



Press release

FY 2019: HelloFresh SE posts first full year of adjusted EBITDA profitability

The company ends 2019 on a very strong fourth quarter

- **The HelloFresh Group delivered more than 280 million meals in 2019 and reached close to 3 million customers in Q4 2019**
- **Group revenue in Q4 2019 amounted to EUR 511.8 million (+39.1% y-o-y in constant currency), driven by strong performance in both the US and International segment**
- **Adjusted EBITDA for the HelloFresh Group in Q4 2019 reached EUR 38.6 million, which corresponds to a margin of 7.5% and is thereby positive for the third quarter in a row**
- **FY 2019: Group revenue reached EUR 1,809.0 million (+37.4% y-o-y in constant currency), adjusted EBITDA for the Group amounted to EUR 46.5 million, which corresponds to a margin of 2.6%**
- **Guidance for FY 2020: The HelloFresh Group expects revenue growth of approx. 22-27% on a constant currency basis and an adjusted EBITDA margin of between 4.0-5.5%**

Berlin, 3 March, 2020 - HelloFresh SE, the world's leading meal kit company, finishes 2019 with an exceptionally strong performance. While Group revenue in the fourth quarter of 2019 amounted to EUR 511.8 million (+39.1% y-o-y in constant currency, Q4 2018: EUR 361.7 million), the Group's adjusted EBITDA reached EUR 38.6 million (Q4 2018: EUR (2.9) million), which corresponds to a margin of 7.5%, and is thereby positive for the third quarter in a row. The outstanding performance was driven by both operating segments, the US and International. Especially the US segment showed very strong growth dynamics in Q4 2019 with a constant currency revenue growth of 45.5%. Group revenue for the full year 2019 amounted to EUR 1,809.0 million (+37.4% y-o-y in constant currency, FY 2018: EUR 1,279.2 million), supported by strong customer growth in both segments throughout the year. As a result, the HelloFresh Group is profitable for the full year 2019 with an adjusted EBITDA of EUR 46.5 million (FY 2018: EUR (54.5) million). This corresponds to an adjusted EBITDA margin of 2.6%.

"2019 has been our most successful year to date. We posted our first full year of adjusted EBITDA profits as a Group. While the US segment is adjusted EBITDA profitable for the first full year, after only six years of operations and despite ramping up two entirely new brands last year, our International segment has already delivered an adjusted EBITDA margin of above 10%. Most importantly we provided customers around the world with more than 280 million meals and had a positive impact on their lives and the environment each time", says Dominik Richter, CEO and co-founder of HelloFresh.



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Key strategic initiatives as growth drivers

Over the past years, HelloFresh has heavily invested in its product offering, pricing, as well as physical and digital infrastructure. By doing so, the company successfully positioned meal kits as a mass market product. As a result, the company gained market share across both segments, fundamentally changing nearly 3 million customer's lives to the better. In addition, HelloFresh doubled down on its sustainability efforts, allowing the company to further strengthen its positive impact on the environment, especially in terms of reducing food waste and carbon emissions.

Outlook for FY 2020: HelloFresh continues its growth momentum

For the full year 2020, the HelloFresh Group expects revenue growth of approx. 22-27% on a constant currency basis. On an adjusted EBITDA level, the company will continue on its positive trajectory and expects a margin of 4.0-5.5% on Group level.



Key Performance Indicators

Group

	Q4 2019	Q4 2018	Y-o-Y	FY 2019	FY 2018	Y-o-Y
Active customers (m)	2.97	2.04	45.3%			
Number of orders (m)	10.54	7.42	42.0%	37.45	27.07	38.3%
Meals delivered (m)	79.6	54.7	45.6%	281.1	198.4	41.7%

U.S.

	Q4 2019	Q4 2018	Y-o-Y	FY 2019	FY 2018	Y-o-Y
Active customers (m)	1.78	1.09	63.0%			
Number of orders (m)	5.98	3.84	55.7%	20.74	14.94	38.8%
Meals delivered (m)	40.5	25.2	60.4%	138.2	99.2	39.3%

International

	Q4 2019	Q4 2018	Y-o-Y	FY 2019	FY 2018	Y-o-Y
Active customers (m)	1.18	0.95	24.9%			
Number of orders (m)	4.56	3.58	27.4%	16.71	12.13	37.8%
Meals delivered (m)	39.1	29.4	32.9%	142.9	99.2	44.0%



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Results of Operations

Group

	Q4 2019	Q4 2018	Y-o-Y	FY 2019	FY 2018	Y-o-Y
Revenue (in mEUR)	511.8	361.7	45.5%	1,809.0	1,279.2	41.4%
Revenue growth in constant currency			39.1%			37.4%
Contribution Margin (in mEUR)*	148.7	105.6	40.8%	518.5	349.9	48.2%
Contribution Margin (in % of Revenue)	29.1%	29.2%	(0.1 pp)	28.7%	27.4%	1.3 pp
AEBITDA (mEUR)	38.6	(2.9)	nm	46.5	(54.5)	nm
AEBITDA (in % of Revenue)	7.5%	(0.8%)	8.3 pp	2.6%	(4.3%)	6.8 pp

U.S.

	Q4 2019	Q4 2018	Y-o-Y	FY 2019	FY 2018	Y-o-Y
Revenue (in mEUR)	293.2	195.4	50.1%	1,024.8	733.8	39.7%
Revenue growth in constant currency			45.5%			32.5%
Contribution Margin (in mEUR)*	85.6	61.2	39.9%	302.4	207.4	45.8%
Contribution Margin (in % of Revenue)	29.2%	31.3%	(2.1 pp)	29.5%	28.3%	1.2 pp
AEBITDA (mEUR)	18.1	(1.0)	nm	8.9	(33.2)	nm
AEBITDA (in % of Revenue)	6.2%	(0.5%)	6.7 pp	0.9	(4.5%)	5.4 pp

International

	Q4 2019	Q4 2018	Y-o-Y	FY 2019	FY 2018	Y-o-Y
Revenue (in mEUR)	218.5	166.3	31.4%	784.2	545.4	43.8%
Revenue growth in constant currency			31.6%			44.0%
Contribution Margin (in mEUR)*	63.7	45.6	39.7%	218.6	145.6	50.1%
Contribution Margin (in % of Revenue)	29.2%	27.4%	1.7 pp	27.9%	26.7%	1.2 pp
AEBITDA (mEUR)	32.3	9.5	240.0%	83.2	14.9	458.4%
AEBITDA (in % of Revenue)	14.8%	5.7%	9.1 pp	10.6%	2.7%	7.9 pp

*Net of share-based compensation expenses

**Group Financial Position**

	Q4 2019	Q4 2018		FY 2019	FY 2018
Net working capital	(94.4)	(85.1)		(94.4)	(85.1)
Cash flow used in operating activities	15.8	(26.2)		42.2	(50.2)
Cash and Cash equivalents	193.6	193.9		193.6	193.9
Free Cash Flow (in mEUR)	2.0	(33.8)		(11.8)	(73.7)

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 and France. In 2019, HelloFresh delivered over 280 million meals and reached close to 3 million active customers in the fourth quarter of 2019. 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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