business downturn contingencies. Additionally, the Company has access to a revolving credit facility, which remains largely unutilized, further reinforcing liquidity. Intragroup cash pooling arrangements continue to support efficient working capital management, keeping liquidity risk low.

Given HelloFresh's global operations, a significant portion of revenues and expenses are denominated in non-Euro currencies, including the US Dollar, British Pound, and Australian Dollar. While local operations strive to match revenues and expenses within the same currency, foreign exchange fluctuations can impact operating margins. The Company's Group Treasury department has established strict limits on non-Euro currency holdings, ensuring devaluation risks remain controlled. Additionally, HelloFresh's FX strategy allows currency purchases based on short- and mid-term cash needs, further reducing exposure to foreign exchange volatility. Rising global interest rates present potential cost pressures for financing future expansion and operational investments. However, as explained in [NOTE 14](#), the Group currently has limited exposure to interest rate volatility.

HelloFresh is subject to financial covenants linked to its revolving credit facility (RCF) and Term Loan, though the risk of a breach is assessed as very low given its solid financial position. The latest compliance review confirms an Interest Cover Ratio of 13.90:1 and a Leverage Ratio of 1.10:1. Potential covenant breach risk could arise only under extreme scenarios, such as a sharp profitability decline, excessive debt increase, or significant interest rate or inflation spikes—all of which are currently unlikely based on financial forecasts. Nonetheless, HelloFresh employs proactive monitoring, stress testing, and scenario analysis to ensure continued compliance, with the Group Treasury team aligning capital structure with risk thresholds and maintaining sufficient headroom within financial covenants.

Additionally, capital allocation risk is a key consideration in 2024, as incorrect allocation of financial resources could lead to overinvestment in underperforming markets, inefficient cost structures, or underfunding critical areas such as automation, supply chain resilience, and AI-driven personalization. To mitigate this, HelloFresh employs data-driven investment strategies, cost optimization initiatives, and ongoing performance reviews to ensure capital is allocated efficiently and aligned with long-term business priorities.

HelloFresh's financial risk management ensures stability by managing risks related to financial instruments, including credit, liquidity, and market risks. Credit risk is minimized through a prepayment model and active monitoring of B2B receivables, while liquidity risk is mitigated via cash flow controls, cash pooling, and access to a revolving credit facility. Market risks, such as currency and interest rate fluctuations, are addressed through natural hedging and financial planning. Details on financial instruments and risk mitigation strategies are provided in [NOTE 14](#) of the consolidated financial statements.

Operational risks

Ensuring operational efficiency and supply chain resilience is critical to HelloFresh's ability to deliver high-quality meal kits to customers globally. The current risk assessment highlights key operational risks, including fulfillment center vulnerabilities, supply chain disruptions, food safety compliance, and workforce challenges.

Fulfillment center resilience remains a top priority, as high dependency on single-location centers in certain regions increases the risk of business continuity disruptions due to strikes, equipment failures, or extreme weather events. In addition, labor shortages and workforce retention challenges in fulfillment centers pose risks to operational efficiency and service quality. To mitigate these risks, HelloFresh is investing in automation, diversifying fulfillment center locations, and enhancing workforce retention programs.

Supply chain and logistics risks have intensified due to increased supplier concentration, inflation-driven cost surges, and climate-related disruptions affecting ingredient availability. Additionally, rising transportation costs and limited carrier options in certain markets elevate the risk of delivery delays. To address this, HelloFresh is diversifying supplier partnerships, implementing AI-driven demand forecasting, and improving logistics planning to enhance supply chain resilience. Additionally, we are investing in our own last-mile delivery fleet in areas where drop density justifies having one.

Food safety compliance remains a critical focus area, particularly with the expansion of ready-to-eat (RTE) offerings that require higher sanitation and quality control measures. Stricter global food safety regulations and allergen control requirements introduce potential compliance risks. HelloFresh has dedicated food safety teams, rigorous quality assurance protocols, and crisis management frameworks in place to prevent and address contamination risks. Escalation procedures, recall management, and real-time monitoring dashboards ensure timely responses to any potential food safety incidents.

By strengthening fulfillment center infrastructure, diversifying supply chain operations, and enhancing food safety controls, HelloFresh is proactively addressing operational risks to maintain service reliability, regulatory compliance, and customer trust in 2025.

Emerging Risks

Tariffs have increasingly become a significant risk factor, impacting global trade, supply chains, and overall economic stability. For instance, in Q1 2025, the U.S. imposed new tariffs on imports from Canada, Mexico, and China, including on agricultural products and packaging materials. These trade restrictions, if in place for a prolonged time, can lead to rising costs for certain raw materials and required adjustments to supply chains, particularly for our entities in North America.

At HelloFresh, we actively monitor and manage tariff-related risks by integrating them into our broader risk management framework, particularly under:

- **Inflation Impact on ingredient and packaging material costs:** Higher import costs due to tariffs can lead to increased prices for goods and services, especially in North America. We mitigate this by diversifying suppliers, where required changing our supply chain and sourcing, leveraging longer-term contracts and (if appropriate) adjusting the pricing of our products.
- **Global Economic Downturn Risk:** Trade tensions and protectionist policies can contribute to economic slowdowns. To manage this, we conduct regular market assessments, adjust pricing strategies, perform scenario planning, and adapt our cost base in affected regions.

Our approach ensures that we mitigate the financial impact of tariffs, particularly in regions with the highest exposure, safeguarding our profitability and operational stability.

5.2 Opportunities Report

HelloFresh currently operates across eighteen geographies with a total of approximately 320 million households. However, we only capture at present a small fraction of the meal occasions that our existing and prospective customers do at home or in their working spaces. HelloFresh is well positioned to take advantage from structural changes in the way people think about food: we benefit from changes towards healthy food consumption in our markets, from a growing demand for personalized nutrition options and from a shift towards more sustainable food options.

HelloFresh can take advantage of these opportunities by leveraging our competitive advantages, explained in detail in section 1.1.2.

In addition, HelloFresh sees a number of concrete high likelihood, high impact long term growth opportunities:

Increase long-term ROI from customers

By nurturing long-term relationships with our existing customer base we can increase long-term ROI from acquiring those customers in the first instance. We can do so by accelerating investments in the physical and digital products, and our levels of service. We have also started to roll out a number of initiatives to drive usage and customer tenure, and reward loyalty, such as a HelloFresh+ loyalty scheme.

Further growing our RTE business in North America

We have already grown our RTE revenue to MEUR 2,031.7 globally in 2024, most of which in North America. Through the launch of our new RTE production facility in 2023 in Arizona we could begin to serve additional demand going forward, which is expected to continue growing meaningfully over the coming years.

In addition to penetrating a still early-stage North American market, we see opportunities to access new customer groups, to offer differentiated price tiers and to tap into new distribution channels, to continue to grow in the medium term.

RTE International Expansion

Following the success of Factor in the US and subsequently in Canada, we also have started to offer RTE products in, Australia, through the Youfoodz brand, and some European markets. We see an opportunity to further roll out the ready-to-eat playbook in those countries and others in the EU in the coming years.

Launch and ramp-up of adjacent verticals

HelloFresh has over the last two years launched two new direct-to-consumer verticals through the online premium butcher Good Chop and the pet food business The Pets Table. These businesses have the potential to become future generators of value, as they each address a large TAM to penetrate in the US and the possibility of expanding these businesses to other geographies.

By systematically assessing these opportunities based on impact and likelihood, HelloFresh ensures a structured and balanced discussion of risks and opportunities.

6. Outlook

6.1 Economic conditions

Global growth is projected to remain at 3.3 % in both 2025 and 2026, falling short of the historical average of 3.7 seen from 2000 to 2019.¹ The 2025 forecast is largely unchanged from the October 2024 World Economic Outlook (WEO)(3.2 % for global growth)², as upward adjustments for the United States counterbalance downward revisions for other major economies. Meanwhile, global headline inflation is expected to drop to 4.2 % in 2025 and to 3.5 % in 2026, with advanced economies reaching their inflation targets earlier than emerging markets and developing nations¹

According to market insights company Statista, the Grocery Delivery market in the United States is anticipated to achieve a revenue of USD 327.90bn by 2025. The report projects a steady growth rate (CAGR 2025-2029) of 8.6% until 2029. The Grocery Delivery market in Canada is forecasted to achieve a revenue of USD 7.57bn in 2025. It is anticipated to demonstrate an annual growth rate of 9.4 % (CAGR 2025-2029), resulting in a projected market volume of USD 10.84 bn by 2029. According to the same source, the Grocery Delivery market in Europe is expected to generate a revenue of USD 108.89 bn by 2025. This market is projected to experience a steady growth rate of 9.0 % annually to 2029, resulting in a market volume of USD 153.30 bn by 2029. The user penetration rate in the Grocery Delivery market remains comparatively lower in Europe vs. the United States. In Australia, the projected revenue in the Grocery Delivery market is expected to reach USD 10.87bn in 2025, an annual growth rate to 2029 of 8.90 %, similar to that in Europe, albeit with a higher user penetration rate.

The medium-term outlook faces predominantly downside risks, while short-term risks vary significantly. In the United States and Canada, while some growth is expected to persist in the near term, the start of 2025 saw policy uncertainty and a slew of disappointing macroeconomic (such as an increase in initial claims for state unemployment benefits for some weeks of the year in the US) and inflationary data prints denting consumer sentiment. Interruptions in the disinflation process could delay the transition to more accommodative monetary policies, with potential repercussions for fiscal health and financial stability. Efficient managing these challenges will require strategies that strike a balance between controlling inflation and supporting economic growth, rebuilding fiscal and financial reserves, as well as business and consumer confidence, and fostering medium-term growth through comprehensive structural reforms and stronger international collaboration.

In the euro area, growth is expected to pick up but at a more gradual pace than anticipated in October, with geopolitical tensions continuing to weigh on consumer sentiment. Weaker-than-expected momentum at the end of 2024, especially in manufacturing, and heightened political and policy uncertainty explain a downward revision of 0.2 percentage point to 1.0 % in 2025. In 2026, growth is set to rise to 1.4 %, helped by stronger domestic demand, as financial conditions loosen, confidence improves, and uncertainty recedes somewhat.¹

For the United States, the IMF projects GDP growth to reach 2.7 % in 2025¹, reflecting an upward revision of 0.5 pp compared to the previous estimate from October 2024².

For the United Kingdom, the IMF estimates GDP growth at 1.6 % in 2025¹, slightly higher than the 1.5 % projected in October 2024².

For Australia, economic growth remains unchanged at 2.1 % as projected in the 2025¹ as in WEO from October 2024².

For Canada, the WEO update estimates growth at 2.0 % in 2025¹, marking a downward revision of 0.4 pp compared to the earlier estimate in October 2024².

¹ <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

² <https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024>

6.2 Outlook for 2025

Our key priority in the current phase of our company is to rightsize our cost base and execute on our efficiency program, while further investing into our product. This will position us well for sustained growth in the midterm again. Driven by our current focus on efficiency and disciplined marketing spend, we are estimating for 2025 a decrease in constant currency revenue by (3 %) - (8 %). Our number of orders are expected to decrease at a slightly higher rate than revenue, while AOV is expected to further increase, partly driven by a higher share of RTE in the revenue mix. We expect our North America segment revenue overall to decline more than Group revenue, as the targeted marketing spend reduction for meal kits in this segment is higher than in International segment. In addition, we notice somewhat weakening consumer confidence in North America. For our International segment we expect a slightly negative to slightly positive constant currency revenue growth, driven by a less pronounced reduction in meal kit marketing spend. Within the RTE product group we expect to grow constant currency revenue at a low to mid-teens percentage rate. For meal kits, we expect a constant currency revenue decrease of more than (10 %).

Supported by the substantial efficiency program, which runs until end 2026, and meaningful investments into the Group's physical and digital product, the Group targets to increase AEBIT (pre impairment) for 2025 meaningfully, from EUR 136 million in 2024 to MEUR 200 to MEUR 250 in 2025 representing a c. 65% increase at the midpoint of the outlook range. The targeted AEBIT increase would also be commensurate with meaningful growth in AEBITDA on Group level, from MEUR 399 million in 2024 to c. MEUR 450 to MEUR 500 in 2025.

This outlook is based on a US\$ to EUR rate of c. 1.04, as well as current FX rates for our other major currencies. A strengthening of the EUR would decrease HelloFresh's reported Group AEBIT(DA) and vice versa.

This 2025 outlook does not reflect the impact of potential prolonged tariffs on agricultural and packaging products in North America, which in an unmitigated form, could impact AEBIT and AEBITDA.

7. Supplementary Management Report to the Separate Financial Statement of HelloFresh SE

The management report and the Group management report have been combined. The following comments are based on the accompanying HelloFresh SE stand-alone financial statements (also referred to as the ‘Company’) that have been prepared according to the German Commercial Code (“HGB”) and the German Stock corporation Act (“AktG”). The annual financial statements and the management report will be announced in the German Federal Gazette (Unternehmensregister).

7.1 Basic information

HelloFresh SE is the parent company of the HelloFresh Group and operates from its headquarters, located in Berlin, Germany. Operations of the Company comprise overall strategy setting, financing activities, especially funding of subsidiaries, central procurement as well as management services for the subsidiaries. Management services are provided by central functions such as tech, legal and finance as well as by operations, business intelligence and marketing teams.

HelloFresh SE is represented by its Management Board, which defines the Group strategy.

Since the statutory financial statements of HelloFresh SE were prepared according to German commercial law and the Group financial statements according to International Financial Reporting Standards (“IFRS”), differences exist regarding recognition and measurement principles. These differences primarily relate to financial instruments, share based compensation, foreign exchange differences, deferred taxes, the recognition of transaction costs within equity, as well as the capitalization regarding operating leases according to IFRS 16 and convertible bond. Furthermore, differences may exist on how income and expenses are presented within the Income Statement.

In view of HelloFresh SE, net profit is the main performance indicator. Net profit is earnings after deduction of all expenses and taxes. The net result for the financial year 2024 decreased from MEUR 37.6 in 2023 to MEUR (73.2), which was driven on the one hand by a decrease of the recharged value based service fees, following HelloFresh’s agreed transfer pricing agreements and on the other hand on an adjustment for prior years as a result from a bilateral MAP and APA by the German and U.S. competent authorities.

On 13 May 2020, HelloFresh issued a convertible bond with an issue size of MEUR 175.0, which matures on 13 May 2025 and has a yearly coupon of 0.75 % payable semi-annually (refer to [NOTE 13](#) for more details). On 25 October 2023, HelloFresh announced the buy-back of a part of the convertible bond to repurchase in small amounts on an opportunistic basis depending on price developments and limited to a maximum total of EUR 50 millions nominal of convertible bonds. The program got concluded on 5 December 2024. The Company bought back a total of MEUR 35.0 (2023: MEUR 3.0) of convertible bonds.

7.2 Performance of HelloFresh

7.2.1 Financial performance of HelloFresh SE

The financial performance for HelloFresh SE is presented in the table below.

In MEUR	2024	2023
Revenue	541.1	584.0
Cost of sales	(373.3)	(367.4)
% of revenue	(69.0%)	(62.9 %)
Gross Margin	167.9	216.6
% of revenue	31.0%	37.1 %
SG&A	(256.9)	(228.1)
% of revenue	(47.5%)	(39.1 %)
Other operating result	(93.8)	0.7
% of revenue	(17.3%)	0.1 %
Operating (loss)	(182.9)	(10.8)
% of revenue	(33.8%)	(1.9 %)
Finance result	81.7	61.9
Income taxes	28.7	(13.0)
Other taxes	(0.8)	(0.5)
Net (loss) / profit	(73.2)	37.6

The revenues of the HelloFresh SE majorly consist of arm's length service recharges to subsidiaries and value based service fees ('Holding Fee'). Total revenues decreased from MEUR 584.0 in 2023 to MEUR 541.1 in the financial year 2024.

The revenue development is driven by the increase of service recharges to subsidiaries from MEUR 378.6 in 2023 to MEUR 389.5 in 2024, which were primarily based on an increase of centrally purchased and recharged marketing services and IT licenses. Recharges to subsidiaries comprise routine services, such as finance and legal functions, as well as centrally purchased services, such as IT licenses and marketing services. In parallel, the Holding Fee decreased from MEUR 205.5 in 2023 to MEUR 142.2 in 2024, driven by a profit reduction in selected subsidiaries that was not fully compensated by an increase of value based service fees from affiliated companies in the ready-to-eat business.

The increase in General and Administrative expenses ("SG&A") was mainly due to the increase in amortization of internally generated intangible assets by MEUR 9.5 from MEUR 21.6 in 2023 to MEUR 31.1 in 2024, as well as the MEUR 15.6 increase in personnel costs (from MEUR 46.3 in 2023 to MEUR 61.9 in 2024) for employees in further centralized holding functions, that are contracted in subsidiaries and recharged to HelloFresh SE.

The other operating result majorly includes an adjustment for prior years as a result from a combined bilateral Mutual Agreement Procedure (MAP) and Advance Pricing Agreement (APA) by the German and U.S. competent authorities and additionally unrealized and realized foreign currency effects.

The 2024 finance result increased from MEUR 61.9 in 2023 to MEUR 81.7 in 2024, which is the netted result of finance income of MEUR 101.7 (2023: MEUR 71.8) and finance expenses of MEUR 20.0 (2023: MEUR 9.9). The finance income mainly includes dividend distributions from subsidiaries of MEUR 59.1 (2023: MEUR 47.5) and interests on intercompany loans of MEUR 24.8 (2023: MEUR 8.3). The interest income from loans increased in 2024 due to the increase in full-year average risk free interest rates and derived credit risk based interest margins for intercompany financing.

With financial reporting 2023, the Company forecasted a net profit for 2024 slightly below the 2023 level (MEUR 37.6), assuming that a decrease in recharged holding fees would not be fully compensated by an increase in the financial result. The decrease in the recharged holding fees amounted to MEUR 63.3 in 2024 (from MEUR 205.5 in 2023 to MEUR 142.2 in 2024), which was partially offset by an increase in the financial result of MEUR 16.7. The net loss generated for the fiscal year 2024 was also significantly influenced by a decrease in other operating income from MEUR 0.7 in 2023 by MEUR 94.5 to MEUR (93.8). As a result this forecast was clearly not met, majorly by the impact of the adjustments for prior years recorded in 2024 as a result from the MAP and APA by the German and U.S. competent authorities.

7.2.2 Net assets of HelloFresh SE

The table below represents the aggregated balance sheet of the Company:

In MEUR	31 December 2024	31 December 2023
Assets		
Intangible assets	93.4	80.9
Fixed assets	10.4	13.1
Financial assets	572.9	791.4
Intercompany receivables	417.4	137.6
Other assets	71.0	66.6
Cash and Cash equivalents	360.7	198.2
Total assets	1,525.9	1,287.8
Provisions		
Tax provisions	16.3	—
Other provisions	83.0	77.4
Total Provisions	99.4	77.4
Liabilities		
Trade liabilities	20.5	27.7
Intercompany liabilities	325.6	120.7
Bonds and bank loans	327.0	172.0
Other liabilities	3.8	2.7
Deferred tax liabilities	—	3.6
Total liabilities	676.9	326.7
Net assets	749.6	883.7
Equity		
Common stock	173.2	173.2
Treasury shares	(10.8)	(2.1)
Capital reserve	341.0	401.4
Accumulated profit	237.9	311.2
Total equity	741.4	883.7

The net assets of the Company are comprised primarily of financial assets, intercompany receivables as well as cash and cash equivalents.

The Intangible assets increased by MEUR 12.5 to MEUR 93.4 (2023: MEUR 80.9), mainly driven by development costs for internally generated intangible assets. The total volume of MEUR 45.1 capitalized share our total technology expenditure are spread across multiple strategies and initiatives in the tech organization across the areas of Growth & Customer Engagement, Customer Offering, Operations and Foundations & Technology, of which the biggest developments in the 2024 financial year are on i) Global AI (MEUR 1.6; 2023: MEUR 1.4), ii) Supply Chain Management Optimization (MEUR 1.4k; 2023: MEUR 1.1), iii) Delivery Satisfaction (MEUR 1.3; 2023: MEUR 0.5), iv) Loyalty Journey (MEUR 1.0; 2023: MEUR 0) and v) Product Analytics (MEUR 1.0; 2023: MEUR 0.7).

The financial assets mainly comprise shares in Group companies MEUR 312.4 (2023: MEUR 296.9) and non-current loans to Group companies MEUR 259.9 (2023: 493.6). The changes are majorly driven by loan repayments from Grocery Delivery E-Services USA Inc. (MEUR 160,2) and GDE Grocery Delivery E-Services Canada Inc. (MEUR 16.0). Intercompany receivables increased from MEUR 137.6 by MEUR 279.8 to MEUR 417.4, majorly driven by a the implementation of further Zero-Balancing-Cash-Pools in the fiscal year 2024.

The other assets position mainly includes prepaid expenses MEUR 13.9 (2023: 23.6), corporate tax and trade tax receivable from the tax office of MEUR 40.8 (2023: MEUR 20.6). The decline of prepaid expenses is primarily driven by a disagio of the convertible bond of MEUR 1.4 (2023: MEUR 7.0).

The company acquired own shares. For further disclosures please refer to the notes to the separate financial statements.

Liabilities mainly comprise the debt component of the convertible bond of MEUR 137.0 (2023: MEUR 172.0). The reduction is a result of continuous buy back of convertible bonds as part of a buy-back program, which was announced on 25 October 2023 and concluded on 5 December 2024. In 2024, the company bought back a total of MEUR 35.0 (2023: MEUR 3.0). In 2024, the company has drawn on a new MEUR 190.0 (2023: MEUR 0.0) bank loan of up to five years maturity with a syndicate of banks and intends to use the majority of proceeds to refinance the extant amount of convertible bonds that mature in May 2025.

The total provisions increased by MEUR 22.0 from MEUR 77.4 in 2023 to MEUR 99.4 in 2024, primarily due to an increase of other provisions to MEUR 83.0 (2023: MEUR 77.4) and an increase of tax provisions from MEUR 0.0 in 2023 to MEUR 16.3 in 2024. The tax provision mainly results from the MAP and APA by the German and U.S. competent authorities.

Other provisions comprise primarily provisions for virtual share-based compensation plans (MEUR 64.1; 2023: MEUR 64.1), outstanding supplier invoices (MEUR 12.7; 2023: MEUR 8.6) and personnel-related obligations for accrued vacation and bonuses (MEUR 3.3; 2023: MEUR 2.9).

7.2.3 Financial position of HelloFresh SE

HelloFresh SE holds a MEUR 400.0 revolving credit facility of which MEUR 362.9 are not utilized and available at the end of 2024 to be drawn in cash or used for other non-balance sheet commitments, like guarantees, letters of credit and other. The facility matures in 2027.

7.3 Risks and Opportunities

The business of HelloFresh SE is, in all material respects, subject to the same risks and opportunities as the Group. As HelloFresh SE is the majority owner of all country operations, it participates in the risks and opportunities associated to these operations. The overall risk assessment of management is therefore consistent with management's assessment for the Group as shown in [Section 5](#).

7.4 Outlook 2025

Due to the nature of the Company's operations, future development of the Company over longer periods of time is highly interlinked with the development of the HelloFresh Group. For 2025, we expect the Company's net profit for the year to be positive again, slightly below the level of 2023 (MEUR 37.6), after it was significantly influenced in the 2024 financial year by the out-of-period effect of adjustments to the offset charges for previous years resulting from the conclusion of a bilateral mutual agreement procedure on transfer pricing (APA) between German and US tax authorities.

8. Corporate Governance Statement

The corporate governance statement issued in accordance with Sec. 289f HGB and Sec. 315d HGB including the statement of conformity relating to the German Corporate Governance Code (GCGC) in accordance with Sec. 161 AktG (published in December 2024) as well as the Compensation report (to be published in March 2025) is made publicly available separately from the management report on the website of the parent Company under:

<https://ir.hellofreshgroup.com/websites/hellofresh/English/4000/corporate-governance.html>

9. Combined Non-Financial Report

Our combined Non-Financial Report for HelloFresh SE and the HelloFresh Group is published separately in accordance with Section 289b through Section 289e, and in conjunction with Section 315b and Section 315c HGB. The Non-Financial Report will be made publicly available on the website of the parent Company under:

<https://ir.hellofreshgroup.com/websites/hellofresh/English/2000/publications.html#publication-annual>

10. Takeover Law

Explanatory Report by the Management Board in Accordance with Sec. 176 (1) Sentence 1 AktG on Disclosures Relating to Takeover Law in Accordance with Sec. 289a Sentence 1 and 315a Sentence 1 HGB

In accordance with Sec. 176 (1) sentence 1 AktG, the Management Board of HelloFresh SE has prepared the following explanatory report on the disclosures relating to Takeover Law in accordance with Sec. 289a sentence 1 and Sec. 315a sentence 1 HGB.

Composition of subscribed capital (Sec. 289a Sentence 1 No. 1 HGB and 315a Sentence 1 No. 1 HGB)

As of 31 December 2024, the paid-in share capital amounts to EUR 173,190,562.00. The share capital is divided into 173,190,562 no-par value bearer shares representing a share of the share capital of EUR 1.00 each. The shares are fully paid in. Each share carries identical rights and obligations. Each share entitles the bearer to one vote.

Restrictions relating to the voting rights or the transfer of shares (Sec. 289a Sentence 1 No. 2 HGB and 315a Sentence 1 No. 2 HGB)

As of 31 December 2024, the Company holds shares with a nominal value of EUR 10,794,144 as treasury shares from which no rights accrue to the Company pursuant to Sec. 71b AktG.

On 17 December 2024, the Company concluded its 2023/2024 MEUR 150 buy-back program, split into the MEUR 113.25 buy-back of shares in the Company and MEUR 36.75 buy-back of convertible bonds.

On 23 December 2024, the Company announced to launch a new share buy-back program of up to MEUR 75. The program started on 2 January 2025 and will terminate at the latest on 31 December 2025.

Direct or indirect shareholdings exceeding ten percent of the voting rights (Sec. 289a Sentence 1 No. 3 HGB and 315a Sentence 1 No. 3 HGB)

As of 31 December 2024 the following shareholder held directly or indirectly more than 10% of the voting rights in HelloFresh SE:

Morgan Stanley, with registered office in Wilmington, Delaware, USA, and with 23,874,518 voting rights attributed as notified last by such shareholder, representing a stake of 13.79% of the voting rights in HelloFresh SE at the time of the voting rights notification in December 2024.

Holders of shares with special rights conferring powers of control (Sec. 289a Sentence 1 No. 4 HGB and 315a Sentence 1 No. 4 HGB)

There are no holders of shares with special rights conferring powers of control.

Voting right control, if employees hold an interest in the capital and do not exercise their control rights directly (Sec. 289a Sentence 1 No. 5 HGB and 315a Sentence 1 No. 5 HGB)

Sec. 289a sentence 1 no. 5 and Sec. 315a Sentence 1 No. 5 HGB are not applicable.

Legal requirements and provisions of the Articles of Association relating to the appointment and removal of members of the Management Board and to amendments to the Articles of Association (Sec. 289a Sentence 1 No. 6 HGB and 315a Sentence 1 No. 6 HGB)

The Supervisory Board appoints the members of the Management Board on the basis of Art. 9 (1), Art. 39 (2) and Art. 46 of the EC Regulation on the Statute for a European company, Sec. 84 and Sec. 85 AktG and Sec. 6 (3) of the Company's Articles of Association for a term of office of no more than five years; members may be reappointed.

Under Sec. 6 (1) sentence 1 of the Company's Articles of Association, the Management Board consists of one or more members, whereas the Supervisory Board determines the number of Management Board members.

In accordance with Sec. 179 (1) sentence 1 AktG, the Annual General Meeting decides on amendments to the Articles of Association. Amendments to the Articles of Association are made in accordance with Art. 59 (1) of the EC Regulation on the Statute for a European company, Sec. 179 and Sec. 133 AktG with the exception that only a majority of 2/3 of the votes cast or, if at least half of the share capital is represented, only a simple majority of the votes cast is required for amending the Company's Articles of Association. However, a majority of 3/4 of the share capital represented at the

Annual General Meeting is required for every amendment of the Company's Articles of Association concerning the purpose of the Company (Unternehmensgegenstand). Under Sec. 179 (1) sentence 2 AktG in conjunction with Sec. 10 (5) of the Articles of Association, the Supervisory Board is authorized to decide on amendments and supplements to the Articles of Association which relate only to the wording. In accordance with Sec. 4 (2), (4) and (5) of the Articles of Association, the Supervisory Board is authorized in particular to amend and revise Sec. 4 of the Articles of Association (Registered Share Capital) subsequent to the use of authorized or conditional capital.

[Authority of the Management Board to issue or redeem shares \(Sec. 289a Sentence 1 No. 7 HGB and 315a Sentence 1 No. 7 HGB\)](#)

Acquisition of treasury shares

On 2 May 2024, the Annual General Meeting of HelloFresh SE adopted a resolution authorizing the Management Board, with the approval of the Supervisory Board, to acquire until 1 May 2027 the Company's own shares representing up to 10% of the Company's capital stock existing on the date of the resolution, or if lower, on the date of exercising the authorization, provided that the principle of equal treatment (Art. 9 (1) c) (ii) of the EC Regulation on the Statute for a European company in conjunction with Sec. 53a AktG) is applied. Together with the Company's other treasury shares previously acquired and still held by the Company or which are attributable to the Company under Art. 5 of the EC Regulation on the Statute for a European company in conjunction with Sec. 71a et seq. AktG, the shares acquired under this authorization may at no time exceed 10% of the respective Company's share capital.

This authorization may be exercised on one or more occasions, wholly or in part, in pursuit of one or more purposes by the Company, but also by Group companies or by third parties for account of the Company or Group companies.

Among others, the acquisition of treasury shares is permitted for the following purposes:

- Shares may be cancelled and the Company's share capital may be reduced by the portion of the share capital attributable to the retired shares.
- Shares may be offered and transferred to persons who are or were employed by the Company or any of its affiliates, to board members of the Company or its affiliates or investment vehicles, or to other holders of purchase rights arising in particular from call options (issued by the Company's legal predecessors) or to holders of payment claims from virtual options, restricted stock units or other (employee) participation instruments (insofar as the Company has a right to choose to service these in shares and the Company exercises this right) which have been or will be issued by the Company, the legal predecessors of the Company or their subsidiaries as part of (employee) participation programs and are offered and transferred for direct or indirect acquisition, whereby it is sufficient that the beneficiaries (e.g. with the involvement of a trustee) acquire the economic ownership of the shares.
- Shares may be offered and transferred to persons who are or were employed by the Company or any of its affiliates to fulfill commitments which were granted in connection with the employment.
- With the approval of the Supervisory Board, the shares may be offered and transferred to third parties in return for non-cash contributions, in particular in connection with business combinations or the (indirect) acquisition of entities, operations, business units or equity investments, as consideration for services provided by third parties not affiliated with the Company (in particular service providers) and for the (also indirect) acquisition of assets or claims to the acquisition of assets, including receivables from the Company or its group companies. The above-mentioned shares can also be used to end or settle corporate appraisal proceedings relating to affiliated companies of the Company.
- With the approval of the Supervisory Board, the shares may be sold to third parties excluding shareholders' subscription rights in return for cash payment if the price for which the Company's shares are sold is not significantly lower than the market price of a share in the Company on the sale date.
- The shares may be used to fulfill obligations or rights to acquire shares in the Company arising from and in connection with convertible or warrant bonds or profit participation rights with convertible or option rights or obligations issued by the Company or one of its group companies.

In fiscal year 2024, the Company transferred and sold in total 1,584,073 treasury shares to fulfill payment claims from virtual options and restricted stock units which have been issued by the Company, the legal predecessors of the Company and its subsidiaries as part of (employee) participation programs. The Company acquired a total of 10,298,461 treasury shares as part of a share buyback program in the period from 2 January 2024 to 17 December 2024.

Authorized Capital 2022/I

The Management Board was authorized by resolution of the Annual General Meeting of 12 May 2022, with the approval of the Supervisory Board on one or more occasions, to increase the share capital by up to EUR 47,182,684.00 by issuing up to a total of 47,182,684 new no-par value bearer shares in return for cash and/or non-cash contributions by 11 May 2025 (Authorized Capital 2022/I) and, within predefined limits, to exclude the shareholders' subscription right. After partial use of this authorization in the fiscal years 2022 and 2023, the Authorized Capital 2022/I amounted to EUR 45,720,173.00 at the beginning of fiscal year 2024.

No use was made of this authorization in fiscal year 2024. The Authorized Capital 2022/I was canceled by resolution of the Annual General Meeting of 2 May 2024.

Authorized Capital 2024/I

The Management Board is authorized by resolution of the Annual General Meeting of 2 May 2024, with the approval of the Supervisory Board on one or more occasions, to increase the share capital by up to EUR 64,276,225.00 by issuing up to a total of 64,276,225 new no-par value bearer shares in return for cash and/or non-cash contributions by 1 May 2027 (Authorized Capital 2024/I) and, within predefined limits, to exclude the shareholders' subscription right. This authorized capital is listed in the commercial register as Authorized Capital 2024/I (Genehmigtes Kapital 2024/I).

No use was made of this authorization in fiscal year 2024.

Conditional Capital 2018/II

By resolution of the Annual General Meeting of the Company of 5 June 2018, the Company's share capital is conditionally increased by up to EUR 5,000,000.00 by issuing up to 5,000,000 new no-par value bearer shares (ordinary shares) after partial revocation of such conditional share capital increase by resolution of the Annual General Meeting of the Company of 30 June 2020 (Conditional Capital 2018/II).

The Conditional Capital 2018/II serves to grant shares when conversion or option rights are exercised or to fulfill conversion or option obligations to the holders or creditors of convertible bonds, warrant bonds, profit participation rights and/or income bonds (or combinations of such instruments) (collectively, the "Bonds") issued under the authorization resolution adopted by the Annual General Meeting of 5 June 2018.

No use was made of this authorization in fiscal year 2024. This conditional capital is listed in the commercial register as Conditional Capital 2018/II (Bedingtes Kapital 2018/II).

Conditional Capital 2022/I

By resolution of the Annual General Meeting of the Company of 12 May 2022, the Company's share capital was conditionally increased by up to EUR 17,394,227.00 by issuing up to 17,394,227 new no-par value bearer shares (Conditional Capital 2022/I).

The Conditional Capital 2022/I served to grant shares upon the exercise of conversion or option rights or upon the fulfillment of conversion or option obligations to the holders or creditors of Bonds issued on the basis of the authorization of the Annual General Meeting of 12 May 2022.

No use was made of this authorization in fiscal year 2024 and the Conditional Capital 2022/I was cancelled by resolution of the Annual General Meeting of 2 May 2024.

Conditional Capital 2024/I

By resolution of the Annual General Meeting of the Company of 2 May 2024, the Company's share capital is conditionally increased by up to EUR 17,319,056.00 by issuing up to 17,319,056 new no-par value bearer shares (Conditional Capital 2024/I).

The Conditional Capital 2024/I serves to grant shares when conversion or option rights are exercised or to fulfill conversion or option obligations to the holders or creditors of convertible bonds, warrant bonds, profit participation rights and/or income bonds (or combinations of such instruments) issued under the authorization resolution adopted by the Annual General Meeting of 2 May 2024.

No use was made of this authorization in fiscal year 2024. This conditional capital is listed in the commercial register as Conditional Capital 2024/I (Bedingtes Kapital 2024/I).

Significant agreements of the Company contingent upon a change of control as a result of a takeover bid and the resulting consequences (Sec. 289a Sentence 1 No. 8 HGB and 315a Sentence 1 No. 8 HGB)

The Company's significant agreements contingent upon a change of control relate on the one hand to agreements for the Company's credit facilities. In the event of a change of control, these agreements grant the lender the right to terminate the facility and demand early repayment. Additionally, the terms and conditions of the convertible bonds issued by the Company on 13 May 2020 provide for a special conversion right with an adjusted conversion price in case of a change of control or a take-over bid (subject to an acceptance event). In addition, there are a number of rental and lease agreements entered into by subsidiaries of HelloFresh SE which, in the event of a change of control, assume a change of tenant and therefore require the approval of the landlord or lessor.

In the event of a change of control, certain options granted under the VSOP 2016 vest faster and some of any unvested virtual options may be exercised. The number of such exercisable virtual options depends, among other things, on the acquisition of shares in connection with the change of control.

Compensation arrangements with members of the Management Board in the event of a takeover bid (Sec. 289a Sentence 1 No. 9 HGB and 315a Sentence 1 No. 9 HGB)

In the event of a change of control, the service contracts of Management Board members contain a one-time special termination right (with a notice period of three months to the end of the month) and right to resign from office as member of the Management Board on such termination date. Should a member of the Management Board exercise this special termination right, they are entitled to a gross severance payment from the Company.

As described above, the VSOP 2016 provide accelerated vesting in the event of a change of control and an option to exercise some of any unvested virtual options.

Berlin, 12 March 2025

Dominik Richter
Chief Executive Officer

Thomas Griesel
Chief Executive Officer
International

Christian Gaertner
Chief Financial Officer

Edward Boyes
Chief Commercial Officer

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C Consolidated Financial Statements

Consolidated Statement of Financial Position as of 31 December 2024

in MEUR	Note	31 December 2024	31 December 2023
Assets			
Non-current assets			
Property, plant and equipment	8, 9	1,201.3	1,298.9
Intangible assets	10	125.8	114.5
Goodwill	7	285.4	276.0
Other financial assets	13	18.0	21.9
Other non-financial assets	15	0.5	0.8
Deferred tax assets	23	114.3	44.3
Total non-current assets		1,745.3	1,756.4
Current assets			
Inventories	11	237.2	222.4
Trade receivables	13, 14	20.7	17.8
Other financial assets	13	18.5	19.1
Other non-financial assets	15, 23	124.3	132.5
Cash and cash equivalents	12, 14	486.7	433.1
Total current assets		887.4	824.9
Total assets		2,632.7	2,581.3

Consolidated Statement of Financial Position (continued)

as of 31 December 2024

in MEUR	Note	31 December 2024	31 December 2023
Equity and liabilities			
Share Capital	17	173.2	173.2
Treasury shares	17	(101.0)	(31.5)
Capital reserves	17	355.6	355.6
Other reserves	17	283.1	220.8
Retained earnings		176.6	313.0
Other comprehensive income / (loss)	17	4.2	(9.5)
Equity attributable to the Company's shareholders		891.7	1,021.6
Non-controlling interests	28	(3.3)	(2.6)
Total equity		888.4	1,019.0
Non-current liabilities			
Other financial liabilities	13, 9	491.2	441.1
Deferred tax liabilities	23	36.8	12.9
Long-term debt	13, 14, 25	188.2	163.8
Provisions	18	50.0	31.5
Other non-financial liabilities	16	2.0	—
Total non-current liabilities		768.2	649.3
Current liabilities			
Trade and other payables	13	526.8	560.2
Other financial liabilities	13, 9	112.5	115.5
Short-term debt	13	135.2	—
Provisions	18	19.1	21.8
Contract liabilities	6	64.4	93.6
Income tax liabilities	23	22.1	3.9
Other non-financial liabilities	16	96.1	118.0
Total current liabilities		976.1	913.0
Total equity and liabilities		2,632.7	2,581.3

Consolidated Statement of Comprehensive Income for the year ended as of 31 December 2024

in MEUR	Note	2024	2023
Revenue	6	7,661.3	7,596.6
Procurement and cooking expenses		(2,883.1)	(2,675.6)
Fulfilment expenses		(3,017.6)	(2,910.7)
Marketing expenses		(1,455.0)	(1,440.5)
General and administrative expenses		(424.9)	(411.0)
Other operating income		15.4	17.9
Other operating expenses		(26.0)	(14.6) ¹
Loss allowance on trade receivables	14	(47.2)	(49.6) ¹
Operating profit / (loss)		(177.1)	112.5
Interest income	22	12.9	7.6
Interest expense	22	(38.6)	(35.3)
Other finance income	22	27.8	6.0
Other finance expense	22	(4.4)	(17.5)
Profit / (loss) before income tax		(179.4)	73.3
Income tax	23	42.3	(55.2)
Profit / (loss) for the year		(137.1)	18.1
attributable to:			
Owners of the Company		(136.4)	19.4
Non-controlling interests	28	(0.7)	(1.3)
Other comprehensive income (loss):			
Items that will be subsequently reclassified to profit or loss when specific conditions are met			
Exchange differences on translation to presentation currency, net of tax		13.6	(12.7)
Fair value remeasurement of financial instruments, net of tax		0.1	1.0
Other comprehensive income / (loss) for the year		13.7	(11.7)
Total comprehensive income / (loss) for the year		(123.4)	6.4
Total comprehensive income / (loss) for the year			
Owners of the Company		(122.7)	7.7
Non-controlling interests		(0.7)	(1.3)
Basic earnings per share (in EUR)	24	(0.82)	0.11
Diluted earnings per share (in EUR)	24	(0.83)	0.10

¹ Presentation changed, see Note 14

Consolidated Statement of Changes in Equity for the year ended as of 31 December 2024

in MEUR	Notes	Attributable to the owners of the Company						Attributable to non-controlling interests	Total	
		Share capital	Treasury shares	Capital reserves	Other reserves	Retained earnings	Other comprehensive income (loss)			
As at 1 January 2023		171.9	(1.3)	356.1	138.4	294.4	2.2	961.7	(2.1)	959.6
Profit (loss) for the year		–	–	–	–	19.4	–	19.4	(1.3)	18.1
Currency translation	17	–	–	–	–	–	(12.7)	(12.7)	–	(12.7)
Fair value remeasurement of financial instruments		–	–	–	–	–	1.0	1.0	–	1.0
Total comprehensive income (loss)								7.7	(1.3)	6.4
Issue of share capital	17	1.3	–	(0.5)	–	–	–	0.8	–	0.8
Share buy back	17	–	(30.2)	–	–	–	–	(30.2)	–	(30.2)
Cash payout of share based compensation	17	–	–	–	(1.4)	–	–	(1.4)	–	(1.4)
Share-based compensation expenses (equity-settled)	17, 19	–	–	–	83.8	–	–	83.8	–	83.8
Purchase of non-controlling interest	17	–	–	–	–	(0.8)	–	(0.8)	0.8	–
Balance as at 31 December 2023		173.2	(31.5)	355.6	220.8	313.0	(9.5)	1,021.6	(2.6)	1,019.0
Total equity as at 1 January 2024		173.2	(31.5)	355.6	220.8	313.0	(9.5)	1,021.6	(2.6)	1,019.0
Profit (loss) for the period		–	–	–	–	(136.4)	–	(136.4)	(0.7)	(137.1)
Currency translation	17	–	–	–	–	–	13.6	13.6	–	13.6
Fair value remeasurement of financial instruments		–	–	–	–	–	0.1	0.1	–	0.1
Total comprehensive income (loss)								(122.7)	(0.7)	(123.4)
Reissuance of treasury shares	17	–	1.9	–	–	–	–	1.9	–	1.9
Share buy back	17	–	(83.1)	–	–	–	–	(83.1)	–	(83.1)
Cash payout of share based compensation	17	–	–	–	(1.2)	–	–	(1.2)	–	(1.2)
Share-based compensation (equity-settled)	17	–	11.7	–	63.5	–	–	75.2	–	75.2
Balance as at 31 December 2024		173.2	(101.0)	355.6	283.1	176.6	4.2	891.7	(3.3)	888.4

Consolidated Statement of Cash Flows for the year ended as of 31 December 2024

in MEUR	Notes	2024	2023
Cash flow from operating activities			
Profit (Loss) for the year		(137.1)	18.1
Adjustments for:			
Interest expense	22	38.6	35.3
Interest income	22	(12.9)	(7.6)
Other finance income	22	(27.9)	(6.0)
Other finance expense	22	4.4	17.5
Income tax	23	(42.3)	55.2
Income tax paid		(30.2)	(106.7)
Income tax refund received		33.1	—
Depreciation, amortization and impairment	8, 9, 10	444.7	231.3
Loss on disposal of fixed assets		(1.4)	1.4
Share-based compensation expenses	19	94.4	82.0
Other non-cash transactions		(21.6)	(10.3)
(Decrease) / Increase in provisions	18	13.9	1.2
Changes in working capital related to operating activities			
(Increase) / decrease in trade receivables	13	(3.0)	2.8
(Increase) / decrease in inventories	11	(5.4)	38.2
Increase / (decrease) in trade and other payables	13	(41.5)	47.0
Increase / (decrease) in contract liabilities	6	(48.4)	(7.5)
Net change in other components of operating working capital		(18.8)	9.5
(Increase) / decrease in other financial assets	13	2.9	(9.4)
(Increase) / decrease in other non-financial assets	15	(0.9)	(1.8)
Increase / (decrease) in other financial liabilities	13	8.5	(0.3)
Increase / (decrease) in other non-financial liabilities	16	10.7	15.5
Interest received		12.7	7.4
Interest received (IFRS 16)		0.1	0.2
Interest paid	13	(4.2)	(2.5)
Interest paid (IFRS 16)	13	(29.0)	(26.9)
Net cash from operating activities		239.3	383.8
Cash flow from investing activities			
Purchase of property, plant and equipment	8	(112.2)	(250.4)
Software development expenditure	10	(47.7)	(42.8)
Purchase of intangible assets	10	(6.2)	(12.6)
Proceeds from government grants	16	2.2	—
Lease payments received from finance leases (IFRS 16)	9	1.3	1.6
Payment of contingent purchase price liability		—	(34.5)
Placement of restricted cash accounts and deposits	9	—	(5.7)
Withdrawal from restricted cash accounts and deposits	9	—	4.9
Net cash used in investing activities		(162.6)	(339.6)
Cash flow from financing activities			
Repayment of principal under IFRS 16	9	(96.8)	(75.6)
Repurchase under share buyback program	17	(83.1)	(30.2)
Repurchase under convertible bond buyback program	13	(34.0)	(2.8)
Proceeds from loan facilities	13	188.2	—
Repurchase of equity instruments due to share-based compensation		(1.2)	(1.4)
Proceed from the issue of share capital		—	0.8
Repurchase of shares in subsidiaries		—	(1.6)
Net cash used in financing activities		(26.9)	(110.8)
Effects of exchange rate changes on cash and cash equivalents		3.7	(4.2)
Cash and cash equivalents at the beginning of the year		433.1	504.0
Cash and cash equivalents at the end of the year		486.7	433.1

Notes to the Consolidated Financial Statements

1. Corporate Information

The accompanying consolidated financial statements and notes present the operations of HelloFresh SE (the “Company” or “Parent”), and its subsidiaries (combined the “Group” or “HelloFresh”). HelloFresh SE is a European company (Societas Europaea or SE) incorporated in Germany, and governed by European and German Law. The Company’s registered office and headquarters are located in Prinzenstraße 89, 10969 Berlin, Germany. The Company is registered in the commercial register of Charlottenburg (Berlin) under HRB 182382B.

The Group’s principal business activity is to provide food solutions to customers. This includes meal kits, add-on products and ready-to-eat meals. The Group also operates two smaller businesses, a premium direct-to-customer butcher brand, Good Chop, and human-grade pet food brand, The Pets Table.

2. Basis of Accounting

The Group’s consolidated financial statements are prepared in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) and the additional requirements of the German Commercial Code pursuant to Sec. 315e (1) HGB. The interpretations of the International Financial Reporting Interpretations Committee (IFRIC) that were applicable for the reporting period have also been implemented.

The fiscal year corresponds to the calendar year. To improve the clarity of presentation, various items of similar nature in the statement of comprehensive income and in the statement of financial position have been aggregated. These items are shown and explained separately in the notes.

The consolidated financial statements have been prepared on a historical cost basis, except as noted in the Summary of Material Accounting Policies (see **NOTE 3**). The material accounting policies used in the preparation of these consolidated financial statements are set out below and were consistently applied to all the periods presented.

The consolidated financial statements have been prepared on a going concern basis, which contemplates realization of assets and discharge of liabilities in the normal course of business.

The consolidated financial statements were authorized by the Management Board on 12 March 2025.

3. Summary of Material Accounting Policies

IFRSs issued, EU endorsed and initially adopted in the reporting period

The Group has applied the following amendments for the first time for the annual reporting period commencing 1 January 2024:

Standard/ Interpretation	Title of the standard / interpretation or amendment	First time application	Impact
Amendments to IAS 1	Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants	1.1.2024	Not material
Amendments to IFRS 16	Lease Liability in Sale and Leaseback	1.1.2024	N/A
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangement	1.1.2024	N/A

The amendments listed above did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

Presentation of Statement of Comprehensive Income

The Group structures its Statement of Comprehensive Income by functions. For that purpose, it breaks its Cost of Sales down into the line items Procurement and Cooking Expenses and Fulfilment Expenses, excluding fees to payment service providers. Cost of sales for the year ended 31 December 2024 are MEUR 5,774.8 (2023: MEUR 5,455.2).

Presentation currency

The consolidated financial statements are presented in Euro (EUR), which is the functional currency of HelloFresh SE. All amounts have been rounded to the nearest million with a fractional digit (MEUR), unless otherwise indicated. Consequently, rounding differences may occur within the tables included in the notes to the consolidated financial statements. The percentages have been calculated on the basis of the non-rounded Euro amounts.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2024. Subsidiaries are all companies that are controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ends.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (“OCI”) are attributed to the equity holders of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any ownership retained in the former subsidiary is measured at fair value when control is lost.

Composition of the Group

The financial statements of the subsidiaries are prepared for the same reporting period as for the Parent. As at 31 December 2024 the Company consolidates 43 subsidiaries (2023: 42). The detailed composition of the Group is included in [NOTE 28](#).

Business combinations and goodwill

The acquisition method is used to account for business combinations. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. Independent external appraisals are typically used for the purchase price allocation of material business combinations. Valuations in the course of business combinations are based on existing information as of the acquisition date.

The Group measures non-controlling interest that represents present ownership interest and entitles the holder to a proportionate share of net assets in the event of liquidation on a transaction by transaction basis, at either: (a) fair value, or (b) the non-controlling interest’s proportionate share of the net assets of the acquiree. Non-controlling interests that are not present ownership interests are measured at fair value.

The consideration transferred for the acquiree is measured at the fair value of the assets given up, equity instruments issued, and liabilities incurred or assumed, including the fair value of assets or liabilities from contingent consideration arrangements. The fair value of the contingent purchase price liability is remeasured at each reporting date through a scenario-based net-present-value analysis. Costs related to the acquisition such as advisory, legal, valuation and similar professional services are expensed as incurred. Transaction costs related to the acquisition and incurred for issuing equity instruments are deducted from equity; transaction costs incurred for issuing debt as part of the business combination are deducted from the carrying amount of the debt.

Goodwill is initially measured at cost by deducting the net assets of the acquiree from the aggregate of the consideration transferred for the acquiree, the amount of non-controlling interest in the acquiree and fair value of any interest in the acquiree held immediately before the acquisition date. Any negative amount (“negative goodwill, bargain purchase”) is immediately recognized in profit or loss, after management re-assesses whether it identified all

the assets acquired and all liabilities and contingent liabilities assumed and reviews appropriateness of their measurement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to group of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU)/group of CGUs and part of the operation within that unit(s) is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit(s) retained.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. The fair value of FX forward derivatives is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies;
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, considering all information about market participant assumptions that is reasonably available.

Foreign currency translation

The financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the each entity operates ("the functional currency").

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated using the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or from remeasurement of monetary items in foreign currencies are generally recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. Foreign exchange gains and losses recognized in profit or loss are presented within other operating income or expenses if they relate to operating activities or the other finance income or expense if they relate to financing activities.

The financial statements of all the Group entities that have a functional currency different from the presentation currency (foreign operations) are translated into the presentation currency as follows:

1. assets and liabilities are translated at the closing rate at the end of each reporting period;
2. income and expense items are translated into Euros at the average monthly exchange rates; and
3. all resulting exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed in its entirety or partially such that the control is lost, the cumulative amount recognized as currency translation related to that foreign operation is reclassified to profit or loss as part of gain or loss on disposal.

To finance its operating subsidiaries, HelloFresh SE often provides intercompany loans. When the settlement of a intercompany loan is neither planned nor likely in the foreseeable future (e.g. due to anticipated debt-to-equity conversion), foreign exchange gains and losses arising from such a loan are considered to form part of a net investment in a foreign operation and are recognized in other comprehensive income and presented as currency translation in equity.

Most relevant currency translation rates against Euro as at year end (for closing rate) and for the years stated (for average rate) are:

ISO Code	Closing Rate		Average Rate	
	2024	2023	2024	2023
AUD	0.60	0.61	0.61	0.61
CAD	0.67	0.68	0.67	0.69
CHF	1.06	1.08	1.05	1.03
DKK	0.13	0.13	0.13	0.13
CZK	0.04	0.04	0.04	0.04
GBP	1.21	1.15	1.18	1.15
JPY	0.01	0.01	0.01	0.01
NOK	0.08	0.09	0.09	0.09
NZD	0.54	0.57	0.56	0.57
PHP	0.02	0.02	0.02	0.02
SEK	0.09	0.09	0.09	0.09
USD	0.96	0.90	0.92	0.92

Current versus non-current presentation

The Group presents assets and liabilities in the statement of financial position based on a current or non-current classification.

An asset is classified as current when it is:

- expected to be realized or intended to be sold or consumed within the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the end of the reporting period; or
- cash or a cash equivalent; unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the end of the reporting period.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the end of the reporting period; or
- there is no right at the end of the reporting period to defer the settlement of the liability for at least twelve months after the end of the reporting period.

The Group classifies all other assets and liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, where required. The present value of the expected cost for the restoration of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Costs of minor repairs and maintenance are expensed when incurred.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount of item(s) disposed and are recognized in profit or loss within other operating income or expenses.

Depreciation

The expected useful lives of property, plant and equipment, together with their depreciation schedules are based on past experience, plans and estimates. Depreciation is calculated using the straight-line method to allocate their cost less their residual values over the following estimated useful lives (unchanged from prior year):

	Useful lives in years
Buildings	30
Furniture, fixtures and other equipment	2-10
Plant and machinery	3-15

Office and fulfilment center leasehold improvements, included within Plant and Machinery, are depreciated over the shorter of their estimated useful lives or the lease term. Land is held at cost and not depreciated.

The assets' residual values, methods of depreciation and useful lives are reviewed and adjusted prospectively, if required, at the end of each reporting period.

An impairment test is carried out when relevant events or changes in circumstances indicate that it might no longer be possible to recover the carrying amount of property, plant and equipment.

Leases (IFRS 16)

Under IFRS 16 leases of lessees are capitalized by recognizing the present value of the lease payments over the lease term and showing them as lease assets (right-of-use assets) and lease liabilities at the lease commencement date. The lessee has the right to extend or terminate the lease, when there are enforceable rights and obligations beyond the initial non-cancellable period. The parties to the lease are required to consider those optional periods in their assessment of the lease term. In accordance with IFRS 16.18, the lease term will be considered to extend beyond the non-cancellable period if the lessee has an extension option that it considered to be reasonably certain to be exercised, or a termination option that it considered to be reasonably certain not to be exercised. Right-of-use assets are presented as property, plant and equipment (see [NOTE 8](#) and [NOTE 9](#)) and the respective lease liabilities are presented as other financial liabilities (see [NOTE 9](#) and [NOTE 13](#)).

The Group leases many assets, including properties for fulfilment centers and offices, as well as charging stations, vehicles, such as cars, trucks and fork lifters and other equipment. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease. The cost represents the present value of the lease payments, initial direct costs, estimated amounts for residual value guarantees, reduced by received lease incentives. The right-of-use asset also includes estimated future costs to be incurred in dismantling any underlying asset and restoring the asset to the condition required by the lease contract (asset retirement obligation). The obligation is recognized and measured in line with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The right-of-use assets are reviewed for impairment whenever events and changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using specific incremental borrowing rates since the interest rate implicit in the lease cannot be readily determined. The lease liability is subsequently increased by the interest on the lease liability and decreased by lease payment made.

The Group has elected not to recognize right-of-use assets and lease liabilities for low value (< 5,000 EUR) and short-term leases (< 12 months). The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Intangible assets

Intangible assets, which are not acquired as part of a business combination, are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, where required. Amortization of self-generated assets begins when development is complete, and the asset is available for use. The Group’s intangible assets have a definite useful live and primarily include acquired and internally developed computer software and trademarks.

Software development expenditures on individual projects are recognized as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

The expected useful lives of intangible assets, together with their amortization schedules are based on past experience. The Group amortizes intangible assets using the straight-line method over the following estimated useful lives (unchanged from prior year):

	Useful lives in years
Internally developed software	3
Software and other licenses	3-6

As further explained in [NOTE 4](#), starting from April 2024 the Group changed the useful lives of its ready-to-eat trademarks Factor and Youfoodz from finite useful life of 10 years (with annual amortization expense of MEUR 5.8) to indefinite.

The carrying value of the internally developed software and acquired software, trademarks and customer relationships is reviewed for impairment whenever events and changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In addition, internally developed software not available for use and trademarks are tested for impairment annually.

Impairment of non-financial assets including Goodwill

For goodwill and starting from 2024 for intangible assets with indefinite useful lives, the Group performs an annual impairment test. The Group also conducts an impairment analysis of non-financial assets whenever a triggering event occurs. External triggering events may include, for example, significant adverse changes in customer behavior, economic downturns, significant changes in market or legal environment, etc. Internal triggering events for an impairment test may include damage of assets, significant changes in the assets use or its economic performance, etc.

If a triggering event exists, or when annual impairment testing for an asset is required, the Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash generating units (CGU’s) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written off to its recoverable amount.

In assessing fair value less cost of disposal, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group’s CGUs to which the individual assets are allocated. The detailed budgets cover a

period of three years. This period is further extended for 2 years to achieve a sustainable state, where relevant. A long-term growth rate is calculated and applied to project future cash flows after the third or fifth year, respectively. The underlying management forecast reflects the CGU's current performance and management's best possible estimates on the future development. The Group determines the discount rate after taxes for each CGU/group of CGUs based on a weighted average cost of capital calculation considering capital structure, cost of debt and beta factors from market peers. The discount rates used reflect the specific country risks, inflation forecasts and tax rates of the respective CGU/group of CGUs.

Impairment losses are recognized in profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU/group of CGUs is less than its carrying amount, including goodwill, an impairment loss is recognized. For the CGU/group of CGUs, the goodwill is initially reduced and an additional impairment loss is allocated pro rata to the carrying amounts of the other assets of the CGU/group of CGUs. Impairment losses relating to goodwill are not reversed in future periods.

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost is determined pursuant to the first-in first-out ("FIFO") method. The cost of inventory includes the purchase price, inbound shipping and handling costs incurred to bring the inventories to their present location and condition. Net realizable value is the estimated selling price less the estimated costs necessary to make the sale. Write-downs of inventory to net realizable value as well as any reversals of such write-downs are presented within procurement and cooking costs.

Inventory with a short shelf life that is not utilized within the planned week is directly written off to the profit and loss account.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and for which the risk of changes in value is considered to be insignificant. Cash also consists of payments due from third party financial institutions for payment settlement and credit and debit card transactions if they are similar to demand deposits or cash equivalents.

Financial Instruments (IFRS 9)

Financial instruments of the Group include all its financial assets and financial liabilities. Financial assets include trade receivables, cash and cash equivalents and other receivables and financial assets. Financial liabilities include trade and other payables, short-term and long-term debt, financial lease liabilities and other financial liabilities.

IFRS 9 sets out requirements for initial measurement, classification, subsequent measurement and derecognition of financial assets (except the initial measurement for trade receivables), financial liabilities and some contracts to buy or sell non-financial items as well as introduces rules for hedge accounting and an impairment model for financial assets.

Initial measurement

Financial instruments, except trade receivables, are measured at fair value on initial recognition. The transaction costs directly attributable to the acquisition must be taken into account for all financial assets and liabilities not subsequently measured at fair value through profit and loss. On initial recognition financial assets are classified into the different categories described in the next section. At initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price in accordance with IFRS 15.

Classification and subsequent measurement

IFRS 9 contains a classification and subsequent measurement approach for financial assets that reflects the business model in which assets are managed based on their cash flow characteristics. IFRS 9 contains three principle classification categories for financial assets:

- measured at amortized costs,
- fair value through other comprehensive income (FVOCI), and
- fair value through profit or loss (FVTPL).

In case the financial asset is held within a business model with an objective to collect contractual cash flows and the cash flows of the financial asset represent solely payments of principal and interest, then the subsequent measurement of the financial asset is done based on amortized cost. In case the financial asset is held within a business model with an objective to collect contractual cash flows or to sell the asset and cash flows from the financial asset represent solely payments of principal and interest, the financial asset is measured at fair value through other comprehensive income. In all other cases the asset is measured at fair value through profit or loss.

The Group analyzed the objectives of business models applicable to financial assets and the contractual cash flow characteristics of the financial assets and concluded that the majority of the Group's financial assets meet the criteria for amortized cost measurement under IFRS 9, except for assets from net investment hedge which are measured at FVOCI and receivable from sale of tax credits that is measured at FVTPL.

The effective interest rate amortization is included within the finance income and expenses.

Financial liabilities are recognized at fair value initially, including the transaction costs directly attributable in case of loan and borrowings. The Group's financial liabilities are subsequently measured at amortized cost, except for liabilities from net investment hedge which are measured at FVOCI.

Impairment under IFRS 9

IFRS 9 applies the forward-looking 'expected credit loss' (ECL) model. This model requires considerable judgement about how changes in economic factors affect ECLs, which is determined on a probability-weighted basis.

Within the Group, the impairment model applies to financial assets measured at amortized cost. HelloFresh uses this approach to determine loss allowances, which are measured at 12-month ECL, except for loss allowances for the trade receivables which are measured at an amount equal to lifetime ECL.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

Trade receivables are written off when customers are unlikely to pay their credit obligations to the Group in full or partially. We consider this to be the case when trade receivables are 180 days overdue. The write-off is recognized within the impairment losses on trade receivables. The Group uses an allowance matrix to measure the Expected Credit Loss of trade receivables, which is calculated using a roll rate method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Accounts receivable sharing similar credit risk characteristics are allocated into several portfolios based on geographical regions. Historical payment and aging patterns for trade receivables are analyzed individually for each of the portfolios to determine the probability of default which is applied to calculate the Expected Credit Loss for each portfolio and aging bucket. Forward looking information is not considered to have a material effect on ECL assessment due to short-term nature of trade receivables.

Other financial assets are considered to be low credit risk as they have a low risk of default and the counterparties have a strong capacity to meet their contractual cash flow obligations. The loss allowance is therefore limited to 12 months' and is not considered to be material for recognition.

The Group cooperates with banks, payment service providers and other institutions that are considered to have low credit risk, therefore management believes that any ECL on cash and cash equivalents is not significant for recognition.

Derecognition

A financial asset is derecognized when the Group has transferred substantially all the risks and rewards of ownership of the financial assets or when the Group has not retained the control over financial assets, in case if the Group neither transfers nor retains substantially all the risks and rewards of ownership.

The Group derecognizes a financial liability when its contractual obligations related to those liabilities are fulfilled, cancelled or expired.

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss unless hedge accounting has been applied.

The Group designates certain derivatives as hedging instruments to hedge foreign exchange risk on its net investment in foreign operations.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the hedge relationship is expected to be "highly effective".

Net Investment Hedge Accounting Treatment

When a derivative instrument is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative is recognized in OCI and presented within equity. Any ineffective portion of the changes in the fair value of the derivative is recognized immediately in profit or loss. The Group designates the forward element of forward foreign exchange contracts to hedge its currency risk. The Group's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The amount recognized in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

Share capital

Ordinary shares with dividend entitlements are classified as equity. Any excess of the fair value of consideration received over the par value of the shares issued is recorded as capital reserves within equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds. Equity instruments of the Company that are re-acquired (treasury shares) are recognized at cost and deducted from equity.

Provisions

Provisions are liabilities of uncertain timing or amount. They are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are not recognized for future operating losses. Long term provisions with a term of more than one year are discounted on the reporting date using a current rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized within finance expense.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. The provision is to be reversed if it is no longer probable that settling the obligation will entail the outflow of resources embodying economic benefits.

Releases of provisions are credited to the expenses account on which the provision was originally recognized.

If necessary, the cost of property, plant and equipment and right-of-use assets may contain the estimated expenses for the restoration of the respective asset. Restoration and similar provisions are recognized for these expenses. If changes in the discount rate or changes in the estimated timing or amount of the payments result in changes in the provisions, the carrying amount of the respective asset is increased or decreased by the corresponding amount. If the decrease in the provision exceeds the carrying amount, the excess is recognized immediately through profit or loss.

Convertible Bond Liability

Financial instruments that contain both a debt and an equity component are classified in separate balance sheet items according to their character. This treatment applies to convertible bonds that are issued by HelloFresh. The terms and conditions for the bond have been analyzed separately and as a conclusion no embedded derivatives are necessary to be recognized. The debt component of the convertible bond is calculated on a net present value basis by using a discount rate derived at the time of the issue of the convertible bond from quoted yields for bonds with similar terms

and similar credit ratings which are traded in the capital markets, as specified by the issuing banks. The transaction costs of the convertible bond are deducted directly from the debt and equity component proportionately. The residual value of the share conversion rights was recognized in capital reserves at the date the bond was issued and therefore deducted from the bond liability. The fair value is calculated by taking the difference between total issue size and the liability component and deducting the issuing cost for the conversion right.

Interest payments as well as compounding interest expenses are recognized as finance costs in profit and loss in the relevant periods.

As part of the 2023/2024 bond buy back program, the early repurchase of the bonds, follows the same methodology (using current market data) that was applied as at the time of the issuance, to allocate the consideration paid to the liability and equity component of the bond. The difference between the consideration allocated to the liability component and its carrying value is recognized in profit or loss. The amount of consideration relating to the equity component is recognized in equity.

Share-based compensation

Equity settled share-based compensation

The Group operates equity-settled share-based compensation plans, under which Group companies receive services from directors, employees or others as consideration for equity instruments of the Company.

The Group grants virtual share options and restricted stock units that are linked to the price of individual shares. The Group has a choice to settle in equity. It is the Group's policy to settle in equity unless factual and legal restrictions do not allow for such settlement.

For equity-settled transactions, the total amount to be expensed for services received is determined by reference to the grant date fair value of the share-based payment award. At each grant date, the Company analyses whether the exercise price, if any, by a participant is in line with the estimated market price of the underlying equity instruments at the grant date. For virtual options granted, the grant date fair value is determined using the Black-Scholes option valuation formula. As for restricted stock units, the fair value is determined at grant date according to closing price of the stock on the grant date.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of shares that will eventually vest, with a corresponding credit to equity. Estimated forfeitures are revised if the number of awards expected to vest differs from previous estimates.

Non-market performance conditions are not taken into account when determining the fair value of awards at the grant date, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. If the estimate is changed, even a credit in the consolidated statement of comprehensive income for the period can be possible as it reflects the movement in cumulative expenses from the beginning to the end of that period.

Differences between estimated and actual forfeitures are accounted for in the period in which they occur.

Cash-settled share-based compensation

The Group operates also cash-settled compensation plans for certain levels of management, including local senior management of newly launched businesses, and starting from Q1 2024 RSU and VSOP plans for a few geographies of the Group and a RSU program for executive management level with one year vesting are also treated as cash-settled.

For cash-settled share-based payment transactions, the services acquired and the liability incurred are measured at the fair value of the liability. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. Until the liability is settled, the fair value of the liability is remeasured at the end of each reporting period and at the date of settlement, with all changes in fair value recognized in profit or loss (other finance income or expense) for the period.

Government grants

Government grants related to assets are initially recognized as deferred income at fair value if there is a reasonable assurance that the conditions associated with the grant will be met and the grants will be provided. Grants related to the acquisition of assets are recognized in profit or loss as other operating income on a systematic basis over the useful life of the asset. Grants that compensate the Group for the expenses incurred are recognized in profit or loss as other operating income on a systematic basis in the periods in which the expenses are recognized.

Revenue recognition (IFRS 15)

The Group generates revenue primarily from the sale of food ingredients along with corresponding recipes (“meal kits”) and ready-to-eat meals as well as add-ons and surcharge products.

The Group follows the five-step model according to IFRS 15, which contains the following steps: identification of the customer contract, identification of the individual performance obligations, determination of the transaction price, allocation of the transaction price to the individual contractual obligations and the determination of the timing of revenue recognition.

The Group recognizes revenue when it has satisfied the performance obligation which is when the customer obtains control over the goods, i.e. when the order is delivered to the customer, which is the point in time when the customer accepts the goods and the ownership transfers. Consideration is usually received from customers before the order is delivered. HelloFresh accounts for these paid but undelivered orders as contract liabilities (deferred revenue as at 31 December 2023).

Revenue is measured at the fair value of the consideration received or receivable, net of promotional discounts, rebates, and value added taxes. Furthermore, the Group participates in issuing vouchers through external marketing providers at a discounted value. Such vouchers are only included in revenue when a voucher has been redeemed and the corresponding box has been delivered.

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primarily responsible for fulfilling the customer’s order, has pricing latitude and is also exposed to inventory risk. Revenue is presented gross of any fees charged by various agents such as marketing portals, which are recognized as marketing expenses.

Gift cards and store credits create obligations for the Group to transfer goods at a future point in time. The transaction price allocated to these performance obligations is recognized as revenue when those obligations are satisfied, expired or when likelihood of the customer exercising its remaining rights becomes remote. Obligations for which revenue is not yet recognized are presented within contract liabilities.

In some markets, new customers can earn rewards and vouchers for purchasing a specified number of boxes within a specified time period (loyalty program). Revenue for those rewards is allocated based on the stand-alone selling price, adjusted for the likelihood that a customer will receive and redeem the reward or voucher. Recognition of revenue is deferred until orders for those rewards are transferred to the customer or when the customer’s right to receive them expires.

With respect to payments received before shipping the product to the customer and customer credits, contract liabilities are recognized. Customers, however, do not always exercise all of their rights in such arrangements. These unexercised rights are often referred to as ‘breakage’ or forfeiture. According to IFRS 15 a portion of the contract liabilities related to customer credits is recognized as revenue in accordance with behavioral patterns of the customers and local escheat laws.

In case of a customer complaint with regards to a HelloFresh order, HelloFresh Customer Care may compensate the customer with a voucher that can be applied to future orders, aimed at improving customer satisfaction. If the compensation reimburses the customer for non or partial fulfilment of a performance obligation, such discount will reduce the transaction price of the order that caused the complaint.

In some cases a customer has a right for a full refund for a price paid (e.g. for failed deliveries). Instead of recognizing revenue in this situations, a refund liability is recognized.

Procurement and Cooking Costs

Procurement and Cooking costs include the purchase price of goods, inbound shipping charges, employee benefits, cooking costs for ready-to-eat meals and other attributable overhead expenses. Shipping charges to receive products from suppliers are included in inventory and recognized as cost of goods sold upon the sale of products to customers.

Fulfilment Costs

Fulfilment costs represent costs attributable to picking ingredients into boxes, packaging (including packaging materials), shipping expenses for customer orders, payment related expenses and product expenses for our culinary teams and recipe cards. Fulfilment costs also include amounts paid to third parties that assist in fulfilment operations.

Marketing Costs

Marketing expenses represent costs associated with the promotion of goods and include online and offline marketing expenses, promotion of the brand through traditional media outlets, the production and distribution of marketing materials, photo production, costs related to customer care activities and other costs associated with HelloFresh's market presence.

General and administrative expenses

General and administrative expenses are costs not directly associated with the production and distribution of goods. They include wages for our tech organization, expenses of tech infrastructure, management wages and benefits, finance, HR, legal staff wages and benefits, consulting expenses, office rent, insurance, utilities, and other overhead costs.

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the jurisdictions where the Group operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred taxes relating to items recognized outside profit or loss are recognized outside profit or loss. Current and deferred tax items are recognized in correlation to the underlying transaction either in profit or loss, other comprehensive income or directly in equity.

IFRIC 23 Uncertainty of Income Tax Treatments

Under IFRIC 23 the Group considers whether it is probable that the relevant tax authority will accept a tax treatment, or a group of tax treatments, that the Group used or plans to use in its income tax filing. Where the Group concludes that it is probable that a particular tax treatment is accepted, the Group determines taxable profit (tax loss), tax bases, unused

tax losses, unused tax credits or tax rates consistently with the tax treatment included in its income tax filings. Where the Group concludes that it is not probable that a particular tax treatment is accepted, the Group uses the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The decision is based on which method provides better predictions of the resolution of the uncertainty. The Group reassessed a judgement or estimate if the facts and circumstances on which the judgement or estimate was based change or as a result of new information that affects the judgement or estimate.

The Group analyzes the existence of uncertainties in income taxes in all relevant tax jurisdictions by considering a number of indicators such as ambiguities in relevant tax laws and related guidelines, results of past examinations by tax authorities and rulings from courts in addressing matters with similar fact pattern.

Consolidated Statement of Cash Flows

The Group prepares the consolidated cash flow statement to track how the Group’s cash and cash equivalents changed during the period and classifies cash flows during a period into cash flows from operating, investing and financing activities. The Group uses the indirect method to report cash flow from operating activities which covers all the principal revenue producing activities of the Group. Investing activities are the acquisition and disposal of long-term assets and other investments. It also includes cash flows arising from obtaining or losing control of subsidiaries or other business. Financing activities include the activities that result in changes in the size and composition of the equity and borrowings of the Group.

Climate related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks do not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures. As at 31 December 2024, climate-related legislation and regulations did not have a significant effect on useful life of property, plant and equipment.
- Impairment of non-financial assets. The FVLCO may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Group’s products. The Group has concluded that no single climate-related assumption is a key assumption for the 2024 test of goodwill and other non-financial assets.

New and amended IFRSs and IFRICs issued but not yet adopted

The following new standards and amendments to standards are effective in the EU for annual periods beginning on or after 1 January 2025. The Group has not adopted any of the new or amended standards early in preparing these consolidated financial statements.

Standard/ Interpretation	Title of the standard / interpretation or amendment	First time application	Impact
Amendments to IAS 21	Lack of exchangeability	1.1.2025	Not material
Amendments to IFRS 9 and IFRS 7*	Amendments to the Classification and Measurement of Financial Instruments	1.1.2026	Not material
Amendments to IFRS 9 and IFRS 7*	Amendments relating to Contracts Referencing Nature-dependent Electricity	1.1.2026	N/A
Annual improvements - 2025 cycle*	Various improvements to existing standards	1.1.2026	Not material
IFRS 19 Subsidiaries without Public Accountability: Disclosures*	Subsidiaries without Public Accountability: Disclosures	1.1.2027	N/A
IFRS 18 Presentation and Disclosure in Financial Statements*	Presentation and Disclosure in Financial Statements	1.1.2027	See below

* EU-Endorsement still pending at the time of publication

IFRS 18 will replace IAS 1 Presentation of Financial Statements and introduces the following key requirements:

- Entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. Entities are also required to disclose a newly-defined operating profit subtotal. Entities net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in single note in the financial statements.
- Enhanced guidance is also provided on how to group information in financial statements.

In addition, all entities are required to use an operating profit subtotal as the starting point for determining cash flows from operations under the indirect method. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

4. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities affected in future periods.

Disclosures relating to the Group's exposure to risks and uncertainties include:

- Financial Risk Management [NOTE 14](#)
- Contingencies and Commitments [NOTE 27](#)

Useful lives of trademarks

In the current reporting period, the Group changed the useful lives of its ready-to-eat trademarks Factor and Youfoodz from finite useful life of 10 years (with annual amortization expense of MEUR 5.8) to indefinite. An analysis of ready-to-eat food solutions life cycle, their operational performance and competitive trends provides evidence that the brands will generate net cash-inflows for the Group for indefinite period of time. In H1 2024, the Group made further steps towards international expansion of Factor and rebranding Youfoodz to reinforce brand awareness and intends to incur marketing expenditures that are necessary to sustain future economic benefits from its ready-to-eat brands. Therefore, starting from April 2024, the Group's trademarks Factor and Youfoodz are carried at cost without further amortization expense, but are subject to annual impairment testing. This change in estimate was applied prospectively without any changes to comparative information.

Impairment of goodwill and intangible assets with indefinite useful lives

Management of the Group makes significant judgements and assumptions regarding the future developments of the Group for the impairment assessment of the goodwill and trademarks with indefinite useful lives intangible assets which mainly includes assumptions regarding the future cash flow projections and various economic risks. Management also makes judgements about the changes in the business strategy and planning of the Group, forecasts regarding the expected internal developments and for the various inputs used to estimate the weighted average cost of capital (WACC) of the Group. The Group's internal forecasts reflect the most recent assumptions from the current macroeconomic environment regarding ingredient price inflation and labor cost. Goodwill impairment assessment is also dependent on the allocation of goodwill to a CGUs / a group of CGUs which involves estimation as to which CGUs / a group of CGUs are expected to benefit from the synergies of the business combination.

Further disclosures on Goodwill and Intangible assets with indefinite useful lives can be found in [NOTE 7](#) and [NOTE 10](#).

Impairment of non-financial assets (other than goodwill and intangible assets with indefinite useful lives)

As at each reporting period end management of the Group performs the review of impairment indicators and if such impairment indicators exist related assets are tested for impairment. The assets are tested for impairment individually, unless they are not capable to generate largely independent cash-flows. Management of the Group makes significant judgments and assumptions regarding the recoverable amount of assets with impairment indicators as at reporting period end. These judgments include estimates with regards to timing and amount of cash-flows and discount rate.

Deferred tax assets

The Group has tax losses in several legal entities in different tax jurisdictions that have the potential to reduce tax payments in future years. Deferred tax assets have been recognized to the extent that their recovery is probable considering the projected future taxable income of the related entity. The Group management uses its internal business planning tools and expertise to evaluate the probability of projected future taxable income of the related entity. Deferred tax assets are recognized for all deductible temporary differences, carryforwards of unused tax credits and unused tax losses to the extent it is probable that the taxable profit will be available against the deductible temporary difference and the carryforward of unused tax credits and unused tax losses can be utilized. Please refer to the accounting policies on income taxes in **NOTE 3** and the income tax disclosures in **NOTE 23**.

Share-based payments

The fair value of the grants for share based payments is determined based on an appropriate valuation model which takes into consideration the quoted stock price as of the grant date and the volatility of the stock. Expenses for share-based payments are recognized based on the fair value estimate and the company's best estimate of the number of equity instruments that will ultimately vest and the estimated exercise date. The estimate of the number of equity instruments that will ultimately vest is based on expected employee fluctuation. The assumed share price volatility to calculate the fair value of options under the Group's share-based compensation plans is based on average historical 12-month volatility of the Group's share price. Please also refer to the accounting policies on share-based compensation in **NOTE 3** and the share-based compensation disclosures in **NOTE 19**.

Measurement of Right-of Use Assets and Lease Liabilities (IFRS 16)

In order to measure the right-of-use asset and corresponding lease liability at lease commencement or at modification of a lease, HelloFresh applies the incremental borrowing rate to discount the lease payments. Judgement is involved in determining the relevant interest rate at which HelloFresh would borrow in a similar economic environment. When it is reasonably certain that a lease extension option will be exercised, the relevant payments are also included in initial measurement of right-of-use assets and lease liabilities. For the purposes of assessing options, the Group takes in account all facts and circumstances that create an economic incentive to exercise or to not exercise the option. Further information on accounting for Leases in accordance with IFRS 16 can be found in **NOTE 3** and in **NOTE 9**.

5. Segment and Product Information

Segment Information

The principal activity of HelloFresh is the provision of meal kits, add-on products and ready-to-eat meals to customers in various geographical regions. The business is managed based on two major geographical regions: the North America (“NA”) which comprises the United States of America (“USA” or “US”) and Canada, and International (“International” or “Int’l”). The International segment comprises Australia, Austria, Belgium, Denmark, France, Germany, Ireland, Italy, Japan (until June 2023), Luxembourg, the Netherlands, New Zealand, Norway, Spain, Sweden, Switzerland and the United Kingdom (“UK”). Furthermore, HelloFresh Group has established a fully owned Customer Care Service Center HelloConnect Inc. situated in the Philippines, which is part of the International segment.

These operating segments reflect the Group’s management structure, and the way financial information is regularly reviewed by the Chief Operating Decision Maker, which is defined to be the Management Board. The Management Board is also responsible for allocating resources, and assessing performance of the operating segments.

Reported segment results include items directly attributable to each segment as well as those that can be allocated on a reasonable basis. Centralized overhead functions are separately monitored.

The reportable operating segments are strategic business units that are managed separately. Inter-segment charges are monitored separately and are, therefore, presented distinctively in the tables below. The holding entity represents centralized overhead functions, where certain costs are recharged with a mark-up to the operating entities. However, there is an exception of strategic and certain finance function costs, which are compensated via profit sharing, once a respective subsidiary within the segment has turned profitable. The profit sharing and the fees for the use of HelloFresh IP rights are presented as holding fee (“Holding Fee”) in our financial statements. Inter-segment transactions are eliminated upon consolidation. The Group accounts for inter-segment sales and transfers as if the sales or transfers were to third parties, i.e. on arms-length basis.

The Group evaluates the performance of its segments primarily based on:

- revenue and
- EBITDA adjusted (“AEBITDA”, as per Glossary section) for share-based compensation expenses, holding fees, and other non-operating one-time effects (“special items”).

In addition, the following financial performance indicators are evaluated:

- profit contribution or “Contribution Margin” (i.e. revenue less procurement and cooking, and fulfillment expenses, excluding share-based compensation expenses),
- EBITDA represents the results before interest, tax, depreciation, amortization and impairment,
- EBIT is measured as earnings before interest and tax, and
- EBIT adjusted (“AEBIT excluding impairments”, as per Glossary section) for share-based compensation expenses, holding fees, other non-operating one-time effects (“special items”) and impairments.

Following IFRIC Final Agenda Decision on Disclosure of Revenues and Expenses for Reportable Segments published in July 2024 the Group enhanced its disclosure on segment information by disclosing additionally material items of expenses that are included in the measure of segment profit being adjusted EBITDA, namely procurement and cooking expenses, fulfillment expenses, marketing expenses, general and administrative expenses together with other operating income and expenses and loss allowance on trade receivables. Comparative information was updated accordingly.

External revenue includes income from the core activities of the Group, i.e. primarily the provision of food solutions to customers. Internal revenue results from intercompany recharges of services mainly of the holding company, as well as, the customer care service center to the operating entities of the Group. Revenues are attributed to individual countries based on the place of the customer’s location.

For the year ended as of 31 December 2024, HelloFresh Group accounted external revenue for MEUR 7,661.3 (2023: MEUR 7,596.6). Out of this amount, Germany, where the Company is domiciled, amounted to MEUR 498.5 (2023: MEUR 497.5). Within the North America segment, the US revenue amounted to MEUR 4,534.2 (2023: MEUR 4,576.3). The North America segment generates the majority of its revenue from meal-kits and from a comparatively smaller, but rapidly growing, ready-to-eat business. The International segment generates revenue predominantly from meal-kits whereas its ready-to-eat business is still of a relatively small size.

As of 31 December 2024 MEUR 574.4, equivalent to 43.3 % (31 December 2023 MEUR 735.42, equivalent to 52.0 %) of the Group's fixed assets, which include Property, plant and equipment and Intangible assets were located in the USA, and MEUR 262.9, equivalent to 19.8 % (31 December 2023 MEUR 259.59, equivalent to 18.4 %) were located in Germany.

Share-based compensation expenses amounted to MEUR 94.4 (2023: MEUR 82.0), and the increase is mainly driven by an overall increase in the number of participants to the programs.

For the year 2024, special items primarily include costs for reorganization initiatives (MEUR 9.5), for rationalization of certain old and interim fulfilment centers, mainly in the US, (MEUR 14.9), and for expected legal settlements for (MEUR 9.9). For the year 2023, they primarily relate to reorganization initiatives, mainly in the US and UK (MEUR 9.7), the acquisition related management incentive programs for Factor and Youfoodz (MEUR 6.3), and one-off costs related to labor law changes in the US (MEUR 4.4).

The segment information for the year ended 31 December 2024 and its comparative is set out below:

in MEUR	2024					
	North America	International	Total segments	Holding	Consolidation	Group
Total revenue	5,077.1	2,663.2	7,740.4	524.5	(603.6)	7,661.3
Internal revenue	41.4	37.7	79.1	524.5	(603.6)	—
External revenue	5,035.8	2,625.5	7,661.3	—	—	7,661.3
Procurement and cooking expenses	(1,873.1)	(1,014.4)	(2,887.5)	(41.5)	46.0	(2,883.1)
Fulfilment expenses	(1,983.0)	(1,040.3)	(3,023.3)	(30.9)	36.6	(3,017.6)
Contribution margin	1,221.0	608.5	1,829.5	452.1	(520.9)	1,760.5
Marketing expenses	(1,017.9)	(417.5)	(1,435.4)	(278.0)	258.4	(1,455.0)
G&A expenses, other operating income and expenses, and loss allowance on trade receivables	(195.7)	(177.2)	(372.9)	(372.3)	262.5	(482.7)
EBIT	7.4	13.9	21.2	(198.2)	—	(177.1)
Interest income	7.3	5.3	12.6	42.4	(42.1)	12.9
Interest expense	(15.2)	(27.6)	(42.8)	(38.1)	42.1	(38.6)
Other finance income (excl. intercompany dividends)	13.6	2.6	16.2	11.6	—	27.9
Other finance expense	(1.1)	(0.4)	(1.6)	(2.7)	—	(4.4)
Profit / (loss) before income tax	11.9	(6.3)	5.6	(184.9)	—	(179.4)
EBIT	7.4	13.9	21.2	(198.2)	—	(177.1)
Holding fee ¹	8.3	(51.7)	(43.3)	42.4	0.9	—
EBIT (excl. holding fee)	(1.0)	65.5	64.5	(240.6)	(0.9)	(177.1)
Depreciation, amortization and impairment	(289.4)	(103.5)	(392.8)	(51.8)	—	(444.7)
EBITDA (excl. holding fee)	288.4	169.0	457.4	(188.7)	(0.9)	267.5
Special items	(29.0)	(3.0)	(32.1)	(5.5)	—	(37.5)
Share-based compensation expenses	(51.3)	(14.8)	(66.2)	(28.2)	—	(94.4)
AEBITDA	368.8	186.8	555.6	(155.0)	(0.9)	399.4
AEBIT	79.4	83.3	162.7	(206.9)	(0.9)	(45.2)
AEBIT (excl. impairment)	248.7	95.5	344.2	(207.2)	(0.9)	135.9

¹ Due to the outcome of a combined MAP and APA Holding fees for the US were reduced and the adjustment for prior years was recognized in 2024 (see [NOTE 23](#))

	2023					
in MEUR	North America	International	Total segments	Holding	Consolidation	Group
Total revenue	5,039.4	2,621.9	7,661.3	581.7	(646.4)	7,596.6
Internal revenue	36.6	28.1	64.7	581.7	(646.4)	—
External revenue	5,002.8	2,593.8	7,596.6	—	—	7,596.6
Procurement and cooking expenses	(1,668.6)	(1,007.0)	(2,675.6)	(15.9)	15.9	(2,675.6)
Fulfilment expenses	(1,934.8)	(980.1)	(2,914.9)	(26.7)	30.9	(2,910.7)
Contribution margin	1,435.9	634.9	2,070.7	539.0	(599.5)	2,010.3
Contribution margin (excl. SBC)	1,460.2	638.0	2,098.3	542.0	(599.5)	2,040.6
Marketing expenses	(997.4)	(428.2)	(1,425.6)	(298.0)	283.1	(1,440.5)
G&A expenses, other operating income and expenses, and loss allowance on trade receivables	(338.7)	(185.2)	(524.0)	(249.5)	316.4	(457.3)
EBIT	99.6	21.4	121.0	(8.5)	—	112.5
Interest income	3.1	2.6	5.8	24.2	(22.4)	7.6
Interest expense	(22.7)	(19.3)	(42.0)	(15.6)	22.4	(35.3)
Other finance income (excl. intercompany dividends)	(1.2)	3.8	2.6	3.4	—	6.0
Other finance expense	(8.8)	12.3	3.5	(21.0)	—	(17.5)
Profit / (loss) before income tax	70.1	20.8	90.9	(17.6)	—	73.3
EBIT	99.6	21.4	121.0	(8.5)	—	112.5
Holding fee	(149.9)	(56.4)	(206.3)	206.2	0.1	—
EBIT (excl. holding fee)	249.6	77.8	327.4	(214.7)	(0.1)	112.5
Depreciation, amortization and impairment	(104.6)	(84.6)	(189.1)	(42.2)	—	(231.3)
EBITDA (excl. holding fee)	354.2	162.3	516.5	(172.5)	(0.1)	343.8
Special items	(16.0)	(3.4)	(19.4)	(2.3)	—	(21.7)
Share-based compensation expenses	(47.2)	(9.6)	(56.6)	(25.3)	—	(82.0)
AEBITDA	417.4	175.3	592.7	(144.9)	(0.1)	447.6
AEBIT	312.7	90.8	403.5	(187.0)	(0.1)	216.3
AEBIT (excl. impairment)	317.2	95.9	413.1	(186.2)	—	226.7

Product information

Additional information presented by product category for the reporting period is set out below:

In MEUR	2024	2023	YoY change
Revenue			
Meal kits	5,529.2	6,111.2	(9.5 %)
RTE	2,031.7	1,439.2	41.2 %
Others ¹	100.4	46.1	117.7 %
Group	7,661.3	7,596.6	0.9 %
Revenue constant currency			
Meal kits	5,528.6	6,111.2	(9.5 %)
RTE	2,035.8	1,439.2	41.5 %
Others ¹	100.4	46.1	117.9 %
Group	7,664.8	7,596.6	0.9 %
AEBITDA			
Meal kits	542.3	550.6	(1.5 %)
RTE	31.6	57.0	(44.6 %)
Others ¹	(19.4)	(15.1)	28.5 %
Holding	(155.0)	(145.0)	7.0 %
Group	399.4	447.6	(10.8 %)
AEBIT (excl. impairment)			
Meal kits	365.3	393.7	(7.2 %)
RTE	(2.8)	34.4	(108.1 %)
Others ¹	(19.4)	(15.1)	28.5 %
Holding	(207.2)	(186.3)	11.2 %
Group	135.9	226.7	(40.1 %)

¹Relates to our brands Good Chop and The Pets Table.

6. Revenue

Revenue streams

The Group generates revenue primarily from the provision of food solutions directly to consumers, which comprise: (i) ingredients along with corresponding recipes (“meal kits”); (ii) add-on products, such as soups, desserts, bakery products, salads and surcharge products; and (iii) ready-to-eat meals. In addition to the primary source of revenue, the Group also generates revenue from some other sources, including revenue from retail, revenue from marketing partners and revenue from logistics services.

Disaggregation of revenue from contracts with customers for the year is as follows:

in MEUR	2024	2023
Revenue from direct-to-consumer sales	7,574.8	7,521.5
Other revenue	86.5	75.1
Total revenue	7,661.3	7,596.6

Disaggregation of revenue from contracts with customers by segment

In MEUR	North America		International		Total	
	2024	2023	2024	2023	2024	2023
Revenue from direct-to-consumer sales	5,008.8	4,975.7	2,566.0	2,545.8	7,574.8	7,521.5
Other revenue	26.9	27.1	59.6	48.0	86.5	75.1
Total revenue	5,035.8	5,002.8	2,625.5	2,593.8	7,661.3	7,596.6

The Group also distributes its products via gift cards that create obligations for the Group to transfer goods at a future point in time. The transaction price allocated to these performance obligations is recognized as revenue when those obligations are satisfied, expired or when likelihood of the customer exercising its remaining rights becomes remote (i.e. revenue from breakage). Revenue from breakage amounted to MEUR 3.9 in 2024 (2023: MEUR 11.0).

Contract Balances

in MEUR	31 December 2024	31 December 2023
Trade receivables	20.7	17.8
Contract liabilities	64.4	101.9

Contract liabilities primarily relate to payments received from customers amounting to MEUR 64.4 (31 December 2023: MEUR 93.6), for which the Group has not yet delivered goods at the reporting period end. As of 31 December 2023 contract liabilities of MEUR 8.3 are presented within other non-financial liabilities. The payment terms differ from country to country, but a significant amount of orders are paid upfront. Hence, the pending orders are recognized as contract liabilities, for which revenue is recognized when the performance obligation is satisfied. The Group makes use of the exemption according to IFRS 15.122 regarding the disclosure of the expected revenue for outstanding performance obligations as of 31 December 2024, as substantially all revenue will be recognized within one year.

7. Goodwill

The allocation of goodwill for reporting units, as well as its development, (in MEUR) is as follows:

CGU/group of CGU	Jan 1, 2024	Currency translation effects	Dec 31, 2024
Operations of Benelux	4.6	—	4.6
Operations of USA	183.2	11.4	194.6
Operations of Canada	39.7	(0.8)	38.9
Operations of Australia	48.5	(1.5)	47.0
Total	276.0	9.1	285.1

CGU/group of CGU	Jan 1, 2023	Currency translation effects	Dec 31, 2023
Operations of Benelux	4.6	—	4.6
Operations of USA	189.5	(6.3)	183.2
Operations of Canada	40.3	(0.6)	39.7
Operations of Australia	50.3	(1.8)	48.5
Total	284.7	(8.7)	276.0

Goodwill is assigned to the cash-generating unit (CGU)/group of cash-generating units which are expected to benefit from the acquisition. The goodwill for Green Chef Corp. is allocated to the combined operations of the United States and the goodwill for Cool Delivery B.V. is allocated to the combined operations of the Netherlands, Belgium, and Luxembourg. The goodwill for the Chef's Plate Inc. acquisition is allocated to the combined operations of Canada. The goodwill for the Factor acquisition is allocated to the combined operations of USA. The goodwill from the Youfoodz acquisition is allocated to and tested on the combined operations of Australia.

According to IAS 36 goodwill must be tested for impairment annually. The annual impairment tests are generally performed as of 31st October.

The key assumptions used in the estimation of the recoverable amount for CGUs / group of CGUs containing goodwill were as follows:

	31 December 2024			31 December 2023		
	Canada	USA	Australia	Canada	USA	Australia
In percentage						
Discount Rate	9.7 %	9.9 %	10.2 %	10.1 %	9.7 %	10.5 %
Terminal Value Growth rate	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %
Budgeted EBITDA growth (compounded annual growth of next three years)	0.8 %	36.1 %	9.5 %	21.0 %	29.0 %	42.0 %

The Group determines the discount rate for the cash-generating units/group of CGUs based on weighted average cost of capital (WACC). This includes the determination of a risk-free rate, country risk premiums and a spread for credit risk for the respective business-specific peer groups. Additionally, the calculation considers capital structure and beta factor of the respective peer group as well as the average tax rates of each CGU / group of CGUs. As a result, for the CGUs/group of CGUs for which impairment was tested, a post-tax discount rate mentioned above was determined. The terminal value growth rate incorporates management's expectation about long-term inflation.

The recoverable amounts for the CGUs/group of CGUs were calculated based on a discounted cash-flow method (free cash flow). In assessing the fair value less cost of disposal, the estimated future cash flows are based on detailed budgets and forecast for the CGUs/group of CGUs. These estimates are based on the Group's current business plan at the time of the impairment test. The business plan is built bottom-up per CGU, incorporating latest trends in customer acquisitions, order rates, orders, retention, input prices and other costs, as well as management's outlook and strategic targets. The business plan and forecast calculations cover a period of three years. The cash flows after the three-year period are extrapolated on the assumption of a growth rate, which is derived from the assumed average market or industry growth rate of the CGUs/group of CGUs (Terminal Value Growth rate). Based on this extrapolation a terminal value is determined. The recoverable amount for the purposes of goodwill impairment test was categorized as Level 3 fair value based on the inputs in the valuation technique used.

The annual impairment test did not identify any indication for goodwill impairment as of 31 December 2024. Increase in discount rate by 0.5 p.p. or decrease in budgeted EBITDA growth by 2 p.p. for the combined operations of Australia would indicate an impairment loss as of 31 December 2024. Other than that, the results of the annual impairment test would not change when considering any reasonably possible change in the key assumptions.

8. Property, Plant and Equipment

Plant and machinery also include leasehold improvements for office premises and fulfilment centers, such as cooling equipments, and motor vehicles. Right-of-use-assets reflect leases recorded under IFRS 16 which mainly relate to land and buildings such as fulfilment centers and offices, and vehicles and other movables assets such as vans and cars (further information is presented in [NOTE 9](#)). Furniture, fixtures and other equipment include warehouse and office furniture and fixtures, as well as computer hardware.

During the year 2024, the Group acquired assets for a cost of MEUR 109.4 (2023: MEUR 222.4). The additions mainly relate to the equipment and machinery purchased for fulfillment centers as well as leasehold improvement for office premises. In the same period, the Group entered into several new lease agreements as well as extended existing agreements, mainly for fulfillment centers in Australia, Benelux and UK and equipment and vehicles in the US and other geographies. The additional right-of-use assets, including additional leases, modifications and reassessments for 2024 amount to MEUR 153.8 (2023: MEUR 141.0). This amount includes additions to right-of-use assets due to changes in estimates for provision for restoration costs of MEUR 26.3.

Impairment recognized during the year ended 31 December 2024 amounted to MEUR 180.9 (2023: MEUR 8.8), and relates to impairment of production facilities due to reorganization initiatives in the US (reflected in the North America segment for MEUR 169.3; 2023: MEUR 4.5), Australia and UK (reflected in the International segment for MEUR 11.6; 2023: MEUR 4.3). The recoverable amount of these production facilities of MEUR 28.6 was determined on the group of related assets levels based on the fair value less cost of disposal (FVLCO) (FV Level 3) using a present value technique with a discount rate of 4.1 % - 4.2 %. Key assumptions in determination of FVLCO are mainly discount rate, idle time expectations and sublease rental rates.

The tables below present the movements in the carrying amount of property, plant and equipment.

Schedule of movements of property, plant and equipment in 2024

in MEUR	Land and buildings	Plant and machinery	Right-of-use assets (Land and buildings)	Right-of-use assets (Vehicles and other assets)	Furniture, fixtures and other equipment	Assets under construction	Total
Historical cost							
As of Jan 1, 2024	7.3	640.6	600.3	108.4	179.6	192.5	1,728.7
Gross presentation of impairments ¹	—	3.2	2.7	—	0.5	—	6.4
Additions	—	46.3	133.2	20.6	22.7	40.4	263.2
Reclassifications ²	—	60.8	—	—	12.4	(74.5)	(1.3)
Disposals	—	(10.5)	(27.0)	(8.0)	(7.6)	(0.5)	(53.6)
Currency translation	0.4	32.6	18.8	2.7	2.5	9.2	66.2
As of Dec 31, 2024	7.7	773.0	728.0	123.7	210.1	167.1	2,009.6
Depreciation and impairments							
As of Jan 1, 2024	0.6	145.4	174.8	29.1	79.9	—	429.8
Gross presentation of impairment ¹	—	3.2	2.7	—	0.5	—	6.4
Additions	0.2	77.1	76.7	29.5	36.0	—	219.5
Impairments	—	71.0	57.8	4.8	11.5	35.8	180.9
Disposals	—	(8.6)	(27.0)	(8.0)	(5.6)	—	(49.2)
Currency translation	—	11.7	1.9	4.1	1.9	1.3	20.9
As of Dec 31, 2024	0.8	299.8	286.9	59.5	124.2	37.1	808.3
Carrying amounts							
As of Jan 1, 2024	6.7	495.2	425.5	79.3	99.7	192.5	1,298.9
As of Dec 31, 2024	6.9	473.2	441.1	64.2	85.9	130.0	1,201.3

¹ Contains the gross presentation of impairment losses from historical cost to accumulated depreciation and impairment losses for presentation purposes.

² Contains a reclassification from Assets under construction, previously recognized under Property, Plant and Equipment, to Internally developed software ([NOTE 10](#)).

Schedule of movements of property, plant and equipment in 2023

in MEUR	Land and buildings	Plant and machinery	Right-of-use assets (Land and buildings)	Right-of-use assets (Vehicles and other assets)	Furniture, fixtures and other equipment	Assets under construction	Total
Historical cost							
As of Jan 1, 2023	7.6	355.4	560.9	49.2	135.1	342.5	1,450.7
Additions	—	68.1	74.5	66.5	40.2	114.1	363.4
Disposals	—	(3.1)	(16.4)	(5.7)	(2.2)	(0.4)	(27.8)
Reclassifications ¹	—	239.6	—	—	8.4	(247.8)	0.2
Impairments	—	(6.5)	(0.3)	—	(1.5)	(0.5)	(8.8)
Currency translation	(0.3)	(12.9)	(18.4)	(1.6)	(0.4)	(15.4)	(49.0)
As of Dec 31, 2023	7.3	640.6	600.3	108.4	179.6	192.5	1,728.7
Depreciation							
As of Jan 1, 2023	0.4	96.3	124.1	13.9	50.2	—	284.9
Additions	0.2	55.5	73.6	21.6	31.6	—	182.5
Disposals	—	(2.4)	(16.4)	(5.7)	(2.2)	—	(26.7)
Currency translation	—	(4.0)	(6.5)	(0.7)	0.3	—	(10.9)
As of Dec 31, 2023	0.6	145.4	174.8	29.1	79.9	—	429.8
Carrying amounts							
As of Jan 1, 2023	7.2	259.1	436.8	35.3	84.9	342.5	1,165.8
As of Dec 31, 2023	6.7	495.2	425.5	79.3	99.7	192.5	1,298.9

¹ Contains a reclassification from Assets under construction, previously recognized under Property, Plant and Equipment, to Internally developed software ([NOTE 10](#))

Depreciation included in the consolidated statement of comprehensive income is split as follows:

in MEUR	2024	2023
Included in fulfilment expenses:	192.2	155.3
Included in marketing expenses:	0.8	0.9
Included in general and administrative expenses:	26.5	26.3
Total	219.5	182.5

Impairment included in the consolidated statement of comprehensive income is split as follows:

in MEUR	2024	2023
Included in procurement and cooking expenses:	9.4	—
Included in fulfilment expenses:	172.1	8.8
Included in general and administrative expenses:	(0.6)	—
Total	180.9	8.8

9. Leases

As of 31 December 2024 the Group recognized right-of-use assets in an amount of MEUR 505.3 (31 December 2023: MEUR 504.8). Additions to right-of-use assets totaled MEUR 153.8 (2023: MEUR 141.0) and mainly relate to the commencement and extension of the lease contracts of our fulfilment centers in Australia, Benelux and UK, commencement and modification of lease contracts of offices, equipment and vehicles in the US and other geographies, as well as reassessments due to higher rents linked to consumer price index increases. The total movement of right-of-use assets is presented within the schedule of movements of property, plant and equipment in [NOTE 8](#).

Total lease liabilities amount to MEUR 590.9 as of 31 December 2024 (31 December 2023: MEUR 550.3). The table below summarizes the maturity profile of the Group's lease liabilities based on contractual undiscounted cash flows:

	Under 1 year	1 to 5 years	> 5 years	Total
as of 31 December 2024	126.0	352.0	319.0	797.0
as of 31 December 2023	118.0	355.9	323.1	797.0

The Group has additionally made a commitment to enter into several lease contracts not yet commenced. These mainly include fulfilment centers and offices mainly in Canada and the Nordics region (Norway, Denmark and Sweden). These leases upon commencement will lead to total additional payments (including all options to extend these leases) of up to MEUR 57.2 in total (2023: MEUR 11.5).

Extension options are included in a number of property and equipment leases across the Group. These are used to maximize operational flexibility in terms of managing the assets used in the Group's operations. The extension options held are exercisable only by the Group and not by the respective lessors. The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group has estimated that the potential undiscounted cash-outflow from extension options that were not included in the measurement of lease liabilities would amount to MEUR 308.0 as of 31 December 2024 (2023: MEUR 165.0).

During the year ended 31 December 2024 the Group recognized depreciation in the amount of MEUR 106.2 (2023: MEUR 95.2). Of this total, an amount of MEUR 9.0, (2023: zero) is included within procurement and cooking expenses, MEUR 82.0 (2023: MEUR 80.0) is included within fulfilment expenses and MEUR 16.0 (2023: MEUR 15.2) in general and administrative expenses.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss in accordance with IFRS 16.5. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture. During the financial year ended 31 December 2024 the Group recognized expenses relating to low value assets in amount of MEUR 0.1 and short-term leases in an amount of MEUR 13.3 (2023: MEUR 19.2 for short-term leases), of which MEUR 11.0 (2023: MEUR 17.3) are shown in fulfilment expenses, MEUR 1.9 (2023: MEUR 0.4) in marketing expenses and MEUR 0.6 (2023: MEUR 1.4) in general and administrative expenses. There was no material change in the portfolio of short-term leases during the fiscal year.

Interest expense and interest paid on lease liabilities amounted to MEUR 29.0 (2023: MEUR 26.9), interest paid is presented in the cash flow from operating activities. Cash payments for the principal portion of the lease liabilities amounted to MEUR 96.8 (2023: MEUR 75.6) and are presented within cash flow from financing activities (see Consolidated Statement of Cash Flows). Short term lease payments and payments for leases of low-value assets amounted to MEUR 13.5 (2023: MEUR 25.7) and are presented within cash flow from operating activities. Placement and withdrawal of restricted cash accounts and deposits that relate to rent deposits are presented within cash flow from operating activities for the year 2024 (2023: were presented within cash flow from investing activities).

As of 31 December 2024 the carrying amount of the lease receivables for the office subleases in the US and the UK is MEUR 2.6 (2023: MEUR 5.2). During the financial year the Group recognized interest earned from subleases in an amount of MEUR 0.1 (2023: MEUR 0.2). The sum of undiscounted lease payments to be received from subleases amount to MEUR 2.6 (2023: MEUR 4.0), which will be received in the course of the next two years.

10. Intangible Assets

Intangible assets mainly relate to: (i) internally generated software for internal use, which comprises many proprietary software applications within the Group's order management, fulfilment, marketing and data activities, (ii) software licenses, (iii) trademarks, patents and similar right and licenses, and (iv) customers base in the context of the acquisition of Factor and Youfoodz in 2020 and 2021, respectively.

Costs relating to the development are capitalized when those meet the requirements of IAS 38 "Intangible Assets". Furthermore, impairment as well as amortization reviews are done on an annual basis. For the year ended as of 31 December 2024 the total amount of internally developed software capitalized during the year was MEUR 47.2 (2023: MEUR 42.8).

In 2024 the Group spent MEUR 179.5 (2023: MEUR 155.1) on technology, including salaries for our about 1.200 developers and data engineers (research and development cost). Except for the amounts capitalized under internally developed software, these costs are recognized in profit and loss.

The internally generated software is amortized once the asset is ready for use.

Impairment recognized during the year ended 31 December 2024 amounted to MEUR 0.2 (2023: MEUR 1.7), is recorded in the Holding entity and included in general and administrative expenses.

The tables below present the movements in the carrying amount of intangible assets.

Schedule of movements of intangible assets in 2024:

in MEUR	Internally developed software	Software licenses	Trademarks, patents and similar right and licenses	Customer base	Assets under development	Total
Historical cost						
As of Jan 1, 2024	102.7	41.9	40.8	17.5	14.7	217.6
Gross presentation of impairment ¹	2.3	1.4	—	—	—	3.7
Additions	17.2	6.2	—	—	30.0	53.4
Reclassifications ²	16.9	(0.1)	—	—	(15.5)	1.3
Disposals	(0.5)	—	—	—	(0.3)	(0.8)
Currency translation	0.3	(0.4)	1.5	0.7	—	2.1
As of Dec 31, 2024	138.9	49.0	42.3	18.2	28.9	277.4
Amortization and impairments						
As of Jan 1, 2024	51.1	24.0	10.7	17.3	—	103.1
Gross presentation of impairment ¹	2.3	1.4	—	—	—	3.7
Additions	33.1	9.6	1.3	0.1	—	44.1
Impairments	0.2	—	—	—	—	0.2
Disposals	(0.1)	—	—	—	—	(0.1)
Currency translation	(0.3)	(0.6)	0.8	0.7	—	0.6
As of Dec 31, 2024	86.3	34.4	12.8	18.1	—	151.6
Carrying amounts						
As of Jan 1, 2024	51.6	17.9	30.1	0.2	14.7	114.5
As of Dec 31, 2024	52.6	14.6	29.5	0.1	28.9	125.8

¹ Contains the gross presentation of impairment losses from historical cost to accumulated depreciation and impairment losses for presentation purposes.

² Contains a reclassification from Assets under construction, previously recognized under Property, Plant and Equipment (see [NOTE 8](#)), to Internally developed software

Schedule of movements of intangible assets in 2023:

in MEUR	Internally developed software	Software licenses	Trademarks, patents and similar right and licenses	Customer base	Assets under development	Total
Historical cost						
As of Jan 1, 2023	48.6	38.6	40.5	18.1	20.7	166.5
Additions	25.9	10.9	1.7	—	16.9	55.4
Reclassifications ¹	30.0	(7.4)	—	—	(22.9)	(0.3)
Impairment	(1.7)	—	—	—	—	(1.7)
Currency translation	(0.1)	(0.2)	(1.4)	(0.6)	—	(2.3)
As of Dec 31, 2023	102.7	41.9	40.8	17.5	14.7	217.6
Amortization						
As of Jan 1, 2023	25.7	16.7	7.0	16.8	—	66.2
Additions	20.6	12.7	3.9	1.1	—	38.3
Currency translation	(0.2)	(0.4)	(0.2)	(0.6)	—	(1.4)
As of Dec 31, 2023	51.1	24.0	10.7	17.3	—	103.1
Carrying amounts						
As of Jan 1, 2023	22.9	21.9	33.5	1.3	20.7	100.3
As of Dec 31, 2023	51.6	17.9	30.1	0.2	14.7	114.5

¹ Contains a reclassification from Assets under construction, previously recognized under Property, Plant and Equipment ([NOTE 8](#)), to Internally developed software.

Amortization included in the consolidated statement of comprehensive income is split as follows:

in MEUR	2024	2023
Included in fulfilment expenses:	1.9	1.5
Included in general and administrative expenses:	41.5	36.5
Total	44.1	38.3

Impairment testing of intangible assets with indefinite useful lives

As explained in [NOTE 4](#), during the year 2024, the Group changed the useful lives of its ready-to-eat trademarks Factor and Youfoodz from finite useful life of 10 years to indefinite and starting from April 2024, these trademarks are carried at cost without further amortization charges, but are subject to annual impairment testing. As at 31 December 2024, the carrying amount of Factor trademark is MEUR 20.1 (2023: MEUR 19.6) and the carrying amount of Youfoodz trademark is MEUR 7.9 (2023: MEUR 8.4). As trademarks do not generate independent cash flows they are tested at the level of CGU (Youfoodz trademark is tested at the level of respective CGU in Australia and Factor trademark is tested at the level of respective CGU in US) on the fair value less cost of disposal (FV Level 3) using a present value technique. Cash flow projections were based on 3-year budget extended for additional forecasted 2 years with terminal value calculated after the last forecasted year.

The key assumptions used in the estimation of the recoverable amount for trademarks are the same as described for impairment test of goodwill in [NOTE 7](#).

11. Inventories

Inventories are comprised as follows:

in MEUR	31 December 2024	31 December 2023
Ingredients	190.5	163.3
Packaging material	33.1	32.7
WIP and finished goods	8.8	23.5
Other	4.8	3.0
Total inventories	237.2	222.4

Ingredients represent primarily products with a relatively longer shelf life and frozen proteins. Packaging consists of empty packaging materials. WIP represents ingredients in process of kitting / cooking and finished goods represent products that were shipped but not yet delivered to the final customers.

During 2024, inventories that were expensed amounted to MEUR 2,317.8 (2023: MEUR 2,326.7). Write-downs of obsolete inventories recognized in profit and loss during the year 2024 amount to MEUR 22.6 (2023: MEUR 21.3). Balances of inventory which the Group did not use during the production week and donated to its business partners amount to MEUR 30.5 (2023: MEUR 24.0).

12. Cash and Cash Equivalents

Cash and cash equivalents are comprised as follows:

in MEUR	31 December 2024	31 December 2023
Cash at bank and on hand	367.1	426.8
Cash equivalents	119.6	6.3
Cash and cash equivalents	486.7	433.1

As of 31 December 2024 and any previous years, there were no overdraft balances. Cash and cash equivalents include bank balances of MEUR 17.6 with certain contractual restrictions on use as at 31 December 2024 (2023: nil).

In addition to cash at banks, the balance for cash at bank and on hand as of 31 December 2024 contains cash balances held by payment service providers (PSPs) amounting to MEUR 19.1 (2023: MEUR 51.8), if they fulfill the criteria for presentation as cash. PSPs are financial institutions that perform payment processing services for the Group.

For balances held by PSPs, the Company has appropriate safeguards in place by actively managing its exposure to credit risk through its selection, and continued monitoring of the credit rating of its payment service providers. The Group uses segregated accounts, and frequently transfers the funds collected on its behalf to its bank accounts. Substantially all balances are immediately due, and paid out on a regular basis every few days as agreed with the PSPs.

Cash equivalents consist of deposits with initial maturity of 3 months and less. For further information reference is made to [NOTE 13](#).

13. Financial Instruments

Financial Assets

With the exception of derivative financial instruments which are accounted for as fair value through profit or loss (Level 2 of the fair value hierarchy) and two financial assets, included within other financial assets (non-current) (Level 3 of the fair value hierarchy), all other financial assets held by the Group are measured at amortized cost according to IFRS 9. Please refer to the accounting policies in [NOTE 3](#). Management assessed that for those assets and liabilities measured at amortized cost, which include trade receivables, other financial assets, cash and cash equivalents, trade payables, and other financial liabilities, their fair values approximate their respective carrying amounts largely due to short-term maturities of these instruments. Long-term deposits and restricted cash approximate their carrying amounts as they bear interest at market rates.

All financial assets are disclosed below:

in MEUR	31 December 2024	31 December 2023
Non-current		
Other financial assets	18.0	21.9
Total non-current assets	18.0	21.9
Current		
Trade receivables	20.7	17.8
Other financial assets	18.5	19.1
Cash and cash equivalents	486.7	433.1
Total current assets	525.9	470.0
Total	543.9	491.9

Other non-current financial assets include a receivable of MEUR 4.5 (2023: MEUR 6.3) from the sale of tax credits to a third party. The asset is measured at fair value through profit and loss (Level 3 of the fair value hierarchy). The tax credit has been granted to the Group for relocating to and expanding operations in Newark, New Jersey by the New Jersey Economic Development Authority (NJEDA) under the Grow New Jersey Assistance Program. These tax credits, which were granted in 2015, amount to a total maximum of MUS\$ 28.7 and will be earned over a ten-year term. Receipt of the tax credits is dependent upon compliance with certain requirements related to capital investment as well as job creation and retention targets over a period of 15 years. HelloFresh has signed an agreement with a third party to sell such credits, pending tax credit transfer certificate from NJEDA, for 93 Cents on the Dollar. Therefore, HelloFresh is not required to generate sufficient taxable income in the state of New Jersey to benefit from the tax credits.

Further, other non-current financial assets also comprise future lease payments receivable of MEUR 2.6 (2023: MEUR 3.8) from sub-leases classified as finance lease and the remaining balance mainly consists of restricted cash balances. Restricted cash balances are mainly comprised of cash deposits with respect to lease agreements. Restricted cash is measured at amortized cost and presented at face value.

Other current financial assets include restricted cash of MEUR 9.1 (2023: MEUR 9.5) and deposits of MEUR 0.8 (2023: MEUR 1.2). The remaining balance includes various other miscellaneous financial assets.

Trade receivables amount to MEUR 20.7 as of 31 December 2024 (2023: MEUR 17.8). The Group has recorded an allowance for uncollectible amounts of MEUR 26.2 (2023: MEUR 21.8). The impairment allowance for receivables throughout the year is calculated using the expected credit losses based on historical data according to IFRS 9 (see also [NOTE 3](#)). Full write-off of receivables occurs for all receivables over 180 days. The Group engages external dunning and collection agencies in certain countries to support the collection of bad debts. The macroeconomic situation is not expected to have any material impact on the collectability of the receivables due to their short-term nature. Further information is included in [NOTE 14](#).

Fair value of financial assets as of 31 December 2024 approximates to their carrying amounts predominantly due to short-term nature of the major balance of financial assets.

Financial Liabilities

All financial liabilities are measured at amortized cost except for derivative financial liabilities (Level 2 of the fair value hierarchy, refer to [NOTE 14](#)).

All financial liabilities are disclosed below:

in MEUR	31 December 2024	31 December 2023
Non-current		
Other financial liabilities	491.2	441.1
Long-term debt	188.2	163.7
Total non-current liabilities	679.4	604.9
Current		
Trade and other payables	526.8	560.2
Other financial liabilities	112.5	115.5
Short-term debt	135.2	—
Total current	774.5	675.7
Total	1,453.9	1,280.6

Long-term debt as at 31 December 2024 is represented by a syndicated term loan amounting to MEUR 188.2 with a maturity of three to five years for different tranches. Total amounts of proceeds from term loan for the year 2024 is MEUR 190.0, which are presented net of transaction costs of MEUR 1.8. The loans are held at market rate and bear an interest rate of EURIBOR + 130-150 bps per annum. As at 31 December 2024, the Group complies with financial and non-financial covenants envisaged by the term loan agreement. Accordingly, the term loan is presented in accordance with its contractual maturity. The Group intends to use the majority of proceeds to refinance the extant amount of its convertible bond.

Long-term debt as at 31 December 2023 was mainly represented by a convertible bond liability in amount of MEUR 163.7, which is presented as short-term debt as at 31 December 2024 due to contractual maturity in May 2025. On 13 May 2020, HelloFresh SE issued a 5 year convertible bond of MEUR 175.0. The convertible bond bears a coupon rate of 0.75 % payable semi-annually. It is split into two components, the debt component (84.9 %) reported along with other debt instruments and the equity component (15.1 %) reported in equity. The debt component of MEUR 135.2 (2023: MEUR 163.7) is the present value of all the future payments discounted at 4.17 % (4.5 % credit spread together with a negative swap rate of 0.33 %). The equity component amounts to MEUR 25.9 as at 31 December 2024 and was not revalued. During the year 2024, total interest expense related to the convertible bond amounts to MEUR 6.8 (2023: MEUR 7.2). During the year 2024, HelloFresh repurchased convertible bonds with a nominal amount of MEUR 35.0 (2023: MEUR 3.0) at a weighted average transaction price of 97.02% (2023: 93.04 %).

Other financial liabilities (non-current and current) mainly include lease liabilities, which are split into a long-term component (2024: MEUR 484.6; 2023: MEUR 440.8) and a short-term (2024: MEUR 106.3; 2023: MEUR 109.6) component. The remaining balance of other financial liabilities consists of individually not material balances.

As of 31 December 2024 trade and other payables included other payables for capital expenditures of MEUR 9.0 (31 Dec 2023: MEUR 16.4). Trade payables primarily comprise balances payable to ingredient suppliers, carriers, partners providing warehousing, packaging providers and providers of marketing services.

There was no default in the payment of any of the financial liabilities.

As of 31 December 2024 the fair value of non-current financial liabilities approximates their nominal amounts as their terms largely correspond to the market terms at the reporting period ends. As of 31 December 2023 the fair value of non-current financial liabilities approximates their carrying amounts. Fair value of current financial liabilities approximates to the carrying amounts due to their short term nature.

Reconciliation of movements in financial liabilities to cash flow from financing activities is as follows:

in MEUR	Term loan	Convertible bond liabilities	Lease liabilities	Total
Balance as of 1 January 2024	—	163.7	550.3	714.0
Changes from financing cash flows:				
Repayment of principal under IFRS 16	—	—	(96.8)	(96.8)
Repurchase under convertible bond buyback program	—	(34.0)	—	(34.0)
Proceeds from loan facilities	190.0	—	—	190.0
Payment of the transaction costs	(1.8)	—	—	(1.8)
Total changes from financing cash flows	188.2	(34.0)	(96.8)	57.4
The effects of changes in foreign exchange rates	—	—	9.9	9.9
Other changes:				
New leases, reassessments and modifications	—	—	127.5	127.5
Interest expense	2.8	6.8	29.0	38.6
Interest paid	(2.8)	(1.3)	(29.0)	(33.1)
Total other changes	—	5.5	127.5	133.0
Balance as at 31 December 2024	188.2	135.2	590.9	914.3
Balance as of 1 January 2023	—	160.6	505.4	666.0
Changes from financing cash flows:				
Repayment of principal under IFRS 16	—	—	(75.6)	(75.6)
Repurchase under convertible bond buyback program	—	(2.8)	—	(2.8)
Total changes from financing cash flows	—	(2.8)	(75.6)	(78.4)
The effects of changes in foreign exchange rates	—	—	(20.5)	(20.5)
Other changes:				
New leases, reassessments and modifications	—	—	141.0	141.0
Interest expense	—	7.2	26.9	34.1
Interest paid	—	(1.3)	(26.9)	(28.2)
Total other changes	—	5.9	141.0	146.9
Balance as at 31 December 2023	—	163.7	550.3	714.0

14. Financial Risk Management

The risk management function within the Group is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits and ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures in order to minimize operational and legal risks. Risk management is carried out by a central finance and legal department under the control of management.

Credit Risk

Credit risk is defined as the possibility of a customer or other counterparty not fulfilling its commitments towards the Group. Exposure to credit risk arises as a result of the sale of products offering various payment methods and other transactions with counterparties giving rise to financial assets. On account of the type of business, exposure to credit risk with customers is limited because cash is usually received before or at the time of the sale or delivery. However, certain receivables have lower collectability rates and are subject to a higher level of credit risk due to the corresponding payment method used. Derivatives are entered into with bank and financial institution counterparties, which are all investment grade rated.

The Group's maximum exposure to credit risk by class of assets is as follows:

in MEUR	31 December 2024	31 December 2023
Non-current		
Other financial assets	18.0	21.9
Total non-current assets	18.0	21.9
Current		
Trade receivables	20.7	17.8
Other financial assets	18.5	19.1
Cash and cash equivalents	486.7	433.1
Total current assets	525.9	470.0
Total	543.9	491.9

The Group structures the levels of credit risk undertaken by placing limits on the amount of risk accepted in relation to counterparties or groups of counterparties. Limits on the level of credit risk are approved regularly by management. Such risks are monitored on a revolving basis and are subject to an annual or more frequent review.

Credit risk related to doubtful accounts that are subject to legal action or those overdue is monitored centrally on a regular basis. In certain countries of operation an external collection agency is engaged to pursue outstanding amounts.

The Group utilizes a number of different banks to address the counterparty risk on its cash balances and restricted cash balances included within other financial assets. The Group only holds cash with large international banks of high reputation which are investment grade rated as of the date of these financial statements and payment services providers that are of low credit risk. The Group's treasury policy provides guidance on counterparty cash exposure limits.

The composition of trade receivables by geographic location of amounts due from businesses such as marketing portals ('B2B') and customers net of any allowances for uncollectible amount was as follows:

Trade receivables

Category	31 December 2024								
	Australia	Canada	Germany and Austria	Others ¹	BeNeLux	Nordics countries	United Kingdom	United States	Total
B2B	7.4	1.2	0.7	0.8	1.0	0.6	0.6	3.5	15.8
Customers	2.1	—	—	1.6	0.5	0.3	0.2	0.2	4.9
Total	9.5	1.2	0.7	2.4	1.5	0.9	0.8	3.7	20.7

Category	31 December 2023								
	Australia	Canada	Germany and Austria	Others ¹	BeNeLux	Nordics countries	United Kingdom	United States	Total
B2B	5.4	1.5	1.1	1.0	1.2	0.7	0.1	3.0	14.0
Customers	1.7	—	0.6	0.4	0.2	0.2	0.4	0.3	3.8
Total	7.1	1.5	1.7	1.4	1.4	0.9	0.5	3.3	17.8

¹ Others includes France, Ireland, Italy, New Zealand, Philippines, Spain and Switzerland.

As at 31 December 2024 amounts due from customers are MEUR 4.9 (2023: MEUR 3.8) and amounts due from other businesses are MEUR 15.8 (2023: MEUR 14.0). The former are subject to a higher credit risk and therefore monitored and, in certain cases, pursued by an external collection agency.

The Group does not hold any long-term trade receivables. Trade receivables are fully written-off after they are 180 days overdue, while any collection after impairment is already reflected in the ECL measurement. The Group uses an allowance matrix to measure the lifetime Expected Credit Loss of trade receivables.

Movements in the expected credit loss allowance during 2024 comprised recognition of expected credit loss allowance for the amount of MEUR 47.2 (2023: MEUR 49.6) and utilisation of loss allowance for the amount of MEUR 42.9 (2023: MEUR 50.8). These amounts include the loss allowance on trade receivables of MEUR 21.1 (2023: MEUR 27.7) relating to the balances recognized and written off during the reporting period.

In the year 2023 the part of the loss allowance on trade receivables of MEUR 27.7 relating to the balances recognized and written off during the reporting period was presented in other operating expenses. For 2024 related amounts are presented within loss allowance on trade receivables in the statement of comprehensive income. Comparative information was changed to conform to the current year presentation.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due as follows:

Year ended 31 December 2024, in MEUR	Up to 30 days past due	30-90 days past due	90-180 days past due	Total
Loss rate	25.6%	62.0%	79.6%	56.0%
Gross carrying amount	16.0	14.2	16.7	46.8
Loss allowance	4.1	8.8	13.3	26.2
<hr/>				
Year ended 31 December 2023, in MEUR	Up to 30 days past due	30-90 days past due	90-180 days past due	Total
Loss rate	22.9%	56.1%	84.4%	55.1%
Gross carrying amount	14.4	9.8	15.4	39.6
Loss allowance	3.3	5.5	13.0	21.8

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Management monitors cash balances and movements in cash on a weekly basis. Please refer to [NOTE 25](#) for additional information to liquidity management of the Group.

The Group seeks to maintain a stable funding base through our customer payments and by optimizing the cash flow from operations. The Group's cash flow from operations in 2024 was a positive MEUR 239.3 (2023: MEUR 383.8). The Group held a cash position of MEUR 486.7 (2023: MEUR 433.1) at 31 December 2024. In addition, the company has a MEUR 400.0 revolving credit facility in place of which MEUR 362.9 is not utilized, and available at 31 December 2024. The revolving credit facility matures in April 2027. Intragroup working capital management is supported through cash pooling arrangements.

As at 31 December 2024, the Group's non-current financial liabilities consist of long-term leasing liabilities amounting to MEUR 484.6 (2023: MEUR 440.8). In addition, as at 31 December 2024 the Group has a syndicated term loan amounting to MEUR 188.2 with a maturity of three to five years presented as long-term debt. Apart from that the Group has issued a convertible bond of MEUR 175.0, of which MEUR 135.2 is recognized as short-term debt as of 31 December 2024 (2023: long-term debt of MEUR 163.7). As of 31 December 2024 and 31 December 2023, the major part of current financial liabilities is comprised of trade payables, which were due within 30 days.

The tables below summarize the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows:

Year ended 31 December 2024, in MEUR	Under 1 year	1 to 5 years	> 5 years	Total	Carrying amount
Trade and other payables	526.8	—	—	526.8	526.8
Other financial liabilities (current and non-current)	6.2	6.5	—	12.7	12.7
Lease Liabilities (current and non-current)	126.0	352.0	319.0	797.0	590.9
Convertible bond	137.4	—	—	137.4	135.2
Term loan	8.5	210.8	—	219.3	188.2
FX Derivatives:					0.1
gross inflows	(2.9)	—	—	(2.9)	
gross outflows	3.0	—	—	3.0	
Total	805.0	569.3	319.0	1,693.3	1,453.9

Year ended 31 December 2023, in MEUR	Under 1 year	1 to 5 years	> 5 years	Total	Carrying amount
Trade and other payables	560.2	—	—	560.2	560.2
Other financial liabilities (current)	5.9	—	—	5.9	5.9
Lease Liabilities (current and non-current)	118.0	355.9	323.1	797.0	550.4
Convertible bond	1.3	172.6	—	173.9	163.7
FX Derivatives:					(0.3)
gross inflows	(14.6)	—	—	(14.6)	
gross outflows	14.3	—	—	14.3	
Total	685.1	528.5	323.1	1,536.7	1,279.9

Please refer to financial instruments in [NOTE 13](#) and risk report within the combined management report for further information on liquidity risk.

Market Risk

The Group takes on exposure to market risks. Market risk is the risk that changes in market prices, such as the achievable selling prices for goods or the price level for food and other merchandise will affect the Group's results of operations or the value of the financial instruments held. Market risks also arise from exposure to transactions in foreign currencies. Management sets limits on the value of risk that may be accepted, which are monitored on a regular basis. In limited instances, the Group also uses derivatives to manage its FX risks. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

Sensitivities to market risks included below are based on a change in a factor while holding all other factors constant. In practice this is unlikely to occur and changes in some of the factors may be correlated – for example changes in interest rates and changes in foreign currency rates.

a) Currency Risk

Currency risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Group operates internationally through local operating subsidiaries. These subsidiaries predominantly execute their operating activities in their respective functional currencies providing a natural foreign currency risk offset.

FX forward derivative instruments designated in net investment hedges are included within Other financial assets (current) as well as Other financial liabilities (current). The notional amount (in MEUR equivalent) of outstanding EUR/USD and EUR/CAD FX derivatives designated in net investment hedges was 1.6 and 1.5 respectively.

All FX forwards contracts (EUR/USD and EUR/CAD) are maturing in less than 1 year with a weighted average strike rate of 1.08 and 1.50, respectively.

Net Investment Hedges

A foreign currency exposure arises mainly from the Group's net investment in its US, Australian and Canadian subsidiaries that have USD, AUD and CAD functional currencies respectively. The risk arises from the fluctuation in spot exchange rates between the functional currency of these subsidiaries and the Group's reporting currency Euro, which causes the amount of the net investment at each reporting period to vary.

The hedged risk in the net investment hedge is the risk of a weakening in the USD, AUD and CAD against the Euro that will result in a reduction in the carrying amount of the Group's foreign net investments. The Group has elected to hedge a portion of its total net investment in foreign operations with FX Forwards.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing the critical terms (currency, amount and timing of respective cash flows). The main sources of ineffectiveness are:

- the effect of the counterparties' and the Group's own credit risk on the fair value of the forward foreign exchange contracts; and
- a reduction in the amount of the foreign net assets below the designated hedged amount.

There was no ineffectiveness recognized in the Consolidated Statement of Comprehensive Income for both current and prior year.

Balances remaining in OCI from continuing hedging relationships amounted to MEUR 0.1 as at 31 December 2024 (2023: MEUR 0.3). Balances remaining in OCI from hedging relationships for which hedge accounting is no longer applied amounted to MEUR 0.1 as at 31 December 2024 (2023: MEUR 0.1).

Currency sensitivity

The Group has assessed the sensitivity to a reasonably possible change in the closing exchange rate of the Euro against significant currencies with all other variables held constant. The sensitivities are based on financial assets and financial liabilities held at the end of the reporting period where balances are not denominated in the functional currency of the entity. The group-level currency exposure is the basis for the sensitivity analysis. Assuming Euro to appreciate or depreciate 10 % against all other currencies in which the Group deals, the impact on the profit /(loss) would be:

ISO Code / in MEUR	EUR +/- 10% change	
	31-Dec-24	31-Dec-23
AUD	+/-6.5	+/-5.9
CAD	+/-2.5	+/-1.8
CHF	+/-1.0	+/-0.4
CZK	+/-0.0	+/-0.0
DKK	+/-0.2	+/-0.7
GBP	+/-12.3	+/-4.5
JPY	+/-0.0	+/-0.2
NOK	+/-0.1	+/-0.2
NZD	+/-0.6	+/-0.1
PHP	+/-0.6	+/-0.0
SEK	+/-0.4	+/-1.1
USD	+/-28.3	+/-35.3
Total	+/-52.7	+/-50.2

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's revolving credit facility and the Group's term loan, where an interest margin is applied to the floating EURIBOR base rate. As of 31 December 2024, the revolving credit facility is largely undrawn, so the interest rate risk on revolving credit facility is not material. As of 31 December 2024, interest rate risk resides mainly with the term loan. A change of 100 basis points in interest rates for term loan would have increased or decreased net loss before tax for 2024 by MEUR 1.9. This analysis assumes that all other variables remain constant. However, to certain extent this risk is mitigated by cash and cash equivalents with floating interest rates.

The convertible bond issued by the Group during 2020 has a fixed coupon rate and has no interest rate risk as it does not change due to changes in the EURIBOR base rate. In our view there is no meaningful interest rate risk involved for the IFRS 16 interest charges as any change in incremental borrowing rate used for the leases has a direct impact on the corresponding lease liability and right of use of asset at the same amount.

Offsetting and enforceable master netting agreements

When we have a legally enforceable right to offset our financial assets and liabilities and an intention to settle on a net basis, or realize the asset and settle the liability simultaneously, we report the net amount in the consolidated statement of financial position. Agreements with derivative counterparties are based on the “Rahmenvertrag für Finanztermingeschäfte (DRV)” framework wherein master netting agreements do not meet the criteria for offsetting, but allow for the related amounts to be set-off in certain circumstances. As of 31 December 2024, there were no derivative amounts offset in the statement of financial position (2023: Nil) and no material balances associated with enforceable master netting agreements (2023: Nil).

15. Other Non-Financial Assets

As of 31 December 2024 other current non-financial assets amounted to MEUR 124.3 (2023: MEUR 132.5), and mainly comprise prepaid expenses (mostly for marketing and cloud services) of MEUR 46.4 (2023: MEUR 64.7), VAT receivables of MEUR 30.0 (2023: MEUR 35.1), and income tax receivables for MEUR 43.5 (2023: MEUR 29.4).

16. Other Non-Financial Liabilities

As of 31 December 2024 other current non-financial liabilities amounted to MEUR 96.1 (2023: MEUR 118.0), and these mostly relate to accruals for payroll and employee benefits of MEUR 64.6 (2023: MEUR 90.3), VAT payables of MEUR 14.2 (2023: MEUR 13.9), and cash settled liabilities for share-based compensation for MEUR 10.6 (2023: MEUR 2.7 presented within other financial liabilities).

As of 31 December 2024 other non-current non-financial liabilities amounted to MEUR 2.0 (2023: Nil), and relate to the government grant received in Germany.

17. Equity

	Share capital		Capital reserves		
	Registered Share Capital in EUR	Number of shares	Change in capital paid in (in MEUR)	Transaction costs (in MEUR)	Total (in MEUR)
As of Jan 1, 2023	171,928,378	171,928,378	366.0	(10.0)	356.0
Issue of ordinary share capital	1,262,184	1,262,184	(0.4)	—	(0.4)
As of 31 December 2023	173,190,562	173,190,562	365.6	(10.0)	355.6
As of Jan 1, 2024	173,190,562	173,190,562	365.6	(10.0)	355.6
Issue of ordinary share capital	—	—	—	—	—
As of 31 December 2024	173,190,562	173,190,562	365.6	(10.0)	355.6

As of 31 December 2024, the registered share capital of the Company amounts to EUR 173,190,562, which is divided into 173,190,562 no par-value shares (31 December 2023: EUR 173,190,562 divided into 173,190,562 no-par value shares). The Company holds 10,794,144 (31 December 2023: 2,079,756) treasury shares. The Management Board, with the consent of the Supervisory Board, is authorized to increase the registered share capital until 1 May 2027 by up to EUR 64,276,225 through the issuance of up to 64,276,225 no-par value shares (Authorized Capital 2024/I). The share capital of the Company is conditionally increased, after partial revocation, by up to EUR 5,000,000 by issuing up to 5,000,000 no-par value bearer shares to serve the granting of shares on the exercise of conversion or option rights or the fulfilment of conversion or option obligations to the holder or creditor of convertible bonds, warrant bonds, profit participation rights and / or income bonds (or a combination of these instruments) (Conditional Capital 2018/II). The share capital of the Company is conditionally increased by up to a further EUR 17,319,056 by issuing up to 17,319,056 no-par value bearer shares to serve the granting of shares upon the exercise of conversion or option rights or upon the fulfilment of conversion or option obligations to the holders or creditors of convertible bonds, bonds with warrants, profit participation rights and / or participating bonds (or a combination of these instruments) (Conditional Capital 2024/I).

In agreement with the Supervisory Board, the Management Board proposes that the accumulated profit of the parent company HelloFresh SE in the amount of MEUR 237.9 shall be carried forward to the next financial year. As of 31 December 2024 and 31 December 2023 all shares are fully paid.

In 2024, the Group continued the share buy back program initiated in 2023 and repurchased 10,298,461 shares for the total amount of MEUR 83.1 at a weighted average price of EUR 8.0 per share.

Other reserves amounted to MEUR 283.1 as of 31 December 2024 reflecting an increase of MEUR 62.3 compared to MEUR 220.8 as of 31 December 2023. The balance of other reserves relate to share-based compensation effects.

As of 31 December 2024 and 31 December 2023 other comprehensive income reserve in equity is substantially represented by foreign currency translation reserve with inconsequential amount relating to net investment hedge reserve.

Convertible bond

On 13 May 2020 HelloFresh SE issued a 5 years convertible bond of MEUR 175.0 with a coupon rate of 0.75% payable semi-annually. The convertible bond is split into two components. The debt component (84.9%) is reported along with other debt instruments and the equity component (15.1%) is reported in capital reserves. The debt component is the present value of all future payments discounted at the prevailing market rate of 4.17% (4.5% credit spread with swap rate of 0.33%). The difference between the present value of all future payments (MEUR 146.3) and the total issue (MEUR 175.0) represents the equity component (MEUR 26.0). The transaction costs for the issue of the convertible bond amount to MEUR 2.7.

Due to the bond buy back in financial year 2024, the equity component of the remaining outstanding bonds has been reduced slightly to MEUR 25.9 (refer to [NOTE 13](#)).

18. Provisions

Provisions are comprised as follows:

in MEUR	31 December 2024			31 December 2023		
	Current	Non-current	Total	Current	Non-current	Total
Restoration costs	7.4	46.7	54.1	1.1	29.1	30.2
Legal and tax	10.9	1.9	12.8	11.3	2.4	13.7
Other	0.8	1.4	2.2	9.4	—	9.4
Total provisions	19.1	50.0	69.1	21.8	31.5	53.3

Movements in provisions during the year 2024 are comprised as follows:

in MEUR	Restoration costs	Legal and tax	Other	Total provisions
Carrying amount at 1 January 2024	30.2	13.7	9.4	53.3
Additional provision charged to property, plant and equipment	26.3	—	—	26.3
Charged/(credited) to profit or loss:				
additional provisions recognized	—	12.8	2.2	15.0
unwinding of discount	1.8	—	—	1.8
Amounts used during the year	(5.7)	(14.6)	—	(20.2)
Currency translation	1.6	0.9	—	2.4
Other movement	—	—	(9.4)	(9.4)
Carrying amount at 31 December 2024	54.1	12.8	2.2	69.1

The Group is required to restore certain leased fulfillment centers and vehicles to their original condition at the end of the respective lease terms. A provision for restoration costs has been recognized for the present value of the estimated expenditure required to remove any leasehold improvements or dismantle equipment. These costs have been capitalized as part of the cost of right of use asset, and they are depreciated over the lease term. The change in the provision for restoration costs is mainly due to finalization of build-out of new fulfillment centers in Australia, UK and changes in estimates in site restoration costs across various geographies. Timing of cash outflows for restoration costs depends on lease end dates and varies from 1 year to 15 years from the reporting period end.

As of 31 December 2024 and 31 December 2023 legal and tax provision relate to potential legal settlements and involve estimation uncertainty.

As of 31 December 2024 other provisions are mainly represented by provision for onerous contracts for leased fulfillment centers in US, which are fully impaired (2023: other provisions were mainly presented as customer credits, which are presented within contract liabilities as of 31 December 2024).

19. Share-Based Compensation

The Group operates equity-settled share-based compensation plans, under which Group companies receive services from employees and employees receive equity instruments of the Company as a compensation. Additionally, the Group operates cash-settled compensation plans for certain levels of management, including local senior management of newly launched businesses, and starting from Q1 2024 also for a few geographies of the Group and a program for executive management level.

The total share-based payment expense recognized within employee benefit expenses is disclosed below. All equity-settled plans are recognized distinctively in other reserves which amounted to MEUR 85.3 for 2024 (2023: MEUR 83.8).

The cash-settled share-based compensation is included within non-financial liabilities which as of 31 December 2024 amounted to MEUR 10.6 (2023: MEUR 2.7). Expenses for cash-settled share-based compensation in 2024 amounted to MEUR 7.4 (2023: MEUR (1.8)).

The share-based payment expense, including the effects from remeasurement of cash-settled plans presented within finance income, from the two programs was recorded as follows:

in MEUR	2024	2023
Equity-settled plans	85.3	83.8
Cash-settled plans	7.4	(1.8)
Total	92.8	82.0

Share-based compensation expense related to the vesting of awards totaled MEUR 94.4 in 2024, comprising MEUR 85.3 from equity-settled plans and MEUR 9.1 from cash-settled plans. This expense is included in the calculation of AEBITDA and AEBIT. The total expense of MEUR 94.4 is partially offset by a positive revaluation impact of MEUR 1.6 from cash-settled plans, which is recognized within finance income and therefore does not affect the adjustments for AEBITDA and AEBIT, resulting in total share-based compensation expense for the year 2024 of MEUR 92.8.

Equity-settled share-based compensation

During the year ended 31 December 2024, the Group operated two equity-settled share-based compensation schemes under which new awards were granted, the Virtual Stock Option Program 2019 and Restricted Stock Unit Program 2019. None of the awards expired during the year.

During 2024, the entity exercised the option of settling the vested grants in cash amounting to MEUR 1.2. The remaining grants and options from these programs (RSUs and VSOPs) were accounted as equity-settled as the intent of the entity is to settle these grants in equity.

Management has employed the “Black and Scholes Option Model” method in order to calculate the theoretical fair values of the Virtual Stock Option Programs. The expected volatility is based on the historical volatility of the market traded options of HelloFresh. Please refer to [NOTE 4](#).

Inputs into the model (weighted average)	2024	2023
Value per common share (EUR)	9.82	21.12
Exercise price (EUR)	9.82	21.12
Grant date fair value (EUR)	4.56	9.61
Expected volatility	58.3%	56.5%
Expected term (in years)	4	4
Expected dividend yield	Nil	Nil
Risk-free interest rate	2.5%	2.4%

The following overview summarizes all share-based compensation schemes with existing outstanding grants as of 31 December 2024:

Virtual Stock Option Program 2016 (VSOP 2016)

The table below illustrates the number and weighted average exercise prices (WAEP) of, and movements in, virtual share awards.

	2024 Number of awards (in millions)	2024 WAEP (EUR)	2023 Number of awards (in millions)	2023 WAEP (EUR)
Number of awards outstanding at the beginning of the year	2.4	9.31	2.4	9.34
Granted during the year	—	—	—	—
Forfeited during the year	0.0	13.25	0.0	13.28
Exercised during the year	0.0	7.69	0.0	10.79
Number of awards outstanding at the end of the year	2.4	9.31	2.4	9.31

The weighted average remaining contractual life for the options outstanding as at 31 December 2024 was 2.5 years (2023: 3.5 years).

Out of the 2.4 million awards outstanding for the VSOP 2016 as at 31 December 2024, all awards were exercisable. After the end of the waiting period, all the outstanding grants can be exercised in the range of EUR 7.69 - EUR 13.50.

Under this plan, which was initiated in 2016, eligible employees and members of the Management Board of the Company and its subsidiaries received share appreciation rights. The settlement amount depended on the development of the share price of the shares of the Company. The awards contained non-market performance conditions related to the achievement of revenue and adjusted EBITDA targets of the Company or its subsidiaries in 2018, however awards that were granted in March and April 2018 under VSOP 2016 were related to the achievement of revenue and adjusted EBITDA targets of the Company or its subsidiaries in 2019.

The awards vested over a period of four years and are exercisable after a four-year overlapping waiting period for up to six years after the lapse of the waiting period. The Company was entitled, at its sole discretion, to deliver (in full or in part) shares in the Company upon exercise of the awards, provided that the shareholders had lawfully resolved on the acquisition or divestiture of treasury shares, a contingent capital or an authorized capital for such purposes. It was the Company's intention to settle these awards in equity to the extent legally permissible.

The Company granted the last awards under the VSOP 2016 plan, on 31 March 2018 and 13 April 2018 after which no further awards were granted under this scheme. All awards in HelloFresh SE post 13 April 2018 were granted under the new programs; Virtual Stock Option Program 2018, Virtual Stock Option Program 2019, Restricted Stock Unit Program 2018 and Restricted Stock Unit Program 2019, see below.

Virtual Stock Option Program 2018 (VSOP 2018)

	2024 Number of awards (in millions)	2024 WAEP (EUR)	2023 Number of awards (in millions)	2023 WAEP (EUR)
Number of awards outstanding at the beginning of the year	3.0	8.74	3.3	8.74
Granted during the year	—	—	—	—
Forfeited during the year	0.0	8.12	0.0	10.25
Exercised during the year	0.0	8.32	(0.3)	8.69
Number of awards outstanding at the end of the year	2.9	8.74	3.0	8.74

The weighted average remaining contractual life for the options outstanding as at 31 December 2024 was 4.1 years (2023: 5.1 years).

Out of the 2.9 million awards outstanding as at 31 December 2024, all awards were exercisable. After the end of waiting period, all the outstanding grants can be exercised in the range of EUR 7.25 - EUR 18.60.

Under this plan, which was initiated in 2018, eligible employees and members of the Management Board of the Company and its subsidiaries receive share appreciation rights. The settlement amount depends on the development of the share price of the shares of the Company. The awards contain non-market performance conditions related to the

achievement of revenue and adjusted EBITDA targets of the Company or its subsidiaries. For all the employees awards granted in 2018, target achievement in financial year 2019 is relevant and for the awards granted in 2019, financial year 2020 is the relevant year. For the awards granted to the Management Board in 2018, target year for conditions related to the achievement of revenue and adjusted EBITDA targets of the Company is 2021 and for the awards granted in 2019, financial year 2021 is the target year. Given the strong development of the company between 2019 and 2021, the revenue and adjusted EBITDA targets have been fully achieved. The awards vest over a period of four years and are exercisable after a four-year overlapping waiting period for up to six years after the lapse of the waiting period. The Company is entitled, at its sole discretion, to deliver (in full or in part) shares in the Company upon exercise of the awards, provided that the shareholders have lawfully resolved on the acquisition or divestiture of treasury shares, a contingent capital or an authorized capital for such purposes. It is the Company's intention to settle these awards in equity to the extent legally permissible.

Virtual Stock Option Program 2019 (VSOP 2019)

	2024 Number of awards (in millions)	2024 WAEP (EUR)	2023 Number of awards (in millions)	2023 WAEP (EUR)
Number of awards outstanding at the beginning of the year	7.2	34.01	4.3	44.13
Granted during the year	7.2	9.82	3.5	21.25
Forfeited during the year	(1.1)	18.74	(0.5)	34.83
Exercised during the year	0.0	5.96	0.0	21.32
Number of awards outstanding at the end of the year	13.3	22.18	7.2	34.01

The weighted average remaining contractual life for the options outstanding as at 31 December 2024 was 8.2 years (2023: 8.2 years).

Out of the 13.3 million awards outstanding as at 31 December 2024, 6.5 million were exercisable. After the end of waiting period, all the outstanding grants can be exercised in the range of EUR 5.24 - EUR 86.50.

Under this plan, which was approved in 2019, eligible employees and members of the Management Board of the Company and its subsidiaries receive share appreciation rights. The first grants under this plan were executed in 2020. The settlement amount depends on the development of the share price of the shares of the Company. The awards contain non-market performance conditions related to the achievement of revenue and adjusted EBITDA targets of the Company or its subsidiaries. For all the employees awards granted in 2020, target achievement in financial year 2021 is relevant and for the awards granted in 2021, financial year 2022 is the relevant year. Targets for both the years were fully achieved. For the awards granted to the Management Board in 2020, target year for conditions related to the achievement of revenue and adjusted EBITDA targets of the Company is 2022 and for the awards granted in 2021, financial year 2023 is the target year. Targets linked to financial year 2022 were fully achieved and targets for financial year 2023 were partially achieved. The awards vest over a period of three years and are exercisable after a four-year overlapping waiting period for up to six years after the lapse of the waiting period. VSOP 2019 awards granted after mid January 2022 do not contain any performance condition or waiting period, except for the awards granted to management board which still has performance conditions and waiting period. These awards are available to exercise after the vesting period up to ten years from the grant date. The Company is entitled, at its sole discretion, to deliver (in full or in part) shares in the Company upon exercise of the awards, provided that the shareholders have lawfully resolved on the acquisition or divestiture of treasury shares, a contingent capital or an authorized capital for such purposes. It is the Company's intention to settle these awards in equity to the extent legally permissible.

Restricted Stock Unit Program 2019 (RSUP 2019)

	2024 Number of awards (in millions)	2023 Number of awards (in millions)
Number of awards outstanding at the beginning of the year	3.6	1.4
Granted during the year	10.1	3.6
Forfeited during the year	(2.1)	(0.5)
Exercised during the year	(2.5)	(1.0)
Number of awards outstanding at the end of the year	9.1	3.6

As of 31 December 2024, 2.5 million awards were exercised. The Weighted Average Share Price on date of exercise was EUR 8.32. Out of the 9.1 million awards outstanding as at 31 December 2024, 1.2 million awards were exercisable (2023: 0.3 million).

Under this plan, which was approved in 2019, eligible employees and members of the Management Board of the Company and its subsidiaries receive share appreciation rights. The first grants under this plan were executed in 2020. The settlement amount depends on the development of the share price of the shares of the Company. The Company changed the vesting of all the new RSU awards to a quarterly vesting over a period of 36 months from mid January 2022. The Company is entitled, at its sole discretion, to deliver (in full or in part) shares in the Company upon exercise of the awards, provided that the shareholders have lawfully resolved on the acquisition or divestiture of treasury shares, a contingent capital or an authorized capital for such purposes. It is the Company's intention to settle these awards in equity to the extent legally permissible.

Virtual Option Programs 2013 - 2015

Starting in 2013, eligible participants were granted virtual options in the legal predecessors of the Company or their subsidiaries. The plans stipulate a choice for the Company between settling in cash or equity if, inter alia, a listing of the Company occurs. Following conversion of the legal form of the Company to a German stock corporation effective 2 November 2015 to a European Corporation (Societas Europaea), the Company was subjected to limitations on capital increase for settling of share option awards. Therefore, awards issued under these plans were reclassified as cash-settled awards as of 2015 as settlement in equity did not appear to be practicable due to legal restrictions. Due to further financing rounds up to 2017, the restrictions were lifted effectively from June 2017, all awards under these plans were reclassified back to equity-settled.

No further awards will be granted under these schemes.

	2024 Number of awards (in millions)	2024 WAEP (EUR)	2023 Number of awards (in millions)	2023 WAEP (EUR)
Number of awards outstanding at the beginning of the year	0.17	0.00	0.17	0.00
Granted during the year	—	—	—	—
Forfeited during the year	—	—	—	—
Exercised during the year	—	—	—	—
Number of awards outstanding at the end of the year	0.17	0.00	0.17	0.00

Of the 0.17 million awards outstanding as at 31 December 2024 (2023: 0.17 million), all were exercisable with an exercise price of EUR 0.000702, following the Company's Initial Public Offering, which took place on 2 November 2017.

Cash-settled share-based compensation

The Group also operates cash-settled share-based compensation programs. When launching new businesses, HelloFresh typically reserves up to 10% (before any subsequent dilution) of the shares in these new entities for local senior management. After a period of four years, and subject to certain conditions, holders of those shares are entitled to put them at market value to HelloFresh. Refer also to **NOTE 3** for further information. Additionally starting from Q1 2024 RSU and VSOP plans, as described above, for a few geographies of the Group and a RSU program for executive management level with one year vesting are also treated as cash-settled. Liability for all the cash settled share-based compensation as at 31 December 2024 amounted to MEUR 10.6 (2023: MEUR 2.7) and the intrinsic value was MEUR 4.5.

The fair value of all awards for senior management of newly launched businesses at the reporting date has been measured using the Black-Scholes formula. The inputs used in the measurement of the fair values at grant date and measurement date of the cash-settled share-based compensation were as follows:

The value of the share price of the subsidiary is driven by a valuation formula which is based on the HelloFresh SE share price and adjusted for the underlying growth of the business. The exercise price of the subsidiary is typically low since it was determined shortly after the set-up of the subsidiary.

Additional inputs for the fair value measurement are shown in the table below:

Inputs into the model	2024	2023
Expected volatility	62.9%	59.7%
Expected term (in years)	0-4	0-4
Expected dividend yield	Nil	Nil
Risk-free interest rate	2.3%	2.8% - 3.2%

The expected volatility is based on the historical volatility of the market traded options of HelloFresh. Please refer to **NOTE 4**.

The number of awards outstanding at the end of the year was 3,434 (2023: 4,705) with a weighted average exercise price of EUR 34.46 (2023: EUR 86.18). Total 1,271 awards were exercised during the year (2023: 1,091) and no new awards were granted (2023: 750).

Out of the 3,434 awards outstanding as at 31 December 2024, 1,550 awards were exercisable. After the end of waiting period, all the outstanding awards can be exercised in the range of EUR 0.00 - EUR 689.48.

20. Employee Benefit Expenses

The breakdown of the wages and salaries costs within the Consolidated Statement of Comprehensive Income can be viewed below.

in MEUR	2024	2023
Included in procurement and cooking expenses:		
Wages and salaries	201.0	109.1
Social security costs	29.2	12.8
Share-based payment expense	6.2	4.9
Pension expense ¹	1.6	1.1
Included in fulfilment expenses:		
Wages and salaries	651.3	584.3
Social security costs	99.1	75.8
Share-based payment expense	26.7	25.4
Pension expense ¹	10.3	8.1
Other personnel expenses	3.3	2.6
Included in marketing expenses:		
Wages and salaries	94.8	88.0
Social security costs	11.6	9.7
Share-based payment expense	13.6	11.3
Pension expense ¹	1.9	1.7
Other personnel expenses	0.2	0.2
Included in general and administrative expenses:		
Wages and salaries	148.7	155.5
Social security costs	25.6	23.8
Share-based payment expense	47.9	40.4
Pension expense ¹	3.6	3.3
Other personnel expenses	4.2	3.4
Total employee benefit expenses	1,380.8	1,161.4

¹ This relates to statutory pension plans which are accounted for as defined as contributions plans.

21. Number of Employees

The number of employees is calculated based on the average number of employees at the end of the quarters.

	2024	2023
Australia	1,851	1,961
Belgium	161	153
Canada	1,114	813
Denmark	130	123
France	416	181
Germany	3,455	3,203
Italy	33	38
Ireland	27	21
Netherlands	688	726
New Zealand	110	47
Norway	30	4
Philippines	1,282	1,092
Spain	36	31
Sweden	564	119
Switzerland	4	—
United Kingdom	1,984	1,796
United States	9,898	8,704
Total	21,783	19,012

22. Finance income and expense

Finance and interest income for the year is as follows:

in MEUR	2024	2023
Interest income	12.9	7.6
Foreign currency exchange gain	26.1	6.0
Revaluation gains	1.7	—
Total	40.7	13.7

Interest income mainly relates to interest income on bank accounts.

Finance and interest expense for the year is as follows:

in MEUR	2024	2023
Interest expense	(38.6)	(35.3)
Foreign currency exchange loss	(4.4)	(17.5)
Total	(43.0)	(52.8)

Interest expenses on lease liabilities amount to MEUR 29.0 (2023: MEUR 26.9) and are presented in interest expenses.

23. Income Taxes

Income taxes recorded in profit or loss is comprised as follows:

in MEUR	2024	2023
Current tax expense	(2.0)	(40.4)
thereof current period	(27.8)	(40.7)
thereof previous periods	25.8	0.3
Deferred tax (expense)/benefit	44.3	(14.8)
Origination and reversal of temporary differences	40.1	(16.2)
Recognition of previously unrecognized tax losses	4.2	1.4
Income tax benefit / (expense)	42.3	(55.2)

The income taxes can be reconciled to the accounting profit (loss) as follows:

in MEUR	2024	2023
(Loss) / Profit before tax	(179.4)	73.3
Tax using the tax rate applicable for HelloFresh headquarter	54.1	(22.1)
Tax effects of non-deductible expenses and tax exempt income	(19.4)	(17.4)
Current tax benefit arising from previously unrecognized tax losses of a prior period used to reduce current tax expense	4.2	1.4
Current year losses for which no deferred tax asset is recognized	(6.9)	(8.9)
Recognition of previously unrecognized deferred tax assets	—	0.1
Prior year current and deferred taxes	24.6	(1.2)
Tax effects on other tax rates	(5.9)	5.3
Tax effects on other tax base	(9.0)	(12.3)
Tax effects from outside basis differences	0.3	0.3
Other	0.4	(0.4)
Tax benefit / (expense) for the year	42.3	(55.2)
Effective tax rate	23.6%	75.3%

HelloFresh uses the tax rate applicable in Germany (headquarter of HelloFresh) to calculate the expected tax expense. The applicable tax rate in Germany consists of corporate income tax, solidarity surcharge and trade tax and amounts to 30.18 % in 2024 (previous year 30.18 %). For non-German companies, deferred and current taxes were calculated using the respective state tax rate which range from 15 % to 30 %.

Deferred taxes

As of 31 December 2024, deferred tax assets amounted to MEUR 227.4 (2023: MEUR 197.6) and deferred tax liabilities amounted to MEUR 149.9 (2023: MEUR 166.2). The deferred taxes were mainly related to unused tax loss carry forwards and temporary differences. Deferred tax assets are recognized for tax loss carry forwards to the extent that the realization of the related tax benefit through future taxable profits is probable or deferred tax liabilities are recognized. In this respect, a deferred tax asset of MEUR 2.8 arising from previously unrecognized tax losses (including prior year losses) is recognized in 2024 on the basis that utilization against future taxable profits is considered probable based on current and forecasted profitability.

The movements of deferred taxes are as follows:

in MEUR	As of Jan 1, 2024	Recognized in P&L	Recognized in OCI	As of Dec 31, 2024	Deferred tax assets	Deferred tax liabilities
Intangible assets	(21.6)	(8.5)	(0.1)	(30.2)	1.7	31.9
Property, plant, equipment and right of use assets	(131.0)	38.2	(0.2)	(93.0)	17.2	110.2
Other assets	7.6	(1.8)	0.4	6.2	8.0	1.8
Provisions	4.8	(3.7)	—	1.1	1.1	—
Other liabilities (including lease liabilities)	154.6	9.5	1.8	165.9	171.1	5.2
Outside basis differences	(0.5)	(0.3)	—	(0.8)	—	0.8
Tax loss carryforwards	13.1	11.8	—	24.9	24.9	—
Tax credits	4.3	(0.9)	—	3.4	3.4	—
Tax assets (liabilities) before set-off	31.3	44.3	1.9	77.5	227.4	149.9
Set-off of tax	—	—	—	—	(113.1)	(113.1)
Tax assets (liabilities)	31.3	44.3	1.9	77.5	114.3	36.8

in MEUR	As of Jan 1, 2023	Recognized in P&L	Recognized in OCI	As of Dec 31, 2023	Deferred tax assets	Deferred tax liabilities
Intangible assets	(8.6)	(12.9)	—	(21.6)	2.5	24.1
Property, plant, equipment and right of use assets	(53.4)	(80.1)	2.6	(131.0)	2.7	133.7
Other assets	(10.0)	17.9	(0.4)	7.6	9.0	1.4
Provisions	17.5	(12.5)	(0.2)	4.8	4.8	—
Other liabilities (including lease liabilities)	77.5	80.1	(3.0)	154.6	161.2	6.5
Outside basis differences	(0.8)	0.3	—	(0.5)	—	0.5
Tax loss carryforwards	25.1	(12.0)	—	13.1	13.1	—
Tax credits	—	4.3	—	4.3	4.3	—
Tax assets (liabilities) before set-off	47.3	(14.9)	(1.0)	31.3	197.6	166.2
Set-off of tax	—	—	—	—	(153.3)	(153.3)
Total assets (liabilities)	47.3	(14.9)	(1.0)	31.3	44.3	12.9

No deferred taxes were recognized directly against equity. On temporary differences amounting to MEUR 1.9 (2023: MEUR (1.0)) no deferred tax assets have been recognized.

Tax loss carry-forwards

As of 31 December 2024, the Group companies have tax loss carry forwards of MEUR 349.2 (2023: MEUR 291.8).

The allowable time periods and amounts for the recovery of tax losses are disclosed below:

in MEUR		31-Dec-24	31-Dec-23
Australia	Unlimited	36.9	35.9
Canada	20 years	13.6	23.9
France	Unlimited	42.2	38.7
Germany	Unlimited	55.7	—
Italy	Unlimited	28.0	21.7
Ireland	Unlimited	6.7	5.5
Norway	Unlimited	11.5	13.1
Spain	Unlimited	11.1	6.5
Sweden	Unlimited	0.7	4.9
Switzerland	7 years	5.4	6.6
United States	Unlimited from 2018 onwards ¹	8.2	8.0
United Kingdom	Unlimited	129.4	127.0
Total tax losses		349.2	291.8

¹ Losses accumulated prior to 2018 are still subject to a 20 year carry forward limitation. In general, US losses are subject to expiration and/or limitation in accordance with applicable federal and state law.

For tax loss carryforwards of MEUR 217.9 (2023: MEUR 212.4) no deferred tax assets were recognized due to tax loss history in single entities. These tax loss carryforwards are not limited in time and can be carried forward indefinitely.

Outside basis differences

Outside basis differences result from differences between the equity of a consolidated entity and its tax base at the level of its shareholder. The realization of this differences, e.g. by dividend distribution or sale may result in additional tax expenses at the level of the shareholder.

The Group controls the reversal of temporary differences related to taxes chargeable on dividends from subsidiaries or on gains upon their disposal (“outside basis differences”). For temporary differences of MEUR 22.5 (2023: MEUR 22.9) no deferred tax liability was recognized.

Global minimum tax

The Group is subject to Pillar II rules, which have been enacted through local legislation in most of the countries in which it operates and already apply to the Group’s financial year from 1 January 2024. The Group has applied the Transitional Country-by-country (CbCR) reporting Safe Harbour regulations and calculations, and determined that all material Constituent Entities qualify for the Transitional CbCR Safe Harbour status via the de-minimis, simplified Effective Tax Rate or Routine Profits test. For those entities that do not qualify for the Transitional CbCR Safe Harbour status, no current top-up taxes have been recognized. The Group applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Transfer Pricing

HelloFresh adheres to internationally recognized transfer pricing principles, ensuring compliance with OECD Guidelines and local tax regulations across all jurisdictions in which it operates. Intragroup transactions are conducted at arm’s length, using market-based pricing methodologies to allocate profits fairly among entities.

Given the complexity of tax laws and varying interpretations by authorities, transfer pricing disputes may arise. Specifically, the transfer pricing treatment of Holding fees and interest payments between HelloFresh SE and its U.S. subsidiary have been under review by the German and U.S. competent authorities. This matter was resolved in November 2024 through a combined bilateral Mutual Agreement Procedure (MAP) and Advance Pricing Agreement (APA).

As a result of the combined MAP and APA, a transfer pricing adjustment for prior years was recorded in 2024, reducing Holding fees and interest expenses for the North America segment, with corresponding adjustments at the HelloFresh SE level and impacting current taxes for previous periods (reflected in income tax receivables and income tax liabilities).

24. Earnings per Share

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

Basic earnings per share is calculated as follows:

	2024	2023
Net income for the period attributable to the shareholders of HelloFresh SE (in MEUR)	(136.4)	19.4
Basic weighted average number of shares (in millions)	166.1	172.0
Basic earnings per share in EUR	(0.82)	0.11

Diluted earnings per share is calculated as follows:

	2024	2023
Net income for the period attributable to the shareholders of HelloFresh SE (in MEUR)	(136.4)	19.4
Post tax revaluation of the cash-settled IFRS 2 liability (in MEUR)	(0.9)	(1.8)
Net diluted income for the period attributable to the shareholders of HelloFresh SE (in MEUR)	(137.3)	17.6
Weighted average number of ordinary shares	166.1	172.0
Dilution from share based compensation	0.3	4.1
Weighted average number of diluted shares (in millions)	166.4	176.1
Diluted earnings per share in EUR	(0.83)	0.10

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.

The diluted earnings per share are determined by adding effect of the cash-settled IFRS 2 liability to the net income for the period attributable to the shareholders and dividing them by diluted weighted average number of shares. The dilutive effect stems from outstanding stock options attributable to management RSU programs. All other share-based compensation plans and convertible bond have an antidilutive effect and are therefore not considered in the calculation of diluted earnings per share.

25. Capital Management

HelloFresh's objective is to maintain a strong capital structure and liquidity position. As such, the Group aims to not exceed a modest maximum leverage of 1.75 times net financial debt to AEBITDA. This has been achieved for the year ended as of 31 December 2024, and the previous year.

As of 31 December 2024 the Group cash and cash equivalents remained strong at MEUR 486.7 (2023: MEUR 433.1), financial debt bearing interest amounted to MEUR 323.4 (2023: MEUR 163.8), and financial lease liabilities amounted to MEUR 590.9 (2023: MEUR 550.3). During 2024 and any of the previous years, the Group has not paid dividends to its shareholders. The equity decreased to MEUR 888.4 in 2024 (2023: MEUR 1,019.0) mainly due to the result of the year and the share buy-back program in which HelloFresh bought back 10.3 million shares (MEUR: 83.1) and 1.8 million shares (MEUR 30.2) in 2024 and 2023, respectively. This is partially offset by an increase in other reserves from the equity-settled share-based compensation revaluation.

The equity ratio and equity to capital employed ratio, which are key indicators for the Group's capital management, are presented below:

in MEUR	31 December 24	31 December 23
Total equity	888.4	1,019.0
Total liabilities	1,744.3	1,562.3
Total equity and liabilities	2,632.7	2,581.3
Equity ratio (in %)	33.7%	39.5 %

in MEUR	31 December 24	31 December 23
Total equity	888.4	1,019.0
Capital employed:		
Non-current assets ¹	1,612.5	1,689.5
Operating working capital	(326.5)	(401.6)
Equity to capital employed ratio (in %)	69.1 %	79.1 %

¹ It includes Property, plant and equipment, Intangibles and Goodwill.

26. Balances and Transactions with Related Parties

HelloFresh identified related parties in accordance with IAS 24. Parties are considered to be related if they are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. In addition, a related party is the key management personnel, including any of their immediate family members and any entity owned or controlled by such persons.

All transactions were carried out in accordance with the arm's length principle.

Key management personnel

In 2024 the short-term employee benefits of the members of the Management Board of HelloFresh SE amount to MEUR 1.6 (2023: MEUR 1.6). The fair value of share-based compensation amounted to MEUR 6.5 for 1,112,663 virtual options under the virtual stock option program 2019 of HelloFresh SE (VSOP 2019) (2023: MEUR 8.1 for 840,708 virtual options) and to MEUR 4.3 for 342,580 restricted stock units (2023: MEUR 2.7 for 118,972 restricted stock units) under the restricted stock unit program 2019 of HelloFresh SE (RSUP 2019), granted in the fiscal year 2024. In fiscal year 2024, expense related to vesting and revaluation of all the outstanding share-based compensation plans for management board amounted to MEUR 10.1 (2023: MEUR 12.2). Compensation attributable to members of the Supervisory Board comprised base compensation and additional compensation for committee work and amounted to MEUR 0.8 in fiscal year 2024 (2023: MEUR 0.8). For further information please refer to the 2024 Compensation report published separately. As of 31 December 2024 the outstanding balance of these cash settled share based compensation plans was MEUR 3.5 (2023: Nil).

The Group did not have any additional transactions with the Management Board or Supervisory Board or other key management personnel during the year apart from fixed compensation and share based compensation as mentioned above.

27. Contingencies and Commitments

Financial commitments

The Group has other financial commitments from service agreements with third party suppliers as at 31 December 2024 which are mainly related to cloud hosting services of MEUR 108.5 (2023: MEUR 13.9) and to lease contracts for fulfilment centers and office rent of MEUR 57.1 (2023: MEUR 11.5) and CAPEX commitments of MEUR 12.6 (2023: MEUR 39.3). The majority of the CAPEX commitments relate to planned CAPEX investments in the UK, Benelux, Germany and the US.

Litigation and other legal risks

The Group is engaged in various lawsuits and is exposed to various legal risks resulting from the normal course of business. Apart from the cases that were provided for in these consolidated financial statements, outflows of future economic benefits resulting from the legal proceedings are remote. As at 31 December 2024 there are no contingent liabilities.

28. Principal Subsidiaries

The Company held shares in the following subsidiaries as of 31 December 2024:

S.No	Entities	Country	Currency	Shareholding	held via no.
	National (Germany)				
1	HelloFresh Deutschland Management GmbH, Berlin	DE	EUR	100.00 %	
2	HelloFresh Deutschland SE & Co. KG, Berlin*	DE	EUR	100.00 %	
3	HelloFresh Deutschland Produktions SE & Co. KG., Berlin*	DE	EUR	100.00 %	
4	Factor 75 Produktions B.V. & Co. KG, Berlin	DE	EUR	100.00 %	22
	Rest of Europe				
5	HelloFresh Suisse AG, K�lliken	CH	CHF	100.00 %	
6	HelloFresh Benelux B.V., Amsterdam	NL	EUR	100.00 %	
7	Cool Delivery B.V., Amsterdam	NL	EUR	100.00 %	6
8	Cool Delivery Belgium B.V., Antwerp	NL	EUR	100.00 %	6
9	HelloFresh Operations Benelux B.V., Amsterdam	NL	EUR	100.00 %	6
10	Grocery Delivery E-Services UK Ltd., London	UK	GBP	100.00 %	
11	HelloFresh Nordics ApS, Copenhagen	DK	DKK	99.70 %	
12	HelloFresh Norway AS, Moss	NO	NOK	100.00 %	11
13	HelloFresh Sweden AB, Bjuv	SE	SEK	100.00 %	11
14	Fresh Fulfillment AB, Bjuv	SE	SEK	100.00 %	13
15	HelloFresh France SAS, Neuilly-sur-Seine	FR	EUR	97.70 %	
16	HelloFresh France Livraison SASU, Paris	FR	EUR	100.00 %	15
17	HelloFresh France Preparation SASU, Paris	FR	EUR	100.00 %	15
18	HelloFresh Italy S.r.l., Milan	IT	EUR	98.25 %	
19	Fresh Grocery Delivery Services Limited, Dublin	IR	EUR	97.00 %	
20	Green Chef Espana, S.L., Barcelona	SP	EUR	96.47 %	
21	Factor 75 B.V., Amsterdam	NL	EUR	100.00 %	
22	Factor 75 Management B.V., Amsterdam	NL	EUR	100.00 %	21
23	HelloFresh New Ventures B.V., Amsterdam	NL	EUR	100.00 %	
	North America				
24	Grocery Delivery E-Services USA Inc., New York	US	USD	100.00 %	
25	Green Chef Corp., Wilmington	US	USD	100.00 %	24
26	Online Meat & Sea Food Inc., New York	US	USD	94.97 %	24
27	Grocery Delivery Logistics Inc., New York	US	USD	100.00 %	24
28	Pet Nutrition Delivery Inc., New York	US	USD	93.95 %	24
29	Factor75 Inc., Burr Ridge	US	USD	100.00 %	24
30	Factor75 LLC, Burr Ridge	US	USD	100.00 %	29
31	Savor Solutions GDES Inc., Lewis Center City	US	USD	100.00 %	24
32	GDE Grocery Delivery E-Services Canada Inc., Toronto **	CA	CAD	99.49 %	
	Rest of the world				
33	Grocery Delivery E-Services Australia Pty Ltd., Sydney	AU	AUD	100.00 %	
34	HelloFresh New Zealand Limited, Auckland	NZ	NZD	100.00 %	
35	BeCool Refrigerated Couriers Group Pty Ltd, Chippendale	AU	AUD	100.00 %	
36	HelloConnect Inc., Manila	PH	PHP	100.00 %	
37	Cook E Services Australia Pty Ltd., Brisbane	AU	AUD	100.00 %	33
38	YouFoodz Holdings Ltd., Brisbane	AU	AUD	100.00 %	37
39	YouFoodz Pty Ltd., Brisbane	AU	AUD	100.00 %	38
40	IDK Pty Ltd., Brisbane	AU	AUD	100.00 %	38
41	Fresh Four Pty Ltd., Brisbane	AU	AUD	100.00 %	38
42	YouJuice Pty Ltd., Brisbane	AU	AUD	100.00 %	38
43	YouFoodz IP Pty Ltd., Brisbane	AU	AUD	100.00 %	38

* Including the limited partnership interests held in trust, the Company holds 100% of the shares in HelloFresh Deutschland SE & Co. KG, Berlin, as well as HelloFresh Deutschland Produktions SE & Co. KG, Berlin.

** Previously HelloFresh Canada Inc.

The following change in the Group structure occurred during the year ended as of 31 December 2024:

- foundation of HelloFresh New Ventures B.V. (Amsterdam).

HelloFresh SE holds 100% of the voting rights, either directly or indirectly, over all subsidiaries, except for HelloFresh France SAS and HelloFresh Italia S.r.l. where the Group proportions of the voting rights are the same as the ownership interests presented in the table.

In 2024 the loss attributable to non-controlling interest amounts to MEUR 0.7 (2023: MEUR 1.3). There were no dividends paid to non-controlling interests during the year ended 2024.

The subsidiaries HelloFresh Benelux B.V. and Factor 75 B.V. are taking advantage of the exception from audit in accordance with Book 2, Section 403 of the Dutch Civil Code.

The subsidiary Fresh Grocery Delivery Services Limited included in these consolidated financial statements has availed of the exemption from filing its individual financial statements with the Registrar of Companies as permitted by Section 357 of the Companies Act 2014 on the basis that it has satisfied the conditions as laid out in section 357(a) to 357(h).

The subsidiaries HelloFresh Deutschland SE & Co. KG and HelloFresh Deutschland Produktions SE & Co. KG are taking advantage of the exemption from the preparation of stand-alone financial statements, and related audit in accordance with Sec. 264b of the German Commercial Code. The subsidiary HelloFresh Deutschland Management GmbH is taking advantage of such exemption in accordance with Sec. 264 of the German Commercial Code.

29. Events after the Reporting Period

Management Board resolved to launch an additional buy-back of shares with an aggregate volume of up to MEUR 75.0 (excluding costs incidental to the share repurchases). The share buy-back program started on 2 January 2025 and will terminate at the latest on 31 December 2025. Subsequent to the reporting period till 6 March 2025 end the Group bought 1,004,158 shares for the total amount of MEUR 12.0.

There is an ongoing evolving discussion regarding potential US tariffs on goods including agricultural and packaging products from Mexico and Canada with potential reciprocal measures. While not in place at the time of publication of this report, if these tariffs were becoming effective for a prolonged period of time, they, in an unmitigated form, could impact AEBIT and AEBITDA of the Group.

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

30. Closed Group Disclosure

Entities subject to relief

ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 (Instrument) relieves a company of a specified class that is wholly-owned by an Australian company, a disclosing entity which is an Australian body corporate, or a registered foreign holding company, of the necessity to prepare a financial report and directors' report where the requirements of the Instrument have been met. One of these requirements is that the holding entity and the subsidiaries have become parties to a deed of cross guarantee under which each of the entities guarantees the debts of the others.

The closed group disclosure contains the consolidated financial statements of the following entities which are party to a deed of cross guarantee, and conform the closed Group:

Name	Country of Incorporation	31 December 24	31 December 23
		% of Equity interest	% of Equity interest
HelloFresh SE	Germany	N/A	N/A
Grocery Delivery E-Services UK Ltd.	United Kingdom	100	100
Grocery Delivery E-Services Australia Pty Ltd.	Australia	100	100
BeCool Refrigerated Couriers Group Pty Ltd.	Australia	100	100
Cook E Services Australia Pty Ltd.	Australia	100	100
YouFoodz Holdings Ltd.	Australia	100	100
YouFoodz Pty Ltd.	Australia	100	100
IDK Pty Ltd.	Australia	100	100
Fresh Four Pty Ltd.	Australia	100	100
YouJuice Pty Ltd.	Australia	100	100
YouFoodz IP Pty Ltd.	Australia	100	100

There are no other members of the extended closed Group included in these consolidated financial statements of this subgroup. All parties to the deed of cross guarantee which are controlled by HelloFresh SE (as the holding entity) are part of this report.

There have been no parties added by an assumption deed, removed by a revocation deed and no parties the subject of a notice of disposal for the financial year ended 31 December 2024 and 31 December 2023. There are no entities of this subgroup which obtained relief at the end of the preceding financial year, but which are ineligible for relief in respect of this financial year.

As all parties to the deed of cross guarantee are consolidated in these financial statements as such there is no requirement to include any further provision in relation to any liabilities which are not consolidated.

The consolidated statement of comprehensive income and consolidated statement of financial position of the entities that are members of the closed Group are presented below.

Consolidated Statement of Comprehensive Income for the Closed Group for the year ended as of 31 December 2024

In MEUR	2024	2023
Revenue	1,395.1	1,488.3
Procurement and cooking expenses	(449.3)	(457.5)
Fulfilment expenses	(382.1)	(367.1)
Marketing expenses	(369.4)	(388.5)
General and administrative expenses	(387.4)	(281.5)
Other operating income	9.8	6.0
Other operating expenses	(8.3)	(6.3) ¹
Loss allowance on trade receivables	(7.3)	(8.2) ¹
Operating (Loss) / Profit	(199.0)	(14.8)
Interest income	35.5	21.1
Interest expense	(45.1)	(21.6)
Other finance income	73.3	53.2
Other finance expense	(4.2)	(6.8)
Profit / (loss) before income tax	(139.6)	31.0
Income tax	39.8	(13.9)
Profit / (loss) for the year	(99.8)	17.1
Other comprehensive income (loss):		
Items that will be subsequently reclassified to profit or loss when specific conditions are met		
Exchange differences on translation to presentation currency, net of tax	(2.7)	(3.9)
Fair value remeasurement of financial instruments, net of tax	0.1	1.0
Other comprehensive income (loss) for the year	(2.6)	(2.9)
Total comprehensive income for the year	(102.3)	14.2

¹ Presentation changed, see Note 14

Consolidated Statement of Financial Position for the Closed Group as of 31 December 2024

In MEUR	31 December 2024	31 December 2023
Assets		
Non-current assets		
Property, plant and equipment	345.7	309.3
Intangible assets	103.5	92.5
Goodwill	47.1	48.5
Other financial assets	507.3	667.5
Other non-financial assets	0.6	0.7
Deferred tax assets	29.0	11.4
Total non-current assets	1,033.2	1,129.9
Current assets		
Inventories	23.2	21.1
Trade receivables	212.2	59.2
Other financial assets	46.7	9.3
Other non-financial assets	71.4	66.6
Cash and cash equivalents	394.3	233.8
Total current assets	747.8	389.9
Total assets	1,781.0	1,519.8
Equity and liabilities		
Equity		
Share Capital	173.2	173.2
Treasury shares	(101.0)	(31.5)
Capital reserves	402.3	402.3
Other reserves	103.9	98.8
Retained earnings	149.6	249.4
Other comprehensive income / (loss)	(5.7)	(2.9)
Total equity	722.3	889.3
Non-current liabilities		
Other financial liabilities	209.2	189.5
Deferred tax liabilities	22.4	11.7
Long-term debt	188.3	163.7
Other non-financial liabilities	12.3	6.3
Total non-current liabilities	432.2	371.2
Current liabilities		
Trade and other payables	392.4	205.9
Other financial liabilities	178.8	25.6
Provisions	3.9	1.0
Contract liabilities	8.8	8.3
Income tax liabilities	16.3	—
Other non-financial liabilities	26.3	18.5
Total current liabilities	626.5	259.3
Total equity and liabilities	1,781.0	1,519.8

31. Auditor's Fees

Principal auditor's fees recognized as an expense in the reporting period, are detailed in the table below:

in MEUR	2024	2023
Audit fees	1.9	2.3
thereof audit fee to affiliated companies of the auditor	1.0	1.3
Other assurance services	0.2	0.2
Tax advisory fees	0.0	0.0
Other services	0.0	0.0
Total	2.1	2.5

32. Corporate Governance Declaration

The Declaration of Conformity with the German Corporate Governance Code by the Management Board and the Supervisory Board in accordance with Sec. 161 German Stock corporation Act ("AktG") is published on the Company's website:

<https://ir.hellofreshgroup.com/websites/hellofresh/English/4000/corporate-governance.html>

Berlin, 12 March 2025

Dominik Richter
Chief Executive Officer

Thomas Griesel
Chief Executive Officer
International

Christian Gaertner
Chief Financial Officer

Edward Boyes
Chief Commercial Officer

D Further Information

Responsibility Statement by the Management Board

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the financial position, cash flows and profit or loss of the Group, and the Group management report, which has been combined with the management report for HelloFresh SE, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group. Also, there are reasonable grounds to believe that the members of the cross guarantee (Grocery Delivery E-Services Australia Pty Ltd., Australia, Grocery Delivery E-Services UK Ltd., United Kingdom, BeCool Refrigerated Couriers Group Pty Ltd., Australia, Cook E-Services Australia Pty Ltd., Australia, YouFoodz Holdings Pty Ltd., Australia, YouFoodz Pty Ltd., Australia, IDK Pty Ltd., Australia, Fresh Four Pty Ltd., Australia, YouJuice Pty Ltd., Australia and YouFoods IP Pty Ltd., Australia) will be able to meet any liabilities to which they are, or may become, subject because of the deed of cross guarantee.

Berlin, 12 March 2025

Dominik Richter
Chief Executive Officer

Thomas Griesel
Chief Executive Officer
International

Christian Gaertner
Chief Financial Officer

Edward Boyes
Chief Commercial Officer

Independent Auditor's Report

To HelloFresh SE, Berlin

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Audit Opinions

We have audited the consolidated financial statements of HelloFresh SE, Berlin, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of HelloFresh SE, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the subsection "Internal Control and Risk Management System Beyond Financial Reporting" marked as unaudited of the section „5.1.1 Countermeasures and Internal Control System“ of the group management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (the IFRS Accounting Standards) as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the subsection "Internal Control and Risk Management System Beyond Financial Reporting" of the section „5.1.1 Countermeasures and Internal Control System“ of the group management report referred to above.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit was as follows:

- Revenue recognition

Our presentation of this key audit matter has been structured as follows:

- Matter and issue
- Audit approach and findings
- Reference to further information

Hereinafter we present the key audit matter:

- Revenue recognition

1 In the consolidated financial statements of HelloFresh SE, revenues of € 7,661.3 million are reported in the consolidated statement of comprehensive income. These revenues are mainly attributable to the sale of meal kits (ingredients for meals with accompanying recipes) and additional products at an extra charge, as well as pre-cooked meals (“ready-to-eat meals”). Revenue is recognized net of sales deductions based on largely automated processes and integrated IT systems by the time the customer has obtained control from the sale of meal kits and ready-to-eat meals. In addition, manual sales deductions are recorded to a small extent.

Against this background, the complete and accurate system-based and largely automated recording of the large number of automated journal entries with a low individual value and the impact of various sales deductions (including discounts, credit notes and deductions for customer loyalty programs) was of particular significance in the context of our audit.

2 Due to the highly automated system-based processing of data related to revenue recognition under IFRS 15, as part of our our audit we first obtained an understanding of the processes and controls implemented by the Group, including the internal IT systems used and the processes and controls implemented at an external service provider for revenue recognition.

On this basis, we examined the operating effectiveness of relevant automatic and manual controls of the IT systems and assessed the interfaces between the various IT systems and the external service provider. In addition, we analyzed the accuracy of the revenue recognized by reconciling the revenue entries with the order information and payments at the transaction level and verified these in samples. For transactions where the reconciliation led to differences, we analyzed these and performed further risk-based substantive audit procedures. In addition, we verified the calculation of the manual revenue adjustments at the end of the financial year.

We were able to satisfy ourselves that the systems and processes in place, as well as the implemented controls and manual adjustments are appropriate overall and that the estimates made by the executive directors for the appropriate revenue recognition are sufficiently documented and substantiated.

3 The Company's disclosures relating to revenue are contained in the subsection “Revenue recognition (IFRS 15)” in section “3. Summary of significant accounting policies” and in section “6. Revenue” of the notes to the consolidated financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the subsection “Internal Control and Risk Management System Beyond Financial Reporting“ marked as unaudited of the section „5.1.1 Countermeasures and Internal Control System“ of the group management report, as an audited part of the group management report.

The other information comprises further

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB
- the separate non-financial report to comply with §§ 289b to 289e HGB and with §§ 315b to 315c HGB
- the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor’s report

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the “ESEF documents”) contained in the electronic file `hel_KA_ESEF_2024-12-31-de.zip` and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format (“ESEF format”). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above. In accordance with these requirements, our assurance work also does not extend to the iXBRL tagging voluntarily made by the Company in the form of the use of the element “ifrs-full:DisclosureOfNotesAndOtherExplanatoryInformationExplanatory”.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the “Report on the Audit of the Consolidated Financial Statements and on the Group Management Report” above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above. We also do not express an assurance opinion on the iXBRL tagging voluntarily made by the Company in the form of the use of the element “ifrs-full:DisclosureOfNotesAndOtherExplanatoryInformationExplanatory”.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the “Group Auditor’s Responsibilities for the Assurance Work on the ESEF Documents” section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor’s Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 2 May 2024. We were engaged by the supervisory board on 21 November 2024. We have been the group auditor of the HelloFresh SE, Berlin, without interruption since the financial year 2024.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

REFERENCE TO AN OTHER MATTER– USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the “Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB” and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Susanne Riedel.

Berlin, 12 March 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Susanne Riedel
Wirtschaftsprüferin
[German Public Auditor]

ppa. Dr. Kay Lubitzsch
Wirtschaftsprüfer
[German Public Auditor]

Glossary

Adjusted EBIT

We define adjusted EBIT („AEBIT”) as EBIT before share-based compensation expenses, special items, and on segment level, holding fees.

Adjusted EBITDA

We define adjusted EBITDA („AEBITDA”) as EBITDA before share-based compensation (SBC) expenses, special items, and on segment level, holding fees.

Average Order Value

Average order value („AOV”) is calculated as the total revenue (excluding retail 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 and cooking 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, amortization of intangible assets and impairment losses / reversal of impairment losses on non-current non-financial assets (property, plant and equipment, intangible assets, right-of-use assets and goodwill).

EBITDA Margin

EBITDA Margin is EBITDA as a percentage of revenue.

Free Cash Flow

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

Free Cash Flow per diluted share

Free cash flow divided by weighted average number of diluted shares.

Fulfilment Expenses

Fulfilment Expenses represent costs attributable to picking ingredients into boxes, packaging (including packaging materials), shipping expenses for customer orders, fees to payment service providers and menu planning expenses. Fulfilment costs also include amounts paid to third parties that assist in fulfilment operations.

Holding fees

Holding fees represent a remuneration for high value-adding services performed by HelloFresh SE (the holding) for the benefit of its subsidiaries (including inter alia development and enhancement of IT platform, marketing, brand and creative strategy and business intelligence) and for using the HelloFresh SE intellectual property rights.

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.

Operating working capital

We calculate operating working capital as the sum of inventories, trade receivables, VAT receivables and similar taxes, less trade payables (excluding Capex payables and Capex accruals), deferred revenue, VAT payables and similar taxes, and prepaid expenses and payroll liabilities.

Procurement and Cooking Expenses

Procurement and Cooking Expenses consist of purchase price for ingredients, salaries, inbound shipping charges and cooking costs for ready-to-eat products.

Special Items

Special items consist of income and expenses that HelloFresh does not consider to be of a regularly recurring nature. These include but are not limited to items such as expenses in connection with M&A-transactions, costs related to reorganizations and restructurings, certain legal costs and prior period related effects.

Financial Calendar

Capital Markets Day, Berlin (Hybrid)	20 March 2025
Publication of Quarterly Financial Statements (Q1 2025) and Earnings Call	29 April 2025
Annual General Shareholders' Meeting	06 June 2025
Publication of Half-Year Financial Statements (Half-Year 2025) and Earnings Call	14 August 2025
Publication of Quarterly Financial Statements (Q3 2025) and Earnings Call	30 October 2025

Imprint

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