



Press Release

FY 2017 Results: HelloFresh with strong momentum towards breakeven

- **Strong AEBITDA margin improvement to (2.4)% in Q4 2017**
- **Realisation of profitability in International Segment for the first time in Q4 2017 on AEBITDA level, breakeven also within reach for US Segment**
- **Acceleration of year-on-year revenue growth to 69% in Q4 2017 (in constant currency)**
- **Audited FY revenues of EUR 905 million (52% year-on-year growth; FY 2016: EUR 597 million)**
- **Positive outlook for 2018: 25-30% revenue growth and breakeven on AEBITDA level in Q4 2018**

Berlin, March 21, 2018 – HelloFresh, the world's leading meal kit company, has significantly improved its margins while accelerating growth. On group level, the FY AEBITDA improved to EUR (70) million (FY 2016: EUR (83) million) with an AEBITDA margin of (7.7)% (FY 2016: (13.8)%). On track to breakeven, the company managed to continuously expand its margin over the course of the year resulting in a Q4 2017 AEBITDA margin of (2.4)% (Q4 2016: (10.3)%). On segment level, the International business reached full AEBITDA profitability for the first time, while the US business came close to breakeven.

In parallel, HelloFresh continued its strong growth path in both segments. In 2017, HelloFresh delivered over 137 million meals (up 51% from FY 2016: 91 million) to its approx. 1.45 million customers (up 69% from Q4 2016: 0.86 million) resulting in FY revenues of EUR 905 million (FY 2016: EUR 597 million), corresponding to a revenue growth of 52% on group level. In constant currency, the company accelerated the revenue growth rate every quarter with +43% in Q1 2017, +52% in Q2 2017, +53% in Q3 2017 and +69% in Q4 2017. On segment level, US Segment grew in 2017 by 90% to a revenue of EUR 545 million (FY 2016: EUR 287 million) and the International Segment by 16% to EUR 360 million (FY 2016: EUR 310 million).

“2017 marks the most successful year for our business to date. Not only did we successfully list our company on the stock market but we also significantly improved all our key metrics, with an outstanding AEBITDA expansion in both segments leading the way”, says Dominik Richter, CEO and co-founder of HelloFresh SE.

For 2018 the company expects to reach breakeven in its core business in Q4 2018 and to grow its FY revenues by 25-30% with Q1 revenue growth above that range.



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In terms of growth strategy, HelloFresh will primarily focus on increasing the penetration in its core markets by enlarging its customer base and expanding the product portfolio. Through the acquisition of the USDA-certified organic meal kit company “GreenChef” which was signed yesterday, HelloFresh US will reach out to new and previously untapped customer segments, including those following organic, vegan and gluten-free lifestyles, as well as Paleo and Keto compliant plans.

Key Performance Indicators

Group

	Q4 2016	Q4 2017	Y-o-Y	FY 2016	FY 2017	Y-o-Y
Active customers (m)	0.86	1.45	68.6%			
Number of orders (m)	3.2	5.4	67.7%	12.4	19.0	52.9%
Meals delivered (m)	23.9	39.5	65.1%	90.9	137.4	51.3%

USA

	Q4 2016	Q4 2017	Y-o-Y	FY 2016	FY 2017	Y-o-Y
Active customers (m)	0.43	0.89	105.7%			
Number of orders (m)	1.4	3.0	118.6%	5.1	10.6	108.4%
Meals delivered (m)	9.7	20.7	114.4%	35.3	72.2	104.7%

International

	Q4 2016	Q4 2017	Y-o-Y	FY 2016	FY 2017	Y-o-Y
Active customers (m)	0.43	0.56	31.0%			
Number of orders (m)	1.8	2.4	29.3%	7.3	8.3	14.1%
Meals delivered (m)	14.2	18.8	31.7%	55.6	65.2	17.4%

* Net of share-based compensation expenses

** Including holding rebate of mEUR 1.1 and mEUR 0.7 in US and International respectively



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Results of Operations

Group

	Q4 2016	Q4 2017	Y-o-Y	FY 2016	FY 2017	Y-o-Y
Revenue (mEUR)	158.7	252.8	59.3%	597.0	904.9	51.6%
Revenue in constant currency (mEUR)	158.7	268.5	69.1%	597.0	923.7	54.7%
Contribution Margin (in mEUR)*	28.9	65.1	124.8%	101.4	207.8	104.9%
Contribution Margin (in % of Revenue)	18.2%	25.7%	7.5pp	17.0%	23.0%	6.0pp
AEBITDA (in mEUR)	(16.3)	(6.1)	62.6%	(82.6)	(70.1)	15.2%
AEBITDA (in % of Revenue)	(10.3%)	(2.4%)	7.9pp	(13.8%)	(7.7%)	6.1pp

USA

	Q4 2016	Q4 2017	Y-o-Y	FY 2016	FY 2017	Y-o-Y
Revenue (mEUR)	79.5	150.7	89.5%	286.9	545.2	90.1%
Revenue in constant currency (mEUR)	79.5	164.2	106.5%	286.9	557.8	94.4%
Contribution Margin (in mEUR)*	12.2	40.5	231.1	33.9	125.6	270.8%
Contribution Margin (in % of Revenue)	15.4%	26.9%	11.5pp	11.8%	23.0%	11.2pp
AEBITDA (in mEUR)**	(7.9)	(0.7)	91.1%	(48.0)	(40.5)	15.6%
AEBITDA (in % of Revenue)	(10.0%)	(0.5%)	9.5pp	(16.7%)	(7.4%)	9.3pp

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International

	Q4 2016	Q4 2017	Y-o-Y	FY 2016	FY 2017	Y-o-Y
Revenue (mEUR)	79.2	102.0	28.8%	310.1	359.6	16.0%
Revenue in constant currency (mEUR)	79.2	104.2	31.7%	310.1	365.8	18.0%
Contribution Margin (in mEUR)*	17.4	26.6	53.1%	69.3	87.1	25.6%
Contribution Margin (in % of Revenue)	22.0%	26.1%	4.1pp	22.3%	24.2%	1.9pp
AEBITDA (in mEUR)**	(5.4)	2.8	151.5%	(27.5)	(9.5)	65.6%
AEBITDA (in % of Revenue)	(6.9%)	2.7%	9.6pp	(8.9%)	(2.6%)	6.2pp

Group Financial Position

	Q4 2016	Q4 2017	Y-o-Y	FY 2016	FY 2017	Y-o-Y
Net working capital	(30.8)	(62.1)		(30.8)	(62.1)	
Cash and Cash equivalents	57.5	339.9		57.5	339.9	
Cash flow used in operating activities	(33.0)	(13.1)		(76.1)	(45.5)	

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About HelloFresh

HelloFresh is the world's leading meal kit company, operating in the U.S., the United Kingdom, Germany, the Netherlands, Belgium, Luxembourg, Australia, Austria, Switzerland and Canada. HelloFresh delivered 39.5 million meals in the 3-month period from 1 October 2017 to 31 December 2017 to 1.45 million active customers.

HelloFresh was founded in November 2011 in Berlin and went public in November 2017 at the Frankfurt Stock Exchange in Germany. HelloFresh has offices in New York, Berlin, London, Amsterdam, Zurich, Sydney and Toronto.

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