



Press release

## **Q3 2020: HelloFresh SE announces new record quarter** **Number of orders and meals delivered more than double y-o-y**

- **Number of active customers reaches an all-time-high of five million (91.5% y-o-y, Q3 2019: 2.61 million)**
- **Third quarter sees a record amount of 19.49 million orders (114% y-o-y, Q3 2019: 9.11 million)**
- **Group revenue grows 120.2% y-o-y and reaches EUR 970.2 million in Q3 2020 (127.7% y-o-y in constant currency; Q3 2019: EUR 440.6 million)**
- **Adjusted EBITDA for the Group reaches EUR 114.7 million, corresponding to an adjusted EBITDA margin of 11.8% (Q3 2019: 3.5%)**

**Berlin – November 03, 2020** – HelloFresh SE, the world’s leading meal kit company, continued on its growth trajectory in a strong third quarter. While the company reached an all-time-high of five million active customers, the number of orders more than doubled year-on-year, to 19.49 million (up 114% from the third quarter in 2019).

HelloFresh’s revenue growth in the third quarter amounted to 120.2% y-o-y (127.7% y-o-y in constant currency), accelerating the Group’s revenue to EUR 970.2 million (Q3 2019: EUR 440.6 million). This development was driven by the continued strong engagement by active customers as well as an increase of new customers in both operating segments. As a result of low marketing costs and a sequential improvement of the contribution margin despite summer seasonality, the adjusted EBITDA margin for the HelloFresh Group increased year-on-year by 8.3 pp to 11.8%, reaching a total adjusted EBITDA of EUR 114.7 million.

Both operating segments (US and International) more than doubled their revenue compared to the same period in the previous year. While the International segment grew 131.5% based on constant currency, the US segment grew 124.7%, despite facing continued capacity constraints throughout the quarter. Correspondingly both segments delivered a strong positive adjusted EBITDA margin. While the International segment reached an adjusted EBITDA of EUR 69.9 million and a margin of 15.7%, the US Segment reached an adjusted EBITDA of EUR 57.6 million, which corresponds to a margin of 10.9%.

HelloFresh SE continued to generate strong free cash flow of EUR 118.5 million in the third quarter alone. At the end of the third quarter the cash on balance sheet amounted to EUR 722.5 million.

“The trend towards eating more meals at home accelerated during the pandemic and we consider the key drivers for this to have become permanent. Consumers will continue to rely on e-commerce to shop for food in a safe and convenient way and additionally, they will continue to work from home and therefore eat more meals at home. We see this trend reflected in our continued strong customer growth and consistently higher customer engagement across all markets, despite Covid related restrictions being lifted during Q3”, says Dominik Richter, CEO and co-founder of HelloFresh. He continues: “We are very proud to have provided five million customers around the world with 162 million meals in the past quarter. We have continued to invest heavily into our product and service



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levels despite a very challenging operating environment, including close to maximum capacity utilisation.”

### **Clear growth path combined with heightened responsibility for planet and people**

In August, HelloFresh committed to offset all its direct carbon emissions, such as from production facilities and offices, business travel and delivery to customers by investing in various climate protection projects (e.g. forest protection projects in Switzerland and Peru and a methane gas project in the Netherlands). The company's data was validated by external partners. This way HelloFresh shows its strong commitment to sustainability and its willingness to take on responsibility for the planet.

The company also demonstrated social responsibility by increasing the number of donated meals and cash assistance to food banks. This way HelloFresh contributes to battling food insecurity which is a pressing issue in these challenging times.

In the US alone, more than 4.1 million pounds of surplus food, equivalent to 3.47 million meals were donated to food banks. Additionally, HelloFresh US has donated over 500,000 meals specifically designed for the food insecure as part of its "Beyond the Box" program to communities near the company's operations in New York and New Jersey.

### **Full year guidance for revenue growth increased for the third time**

Due to the ongoing Covid-19 pandemic HelloFresh increased its full year guidance for revenue growth for the third time in 2020, on October 16th. Based on the strong performance in the third quarter of 2020 and continued strong trends in the early part of the fourth quarter 2020, the company increased its full year 2020 revenue growth guidance for the HelloFresh Group on a constant currency basis from previously between 75% and 95% to now between 95% and 105%. The company also increased its full year 2020 adjusted EBITDA margin guidance for the HelloFresh Group from previously between 9% and 11% to now between 11.25% and 12.75%.



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## Key Performance Indicators

### Group

	Q3 2020	Q3 2019	Y-o-Y
Active customers (m)	5.00	2.61	91.5 %
Number of orders (m)	19.49	9.11	114.0 %
Meals delivered (m)	162.0	68.9	135.1 %

### U.S.

	Q3 2020	Q3 2019	Y-o-Y
Active customers (m)	2.49	1.48	68.7 %
Number of orders (m)	9.97	4.98	100.2 %
Meals delivered (m)	72.7	33.3	118.3 %

### International

	Q3 2020	Q3 2019	Y-o-Y
Active customers (m)	2.51	1.13	122.0 %
Number of orders (m)	9.52	4.13	130.7 %
Meals delivered (m)	89.3	35.6	150.8 %

## Results of Operations

### Group

	Q3 2020	Q3 2019	Y-o-Y
Revenue (in mEUR)	970.2	440.6	120.2 %
Revenue growth in constant currency	1,003.4	440.6	127.7 %
Contribution Margin (in mEUR)*	259.3	121.1	114.1 %
Contribution Margin (in % of Revenue)	26.7 %	27.5 %	(0.8 pp)
AEBITDA (mEUR)	114.7	15.5	640.0 %
AEBITDA (in % of Revenue)	11.8 %	3.5 %	8.3 pp



**U.S.**

	Q3 2020	Q3 2019	Y-o-Y
Revenue (in mEUR)	526.3	246.5	113.5 %
Revenue growth in constant currency	553.8	246.5	124.7 %
Contribution Margin (in mEUR)*	127.9	67.8	88.6 %
Contribution Margin (in % of Revenue)	24.2 %	27.5 %	(3.3 pp)
AEBITDA (mEUR)	57.6	6.4	800.0 %
AEBITDA (in % of Revenue)	10.9 %	2.6 %	8.3 pp

**International**

	Q3 2020	Q3 2019	Y-o-Y
Revenue (in mEUR)	443.8	194.2	128.5 %
Revenue growth in constant currency	449.6	194.2	131.5 %
Contribution Margin (in mEUR)*	134.5	53.8	150.0 %
Contribution Margin (in % of Revenue)	30.2 %	27.7 %	2.5 pp
AEBITDA (mEUR)	69.9	20.8	237.7 %
AEBITDA (in % of Revenue)	15.7 %	10.7 %	5.0 pp

\*Net of share-based compensation expenses

**About HelloFresh**

HelloFresh SE is the world's leading meal-kit company and operates in the U.S., the United Kingdom, Germany, the Netherlands, Belgium, Luxembourg, Australia, Austria, Switzerland, Canada, New Zealand, Sweden, France and Denmark. In Q3, HelloFresh delivered over 162 million meals and reached five million active customers. HelloFresh was founded in Berlin in November 2011 and went public on the Frankfurt Stock Exchange in November 2017. HelloFresh has offices in New York, Berlin, London, Amsterdam, Sydney, Toronto, Auckland, Paris and Copenhagen.

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