



HelloFresh Acquires Ready-to-Eat Meal Company Factor75, Inc.

- The acquisition marks the next step in HelloFresh's growth plan in the US to strengthen its leading position and to expand its total addressable market
- Both companies will benefit from their combined resources, operational excellence and data-driven approach
- The total purchase price for the acquisition is up to USD 277 million, of which up to \$100 million is in the form of an earn-out and management incentives

Berlin/New York, November 23, 2020 - Today, US subsidiaries of HelloFresh SE ("HelloFresh"), have entered into an agreement to acquire all of the outstanding equity interests of Factor75, Inc. (including its subsidiaries "Factor"). HelloFresh is the leading provider of meal kits in the world and in the US. Factor is a leading provider of fully-prepared, fresh meals that combine health, convenience and restaurant-quality taste.

The acquisition marks the next step in HelloFresh's growth plan in the US to strengthen its leading position and to expand its total addressable market. The total purchase price for the acquisition is up to USD 277 million in cash, subject to customary purchase price adjustments. Of that amount, USD 177 million is payable upon the closing of the transaction and an aggregate amount of up to USD 100 million is structured as performance-based earn-out, guaranteed by HelloFresh, and ongoing management incentives.

This acquisition brings together HelloFresh's global market expertise in delivering fresh ingredients to customers' doorsteps across 14 countries with Factor's proven success in ready-to-eat meals. Both companies share a strong vision for operational excellence and a data-driven approach to delight customers with great meals consumed at home.

Acquisition allows HelloFresh to tap into new customer segments and increase capacity

"Direct-to-consumer ready-to-eat meals are a nascent food vertical that we believe has the potential to grow into a multi-billion dollar category over time. With Factor, HelloFresh, EveryPlate and Green Chef, we have four high-growth food brands in our Group, all benefiting from our strong growth engine, technology and supply chain infrastructure," says Uwe Voss, CEO of HelloFresh US.

HelloFresh will gain its first office in the Chicago metropolitan area, along with four production and fulfillment facilities. A new facility, which will be launched in the near future, will provide capacity to deliver more than \$500 million worth of prepared meals annually. Factor's full year revenue for 2020 is expected to reach around \$100 million. Due to the complementary nature in product offerings, the acquisition of Factor will drive supply chain and operational synergies for both companies.

Founded in 2013, Factor specializes in providing fresh, ready-to-eat meals with a focus on health and wellness. Factor's rotating menu of breakfast, lunch and dinner options feature Keto, Paleo, low-carb, vegetarian, plant-based and high protein meals that can be heated in the microwave or oven and are ready in minutes. With the addition of Factor to its existing US brand portfolio - comprised of HelloFresh,



EveryPlate and Green Chef - customers will benefit from a diverse and distinct meal offering for every need, occasion and price point.

“Since our founding, Factor has been at the intersection of taste, health, and convenience, providing simple, clean eating that not only tastes great but fuels consumers’ active and busy lifestyles,” said Mike Apostal, CEO of Factor. “By joining HelloFresh, the market leader in meal kits in the US, Factor will leverage new resources and category expertise to accelerate our growth, enhance our brand positioning and further amplify our mission.”

The closing of the transaction is subject to customary conditions precedent, including expiry of the waiting period under the US Hart-Scott-Rodino Antitrust Improvements Act and the approval of the transaction by the majority of Factor’s shareholders, and is currently expected to occur within the next months. Rothschild & Co. served as exclusive financial advisor to Factor, and Kirkland & Ellis provided legal counsel to Factor. Sullivan & Cromwell acted as legal counsel for HelloFresh.

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 2020, 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.

About Factor

Factor is a fully-prepared meal delivery service that is taking a whole new approach to fresh-prepared food. The company’s weekly rotating menu of breakfast, lunch, and dinner options are hand-crafted by gourmet chefs and optimized by dietitians. Every meal is free of refined sugars, gluten, soy, hormones, antibiotics, and GMOs for healthy, clean eating. Factor is based in Batavia, IL and delivers anywhere in the contiguous U.S. Factor is backed by leading consumer investors Listen Ventures, Bluestein Ventures and Marcy Venture Partners.

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